



International Telecommunication Union



Telecommunication Development Bureau

Project Number:	7GLO07062	SUMMARY OF CONTRIBUTIONS	
Project Title:	Malawi Multi-purpose Community Telecentres Project	Project Budget	
Estimated Start Date:	January 2009	1. Cash	
Estimated End Date:	December 2009	ITU (ICT-DF) and US State Department	
Government Coop. Agency:	Malawi Communications Regulatory Authority (MACRA)		USD
Project Site:	Malawi	Project personnel	30,000
		Equipment	90,000
		Misc., Contingency and AOS	20,000
Project Manager:	Asenath Mpatwa	TOTAL	140 000
Beneficiary Countries:	Malawi	2. In kind	
		MACRA: USD 44,100	

Brief Description:

This project will support efforts by the Government of Malawi to extend ICT access and services to rural communities by providing basic sets of accessible ICT equipment and facilities and training to rural areas. The facilities will include assistive technologies such as Braille printers and other specific technologies to enhance accessibility to ensure ICTs for all. The final objective is to enable use of ICTs to access better opportunities for education, employment, information on health services, business opportunities including possibilities to live and work with confidence in rural areas thus curtailing the tendency to migrate to urban areas in search if greener pastures.

On Behalf of
MACRA

Signature

Date

29/12/2008

Name/Title

Mr. Mike Kuntiya, Acting Director
General

ITU:

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Mr. S. Al Basheer Al Morshid, Director
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1. Background and Context

1.1 Introduction

Malawi with a land mass of 118,484 square kilometers and a population of 13,931,831¹ is located in the southern part of Africa bordering Zambia, Mozambique and Tanzania. Only 15% of its population lives in the urban areas. Its economy is agricultural where farming is the dominant activity although fishing also provides a living for a good number of the population along Lake Malawi. Malawi is among the LDCs and most of its people live below the poverty line. HIV/AIDS, hunger and unemployment are among the key issues being tackled by the government where the literacy rate is stands at 58%.



During the last two (2) years, a number of MCT centres including the Limbika Women-led MCT jointly implemented with the ITU have been established in Malawi. The success of the earlier projects have inspired both the government and rural communities to demand further roll out of these facilities and approached the ITU for assistance. The current project is thus in response to this demand by the government of Malawi and its rural communities to put ICTs into use in support of their efforts to achieve social and economic development and poverty eradication. Experience gained for the earlier projects and a site by site survey conducted to sites identified

¹ CIA World Factbook. www.cia.gov/library visited on 19/10/2008

for this project have clearly demonstrated the need and value of empowering the rural and isolated communities by giving them access to information. The technical and financial support to be extended to this project by ITU and the government of Malawi through Malawi Communications Regulatory Authority (MACRA)will therefore enable more communities to benefit from ICTs to improve their livelihoods.

1.2 Statement of the Problem

The Government of Malawi recognizes that access to ICT services is a key ingredient in its national and community development efforts. With an agricultural based economy, people need information on prices and sources of agricultural inputs as well as markets and prices to sell their products. Unfortunately, the bulk of the ICT infrastructure for Malawi like in many African countries is located in urban areas, where only 15% of the population lives. The need to reach the remaining 85% producing the bulk of its Gross National Income is clearly an important prerogative for the government. This project seeks to address this priority in order to sustain and empower the rural communities in an environment where communication facilities are non-existent to help them to undertake leverage ICTs to bolster their activities and sustain the fabric of the Malawi economy.

1.3 Justification

In many rural areas of Malawi, people continue to migrate to urban centres in search of paid employment leaving behind the elderly and younger people to carry on agricultural and other rural based social and economic activities. This situation where 85% live in rural areas negatively impacts the rural economies and overall national incomes due to the reduced labour force. By implementing this project, the government seeks to minimize this tendency through availability of ICT infrastructure and services as a prerequisite for improving the basic social and economic conditions of its rural communities who are most affected by poor economic conditions.

1.4 Project Strategies

Implementation of the MCTs will be done in partnership between the ITU and MACRA, representing the government of Malawi and other local partners including operators who have confirmed their interest to participate in this project. The selection of the centres was done by Malawi based on evidence for strong leadership at the local level, good business prospect, availability of MCT accommodation (in-kind contribution) and potential to make great public

impact. In addition to ICT services, training both for trainers and users will be provided to equip the communities with the necessary skills to take full advantage of ICTs. To minimize the cost of hiring international expert(s), this project will make extensive use of qualified local experts as done for this study. Efforts will not be spared to keep costs low in order to ensure sustainability of the MCTs under this project. This will be achieved by adopting suitable business models relevant to meet specific local needs for communities they will be serving.

1.5 Beneficiaries

Rural communities in Malawi including the disadvantages groups such as youth, women, and persons with disabilities are the target beneficiaries of this project. This will also include local schools, hospitals and health centres, government offices as well as local businesses. Details of each site are given under Annex 1.

1.6 End Project Situation

At the end of this project, the government of Malawi hopes to establish a total of twelve MCT centres fully equipped to provide basic telecommunications/ICT services, access to public information, ICT training and access to special software/applications for specific needs including persons with disabilities. Through this infrastructure, the government hopes to unleash possibilities for new services to the rural communities including various government services, banking and postal services which will not only provide additional revenues to the communities. Such services would directly lead to real savings in time and money which would be used for other productive income generating activities. The medium to longer term commercial spin off from such limited offerings could evolve into full fledged MCT offerings allowing the MCT centres to provide the services in the longer term.

1.7 Legal Context

The Project document enters into force on the date of its signature by all Parties and remains in effect unless terminated by any Party with advance written notice to the other. It will terminate sixty (60) days after receipt of such notice. Notwithstanding its termination, the provisions of this project document will survive to the extent necessary to permit an orderly settlement of accounts among the Parties and to bring ongoing activities to a proper close. The Parties confirm that they will exercise good faith efforts to resolve any dispute between them arising from or in connection with this project document through mutual negotiation and agreement and the

Parties will explore and identify various areas in which, and the concrete activities for which, effective and practical cooperation may be possible as well as ways and means for carrying out joint cooperation efforts. Any exchange of information concerning projects or programs by the Parties shall be subject to the policies and procedures of the respective organizations.

2. Project Objectives

Specific objectives include:

- a) To facilitate establishment of MCT infrastructure in rural locations through provision of ICT equipment and facilities to identified sites in Malawi;
- b) To provide affordable and accessible ICTs including assistive technologies such as Braille Printers and FM system and hearing aids to people with visual and hearing impairments to ensure equal ICT opportunities enabling them to participate in the information society;

3. Project Outputs

- a) Affordable and accessible ICT equipment, facilities and services to be purchased and installed at twelve rural locations;
- b) ICT services, applications and local content based on local needs to be provided to the identified rural communities;
- c) Use of ICT for social and economic activities by rural based communities as participants in the global information society village and narrowing of the global digital divide and between urban and rural areas in their respective countries;
- d) Improved standards of living and enhanced security for the respective rural communities leading to higher productivity in their social and economic activities and income.

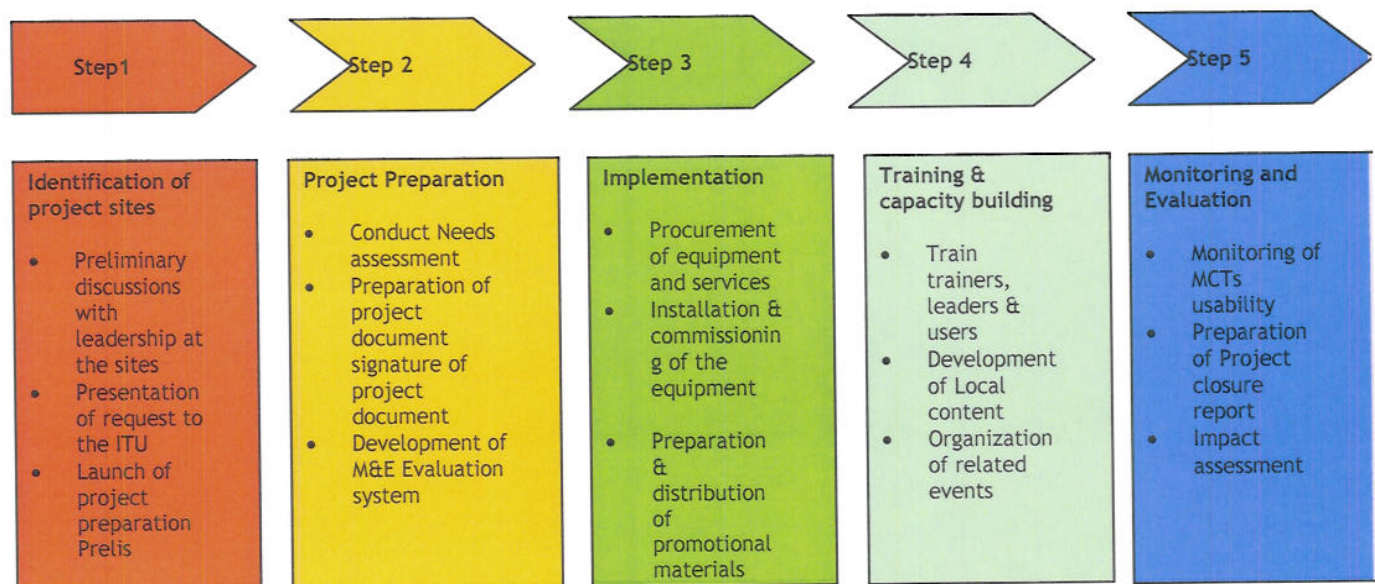
Performance Indicators

- a) Established Multi-purpose Community Telecentres at twelve locations equipped to deliver products and services tailored to local needs and phased in accordance with evolving needs of the communities.

- b) At least 30% of the adult population from the surrounding community in the twelve rural communities trained in ICTs one year after commencement of operations.
- c) Application and relevant software developed to meet local needs and content by the end of at least one year from date of commencement.

4. Project Activities

To meet the objectives for this project, a number of activities will be undertaken following identification of the project locations including finalization of implementation details with MACRA on the one hand as and between MACRA and the respective locations and local partners on the other hand. The next step will involve purchase and deployment of equipment and relevant software, training of trainers, leaders and users from each selected site, reporting, monitoring and evaluation of the project. The sequence of the activities is indicated in the diagram below.



5. Inputs

In-cash Contributions

International Telecommunication Union (ITU): USD 140,000²

In-kind Contributions

² Includes USD 37,855 from the US State Department which has already been transferred to ITU

MACRA : USD 44,100

MACRA will form a project team comprising its own staff to implement and coordinate the project with ITU and other local partners. The team will provide both technical and logistic support to ensure timely preparation of accommodation and associated utilities, internet connection as well as installation and commissioning of all project equipment and software. Hosting project team meetings, workshops:

- Local logistics for site visits by project stakeholders and deployment of equipment
- Internet connection, computer hardware and software including assistive devices
- Promotion of the project among stakeholders in the local communities

6. Risks

Lack of necessary infrastructure required for Internet Access can poses risk to the project. This risk is to be mitigated by selection of a site where backbone infrastructure for internet access is available.

7. Project Management

7.1 Project Management Committee

A project management committee consisting of representatives from ITU, MACRA (involving all local partners) and local government and community leaders will be established to oversee the projects at each site. This project governance will facilitate community participation in the implementation and operation of the MCTs and would promote ownership feelings of the facilities as a community asset. It will also ensure accountability for project implementation and its overall success. The committee will also establish guidelines and render support for operations of the centres based on sound management and accounting practices. The project management committee will interact closely with other relevant national and international agencies during the implementation of the project as deemed feasible.

7.2 Project Communication

The project communication is planned and agreed through the Project Communication Plan to be developed prior to the take off of the project. The plan will identify the communication requirements for each project stakeholder and establish the communication framework for collecting and distributing project information. The project communication plan will also establish a common understanding of the processes to be used for project information distribution, reviews and control during project implementation, the format and frequency of

status reports and review meetings, follow-up procedures, a process for resolving issues in a timely manner.

7.3 Roles and Responsibilities

7.3.1 International Telecommunication Union (ITU)

The ITU, as the implementing agency, will assist in designing and scoping the project and bring to the project their international experience to enable realization of the project objectives.

The Project will be administered by the ITU in accordance with the applicable ITU Rules, Regulations and procedures. Accordingly, personnel shall be engaged and administered, equipment, supplies and services purchased, and contracts entered into, in accordance with the provisions of such Rules, Regulations and procedures.

Administrative cost (AOS) of 7.5% on all expenditures made by the ITU under the Project Document.

To facilitate coordination between MACRA and ITU, MACRA will appoint a project coordinator to monitor and appraise ITU and other project stakeholders on the implementation of the project.

7.3.2 MACRA

As a local implementing agency, MACRA will be responsible for supervision at the local level of the project and including but not limited to coordination with leadership in all sites, ensuring project buildings are ready on time and in required standard, organize training for MCT managers, leaders and users, monitor and keep the ITU informed on the status of project implementation. To achieve this, MACRA will provide local ICT trainers, engineers and technicians to the project at their own costs in order to minimize the cost of international consultants. They will oversee the involvement of all local and national entities and be responsible for the promotion of the project among the national media and local communities with a view to getting stakeholders' continued involvement and knowledgeable about the project.

8. Monitoring and Evaluation

The progress of the project will be monitored through periodic reports issued by the project and an evaluation report will be prepared at the end of the project. Special reports from some of the sites will be provided when required, while field visits will be arranged to those sites that

may require a direct evaluation of their progress and the adherence to the project standards. ITU together with MACRA and other partners will undertake an evaluation of the at the end of project period to assess its success in terms of meeting its stated objectives and developmental impact on the beneficiaries based on expected outcomes and pre-identified key performance indicators including, but not limited to:

- ICT and language literacy;
- Number of people trained in ICT including trainers, leaders and users;
- MCT's productivity and profitability including an outlook of the next two years to assess its sustainability;
- Developed local content and applications;
- Employment opportunities; etc

Post-implementation feedback from each MCT and the local communities will provide useful lessons in planning and replicating the similar project in future. The timing of this exercise will be agreed upon through the steering committee.

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9. Work Plan



10. Budget Breakdown

Budget components include the following Budget Lines

BL 10 PROJECT PERSONNEL

- BL 11 International Personnel (including travel, salary and DSA)
- BL 15 Monitoring and Evaluation is for the purpose of monitoring and evaluating the Project.
- BL 16 Mission Costs include travel for ITU Personnel to develop and implement the Project.
- BL 17 National consultants are Malawi nationals recruited locally.

BL 20 CONTRACTS: are agreements between one institution and another institution or private firm to carry out specific project activities

BL 30 TRAINING

- BL 31 Fellowships for training and related workshops to be organized locally including short-term courses, Study visits, etc.

BL 40 EQUIPMENT

- BL45 Non-expendable equipment refers to manufactured and semi-manufactured goods, raw materials and other supplies that are needed to produce the outputs of the Project. The budget provision includes freight and insurance costs.

BL 50 MISCELLANEOUS

BL 52 Reporting Costs include the costs of producing required reports, publications, etc.

BL 53 Sundries include miscellaneous items and modest hospitality expenses

Contingency: US\$ 5,500 as lump-sum

ITU Administrative Support Costs (AOS) 7.5%

In cash Contribution from ITU ICT-DF Fund and US State Department

	Description	Amount (USD)	
		ITU ³	TOTAL
10	PROJECT PERSONNEL		
11	International Personnel		
11.01	Software/application development expert	10,000	10,000
15.01	Monitoring and Evaluation	5,000	5,000
16.01	Mission costs	10,000	10,000
17.01	National ICT expert/trainer	5,000	5,000
19	Component Total (11.99 + 15 + 16)	30,000	30,000
40	EQUIPMENT		
45.01	Computers, software and accessoires	60,000	60,000
45.02	Assistive devices i.e. Braille printers, FM system, and hearing aids	30,000	30,000
49	Component Total	90,000	90,000
50	MISCELLANEOUS		
53.01	Sundries	2,733	2,733
52.01	Reporting	2,000	2,000
59	Component Total	4,733	4,733
S1	SUB-TOTAL (19 + 29 + 39 + 59)	124,733	124,733
A1	Contingency	5500	5500
A2	AOS 7.5%	9'767	9,767
99	PROJECT TOTAL (S1 + A1 + A2)	140,000	140,000

³ Includes a contribution of US \$ 37,855 from the US State Department




In Kind Contribution from MACRA

Contribution from MACRA	USD
PROJECT PERSONNEL	
International Personnel	
Monitoring and Evaluation	3,000
Mission costs	2,000
National ICT expert/trainer	5,000
CONTRACTS	
Internet connection	20,000
TRAINING	
Fellowships for training of leaders & managers	5,000
MISCELLANEOUS	
Sundries	5,000
Reporting	2,000
Contingency	2,100
TOTAL	44.100

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Overview for Districts Targeted for Establishment of Telecentres

Nkhotakota

Major business activities in this Lake District are fishing and sugar cane farming. Most of the people in the district are engaged in both activities. It is one of the fast growing district centres in Malawi.

A group of women business persons was identified and a building to house the Telecentre has been identified, nonetheless it needs renovations.

There is one centre for internet around the location identified, with three PCs, but the tariff is too high for the locals as such it is mostly patronized by tourists going to the lake. Establishing an affordable Telecentre here will greatly enable the people to access ICT services at reasonable prices.

Balaka

This is a new District, Balaka is a major market place that has grown due to its strategic location, and is roughly the central district connecting three cities of Blantyre, Zomba and Lilongwe. It is a major train terminal for both passenger and goods. At least 30% of Malawi's fuel comes through this district, and all districts in the eastern part of Malawi rely on Balaka for their rail transportation of goods. Balaka is one of the major cotton and maize producers in the country and is also an upcoming producer of beef and related products. There are no ICT services provided apart from telephony and photocopying around the place identified to house the Telecentre.

Nkhata Bay

Nkhata-bay is located in the Northern Region of Malawi, and is Malawi's most beautiful district. It is the third tourist destination in Malawi. Nkhata-bay is located in the Northern region of the country. The district Centre is located at the bay, which is also a major port for ships in the region and is a bustling business centre. The southern part of city of Mzuzu is located in this district and is less than 40 kms away from the district centre.

There is currently no Telecentre of any kind in Nkhata Bay district and particularly in the vicinity of the identified location.



Salima

Salima is another lake district located in the central region of Malawi, it borders with Nkhotakota, Mangochi, Ntcheu and Dowa. It is probably a more developed district centre of all the districts targeted in this project, it has a well developed business community with all major banks providing services. It is a military town and has some of the well known hotels and resorts in the country and is another force in tourism industry. It is both a tobacco and cotton growing district with a very small mining industry. Along the lakeshore most of the people in Salima rely on fishing. It used to be a major port for rail and water transport, however rail and water transport has declined of late possibly due to a well developed road network in this part of the country.

Establishment of a telecentre in this district will really augur well to supplement the dynamic business community, and the influx of tourists in the area. The Telecentre in Salima will be housed in the Post Office premises.

Chikwawa and Nsanje

Chikwawa and Nsanje are located in the southern region of Malawi and together the two districts are referred to as lower Shire, since they are located on the lower part of the major river, the Shire. Lower Shire is a major agricultural region and Major producers of beef in Malawi. It supplies almost all the beef products in the major city of Blantyre and surrounding districts. There is also a sizeable fishing community. Lower Shire is another major producer of cotton and most grain crops. Apart from this, it has three major game parks which make it another tourist haven.

There are currently no similar services in the neighbourhood of the location purposed to house the telecentre.

Chiradzulu

This is a small district bordering with Blantyre and about 30 kms away from Blantyre district. Due to its closeness, many businesses rely on Blantyre for their ICT services. Establishing a Telecentre in Chiradzulu will go a long way to help common citizens save on transport costs and affordable access to ICTs. Chiradzulu is mainly an agricultural district and its main crops include maize, peas and vegetables.

There are no ICT services around the Post Office, where the Telecentre will be housed.

Chitipa

Chitipa is the northern most town of Malawi which borders with Tanzania and Zambia. It is a fast growing town centre mainly with the soon to open uranium mines in Karonga district. While the mines are in Karonga, Chitipa its closets town centre has seen increased activities from the mobile operators. Nonetheless, its remoteness makes it an ideal place for introduction of ICT services. It also serves as a major business centre for the people in the border town of Tanzania and Zambia, where about 40% of patients treated at the district hospital come from these neighbouring countries. Apart from agriculture, Chitipa is also a tourist district due to its closeness to the Nyika National Park.

The Telecentre in Chitipa will be housed in a post office building.

Mchinji

Mchinji is another border town between Malawi and Zambia, it is the busiest border town in the central region since most of the Zambians in the eastern province rely on Malawi for their major shopping, mainly because Lusaka, their Capital city is about four times further than Lilongwe, Malawi's Capital city. Due to this fact, the Mchinji border station is open twenty four hours and has probably the busiest border town community in Malawi. This in itself is a good reason for establishing the Telecentre. Apart from this, Mchinji is Malawi's Major producer of groundnuts and one of the major producers of maize.

Ntchisi

Ntchisi is probably the least developed of all the districts targeted in this project. The construction of a new tarmac road to the district is however quickly changing the status of the district and unlocking its potential. It is a major maize producer and probably a leading producer of soya beans in the central region and a supplier of vegetable to the capital city. This is a district where the entrepreneurs had offered three buildings, each one of them good enough to house a telecentre. The town has a robust agricultural community who will obviously need services offered at a telecentre.

Dowa

Dowa district is among the top producers of tobacco in the country and home to some of the early developed establishments. It has one of the most known schools of theology and boasts of having one of the earliest secondary schools in Malawi. The district centre is located some 50 km from the capital city and many ICT services are provided that far. Establishment of the Telecentre in Dowa is without emphasis a milestone the citizens in the district have been waiting for a long time.

Mzimba

Mzimba is the district that covers the largest land mass in Malawi. It is home to the Ngoni (Zulu) people and is one of the largest producers of tobacco and maize in the country. Part of the Northern region political and administrative headquarters, Mzuzu City, is located in Mzimba, the other being in Nkhata Bay. The city is located some 120 km from the district centre and the Telecentre at the Boma obviously bring enormous saving to the people of the district when in need of ICT services

General information on the sites

In the district Centres mentioned above, there are the following general observations:

There are at least 10 secondary schools with at least 3 post secondary school education institutions in the vicinity of the proposed telecentres locations. All the telecentres will be located at the district centre where Government District Headquarters are located, this includes a government administration with most of the ministries and departments fully represented, Government Hospitals, and the Police, Major District Markets, Major District bus Terminals, major district Shops, Banks and other main establishments of commerce. This means that supply of water and electricity (HEP) is steady and easy to access.

For internet connectivity, all the districts mentioned above are within reach of either a leased line circuit from the Fixed Line Operator (MTL) or wireless alternatives from most ISPs. Each of the following ISPs, SKYBAND, SDNP, MTL Online, and BURCO confirmed that they can provide internet connectivity in all these centres as and when needed.



According to quick surveys in these districts, major services sought for in these centres include but not limited to

1. Photocopying,
2. web browsing,
3. e-mail,
4. Colour printing and
5. Telephony.

Other activities that were demanded include

1. training in basic computing,
2. Desktop Publishing
3. Document Editing,
4. Binding
5. Lamination and
6. Scanning.

It is believed that once the centres open some business needs will emanate.

Infrastructure

In all the places, buildings were already identified. The entrepreneurs together with MACRA have had initial negotiations on renovations on the buildings to bring them to the standard recommended by MACRA once the project commences.

All the buildings are very accessible by any person in the communities, and are close to good roads.



Annex 2

List of equipment/items required per telecentre.

Number	Item	Quantity	Total for the project(12 centres)	Source of funding
1	PC Cubicles	4	48	MACRA
2	Telephone Cubicles	4	48	MACRA
3	Chairs	8	96	MACRA
4	Computers & software	4	48	ITU
5	Tables	2	24	MACRA
6	Display Shelf	1	12	MACRA
7	UPS	4	48	ITU
8	Photocopier	1	8	ITU
9	Printer (b/w & Colour)	2	24	ITU
10	Scanner	1	12	ITU
11	Fax	1	12	ITU
12	Telephone	4	36	MACRA
13	LAN	1	12	MACRA
14	Laminating Machine	1	12	ITU
15	Binding Machine	1	12	ITU
16	Paper Cutter	1	12	ITU
17	Paper Puncher	1	12	ITU
18	Stapler	1	12	ITU
19	Power Cables	8	96	MACRA
20	Air Conditioner	1	12	MACRA
21	ISP	1	12	MACRA
22	Telecentre Management Software	1	12	ITU
23	Telephone Meters	4	48	ITU
24	Braille printers	1	4	ITU

25	Hearing aids (e.g. FM group hearing system)	1	4	ITU
26	Software for visually impaired	1	4	ITU
27	Digital camera for both motion and Still pictures)	1	12	ITU

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