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MANAGEMENT STUDY

OF

THE MINISTRY OF TRADE AND INDUSTRY

SUMMARY

VOLUME 1

FINAL REPORT

NOVEMBER 1991
MANAGEMENT STUDY
OF
THE MINISTRY OF TRADE AND INDUSTRY

SUMMARY

VOLUME 1

FINAL REPORT
NOVEMBER 1991
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INTRODUCTION

1.0 Study Background

Over the past three years the Government of Malawi (GOM) has undergone a significant change in its approach to the management of the economy. Prior to 1987 the economy was managed in accordance with a relatively strict regulatory framework which placed little emphasis on the encouragement and stimulation of new investment, whether domestic or foreign. The Government recognised that, if it was to succeed in meeting its broad economic and social objectives, namely "the reduction of poverty, ignorance and disease by the achievement of rapid and sustained economic growth", it would be necessary to create a general climate in which enterprise and investment could flourish. It was recognised also that this would involve a change in the role of public sector organisations, away from regulation and control and towards promotion and support.

As identified in the Statement of Development Policies (DEVPOL) 1987-1996, "the growth and prosperity of commercial and industrial activity is seen as an essential prerequisite to the future health and stability of the economy as a whole". The role of the Ministry of Trade and Industry (MTI) as a key motivator in promoting and encouraging investment is also recognised.

As a result of this significant change of emphasis in Government's approach to the management of the economy, the role of MTI has also changed from that of a principally regulatory authority to that of a developmental catalyst which stimulates and promotes investment and economic growth.

The Government also identified particular sectors of the economy where significant strengthening would yield substantial benefits in terms of the achievement of developmental objectives. These sectors are included:

- small-scale enterprises
- export-oriented enterprises
- tourism.

Set against this background, MTI itself recognised the need to review its structure and operations to ensure that the activities it was undertaking were conducive to Government's objectives, and that it was organised in such a way as to provide the services required of it in an efficient, effective and economic manner. It was therefore considered appropriate to conduct a complete review of the operations and structure of MTI.
1.1 **Scope of Work**

The detailed Terms of Reference for this study which was commissioned by MTI and funded by the UNDP are provided as Appendix IA to this report. The general scope of work is summarised below:

- to provide GOM with a set of proposed changes in the organisation, structure, management, job evaluation and personnel policy of MTI, in order to increase the Ministry's efficiency in performing its institutional duties;
- to consider the adequacy of resources available to MTI and appraise GOM willingness to make more resources available for strengthening the Ministry in the near future;
- to consider the institutional relations between the Trade and Industry Divisions and the various Governmental and non-Governmental bodies with which they interact.

1.2 **Conduct of the Study**

The major part of the work involved in this study was conducted in Malawi during the period June to August 1990.

Three problems have been faced which have hindered the progress of this study in accordance with the original Terms of Reference, namely:

- At an initial meeting in June 1990 at the MTI the Department of Personnel Training and Management (DPTM) registered its concern that certain specific items such as grading, remuneration levels, and career planning should not have been included in the study as these were general civil service issues which had implications outside MTI. On these grounds, and a concern that the study may have not been fully cleared through OPC, DPTM was of the opinion that the study should be abandoned. It was agreed, however, by MTI that the consultants should proceed as planned bearing in mind DPTM’s specific concerns and exclude these areas of concern from their investigations. As a consequence of this decision the scope of work (1.1 above) in the Terms of Reference for this report were not fully discharged particularly in respect to any proposed changes to personnel policies within MTI and the appraisal of GOM willingness to make more resources available to strengthening the Ministry in the near future.

- It was also agreed at the commencement of the study that, as many of the issues which were likely to be considered were of a potentially sensitive nature, a high-level Government Steering Committee should be set up to provide direction to the consultants. This committee had not been established by the time the consultants had completed their field work in August, and the consultants therefore relied almost entirely on MTI staff to fulfill this role.
In the Terms of Reference, and in our proposal to undertake this study, it was stated that a counterpart to the consultancy team should be identified from among the staff of MFI. Largely as a result of the problems cited above, no counterpart was ever appointed. Therefore, the consulting team was obliged to proceed without any input or feedback from what should have been an important contributor to the assignment, although the schedule of interviews did include at least one discussion with every available officer from the professional and administrative grades.

Throughout the study the one recurring theme that was brought to the consultants' attention was that of an organisation faced with a constantly changing operating environment. The process of economic development is a dynamic one, and GOM is continually introducing new incentives and directives to stimulate growth. During the period the study was being undertaken, key policy issues such as the introduction of an investment code and further exchange control liberalisation were being considered. In addition, a study was also being undertaken to examine the optimal institutional set-up of the small- and medium-scale enterprise sector, and the roles of key institutions in the development of that sector. As this is one of the key sectors identified in DEVPOL which MFI is responsible for promoting, it was felt that the issuing of the draft report should be delayed until significant progress had been made on the SME sector study, in order to ensure that the roles identified for the Ministry in both studies broadly concurred.

1.3 Report Structure

Subsequent to the completion of the consultants field work the Government of Malawi directed that with effect from 1st April, 1991 the Tourism Department be transferred to the Department of National Parks and Wildlife within the Ministry of Forestry and Natural Resources.

In our draft final report, volume 4 dealt with the Tourism department. However, in view of the above directive, the Tourism section has been excluded from the Final report. This will instead, be finalised and submitted to the appropriate Ministry.

The remainder of this report is structured as follows:

Section 2: Synopsis of General Management Issues and Recommendations

Section 3: Support Services

Volume 2: Division of Trade

Volume 3: Division of Industry
SYNOPSIS OF GENERAL MANAGEMENT issues

2.0 Introduction

In this section we examine management issues which have a Ministry-wide impact on the efficiency of operations and the effectiveness with which overall objectives can be pursued.

The individual sectoral Divisions of Trade and Industry are analysed in detail in volumes 2 and 3 of this report respectively. Wherever appropriate the issues raised in this section are discussed in greater specific detail in these other volumes.

This section is structured as follows:

2.1 Operating environment
2.2 Organisation and staffing
2.3 Appointments and discipline
2.4 Training and development
2.5 Remuneration
2.6 Financial management
2.7 The image of the Ministry.

2.1 Operating Environment

MTI is operating in a dynamic environment, in which its own role has been substantially redefined in recent years.

Historically, the Ministry's role has been almost entirely regulatory. While there is unquestionably a continued need for regulation in certain areas, significant changes in the culture of MTI and the way it views its role are necessary if it is to fulfill its new responsibilities adequately.

The results of our review indicated that these changes have yet to take place in most cases. With the exception of a few senior officers, there was little evidence during many of the interviews held that MTI staff had a clear understanding of the role and objectives of either the Ministry in general or the individual Divisions in particular.

In particular the roles and responsibilities of MTI and OPC as they relate to policy definition and development were only poorly understood. Clarification of these roles, as well as a clear definition of MTI's general and specific developmental and promotional responsibilities is required if the necessary organisational culture is to be engendered.

Steps need to be taken to instill in management and staff at all levels the need to become promotional and developmental in their approach to their work. This may be achieved through a series of workshops and seminars explaining the general and divisional/sectional specific roles within the changing policy environment. Closely associated with this is the need to ensure that facilitating legislation is enacted to support the objectives set out in DEVFOL. The implementation of the new focus must be seen as achievable and not restricted by legislation which reflects the emphasis of previous policies.
As part of the Malawian public service, the Ministry of Trade and Industry operates in a bureaucratic framework in which it has only a limited amount of delegated authority over day-to-day operational issues. The impact of this framework is discussed in more detail in the remainder of this section.

2.2 Organisation and Staffing

The Ministry is headed by a Principal Secretary supported by a Deputy Secretary to whom divisional heads report, a common form of organisational hierarchy within the public service (See Chart 1-1).

Both the Principal Secretary and the Deputy Secretary are members of the common pool of the Administrative Service. The appointment and transfer of such officers at this level is the prerogative of the Secretary to the President and Cabinet but subject to approval by the Life President of Malawi.

The two most senior officers directing the operations of the Ministry are therefore central administrative staff, and as such, are potentially subject to frequent transfer. In order to put this issue into perspective, it is significant that the Principal Secretary has been changed on average more than once a year for the last five years.

As discussed in Section 3.0 below, this situation affecting appointment and development of common service staff applies equally in the Economic Planning, and the Accounts and Administration Sections.

A further general problem in the public service organisation structures is characterised by numerous one-on-one reporting relationships leading to:

- poorly defined division of responsibility
- confusion amongst subordinates as to their precise reporting relationship
- delays in decision-making and communication
- unnecessary duplications of activities, particularly in checking routine procedures.

Such features of organisation, if not very carefully managed, inevitably lead to a lack of direction, a lack of control and consequently a lack of commitment from staff within the Ministry. These issues are discussed in more detail below.
### TOP MANAGEMENT - MITI

**CURRENT ORGANISATION STRUCTURE AND MANNING LEVELS**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Est</th>
<th>Act</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>S2</td>
<td>1</td>
<td>1</td>
<td>Principal Secretary</td>
</tr>
<tr>
<td>S4</td>
<td>1</td>
<td>1</td>
<td>Deputy Secretary</td>
</tr>
<tr>
<td>PS/SS</td>
<td>4</td>
<td>4</td>
<td>Under Secretary</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Asst Chief Economist</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chief Trade Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chief Industry Officer</td>
</tr>
<tr>
<td>P6</td>
<td>1</td>
<td>1</td>
<td>Asst Chief Accountant</td>
</tr>
<tr>
<td>P7</td>
<td>1</td>
<td>-</td>
<td>Principal Administration Officer</td>
</tr>
<tr>
<td>P8</td>
<td>1</td>
<td>1</td>
<td>Senior Personnel Officer</td>
</tr>
</tbody>
</table>

Total: 9

* denotes vacant post
LACK OF DIRECTION

Division heads in MTT lack direction and support from management. Their individual responsibilities and accountabilities are not clearly defined and are not focussed towards the achievement of objectives. Meetings between management and divisional heads (on an individual or group basis) to develop plans, discuss problems, monitor performance and devise ways of improving operational efficiency are not held regularly. When group meetings are held, they are too large to serve any useful purpose (junior and middle management staff from all Divisions attend).

The lack of direction from top management is duplicated at middle and junior levels in MTT hierarchy. In many instances officers in operating and service divisions told members of our study team that they were unsure of how their job contributes towards the achievement for divisional or ministry objectives. With a few exceptions, divisional heads do not effectively perform the managerial functions of planning, organising, co-ordinating and directing. Meetings are not held to brief staff of impending changes or to discuss plans and progress.

LACK OF CONTROL

Throughout the Ministry we were told by the officers at both senior and middle grades that there is an apparent lack of control about poor time-keeping, unauthorised absences from work or poor performance. Although job descriptions exist, divisional heads are frequently unaware of their employees' actual movements and activities, many of which appear not to be work related. Disciplinary action is usually only taken when criminal offences are committed or when cases of extreme negligence or tardiness are brought to their attention. Part of their reluctance to take disciplinary action is associated with the constraints imposed by the disciplinary procedure itself. These constraints are discussed in more detail below under Appointments and Discipline.

Ineffective control of staff behaviour at work hinders the achievement of departmental and ministry objectives.

LACK OF COMMITMENT

The lack of direction and control referenced above have led to the development of a working environment which does not engender the commitment of staff. This lack of commitment has in the past been compounded by discontinuity in leadership at the Ministry, as reflected in frequent changes at Principal Secretary level.

Whilst it is accepted that current remuneration levels and conditions of service also contribute to this lack of commitment, the prime reasons are intrinsic to the way in which staff are organised and managed in performing meaningful work related to the clearly defined and understood objectives of the Ministry or division.
In the absence of this commitment the following situations tend to prevail:

- passing the buck, i.e. unwillingness to take responsibility or be accountable for one's own actions
- failure to make even the most simple decisions
- delays in processing work
- excessive travel for purely monetary gain
- failure to communicate with supervision, subordinates or peers on an individual or divisional/sectional basis.

2.2.1 Recommendations

To streamline the top management structure of the Ministry we propose the deletion of the post of Deputy Secretary (S4) and its replacement with a Controller of Operations (P4). Although graded at the same level as the current Deputy Secretary, the Controller of Operations will in effect be a technical supremo, probably with a hands-on trade background.

The post of Controller of Operations will be dedicated to MTI, thus considerably reducing the current discontinuity of management, particularly as it affects strategic and technical issues.

Reporting to the Controller of Operations will be the Chief Officers of Trade and Industry divisions plus the Assistant Chief Economist thus integrating the management of the Economic Planning Unit into the functional activities of the Ministry.

The support functions of Accounts, Personnel and Administration will be headed by an Under Secretary as at present but the post will now report directly to the Principal Secretary.

This division of operational and support functions which is depicted in Chart 1-II should tend to enhance leadership, direction and control at the Ministry, provided that the key post of Controller of Operations is filled with a suitably qualified person who has the managerial capacity necessary to lead the three operational divisions in achieving their objectives (through the strategic activities discussed in Volumes 2 and 3 of this report).

2.3 Appointments and Discipline

General comments have already been made on these two issues but the details of the administrative problems require further discussion, particularly in the context of the internal machinery of MTI.
CHART 1-11

TOP MANAGEMENT - MTI

PROPOSED ORGANISATION STRUCTURE
AND MANNING LEVELS

<table>
<thead>
<tr>
<th>Grade</th>
<th>Est</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>S2</td>
<td>1</td>
<td>Principal Secretary</td>
</tr>
<tr>
<td>P4</td>
<td>1</td>
<td>Controller of Operations</td>
</tr>
<tr>
<td>P5/S5</td>
<td>4</td>
<td>Under Secretary</td>
</tr>
<tr>
<td>P6</td>
<td>1</td>
<td>Asst Chief Accountant</td>
</tr>
<tr>
<td>P8</td>
<td>2</td>
<td>Senior Personnel Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Administration Officer</td>
</tr>
</tbody>
</table>

Total: 9
Within MTI as in other Ministries there is an Appointment and Disciplinary Committee. Its role is to:

- recommend all appointments up to the level of Executive Officer (excluding those employed in the common service) to the PSC
- recommend disciplinary action on all employees below the level of Executive Officer (including those of the common service) to the PSC.

In practice the Appointments and Disciplinary Committee meets infrequently, thus delaying appointments, confirmations and any disciplinary action for up to six months. This is further compounded by the fact that the Committee has no real authority as all decisions are subject to ratification by yet another review committee within the OPC which extends the delays further before decisions can be implemented.

For more senior officers, appointments, transfers, promotions and discipline are subject to direct review by the PSC resulting in very limited involvement by MTI in the decisions reached. This inevitably has a major impact on its operations.

2.3.1 Recommendations

Whilst there is little action MTI can take in respect of appointments and disciplinary cases for Executive Officers and those above, other than critically examining its internal procedures for collating and submitting the necessary paper work to the OPC and the PSC, the Ministry could expedite a review of the activities and administration of its own Appointments and Disciplinary Committee.

Proposal points for the effective operation of this Committee should include:

- **Composition**
  
  Under Secretary - Chair  
  Departmental Head of staff under discussion  
  Senior Personnel Officer - Secretary

- **Frequency of meetings**
  
  Weekly to expedite all outstanding matters but consolidated monthly into a report on action taken.

- **Activities**
  
  - Consider appointments including confirmations up to MD level  
  - Review assessments up to and including P/D/Chair prior to submission to OPC
2.4 Training and Development

Training and development of common service staff is the responsibility of the supervising department or Ministry outside MFI; therefore, MFI has no control over these matters, although the competence or otherwise of such staff will have an impact in the operations of the Ministry.

For staff permanently assigned to MFI the Principal Administration Officer is currently required to develop an annual training programme in consultation with divisional heads to present to the Principal Secretary. The Principal Secretary will then present them to the training section of DftT for consideration along with submissions from other Ministries.

The training plan consists of a series of nominations for external, donor-funded training courses and occasionally attachments for nominated officers.

Although there was an earlier recommendation from DftT to create a Training and Development Committee in each Ministry, no such committee exists in MFI. Part of the role of this Committee would have been to develop and review more domestic training such as planned job training, local projects, secondments and short courses. In this respect MFI would have had some assistance from the Career Planning Section at DftT.

2.4.1 Recommendations

A Manpower Planning, Development and Training Committee should be established immediately within MFI to achieve the following objectives:

- to determine MFI's future manpower needs (numbers and skills required) in the light of plans and strategies formulated by divisional heads
- to submit proposals for the creation of new posts to DftT
- to determine staff training and development needs and the most suitable methods of meeting these needs
- to formulate annual training and development plans
- to determine the costs of implementing these plans for inclusion in MFI's budget
- to monitor the implementation of training and development plans and evaluate the results thereof.
Members appointed to this committee should include the following:

Controller of Operations (Chairman)
Under Secretary
Heads of Trade and Industry
Senior Personnel Officer (Secretary).

To assist the Committee in developing the training and development plans, especially in relation to on-the-job development programmes, local secondments and short courses, DMT should be approached to develop in consultation with the Committee and individual divisional heads a career path manual for each of the Trade and Industry divisions.

An outline proposal for a career path for trade officers appears in Appendix 1B, based on the current activities of the Trade Division. This should be revised to reflect the enlarged range of activities of the Division as proposed in Volume 2 of this report and then expanded to define the knowledge and skill requirements for each activity specified within the duties to be performed in this job.

It is appreciated that this would represent a fairly major task but DMT has indicated that it could complete this study within three months if divisional management provided sufficient input.

The output of the study would provide a detailed framework for the more accelerated development of specialist offices, particularly if the Trade and Industry divisions are to be able to effectively discharge their strategic activities listed in Volumes 2 and 3 of the report.

2.5 Remuneration

Remuneration and Conditions of Service for all employees at MTI including those employed by common service are determined by the Public Service Commission. These conditions apply to the Public Service as a whole.

In this study we ascertained that, whilst these levels of remuneration and conditions of service were reasonably competitive with the parastatal and private sectors for employees in unskilled and semi-skilled work, it was apparent that for skilled, professional and managerial employees increasing disparities existed. Unfortunately, it is these three latter categories which provide the managerial and technical skills on which the effectiveness of the Ministry depends.

There currently appear to be only two areas of flexibility in "adjusting" remuneration of individual employees - upgrading and travel expenses. We do not support unjustified use of either of these two action where they are not required to reflect the demand and operational needs of jobs.
2.5.1 Recommendations

We are firmly of the view that nothing may be done in isolation from the rest of the Public Service to increase the extrinsic rewards of officials working for MTI. We have also already ruled out unjustifiable grading and travel expenses which are the only areas of reward currently open to manipulation.

In these circumstances we believe that any measures to motivate MTI staff have to be intrinsic to the job. In the paragraphs above and Volumes 2 and 3 of the report there have been a number of such measures proposed which include:

- More effective management, exercising clear direction
- Improved communication at all levels
- More interesting and satisfying work
- More delegated accountability/authority
- Improved reporting relationships
- Improved and quicker personnel administration
- Planned development programme at all levels incorporating job rotation and relevant secondments.

With regard to the remuneration, particularly of skilled, professional and managerial officers, we are of the view that this is a wider problem outside the scope of this study and should more appropriately be examined and addressed by OPC.

2.6 Financial Management

In principle budgets should be prepared at Principal Officer level within MTI. In practice the Accounts Section produces the budgets in consultation with Principal Officers and divisional heads and submits these initially to the Principal Secretary prior to submission for approval at the Ministry of Finance.

Similarly in principle, budgets should be controlled by Principal Officers with overall supervision by divisional heads, but again, in practice the Accounts Section is frequently called on to authorise expenditure within budgetary limits.

Overall it appears that annual programmes of activities and the consequent budgetary process and control are generally weak in MTI although the Assize Section appears to be an exception to this observation.
2.6.1 Recommendations

With immediate effect, the monthly income and expenditure statements should be circulated to all budget holders and a monthly budget review meeting should be held within five working days of the circulation. The monthly budget review meeting should be chaired by the Deputy Secretary or his nominee and the Assistant Chief Accountant should act as secretary to the meeting.

Following the meeting brief minutes should be circulated to all budget holders and the Principal Secretary with any points for action and the person responsible for each action noted.

To improve divisional planning and financial accountability in future we further propose that the Malawi Institute of Management (MIM) be contracted to run a development programme for all divisional managers and assistant managers who are responsible for the preparation and control of budgets.

This matter has already been discussed with MIM consultants, who are in principle prepared to run the following programme:

- 5 days training needs assessment consultancy
- 3 week tailor-made course for MFI on Planning for Impact: Budgeting in the Public Sector
- Budget holders draft plans and budgets for 1992/93 financial year followed by a 3 day review with MIM to draft MFI budget for submission to Principal Secretary
- MIM to attend first three MFI budget review meetings of 1992/93 as facilitators.

The cost of this intervention by MIM has been estimated at approximately £30,000 and should be budgeted for in the 1992/93 financial year.

2.7 The Image of the Ministry

If the Ministry is to fulfill its developmental and promotional objectives, it must be regarded by the external organisations with which it interacts as the efficient and effective provider of a high level of professional and technical support. In order to develop this image, due cognisance should be taken of the following:

- responses to applications and enquiries from the general public and other organisations should be processed on a timely basis, though it is recognised that the current approval process which requires the involvement of other organisations outside the Ministry will have to be amended to fully exploit this activity.
- Consistency will be improved at Board Meetings if efforts are improved to ensure the same individual represents the Ministry for a sustained period, and that if he/she discontinues representing MFI, a proper handover is effected.

- The same issues apply to the various Committee and management meetings where the Ministry is represented as with board meetings.
3 SUPPORT SECTIONS

3.0 Introduction

The following sections have been established within MITI to support the operational divisions of Trade and Industry:

- Economic Planning Unit
- Accounting Section
- Personnel Section
- Administration Section

The objectives, functions and organisation of each of these support sections are described later in this section of our report. However, before dealing with detail, we make some general observations on these support sections.

3.0.1 Role of the Support Sections

The Economic Planning Unit is intended to provide technical support to the strategic activities of the operating divisions, whereas the other three support sections are intended to provide administrative support to the day-to-day activities of the operating divisions.

3.0.2 Organisation Structure of the Support Sections

The current organisation structure of the support sections is characterised by a considerable number of one-on-one reporting relationships. This is a common phenomenon in the public service. Whilst this has the apparent advantage of providing promotional routes by a series of small incremental advancements, this form of organisation usually results in paperwork and decision-making passing through a long chain of hands between the times of initiation and action, thereby leading to inefficiencies such as:

- poorly defined division of responsibility;
- delays in decision-making and communication;
- unnecessary duplication of activities, particularly in checking routine procedures.
3.0.3. Institution framework for running the support sections

All four of the support sections are manned by specialized personnel from the common service pool. Each of these pools is deployed by a ministry or department outside the MFI as follows:

Economic Planning Unit  - Department of Economic Planning and Development (Office of the President and Cabinet [OCP])

Accounting Section  - Ministry of Finance

Personnel Section  - Department of Personnel Management and Training (OCP)

Administration section - Public Service Commission (OPC)

These common service pools have been established in order to optimise the utilisation of specialised human resources across the entire public service. As such, members of these common service pools of personnel will, after their initial recruitment, be subsequently deployed, developed and promoted in the overall interest of the public service rather than in the sectoral interests of individual ministries.

Whilst accepting the status quo as being desirable in achieving the most equitable overall distribution of scarce skills, such a policy may also exhibit some undesirable features at the level of individual ministries. In this context the following observations have been made by various sources both inside and outside MFI:

- Common pool employees sometimes see their first loyalty to their deploying ministry or department rather than to the ministry in which they are currently deployed. This can, in some instances, lead to a lack of commitment and accountability on the part of some common service staff.

- Individual ministries usually have little control over the movement of common service employees in and out of their ministry; nor do they control the development or promotion of such staff. This means that they have very limited control of the calibre of common service staff working in their ministry and sometimes there can be a lack of continuity within those sections when a series of rapid staff movements takes place. This tendency is reinforced by the practice of inviting applications from across the public service for all common pool vacancies.

- The ability of an individual ministry to discipline erring or incompetent common service staff is severely constrained by the involvement of a sponsoring Ministry or Department to which such personnel are ultimately accountable; again this can impact upon the quality of support services provided to individual ministries.
3.0.4 Implication: Common service labour pools to this study

In view of the fact that the four support departments in MTI are manned by various common service personnel pools we have decided to review their functions, activities and organisation on the following basis:

- after analysis of the objectives, functions, activities and organisation of the operating sections of MTI we shall recommend what we consider to be appropriate organisation structures and manning levels for each of the support sections which will be within the parameters of the public service regulations on the grading of posts.
- we shall not prepare a skills inventory of current staff in the common service pools at MTI, nor shall we make any training recommendations in respect of these employees, this being the prerogative of the sponsoring ministry or department of each common service pool.

3.1 Economic Planning Unit

3.1.1 Objectives, Functions and Activities

Objectives

The Economic Planning Unit's (EPU) current objective is to assist MTI to facilitate the growth of trade and industry in Malawi through planning, monitoring and evaluating economic activities in these sectors.

Functions

EPU's current functions are as follows:

- to advise management on macroeconomic and operational issues relative to the trade and industry sectors;
- to ensure that plans for the development of trade and industry are consistent with macroeconomic policy formulated by the Department of Economic Planning and Development (DEPD).

Activities

EPU's key activities comprise the following:

- Interpreting Government economic policy as it relates to trade and industry
- Evaluating the effects of changes in Government economic policy relative to trade and industry (e.g. lifting of price controls)
3.1.2 Organization and staffing

EPU’s current organization structure and manning levels (authorized and actual establishment per grade) are shown in Chart I-III.

Resulting from an analysis of EPU the following points concerning the structure and manning of the unit were noted:

- the most senior post in EPU (i.e. Senior Chief Economist) has been vacant for 15 months. Although an economist currently working for a parastatal organisation in Blantyre was selected to fill the post in December 1989, he has been unable to assume leadership of EPU because accommodation cannot be found in Lilongwe.

- the post of Principal Economist has been vacant since 1987.

- currently there are 3 Senior Economist (PB) posts filled in EPU, 2 in excess of authorized establishment. One Senior Economist is studying for a Masters degree overseas; the other 2 Senior Economists have recently been upgraded from Economist (IV) level.

- 2 positions for Economists became vacant following the upgrading of the 2 individuals referred to above.
### ECONOMIC PLANNING UNIT - MTI

**CURRENT ORGANISATION STRUCTURE AND STAFFING LEVELS**

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**Assistant Chief Economist**

**Principal Economist**

**Senior Economist**

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**Total** 5

* Denotes vacant post

**1 Senior Economist is overseas studying for a Masters degree**
3.1.3 Findings and Recommendations

Our findings and recommendations concerning the role, functions, organisation and staffing of EPU are detailed below. In our analysis we focus attention on the following functional areas:

- planning and monitoring
- management.

(a) Planning and monitoring

Findings

Implicit in the statement of EPU's primary objective is that it should play a leading role in planning, monitoring and evaluating developments in the trade and industry sectors. We understand that the establishment of EPU was largely in response to the need to centralise and co-ordinate MTI's planning and development activities; many of the economic issues which have a bearing on development are common to all three sectors.

In reality, EPU does not play a proactive or central role. At present, responsibility for planning and monitoring economic development functions is split between EPU and the operating divisions; the Industry and Trade Divisions do not have specialised planning and development units but allocate responsibility for these functions to offices in their employ. The sharing of planning and monitoring functions between EPU and these divisions appears to be haphazard and ill-defined.

The results of failing to clarify the division of responsibilities for planning and monitoring functions include the following:

- neither function is effectively performed or co-ordinated
- disagreements between staff in EPU and operating divisions occur frequently, EPU being accused of involving itself in the affairs of operating divisions and vice versa.
It would appear that EPU is not able to play a leading role in planning and monitoring sectoral growth because of the following:

- Lack of leadership and continuity in the unit as senior staff are frequently transferred to other ministries or leave the Civil Service and vacancies are not filled for long periods;
- Even when it has a full complement of staff, the unit has insufficient manpower to fulfill its responsibilities;
- Staff in the unit in most cases do not have specialist knowledge of the two sectors.

We expand on the above problems in the recommendations below.

Recommendations

Because EPU is staffed from a pool in the Economic Common Service it is likely that the problems of lack of continuity and staff shortages will continue. Considering the importance of the planning and monitoring functions we believe that control of, and responsibility for, these should be held by the operating divisions whose staff are not subject to frequent transfer and are more closely associated with developments in their sectors.

We have recommended the creation of planning sections in the Trade and Industry Divisions. The functions and responsibilities of these units are discussed in our report on each of the operating divisions.

We believe that the EPU's role should be to provide services to support the planning function of operating divisions. In this regard we recommend the following:

1. Services provided by EPU in support of operating divisions should include:

- Reviewing plans and programmes prepared by divisional planning sections to ensure that they are consistent with macroeconomic policy;
- Assessing the impact of plans and programmes on the economy;
- Undertaking special assignments for divisional planning sections at the request of the relevant divisional head. For the Trade Division, for example, special assignments and/or assistance in the following areas could be undertaken by EPU:
  - Evaluating trade and commodity agreements and assessing the costs and benefits to Malawi;
  - Analysing price movements following trade liberalisation;
  - Analysing and evaluating the benefits of Malawi's participation in GATT, PTA and CADC.
2. For EPU to be able to support the operating divisions effectively, one Senior Economist and one Economist should be assigned responsibility for each one of the two sectors. This will enable individuals to focus on and acquire specialist knowledge of their sector.

3. In order to assist the economists to acquire specialist knowledge of the sector assigned to them, they should be periodically attached to the planning section in the relevant operating division. When first joining EPU, attachments should form a requisite part of induction training.

(b) Management of EPU

Findings

Posts with responsibility for leading EPU include those of Assistant Chief Economist and Principal Economist. As indicated in Section 3.1.2 these posts have been vacant for 15 and 36 months respectively. The one-on-one reporting relationship between the posts is inefficient and the role of Principal Economist is not clear.

Because EPU lacks a leader the distribution of work in the unit is ad hoc. The Deputy Secretary assigns work to the two Senior Economists as and when issues needing attention arise. The day-to-day activities of the Unit are neither effectively co-ordinated nor controlled.

Recommendations

In order to strengthen the management and efficiency of EPU we recommend the following:

1. The post of Assistant Chief Economist should be filled as a priority. MIT should make urgent, high level representations to the appropriate authorities to find accommodation for the applicant from Blantyre who was selected to fill the post in December 1989.

2. The Controller of Operations and Assistant Chief Economist should consult heads of operating divisions to determine and formalise EPU's role and relationship with planning sections in each division. Particular attention should be paid to the following:

   o fully defining and agreeing on the activities which should be performed by EPU in support of operating division

   o preparing and agreeing on an annual work plan to be followed by EPU
o agreeing on the allocation of specific sectoral responsibilities to economists in EPU

o agreeing on reporting procedures and deadlines

o agreeing on the concept of attaching economists to divisional planning sections to acquire specialist knowledge, and arranging such attachments.

3. The Deputy Secretary, Assistant Chief Economist and heads of operating divisions should attend meetings (quarterly, or monthly if necessary) to review programs.

3.1.4 Revised staff establishment and organisation structure

A revised organisation structure and proposed manning levels for EPU are shown in Chart 1-IV. With regard to the staff establishment we recommend the following:

1. The post of Principal Economist at P7 level should be deleted from the establishment.

2. The authorised establishment of Senior Economists at P8 level should be increased from one to three.

3. The authorised establishment of Economists at P0 level should be reduced from four to three.

If MI establishes new, or strengthens existing planning sections in the operating divisions it should not be necessary to increase EPU's total establishment of seven posts.
ECONOMIC PLANNING UNIT - MTL

PROPOSED ORGANISATION STRUCTURE
AND STAFFING LEVELS

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Assistant Chief Economist

- TRADE SECTOR
  - Senior Economist
- INDUSTRY SECTOR
  - Senior Economist

- Economist
- Economist

CHART 1-IV
3.2 Accounting Section

3.2.1 Objectives, functions and activities

Objectives

The Accounting Section in MTI is the operational arm of the Ministry of Finance responsible for providing accounting services to MTI for purposes of budgeting and control of finance.

Functions

The current functions of the Accounting Section are as follows:

- to provide accurate, timely, and appropriate financial information to line managers so that they can control expenditure and monitor revenue against the operating budget
- to provide systems and support to line managers to evaluate and control capital expenditure and capital utilisation
- to give the Principal Secretary advice on how best to utilise his financial resources and how to respond to unanticipated developments in the financial area including any directives from the Ministry of Finance
- to manage the operations of the Loans Board to support the development of small-scale enterprise.

Activities

The section’s day-to-day activities comprise the following:

- assisting line managers to produce operating and capital budgets which will serve as an effective planning mechanism
- producing statements of accounts on a weekly, monthly and annual basis in accordance with public service practice
- guiding line managers in the control of their budgets
- maintaining accounting controls which will ensure that accounting expenditures and revenues are correctly recorded and posted in accordance with practice in the public service
- collating and inputting salary data to the Ministry of Finance which will result in the correct payment of employees in accordance with their entitlements
- controlling the transactions of the Loans Board within established procedures and with approvals from the board meetings.
3.2.2 Organisation and staffing

The Accounting Section's current organisation structure, establishment, and manning levels are shown in Chart 1-V. We have noted the following general points:

- the Assistant Chief Accountant was acting for 6 months in the vacant post of Under Secretary whilst the post of Principal Accountant was also vacant. With effect from 01/08/30 the post of Under Secretary has been filled and the Assistant Chief Accountant has been promoted to Chief Accountant level and is awaiting redeployment to another ministry at that level once a suitable vacancy is identified;

- the audit function is completely unmanned;

- there are three vacant posts out of an establishment of nine in the Loans Board section;

3.2.3 Findings and Recommendations

Our findings and recommendations concerning the role, function, organisation and staffing of Accounts Section are detailed below. In our analysis we focus attention on the following functional areas:

- Management
- Main Accounts
- Loans Board
- Audit

(a) Management

Findings

As noted earlier the Assistant Chief Accountant was acting as Under Secretary for a protracted period in addition to his normal duties. Furthermore, the subordinate post of Principal Accountant was also vacant during this period.
CURRENT ORGANISATION STRUCTURE
AND RANKING LEVELS

Under Secretary

Assistant Chief Accountant

Principal Accountant*

(LOANS & ARDS) ———— (MAIN ACCOUNTS)

P6 1 1

P7 1 1

Senior
Accountant

Senior
Accountant

P8 2 2

P9 2 2

SE0 2 1

(FARM LOANS) ———— (BUSINESS LOANS)

EO 6 3 Asst Accountant* Asst Accountant

SO0 3 3 Snr Asst

CO 3 3 Accounts

Total 20 12

* denotes vacant posts
This situation calls into question the need for the post of Principal Accountant, particularly if our findings and subsequent recommendations on the future of the Loans Board are accepted.

Recommendations

The vacant post of Principal Accountant should be deleted from the establishment as an unnecessary one over one level of supervision.

(b) Main Accounts

Findings

The establishment within the Main Accounts section is currently fully staffed, and in the view of the Assistant Chief Accountant the present staff are adequate in number and competence to undertake the current workload effectively.

At present weekly and monthly statements of expenditure and revenue are being prepared for the six divisional/sectional budgets within Budget Vote 39 for H&I, namely:

- Programme 1 - Administration
- Programme 2 - Planning Unit
- Programme 3 - Trade (Internal)
- Programme 4 - Trade (External)
- Programme 5 - Industry
- Programme 6 - Assize

The monthly expenditure and revenue report generally meets the criteria for effective financial information for the line managers, though the weekly statement is deficient by not clearly identifying the spending to date against budget to date, and in not showing variances. However, it was noted that production of the weekly statements is not currently required by Ministry of Finance regulations.

It was noted, however, with some concern, that divisional managers did not play a sufficiently active part in the development and management of their budgets, a point which was discussed earlier in Section 2.
Recommendations

1. Manpower establishment in the Main Accounts section from Senior Accountant downward should remain unchanged at present but reviewed later in the light of the findings of the ongoing study by the Inspection Department of ODFP.

2. The weekly income and expenditure statements should cease to be prepared.

c) Loans Board

Findings

The general administration of the Loans Board appears to fall completely outside the objectives of an effective accounting department. If the Loans Board was considered to form part of the current objectives for the generation of small-scale trading enterprise, then its administration would best be handled within the Trade Division with only support from the accounting section. This view was suggested by senior officials from both the accounting section and from the Trade Division.

As things stand at present the Loans Board has the following level of activity and commitment:

(i) New loans contracted in 1989/90

- 11 loans totalling K83,500 (Average K7,590)

(ii) Outstanding loans at 31/03/90

- 427 farmers' loans (unsecured) totalling K106,506 (average K250)

- 53 business loans (secured) totalling K210,825 (average K3,635)

(iii) Repayments

Farmers' loans accrue interest at rates of 5% to 7% but approximately half of the outstanding loans have been passed to the Magistrates' Courts to collect. When this happens the interest, for some reason, ceases to accrue on the debt.

Payments received in 1989/90 (including court orders) totalled approximately K20,000, so that the outstanding balance is slowly being reduced.

Interest accrued on business loans at the rate of 15% p.a. and repayments in 1989/90 totalled approximately K20,000 which did not even cover the interest accrued during the year. There was therefore no reduction in the capital balance.

In summary, Loan Board repayments are slow, difficult, and expensive to collect.
Recommendations

1. The Loans Board should be wound up by 30/06/91.

2. An active campaign should be mounted immediately to collect outstanding debts and no further loans should be granted.

3. All outstanding loans to farmers at 30/06/91 should be either referred to the courts or written off as appropriate.

4. SEDOM or any other appropriate organisation should be approached to take over any existing loans for small business, all of which are secured by land title deeds.

5. All staff should be progressively deployed during the winding up process. The deployment of such staff should be outside MITI unless a suitable vacant post exists within.

(d) Audit

Findings

The three established posts within audit have been vacant for some time. Whilst we are unable to establish the need for all three posts it would, in prudence, be advisable to have at least some presence in this function particularly in the light of current difficulties in control of funds within the Rest House Chain.

Recommendation

The post of Senior Assistant Accountant in audit should be filled by 01/04/91 and should report to the Under Secretary. Filling the two established Assistant Accountant posts should be deferred until their need is confirmed by the Senior Assistant Accountant (at least until 01/04/92.)
3.2.4 Revised Staff Establishment and Organisation Structure

Taking account of the findings and recommendations presented in the preceding Section 3.2.3 we have prepared a revised organisation structure which appears in Chart 1-VI. The revised chart shows a reduction in established posts from 29 to 14. The reasons for the reduction of 15 posts are summarized below:

- Winding up the Loans Board - 9 posts deleted
- Transfer of Assize Section to Malawi Bureau of Standards - 2 posts deleted
- Review of Audit posts - 2 posts deleted (possibly temporarily)
- Removal of one-on-one relationships - 2 posts deleted.
ACCOUNTS DEPARTMENT - MTI

PROPOSED ORGANISATION STRUCTURE
AND STAFFING LEVELS

Gde Est
P5 -

(AUDIT)

P6 1

Assistant Chief Accountant

P6 1

Senior Accountant

SEO 1 Senior Assistant Accountant

(REGIONAL OFFICE) (SALARIES) (CASH OFFICE)

SU 2

Asst Accountant Asst Accountant

SU 2

Snr Accounts Assistant Sr Accounts Assistant

CO 7 Accounts* Assistant x2 Accounts Assistant Accounts Assistant x3

Total 14

* Accounts assistants at Mzuzu and Blantyre will deal with license fees;
Cash Office will do this in Lilongwe.
3.3 Personnel Section

3.3.1 Objectives, functions and activities

Objectives

The Personnel Section in MTI (as in all ministries) is an operational arm of DMT, responsible for providing personnel services at ministry level.

Functions

The current functions of the Personnel Section are as follows:

- to advise divisional heads and management on the application of personnel policy, procedures and Public Service regulations and ensure that these are consistently followed.
- to provide personnel administration services to the Ministry
- to provide welfare and counselling services to staff in the Ministry.

Activities

The section's key activities comprise the following:

- interpreting and communicating details of personnel policies, procedures and regulations related to recruitment, promotion, discipline and conditions of service
- monitoring staff establishments and co-ordinating proposals to DMT for the creation of new posts or the upgrading of existing posts
- co-ordinating applications to the Public Service Commission seeking authority to fill vacant posts by way of transfer, promotion or external recruitment
- chairing and servicing the Ministry's Appointments and Disciplinary Committee (responsible, under authority delegated by the Public Service Commission, for the recruitment, promotion and disciplining of staff in grades SCIV - STA)
- co-ordinating the completion of annual Confidential Reports (performance appraisals) for submission to DMT and the Public Services Commission
- processing applications for loans and leave

- 34 -
o maintaining personnel records and employees' personal files
o preparing budgets for staff emoluments
o counselling employees, visiting the sick and assisting with funeral arrangements for deceased employees.

In addition, the Personnel Section is responsible for the general supervision of the Registry.

3.3.2 Organisation and staffing

The Personnel Section's current organisation structure and manning levels (authorised and actual establishment per grade) are shown in Chart 1-VII.

The section is split into two main sub-sections: one responsible for personnel administration (headed by the Senior Personnel Officer) and the other for maintaining office and employees' personal files (headed by a Senior Clerical Officer).

The following points concerning the staffing of the section should be noted:

o the Senior Personnel Officer's post fell vacant in July 1980. The Senior Executive Officer is acting in the position until a new appointment is made.

o the post of Senior Clerical Officer in the Registry is vacant.

3.3.3 Findings and Recommendations

Our findings and recommendations concerning the role, functions, organisation and staffing of the Personnel Section are detailed below. In our analysis we focus attention on the following functional areas:

o Administration of personnel policies and procedures
o Record keeping
o Manpower planning, development and training.
PERSONNEL DEPARTMENT - MTI

CURRENT ORGANISATION STRUCTURE
AND STAFFING LEVELS

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Total 14 12

Snr Personnel Officer
---
Snr Executive Officer
---
Executive Officer
---
REGISTRY
---
Snr Clerical Officer
---
Clerical Officer

* denotes vacant post
(a) Administration of personnel policies and procedures

Findings

The activities of the Personnel Section are routine and essentially administrative in nature. The section operates under tight constraints within the framework of Malawi's Public Service Regulations which cover recruitment, promotion, transfers, grading, pay, conditions of service, performance appraisal and discipline. Personnel staff assigned to the Ministry have no opportunity to be innovative in formulating policies and procedures to assist MFI to achieve its objectives.

Posts with responsibility for the interpretation and administration of personnel policies and procedures include the following:

1. Senior Personnel Officer (head of department)
2. Senior Executive Officer (SEO)
3. Executive Officers (EO) (1 based at the Department of Tourism in Blantyre).

There is a one-on-one reporting relationship between these posts which results in considerable time being wasted as work is referred upwards through several levels for the Senior Personnel Officer's attention or approval.

This problem is aggravated by the fact that the sharing of duties and responsibilities between the Senior Personnel Officer, Senior Executive Officer and Executive Officer is ambiguous.

When speaking to the Senior Personnel Officer we were advised that work is broadly divided between the 3 posts as follows:

- The Senior Personnel Officer is responsible for personnel policy and administration matters related to staff above EO level, in addition to chairing the Appointments and Disciplinary Committee and co-ordinating the activities of the department.

- The Senior Executive Officer is responsible for personnel policy and administration matters related to staff below EO level, in addition to supervising the Executive officer.

- The Executive Officer is responsible for maintaining personnel records and supervising registry staff.
Upon further investigation we discovered that in fact there is no clear cut distinction between duties performed by each officer. The tendency is to delegate as much as possible down to the next level in the hierarchy and to 'pass the buck' for errors and omissions. The Senior Executive Officer and Executive Officer are not effectively supervised and do not appear to be fully employed.

Considering the number of MFI staff based in Lilongwe (141) and the volume and routine of administrative work performed in the Personnel Section we believe that the post of Executive Officer (in Lilongwe) is surplus to requirements.

Another area of concern is the apparent inefficiency of the Appointments and Disciplinary Committee which is chaired by the Senior Personnel Officer. This committee is responsible for the recruitment and disciplining of staff in grades SCIV - STA.

Considerable time is wasted when recruiting staff because selection criteria listed in advertisements are too vague and generalised, and in some instances posts are unnecessarily advertised. For example, in September 1989, of the 4037 applicants who responded to the advertisement for 4 Assize Assistants, 3376 were interviewed. The sole requirement to qualify for consideration was possession of the Malawi Certificate of Education. At the time several cleaners employed in the Ministry possessed this qualification and could have been promoted.

Investigations into alleged disciplinary offences are not undertaken promptly and simple cases dating back more than 12 months have not yet been finalised. This has a detrimental effect on staff morale and makes a mockery of the disciplinary procedure.

Recommendations

In order to strengthen the Personnel Section and improve the efficiency of administrative services currently provided we recommend the following:

1. Diff should be advised of the problem of ineffective supervision in the section and be asked to assist in clarifying the division of accountabilities and duties between the Senior Personnel Officer and Senior Executive Officer.

2. The post of Executive Officer should be discontinued and removed from establishment, subject to Diff's approval.
3. The Under Secretary (to whom the Senior Personnel Officer reports) should be charged with responsibility for monitoring the activities of the Appointments and Disciplinary Committee to ensure that there are no unnecessary critical delays in the recruitment and disciplinary processes. In particular, he should ensure that:

- job advertisements specify comprehensive selection criteria to allow effective screening of applicants
- disciplinary cases are dealt with speedily.

(b) Record keeping

Findings

In 1989 responsibility for the supervision of the Registry was transferred from the Administration Section to the Personnel Section because of supervisory problems in the former. These problems are discussed in the next section [3.4.3] covering the administration function.

In the Registry one Clerical Officer is responsible for filing personnel correspondence, completing staff returns and updating personal files. Nine Clerical Officers are responsible for filing correspondence for the other sections and divisions in the Ministry. The section is headed by a Senior Clerical Officer who reports to the Executive Officer (Personnel).

It appears that the Registry receives no direction from the Personnel Section. The Executive Officer (Personnel) is unaware that he is responsible for overseeing the activities of the Senior Clerical Officer and has no contact with him. When examining employees' personal files it was evident that they are not properly maintained nor regularly updated. Several files are missing and most contain no details of training courses attended, educational qualifications attained, or disciplinary warnings. Some divisional heads complain that general correspondence is often incorrectly filed and therefore difficult to retrieve.

Recommendations

In an attempt to improve the efficiency of services provided by the Office Registry we recommend the following:

1. The Registry should be split into 2 sections, one dealing exclusively with personnel related records and reporting to the Senior Personnel Officer, and the other with general correspondence and records, reporting to the Administration Officer in the Administration Section.
2. Employees' personal files should contain records relating to:

- job history, grades and promotions
- salaries, loans and advances
- training courses and performance reports
- discipline.

3. The Senior Personnel Officer should supervise the Clerical Officer responsible for maintaining employees' personal files and ensure that they are regularly updated.

c) Manpower Planning, Development and Training

Findings

At present, the Personnel Section plays no role in manpower planning, development, and training and as indicated previously in section 3.3.1, these activities are not systematically nor effectively undertaken by operating divisions.

The Administration Division is currently responsible for co-ordinating training proposals submitted by divisional heads for consideration by DFFT. In our view this is functionally inappropriate. Staff training and development are normally associated with the personnel function.

Recommendations

With regard to the Personnel Section's involvement in manpower planning, development, and training, we recommend the following:

1. Responsibility for the co-ordination of MTL's training proposals for submission to DFFT should be transferred from the Administration Section to the Personnel Section.

2. With the establishment of the Manpower Planning, Development and Training Committee, the role of the Senior Personnel Officer should be to:

- consolidate proposals for the creation of new posts and submit these to DFFT
- assist divisional heads to systematically identify training needs (in liaison with DFFT)
- advise the committee on suitable methods of meeting training needs/systematic on-the-job training, secondments, short courses, degree programmes, etc.).
o advise the Committee of the range and costs of training courses available at local, regional and international training institutions

o consolidate training and development plans and budgetary proposals

o maintain training records.

3.3.4 Revised staff establishment and organisation structure

A revised organisation structure for the Personnel Section incorporating changes recommended in the preceding section (3.3.3) is shown in Chart 1-VIII.

The section's staff establishment will be reduced from 14 to 3 following the transfer of Registry staff to the Administration Section and the redeployment of the Executive Officer (Personnel).

3.4 Administration Section

3.4.1 Objectives, functions and activities

Objectives

The Administration Section's primary objective is to ensure that the Ministry's general administrative and secretarial needs are met.

Functions

The current functions of the Administration Section are as follows:

- to provide office services in support of all divisions in MTI
- to provide administrative services in support of management.

Activities

The section's day-to-day activities comprise the following:

(a) Office service

- allocation of offices
- ordering and supply of consumables and non-consumables (clearing materials, uniforms, stationery, office equipment, vehicles)
- arranging for the maintenance and repair of the office equipment and pool vehicles
- providing transport for Ministry officials
- switchboard, typing, duplicating, messenger and office cleaning services.
PERSONNEL DEPARTMENT - MTT
PROPOSED ORGANISATION STRUCTURE
AND MANNING LEVELS

Gde  Est
P8   1

Gde  Est
SE0  1

Gde  Est
E0   -

Gde  Est
CO   1

Total 2

Senior Personnel Officer

Senior Executive Officer

REGISTRY
Clerical Officer
(b) Administrative services

- arranging venues for and servicing management meetings
- obtaining answers from divisional heads to questions addressed to the Minister of Trade and Industry in Parliament
- co-ordinating the preparation and submission of staff training proposals to DHTT
- advising the National Housing Authority of staff housing entitlements.

3.4.2 Organisation and Staffing

The Administration Section's current organisation structure and manning levels (authorised and actual establishment per grade) are shown in Chart 1-IX.

The section is split into two main sections: one responsible for general office services (headed by the Office Superintendent) and the other for typing services (headed by the Typing Supervisor).

The following points were noted regarding staffing:

- the posts of Principal Administration Officer and Administration Officer are currently vacant. The latter post has been advertised and will be filled shortly. At present the Office Superintendent and Typing Pool Supervisor report to the Under Secretary.
- One post at RO level is excess to authorised establishment. This post is held by the Typing Pool Supervisor who was recently upgraded from Db (Senior Copy Typist) to RO level.

3.4.3 Finding and Recommendations

Our findings and recommendations concerning the role, functions, organisation and staffing of the Administration Section are detailed below. We focus attention on the following functional areas:

- general office services
- administrative services in support of management.
Findings

The range of office services provided by the Administration Section (as listed in section 3.4.1 above) appears to be adequate.

Until recently all office services including the Registry and Typing Pool came under the control of the Office Superintendent. We understand that management relieved the Office Superintendent of responsibility for Registry and Typing Pool because these sections were not being supervised effectively. As indicated earlier in section 3.3.3, the Registry currently reports to the Personnel Section. The Typing Pool is headed by an Executive Officer who, together with the Office Superintendent, reports to the Administration Officer (see Chart 1-IX).

The problem of ineffective supervision in the Registry and Typing Pool has not been overcome by simply relieving the Office Superintendent of responsibility for these sections. While we support the decision to reduce the Office Superintendent's span of control, in our opinion the efficiency of these sections will only improve if the calibre and skills of section heads are upgraded. Staff in both sections need constant supervision to maintain acceptable levels of productivity and it is therefore necessary for section heads to have well developed skills in planning, organising, directing and controlling. At present section heads do not have these skills.

We agree with the decision to bring the Typing Pool under the control of the Administration Officer and, as indicated in section 3.3.3. (covering the Personnel Section), we believe that responsibility for the Office Registry should revert to the Administration Section, also under the control of the Administration Officer.

The Office Superintendent's current span of control (see Chart 1-IX) appears to be manageable and the grouping of switchboard, duplicating, transport, messenger and cleaning services under his control is logical.

The Typing Pool Supervisor's span of control is also reasonable.

The number of staff employed in the office services sections appears to be adequate. On occasion it is necessary for the typists to work overtime to cope with the workload. We believe that with more effective supervision and upgraded equipment (most typewriters are manual) it should not be necessary to increase the Typing Pool's staff complement.
**Administration Section - MTI**

**CURRENT ORGANISATION STRUCTURE AND STAFFING LEVELS**

- Principal Admin Officer
  - Admin Officer
    - Office Superintendent
      - Typing Pool Supervisor
        - Snr Copy Typist
          - Copy Typist

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</thead>
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</tr>
<tr>
<td>A0</td>
<td>1</td>
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<td>1</td>
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<td>Total</td>
<td>21</td>
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* denotes vacant posts
+ denotes non fixed establishment posts
**Recommendations**

1. As recommended in the previous section covering the Personnel Section, Office Registry staff who are responsible for general office filing should report to the Administration Officer.

2. The Senior Clerical Officer in charge of the Office Registry and the Typing Pool supervision should receive supervisory skills training.

(b) Administrative service in support of management

**Findings**

At present the Principal Administration Officer and Administration Officer (both posts are vacant) are responsible for providing administrative services in support of management in addition to overseeing the activities of general office service staff.

So far as we are able to ascertain, these services are restricted to the following:

- arranging and servicing management meetings
- occasionally collecting information required by the Minister to answer questions put to him in Parliament
- advising the National Housing Authority of staff housing entitlements
- co-ordinating the preparation of divisional training proposals for submission to DMMF.

As indicated in Section 3.3.3, we believe that responsibility for training should lie with the Personnel Section.

The one-on-one reporting relationship between the Principal Administration Officer and the Administration Officer is inefficient and the sharing of responsibilities (although limited) is not clearly defined.

In our opinion the post of Principal Administration Officer is surplus to requirements. The simplicity of administrative work performed does not justify the appointment of a departmental head at S7 level.
Recommendations

1. As indicated previously, responsibility for the co-ordination of divisional training proposals should be transferred to the Personnel Section.

2. The post of Principal Administration Officer should be discontinued and removed from the establishment register.

3. The Administration Officer should head the Administration Section. His responsibilities should include the following:

   - monitoring the efficiency of office services and taking corrective action through the Office Superintendent, Typing Pool Supervisor and Senior Clerical Officer in charge of the Office Registry when necessary.
   - preparation of the section's budget and monitoring and control of the section's expenditure
   - maintaining effective control over the ordering and issue of office supplies.
   - maintaining effective control over the use of pool vehicles
   - maintaining an inventory of furniture and office equipment in the Ministry and reporting losses to the Under Secretary
   - arranging and servicing management meetings
   - undertaking administrative tasks assigned by the Under Secretary.

3.4.4 Revised staff establishment and organisation structure

A revised organisation structure for the Administration Section incorporating changes recommended in the preceding section (3.4.3) is shown in Chart 1-X.

The section's total staff establishment will increase by 10 posts following the transfer of registry staff from the Personnel Section.

The number of posts at S0 level will increase from 1 to 2 as a result of the recent upgrading of the Typing Pool Supervisor.
PROPOSED ORGANISATION STRUCTURE AND STAFFING LEVELS

Administration Officer

Office Superintendent

Typing Pool Supervisor

Snr Copy Typist

REGISTRY

Snr Clerical Officer

Copy Typist $^x_b$

Clerical Officer $^x_b$

Snr F\&X Operator

Snr Head Messenger

Snr Driver $^+$

F\&X Operator $x_2$

Head Messenger

Duplicating Machine Up. $x_2$

Drivers $^-$$^x_2$

Snr Messenger $x_0$

Machine Up. $x_2$

Cleaner $^-$$^x_0$

+ denotes non fixed establishment posts
The current number of incumbent employees is 22 which is 8 over the proposed new establishment, but due to the phased implementation of the first two recommendations and the general shortage of accounts staff within the public service, the gradual redeployment of surplus staff can be easily effected without redundancy.

3.5 Summary of Recommendations

3.5.1 General Recommendations

i) Economic Planning Unit (EPU)

- Fill posts of Assistant Chief Economist to minimise and co-ordinate activities of EPU as agreed with Controller of Operations within agreed annual Plan of activities

- Assign sector specific responsibility to Senior Economists and Economists

- Attach economists to relevant planning sections in operating departments to acquire in-depth knowledge of the sector to which they are assigned.

ii) Accounts Section

- Cease production of weekly income and expenditure statements

- Wind up the operations of the Loans Board by 31/03/92

- Appoint a Senior Assistant Accountant immediately to head up the audit function and subsequently review necessity for increasing staffing in this section

- Review establishments in light of proposed disposal of rest house chain and transfer of Hotel Training School to trust status.

iii) Personnel Section

- DPMT to be requested to clarify respective roles of Senior Personnel Officer and Senior Executive Officer - Personnel and delete post of Executive Officer - Personnel

- Improve operational effectiveness of Appointments and Disciplinary Committee

- Remove personnel records from main Registry and run as a separate section under supervision of the Senior Personnel Officer

- Transfer responsibility for the administration and co-ordination of training from the Administration Section to the Personnel Section.
iv) Administration Section

- Control of general office registry to revert to administration department
- Provide supervisory training to section heads
- Delete post of Principal Administration Officer and head section with an Administration Officer.

3.5.2 Staffing

a) Changes to establishment

i) Posts to be added to establishment

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<td>Typing Pool Supervisor</td>
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Total: x3

ii) Posts to be deleted

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<td>Principal Admin Officer</td>
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<td>Senior Accountant</td>
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<td>Accounts</td>
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<tr>
<td>P0</td>
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</tr>
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<td>x4</td>
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<tr>
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<td>Snr Accounts Assistant</td>
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<td>Accounts</td>
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<tr>
<td>C0</td>
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Total: x19

iii) Posts to be transferred

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Total: x10
iv) Summary of changes to establishment

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<td>-</td>
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<td>-</td>
<td>-1</td>
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<tr>
<td>CO</td>
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Totals: -15  -11  +10  -16

b) Vacant post to be filled immediately

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<td>Personnel</td>
</tr>
<tr>
<td>Po</td>
<td>Economist</td>
<td>x1</td>
<td>EPU</td>
</tr>
<tr>
<td>PO</td>
<td>Administration Officer</td>
<td>x1</td>
<td>Administration</td>
</tr>
<tr>
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<td>Senior Accountant-Audit</td>
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<td></td>
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c) Incumbent officers to be redeployed as proposals are implemented

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<td>P8</td>
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<td>Executive Off-Personnel</td>
<td>x1</td>
<td>Personnel</td>
</tr>
<tr>
<td>SCO</td>
<td>Senior Accounts Assistant</td>
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<td>Accounts</td>
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<tr>
<td>CO</td>
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</tr>
<tr>
<td></td>
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APPENDICES
APPENDIX 1A

TERMS OF REFERENCE
FOR THE MANAGEMENT STUDY OF THE MINISTRY OF
TRADE AND INDUSTRY

SCOPE OF THE STUDY

The consultants will conduct an organisational and management study of the Ministry of Trade and Industry, with specific reference to all its Departments (i.e. Trade, Industry and Support Services) and carefully consider the new responsibilities conferred to the Ministry by the Development Statement of Policy Document 1987-96. The scope of the exercise is to provide the Government with a set of proposed changes in the organisation, structure, management, work distribution and personnel policy of MTI, with a view to increasing the Ministry's efficiency in performing its institutional duties. Such changes will take into consideration the limited amount of resources available to MTI and appraise the Government willingness to make more resources available for the MTI strengthening in the near future.

The study will also consider the institutional relations within the Civil Service as such, as far as the Trade, Industry and Tourism sectors are concerned, including the possible reclassification of the posts within the MTI. Due to the recent developments in the relevant sectors, a realignment of responsibilities might also be suggested, and therefore the potential repercussions in terms of redistribution of responsibilities within MTI and between MTI and other Government Ministries/Departments will have to be studied in depth.

STUDY METHODOLOGY

The team of consultants will be joined by a Malawian full time counterpart, with relevant professional qualification, appointed by the Ministry of Trade and Industry.

The consultants will carefully review the relevant Government Policy Documents, rules and regulations dealing with the development of the concerned sectors (i.e. trade and industry) as well as MTI mission statement. Relevant information on MTI role and interconnection with other Government Bodies will be sought through relevant documents such as the Malawi Yearbook and DEVPOL 1987-96, and through extensive interviews with the relevant authorities.

This will take into account the support currently provided to the industrial and trade sectors by the World Bank, through the
Industrial and Trade Policy Adjustment Credit (ITPAC), which is administered by the Ministry of Finance but which will definitely have some effects also on the overall work-load of MTI.

Particularly important will be, among other Government institutions, the Office of the President and Cabinet (OPC) and the Department of Economic Planning and Development (EPad), the Ministry of Finance; for personnel related matters, the Department of Personnel Management and Training (DHMT); of relevance in respect of the ITPAC package will be the Reserve Bank.

The team will prepare a draft mission report, at least one month before the scheduled end of assignment with recommendations for a new organisational and management set up for MTI. This will be discussed with the MTIT and other Government Departments/Ministries. Following this appraisal, the consultants will complete the report in a final form and present it to Government and UNDP prior to their departure from the country.

In undertaking the management and organisational study of MTI, the consultants will give due regard to the developments which, according to the DEVPOL, are expected in the future from the industrial, trade and tourism sectors. Among others, these achievements are:

- an increased manufactured component of the nation’s agricultural output and expanded export;
- a significant import substitution, with particular emphasis in respect of imported industrial and agricultural inputs;
- wider employment generation;
- an integrated industrial structure and a more balanced geographic distribution of activities;
- a more encouraging climate for potential exporters, through appropriate policy and administrative measures and an improved balance of Payment position;
- an increased small and medium sized industrial and trade sector with particular attention to the development of private enterprises in rural areas;
- an improved physical infrastructure and availability of transport and communication facilities;
- a well balanced Tourism related development as per DEVPOL, Chapter 11.
PHASE I

The team will study and familiarise themselves with all relevant documents related to the Industrial and Trade sectors, which might be of relevance for the study, such as DEVIOL 1987-86, Industrial Development Act, Malawi Annuary Control of Goods Act, etc.

At this stage, the consultants will also review the MTI mandate, as it appears from the above documents and its projections for the next five to ten years.

Duration: 1 week

PHASE II

The objective of this phase will be to review the operational MTI structure versus its institutional tasks, its managerial organisation and its personnel management.

The entire Ministry will be analysed both as an entity and in its interactions with other Government bodies.

Special concern will be given to the distribution of responsibilities in respect of the Industrial, Trade and Tourism sectors, among the various Government bodies and within MTI itself.

More specifically, the following are the main aspects to be studied:

Organisational Structure

- Given its institutional tasks and its present structure, the effectiveness of MTI will be appraised and areas of weakness identified;

- The Economics Section and the newly formed Small Scale Industries Unit need special consideration, due to their peculiarity. In fact, the Economics Section reports not only to the Principal Secretary, but also to EPAD, while the SSIU is a cross-section body in its duties but is structurally located within the Industrial Development Division;

- The various Sections have different weight inside the Ministry in terms of resource allocation and distribution of responsibilities: consequences of this imbalance in the sectors' pace of development and overall MTI efficiency will be examined. Whether this status quo is the most desirable, given new Government development priorities, will also be determined by the study;
- The processing/renewal of industrial licencing appears to be utilising a great deal of the resources available. The services provided through this exercise need to be examined in quantitative/qualitative terms;

- MTI's leading and coordinating role in the development of three sectors should be backed by a reliable and efficient data bank on these sectors, kept updated and made available to other Ministries, donors and the business community as a basic source of information. This institutional task appears to have been overlooked so far.

**Personnel Management**

- The workload distribution criteria will be reviewed and the specificity of the Economics Section and of the SSIU carefully appraised;

- An analysis of posts grading within MTI will be undertaken; internal mobility rate, salary scale and career patterns in MTI will be appraised in comparison with the prevailing situation in the Civil Service. Mobility rates between MTI and other Ministries/parastatal bodies will be considered, as well as the mobility MTI/private sector and vice versa.

- A review of the job descriptions versus educational/professional qualification of the MTI personnel will be carefully undertaken and discrepancies outlined;

- Available on-the-job and external training programmes will be assessed, and brought in line with the officers' duties and expected performance;

- Any other incentive scheme presently utilised in MTI personnel management, if any, will be assessed in its effectiveness;

- A review of the financial/human resources presently available to MTI and a realistic assessment of Government willingness to devote more resources for MTI strengthening in the next five years will be made.

**Management Organisation**

- Assessment of planning, scheduling and monitoring systems within MTI, including a statement on the resources made available for these operations. More in general, the work programmes vis-a-vis the available budgets will be carefully studied.
- Review of the managerial organisation of MTI, existing delegation of authority, decision-making processes, major management tools utilised and their effectiveness;

- The interrelation, in managerial terms and at high level, between MTI and other organisations either falling under the MTI mandate, or whose existence is relevant to the industrial, trade or tourism sectors;

- An assessment of the managerial and supervising capacities of MTI towards institutions falling under its mandate, and which Board Meetings MTI is chairing or represented in;

- An evaluation of the managerial flexibility, towards unexpected changes in development patterns or any other relevant variation which might influence temporarily or permanently the workload, modalities and conditions;

- An appraisal of the capacity of response, in managerial/logistical terms, to sudden requests arising from development cooperation activities, or other activities related to the business environment;

At the end of Phase II, the consultants will have collected all the information necessary to assess the overall MTI organisational and managerial effectiveness and potential for improvement.

Duration: four weeks

PHASE III

In this phase, which will last two to three weeks, a Draft Mission report will be prepared and discussed with MTI and other Government Departments and Ministries. The joint discussion will then lead to the formulation of the final Report, as envisaged in Phase IV.

The report will cover the following subjects:-

- Definition of the real tasks of MTI and duties to be performed in the next five to ten years, according to the DEV HOL and other relevant Government documents;

- Assessment of MTI effectiveness and efficiency in undertaking its institutional duties, including an in-depth evaluation of personnel professional suitability and training;

- Appraisal of MTI efficiency in its relation with other Government bodies and private institutions;
- Evaluation of the overall MFI organisational and management and a set of management/organisation suggestion for the improvement of MFI performances.

- Recommendations in respect of personnel management issues, particularly as far as incentives systems are concerned;

- Careful consideration of the resources available to MFI as a whole and of the internal resources distribution, as well as an appraisal of the Government willingness to devote more resources for the strengthening of MFI in the next five years;

The recommendations proposed by the study will have been based on substantive discussion with relevant decision-making Government bodies, such as OPC, Ministry of Finance and the Department of Personnel Management and Training.

The report will be produced in 20 copies and distributed to MFI, OPC, Finance, DMI, UNDP and other institutions, as deemed necessary by the team and the Ministry of Trade and Industry.

Duration: two to three weeks

PHASE IV

Discussion of draft report with relevant Government authorities and Final Report release.

In the fourth phase, the consultants will have discussions with Government authorities, on the topics/solutions proposed in the draft report and finalise the report for official Government approval and MFI implementation.

Since the final scope of the study is to offer viable solutions for an improvement of the organisational and managerial structure of MFI and, ultimately, an improvement of its performance, all the recommendations will be valued against the actual resources available and the absorptive capacity of MFI structure.

Duration: two to three weeks
RESOURCES

Approximate cost of the study US$300,000.

The costs will include international travel, accommodation, internal travel for the team members, as well as their professional fees and any expenses to be eventually incurred for the typing, reproduction and distribution of both the draft and final report.

UNDP will also provide for the internal travel of the national counterpart/s to the team (approximate cost US$10,000).

DURATION

The study will be conducted over a time frame of three months.

TEAM COMPOSITION

Orientatively, the team should consist of specialists in the fields of Trade, Industry, Tourism, Human Resources and Management Studies in general. The consultants should have extensive experience in developing countries and preferably in Southern Africa.
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<th>GRADE</th>
<th>JOB TITLE</th>
<th>ENTRY QUALIFICATIONS</th>
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<th>FAMILIARISATION/SECONDMENT</th>
<th>COURSES</th>
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<td>Sr. Asst. Trade Officer</td>
<td>As above + 2 years service at EO level + completion of development plan listed for EO + satisfactory assessment</td>
<td>Any 4 activities from those listed for EO</td>
<td>Any 4 secondments from those listed for EO</td>
<td>CATT 4 month course on trade policy</td>
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<tr>
<td>ED</td>
<td>Trade Officer</td>
<td>Diploma Higher + 2 years service at SED level + completion of development plan listed for SED + assessed as having ability to perform at EO level, or University Degree in appropriate discipline e.g. commerce, account, economics, law, etc</td>
<td>As for SED + 3 of those listed below: 1. Verification of business licences applications 2. Writing or summarising reports for joint national trade offices 3. Writing activities of SSO 4. Deal with business inquiries 5. Trade Price Inspection team 6. Draft inspection reports 7. Researching for joint commissions or bilateral agreement negotiations</td>
<td>As above plus 2 day familiarisation programme with Chamber of Commerce</td>
<td>As above + One of 1. Import Management 2. Export promotion 3. International marketing e.g. TEC or similar organisations + any two modules from the following: 4. Training modules 1. Problem solving/decision making 2. Leadership and motivation 3. Planning in short and medium term 4. Time management and delegation (contd)</td>
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<th>EXPERIENCE</th>
<th>FAMILIARISATION/SECONDMENT</th>
<th>COURSES</th>
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<td>Trade Officer (contd)</td>
<td>4 years experience at F0/CEO level + completion of development plan for F0/CEO and satisfactory assessment</td>
<td>8 of those listed for FO/CEO plus 4 of those listed below:</td>
<td>Extended secondment (6 months min) to Malawi Export Promotion Council to undertake substantive duties and specified projects.</td>
<td>As above but any 2 of the short trade courses and any 4 of the management modules.</td>
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<td></td>
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<td></td>
<td>1. Drafting papers for joint commission or bilateral agreement regulations</td>
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<td>2. Evaluating proposals for projects of Malawi Export Promotion Council</td>
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<td>3. Conducting interviews with prospective suppliers</td>
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<td>4. Participating in meetings for Malawi bilateral projects</td>
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<td>5. Assessing issues in UNCTAD papers and making proposals</td>
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<td></td>
<td>6. Attending trade exhibitions at trade fairs and FASHION</td>
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<tr>
<td></td>
<td>Senior Trade Officer</td>
<td></td>
<td>8. Monitoring bilateral agreements</td>
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<td>5. Interpersonal Communication</td>
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# Trade Division

## Outline Career Path

### Development Plan (Prior to promotion to higher grade)

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<th>ENTRY QUALIFICATIONS</th>
<th>EXPERIENCE</th>
<th>FAMILIARISATION/SECONDMENT</th>
<th>COURSES</th>
</tr>
</thead>
</table>
| P3    | Principal Trade Officer | 4 years experience at P2 level  
+ completion of development plan for  
PP and satisfactory assessment  
+ M Sc in Economics with a trade  
bias. | As above plus:  
1. Preparing annual plan of  
work and budget  
2. Deployment and supervision  
of staff within the section  
3. Planning, training and  
development of staff within  
the section  
4. Advising the Chief Trade  
Officer on technical issues  
effecting the section  
5. Undertaking special  
projects  
6. Deputising for the Chief  
Trade Officer in trade  
appointments. | | MIM courses  
Planning for Impact;  
Budgeting in the public  
sector  
Project planning and  
appraisal (Senior Staff). |
| 5     | Chief Trade Officer | As above plus 4 years at P2 level  
and administrated management  
roles | As above plus leading  
trade negotiations and  
advising the Permanent  
Secretary | | Senior Management Programmes  
of approx 4 - 6 weeks at  
international centre. |
MANAGEMENT STUDY

OF

THE MINISTRY OF TRADE AND INDUSTRY

TRADE DIVISION

VOLUME 2

FINAL REPORT

NOVEMBER 1991
MANAGEMENT STUDY

OF

THE MINISTRY OF TRADE AND INDUSTRY

TRADE DIVISION

VOLUME 2

FINAL REPORT

NOVEMBER 1991
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INTRODUCTION

In this section we examine the aims of trade development policy in Malawi and the roles of the various institutions responsible for policy implementation. In particular, the role of the Trade Division within MII is addressed and the success of the Division in performing this role is evaluated. On this basis, recommendations regarding the activities and organisation of the Trade Division are made.

1.1 Policy Objectives

The policy in Malawi is based on the Government's realistic recognition of the major trade related problems facing the economy, namely:

- Malawi is dependent for its foreign currency earnings on a limited number of agricultural commodities, the prices of which fluctuate in accordance with world market conditions and are beyond Malawi's control;

- Malawi is landlocked, which makes it economically vulnerable to instability in its trade routes (particularly through Mozambique), and also increases the price of imports while reducing the competitiveness of exports;

- the domestic commercial infrastructure is relatively undeveloped, leading to shortages of essential or important items due to distribution bottlenecks, and a monopolistic or quasi-monopolistic structure which is potentially open to abuse through the pricing systems.

As a consequence, GUM trade policy as reflected in DEVPOL may be summarised as follows:

- to increase the foreign exchange earning capacity of the country through the stimulation of both traditional and non-traditional exports

- to provide an adequate and appropriate transport and communications infrastructure to support trade development

- to diversity and stabilise overall trade flows and ensure the security of supply of essential goods

- to promote growth, efficiency and equity in domestic trade in order to attain low and stable prices and an adequate supply of goods throughout the country

- to stimulate the expansion of small-scale Malawian trading activity.

A number of institutions are charged with the implementation of different aspects of this broad range of policy objectives. These are discussed below with particular reference to the activities they are required to perform.
PERFORMANCE OF STRATEGIC ACTIVITIES

In order to achieve the above policy objectives a number of key strategic activities must be undertaken. These key activities are listed below. Each activity is broken down into a range of essential tasks. Institutional responsibilities for these tasks are then defined, and any problems associated with the current level of performance of these tasks are identified. Specific issues related to the role and performance of the Trade Division are detailed, and on this basis recommendations designed to improve the performance of the Division are made.

The key strategic activities required by trade policy objectives are:

- the identification and promotion of export opportunities
- the promotion of exports through the provision of advice, guidance and incentives to exporters
- the provision of adequate distribution channels to ensure the availability of essential goods throughout the country
- the monitoring and regulation of traders to ensure that consumers are not exploited in uncompetitive markets
- the promotion of small-scale indigenous traders through the provision of technical advice and finance
- the minimisation of barriers to fair trading through the ongoing review and streamlining of trade licensing and associated procedures and regulations
- the co-ordination of the activities of the various institutions involved in promoting trade development.

Each of these key strategic activities is discussed below.

2.1 Identification and Promotion for Export Opportunities

This strategic activity will comprise the following essential tasks:

- investigation of opportunities
- communication of opportunities to exporters
- negotiations of bilateral and multilateral agreements
- organisation of promotional representation and materials.
2.1.1 Investigation of Opportunities

The investigation of export opportunities is undertaken by means of market surveys and analyses, the results of which are used to determine promotional priorities.

This task is primarily the responsibility of the Malawi Export Promotion Council (MEPC). MEPC is a parastatal organisation established by Act of Parliament in 1971, under the overall direction of MIT as the parent Ministry. The Principal Secretary in MIT is the chairman of the MEPC Board.

Opportunities are also identified through the trade attachés placed in Malawi diplomatic missions abroad, whose responsibility is to maintain ongoing contact in commercial and government sectors in countries which represent significant potential markets.

MEPC is also responsible for recommending the appropriate deployment of trade representatives in overseas missions.

Investigation or market opportunities should also provide an important input into the process of determining international trade strategy, which should be undertaken by the Trade Division itself. Effective communication between the Trade Division and MEPC is therefore critical to the determination and implementation of an effective international trade strategy.

2.1.2 Communication of Opportunities to Exporters

In addition to gathering market information, it is clearly crucial that such information is communicated to the current and potential exporters who will make commercial use of it. This communication is also the responsibility of MEPC, and to support this the Council has a well stocked library of trade publications and information to which more than 300 exporters have access. The Council also publishes a monthly Export Information Bulletin and an annual Malawi Buyers Guide. Additionally the Council provides advisory services to exporters and foreign buyers of the nation’s products and inquiry/reply services.

2.1.3 Negotiation of Bilateral and Multilateral Agreements

When significant external trading opportunities have been identified, it will be to Malawi’s advantage to negotiate and become party to a bilateral or multilateral trade agreement. Such agreements may typically have the dual advantage of giving preferential tariffs to the signatories, as well as increasing certainty relating to the source and amount of foreign exchange earnings. The Trade Division, as the body responsible for the overall implementation of GOM trade policy, should be actively involved in the drawing up and negotiation of such agreements.
2.1.4 Organisation of Promotional Representation and Materials

In order to promote international trading opportunities for Malawi, representation in trade fairs and exhibitions must take place to ensure that the products Malawi is able to export are brought to the attention of potential international purchasers.

MEPC is responsible for organising Malawi's representation at such events, and for the preparation of promotional material.

It is also necessary to assess, as far as possible, the impact of various forms of promotional activity, in order to ensure that maximum benefit is obtained from the investment made in promotion. This assessment is principally the responsibility of the External Trade Unit within the Trade Division.

2.2 Promotion of Exporters

This strategic activity will comprise the following essential tasks:

- provision of appropriate incentives;
- provision of advice and technical assistance;
- provision of finance.

2.2.1 Provision of Appropriate Incentives

Incentives to exporters are provided for in the export incentives Act:

- responsibility for administration;
- role of Trade Division.

2.2.2 Provision of Advice and Technical Assistance

The Malawi Export Promotion Council provides advice to support export development through the media of workshops, seminars and courses to familiarise Malawian exporters with export procedures and marketing techniques. Technical assistance is provided only to exporters in the SME sector. The institutional responsibilities for the provision of assistance to this sector are described in section 2.5 below.

2.2.3 Provision of Finance

Lack of both pre- and post-shipment export finance has been identified by MEPC as a major constraint to exporters in the SME sector. MEPC considers it appropriate that the Trade Division should liaise with the Council to develop an appropriate programme to alleviate this constraint.
An area of immediate concern regarding SME sector export credit is the funding made available by the World Bank for the assistance of small-scale exporters. The Small Enterprise Development Organisation of Malawi (SEDA) was tasked with administering these funds, but to date no money has been disbursed because the World Bank package did not include the cost of administering the funds.

Large-scale exporters are able to obtain export finance through commercial channels, but do not receive Government or donor support in this respect.

2.3 Provision of Adequate Distribution Channels

Although the alleviation of distribution bottlenecks is a key objective of trade policy, the Trade Division itself has no direct responsibility with respect to the achievement of this objective.

Responsibility for providing adequate distribution channels lies with Chipiku Wholesalers, which is the trading arm of the import and Export Company of Malawi. Chipiku was established to provide a rural trading infrastructure, including the provision of limited rural credit, in order to stimulate cash crop production in the rural areas.

In order to achieve its objectives, Chipiku has a network of 63 wholesale depots, at approximately 60 kilometre intervals, throughout Malawi.

The relationship between Chipiku and Trade Division is that the Division is represented on the Board of the Malawi Development Corporation, which is a major shareholder in the import and Export Company of Malawi. The importance of Chipiku's role is discussed further in 2.5.

2.4 Monitoring and Regulation of Traders

This strategic activity will comprise the following essential tasks:

- licensing and registration;
- monitoring trading practices.
2.4.1 Licensing and Registration

The Internal Trade Unit of the Trade Division is responsible for the regulation of domestic trade, and ensuring the compliance of trade practice with the following Acts:

- Companies Act
- Business Licensing Act
- Registration of Business names Act
- Liquor Act.

The Division spends considerable effort in reviewing applications for registration forwarded to it by the Registrar of Companies, and also considering applications for trading licenses. Both procedures are cumbersome and time consuming, and in the case of reviewing registration applications it appears that work undertaken is substantially similar to that undertaken by the Registrar's department.

In view of the broad changes in overall policy direction which have taken place over the last 3 years, and which are clearly stated in the VFNPU (in particular, the progress which has been made towards market liberalisation) we consider it appropriate to question seriously the need for the Division to be involved in these regulatory activities. This is discussed further in 2.6 below.

2.4.2 Monitoring of Trading Practices

Trading practices are monitored by two sections within the Trade Division, namely:

- Price Investigation;
- Assize.

a) Price Investigation (PI)

This section was established in 1968 to administer statutory price controls. Over the succeeding 15 years it expanded as the number of items whose price was controlled grew. However, in 1983 the UOM commenced a phased programme of price decontrol, known as the Price Liberalisation Programme (PLP).

PLP has been implemented to the extent that by October 1990 only four items were price controlled.
The original reasons for PI's establishment have thus substantially disappeared, but the section itself has remained, and taken over responsibility for investigating all pricing malpractices, as well as inspecting licenses and assize stamps.

Within the PIU is the Co-operative Unit, which was formed to encourage the growth of Co-operatives. The logic for the Co-operative Unit falling within PIU is that the Principal Price Investigation Officer is ex officio the Assistant Registrar of Co-operatives, with the Principal Secretary being the Registrar. The appropriateness of current activities of the PIU including the Co-operative Section is reviewed below.

b) Assize

The Assize Section is responsible for protecting consumers by enforcing the provision of the Weights and Measures Acts and the Metrication Act. This involves such activities as testing, weighing and measuring equipment and verifying the quantities of pre-packed goods sold by weight or volume. This Section has considerable day-to-day autonomy, probably due to the specialised technical nature of its operations, and also to the fact that it operates in a clearly defined legal and technical framework.

While the Assize function undoubtedly has considerable value, we consider below the appropriateness of incorporating a technical, regulatory function into a unit which is now intended to be promotional and developmental in nature.

2.5 Promotion of Small-Scale, Indigenous Traders

This strategic activity comprises the following essential tasks:

- provision of technical advice and assistance;
- provision of finance;
- representation of interests.
2.5.1 Provision of Technical Advice and Assistance

Technical advice and assistance to small-scale entrepreneurs is available in Malawi through several organisations, principal among which are:

- Development of Malawian Traders Trust (DMATT)
- Small Enterprise Development Organisation of Malawi (SEDOM)
- Malawian Entrepreneurs Development Institute (MEDI)
- Project Officer and Entrepreneurial Training (PORT) initiative, being run under the auspices of the Rural Enterprise and Agribusiness Development Institutions (READI) project.

While the Trade Division is not itself directly involved in the provision of technical advice and assistance to the SME sector, it is clearly important that in its role as the interpreter and implementor of SME trade policy, it should have sufficient influence among the institutions providing these services to ensure they are acting in support of established policy initiatives.

The mechanism by which the Trade Division of MTI currently exercises influence over such institutions is through ex officio representation at Board level. However, the influence exerted tends to be restrictive in nature (e.g. through measures such as employment and/or remuneration freezes), perhaps because of the somewhat disproportionate emphasis on regulation rather than promotion which seems to have become entrenched in the Ministry’s organisational culture.

Several senior personnel of institutions where MTI is represented at Board level expressed concern at the relatively high turnover of senior level officials within the Ministry. This, they considered, led to a lack of continuity in the representation of MTI’s stance on policy issues.

2.5.2 Provision of Finance

The principal institutions involved in the provision of finance to the SME sector are:

- Malawi Union of Savings and Credit Co-operatives (MUSCOCO)
- Small Enterprise Development Organisation of Malawi (SEDOM)
- Chipiku Wholesalers (in the provision of credit to rural retailers).
As in the case of technical advice and assistance, the Trade Division is not directly involved in the provision of credit to the SME sector. Clearly, its role should be to give guidance to the organisations providing SME sector finance to ensure that credit strategy is in line with overall Government policy guidelines.

2.5.3 Representation of Interests

In order to promote effectively the SME sector traders, it is necessary for the target group’s concerns and requirements to be represented at policy setting and strategic levels.

To some extent this liaison is achieved through the institutions providing technical advice and assistance, but in addition the following bodies have been established to communicate the interests of SME sector traders:

- African Businessmen’s Association (ABA)
- Exporter’s Association.

The ABA was formed in 1987 to promote Malawian entrepreneurs through, inter alia, providing consultation and liaison with Government departments and organisations.

The Exporters’ Association was formed in 1986 by a group of Malawian exporters who felt that small exporters were not adequately represented through organisations such as the Associated Chamber of Commerce and MEPC.

2.6 Minimisation of Barriers to Fair Trading - Licensing and Registration and Price Inspection

The overall objective of the Trade Division may be broadly summarised as being to maximise the flow of both internal and external trade, and the benefits accruing from it to the people of Malawi.

This implies that a growth in the volume of trade will only be in line with Government objectives providing a real benefit accrues to someone other than the vendor.

It is for this reason that the Trade Division has had a joint role to fulfill in implementing Government policy; on one hand, to promote increases in the volume of items traded, and so stimulate production; and on the other hand to ensure that fair trading practices are observed, and that the consumers are not exploited through fraudulent or monopolistic abuses.
in conducting this study, it became apparent that the Trade Division has concentrated heavily on the fulfillment of its regulatory functions almost invariably at the expense of its promotional and developmental role.

In formulating recommendations regarding the future role of the Trade Division, we have sought to take full account of changes taking place in the broad economic environment, while at the same time retaining the fundamental importance of consumer protection.

As noted above, the Price Liberalisation Programme has led to a situation in which only four items are price controlled. This reduces considerably the demand on the Price Investigation Section to check that administered prices are being adhered to, but does not remove the importance of ensuring that traders in highly competitive markets are not abusing monopolistic or quasi-monopolistic powers.

In addition, the general liberalisation of markets which is an integral part of current policy direction, may well remove the system of licensing, such that traders are simply required to register their operations. In this case a significant proportion of the work currently undertaken by the Division will be removed.

The removal of these barriers to entering the market as a trader does not, however, mean that no control will be exercising over the practice of trade. There will still be a need for a body which will investigate complaints of trading malpractices in order to offer protection to the consumer. The appropriate repository for such a body will be the Trade Division itself.

2.7 Co-ordination of Institutional Activities

It is clear from the key activities and essential tasks described above that a wide range of functions have to be performed if trade is to be promoted effectively, both within and outside of Malawi.

While it is the responsibility of MTI and the Trade Division to implement GOM policy, it is clearly not the Division's responsibility to perform the actual functions required.

The appropriate role for the Division is to co-ordinate the activities of the implementing institutions at the operational level, in order to ensure that a consistent overall direction is maintained. In this respect the Division is required to provide guidance and leadership with respect to Government policy.
In reality, however, the Division has not fulfilled this role, but rather has concentrated on applying restrictions to the day-to-day functioning of the implementing institutions.

At present, a study is being undertaken to make recommendations regarding the optimal institutional set-up for SMK sector support. To the extent that the outcome of this exercise may be a change in the number and functions of institutions involved, it would be premature to define in detail here the precise relationships between the Trade Division and the individual institutions. It is clearly the case, however, irrespective of the outcome of the SMK sector study, that the essence of the relationship must be to:

- provide guidance in the role of the institution in implementing policy
- provide information regarding the complementary roles of other institutions
- avoid duplication and waste of effort and resources by co-ordinating the activities of the various institutions involved in implementation
- receive feedback from implementing institutions and input this as appropriate in the policy and strategy setting processes.

The emphasis of the relationship between the Division will be on guidance, communication and feedback rather than regulation and interference in day-to-day management issues.

ORGANISATION AND MANAGEMENT REVIEW

In reviewing the organisation and management structure of the Trade Division, we have sought to take account not only of the extent to which its current structure is supportive of the activities it seeks to perform, but also of the activities it will be required to perform in a liberalised environment.

This approach has required us to assess the current structure of the Division in the light of:

- Whether the activities currently undertaken will be required in future
- Whether activities not currently undertaken will in future be required.
In this section, therefore, we examine issues related to the current organisation and staffing of the Division and make recommendations for future organisation and staffing based on our view of the required activities of the Division in future.

3.1 Current Organisation and Staffing

In this section we discuss the current organisation and staffing of the Trade Division. This section is divided into 3 sub-sections, as follows:

- Organisation structure
- Skills inventory, skills shortages and training
- Staff attitudes and motivation.

3.1.1 Organisation Structure

The current structure of the Trade Division is shown in Chart 2-1. The Division is divided into three divisions, each under the control of a Principal Officer, and responsible for trade, assize and price investigation.

a) Trade Section

The Trade Section, which is headed by the Principal Trade Officer, comprises two sections, namely internal trade and external trade. The primary focus of both sections at present is on the regulation of trading activities, through the administration of the licensing systems. A combination of staff shortages and an excessive degree of centralisation has led to a situation in which staff feel dissatisfied and overworked. This issue is discussed further below.

The current structure of the Trade Section is shown in chart 2-1.

b) Assize Section

The Assize Section is headed by the Principal Government Assizer. The assize function is a specialised, technical activity involving the testing and metrification of weighing and measuring equipment in use in the trade sector, as well as the assessment of the suitability of new weighing and measuring equipment for the Malawian environment. As a result, the Assize Section is managed as a relatively autonomous unit within the Trade Division. This autonomy is reinforced by the Assize Section being physically located away from the Ministry Headquarters.
TRADE DIVISION - MTI

CURRENT ORGANISATION STRUCTURE
AND STAFFING LEVELS

Principal Trade Officer

(INTERNAL TRADE) ------------------------- (EXTERNAL TRADE)

Chief Trade Officer

Principal Price Investigation Officer

Principal Government Assizer

P8 3 2

Snr Trade Officer

Snr Trade Officer

Snr Trade Officer P & P

Snr Trade Officer

Trade Officer

Trade Officer

Trade Officer

Snr Asst TO

Snr Asst TO

Snr Asst TO

Snr Asst TO

Trade Officer

Snr Asst TO

Asst Trade Officer

Asst Trade Officer

Snr Clerical Officer

Records

Clerical Officer

Records

Gde  Est  Act

P5  1  1

P7  1  1

P8  3  2

S8  6  5

S6  6  6

S6  12  2

S6  1  -

C6  2  2

Total  32  19

* denotes vacant posts
+ Heads of sections depicted on other charts are counted on those charts
As in the case of the Trade Section, the Assize Section is characterised by a relatively high level of vacancies; which in the case of the Assize Section is caused mainly by the relatively high level of technical qualification required.

The current structure of the Assize Section is shown in Chart 2-11.

c) Price Investigation Section

The Price Investigation Section is headed by the Principal Price Investigation Officer. Its principal function is to investigate trading malpractices, such as overcharging for price-controlled items, and abusing market position by using an excessive cost-plus pricing strategy.

Like the other two Sections in the Trade Division, Price Investigation is characterised by significant understaffing.

The current structure of the Price Investigation Section is shown in Chart 2-11.

3.1.2 Skills Inventory, Skills Shortages and Training

Appendix ZA gives an inventory of the education, experience and training of current employees and appended at Appendix ZB is our assessment of these current qualities against those required to perform effectively in the current post of each incumbent officer. Our general observations are as follows for each section:

a) Trade

- The majority of employees in the post of Trade Officer and above are either graduates or holders of diplomas in business studies. One Trade Officer only has O' level Certificate which is inadequate for a post at this level.

- The educational attainment of employees in the Assistant Trade Officer and Senior Assistant Trade Officer posts range from Junior Certificate of Education to Diploma in Business Studies. About half of the less qualified officers are approaching age 50 and will be due for retirement within the next few years. Ideally these retiring employees should be replaced with diploma holders which is the required level of education for these posts.
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<td></td>
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* Denotes vacant post
## Current Organisation Structure and Staffing Levels

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<td>2</td>
<td>2</td>
<td>Snr Price Invest Officer S. Region</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Snr Price Invest Officer HQ</td>
</tr>
<tr>
<td>P0/CG0</td>
<td>4</td>
<td>2</td>
<td>Price Invest Officer S. Region</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Price Invest Officer HQ x2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Price Invest Officer N. Region</td>
</tr>
<tr>
<td>SE0</td>
<td>5</td>
<td>3</td>
<td>Snr Price Inspector x2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Snr Price Inspector x2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(1 vacant)</td>
</tr>
<tr>
<td>E0</td>
<td>10</td>
<td>2</td>
<td>Price Inspectors x3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Price Inspectors x4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Price Inspector x1</td>
</tr>
<tr>
<td>SCU</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>WO</td>
<td>2</td>
<td>2</td>
<td>Clerical Officers x2</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>

* Denotes vacant posts
I

on balance, officers in the external trade unit tend to be better qualified than those in internal trade which may reflect the greater scope for analytical and creative thinking in the external trade section.

Virtually no staff in the Trade Section have worked outside the public service or been seconded to relevant bodies with which they frequently interact, although most have been on at least one short trade-related course.

d) **Assizes**

All professional Assizers have the Diploma in Trading Standards which is at least comparable to a first degree. Two trainees were in the U.K. studying for the second part of the qualification.

Some Assistant Assizers and Senior Assistant Assizers have been to India to take a six-month certificate course in legal metrology which is about Technician level.

The training period for an Assizer is 6 years and it is likely that it will be difficult to staff all established posts at the IV level and above with cover for leave and training. The introduction of the Advanced Technician Course for promising Technicians may help bridge the gap in the interim.

c) **Price Investigation**

in the price investigation division there are no university graduates. Half of the current officers are diploma holders and half of them have obtained MUK or similar. Given the current strictly prescribed nature of their duties, the absence of graduates appears justifiable.

Most of the staff have been seconded for short periods with Customs and Excise to receive an appreciation of what constitutes a reasonable mark-up in the cost of imported items.

3.1.3 **Staff Attitudes and Motivation**

a) **Trade**

Most Trade Officers in both internal and external trade sections indicated they felt under pressure due to shortages of staffing. A frequent comment made was that work was undertaken without undue delay but was frequently not thoroughly considered or reviewed.
officers in both sections perceived that work in external trade was generally more interesting and required greater analytical skills. It was also more financially rewarding, offering some opportunities for travel.

Although officers sometimes moved between the sections, this did not appear to be planned and most officers felt that job rotation would help interest them and improve their promotion prospects.

Much of the work was perceived as routine and decision-making appeared to be virtually absent below the 11+ grades offering little challenge except for those required to analyse and make proposals on external trade developments.

b) Assize

Generally the level of motivation appeared somewhat higher in the Assize Section than in other sections of the Trade Division. Probable reasons for this include:

- more autonomy in spending funds within budget
- more autonomy in planning and executing work programme
- more autonomy in taking action without reference to outside the section
- higher than average technical training of professional staff.

Despite the above, staff appeared demotivated with the delay in moving their section out of MI and into the Malawi Bureau of Standards which promised the prospects of an enlarged role and enhanced remuneration.

c) Price Investigation

There was some uncertainty of the future role of the division with the progressive reduction of price controls, linked with a feeling that the Section should merge with Internal Trade Unit.

The Price Investigation jobs were perceived as highly routine and many Price Investigation Officers had left in the past to work in the external trade section, or to leave the public sector to secure better prospects and more interesting work elsewhere.

Generally the motivation of existing staff was low.
3.2 Principal Opportunities for Improvement

The recommendations set out below are based not only on an analysis of the current objectives of the Trade Division, and the constraints which limit its ability to achieve these objectives, but also on an appraisal of whether the activities it currently undertakes are required in the light of changes taking place in the trading environment.

The principal constraints currently facing the Trade Division are:

- an over-centralisation of the functions being performed at head office level
- an inability to adapt itself to changes in the environment in which it operates (such as market liberalisation)
- a lack of clearly defined responsibility for policy and programme development
- a strong involvement in areas of activity for which the division should not be responsible
- serious shortages of staff
- shortages of finance
- lack of adequate managerial planning and control.

3.2.1 Over-Centralisation

Over-centralisation of functions and authority in the MTI headquarters in Lilongwe is at present a fundamental problem faced by the Trade Division.

The practical implications of this are:

- undue delays in performing routine activities, for example issuing and renewing trading licenses
- headquarters staff at all levels being overburdened with routine regulatory work, in sharp contrast to regionally based staff who are generally relatively underemployed.

Within the Ministry, the problems of delays and overwork are perceived as being the result of staff shortages, rather than the organisation and distribution of work between headquarters and regional offices. We do not consider this to be the case, and the recommendations set out below reflect this.
3.2.2 Inability to Adapt to Changing Environment

The inability to adapt to the environment and redefine major functions in the light of policy reforms is a fundamental problem faced by the Trade division and also HII in general.

At present, this problem relates mainly to the liberalisation of price controls, and the development of an environment conducive to the expansion of a liberal system of internal and external trade.

Traditionally, the Trade division has been involved in the regulation of trading activity. This has led to the development of an organisational culture in which the notion of control and regulation features strongly. As a consequence, the division is concerned that the removal of price controls, for example, will lead to an increased need for regulation by the Price Investigation Section in order to prevent traders abusing monopolistic or quasi-monopolistic market positions by overcharging.

3.2.3 Lack of Clearly Defined Responsibilities

The Trade division will in future be required to perform an increasingly developmental and promotional role. This will involve a shift in emphasis, away from regulation and control towards involvement in the creation of an environment conducive to the development of a dynamic private sector.

This will require a redefinition of responsibilities in order that promotional monitoring and policy liaison functions are clearly allocated to positions within the division.

3.2.4 Involvement in Areas Which the Division should not be Responsible

We need here to question not only licensing function and price inspection, but also the presence of the Assize function - although we have said this is run fairly autonomously, it must dilute management time.

3.2.5 Serious Shortages of Staff

These are referenced in organisation charts 2-I - 2-III, where establishment and actual employment levels are noted. There are also comments on the calibre of staff in the Skills Evaluation - Appendix 2-B. There are staff shortages in all the three sections within the division, namely, Trade, Assize and Price Investigation. The staff shortages in the Trade section are compounded as a result of staff recommendations to overseas embassies as Trade Attachés whilst those in Assize and Price Investigation are largely due to inability to attract, recruit and retain staff with technical skills as required by these sections.
The absence of clearly defined responsibilities, the department's involvement in activities it should not be responsible for, and over-centralisation has resulted in a situation where there is an inappropriate balance between functions and staffing - thus creating an apparent staff shortage.

3.2.6 Shortage of Finance

An external constraint to the department is the limited financial resources at the disposal of the Ministry to carry out its activities. For example the price inspectors and trade officers in Blantyre are supposed to visit each of the 10 districts in the Southern Region at least twice a year to check among other things if trading licenses are current, an important function in terms of generating revenues for the Ministry. But they only manage to see at most four districts. Travelling is restricted on the grounds of cost coupled with the fact that the Ministry has no vehicle at regional offices. The external trade is limited in the number of meetings that it can attend abroad to look after Malawi's interest, for example, under the Lome IV convention. Managers of the designated functions will need to be sensitive to per financial management and allocate funds to these priorities tasks.

3.2.7 Lack of Adequate Managerial Planning and Control

Whilst it is appreciated that the Ministry has suffered a high turnover of staff at management level, there is a general problem relating to managerial planning within the division and MTI in general. None of the Sections within the division have proper workplans with the exception of the Assize Section, because of the specialised technical nature of the function.

Planning is important if the Division is going to achieve its objectives, draw up and justify an appropriate budget and be able to measure its performance in achieving objectives based on its plans.

Presently, the real problem with planning is that management is unable to devote proper time and attention to planning as they are usually busy with the day-to-day routine regulatory work. Part of the problem as identified by management is the low calibre of staff which makes delegation of tasks to subordinates difficult.

There is also a notable absence of regular management meetings to review internal progress of the division and regular management reviews and coordination of the activities of parastatals falling under the division (MFBPC, MUSCOCO and DEMATT).

There is no monitoring or performance of staff in a systematic way (performance appraisal). The only assessment is through an annual confidential report on individual staff by management. Officers are not given a chance to defend their performance. This is obviously a source of frustration and does not help individuals to improve themselves.
3.3 Recommended Divisional Activities and Tasks

3.3.1 Recommendations

Below under the following headings we provide recommendations to restructure and strengthen the Trade Division and ensure that it is in a position to achieve its objectives which are outlined in section 1.1 of this report:

- establishment of the Office of Policy and Programme Development
- streamlining licensing and regulatory procedures
- reduction of the role of incorporation of companies and the registration of business names
- strengthening the regional offices
- elimination of the Price Investigation Section
- removing direct control over the Assize Section
- transfer out of the supervision of co-operatives

The recommendations are based on redressing some of the weaknesses and problems identified in this report. These include timeliness in decision making and operational efficiency in terms of decentralised regulatory and administrative functions, and emphasis on policy and programme development.

3.3.2 Establishment of the Office of Policy and Programme Development

We recommend that for both internal and external trade, the establishment of an office of Policy and Programme Development is needed. This office should be staffed with adequately skilled personnel who will provide the division with the ability to respond to the shift in government policy. The main objective is to be proactive in designing, developing and monitoring policies and programmes and, further, identifying and co-ordinating private, public or donor resources and directing these resources towards programme objectives.

3.3.3 Streamlining licensing and regulatory procedures

We recommend that all licensing and regulatory functions be combined into one section of the Trade Division.

Essentially this will entail the moving of the import and export licensing function from the external trade to the internal trade, where this function will be combined with business licensing.
Merging all regulatory functions into internal trade would provide a clearcut responsibility for the regulatory functions of the Division. On the other hand, there is need to separate these functions within internal trade in order for the Section to be focused in its activities. Currently Trade officers tend to spend most time attending to licensing and little time on promotion of both domestic and foreign trade.

Import and Export licensing is a relatively simple function partly due to the existing liberal trade environment and partly due to the relatively simple procedures involved. Therefore, it will not be difficult to integrate this function with the rest of the internal trade licensing functions. It is also interesting to note that at the regional offices Trade Officers are already handling matters related to both business licensing and import and export licensing.

Further important consideration in this regard is the fact that having an import license does not exempt the importer from having a trading license if he wishes to sell his goods. Having all licensing under one section will therefore make life easier for the importer.

Lastly, combining all the licensing functions will provide a single source of information for the creation of a database for the department information needs.

3.3.4 Reduction of the role of the incorporation of companies and the registration of business names

We recommend that the current role of the Trade Division in the registration of business names and the incorporation of companies be reduced from processing and approving each and every application to monitoring registration through regular reports (e.g. listing the number of companies, size sector, registered per period) from the Registrar of Companies.

Currently there is duplication in functions with both the Ministry and the Registrar of Companies checking applications and memoranda to determine if they comply with the provisions of the Companies Act. This inevitably causes a lot of delays and complicates the whole procedure. Applications for registration and incorporation must also be vetted by the Inspector General of the Police. While we are not in a position to comment on the appropriateness of this, we however believe that this results in further delays for the applicant. An idea might be to exempt the indigenous Malawian small-scale entrepreneur from police involvement.

The Ministry's position on the issue of registration is that since it is charged with promoting business in the private sector it should be involved in the registration and incorporation of new business.

However we believe that registration and incorporation of companies is primarily a legal and administrative issue and
additionally a source of revenue for the government. It comes at the end of a process for the entrepreneur of identifying a project, carrying out background research, seeking the help of appropriate organisations for advice, identifying sources of finance, obtaining the necessary licenses and so on. This is where the Trade Division should come in and assist the entrepreneur in overcoming initial constraints offering advice, directing him to the relevant organisation and issuing appropriate licenses.

The current procedure for registration and incorporation which involves the Trade Division, the Registrar of Companies and the Inspector General of Police is onerous and time-consuming and ultimately a disincentive for the potential investor. This is contrary to one of the objectives of the Division which is to promote a liberal environment for the private sector characterised by minimal bureaucratic hindrances.

3.3.5 Strengthening the Regional Offices

We recommend that the regional offices of the division should be strengthened in terms of staffing and authority.

This will entail decentralising decision-making authority to regional offices, specifically the delegation of licensing authority to the region. Regional offices will be able to issue new licenses and renew old licenses without reference to headquarters. We also recommend that with strengthened regional offices, the Division must introduce an extension service of Assistant Trade Officers at district level reporting to the regional offices. The Ministry had just received permission to recruit ten assistant Trade Officers and selection interviews were in progress. Additionally we recommend that regional offices report directly to the head of the internal Trade function.

Currently all licenses throughout Malawi (except for those licenses where the District Commissioner has the authority to issue) are issued and renewed by the Ministry headquarters in Lilongwe. The regional office is merely a collection point and postal box for these applications. Once the applications have been dispatched all queries are referred to the headquarters. The result of this arrangement has been:

- under-employed staff at the regional office
- excessive work load for all staff including management in processing licenses
- undue delays for entrepreneur in receiving licenses.

In many cases importers have incurred huge costs in demurrage charges while waiting for their import licenses to be renewed. This applies to import licenses that have expired while the importer was in the process of clearing his goods. An important
factor contributing to the delays is the fact that most businesses are located in Blantyre and the issuing authority is in Lilongwe.

Issuing and renewing licenses at the regional level will relieve the load of routine work at headquarters and give management more time to plan and manage the affairs of the Ministry.

Strengthening regional offices and introducing an extension service will:

- increase revenue collected from new issues and renewal of licenses for the Ministry
- give the Division the field presence that it is currently lacking.

Making the regional offices report directly to the departmental head in the Internal Trade Section will speed up decision-making and enlist quick responses from headquarters.

### 3.3.6 Elimination of the Price Investigation Section

We recommend that the Price Investigation Section be merged into the Internal Trade Section.

There is currently a lot of overlap between the activities of internal trade officers and price inspectors. For example, officers from both go on field visits and, apart from monitoring prices which is primarily carried out by price inspectors, they both investigate trading licenses to see if licenses are valid and stamps from the Assize Section are current. They both investigate complaints from consumers. Because of liberalisation of price controls there is less differentiation between the functions of the Price Investigation Section and the Internal Trade Section. As a result, price inspectors find themselves spending more time doing the work of internal trade officers such as attending to licensing issues and monitoring the availability and distribution of essential goods (e.g. sugar) throughout the country.

### 3.3.7 Removing direct control of the Department over the Assize Section

We recommend that the Assize Section be moved out of the Trade Division and be merged into the Malawi Bureau of Standards (MBS).

The Assize Section presently enjoys considerable autonomy because of the technical nature of its operations. It receives little management control from the Trade Division, being left to run itself within the relevant Acts and its Divisional budget. Consequently although the Section enjoys considerable autonomy it also receives little priority in resource allocation.

The Section's day-to-day operations are however related to the core business activities of the Malawi Bureau of Standards. One
of the functions which is perceived to be part of the role of the Malawi Bureau of Standards is industrial metrology (checking calibration of equipment used in the manufacturing and food processing such as temperature gauges, electrical measures, machine and hand tool calibration).

MBS cannot fill this role because of lack of technical staff. However, it is relatively easy to convert a legal metrologist from the Assize Section to an industrial metrologist. It was intended that industrial metrology would be developed within the Assize Section and carried out on behalf of the Bureau of Standards on a contracted out basis, with the Bureau setting up its own Industrial Metrology Section later.

To conserve scarce manpower and material resources (standard measures are very expensive and should not be duplicated in two institutions) we believe that the best plan is to absorb the current Assize Unit into the Malawi Bureau of Standards and expand its role to include industrial metrology.

Under this arrangement the Ministry of Trade and Industry will still retain indirect control of the Assize function through board representation in MBS and also by the virtue of the fact that MBS is a parastatal falling directly under the Ministry through the Industry Division. The Assize function will benefit from reporting to a technically-oriented General Manager. It will also have better access to donor funding for equipment and training. A metrology section will be formed in MBS which will combine both trade and industrial measurement.

3.3.8 Transfer of the Co-operative function, and revision of the Co-operative Act to take into account MUSCCU and DEMATT

We recommend that the Ministry should adopt a new Co-operatives Act which takes into account the new co-operative organisations such as MUSCCU and its affiliated Savings and Credit Co-operatives.

The current Co-operatives Act was passed long before the emergence of co-operatives such as MUSCCU and its affiliated credit unions. The Act applies to other types of co-operatives which existed at that time, and which were generally established to pursue activities such as mining and manufacturing. These have since dwindled in number and there is only a handful still in existence. However, credit unions have experienced rapid growth since MUSCCU was formed in the seventies and there are currently over 120 credit unions throughout the country. The fact that these organisations exist is due to the exceptions granted by the Minister of Trade and Industry. Work has already been done (at the initiative of MUSCCU with donor support) in drafting a new Act which was subsequently approved by the Ministry of Justice. This draft has been in the hands of the Trade Division for quite some time now and no decision has yet been made. The audit function of the Co-operatives Unit has already been delegated to MUSCCU. We recommend that this should be formalised in the new Act.
We also recommend that the Co-operative Unit be transferred from the Trade Division to the Industry Division of MITI under the Small-Scale Industry Unit.

In due course, the current position of MUSCOO under MITI should be reassessed in view of the rapid growth of the organisation which will eventually make it a major financial intermediary in Malawi. Then the Ministry of Finance will be the logical parent Ministry of MUSCOO.

The current position of DEMATT also requires examination. This is in view of the shift of emphasis on the part of DEMATT from promoting not only Malawian traders, but to promoting all small-scale enterprises in trade, manufacturing and service sectors. DEMATT is also expected to expand its services to the medium-scale enterprises in these sectors.

We therefore recommend that DEMATT also be transferred to the Industry Division and join sister organisations like SEWUM and INDEFUND in the Small-Scale Industry Unit of that Division which has been given the important responsibility of mapping out the overall strategy of developing and promoting small-scale industry in Malawi, until it is seen fit to change DEMATT's status from parastatal to non-governmental organisation.

3.3.9 Sectional status to the Internal and the External Trade Units

In view of our recommendation to merge the Price investigation Section with internal Trade Unit, and also the Government policy emphasis to actively promote both the diversification and the volume of exports with the possibility of introducing export processing zones, we recommend that external trade section and the internal trade section which currently constitute one section, each obtain divisional status. Instead of having a trade section headed by one section head (PIU) with two units under him (External & Internal), there will be two separate trade sections namely the Domestic Trade Section and the Export Trade Section, each lead by a sectional head.

3.4 Recommended Organisation Structure and Staffing Levels

In summary our recommendation will involve the following major changes to existing structures:

- split the existing Trade Section into two, one for internal trade and one for external trade with all regulatory functions being handled by the Internal Trade Section, and the Trade Attaches being directly supervised by the External Trade Section;

- merge the Price Investigation Section into the newly created Internal Trade Section and external regional representation of the Section to District level;

- divest the Assize Section to the Malawi bureau of Standards.
3.4.1 Proposed functional organisation

We provide below the general functional statements to define the major functions of our proposed organisational structure resulting from our recommendations. Chart 2-IV is a visual representation of our proposed structure. Chart 2-V shows the breakdown of the organisation by function. The nomenclature we use below is for description purposes only and can be changed as deemed necessary. The staffing level is also indicated on Chart 2-IV. The job descriptions are in Appendix 2C.

We believe that this structure has the following benefits:

- provide the appropriate focus on designing, developing programs and policy proposals and monitoring their implementation and results:
- provide proper delegation of routine regulatory and administrative tasks to reduce bureaucratic delays:
- provide the appropriate focus on the strategic activities to achieve growth in internal and external trade.

The Chief Trade Officer has overall managerial responsibility for the Trade Division and is supported in this by the Principal Trade Officers for Internal and External Trade Sections. Collectively their role is to:

- adhere to the organisational structure and the functional responsibilities assigned duties or propose changes necessary to provide accurate description of functional duties
- provide direction for the division's planning and budget formulation and to make efficient use of the Division's financial resources
- perform duties that contribute to the effective implementation of the government's policies and strategic activities for internal and external trade or develop appropriate proposals for perceived changes
- facilitate a liberal import and export licensing system
- focus on promotion, growth of domestic and external trade
- focus on promotion of small-scale Malawian traders
- focus on developing programmes that may install equity and competition in domestic trade
- utilize staff in an efficient and economic manner to maintain high level of productivity and accomplishment of functional responsibilities
- develop employees performance plans commensurate with the sections' and units' objectives and activities.
TRADE DEPARTMENT - MTIT

PROPOSED ORGANISATION STRUCTURE
AND MANNING LEVELS

Chief Trade Officer

Principal Trade Officer
- Internal Trade

Regional S.T.O.

S.T.O. Policy
and Programmes

S.T.O. Policy
and Programmes

Commercial
Attachees x5

PO/CEO 11
- T.O. Small
Traders

T.O. Business

T.O. Promotion

T.O. Distribution

Regional T.O.

T.O. General T.O
Export

T.O. Climate

Promotion

Institutional

Monitoring &

Statistic

SEO 7
- Snr Asst

T.O.

Snr Asst

T.O.

Snr Asst

T.O.

Snr Asst

T.O.

Snr Asst

T.O.

Snr Asst

T.O.

Snr Asst

T.O.

T.O. x14

EO 10
- Asst T.O.

Asst T.O.

Asst T.O.

Asst T.O.

District Asst

Asst T.O.

Asst T.O.

Asst T.O.

Asst T.O.

Asst T.O.

Asst T.O.

Clerical Officers
x5

Sed 5

Total 52
Internal Trade - Office of Policy and Programme Development

This office is responsible for designing, developing and monitoring the implementation of policies and programs, and further, identifying, directing public, private or donor funding to achieve program objectives for the following four operational sections:

- Small Traders Unit

This unit will focus on developing ways to promote the activities of the small-scale trader:

- identify or develop proposals for public or private funding, i.e. government guaranty funds that will facilitate credit to small-scale trader;

- identify markets and possible export products;

- identify programs and funding for delivery of technical assistance to the small trader.

- Promotion Unit

This unit will focus on identifying ways to promote internal trade in conjunction with other government or private entities by:

- identifying and promoting investment opportunities;

- identifying and directing incentives programmes;

- identifying and directing programmes and funding to provide technical assistance to the traders.

- Business Controls Unit

This unit will focus on monitoring regulatory measures and developing proposals for revision or addition of regulatory measures commensurate with government policies. This unit will be responsible for:

- identifying ways to foster competition, i.e. government preferential purchasing schemes;

- monitoring the results of price control, labelling, etc., and making proposals for revision as appropriate;

- registration as appropriate of patents and trademarks;

- identifying possible regulatory measures to protect the consumer, i.e. advertising commercial papers, warranties, etc.
Distribution Unit

This unit will focus on developing proposals for programs, to ensure the provision, distribution and availability of essential goods to all areas of the country. This unit will be responsible for:

- identifying incentives to programmes to extend product distribution, i.e. investment incentives;
- evaluating the impact of any programmes;
- co-ordinating with private or public institutions to improve the distribution system.

Internal Trade - Regional Operations Offices

The regional offices have overall responsibilities for implementing or monitoring the section's policies and programmes for the region. The Managers of the regional offices will report to the Manager of the Internal Trade Section. The regional offices are operational and will:

- execute the regulatory and administrative functions for licensing and monitoring the renewal of licenses for internal and external trade activities;
- develop annual management and programme initiatives for approval by the Division;
- direct implementation by any other organisation of approved policies and programmes as they relate to:
  - the development of the small Malawian traders' activity
  - control of business practices such as price control labelling, investigation or consumer complaints
  - promote the development of regional internal trade activities commensurate with the development objectives
  - promote the Division's programmes for the development of the distribution network in the region.
- represent the Division in the field on all matters related to promotion of internal trade in light of the Division's regional goals and objectives;
- provide intelligence to Head Office for the assessment of the impact of policies and program in the region;
- maintain appropriate records for personnel and budget execution;
- supervise the district representations in the execution of their duties as an extension of the regional offices.
Internal Trade - District Representations

Assistant Trade Officers will be assigned to operate district offices in selected strategic areas to perform functions analogous to those within the regional office. Currently, MFI is authorised to operate 14 district representations. Initially the role of the district representation will be as follows:

- provide intelligence to headquarters via the regional office on
  - availability of essential goods,
  - impact of policies and programs,
  - price movements,
  - opportunities and constraints for the small trader.

The district officers will report to the Manager of the regional offices and provide a means for the Division to reach those areas selectively defined.

External Trade - Office of Policy and Programme Development

This office will be responsible for:

Monitoring, assessing and developing proposals for policies and programmes to develop a general climate to facilitate the country's foreign trade to boost foreign exchange earnings, identity and direct private or public resources and foreign exchange allocations towards priorities in external trade activities.

This office will not be responsible for the division's regulatory and administrative role i.e. licensing.

The office will consist of the two units defined below. The managers of the units will report to the manager of the office of policy and programme development.

THE GENERAL CLIMATE UNIT

The specific duties of this Unit are:

- gather the intelligence to assess the impact of existing bilateral and multilateral trade agreements;
- monitor developments in existing agreements;
- develop or participate to the development of incentive programs for the implementation of the country's trade agreement and to boost the country's external trade activities;
- participate in the activities of trade organisations i.e. GATT, EEC, etc.
THE PROMOTION UNIT

The specific duties of the unit are:

- develop or participate on the development of training programs in export marketing, export procedures and documentation, import procedures and documentation, import procurement;

- identify or participate in the identification of various ways to expand the country's foreign trade i.e. marketing materials, trade fairs, trade missions, market surveys and tests;

- develop or participate in the development of programmes for specific technical assistance to traders and evaluate results;

- consult closely with the country's parastatal and trade organisations to (i.e. MEPC, Tobacco Control Commission, Tea and Coffee Associations) to define ways of promoting the country's foreign trade;

- Analyse counter trade proposals, inquiries etc.

External Trade - Office of Operations

The role of this office is to monitor and participate in the implementation by the various parastatal and trade organisations of country's external trade policies and programmes as they are approved from the activities of the Office of Policies and Programme Development. This office will consist of two operational units as follows:

THE COMMERCIAL ATTACHES

We recommend that the Commercial Attaché's strategy in defined markets be selective and report directly to the Ministry through the manager of the External Trade Section. The Commercial Attachés will execute a promotional role. Their duties will include:

- visits to agents, importers, distributors etc.
- visits to Chambers of Commerce and trade associations
- preparing, revising importers list
- gathering, material for economic report
- promotional speaking engagements
- provide information on investment opportunities
- assist business visitors to and from Malawi.
THE INSTITUTIONAL MONITORING UNIT

This will be an operational group to monitor and participate in the implementation by the various parastatal and trade organisations in the promotion of the country's foreign trade and the achievement of the government's policies and programs aimed at developing the country's external trade to boost foreign exchange earnings. The specific duties will include:

- direct and co-ordinate the activities of the Malawi Export Promotion Council or other trade organisations as they relate to organisation of trade fairs, trade missions;
- participate or direct the collection of data related to market surveys, market tests, product development, etc;
- direct and report on the use of private, public or donor funds for the promotion of external trade.

Support Unit - Information and Statistics

This unit will support both Sections of the Division in collecting, aggregating and filing trade statistics, various reports, documentation and maintain a library of trade publications and related information to facilitate the work of the Sections.

Organisation and Staffing

ORGANISATION STRUCTURE AND MANNING

The current organisation charts which appeared earlier (Charts 21 - 2-III) and the recommended organization chart 2-IV reflects the following proposals already discussed.

The proposed changes to staffing are detailed in the following sub-sections:

i) Changes to establishment (excluding misc. function)

- All Price investigation Posts (24) deleted
- Principal Trade Officer post split into Principal Trade Officer - Internal Trade and Principal Trade Officer External Trade - 1 additional post
- Senior Trade Officer posts increased from 3 to 5 to operate regional organisations - 2 additional posts
- Posts of Commercial Attaches to be on Mt establishment - 3 additional posts
- Number of Trade Officers increased from 6 to 11 to reflect expansion of regional officers and increased trade development functions - 5 additional posts
- Senior Assistant Trade Officers increased from 6 to 7 - 1 additional post

- Assistant Trade Officers increased from 12 to 18 to reflect creation of district trade officers and increased trade development functions - 6 additional posts

- Senior Clerical Officer deleted and clerical officers to be increased from 4 to 5 - no overall change

ii) Vacant posts to be filled (excluding upgrading and lateral transfers)

<table>
<thead>
<tr>
<th>Grade</th>
<th>Title</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>P7</td>
<td>Principal Trade Officer</td>
<td>x 1</td>
</tr>
<tr>
<td>P8</td>
<td>Senior Trade Officers</td>
<td>x 2</td>
</tr>
<tr>
<td>P9</td>
<td>Commercial Attaches</td>
<td>x 3</td>
</tr>
<tr>
<td>PO/CEO</td>
<td>Trade Officers</td>
<td>x 6</td>
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<tr>
<td>SEO</td>
<td>Senior Asst Trade Officer</td>
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<tr>
<td>EO</td>
<td>Asst Trade Officers</td>
<td>x 10</td>
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<tr>
<td>CO</td>
<td>Clerical Officers</td>
<td>x 1</td>
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<tr>
<td><strong>TOTAL</strong></td>
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<td>x 52</td>
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iii) Incumbent Officers to be deployed as proposals are implemented:

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<th>Grade</th>
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<td>P7</td>
<td>Principal Price inspector</td>
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<td>P8</td>
<td>Snr Price Inspector</td>
<td>x 2</td>
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<tr>
<td>PO/CEO</td>
<td>Price Inspector</td>
<td>x 2</td>
</tr>
<tr>
<td>SEO</td>
<td>Snr Price Inspector</td>
<td>x 3</td>
</tr>
<tr>
<td>EO</td>
<td>Price Inspector</td>
<td>x 2</td>
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<tr>
<td>SCO</td>
<td>Senior Clerical Officer</td>
<td>x 1</td>
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<tr>
<td><strong>TOTAL</strong></td>
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<td>x 13</td>
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From the above analysis it may be noted that:

- Total establishment is reduced by 5%

- The new establishment reflects an increase in graduates level jobs (P0 and above) and a reduction in non-graduates jobs (SE0 and below) as a result of an increased emphasis on development and planning and a reduced emphasis on regulation.

- Despite the reduction in establishment there are still 21 vacancies, so deployment of existing staff into the new structure should not present administrative problems related to the need for redundancies.
there is a clear need to recruit at least 5 good quality graduates immediately to develop as Trade Officers within the Policies and Programmes Section

numbers of Senior Assistant Trade Officers and Assistant Trade Officers (SATO and ATO) are only estimates and the precise requirements can only be determined once the workplan for each section has been fully developed. In practice sections like Promotion may require less non-graduate staff whereas institutional monitoring may require more.

DEVELOPMENT AND TRAINING

The development of the incumbent employees to the new posts should be handled carefully. As mentioned earlier attached at Appendix ZA is a schedule of the education, training and experience of incumbent employees graded E.U. and above and within Appendix ZB an assessment of these attainments compared with the general requirements for posts at each level.

Although this should guide to the placement and deployment of existing employees into the proposed structure it should be used in conjunction with the summary job descriptions which provide more details of the minimum desirable requirements for education, training and experience for individual posts. For example, the proposed minimum requirements for various posts at PO are Diploma, or Ist Degree or Masters degree depending on the nature of the particular post.

To strengthen staffing immediately, officers currently working in the Economic Planning Section within MIT should be deployed on secondment or project basis to the Policy and Programmes Office within Trade Division to assist in developing proposals and programmes which are in accordance with general macro-economic policy.

A more detailed study of career paths in Trade Section should be undertaken by DMIT at the earliest opportunity in order to develop plans for development programmes which should feature extensive use of the following:

- planned on the job training including job rotation
- secondments to organisations with which the Ministry extensively interacts
- special projects, assignments and working groups
- short courses, both technical and managerial.
STAFF MOTIVATION

Many of the measures proposed in the Trade Division should enhance the current motivation of employees by:

- providing enhanced opportunities for personnel development
- providing levels with delegated responsibility and authority commensurate with job requirements
- reducing routine and administrative bureaucracy
- increasing the number of posts where emphasis is placed on analytical and creative problem solving
- increasing promotional opportunities for officers with the proven ability necessary to advance.
APPENDICES
<table>
<thead>
<tr>
<th>SECTION / EMPLOYEE'S NAME</th>
<th>AGE</th>
<th>CURRENT JOB TITLE</th>
<th>GOV. YEAR APPOINTED TO POST</th>
<th>yrs in current post</th>
<th>JOB HISTORY / EXPERIENCE</th>
<th>EDUCATION</th>
<th>SHORT TRAINING COURSES</th>
<th>REMARKS</th>
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<td>J.R. M. Chigara</td>
<td>41</td>
<td>Chief Trade Officer</td>
<td>1988</td>
<td>17</td>
<td>Trade Officer 5 yrs, Snr. Trade Officer 3 yrs, Principal Trade Officer 2 yrs, Chief Trade Officer 1 yr</td>
<td>B. Sc. Econ., Ph. D. Econ.</td>
<td>Commercial Policy, GATT, Trade related seminars</td>
<td>NIL</td>
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<td>M. M. Mawire</td>
<td>43</td>
<td>Principal Trade Officer</td>
<td>1988</td>
<td>17</td>
<td>Trade Officer 5 yrs, Snr. Trade Officer 3 yrs, Principal Trade Officer 1 yr</td>
<td>B. Sc. Econ.</td>
<td>M. Comm, Studying MBA</td>
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<td>S. H. N. Nkaya</td>
<td>46</td>
<td>Sr. Trade Officer</td>
<td>1982</td>
<td>12</td>
<td>Accounting (various jobs), Asst. - Snr. Price Inspector, Trade Officer 3 yrs, Snr. Trade Officer 8 yrs</td>
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<td>Foreign trade seminar</td>
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<td>N. N. Kudzic</td>
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<td>S. N. Kangendo</td>
<td>30</td>
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<td>H. K. Mabuza</td>
<td>36</td>
<td>Trade Officer</td>
<td>1986</td>
<td>13</td>
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<td>Dip in Business Studies</td>
<td>Commercial Policy, GATT, GSP, Export Control and Promotion (various)</td>
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2A - 1
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<tr>
<th>SECTION/EMPLORER'S NAME</th>
<th>AGE</th>
<th>CURRENT JOB TITLE</th>
<th>GDE</th>
<th>YEAR APD' TO POST</th>
<th>YRS IN GOV</th>
<th>JOB HISTORY/EXPERIENCE</th>
<th>EDUCATION</th>
<th>SHOCK TRAINING COURSES DESCRIPTION</th>
<th>RECOMENDATIONS</th>
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| I.E.S. Tembo             | 45  | Sr. Asst. Trade Officer | ECO | 1989             | 10         | 1. Tax Officer 2 yrs  
2. Police Inspector 4 yrs  
3. Sr. Asst. Trade Officer 12 yrs | 1. CCE Cambridge  
1. E.O Induct. Course | NIL |
| J.M. Shaba              | 33  | Sr. Asst. Trade Officer | ECO | 1988             | 9          | 1. Asst. Trade Officer 7 yrs  
2. Sr. Asst. Trade Officer 1 yrs | 1. Dip (Bus Studies)  
1. Trade Fair Seminar | NIL |
1. C.E.P. | NIL |
| INTERNAL TRADE          |     |                   |     |                  |            |                        |           |                                  |                |
| E.G. Gunda              | 42  | Regional Trade Officer | ECO | 1986             | 19         | 1. Asst. Trade Officer 6 yrs  
2. Sr. Asst. Trade Officer  
3. Trade Officer 6 yrs | 1. Dip (Bus Studies) | NIL |
| H.J.R. Mandindi         | 37  | Trade Officer      | ECO | 1983             | 13         | 1. Asst. Trade Officer 3 yrs  
2. Sr. Asst. Trade Officer  
3. Trade Officer 7 yrs | 1. Dip (Bus Studies)  
1. Trade Policy, GATT  
2. C.E.P.  
3. International Writing | NIL |
| F.R. Ngoma              | 48  | Sr. Asst. Trade Officer (Regional) | ECO | 1985             | 14         | 1. Clerical Officer 5 yrs  
2. Asst. Trade Officer 4 yrs  
| D.E. Chirambwe          | 45  | Sr. Asst. Trade Officer | ECO | 1989             | 21         | 1. Asst. Trade Officer 7 yrs  
2. Sr. Asst. Trade Officer 14 yrs | 1. Dip (Bus Studies)  
1. Public Policy & Exports Marketing | NIL |
| T.A. Chingondo          | 38  | Sr. Asst. Trade Officer | ECO | 1986             | 14         | 1. Clerical Officer  
General Duties 4 yrs  
2. Asst. Trade Officer 3 yrs  

**SKILLS INVENTORY 1990**

**TRADE DIVISION**

**APPENDIX 2A**
<table>
<thead>
<tr>
<th>SECTION / EMPLOYEE'S NAME</th>
<th>AGE</th>
<th>CURRENT JOB TITLE</th>
<th>CSG</th>
<th>YEAR APP'D TO POST</th>
<th>YRS IN GOVT</th>
<th>JOB HISTORY/EXPERIENCE</th>
<th>EDUCATION</th>
<th>SHORT TRAINING COURSES</th>
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<td>A. Bruce</td>
<td>29</td>
<td>Analyst/Programmer</td>
<td>70</td>
<td>1989</td>
<td>1</td>
<td>1. Programming 1 yr</td>
<td>1. B. Sc</td>
<td>1. Intro to D Base III</td>
<td>NIL</td>
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### Trade Division

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<th>YRS IN GOVT</th>
<th>JOB HISTORY EXPERIENCE</th>
<th>EDUCATION</th>
<th>SHORT TRAINING COURSES DESCRIPTION</th>
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<th>JOB HISTORY/EXPERIENCE</th>
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<td>G.M. Mandavire</td>
<td>Principal Trade Officer</td>
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<td>N.H. Kumbwe</td>
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<td>E. Ngongondo</td>
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<td>G.S. Kashipila</td>
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<td>I. C. Gunda</td>
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<td>F.R. Ngoma</td>
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APPENDIX 2C

SUMMARY JOB DESCRIPTIONS

TRADE DIVISION
SUMMARY JOB DESCRIPTION

JOB TITLE: Chief Trade Officer

DIVISION: Trade

REPORTS TO: Controller of Operations

PROPOSED GRADE: P5

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 10/8/90

JOB PURPOSE: To lead the division in promoting the growth of internal and external trade to contribute to national economic development.

MAIN DUTIES:

1) To provide direction for the division's work plan and budget formulation and to monitor and review progress against these plans and budgets to ensure the productive use of the division's financial and human resources.

2) To review the work of subordinates in researching into developments required in trading policies, regulations and practices to promote growth of trade in the national interest.

3) To represent the Ministry in various bi-lateral and multi-lateral trade discussions and negotiations, particularly on technical committees. On occasions this will involve leading delegations on behalf of the Ministry.

4) To supervise the progress of trade related projects, including those involving donor funding, to ensure that they are satisfactorily progressed and achieve agreed objectives.

5) To ensure that the division is organised and staffed to achieve its functional responsibilities and activities. This will include effectively planning the recruitment, assessment, training, development and utilisation of staff commensurate with divisional objectives.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in Economics (with trade bias)

MINIMUM DESIRABLE TRAINING:

Short management courses and senior management course.

Trade development courses run by international agencies e.g. ITC and/or GATT.

Project secondment to Malawi Export Promotion Council.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

12 years from recruitment as a Trade Officer including a period as Trade Att
SUMMARY JOB DESCRIPTION

JOB TITLE: Principal Trade Officer - Internal Trade

DIVISION: Trade

REPORTS TO: Chief Trade Officer

PROPOSED GRADE: P7

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 10/8/90

JOB PURPOSE: To manage the activities of the Internal Trade Section in all matters pertaining to the promotion and regulation of the country's domestic trade in order to promote its growth in the national interest.

MAIN DUTIES:

1) To develop the annual plan of activities and associated budget requirements for domestic trade and present this to the Chief Trade Officer.

2) To control the annual plan of activities based on discussions of monthly reports of Senior Trade Officers and close monitoring of monthly statements of expenditure and revenue.

3) To develop through subordinates training for the business community in domestic licensing and trade regulations.

4) To directly, supervise project specific technical assistance.

5) To represent the Section in government inter-departmental discussions.

6) To ensure, through Regional Senior Trade Officers, compliance with the Business Licensing Act and other laws and regulations effecting trade in the country, as well as fair trading and adherence to price control regulations.

7) To assess train and develop employees of the section to enable it to effectively perform its functions and activities within agreed budgets.

8) To represent or delegate representation as appropriate, on the boards of organisations involving the development of internal trade.

9) To liaise with public and private organisations through representation on technical committees for the development of internal trade, e.g. foreign exchange committee.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in Economics (with trade bias)
MINIMUM DESIRABLE TRAINING:

Short management courses.

Trade development courses run by ITC or similar organisation.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

8 years from recruitment as a Trade Officer.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Trade Officer - Policies and Programmes (Internal Trade)  
DIVISION: Trade  
REPORTS TO: Principal Trade Officer - Internal Trade  
SUBORDINATES SUPERVISED: 4  
PROPOSED GRADE: P8  
DATE PREPARED: 11/8/90

JOB PURPOSE: To supervise the design, development and implementation of internal trade policies and programmes including the utilisation of private and donor funding to achieve programme objectives.

MAIN DUTIES:

1) To design appropriate programmes to foster internal trade in the light of government policies, specifically addressing the following areas:
   - Small Traders
   - Trade Promotion
   - Business Control
   - Distribution

2) With assistance from subordinate trade officers, to develop proposals for new and revised internal trade policies.

3) To monitor and evaluate the impact of internal trade policies and programmes.

4) To identify and supervise utilisation and control of direct funding for programme implementation.

5) To ensure subordinate trade offices are effectively supervised and utilized to achieve programme objectives.

6) To assess, train and develop subordinate staff to enable them to contribute effectively.

MINIMUM DESIRABLE LEVEL OF EDUCATION:
Masters degree in Economics.

MINIMUM DESIRABLE TRAINING:
Short management courses, particularly in project management and appraisal.
Short trade development courses at GATT or ITC.
MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years as a Trade Officer with experience in at least two units the policy and programmes sections.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Distribution

DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policies and Programmes (Internal Trade)

PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2

DIVISION: Trade

JOB PURPOSE: To develop proposals for programmes and policies to ensure the provision, effective distribution and availability of essential goods in all areas of the country.

MAIN DUTIES:

1) To identify incentive programmes to extend product distribution i.e. investment incentives.

2) To evaluate the impact of programmes.

3) To monitor the activities of SUGBA through review of Regional Trade Reports and direct contact.

4) To liaise with private and public institutions to improve the distribution system e.g. Chipiku Wholesalers, ABA, Chambers of Commerce, Indebank etc.

5) To draft reports on proposals for the distribution of goods to the Senior Trade Officer-Policies and Programmes.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics, Commerce or a similar discipline.

MINIMUM DESIRABLE TRAINING:

Course covering product distribution.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Direct entry for University.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Promotion
(Internal Trade)

DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policies
and Programmes

PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 11/8/90

JOB TITiL: To identify and develop ways to promote internal trade in conjunction with parastatal and private sector institutions.

MAIN DUTIES:

1) To identify and promote investment opportunities.

2) To identify and promote investment incentive programmes.

3) To identify and direct funding for the delivery of advisory services to medium- and large-scale traders.

4) To draft reports on proposals for the Senior Trade Officer - Policies and Programmes.

5) To liaise directly with traders and trade organisations.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics, Commerce or similar disciplines.

MINIMUM DESIRABLE TRAINING:

Course in enterprise development.

Secondment to DEMATT and SEDOM.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Direct entry from University.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Business Control
DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policy and Programmes (Internal Trade)
PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: Nil
DATE PREPARED: 11/8/90

JOB PURPOSE: To develop proposals for and monitor the impact of regulatory measures commensurate with Government policies of trade.

MAIN DUTIES:

1) To identify ways to foster competition i.e. Government preferential purchasing schemes.

2) To monitor the results of price control, labelling and other regulatory measures and make proposals for their revision as appropriate.

3) To register patents, trademarks and copyrights.

4) To identify possible regulatory measures to protect the consumer i.e. advertising, commercial papers, warranties, etc.

5) To draft reports on proposals for the Senior Trade Officer - Policies and Programmes.

6) To liaise directly with Regional Senior Trade Officer on trade issues.

MINIMUM DESIRABLE LEVEL OF EDUCATION:
Bachelors degree in Economics, Commerce or similar disciplines.

MINIMUM DESIRABLE TRAINING:
N/A.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:
Direct entry from University but should have spent an orientation period as a Regional Trade Officer.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Small Traders
DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policies and Programmes

PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2
DATE PREPARED: 11/8/90

JOB PURPOSE: To identify and develop ways to promote the activities of small-scale Malawian traders.

MAIN DUTIES:

1) To identify and/or develop proposals for public or private programmes that will facilitate provision of credit to the small-scale trader (e.g. Government Guarantee Funds).

2) To gather market intelligence through surveys and research for the development of products to expand non-traditional trade activities.

3) To identify markets and possible export products for small-scale traders.

4) To identify and develop programmes to assist the small trader and highlight areas requiring funding.

5) To draft reports on proposals for the Senior Trade Officer - Policies and Programmes.

6) To liaise directly with small scale traders and small scale enterprise development organisations.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics, Commerce, Social Science or similar disciplines.

MINIMUM DESIRABLE TRAINING:

Courses in small-scale enterprise promotion.
Secondments to DEMATT and SEDOM.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Direct entry from University.
SUMMARY JOB DESCRIPTION

JOB TITLE: Regional Senior Trade Officer
DIVISION: Trade

REPORTS TO: Principal Trade Officer - Internal Trade
PROPOSED GRADE: F8

SUBORDINATES SUPERVISED: 3 - 5 depending on region

DATE PREPARED: 10/8/90

JOB PURPOSE: To provide a decentralised service in trade promotion, fair trading, licensing and revenue collection at both regional and major district centres to facilitate the controlled growth of domestic trade.

MAIN DUTIES:

1) To develop an annual management plan and programme for approval by the Chief Trade Officer and subsequently ensure adherence to the plans and programmes within agreed budgets.

2) To review all license applications prepared by the Trade Officer and to approve the issue of such licenses in accordance with legislation and standing regulations.

3) To prepare monthly regional reports for the Principal Trade Officer - Internal Trade to include information on the states of distribution and availability of goods, problems faced by local traders, activities of Malawi Export Promotion Council, inspection and licensing statistics and use of district budgets.

4) To co-ordinate promotional activities for local traders in the region including the participation of small-scale enterprises in local trade fairs.

5) To liaise with MEPC, SEDOM and DEMATT on regional trade issues.

6) To represent the Ministry in regional branches of such private organisations as the Chamber of Commerce and African Business Association.

7) To liaise with District Commissions, plan and supervise the activities of the Assistant Trade Officer based in the district, particularly over revenue collection.

8) To develop subordinates at local and regional level to effectively perform their required functions and activities in a positive way to encourage the growth of trade.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Diploma in Business Studies or similar.
MINIMUM DESIRABLE TRAINING:

Short management courses, particularly on project management and appraisal.

Short Trade Development Courses at GATT or ITC.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years as a Trade Officer with experience in policy and programmes.
SUMMARY JOB DESCRIPTION

JOB TITLE: Regional Trade Officer

DIVISION: Trade

REPORTS TO: Regional Senior Trade Officer

PROPOSED GRADE: PO/CEO

SUBORDINATES SUPERVISED: 1 - 2 depending on region

DATE PREPARED: 10/8/90

JOB PURPOSE: To provide a business enquiry/reply service, assisting traders with licencing applications for business registration, imports and exports and to provide a consumer protection service, including the enforcement of price controls where appropriate.

MAIN DUTIES:

1) To supervise the preparation of all licence applications ensuring that necessary documentation is complete, and advise traders where additional information is required.

2) To issue licences when applications are approved by the Regional Senior Trade Officer, and ensure that all revenue from licensing fees is accounted for.

3) To ensure licencing records are maintained and licensing statistics prepared by Clerical Officer(s) and Assistant Trade Officers in the district are consolidated for the monthly report from the region.

4) To inspect premises for business licences, assize stamps, price and availability of commodities, taking action in cases of default, and consolidating any reports and statistics on such inspections with those received from Assistant Trade Officers in the districts.

5) To investigate any consumer/business complaints related to monopolistic abuses, including overcharging, sale of substandard goods etc.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Diploma in Business Studies or similar.

MINIMUM DESIRABLE TRAINING:

On the job experience.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years in the Trade Section from recruitment as EO.
SUMMARY JOB DESCRIPTION

JOB TITLE: Principal Trade Officer - External Trade

DIVISION: Trade

REPORTS TO: Chief Trade Officer

PROPOSED GRADE: P7

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 10/8/90

JOB PURPOSE: To manage the activities of the External Trade Section in all matters pertaining to the promotion and regulation of the country's foreign trade in order to promote its growth in the national interest.

MAIN DUTIES:

1) To develop an annual plan of activities and associated budget requirements for external trade and present them to the Chief Trade Officer.

2) To control the annual plan of activities based on discussions of monthly reports from Senior Trade Officers and close monitoring of monthly statements of expenditure.

3) To develop, through subordinates and the Malawi Export Promotion Council, training for the business community in export marketing, export procedures and documentation.

4) To directly supervise project specific technical assistance.

5) To represent the section in export trade negotiations (including Trade Agreement Working Parties) and government inter-departmental discussions.

6) To ensure that subordinates, check (through licensing and administrative measures and liaison with relevant institutions such as the Department of Customs and Excise, Reserve Bank of Malawi and the Fiscal Section of Police) that imports and exports are conducted within the Control of Goods Act and other local laws and multilateral and bilateral treaties.

7) To assess, train and develop employees in the section in order to effectively achieve its functions and activities within agreed budgets.

8) To liaise with the trade attaches under his supervision to collect trade marketing intelligence from their areas of assignment.

9) To represent the Ministry on the Board of Malawi Export Promotion Council.

10) To liaise with public and private organisations on technical committees for the development of export trade, e.g. Foreign Exchange Committees.
MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in Economics (with trade or export marketing bias).

MINIMUM DESIRABLE TRAINING:

Short management courses.

Trade Development and International Marketing Courses run by ITC/GATT or similar organisations.

Project secondment to Malawi Export Promotion Council.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

8 years from recruitment as a Trade Officer including a period as a Trade Attache.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Export Promotion
DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policy & Programmes
PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2
DATE PREPARED: 11/8/90

JOB PURPOSE: To develop export promotion training and technical assistance programmes in consultation with parastatal and trade associations to promote external trade.

MAIN DUTIES:

1) To develop and participate in the delivery of training programmes in export marketing, export procedures and documentation and import procurement for the business community.

2) To participate in the identification of various ways to expand the country's foreign trade e.g. marketing materials, trade fairs, trade missions, market surveys and tests.

3) To develop or participate in the development of programmes for specific technical assistance to traders and evaluate results.

4) To consult with the country's parastatal and trade organisations (i.e. MEPC, Tobacco Control Commission, Tea & Coffee Association) to define ways of promoting the country's foreign trade.

5) To analyse proposals for countertrade deals and submit recommendations to the Senior Trade Officer for review.

6) To analyse international trade enquiries and complaints and draft replies for attention of the Senior Trade Officer.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors Degree in Economics, Commerce or a similar discipline.

MINIMUM DESIRABLE TRAINING:

GATT courses on Trade Policy.

Training of Trainers/Presentation skills.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

At least 2 years as a Trade Officer in External Trade Section (due to requirement to develop and present external trade training material).
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - General Climate (External Trade)  DIVISION: Trade

REPORTS TO: Senior Trade Officer - Policy and Programmes  PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2  DATE PREPARED: 11/8/90

JOB PURPOSE: To analyse trade agreements for opportunities for export and to monitor trade developments in order to propose ways and means to boost the country’s external trade activities.

MAIN DUTIES:

1) To gather intelligence to assess the impact of existing bilateral, multilateral and permanent commission trade agreements e.g. PTA, SADC, ECA, FAO, and MULTPOC, etc.

2) To monitor developments in existing agreements and formulate proposals to more effectively exploit the opportunities presented.

3) To develop or participate in the development of incentive programmes for the implementation of the country trade agreements.

4) To develop trade briefs based on analyses of data for the negotiation or renegotiation of trade agreements, including those for GATT, UNCTAD and EEC.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics, Commerce or similar discipline.

MINIMUM DESIRABLE TRAINING:

GATT course on Trade Policy.

Inclusion in trade negotiation teams.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Direct recruitment from University but orientation programme should be organised within external trade section.
SUMMARY JOB DESCRIPTION

JOB TITLE: Commercial Attache

REPORTS TO: Principal Trade Officer - External Trade

SUBORDINATES SUPERVISED: None

DIVISION: Trade

PROPOSED GRADE: Po

DATE PREPARED: 11/8/90

JOB PURPOSE: To develop trade contracts and attend to overseas trade queries in overseas missions, located in the countries of key trading partners, in order to gather market intelligence and promote trade.

MAIN DUTIES:

1) To conduct basic research into the trading environment in the country and/or trading block where which the mission is posted. Such data may be gathered from financial newspapers, trade directories, classified telephone directories, importer registers and monthly trade journals.

2) To develop working contacts with trade officials in relevant embassies and with importers/exporters dealing with Malawi.

3) To answer all trade enquiries received at the mission both in person and in writing, where necessary expediting contacts between importers and exporters and providing information on investment opportunities in Malawi.

4) To conduct trade surveys and market research to gather trade and market intelligence.

5) To co-ordinate with Ministry Headquarters and the Malawi Export Promotion Council over participation in trade fairs.

6) To assist business visitors travelling to or from Malawi, making the necessary administrative arrangements as required.

7) To organise programmes for trade missions and delegations from Malawi visiting the country where he is posted.

8) To report monthly activities and achievements to MTIT, indicating areas of follow up required by Ministry Headquarters.

9) To attend functions, receptions, and conferences as official trade representative.

10) To prepare/revise importers' lists monthly.

11) To attend fairs, speaking engagements, trade orientation visits etc.
MINIMUM DESIRABLE LEVEL OF EDUCATION:
Bachelors degree in Commerce, Economics or similar.

MINIMUM DESIRABLE TRAINING:
6-month secondment to Malawi Export Promotion Council.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:
5 years working within external trade section.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Institutional Monitoring (External Trade)  
DIVISION: Trade

REPORTS TO: Principal Trade Officer - External Trade  
PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 2  
DATE PREPARED: 11/8/90

JOB PURPOSE: To monitor and assist various parastatal and trade organisations in the promotion of the country's foreign trade.

MAIN DUTIES:

1) To co-ordinate the activities of the Malawi Export Promotion Council and other trade organisations as they relate to the organisation of trade fairs and trade missions.

2) To participate and direct subordinates in the collection of data related to market surveys, market tests, product development etc.

3) To co-ordinate and report on the use of private or donor funds in the promotion of external trade.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics, Commerce or similar discipline.

MINIMUM DESIRABLE TRAINING:

Secondment to Malawi Export Promotion Council.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Direct recruit from University with orientation programme within External Trade section.
SUMMARY JOB DESCRIPTION

JOB TITLE: Trade Officer - Information and Statistics
DIVISION: Trade

REPORTS TO: Chief Trade Officer
PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: 1
DATE PREPARED: 11/10/90

JOB PURPOSE: To collect, aggregate, distribute and file trade statistics, reports and documentation and maintain a library of trade information to facilitate the work of various divisions.

MAIN DUTIES:

1) To receive various trade reports and documents and extract statistics for aggregation where necessary (manually or on microcomputer).

2) To distribute and/or file trade reports and documents for subsequent use or reference by various divisions.

3) To maintain a library of trade information including legislation, journals and publications.

4) To design and maintain a file referencing system (manual or computerised).

MINIMUM DESIRABLE LEVEL OF EDUCATION:
Bachelors degree with statistics as a major subject.

MINIMUM DESIRABLE TRAINING:
Course in records management.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:
Direct recruitment from University, with orientation, programme covering user departments (i.e. statistics).

MINIMUM DESIRABLE TRAINING:
Short management courses.

Short secondments to Customs and Excise, Import and Export Agency and Assize.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:
4 years as a Trade Officer, of which at least two years should have been in a Regional Trade Office.
MANAGEMENT STUDY

OF

THE MINISTRY OF TRADE AND INDUSTRY

INDUSTRY DIVISION

VOLUME 3

FINAL REPORT

NOVEMBER 1991
MANAGEMENT STUDY
OF
THE MINISTRY OF TRADE AND INDUSTRY

INDUSTRY DIVISION

VOLUME 3

FINAL REPORT
NOVEMBER 1991
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INTRODUCTION

In this section we examine the aims of industrial development policy in Malawi and the roles of the various institutions responsible for policy implementation. In particular, the role of the Industry Division within HTI is addressed, and its success in performing this role is evaluated. On this basis, recommendations regarding the activities and organisation of the Industry Division are made.

1.1 Policy Objectives

The overriding theme of industrial development policy is to increase the contribution of the industrial sector to economic growth and employment creation, and in so doing to improve the standard of living of the population. In order to achieve this objective, the principal cornerstones of industrial development policy may be stated as being to:

- increase the manufacturing component of the nation's primary commodity outputs and increase manufactured exports
- emphasise the substitution of imported raw and semi-processed materials in the manufacturing process by local inputs
- increase the development and participation of the small- and medium-scale sector in the industrialisation process
- promote the development and use of labour intensive and other appropriate production technologies suitable to the Malawian conditions
- facilitate a more balanced regional distribution of industrial activity
- create an environment conducive to both foreign and local investment.

2 PERFORMANCE OF STRATEGIC ACTIVITIES

In order to achieve the above policy objectives a number of key strategic activities must be undertaken. These key strategic activities are listed below. Each activity is broken down into a range of essential tasks. Institutional responsibilities for these tasks are then defined, and any problems associated with the current level of performance of these tasks are identified. Specific issues related to the role and performance of the Division are detailed, and on this basis recommendations designed to improve the performance of the Division are made.
The key strategic activities required by industrial development policy objectives are:

- the identification and promotion of opportunities for industrial investment and development
- the assessment of the feasibility of industrial investment and development opportunities
- the regulation of investment in the industrial sector in order to direct it towards policy objectives and maintain desired standards
- the provision of specialist technical advice to current and potential investors
- the provision of investment incentives to encourage industrial development consistent with policy objectives
- the provision of an adequate physical infrastructure to facilitate industrial development
- the development of a comprehensive database of industrial sector information to enable the assessment of:
  - the appropriateness of proposed investment projects
  - the impact of policy implementation
- the provision of adequate resources to encourage and facilitate SME sector industrial development
- the co-ordination of the activities of the various institutions involved in promoting industrial development.

Each of these key strategic activities is discussed below.

2.1 Identification and Promotion of Opportunities for Industrial Investment and Development

This strategic activity will comprise the following essential tasks:

- the definition of industrial development priorities within the macro-policy framework;
- the analysis of gaps in the current investment base;
- the communication of information regarding industrial development priorities and opportunities to potential investors.
2.1.1 Definition of Priorities

This is a task of fundamental importance as it establishes the policy framework for all other strategic activities and tasks. The principal institutions responsible for this function are:

- the Economic Planning and Development Department (EP&D) within the Office of the President and Cabinet (OPC) which has overall responsibility for the development of macroeconomic policy at the national level

- the Reserve Bank of Malawi (RBM) which, as the nation's central bank, is responsible for the determination/control of the money supply and the management of the exchange rate

- the Ministry of Finance, which is responsible for determining fiscal policy, and as such is able to initiate a range of investment incentives to support and encourage investment in priority areas.

In terms of policy, although the Division does get involved on policy initiatives and recommendations, its primary role is that of an implementor, with responsibility for operationalising the policy initiatives developed at the macro-level. Overriding policy level decision making rests with OPC. In order to assist the Division and the other Divisions within MTI in the process of interpreting macroeconomic policy, the Economic Planning Unit (EPU) has been established within MTI. This Unit is part of EP&D, whose main objective is to ensure that the activities undertaken by the Ministry of Trade and Industry conform to and support national macro-economic policies particularly on developmental projects. The establishment of the Unit is part of an overall government policy whereby an economist is assigned to each ministry to advise on economic aspects or project being undertaken by ministry. While in the ministry the economist, although belonging to the Economic Common Services pool headed by EP &D, becomes part and parcel of the ministry to which he is assigned and reports directly to the Principal Secretary of that ministry. The Unit is to be used by the Ministry's management in an advisory capacity to support the research efforts in the different departments with a strong emphasis on planning. In addition, the Unit examines structural development projects to ensure compatibility with government development objectives.

Some difficulties have been encountered in the performance of the Unit. The problems experienced are a result of a number of factors. First, the Unit is understaffed and has been for some time; this has limited its operational capacity. Second, there has been limited interaction between the Unit and the Industry Division. This stems from an absence of detailed work programmes defining objectives for the Unit which actually supplement those of the Divisions. Consequently, there is no definition of the co-operation between the two functions. The Unit is utilised purely on an ad hoc basis by Ministry management.
2.1.2 Analysis of Gaps in the Investment Base

In order that development priorities can be operationalised on a rational basis, it is necessary that information regarding current levels of investment, employment, output, etc. in priority areas is recorded. Such information should provide a guide to the success of implementation in priority areas, and provide important feedback into the policymaking process itself.

As the implementing Division, it should be responsible for the collation and dissemination of such information.

Responsibility for this function is currently divided within the Division. For large-scale enterprises, information gathering and dissemination is undertaken by the Project Development and Promotion Unit, which is responsible, inter alia, for the development of industrial information and documentation. This pertains to the setting up and monitoring of a statistical database modelled on the International Standard Industrial Classification (ISIC) System. The information obtained from industrial licenses should provide the raw data that should be transformed by the adoption of the ISIC system, to a database conducive to industrial research.

In addition, reports concerning industry sector developments complete with statistical analysis to determine the nature of economic inter-relationships should also be undertaken periodically to examine the impact of the various projects undertaken on the industrialisation process overall and within different industry sectors.

The dissemination of such reports is important for research into the various sectors. All sources utilised in the production of such reports should be institutionalised and updated periodically as well as being readily accessible to professional staff members and other Government bodies. Such sources may include various publications, inhouse summaries or progress reports concerning developments relating to individual projects, as well as summaries of projects providing an indication of individual sector development.

With respect to the SME sector, information responsibility lies with the Small-Scale Industry Unit, one of the functions of which is to co-ordinate the information requirements for the sector, such as surveys and statistical database maintenance, as well as policy and impact studies.

The Small-Scale Industry Unit is currently experiencing a range of problems which reduce its operational effectiveness and seriously impair its ability to fulfill its informational functions.

2.1.3 Communication of Opportunities to Investors

In addition to identifying investment opportunities which correspond to development priorities, it is also necessary to promote such projects; that is, to bring opportunities to the attention of potential investors.
With respect to large scale project promotion, the Project Development and Promotion Unit is responsible for the identification of investment projects and development of project profiles with a view to promoting the development of those industrial sectors stressed by policy objectives. The aim is to research projects in selected policy areas and develop project profiles to the stage where investors and funds may be solicited to implement the project.

It is not clear however, to what stage the technical and financial feasibility of the projects is undertaken. There is also no evidence of a systematic approach to the identification of projects which appear to come from a number of different directions including that of donors. It also does not appear that the sub-section monitors trends and development in the various industry sectors in which projects are undertaken or could be undertaken in the future. Consequently, the development of contacts between different firms which should lead to the development of a network of possible sub-contracting arrangements is not occurring. Finally, there was very little evidence to suggest that project profiles were condensed or integrated into larger industry sector reports for policy formulation and monitoring.

Regarding SME sector development, a range of institutions are currently involved in promoting industrial investment and growth, including:

- Small Enterprise Development Organisation of Malawi (SEDOM)
- Investment and Development Fund (INDEFUND)
- Development of Malawian Traders Trust (DEMATT)
- Malawian Enterprise Development Institute (MEDI).

In theory, the SSI Unit is responsible for the co-ordination of the various parastatal institutions involved in SME sector development. However, DEMATT is actually placed under the Trade Division and MEDI is under the Ministry of Labour. Consequently, even though the SSI unit is responsible for overall policy direction and co-ordination in the sector, it essentially has no operational authority over these two organisations.

From our analysis, it appears that there are currently weaknesses in the performance of the key strategic activity of identifying and promoting industrial development opportunities. The extent to which these weaknesses may be addressed through the Division is addressed in Section 3 below.

2.2 Assessment of the Feasibility of Industrial Development Opportunities

Before any investment is undertaken, the potential investor will assess the likely outcome of the investment. This assessment of feasibility and viability will vary in style and rigour depending on the scale of the investment and the sophistication of the investor.
Large-scale investors (for example, multinational corporations) will generally have available the technical and financial resources to undertake their own assessment of the commercial viability of investments they are considering. On the basis of this self-initiated analysis, external finance can then be obtained as required. The responsibilities of government with respect to large-scale investors are thus primarily regulatory (see 2.3), although government may on occasion seek to promote investment in projects it has identified from both private investors and donor agencies (see 2.1.3).

With respect to the policy objective of encouraging SME sector industrial development, there will be a need for a greater degree of support and assistance to be provided. Many potential investors in this sector will have some technical production expertise (for example, in a particular manufacturing process), but may lack both the initial finance necessary to establish themselves, the commercial expertise necessary to secure third party finance, and/or the managerial expertise necessary to run the business.

In order to promote SME sector industrial investment, it is therefore necessary to provide:

- assistance with the preparation of feasibility studies which will be acceptable to financial institutions as the basis for the provision of loan finance;
- assistance to manage the non-technical aspects of the business until the investor is able to acquire such expertise.

The provision of business management assistance to the SME sector is discussed in 2.8 below.

2.3 Regulation of Industrial Investment

The essential objectives of regulation with respect to industrial investment are:

- to ensure compliance with overall policy objectives;
- to ensure that established standards with respect to production quality and techniques are observed;
- to ensure compliance with associated legislation, such as the Employment Act and the Factories Act.

Responsibility for the third regulatory objective above lies outside the mandate of HTI in general, and the Industry Division in particular.
At present, the standardisation function is divided between the Malawi Bureau of Standards and the Assize Section in the Department of Trade. Industry Division involvement in the standardisation process is limited to representation on the following technical committees of the Malawi Bureau of Standards:

- beverages, and bread and confectionaries;
- milk and milk products;
- edible oils and fats;
- processed foods.

The responsibility of the Industry Officer is to provide policy direction to the Malawi Bureau of Standards in terms of industrial sectors which the Government would like to develop, and the type of services that may be required.

It is not clear what is achieved by divisional representation on the above committees given the absence of any work plan or policy performance targets with respect to the Bureau which could form part of an overall industrial development plan. The effectiveness of this representation is greatly hampered by a lack of direction and systematic approach.

The principal regulatory function of the industry Division is that of processing of industrial licenses with the aim of providing direction to the implementation of the policy objectives stated above as well as a means of facilitating and monitoring policy implementation.

The licensing system should be used as a core source for the establishment of an industrial data or statistical base to provide a means whereby policy formulation, implementation and monitoring could be made more effective. The licensing system should also be a key input for the development and implementation of the Standard Industrial Classification System.

The licensing system was however found to be cumbersome and slow. Responses to applicants' inquiries were hampered by the delays in work operating the manual based system and the lack of representatives in the field, especially in the Blantyre region.

Proper follow up of application progress is slow and there is no systematic approach to developing the information in accordance with the International Standard Industry Classification system. The use of licensing to develop a statistical base which could be used for industrial policy planning and monitoring is minimal.

The licensing procedure as it is currently implemented therefore lacks direction, and as a result, instead of providing an important source of information and control, it provides a serious obstacle to investment promotion in general.
2.4 **Provision of Specialist Technical Advice to Investors**

In addition to providing the commercial and managerial expertise necessary to facilitate the development of the SME sector (see 2.8), the provision of specialist technical expertise to foster investment in particular priority areas is necessary.

Within the Division, desk officers in the Operations and Control Unit of the Large-Scale Section are given responsibility for the provision of extension services to industry with the aim of providing advice to improve the technical capabilities in industrial production and promoting the use of local raw material inputs. We were unable to ascertain the nature of the extension service provided to industry or its frequency.

Desk officers are also given specific responsibilities within the following sections:

- ceramics and building materials project;
- business advisory services project for women.

The aim is to facilitate the development of an indigenous production capability utilising local raw materials by building up expertise in the area. The initial phase would be to collect information concerning possible projects which would then be evaluated. The next phase would be to co-ordinate the dissemination of information to potential investors and assist in the implementation of those projects. In the above case the project is specific in nature and long standing and there is no development of further projects in the area. The principal activity carried out with respect to the specific project is one of monitoring progress which consists of information updates to management. What is done with this information is not clear.

Moreover, project development is not supposed to be carried out by this section. Rather it is supposed to be carried out by the Project Development and Policy sub-section.

In addition, the Operations and Control Unit is given responsibility for processing Commonwealth Technical Assistance requests and co-ordinating India Technical Co-operation. The purpose of these is to provide some technical consultancy services to sectors which require such assistance. The Division is basically reactive in the performance of this activity, relying on donor initiative.

The Project Development Unit has desk officers responsible for the following projects:

- energy matters, industrial research and technology,
- fertilizer project,
- pesticides project,
- pencil project,
- bamboo industry project,
- industrial engineering and consultancies project,
- industrial statistics and SAARC.
The purpose of a desk officer is to follow developments in his/her respective industry sector, identify possible problems, and research possible solutions and identify resources with which to effect a solution.

Problem areas could themselves be the prelude to project identification and the development of projects profiles. However, a desk officer should also follow through the implementation of a project and monitor its progress providing direction to all participants concerned both private sector firms and the donor agency providing funding. In order to discharge these responsibilities effectively the desk officer should have the requisite technical expertise and experience in the appropriate industry sector. Expertise requires appropriate technical and analytical skills. Experience relates to knowledge of the operating environment of the particular industry sector.

Moreover, to monitor effectively the overall impact of the many projects undertaken it is necessary to condense reports covering industry sectors so as to obtain an overall impression of the various industry sectors' development, problems etc. This then will serve as a valuable input into the policy formulation and planning phase. It will also provide a means whereby the industrialisation process as a whole can be directed and strengthened.

We found little evidence of a systematic approach to desk officer responsibilities. There was very little initiation of projects, rather the officers were more reactive than pro-active. There was some doubt as to the depth of the operating knowledge of particular industry sectors and there was no pro-active contact with participating firms in the industry, lending some doubt as to the value of the technical extension service provided to industry. In addition, there was very little consolidation of reports in order to obtain an overall impression of the level of development in any particular sector and to provide an input for policy formulation and planning. Consequently, the effectiveness of the division's leadership and co-ordination role in industrial development is questionable.

2.5 Provision of Investment Incentives

In order to encourage investment in those areas defined as policy priorities, an environment must be created in which investors find it relatively more attractive to invest in priority sectors. This relative attractiveness is generated through the provision of investment incentives, which may take a number of forms.

General policy regarding the types and levels of incentives to be provided is set outside the Division and MTI, by policy institutions such as EPAD and the Ministry of Finance.
Within the broad policy framework, however, the Operations and Control Unit within the Ministry is responsible for formulating industrial incentives and developing the investment code so as to help create an environment which is conducive to investment promotion. This activity is carried out almost in a vacuum with very little consultation with relevant external organisations. Again, the lack of a systematic approach was evident. Moreover, the economics unit within the Ministry was also involved in research related to the code but consultations between them and the relevant divisional personnel was minimal.

2.6 Provision of Physical Infrastructure

In order to ensure that industrial development policy is consistent with and compatible to the socio-economic environment as well as overall Government development efforts, it is necessary to ensure its compatibility with spatial, geographical, and physical planning aspects of development. The spatial framework is developed through the National Development Plan which is responsible for the co-ordination and implementation of national development policy, and the optimum location of development projects carried out by Government ministries, departments, statutory organisations and the private sector. The strategic activity required to ensure compatibility is the co-ordination with and advise on industrial service and infrastructural requirements so as to ensure their inclusion during the development and implementation of the National Physical Development Plan undertaken by the Department of Town and Country Planning.

2.7 Development of Industrial Sector Database

While the DOL is not responsible for high level policy formulation, it is responsible for the operation of policy initiatives. Moreover, as the institution which has direct contact with the group targeted by policy initiatives (i.e. the industrial investors themselves) it is in the best position to assess the impact of the implementation of such policy measures. Through this assessment of policy impact, the Division should then be in a position to provide important feedback to the policy setting bodies in order that the formulation of future policy can attain the maximum desired effect.

This important contribution should be facilitated by the establishment of a comprehensive industrial sector database, which records and analyses such key economic indicators as investment level, investment sector/subsector, geographical distribution of investment, employment generation and output.

Much of the raw data required to generate this information should be provided through the industrial licensing process. However, as described above (see 2.3) the licensing process at present is more of a bureaucratic obstacle to successful policy implementation than a source of industrial investment information.
2.8 Provision of Resources to Facilitate SME Sector Development

In addition to the provision of technical advice (see 2.4) and assistance with feasibility and viability analyses (see 2.2), there is also a requirement to provide potential entrepreneurs in the SME sector with commercial and general management assistance. The provision of such assistance is not currently the responsibility of the Division, nor is there any reason why it should be the direct responsibility of the Division in future. Commercial and managerial expertise to assist the small-scale sector is currently provided through:

- DEMATT
- SEDOM
- MEIJI.

2.9 Co-ordination of Institutional Activities

Responsibility for the determination and implementation of industrial development policy is fragmented between a range of institutions in the Government and quasi-Government sectors. The overall role of MTI is at the operational and informational levels, rather than at the policy setting level. There are, however, a number of institutions other than the Industry Division involved in the implementation of industrial development policy initiatives, particularly in the SME sector.

While it is apparently intended that MTI through the Industry Division should assume a lead role in the co-ordination of activities to support SME sector development, there was little evidence that such effective co-ordination actually takes place. MTI has Board representation on all the parastatal institutions involved in the sector. However, the representation is not consistent and there is a definite lack of continuity. The delegation of Board representation is ad hoc and there is no systematic support behind the Board representation in the form of research or expert knowledge about the sector. We understand that normally MTI officers are assigned to the Boards of specific institutions. However, due to shortage of staff either because the staff are on study tours or business trips, attendances at these Board meetings have suffered. Consequently, the Ministry's representation on the Board is relatively non-effective. There was no evidence of policy co-ordination at the operational level.

The different Boards are not interlinked and Board membership composition ensures the various Boards operate in a state of relative unawareness of each other. This situation is not optimal given the inter-dependence of the various institutions with regard to the effective development of the sector. There is not much use in training individual entrepreneurs if they cannot obtain the necessary finance to start their business.

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This situation is exacerbated by the lack of effective small scale business associations. There was no systematic way to communicate with the small-scale sector. Although there was some small scale representation in the Associated Chambers of Commerce this was considered not to be representative of the sector as a whole. The small-scale committee within the Chambers did not seem to be able to systematically communicate the problems of the sector and its special requirements to the institutions that were set up to assist it.

There appears to be a gap in the institutional infrastructure serving the sector in this respect. There is no organization or committee in which all participants in the sector including the entrepreneurs themselves are represented to discuss policy issues. In the absence of this forum, policy direction is dictated from above without any real appreciation of the problems faced at grassroots level.

At this point in time the Unit is unable effectively to undertake the pursuit of its mandate, namely the promotion and co-ordination of the small-scale sector. It should be noted however, that the UNIDO technical adviser assigned to the Unit has developed a work schedule and functional structure for the Unit thereby providing a leadership role which it sorely needs.

With respect to the co-ordination of large scale industrial development, UNIDO provides industry responsibility for a range of organizations in the para-statal sector.

Technical supervision over the para-statals is principally conducted through Ministry and Divisional representation on the para-statal boards. The problem with respect to this setup is two-fold.

First, there is no consistency with respect to representation on the various boards from the Ministry's side, resulting in a lack of continuity, although there are desk officers in the division assigned to the various para-statals they do not have the appropriate role to represent the Ministry at board level.

Board representation is usually undertaken at the F.S. and D.I. level and, more often than not, that is delegated to some subordinate in the Industry Division, usually at the Principal Industrial Development Officer level under the Economic in the M.I. The act of delegation of board representation is inhibiting the development of operational expertise related to the various para-statals which is a prerequisite to effective supervision.

Second, the desk officers lack direction in handling matters pertaining to their respective para-statals. There is no systematic co-ordination between the desk officer and a counter-part in the para-statal. The desk officers are not fully aware of operational developments within the para-statals and consequently are not proving effective in bringing Ministry management on operational matters. The activities of the para-statals are not set out in work plans which are evolved from an industrial plan. In fact, para-statals have been formulating their own plans in response to initiatives from donor agencies. These plans do not necessarily take into account the plans and activities of other para-statal organizations or of the sector in general.
To a large extent this problem arises because the donors provide most of the financing. Donor assistance should however, be coordinated by MIH and the Industrial Division in particular. This co-ordination should be based on an industrial plan so that the approach to industrial development is balanced and resources, be they from the donors or the government, are used effectively.

It was observed that problems or issues arising which require ministerial attention, in terms of assisting in the provision of technical advice and identifying donor support, cannot be researched beforehand. Consequently, the preparation done for the board meeting is minimal. The lack of operational expertise on the board is also hampered by the inconsistency in the individuals assigned the responsibility of representing the Ministry on the board as explained above. This is retarding the effectiveness of MIH's supervision.

The Ministry is not proactive in the sense that it can identify problems and initiate actions which will solve the problems. Rather what is happening is that the initiative is being taken by other bodies ranging from donor agencies to the parastatals themselves. effectively by passing the Ministry altogether.

The Industry Division also has some formalised interaction with the private sector with respect to industrial development.

The Associated Chambers of Commerce is the principal organisation representing the views of the private sector. It is composed of a number of committees representing the various sectors. The committees which are of importance to the Division are as follows:

- Industrial Committee
- Small and Medium Enterprise Committee
- Projects Advisory Committee
- Transport Committee
- Inflation Committee.

The Industry Division has representatives on all of these committees. The chamber has proved to be a useful forum to discuss problems and issues with industrialists. It is particularly useful for obtaining information on the actual impact of policies formulated and provides an input into the formulation of policies. The Industry Division can use this forum to build up its own expertise of the working of industry by using it as a primary source of information for industrial research activities.
Such activities, in order to be effective though, require a systematic approach provided for by an industrial development plan and a clearly defined research effort based on this plan. There was no evidence of such an approach. What was observed was an ad hoc limited research effort being pursued on the initiative of individual industrial development officers. The research effort centred on individual projects assigned to the officers. Again the department was seen to be reactive rather than pro-active. It is reacting to developments in industry rather than directing development through the initiation of pre-planned programmes.

3 ORGANISATION AND MANAGEMENT REVIEW

In Sections 1 and 2 above, the broad policy objectives with respect to industrial development have been defined, together with an analysis of the key strategic activities and essential tasks which must be performed if these policy objectives are to be achieved. The role of the Industry Division as a policy implementing institution has been established, and areas in which there are opportunities to enhance the division's effectiveness have been identified.

3.1 Principal opportunities for performance improvement

Our review of the activities and performance of the Division has identified a number of areas in which the Division's performance could be improved significantly. These areas are detailed below, and the remainder of this section examines the current organisation and management structure of the Division, and makes recommendations on how it may be amended to current effectiveness to be improved.

The principal opportunities for improvement lie in:

- the formalisation of the planning process within the Division, and the development of a systematic approach to strategic activities and essential tasks;
- the shift in emphasis from the regulatory to the promotional and developmental role of the Division;
- the gathering, processing and dissemination of data relating to industrial development and investment opportunities;
- the rational structuring and formalisation of the Division's channels of communication with external institutions;
- the definition of responsibilities and channels of communication within the Division;
- the rational review of staffing and skills levels and requirements.
3.2 Current organisation and staffing

In this section we discuss the current organisation and staffing situation in the Industry Division. This discussion, in conjunction with the preceding analyses of required activities and opportunities for improvement, forms the basis of our organisation and management recommendation in Section 3.3 below.

3.2.1 Organisation Structure

At present the division is split into 3 main sections:

- Project Development and Promotion
- Operations and Control
- Small-Scale Industry Unit.

Project Development and Promotion and Operations and Control were created as part of a restructuring exercise proposed by UNIU starting in 1990. The activities of these sections are closely associated with large scale industry.

The Small-Scale Industry Unit was created in 1990/91 in response to the shift in Government policy to focus on the development of small and medium-sized industrial enterprises. Prior to this policy shift, the UNIU study had recommended that responsibility for small-scale industry would fall under the Operations and Control section.

A section responsible for planning and policy formulation and co-ordination (proposed by the UNIU study) has not yet been established although the post of Principal Industrial Development Officer (PIDO) to head the section has been approved (see Chart 3-1).

We comment on the structure and staffing of the 3 existing sections below.

Project Development and Promotion Section

This section has not yet been fully developed and is clearly understaffed. At present the section is manned by 3 Industrial Development Officers (IDO) with aSECTION head (the PIDO post is vacant) the 3 officers report to the PIDO in the Small-Scale Industry Unit.

The section is responsible for project development and promotion in the following industrial subsectors:

- agroprocessing
- forestry
- chemicals
- minerals
- engineering
- metallurgy.

It will be necessary to increase the section's establishment of IDO's to ensure that these subsectors are adequately covered.
### Industry Division - MII

**Organisation Structure and Staffing Levels (August 1990)**

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**Small-Scale Operations + Control**

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<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

**Industry Unit + Control**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Est</th>
<th>Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>P8</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

**Project Development and Promotion**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Est</th>
<th>Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>P9</td>
<td>5</td>
<td>6</td>
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</tbody>
</table>

**Planning**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>CEO</td>
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<td>x2</td>
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</tbody>
</table>

**Senior Executive**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Est</th>
<th>Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEO</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

- * = vacant post
- ** = under training overseas
- *** = post was vacant - technical advisor filling in at time of study
Operations and Control

At the time of the study, the PIWO in charge of this division was overseas studying for a Masters degree. In his absence, the SIWO reported to the PIWO in the Small Scale Industry Unit.

The section's organisation structure is characterised by a series of one-on-one reporting relationships which tend to be inefficient. The first of these is between the PIWO and SIWO and the second between PIWO’s and AIDO’s. The sharing of duties and responsibilities between these posts is not clearly distinguishable.

At present 2 AIDO posts are vacant. The workload in the section does not appear to be sufficient to justify these posts.

Small-Scale Industry Unit (SSIU)

The SSIU has not been effectively operational since its establishment. UNIU is currently providing technical assistance to define its role, functions, activities, organisation structure and staffing requirements.

The SSIU’s current structure and staffing levels are totally inadequate. The Unit is manned by 1 PIWO and 2 SIWO’s. 1 SIWO post is filled but at the time of the study the incumbent was overseas studying for a Masters degree in Economics.

The PIWO has not been able to focus on the development of the Unit nor work as a counterpart to UNIU as technical advisor because he is required to oversee the activities of other sections in the division.

The lack of leadership at middle management (PIWO) level, occasioned by the failure to fill vacant posts or by the absence of staff studying overseas, seriously inhibits the operational effectiveness of the Unit. The management functions of planning, organising, directing and controlling are not performed.

Establishment and Employment Levels

The division’s manning levels (authorised and actual establishment) and organisation structure are shown in chart 3-1

A comparison of authorised and actual staff establishments shows the following:

- the division currently employs 13 people, 1 less than the total authorised staff establishment;
- 2 posts were vacant at P7 level (Principal Industrial Development Officer);

- 17 -
3.2.3 Skills Inventory, Skills Shortages and Training

An inventory of employees education, experience and training is shown in Appendix J.

Below we comment on the adequacy of the staff skills relative to the work they perform in each section. A summary of our assessment is shown in Appendix J.

Management

The CIO who was heading the division was serving on an expatriate contract basis (donor funded). Originally it was intended that he would serve in an advisory capacity and train a counterpart to assume the role of CIO.

He is well qualified technically and has extensive industrial experience gained in Africa and Europe.

Project Development and Promotion

The 3 employees in this section have worked in the industry division at the level for 1 and 1 year, respectively, and therefore have adequate background knowledge of the industry sector.

Their academic qualifications and training are appropriate and equip them with the skills necessary to conduct project appraisals and develop project profiles.

The officers’ major weakness is that they do not have a sufficient depth of knowledge of any one of the main industrial sectors in Israel. This knowledge is essential to perform an effective role as desk officers to various projects and to be able to develop accurate project profiles.

Operations and Control

The majority of employees currently serving in this section have worked in the department for well over 5 years, and appear to have a good knowledge of licensing procedures and industrial legislation.

The academic qualifications of staff at LIO and SIMO level (diplomas and bachelor degrees) appear to be generally adequate and appropriate to the needs of the section. However, they need to develop improved analytical skills to effectively review applications for industrial licences. Often they do not evaluate whether information contained in licence applications makes sense or is accurate.
At the time of the study the Ptu was studying for a MBA overseas. While this qualification will be useful he lacks technical training in the industrial field.

We have been advised that both the Ptu and SIU need training in practical management skills.

**Small-Scale Industry Unit**

3 of the 4 employees in SIU have sound general knowledge of the industrial sector, each having served 6-13 years in the department. 1 Ptu has recently joined the section and has limited industrial knowledge.

None of the employees in the Unit has adequate field knowledge and experience of small-scale enterprises in Palau.

Although the officers have attained an adequate level of education, they do not have any technically related qualification. The unit is therefore unable to provide an effective extension service.

### 3.2.4 Staff Attitudes and Motivation

With a few exceptions, staff at all levels within the division appear to be demotivated in varying degrees; and some display negative attitudes towards working in MIU.

Apparent reasons for low motivation levels and negative attitudes are as follows:

- Lack of leadership and direction: several employees are unsure of their precise responsibilities and accountabilities;

- Lack of communication and team spirit within the division and team spirit within the division and MIU as a whole. Staff are uninformed of changes in the Ministry and have little appreciation of MIU's mission and objectives;

- Lack of training opportunities; little effort is made to identify and meet employees' training needs; an absence of a focused manpower development plan;

- Lack of opportunities for promotion; several employees who have worked in the division for many years complain that their performance is not assessed objectively and that progression into higher grades is too slow;

- Low salaries and the inability to make ends meet; many employees need to take frequent loans to cover living costs;

- Lack of rewards for hard work; employees receive little recognition for their efforts and there are no financial incentives offered in the Civil Service to motivate them to give of their best.
in spite of low levels of motivation staff turnover in the division is minimal. Employees enjoy the security of working in the Ministry in the absence of employment opportunities in the private sector.

3.3 Recommended Divisional Activities and Tasks

In this section we set out our recommendation regarding the activities and tasks for which the industry division should be responsible. These recommended functions address specifically the opportunities for performance enhancement arising out of our review of the current objectives and activities of the division.

We propose that the division should comprise three sections, namely:

- Planning, Co-ordination and Research
  - Planning and Co-ordination
  - Industrial Research and Technology
  - Management Information and Statistics
- Large-Scale Industry
  - Agro-Processing
  - Chemicals and Minerals
  - Engineering and Metallurgy
- Small-Scale Industry Section (S.S.I.)
  - Planning and Co-ordination
  - Operations and Control
  - Project Development and Promotion

The basis for specialization along industry sector lines is the need to attain the focus, required for effective management as well as developing the requisite expertise in the sector, needed to ensure effective service to those sectors. The functions and activities for each section are discussed below.

3.3.1 Planning, Co-ordination and Research

The Planning, Co-ordination and Research section has three principal functions. These are detailed below:

a) Provide the necessary industry specific technical input into the development of national development objectives
The purpose of this section is to develop the industrial development plan based on the macro-economic development objectives set by Economic Planning and Development. It will be the responsibility of this section to provide the input required to formulate national policies. The objective is to convey to industry a practical understanding of the difficulties and the intricacies of the interlinkages inherent in industry to ensure that policy objectives are realistic.

b) Operationalise the national development objectives through the formulation of an industrial development plan

Once the national development policy objectives have been set at the macro level it will be the task of this section to operationalise these objectives through the development of an industrial plan. The plan will consist of individual industry sector programmes for the respective sections made up of a number of projects. The individual programmes will be quantified and performance parameters such as reporting dates and structures will be stipulated.

c) Identify, formalise and co-ordinate institutional interlinkages with institutions which impact on plan and programme operations

An inherent part of the plan and the programmes will be to identify which institutions impact on the implementation of the plan so as to develop the co-ordination that will be required between the individual sections and the various institutions to ensure policy complementarity between different institutions.

As the planning section, it will be this section's responsibility to develop and co-ordinate institutional linkages. The section will be responsible for developing times of communications with other institutions and formalising working relationships in terms of committee meetings, composition of committees, and frequency of meetings. Once the institutions have been formalised it is up to the individual section head to manage the institutional linkages.

In order to facilitate coordination, a planning officer will be assigned the task of working out the details, while the planning officer for the section will chair the Institutional Co-ordination Committee, composed of other sub-section heads, the Chief Industrial Development Officer and the like. It will be this committee's responsibility to direct policy coordination at all levels, IIRB, HII, IIP, other Government Ministries, parastatals and donors. It will also be this committee's responsibility to co-ordinate and direct the operations of other committees on which the division is represented ensuring that they complement the operations of the various sections.
The principal functions of the Industrial Research and Technology subsection are to conduct research into the operations of Industry sectors and manage the development of Indigenous Technologies.

The responsibility of formulating an industrial research plan to supplement the Industrial Plan of providing for special research into Industry sector operations and interrelationships to be undertaken by the Industrial Research and Technical Section within the Planning and Co-ordination division. This Section will also be responsible for managing the development of Indigenous Technology, through the development of an Industrial Technology plan.

Industrial and technical research plans should be designed to increase the specialist knowledge of the division with respect to various Industry subsectors.

The Section will provide a core of specialists which will advise the Industry Sections on technical matters pertaining to operations in their individual Industry programmes.

In addition, the Section should also disseminate production technology advice to Industry through systematic tours of inspections conducted in conjunction with the Industry sub-sections. Dissemination of information should also be made through seminars and contacts with private and public sector associations and institutions.

The use of specialists within this Section other than for plan development should be on a special project basis. Specialists and line operation staff within the Industry Sections will team up to undertake research work within industry sectors. Such work should always be within the confines of the industrial development plan and programmes to ensure direction and focus are maintained. The allocation of specialist personnel should be restricted to the head of the Planning and Co-ordination division.

The principal function of the Management Information and Statistics Section is to develop a comprehensive data base on Industry to supplement the Industrial Development Plan and its various sector programmes.

The Section should develop a network of information sources, including both internal and external sources. Internal sources would include data from Industrial Licence. Externals sources would include the National Statistics Office, other Government statistical and institutions, private sector associations and foreign organisations.

The Section would also be responsible for maintaining a comprehensive library of relevant publications and periodicals as well as the internal reports generated by the Division.
3.3.2 Large-Scale Industry

The functions of the large-scale sector are grouped into industry sectors having the same resource base so as to facilitate the development of expertise as well as enhance management and control features of the structure. The three industry sectors upon which are based the three sections of the division are as follows:

- agro-processing industries,
- chemical and mineral industries,
- engineering and metallurgical industries.

These are general groupings which can be further subdivided into smaller groups based on the international standard industrial classification code. However, for the purpose of structure and in light of the level of industrial development attained in Bahrain, these three general groupings should provide the critical mass of industrial activity required to justify the formation of organizational sections.

Each of the three sections will consist of the sub-sections of units whose functions are described below.

Project Development and Promotion Unit

The purpose of the Unit is to operationalize and implement the specific industry sector programmes included within the industrial development plan by undertaking the following activities:

a) Review industry sector operations annually

In order to formulate and implement programmes and projects within any sector it is necessary to develop an accurate picture of operations within that sector. Consequently, the first strategic activity which is performed annually is a development report on each industry sector and sub-sector paying particular attention to identifying problems or constraints. The industry sector report should cover the following areas:

0 assessment of general market conditions in specific industry sub-sectors

0 examination of general production conditions within the specific industry sectors, including supply of raw materials, potential for downstream processing, and potential for use of local labour intensive technologies

0 identify and assess problems in production technology with the assistance of the Industrial Research and Technology sub-section. On this basis direct extension services to industry
analysis of the effects of transport problems on development of the sector

examination of the inter-relationship of industry sectors with other sectors, paying particular attention to developing forward and backward linkages to increase the level of local productive capacity and economic activity

documentation of financial and other characteristics such as size of companies in the sector and analyse their relationship with the financial sector.

The technical production input into the reports should be provided by industrial engineers in the Research and Technical Sub-section.

The individual sector reports should be combined to provide an overall report on industry on an annual basis. In order to ensure that this becomes a permanent feature of the division's work schedule it should be made a statutory requirement by modification of the existing industrial legislation.

This industry report will provide the basis for monitoring the attainment of industrial policy objectives as well as providing an input into planning by identifying areas where problems exist and need attention.

b) Assess the economic potential of the various industry sectors

during the process of examining the various industry sector operations, the emphasis should be on assessing the potential of the sector and identifying ways to facilitate the development of that sector. The strategic activities associated with this function are detailed below:

- Identify and prepare project profiles of potential investment opportunities
- Assess the production and financial feasibility of project profiles. This will require input from the research and technical Sub-section
- Evaluate projects on their contribution to industrial policy objectives
- Disseminate the project documents to interested private sector investors and donor agencies

Operations and Control Unit

The main functions and strategic activities of this Unit are discussed below.

b) Monitor and assess the impact of other institutional policies on industrial plans and programmes
The Unit's main function is one of monitoring, assessing and directing the impact of other institutional policies on the attainment of industrial policy objectives and operationalization of the industrial development plan. The principal institutions involved are the Reserve Bank of Malawi, Ministry of Finance, Ministry of Agriculture, Ministry of Forestry and Natural Resources, Ministry of Works, Ministry of Transport, Department of Customs and Excise, and the Trade Division within MoF.

The strategic activities associated with this function are as follows:

- monitor and analyse the impact of the foreign exchange allocation system and import licenses on the various industrial sectors
- liaise with the Trade Division and the Reserve Bank on all matters relating to import licences and the allocation of foreign exchange needed for industry as well as the importation of manufactured and semi-manufactured items which compete with local industry
- monitor and assist in directing the allocation of foreign exchange to those industry sectors which have the most potential for development
- monitor and assist in the allocation of foreign exchange to ensure the timely importation of material inputs so as to achieve optimum utilization of industrial capacity. This will promote efficiency and competitiveness in industry which will encourage exports
- monitor and analyse the impact of the tariff structure on the firms cost structure and its efficiency
- examine the uniformity in the tariff structure in terms of its administration.

b) Direct investment and development in the various industry sectors

There are two means by which investment and the subsequent development of an industrial sector may be directed or influenced. These include:

- process and review industrial licence applications based on the projects contribution to the attainment of policy objectives
- review and examine the incentives available in the various industry sectors in relation to industry sector operating characteristics and determine effectiveness
- review periodically the structure of the industrial licence form and ensure it addresses the relevant policy issues
Small-Scale Industry

The Government views the expansion and growth of the small-scale sector as crucial to the achievement of economic growth and employment creation. The general objective of developmental policy is the creation of economically viable enterprises which can stand on their own two feet without perpetual subsidy and can make a positive contribution to the growth of real income and therefore to better living standards.

This policy emphasis resulted in the creation of an institutional capacity to support and promote the expansion of the sector. Basically, the institutional capacity consists of a number of parastatal bodies involved in providing business technical advisory services and financial assistance to the sector. The direction of development within the sector is the responsibility of the Small-scale Industry Unit within the Industry Division.

Given the importance attached to the Unit in terms of policy emphasis, we recommend that the Unit be upgraded to divisional status and strengthened considerably in terms of staff.

The functions of the small-scale section are based on areas of operations typical of small-scale business operations and their needs. The section should consist of the following units:

- Planning and Coordination
- Operations and Control
- Project Development and Promotion.

It should be noted that the UNIDO technical advisor to the Unit has prepared a report on the proposed functions and structure of the Small-scale Unit. In principle, we are in agreement with the proposed structure. The structure we are proposing has developed after reviewing the UNIDO proposal and the major differences relate to the management aspects of the structure. The functions and activities of each unit within SSI are described below:

Planning and Coordination Unit

a) Develop a small-scale development plan and work schedules for the other Units

The function of this unit is to develop an industrial plan for the small-scale sector. This will consist of reviewing the small-scale sector to identify the characteristics of the sector including size, geographical and industry sector distribution patterns, problems and constraints. The objective of the review is to identify potential growth areas within the sector so as to concentrate development efforts on those areas.
c) Provide policy direction and monitor implementation of institution plans through board representation
in order to provide effective direction and technical advice to the various institutions and the sector as a whole it is necessary to ensure that board representation is consistent. It is the responsibility of this unit to ensure adequate representation from the Ministry's point of view. Apart from board level representation there should be sub-committees and operational inter-linkages among the various institutions and the small scale section to discuss and assess the operational difficulties involved in policy co-ordination. The planning and co-ordination unit should chair this committee and use it to co-ordinate the activities of the institutions. Technical assistance should be provided by the relevant sector units.

To facilitate co-ordination within the sector the planning unit should advise the ministry on the composition of the various boards. The objective is to obtain a cross representation of members who serve on more than one board. This will help foster an understanding of the operational inter-relationships and facilitate policy co-ordination.

d) Provide a forum for discussing policy issues

At present there is no communication with grassroots elements in the sector. This is partly due to the absence of an active association representing the interests and views of the small-scale entrepreneurs. The creation of such a body is desirable if the sector is going to grow. However, assuming that such an organization was to be created there would have to be a committee where all participants in the sector were represented. The planning sub-committee would chair the committee and initiate any appropriate action in response to suggestions made at the committee.

Operations and Control Section

The principal functions of this unit is to promote and facilitate the operationalisation of small-scale businesses. The unit will ensure that problems faced by small businesses in the various areas of operation are minimised and that assistance is provided in a systematic manner by the following strategic activities.

a) Provide assistance in the field of marketing products

Ensure that marketing infrastructural support exists for small-scale businesses. This would include the development and implementation of programmes to ensure the existence of markets for sector products both locally and externally. One such programme is the Government Preferential Purchase Programme. It is the responsibility of the unit to develop such projects, implement them and evaluate their development impact.
Other programmes in the area of marketing includes the promotion of sector products through representation at trade fairs which will facilitate networking with larger firms, thereby developing a subcontracting relationship between small and large-scale enterprises.

Finally, examination of the operating environment with a view to assisting and directing small-scale businesses through the development of appropriate incentives.

b) Provide assistance in the field of raw material procurement

Assist the sector by ensuring the availability of suitable raw material and semi-processed raw material inputs. This would include the formulation of programmes which would identify suitable raw materials and beneficiaries. The section would also be responsible for the implementation of the programme, including the co-ordination of the various institutions involved, monitor its progress, and evaluate the development impact of the programme. Bulk procurement and distribution of key raw materials to the small-scale sector is one such programme.

Project development and promotion sub-section

a) Develop project profiles in areas offering investment opportunities

The unit should follow up and develop project profiles in areas identified by the small scale unit as providing industrial investment potential. This includes assessing the production, marketing and financial feasibility of the project in order to develop project portfolios to cover a diversity of industry sectors.

organise and arrange for the promotion of these project profiles by disseminating project information to appropriate entrepreneurs through relevant associations, institutions and seminars.

b) Operationalise projects through the provision of technical and management training assistance

Develop and manage network information system utilising the facilities of institutions serving the sector, especially institutions like UMMAT which have field extension officers. This network should serve to identify suitable participants for project implementation. Once suitable entrepreneurs have been located, assist them in operationalising the project into a fully fledged business. This includes providing direction in developing a business plan, assisting with management and production training by arranging that the individual receives assistance from either UMMAT or MADI.

Design mechanisms and procedures to provide follow through assistance from project identification to business start up as described above. This involves co-ordinating the activities of a number of development institutions at the operational level.
c) Assess the developmental impact of technical and management training programmes

Monitor the performance of institutions providing technical and management training and evaluate their impact on the development of the sector. Liaise with the Industrial Research and Technology section in identifying suitable technologies and disseminating that technology to ensure efficient production.

Liaise with the Malawi Bureau of Standards to develop, monitor, implement and evaluate programmes designed to upgrade informal sector artisans and enterprises in both the rural and urban areas in terms of appropriate industrial standards.

d) Research and develop extension methods which will increase the effectiveness of development institutions providing services to the sector

Initiate research into the effectiveness of delivering types of extension approaches. Identify that approach which is more effective in Malawi. For example, analyse the suitability of the workshop cluster approach (industrial estates) used in Tanzania versus the establishment of industrial development centres in smaller towns as used in Kenya. Possibly develop a combination of two approaches compatible to the Malawi environment.

Ensure the provision of suitable infrastructure to complement and support extension services.

e) Ensure that adequate levels of financing are provided to the sector

Develop programmes that will increase the participation of the financial establishment in developmental financing activities. Lobby Government financial institutions such as the Reserve Bank to encourage the participation of banks in development financing through the creation of credit guarantee schemes and preferential interest rate treatment for the sector. Introduce graded rates of interest for rural areas.

Monitor, assess and evaluate the development impact and performance of developmental finance institutions such as SIDMIL, MIDFUND, and MDF. Determine the accessibility of these institutions to small-scale entrepreneurs.

f) Ensure policy complementarity with other development policies

Ensure the availability of foreign exchange for the importation of raw materials, spare parts and appropriate technologies.

Prevent unfair competition by imports due to deficiencies in the administration of the tariff system.
Recommended Organisation Structure and Staffing Levels

Our proposed organisation structure and estimated staffing levels for the Industry Division are shown in Chart 3-11. The chart shows the distribution of posts in each of the sections and units proposed for the division. These are described in the above chapter and include the following:

- Planning, Co-ordination and Research Section
  - Planning and Co-ordination unit
  - Industrial Research and Technology unit
  - Management Information and Statistics unit

- Large-Scale Industry Operations Division
  - Agroprocessing and forestry unit
  - Chemical and Minerals unit
  - Engineering and Metallurgy unit

- Small-Scale Industry Section
  - Planning and Co-ordination unit
  - Operations and Control unit
  - Project Development and Promotion unit

The minimum staffing requirements for the 3 sections falling under the control of the Chief Industrial Development Officer are summarised in the table below.

Table 3-1: Minimum Staffing Requirements - Industry Division

<table>
<thead>
<tr>
<th>Section</th>
<th>JOB TITLE</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>1. Policy, Co-ordination &amp; Research</td>
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<td>190</td>
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<td>2. Large-Scale Industry ops</td>
<td>F 100, S 100, C 40, E 10</td>
<td>190</td>
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<tr>
<td>3. Small-Scale Industry</td>
<td>F 100, S 100, C 40, E 10</td>
<td>190</td>
</tr>
</tbody>
</table>

The number of 110s in each section may need to be increased following implementation of our proposals, at which stage the volume of work to be handled can be accurately determined.

Implementation of our proposals will require a substantial increase in the Industry Division's staff establishment. In Table 3-2 below we compare our proposed staff establishment (number of posts per grade) with the Division's current authorised establishment and actual staffing levels.

-31-
INDUSTRY DIVISION - FDI

PROPOSED ORGANISATION STRUCTURE
AND MANNING LEVELS

Chief Industrial
Development Officer

SMALL-SCALE INDUSTRY

LARGE-SCALE INDUSTRY OPS

PLANNING, CO-ORD & RESEARCH

F7 3

Principal
IDO

Principal
IDO

Principal
IDO

Planning

Ops &
Co-Ord

Project

Agric &
minerals

Engineering

Planning

Research

& Info

F8 9

Sr IDO

Sr IDO

Sr IDO

Sr IDO

Sr IDO

Sr IDO

Sr IDO

Sr IDO

F9 16

IDO

IDOx2

IDOx2

IDOx2

IDOx2

IDOx3

IDOx3

IDOx2

MKG

UPS & Control

UPS & Control

UPS & Control

Project

Project

Promotion

Promotion

Promotion

Promotion

Total 32
### Table 3: Comparison of current and proposed staff establishments and actual staffing levels

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Grade</th>
<th>Authorised Establishment</th>
<th>Current</th>
<th>Proposed</th>
<th>Variance</th>
<th>In post</th>
<th>Actual</th>
<th>Variance with proposed</th>
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</thead>
<tbody>
<tr>
<td>C1DU</td>
<td>ES</td>
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<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
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<td>0</td>
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<tr>
<td>P1DU</td>
<td>P1</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>-1</td>
<td>3</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>S1DU</td>
<td>P3</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>+6</td>
<td>9</td>
<td>-3</td>
<td>-3</td>
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<tr>
<td>I1O</td>
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<td>10</td>
<td>16</td>
<td>+11</td>
<td>6</td>
<td>-10</td>
<td>-10</td>
</tr>
<tr>
<td>SAI1O</td>
<td>S10</td>
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<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>+1</td>
<td>+1</td>
</tr>
<tr>
<td>AI1O</td>
<td>E10</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>14</strong></td>
<td><strong>16</strong></td>
<td><strong>30</strong></td>
<td><strong>+16</strong></td>
<td><strong>13</strong></td>
<td><strong>-17</strong></td>
<td><strong>-17</strong></td>
</tr>
</tbody>
</table>

*The post of C11O was vacant at the time of our study but was being held by a Technical Advisor. This post has now been filled from within the Industry Division subsequent to the conclusion of our study.*

From the above analysis the following important points should be noted:

1. The total authorised establishment will need to be increased by 16 posts.
2. 17 graduates will need to be recruited to fill posts proposed at P1 level and above; these posts demand well developed analytical skills which are normally acquired during graduate training.
3. Our proposed establishment makes no provision for posts at AI1O (E10) level; in time, when the division has become fully established, it may be necessary to create posts at this level to relieve 1DU’s of routine work requiring less developed analytical skills.
4. One SAI1O currently employed in the division will be surplus to requirements in our proposed establishment; the incumbent should be developed to assume a higher post.

The estimated increase in annual remuneration costs arising from the recruitment of 17 graduates to fill additional posts is shown in Table 3-3 below. Our estimates are based on current salaries and pension contributions paid for staff and exclude provisions for leave and housing.

---

-35-
Table 3.1: Additional Remuneration Costs - Industry Division

<table>
<thead>
<tr>
<th>Title</th>
<th>Grade</th>
<th>Annual Remuneration</th>
<th>Cost</th>
<th>No. of Posts</th>
<th>Total Additional Costs Per Grade</th>
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<tr>
<td>PIDO</td>
<td>P7</td>
<td>11,376</td>
<td>2,275</td>
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<tr>
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<td>P9</td>
<td>9,155</td>
<td>1,051</td>
<td>10,206</td>
<td>9</td>
</tr>
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</table>

TOTAL ESTIMATED ADDITIONAL COSTS: £203,972

3.4.1 Skills and training

The successful implementation of our proposals for the industry division, and the continued effectiveness of the division following implementation of our proposals, will largely depend on the calibre of staff deployed in posts proposed in our revised organisation structure.

The minimum education, training and experience requirements recommended for posts proposed in the structure are shown in summary job descriptions contained in Appendix 3b. These criteria should be used as a guide to the selection of candidates both from within the division, and externally, to fill the posts.

We anticipate that for most positions it will not always be possible to find candidates who adequately meet the selection criteria.

A comparison of existing employees' education, training and experience (see Appendix 3b) with our minimum requirements for proposed posts shows the following:

- there is only one employee in the division who adequately meets the requirements of the PIDO post he holds, and only one who at present fully meets the requirements of the S100 post. In general, staff lack the management skills and technical knowledge required to fill these positions.
- no employees at S100 and IDO level have the necessary education and training to perform the following new jobs:
  - S100 and IDO's responsible for research and technology (i.e. industrial engineers)
  - IDO responsible for management information and statistics (i.e. statistician)
  - S100's and IDO's responsible for planning and co-ordination in the large scale and small scale industry sections
- although several IDO's meet the basic educational and training requirements to fill other posts, many lack relevant experience.

- 34 -
Because of the uncompetitive salaries and conditions of service offered by the Civil Service for professional staff, it is unlikely that the Division will be able to attract well experienced staff locally from parastatal and private sector organisations to fill key posts. It is probable that it will only be possible to attract recently qualified candidates to fill lower level posts.

The following important conclusions can be drawn for the above analysis:

- the Division will not be able to implement our proposals without continued and additional technical assistance
- the training and development of existing and new staff will be critical to the success of the division in future.

Below we detail our recommendations regarding the provision of technical assistance and staffing, training and development.

3.4.2 Recommendation - Technical assistance requirements

Given the lack of technical and managerial expertise in the division and the likelihood that it will not be possible to fill senior posts with suitably qualified and experienced personnel from the local market, we believe that it is essential for MII to continue to seek the support of technical advisors and or short term consultancies to fully establish the division and transfer their skills to local counterparts.

In this regard we recommend the following:

- the continued appointment of the technical advisor currently holding the post of CTO to train a local counterpart and to guide the implementation of our proposals.
- the continued appointment of the technical advisor responsible for developing the Small-Scale Industry Section and for training the counterpart MII.
- the appointment of one technical advisor to develop the Planning, Co-ordination and Research Division and train a local counterpart.
- the appointment of one technical advisor to develop the Large-Scale Industry Operations Division and train a local counterpart.
Recommended Training - Staff training and development

In order to be effective the training and development of staff in the division will need to be carefully planned, motivated and evaluated. To achieve this objective we recommend the following:

a) MIL's Senior Personnel Officer and training and development experts at DPM should be requested to assist in:

- conducting a comprehensive job analysis to identify the knowledge and skills required by employees to perform the duties listed in summary job descriptions (see Appendix 3C); these job descriptions will need to be fully developed

- conducting a comprehensive analysis to identify deficiencies in employees' knowledge and skills

- identifying appropriate methods of overcoming these deficiencies (on-the-job training, familiarisation tours, secondments, short courses)

- developing training and development plans to meet employees' needs

- developing schemes of service/career development plans for each post.

DPM have indicated their willingness to assist the Ministry in undertaking these tasks.

b) The CIU, assisted by other technical advisors and counterparts should be charged with responsibility for:

- preparing proposals for financial assistance required to implement training and development plans

- initiating, co-ordinating and monitoring the implementation of training and development plans

- regularly and systematically evaluating employees' performance to assess the extent to which training needs have been met

- amending training and development plans as appropriate.

Recommended Training - Industry Division

a) Management skills training for PIDO/CIU levels:

- short courses offered by the Malawi Institute of Management covering the activities of planning, organising, leading and controlling; conducting meetings; report writing
b) Supervisory Skills training for SIDU's:
- short courses offered by the Malawi Institute of Management covering the activities of planning, organising, leading and controlling; report writing

c) Seminars and field trips for all levels of staff increase their knowledge of the following:
- the objectives, functions and activities of relevant parastatal organisations, private sector organisations and donor agencies associated with the development of the small and large scale industry sectors
- the economic environment relative to industrial development
- development projects and schemes in the agroprocessing forestry, minerals, chemicals, and metallurgy industries.

d) Planned induction training for new recruits or newly promoted employees, covering the following:
- a full definition of duties and responsibilities
- an explanation of divisional objectives
- knowledge of relevant industrial legislation and public service regulations
- familiarisation with institutions with which employees will have dealings.

e) Refresher short courses in project planning and appraisal for IDU's and SIDU's responsible for project development and promotion:
- these are offered by the Malawi Institute of Management.

f) Refresher courses in economic, financial and production analysis for IDU's responsible for evaluating applications for industrial licenses:
- these should be conducted in-house by the IDU.
APPENDICES
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2. 1CD 5 yrs | B. Com | 1. Small scale industry
2. Marketing
3. Feasibility Analysis & Report | NIL |
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2. Asst. 1CD 4 yrs
3. Asst. 1CD 4 yrs | Dip (Bus. Studies)
Dip (Indus. Mat) | 1. Industrial Extension
2. Feasibility Analysis & Report
3. Agro-Industry Dev | NIL |
| Edna  | 18  | Asst. 1CD         | 10  | 1987            | 1. M. Com. 3 yrs
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3. Asst. 1CD 4 yrs | Dip (Agric.)
Dip (Management) | 1. Project Appraisal
2. Project study Preparation | NIL |
| John  | 27  | Principal 1CD     | 10  | 1987            | 1. Agricultural 10 yrs
2. 1CD 5 yrs
3. Asst. 1CD 4 yrs
4. Principal 1CD 3 yrs | B. Sci. (Agric.)
M. Sci (Management) | 1. Intro to PC’s
2. Industrial Management
3. Project Planning & Appraisal
4. Industrial Training Mat | NIL |
| Sally | 18  | Sales 1CD         | 10  | 1987            | 1. Sales 6 yrs
2. 1CD 8 yrs
3. Asst. 1CD 1 yr | B. Sci. (Bus.)
M. Sci (Bus.) | 1. Promotion of small scale industry
2. Feasibility Analysis & Report | 1. UNIDO Investment Promotion Service, Colombo |
| Mary  | 37  | 1CD                | 10  | 1987            | 1. Marketing 1 yr
2. Asst. 1CD 6 yrs
3. 1CD 4 yrs | Dip (Indus. Mat)
Dip (Bus. Studies)
M. Sci (Mat. Dev.) | 1. Project Planning & Appraisal
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**KEY**

1 = Below requirements  
2 = Meets requirements  
3 = Exceeds requirements
APPENDIX 3C

SUMMARY JOB DESCRIPTIONS

INDUSTRY DIVISION
SUMMARY JOB DESCRIPTION

JOB TITLE: Chief Industrial Development Officer

DIVISION: Industry

REPTS TO: Controller of Operations

PROPOSED GRADE: 15

SUBORDINATES SUPERVISED: 3

JOB PURPOSE: To lead the Industry Division in planning promoting, implementing and co-ordinating the development of large and small scale industry in accordance with national development policy objectives.

MAIN DUTIES:

1) To ensure that the division is organised and staffed to effectively perform its functional responsibilities and activities, including planning the recruitment, assessment, training, development and effective utilisation of staff.

2) To guide, co-ordinate, direct and evaluate the activities of the three sections in the division, ensuring that all efforts are directed towards the achievement of divisional objectives (Small-Scale Industry; Large-Scale Industry; Planning, Co-ordination and Research Sections).

3) To review and ensure approval and effective implementation of industrial development plans and programmes, designed to achieve national economic development objectives.

4) To consolidate budgets prepared by section heads and monitor and control divisional expenditure.

5) To represent the Ministry in top level discussions with institutions associated with and/or responsible for the development and promotion of large- and small-scale industry in Malawi, providing technical advice, policy direction and co-ordination.

6) To seek technical assistance from aid organisations for programme implementation and the development of technology to support local industry.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in Industrial Engineering or Economics.

MINIMUM DESIRABLE TRAINING:

1) Formal training in

   (a) production management

   (b) economic planning, development and policy formulation.
2) Courses in management techniques, report writing, project planning and appraisal.

3) In-depth familiarisation with all institutions and legislation associated with industry.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

12 years in industry, including five years in a managerial position with responsibility for industrial development, either at enterprise or sector level.
SUMMARY JOB DESCRIPTION

JOB TITLE: Principal Industrial Development Officer (Planning, Co-ordination and Research)

DIVISION: Industry

REPORTS TO: Chief Industrial Development Officer

SUBORDINATES SUPERVISED: 3

JOB PURPOSE: To lead the section in researching, planning and co-ordinating the development of large-scale industry in Malawi.

DATE PREPARED: 8/8/90

MAIN DUTIES:

1) To prepare work plans and budgets for the section, monitor work performance and control expenditure.

2) To monitor the collection and interpretation of statistical and research data, ensuring that it meets the needs of the division and other users.

3) To co-ordinate the preparation, evaluation and implementation of plans and programmes for the development of large-scale industry and for the improvement of management and technical capabilities of existing industrial enterprises.

4) To liaise with the Economic Planning Unit to ensure that plans prepared are consistent with macro policy objectives.

5) To review and co-ordinate the implementation of plans and programmes developed by parastatals, providing support when required.

6) To establish and maintain inter-relationships with organisations associated with or affected by the implementation of plans and programmes, soliciting support, resolving problem areas and providing policy direction.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in industrial Planning or Development.

MINIMUM DESIRABLE TRAINING:

1) Training in industrial planning and policy formulation.

2) Training in management techniques and report writing.

3) Thorough familiarisation with institutions associated with industrial development in Malawi.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

8 years industrial planning experience, including 4 years in a supervisory position.
SUMMARY JOB-DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Planning and Co-ordination (Large-Scale Industry)

DIVISION: Industry

REPORTS TO: Principal industrial Development Officer

PROPOSED GRADE: P6

SUBORDINATES SUPERVISED: 3 Industrial Development Officers

DATE PREPARED: 8/8/90

JOB PURPOSE: To supervise the preparation of industrial development plans and programmes and monitor their implementation in sub-sectors of large-scale industry.

MAIN DUTIES:

1) To assign responsibility for and supervise the preparation of industrial development plans and programmes for all sub-sectors of large-scale industry.

2) To evaluate, refine and consolidate all sub-sector plans and programmes, ensuring that they are in line with macro-economic policy objectives.

3) To identify and define requirements for technical assistance from donors to implement programmes as necessary.

4) To define the inter-relationships which need to be developed with organisations associated with or affected by the implementation of proposed plans and programmes.

5) To monitor and evaluate plans, and programmes and projects implemented in each sub-sector, recommending adjustments to overcome problems encountered.

6) To monitor the implementation of plans and programmes in parastatal organisations, ensuring that they complement the department's plans and programmes.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in Industrial Economics.

MINIMUM DESIRABLE TRAINING:

1) Formal training in industrial planning

2) Courses in
   (a) staff supervision
   (b) report writing
3) In-depth familiarisation with institutions associated with the development of large-scale industry.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 - 5 years industrial planning experience.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer - Planning & Co-ordination (Large-Scale Industry)

DIVISION: Industry

REPORTS TO: Senior Industrial Development Officer

SUBORDINATES SUPERVISED: Nil

PROPOSED GRADE: FO

DATE PREPARED: 8/8/90

JOB PURPOSE: To assist in the preparation of plans and programmes for industrial development (including research and technology enhancement).

MAIN DUTIES:

Under the supervision of the Senior industrial Development Officer:

1) To identify and prioritise areas of potential industrial growth from an examination of industrial sub-sector reports and other relevant research material.

2) To draft industrial development plans, programmes and budgets for specified industrial sub-sectors, defining objectives, strategic activities and performance parameters.

3) To analyse problems affecting the efficiency of industrial operations in each sub-sector of large-scale industry, as members of task forces assigned for this purpose.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Economics.

MINIMUM DESIRABLE TRAINING:

1) Courses in industrial planning and development

2) Familiarisation with at least one industrial sub-sector (agro processing, forestry, minerals, chemicals, metallurgy)

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

1 - 2 years industrial planning experience.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Industrial Research and Technology (Planning, Co-ordination & Research Section)

REPORTS TO: Principal Industrial Development Officer

SUBORDINATES SUPERVISED: 2 Industrial Development Officers

DIVISION: Industry

PROPOSED GRADE: P8

DATE PREPARED: 8/6/90

JOB PURPOSE: To lead the Industrial Research and Technology Unit in the formulation and implementation of plans and programmes to meet technological needs of all sectors of industry.

MAIN DUTIES:

1) To assign responsibility for and supervise the preparation of research plans and programmes to meet the technological needs of all industrial sub-sectors.

2) To evaluate, refine and consolidate technological research plans and programmes for all industrial sub-sectors, ensuring consistency with macro policy objectives.

3) To define the nature of donor support required to implement plans and programmes, as necessary.

4) To lead special task forces to implement and report to approved research plans and programmes.

5) To lead the Unit in advising industrialists on the modification of foreign technology to suit local conditions and to develop indigenous technology.

6) To monitor and control the terms and conditions for the transfer of foreign technology to all industrial sub-sectors.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelor's degree in engineering.

MINIMUM DESIRABLE TRAINING:

1) Formal training in production technology and production management.

2) Courses in

(a) conducting technological research
(b) supervisory skills
(c) report writing

3) In-depth familiarisation with industrial operations in Malawi.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years in industry, with responsibility for production management.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer  DIVISION: Industry
               - industrial Research & Technology (Planning, Co-ordination & Research Section - Large-Scale industry)

REPORTS TO: Senior Industrial Development Officer  PROPOSED GRADE: P0

SUBORDINATES SUPERVISED: Nil  DATE PREPARED: 8/6/90

JOB PURPOSE: To conduct research and provide technological advice to all sub-sectors of industry.

MAIN DUTIES:

1) To identify the technological needs of each industrial sub-sector and develop research plans and programmes to meet these needs.

2) To implement approved research plans and projects as members of special task forces.

3) To advise on the modification of foreign technology to suit local conditions, ensuring that it complements and develops indigenous technology.

4) To advise large-scale industrialists on techniques to improve productivity and capacity utilisation.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelor's degree in engineering.

MINIMUM DESIRABLE TRAINING:

1) Courses in
   (a) appropriate production technology and production management
   (b) report writing skills
   (c) technological research techniques.

2) Familiarisation with industrial operations in Malawi.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

1 - 2 years in large-scale industry.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Management info & Statistics (Planning, Co-ordination & Research Section)

DIVISION: industry

REPORTS TO: Principal Industrial Development Officer

PROPOSED GRADE: P8

SUBORDINATES SUPERVISED: Senior Assistant Industrial Development Officer

DATE PREPARED: 8/8/90

JOB PURPOSE: To develop and maintain a comprehensive management information & statistical data base and to assist the planning, monitoring and co-ordination of industrial sector development.

MAIN DUTIES:

1) To identify statistical and management information required by the department and institutions associated with the development of the industrial sector.

2) To supervise the timely collection, classification and storage of information required by users.

3) To analyse statistical information and compile reports for distribution to users.

4) To promote the exchange of statistical and management information with other Government ministries, public and private sector organisations and aid organisations.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Masters degree in management information systems.

MINIMUM DESIRABLE TRAINING:

Courses in database management and staff supervision.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

At least 4 years in a position with responsibility for collecting and interpreting statistical information, preferably in an institution associated with the industrial sector.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Assistant Industrial Development Officer - Management Information & Statistics (Planning, Co-ordination & Research Section)

REPORTS TO: Senior Industrial Development Officer

SUBORDINATES SUPERVISED: Nil

PROPOSED GRADE: SEO

DATE PREPARED: 8/8/90

DIVISION: Industry

JOB PURPOSE: To assist in the collection, classification and dissemination of industrial information.

MAIN DUTIES:

1) To maintain records of industrial information as directed by superior.

2) To maintain a library containing industrial reports, publications and information on sources of technology, machinery, equipment and raw materials.

3) To access and circulate information required by users.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Diploma in Business Studies

MINIMUM DESIRABLE TRAINING:

Courses in records management.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

2 - 3 years administrative experience, preferably gained in a library.
**SUMMARY JOB DESCRIPTION**

**JOB TITLE:** Principal Industrial Development Officer - Large-Scale Industry

**DIVISION:** Industry

**REPORTS TO:** Chief Industrial Development Officer

**PROPOSED GRADE:** M7

**SUBORDINATES SUPERVISED:** 3 Senior Industrial Development Officers

**DATE PREPARED:** 8/6/90

**JOB PURPOSE:** To lead the section in supporting, developing and monitoring the performance of all sectors of large-scale industry, ensuring that all programmes and projects are focused on the achievement of development objectives.

**MAIN DUTIES:**

1) To prepare workplans and budgets for the section, monitor work performance and control expenditure.

2) To co-ordinate and monitor the implementation of development programmes and projects in all sectors of large-scale industry.

3) To direct the annual review of industry sector operations and consolidate reports produced by the 3 sub-sections.

4) To monitor and expedite the processing of applications for industrial licenses, for projects which contribute to the achievement of development objectives.

5) To initiate measures to overcome institutional policy and procedural constraints affecting the operational efficiency of industrial enterprises in all sectors of large industry (e.g. foreign exchange allocation, import controls).

**MINIMUM DESIRABLE LEVEL OF EDUCATION:**

Masters degree in industrial management, engineering or economics.

**MINIMUM DESIRABLE TRAINING:**

1) Training in project preparation and appraisal.

2) Training in management techniques and report writing.

3) Thorough familiarisation with sectors of large-scale industry and institutions associated with industrial development.

**MINIMUM DESIRABLE PRE-JOB EXPERIENCE:**

8 years in industry, including 4 years in a supervisory position, involving the analysis of industrial, economic and technological problems.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Large Scale Industry Operations

DIVISION: Industry

REPORTS TO: Principal Industrial Development Officer

PROPOSED GRADE: Po

SUBORDINATES SUPERVISED: 2 Industrial Development Officers

DATE PREPARED: 6/8/90

JOB PURPOSE: To direct, monitor and facilitate the growth of the relevant industrial sub-sector, as per the industrial development plan.

MAIN DUTIES:

1) To supervise and allocate work to subordinates responsible for
   (a) project development and promotion
   (b) operations and control, in the relevant industrial sub-sector.

2) To direct and monitor the preparation of an annual report on development in and performance of the relevant industrial sub-sector, ensuring that opportunities for growth and constraints hindering development are highlighted.

3) To evaluate and prioritise potential development projects for the sub-sector in terms of their contribution to the achievement of industrial policy objectives and make recommendations to superior.

4) To promote approved potential investors, in liaison with other sub-sections of large-scale industry.

5) To expedite and review financial, production and economic analyses prepared by subordinate responsible for processing industrial licenses and recommend the issue of licenses for projects which contribute to the achievement of development objectives in the relevant industrial sub-sector.

6) To report on and make recommendations for overcoming institutional policy and procedural constraints affecting the development of the sub-sector (e.g. foreign exchange, allocation, tariffs, import controls).

7) To liaise with the Trade Division and Reserve Bank (with the support of the Chief and Principal Do's) to expedite the issue of import licenses for the timely importation of production inputs so as to achieve optimum utilisation of industrial capacity.
MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Industrial Engineering or Economics.

MINIMUM DESIRABLE TRAINING:

1) Courses in project planning and appraisal, supervisory skills, report writing.

2) In-depth familiarisation with all Government legislation and institutions which are associated with the relevant industrial sub-sector.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Four years industrial experience, including two in supervisory position, with responsibility for project planning and appraisal, preferably in the relevant industrial sub-sector.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer
- Project Development & Promotion (Large-Scale Industry Section)

DIVISION: Industry

REPORTS TO: Senior Industrial Development Officer

SUBORDINATES SUPERVISED: Nil

PROPOSED GRADE: FO

DATE PREPARED: 8/8/90

JOB PURPOSE: Assist in the identification, preparation and promotion of industrial development projects in a specified industrial sub-sector.

MAIN DUTIES:

1) To examine, analyse and report on operating conditions and constraints and development opportunities in the relevant industrial sub-sector, seeking technical input from the Industrial Research and Technology Sub-section when necessary.

2) To identify development projects in accordance with plans and programmes prepared for the relevant industrial sub-sector, and prepare project profiles.

3) To assist in the preparation of terms of reference for feasibility studies to be undertaken for development projects in the relevant industrial sub-sector.

4) To assist in the promotion of projects to potential investors.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelor's degree in industrial engineering or economics.

MINIMUM DESIRABLE TRAINING:

1) Training in project preparation and appraisal, including computerised project appraisal calculations.

2) Report writing skills

3) In-depth familiarisation with economic, industrial and technical issues in the relevant industrial sub-sector.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Preferably 2 - 3 years previous experience in analysing industrial projects in the relevant sub-sector.
MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Preferably 1 - 2 years experience in conducting financial or production analyses.

In-depth familiarisation with relevant industrial sub-sector would be a distinct advantage.
**SUMMARY JOB DESCRIPTION**

**JOB TITLE:** Principal Industrial Development Officer - Small-Scale Industry  
**DIVISION:** Industry

**REPORTS TO:** Chief Industrial Development Officer  
**PROPOSED GRADE:** F7

**SUBORDINATES SUPERVISED:** 3 Senior Industrial Development Officers  
**DATE PREPARED:** 8/090

**JOB PURPOSE:** To lead the section in promoting and guiding the development of small-scale industry in Malawi, in accordance with national economic development objectives.

**MAIN DUTIES:**

1. To co-ordinate and direct the activities of the Planning & Co-ordination, Operations & Control and Project Development & Promotion sub-sections ensuring that all efforts are focussed on the achievement of development objectives.

2. To review annual work plans, schedules and budgets for the section, monitor work performance and control expenditure.

3. To provide policy direction through board representations to parastatal organisations concerned with the development of small-scale industry, ensuring that plans are consistent with the national development objectives and the needs of the sector.

4. To present the division in promoting, and soliciting financial support for, the implementation of development projects in the small-scale sector.

5. To initiate measures to overcome constraints and problems which restrict the development of the small-scale sector through liaison with relevant institutions.

6. To consolidate reports on the performance of the small-scale industry sector.

**MINIMUM DESIRABLE LEVEL OF EDUCATION:**  
Masters degree in Industrial Engineering or Economics.
MINIMUM DESIRABLE TRAINING:

1) Formal training in economic planning and policy formulation for the development of small-scale industry.

2) Courses in management skills, project preparation and appraisal, financial planning and business management.

3) In-depth familiarisation with
   (a) small-scale industry in Malawi and
   (b) institutions associated with the development of the small scale sector.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

12 years experience in industry, including 4 years in a managerial position, preferably in an institution associated with small-scale industrial development.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Planning & Co-ordination (Small-Scale Industry Section)

DIVISION: Industry

REPORTS TO: Principal Industrial Development Officer

SUBORDINATES SUPERVISED: 1

PROPOSED GRADE: F6

DATE PREPARED: 8/6/90

JOB PURPOSE: To plan and co-ordinate the development of the small-scale industrial sector.

MAIN DUTIES:

1) To assign responsibility for and supervise the preparation of
   (a) annual development plans for the small-scale industry sector.
   (b) annual work plans, schedules and budgets for the section.

2) To initiate the establishment of development schemes to stimulate small-scale industry development in potential growth areas.

3) To evaluate work plans for parastatal organisations associated with small-scale industry development (SELOM, INDEFUNO, DNMATI, MUSCALI, NÉDÉ).

4) To co-ordinate, monitor and report on the progress of development schemes in the small-scale industry sector.

5) To assist the PIDU in providing policy direction and technical advice to institutions associated with the development of the small-scale industry sector.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelor's degree in Economics.

MINIMUM DESIRABLE TRAINING:

Courses in

(a) industrial planning
(b) report writing and
(c) staff supervision.
MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years in a post with responsibility for economic planning, preferably in an institution associated with the development of small-scale industry.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer
Department: Industry
Planning and Co-ordination
(Small-Scale Industry Section)

REPORTS TO: Senior Industrial Development Officer (Planning & Co-ordination)

SUBORDINATES SUPERVISED: Nil

JOB PURPOSE: To assist in the formulation of industrial plans for the development of the small-scale industry sector.

MAIN DUTIES:

1) To identify and prioritise potential areas for growth in the small-scale industry sector and draft annual development plans to stimulate growth in these areas.

2) To prepare work schedules and budgets for the Operations and Control, Project Development and Promotion Sub-Sections.

3) To assist in the drafting of work plans for parastatal organisations associated with small-scale industry development (SEJOM, INDERUND, DEMATT, MUSCOO, MEDU).

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Business Studies or Economics.

MINIMUM DESIRABLE TRAINING:

1) Courses in project planning and development

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

1 - 2 years planning experience preferably in an institution associated with the development of small-scale industry.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer
Operations and Control
(Small-Scale Industry Section)

DIVISION: Industry

REPORTS TO: Senior Industrial Development Officer

PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: Nil

DATE PREPARED: 8/8/90

JOB PURPOSE: To assist in providing support to entrepreneurs in the small-scale industry sector.

MAIN DUTIES:

1) To assist in the formulation of programmes to market products produced in the small-scale sector.

2) To arrange the demonstration of small-scale industry products at shows and trade fairs.

3) To assist in the formulation of programmes to identify raw materials required in the small-scale sector.

4) To review incentives available to the small-scale industry sector and identify opportunities for the development of new incentives.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Business Studies (trade bias).

MINIMUM DESIRABLE TRAINING:

Familiarisation with the operations of business in the small-scale sector.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Preferably 1 - 2 years experience in marketing or market research.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial development Officer - Operations and Control (Small-Scale Industry Section)

DIVISION: Industry

REPORTS TO: Principal Industrial Development Officer (Small-Scale Industry)

PROPOSED GRADE: P7

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 4/6/90

JOB PURPOSE: To initiate and monitor implementation of development programmes, providing operational support for entrepreneurs in small-scale industry.

MAIN DUTIES:

1) To allocate responsibility for and supervise the formulation of programmes to meet the operational needs of established businesses in the small-scale sector (e.g. marketing of products, procurement of raw materials).

2) To co-ordinate and monitor the implementation of such programmes through liaison with participating institutions.

3) To assess the development impact of existing programmes, and provide direction for the formulation and implementation of future programmes.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Business Studies or Economics.

MINIMUM DESIRABLE TRAINING:

1) Courses in marketing and production management.

2) In-depth familiarisation with the operations of small-scale businesses.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years, preferably in an institution associated with the development of small-scale industry.
SUMMARY JOB DESCRIPTION

JOB TITLE: Senior Industrial Development Officer - Project Development and Promotion (Small-Scale Industry Section)

DIVISION: Industry

REPORTS TO: Principal Industrial Development Officer

PROPOSED GRADE: P6

SUBORDINATES SUPERVISED: 2

DATE PREPARED: 8/6/90

JOB PURPOSE: To supervise the preparation and promotion of projects in the small-scale industry sector.

MAIN DUTIES:

1) To allocate responsibility for and supervise the preparation of profiles of potentially viable projects in the small-scale industry sector.

2) To organise the promotion of potentially viable projects to local entrepreneurs through relevant associations and institutions and conduct seminars for this purpose.

3) To arrange assistance for local entrepreneurs wishing to implement new projects, including the preparation of business plans and provision of training and finance by appropriate institutions.

4) To liaise with institutions offering management and technical training for manpower in the small scale-sector and provide direction to ensure that programmes meet the development needs of the sector.

5) To liaise with development institutions providing extension services to the small-scale sector for the purpose of evaluating their effectiveness and initiating research for the identification of improved methods.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelor's degree in Business Studies or Economics.

MINIMUM DESIRABLE TRAINING:

Courses in project preparation, appraisal, computerised financial analysis and staff supervision.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

4 years, preferably in an institution associated with the development of small-scale industry, and in a position involving the preparation of project profiles.
SUMMARY JOB DESCRIPTION

JOB TITLE: Industrial Development Officer
- Projects Development and
  Promotion (Small-Scale Section)

DIVISION: industry

REPORTS TO: Senior industrial development
  Officer (Project Development
  & Promotion)

PROPOSED GRADE: PO

SUBORDINATES SUPERVISED: DATE PREPARED: 8/8/90

JOB PURPOSE: To assist in the development and promotion of projects in the
small-scale industry sector.

MAIN DUTIES:

1) To develop profiles of potentially viable projects identified in the
  annual development plan for the small-scale sector, assessing
  production, marketing and financial feasibility.

2) To assist in promoting potentially viable projects to local
  entrepreneurs through relevant associations and institutions associated
  with small-scale industry development.

3) To assist local entrepreneurs to implement development projects by
  preparing business plans, and advising them of support facilities
  provided by various institutions.

4) To advise established small-scale entrepreneurs on new developments in
  technology as appropriate.

MINIMUM DESIRABLE LEVEL OF EDUCATION:

Bachelors degree in Business Studies, or Economics.

MINIMUM DESIRABLE TRAINING:

1. Courses in
   (a) project preparation, appraisal and computerised financial analysis
   (b) preparation of business plans
   (c) production technology appropriate to the small-scale sector.

2. In-depth familiarisation with institutions providing services to
   support the development of the small-scale sector.

MINIMUM DESIRABLE PRE-JOB EXPERIENCE:

Preferably 1 - 2 years experience in small-scale industry.