

REF.NO: DEVD 14/12/23

12th April, 2024

FROM: PRINCIPAL SECRETARY FOR ECONOMIC PLANNING AND DEVELOPMENT, MINISTRY OF FINANCE AND ECONOMIC AFFAIRS, P.O BOX 30049, LILONGWE 3.

TO : ALL CONTROLLING OFFICERS

Cc: SECRETARY TO THE PRESIDENT AND CABINET, OFFICE OF THE PRESIDENT AND CABINET, PRIVATE BAG 301, LILONGWE 3

**2024/25 FINACIAL YEAR PUBLIC SECTOR INVESTMENT
PROGRAMME CIRCULAR No. 1: CALL FOR DEVELOPMENT
PROJECT PROPOSALS**

In accordance with the Public Sector Investment Programme (PSIP) calendar, I inform you that the Ministry of Finance and Economic Affairs, through the Department of Economic Planning and Development, has initiated the formulation of the 2025/26-2029/30 PSIP. In this regard, I would like to urge all Government Ministries, Departments and Agencies (MDAs) to submit proposals for new and ongoing projects as per the PSIP's specified standards.

The selection and approval of new and ongoing projects shall be contingent upon project's relevance, effectiveness, efficiency, impact, coherence, and sustainability. To that end, the relevance of a project shall be determined based on the project's alignment with the Malawi 2063's pillars and enablers. Project's effectiveness shall be assessed based on logical flow in its results chain. Efficiency shall be ascertained by weighing the benefits and costs of a proposed development project. Additionally, both negative and positive environmental, economic, and social impacts of a proposed project shall be evaluated. Finally, a proposed development project shall be assessed based on whether it meets the needs of the current generation without jeopardizing the ability of future generations to meet their own needs.

New and pipeline projects must be submitted using the New Project Proposal (NPP) template. As a means of optimising resource utilisation, Government will continue to prioritise the completion of ongoing projects. However, the Ministry has established a pre-screening phase for new projects intending to enter the PSIP database. To that effect, a comprehensive screening assessment that employs the New Project Proposal (NPP) template, structured

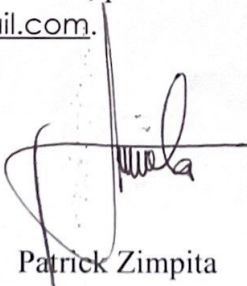
around 21 parameters, shall result in one of three outcomes: (I) projects that "pass" will be eligible for entry into the PSIP database, (II) projects that are "returned for further work" will be sent back to the MDA for further development, and (III) projects that "fail" will be rejected.

Ongoing projects must be submitted using both the Ongoing Project Under implementation (OPI) and the Ongoing Database templates. OPI is designed to collect the requisite project data pertaining to financial commitments such as arrears and other contractual obligations. This information enables the determination of the baseline resource requirement for ongoing projects as part of the medium-term expenditure framework (MTEF). For new projects that have undergone a feasibility study, an MDA is required to submit a Summary Appraisal and Assessment Form (SAAF).

I must remind MDAs that project extensions will not be granted, save for exceptional circumstances. Projects that require additional time for implementation and closure may request an extension, and should express the need for such extension using the requisite Project Extension Request Forms.

Please note that all submissions should be sent to psipsubmissions@gmail.com, and the deadline for receiving the completed NPP, SAAF, OPI, and ongoing database templates is the 14th of June 2024. MDAs are advised to download templates from the PSIP portal and database via www.psip.malawi.gov.mw

If you require any clarification, please contact PS PSIP on 01 788 888 or email psipsubmissions@gmail.com.



Patrick Zimpita

**PRINCIPAL SECRETARY FOR ECONOMIC PLANNING AND
DEVELOPMENT (PSIP)**