

評価調査結果要約表（英）

1. Outline of the Project	
Country: Republic of Malawi	Project Title: The Project for Capacity Enhancement in Public Sector Investment Programming Phase II
Issue/Sector: Planning/Government -Government-Banking/Finance	Cooperation Scheme : Technical Cooperation
Division in Charge: Public Policy and Financial Management Team, Governance Group, Industrial Development and Public Policy Department	Total Cost: 490 Million JPY (as of the moment of Terminal Evaluation)
Period of Cooperation: From March 2013 to September 2016 (Three years and six months)	Partner Country's Implementing Organization: Department of Economic Planning and Development/Public Sector Investment Programme Unit (PSIP), Ministry of Finance, Economic Planning and Development (MEPD)
	Supporting Organization in Japan: N/A
1.1 Background of the Project	
<p>The Republic of Malawi manages development projects which are on-going and scheduled in the next five years under Public Sector Investment Programme (PSIP) in order to effectively utilise limited development resources. The overall objective of PSIP is to act as a mechanism that screens development projects to ensure that they are in line with priority areas of the Malawi Growth and Development Strategy (MGDS) and that the implementation of such projects is conducted in a most effective and efficient manner. The effective selection of development projects and the adequate distribution of funds towards the development budget will be realised when PSIP is operated appropriately. Ministry of Economic Planning and Development (MEPD) had, however, limited capacity and experiences to operate PSIP with the line ministries as well as to coordinate with the Ministry of Finance (MOF). As a result, project proposals by line ministries were of low quality and not submitted on time, and the coverage of PSIP on the development budget was small.</p> <p>Because of the situation mentioned above, the Government of Japan (GoJ) carried out the Technical Cooperation Project on Capacity Enhancement in Public Sector Investment Programming (CEPSIP I) from July 2009 to July 2011 in order to enhance the capacity of PSIP Section and PSIP Database system. As a result of CEPSIP I, the capacity of PSIP Section staff has enhanced and MEPD has been able to manage PSIP in line with a set schedule, time required for PSIP procedure has shortened, and all Ministries has submitted project proposals to PSIP. However, it was pointed out that (1) the implementation performance of on-going projects was not adequately fed back to the appraisal in the subsequent year, (2) the approval criteria for on-going project has not yet been well established in MEPD, and (3) the process among MEPD and line ministries as well as MOF are not satisfactory harmonized. Therefore, the Government of Malawi (GoM) requested GoJ for the Technical Cooperation Project on Capacity Enhancement in Public Sector Investment Programming Phase II (the Project) for</p>	

further improvement of PSIP.

1.2 Project Overview

(1) **Overall Goal of the Project:** The development project cycle will be efficient and effective.

(2) **Project Purpose:** Public Sector Investment Programme (PSIP) is operated with increased efficiency and enhanced harmonisation within the public financial and economic management framework.

(3) Outputs

- 1) Database and Manuals/Handbook for PSIP are improved (especially for an appraisal of on-going projects considering their past implementation performance).
- 2) The process of PSIP is further harmonized with the planning and budget processes of relevant ministries and the Budget Division.
- 3) The capacity to use improved Database and Manuals/Handbook for PSIP is built in PSIP Section and line ministries.

(4) Inputs

Japanese side:

- Japanese Experts: Six (6) Experts for the total of 101 M/M (excluding 3.14 M/M additionally provided by the dispatch company of the Experts)
- C/P Training in Japan: Two (2) training courses for 17 participants in total
- Third country training: Three (3) training courses for 9 participants in total
- Equipment: JPY 3.75 million (approximately USD 32.3 thousand)
- Operational Expenses: JPY 29 million (Approximately USD 251 thousand)

Malawi Side :

- C/Ps: Project Director, Project Manager, and 18 C/P drawn from Development Planning Division (13 in total) and ICT Section (five in total)
- Facilities: Office space for the Experts
- Operational Expenses: MWK 105 million (approximately JPY 25.8 million)

2. Evaluation Team

Members of Evaluation Team (Japanese side)	[Leader]	Dr. Hirofumi Kawakita, Senior Advisor in Governance, JICA
	[Evaluation Management]	Mr. Yoichiro Kimata, Acting Director, Public Policy and Financial Management Team, Governance Group, Industrial Development and Public Policy Department, JICA
	[Evaluation Analysis]	Dr. Maki Tsumagari, IMG Inc.
Evaluation Period	April 17th to 29th, 2016	Type of Evaluation : Terminal Evaluation

3. Results of Evaluation

3.1 Confirmation of Results

(1) Achievements of Outputs

- 1) **Output 1** (Database and Manuals/Handbook for PSIP are improved (especially for an appraisal of on-going projects considering their past implementation performance) was **fully achieved** as all

the associated indicators have been met by the time of the Terminal Evaluation.

- **OVI 1-1.** The extent to which the identified issues were addressed by the modification of Database, Manuals/Handbook (**Achieved**): Project made efforts in responding to the issues presented as modifications of PSIP tools were taken care. On the interface between PSIP and Integrated Financial Management Information System (IFMIS), the Project discussed with the donor funded IFMIS consultants and agreed on specification for experimental connection with the current IFMIS. On technical problems with Government Wide Area Network (GWAN), the Project diagnosed in collaboration with E-Government Department and acted on the identified routing configuration. On human errors associated with proposal re-submission process, the Project decided to address it through the arrangement that both management and desk officers will be responsible for updating Database information.
 - **OVI1-2.** Increased availability of information in the PSIP Database in such aspects as; implementation of on-going project, modification in plans, results of monitoring activities, etc. (**Achieved**): Based on a thorough review, the Project revised PSIP Proposal Template that is better structured for the project plan to be logically presented. These changes were accommodated by breaking up information on different steps of the project plan into separate columns, so that by filling information in each column, the logical flow of the presentation was built up. Also Database was reconfigured to not to accept submission with blank columns. As a result, increased volume of information with better quality is stored in the Database. The changes have been well felt by the PSIP Unit staff who go through them for project appraisal.
 - **OVI1-3.** User's higher evaluation on usefulness and operability of PSIP Database, Manuals/Handbook (**Achieved**): The March 2016 survey conducted by the Project that asked to rank the usefulness and operability of the respective tools between 0-100 range score (with 50 as a reference point) received “relatively positive (75-85)” or above scores from the majority of the respondents.
- 2) **Output 2** (The process of PSIP is further harmonized with the planning and budget processes of relevant ministries and the Budget Division) is **partially achieved**, as although the Project has conducted all the activities that have been planned by the time of the Terminal Evaluation, there is an indicator that cannot be fulfilled by the effort of the Project alone.
- **OVI2-1.** The extent to which the identified issues were addressed in the modified PSIP process (**Achieved**): On the six (6) issues that were raised at the 6th JCC meeting (December 2015) (i.e. violation on compliance with PSIP process, communication glitch with MDAs, limited capacity on the MDAs side, uneven capacity of Desk Officers at PSIP Unit side, ambiguity of PSIP’s eligibility criteria, and the concept of “output” being used by different parties for different objectives), the Project devised ways to address each of them and incorporated the countermeasures into PSIP process.
 - **OVI2-2.** Percentage of development projects which did not pass the PSIP process: Less than 2% in FY2016/17 (**Not Achieved**): The figure for FY2015/16 is 29.3%. Most of the projects included in that figure are Part 1 projects (i.e. funded solely by on-budget Development Partner resources). In

order to improve the capture by PSIP of those Development Partner funded projects, the Project has been seeking possibility of further alignment, including feeding data from Budget Division (BD) and Debt and Aid Management Division (DAD), as well as use of common project code with new IFMIS. At the time of the Terminal Evaluation, the most realistic approach considered and taken is PSIP obtaining such information through the MDAs and/or Project Implementation/Management Unit (PIU/PMU) of the projects directly.

- **OVI2-3.** Reduction of duplication in reporting and communication for PSIP and monitoring of projects (**Achieved**): Information that is collected through PSIP preparation process and stored into PSIP Database and Project Financial Management Information Tool (PFM-IT) has come to serve as reference information for respective agencies' own purposes (such as internal quarterly reporting and passing on to the auditor).
- 3) **Output 3** (The capacity to use improved Database and Manuals/Handbook for PSIP is built in PSIP Section and line ministries) is **fully achieved** through meeting all the indicators by the time of the Terminal Evaluation.
- **OVI3-1.** Number of persons in PSIP Section and line ministries who are equipped with knowledge and skill to fully utilize PSIP Database and Manuals/Handbook: from ## (201##) to ## (2015/16) (**Achieved**): Against the FY2013/14 figure of 101 persons that received intensive training organized by the Project to guide the participants to become proficient in PSIP process and tools, the FY2015/16 figure recorded a total of 252 persons, that is 2.5 times increase. The training was facilitated by PSIP Unit staff supported by the Experts, and covered contents such as introduction and discussion of what are new in PSIP procedures, project logical structure, costing, appraisal method, and project management (financial reporting). In addition to such group training, the Project has been conducting hands-on guidance visits to MDAs to respond to client specific needs. Thus, potentially, the actual total number of the trained well surpasses the number presented.
 - **OVI3-2.** Increased number of registered active users of PSIP Database (total, line ministries, other institutions); from ## (201#/1#) to ## (2015/16) (**Achieved**): The trend of the number of active registered users (i.e. users who have logged into the PSIP Database within the last 6 months) shows a slight increase over the course of the last three years from 37 in April 2013 to 41 in March 2016. The current version of the Database was launched in December 2015 at the time of proposal registration, and was featured for mainstreaming during the workshop held in March 2016. By this sensitization, there is potential for increase in the number of active users from those sensitized for accessing the new version of the Database.
 - **OVI3-3.** Increased number of online page views generated by PSIP Database (total, PSIP, line ministries, other institutions); from ## (201#/1#) to ## (2015/16) (**Achieved**): In comparison to the pre-Project average figure of 496 page view/month in FY2012/13, the figure for this indicator at the time of the Terminal Evaluation is almost three (3) fold, at 1,479 page view/month, computed based on the average number of access/day for FY2015/16. There were periods when two servers were in parallel operation to accommodate migration from one to the next, and figures from those periods were excluded from this statistics. Times when the page view log did not remain in the

system were also taken out. Thus, the figures presented here can be considered as the absolute minimum recorded.

- **OVI3-4.** Percentage of projects using the required formats: 70% in 2016/17 PSIP (**Achieved**): Through the step-by-step responses of the Project, the procedure has advanced with built-in error detective function where the Database will not accept submission without complete input. As the system arrangement mainstreamed, the awareness on the importance of full information provision has also elevated among the concerned, both at the receiving end of the project application (i.e. PSIP Unit) and the sending side of the data (i.e. MDAs). Thus, even for submission by excel file, both take the error message seriously and refinement communication smoothly takes place toward clean final submission. With such mechanism, by now, percentage of projects using the required format reached 100%.
- (2) Prospect for Achieving the Project Purpose: Project Purpose** (PSIP is operated with increased efficiency and enhanced harmonisation within the public financial and economic management framework) **has been partially achieved.**
- **OVI1** Increased amount and elevated quality of information (both on new projects and on-going projects) available for an appraisal by PSIP Section (**Achieved**): Because of the way proposal template is reconfigured by breaking down presentation of logical steps in separate columns, the amount of information spelled out (in increased number of columns from the previous version of the template) is more coherently presented, leading to the improvement in the quality of argument.
- **OVI2** Improved observance ratio of the deadlines of PSIP process by PSIP Section and line ministries to 90% by project completion (**Not Achieved but safeguarding arrangement in place**): For FY2013/14 and FY2014/15, submissions were counted based on if they were received on time regardless of the contents of the proposals, which recorded 45% and 50% respectively. For FY2015/16, the rule was changed and submissions were accepted only on the condition of correct input. That change slightly reduced the observance ratio to 41%, possibly also due to submission using the revised template (in September 2015) with which applicants had not become familiar. However, the changes made are tailored for the necessary information to be compiled in a coherent manner, and thus it is then anticipated that the next fiscal submission will be managed more smoothly, positively affecting the achievement of the indicator.
- **OVI3** Improved evaluation on the PSIP efficiency by the stakeholders (PSIP desk officers, Planning Section of line ministries, Budget Division, etc. (**Achieved**): The survey administered by the Project in March 2016 asked PSIP staff and PSIP relevant MDA officers on the improvement from 2013 to 2016 by giving a score between 0 and 100 with 50 as benchmark, and confirmed that the PSIP's elevated efficiency is well noted by these relevant parties. Ninety-five (95) % considers that the Project has improved the PSIP process, and ninety (90) % feels his/her workload (working time) for each part of the PSIP process is reduced.
- **OVI4** The number of votes that have no discrepancies between the number of the projects in the development budget component of the budget book and that in the PSIP Database will increase from 5 to ## (**Not Achieved**): Even after elimination and consolidation of ministries in May 2014,

identical or similar projects are still linked to multiple votes in the budget book, and the corresponding figure for FY2015/16 was three (3). Consolidation of votes on the side of budget book is indispensable for the Project to meet this indicator, however, at the time of the Terminal Evaluation, no such action has been in place. The Project has devised a way to link PSIP Database with IFMIS (data source for the budget book) using common project code so that discrepancy will be avoided. This is slated with the new IFMIS, whose launch is unfortunately not yet determined.

3.2 Summary of Evaluation Results

(1) Relevance: High³

- 1) Relevance with the Government policy of the Republic of Malawi: The Project was planned and initiated in line with Malawi's national development plan, Malawi Growth and Development Strategy II (MGDS II) (2011–2016). At the time of the Terminal Evaluation, the same medium Plan is still on-going, and the enhanced PSIP procedure and the set up by the Project is positioned to provide a machinery for the implementation of the Strategy as a “country system.” Direct references to PSIP on this point are made in the policy documents including Development Cooperation Strategy for Malawi 2014-018 (2014) and Public Private Partnership Policy and Act (PPP Act) (approved by Cabinet on 18 May, 2011).
- 2) Alignment with strategic plan/direction of Malawi's sectoral priorities: At the pre-Project launch Detailed Survey (June 2012), the Project's relevance was discussed and confirmed in line with the Public Financial and Economic Management Reform Program (PREM-RP) (2011-14). However, a large-scale embezzlement surfaced in 2013, for which vulnerability of management system was linked as one plausible cause for inviting such conducts, PREM-RP has been halted. At the time of the Terminal Evaluation, the Programme has not proceeded for achievement neither planning of succeeding plan(s). Yet, the review of the scandal led to setting up of countermeasures compiled into Public Finance Management Reform Programme (PFMRP). The Project has activities that address PFMRP priorities in four areas: (1) Implement Robust Expenditure Controls, (2) complying with the PFM legal framework, (3) improving budget credibility, reporting and transparency, and (4) increasing capacity to perform internal and external audits.
- 3) Relevance with the needs of beneficiaries: At the time of the Terminal Evaluation, the stakeholders' many positive evaluative comments were captured regarding PSIP's training, annual orientation seminars, as well as MDA visits as these initiatives enabled more intimate collaboration among the stakeholders. This high evaluation of the beneficiaries on the Project was realized in large part by the actions taken in response to the recommendation by the Project's Mid Term Review on strategic partnership building. Involving relevant institutions allowed the Project to better understand the needs of the beneficiaries and framed its activities in direct response to their needs.
- 4) Relevance with the Japan's ODA Policy: Japan's current assistance policy for Malawi (April 2015) states its overall principle of supporting the country overcome serious poverty issues led by its MGDS, placing the Project highly relevant.

³ Based on a three-point scale of high, fair, and low.

- 5) Comparative Empirical and Technological Advantage of Japan's Cooperation: The technical cooperation arrangement by Japan allows the Japanese experts to stay on the course of Project implementation through which they guide the C/P in their day-to-day dealing with the stakeholders. That way, a feature capability of the Project that is "Mechanism of Project That Learns" was built in to maximize project performance.
- 6) Appropriateness of project design and approaches: For seeking harmonization on public financial management with MFEPD's other units, the Project pursued to strengthen PSIP platform and process, and approached these relevant units for possibility of interfacing. While the approach is appropriate, it has been challenging for the Project, as the preparedness as well as appetite for the other parties' interest in connecting with PSIP do not seem to equal that of PSIP. While it seems a tedious one, given each side has its own reasons and difficulties, the approach adopted by the Project is a realistic one, which is to drive the process with patience while enlarging the critical mass among and within the MDAs who shows interest in the benefit of what the Project intervened PSIP platform and process brings.

(2) Effectiveness: Fair

The effectiveness of the Project is assessed as fair, for having partially met the Project Purpose as per the determined indicators.

The Project has developed and refined PSIP tools (i.e. Database, Handbook, Manuals) reflecting issues identified in close communication with the stakeholders. The Project created a proposal template in which by filling in columns the MDAs are guided to build a logical presentation of their project plan with associated costs linked to activities. By strengthening the ability of MDAs on composing better quality and more informative proposals, the Project has come to accumulate better basis for appraisal reference information. Active engagement between PSIP Unit and the MDAs through the process has forged trusting relationship. Appreciation by MDAs is evident for the support and guidance provided by PSIP Unit to manage their PSIP process with ease while letting them also accumulate quality information on the project.

Because the Project sought to establish a solidly improved environment for efficient and effective management of PSIP process, numerous transitions were encountered such as sizable changes in the templates which seems to have pressured the observance ratio of submission deadline, for which 29% was recorded for FY2016/17 against the indicator of 90% set for Project completion. Also, as the Project set a high goal of contributing to harmonisation of public financial and economic management framework, in the absence of other parties' readiness, the Project's aspiration could not be reached in time. These factors affected the Project to not to achieve the Project Purpose in full. There are no other factors observed affecting the effectiveness of the Project.

(3) Efficiency: High

- 1) Causality of Inputs and Outputs: The Project introduced to PSIP process new architectures, such as (a) IT based platform (i.e. enhanced versions of Database), (b) tools to guide the work of PSIP Unit as well as to navigate the MDAs to manage the procedure (i.e. template, handbook, manuals, PFM-IT, etc.), and (c) training. In order to engage broader community of PSIP concerned officers

at MDAs without adding pressure on workshop budget, the Project emphasized visits to MDAs for hands-on technical guidance. These are measures extremely well received by the stakeholders as expressed to the Terminal Evaluation Team, and what enforced direct cause and effect relationship between Project Inputs and Outputs.

- 2) Achievements of Outputs: The important assumption set for the Project at launch was “Public Financial and Economic Management Reform Program (PREM-RP) is implemented as scheduled.” A large-scale embezzlement that surfaced in 2013 largely halted PREM-RP, and as a result this assumption did not hold in support of the Outputs as originally assumed. However, the assumption did not affect the performance of the Project activities and thus neither the achievement of Outputs.
- 3) Appropriateness of Inputs by Japan: The planned input was procured to support effective implementation of the Project. In order to address relevant issues at timely manner, Japanese Experts actively reached out to the stakeholders. The servers purchased for the Project have become imperative items to drive the Project activities that are founded on the Database. Such items require continuous maintenance and management into the future beyond the Project period, and thus a successful transfer arrangement for future management is sought. Training in Japan was highly valued as offering eye-opening experiences to see different practices, such as those on auditing and business ethics. Among the action plans prepared by the trainees based on the training, institutionalization of fixed assets register has been considered for uptake into policy.
- 4) Appropriateness of Inputs by Malawi: Malawi side also secured sizable scale of resources to support the Project activities, including cost of monitoring travel for the site validation visits.

(4) Impact: High

Toward achievement of Overall Goal (The development project cycle will be efficient and effective) by meeting the indicator (Projects due for completion but requiring an extension not more than 15 percent (every year)) within the timeframe of three to five years after the Project completion, the Project has devised the following measures, while the figure stands at 20% at the stage of the Terminal Evaluation:

- Over the course of the last two annual orientation sessions, the Project emphasized to MDAs to prioritize completion of on-going projects rather than pushing for new projects so that not too many new project applications are brought in to put pressure on the limited resources.
- To encourage MDAs on such prioritization as well as to increase predictability for PSIP Unit, the Project is planning to incorporate into the quarterly reporting template a section to indicate extension intent (slated for July 2016).

Since unexpected extensions include cases which could not complete project activities due to lack of budget allocation and thus require carry-over, the above measures are anticipated to improve predictability and contribute to lessening encroachment by such extensions onto funding meant for new and (planned) renewal cases. Yet, unpredictability might persist because of fluctuation in the level of total funding that is outside the control of PSIP Unit, prospect of achieving the Overall Goal is fair.

Project developed tools (particularly Database and PFM-IT) has provided a common information

exchange platform beyond PSIP use within MDAs among departments/staff concerned with development projects. They have started to operate and use it to swiftly look up information on the projects and/or analyze multiple project features as a portfolio. Thus, while the prospect for achieving the Overall Goal entails uncertainty, together with the tangible positive impacts that have already emerged, in totality, the impact warrants the rating of high.

(5) Sustainability: Fair

For the achievement of the Project to be sustained and/or further developed by the Malawi side after the Project period, there is room for efforts and preparation. Thus, sustainability of the Project achievements is assessed as fair.

- 1) Institutional Aspect: While there is not a stand-alone legal reference that singlehandedly governs PSIP, given it is a long standing “country mechanism ” embedded in the public financial sector management of Malawi, PSIP has been incorporated into multiple institutional frameworks. Therefore, it is anticipated that the motivation to sustain and further align PSIP with the rest of the country’s public financial management data domains such as new IFMIS will persist with or without PSIP specific legal statute. Nonetheless, such motivation will be well guarded if legal framework is constituted for PSIP, be it its own Act, housed into the revision of PFM Act, or some other measures.
- 2) Organizational Aspect: The core of the C/P unit (i.e. PSIP Unit) is composed of planning economists and systems specialists. Since the staffing is governed by the (specialization specific) common pool human resource management arrangement where economists can be placed and transferred across government service, for example, the narrower sense of retaining the Project trained staff for continuity should not be expected. The Project engaged with the wider development project concerned community of the government through inviting them to Project activities (e.g. workshop, training, outreach guidance), and has constituted an extended PSIP team with not only MDAs’ direct PSIP counterpart but also with staff from other units such as accountants, auditors, sector specialists. Going forward, the organizational architecture that sustains PSIP process should then be looked at this extended team level.
- 3) Technical Aspect: During the Terminal Evaluation, the issues of nurturing critical mass of PSIP specialists, and transferring human interface with stakeholders from Japanese Experts to PSIP Unit staff, have emerged and re-emerged. Also, since it is not only highly specialized but also very progressive area, sustainability of Project cultivated technical skills on IT was raised. Utilizing the remainder of the Project period, a clear exist strategy needs to be formulated and communicated to the stakeholders based on a review of (1) already accumulated skills and (2) areas of concerns beyond the departure of the Japanese Experts.
- 4) Financial Aspect: During implementation, the implementing agency has provided a sizable counterpart contribution to the Project. At the time of the Terminal Evaluation, the agency has assured its commitment to continue the financial resource arrangement for the necessary uptake of the Project induced activities, having recognized the value created by the Project. Positive indication for financial sustainability of the Project effects is also seen from the engagement of the

larger government system. For example, E-Government Department confirmed that use of domain name psip.malawi.gov.mw and renewal of the three year certificate for the Wild Card SSL (security measures for all the domains hosted under malawi.gov.mw in which PSIP portal is located) will be automatically taken care as a part of government IT system, illustrating such maintenance cost is internalized into the government mechanism.

3.3 Factors Promoting Project Effects

(1) Factors concerning to Planning

No particular issues are identified.

(2) Factors concerning to Implementation

Management of the Project took a dynamic form, constantly innovating better approaches and searching for the right collaborators for solution. Realizing that the quality and quantity improvement of the contents in PSIP Database depends on what MDAs can compose on their end, the Project, to the extent possible, internalized PSIP liaisons at MDAs as a pertinent stakeholder group as “Extended C/P,” who are not limited to planning economists but also includes accountants and auditors, who are attracted by the linked information on finance/expenses that the PSIP Database is configured to store. Thus, the advantage of working with the Project has become unquestionable in the mind of the MDAs.

3.4 Factor Inhibiting Project Effects

(1) Factors concerning to Planning

No particular issues are identified.

(2) Factors concerning to Implementation

No particular issues are identified.

3.5 Conclusion

The relevance of the Project is evaluated as high based on its close alignment with (1) the government policy of the Republic of Malawi, (2) alignment with the strategic plan/direction of Malawi’s sectoral priorities, (3) relevance with the needs of the beneficiaries, (4) relevance with the Japan’s ODA Policy, and (5) comparative empirical and technological advantage of Japan’s cooperation. The effectiveness of the Project is assessed as fair, as the Project Purpose could not be achieved in full due to issues outside the control of the Project, and the prospect of elevating the prospect for meeting the remaining Project Purpose indicators is low even though all the Project initiated activities have led to producing successful results. The efficiency of the Project is evaluated as high in view of the four dimensions of input-output relationships that the Project managed for results: (1) causality of inputs and outputs; (2) achievements of outputs; (3) appropriateness of inputs by Japan; (4) appropriateness of inputs by Malawi. Although the Project has devised measures to guide the process with a view to meet the indicator set for the Overall Goal, external uncertainty (due to funding

fluctuation) might affect the course. Thus, the prospect for achieving the Overall Goal is fair. Yet, since ample positive impacts have already been produced, together with such tangible impacts, in totality, the impact warrants the rating of high. Project sustainability is considered fair, based on a comprehensive assessment of the implementing agency's current institutional, organizational, technical, and financial aspects.

The Project has made tangible contributions to elevating the capability of PSIP as a system for running the country's public sector investment planning for development. Because of the significant achievements that the Project has attained, however, how the Project solidifies those achievements in preparation for post-completion of the Project is illuminated as a question. This question overarches the sustainability dimension of the evaluation, and has led the Joint Terminal Evaluation Team to frame their recommendations presented next.

3.6 Recommendations

Based on the conclusion of results, Joint Terminal Evaluation Team recommends that the Project be extended one year in order to secure sustainable and self-reliant management function of PSIP Unit through conducting one more cycle of PSIP process. It is indispensable for sustaining the effects brought by the Project in the future.

The team provides the following recommendations by the end of extended Project period and in mid or long term perspectives:

(1) Recommendation by the End of Extended Project Period

1) Closer communication between PSIP Unit and MDAs for upgrading quality and timeliness of PSIP proposals

Considerable changes in the template affected the submission rate by the deadline (29%), but many MDA members deepened their understanding on the connection of pieces of information that are required to be spelled out for proposal application. Meanwhile, PSIP Unit conducted outreach activities to all MDAs for the PSIP preparation process for FY2016/17 by visiting MDAs for hands on and tailored guidance. It is highly expected that PSIP Unit promote their outreach activities in MDAs' proposal formulation in self-reliant manner to secure both quality and timeliness of their proposal.

2) Self-help operation and guidance of the updated PSIP Database (version 3) by PSIP Unit

PSIP Database will be updated after the PSIP preparation process for FY2016/17. Considering numerous questions on the database from MDAs so far, it is necessary for PSIP Unit to understand operating the new database and to provide technical guidance to MDAs in the next PSIP preparation process.

3) Reflecting information of Part 1 (DP funded Project budget) into PSIP

The gap of development budget between budget document and PSIP Database in FY2015/16 was 29.3% because 76.8% of Part 1 projects have been formulated outside the PSIP process. The team recommends that MFEPD establish the measure to collect Part 1 projects information and take it into action in the next PSIP preparation process.

(2) Recommendation in Mid or Long Term Perspectives

1) Institutionalization of PSIP process

Strengthening compliance of PSIP process requires institutional framework including legalization. MFEPD is now discussing the amendment of PFM Act which includes PSIP process. It is recommended to promote its discussion with involvement of PSIP Unit for enhancing PSIP in harmonization with public financial and economic management framework.

2) System Linkage between PSIP and IFMIS

The Project has devised a way to link PSIP Database with the new IFMIS using common project code to avoid the discrepancy. Even though the development of new IFMIS has not yet started, it is highly required to encourage its process and reflect the common project coding.