MEDF

MALAWI ENTERPRISE DEVELOPMENT FUND

STRATEGIC PLAN

2026 – 2030

Empowering Malawians Economically

MEDF

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STRATEGIC PLAN

2026 – 2030

APRIL 2026

Empowering Malawians Economically

MEDF

OUR VISION

To be Malawi's leading and inclusive financial services provider in economic empowerment.

OUR MISSION

To economically empower ordinary and underserved Malawians, particularly women, youth and persons with disabilities, through the provision of quality, affordable and sustainable micro-finance services for improved livelihoods.

OUR MANDATE

To provide affordable microfinance services to the underserved Malawians

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FOREWORD

"This Strategic Plan provides a clear foundation for transitioning MEDF into a more professionally managed, commercially oriented, digitally enabled, and development focused national microfinance institution.

The MEDF Strategic Plan 2026–2030 reflects our renewed commitment to expanding inclusive finance and promoting economic empowerment for all Malawians. The Plan aligns with Malawi 2063 (MW2063), the First 10Year Implementation Plan (MIP1) and the National Strategy for Financial Inclusion III, ensuring that MEDF remains a key driver of inclusive wealth creation, entrepreneurship development, and sustainable livelihoods.

Over time, MEDF has grown into one of the country's most important public instruments for promoting financial inclusion, especially among underserved and marginalized groups including women, youth, persons with disabilities, and rural micro entrepreneurs. As the financial sector evolves shaped by digitalization, climate shocks, market volatility, and changing client-needs MEDF must remain adaptive, innovative, and resilient.

This Strategic Plan provides a clear foundation for transitioning MEDF into a more professionally managed, commercially oriented, digitally enabled, and development-focused national microfinance institution. It prioritizes improving loan portfolio quality, deepening inclusive finance, promoting climate-smart financing, advancing research and innovation, and strengthening governance, internal controls, and enterprise-wide risk management.

These priorities reflect MEDF's dual commitment to financial sustainability and inclusive socioeconomic impact, positioning the institution as a trusted partner in Malawi's long-term socioeconomic transformation.

The Board of Directors fully endorses this Strategic Plan and reaffirms its commitment to providing strong oversight, prudent stewardship, and strategic support throughout its implementation. With strong governance, meaningful partnerships, and a shared national vision, we are confident that MEDF will continue to deliver on its mandate and play a central role in building an inclusive, resilient, and selfreliant Malawi.

Sir James Naphambo

BOARD CHAIRPERSON

PREFACE

"As the country works toward the aspirations of Malawi 2063, expanding financial inclusion and strengthening economic empowerment for vulnerable and underserved groups is essential for achieving inclusive growth, household resilience, and sustainable livelihoods.

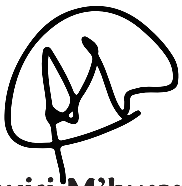
Access to affordable and inclusive financial services remains a powerful driver of Malawi's socioeconomic progress. As the country works toward the aspirations of Malawi 2063, expanding financial inclusion and strengthening economic empowerment for vulnerable and underserved groups is essential for achieving inclusive growth, household resilience, and sustainable livelihoods.

The MEDF Strategic Plan 2026–2030 provides a clear and forward-looking framework to guide the Fund's work over the next five years. It outlines MEDF's vision, mission, and strategic priorities while addressing emerging challenges such as macroeconomic instability, climate shocks, high informality, digital infrastructure gaps, limited long-term capital, and evolving client needs. The Plan is grounded in stakeholder consultations, operational lessons, internal performance reviews, and benchmarking with regional and global microfinance and development finance institutions. It incorporates emerging good practice in digital finance, climate-smart lending, results-based management, and evidence-based decision making.

MEDF's mandate to economically empower underserved Malawians remains the anchor of this Plan. Achieving that mandate requires strong institutional systems, enhanced digital and data capabilities, a well managed and diversified loan portfolio, robust governance and internal controls, strengthened enterprise development support, and high value strategic partnerships.

This Strategic Plan sets out a realistic and ambitious roadmap for expanding outreach, improving service delivery, scaling digital financial services, integrating financial literacy and enterprise support, and strengthening institutional resilience and long-term sustainability.

Successful implementation will depend on the commitment and collaboration of all stakeholders; Government, regulators, development partners, financial institutions, private sector actors, civil society, and community structures. With collective effort and shared purpose, MEDF is well positioned to accelerate inclusive finance, drive entrepreneurship, expand job creation, and contribute meaningfully to Malawi's long-term aspirations for inclusive prosperity and selfreliance.



Kayisi M'bwana Sadala
CHIEF EXECUTIVE OFFICER

ACKNOWLEDGEMENT

The Malawi Enterprise Development Fund wishes to express its profound appreciation to all institutions, partners and individuals who contributed to the review and refinement of the MEDF Strategic Plan 2026–2030. This Plan is the product of collective effort reflecting the time, expertise and insights of diverse stakeholders committed to strengthening financial inclusion and advancing economic empowerment across Malawi.

MEDF extends sincere gratitude to the Government of Malawi, the shareholders, the National Planning Commission and the Department of Statutory Corporations, for their strategic guidance, policy direction and consistent oversight throughout the review process. Their steadfast commitment to advancing the national financial inclusion and empowerment agenda significantly shaped the priorities and interventions set out in this Plan.

We express deep appreciation to our clients, whose participation in consultations, surveys, and field engagements provided invaluable lived experiences. Their feedback ensured that the Strategic Plan remains client-centered, practical and responsive to the realities faced by underserved Malawians across rural and urban communities.

The Fund also extends particular gratitude to the MEDF Board of Directors for their exemplary leadership, strategic oversight, and continuous guidance. Their dedication to strengthening governance, promoting financial sustainability and enhancing institutional resilience laid a strong foundation for shaping the direction of this revised Plan.

We further acknowledge the unwavering commitment of the Executive Management and staff of MEDF, whose technical expertise, analytical contributions, and collaborative spirit were central to the development of this document. From data collection and stakeholder engagement to drafting, validation and internal reviews, their efforts ensured that the Strategic Plan reflects both operational realities and long-term institutional aspirations.

Finally, MEDF recognizes all partners, organizations and individuals both directly and indirectly whose contributions enriched the review and finalization of the Strategic Plan. Their collaboration, shared vision and support made the successful completion of the MEDF Strategic Plan 2026-2030 possible.

ACRONYMS

ACB	Anti-Corruption Bureau
ATM	Access to Trade Markets
ATMM	Agriculture, Tourism, Mining, and Manufacturing
CEO	Chief Executive Officer
CRM	Customer Relationship Management
CSAT	Customer Satisfaction
DDHRM	Deputy Director of Human Resource Management
DEMATT	Development of Malawian Traders Trust
DSC	Department of Statutory Corporations
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
FA	Finance Assistant
FDH	First Discount House (Bank)
FM	Finance Manager
HR	Human Resources
HRAM	Human Resource and Administration Manager
ICT	Information and Communication Technology
IEC	Information, Education and Communication
IPDC	Internal Procurement and Disposal Committee
ITAO	Information Technology and Audit Officer
KRA	Key Result Area
LUANAR	Lilongwe University of Agriculture and Natural Resources
MACOHA	Malawi Council for the Handicapped
MAMN	Malawi Microfinance Network
MDC	Malawi Development Corporation
MEDF	Malawi Enterprise Development Fund
ME&L	Monitoring, Evaluation and Learning
MFIs	Microfinance Institutions
MIP1	Malawi 2063 First 10Year Implementation Plan
MIS	Management Information System
MoFEA	Ministry of Finance and Economic Affairs
MoID	Ministry of Industry and Development
MoLGUC	Ministry of Local Government, Unity and Culture
MoU	Memorandum of Understanding
MRFC	Malawi Rural Finance Corporation
MSMEs	Micro, Small, and Medium Enterprises
MW2063	Malawi 2063 Vision

NAIP	National Agriculture Investment Plan
NAP	National Agriculture Policy
NAO	National Audit Office
NEEF	National Economic Empowerment Fund
NGO	Non-Governmental Organization
NPL	Non-Performing Loan
OVP	Office of the Vice President
PAR	Portfolio at Risk
PFMA	Public Finance Management Act
PPA	Public Procurement Act
PPDA	Public Procurement and Disposal of Assets Authority
PR	Public Relations
PSRMD	Public Sector Reforms Management Division
RBM	Reserve Bank of Malawi
RCM	Risk and Compliance Manager
R&I	Research and Innovation
SACA	Smallholder Agriculture Credit Administration
SDGs	Sustainable Development Goals
SEDOM	Small Enterprise Development Organization of Malawi
SHRO	Senior Human Resource Officer
SP	Strategic Plan
TAT	Turnaround Time
TEVETA	Technical, Entrepreneurial and Vocational Education and Training Authority
TNM	Telekom Networks Malawi
UX	User Experience

EXECUTIVE SUMMARY

The Malawi Enterprise Development Fund (MEDF) Strategic Plan (2026–2030) sets out a clear and practical roadmap for expanding inclusive finance, strengthening enterprise development, and promoting economic empowerment for underserved Malawians. The Plan is aligned with Malawi Vision 2063 (MW2063), the First 10Year Implementation Plan (MIP-1), and the National Strategy for Financial Inclusion III (2024–2028). It positions MEDF as a key national institution driving inclusive wealth creation, entrepreneurship growth, job creation, and climate-resilient livelihoods.

Malawi's economic environment remains challenging, shaped by high inflation, currency depreciation, climate related shocks, poverty, unemployment, and the dominance of the informal sector. These pressures reduce purchasing power, weaken household incomes, and increase risks for small businesses. At the same time, they reinforce the critical need for affordable finance, enterprise support, climate-smart solutions, and strong institutional governance. With over 75% of Malawians projected to live below US$3/day, MEDF's mandate to serve women, youth, persons with disabilities, farmers, and informal MSMEs has never been more important.

The Strategic Plan draws on lessons from the 2024–2025 SP implementation period, extensive consultations with Government, shareholder, clients, staff, development partners, and private sector actors, as well as benchmarking with regional and global microfinance and development finance institutions. The Plan also aligns with global and continental frameworks, including the SADC Financial Inclusion Strategy, African Union Agenda 2063, and relevant SDGs.

At the centre of the Plan is an enhanced Theory of Change, which recognizes that meaningful impact requires the following to work together:

1. Accessible and client-friendly financial services;
2. Strong institutional systems, governance, risk management, and digital capacity;
3. A supportive policy, regulatory, and partnership ecosystem.

When these are in place, MEDF clients can grow viable enterprises, increase incomes, generate jobs, and build resilience against economic and climatic shocks.

The Strategic Plan is organized around six Key Result Areas (KRAs), each with clear objectives, outcomes, and performance indicators embedded within a strengthened Results-Based Management (RBM) and Monitoring, Evaluation and Learning MEL architecture:

1. Loan Portfolio Management - Strengthening underwriting, monitoring, recovery, early warning systems, portfolio diversification, and responses to risks such as moral hazard, adverse selection, and climate shocks.
2. Inclusive Finance and Client Enterprise Development - Expanding outreach; supporting women, youth, PWDs, and rural MSMEs; promoting crossborder trade for forex generation; and integrating financial literacy, mindset change, and enterprise support.
3. Institutional Commercialization and Strategic Partnerships - Enhancing revenue diversification, improving cost-to-income ratios, mobilizing blended finance, and expanding partnerships with banks, MFIs, agribusinesses, fintechs, and development partners.

4. Research and Innovation – Institutionalizing evidence-based decision-making, improving data systems, deploying analytics, piloting innovations, strengthening digital delivery, and ensuring continuous learning.
5. Climate-Smart Financing and Adaptation - Mainstreaming climate risk screening, promoting climate-smart agriculture, developing green finance products, strengthening risk transfer solutions, and expanding climate-finance partnerships.
6. Institutional Capacity Development and Governance - Strengthening human capital, governance, compliance, procurement systems, ICT governance, cybersecurity, and Enterprise Risk Management (ERM).

To fulfil its mandate, MEDF will prioritize the following interconnected strategic strategies:

1. Strengthening portfolio quality and improving financial sustainability
2. Expanding inclusive access to finance for underserved populations
3. Leveraging digital technologies and innovation-driven service models
4. Mobilizing strategic partnerships and blended-finance instruments
5. Mainstreaming climate resilience and green-finance solutions across operations
6. Building strong institutional systems, governance structures, and risk-management frameworks

These priorities will support a phased transformation toward a more commercially viable, digitally enabled and developmentoriented national financial institution, capable of evolving into a broader development finance institution.

The Plan will be delivered through annual work plans and budgets, departmental scorecards and performance contracts, a strengthened Monitoring, Evaluation and Learning (ME&L) system, baseline, midterm 2028 and final (2030) evaluations, regular performance reviews and adaptive management and a structured Enterprise Risk Management framework and enhanced compliance systems.

1.0 | INTRODUCTION

1.0 INTRODUCTION

1.1 Institutional Background and Mandate

The Malawi Enterprise Development Fund (MEDF) is a state owned, non-deposit-taking microfinance institution registered under the Companies Act (2013) and licensed by the Reserve Bank of Malawi. It evolved from earlier government credit institutions such as the Malawi Rural Development Fund (MARDEF) and the original MEDF, before being rebranded as the National Economic Empowerment Fund (NEEF) in September 2020 to strengthen its focus on inclusive microfinance for underserved populations.

As of February 2026, the institution has formally transitioned back to its MEDF identity. MEDF's core mandate is to provide accessible microfinance services to underserved Malawians, supporting national efforts to promote economic participation, enterprise development, and inclusive growth.

Over the years, the Government of Malawi has implemented several credit schemes to improve access to finance and support commercial competitiveness. These included the Smallholder Agriculture Credit Administration (SACA), Development of Malawian Traders Trust (DEMATT), Small Enterprise Development Organization of Malawi (SEDOM), Malawi Development Corporation (MDC), Malawi Rural Finance Corporation (MRFC), MARDEF, MEDF and later NEEF. Although these initiatives had important developmental objectives, many faced sustainability challenges, often due to weaknesses in credit product design, management systems, and loan recovery mechanisms.

1.2 Legal and Policy Framework

MEDF operates within Malawi's public sector and financial services regulatory framework. This includes corporate and public governance laws such as the Companies Act, the Public Finance Management Act (PFMA), and the Public Procurement and Disposal of Assets (PPDA) Act. It is also guided by financial sector legislation including the Financial Services Act, the Microfinance Act, and the Credit Reference Bureau Act. Additionally, MEDF complies with laws on market conduct, consumer protection, data privacy, and digital transactions, such as the Consumer Protection Act, the Data Protection Act, the Electronic Transactions and Cybersecurity Act, and the Payment Systems Act. Equality and inclusion instruments including the Gender Equality Act and the Disability Act further shape MEDF's operations.

At the policy level, MEDF aligns its priorities with national development frameworks, including Malawi 2063 (MW2063), the First 10Year Implementation Plan (MIP1), the National Strategy for Financial Inclusion III (2024–2028), and other relevant sectoral policies. This ensures coherence between the institution's mandate and Malawi's long-term development goals.

1.3 Vision, Mission, Strategic Objectives and Core Values

1.3.1 Vision

To be Malawi's leading and inclusive financial services provider in economic empowerment.

1.3.2 Mission

To economically empower ordinary and underserved Malawians, particularly women, youth and persons with disabilities, through the provision of quality, affordable and sustainable micro-finance services for improved livelihoods.

1.3.3 Strategic Objectives

i. To contribute to the country's **economic development** through the provision of diversified financial loan products to Micro, Small and Medium **Enterprises.**

ii. To contribute to **increased employment** among others **supporting enterprises** that have the potential to create jobs.

iii. To **entrench the enterprising** spirit in youth, women and other groups that have the potential to contribute to socio-economic growth.

1.3.4 Core Values

In achieving its vision and fulfilling its mission, MEDF will be guided by the following core values, which will set the ideal behavioral standards for its employees: -

i. Accountability

The Fund shall discharge its duties diligently and all members of staff shall be held responsible and accountable for their actions.

ii. Confidentiality

The Fund (MEDF) shall ensure the maintenance of complete confidentiality of stakeholder information and will only make it available to the public when it is due and through appropriate and approved channels.

iii. Creativity and Innovation

The Fund shall always encourage its employees to come out with new creative and rewarding ideas that have the potential to put MEDF at a competitive edge in the microfinance industry and improve the lives of the active poor Malawians.

iv. Customer Care

The Fund believes that its customers are key to its success hence it shall endeavor at all times to respect its customers and dedicate its efforts towards providing the best customer services.

v. Inclusivity

The Fund shall always work for the underserved women, youth and persons with disabilities and will encourage its employees to put their hearts and minds into their work in order to get the best results.

vi. Teamwork

The Fund believes that it can achieve more through working as a team. Therefore, the Fund will encourage teamwork and networking among its members and other similar institutions.

1.4 Organizational Governance Structure

1.4.1 Subscribers

The Subscribers represent the principal Government ministries that serve as MEDF's state shareholders. They provide policy direction and ensure that MEDF's mandate and resource use align with national development priorities. The Subscribers include the ministries responsible for Finance, Trade and Industry, Agriculture and Youth.

1.4.2 The Board of Directors

MEDF is governed by a Board of Directors responsible for strategic leadership, policy oversight, and ensuring effective and transparent management of institutional resources. The Board is chaired by a Non-Executive Chairperson and consists of appointed non-executive and ex-officio members from relevant Government Ministries and also the Department of Statutory Corporations in the Office of The President and Cabinet.

1.4.3 The Executive Management

MEDF's operations are led by the Chief Executive Officer (CEO), supported by departmental directors and divisional heads. The CEO oversees day-to-day management, institutional performance, and serves as the primary link between the Board and staff. The detailed organogram is provided in Annex I.

1.5 Strategic Plan Rationale and Scope

The 2026–2030 Strategic Plan sets out MEDF's strategic direction for the next five years, ensuring that the institution remains responsive and impactful in empowering underserved Malawians through inclusive and sustainable microfinance services. Anchored in Malawi 2063 (MW2063), the Plan reinforces MEDF's role in expanding access to finance for women, youth, persons with disabilities, and MSMEs, thereby contributing to the country's longterm aspirations for inclusive wealth creation.

As the operating environment continues to evolve, the need to review and strengthen the Plan became increasingly clear. Rising demand for MEDF's services, growing portfolio risks, digital and operational gaps, and the need for more robust institutional systems all underscored the importance of a more focused, adaptive, and sustainable strategy. The revised Plan therefore positions MEDF to enhance financial viability, improve service delivery, and respond more effectively to the needs of its target groups.

In this context, the rationale for reviewing the 2026-2030 Strategic Plan is to:

i. Provide strategic direction for the achievement of MEDF's mandate in a dynamic and evolving financial landscape.

ii. Ensure shared focus and alignment across the organization's vision, mission, goals and operational objectives.

iii. Promote long-term institutional sustainability, including financial viability, operational resilience and organizational adaptability

iv. Meet stakeholder expectations by strengthening corporate governance, transparency and accountability in alignment with national, regional and international policy instruments.

2.0 STRATEGIC PLANNING FRAMEWORK AND METHODOLOGY

2.1 Background and Context

The 2026–2030 Strategic Plan is an enhanced revision of NEEF's inaugural 2024 Plan. It has been updated to sharpen MEDF's strategic focus, improve development outcomes, and ensure the Plan remains aligned with the institution's evolving operational context and mandate. The revision process followed a participatory, evidence-based approach that drew on internal performance lessons, stakeholder perspectives, and emerging national priorities. It also assessed external factors that may influence MEDF's ability to effectively deliver on its empowerment mandate.

2.2 Approach and Methodology

The Strategic Plan was reviewed using an inclusive and evidence-based approach to ensure it remains relevant, widely supported, and aligned with national priorities. The review process involved several key steps:

i. Stakeholder Consultations

Consultations were conducted with Government ministries, regulators, development partners, private sector actors, clients and MEDF staff to gather insights on performance, service gaps and strategic opportunities.

ii. Strategic Planning Workshops

Workshops held brought together senior management and technical teams to refine MEDF's long-term direction, priorities and performance targets using the national results-based planning framework.

iii. Review of Internal Performance Reports

Internal reports were reviewed to assess achievements, challenges and operational lessons that informed improvements to products, delivery models, governance and risk management.

iv. Benchmarking Against Comparable Institution

MEDF compared its systems and practices with peer micro-finance and development finance institutions (i.e. FINCA) to identify best practices in commercialization, digital finance, climate finance and governance.

v. Risk and Assumptions Analysis

Key risks and assumptions such as macro-economic conditions, climate impacts, institutional capacity and technology gaps were assessed, with mitigation measures integrated into the Strategic Plan.

2.3 Output of the Strategic Planning Process

The strategic issues identified during the review informed the development of the Plan's core strategic architecture. This architecture provides a clear, results-oriented framework for translating MEDF's mandate into measurable institutional and developmental outcomes. It comprises:

i. Key Result Areas (KRAs) – Thematic priorities aligned with MEDF's mandate and national development goals.

ii. Strategic Objectives and Outcomes – Medium-term results that define the institutional and developmental changes expected under each KRA.

iii. SWOT Analysis – An assessment of internal strengths and weaknesses and external opportunities and threats to guide strategic choices and risk mitigation.

iv. Monitoring Evaluation and Learning Framework – A results-based system for tracking progress, enhancing accountability and supporting continuous learning throughout the implementation period.

3.0 SITUATION ANALYSIS

3.1 Current Operating Environment Overview

The Malawi Enterprise Development Fund operates within a macro-economic environment characterized by persistent instability, structural weaknesses, and high levels of poverty. Malawi's economic conditions in 2025, remained challenging. Annual inflation stood at 26% in December 2025 slightly lower than the 28.1% recorded in December 2024. Inflation continued to be driven by rising food prices, rapid growth in money supply, and ongoing exchange rate depreciation. These pressures were further intensified by recurrent climate-related shocks, which disrupted agricultural production, affected food availability, and reduced income stability for households and micro-enterprises.

Although government projections anticipated GDP growth improving from 1.8% in 2024 to 3.2% in 2025, multilateral institutions provided more cautious forecasts of 2.4% by the IMF and 2.0% by the World Bank. Such slower-than-expected growth signals continued declines in per-capita income and a worsening socioeconomic outlook. By the end of 2025, approximately 75.4% of Malawians were projected to live below the international poverty line of US$3 per day. This highlights the scale of financial exclusion and reinforces the urgency for inclusive and accessible financing mechanisms.

For MEDF, these conditions present both risks and strategic opportunities. High inflation reduces borrowers' purchasing power and repayment capacity, while exchange rate volatility increases operational costs particularly for loan products influenced by imported inputs. However, increasing poverty and the expansion of informal economic activities also heighten demand for affordable credit, entrepreneurship support, and livelihood-enhancing financial services. These needs align closely with MEDF's public mandate.

MEDF's operating environment is further shaped by national development priorities outlined in Malawi 2063 (MW2063), the First 10-Year Implementation Plan (MIP-1), and the National Strategy for Financial Inclusion III (2024–2028). These frameworks emphasize financial inclusion, empowerment of youth and women, job creation, and enterprise development areas central to MEDF's role. Despite this alignment, NEEF continues to face several institutional challenges, including high operational costs, limited digital infrastructure, funding gaps, and portfolio quality pressures influenced by the wider economic climate.

3.2 Key Strategic Issues and Priorities

The strategic planning process was informed by a comprehensive assessment of internal and external factors shaping MEDF's operating environment. The analysis identified critical institutional constraints, operational inefficiencies, policy gaps and market opportunities that must be addressed for MEDF to effectively fulfil its mandate and achieve sustainable impact.

These strategic issues guided the identification of Key Result Areas (KRAs), strategic objectives and implementation priorities for the Strategic Plan.

3.2.1 Internal Factors (Institutional and Operational)

3.2.1.1 Non-Deposit-Taking Institutional Status

MEDF's status as a non-deposit-taking financial institution limits its ability to mobilize financial resources thereby constraining funding diversification and long-term sustainability. As a result, the Fund remains dependent on government capital injections and limited revolving funds, which restricts operational scalability and responsiveness to client needs.

3.2.1.2 Skewed Loan Product Focus

Despite offering a diverse range of loan products, MEDF has experienced low uptake in several facilities. This is largely due to periodic operational priorities that concentrate resources on selected products particularly agriculture focused loans. Such concentration exposes the institution to elevated credit and environmental risks, reduces portfolio resilience, and creates an imbalance in product utilization across client segments.

3.2.1.3 Limited Digital Transformation and Weak Information Systems

Operational efficiency remains constrained by partially digitized and non-integrated Management Information Systems (MIS). These limitations impede accurate data tracking, loan monitoring and access to real-time analytics.

Incomplete adoption of digital channels for loan applications, disbursements, and repayments also reduce efficiency and limits client convenience particularly affecting rural populations, women, and youth who would benefit from simple and accessible digital financial services.

3.2.1.4 Limited Risk Management Framework

MEDF lacks a comprehensive risk management system capable of effectively identifying, assessing and mitigating credit, operational and market risks. This heightens vulnerability to defaults, especially during economic shocks.

3.2.1.5 Weak Performance Monitoring and Evaluation (M&E)

The absence of a robust ME&L system undermines MEDF's ability to measure outcomes, assess impact and inform evidence-based decision making. This gap weakens accountability and limits strategic agility.

3.2.1.6 Governance, Legal, and Compliance Gaps

Weak internal controls and governance structures expose MEDF to compliance risks and reduce stakeholder confidence. The lack of a dedicated legal framework or governing Act leaves the institution vulnerable to policy shifts, restructuring and mandate changes without adequate institutional safeguards.

3.2.2 External Factors (Market and Client Environment)

3.2.2.1 Low Financial Literacy

Although financial inclusion has significantly expanded driven by mobile money financial literacy remains low. The latest FinScope Consumer Survey (2023) indicates that while overall financial inclusion has risen sharply with financial exclusion dropping to about 12% of adults, driven largely by mobile money uptake many adults still lack deeper financial knowledge and capability related to budgeting, credit use, savings and risk management. Broad financial capability indicators suggest that even financially included adults often struggle to effectively plan, borrow prudently or manage debt.

3.2.2.2 High Demand for Inclusive Finance

Demand for inclusive finance continues to rise, especially among underserved groups such as women, youth and persons with disabilities. Although formal banking penetration remains modest (with a relatively small shareholding traditional bank accounts), mobile money and digital financial services have vastly expanded access to basic financial tools.

3.2.2.3 Persistent Poverty and Rural Unemployment

Malawi continues to experience entrenched poverty, with about 75.4% of the population projected to be living below the international poverty line of US$3/day in 2025, according to the World Bank's 2025 Malawi Macroeconomic Outlook. Rural areas, where over 84% of Malawians reside, record significantly higher deprivation levels, as reflected in NSO's poverty statistics showing 56.6% of rural households living in poverty in 2019/20, compared to 19.2% in urban areas. These rural communities face limited nonfarm employment opportunities and are disproportionately vulnerable to climatic shocks such as droughts and floods, which continue to erode livelihoods and deepen poverty.

3.2.2.4 Expanding Informal Sector

Malawi's labour market is heavily dominated by the informal sector, which serves as the primary source of livelihoods for the majority of the population. Most of the working population is engaged in informal employment, particularly in agriculture and small-scale trade, which limits access to social protection, formal finance and decent work standards. According to the Malawi Labour Force Survey (2024), 91.5% of employed individuals were engaged in informal employment, with prevalence significantly higher in rural areas than in urban areas.

While this sector represents a key target for MEDF's financial inclusion agenda, its inherent vulnerabilities demand tailored risk management strategies to minimize portfolio exposure and ensure responsible lending practices.

3.2.2.5 Political Interference and Policy Instability

Political influence in operational decisions and policy shifts undermines institutional independence and strategic continuity. This creates uncertainty in planning and can lead to misaligned priorities or abrupt restructuring.

3.2.2.6 Climate and Environmental Risks

Malawi's economy is highly vulnerable to a range of climate and environmental risks, including floods, droughts, prolonged dry spells and cyclones. These climate shocks repeatedly disrupt agricultural productivity on which the majority of households depend thereby reducing farm outputs, destabilizing household incomes and deepening livelihood insecurity. Environmental degradation such as soil erosion, deforestation and declining soil fertility further weakens the resilience of rural communities, making them more susceptible to the impacts of extreme weather events.

For financial institutions such as MEDF, these recurrent climatic and environmental stresses translate into heightened credit risks as clients experience income volatility and reduced capacity to repay loans.

3.2.2.7 Digital Divide and Infrastructure Limitations

Despite growth in mobile money, rural areas still face poor network coverage, unreliable electricity and limited internet access. These gaps hinder digital financial service delivery and MEDF's ability to scale technology-driven solutions.

3.2.2.8 High Cost of Living and Doing Business

High and unstable inflation and currency depreciation raise input costs for MSMEs and informal traders, reducing repayment capacity and increasing default risk. Flexible loan terms and risk-adjusted pricing models are needed.

3.2.2.9 Competition from Alternative Finance Providers

The rapid growth of banks, MFIs, SACCOs, and informal lenders has intensified competition. Many competitors offer faster, more flexible and technology driven financial solutions, making client retention difficult for MEDF.

3.2.2.10 Limited Access to Reliable Credit Information

Although MFIs share credit data through existing reporting platforms, the information is often incomplete, outdated, or inaccurate. This undermines MEDF's ability to assess client indebtedness, increasing risks of onboarding over exposed borrowers or clients involved in parallel lending.

3.2.3 Emerging Trends and Strategic Implications for MEDF

3.2.3.1 Digital Finance Transformation

Digital technologies are reshaping financial service delivery by expanding outreach, reducing costs and enhancing user experience. For MEDF, digitizing the full credit lifecycle origination, appraisal, disbursement, repayment and monitoring will improve efficiency, transparency and portfolio quality. Integration with national digital ecosystems will further enhance scalability and risk management.

3.2.3.2 Green and Climate Finance

Climate change has become a central development challenge. There is rising demand for climate smart agricultural finance, renewable energy solutions, and green technologies. Integrating climate risk screening into lending and developing green products will strengthen portfolio resilience and support national climate commitments.

3.2.3.3 Blended Finance and Strategic Partnerships

Global development finance is shifting toward blended finance models that crowd in private capital through guarantees, co-financing and risk sharing arrangements. For MEDF, partnerships with development partners, commercial banks, impact investors, fintechs and agribusinesses are essential for mobilizing capital, improving product offerings and expanding outreach.

3.2.3.4 Data-Driven Service Delivery

Advanced data systems support product development, risk management, performance monitoring and impact measurement. Strengthening MIS, analytics tools and ME&L frameworks will enable real time insights and evidence based strategic decision making.

3.2.3.5 Institutional Commercialization

The global microfinance sector is increasingly transitioning to financially sustainable business models. For MEDF, commercialization entails enhancing cost recovery, diversifying revenue streams, improving cost to income ratios and strengthening financial discipline while maintaining its social mandate.

3.3 Stakeholders Analysis

The successful implementation of the MEDF Strategic Plan (2026–2030) depends on strong engagement and coordination with a wide range of stakeholders. These include government ministries and agencies, development partners, financial institutions, private-sector players, civil-society organizations, and beneficiary communities. Each group contributes in different ways by shaping policy, providing resources, delivering services, and supporting accountability.

MEDF has built several platforms for working with stakeholders, such as consultative meetings, partnership forums, and coordination groups. These platforms help improve dialogue, promote alignment, and build shared ownership of financial-inclusion initiatives. However, challenges still exist. These include inconsistent participation, fragmented coordination, and unclear roles among some institutions.

To address these issues, MEDF applies a structured stakeholder analysis. This helps identify the level of influence and interest each stakeholder has, manage expectations, and tailor engagement approaches. The Strategic Plan uses a Stakeholder Influence–Interest Matrix to classify stakeholders by their power and importance, and to determine the level of engagement required. This approach guides MEDF in prioritizing partnerships, strengthening collaboration, and ensuring that all actors contribute effectively to the achievement of MEDF's strategic goals.

Table 1: Stakeholder Influence–Interest Matrix

Stakeholder Type	Influence	Interest	Strategic Management Approach
Internal Stakeholders			
Board of Directors	High	High	Closely manage and engage through strategic oversight, governance reporting, performance reviews and policy guidance
Management	High	High	Closely manage through operational leadership, results accountability and performance management systems
Staff	Medium	High	Involve and empower through capacity building, internal communication, incentives and participatory performance management
External Stakeholders			
Government (Executive, Judiciary, Parliament)	High	High	Closely manage and engage through shareholder compacts, performance reporting, capital planning and policy dialogue
Clients	Medium (Collectively High)	Very High	Empower and serve through client feedback systems, grievance redress mechanisms, financial literacy and participatory monitoring
Traditional Leaders / Community Groups	Medium	Medium–High	Involve and consult through community mobilization, outreach coordination and trust-building engagements
Financial Institutions (Banks, Fintechs)	Medium–High	High	Collaborate through co-financing, risk-sharing and digital integration
NGOs / CSOs	Medium	Medium–High	Involve and consult through joint programs, outreach support, capacity building and social inclusion initiatives
Regulator (Registrar of Financial Institutions)	High	Medium–High	Keep satisfied and compliant through regulatory reporting, policy engagement and supervisory coordination
Media	High	High	Engage through clear communication and consistent media relations to build public trust, boost visibility and ensure accurate reporting of MEDF's programmes

3.4 Policy and Regulatory Environment

The successful implementation of the MEDF Strategic Plan (2026–2030) is anchored in a robust legal, policy and strategic framework. This framework ensures that MEDF operates in full compliance with national laws, aligns with sectoral policies and contributes meaningfully to Malawi's broader socio-economic development agenda.

3.4.1 Legal and Regulatory Framework

MEDF operates under a range of legal instruments that guide its establishment, governance, financial management and operational conduct. Adherence to these laws promotes transparency, accountability, institutional integrity and protection of client rights.

Table 2: Legal and Regulatory Framework

Act / Regulation	Year	Relevance to MEDF
Companies Act	2013	Provides the legal foundation for MEDF as a company limited by guarantee, outlining corporate governance, reporting and statutory compliance obligations.
Memorandum & Articles of Association	2023	Defines MEDF's corporate objectives, including serving underserved Malawians particularly women, youth, and persons with disabilities.
Financial Services Act	2010	Provides the overarching framework for regulating and supervising financial institutions, including licensing, governance, market conduct and consumer protection obligations.
Microfinance Act	2010	Outlines requirements for microfinance operations, supervision and standards for serving low-income and underserved clients.
Financial Crimes Act	2017	Ensures financial integrity by preventing fraud, money laundering and other financial crimes.
Corrupt Practices Act	1996	Mandates anticorruption practices and supports a transparent, ethical operating environment.
Credit Reference Bureau Act	2010	Regulates credit information sharing to enhance responsible lending and reduce default risk.
Public Finance Management Act	2022	Provides standards for prudent financial management, accountability and reporting for public institutions.
Public Audit Act	2003	Strengthens external audit functions and reinforces accountability to Parliament and the public.
Public Procurement & Disposal Act	2025	Governs procurement and disposal of assets to ensure fairness, transparency, and efficiency.
Consumer Protection Act	2014	Ensures client protection, transparency and fair treatment in financial service delivery.
Employment Act	2021	Regulates employment standards, staff welfare, equity and workplace rights.
Disability Act	2012	Promotes equal access and inclusion of persons with disabilities in financial services.
Data Protection Act	2024	Mandates secure handling of personal and financial data, reinforcing data privacy and cybersecurity.
Electronic Transactions & Cybersecurity Act	2016	Provides a legal framework for secure digital transactions and ecommerce services.
Payment Systems Act	2016	Regulates payment services, systems, and platforms to ensure safe, efficient financial transactions.
Gender Equality Act	2013	Promotes gender equality and guides MEDF in mainstreaming genderresponsive financial inclusion.

3.4.2 Policy Framework

MEDF's strategic direction is informed by key national policies that outline Government priorities on financial inclusion, agriculture, youth empowerment, digital transformation and social development.

Table 3: Policy Framework

Policy	Year	Relevance to MEDF
National Financial Inclusion Strategy III	2024–2028	Expands access to quality financial services for underserved populations, guiding MEDF's microloan programs, financial literacy and entrepreneurship support.
National Agriculture Policy	2023–2030	Promotes agricultural productivity and commercialization. MEDF supports farmers through agribusiness financing, inputs and value chain development.
National Youth Policy	2023-2028	Supports youth economic empowerment; MEDF targets youth entrepreneurship and financial inclusion.
National ICT Policy for Development	2013	Supports efforts to strengthen digital transformation through improved client data management systems, adoption of mobile and online service platforms and enhanced ICT infrastructure.
National Monitoring & Evaluation Policy	2023	Guides institutional ME&L practices to enhance performance accountability and evidence-based decision-making.
National Livestock Development Policy	2021–2026	Promotes livestock sector development; MEDF finances livestock and value chain initiatives.

3.4.3 Strategic and Sectoral Plans

Strategic Plan is guided by long-term strategic frameworks and sectoral plans that shape Malawi's socio-economic agenda.

Table 4: National development and Sectoral Plans

Strategic / Sectoral Plan	Period	Relevance to MEDF
Malawi 2063 (MW2063) & First 10-Year Implementation Plan (MIP-1)	2023–2033	Provides long-term development vision; MEDF contributes through financial inclusion, entrepreneurship and economic empowerment.
National Agriculture Investment Plan (NAIP)	–	Guides investment in agriculture; MEDF supports smallholder and youth farmers through targeted financing.
National Export Strategy II	2021–2026	Supports export-oriented SMEs; MEDF facilitates access to capital for export-ready enterprises.
Micro, Small and Medium Enterprises Order	2020	Provides regulatory guidance for SMEs; MEDF supports SME growth through tailored financial products.

3.5 SWOT Analysis

The Strategic Plan review applied a SWOT diagnostic framework to evaluate internal and external factors shaping MEDF's performance. This analysis integrated a PESTEL perspective (Political, Economic, Social, Technological, Environmental, and Legal) to capture the broader macroeconomic, market, and regulatory dynamics that influence MEDF's mandate.

The SWOT assessment provided a holistic understanding of MEDF's key Strengths, Weaknesses, Opportunities and Threats, enabling prioritization of strategic interventions and informed decisionmaking. Detailed SWOT results are presented in Annex II.

4.0 THEORY OF CHANGE

Malawi's current economic challenges highlight the urgent need to expand inclusive financial access, strengthen enterprise development, and support long-term economic growth. Within this context, the Theory of Change (ToC) outlines the pathway through which MEDF will empower citizens and businesses in a systematic and measurable way.

The ToC provides the foundation for MEDF's Strategic Plan by explaining the cause-and-effect relationships behind its mandate. It shows how MEDF's inputs and activities will lead to improved service delivery, stronger enterprises, increased financial inclusion, and ultimately, enhanced livelihoods and economic resilience.

By clearly mapping these relationships, the ToC guides MEDF in selecting and prioritizing the interventions that will generate the greatest impact over the next five years. It also ensures that all programmes and initiatives are aligned, coherent, and evidence-based. Overall, the Theory of Change serves as a roadmap for how MEDF will achieve its intended outcomes and contribute to inclusive and sustainable national development.

Figure 1: MEDF's Theory of Change results chain

Access & Services (What MEDF delivers)

- IF
- Underserved Malawians especially women, youth and persons with disabilities access quality, affordable and sustainable financial services;

Institutional Capacity (How MEDF performs)

- AND IF
- MEDF strengthens institutional capacity, systems, governance, risk management and digital delivery;

Enabling Conditions (What must be in place)

- AND IF
- The policy, regulatory and market ecosystem supports inclusive finance through effective coordination and partnerships;

Outcomes (What changes for people and enterprises)

- THEN
- Target clients start and grow viable MSMEs, increase incomes and employment, and strengthen resilience to economic and climate shocks;economic opportunity will narrow;

Impact (Why MEDF exists)

- WHICH WILL ULTIMATELY LEAD TO
- Improved financial inclusion and economic empowerment, contributing to inclusive growth and national development.

5.0 MEDF STRATEGIC KEY RESULT AREAS

MEDF's 2026–2030 Strategic Plan adopts a focused and results-driven approach to fulfilling its national mandate. The Plan is structured around six Key Result Areas (KRAs): Loan Portfolio Management; Inclusive Finance and Enterprise Development; Institutional Commercialization and Strategic Partnerships; Research and Innovation; Climate-Smart Financing and Adaptation; and Institutional Capacity Development and Governance.

These KRAs reflect MEDF's dual commitment to financial sustainability and inclusive socio-economic impact. They provide a clear framework for expanding access to finance, strengthening institutional performance, and enhancing operational excellence. Each KRA is supported by well-defined strategic objectives, measurable outcomes, and performance targets that form the basis for implementation, accountability, and impact assessment throughout the 2026–2030 period. This ensures that MEDF delivers tangible, sustainable results for the communities it serves.

5.1 Strategic Results Framework and Implementation Logic

The Strategic Plan follows a Results-Based Management (RBM) approach, where each KRA is organized around a clear results chain linking objectives, outcomes, outputs, and performance indicators.

Implementation of the KRAs will be carried out through:

i. Annual and medium-term institutional work plans
ii. Programmatic and institutional budgets
iii. Performance contracts and departmental scorecards
iv. A comprehensive Monitoring, Evaluation and Learning (ME&L) Framework

5.2 Strategic Focus for 2026–2030

The 2026–2030 Strategic Plan sets out MEDF's strategic direction for repositioning the institution as a high-performing, commercially viable, and development-oriented national microfinance institution. The strategic priorities below cut across all KRAs and reflect MEDF's commitment to financial inclusion, institutional sustainability, and national development goals. While MEDF can pursue all six KRAs, the 2026 - 2030 period is defined by a clear strategic hierarchy. From the MIP – 1 Accelerator Strategy perspective, the primary focus will be on Portfolio Quality and Inclusive Outreach (KRA I & KRA II). These two KRAs form the core foundation of MEDF's mandate, ensuring both the financial health of the institution and the broadening of access to finance for underserved populations.

Over the 2026–2030 period, MEDF will concentrate on:

i. Strengthening portfolio quality and improving financial sustainability

ii. Expanding inclusive access to finance for underserved populations

iii. Leveraging digital technologies and innovation-driven service models

iv. Mobilizing strategic partnerships and blended-finance instruments

v. Mainstreaming climate resilience and green-finance solutions across operations

vi. Building strong institutional systems, governance structures, and risk-management frameworks

5.2.1 KRA I: Loan Portfolio Management

A strong and well-managed loan portfolio is essential for MEDF's financial sustainability and for achieving its mission of supporting inclusive economic development. As MEDF increases access to finance for underserved Malawians, it must balance loan growth with careful credit-risk management, operational efficiency, and resilience against economic and climate-related shocks.

A core pillar of MEDF's strategy under this KRA is its explicit response to Malawi's persistent foreign-exchange crisis. Malawi's economy continues to face structural forex shortages driven by import dependency, low export diversity, volatile tobacco revenues, and climate-induced agricultural disruptions. To address this macroeconomic vulnerability, MEDF positions its loan portfolio as a deliberate driver of export-led growth, with targeted financing for sectors capable of generating significant, sustained foreign-exchange inflows.

Under KRA I, MEDF will therefore prioritise and scale loan products specifically designed to finance high-value agriculture (e.g., legumes, horticulture, industrial crops), commercial irrigation, aquaculture, agro-processing, manufacturing for export, minerals-related value chains, and cross-border trade. These products are structured not merely as business-finance tools, but as strategic instruments for national forex generation. Loan appraisal, portfolio composition, and sector pipelines will increasingly be guided by their capacity to generate net exports, substitute imports, or enhance forex retention.

By treating forex generation as a primary macroeconomic objective, MEDF elevates its loan portfolio from a microfinance mechanism to a strategic national development lever, contributing directly to economic stability and resilience. This export-growth orientation will ensure that MEDF's lending activities complement broader Government efforts to diversify export earnings, strengthen the balance of payments, and build long-term macroeconomic stability.

At the same time, MEDF's portfolio includes a wide range of microloans, MSME financing, group loans, agricultural loans, and empowerment products. This product diversity enables MEDF to serve many types of clients but introduces varied risks—particularly because many borrowers operate in informal, low-income, or climate-sensitive sectors. These factors affect repayment and underscore the need for stronger, more flexible portfolio-management systems.

A continuing challenge is the presence of moral hazard, where some borrowers assume loans may be forgiven, refinanced, or politically influenced, and adverse selection, where high-risk applicants are more likely to seek loans when screening is weak. Such behaviors can undermine portfolio quality and increase losses. Addressing these challenges is crucial for MEDF's long-term sustainability, especially as the Fund expands into higher-value, export-oriented lending.

This KRA therefore focuses on improving portfolio quality, strengthening credit-risk management, supporting responsible growth, and enforcing repayment discipline. Emphasis will be placed on stronger underwriting, proactive monitoring, early-warning systems, enhanced recoveries, and deliberate diversification across sectors and loan products guided by sector-risk analytics and forex-generation potential. This diversified, export-aligned approach will reduce concentration risks, improve resilience, and position MEDF to contribute more effectively to national priorities including food security, foreign-exchange generation, and industrial and energy-sector development.

5.2.1.1 Strategic Focus under KRA I

Over the 2026–2030 period, MEDF will pursue the following strategic directions under Loan Portfolio Management:

i. Strengthen portfolio quality and credit risk management

   MEDF will enhance the quality of its loan portfolio by improving how loans are assessed, approved, and monitored. The Fund will work to reduce Portfolio at Risk (PAR) and Non-Performing Loans (NPLs) through stronger credit processes and proactive risk management.

ii. Drive sustainable loan growth and deepen outreach

   MEDF will expand access to finance for underserved groups especially women, youth, and persons with disabilities while strengthening its presence in rural and hard-to-reach areas. In line with the Government of Malawi's commitment to promoting women's agricultural productivity and commercialization, MEDF will ensure women have equal access to agricultural loans and related financial services.

iii. Diversify the portfolio across sectors and products

MEDF will maintain a balanced loan mix across agriculture (rainfed, irrigation, and livestock), trade (expand initiatives in forex generating and export-oriented enterprises), services, manufacturing, and emerging value chains. Both group and individual MSME lending will be strengthened using sector-specific risk analytics to minimise concentration risks.

iv. Enhance post-disbursement monitoring and client support

MEDF will increase field monitoring, supported by digital tools, to identify repayment risks early. Clients will receive targeted advice, follow-ups, and repayment coaching to help them maintain good loan performance and grow their businesses.

5.2.2 KRA II: Inclusive Finance and Client Enterprise Development

Inclusive finance is essential for MEDF's mission to empower Malawians and support broad-based economic growth. While access has improved, many Malawians especially women, youth, people with disabilities, rural households, and micro and small enterprises still struggle to access finance. Common barriers include long distances to service points, limited financial literacy, low product awareness, collateral challenges, weak market linkages, and mindset barriers that limit entrepreneurship, risk-taking, and financial confidence.

This KRA focuses on eliminating these barriers and making finance accessible, affordable, and client-friendly. MEDF will pair suitable financial products with practical enterprise support so that clients can start, grow, and sustain their businesses and improve their livelihoods. It will also incorporate the Government of Malawi's commitments to provide business capital for graduating trainees; support rural women in cross-border trade, agri-business, and SMEs; offer low-interest loans to young entrepreneurs and technical-college graduates; and enable youth to contribute meaningfully to national development across employment, entrepreneurship, skills, ICT, governance, sports, and social inclusion.

5.2.2.1 Strategic Focus under KRA II

Over the 2026–2030 period, MEDF will pursue the following strategic directions under Inclusive Finance and Client Enterprise Development:

i. Expand outreach to underserved and marginalized groups

MEDF will bring services closer to clients particularly women, youth, PWDs, and rural MSMEs through strengthened last-mile delivery, digital channels, and partnerships with community structures. Special focus will be placed on expanding youth-focused financial inclusion through low-interest financing for young entrepreneurs.

ii. Design and scale tailored financial products

MEDF will refine and introduce products built around the needs, capacity, and risk profiles of different client segments. Client segmentation, affordability assessments, and market insights will guide product development for youth, graduating trainees, and rural women's enterprise groups, in alignment with national priorities.

iii. Integrate financial literacy and enterprise support

MEDF will promote mindset change by equipping clients with practical financial-literacy skills, sound business-management practices, and strong repayment discipline. Training will be delivered by MEDF and partners and will aim to shift attitudes toward responsible borrowing, personal accountability, and long-term enterprise growth. Priority will be given to young entrepreneurs, graduating trainees, PWD, and rural women engaged in trade and agri-business to foster resilient, opportunity-driven, and growth-oriented mindsets.

iv. Strengthen client protection and responsible finance

MEDF will enhance customer care, feedback mechanisms, and grievance-handling systems to ensure transparent, fair, and respectful treatment of all clients.

v. Promote enterprise growth and graduation pathways

MEDF will support micro-businesses and graduating trainees to become strong MSMEs through access to capital, advisory and technical support, and market linkages.

vi. Expand public awareness and service uptake

MEDF will increase awareness of its services through radio, digital platforms, community meetings, and multilingual outreach, ensuring people in all districts know how to access support.

vii. Improve incomes and support job creation

MEDF will support families increase incomes and create jobs across communities by financing women-led and youth-led enterprises, supporting business expansion and contributing to national job creation and income growth.

5.2.3 KRA III: Institutional Commercialization and Strategic Partnerships

The long-term financial sustainability and institutional relevance of MEDF depend on its ability to transition from a predominantly socially driven lending institution into a commercially oriented, partnership-driven and digitally enabled development finance institution. As MEDF serves more clients, it must balance impact with commercial viability, grow non-loan income, and build high-value partnerships that expand reach and reduce risk.

MEDF operates in an economy with a large informal sector, high unmet MSME credit demand, and pressure on public finances. These conditions create both opportunities and constraints. Internally, MEDF needs to reduce reliance on government funding, improve capitalization of the revolving fund, and make better use of partnerships for co-lending, risk-sharing, and technical support. At the same time, the sector is moving toward digital services, blended finance, and performance-driven management, which MEDF will adopt to stay competitive and relevant.

This KRA focuses on building financially resilient operations, diversifying revenues, and scaling strategic partnerships, while embedding digital, customer-centric delivery. It also aims to strengthen MEDF's brand visibility and stakeholder confidence, so the institution can grow its market share and sustain its mandate.

5.2.3.1 Strategic Focus under KRA III

Over the 2026–2030 period, MEDF will pursue the following strategic directions under Institutional Commercialization and Strategic Partnerships:

i. Expand and diversify commercial revenue streams

MEDF will increase income beyond interest on loans by introducing service fees, commissions, insurance-linked products, and investment income (where allowed). It will also improve portfolio yield through risk-based pricing and stronger collections to support long-term commercial viability.

ii. Strengthen capital mobilization and revolving fund sustainability

MEDF will mobilize blended finance, donor resources, and private capital to grow lending capacity. It will recycle repayments effectively, diversify funding sources, and build joint-financing mechanisms with banks, MFIs, agribusinesses, fintechs, and development partners to scale outreach.

iii. Enhance financial efficiency, profitability, and self-sufficiency

MEDF will automate core processes, optimize field and branch operations, and track key ratios such as cost-to-income, ROA, ROE, and net margin to achieve and sustain operational self-sufficiency.

iv. Strengthen market penetration, brand visibility, and credibility

MEDF will grow its presence through targeted outreach and a consistent brand story that highlights client success and impact. It will use data-driven marketing and proactive media relations to build public trust and improve conversion from awareness to service uptake.

v. Formalize, operationalize, and scale strategic partnerships

MEDF will sign and implement MOUs with financial institutions, fintechs, agribusinesses, NGOs, and development agencies. Partnerships will focus on co-lending, risk-sharing, technical assistance, and joint product design for priority segments (women, youth, MSMEs, PWDs), supported by clear partnership KPIs and regular reviews.

vi. Institutionalize digital platforms and customer-centric delivery systems

MEDF will accelerate digital transformation to reduce turnaround times, expand digital repayment channels, and improve the overall customer experience. This includes e-KYC, USSD/SMS engagement, a client portal (as feasible), and analytics to continuously refine products and services.

5.2.4 KRA IV: Research and Innovation

A dynamic and rapidly changing financial environment requires MEDF to become a learning, adaptive, and evidence-driven institution. To remain relevant and client-focused, MEDF must make decisions based on sound research and continuous innovation. As the financial ecosystem evolves, research enables MEDF to understand client needs, improve products, manage risks, and track impact. Innovation provides a structured way to test new ideas and scale solutions that make services faster, better, and more affordable.

MEDF will use research to guide policy development, product refinement, risk management, client segmentation, and impact assessment. Innovation will follow clear and transparent processes, including governance structures, stage-gate steps (idea ⟶ pilot ⟶ scale), client co-creation, and strong data-protection and client-protection practices.

Digital and process innovations will help MEDF remove bottlenecks, shorten turnaround times, expand digital access, and automate routine work. By strengthening its research function and applying disciplined innovation, MEDF will grow into a forward-looking, flexible, and resilient institution capable of continuous learning, rapid adaptation, and sustainable long-term growth.

5.2.4.1 Strategic Focus under KRA IV

Over the 2026–2030 period, MEDF will pursue the following strategic directions under Research and Innovation:

i. Institutionalize research as a core management and learning function

MEDF will formalize research through an R&D policy, annual research agenda, quality-assurance protocols, and structured dissemination (briefs, dashboards, learning events). Findings will inform policy updates, product refinement, and operational improvements, and will contribute to sector dialogue.

ii. Strengthen data systems, analytics, and ME&L capabilities

MEDF will deploy real-time analytics dashboards, improve data quality, and automate key indicators. Staff will be trained in data literacy. A functional Monitoring, Evaluation & Learning (ME&L) system will track performance, portfolio trends, and client outcomes to enable timely, evidence-based decisions.

iii. Establish innovation governance and stage-gate processes

MEDF will set up innovation governance structures (e.g., Research & Innovation Committee) to coordinate product testing, ensure client protection, and enforce compliance. All innovations will follow a standard pathway: concept design ⟶ small pilot ⟶evaluation ⟶ scale-up.

iv. Pilot, evaluate, and scale digital and process innovations

MEDF will run targeted pilots to improve efficiency and client experience such as end-to-end digital loan processes, digital repayment channels, e-KYC, and workflow automation. Successful pilots will be scaled with clear business cases, benefits tracking, and change-management support.

v. Build strategic research and innovation partnerships

MEDF will collaborate with universities, research institutes, fintechs, and development partners for joint studies, pilots, capacity building, and sector learning. Partnerships will follow clear MOUs, roles, and KPIs.

vi. Support innovations in fuel and energy production

MEDF will promote and finance energy-related innovations by establishing dedicated windows for alternative fuel technologies, renewable energy solutions, and efficient production systems. Support will include targeted funding instruments, technical-assistance linkages, and partnerships with research institutions and industry actors.

5.2.5 KRA V: Climate-Smart Financing and Adaptation

Climate change is increasingly affecting Malawi's development path. Droughts, floods, cyclones, and prolonged dry spells are becoming more frequent and severe. These shocks hit smallholder farmers, rural households, women and youth entrepreneurs, and informal sector businesses—the core of MEDF's clients. Climate hazards reduce household incomes, disrupt enterprises, lower agricultural productivity, and increase credit risk across the portfolio.

As a national finance institution, MEDF must build climate resilience to protect its clients, safeguard the loan portfolio, and ensure long-term development impact.

Under this KRA, MEDF will integrate climate risk management, adaptation, and green finance into its financial products, operations, and governance systems. This includes applying climate-risk screening to all loans, strengthening Environmental, Social and Governance (ESG) compliance, expanding climate-smart agriculture (CSA) and green finance products, and improving climate monitoring and stress testing. MEDF will work with partners to support advisory services, disaster preparedness, and climate information dissemination.

MEDF will also mobilize climate finance, expand partnerships with environmental and research institutions, and promote insurance and other risk-transfer mechanisms for vulnerable clients. Through these actions, MEDF will strengthen client resilience, reduce climate-related losses, promote uptake of CSA and green investments, and position itself as a climate-responsive finance institution aligned with Malawi's national climate priorities.

5.2.5.1 Strategic Focus under KRA V

During the 2026–2030 period, MEDF will pursue the following strategic directions under Climate-Smart Financing and Adaptation:

i. Mainstream climate risk screening and governance

MEDF will integrate climate-risk assessment into all loan appraisals, apply enhanced screening in high-risk areas, institutionalize climate-related stress testing, and ensure full alignment with ESG and national environmental safeguards.

ii. Expand climate-smart agriculture and green finance products

MEDF will design, redesign, and scale climate-aligned financial products that support climate-smart agriculture, renewable energy, water-efficient technologies, sustainable farming inputs, and other green solutions.

iii. Strengthen risk-transfer and climate-insurance mechanisms

MEDF will bundle CSA and green loans with weather-index insurance, asset insurance, and other risk-transfer tools to protect clients exposed to climate shocks and support stable repayment performance.

iv. Support client resilience and adaptation capacity

MEDF will provide clients especially those in climate-vulnerable areas with training, advisory services, and early-warning information. MEDF will promote the adoption of CSA and green practices and track resilience improvements using indicators such as recovery time, repayment behavior, and income stability.

v. Mobilize climate finance and strengthen strategic partnerships

MEDF will engage development partners, climate funds, environmental agencies, ministries, and research institutions to mobilize climate finance, co-implement climate initiatives, and build institutional readiness for climate-smart operations.

5.2.6 KRA VI: Institutional Capacity Development and Governance

Strong institutional capacity and effective governance are essential to MEDF's credibility, operational efficiency, and long-term sustainability as a national finance institution. As MEDF expands its loan portfolio, grows its workforce, and deepens financial inclusion across Malawi, the institution must strengthen its internal systems, human capital, governance framework, and compliance culture to ensure consistent performance and service excellence.

This KRA positions institutional strengthening as a key priority for improving accountability, regulatory compliance, financial discipline, and risk-aware decision-making. It focuses on building a skilled and motivated workforce, enhancing leadership, strengthening corporate governance and Board oversight, and embedding ethical conduct and ESG standards across all operations.

Through targeted reforms and capacity investments, MEDF aims to become a high-performing, well-managed institution with effective leadership, efficient support functions, and strong risk and compliance systems aligned with national and international standards.

5.2.6.1 Strategic Focus under KRA VI

During the 2026–2030 period, MEDF will focus on the following strategic directions under Institutional Capacity Development and Governance:

i. Strengthen corporate governance and accountability

MEDF will enhance Board and Committee effectiveness, improve governance reporting, and ensure full compliance with statutory, regulatory, and ESG requirements. Management accountability will be strengthened through clearer roles, ethical standards, and an effective whistleblowing mechanism.

ii. Build human capital, leadership, and succession systems

MEDF will develop a high-performing, gender-balanced workforce by improving performance management, strengthening training and competency development, and establishing succession plans for key roles. Leadership development programs will ensure continuity and strong institutional culture.

iii. Improve administrative, procurement, and financial support systems

The institution will modernize procurement, administration, and financial processes to ensure full compliance with PPDA and internal policies. MEDF will strengthen contract management, legal vetting, documentation systems, and financial controls to support efficient service delivery.

iv. Institutionalize enterprise risk management, internal controls, and audit responsiveness

MEDF will operationalize its Enterprise Risk Management (ERM) framework, enhance monitoring of risk appetite levels, improve fraud and compliance oversight, and ensure timely closure of internal and external audit recommendations. Internal control systems will be strengthened across all departments.

v. Strengthen ICT governance, cybersecurity, and business continuity

MEDF will reinforce ICT governance, improve cybersecurity measures, update information-security policies, and train staff regularly on cyber-risk awareness. The institution will also conduct business continuity and disaster recovery tests to ensure resilience in the face of operational disruptions.

6.0 STRATEGIC CONTEXT AND ALIGNMENT

This chapter positions MEDF's 2026–2030 Strategic Plan within the broader national, regional and global development landscape. It outlines how the Fund's strategic priorities and KRAs align with Malawi's long-term development vision, national policy frameworks, regional integration agendas and international development commitments.

6.1 National Development Framework

MEDF's 2026–2030 Strategic Plan is intentionally designed to directly support the implementation of MIP-1's three Transformative Pillars and seven cross-cutting Enablers. Each of the Fund's six KRAs is mapped against these pillars and enablers to ensure strategic relevance, policy coherence and measurable contribution to national development outcomes. The table below illustrates how MEDF's KRAs support the realization of Malawi 2063 and MIP-1:

Table 5: Alignment of MEDF KRAs with Malawi 2063 (MIP-1)

MIP1 Pillars & Enablers	Aligned Relevant MEDF Key KRA	Strategic Linkages
Pillar 1: Agricultural Productivity and Commercialization	KRA I: Loan Portfolio Management KRA II: Inclusive Finance & Client Enterprise Development KRA V: Climate Smart Financing & Adaptation	• Provides agricultural input financing, value-chain loans, and mechanization support for smallholder and emerging commercial farmers. • Expands financial inclusion for rural farmers and agri-MSMEs, supporting productivity and commercialization. • Finances climate-smart agriculture, irrigation, livestock resilience, and green technologies to promote sustainable agricultural growth.
Pillar 2: Industrialization	KRA I: Loan Portfolio Management KRA II: Inclusive Finance & Client Enterprise Development KRA III: Institutional Commercialization & Strategic Partnerships	• Finances MSMEs and small-scale manufacturers to support micro-industrialization and value addition. • Builds entrepreneurship capacity for youth, women, and start-ups transitioning into light manufacturing. • Mobilizes co-investment and blended finance for manufacturing, ago-processing, and industrial value-chain development.

MIP1 Pillars & Enablers	Aligned Relevant MEDF Key KRA	Strategic Linkages
Pillar 3: Urbanization	KRA I: Loan Portfolio Management KRA II: Inclusive Finance & Client Enterprise Development KRA III: Institutional Commercialization & Strategic Partnerships	• Supports youth- and women-led microenterprises in urban and peri-urban areas, strengthening inclusive urban economies. • Facilitates growth of service-sector MSMEs, small traders, and urban livelihood enterprises. • Builds partnerships that stimulate economic activity in secondary cities and emerging townships.
Enabler 1: Mindset Change	KRA II: Inclusive Finance & Client Enterprise Development KRA III: Institutional Commercialization & Strategic Partnerships	• Promotes entrepreneurship, financial literacy, responsible borrowing, and business discipline. • Shifts clients from dependency to productivity, self-employment, and wealth creation. • Strengthens a commercial, performance-driven culture within MEDF and among its clients.
Enabler 2: Effective Governance Systems and Institutions	KRA VI: Institutional Capacity Development & Governance	• Strengthens governance standards, internal controls, risk management, compliance and audit responsiveness. • Enhances transparency, accountability and institutional leadership effectiveness. • Supports national public sector reforms through improved corporate governance and regulatory alignment.
Enabler 3: Enhanced Public Sector Performance	KRA IV: Research & Innovation KRA VI: Institutional Capacity Development & Governance	• Strengthens governance, internal controls, risk management, compliance, and audit responsiveness. • Enhances transparency, accountability, and leadership effectiveness. • Supports national public-sector reforms through improved corporate governance and regulatory alignment.

MIP1 Pillars & Enablers	Aligned Relevant MEDF Key KRA	Strategic Linkages
Enabler 4: Private Sector Dynamism	KRA I: Loan Portfolio Management KRA II: Inclusive Finance & Client Enterprise Development KRA III: Institutional Commercialization & Strategic Partnerships	• Provides capital to microenterprises and MSMEs, strengthening entrepreneurship and local economic activity. • Expands access to finance for private-sector actors in agriculture, trade, services, and manufacturing. • Builds strategic partnerships to improve value chains, market access, and competitiveness.
Enabler 5: Human Capital Development	KRA II: Inclusive Finance & Client Enterprise Development KRA IV: Research & Innovation	• Delivers financial literacy, business skills training, and enterprise development support. • Strengthens client capabilities to manage businesses, improve productivity, and create employment. • Builds staff technical skills in analytics, digital finance, innovation, and client support.
Enabler 6: Economic Infrastructure	KRA I: Loan Portfolio Management KRA III: Institutional Commercialization & Strategic Partnerships	• Supports enterprises that strengthen ago-value chains, rural markets, and local service hubs. • Builds partnerships enabling digital financial services and infrastructure-supported lending models.
Enabler 7: Environmental Sustainability	KRA V: Climate Smart Financing & Adaptation	• Promotes green finance, renewable-energy solutions, and low-carbon enterprises. • Funds climate-smart agriculture, sustainable land use, and environmentally responsible MSMEs. • Integrates climate-risk screening and ESG safeguards into all lending processes.

6.2 Regional and Continental Frameworks

MEDF's Strategic Plan is fully aligned with key regional and continental microfinance and financial inclusion frameworks, ensuring coherence with best practices in development finance and regional integration priorities. Through its Key Result Areas (KRAs), MEDF operationalizes commitments under the SADC Financial Inclusion Strategy (2018–2028); African Union Agenda 2063; African Union Climate Change and Resilient Development Strategy and Action Plan (2022-2032),

6.3 Global Development Frameworks (SDGs)

MEDF's Strategic Plan contributes directly to the United Nations 2030 Agenda for Sustainable Development, particularly goals related to poverty reduction, decent work, gender equality, climate action and institutional strengthening.

Table 6: Mapping of MEDF KRAs to SDGs

SDG	Goal Description	Relevant MEDFKRA(s)	MEDF Contribution
SDG 1	No Poverty	KRA I – Loan Portfolio Management KRA II – Inclusive Finance and Client Enterprise Development	Expands access to affordable financial services and enterprise support for low-income households, rural populations and informal sector actors, contributing to income generation and poverty reduction
SDG 2	Zero Hunger	KRA II – Inclusive Finance and Client Enterprise Development KRA V – Climate-Smart Financing and Adaptation	Finances agricultural production, climate-smart agriculture (CSA), and rural livelihood investments that enhance food security, productivity and resilience
SDG 5	Gender Equality	KRA II – Inclusive Finance and Client Enterprise Development	Increases access to finance for women entrepreneurs and women-led enterprises, addressing structural barriers to economic participation and empowerment
SDG 8	Decent Work and Economic Growth	KRA I – Loan Portfolio Management KRA II – Inclusive Finance and Client Enterprise Development KRA III – Institutional Commercialization and Strategic Partnerships	Supports MSME growth, job creation, productivity, and private sector development through expanded credit, enterprise support services and commercially sustainable financing models

SDG	Goal Description	Relevant MEDFKRA(s)	MEDF Contribution
SDG 9	Industry, Innovation and Infrastructure	KRA III – Institutional Commercialization and Strategic Partnerships KRA IV – Institutional Commercialization and Strategic Partnerships	Promotes innovation, digital finance, technology-enabled service delivery, and institutional modernization to improve efficiency, outreach and competitiveness
SDG 10	Reduced Inequalities	KRA II – Inclusive Finance and Client Enterprise Development	Targets underserved and marginalized groups including youth, persons with disabilities and rural communities, promoting equitable access to financial services
SDG 12	Responsible Consumption and Production	KRA V – Climate-Smart Financing and Adaptation	Finances environmentally sustainable enterprises, renewable energy solutions, recycling, energy efficiency and sustainable agricultural practices
SDG 13	Climate Action	KRA V – Climate-Smart Financing and Adaptation	Mainstreams climate risk management, promotes CSA investments, supports green enterprises and strengthens resilience to climate shocks
SDG 16	Peace, Justice and Strong Institutions	KRA VI – Institutional Capacity Development and Governance	Strengthens governance systems, transparency, accountability, risk management and institutional effectiveness
SDG 17	Partnerships for the Goals	KRA III – Institutional Commercialization and Strategic Partnerships	Builds strategic partnerships with Development Finance Institution (DFI), donors, fintechs, research institutions and private sector actors to mobilize resources, knowledge and innovation

7.0 IMPLEMENTATION FRAMEWORK

The effective delivery of MEDF's 2026-2030 Strategic Plan depends on a clear and well-coordinated implementation framework that translates strategic priorities into actionable programmes and measurable results. This framework ensures that institutional governance, accountability and stakeholder coordination remain at the center of implementation.

MEDF will adopt a multi stakeholder, results oriented delivery model involving Government ministries, local authorities, financial institutions, civil society, private sector actors and development partners. This collaborative approach enables the Fund to expand outreach, leverage complementary capabilities and enhance the developmental impact of its interventions.

Implementation will be anchored within existing MEDF governance and operational structures, ensuring alignment with national public sector systems and regulatory requirements. The Board of Directors and Executive Management will provide strategic oversight and leadership, while departments and regional structures will coordinate day-to-day programme execution. Regulatory supervision will continue to be exercised by the Reserve Bank of Malawi and other relevant oversight bodies.

7.1 Institutional Arrangements

MEDF's implementation arrangements operate at three mutually reinforcing levels, ensuring clarity of roles, strong governance and efficient service delivery.

7.1.1 Policy Level

At the policy level, oversight is provided by the Government of Malawi, through the Ministries responsible for Finance, Agriculture, Youth, and Trade and also by the MEDF Board of Directors.

Key responsibilities include:

- Providing overall policy direction and strategic guidance
- Ensuring alignment with Malawi's national development strategies (MW2063, MIP-1, NSFI III)
- Approving budgets, strategic plans, and institutional policies
- Overseeing institutional performance, governance, and accountability.

7.1.2 Programme level

At this level, the Chief Executive Officer leads the Executive Management Team in translating strategic priorities into operational programmes.

Responsibilities include:

- Designing and coordinating programmes across all KRAs
- Managing implementation of lending schemes and empowerment initiatives
- Coordinating with MDAs, financial institutions, development partners, and private-sector actors
- Monitoring programme performance and reporting progress to the Board and Government

7.1.3 Operational Level

At the operational level, MEDF departments and regional offices deliver services directly to clients and communities.

Core functions include:

- Loan origination, appraisal, disbursement, and recovery
- Business development support and client training
- Field-level data collection, reporting, and client engagement
- Community-level coordination and outreach

7.2 Principles to Support Implementation

Implementation of the Strategic Plan will be guided by the following principles:

- Results Based Management to ensure clear outputs and outcomes;
- Additionality, focusing on underserved segments and market gaps;
- Best Practice in financial inclusion and institutional strengthening;
- Participation across stakeholders and beneficiaries;
- Flexibility and Adaptability in response to emerging evidence;
- Programmatic Orientation for structured, scalable interventions;
- Sustainability through financial viability and institutional strengthening.

7.3 Resource Mobilization

Effective delivery of the Strategic Plan requires adequate financial, human, and technical resources. MEDF will strengthen existing revenue streams and diversify funding sources to reduce dependency on any single source. Resource mobilization will follow approved budgets, public-finance regulations, and the national Public Financial Management (PFM) framework.

MEDF will draw on four financing pillars:

- Government Support
  - Budget allocations and capital injections
  - Funding for priority programmes and institutional strengthening
- Internally Generated Resources
  - Loan repayments and interest income
  - Service fees and non-loan revenue streams
  - Revolving fund capital to sustain operations
- Development Partner Support
  - Grants, concessional loans, and technical assistance
  - Support for innovation, capacity building, and outreach expansion
- Private-Sector and Market-Based Financing
  - Guarantees, risk-sharing arrangements, and co-financing
  - Public–private partnerships to scale high-impact programmes
  - Climate-finance and blended-finance instruments

7.4 Accountability

Accountability is critical for the responsible use of public resources and delivery of results. As a government-owned financial institution, MEDF is accountable to the Government of Malawi, its Board, regulators, partners, clients, and the public.

MEDF will strengthen accountability through:

- Clear governance roles across Board, Management, and operational units
- Compliance with PFMA, PPDA Act, Companies Act, and financial-sector regulations
- Performance contracts for senior management
- Annual institutional performance reviews
- Transparent reporting of operational and financial results

7.5 Communication

Effective communication is essential for strengthening public trust, enhancing stakeholder engagement and ensuring that beneficiaries are informed about MEDF's services and opportunities. As a national finance institution, MEDF will prioritize transparent, timely and accessible communication to support programme uptake and institutional visibility.

MEDF will employ a mix of communication channels including traditional media, digital platforms, community outreach, stakeholder forums, and partnerships with local authorities and civil society to disseminate information on its programmes, financing products, eligibility criteria and institutional performance.

These efforts will ensure consistent messaging, broaden outreach and reinforce MEDF's mandate and impact.

7.6 Monitoring and Evaluation

Monitoring Evaluation and Learning (ME&L) is central to ensuring effective implementation of the Strategic Plan. A robust ME& L system will be developed to enable MEDF to be tracking progress, learn from experience and respond proactively to emerging opportunities and risks. Monitoring will be conducted across all KRAs through established structures at Head Office and decentralized levels, supported by standardized tools and an integrated ME&L system.

The Strategic Plan will undergo two major evaluations a Mid-term Review (2028) and a Final Evaluation (2030) to assess relevance, effectiveness, efficiency, impact and sustainability. These independent evaluations, undertaken in collaboration with the Ministry of Finance and Economic Affairs, will inform strategic adjustments and future planning cycles.

7.7 Risk Management

Effective risk management is essential for MEDF's sustainability and successful implementation of the Strategic Plan. MEDF will implement a comprehensive Enterprise Risk Management (ERM) approach that embeds risk identification, assessment, and mitigation into all functions.

Key elements include:

- Maintaining an up-to-date institutional risk register
- Regular monitoring of risk likelihood and impact
- Clear mitigation measures and roles for each risk area
- Integration of risk management into planning, budgeting, and performance management
- Board oversight through the Audit and Risk Committee
- Day-to-day risk management led by Management and operational units

8.0 MONITORING AND EVALUATION

Monitoring, Evaluation and Learning (ME&L) is a core part of MEDF's strategic management. It provides the evidence, accountability and learning needed to track progress and demonstrate results under the 2026–2030 Strategic Plan. A strong ME&L system will support timely decisions, adaptive management, and transparent reporting across all Key Result Areas (KRAs).

8.1 Purpose and Objectives

The ME&L system will ensure that MEDF consistently measures performance and uses evidence to guide implementation. Its main objectives are to:

- Provide timely and reliable information to the Board, Management, Government, and partners
- Track progress against strategic objectives, outputs, outcomes, and long-term impact
- Strengthen accountability through results-based management and transparent reporting
- Support continuous learning and programme improvement
- Demonstrate value for money and MEDF's contribution to national development priorities

8.2 Results Architecture and Theory of Change

MEDF's ME&L Framework and Plan is fully aligned to its Theory of Change, which explains how inputs and activities lead to outputs, outcomes, and long-term impact. The framework connects strategic objectives, Key Result Areas (KRAs), outputs and outcomes, and performance indicators with baselines, milestones, and targets. This ensures clear alignment between planning, implementation, monitoring, and reporting. A detailed ME&L Framework and Plan is provided in **Annex III and IV** respectively.

8.3 Data Collection, Quality Assurance and Measurement Tools

MEDF's ME&L system will utilize standardized tools aligned with the Results Framework to ensure consistency and quality in data collection. These include field monitoring templates, digital forms, dashboards and automated MIS reports.

8.4 Use, Communication, and Learning from ME&L Results

ME&L results will be analyzed and shared to:

- Inform decisions by Management and the Board
- Support Government and partner reporting
- Improve programme design and operational effectiveness
- Promote transparency and stakeholder accountability

MEDF will hold quarterly reviews, semi-annual learning sessions, and an annual strategic reflection to ensure that evidence informs improvements. Reporting products will include monthly summaries, quarterly performance reports, semi-annual progress reports, and an annual institutional performance report.

8.5 Linkage Between ME&L, Work Planning and Budgeting

Annual workplans and budgets will be derived from the Results Framework. Indicators and targets will guide prioritization, resource allocation, operational sequencing and departmental performance appraisals ensuring full alignment between planning, budgeting, implementation and performance management. A detailed 5 Year Resource Matrix (Budget) is provided in **Annex V**.

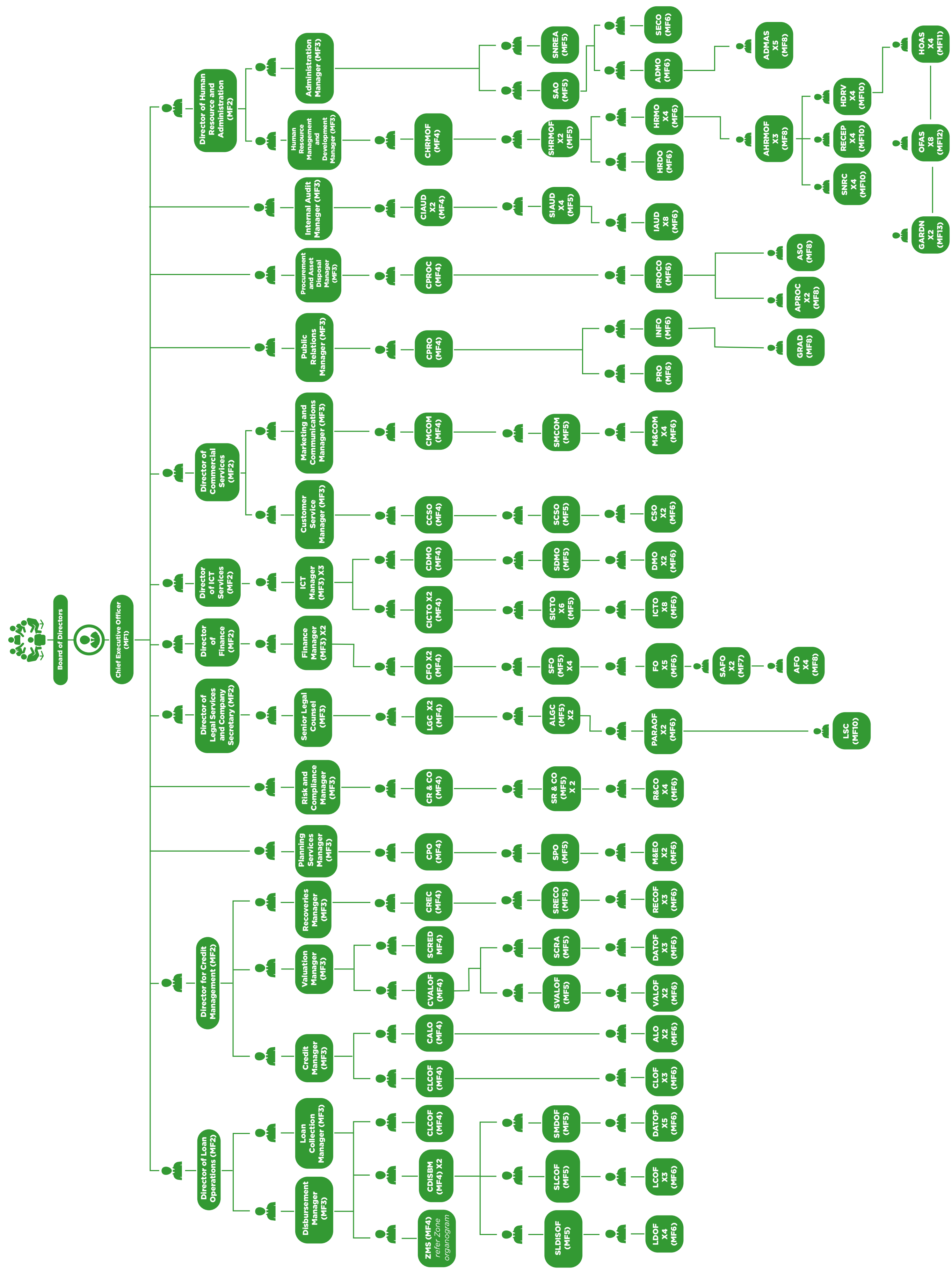
8.6 Capacity and Resourcing

To sustain a strong ME&L system, MEDF will invest in:

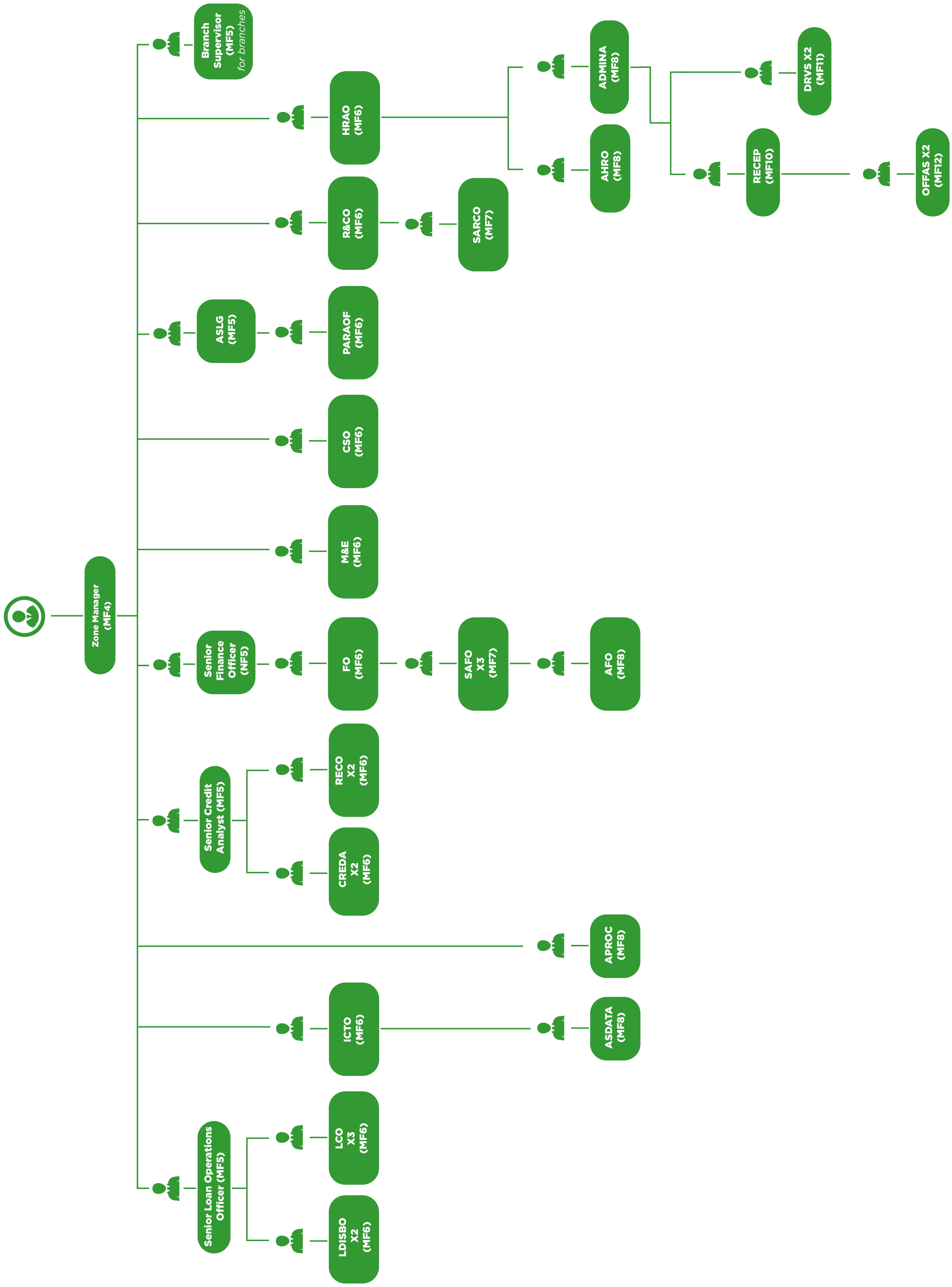
- Staff skills in data management, analytics, evaluation, and visualization
- Digital ME&L systems and integration with core MIS
- Adequate financial and human resources
- Partnerships with Government, universities, and development partners for technical support and research

ANNEXES

Annex I: Detailed Organogram



A. MEDF Head Office Structure



B. MEDF ZONE Structure

Annex II: Detailed SWOT Analysis

Key Result Area (KRA)	Strengths	Weaknesses	Opportunities	Threats
1. Loan Portfolio Management	• National footprint and recognized public mandate enable access to underserved client segments at scale. • Broad product menu (youth, women, MSME, agriculture) anchored by policy and procedural guidance. • Government sponsorship and policy alignment (MW2063 / MIP1 / NSFIIII) bolster legitimacy and demand.	• Elevated default/NPLs and weak repayment culture, reflecting exposure to climatesensitive livelihoods and uneven loan lifecycle controls. • Skewed portfolio toward agriculture heightens concentration and environmental risk; limited product balance across MSME segments. • Use of group lending methodology to manage risk. • Fragmented/partly manual MIS constrains realtime analytics, earlywarning signals, arrears management and portfolio reporting. • Limited risk management framework and weak credit information flows from other MFIs complicate underwriting and parallel borrowing detection. • Limited integration of business management training with loan provision • Nondeposittaking status restricts funding diversification, lengthens maturity mismatch, and constrains scale.	• Adoption of digital credit scoring, real-time loan tracking, and biometric KYC systems • Diversify into resilient MSME value chains (services, light manufacturing, urban microenterprises) to derisk concentration. • Blended finance, guarantees, and colending with banks/SACCOs to expand capital and share risk. • Climate-smart underwriting and weather/ index insurance to protect clients and stabilize PAR.	• Macroeconomic instability impacting loan servicing. • Weather-related risks affecting agriculture-based borrowers. • Data protection/cyber requirements raise compliance burden for weak legacy systems. • Intensifying competition from banks, MFIs and digital lenders on speed, UX and convenience. • Politicization of client expectations and interference in recovery erode credit discipline.

Key Result Area (KRA)	Strengths	Weaknesses	Opportunities	Threats
2. Inclusive Finance and Client Enterprise Development	• Wide outreach in rural and underserved areas • Inclusive and gender-responsive products for youth, women. • Proven grouplending methodologies tailored to informal livelihoods. • Strong public policy backing for empowerment and inclusion (MW2063, NSFIIII). • Experience working with marginalized and underserved populations	• Low financial capability among clients. • Limited integration of literacy and enterprise development into the core lending workflow. • Inadequate digital and lastmile channels to enroll, educate and support clients efficiently. • Weakness in collateral for groupbased lending - The groupbased lending model relies heavily on social collateral and joint liability, which often proves insufficient in safeguarding loan recovery.	• Government-backed economic empowerment initiatives (e.g., MW2063, youth and women empowerment strategies. • Embed tiered business management training into onboarding and aftercare; • Partnership with government and NGOs, local authorities, universities, and local media for scalable delivery.	• High unit cost of outreach and training in remote areas; • Poor infrastructure and connectivity increase delivery friction. • Sociocultural norms restricting participation of women and youth; • Misinformation that distorts product understanding. • Political interference in client recruitment and loan recovery.
3. Institutional Commercialization and Strategic Partnerships	• National brand recognition and a clear socioeconomic mandate create convening power with public and development actors. • Flagship lending experience (e.g., farm input schemes) demonstrates ability to execute at volume. • Emerging network of strategic partnerships.	• Limited privatesector engagement constrain cofinancing and scale. • Revenue model relies heavily on government capital.	• Blended finance, risksharing facilities and PPPs with banks, agribusinesses, fintechs and NGOs to crowdin capital and expertise. • Untapped markets in emerging sectors • Rising demand for financial services	• Political influence can deter private investors and reduce partnership depth. • Overreliance on government funding. • Competition from commercial banks and MFIs. • Regulatory and licensing barriers

Key Result Area (KRA)	Strengths	Weaknesses	Opportunities	Threats
4. Research and Innovation	• In-house ME&L and data collection structures. • Large longitudinal database of clients. • Strategic commitment to institutionalize R&I as a core function.	• Lack of integrated, realtime data systems • Inconsistent use of evidence in decisionmaking and product iteration. • Limited innovation governance (funding, pilots) and fragmented MIS hinder rapid testandscale cycles.	• Demand for integrated Monitoring, Evaluation, Research and Learning (MERL) systems. • Partnership with universities/thinktanks/ fintecs for cocreation. • Apply AI/advanced analytics, geospatial/ GIS and national ID integrations to sharpen risk screening and client segmentation.	• Rapid technological changes outpacing adoption. • Client needs evolving faster than product design cycles. • Data protection and cybersecurity compliance raise bar for systems and practices • Change resistance externally.
5. Climate-Smart Financing and Adaptation	• Dedicated loan products for agriculture and green enterprises. • Collaborations with agriculture service providers. • Institutional recognition of climate risk as a strategic priority.	• Limited inhouse climate finance expertise • Limited client awareness on resilience-building practices. • Fragmented collaboration with climate-focused agencies. • Minimal penetration of risktransfer instruments across portfolio.	• Climate financing mechanisms (e.g., Green Climate Fund). • Existence of meteorological services • Availability of insurance services (e.g., agricultural insurance, weather-index insurance, livestock insurance)	• Increased frequency and severity of floods, droughts and cyclones amplify correlated default risk. • High cost and limited availability of climate-resilient technologies • Limited client awareness and uptake of climate-smart practices

Key Result Area (KRA)	Strengths	Weaknesses	Opportunities	Threats
6. Institutional Capacity Development and Governance	• Clear governance structures (Board/ Committees) • Regular planning and review processes, and established audit/ compliance functions. • Comprehensive policy framework and alignment to publicsector governance and PFM standards.	• Skills gap in emerging areas such as digital transformation, ESG and green finance. • High operating and administrative costs • Delayed implementation of audit and internal control recommendations	• Alignment with government reforms in public financial management • Institutional strengthening support from partners/ shareholder. • Embedding Performance Contracts and Succession Planning.	• Bureaucratic inertia and resistance to change • Political interference affecting governance stability • Cybersecurity vulnerabilities and data protection risks • Resource constraints limiting institutional strengthening • Reputational risks resulting from fraud, misconduct, or audit findings.

Annex III: Monitoring, Evaluation & Learning Framework

MONITORING AND EVALUATION FRAMEWORK												
KEY RESULT AREA I	**LOAN PORTFOLIO MANAGEMENT**											
Objective	**Improve the quality, resilience, and sustainability of MEDF's loan portfolio**											
Strategic Outcome I	**Increased loan growth and market penetration**											
Outcome Target I	**Achieve sustainable loan portfolio growth of at least 18% per annum, with 100% constituency coverage**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Loan portfolio expanded and sustained	YoY loan value disbursed (MWK'million)	Total value of loans disbursed annually	115,748	105,352	100,000	140,000	170,000	200,000	Loan disbursement records; Financial statements; MIS reports	Monthly , Quarterly, Annual	Core banking/ MIS disbursement reports; Financial reporting templates	Operations
	Portfolio growth rate (%)	Percentage change in the total outstanding loan book compared to the previous year.	58%	66%	11%	18%	21%	20%	Portfolio balance reports; Annual financial statements	Quarterly, Annual	Portfolio performance dashboard; MIS analytics reports	Operations
	Portfolio value (MWK'million)	Total outstanding loan principal at the end of the reporting period.	141,203	235,000	262,000	310,000	375,000	450,000	Outstanding loan balance reports; Financial statements	Monthly, Quarterly, Annual	Core banking/MIS system; Portfolio balance reports	Operations
	Average loan size – small and medium loans (MWK'million)	Total value of small and medium loans disbursed divided by the total number of small and medium loans disbursed in the period.	105	105	105	105	105	105	Disbursement reports; Disbursement registers	Quarterly, Annual	Loan size calculation templates; MIS product reports	Operations
	Average loan size – micro loans (MWK'million)	Total value of micro loans disbursed divided by the total number of micro loans disbursed in the reporting period.	0.834	1	1	1	1	1	Micro-loan disbursement reports	Quarterly, Annual	Loan size analysis templates; MIS micro-loan reports	Operations
Women's agricultural financing expanded	% of agricultural loans disbursed to women	Share of total agricultural loan value going to female farmers.	0	0	40%	40%	40%	40%	Disbursement reports; Disbursement registers	Quarterly & Annual	Gender-disaggre-gated agricultural reporting tool; MIS analytics	Operations / Credit

Client outreach expanded	Number of clients reached	Count of unique clients who received at least one loan during the reporting period, regardless of loan type or product.	73,547	138,828	70,400	98,560	119,680	140,800	Client database; Loan origination system; MIS client records	Monthly, Quarterly, Annual	Client registry; MIS client analytics	Operations
	Client acquisition rate (%)	Percentage increase in new clients acquired within the reporting period	144%	89%	-49%	40%	21%	18%	Client onboarding records; Client master database	Quarterly, Annual	Client acquisition tracking tool; MIS trend analysis	Operations
	Number of active borrowers	Number of borrowers with outstanding loan balances at the end of the reporting period.	155,083	174,470	184,448	218,240	264,000	316,800	Loan account status reports; Portfolio aging schedules	Monthly, Quarterly, Annual	Core banking/MIS borrower status reports	Operations
	Rural client share (%)	Percentage of total clients residing in rural areas, based on nationally recognized district or Traditional Authority (TA) classifications.	72%	71%	60%	60%	60%	60%	Client demographic data; Address/ location records; MIS	Quarterly, Annual	Client profiling forms; Geographic classification matrix; MIS reports	Operations
	% of loans disbursed to youth	Percentage of total loan value disbursed to borrowers aged 18–35 years during the reporting period.	28%	17%	40%	40%	40%	40%	Client demographic records (age); Disbursement reports	Quarterly, Annual	Age-disaggregated loan reporting tool; MIS analytics	Operations
	% of loans disbursed to women	Percentage of total loan value disbursed to female borrowers across all sectors.	28%	58%	40%	40%	40%	40%	Client gender records; Disbursement reports	Quarterly, Annual	Gender-disaggregated portfolio reporting tool; MIS analytics	Operations
	Value of loans disbursed to persons with disabilities (MK'million)	Total value (in millions of Malawi Kwacha) of loans disbursed to clients identified as persons with disabilities during the reporting period.	89	175	500	700	850	1,000	Client self-identification records; Disbursement reports	Quarterly, Annual	Disability-disaggregated reporting template; MIS analytics	Operations

Strategic Outcome II	**Improved portfolio quality and performance**											
Outcome Target II	**Maintain a high-quality portfolio with PAR >30 ≤20%, Collection rate ≥85%, and NPL ≤10% by 2029/30**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Portfolio quality improved	Portfolio at Risk (PAR30)	% of the total outstanding loan balance that is overdue by more than 30 days.	38.90%	69.40%	20%	20%	20%	20%	Loan aging reports; Portfolio performance reports	Monthly, Quarterly, Annual	Core banking/MIS aging reports; PAR analysis dashboard	Operations
	Portfolio at Risk (PAR60)	% of the total outstanding loan balance that is overdue by more than 60 days.	34.30%	63.40%	15%	15%	10%	10%	Loan aging reports; Portfolio performance reports	Monthly, Quarterly, Annual	Core banking/MIS aging reports; PAR analysis dashboard	Operations
	Collection value (MWK'million)	Value of loans collected in particular year	51,000	61,000	100,000	154,000	180,000	220,000	Collections reports, Cash receipts records	Monthly, Quarterly, Annual	Collections performance tracker; MIS repayment reports	Finance
	Collection rate (%)	% of total repayments collected during a given period compared to the total amount due during the same period.	73%	57%	70%	70%	80%	85%	Repayment schedules; Collections reports; Cash receipts records	Monthly, Quarterly, Annual	Collections performance tracker; MIS repayment reports	Operations
	Optimal caseload per officer	Recommended number of active loan clients or accounts that each loan officer should manage to ensure operational efficiency, high service quality and healthy portfolio performance.	249	425	365	355	345	335	HR deployment records; Loan officer portfolio reports	Quarterly, Annual	Loan officer workload analysis tool; MIS officer performance reports	Operations
	Exposure per lending officer (min:max) (MK'miilion)	Range of total loan portfolio value (from minimum to maximum) managed by individual loan officer during a specific reporting period.	387:1,467	773: 885	500:1,000	500:1,001	500:1,002	500:1,003	Officer-level portfolio allocation reports; MIS portfolio data	Monthly, Quarterly, Annual	Officer exposure analysis template; MIS officer portfolio dashboard	Operations
	Client retention rate (%)	Percentage of clients who borrowed during the previous period and continued to borrow in the current period.	9.87%	10.08%	12%	30%	30%	30%	Client borrowing history; Loan cycle records	Quarterly, Annual	Client retention analysis tool; MIS client cohort reports	Operations

NPL reduced	NPL ratio (%)	Percentage of the loan portfolio classified as non - performing, generally comprising loans overdue 90 days or more.	29.6%	55.5%	30%	20%	10%	10%	NPL classification reports; Loan aging schedules	Monthly, Quarterly, Annual	MIS NPL reports; Regulatory classification templates	Credit
	Restructured loan ratio (%)	Share of loans that have been restructured, renegotiated, rescheduled, or modified to prevent default relative to the total loan portfolio.	1%	5%	20%	15%	10%	5%	System reports	Monthly	Loan Repayments Report	Credit
Recovery strengthened	Recovery rate (%)	Percentage of overdue loans that have been successfully recovered.	53%	40%	40%	60%	75%	85%	System reports	Monthly	Loan Repayments Report	Credit
	Average recovery time (days)	Average number of days taken to fully recover overdue loans from the point they first enter default status.	12-18 Months	10 Months	9 Months	8 Months	7 Months	6 Months	System reports	Quarterly	Loan Repayments Report	Credit
	% of loans with secured collateral	Percentage of total loans disbursed that are supported by secured collateral.	5%	15%	20%	25%	30%	40%	System reports	Monthly	Loan Book	Credit
	Legal recovery success rate (%)	Percentage of legal recovery cases that are resolved successfully in favour of MEDF, resulting in repayment or enforceable judgment.	—	50%	60%	70%	75%	80%	Legal case management system; Court rulings; Recovery reports	Quarterly	Case tracking logs; Court judgment files; Recovery reports	Legal
Insurance expanded	% of loans bundled with insurance (credit life and collateral)	Proportion of total loans disbursed during the reporting period that include an insurance component such as credit life, collateral insurance as part of the loan package.	90%	90%	95%	95%	95%	95%	System reports	Monthly	Disbursement and Loans Paid Report	Credit
	% of agri-loans insured	Percentage of agricultural loans that are covered by any form of insurance (e.g., crop insurance, weather-index insurance, livestock insurance).	2.7%	3%	20%	30%	40%	50%	System reports	Monthly	Disbursement and Loans Paid Report	Credit

Strategic Outcome III	A more diversified and inclusive loan portfolio												
Outcome Target III	**Ensure portfolio diversification with a balanced loan and sectoral distribution by 2029/30**												
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Diversified loan products developed and rolled out	Number of differentiated loan products available	Count of loan products differentiated by client segment, size, tenure, or delivery modality and formally offered to clients	26	26	8	8	8	8	System Report	Monthly	Disbursement Report	Credit
Loans disbursed through group based lending	Share of loans disbursed through group-based lending (%)	Percentage of total loan value disbursed through group-based lending mechanisms compared to individual lending for that year	66%	86%	70%	70%	70%	70%	System Report	Monthly	Disbursement Report	Credit
Balanced loan size structure established	Loan size mix (% micro, small, medium)	Distribution of the loan portfolio by size category expressed as a percentage of total outstanding loans for that year	96:03:01	54:44:02	70:20:10	70:20:10	70:20:10	70:20:10	System Report	Monthly	Disbursement Report	Credit
Flexible loan tenure options operational	Loan tenure mix (% short-, medium-, long-term)	Distribution of the loan portfolio by loan duration category as a percentage of total outstanding loans	71:26:03	87:12:01	70:20:10	70:20:10	70:20:10	70:20:10	System Report	Monthly	Disbursement Report	Credit
Sectorally diversified portfolio achieved	Sectoral concentration ratio (Top 3 sectors)	Year-on-year percentage of the total loan portfolio concentrated in the top three sectors(Agriculture, Service and Manufacturing), used to assess concentration risk and identify over-exposure to specific sectors.	56.94% Agricul-ture,3.44% Ser-vice,0.55% Manufac-turing and 39.07% Others	76.67% Agricul-ture,4.08% Ser-vice,0.20% Manufac-turing and 19.06% Others	30% Agricul-ture,50% Ser-vice,10% Manu-facturing and 10% Others	30% Agricul-ture,50% Service,10% Manufac-turing and 10% Others	30% Agricul-ture,50% Service,10% Manufac-turing and 10% Others	30% Agricul-ture,50% Service,10% Manufac-turing and 10% Others	CBS disbursement report	Monthly, Quarterly & Annually	Disbursement report	Planning
	Portfolio at Risk (PAR) by Sector (%)	Measures the proportion of outstanding loan balances within a specific economic sector that are overdue beyond 30 days	-	-	20% for each key sector	20% for each key sector	20% for each key sector	20% for each key sector	CBS Loan Book	Monthly, Quarterly & Annually	Loan book report	Planning

KEY RESULT AREA II	**INCLUSIVE FINANCE AND CLIENT ENTERPRISE DEVELOPMENT**											
Objective	**Expand access to affordable financial services and enterprise support for underserved Malawians (women, youth, PWDs, rural MSMEs)**											
Strategic Outcome I	**Access to MEDF financial services increases among rural populations, women, youth, and PWDs**											
Outcome Target I	**By 2029/30, ensure women ≥40%, youth ≥40%, PWDs ≥0.66% of borrowers, and at least 70% of rural clients access MEDF services**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Tailored financial products introduced	Number of new tailored financial products launched	Count of new loan products designed and formally approved	2	0	2	0	0	0	Credit product manual, Board approval minutes	Annually	Board approval forms/minutes	Credit
	% of products targeting youth, graduates, rural women groups	Proportion of newly developed/ existing financial products that are specifically designed to meet the needs of youth, graduates, and rural women groups during the reporting period	16%	16%	38%	38%	38%	38%	System Reports	Annually	Disbursement report	Credit
Inclusive client mix strengthened	% of clients who are women	Proportion of total active borrowers who are female within the reporting period.	31%	37%	40%	40%	40%	40%	System reports	Monthly	Disbursement Report	Operations
	% of clients who are youth (18–35)	Proportion of all active borrowers who are aged 18–35 years.	22%	24%	40%	40%	40%	40%	System reports	Monthly	Disbursement Report	Operations
	% of clients who are persons with disabilities	Percentage of total borrowers who identify as persons with disabilities during the reporting period.	0.08%	0.12%	0.35%	0.61%	0.76%	0.90%	System reports	Monthly	Disbursement Report	Operations
	Number of women engaged in cross boarder trade	The total number of women who actively participate in export of good and services within a specified reporting period.	-	-	300	360	450	585	System reports	Annually	Disbursement report	Operations
Access to finance for graduating trainees improved	Number of graduating trainees supported	Number of graduating trainees accessed loans in reporting period	-	-	2000	2000	2500	3000	System reports	Quarterly, Annual	Disbursement report	Operations
	% of youth start-up groups financed	The total share of youth-led start-up groups that receive financial support. ((Total number of youth start up loans/ Total number of youth accessed the loan in a specific period)x 100)	-	-	80%	80%	70%	70%	System reports	Quarterly, Annual	Disbursement report	Operations

Geographic penetration enhanced	Urban–Rural Loan Value Ratio	The ratio of the total monetary value of loans disbursed in urban areas compared to rural areas within a given period	"43:57	"37:63	"35:65	"34:66	"30:70	"30:70	System reports	Quarterly	Disbursement Report	Operations
	Urban–Rural Loan Client Ratio	The ratio of the number of clients who accessed loans in urban areas compared to rural areas within a given period	"37:63	"38:62	"34:66	"32:68	"30:70	"30:70	System reports	Quarterly	Disbursement Report	Operations
Strategic Outcome II	**Clients demonstrate improved financial management, repayment discipline, and business practices**											
Outcome Target II	**Achieve ≥80% on-time repayment among trained clients and reduce arrears and complaints by at least 6% and 25% respectively by 2029/30**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Clients trained in financial literacy	Number of financial literacy or business management trainings conducted	Total number of structured financial literacy or business management training sessions delivered and completed during the reporting period.	733	1,625	756	764	771	779	Training plans; Training completion reports	Quarterly, Annual	Training activity register; Session completion forms; Facilitator reporting template	Operations
	Number of clients trained	Total number of clients who attend and complete at least one structured financial literacy or business management training session.	73,547	138,828	70,400	98,560	119,680	140,800	Training attendance registers; Participant lists; Training completion records	Quarterly, Annual	Attendance registers; Participant enrollment forms; Training database	Operations
Training completion tracked	Training completion rate (%)	Percentage of clients enrolled in a training program who complete all required training modules. (Completed ÷ Enrolled × 100)	75%	78%	80%	90%	90%	90%	Enrollment records; Completion certificates; Attendance logs	Quarterly, Annual	Training completion tracker; Attendance and module completion checklist	Operations
	Average post-training assessment score	The mean score obtained by trained clients on standardized assessments administered after training, covering budgeting, record-keeping, business planning, and loan repayment knowledge.	75%	80%	85%	90%	90%	90%	Post-training test results; Assessment score sheets	After each training cycle; Quarterly summary	Standardized post-training assessment tools; Scoring templates; Digital survey tools	Planning

Improved client practices reinforced	% of trained clients maintaining basic records	Percentage of trained clients who consistently keep basic financial records (e.g., sales, expenses, cash flow, inventory) as verified during monitoring visits or audits.	50%	55%	70%	80%	80%	90%	Monitoring visit reports; Client record reviews; Audit/spot-check reports	Semi-annual, Annual	Client record-keeping verification checklist; Monitoring visit forms	Planning
	% of trained clients meeting repayment schedules	Percentage of trained clients who make all scheduled repayments on time during the reporting period.	54%	30%	60%	70%	80%	80%	Loan repayment schedules; Portfolio performance reports; Client loan accounts	Monthly (moni-toring), Quarterly, Annual	Core banking/MIS reports; Repayment tracking dashboard	Operations
Client behavior improvement monitored	Arrears rate among trained clients (%)	Percentage of trained borrowers whose loan accounts are overdue by 1–30 days at the end of the reporting period.	9%	70%	7%	5%	5%	5%	Portfolio at Risk (PAR) reports; Loan aging schedules	Monthly, Quarterly, Annual	Core banking/MIS system; Loan aging analysis reports	Planning
	Client complaint rate (%)	Percentage of formal complaints submitted by trained clients relative to the total number of trained clients. (Complaints ÷ Trained Clients × 100)		60%	40%	30%	20%	10%	Complaints register/report	Quarterly, Annual	Client complaints management system; Complaints log and resolution tracker	Commercial Services
Post-support enterprise strengthening monitored	First-loan default rate (%)	Percentage of first-time MSME borrowers who default on their first loan	70%	60%	30%	25%	20%	15%	System reports	Quarterly	Loan Book	Credit

Strategic Outcome III	Public awareness and utilization of MEDF services increase nationwide, especially in rural areas											
Outcome Target III	**Achieve public awareness of MEDF services of at least 70% of surveyed adults by 2029/30**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Outreach campaigns conducted	Number of IEC materials distributed	Total number of information, education, and communication (IEC) materials such as flyers, posters, brochures, fact sheets distributed to the public through campaigns and field events.	4,000	20,000	20,000	20,000	6,000	6,000	Campaign Reports	Quarterly	Campaign Reports	Commercial Services
	Number of radio/TV outreach slots aired	Total count of radio and television programmes, jingles, interviews, or awareness messages aired to promote MEDF services.	300	2,000	2,000	1,000	1,000	500	Campaign Reports	Quarterly	Campaign Reports	Commercial Services
	Number of local languages used in outreach	Year-on-year number of distinct local languages used in IEC materials or broadcast content to promote inclusiveness and improve audience comprehension.	4	7	7	8	8	9	Campaign Reports	Quarterly	Campaign Reports	Commercial Services
Digital and partner channels leveraged	Share of outreach delivered through digital (%)	Percentage of outreach activities delivered through digital platforms (SMS, social media, websites), radio, or partner institutions.	60%	70%	80%	90%	100%	100%	Digital Channels Reports	Quarterly	Digital Channels Reports	Commercial Services
	Conversion rate from outreach to service uptake (%)	Percentage of individuals reached through outreach who apply for or access MEDF services within six months of exposure.		60%	70%	80%	80%	80%	Digital Channels Report and Operations Report	Quarterly	Digital Channels Report and Operations Report	Commercial Services
Public awareness assessed and tracked	Public awareness rate (%)	Percentage of surveyed adults nationwide who recognize MEDF and can correctly identify at least one MEDF product or service.	-	70%	80%	90%	95%	95%	Survey Reports	Annually	Survey Reports	Commercial Services
	% of information requests resolved	Proportion of public inquiries (walk-ins, phone calls, email, social media, and ATI requests) responded to and resolved within established service standards.	-	60	70	80	90	95	Complaints Report	Quarterly	Complaints Report	Commercial Services

Strategic Outcome IV	**MEDF beneficiaries experience improved incomes and increased employment opportunities**											
Outcome Target IV	**Support the creation of at least 870,356 net new jobs and achieve ≥20% average income growth among beneficiaries by 2029/2030**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Job creation supported	Number of secondary jobs created	Indirect employment opportunities generated as a result of economic activities stimulated by MEDF-financed enterprises or farmers.	165,151	150,318	142,681	199,754	242,558	285,363	Business performance surveys; Baseline & follow-up interviews; Portfolio monitoring system	Quarterly (moni-toring); Annual (reporting)	Enterprise job-creation monitoring form; FTE job calculator template; Follow-up survey questionnaire	Planning
Beneficiary livelihoods monitored	Beneficiaries reporting improved livelihoods (%)	Percentage of beneficiaries reporting improvements in income stability, food security, business resilience, or overall living conditions as measured through structured livelihood surveys.	-	-	30%	40%	50%	60%	Livelihood survey data; Household/ enterprise follow-up surveys; Monitoring reports	Annual	Structured livelihood improvement questionnaire	Planning
Youth and women employment promoted	Youth and women job creation share (%)	Percentage of total secondary jobs created attributable to enterprises owned or managed by youth (18–35) and women, indicating inclusiveness in employment outcomes.	-	-	60%	70%	75%	80%	Enterprise monitoring reports; Beneficiary registration data (age and gender); Job tracking surveys	Annual	Job-creation tracking tool with gender/age disaggregation; Follow-up survey questionnaire	Planning

KEY RESULT AREA III	INSTITUTIONAL COMMERCIALIZATION AND STRATEGIC PARTNERSHIPS											
Objective	**Strengthen MEDF's financial sustainability, operational efficiency, and institutional relevance through commercialization, strategic partnerships and innovation**											
Strategic Outcome	**MEDF attains enhanced financial sustainability, diversified revenue streams and strengthened institutional credibility through commercially viable products, strategic partnerships and digital transformation**											
Outcome Target	**Achieve at least 11% of total revenue generated from commercial products, non-government capital mobilisation increases substantially, and reliance on public funding reduces by at least 48% from baseline by 2029/2030**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Improved revenue performance and diversified revenue streams	Total institutional revenue (MWK)	Total gross revenue generated from lending operations, investments, service fees, commissions, and strategic partnerships during the reporting period.	38,876	53,646	51,972	56,209	68,194	80,017	General ledger; Audited financial statements; Management accounts	Monthly (manage-ment), Quarterly, Annual	Accounting system (GL); Revenue reports; Financial statements	Finance
	Loan revenue growth rate (%)	Year-on-year percentage increase in revenue earned from the loan portfolio.	34%	38%	-3%	8%	21%	17%	Loan interest income reports; Prior-year financial statements	Quarterly, Annual	Loan revenue analysis template; Financial trend analysis reports	Finance
	Portfolio yield (%)	Interest income earned from the loan portfolio expressed as a percentage of the average outstanding portfolio value, measuring lending profitability and efficiency.	19%	22%	25%	25%	28%	28%	Interest income reports; Portfolio balance reports; Financial statements	Quarterly, Annual	Portfolio yield calculation template; MIS financial analytics	Finance
	% of revenue from non-loan streams	Proportion of total revenue derived from non-loan income sources such as investments, commissions, fees, insurance-linked products, and partnerships.	2%	2%	2%	2%	2%	2%	Income breakdown reports; Investment and fee income records	Quarterly, Annual	Revenue composition analysis tool; Income segmentation reports	Finance
Capital mobilization and revolving fund mechanisms strengthened	Number of funding proposal developed	Counts the total number of fully developed and completed funding or grant proposals prepared within the reporting period, including concept notes and full proposals drafted for resource mobilization.	-	-	1	1	1	1	Proposal Register; Submission Records	Annual	Proposal Development Log; Submission Tracker	Planning

	Revolving fund capitalization rate (%)	Percentage of loan repayments recycled into new lending relative to total available loan capital, indicating the sustainability of the revolving fund mechanism.	20%	13%	28%	34%	42%	50%	Loan repayment records; Revolving fund balances; Portfolio reports	Quarterly, Annual	Revolving fund tracking template; Portfolio recycling analysis tool	Finance
	% reduction in reliance on public funding	Decline in the share of government funding as a proportion of total institutional financing compared to the baseline year.	63%	62%	56%	50%	45%	40%	Funding source records; Government subvention reports; Financial statements	Annual	Funding mix analysis template; Financing source tracker	Finance
Financial efficiency and resource utilization optimized	Cost-to-income ratio (%)	Total operating expenses divided by total operating income, indicating operational efficiency.	83%	80%	75%	72%	72%	70%	Operating expense reports; Revenue reports; Financial statements	Quarterly, Annual	Cost-to-income calculation template; Financial ratio dashboard	Finance
	Profitability growth (%) YoY	Year-on-year percentage increase in net surplus, reflecting financial improvement and efficiency.	-50%	23%	24%	33%	36%	40%	Net surplus/ deficit reports; Prior-year financial statements	Annual	Profitability trend analysis tool; Financial ratio reports	Finance
Institutional financial sustainability and efficiency strengthened	Net profit margin (%)	Net surplus (or deficit) divided by total revenue, expressing profitability.	1.0%	0.9%	3.1%	5.1%	6.1%	9.2%	Income statement; Audited financial statements	Quarterly, Annual	Profit margin calculation template; Financial performance dashboard	Finance
	Return on Assets (ROA) (%)	Net surplus divided by total assets; measures overall institutional efficiency.	0.3%	0.2%	0.5%	0.9%	1.0%	1.6%	Balance sheet; Income statement; Asset registers	Quarterly, Annual	ROA computation template; Financial ratio analysis reports	Finance
	Return on Equity (ROE) (%)	Net surplus divided by total equity; measures how effectively MEDF uses its capital base.	0.2%	0.2%	0.5%	0.8%	1.0%	1.5%	Equity statements; Income statement; Audited accounts	Quarterly, Annual	ROE calculation template; Financial ratio dashboard	Finance
	Debt-to-Equity Ratio	Ratio of total liabilities to total equity, reflecting the institution's level of financial leverage and risk exposure.	4.7%	3.0%	2.1%	0.7%	0.0%	0.0%	alance sheet; Loan and liability schedules	Quarterly, Annual	Leverage ratio computation template; Financial risk dashboard	Finance

Market penetration and brand positioning enhanced	Public perception index (%)	Composite score measuring stakeholder perceptions of MEDF credibility, product quality, transparency and innovation.	0%	50%	60%	70%	80%	80%	Survey Reports	Annually	Survey Reports	Commercial Services
	Number of positive media and stakeholder engagements	Count of favorable media reports, public forums, interviews, and stakeholder engagements occurring during the reporting period.	0%	20%	30%	40%	40%	40%	Departmental reports	Annually	Departmental reports	Commercial Services
	Brand visibility score	Rating based on frequency and reach of MEDF's media presence, outreach campaigns, and public mentions.	0%	90%	80%	80%	90%	90%	Survey Reports	Annually	Survey Reports	Commercial Services
Strategic partnerships formalized and operationalized	Number of new formalized strategic partnerships	Count of newly signed and active Memorandum of Understanding (MoUs) or partnership agreements with banks, NGOs, agribusinesses, fintechs, investment entities, and other stakeholders.	10	4	3	2	1	0	Partnership Register	Annual	Signed Agreements Repository	Credit
	Number of strategic MoUs reviewed and updated	Total number of existing MoUs assessed and renewed, updated, or renegotiated during the reporting period to strengthen relevance and implementation effectiveness.	8	8	12	15	17	18	Partnership Review Reports	Annual	MoU Review Checklist; Updated MoU Files	Credit
	% of partnerships operationalized	Proportion of signed partnerships with active joint activities such as co-lending, training, technical support, client mobilization, or data-sharing. (Operationalized ÷ Total partnerships × 100)	70%	100%	100%	100%	100%	100%	Activity Reports; Joint Implementation Logs	Quarterly	Partnership Operationalization Tracker	Credit
	Number of joint projects/programs implemented	Total number of collaborative programs or initiatives executed with strategic partners within the reporting period.	1	4	4	4	4	4	Joint Program Reports	Bi-Annual	Program Implementation Reports	Credit

Digital platforms and customer-centric delivery systems institutionalized	Average loan processing turnaround time (days)	Average number of calendar days from application submission to loan approval or rejection. Measures efficiency and customer satisfaction.	60	55	21	21	21	21	Loan application registers, Client files and approval documents	Monthly, Quartery	Loan Processing System Logs, Loan Application Tracking System, Workflow Management Dashboard, Manual Verification Checklist	Operations
	Digital transaction share (%)	Proportion of loan repayments completed through digital channels (mobile money, online banking, agency banking, etc.).	20%	40%	50%	50%	70%	90%	System Report	Monthly	Core Banking System Reports, Digital Payments Dashboard, Mobile Money Transaction Reports, Agency Banking System Logs	ICT
	Client satisfaction score (%)	Percentage score from structured client satisfaction surveys evaluating service quality, communication, transparency, and trust.	0%	60%	65%	70%	75%	80%	Client Satisfaction Survey Data	Annual	Structured Client Satisfaction Questionnaire	Operations
	Client complaint resolution rate (%)	Percentage of client complaints resolved within approved service-level agreement (SLA) timelines.	0%	70%	100%	100%	100%	100%	Complaints report	Quarterly	Complaints Report	Commercial Services
	Average complaint resolution time (days)	Average number of days taken to resolve registered client complaints from the time they are logged.	-	2	7	7	7	7	Complaints report	Quarterly	Complaints Report	Commercial Services

KEY RESULT AREA IV	RESEARCH AND INNOVATION											
Objective	**Strengthen MEDF's institutional performance and development impact through structured innovation and evidence-based research**											
Strategic Outcome I	**Innovation capacity and uptake are strengthened**											
Outcome Target I	**MEDF pilots at least 6 innovative solutions, successfully scales 74% of tested innovations, and achieves measurable improvements in service efficiency and client experience by 2029/2030**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Innovation systems and governance institutionalized	% of innovation initiatives following stage-gate process	Share of innovation initiatives adhering to defined stages (concept → pilot → evaluation → scale/exit)	0%	25%	50%	75%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Innovation governance compliance rate (%)	Proportion of initiatives reviewed and cleared by governance (risk, legal, data protection, client protection) before pilot/ scale	0%	25%	100%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Ethical/Client Protection compliance (%)	% of innovations assessed for affordability, transparency, fairness, and client protection before rollout	50%	75%	100%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
Innovative solutions piloted, evaluated, and scaled	Number of innovation pilots implemented	Count of pilots (products, delivery models, digital tools, climate-smart finance, process innovations) commenced in the period	0	3	6	6	6	6	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Innovation scale-up rate (%)	Share of completed pilots that transition to full institutional scale	0%	30%	50%	75%	80%	90%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Average time from pilot to scale (months)	Average duration from pilot completion to scale decision	0	6:12	6:12	6:12	6:12	6:12	ICTmonthly/ quartaly/ annual reports, Feedback logs; Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Product uptake (conversion) rate (%)	Share of prospects exposed to the innovation who take up the product within a defined window	0%	50%	75%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT

Digital and process innovations deployed	% of loan processes digitized	Share of loan steps (origination, appraisal, disbursement, servicing, repayment) executed digitally	50%	50%	75%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	% of loan applications processed digitally	Percentage of total loan applications submitted, assessed, and approved through digital systems (USSD, mobile apps, online platforms, or branch-based digital interfaces).	50%	50%	75%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	% increase in client access via digital channels	Change in active clients using USSD/app/web vs baseline	15%	25%	40%	50%	60%	75%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Reduction in average service TAT (%)	Reduction in average processing time attributable to innovation	25%	50%	75%	100%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	% of business processes automated	Share of priority processes automated via workflow/RPA	0%	25%	50%	75%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
	Straight-through processing rate (%)	Share of applications processed end-to-end without manual intervention	0%	25%	50%	75%	100%	100%	ICTmonthly/ quartaly/ annual reports, Feedback logs and Innovation rollout records	Quartely	1.User rquirements gathering workshops 2.UATs 3.Questionaire	ICT
Client-centered and responsible innovation embedded	Client satisfaction improvement rate (%)	% increase in client satisfaction/NPS after innovation rollout			60%	70%	75%	80%	Client satisfaction/NPS survey results; CRM/service desk feedback logs; Innovation rollout records	Annual (reporting)	Client satisfaction/ NPS questionnaire; Post-implementa-tion survey; Data extraction template from CRM	Planning
	% of innovations co-created or user-tested	Share of innovations developed with client/user feedback, prototypes, or usability tests	-	25%	60%	70%	75%	100%	System user logs	Quartely	System Compliance Assessment Checklist, Security Baseline Configuration Checklist, Incident & Non-Compliance Log	ICT

ICT infrastructure and digital capabilities strengthened	System uptime/ availability (%)	% time core ICT systems are operational and accessible	80%	95%	96%	96%	98%	99%	1.Server Logs 2.Network Monitoring tool	Monthly	Server Log Reports, Network Monitoring Dashboard	ICT
	% of ICT infrastructure upgraded	Completion of planned upgrades vs roadmap	50%	60%	70%	80%	95%	98%	1. Asset Register	Quartely	Asset Register Verification Tool, ICT Upgrade Tracking Form	ICT
	ICT incident resolution rate within SLA (%)	percentage of ICT system issues resolved within Service Level Agreement (SLA) timeframes.	60%	70%	75%	80%	95%	100%	Help desk system	Monthly	Helpdesk Ticketing System, Incident Resolution Tracker	ICT
	ICT user satisfaction index	Overall level of satisfaction among system users regarding ICT services, infrastructure, support and digital tools.	0%	50%	75%	90%	100%	100%	System user logs	monthly	User Satisfaction Survey, System Usage Logs, Feedback Forms	ICT
	Network availability and connectivity performance (%)	Availability and consistency of internet and internal network connections across all offices or service points.	80%	90%	95%	95%	98%	99%	Network Monitoring tool	Monthly	Network Monitoring Tool, Connectivity Performance Dashboard	ICT
	Data quality score (%)	% of records passing validation (completeness, accuracy, consistency)	50%	60%	75%	90%	100%	100%	1. system logs	monthly	Data Validation Checklist, System Logs, Data Quality Assessment Tool	ICT

Strategic Outcome II	**Research informs decision-making and learning**												
Outcome Target II	**Research evidence informs at least 70% of major policies and product decisions, and MEDF produces and disseminates annual research outputs influencing institutional practice and sector dialogue by 2029/2030**												
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Research and analytics institutionalized	Research and Development policy approved and R&D policy implementation compliance	Existence and implementation of a formally approved institutional Research & Development (R&D) policy that guides research governance, quality assurance, ethics, and standards.	0	0	Policy Approved and opera-tional	100 % compliance	100 % compliance	100 % compliance	Approved R&D policy document; Implementation reports	Annual	Policy approval documentation; R&D implementation checklist	Planning
	Approved institutional research agenda	Existence of a formally approved and annually updated research agenda aligned to MEDF strategic priorities, portfolio risks, product development needs, and monitoring requirements.	0	0	1	1	1	1	Institutional research agenda document	Annual	Research agenda approval form / document review checklist	Planning
	Number of research studies conducted	Total number of completed and approved research products, including market studies, client surveys, impact evaluations, diagnostics, pilots, or operational research finalized during the reporting year.	1	1	4	2	2	2	Research reports; Study completion records	Biannual/ Annual	Research study tracking template	Planning
	% of research studies completed as planned	Proportion of planned studies in the approved annual research plan completed within the planned timeframe. (Completed ÷ Planned × 100)	0	0	75%	90%	90%	95%	Research workplan; Completion reports	Annual	Research plan tracking tool	Planning
	Research quality compliance rate (%)	Percentage of studies meeting institutional standards for methodology, ethics, data protection, and peer review. (Compliant ÷ Total studies × 100)	0	100%	100%	100%	100%	100%	Research quality review reports	Annual	Research quality assessment tool / compliance checklist	Planning

Evidence integrated into decision-making	% of major decisions informed by research	Proportion of management, Board, policy, product, or operational decisions referencing research findings, analytics, evaluations, or evidence in formal decision records.	-	-	100%	100%	100%	100%	Board minutes; Management meeting minutes; Decision memos	Annual	Evidence-use verification form / decision-tracking template	Planning
	Number of products or policies redesigned using research	Count of institutional policies, loan products, or delivery mechanisms revised based on research recommendations.	-	-	8	1	1	1	Policy revision records; Product design documents	Annual	Policy/product redesign tracking form	Planning
Data systems and analytics strengthened	Functional M&E system and analytics dashboards deployed	Availability and institutional use of M&E systems providing real-time analytics on portfolio performance, client segments, processes, efficiency and outcomes.	-	-	M&E System Available and opera-tional	Operational	Operational	Operational	System deployment report; IT system documentation	Annual	System functionality checklist	Planning
	Data quality compliance rate (%)	Percentage of data records meeting the required standards of accuracy, completeness, timeliness, and consistency as assessed through regular data quality audits.	50%	60%	80%	100%	100%	100%	Data quality audit reports	Annual	DQA tool (Data Quality Assessment checklist)	Planning
	Frequency of management use of M&E system/ dashboards	Number of formal Board or senior management meetings where dashboards or analytical reports are referenced to guide decisions.	-	-	4	4	4	4	Board/ management meeting minutes	Quarterly / Annual	Meeting minutes review template	Planning
	% of staff trained in data literacy and analytics	Proportion of operational, management, and zonal staff trained in data interpretation, dashboard use, and basic analytics. (Trained ÷ Total staff × 100)	-	-	100%	100%	100%	100%	Training records; HR training reports	Annual	Training attendance registers	ICT
	Automated analytics coverage (%)	Percentage of key indicators automated through dashboards (portfolio, efficiency, client segments, product performance).	-	-	100%	100%	100%	100%	Dashboard system reports	Annual	System automation checklist	ICT

Knowledge dissemination and learning enhanced	Number of research and learning products disseminated	Count of research reports, policy briefs, learning notes, dashboards and evidence summaries disseminated internally or externally.	-	-	4	1	1	1	Dissemination reports; Knowledge management logs	Annual	Dissemination tracking form	Planning
Research governance and partnerships strengthened	Number of research partnerships established and reviewed	Count of active research collaborations with universities, think tanks, consultants, regulators, or development partners supporting analytics, impact evaluations, or joint studies.	-	-	2 part-nerships established		Partnership Reviewed	Partnership Reviewed	MoUs; Partnership agreements	Annual	Partnership register	Planning
	% of partnership research delivered on time	Share of joint studies completed according to agreed timelines.	-	-	80%	80%	80%	80%	Partner progress reports	Annual	Research delivery tracking tool	Planning
	Partner satisfaction score (%)	Feedback score from collaboration partners assessing coordination, quality and timeliness of research delivered with MEDF.	-	-	100%	100%	100%	100%	Partner satisfaction surveys	Annual	Partner satisfaction questionnaire	Planning

KEY RESULT AREA V	**CLIMATE-SMART FINANCING AND ADAPTATION**												
Objective	**Mainstream climate resilience and adaptation into MEDF financing, operations, and partnerships to safeguard livelihoods, strengthen portfolio performance, and align with national and global climate priorities**												
Strategic Outcome I	**Climate risk is mainstreamed into MEDF financing and portfolio management**												
Outcome Target I	**100% of agricultural and MSME loans undergo climate risk screening, and climate-related portfolio losses reduce by at least 10% from baseline by 2029/2030**												
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**	
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**					
	Standardized climate risk screening guidelines are operational	Formal, consistent and approved procedures in place for identifying, assessing and categorizing climate-related risks	0	0	Guidelines Approved and opera-tional	100%	100%	100%	Approved Climate Risk Screening Guidelines	Quarterly / Annual	Document Review Checklists	Risk and Compliance	
Climate risk screening embedded in credit processes	% of loans screened for climate risk	Share of loan applications assessed using MEDF standardized climate risk screening guidelines prior to approval.	50%	50%	100%	100%	100%	100%	Loan application files; Climate Risk Screening Database; Credit MIS	Quarterly	Standardized climate risk screening checklist; loan appraisal form; MIS reports	Risk and Compliance	
	Coverage of climate-vulnerable areas in screening (%)	% of loans from high-risk geographic zones subjected to enhanced climate screening protocols.	100%	100%	100%	100%	100%	100%	GIS-based climate risk maps; loan portfolio by geography; screening logs	Quarterly	Geographic risk classification tool; enhanced screening checklist; portfolio reports	Risk and Compliance	
	Quality compliance of climate screening (%)	% of screening assessments rated compliant with established methodology and documentation standards.	55%	65%	100%	100%	100%	100%	Internal compliance review reports; audit files	Semi-annual	Climate screening quality assurance checklist; internal audit review tool	Risk and Compliance	
Climate risk monitoring strengthened	Climate-related portfolio loss rate (%)	Share of total portfolio losses directly attributable to climate hazards (droughts, floods, cyclones, landslides, heatwaves).	30%	10%	0%	0%	0%	0%	Portfolio perfor-mance reports; Write-off and impairment registers; Disaster impact assess-ments	Semi-annual, Annual	Portfolio loss analysis template; Climate loss attribution framework; MIS analytics	Risk and Compliance	
	PAR30 for climate-exposed portfolio (%)	Portfolio at risk >30 days for loans in climate-sensitive value chains or geographies.	20%	≤50%	40%	30%	20%	10%	Portfolio at Risk (PAR) reports; Loan aging schedules; Sector exposure reports	Monthly, Quarterly	Core banking/MIS system; Climate exposure tagging tool	Risk and Compliance	
	Climate stress-testing conducted (Yes/No)	Annual climate stress test applied to portfolio to assess resilience under extreme weather scenarios.	Yes	Yes	Yes	Yes	Yes	Yes	Stress-testing reports; Sce-nario analysis documentation; Management reports	Annual	Climate stress-testing model; Scenario simulation tool; Extreme weather assumptions matrix	Risk and Compliance	

Climate risk governance institutionalized	Climate risk policy / framework approved	Existence of an approved institutional climate risk management and ESG compliance framework.	Yes	Yes	Yes	Yes	Yes	Yes	Board resolutions; Approved policy documents; ESG framework files	Annual (or upon revision)	Policy approval checklist; Governance compliance tracker	Risk and Compliance
	ESG compliance rate (%)	Proportion of loans screened for environmental and social (E&S) risks per the ESG checklist.	-	-	100%	100%	100%	100%	ESG screening records; Loan files; Environmental & Social risk registers	Quarterly	ESG screening checklist; E&S risk categorization tool; MIS reports	Risk and Compliance
	Environmental compliance audit score (%)	Rating of institutional adherence to environmental safeguards and regulatory standards.	100%	100%	100%	100%	100%	100%	Internal audit reports; External audit findings; Regulatory compliance reviews	Annual	Environmental compliance audit tool; Safeguards assessment framework	Risk and Compliance
Staff capacity on climate risk strengthened	Number of staff trained in climate risk assessment	Count of credit, risk, and operations staff trained/certified in climate screening and portfolio climate-risk methodologies.	80%	30%	100%	100%	100%	100%	Training attendance registers; HR training records; Certification logs	Semi-annual, Annual	Training registers; HR information system (HRIS); Certification records	Risk and Compliance
Strategic Outcome II	**Uptake of climate-smart and green investments increases**											
Outcome Target II	**At least 50% of agricultural borrowers finance Climate-Smart Agriculture (CSA) investments, and 85% of MEDF total portfolio is classified as green by 2029/2030**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
CSA and green financing products deployed	Value of CSA and green loans disbursed (MWK'million)	Total loan value supporting CSA, renewable energy, energy efficiency, waste recycling, water harvesting, agroforestry, and nature-based solutions.	20,000	76,000	30,000	42,000	51,000	60,000	System report	Quarterly	Disbursement Report	Credit
	Number of CSA/ green products introduced or redesigned	Count of climate-aligned products newly developed, redesigned, or scaled.	2	2	2	2	2	2	Product Development Reports	Annual	Product Design Templates; Product Review Reports	Credit
Green portfolio share expanded	% of portfolio classified as green	Share of outstanding loan portfolio aligned with approved national or international green finance taxonomy.	50%	60%	70%	80%	90%	100%	Outstanding loan portfolio reports; Green finance taxonomy classification records	Quarterly, Annual	Green portfolio classification matrix; MIS analytics dashboard	Risk and Compliance
Resilience-enhancing finance bundles implemented	% of CSA/green loans bundled with insurance	Share of CSA or green loans accompanied by climate insurance, asset insurance, or weather-index cover.	2.7%	3%	10%	20%	30%	40%	Loan contracts; Insurance policy records; Partner insurer reports	Quarterly, Annual	Loan documentation review checklist; Insurance coverage register	Risk and Compliance

Strategic Outcome III	Client and portfolio climate resilience improves											
Outcome Target III	**100% of climate-exposed clients demonstrate improved resilience, evidenced by sustained repayment performance and faster recovery following climate shocks by 2029/30**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Client resilience capacity strengthened	% of climate-exposed clients trained	Share of clients in high-risk areas trained in adaptation, disaster preparedness, and climate-smart business practices.	75%	85%	100%	100%	100%	100%	Training attendance records; client profiles; climate risk mapping database	Quarterly	Training registers; client database review; GIS/climate risk classification tool	Operations
	Client resilience score (%)	Index rating improvement in adaptive capacity, knowledge, and practices among trained clients.	50%	60%	70%	80%	85%	90%	lient survey results; post-training assessment reports	Annual	Structured resilience assessment questionnaire; scoring index tool	Risk and Compliance
Portfolio resilience performance improved	Repayment rate of climate-affected clients (%)	% of climate-affected borrowers maintaining or returning to normal repayment schedules.	40%	≥40%	≥50%	≥60%	≥70%	≥80%	Loan management system (LMS); repayment reports	Quarterly	Loan portfolio reports; repayment tracking sheets	Risk and Compliance
	% reduction in delinquency among climate-affected clients	Change in PAR for affected clients before vs after resilience interventions.	20%	≥10%	≥10%	≥10%	≥10%	≥10%	Portfolio at Risk (PAR) reports; baseline vs post-intervention data	Semi-annual	PAR analysis templates; management information system (MIS)	Risk and Compliance
Shock recovery outcomes monitored	Average recovery time after climate shock (months)	Months taken for clients to resume production/ business after a climate event.	6 months	6 months	6 months	6 months	6 months	6 months	Client follow-up reports; field monitoring reports	Annual	Client follow-up survey; field officer monitoring checklist	Risk and Compliance
	% of affected clients recovering within one production cycle	Measures resilience and livelihood stabilization.	20%	25%	30%	35%	40%	50%	Client business/ production monitoring records	Annual	Production cycle tracking form; client interviews	Risk and Compliance
Client income stability supported	% of climate-affected clients with stable post-shock income	% of clients reporting restored income within one production or business cycle.	2.7%	4%	5%	6%	7%	8%	Client income assessments; post-shock livelihood surveys	Annual	Income tracking questionnaire; household/business survey tool	Risk and Compliance
	Variation in income volatility among climate-exposed clients (%)	Change in frequency or scale of income dips among vulnerable financed clients.	-	10%	10%	10%	10%	10%	Longitudinal client income data; monitoring reports	Annual	Income volatility analysis template; client financial diaries	Risk and Compliance

Strategic Outcome IV	**Access to climate finance and partnerships strengthens**												
Outcome Target IV	**MEDF mobilizes significant climate finance and maintains active climate-focused partnerships supporting adaptation and green financing by 2029/30**												
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Climate finance mobilized	Number of climate-finance proposals submitted	Tracks institutional readiness and engagement with climate-finance partners through submission of climate-aligned proposals.	–	1	1	1	1	1	Proposal Register	Annual	Submission Tracker	Planning
	Climate finance proposals approved	Number of climate-aligned proposals accepted by climate-finance partners, donors, or facilities.	–	1	1	1	1	1	Approval Letters	Annual	Proposal Approval Register	Planning
Joint climate initiatives implemented	Number of joint climate initiatives	Count of climate-related programs, pilots, or projects jointly implemented with partners during the reporting period.	–	1	1	1	1	1	Program Reports	Annual	Joint Initiative Documentation	Credit
Institutional climate readiness enhanced	Institutional ESG/ climate readiness score (%)	Composite assessment of governance, systems, data, and policy readiness enabling MEDF to access, manage, and report climate finance.	–	30%	55%	70%	80%	90%	ESG/Climate Readiness Assessment	Annual	ESG Scorecard	Operations

KEY RESULT AREA VI	**INSTITUTIONAL CAPACITY DEVELOPMENT AND GOVERNANCE**											
Objective	**Strengthen MEDF's institutional capacity, governance, and support systems to ensure effective service delivery, regulatory compliance, accountability, and long-term sustainability.**											
Strategic Outcome I	**Institutional systems and human capital are efficient, compliant, and fit for purpose**											
Outcome Target I	**All core institutional systems operate at ≥90% compliance with approved policies and service standards**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Workforce capacity developed	% of staff meeting performance targets	Share of staff achieving agreed annual performance targets based on approved appraisals.	40%	60%	80%	100	100	100	Staff performance repoort	Annual	Performance appraisal report / HR appraisal system	Human Resources and Administration
	% of staff meeting competency standards	Proportion of staff who meet role-specific technical and behavioural competency thresholds (post-assessment).	40%	60%	80%	100	100	100	Competency Assessment repoort	Annual	Competency assessment tool / evaluation forms	Human Resources and Administration
Staff complement improved	Gender balance ratio (M:F)	Ratio of male to female employees in staff complement	57-43	65-35	65-35	60-40	60-40	60-40	Staff complement report	Annual	HR staffing report	Human Resources and Administration
Structured training programs implemented	% of training plan implemented	Share of approved annual training activities completed.	20%	50%	70%	100%	100%	100%	Training implementation records	Annual	Training implementation tracking template	Human Resources and Administration
	Percentage of staff trained	Percentage of staff completing at least one priority training in the period.	40%	50%	80%	100%	100%	100%	Training attendance records	Annual	Training attendance registers / LMS reports	Human Resources and Administration
Performance management strengthened	% of staff with signed performance contracts	Share of staff with signed, cascaded performance agreements aligned to institutional objectives.	100%	100%	100%	100%	100%	100%	Performance contract records	Annual	Signed performance agreement forms	Human Resources and Administration
	% of appraisals completed on time	Share of staff whose evaluations are completed within the approved cycle.	60%	50%	100%	100%	100%	100%	Appraisal submission records	Annual	Appraisal completion tracker	Human Resources and Administration
Staff engagement and retention enhanced	Employee satisfaction index (%)	Composite score from staff surveys covering leadership, communication, growth and recognition.	30%	25%	70%	90%	90%	90%	Staff satisfaction survey	Annual	Staff satisfaction questionnaire / survey tool	Human Resources and Administration
	Staff turnover rate (%)	Exits ÷ average staff strength ×100 (exclude retirements).	10%	38%	10%	10%	10%	10%	Exit records; HRIS	Annual	Staff exit report / HR turnover tracker	Human Resources and Administration
	% compliance with HR policies	Proportion of HR actions (recruitment, promotion, remuneration, leave, disciplinary) executed per policy.	80%	80%	100%	100%	100%	100%	HR compliance review reports	Annual	HR compliance assessment tool	Human Resources and Administration

Leadership and succession systems strengthened	Critical positions with succession plans (%)	Share of identified critical roles with approved, reviewed succession plans.	10%	15%	40%	60%	90%	90%	Succession planning records	Annual	Succession planning template	Human Resources and Administration
	% of leadership positions filled internally	Proportion of leadership vacancies filled through internal promotion.	55%	90%	40%	60%	80%	100%	Recruitment and promotion records	Annual	Recruitment dashboard / promotion records	Human Resources and Administration
Strategic Outcome II	**Institutional governance, integrity, and compliance are strengthened**											
Outcome Target II	**Full compliance with statutory/public-sector governance requirements, effective Board oversight, zero unresolved high-risk governance breaches, and a mature ethics**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Board and committee structures strengthened	Number of Board meetings held vs. calendar	Meetings held relative to approved annual calendar.	4	0	4	4	4	4	Board calendar; Board minutes; Secretariat records	Quarterly	Board minutes	Legal
	Board meeting attendance rate (%)	Average attendance across scheduled meetings.	100%	0%	100%	100%	100%	100%	Attendance registers; Board minutes	Annual	Board minutes	Legal
	Board/Committee effectiveness score (%)	Composite rating of oversight, strategy setting, committee functionality (annual assessment).	100%	0%	100%	100%	100%	100%	Annual Board evaluation reports; Governance assessment tool; Board minutes	Annual	Board minutes	Legal
Governance reporting enhanced	Compliance with statutory & regulatory requirements (%)	Share of required submissions (RBM/ PPDA/OPC/MoF/ ACB/Labour/Tax/ESG) submitted accurately and on time.	100%	100%	100%	100%	100%	100%	Statutory sub-mission records; Regulatory correspondence; Compliance registers	Quarterly, Annual	Statutory compliance checklist; Regulatory submission tracker	Risk and Compliance
Oversight effectiveness improved	% of Board strategic resolutions implemented	Share of Board-approved resolutions implemented within agreed timelines.	-	-	100%	100%	100%	100%	Board meeting minutes	Quarterly, Annual	Board minutes	Legal
Ethics and Integrity Embedded	Integrity/Ethics Committee sittings (count)	Number of committee meetings conducted per year.	4	2	4	4	4	4	Committee calendar; Meeting minutes; Secretariat records	Quarterly, Annual	Committee meeting register; Minutes filing system	Institutional Integrity Committee
	% of ethics/ whistleblowing cases resolved	Resolved ethics/ whistleblowing cases ÷ total received ×100.	80%	≥95%	≥97%	≥98%	≥95%	95%	Whistleblowing case register; Investigation reports; Resolution records	Quarterly, Annual	Case management system; Ethics complaints register; Resolution tracking tool	Institutional Integrity Committee
	Number of ACB reports submitted	Reports made to Anti-Corruption Bureau per requirements.	4	4	4	4	4	4	ACB submission records; Ac-knowledgement letters; Internal compliance files	Quarterly, Annual	Anti-Corruption reporting log; Submission checklist	Institutional Integrity Committee

Strategic Outcome III	**Procurement, legal, and administrative systems are efficient, transparent, and compliant**											
Outcome Target III	**Procurement and administrative processes achieve ≥90% compliance with regulatory requirements and meet delivery timelines**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Procurement and financial processes streamlined	Annual procurement plan approved (Yes/No)	Plan approved before the financial year starts.	Yes	Yes	Yes	Yes	Yes	Yes	ERP	Annual	Approved procurement plan	Procurement
	% of procurement plan implemented	Activities completed ÷ planned activities ×100.	75%	80%	100%	100%	100%	100%	Procurement Reports	Quarterly	Procurement plan	Procurement
	% of procurement processes completed within timeline	Actions completed within statutory or internal timelines ÷ total actions ×100.	90%	90%	100%	100%	100%	100%	Procurement Reports	Quarterly	Procurement tracker	Procurement
Contract execution efficiency improved	% compliance with procurement budget	Procurement spend within approved ceilings ÷ total spend ×100.	80%	90%	100%	100%	100%	100%	Procurement Reports	Quarterly	Expenditure records	Procurement
	% of contracts delivered on time	Contracts completed within agreed period ÷ total completed ×100.	80%	90%	100%	100%	100%	100%	Procurement Reports	Quarterly	Contract management files	Procurement
	% of contracts delivered within budget	Contracts completed within contract value ÷ total completed ×100.	80%	90%	100%	100%	100%	100%	Procurement Reports	Quarterly	Contract documents	Procurement
Procurement compliance strengthened	% compliance with PPDA requirements	Activities assessed as compliant with PPDA Act and regulations ÷ total ×100.	85%	98%	100%	100%	100%	100%	Procurement Reports	Quarterly	PPDA compliance checklist	Procurement
	Procurement internal audits conducted (count)	Internal audits completed in the period	-	1	1	1	1	1	Internal Audit Reports	Annual	Audit report	Procurement
	Procurement external audits conducted (count)	External audits completed in the period	1	-	1	1	1	1	External Audit Reports	Annual	Audit report	Finance
Legal and Compliance Systems Strengthened	% of contracts vetted and compliant	Contracts reviewed and cleared by Legal before execution ÷ total executed ×100.	10%	5%	0%	0%	0%	0%	Procurement Reports	Quarterly	Procurement tracker	Procurement
	Litigation exposure resolved (%)	Cases resolved/withdrawn/out-of-court settlements ÷ active cases ×100.	95%	100%	100%	100%	100%	100%	Legal Unit Reports	Annual	Vetted contract register	Procurement

Strategic Outcome IV	Risk management, internal controls, and audit responsiveness are strengthened											
Outcome Target IV	**Operational risks are reduced, audit issues are promptly resolved, and business continuity arrangements are fully functional by 2029/30**											
Output	**Performance Indicator**	**Definition of Indicators**	**Targets**						**Data Source**	**Frequency**	**Data collection instrument**	**Responsible Unit**
			Baseline 2025	**2026**	**2027**	**2028**	**2029**	**2030**				
Internal controls strengthened	% of internal audit recommendations implemented	Recommendations implemented within agreed timelines ÷ total due ×100.	76%	100%	100%	100%	100%	100%	Internal Audit Reports	2	Follow -up Audit reports	Internal Audit
	% of external audit recommendations implemented	As above for external audits.	-	100%	100%	100%	100%	100%	Management letter	1	Management letter	Finance
	Average internal audit rating	Average rating across audited units (e.g., Satisfactory/ Needs Improvement/ Unsatisfactory mapped to numeric scale).	40%	75%	75%	80%	80%	85%	Internal Audit Reports	4	Audit Reports	Internal Audit
Risk management systems institutionalized	ERM framework operational (Yes/ No)	Approved ERM framework implemented with periodic reviews.	Yes	Yes	Yes	Yes	Yes	Yes	Approved ERM policy; ERM implementation reports; Risk Committee minutes	Annual	ERM implementation checklist; Policy compliance tracker	Risk and Compliance
	Risk appetite compliance (%)	Share of key risk indicators within approved risk appetite thresholds.	70%	75%	100%	100%	100%	100%	Key Risk Indicator (KRI) dashboards; Risk monitoring reports	Quarterly, Annual	Risk appetite monitoring dashboard; KRI reporting templates	Risk and Compliance
	Risk & Compliance Framework implementation rate (%)	Planned risk/compliance activities completed ÷ planned ×100.	100%	100%	100%	100%	100%	100%	Annual risk & compliance workplans; Progress reports	Quarterly, Annual	Risk & compliance activity tracker; Workplan monitoring tool	Risk and Compliance
	Departmental risk assessments conducted (count)	Number of formal risk assessments completed per annum.	4	4	4	4	4	4	Departmental risk registers; Risk assessment reports	Quarterly, Annual	Risk assessment templates; Departmental risk register	Risk and Compliance
	Key control self-assessments completed (%)	Units completing required KCSAs ÷ total units ×100.	4	4	4	4	4	4	KCSA submissions; Control effectiveness reports	Semi-annual, Annual	Key Control Self-Assessment (KCSA) tool; Control evaluation checklist	Risk and Compliance
	Fraud risk assessments conducted (count)	Structured fraud risk reviews performed.	4	4	4	4	4	4	Fraud risk assessment reports; Risk committee records	Quarterly, Annual	Fraud risk assessment framework; Fraud risk review checklist	Risk and Compliance

Fraud and compliance risks monitored	Fraud cases resolved (%)	Resolution rate within SLA.	100%	100%	100%	100%	100%	100%	Fraud incident registers; Investigation reports; Case closure records	Quarterly, Annual	Fraud incident reporting system; Case management tracker	Risk and Compliance
	Non-compliance cases resolved (%)	Resolution rate for non-compliance.	100%	100%	100%	100%	100%	100%	Compliance breach registers; Investigation and resolution reports	Quarterly, Annual	Non-compliance reporting log; Compliance case tracking tool	Risk and Compliance
System security improved	Information security policy reviewed and implemented	Measures whether the MEDF's information security policy has been formally reviewed and put into practice	50%	70%	80%	90%	100%	100%	1. ICT Policies	Annualy	Policy Review Checklist, Implementation Verification Form	ICT
	Number of security patches/updates applied to the system	The total number of system patches, updates or security fixes applied within a year to address vulnerabilities, enhance system protection, and maintain up-to-date security standards	50%	70%	85%	90%	95%	100%	1.System logs 2.Aset register	monthly/ quartely	Patch Management Log Template, System Update Verification Checklist, Vulnerability Scan Report	ICT
	Number of users trained in cybersecurity awareness	Measures the number of system users, staff or beneficiaries who have received formal training on cybersecurity practices, including safe system use, password hygiene, phishing prevention and data protection.	40%	50%	60%	70%	90%	100%	1.Emails 2.ICT trainining plan report	quartely	Training Attendance Register, Training Evaluation Form, Training Delivery Report	ICT
	Number of internal security audits conducted	Number of cybersecurity audits conducted within the reporting period to evaluate compliance with security policies and identify risks.	4	6	6	6	6	6	1.Incedent report	quartely	Internal Security Audit Checklist, Audit Action Tracker, Security Audit Report Template	ICT
	System security compliance rate (%)	Percentage of systems meeting required security standards	50	60%	70%	80%	90%	100%	1.incedent report	quartely	System Compliance Assessment Checklist, Security Baseline Verification Sheet, System Hardening Checklist, Incident/ Non-Compliance Log	ICT
Business continuity preparedness enhanced	Business continuity and disaster recovery plans tested	Evidence of testing (e.g., simulations, drills) of approved BCP/DRP within the year	4	4	4	4	4	4	BCP/DRP test reports; Simulation and drill records	Annual (or per test cycle)	BCP/DRP testing checklist; Simulation and drill evaluation reports	Risk and Compliance
	Crisis/incident response closure within SLA (%)	Incidents closed within SLA ÷ total incidents ×100.	70%	≥90%	≥92%	≥94%	≥95%	≥95%	Incident registers; SLA compliance reports; Post-incident reviews	Quarterly, Annual	Incident management system; SLA tracking dashboard; Incident closure forms	Risk and Compliance

Annex IV: Monitoring, Evaluation & Learning Plan

MONITORING AND EVALUATION PLAN								
KEY RESULT AREA I: LOAN PORTFOLIO MANAGEMENT								
Objective: Improve the quality, resilience and sustainability of MEDF loan portfolio								
Strategic Outcome I: Increased loan growth and market penetration								
Outcome Target I: Achieve sustainable loan portfolio growth of at least 18% per annum, with 100% constituency coverage								
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Loan portfolio expanded and sustained	YoY loan value disbursed increased by approximately 18.5%	Conduct quarterly disbursement analysis	Operations & Credit	Disbursement analysis reports; MIS dashboard; financial statements	Apr	Quarterly	Adequate funding	Low uptake
		Identify high-demand sectors and value chains	Credit & Planning	Sector analysis reports; product review papers	Apr	Semi-annual	Market data available	Poor market intelligence
		Promote loans to existing clients (repeat lending)	Operations & Commercial	Marketing reports; repeat loan statistics	Apr	Quarterly	Client satisfaction	Client fatigue
		Implement targeted marketing campaigns	Commercial	Campaign reports; client acquisition data	Apr	Quarterly	Marketing budget	Ineffective messaging
		Strengthen loan application pipeline	Operations	Pipeline tracking system	Apr	Monthly	Staff commitment	Weak lead generation
		Improve loan processing turnaround time	Credit & IT	Turnaround time reports	Apr	Quarterly	System functionality	System downtime
		Review and streamline credit approval procedures	Credit & Risk	Revised Procedures	Apr	Annual	Management support	Resistance to change
		Set branch-level disbursement targets	Management	Branch performance reports	Apr	Quarterly	Branch capacity	Unrealistic targets
		Incentivize high-performing loan officers	HR & Management	Performance appraisals	Apr	Annual	HR policies	Demotivation
		Strengthen partnerships with cooperatives	Planning & Credit	MoUs; partnership reports	Apr	Annual	Stakeholder interest	Partner failure
	Annual Loan book grows by ≥18%	Monitor loan book vs targets	Credit/Operations/Planning	Portfolio growth reports; Board papers	Apr	Quarterly	Stable demand	Economic downturn
		Conduct quarterly portfolio review meetings	Credit & Operations	Meeting minutes; action plans	Apr	Quarterly	Management engagement	Poor follow-up
		Track disbursement vs recovery trends	Credit & Risk	Trend analysis reports	Apr	Quarterly	Accurate data	Data quality issues
		Adjust lending strategy where needed	Credit & Risk	Revised lending plans	Apr	Annual	Policy flexibility	Regulatory constraints
	Client retention ≥26%	Conduct client follow-ups	Operations & Planning	Branch monitoring reports	Apr	Quarterly	Staff availability	High caseload
		Conduct client satisfaction surveys	Planning & Operations	Survey reports	Apr	Semi-annual	Client participation	Response bias
		Provide repayment support and advisory services	Operations	Branch monitoring reports	Apr	Quarterly	Client trust	Moral hazard
		Strengthen client complaint handling system	Risk & Commercial Services	Complaint registers	Apr	Annual	Functional system	Escalation
	Optimal loan size maintained for small and medium, and micro loan sizes	Segment clients by risk and capacity	Credit & Risk	Segmentation reports	Apr	Annual	Accurate profiling	Misclassification
		Revise loan size guidelines	Credit	Product manuals	Apr	Annual	Policy support	Market distortion
		Train staff on loan sizing	Credit	Training records	Apr	Annual	Staff participation	Knowledge gaps
		Monitor loan performance by size category	Credit & Risk & Planning	Performance dashboards	Apr	Quarterly	System reliability	Data inconsistency

Women's agricultural financing expanded	40% of agricultural finance given to women annually	Conduct targeted outreach campaigns to women farmers	Commercial services	Outreach activity reports	Apr	Quarterly	Women farmers are available, reachable and willing to participate in outreach activities.	Low turnout or limited engagement due to cultural barriers, time constraints or competing household responsibilities
		Develop and promote women-focused agricultural loan products	Credit	Approved product documents	Apr	One-off	Women have viable agricultural activities and are interested in tailored loan products	Products may not attract sufficient uptake if they do not address underlying barriers
		Simplify loan application and screening processes for women	Operations	Revised loan application forms and process flowcharts	Apr	Quarterly	Simplified procedures will increase women's willingness and ability to apply for loans	Simplification may be perceived as lowering due-diligence standards, potentially increasing portfolio risk if not well-managed.
		Provide financial literacy and agribusiness training to women	Commercial services	Training attendance records	Apr	Quarterly	Women who receive training will apply the skills gained to improve loan readiness and business performance.	Training may not translate into improved financial behaviors if follow-up support is limited or if market conditions remain challenging.
Geographical penetration enhenced	70% loan value disbursed to rural areas	Conduct outreach campaigns	Operations & Marketing	Outreach reports and attendance registers disaggregated by location (rural/urban)	Apr	Quarterly	Rural clients are reachable and interested in loan products	Low turnout or limited engagement due to distance, limited mobility, or communication barriers
		Simplify loan screening and documentation requirements for rural applicants	Operations	Revised application forms or screening checklists demonstrating simplified processes	Apr	Quarterly	Simplified processes enable more rural clients to qualify for and access loans	Ease of access may increase the risk of weaker credit quality if not well controlled
Strategic Outcome II: Improved Portfolio Quality and Performance								
Outcome Target II: Maintain a high-quality portfolio with PAR >30 ≤20%, Collection rate ≥85%, and NPL ≤10% by 2029/30								
Portfolio quality improved	PAR>30 maintained at ≤20%; Collection rate at ≥85%	Conduct monthly PAR monitoring	Credit & Risk	PAR reports; risk dashboards	Apr	Monthly	Data accuracy	Economic shocks
		Implement early warning system for arrears	Credit & Risk	PAR reports; risk dashboards	Apr	Quarterly	Functional MIS	System failures
		Train loan officers on credit risk management	Credit & HR	Training reports/Training attendance sheet	Apr	Annual	Staff participation	High turnover
		Review credit appraisal tools	Credit & Risk	Revised appraisal forms	Apr	Annual	Management support	Resistance to change
		Conduct internal credit audits	Internal Audit	Audit reports	Apr	Quarterly	Audit independence	Non-compliance
		Strengthen borrower screening processes	Credit	Screening checklists	Apr	Quarterly	Availability of client data	Fraud
NPL reduced	NPL ratio maintained at ≤10%	Identify and classify high-risk loans	Credit & Risk	NPL ageing reports	Apr	Monthly	Accurate classification	Data errors
		Reschedule or restructure viable delinquent loans	Credit & Recovery	Restructuring agreements	Apr	Monthly	Client cooperation	Moral hazard
		Intensify recovery on non-performing loans	Recovery	Recovery tracker/Report	Apr	Monthly	Legal enforceability	Client insolvency
		Review provisioning policies	Finance, Credit & Risk	Revised policy documents	Apr	Annual	Regulatory compliance	Capital adequacy
		Set branch-level NPL reduction targets	Credit	Branch performance reports	Apr	Quarterly	Branch accountability	Unrealistic targets

Recovery strengthened	Recovery rate maintained at ≥65%	Follow up delinquent accounts	Recovery	Follow-up logs	Apr	Monthly	Updated client contacts	Client migration
		Engage legal services for chronic defaulters	Recovery & Legal	Legal case files	Apr	Quarterly	Functional legal system	Court delays
		Implement incentive scheme for recovery officers	HR & Management	Performance appraisals	Apr	Annual	Budget availability	Demotivation
		Conduct asset tracing and collateral enforcement	Credit & Legal	Enforcement reports	Apr	Quarterly	Asset registry access	Asset concealment
		Establish repayment rescheduling protocols	Credit & Recovery	Rescheduling guidelines	Apr	Annual	Policy clarity	Client manipulation
Insurance expanded	At least 95% of loans bundled with insurance	Identify suitable insurance partners	Credit & Risk	MoUs; partnership agreements	Apr	Annual	Willing insurers	Limited market
		Design bundled insurance products	Credit	Product manuals	Apr	Annual	Regulatory approval	Compliance delays
		Sensitize clients on insurance benefits	Credit & Commercial Services	Sensitization reports	Apr	Quarterly	Client literacy	Low uptake
		Integrate insurance into loan processing	Credit & IT	Loan processing workflows	Apr	Quarterly	System compatibility	Technical issues
		Monitor claims and payouts	Credit & Risk	Claims registers	Apr	Quarterly	Insurer reliability	Claim disputes
Strategic Outcome III: A More Diversified and Inclusive Loan Portfolio								
Outcome Target III: Achieve a balanced loan and sectoral distribution by 2029/30								
Diversified loan products developed and rolled out	Atleast 8 differentiated loan products available	Conduct market research and client needs assessment	Product Development Committee, Credit & Planning	Market research reports	Apr	Annual	Reliable market data	Inaccurate research
		Review and redesign existing loan products	Credit & Planning	Product concept notes	Apr	Annual	Management approval	Regulatory delays
		Develop product manuals and guidelines	Credit	Product manuals	Apr	Annual	Staff engagement	Poor documentation
		Train staff on revised products	Credit	Training attendance records	Apr	Annual	Staff availability	Knowledge gaps
		Roll out products institution-wide	Credit	Roll-out reports/Product uptake report	Apr	Annual	System readiness	Implementation delays
Balanced loan size structure	Maintain targeted micro : small : medium loan ratio as defined in Credit policy.	Review portfolio mix by loan size	Credit & Risk	Portfolio analysis reports	Apr	Quarterly	Accurate data	Data errors
		Adjust lending limits per client category	Credit	Revised lending guidelines	Apr	Annual	Policy flexibility	Market distortions
		Monitor performance by loan size structure	Credit & Risk	Performance dashboards	Apr	Quarterly	MIS functionality	System failures
		Train loan officers on appropriate loan sizing	Credit	Training records	Apr	Annual	Staff participation	Resistance to change
Flexible tenure options	At least 30% of loans offered with medium- to long-term repayment periods.	Review existing repayment structures	Credit & Risk	Repayment structure review report	Apr	Annual	Client data available	Inappropriate design
		Design flexible tenure products	Credit	Product design documents	Apr	Annual	Regulatory approval	Policy delays
		Update loan management system to support flexibility	IT	System upgrade reports	Apr	Annual	IT capacity	Technical issues
		Monitor repayment performance by tenure	Credit, Risk & Planning	Loan Tenure analysis reports	Apr	Quarterly	Accurate data	Increased default
Sectorally diversified portfolio achieved	At least 30%, 50% and 10% of the loan portfolio should be allocated to agriculture, service and manufacturing sectors, respectively	Identify priority sectors and value chains	Planning & Credit	Sector analysis reports	Apr	Annual	Sector growth potential	Sector downturn
		Set sector-specific lending targets	Credit & Planning	Lending plans	Apr	Annual	Policy alignment	Unrealistic targets
		Monitor sectoral portfolio performance	Credit, Planning & Risk	Sectoral portfolio reports	Apr	Quarterly	Data quality	Sector shocks (e.g., drought)

KEY RESULT AREA II: INCLUSIVE FINANCE AND CLIENT ENTERPRISE DEVELOPMENT								
Objective: Expand access to affordable financial services and enterprise support for underserved Malawians (women, youth, PWDs, rural MSMEs)								
Strategic Outcome I: Access to MEDF financial services increases among rural populations, women, youth, and PWDs								
Outcome Target I: By 2029/30, ensure women ≥40%, youth ≥40%, PWDs ≥0.66% of borrowers, and at least 70% of rural clients access MEDF services								
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Tailored financial products introduced	2 new tailored products designed and launched	Conduct market research	Planning, Commercial Services	Research report	Apr	One-off	Market needs accurately identified	Research may be incomplete or biased
		Design product structures	Credit & Commercial Services	Product design documents	Apr	One-off	Products feasible for target clients	Product may not meet client needs
		Obtain internal and Board approvals	Credit & Board	Board minutes	Apr	One-off	Board available and supportive	Delays in approval processes
		Pilot and refine products	Credit	Pilot reports	Apr	One-off	Pilot sample representative	Low adoption during pilot
		Monitor adoption and gather feedback	Credit & Planning	Client surveys, System reports	Apr	Quarterly	Clients responsive to surveys	Poor response or incomplete data
Inclusive client mix strengthened	Atleast 40% of clients be women, 40% youths and 0.66% people with disabilities	Identify barriers for women, youth, PWDs	Planning & Commercial Services	Assessment report	Apr	One-off	Stakeholders provide accurate info	Some barriers may be hidden or underestimated
		Develop programs (flexible collateral, group lending)	Credit	Program design documents	Apr	One-off	Resources available for program design	Funding constraints
		Train staff on program/product delivery	Credit	Training attendance registers/ report	Apr	One-off	Staff available and motivated	Staff turnover
		Implement inclusion programs	Credit	Implementation reports	Apr	Annual	Clients willing to participate	Low client engagement
		Monitor and evaluate program/ product effectiveness	Planning	Monitoring reports, evaluation data	Apr	Semi-Annual	Reliable data collected	Incomplete or inaccurate monitoring data
	1695 women conducting cross boarder trade	Conduct targeted outreach and sensitization for women cross-border traders	Operations	Outreach reports with attendance registers disaggregated by gender	Apr	Quarterly	Women traders are available and willing to participate in outreach activities	Low turnout due to time constraints, household responsibilities, or mobility challenges
		Provide financial and non-financial support (loans, training) to women involved in cross-border trade	Operations	Loan/grant disbursement records and training attendance lists	Apr	Quarterly	Women traders meet the minimum requirements	Collateral or documentation barriers
Access to finance for graduating trainees improved	Atleadst 9500 graduate trainees supported	Conduct outreach and mobilization of graduate trainees	Operations	Outreach reports and attendance registers of mobilization events	Apr	Quarterly	Graduates are willing and available to participate in support programmes	Low participation due to lack of awareness or competing opportunities
		Provide business development training	Commercial services	Training attendance lists and completion certificates	Apr	Quarterly	Graduates are willing and available to participate in support programmes	Low participation due to lack of awareness or competing opportunities
		Offer financial support (loans)	Operations	Loan disbursement records	Apr	Quarterly	Graduates meet basic eligibility criteria for financial support	High demand may exceed available resources, leaving some graduates unsupported
Geographic penetration enhanced	Urban–Rural Loan Value Ratio of 1:2; Urban-Rural Client Ratio of 1:2	Expand outlets (satellites)	Operations	Branch opening reports, MIS	Apr	Annual	Rural infrastructure adequate	Connectivity/transport issues
		Promote digital channels	ICT	Digital usage reports	Apr	Quarterly	Clients have digital access	Low digital literacy
		Monitor urban vs rural disbursements	Planning & Operations	MIS reports	Apr	Quarterly	Accurate data collection	Misreporting or incomplete data

Strategic Outcome II: Clients demonstrate improved financial management, repayment discipline, and business practices								
Outcome Target II: Achieve ≥80% on-time repayment among trained clients and reduce arrears and complaints by at least 6% and 25% respectively by 2029/30								
Clients trained in financial literacy	429,440 clients trained and 3,070 financial literancy and business managemnet tranings	Develop standardized financial literacy and business management training manual	Credit & Operations	Approved curriculum document	Apr	One-off	Curriculum fits client context	Curriculum too technical
		Deliver training sessions	Credit & Operations	Attendance registers/training report	Apr	Quarterly	Clients attend sessions	Low attendance
		Conduct post-training assessments	Planning & Credit	Assessment report	Apr	Quarterly	Clients complete assessments	Literacy challenges
Training completion tracked	88% training completion rate and 89% post training assessment score	Register enrolled clients	Credit & Operations	Training MIS	Apr	Quarterly	Accurate client lists	Data errors
		Track attendance and progress	Credit & Operations	Progress reports	Apr	Quarterly	Trainers record correctly	Incomplete records
		Provide clear, simplified and translated training materials	Credit & Operations	Training material distribution records	Apr	Quarterly	Qualified translators and subject-matter reviewers are available on time and within budget.	Poor translation quality l
		Use a well-designed assessment tool	Credit & Operations	Post-training score database	Apr	Quarterly	Assessment questions are aligned with training objectives and content	Assessment questions too difficult or unclear
Improved client practices reinforced	≥80% of clients apply good practices and 73% of clients meet repayment schedules	Provide record-keeping templates	Credit & Operations	Template distribution logs	Apr	Semi-Annual	Clients use templates	Low literacy
		Training, Coaching, and Behaviour Change	Credit & Operations	Field monitoring checklists	Apr	Semi-Annual	Training materials are accurate, culturally appropriate, and accessible.	
		Strengthen Client Orientation & Screening	Credit & Operations	Loan repayment records from the MIS/portfolio management system	Apr	Semi-Annual	Clients' income streams remain stable enough to meet repayment schedules.	Low literacy or poor understanding of recommended practices.
		Conduct follow-up coaching visits	Credit & Operations	Visit reports	Apr	Quarterly	Clients available	Transport challenges
Client behavior monitored	Arrears □6%, complaints <25%	Track arrears among trained clients	Credit & Operations	Loan MIS reports	Apr	Monthly	Accurate loan data	Economic shocks
		Record and categorize complaints	Credit & Operations	Complaint register	Apr	Monthly	Clients report issues	Underreporting
		Provide targeted support to at-risk clients	Credit & Operations	Case management reports	Apr	Quarterly	Clients cooperate	Chronic default behavior
Post-support enterprise strengthening monitored	Average default rate of 23% for first loan borrowers	Conduct MSME follow-up surveys	Planning & Operation	Survey reports	Apr	Annually	MSMEs reachable	Business closure
Strategic Outcome III: Public awareness and utilization of MEDF services increase nationwide, especially in rural areas								
Outcome Target III: Achieve public awareness of MEDF services of at least 70% of surveyed adults by 2029/30								
Outreach campaigns conducted	13000 IEC materials distributed, 1125 radio/ TV slots aired and 8 local langauges used	Develop campaign materials	Marketing & Communications	Approved outreach strategy	Apr	Annually	Management supports strategy	Delayed approval
		Translate all materials into the required 8 local languages.	Marketing & Communications	IEC samples, approval logs	Apr	Annually	Materials culturally relevant	Poor message design
		Engage outreach teamsi.e. extension workers and community leaders.	Marketing & Communications	Broadcast schedules	Apr	Quarterly	Media slots affordable	High media costs
		Conduct community and media outreach	Marketing & Operations	Attendance registers	Apr	Quarterly	Local leaders cooperate	Political interference

Digital and partner channels leveraged	≥93% outreach via partners/digital and 78% conversion rate from outreach to the uptake	Develop digital outreach plan	ICT & Marketing	Digital strategy	Apr	One-off	Clients use mobile platforms	Low digital access
		Track digital engagement	ICT & Marketings	ICT & Marketings	Apr	Quarterly	ICT systems functional	System failures
		Scale digital outreach	ICT & Marketings	ICT & Marketings	Apr	Quarterly	Partners are available, cooperative, and have the capacity to disseminate messages widely.	Partner fatigue or low commitment, leading to inconsistent outreach
		Improve Client Support Pathways	ICT & Marketings	ICT & Marketings	Apr	Quarterly	Clients trust the institution and consider the offered service relevant.	Complex application processes causing drop-off after initial interest.
Public awareness assessed and tracked	90% of Malawians recognize MEDF and able to identify at least a loan product and 84% of information requests resolved	Conduct baseline survey	Planning	Survey report	Apr	One-off	Respondents honest	Sampling bias
		Conduct midline survey	Planning	Midline report	Apr	One-off	Funding available	Survey delays
		Conduct endline survey	Planning	Endline report	Apr	One-off	Survey quality maintained	Non-response
		Case Management & Escalation	Commercial	Quartery reports	Apr	Quarterly	Knowledge Base/FAQ content is up-to-date and mapped to ticket categories, enabling first-contact resolution for common queries.	System downtime or poor CRM performance
		Staff Training & Quality Assurance	Commercial	Quartery reports	Apr	Quarterly	A standardized training curriculum, facilitator guide, and assessment (pre/post test) exist and reflect current products and policies.	Low training attendance or partial completion
		Proactive Information Push	Commercial	Quartery reports	Apr	Quarterly	Priority FAQs and client pain points are known from analytics (tickets, call logs, social media, field reports) and can be addressed with standardized messages.	Message misalignment or inconsistency
Strategic Outcome V: MEDF beneficiaries experience improved incomes and increased employment opportunities								
Outcome Target V: Support at least 870,356 net new jobs and ≥20% income growth by 2029/30								
Job creation supported	870,356 secondary jobs created	Develop job tracking framework	Planning	Job tracking tool	Apr	One-off	Framework accepted	Poor design
		Collect baseline employment data	Planning	Baseline survey	Apr	One-off	Beneficiaries respond	Inaccurate recall
		Track jobs created quarterly	Planning	Quarterly job reports	Apr	Quarterly	Enterprises cooperate	Over-reporting
		Validate job data	Internal Audit & Planning	Verification reports	Apr	Annually	Audits independent	Manipulated data
Beneficiary livelihoods monitored	Atleast 45% report improved livelihoods	Develop livelihood index	Planning	Livelihood framework	Apr	One-off	Index appropriate	Subjective bias
		Conduct beneficiary perception surveys	Planning	Survey reports	Apr	Annually	Beneficiaries honest	Courtesy bias
Youth and women employment promoted	Atleast 71% of secondary jobs created by youth & women clients	Disaggregate job data	Planning	Disaggregated reports	Apr	Quarterly	Accurate demographic data	Misclassification
		Analyze inclusion trends	Planning	Inclusion analysis report	Apr	Annually	Gender data captured	Cultural resistance

KEY RESULT AREA III: INSTITUTIONAL COMMERCIALIZATION AND STRATEGIC PARTNERSHIPS								
Objective	**Strengthen MEDF's institutional capacity, governance, and support systems to ensure effective service delivery, regulatory compliance, accountability, and long-term sustainability.**							
Strategic Outcome	**MEDF attains enhanced financial sustainability, diversified revenue streams, and strengthened institutional credibility through commercially viable products, strategic partnerships, and digital transformation**							
Outcome Target	**Achieve at least 11% of total revenue generated from commercial products, non-government capital mobilisation increases substantially, and reliance on public funding reduces by at least 48% from baseline by 2029/2030**							
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Improved revenue performance and diversified revenue streams	Annual institutional revenue increased by 11%	Increase the number and value of quality loan disbursements.	Operations	Loan disbursement registers (monthly/quarterly)	Apr	One-off	Adequate capital/liquidity is available for lending	Economic shocks reduce borrowing capacity
		Improve client targeting and product pricing based on market analysis	Credit and Finance	Market research reports and pricing analysis	Apr	One-off	Reliable market data is accessible	Inaccurate market data leading to poor pricing decisions
		Strengthen loan monitoring to reduce defaults and interest reversals	Operations	Field visit reports and monitoring checklists	Apr	One-off	Loan officers have adequate transport and tools for follow-ups	Rising loan delinquencies due to economic shocks, Insufficient field staff leading to poor follow-up
		Improve on-time repayment to sustain accrual of interest income	Operations	Repayment schedules generated from MIS	Apr	One-off	Clients have reliable cash flow and timely access to markets	Volatile market prices reduce client ability to repay
		Reduce revenue leakages through internal controls and audit follow-ups	Finance and Internal Audit	Internal audit reports and follow-up matrices, Fraud investigation reports	Apr	Annually	Internal audit function is fully operational	Fraud or collusion among staff or clients
		Implement targeted marketing to attract new clients	Operations	Marketing campaign reports (digital, radio, roadshows)	Apr	Annually	Target audiences have access to media channels used	Low campaign reach due to media penetration gaps
Capital mobilization and revolving fund mechanisms strengthened	At least 4 funding or grant proposals prepared	Develop capital mobilisation strategy	Finance & Planning	Strategy document	Apr	One-off	Investors interested	Poor investor appetite
		Identify potential investors and DFIs	Finance & Planning	Investor mapping report	Apr	One-off	Accurate market intelligence	Weak networks
		Prepare investment proposals	Finance & Planning	Pitch decks	Apr	One-off	Proposals competitive	Poor proposal quality
		Establish revolving fund mechanisms	Finance & Planning	Fund policy documents	Apr	One-off	Governance structures strong	Fund misuse
		Monitor fund performance	Finance & Planning	Fund performance reports	Apr	Quarterly	MIS functional	Liquidity risks
Financial efficiency and resource utilization optimized	Cost-to-income ratio ≤72% (Include profitability growth rate)	Conduct operational cost analysis	Finance & Internal Audit	Cost analysis report	Apr	One-off	Data accurate	Hidden costs
		Identify inefficiencies	Finance & Planning	Efficiency review report	Apr	One-off	Staff cooperate	Resistance
		Implement cost-reduction measures	Finance & Planning	Cost control plans	Apr	Annually	Savings achievable	Service quality drop
		Automate high-cost processes	ICT	Automation reports	Apr	Annually	Systems stable	System failure
		Track efficiency indicators	Finance & Planning	Financial dashboards	Apr	Quarterly	Indicators valid	Data errors

Institutional financial sustainability and efficiency strengthened	5.9% Annual increase of net profit margin and atleast 1% annual increase of return on assets	Increase the number and value of quality loan disbursements to grow revenue.	Operations	MIS/Core banking disbursement reports (monthly/quarterly)—number of loans, total value, product	Apr	One-off	There is sufficient liquidity/capital to support increased lending.	Poor client targeting leads to low-quality loans and higher defaults.
		Strengthen internal controls to eliminate revenue leakages and fraud-related losses.	Finance and Internal Audit	Internal audit reports and follow-up matrices	Apr	Annually	Internal audit and control units are functional and supported by management.	Fraud or collusion among staff or clients leading to financial loss.
		Diversify revenue through non-loan income streams (insurance, digital services, commissions).	Finance	Signed partnership agreements/MoUs	Apr	Annually	Strategic partners (insurance companies, digital service providers, banks) remain active and reliable	Low uptake of non-loan products due to limited awareness or trust.
		Improve utilization of fixed assets (vehicles, IT systems) to maximize ROI.	Human Resources and Administration	Fixed-asset register	Apr	Quarterly	Fixed assets are functional, well-maintained, and allocated efficiently.	Poor maintenance leading to asset breakdowns and high repair costs.
		Conduct quarterly profitability reviews and variance analysis.	Finance	Quarterly management accounts	Apr	quarterly	Reliable financial data is available on time for analysis.	Inaccurate or late financial data undermines analysis.
Market penetration and brand positioning enhanced	Brand recognition ≥85%	Conduct brand perception survey	Commercial Services & Planning	Survey report	Apr	One-off	Respondents honest	Sampling bias
		Develop branding strategy	Commercial Services	Branding strategy	Apr	One-off	Management approves	Strategy ignored
		Roll out rebranding campaign	Commercial Services	Campaign reports	Apr	Annually	Campaign funded	Negative publicity
		Monitor brand performance	Commercial Services	Brand tracking reports	Apr	Annually	Tools reliable	Inconsistent data
Strategic partnerships formalized and operationalized	At least 6 new MOUs developed	Map potential partners	Credit, Finance & Planning	Partner mapping report	Apr	One-off	Partners available	Poor alignment
		Conduct partnership negotiations	Credit, Finance & Planning	Negotiation records	Apr	One-off	Mutual interest	Legal delays
		Sign MoUs	Credit, Finance & Planning	Signed MoUs	Apr	Annually	Governance stable	Partner withdrawal
		Implement joint programmes	Credit, Finance & Planning	Joint activity reports	Apr	Annually	Partners committed	Coordination failure
		Monitor partnership performance	Planning	Partnership evaluation	Apr	Annually	Data shared	Partners conceal issues
Digital platforms and customer-centric delivery systems institutionalized	Atleast 65% of services delivered digitally	Develop digital transformation roadmap	ICT	Roadmap document	Apr	One-off	ICT leadership strong	Poor planning
		Upgrade/procure digital systems	ICT	Procurement records	Apr	One-off	Funding available	Procurement delays
		Integrate systems with core operations	ICT	Integration reports	Apr	One-off	Systems compatible	System incompatibility
		Train staff on digital systems	ICT	Training logs	Apr	Annually	Staff adaptable	Resistance to change
		Monitor digital service uptake	ICT	Usage analytics	Apr	Quarterly	Clients digitally literate	Cyber risks

KEY RESULT AREA IV	**RESEARCH AND INNOVATION**							
Objective	**Strengthen MEDF's institutional performance and development impact through structured innovation and evidence-based research**							
Strategic Outcome I	**Innovation capacity and uptake are strengthened**							
Outcome Target I	**MEDF pilots at least 6 innovative solutions, successfully scales 74% of tested innovations, and achieves measurable improvements in service efficiency and client experience by 2029/2030**							
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Innovation systems and governance institutionalized	100% of innovation initiatives undergo mandatory governance review before pilot or scale.	Develop governance review protocol	Risk, Legal, ICT, Planning	Approved governance protocol/ document	Apr–Jun (Year 1)	One-off	Leadership approves protocol	Delays in approvals
		Allocate innovation budget	Finance & Planning	Budget allocations	Apr	Annually	Funds available	Budget cuts
		Integrate innovation into performance contracts	HRMD & Planning	Performance contracts	Apr	Annually	Staff incentivized	Resistance to change
		Implement Innovation Tracking Tools (logs, dashboards, trackers)	ICT	Innovation dashboard (digital or Excel), Innovation register/ logbook	Apr	Annually	IT systems support the use of the tracking dashboard/ register.	System downtime, poor configuration, or lack of IT support.
		Conduct Regular Innovation Review Meetings	MEDF Management Committee & ICT	Innovation meeting minutes	Apr	Annually	Committee meetings occur as scheduled.	Meetings postponed frequently due to competing priorities.
		Conduct Governance Reviews for all innovations	MEDF Management Committee & ICT	Governance review forms; clearance memos	Apr–Dec (Annual cycle)	Continuous	All innovations are submitted for review	Bypass of process due to pressure or urgency
Innovative solutions piloted, evaluated, and scaled	At least 6 pilots annually, 94% scaled	Identify innovation opportunities	ICT	Opportunity register	Apr	Annually	Staff generate ideas	Low participation
		Allocate innovation budget	Finance & Planning	Budget allocations	Apr	Annually	Funds available	Budget cuts
		Select pilot innovations	ICT	Selection minutes	Apr	Annually	Selection objective	Bias in selection
		Implement pilots	ICT	Pilot reports	Apr	Annually	Departments cooperate	Implementation delays
		Evaluate pilot results	ICT	Evaluation reports	Apr	Annually	Data reliable	Weak evaluation quality
		Scale successful innovations	ICT	Scale-up plans	Apr	Annually	Resources available	Scaling failures
Digital and process innovations deployed	Atleast 81% of priority business processes automated	Map priority business processes	ICT	Process mapping reports	Apr	One-off	Processes documented	Hidden workflows
		Identify automation opportunities	ICT	Automation plans	Apr	Annually	Systems adaptable	Legacy systems
		Design digital solutions	ICT	System designs	Apr	Annually	Vendors competent	Poor system design
		Deploy innovations	ICT	Deployment reports	Apr	Annually	Users trained	User resistance
		Monitor operational efficiency gains	ICT	Efficiency metrics	Apr	Quarterly	Metrics reliable	Data inaccuracies
Client-centered and responsible innovation embedded	Client innovation standards adopted	Establish client feedback mechanisms	ICT	Guidelines document	Apr	One-off	Standards accepted	Over-regulation
		Integrate safeguards into pilots	ICT	Feedback system logs	Apr	Annually	Clients provide feedback	Low response
		Monitor client experience	ICT	Satisfaction surveys	Apr	Annually	Honest feedback	Courtesy bias
ICT infrastructure and digital capabilities strengthened	Atleast 97% system uptime	Develop and implement an ICT infrastructure upgrade roadmap	ICT	Approved ICT roadmap	Apr	One-off	Leadership approval	Delayed approvals
		Conduct quarterly ICT user satisfaction surveys	ICT	User satisfaction reports	Apr	Quarterly	User cooperation	Low survey response rates
		Implement a Data Quality Management Framework	ICT	Data Quality Framework; data validation reports	Apr	Annual	Staff follow data standards	Poor data entry discipline
		Conduct ICT capacity assessment	ICT	Assessment report	Apr	One-off	Accurate diagnostics	Underestimated gaps
		Train staff on digital tools	ICT & HRMD	Training attendace sheet/report	Apr	Annually	Staff motivated	Skills gaps
		Upgrade core ICT infrastructure	ICT	Upgrade reports	Apr	Annually	Funding available	Cost overruns
		Monitor system performance	ICT	System uptime logs	Apr	Quarterly	Monitoring tools working	System failures

Strategic Outcome II	**Research informs decision-making and learning**							
Outcome Target II	**Research evidence informs at least 70% of major policies and product decisions, and MEDF produces and disseminates annual research outputs influencing institutional practice and sector dialogue by 2029/2030**							
Research and analytics institutionalized	Research function operational	Develop Research an Development Policy	Planning	Approved policy	Apr	Annually	Agenda accepted	Low compliance, Budget constraints
		Develop institutional research agenda aligned to strategy	Planning	Approved research agenda	Apr	Annually	Agenda accepted	Low compliance, Budget constraints
		Allocate research budget	Planning	Budget lines	Apr	Annually	Funding available	Budget constraints
		Train research/M & E staff	Planning	Training records	Apr	Annually	Skilled candidates	Skills shortage
		Develop and implement research Standard Operating Procedures (SOPs) and protocols	Planning	Approved SOP/protocol pack with issue date and authorization memo (circulated on the intranet/ shared drive).	Apr	Annually	Leadership endorses and communicates mandatory use of the SOPs across all research/M&E activities.	SOPs exist but are not followed consistently
		Implement quality assurance processes for research	Planning	Completed QA checklists/ peer-review forms attached to each study file (with reviewer name and date)	Apr	Annually	Qualified reviewers and supervisors are available to conduct QA on schedule	Time pressures cause teams to bypass QA steps, resulting in undetected errors or biased findings
		Strengthen digital data collection systems	Planning	System uptime/usage report showing active forms, submission volumes, and successful sync logs from the chosen platform	Apr	Annually	Sufficient devices, connectivity, and IT support are available for enumerators and analysts	Connectivity or device failures interrupt submissions, creating gaps and delays in datasets.
		Collaborate with external research partners	Planning	Signed MoU/contract with scope of work, deliverables, and data-sharing/ethics clauses.	Apr	Annually	Partners have aligned timelines, standards, and interest in joint outputs.	Misaligned expectations or IP/ethics disputes delay deliverables and limit knowledge sharing.
		Monitor implementation of research recommendations	Planning	Action-tracker showing each recommendation, responsible owner, due date, and status updates	Apr	Annually	Program and department leads allocate resources and integrate recommendations into work plans.	Recommendations are acknowledged but not actioned due to competing priorities or budget constraints.
Evidence integrated into decision-making	100% decisions evidence-based	Conduct research studies	Planning	Study reports	Apr	Annual	Data accessible	Poor data quality
		Present evidence to Management & Board	Planning	Meeting minutes	Apr	Quarterly	Leadership receptive	Political overrides
		Track evidence usage	Planning	Ethics guidelines	Apr	Annual	Systems integrated	Weak monitoring
		Revise policies based on findings	MEDF Management committee & Planning	Updated policies	Apr	Annual	Willingness to adapt	Institutional inertia
Data systems and analytics strengthened	Integrated data platform	Develop M & E system and dashboards	Planning & ICT	M & E System	Apr	Annual	User adoption	Low utilization
		Implement M & E system	Planning	Deployment report	Apr	Annual	Vendor capacity	System failures
		Train staff on data use	Planning	Training records	Apr	Annual	Staff motivated	Skills gap
		Strengthen data security and user access controls	Planning & ICT	Signed access-control matrix with system audit logs	Apr	Quarterly / As required	IT infrastructure and policies support role-based access control	Configuration gaps or policy non-compliance create vulnerabilities that could lead to unauthorized access or data breaches.
		Conduct periodic system performance reviews	Planning	Quarterly performance review report	Apr	Quarterly	Monitoring tools and logs are accurate and complete	Findings are not acted upon due to resource constraints or competing priorities

Knowledge dissemination and learning enhanced	At least 1 research and learning product are produced and disseminated annually to internal and external stakeholders	Identify priority research or learning themes for the year	Planning	Approved annual research/ learning agenda endorsed by management.	Apr	Annually	Leadership and departments provide timely input and agree on priority topics.	Conflicting departmental priorities may delay consensus on the annual agenda
		Conduct the necessary data collection and analysis	Planning	Completed data collection tools, raw datasets, and analysis report for the study.	Apr	Quarterly / As required	Respondents, field staff, and relevant stakeholders are available and cooperative during data collection	Poor data quality or low response rates may compromise the validity of findings.
		Disseminate the product to stakeholders	Planning	circulation emails, workshop attendance lists, presentation slides, or published briefs.	Apr	Bi-annually	Stakeholders have access to email, meetings or platforms where products are shared.	Dissemination may be ineffective if stakeholders are unavailable, disengaged, or not targeted appropriately.
		Collect feedback on the usefulness of the products	Planning	Feedback forms, survey results, or stakeholder interview notes	Apr	Annually / After each dissemination	Stakeholders provide honest and constructive feedback on the research or learning products.	Low response rates or biased feedback may limit the institution's ability to improve future research products.
Research governance and partnerships strengthened	At least two active research partnerships are established and reviewed annually, with a minimum of 80% of partnership-led research delivered on time	Identify potential research partners	Planning	Partner list	Apr	One-off	Partners interested	Misaligned priorities
		Develop annual joint research plans with each partner	Planning	Annual Joint Research Plan; Signed Workplans	Apr	Annual	Partners align on priorities	Misaligned priorities
		Conduct joint research initiatives	Planning	Joint study reports	Apr	Annual	Mutual commitment	Partner withdrawal
		Establish research ethics framework	Planning	Ethics guidelines	Apr	One-off	Ethical awareness	Data misuse
		Conduct periodic partnership review meetings	Planning	Partnership review minutes; Review scorecards	Apr	Bi-annual/ Annually	Partners attend scheduled reviews	Poor participation
		Participate in sector knowledge platforms	Planning	Participation records/report	Apr	Annual	Travel funding	Limited visibility

KEY RESULT AREA V	**CLIMATE-SMART FINANCING AND ADAPTATION**							
Objective	**Mainstream climate resilience and adaptation into MEDF's financing, operations and partnerships to safeguard livelihoods, strengthen portfolio performance, and align with national and global climate priorities**							
Strategic Outcome I	**Climate risk is mainstreamed into MEDF's financing and portfolio management**							
Outcome Target I	**100% of agricultural and MSME loans undergo climate risk screening and climate-related portfolio losses reduce by at least 10% from baseline by 2029/2030**							
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Climate risk screening embedded in credit processes	Climate screening tool operational	Develop climate screening checklist	Credit & Risk	Screening tool	Apr	One-off	National climate data available	Inaccurate tools
		Integrate screening into loan appraisal forms	Credit & Risk	Updated appraisal forms	Apr	One-off	System adaptable	ICT delays
		Review screening quality	Internal Audit	Audit reports	Apr	Annual	Audit independence	Weak enforcement
Climate risk monitoring strengthened	Climate risk dashboard	Define climate risk metrics	Risk & Credit	Indicator framework	Apr	One-off	Data accessible	Poor data
		Monitor climate exposure	Risk	Monitoring reports	Apr	Quarterly	Field data available	Incomplete reporting
		Track climate-related defaults	Risk	Portfolio reports	Apr	Quarterly	Attribution possible	Misclassification
Climate risk governance institutionalized	Climate governance framework	Establish Climate Risk Committee	Risk & Credit	TORs, minutes	Apr	One-off	Board commitment	Token committee
		Develop climate risk policy	Risk	Approved policy	Apr	One-off	Policy adopted	Low enforcement
		Integrate climate into ERM	Risk	ERM framework	Apr	Annual	Risk systems mature	Resistance
		Review climate strategy annually	Risk	Review reports	Apr	Annual	Learning culture	Strategy stagnates
		Report to Board	Risk	Board papers	Apr	Semi-Annual	Reporting discipline	Political interference
Staff capacity on climate risk strengthened	All staff trained	Develop training curriculum	Risk	Curriculum	Apr	One-off	Expert support	Poor quality content
		Conduct staff training	Risk	Attendance records	Apr	Annual	Staff available	High turnover
		Include climate in induction	Risk & HR	Induction materials	Apr	Continuous	HR systems active	HR neglect
		Assess training impact	Risk & Planning	Evaluation reports	Apr	Annual	Honest feedback	Superficial evaluation
Strategic Outcome II	**Uptake of climate-smart and green investments increases**							
Outcome Target II	**At least 50% of agricultural borrowers finance Climate-Smart Agriculture (CSA) investments, and 85% of MEDF's total portfolio is classified as green by 2029/2030**							
CSA and green financing products deployed	At least 8 CSA/green financing products	Design/redesign CSA/green loan products	Credit & Risk	Product manuals	Apr	One-off	Farmer demand	Low uptake
		Approve products	Management & Board	Approval minutes	Apr	One-off	Governance effective	Delays
		Pilot CSA/green products	Credit & Operations	Pilot reports	Apr	One-off	Field readiness	Poor piloting
		Scale nationally	Operations	Roll-out plans	Apr	Annually	Resources available	Funding gaps
		Market CSA/green products	Commercial Services	Campaign reports	Apr	Annually	Awareness created	Weak messaging
		Assess CSA/green products performance	Planning	Disbursement, repayment, expected and loan book reports	Apr	Annually	High quality system data	Poor quality of system data
Green portfolio share expanded	85% green portfolio	Set green lending targets	Credit & Operations	Lending plans	Apr	Annually	Targets realistic	Overambitious
		Monitor green share	Planning	Portfolio reports	Apr	Quarterly	Data accurate	Reporting gaps
		Report to stakeholders	Credit & Operations	Annual reports	Apr	Annual	Transparency	Reputational risk
Adoption of CSA and green practices supported	≥50% adoption rate	Train borrowers/clients	Credit	Training records	Apr	Annual	Borrower interest	Low attendance
		Link to input suppliers	Credit & Planning	MoUs	Apr	Annual	Supplier reliability	Supply disruptions
		Monitor practice adoption	Planning	Monitoring reports	Apr	Quarterly	Self-reporting honest	Misreporting
		Evaluate impact	Planning	Impact studies	Apr	Bi-annual	Data quality	Attribution issues

Resilience-enhancing finance bundles implemented	atleast 25% bundled products	Design finance + insurance packages	Credit & Risk	Product designs	Apr	One-off	Partner availability	High costs
		Link clients to climate insurance	Operations & Credit	Referral records	Apr	Annual	Insurance affordable	Low uptake
		Integrate advisory services	Operations & Credit	Service logs	Apr	Quarterly	Advisors available	Staff overload
		Scale nationally	Operations & Credit	Scale plans	Apr	Annual	Proven effectiveness	Financial losses
Strategic Outcome III	**Client and portfolio climate resilience improves**							
Outcome Target III	**100% of climate-exposed clients demonstrate improved resilience, evidenced by sustained repayment performance and faster recovery following climate shocks by 2029/30**							
Client resilience capacity strengthened	atleast 81% resilience adoption	Develop resilience training modules	Credit & Risk	Training curriculum	Apr	One-off	Expertise available	Weak content
		Conduct client resilience training	Credit & Risk	Attendance records/report	Apr	Quarterly	Client availability	Low turnout
Staff complement achieved	60:40 complement of male to female staff	Identify current gender disparities, barriers, and participation gaps among clients or staff	HR & Administration	HR Staff Database	Apr	One-off	Qualified candidates of the under-represented gender are available in the labor market.	Unconscious bias during recruitment results in unequal shortlisting or hiring
		Expand recruitment outreach to gender-focused networks	HR & Administration	Recruitment policy/procedure noting gender-sensitive steps	Apr	Annually	Gender-focused networks and associations are willing to support recruitment efforts	Outreach does not yield enough qualified applications from the targeted gender group
		Provide equal opportunity training and career development	HR & Administration	Records of mentorship/leadership programme participation by gender.	Apr	Annually	Staff of all genders can attend and participate in training without barriers	Training opportunities may still unintentionally favor one gender due to scheduling or selection bias
		Strengthen policies that support gender equity in the workplace	HR & Administration	HR compliance/audit reports confirming policy implementation	Apr	Annually	Management adopts and enforces gender-equity policies consistently	Policies exist on paper but are not implemented or monitored, reducing their effectiveness
		Monitor and report gender representation at all staffing levels	HR & Administration	Quarterly HR diversity dashboard (recruitment, promotions, exits by gender)	Apr	Annually	Committee members are committed, trained, and supported to perform their roles.	The committee becomes inactive due to competing priorities or lack of authority
Portfolio resilience performance improved	Climate loss reduced by 10%	Segment climate-exposed portfolio	Risk	Portfolio maps	Apr	One-off	Data available	Poor classification
		Apply differentiated risk pricing	Risk	Pricing frameworks	Apr	Annual	Clients accept pricing	Client resistance
		Adjust loan terms post-shocks	Risk	Restructuring records	Apr	As needed	Regulatory flexibility	Moral hazard
		Track climate-related arrears	Risk	Arrears reports	Apr	Quarterly	Accurate tagging	Misattribution
Shock recovery outcomes monitored	Recovery tracked	Develop recovery indicators	Risk	Indicator framework	Apr	One-off	Consensus on metrics	Inappropriate metrics
		Conduct post-shock surveys	Risk	Survey reports	Apr	After shocks	Access to clients	Insecurity
		Compare pre/post shock income	Risk	Comparative studies	Apr	Annual	Baseline data	Weak baselines
		Report recovery trends	Risk	Recovery reports	Apr	Annual	Leadership interest	Findings ignored
Client income stability supported	Income variability reduced	Promote diversified livelihoods	Operations & Credit	Field reports	Apr	Annual	Market opportunities	Market failure
		Finance climate-resilient enterprises	Operations & Credit	Loan records	Apr	Quarterly	Business viable	Business collapse
		Link clients to value chains	Operations & Credit	MoUs	Apr	Annual	Buyers available	Buyer withdrawal
		Encourage savings and insurance	Operations & Credit	Account records	Apr	Quarterly	Products affordable	Low trust
		Monitor income volatility	Operations & Credit	Income reports	Apr	Annual	Data reliable	Income misreporting

Strategic Outcome IV	**Access to climate finance and partnerships strengthens**							
Outcome Target IV	**MEDF mobilizes significant climate finance and maintains active climate-focused partnerships supporting adaptation and green financing by 2029/30**							
Climate finance mobilized	At least one funding proposal accepted and funded	Develop climate finance strategy	Risk, Finance & Planning	Strategy document	Apr	One-off	National alignment	Weak strategy
		Identify funding windows (AfDB, WB)	Risk, Finance & Planning	Funding matrix	Apr	Annual	Donor openness	Competitive funding
		Prepare funding proposals	Risk, Finance & Planning	Submitted proposals	Apr	Annual	Proposal quality	Low approval rates
		Track mobilized climate funds	Risk, Finance & Planning	Finance reports	Apr	Quarterly	Proper tagging	Misclassification
Joint climate initiatives implemented	≥4 joint initiatives	Design joint programs	Risk & Planning	Program designs	Apr	One-off	Co-financing	Disagreements
		Co-finance climate projects	Risk & Planning	Disbursement records	Apr	Annual	Funds available	Cost overruns
		Monitor and evaluate project performance	Risk & Planning	Performance reports	Apr	Quarterly	Data availability	Reporting failures
Institutional climate readiness enhanced	Climate readiness certification	Conduct climate readiness assessment	Risk	Assessment reports	Apr	One-off	External expertise	Unfavorable results
		Address readiness gaps	Risk	Action plans	Apr	Annual	Budget support	Resource constraints
		Implement safeguards systems	Risk	Safeguard manuals	Apr	One-off	Staff cooperation	Resistance
		Train staff on donor standards	Risk & HR & Admin	Training records	Apr	Annual	Staff motivated	High turnover
		Undergo external audits	Internal Audit	Audit reports	Apr	Annual	Transparency	Audit failures

KEY RESULT AREA VI	INSTITUTIONAL CAPACITY DEVELOPMENT AND GOVERNANCE							
Objective	**Strengthen MEDF's institutional capacity, governance, and support systems to ensure effective service delivery, regulatory compliance, and accountability**							
Strategic Outcome I	**Institutional systems and human capital are efficient, compliant, and fit for purpose**							
Outcome Target I	**All core institutional systems operate at ≥90% compliance with approved policies and service standards**							
Output(s)	**Output Target**	**Tasks**	**Responsibility**	**Means of Verification**	**Begin/End Date**	**Frequency**	**Assumptions**	**Risk**
Workforce capacity developed	Skills gaps reduced	Conduct skills audit	HR & Administration	Skills audit report	Apr	One-off	Staff cooperate	Inaccurate data
		Update job descriptions	HR & Administration	Revised JDs	Apr	One-off	Roles accepted	Resistance
		Develop capacity plan	HR & Administration	Capacity plan	Apr	One-off	Budget approved	Underfunding
		Recruit critical staff	HR & Administration	Recruitment records	Apr	Annually	Talent available	Brain drain
		Evaluate staff competencies	HR & Administration	Assessment reports	Apr	Annually	Objective evaluation	Bias
Staff complement improved	60:40 gender complement for males to females	Establish gender-sensitive recruitment practices	HR & Administration	Copies of job adverts showing inclusive language and equal-opportunity statements	Apr	Annually	Qualified candidates of the under-represented gender are available in the labor market	Unconscious bias during recruitment results in unequal shortlisting or hiring
		Expand recruitment outreach to gender-focused networks	HR & Administration	Source-of-hire reports showing applicants from gender-focused channels	Apr	Annually	Gender-focused networks and associations are willing to support recruitment efforts	Outreach does not yield enough qualified applications from the targeted gender group
		Provide equal opportunity training and career development	HR & Administration	Records of mentorship/leadership programme participation by gender	Apr	Annually	Staff of all genders can attend and participate in training without barriers.	Training opportunities may still unintentionally favor one gender due to scheduling or selection bias.
		Strengthen policies that support gender equity in the workplace	HR & Administration	HR compliance/audit reports confirming policy implementation	Apr	Annually	Management adopts and enforces gender-equity policies consistently	Policies exist on paper but are not implemented or monitored, reducing their effectiveness
		Monitor and report gender representation at all staffing levels	HR & Administration	Annual gender diversity report endorsed by management.	Apr	Annually	HR systems produce accurate, up-to-date gender-disaggregated data	Inaccurate or incomplete data prevents accurate monitoring and decision-making
Structured training programs implemented	Atleast 95% staff trained	Develop training curriculum	HR & Administration	Curriculum	Apr	One-off	Expert input	Poor quality
		Deliver annual training	HR & Administration	Training records	Apr	Annual	Staff availability	Workload
		Track training completion	HR & Administration	Training database	Apr	Quarterly	Data systems work	Weak tracking
		Assess training impact	HR & Administration	Evaluation reports	Apr	Annual	Honest feedback	Superficial evaluation
Performance management strengthened	PMS operational	Review performance system	HR & Administration	Revised PMS	Apr	One-off	Leadership support	Cultural resistance
		Set individual KPIs	HR & Administration	Signed performance plans	Apr	Annual	KPIs realistic	Poor alignment
		Conduct appraisals	HR & Administration	Appraisal records	Apr	Annual	Objectivity	Favoritism
		Link rewards to performance	HR & Administration	Incentive records	Apr	Annual	Budget availability	Demotivation
		Address underperformance	HR & Administration	Improvement plans	Apr	As needed	Fair processes	Staff disputes
Staff engagement and retention enhanced	Turnover reduced	Conduct staff satisfaction survey	HR & Administration	Survey reports	Apr	Annual	Staff honest	Fear of reprisal
		Implement staff wellness programs	HR & Administration	Program records	Apr	Annual	Resources available	Low uptake
		Review compensation structure	HR & Administration	Salary review	Apr	One-off	Fiscal space	Budget cuts
		Establish grievance mechanisms	HR & Administration	Grievance logs	Apr	One-off	Trust in system	Escalation
		Track retention rates	HR & Administration	HR analytics	Apr	Annual	Reliable data	Hidden attrition

Leadership and succession systems strengthened	Succession plans in place	Identify critical roles	HR & Administration	Role mapping	Apr	One-off	Management consensus	Political interference
		Develop succession plans	HR & Administration	Succession documents	Apr	One-off	Talent pool	Skills gap
		Implement leadership training	HR & Administration	Training records	Apr	Annual	Leadership buy-in	Resistance
		Mentor high-potential staff	HR & Administration	Mentorship logs	Apr	Annual	Time availability	Favoritism
		Review leadership pipeline	HR & Administration	Review reports	Apr	Biennial	Strategic oversight	Stagnation
Strategic Outcome II	**Institutional governance, integrity, and compliance are strengthened**							
Outcome Target II	**Full compliance with statutory/public-sector governance requirements, effective Board oversight, zero unresolved high-risk governance breaches, and a mature ethics**							
Board and committee structures strengthened	Board fully functional	Review Board TORs	Company Secretary	TOR documents	Apr	One-off	Board engagement	Political pressure
		Establish key committees	Company Secretary	Committee minutes	Apr	One-off	Qualified members	Weak expertise
		Conduct Board induction	Company Secretary	Induction records	Apr	As needed	Member availability	Low participation
		Provide governance training	Company Secretary	Training records	Apr	Annually	Funding	Token attendance
		Evaluate Board performance	Company Secretary	Evaluation reports	Apr	Annually	Openness	Resistance
Governance reporting enhanced	Governance compliance	Review and update governance policies and frameworks	Management	Approved and updated governance policy documents	Apr	Quarterly	Senior management and the Board support the policy review process and provide timely approvals	Updated policies remain unimplemented due to resistance to change or lack of enforcement mechanisms
		Conduct periodic governance compliance audits	Management	Governance compliance audit report	Apr	Quarterly	Internal auditors or external reviewers have full access to records, departments, and personnel required for a thorough audit	Audit findings are ignored or not acted upon, resulting in repeated governance weaknesses and continued non-compliance
Oversight effectiveness improved	Resolutions implemented	Implement Board action tracker	Company Secretary	Tracker logs	Apr	One-off	Board discipline	Non-compliance
		Evaluate action tracker	Company Secretary	Tracker logs	Apr	Annually	Relevant departments update the action tracker regularly and accurately	Action tracker entries may be incomplete, outdated, or inaccurately reported
Ethics and Integrity Embedded	Ethics compliance	Update Code of Conduct	Legal, Risk & Compliance and HR	Revised Code	Apr	One-off	Staff acceptance	Cultural norms
		Establish whistleblowing mechanism	Risk & Compliance and Intergrity Committee	System records	Apr	One-off	Trust in system	Retaliation fears
		Train staff on ethics	HR & Intergrity Committee	Training records	Apr	Annual	Willingness	Token training
		Investigate misconduct cases	Audit	Investigation reports	Apr	As needed	Independence	Political interference
		Submit integrity reports to ACB	Intergrity Committee	Quarterly integrity report	Apr	Quarterly	Transparency	Reputational damage
Strategic Outcome III	**Procurement, legal, and administrative systems are efficient, transparent, and compliant**							
Outcome Target III	**Procurement and administrative processes achieve ≥90% compliance with regulatory requirements and meet delivery timelines**							
Procurement and financial processes streamlined	Cycle time reduced	Map procurement workflows	Procurement	Process maps	Apr	One-off	Staff cooperate	Resistance
		Digitize procurement systems	Procurement	E-procurement logs	Apr	One-off	ICT funding	System failures
		Develop Procurement Plan	Procurement	Procurement Plan	Apr	One-off	Regulatory clarity	Non-compliance
		Monitor delivery timelines	Procurement	Performance reports	Apr	Quarterly	Data available	Supplier delays
		Review procurement performance	Procurement	Review reports	Apr	Annual	Accountability	Complacency
Contract execution efficiency improved	Contracts delivered on time	Standardize contract management	Procurement	Contract manuals	Apr	One-off	Legal capacity	Poor drafting
		Train procurement staff	Procurement	Training records	Apr	Annual	Staff motivated	Low competence
		Track contract milestones	Procurement	Contract dashboards	Apr	Quarterly	Systems working	Data gaps
		Enforce penalties	Procurement & Legal	Penalty records	Apr	As needed	Legal authority	Supplier disputes
		Evaluate contractor performance	Procurement	Evaluation reports	Apr	Annual	Objective reviews	Bias

Procurement compliance strengthened	100% compliance	Conduct compliance audits	Internal Audit	Audit reports	Apr	Annual	Audit independence	Cover-ups
		Enforce regulatory guidelines	Procurement & Legal	Compliance logs	Apr	Continuous	Regulatory clarity	Policy changes
		Address audit findings	Procurement	Action plans	Apr	Quarterly	Management commitment	Recurrence
		Submit procurement reports	Procurement	Quarterly reports	Apr	Quarterly	Transparency	Reputational risk
Legal and compliance systems strengthened	Zero legal breaches	Update internal policies	Procurement	Policy manuals	Apr	Annual	Policy acceptance	Resistance
		Monitor legal risks	Procurement	Risk logs	Apr	Quarterly	Data accurate	Litigation
		Resolve procurement disputes	Procurement & Legal	Case records	Apr	As needed	Judicial efficiency	Prolonged cases
Strategic Outcome IV	**Risk management, internal controls, and audit responsiveness are strengthened**							
Outcome Target IV	**Operational risks are reduced, audit issues are promptly resolved, and business continuity arrangements are fully functional by 2029/30**							
Internal controls strengthened	100% comprehensive internal control framework implemented and operational	Review internal control framework	Internal Audit	Control manuals	Apr	One-off	Audit capacity	Weak recommendations
		Address control gaps	Internal Audit	Action plans	Apr	Quarterly	Accountability	Repeat failures
		Report internal control effectiveness	Internal Audit	Reports	Apr	Annual	Oversight	Ignored findings
Risk management systems institutionalized	ERM functional	Implement ERM system	Risk and Compliance	ERM reports	Apr	One-off	Leadership support	Poor integration
		Conduct risk assessments	Risk and Compliance	Assessment reports	Apr	Annual	Participation	Superficial analysis
		Review mitigation actions	Risk and Compliance	Mitigation reports	Apr	Quarterly	Accountability	Inaction
Fraud and compliance risks monitored	Fraud incidents reduced	Establish fraud reporting system	Risk & Compliance and Internal Audit	System logs	Apr	One-off	Staff trust	Fear of retaliation
		Train staff on fraud awareness and mitgation measures	Internal Audit	Training records	Apr	Annual	Staff interest	Cynicism
		Conduct fraud risk assessment	Internal Audit	Risk reports	Apr	Annual	Independence	Political interference
		Investigate reported cases	Internal Audit	Investigation files	Apr	As needed	Due process	Cover-ups
Business continuity preparedness enhanced	BCP tested	Develop BCP plan	ICT & Risk	BCP document	Apr	One-off	Management buy-in	Unrealistic plans
		Conduct disaster simulations	ICT & Risk	Simulation reports	Apr	Annual	Staff participation	Low seriousness
		Establish backup systems	ICT	Backup logs	Apr	Continuous	ICT funding	System failure
		Review BCP effectiveness	Risk Unit	Review reports	Apr	Annual	Honest review	Complacency
System security improved	Cybersecurity compliance	Information security policy review	ICT	Approved, version-controlled Information Security Policy published	Apr	One-off	Executive leadership endorses updates and enforces compliance across all departments.	Policies are updated but not implemented, leading to gaps between written standards and actual practice
		Users trained in cybersecurity	ICT	Training attendance records and LMS reports	Apr	Annually	Staff complete mandatory training within timelines and have access to learning platforms	Low participation or superficial completion results in persistent user-behavior risks (e.g., phishing, weak passwords).
		Conducts system security audits	ICT	Independent security audit	Apr	Quarterly	Auditors receive full access to systems and logs and findings are prioritized for remediation.	Critical findings remain unaddressed due to resource constraints, leaving exploitable vulnerabilities

Annex V: The 5 Year Resource Matrix (Budget), 2026-2030

Key Result Area	Budget by Financial Year (MWK)				Total Budget by KRA (MWK)
	2026	2027	2028	2029	
Loan Portfolio Management	4,535,680,924	6,157,795,058	8,348,988,657	11,936,321,925	30,978,786,564
Inclusive Finance and Client Enterprise Development	3,002,310,820	2,061,693,246	2,286,262,571	2,506,792,828	9,857,059,464
Institutional Commercialization and Strategic Partnerships	544,369,107	584,369,107	598,806,018	689,910,499	2,417,454,731
Research and Innovation	1,040,000,000	1,114,400,000	1,225,840,000	1,323,907,200	4,704,147,200
Climate Smart Financing and Adaptation	929,240,000	1,089,626,000	1,137,524,800	1,246,378,464	4,402,769,264
Institutional Capacity Development and Governance	2,026,466,513	2,023,997,727	2,250,231,626	2,441,213,854	8,741,909,719
Total	**12,078,067,364**	**13,031,881,138**	**15,847,653,671**	**20,144,524,770**	**61,102,126,943**

Annex VI: Stakeholder Consultation Lists

No.	Location	Name	Position
External Stakeholders			
1	Lilongwe	Fredrick Msiska	Independent Review
2	National Planning Commission	Fredrick Changaya	Director General
3	Department of Statutory Corporation	Andrew Tiitani	Chief Human Resource Management Officer
4	E & D – Monitoring & Evaluation Division	Sophie Kang'oma	Director of M & E
5	E & D – Monitoring & Evaluation Division	Stanly Longwe	Deputy Director - M & E
6	E & D – Monitoring & Evaluation Division	Hemis Mauwa	Deputy Director - M & E
7	E & D – Monitoring & Evaluation Division	Venancio Mzonda	Chief Economist – M & E
8	E & D – Monitoring & Evaluation Division	Elizabeth Naluso	Principal Economist - M & E
9	Karonga	Rev Mwaiwawo Soko	Client, Food products
10	Karonga	Ephraim Makwakwa	Client, Business (shop)
11	Rumphi	Mateyu Chihana	Client, Farming
12	Rumphi	McDough Kachepa	Client, Electronics
13	Mzuzu CBD	Mercy Matchipisa Munthali, Ms	Client, Business (shops)
14	Mzuzu CBD	Cosmas Pempha	Client, Commodity Trading
15	Mzuzu CBD	Tapiwa Mwale, Ms	Client, Vuukani- Airtel Money Group
16	Nkhata Bay	Chawangwa Kaseghe	Client, Chilimunthaka Youth Group, rice farming
17	Nkhata Bay	Bessie Vumu, Ms	Client, Chikondi Womens Group, rice farming
18	Blantyre CBD	Felix Maguza	Client, Agriculture Commodity Trading
19	Blantyre CBD	Noel Ngulube	Client, ICT
20	Mwanza	Grace Lizi, Ms	Client, Lodge
21	Chakanaka TC	Ranken Bwanali	Client, Poultry farming
22	Luchenza	Stella Zabiyo	Client, Restaurant
23	Balaka	Salmon Chabwera	Client, Electronics business
Internal Stakeholders			
1	MEDF Headquarters	Kayisi Sadala	Chief Executive Officer
2	MEDF Headquarters	Benedicto Kananza	Director of Finance
3	MEDF Headquarters	Felix Tembo	Director of Credit
4	MEDF Headquarters	Vincent Njere	Director of Human Resources and Administration
5	MEDF Headquarters	Harmony Mwavuli	Risk and Compliance Manager
6	MEDF Headquarters	Dalitso Mombera	Human Resource Manager
7	MEDF Headquarters	Copeland Ngwira	Chief Agriculture Loans Officer
8	MEDF Headquarters	Humphrey Mdyetseni	Former Chief Executive Officer
9	MEDF Headquarters	Whyghtone Mweta	Credit Manager
10	MEDF Headquarters	Ndandati Mtawali	Internal Audit Manager

11	MEDF Headquarters	Kazembe Saidi	ICT Manager – Infrastructure
12	MEDF Headquarters	Joseph Mdambo	Procurement Manager
13	MEDF Headquarters	Matamando Chiweza	Legal Counsel
14	MEDF Headquarters	Edson Chikondi	Chief Administration Officer
15	MEDF Headquarters	Mphatso Mandala	Chief Finance Officer
16	MEDF Headquarters	Derick Kumwenda	Chief Disbursement Officer
17	MEDF Headquarters	Chikumbutso Maudzu	Acting Chief Human Resource Officer
18	MEDF Headquarters	Monalisa Katopola	Senior Credit Analyst
19	MEDF Headquarters	Rodgers Chisanu	Finance Officer
20	MEDF Headquarters	Elizabeth Mapemba	Public Relations Officer
21	MEDF Headquarters	Francis Palimtima	Marketing and Communications Officer
22	MEDF Headquarters	Mayamiko Kavalo	Human Resource Officer
23	MEDF Headquarters	Precious Mtotha	Former Acting Chief Executive Officer
24	Centre Lilongwe Zone	Nenani Mponda	Zone Manager
25	Liwonde Zone	Prescious Chinthenga	Zone Manager
26	Liwonde Zone	Wilson Sabola	Senior Credit Analyst
27	Karonga Zone	Lumbani Mayuni	Branch Supervisor
28	Karonga Zone	John Gowa Nyasulu	Senior Assistant Loan Officer
29	North Mzimba Zone	Lemani Chisi	Zone Manager
30	Rumphi Branch	Benard Banda	Branch Supervisor
31	Mzuzu Zone	Timothy Kamanga	Senior Operations Officer
32	Mzuzu CBD Branch	Lilien Kamanga, Ms	Branch Supervisor
33	Nkhata Bay Branch	Paul Chigulu Mnthaka	Branch Supervisor
34	Santhe Satellite	Grey Chituwi	Branch Supervisor
35	North Lilongwe Zone	Apatsa Kadaluka	Zone Manager
36	Kamwendo Branch	Blessings Kaunde	Branch Supervisor
37	South Lilongwe Zone	Sarah Gomera, Ms	Zone Manager
38	South Lilongwe Zone	Humphreys Thondolo	Senior Operations Officer
39	Blantyre Zones	Felix Kasiye	Zone Manager, Blantyre
40	Lower Shire Zones	Jonathan Nkhoma	Zone Manager, Lower Shire
41	Blantyre Zones	Jezina Mgona, Ms	Branch Supervisor
42	Mwanza Branch	Patrick Tembo	Branch Supervisor
43	Shire Highlands Zone	Earnest Milanzi	Zone Manager
44	Thuchila Branch	Bruno Singano	Branch Supervisor
45	Luchenza Branch	Moses Masanje	Acting Senior Assistants Loan Officer
46	Balaka Zone	Victor Mlusu	Zone Manager
47	Balaka Branch	Wesley Chikoko	Branch Supervisor

Annex VII: Strategic Planning Task Team

No.	Name	Designation	Organization
1	Kayisi Sadala	Chief Executive Officer	MEDF
2	Benedicto Kananza	Director of Finance	MEDF
3	Felix Tembo	Director of Credit	MEDF
4	Vincent Njere	Director of Human Resources Management and Administration	MEDF
5	Justice Chimgonda Nkhoma Ph.D	Planning Services Manager	MEDF
6	Mercy Camrudine Banda	Senior Planning Officer	MEDF
7	Nicolas Chinyama	Monitoring and Evaluation Officer	MEDF
8	Favour Kenamu	Monitoring and Evaluation Officer	MEDF

Glossary

Term	Definition
Accountability	Obligation of MEDF's Board, Management, and staff to justify decisions and actions, take responsibility for outcomes and ensure transparency in line with public service and regulatory standards.
Additionality	Principle that MEDF interventions should complement not duplicate existing financial services by filling market gaps and reaching underserved groups.
Automation	Use of digital systems to replace manual processes for improved accuracy, efficiency and loan processing turnaround time (TAT).
Baseline Assessment	Initial measurement of indicators at the start of the Plan to enable subsequent progress tracking and evaluation.
Blended Finance	Financing that leverages public/donor resources to mobilize private capital via guarantees, risk sharing and concessional terms.
Board of Directors	Governing body providing strategic direction, policy oversight and performance monitoring for MEDF.
Capital Injection	Government funds provided to expand the loan book, enhance liquidity and strengthen institutional sustainability.
Client Protection	Policies and practices that ensure transparent pricing, fair treatment, privacy and effective grievance redress for clients.
Climate Risk	Credit and operational risks to borrowers and portfolio arising from floods, droughts, cyclones and other climate shocks.
Climate Smart Agriculture (CSA)	Practices that raise productivity while strengthening resilience and reducing environmental impact.
Commercialization	Transition toward a financially sustainable, market responsive model that preserves MEDF's social mandate while improving cost recovery and revenue diversification.
Compliance	Adherence to applicable laws, regulations, and policies (e.g., Microfinance Act, Financial Services Act, PFMA, PPDA) and RBM supervisory standards.
Core Values	Accountability, Confidentiality, Creativity & Innovation, Customer Care, Inclusivity, and Teamwork—the principles guiding staff behavior and institutional culture.
Cost Recovery	Extent to which operating and service delivery costs are covered by interest income, fees and other revenues.
Credit Risk	Likelihood that borrowers fail to repay, causing financial loss; managed through underwriting, monitoring and recovery processes.
Data Driven Decision Making	Use of digital data, analytics dashboards, and performance evidence to inform strategy, product design and portfolio management.
Data Protection	Legal and procedural safeguards for personal and financial data (e.g., Data Protection Act 2024) across collection, storage, and processing.
Data Quality Assurance (DQA)	Protocols ensuring accuracy, reliability, completeness, timeliness, integrity and inclusion sensitivity of ME&L data.
Digital Divide	Disparities in connectivity and access to digital services that limit rural and low-income clients' use of DFS.
Digital Finance Transformation	Adoption of mobile money, digital credit platforms, biometric ID, and integrated MIS to expand access and improve efficiency.
Digital Financial Services (DFS)	Financial services delivered via digital channels (mobile/online) including payments, transfers and digital credit.
eKYC / Biometric ID	Electronic Know Your Customer processes using biometrics and national ID integrations to verify clients and reduce fraud.
Economic Empowerment	Enabling individuals and enterprises to increase income, assets and resilience through access to finance and opportunities.

Enterprise Development	Financial literacy, business training, advisory services and market linkages that strengthen MSME capacity and sustainability.
Enterprise Risk Management (ERM)	Institution-wide approach to identify, assess, monitor, and mitigate strategic, financial, operational and compliance risks.
Environmental Degradation	Deterioration of natural resources (soil, forests, water) that undermines productivity and resilience.
ESG (Environmental, Social & Governance)	Standards and practices for sustainable and responsible operations and lending, referenced in green/climate finance approaches.
Financial Inclusion	Equitable access to affordable, appropriate financial services for underserved populations.
Financial Literacy	Knowledge and skills to budget, save, borrow responsibly and manage debt and risk.
Grievance Redress Mechanism (GRM)	Client feedback and complaints system to enhance protection, service quality and accountability.
Green Finance	Financing that supports renewable energy, energy efficiency, CSA and other environmentally sustainable investments.
Impact Evaluation	Assessment that determines the causal effects of interventions on outcomes (e.g., income, jobs, resilience).
Inclusive Finance	Design and delivery of financial services intentionally targeted to women, youth, PWDs and rural microentrepreneurs.
Informal Sector	Predominant employment space for Malawians, characterized by unregistered microenterprises and irregular incomes.
Internal Controls	Policies and procedures that maintain financial integrity, prevent fraud and safeguard resources.
Key Result Areas (KRAs)	Main priority areas where an organization, department, team or individual must achieve results to successfully deliver on their goals or strategic plan
Learning & Adaptive Management	Continuous review and course correction using ME&L evidence to improve implementation and results.
Loan Portfolio Management	Policies, processes, and tools for underwriting, monitoring, recovery, diversification and quality assurance of the loan book.
Management Information System (MIS)	Digital platform for client records, loan processing, monitoring, and analytics; currently only partially integrated at MEDF.
Mandate	MEDF's purpose: to provide inclusive, affordable, and sustainable microfinance services that empower underserved Malawians.
Market Risk	Potential losses due to inflation, currency depreciation, or adverse price movements affecting client repayment capacity.
Microfinance Services	Credit and complementary services tailored to low income clients, farmers and MSMEs.
Mid Term Review (MTR)	Evaluation conducted midcycle to assess progress, relevance and course corrections.
Monitoring & Evaluation (M&E)	Systematic tracking of outputs, outcomes, and impact; includes indicators, baselines, targets, reporting and evaluations.
Non-Performing Loan (NPL)	A loan with principal/interest overdue beyond a defined threshold, signaling heightened default risk.
Ordinary (Clients)	Everyday Malawians seeking accessible and affordable financial services to support basic livelihoods and microenterprise activities.
Parallel Borrowing	Clients taking multiple loans from different institutions simultaneously without disclosure, increasing default risk.
Participatory Approach	Consultative process involving stakeholders across sectors in the design, review and implementation of the Strategic Plan.
Portfolio	All the loans an institution has issued and are still outstanding (not yet repaid)

Portfolio at Risk (PAR)	Percentage of the outstanding portfolio with payments past due beyond a set number of days; a key quality metric.
Portfolio Diversification	Spreading exposure across sectors, geographies, and client segments to reduce concentration risk.
Portfolio Quality	Overall health of the loan book measured by repayment, PAR and NPL trends.
Portfolio Vulnerability	Sensitivity of the portfolio to climate shocks, sector concentration and macroeconomic volatility.
Procurement (PPDA)	Transparent, efficient acquisition and disposal of goods/services under the Public Procurement & Disposal of Assets framework.
Public–Private Partnership (PPP)	Collaborative arrangements with private actors (banks, agribusinesses, fintechs, NGOs) to mobilize capital and expertise.
Regulatory Framework	Laws and supervisory standards governing MEDF (e.g., Microfinance Act, Financial Services Act, PFMA, PPDA, Consumer Protection Act, Data Protection Act).
Rebranding	Strategic transition from MEDF to MEDF (2020), refocusing scope and mandate.
Results Architecture	Structured linkage from KRAs and objectives to outputs, indicators, baselines, milestones and targets for planning and M&E.
Results Based Management (RBM)	Management approach linking inputs to outputs, outcomes and impact, with clear indicators and accountability.
Risk Management Framework	Policies, processes, and tools (risk register, controls) to identify, assess and mitigate institutional risks.
Risk Register	Live log capturing risks, likelihood/impact, controls, owners, and mitigation actions, reviewed by Management and Board Committees.
Stakeholder Engagement	Systematic consultations and coordination with Government, regulators, partners, private sector and communities.
Strategic Objectives	High-level results guiding programs and performance under each KRA.
Strategic Partnerships	Co-financing, risk sharing, technical assistance, and delivery collaborations with public and private actors.
Strategic Plan Framework	Methodology for plan design (situation analysis, alignment, consultations, SWOT, ToC, results matrices).
Sustainability	Long-term viability through sound finances, efficient operations, robust governance and resilient systems.
Theory of Change (ToC)	Causal pathway explaining how MEDF inputs and activities lead to outputs, outcomes and long-term impact.
Turnaround Time (TAT)	Time taken to process key steps (e.g., application, appraisal, disbursement, or grievance handling).
Underserved	Populations especially women, youth, People with disabilities, rural microentrepreneurs who face barriers in accessing formal financial markets due to social, economic or geographic constraints.
Value for Money (VfM)	Ensuring economy, efficiency, effectiveness and equity in the use of public resources.
Work Plan	Annual schedule of activities, budgets, responsibilities, and targets aligned with KRAs and the ME&L framework.

MEDF

Malawi Enterprise Development Fund

Empowering Malawians Economically

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