



## Annual Work Plan 2022

### PRIVATE SECTOR DEVELOPMENT PROGRAMME II

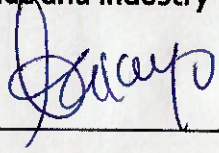
Country: MALAWI

Implementing partner: UNDP

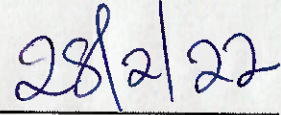
Responsible Party: Ministry of Trade and Industry

AWP Period:	01 January 2022 31 December 2022	Estimated annualized budget: <b>\$3,159,082</b>
Intervention Title:	Private Sector Development Programme II	Allocated resources:
Programme ID:	00125267	Government in-kind
Output 1:	00119673	UNDP Regular \$ 1,250,000.00 (\$778,720.00 already committed in 2021)
Output 2:	00119674	KfW \$ 1,082,582.00
Output 3:	00119675	EU \$ 1,439,254.00
Output 4:	00119676	SDG Fund \$ 131,760.00
Duration:	1 year	IFAD \$ 34,206.00

Agreed by Ministry of Trade and Industry :

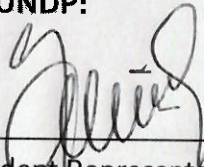


Principal Secretary

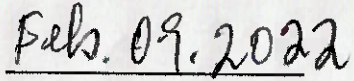


Date

Agreed by UNDP:



Deputy Resident Representative



Date

**Annual Work Plan (AWP)  
Project Award 00125267**

1 January - 31 December 2022

<b>Related UNDP Strategy Outcome:</b>	Outcome 1: Advance poverty reduction in all its forms and dimensions	
<b>Outcome indicators, baseline and targets:</b>	The employment rate by sex, age, mother tongue. Baseline: 80% (National Statistics Office (NSO) 2013) (F: 74 %; M: 86 %) Target: TBD % (F: TBD %; M: TBD %)	
<b>UNDAF Outcome:</b>	Malawi has strengthened economic diversification, inclusive business, entrepreneurship, and access to clean energy.	
<b>Indicative project outputs:</b>	<ol style="list-style-type: none"> <li>Private sector enabled to enhance innovation, productivity, and entrepreneurship;</li> <li>Youth led downstream Micro and Small Enterprises enabled to generate ideas for business start-up; and supported to accelerate and grow;</li> <li>Ministry of Trade and Industry enabled to address selected business constraints for private sector growth;</li> <li>Operational Management.</li> </ol>	
<b>Gender marker:</b>	Gen 2	
<b>Programme Unit:</b>	Resilience and Sustainable Growth	
<b>Project Modality:</b>	DIM	
<b>Brief Project Description:</b>	<p>With a weak private sector, Malawi's potential to achieve strengthened economic diversification, inclusive business, entrepreneurship, and access to clean energy, as well as creation of more formal jobs continues to be fraught. With a stagnant GDP per capita/year, Malawi's total investments are still very low at 13.4% of GDP in 2017. Private sector contribution to robust economic growth is partly limited by their access to affordable finance which is structurally prohibitive. Moreover, corruption, unreliable electricity and water supply, inadequate implementation of trade and industrial related policies, amongst others, are the primary causes for low value addition in the country and high mortality rates of early-stage enterprises. Infrastructure development, the manufacturing base, and adoption of new technology remain far below the sectors' potential. Notwithstanding these challenges, Malawi's business community continues to consistently score high when ranked on appetite for innovation and risk.</p> <p>In its 2019-2023 CPD for Malawi, through this Private Sector Development Programme (PSDP), UNDP seeks to complement Government efforts with regards to private sector led growth and focuses support on accelerating the growth of start-up companies, crowding in impact investment for sustainable enterprise development, and scaling innovation and productive investments in Malawi's agriculture, manufacturing, irrigation and renewable energy sectors. The expected results of the PSD programme intend to enable the private sector to enhance innovation, productivity and entrepreneurship; enable youth-led downstream micro and small enterprises to generate ideas for business start-ups, acceleration and growth, and address selected business environment constraints for private sector growth.</p>	
<b>Total Project Budget:</b>	\$3,159,082	
<b>Project Board Date:</b>	10-Dec-21	
<b>Agreed by Project Board:</b>	10-Dec-21	
<b>Agreed by UNDP:</b>		
<b>Output 1: Private sector enabled to enhance innovation, productivity, and entrepreneurship.</b>		
<b>Indicators:</b>	<b>Baselines:</b>	<b>2022 Targets:</b>
<b>1.1</b> Number of private sector entrepreneurs enabled to access regional and international markets, including access to affordable risk capital to de-risk investment for inclusive business growth models.	<b>23 (2018)</b>	<b>43</b>
<b>1.2</b> Number of new jobs generated by firms participating in the Malawi Innovation Challenge Fund (MICF) disaggregated by gender.	<b>1,477 - 35% women (2019)</b>	<b>2200 (35% Women)</b>
<b>1.3</b> Aggregate number of poor people experiencing net positive income or livelihood improvement as a result of MICF programmes disaggregated by gender.	<b>302,057 - 36% women (2019)</b>	<b>370,065 (40% women)</b>

Key Activity	Actions	Timeline				Responsible Party	Donor Name	Fund Code	Donor Code	Budget Description	Budget	Notes
		1	2	3	4							
1.4 Increased lending to SMEs as a result of the MICF.											\$5 Million	
1.5 Number of SMEs on-lent to as a result of the MICF											2,200	
1.6 Number of new jobs created, and jobs maintained in BUILD Fund investee companies (disaggregated by gender)												
1.1. MICF Fund Management	Payment for MICF management services to the service provider				UNDP	UNDP	4000	12	71200 - International Consultants	0	KfW Funds amounting to \$778,719 already committed in December 2021 for Fund management services to be provided in 2022 for 2022 contract. To be reversed to this TRAC allocation	
1.2 Disburse Grants to successful MICF applicants	Disbursement of Grants MICF contracted grantees for the different windows				UNDP	UNDP	4010	12	72600 - Grants	0	Funds already committed in previous years and will only continue disbursing in 2022	
					UNDP	FCDO	30000	551	72600 - Grants	0	Funds already committed in previous years and will only continue disbursing in 2022	
					UNDP	KfW	30000	10283	72600 - Grants	0	Funds already committed in previous years and will only continue disbursing in 2022	
					UNDP	IFAD/M wGovt	30071	168	72600 - Grants	0	Funds already committed in previous years and will only continue disbursing in 2022	
					UNDP	RNE	30000	187	72600 - Grants	0	Funds already committed in previous years and will only continue disbursing in 2022	
1.3 Due Diligence Assessment (DDA) on potential investees	Support to due diligence process				UNDP	UNDP	4000	12	71600 - Travel	0		
1.4 Pre-Investment and Post-Investment Technical	Technical Assistance delivered to investee				UNDP	UNDP	4000	12	72100 - Contractual Services	0		



Assistance to Impact Investment Fund investees													
1-5	Communication and dissemination	Undertake communication and dissemination of success stories for MIFC	UNDP		SDG Fund	30000	12994	72100 - Contractual Services	50,000				
			UNDP	UNDP	UNDP	4000	12	72500 - Supplies	10,000				
1.5	Communication and dissemination	Undertake communication and dissemination of success stories for MIFC	UNDP	UNDP	SDG Fund	30000	12994	72100 - Contractual Services	50,000				
1.6	Monitoring	Project visits to MIFC and BUILD fund supported companies to monitor implementation progress	UNDP	UNDP	SDG Fund	30000	12994	75700 - Workshops & Conferences	20,000				
1.7	Greening Agenda	Support to the greening agenda	UNDP	UNDP	UNDP	4000	12	71600 - Travel	13,000				
			UNDP	UNDP	UNDP	4000	12	72300 - Fuel	5,000				
			UNDP	UNDP	UNDP	4000	12	72100 - Contractual Services	0				
GMS SDG Fund									5,760				
Sub-Total UNDP									28,000				
Sub-Total SDG Fund									71,760				
Sub-Total for Output 1									105,760				
Output 2: Youth led downstream Micro and Small Enterprises enabled to generate ideas for business start-up, and supported to accelerate and grow.													
<b>Indicators:</b>													
									<b>2022 Targets:</b>				
2.1 Number of MSEs enabled to access affordable finance and Technical Assistance for business acceleration with support from the Growth Accelerator.									11 (2019)				
2.2 Number of direct full-time jobs created by supported MSEs.									200				
2.3 Number of new businesses registered with support from the Zantchito									120				
Key Activity Result Area	Actions	Timeline				Responsible Party	Donor Name	Fund Code	Code	Budget Description	Budget		
		1	2	3	4								
2.1 Growth Accelerator management and Technical Advisory	Disbursement of funds for GA management services to the service provider	1	2	3	4	UNDP	KfW	30000	10283	72100 - Contractual Services	507,000		
2.2 Grants disbursement to successful Growth Accelerator ventures	Disbursement of grants to GA supported Ventures for all the different active rounds	1	2	3	4	UNDP	KfW	30000	10283	72600 - Grants	480,000		
										\$480,000 for 2022 contracting.			

2.3 Fund Management of the financing facility & traceability system for the Zantchito	Establish the Zantchito Traceability System	UNDP	EU	30079	10159	72100 - Contractual Services	300,000	
2.4 Grants disbursement to SMEs under Zantchito	Management services for the financing facility Disbursement of grants to MSEs	UNDP	EU	30079	10159	72100 - Contractual Services 72600 - Grants	140,000 200,000	
2.5 Technical Advisory for incubation and business development services (BDS) support under Zantchito	Advisory services for incubation and business development services (BDS) support	UNDP	EU	30079	10159	72100 - Contractual Services	100,000	
2.6 Communication	Pre-incubation/Incubation/Post-Incubation service provision Undertake communication and dissemination of success stories for GA Undertake multifaceted communication to source Zantchito prospects	UNDP	EU	30079	10159	72100 - Contractual Services	500,000	
2.7 Monitoring	Project visits to GA and Zantchito supported start-ups & incubatees respectively to monitor implementation progress	UNDP	UNDP	4000	12	72500 - Supplies 75700 - Workshop & Conference 71600 - Travel	10,000 5,000 10,000	
	Local Consultant (Engineer/Quantity Surveyor) Support to the greening agenda	UNDP	EU	30079	10159	71600 - Travel 72300 - Fuel 72300 - Fuel 71300 - Local Consultant	10,000 4,000 5,000 10,000	
		UNDP	UNDP	4000	12	72100 - Contractual Services	0	
GMS (KfW)								
GMS (EU)							39,480	
Sub-Total UNDP							44,250	
Sub-Total KfW							34,000	
Sub-Total EU							1,026,480	
							1,309,250	
<b>Sub-Total for Output 2</b>							<b>2,369,730</b>	
<b>Output 3: Ministry of Trade and Industry enabled to address selected business constraints for private sector growth.</b>								
<b>Indicators:</b>								
<b>Baselines:</b>						<b>2022</b>	<b>Targets:</b>	
<b>No (2019)</b>						<b>Yes</b>	<b>o</b>	
3-1 Automated licensing system for Exports and Imports in place.								



3.2 Number of SMEs supported to comply with quality standards under the BMS.										0 (2019)		
3.3 Number of companies enrolled and financially subscribing to the BMS.										60 (2019)		
Activity Results	Actions	Timeline				Responsible Party	Donor Name	Fund Code	Code	Budget Description	Budget	
		1	2	3	4						40	200
3.1 Support implementation of the BMS Marketing and Communication plan.	Outreach to the Private Sector for enrolment into the BMS programme and renewal of subscriptions					UNDP, MoTI	UNDP	4000	12	72500 - Supplies	4,000	
						UNDP, MoTI	UNDP	4000	12	71600 - Travel	3,000	
						UNDP, MoTI	UNDP	4000	12	72300 - Fuel	3,000	
	Buy local shows in rural areas especially district centres					UNDP, MoTI	UNDP	4000	12	72100 - Contractual services		
						UNDP, MoTI	UNDP	4000	12	71600 - Travel		
						UNDP, MoTI	UNDP	4000	12	72300 - Fuel		
	Key Marketing & communication strategies (Publication of success Stories and profiling of member companies; Billboards erected in some selected districts; Develop Guidelines/Booklet on various BMS areas - use of logo, delivery of benefits, procurement, distributors, SMEs contracts; quarterly business/product directory for BMS paid up members)					UNDP, MoTI	UNDP	4000	12	72100 - Contractual services	40,000	
	BMS Website and Email hosting fees					UNDP, MoTI	UNDP	4000	12	72100 - Contractual services	2,000	
	BMS product features (pull-outs)					UNDP, MoTI	UNDP	4000	12	72400 - Communication and Audio visual	3,000	
	BMS Review					UNDP, MoTI	UNDP	4000	12	72100 - Contractual services	12,000	
	Promotional activities during Buy Malawi Day (The event will be a Malawi expo event where only goods manufactured in the country will be on display), international & regional Trade Fairs participation and other notable functions of professional associations or national events					UNDP, MoTI	UNDP	4000	12	71600 - Travel	3,000	
							UNDP	4000	12	72100 - Contractual services	12,000	
	BMS Secretariat Office equipment					UNDP, MoTI	UNDP	4000	12	72800 - Information Technology	8,000	

Key Activity Result	Actions	Timeline	Respo	Donor	Fund	Donor	Budget Description
	Sensitisation meetings with MDAs' procurement committees about the BMS		UNDP, MoTI	UNDP	4000	12	equipment 71600 - Travel
			UNDP, MoTI	UNDP	4000	12	72300 - Fuel
	Facilitate B2B interface meetings for BMS members		UNDP, MoTI	UNDP	4000	12	75700 - Workshops & Conferences
	Vehicle maintenance		UNDP, MoTI	UNDP	4000	12	73400 - Maintenance of equipment
3-2 Support the review of export and import licensing process and subsequent automation of the same.	Engagement of a consultant		UNDP, MoTI	UNDP	4000	12	71300 - Local consultants 0 Consultancy firm contracted in Q4 of 2021 and funds committed. The Assignment is progressing in 2022
	Stakeholder consultation (Validation session of the consultancy to automate the business licencing process)		UNDP & MoTI	UNDP	4000	12	75700 - Workshops & Conferences
3-3 Support to SMEs to comply with quality standards under the BMS.	Information sessions (workshops) technical assistance to Buy Malawi Strategy (BMS) paid up members on quality standards		UNDP, MoTI & MBS	UNDP	4000	12	75700 - Workshops & Conferences
			UNDP, MoTI & MBS	UNDP	4000	12	72300 - Fuel
			UNDP, MoTI & MBS	UNDP	4000	12	72600 - Travel
3-4 Support to Policy Framework review to minimize product smuggling and counterfeiting.	Engagement of a consultancy firm		UNDP & MoTI	UNDP	4000	12	71300 - Local Consultants
	Stakeholder consultation (Validation workshop of the consultancy for the review of the anti-smuggling & counterfeit regulatory frameworks)		UNDP & MoTI	UNDP	4000	12	75700 - Workshops & Conferences
Sub Total UNDP							
<b>Sub-Total for Output 3</b>							<b>167,000</b>
<b>Output 4: Operational Management</b>							
<b>Key Activity Result</b>	<b>Actions</b>	<b>Timeline</b>	<b>Respo</b>	<b>Donor</b>	<b>Fund</b>	<b>Donor</b>	<b>Budget Description</b>



Area					nsible Party	name	Code	Code	Code	
	1	2	3	4						
Operational Management					UNDP	UNDP	4000	12	72500 - Supplies	5,395
					UNDP	UNDP	4000	12	72300 - Fuel	2,000
					UNDP	UNDP	4000	12	75700 - Workshops & Conferences	3,000
					UNDP	UNDP	4000	12	74100 - Professional Services	8,000
					UNDP	UNDP	4000	12	61300 - Salary and related costs	119,520
					UNDP	EU	30079	10159	61300 - Salary and related costs	120,300
					UNDP	SDG Fund	30000	12994	61300 - Salary and related costs	50,000
					UNDP	UNDP	4000	12	61100 - Salary and related costs	37,865
					UNDP	KfW	30000	10283	61100 - Salary and related costs	31,546
					UNDP	IFAD/IM WGovt	30071	168	61100 - Salary and related costs	33,210
					UNDP	KfW	30000	10283	77100 - Salary and related costs	20,400
					UNDP	UNDP	4000	12	77100 - Salary and related costs	40,000
					UNDP	UNDP	4000	12	72800 - Information Technology Equipment	5,000
					UNDP	UNDP	4000	12	71500 - UNV Living Allowance	13,500
				UNDP	UNDP	4000	12	72400 - Phone charges	8,000	
				UNDP	UNDP	4000	12	71300 - Local Consultant		
GMS KfW										4,156
GMS EU										9,704
GMS SDG Fund										4,000
GMS IFAD										996
Sub Total KfW										56,102
Sub Total EU										130,004
Sub Total SDG Fund										54,000
Sub Total IFAD										34,206
Sub Total UNDP										242,280
<b>Sub-Total for Output</b>										<b>516,592</b>

Sub-Total for Outputs 1-4										3,159,082
Grand Total										3,159,082