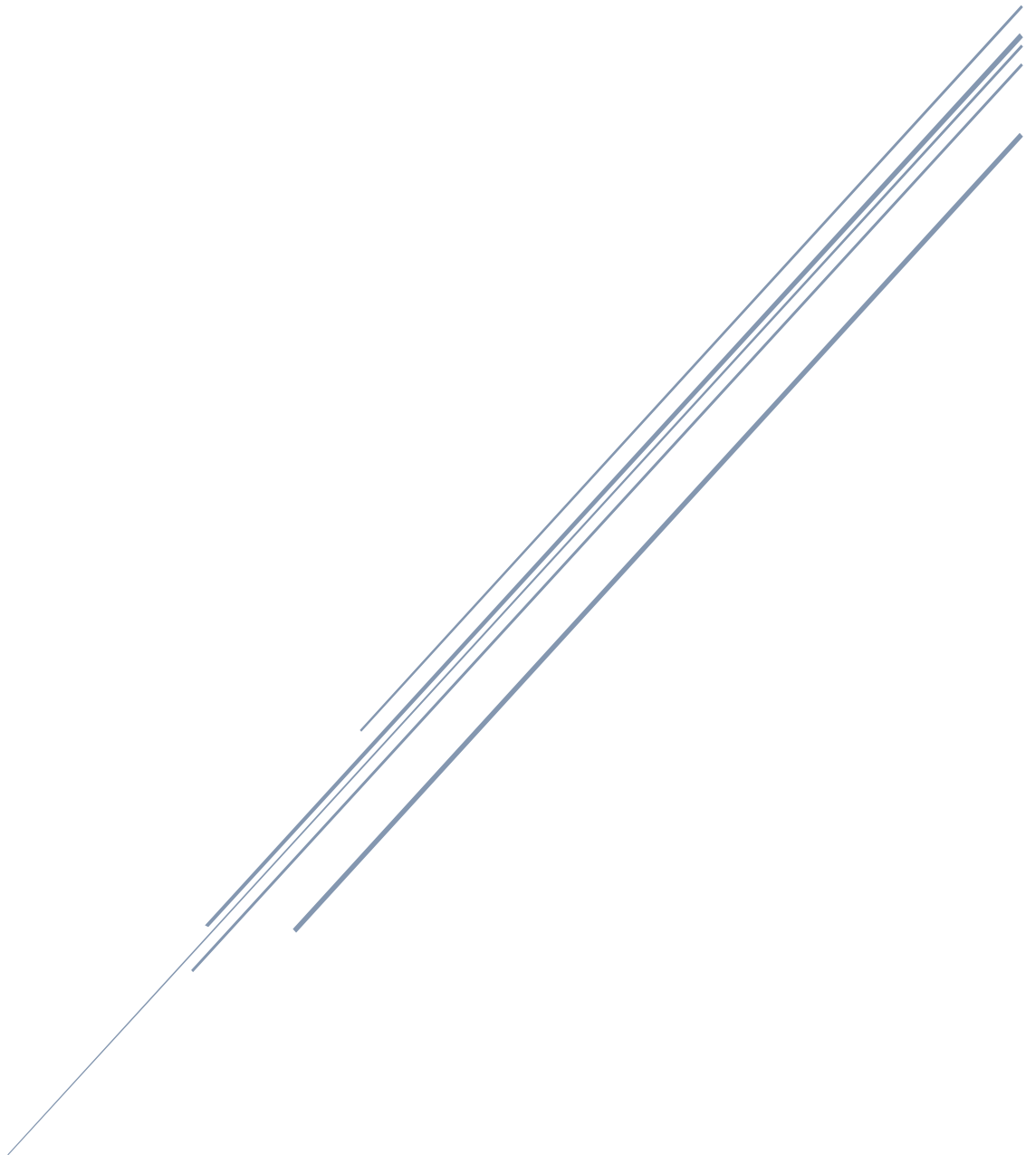


HIGHER EDUCATION STUDENTS LOANS AND GRANTS BOARD



2021-2026 STRATEGIC PLAN

MESSAGE FROM THE CHAIRPERSON OF THE HIGHER EDUCATION STUDENTS' LOANS AND GRANTS BOARD

This document sets out the Strategic Plan of the Higher Education Students' Loans and Grants Board (HESLGB) for years 2021 to 2026, and represents the aspirations of HESLGB to deliver on its mandate.

The *Strategic Plan* represents the concerted efforts of the Board of Directors and Management of the HESLGB, and the Consultants, whose valuable input has been incorporated in this document.

Let me take this opportunity to thank all of them for giving us so much food for thought during the process of consultation and drafting of the *Strategic Plan*. I would like to thank, in particular, His Excellency the President Dr Lazarus McCarthy Chakwera, President of the Republic of Malawi, for his vision and aspiration that no student should fail to acquire university education due to financial short-comings.

The Plan defines the strategic objectives, targets and key performance indicators (KPIs) which will be utilised to measure performance. The Plan also identifies the funding required to achieve the stated strategic objectives.

This Plan outlines a disciplined approach to supporting the ongoing transformation of HESLGB by continuing to build on the foundation that has been laid over the past five years. In delivering the objectives set out in this plan, HESLGB will be working with the Ministry of Education and many other organisations which share its dedication to providing access to higher education and training.

This plan establishes ambitious goals and objectives to ensure that we continue to provide access to higher education to the needy and deserving students. The objective is to provide an opportunity for every talented young Malawian—whatever his or her family's financial background – to participate in higher education.

By strengthening our processes and systems for data collection and analysis, we will improve our ability to provide relevant information to the public while supporting our strong commitment to transparency.

As part of the Five-Year Strategic Plan, we will also develop meaningful metrics to gauge our performance on an annual basis.

This will allow us to review tangible results, readily adapt to external changes, and correct areas for improvement. Measuring our progress is crucial to ensuring accountability and safeguarding taxpayer's money while protecting the HESLGB from fraud, waste, and abuse.

We are committed to providing a robust, responsive organization that is representative of and meets the needs of our needy and deserving students.

We aim to provide the needy and deserving students with seamless, digital access to application, assessment, payment and repayment services, and by doing so enable them to invest in their own futures and by extension to invest in the country's future economic success.

Mr. Sam Kakhobwe

MESSAGE FROM THE ACTING EXECUTIVE DIRECTOR

Ensuring the long-term financial sustainability of tertiary education students, devising funding strategies consistent with the goals of the tertiary education system and using public funds efficiently pose very big challenges in running tertiary institutions in this era. This triggers many institutions to charge fees that are beyond the reach of most brilliant students that hail from financially humble families, thus limiting their access to tertiary education across the globe.

In view of the foregoing, the Malawi Government introduced the students loan scheme in 1985 to cater for financial resources to brilliant and deserving needy students to mitigate on the challenges they face in their pursuit for tertiary education.

After many years, the Malawi Government, through the Ministry of Education through an Act of Parliament No.2 of 2015 created what today is called the Higher Education Students' Loans and Grants Board (HESLGB) which has been mandated to sustainably provide accessible and affordable loans and grants to needy and deserving students pursuing higher education in accredited Advanced Diploma and Bachelor's degree programs at accredited tertiary institutions in Malawi. The HESLAGB is also mandated to recover matured loans from former beneficiaries.

This in essence works as a tool to reduce the gap between the poor and the rich brilliant students in accessing higher education

The 2021- 2026 HESLGB strategic plan is a revised version that supersedes the visions contained in the 2017 – 2022 plan. It therefore stands to translate in liaison with the prevailing Act of Parliament in efficiently, effectively and innovatively responding to the core mandates as prescribed in the Act.

It is our considered view that within our mandate in the prevalent operating environment, realistic and measurable goals, expected results, measuring tools in ensuring that targeted brilliant needy students are reached. This includes them benefiting from the facility to complete their studies and become useful citizens in national development.

Going forward, the institution's management, the Board of Directors and all the stakeholders are geared towards the effective realisation of the vision herein and will continuously revisit the plan to conform to the prevailing operating environment.

Mr. Prince R. F. Phwetekere

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EXECUTIVE SUMMARY

The model of financing students' access to higher education through the provision of student loans dates back to 1985 when cost sharing was introduced in institutions of higher education in Malawi. This, however, was without a proper policy and legal framework put in place to regulate the student's loans scheme.

However, the Higher Education Students Loans and Grants Board (HESLGB) was established in 2015 through an Act No 2 of Parliament. It was established as a result of a felt need and proven failures experienced by several university student loans initiatives established to administer loans over the years. The failures were primarily to do with lack of proper targeting of needy students to access these loans and recovery challenges of formerly acquired loans from beneficiaries compounded by the lack of a regulating legal context for these two core functions.

The Higher Student Loans and Grants Board, therefore was put in place with the duo mandate of annually determining numbers of students who should access loans, at the same time recovering former loans whose beneficiaries have graduated and are working formerly or informally.

HESLGB has, since its creation in 2015, been operating without a strategic plan though it was guided by its regulating Act and internal policies defining and administering disbursement of new loans and recoveries of old ones. HESLGB also has been dogged by several challenges ranging from low funding levels leading to its inability to satisfy students' loans demand; limited effective means of ensuring integrity in the identification of needy and deserving students.

Within its 5 years of existence, HESLGB is also trying systems and practices that ensure efficient and speedy disbursement of students' loans and tracking and collecting old loans from former beneficiaries.

In view of this operating context and the challenges encountered, the Higher Education Students' Loans Board has put in place this strategic plan for the period 2021 – 2026 that encapsulates the Board's response to the said challenges over and above the need to transcend its own teething problems and build its internal capacity to a public satisfactory level. The strategic plan stipulates the Board's commitment to develop a robust response to the emerging strategic issues that significantly impact on the Board's ability to deliver on its core mandate.

This strategic plan, therefore, sets out HESLGB's contribution to the Malawi Government Higher Education Sector Goal of *increasing access to equitable and relevant higher education* and its attendant objectives. The strategic plan proposes on how such a contribution to the higher education goals and objectives will be realized over the 5 years (2021-2026).

The Board recognises that the implementation of the plan will require a lot of resources at a time when the Board is only guaranteed one source of financing which is Malawi Government. While the Government cannot singlehandedly finance the HESGLB's strategic plan, the institution, through this strategic plan, is proposing measures to diversify its resource base alongside ensuring increased transparency and accountability and prudent use of financial resources.

This strategic plan has therefore identified 5 outcomes that will form its springboard for achieving its optimum operational efficiency and effectiveness. The plan is a living document that speaks to the broader educational and developmental policy environment as well as feed into a successor plan. It will be reviewed from time to time to ensure it is on track and remains relevant. Accordingly, institutional strengthening is one of the outcomes that will need to be realised as a matter of urgency. It is central and catalytic to the success of the entire plan.

The implementation arrangements have been clearly outlined and made as elaborate as possible for ease of tracking. A lot of effort has been made to detail every step of the plan to ensure its success. Its strategic value lies not only in providing impetus for the full institutionalisation of HESLGB but also fostering meaningful engagement with stakeholders for improved service delivery.

1.0 INTRODUCTION

Higher Education Students Loans and Grants Board (HESLGB) was established by the Higher Education Students Loan Act of February 2015. The enactment of this law marked the start of operations by a specialized Loans Board (HESLGB), which was established as a direct response to the new legislation and was mandated to take over the operations of past loans administrators. HESLGB is a unique institution, right from inception, as it charts a new way for Malawi higher education financing. It can be arguably be called the ‘first higher education students loans Board’ in the Malawi set up with a clear and comprehensive legal mandate. The Board is, from the outset, geared to curtail failure to attain higher education purely on the basis of lack of funding among the poorer segment of the Malawian society.

1.1 HESLGB’S MANDATE

Following HESLGB’s establishment by an act of Parliament No. 2 of 2015, it took over all the functions and responsibilities of managing higher education loans which were, until then, being managed from a string of outfits including the University of Malawi (UNIMA) Central Office, the Public University Students’ Loans Trust (PUSLT) and the Ministry of Education (MoE). Under the scheme, Malawian undergraduate students pursuing higher education at all public and accredited private universities were receiving loans to cover their tuition and personal needs, which they would repay upon completion of their education (HESLGB Act). Repayments would be due two years after graduation. At this point, no grants were considered due to inadequate resources. It is important to note that financing of higher education started in 1985 (World Bank Report, 2017). However, all previous loans agencies lacked the legal basis to recover matured loans from former loan beneficiaries. In addition, the general public and university students wrongly perceived that the loan was a grant from the government not to be repaid. It is against this background that the HESLGB was established with the main mandate of sourcing for funds, allocating and disbursing them to needy and deserving Malawians pursuing higher education in recognized institutions of higher learning. It also has the mandate of recovering all mature loans disbursed

since 1985 (notwithstanding the Limitations Act) and investing the same with a view to creating a sustainable revolving Fund (HESLGB Act).

HESLGB started operations with an initial staff of 9, against an establishment of 18, in 2015, with funding from Treasury only. Treasury has remained the only source of funds to date.

HESLGB derives its mandate and functions from the Higher Education Students Loan Act No.2 of 2015. According to the Act, the functions and powers of the Board shall be to:

1. Control and manage the Fund;
2. Receive and consider applications for student grants and loans from students;
3. Determine the maximum number of eligible students to be granted student grants and loans in any one particular year;
4. Administer and supervise the process of payment of student grants and loans, and repayment of student loans;
5. Keep a register and other records of loan and grant beneficiaries;
6. Advise the Minister on matters of policy and law concerning the administration of student loans and student grants, and recovery of such student loans;
7. Establish operational links between the Board and accredited institutions for facilitating a smooth, efficient and effective administration of student loans and student grants;
8. Establish operational links with employers of loan beneficiaries for the purpose of facilitating the recovery of student loans;
9. Establish and maintain links with other persons, bodies or organizations within or outside Malawi, as the Board may consider appropriate, for the furtherance of the purposes for which the Board is established;
10. Conduct research and maintain a databank on other local and external scholarships, sponsorships and awards that may be accessed by students;

11. Notwithstanding the Limitation Act, with the assistance of the students' respective employers or otherwise in accordance with the provisions of this Act, recover outstanding loans that were granted to students under students' loan schemes which were introduced in the 1985/1986 until the commencement of this Act;
12. Approve staff establishment and development plans;
13. Consider and approve the annual estimates of the Fund submitted by the Executive Director;
14. Monitor and review financial statements and authorize expenditure;
15. Appoint independent auditors for the Board;
16. Appoint committees of the Board;
17. Appoint employees of the Board and determine their terms and conditions of service;
18. Formulate and implement financial policies of the Board;
19. With the approval of the Minister and subject to the Public Cap. 37:02 Finance Management Act, borrow money for the furtherance of the objectives of the Act;
20. Receive gifts, donations or grants from any person, organization or body within or outside Malawi, for the furtherance of the objectives of this Act;
21. Demand and receive fees for services rendered to other institutions by officers and other employees of the Board;
22. Ensure the overall efficient and effective implementation of the provisions of this Act; and
23. Do such acts or things provided for in this Act or any other written law which may, in the opinion of the Board, be necessary for the proper exercise of the functions of the Board.

1.2 BOARD VISION

The vision refers to a desired future state that will guide the thinking, decision-making processes and the manner in which the HESLGB would like to conduct business to achieve its future aspirations. HESLGB's vision is:

“Financially and sustainably support needy and deserving students in higher education in Malawi”

1.3 BOARD MISSION

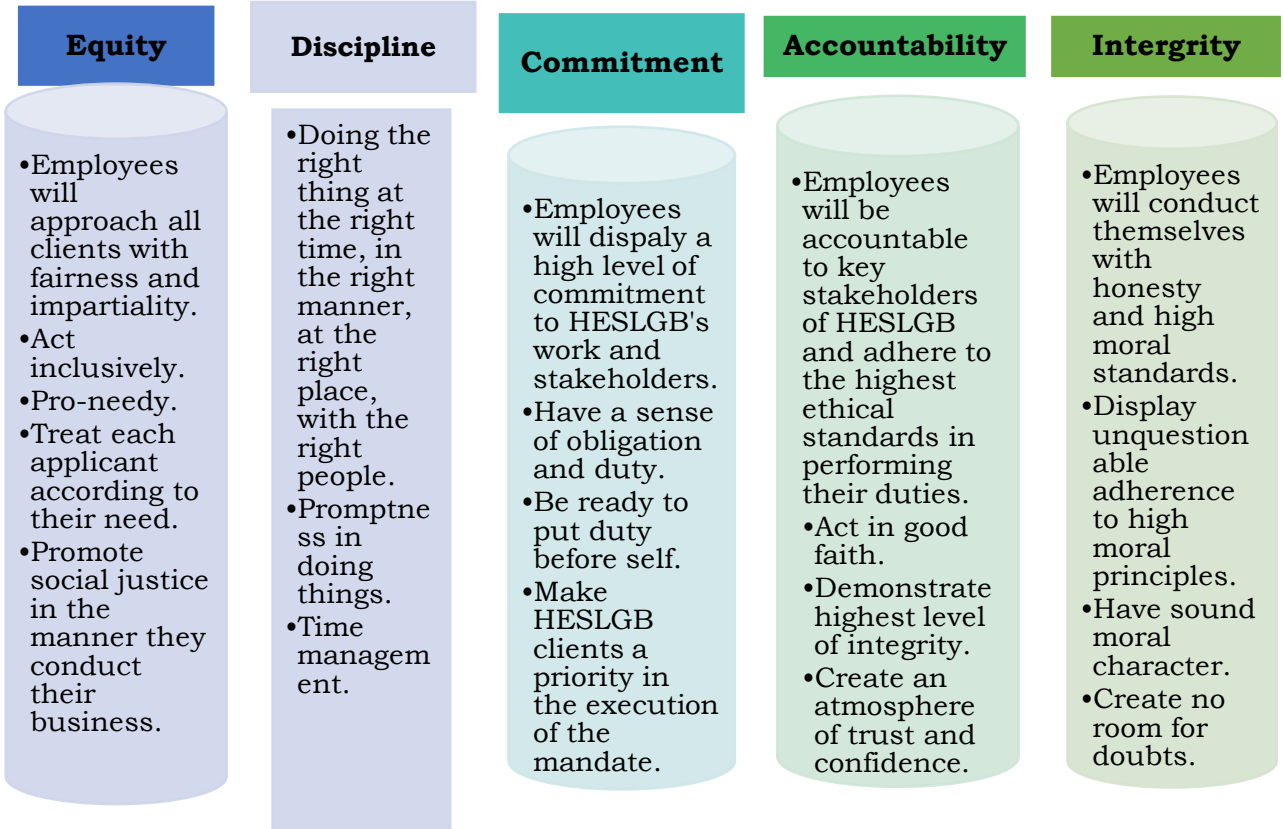
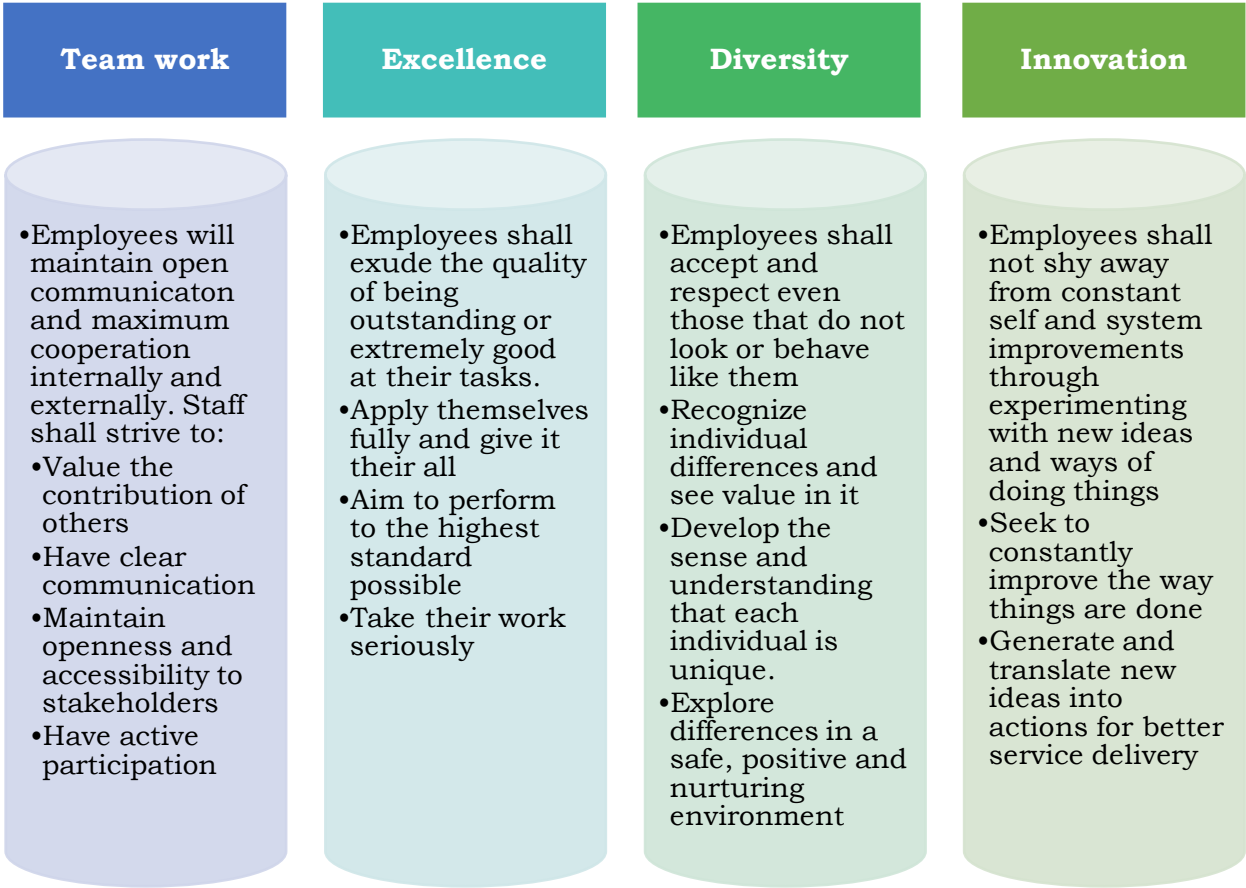
The mission statement states the purpose for HESLGB’s existence. It provides the reason for the Board’s work, for whose benefit and how it will go about achieving it. HESLGB’s mission is:

“To sustainably provide accessible and affordable loans and grants to needy and or deserving students pursuing higher education in Malawi”

1.4 CORE VALUES

In order to support the realisation of the stated vision and mission, a set of required values will have to be adopted and followed in the Board’s daily routines. These will be a set of principles and values which will have to be practiced by staff and stakeholders at all times. These values are as follows:

- ***Integrity***
- ***Accountability***
- ***Discipline***
- ***Equity***
- ***Commitment***
- ***Team work***
- ***Excellence***
- ***Diversity***
- ***Innovation***



1.5 CHALLENGES AND LESSONS LEARNT

The HESLGB is a new body formed after experiences drawn from the administration of student loans since 1985. Although it has been crafted to avoid falling into similar pitfalls as previous outfits, already there are some serious challenges affecting its operations. Some of these teething problems are:

- Lack of adequate and widespread knowledge about the Board and its independent nature
- Overreliance on government of Malawi for capitalisation
- Inadequate capacity in the Board (staffing, software applications and equipment)
- Lack of systems and policies to enhance synergy within the functional areas
- A strong perception that loans are actually grants, not to be repaid
- Inconsistent and insufficient records inherited from past loan administrators

While the Board is busy putting in place the various systems for optimizing its operations and building itself and the critical networks necessary for its work, the operating environment is hardly static. New public and private institutions are coming on-stream and more students will put pressure on the already small resource envelope. It is against this background that this Strategic Plan has been developed to guide HESLGB in the next five years (2021-2026).

1.6 WHY DEVELOP A STRATEGIC PLAN

This strategic planning process was initiated by the HESLGB's governing Board in August 2021 to replace the previous 2017-2022 Strategic Plan. The Board realizes that although there have been various efforts aimed at supporting students complete their studies since 1985, no initiative perfectly fits the current one with its expanded mandate and a very challenging higher education environment.

The immediate and very pressing issues confronting the Board are inadequate funding, loan recovery and a lack of capacity and systems. The Board is currently wholly dependent on Government funding for disbursements and its operations. It is allowed to retain 17% of the funding for the latter. Needless to say, Government has so many other competing demands and priorities. This has led to disbursements that have initially not even met the full students' demands, and worse, failed to allocate funds towards capitalization of the Board as it looks to weaning itself off Treasury funding at some future date. Coupled with the growing loan portfolio with each new intake for the first 6 to 7 years, the full extent of the resource challenge is yet to be fully experienced.

The Board therefore needs to place itself in good stead to attract as well as manage more resource volumes and elaborate processes systems and procedures. A demonstrable capacity and track record of efficient funds and loans administration will be catalytically crucial for attracting new partners.

In the short term, the Board has scrambled to be operational in the shortest time possible, allowing students to access loans. For the medium to longer term, they have launched this strategic planning process in order to provide the Board with a forward-looking, aspirational road map, beyond the immediate teething and other challenges.

The Board's Management is under no illusion about the challenges ahead. There is no doubt that from the onset, the major challenge is lack of adequate resources for loans as well as building the necessary capacity to manage the Fund. Given this background, there is bound to be tensions between having ambitious aspirations and being realistic about the availability of additional resources to meet the increasing demand for loans as well as to fund priorities outlined in the strategic plan. The plan will thus be guided by the fact that sound capacity-building is necessary in the quest for growing the Fund.

The Board is also aware that apart from Government of Malawi (GoM) subventions, a successful recovery plan for old loans can reasonably boost its

Fund even before new partnerships are formed and additional resources become available. By prior agreement with the GoM, all recovered funds from old loans will go towards investment. Currently, the Board's budget is hardly fully funded, leaving absolutely nothing for investment. All the Board can afford are short-term investments made possible by the staggered payments for fees and allowances including untimely closures of colleges and universities. The Board must thus spare no effort in its quest to reach each and every former beneficiary so as to recover the loans as these funds are already ring-fenced for investments that could realize better returns at some future date. In a resource-constrained environment, this is worth all the effort in the Board's quest for financial independence.

2.0 SITUATIONAL ANALYSIS

2.1 REVIEW OF PAST LOANS ADMINISTRATION MECHANISMS

After independence in 1964, it was felt that there was a critical need for well-trained Malawians to take over jobs formerly held by departing colonial administrators. This led to the establishment of UNIMA to train locals and prepare them for the assumption of key positions in Government (NESP: 1973 - 1980). Initially, students did not contribute anything towards their training as they were on full government scholarships that also paid them a stipend as well as textbook and stationery allowances. But this approach came into question some twenty years later with the introduction of the World Bank Education Credit Facility.

In order for the Government of Malawi (GoM) to comply with the austerity measures that were conditional to the World Bank facility under the Structural Adjustment Programs (SAPs), cost sharing had to be introduced in higher education from 1985. In a radical move, stipends were abolished and financial contributions were introduced. But there were fears that students from poorer families would be unable to pay for this and would thus discontinue their studies. This is what brought about the student loans in the Malawi higher education system (NESP: 1985 -1995).

Initially the loan fund was being administered by the UNIMA Central Office. It had no recovery mechanism. This student loan administration not being its core business, its management was handed over to the MoE in 2000 to allow UNIMA concentrate on its core mandate. After a while, MoE led efforts towards creating a special loans body which operated from 2005. It was called the Public University Students' Loan Trust. It also experienced recovery challenges and was closed in 2009. All the three outfits so far lacked a legal mandate, had no loan recovery mechanism and therefore failed to collect. In 2010, a commercial bank (Malawi Savings Bank) was contracted to manage and administer the loans but recovery remained a challenge due to lack of a legal instrument. This is what later led to the creation of the HESLGB, a fully independent body.

The HESLGB is tasked with the following three main functions:

- Administering and supervising the disbursement of loans and grants
- Recovering any student loans awarded since 1985; and
- Making investment decisions with a view to growing the Fund so that it gradually becomes a self-sustaining student loan scheme.

2.2 THE GROWING DEMAND FOR HIGHER EDUCATION

Malawi has witnessed a mushrooming of private secondary schools since the 1990s. These have pushed up enrolment numbers significantly over the years. The private secondary schools tend to be more costly than public secondary schools. They also tend to be better resourced than the public schools. Consequently, performance is higher among students from such schools (World Bank:2017).

Malawi's secondary schools were segmented into Malawi Centre for Distance Education (MCDEs), District and National Secondary schools. The three segments were unfortunately resourced differently with the MCDEs falling at the lowest end. MCDEs were converted from Malawi Correspondence Colleges (MCCs), which were characterized by lack of adequate and competent teaching staff and even basic textbooks. Sometime during the 1990s, the MCDEs, with their poor infrastructure and staffing, were promoted to Community Day Secondary Schools (CDSSs). This upgrade came with very

minimal improvements. However, this significantly increased the number of students who could manage to make the grade for admission into universities. According to a 2016 World Bank report, around 70% of students in public secondary schools are from the CDSSs.

The reality of the situation is that the public secondary schools, with their poor infrastructure, tend to be patronized more by students from the poorer segment of society while those who can afford the more expensive private education, send their children to private schools. The result has been that more well-to-do pupils make the public college grade than the less well-off pupils. Public universities admit students primarily based on the grades earned. At the same time, a good number of those in the poorer segments of society are managing to make the grades although they do not constitute the majority of those taking up spaces in the public universities. Given the availability of space in private universities, they see that as an alternative to attaining a university education also.

While this is going on, more public and private universities are coming on stream while some private universities continue to expand. As at 2016, around 15,000 students applied for enrolment in public universities of UNIMA, LUANAR, MZUNI and MUST. Out of this number, only 3,247 were allocated a place in the universities leaving the 11,000 to find their way into private universities. An analysis of the enrolment also revealed that 73% of the admissions were from only 20% of the secondary schools, both private and public (NCHE Website). Considering that more university spaces are now taken by students from private secondary schools, this creates a desperate situation for the majority of the poorer students and it is a panacea of a non-inclusive and lack of equitable access to higher education in Malawi.

2.3 FINANCIAL CHALLENGES

To date, higher education in public universities has primarily and largely been Government subvented, accounting for over 50% of budgets for most public universities. In addition, there have been a few bursaries administered by individual colleges and a smaller number of private sectors funded scholarships for a few top students in selected programs. Some few colleges also generate some reasonable funding from research and consulting

contracts (World Bank:2016). As such, tuition forms a small portion of the total budgets. This is because public universities are sensitive to overpricing their education. But tuition fees are not the end of the story as the students also need upkeep funds for the entire duration of their study. In sharp contrast, private universities charge higher fees, by as much as double the amounts charged by public institutions. This means that public universities are still the cheaper and more affordable option for the majority of the poorer segment of society while private universities are the second option when they fail to gain entry into public universities. This is the segment that looks to HESLGB for funding irrespective of what kind of institution they find themselves in.

On its part, HESLGB, as already indicated, is at the moment completely reliant on Treasury for its entire budget. By its nature, Treasury has many competing priorities and as such, HESLGB has never had its budget fully met since commencement of operations. Under the 2015/16 budget, MKW1.5 billion was allocated. And in the 2016/17 budget, MKW4.5 billion was requested yet only MKW3.0 billion was granted (World Bank:2017). Considering that HESLGB will not begin to get repayments from loans it is disbursing till around the year 2021, coupled with the fact that a new and larger cohort will join the universities every year till then, the need for funding will grow while Treasury may not correspondingly increase its already inadequate allocations.

2.4 GOVERNANCE ISSUES

Meeting strategic challenges over the next five years will require responses that could exert pressure on the Board's established patterns of decision-making. A dynamic interchange between the Governing Board and the Management will be critical. Whereas the expected practice of this plan suggests strategic framing and coordination from the Board's Management to address selected strategic issues, much of the actual policy decision making still must occur at the Governing Board level. With this in mind, this Strategic Plan suggests that there be concerted efforts over the next five years around fundamental governance principles as follows: First, strengthen collegial organization (shared governance, Directorate's roles) wherever possible. Second, ensure robust consultative processes (involvement, participation of

those affected) when decisions at the Board have significant effects on other stakeholders, colleges, etc. Third, promote a culture of openness throughout the Board, maximizing transparency (information, communication). Fourth, expect the highest standards of ethical conduct for all staff of the Board, but especially for those who occupy leadership or authority positions and whose decisions have a significant impact on others. Affirming and, where possible, strengthening the impact of such principles should help to ensure that the collegial qualities of HESLGB will be preserved or even enhanced as the Board addresses its strategic challenges over the years ahead.

2.5 RELEVANCE TO THE EDUCATION SECTOR

This strategic plan sets out HESLGB's contribution to the Malawi Government Higher Education Sector Goal of *increasing access to equitable and relevant higher education* and its attendant objectives. The strategic plan proposes on how such a contribution to the higher education goals and objectives will be realized over the 5 years (2021-2026).

The Malawi Government higher education sector goals, objectives and strategic plans lead to the realization of the Malawi Growth Development Strategy as the pillar for all socio-economic and industrial growth for Malawi and also the Government of Malawi's commitment to both regional (Southern African Development Community and the African Union) and international (the Sustainable Development Goals) targets and priorities.

Specifically, this strategic plan contributes greatly to the National Education Sector Plan (NESP) -2008-2017, and its successor arrangement. The NESP will, in turn, operationalise the MGDS. HESLGB and this strategic plan contributes to Malawi government's attainment of Goal 4 of the UN's Sustainable Development Goals: ***Ensure inclusive and quality education for all and promote lifelong learning*** and specifically on two targets;

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

2.6 THE BOARD'S STRATEGIC CHALLENGES

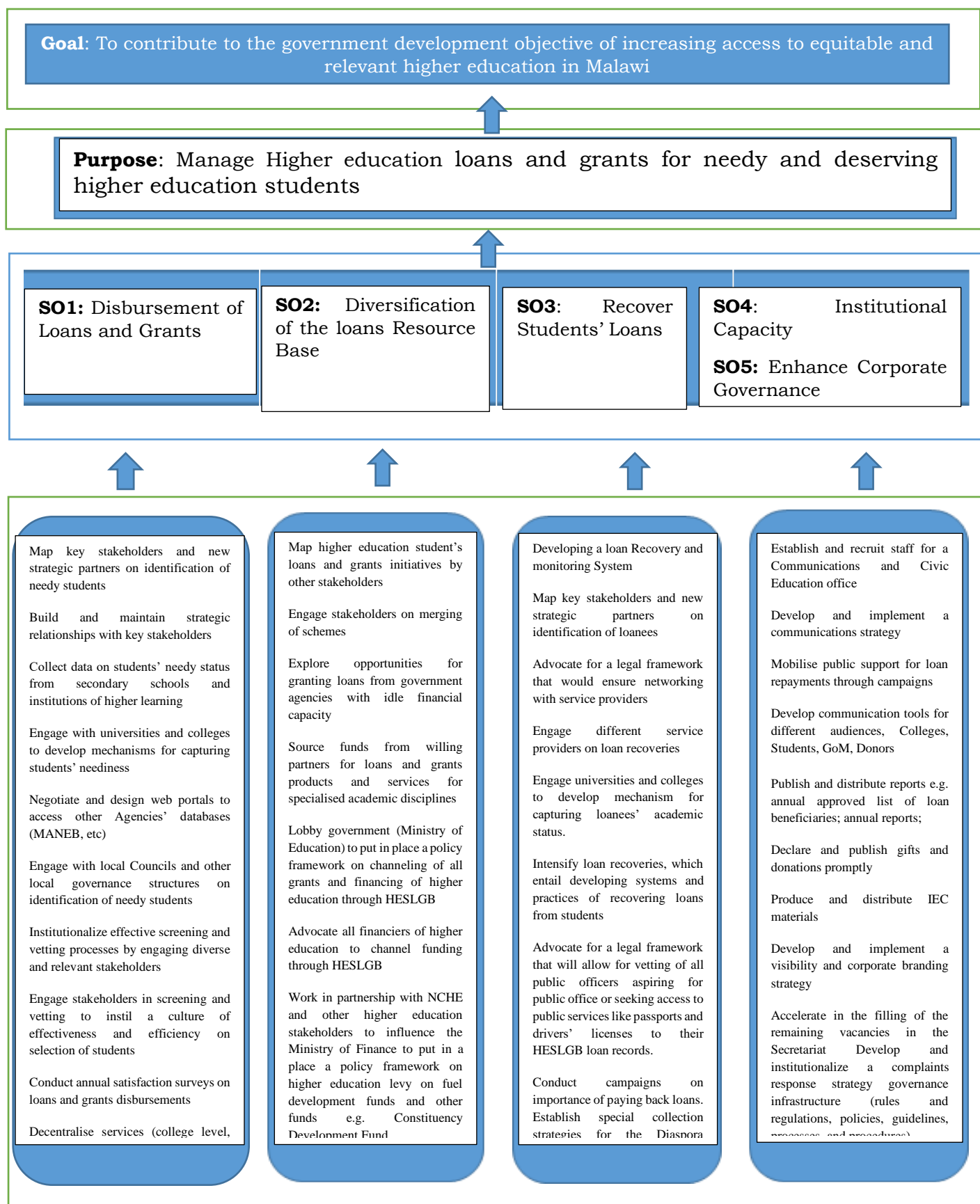
This plan assumes three challenges for HESLGB over the next five years, both external and internal.

Decline in Treasury funding for higher education loans. This will increase as more institutions develop capacity to enrol more students coupled with the general population growth. In real terms, Treasury funding has already not been growing to match demand.

Limitations on tracking systems for old students. The Board will need to trace and recover loans from all the students who have formerly benefitted from student loans. In an environment without forward looking data sets and no street addressing, this is not only a tall order but also a costly undertaking.

Intense competition for funding. Capitalization of the fund is already not being prioritized due to other Government priorities and commitments. Treasury's need to also sustain other on-going and emerging obligations will compound the challenge.

3 THE BROAD STRATEGIC FRAMEWORK (THEORY OF CHANGE)



3.1 Overall Objective:

To contribute to the government development objective of increasing access to equitable and relevant higher education in Malawi

3.2 Purpose

To manage Higher education loans and grants for needy and deserving higher education students

3.3 Strategic Objectives.

The strategic plan considers how HESLGB will be able to deliver on the expected mandate and other requirements by ensuring excellence in the disbursement of loans, diversifying the resource base, developing systems to recover loans and strengthening its internal capacity.

SO1: Disbursement of Loans and Grants

SO2: Diversification of the loans Resource Base

SO3: Developing a loan Recovery and monitoring System

SO4: Improve Institutional Capacity; and

SO5: Enhance Corporate Governance

3.3.1 Disbursement of Loans and Grants

The first (and perhaps most critical) strategic objective is to disburse loans and grants to and for needy and deserving students. While acknowledging the significant efforts and achieved successes in disbursements, this plan affirms the importance of such initiatives and proposes to focus more energy on that area and push it even higher on HESLGB's agenda. A communications strategy will prioritize interactions with different key stakeholders to ensure that different publics understand the purpose and intentions of the HESLGB products and services. Cultivation of new and strengthening of old strategic relationships and partnerships will ensure that challenges on identification of needy and deserving students are addressed.

3.3.2. Diversification of Loans Resource Base

In order to meet the growing financing requirement of the needy and deserving students in the higher education sector, HESLGB will need to explore and pursue complementary sources of funding. This will not replace the burden placed on the principal duty-bearer, the Government of Malawi, to provide the bulk of HESLGB's funding, but will steadily decrease their share. By diversifying the donor base, HESLGB will access additional funding to cover

potential gaps in its finances, and just as significantly, attract a growing and increasingly committed community to the cause of higher education financing in a highly resource constrained environment.

3.3.3. Recovery of Loans

While the Board has put in place mechanisms to recover mature and overdue loans from current and old beneficiaries, the Board needs to weigh this mammoth task against the Board's staff compliment for the old loans and to work towards lightening the recoveries burden for new loans. As such, a subcontracting mechanism would be ideal for the old ones while the same can be reviewed for adoption for the new loans. At the same time, adequate measures to ensure easy traceability should be built into the system to avoid similar hiccups in future.

3.3.4. Institutional Capacity

The external strategic objectives outlined above are dependent on HESLGB's continued strides towards full institutionalization, and in particular, building its capacity to execute its core mandate. The strategy is not limited to HESLGB - rather it depends on actors in all parts of the higher education sector. A clearer corporate alignment is necessary so that different groups do not "compete" with one another for resources for higher education financing. A clear focus and targeted investment in systems, policies and practices through consistency in priorities, messaging, and collaboration towards commonly-shared objectives needs to be instilled.

3.3.5 Enhance Corporate Governance

HESLGB will strive to strengthen the corporate governance of the institution. Greater transparency and accountability, clarity and consistency on the objectives for diverse audiences could result in improved outcomes for HESLGB as a whole.

4.0 STRATEGIC OBJECTIVES

4.1: DISBURSEMENT OF LOANS AND GRANTS

While acknowledging the significant efforts and achieved successes in disbursements, there are challenges to achieving disbursement excellence especially as regards identification of needy and deserving students. It is critical therefore that while HESLGB is addressing the teething issues and challenges, it also needs to maintain and strengthen relationships with different stakeholders in the education sector, especially on disbursement of loans and grants to needy and deserving students. Cultivation of new and strengthening of old strategic relationships and partnerships will ensure that challenges on identification of needy and deserving students are addressed.

Assuming that sufficient progress can be made in the disbursement processes, the following strategies address the challenges to do with disbursements;

SPECIFIC KEY ACTIVITIES / KEY ACTIVITIES

Loans

- 4.1 Opening of loan application Window
- 4.2 Joint Screening
- 4.3 Approval of Provisional List of Needy and Deserving Students by the Board Committee and the Full Board.
- 4.4 Publication of Provisional List and call for public input.
- 4.5 Twinning and Bonding
- 4.6 Disbursement of Loans
- 4.7 Disbursement of Grants
- 4.8 Commission a study to conceptualize and design the delivery of Grants by the Board.
- 4.9 Audit the Loan disbursement function of the Board.
- 4.10 Commission a Risk Assessment of the Loan Disbursement process.
- 4.11 Review of eligibility criteria.
- 4.12 Review of the disbursement of Loans and Grants based on findings and recommendations of the risk assessment consultancy.
- 4.13 Feedback on Loans and Grants disbursement – Feedback from beneficiary, students and the general public
- 4.14 Support a study linked to higher education financing, loans and grants
- 4.15 Map key stakeholders and new strategic partners on identification of needy students

- 4.16 Collect data on students' needy status from secondary schools and institutions of higher learning
- 4.17 Engage with universities and colleges to develop mechanisms for capturing students' neediness
- 4.18 Negotiate and design web portals to access other Agencies' databases (MANEB, etc)
- 4.19 Engage with local Councils and other local governance structures on identification of needy student
- 4.20 Institutionalise effective screening and vetting processes by engaging diverse and relevant stakeholders
- 4.21 Engage stakeholders in screening and vetting to instil a culture of effectiveness and efficiency on selection of students
- 4.22 Conduct annual satisfaction surveys on loans and grants disbursements

4.2 DIVERSIFIED RESOURCE BASE

For HESLGB to meet the financing requirement of the needy and deserving students in the higher education sector, the institution will need to explore and pursue complementary sources of funding. While HESLGB will continue engaging government on increasing its commitment towards the HESLGB mandate, HESLGB will have to mobilize additional resources through engagement with both existing and potential financiers, financial markets and investments in property.

The specific key strategies for this strategic objective are:

4.2.1 Broaden constituency, which should lead to a move away from total dependence on GoM funding. Higher education financing is a worthwhile cause, with potential to attract a lot of funding from a broad range of stakeholders in addition to Malawi Government funding. These potential donors need to be reached, with an appropriately packaged message. This should include making room for investors and Government Agencies with idle resources, willing to let the resources go towards supporting this cause through this long-term financing vehicle.

Key activities are;

- 4.2.1.1 Identify and map key stakeholders involved in higher education students' loans and grants initiatives.
- 4.2.1.2 Consolidating the efforts with the identified stake holders.
- 4.2.1.3 Source funds from willing partners for loans and grants products and services for specialised academic disciplines.
- 4.2.1.4 Recommend to government to put in place a policy framework on channeling of grants through HESLGB

- 4.2.1.5 Advocate all financiers of students of higher education to channel funding through HESLGB Trust Fund
- 4.2.1.6 Work in partnership with NCHE and other higher education stakeholders to influence the Ministry of Finance to put in place a policy framework on higher education levy.
- 4.2.1.7 Reaching out and engaging both local and international organizations who would be potential funding partners.
- 4.2.1.8 Advocating that a former beneficiary identifies a university student who is not a relation at a university he or she was and support him or her for the four years of study registered with the Loans Board.

4.2.2 Create a sustainable revolving fund, which should see all possible investment options being pursued from idle funds as well as existing loans. This will see a range of tools being employed to realize maximum returns on monies available to the Board. An acceptable interest rate will have to be determined on mature loans, reviewed from time to time. Available cash will have to be invested in various short to medium term financial market vehicles and other avenues like in real estate.

The key activities are:

- 4.2.2.1 Identify high yielding and risk-free investment opportunities on idle funds;
- 4.2.2.2 Investment in real estate to generate extra income through construction of purpose-built office complex; students' hostels
- 4.2.2.3 Enter into long term 'ring fenced' agreements with stakeholders;
- 4.2.2.4 Reviewing interest rates on matured loans.

4.2.3 Strengthening governance and management systems, which is hinging on the establishment of a fully functional Secretariat and an engaged Board of Directors. In addition, new partnerships look out for how these management systems are functioning before they can consider coming on board.

The key activities are;

- 4.2.3.1 Filling of the vacancies in the Secretariat;
- 4.2.3.2 Build and maintain an effective governance infrastructure i.e. rules and regulations, policies, guidelines, processes, and procedures;
- 4.2.3.3 Training and workshops in Corporate Governance at all levels;
- 4.2.3.4 Enhancement of the Performance Management Systems;
- 4.2.3.5 Segregation of duties for checks and balances;

4.2.3.6 Develop regulations under section 38 of the HESLGH Act.

4.3 LOAN RECOVERY AND MONITORING SYSTEM

With the expiry of the window period for the loan beneficiaries to pay without interest, the Board will have to institutionalize a robust recovery system, for both old and new loans. It would be prudent to weigh this mammoth task against the Board's staff compliment for the old loans and to work towards lightening the recoveries task for new loans. As such, a subcontracting mechanism would be ideal for the old ones while the same can be reviewed for adoption for the new loans. At the same time, adequate measures to ensure easy traceability should be built into the system to avoid similar hiccups in future.

4.3.1 Develop a loan recovery and monitoring system:

- Consultation with other students' loan bodies on the recovery systems;
- Scoping visits to understand how the loan recovery system works;
- Generating better policies and tracking system of a granter
- Developing a loan recovery policy.

4.3.2 Advocate for a legal framework that would ensure networking with service providers:

- Listing all key stakeholders, tracing their contacts and link persons;
- Writing the institutions or visiting them;
- Following up on remission of loaned money to Loans Board as individuals and employees.

4.3.3 Engage universities and colleges to develop mechanism for capturing loanees academic status.

4.3.4 Write the universities and colleges to provide the board with the loan status of their student.

4.3.5 Intensify loan recoveries which entail innovation, developing systems and practices of recovering loans from students

4.3.6 Filling all the vacant posts in the recovery directorate

4.3.7 Writing to individuals and organization that employed the loanees to pay back the loans as individuals or employers

4.3.8 Naming and shaming

4.3.9 Advocate for a legal framework that will allow for vetting of all public officers aspiring for public offices or seeking access to public services like passports, drivers licence, renewal of national ID, post graduate government scholarships to HESLGB loan records:

- Engaging with government institutions i.e. immigration, road traffic directorate, water boards, ESCOM, National Registration Bureau, the Department of Human Resource Management Development (DHRMD) to help in the vetting process of those that would like to have services from them
- Engaging with public offices to make sure that those aspiring for public offices pay their loans.

4.3.10 Conducting campaigns on the importance of paying back loans and special strategies for those in the diaspora community:

- Developing a webpage to enable people check their loans status and be able to pay with the banks;
- Developing radio jingles and newspapers adverts that emphasize the importance of paying back the loans;
- Posting billboards of messages to pay back loans;
- Engaging with the Foreign Affairs Department to allow the diaspora community payback their loans.

4.4 INSTITUTIONAL CAPACITY

The external strategic objectives outlined above are dependent on HESLGB's continued strides towards full institutionalization, and in particular, building its optimum capacity to execute its core mandate. The strategy is not limited to HESLGB - rather it depends on actors in all parts of the higher education sector.

SPECIFIC KEY ACTIVITIES / KEY ACTIVITIES

4.4.1 Commission a functional review of the HESLGB. Review and implement the findings and recommendations of the functional review

4.4.1 Develop and implement a communication strategy.

4.4.2 Develop a filing and record keeping system.

4.4.3 Review of existing and development of new policies to direct the operations of the Board.

4.4.4 Development of database to support core functions of the HESLGB

4.5 GOVERNANCE

A clearer corporate alignment is necessary so that different groups do not "compete" with one another for resources for higher education loans and

grants. A clear focus and targeted investment in systems, policies and practices through consistency in priorities, messaging, and collaboration towards commonly-shared objectives need to be instilled. Greater transparency and accountability and clarity and consistency on the objectives for diverse audiences could result in improved outcomes for HESLGB as a whole.

SPECIFIC KEY ACTIVITIES / KEY ACTIVITIES

- 4.5.1 Develop a grievance and redress mechanism for internal and external stakeholders, through which complaints can be made and redress made.
- 4.5.2 Declare and publish gifts and donations promptly.
- 4.5.3 Institutionalise internal controls.
- 4.5.4 Give direction on Board composition, Board meetings, recruitment and management of staff.
- 4.5.5 Scrutinise the approved list of the needy and deserving students for inclusiveness.

Strategic Objectives	Strategies
<p>STRATEGIC OBJECTIVE 1.0</p> <p>Disbursement of Loans and Grants</p>	<ul style="list-style-type: none"> • Carry out an efficient loan and grant contracting process • Audit the Loan disbursement function of the Board • Commission a Risk Assessment of the Loan Disbursement process. • Review of loans disbursement related policies. • Feedback on Loans and Grants disbursement – Feedback from beneficiary, students and the general public
<p>STRATEGIC OBJECTIVE 2.0</p> <p>Diversify Resource Base</p>	<ul style="list-style-type: none"> • Source funds from willing partners for loans and grants products and services for specialised academic disciplines • Lobby government (Ministry of Education) to put in place a policy framework on channelling of all grants and financing of higher education through HESLGB • Advocate all financiers of higher education to channel funding through HESLGB • Work in partnership with NCHE and other higher education stakeholders to influence the Ministry of Finance to put in a place a policy framework on higher education levy on fuel development funds and other funds e.g. Constituency Development Fund

Strategic Objectives	Strategies
<p>STRATEGIC OBJECTIVE 3.0 Loan Recovery and Monitoring System</p>	<ul style="list-style-type: none"> • Develop a loan recovery and monitoring system: • Advocate for a legal framework that would ensure networking with service providers: • Engage universities and colleges to develop mechanism for capturing loanees academic status. • Intensify loan recoveries which entail innovation, developing systems and practices of recovering loans from students: • Advocate for a legal framework that will allow for vetting of all public officers aspiring for public offices of seeking access to public services like passports, drivers licence, renewal of national ID, post graduate government scholarships to HESLGB loan records: • Conducting campaigns on importance of paying back loans and special strategies for those in diaspora community:
<p>STRATEGIC OBJECTIVE 4.0 Institutional Capacity</p>	<ul style="list-style-type: none"> • Commission a functional review of the HESLGB. Review and Implement the findings and recommendations of the functional review • Develop and implement a communication strategy. • Develop a filing and record keeping system

Strategic Objectives	Strategies
	<ul style="list-style-type: none"> • Review of existing and development of new policies to direct the operations of the Board. • Development of database to support core functions of the HESLGB
<p>STRATEGIC OBJECTIVE 5.0</p> <p>IMPROVE GOVERNANCE (Issues to be focused on are transparency, accountability, responsiveness and inclusiveness)</p>	<ul style="list-style-type: none"> • Develop a grievance and redress mechanism for internal and external stakeholders, through which complaints can be made and redress made. • Declare and publish gifts and donations promptly. • Institutionalise financial internal controls. • Give direction on Board composition, Board meetings, recruitment and management of staff. • Scrutinise the approved list of the needy and deserving students for inclusiveness.

5.0 IMPLEMENTATION OF THE STRATEGY

5.1 IMPLEMENTATION PLAN

A detailed implementation framework has been included in the specific strategic objectives. The implementation plan will be devolved into annual operational plans; which will be informed by the departmental annual work plans. The departmental annual work plan will inform the individual operating plans. This process creates a clear accountability mechanism between the individuals' work performance and the successful achievement of the HESLGB mandate.

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFROMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
SO1: DISBURSEMENT OF LOANS AND GRANTS	Carry out an efficient loan and grant contracting process	Loans Disbursed	Loan Advertisement	Number of adverts	8,400,000	1 st quarter of each year
			Consultation for the Loan Process	Record of consultation proceedings	50,670,286	On going
			Distribution of the Loan Applications	Number of hardcopy applications received	9,400,000	1 st quarter of each year
			Online application	Number of online applications	61,653,000	On going
			Joint screening with the administrators of institution of higher learning	Screening report	28,300,000	2 nd quarter of each year
			Approval of loans to Needy and Deserving Students by the Board of Directors.	Minutes of the Board meeting	12,500,000	2 nd quarter of each year
			Vetting, Bonding and twinning	Vetting and Bonding Reports and Twinning reports	12,370,286	On going
			Publication of approved needy and deserving students and call for public input.	Number of publication points and confirmation feedback	8,400,000	2 nd quarter of each year

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
			Disbursement of Loans	Number of Beneficiaries; Number of Tuition Loans, Number of Upkeep loans	40,000,000	On going
		Grants Awarded	Commission a study to conceptualize and design the delivery of Grants by the Board.	Concept Paper	21,000,000	3 rd Quarter of each year
			Support studies linked to higher education financing.	Number of Grants awarded		On going
	Audit the Loan disbursement function of the Board.	Audit Report	Develop TORs for the Audit	TORs	13,000,000	1st quarter of each year
			Procure external auditor	Advert for Auditor; External Audit Contract		
			Presentation of the Audit report	Validation workshop report		
			Submission of final report	Final Report		
	Commission a Risk Assessment of the Loan	The Risk Assessment Report	Develop TORs for the Risk Assessment	TORs	25,000,000	On going

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFROMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME	
	Disbursement process.		Procure the consultant	Advert for the consultant			
			Presentation of the report	Final Report			
			Review of the disbursement of Loans and Grants based on findings and recommendations of the risk assessment consultancy.	The Review report and the revised process			
	Review of loans disbursement related policies.	Reviewed Process	Develop TORs for the Review Process	TORs	30,000,000	On going	
			Procure the consultant	Advert for the consultant			
			Presentation of the report	Revised Loan Related Policies			
	Feedback on Loans and Grants disbursement – Feedback from beneficiary,	Survey Report	Develop TORs for the Review Process	TORs	7,967,559	1 st quarter of each year	

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	students and the general public		Procure the consultant	Advert for the consultant		
			Presentation of the report	Minutes of the validation workshop		
S02: Diversified Resource Base	Diversify sources of income	Increased funding pool Increased number of financiers	Identify and map stakeholders involved in higher education students' loans and grants initiatives. <ul style="list-style-type: none"> • Consolidating the efforts with the identified stake holders. • Source funds from willing partners for loans and grants products and services for specialised 	Size of the pool increased by 20% Number of entities financing the Board increased from 3 to 6	45,000,000	On going

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
			<p>academic disciplines e.g. marine engineering; energy engineering; medical engineering</p> <ul style="list-style-type: none"> • Lobby government (Ministry of Education) to put in place a policy framework on channeling of all grants and financing of higher education through HESLGB • Advocate all financiers of higher 			

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFROMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
			<p>education to channel funding through HESLGB</p> <ul style="list-style-type: none"> • Work in partnership with NCHE and other higher education stakeholders to influence the Ministry of Finance to put in place a policy framework on higher education levy. • Reaching out and engaging both local and international organizations who would be 			

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
			the potential funding partners.			
	Create a sustainable revolving fund	<ul style="list-style-type: none"> Ability to meet loan demand at all times <p>Maintained value of money.</p>	<ul style="list-style-type: none"> Identify high yielding and risk-free investment opportunities on idle funds; Investment in real estate to generate extra income (construction of purpose-built 	<ul style="list-style-type: none"> The ratio of need to fulfilment of need Enhanced loan value. Increased and guaranteed returns. 		
STRATEGIC OBJECTIVE 3.0 LOAN RECOVERY AND	<ul style="list-style-type: none"> Develop a loan recovery and monitoring system: 	Recovery system	<p>Consultation with other student's loan bodies on the recovery systems</p> <p>· Scoping visits to understand how the</p>	<p>At least three student loan bodies consulted (Eastern, Western and Southern Africa)</p> <p>· At least three loan recovery systems studied</p>	28,214,000	On going

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
MONITORING SYSTEM	<ul style="list-style-type: none"> Advocate for a legal framework that would ensure networking with service providers: 	list of key stakeholders	<p>loan recovery system works</p> <ul style="list-style-type: none"> Scoping visits to understand how the loan recovery system works Scoping visits to understand how the loan recovery system works <p>Listing all key stakeholders, tracing their contacts and link persons</p> <p>Listing all key stakeholders, tracing their contacts and link persons</p> <p>Listing all key stakeholders, tracing their</p>	<ul style="list-style-type: none"> At least three loan recovery systems studied At least three loan recovery systems studied Key stakeholders list with contact available Key stakeholders list with contact available Key stakeholders list with contact available 		On going

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	<ul style="list-style-type: none"> Engage universities and colleges to develop mechanism for capturing loanees academic status. Intensify loan recoveries which 	<ul style="list-style-type: none"> loan status updated vacant posts filled 	<ul style="list-style-type: none"> contacts and link persons Write the universities and colleges to provide the Board with the loan status of their student. 	<ul style="list-style-type: none"> Universities provide loan status at the beginning of each academic year Currently, the Loan Recovery Officer is there, the post of Director of Recoveries advertised, the post of Loan Recovery 		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFROMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	entail innovation, developing systems and practices of recovering loans from students:	loan recovered	<ul style="list-style-type: none"> · Filling all the vacant posts in the recovery directorate · Writing to individuals and organization that employed the loanees to pay back the loans as individuals or employers · Naming and shaming · advocating with universities and colleges as primary 	<ul style="list-style-type: none"> Manager and Recovery Clerk to be filled · Letters written · Publication of names of loanees · Universities and colleges contacted 		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	<ul style="list-style-type: none"> Advocate for a legal framework that will allow for vetting of all public officers aspiring for public offices of seeking access to public services like passports, drivers licence, renewal of national ID, post 	legal mandate strengthened	<p>beneficiaries of the loans and grants to facilitate paying back for loan beneficiary employees at their institutions</p> <ul style="list-style-type: none"> Engaging with government institutions i.e. immigration, road traffic directorate, water boards, Escom, national registration bureau the human resource department to help in the vetting process of those that would like to have services Engaging with public offices to make sure that those aspiring for public offices pay their loans. 	<p>Engagement done</p> <p>Engagement done with MEC and parliament</p>		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	<p>graduate government scholarships to HESLGB loan records:</p> <ul style="list-style-type: none"> · Conducting campaigns on importance of paying back loans and special strategies for those in diaspora community: 	<p>loans recovered</p>	<ul style="list-style-type: none"> · Developing a webpage to enable people check their loans status and be able to pay with the banks · Developing radio jiggles and newspapers adverts that emphasizes the importance of 	<p>Webpage page developed</p> <p>Jiggles and adverts floated</p> <p>Billboard posted</p>		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
			paying back the loans. · Posting billboards of messages to pay back loans · Engaging with the Foreign Affairs Department to appeal to the diaspora community to payback their loans.	Engagement with students' affairs contact person, chairpersons of diaspora associations		
SO4: INSTITUTIONAL CAPACITY (Skills, Systems and Policies)	Commission a functional review of the HESLGB	Functional Review report	Develop TORs for the Functional Review	TORs	24,500,000	2 nd and 3 rd quarter
			Engagement of Department of Human Resource Management Development (DHRM)	Letter of Acceptance from DHRMD		
			Presentation of the report	Minutes of the validation workshop		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	Review of existing and development of new policies to direct the operations of the Board	Revised Policies	Develop TORs for the Review Process	TORs		
			Procure the consultant	Advert for the consultant		
			Presentation of the revised policies	Minutes of the validation workshop		
	Revised and implement a communication strategy	Revised Communications Strategy	Develop TORs for the Review Process	TORs		
			Procure the consultant	Advert for the consultant		
			Presentation of the Revised Communications Strategy	Minutes of the validation workshop		
SO5: GOVERNANCE (Issues to be focused on are transparency, accountability,	Ensure that Governance and Management Systems are in place	Instituted Governance and Management Systems	Positions Established	Revised Organogram	134,908,000	1 st year

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
responsiveness and inclusiveness)			Recruitment of Staff Members	Positions Filled		Ongoing
			Review and implement internal grievance redress mechanisms	Revised GRM	23,200,000	1 st and 2 nd quarter
	Development grievance and redress mechanism for external stakeholders	Developed and Publicised GRM	Develop TORs for the Review of GRM	TORs		
			Procure the consultant	Advert for the consultant		
			Presentation of the revised GR M	Minutes of the validation workshop		
	Declare and publish gifts and donations promptly	Gifts and Donations Published	Develop a declaration Protocol for gifts to individuals	Protocol	18,700,000	1 st and 2 nd quarter
			Develop a declaration Protocol for institutional gifts	Protocol		

OBJECTIVE	STRATEGIES	EXPECTED OUTPUT	ACTIVITIES	PERFORMANCE INDICATORS	ESTIMATED COST (MK)	TIME FRAME
	Compliance to legal requirements in particular, Declaration Act, Gender Equality Act, Public Finance Management Act, PPDA Act	Legal Legitimacy	Awareness			
	Review of the HESLGB Act	Revised Bill	Procure Consultant	TORs	42,400,000	2 nd Quarter of year 2
			Presentation of the Review Report	Minutes of the validation workshop		
			Production of the Amendment Bill	Amendment Bill		

5.2 COORDINATION MECHANISM

HESLGB management will be responsible for programme management and implementation through the regular management and administrative structures at the central level and within the framework of the Malawi Government systems and regulations. This will involve regular joint quarterly and annual planning and review meetings with all stakeholders at different levels. It will also involve conducting of joint monitoring and evaluation, sharing of reports and best practices and networking. The implementation plan (action plan) clearly shows what will be done and who will be responsible.

In order to align this strategic plan implementation with various education policy frameworks, the HESLGB Secretariat will collaborate with the Ministry of Education and District Councils and other key stakeholders to establish and replicate service delivery structures at different levels. Implementation of the strategic plan will therefore be aligned with the different national policy frameworks including the decentralization policy.

5.3 ACCOUNTABILITY

Vertical and horizontal accountability is critical to the successful implementation of this strategic plan. It is expected that each employee will take the credit or blame for results achieved in performing the assigned tasks. Employees are expected to report results of their work to enable management to determine whether effective decisions are being made and whether tasks are being performed as planned.

The implementation of this Strategic Plan requires proper utilization of financial, human and material resources. This demands that the staff take respective responsibilities and be accountable for the same. The Board will be responsible for the overall measurement of the strategic plan implementation. The Executive Director and Departmental Heads will, on the other hand, be responsible for the day-to-day implementation, monitoring, and evaluation of the organization's operational objectives.

5.4 RISK MANAGEMENT

Considering the environment in which HESLGB is operating and the organizational mandate, there are several potential risks to the implementation of this Plan, including economic slowdown which can impact on timely availability of resources. The assessment of the risks in the strategic plan has considered all the key processes and this has allowed proposition of measures, which can result into greater possibilities for its successful implementation. The risk management plan will be continuously monitored and evaluated in order to draw key lessons to inform management decisions on necessary remedial actions to be taken.

The table below identifies some of the risks, levels of such risks, the key assumptions under each of the risks and the mitigation measures to be undertaken.

Risk	Level of Risk L=low, M=medium, H=high)	Assumption	Mitigation Measures
Economic slowdown resulting in reduced funding from government	M	Government funding will be reduced due to some unfavourable economic conditions	Intensify activities on expanding the resource base: for instance, engaging development partners; engaging with new partners interested in funding programs or courses which are in demand; investing in high yielding initiatives
Politicisation of the Board's processes	H	Politicians will try to influence the outcome of some of the Board's decisions or processes.	Put in place a corporate governance and management structure that maintains its integrity and does not allow external influence. The Board will also explore engaging other stakeholders for instance, the media.

Non-payment of loans	M	Some of the loan beneficiaries may not repay the loan	Intensify loan repayment campaigns and mobilise people to support the loan repayment calls.
Lack of biometric /bio data system	H	Students may default loan repayments, as they can't be traced electronically using the biometric system.	The Board will invest in biometric system especially for the new loan applicants.
Non-functionality of the information management system	M	Both external (hacking of the system) and internal (compromised capacity of the staff and compromised software and hardware)	Ensure strict compliance with rules and regulations on data, software and hardware management; develop capacity of staff periodically; test the equipment periodically; perform a weekly backup, as well as after every large data processing; physical protection of workstations; frequent updating of software; and maintain an off-site back up data storage.
Legal risks especially in relation to operations	M	Non-conformity and/or conflicts of the HESLGB legal framework with other legal provisions.	Advocate for review of the HESLGB Act or harmonization of legal frameworks.

6 MONITORING AND EVALUATION

6.1 Overview

Monitoring and evaluation will be a critical tool in the tracking of policies, programmes and projects proposed in this strategic plan and in assessing how well the stated objectives will be met. Under this strategic plan, Monitoring and Evaluation will provide timely, substantive and analytical information for the Secretariat and the Board of Directors to assess progress on implementation of its policies and evaluate achievements. It will also provide feedback to the leadership and stakeholders on the HESLGB's performance. This will result in resource use efficiency, effectiveness, accountability and improved service delivery. It will also provide the necessary feedback on the status of implementation to enable policy makers to make informed decisions based on evidence from M&E.

6.2 The Monitoring and Evaluation Plan

The overall goal of monitoring and evaluation is to track and demonstrate realization of results emanating from implementation of this Strategic Plan. HESLGB will develop an M&E system with the fundamental purpose of streamlining the process of: a) planning to monitor results; b) collecting and analysing performance information to track progress toward planned results; c) using performance information to influence program decision making and resource allocation; and d) communicating results achieved. The M&E plan, presented as Annex 1, is the core document that will guide the monitoring and evaluation system. This document presents a system of periodic data collection and analysis together with the sources of information and timelines.

6.3 Performance Monitoring and Evaluation

Each department will conduct basic programme input and output analysis (of resources) for the purposes of project management. They will also conduct some basic evaluations, which will include assessing implementation, assessments of quality achieved, basic operations research, case studies and cost analyses. Monitoring and evaluation of outcomes will be particularly important in enabling HESLGB to determine whether additional time for implementation will be required and whether additional financial and human resources will be necessary.

Monitoring, which is first part of the process, will be based on the following guidelines:

- i. All departments will monitor activities under their responsibilities based on the observations of progress in their areas of jurisdiction. Departmental Heads will be in charge of monitoring processes falling under their responsibility. This will include accounting for inputs,

activities and outputs. Focus must be on the objectives listed for implementation in the strategic plan.

- ii. Departments will monitor the outputs realized by the units/sections under them to generate outcomes as indicated in this Strategic Plan. Likewise, each Directorate will monitor the outcomes generated by their departments and come up with the latest data on progress from within itself, and transmit this to the department.
- iii. HESLGB will form and strengthen the M&E Unit to enable it to spearhead monitoring and evaluation of the Strategic Plan. Its main responsibilities will be to:
 - ✓ Develop a reporting template and other HESLGB M&E instruments;
 - ✓ Receive, event, weekly, monthly, quarterly and annual reports which analyze, summarize and consolidate them and forward them on a timely basis to management as per specific deadlines;
 - ✓ Develop mid-term, end term and any ad hoc evaluations; and,
 - ✓ Report on performance contract targets.

The M&E Unit will comprise members drawn from all the Directorates. They should have technical competencies covering information technology, public education and communication, data analysis and research, human resource management, as well as financial management.

6.4 Indicators

There are four types of indicators that will be tracked under this Strategic Plan: input, process, output and outcome. The input, process and output indicators will be measured at the departmental level while the outcome indicators will be measured at organizational level.

6.5 Data Collection, Maintenance and Management

Under this strategic plan, standardized tools will be developed to enable HESLGB to have comparable aggregation and comparison of data from different sources. Outcome indicators will therefore be collected using survey methods and special studies while output, input and process indicators will be collected using departmental level reports.

The data collected and reported at each level will be subjected to quality checks (i.e. completeness, consistency and reliability) by a responsible M&E officer. The M&E functions will be subjected to management supervision to verify data. HESLGB will ensure that the relevant existing structures are given necessary capacity building in generating the right data quality. Data

collectors will be trained by the M&E Unit on the right methods of data collection and the training will be backed by continuous supervision to ensure that the highest performance standards are maintained. Data will be verified before being shared upwards. Feedback on quality will be given at each level. An online system will be developed and used to manage data and generate timely reports. Data will also be tested for consistency so that there is no contradiction between inputs and outputs of related units, or from one Directorate to another.

Departments will maintain their own records and analyze their information to assess coverage, quality and actual performance. Analysis will be done at different levels at the Secretariat and Board of Governors level on quarterly basis and the information will be shared with stakeholders. This will enable the Board to determine if activities are implemented as planned, whether objectives are achieved and what should be done next to improve overall performance.

6.6 Reporting

Departments involved in the strategic plan implementation will be required to provide data on timely basis through an online information management system. The data will be used to generate reports on monthly, quarterly, bi-annual and annual basis. That information will then be shared with relevant stakeholders through the established reporting and communication structures and protocols.

6.7 Evaluation

Evaluation will be done to analyze the long-term effects of trends in specific programmes. There are three major evaluation activities that will be undertaken during the implementation of the Strategic Plan:

- a) Mid-Term Evaluation: The Board will undertake a mid-term review of the Strategic Plan by examining implementation progress at all functional levels. The report generated will be used to re-engineer the Board in order to achieve the goals set in the strategic plan on time.
- b) End-of-term Evaluation: At the end of the strategic plan period, HESLGB will undertake an evaluation to ascertain the level of achievement and help in designing future strategic activities under a successor strategic plan.
- c) Ad hoc evaluations: In case of significant unexplained variation between goal and performance (especially in critical performance areas), ad hoc evaluations will be conducted to inform decision-making and implementation.

Evaluation will be done through formal surveys, use of data in the surveillance

systems and repeated assessment. This will be initiated by the respective departments and undertaken by external evaluators in conjunction with HESLGB staff.

6.8 Financing of M& E Functions

The monitoring and evaluation activities will be financed through budgeted provisions of the Board. The Executive Director will liaise with the Director of Finance to create budget lines and allocate adequate funds for monitoring and evaluation for all HESLGB activities and plans.

7 HUMAN AND OTHER RESOURCES NEEDS

HESLGB will need human resources to support implementation of this strategic plan. While HESLGB has key staff in place to manage implementation of the strategy, some support would include;

- Civic Education Manager to manage the communication media and communication and corporate branding aspects.
- Some expert support/technical assistance may need in ICT.

7.0 BUDGET

Summary Annual Budget per Strategic Outcome

STRATEGIC OUTCOME	2021/22	2022/23	2023/24	2024/251	2025/26	AMOUNT (MKW)
SO 1: Disbursement of Loans and Grants	87,062,826	87,062,826	87,062,826	87,062,826	87,062,826	435,314,131
SO 2: Diversified Resource base	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	45,000,000
SO 3: A robust and effective loan recovery system	5,642,800	5,642,800	5,642,800	5,642,800	5,642,800	28,214,000
SO 4: An effective and accountable institution	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	24,500,000
SO5: Enhanced Governance (Issues to be focused on are transparency, accountability, responsiveness and inclusiveness)	43,841,600	43,841,600	43,841,600	43,841,600	43,841,600	219,208,000
TOTALS	150,447,226	150,447,226	150,447,226	150,447,226	150,447,226	752,236,131

ANNEXES

ANNEXE 1: MONITORING AND EVALUATION PLAN

	Indicator	Description	Baseline	Target	Frequency	Source & Responsibility	Reporting
Goal: To contribute to the government development objective of increasing access to equitable and relevant higher education in Malawi	<ul style="list-style-type: none"> Total number of students enrolled to universities during the year (according to University, Programme, Sex of Beneficiary and Year). 	Head count of total number of students enrolled to universities and colleges disaggregated by name of the university Programme, Sex of Beneficiary and Year	ToE	ToE	Annual	University Offices by Loans Coordinator	Director
	<ul style="list-style-type: none"> Total number of students accessing loans or scholarships (according to University, Programme, Sex of Beneficiary and Year). 	Head count of students benefiting from loans, bursaries, scholarships and loan name of the university Programme, Sex of Beneficiary and Year	ToE	ToE	Annual	University Offices by Loans Coordinator	Director

	Indicator	Description	Baseline	Target	Frequency	Source & Responsibility	Reporting
	<ul style="list-style-type: none"> Total number of students making enquiries on loans 	Head count of students making enquiries on loans from HESLB	ToE	ToE	Quarterly	HESLB Database by Information Desk Officer	Directors
Purpose: To manage Higher education loans and grants for needy and deserving higher education students	<ul style="list-style-type: none"> Number of loans issued out (according to University, Programme, Sex of Beneficiary and Year) 	Total amount of loans provided disaggregated by name of the university Programme, Sex of Beneficiary and Year.	ToE	ToE	Annual	HESLB Database by Loans Coordinator	Director
	<ul style="list-style-type: none"> Number of students access loans (according to University, Programme, Sex of Beneficiary and Year) 	Total number of students that benefit from the loan disaggregated by name of University Programme, Sex of Beneficiary and Year	ToE	ToE	Annual	HESLB Database by Loans Coordinator	Director
SO1: Build and maintain strategic relationships with stakeholders in the education sector	<ul style="list-style-type: none"> Number of collaborating partners 	Head count of number of organizations, institutions or professional bodies partnering with HESLB in any activities relating to loans.	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator

	Indicator	Description	Baseline	Target	Frequency	Source & Responsibility	Reporting
	<ul style="list-style-type: none"> • Number of institutions that are assisting with the loan recoveries from staff members or clients 	Head count of number of organizations, institutions or professional bodies recovering loans in collaboration and on behalf of the HESLB	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator
	•						
SO2: Diversification of the loans Resource Base	<ul style="list-style-type: none"> • Number of organizations providing capital loans to HESLB 	Head count of organizations that are injecting funds or resources to be used as loans	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator

	Indicator	Description	Baseline	Target	Frequency	Source & Responsibility	Reporting
	<ul style="list-style-type: none"> • % of loan sourced from government 	Percentage of the total loans available provided by the government of Malawi	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator
SO3: Developing a loan Recovery and monitoring System	<ul style="list-style-type: none"> • Total amount of loans recovered in a year (according to University, Programme, Sex of Beneficiary and Year). 	Total sum of loans collected in a year disaggregated by name of the University Sex of Beneficiary and Year.	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator
	<ul style="list-style-type: none"> • Total number of students that pay back loans in a year (according to University, Programme, Sex of Beneficiary and Year). 	Head count of students that pay back loans in a year disaggregated by name of the University Sex of Beneficiary and Year.	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator
	<ul style="list-style-type: none"> • Percentage default rate (according to University, Programme, Sex of Beneficiary and Year) 	Percentage of loans paid back against the total expected disaggregated by name of the University Sex of Beneficiary and Year	ToE	ToE	Quarterly	HESLB Database by M&E Officer	Loans Coordinator

	Indicator	Description	Baseline	Target	Frequency	Source & Responsibility	Reporting
SO4: Institutional Capacity and Corporate Governance	<ul style="list-style-type: none"> Finalizing rules and regulations for managing loans 	Finalized document on the operation manual relating to rules and regulations for managing loan.	ToE	ToE	Annual	University Offices by Loans Coordinator	Director
	<ul style="list-style-type: none"> Developing and managing a communications strategy. 	Finalized document on communications strategy	ToE	ToE	Annual	University Offices by Loans Coordinator	Director
	<ul style="list-style-type: none"> Develop and implement ICT based loan application and recovery mechanism 	Signed agreement with service providers on ICT based loan application and recovery mechanism	ToE	ToE	Annual	University Offices by Loans Coordinator	Director

ANNEXE 2: IMPLEMENTATION MATRIX

ANNEX II: LOGICAL M&E FRAMEWORK

	INDICATOR (S)	BASELINE	TARGET	MoV	FREQ	RO
<p>Goal</p> <p>Increased access to quality and relevant higher education</p>	% of needy and deserving students completing higher education.			Ministry of Education Reports	Annual	Executive Director
<p>Outcome</p> <p>Increased access to loans and grants by needy and deserving students of higher education</p>	% of needy and deserving students of higher education accessing grants and loans			Annual Report	Annual	Executive Director
<p>Strategic Outcome 1</p> <p>Efficient and responsive loan disbursement system</p>	% of complaints received on loans disbursed			Annual Report	Annual	Director of Disbursements

	INDICATOR (S)	BASELINE	TARGET	MoV	FREQ	RO
Strategic Outcome 2 Increased resource portfolio	% of new needy and deserving students accessing loans and grants			Reports	Annual 1	Director of Finance
	Total annual income			Financial Report	Annual 1	Director Finance
	Number of sources of funding	2	10	Reports	Annual 1	Director of Finance
Strategic Outcome 3 A robust and effective loan recovery system	% of loanees paying back their loans			Annual Report	Annual 1	Director of Disbursements
Strategic Outcome 4 An effective and accountable institution	Proportion of population satisfied with their last experience with HESLGB services			Annual Satisfaction Survey Reports	Annual 1	

	INDICATOR (S)	BASELINE	TARGET	MoV	FREQ	RO
	Percentage of HSLGB reports that are publicly available and easily accessible			Published Reports	Annual	Executive Director
Strategic Outcome 5: Enhance Corporate Governance	Relevant policies, operating procedures and systems	Some policies, procedure and systems in place	Develop and implement procedures and systems that are not in place	Policy and procedures and systems documents	Annual	Executive Director

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