Towards a Malawian Social Protection Floor

International Labour Organization

Extracts from the Full Report: Assessment of Social Protection Programmes and Costing of Policy Options

Programme Specific Report: Social Cash Transfer Programme

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1 Objectives, policy and legal framework

The SCT is an unconditional cash transfer program targeted at households that are both ultra-poor and labour constrained. The transfer has the objective to reduce poverty and extreme hunger among the 10 percent ultra-poor and labour constrained households; to increase school enrolment of children in the beneficiary households; and to improve the nutrition, economic and general well-being of beneficiary households (ibid.). The program is administered by the Ministry of Gender, Children, Disability and Social Welfare (MoGCDSW) with policy guidance provided by the Ministry of Finance, Economic Planning and Development (MoFEPD).

In 2005/6 when the cash transfer was first piloted, estimates put ultra-poverty in Malawi at approximately 500.000 households. The survey (IHS2) found a strong correlation between poverty and households with few or no able-bodied adult members, which consequently may lack income generating opportunities. About four percent of Malawians are disabled and face significant struggles to survive due to lack of income and exclusion from mainstream society and essential services. The GoM's Social Cash Transfer Program (SCT) sets out to address these pressing issues and aims at breaking the inter-generational cycle of poverty (Ministry of Gender, Children and Social Welfare (n.d.).

2 Eligibility criteria, programme design and coverage

It is the objective of the programme to transfer resources to households that are at the same time ultra-poor and lack the capacity to engage in income generating activities (*labour constrained*). Ultra-poverty is defined as having a total annual consumption lower than the food poverty line of MK 22,007. Labour constrained households are defined by their ratio of members that are 'not fit to work' to those 'fit to work'. 'Unfit' in this context means being outside of economically actives ages (below 18 or above 64 years), having a chronic illness or disability or being otherwise unable to work. A household is considered labour constrained if it has no members that are 'fit to work' or if the ratio of 'unfit' to 'fit' is bigger than three (Abdoulayi et al, 2014).

The SCT pilot in 2006 was initially funded by the National Aids Commission (NAC) and the Global Fund. This has influenced programme design to be HIV focused, with a particular focus on orphans and vulnerable children (OVC). Another dimension of the initial focus on HIV/AIDS affected households is that female-, child- and elderly-headed households who are mostly ultra-poor and highly vulnerable make up the majority of SCT beneficiaries (Jimu, 2015).

The programme uses a combination of community based targeting and proxy means testing (PMT). Communities select beneficiaries under the oversight of the local District Commissioner's (DCs) Office and the District Social Welfare Office (DSWO). Community members are appointed to the Community Social Support Committee (CSSC), which is responsible for identifying households that fulfil the eligibility criteria. The CSSCs nominate about 15 per cent of households per Village Cluster in order to achieve the transfer's target of a 10 percent coverage rate (ibid.).

A PMT then verifies whether potential beneficiaries fulfil the programme's criteria. A range of proxy indicators are used to determine ultra-poverty: members should only afford one meal a day, unable to purchase essential non-food items (such as clothes, soap and school materials) and should have no reliable sources of income (Jimu, 2015). Age and illness (such as HIV/AIDS) are used to determine the ability of individuals and household to support themselves by paid work. In practice labour-constrained households have been operationalized as those whose breadwinners have died, which have no able-bodied person of working age, have old, very young, disabled or sick persons in the household, or have a dependency ratio over three (ibid, 2015).

The SCT targeting process combines a community based approach and proxy means testing (PMT) in a multi-stage process comprising the following steps[1]:

- **Sensitizations with stakeholders** – This is an entry point given that stakeholders at district level are sensitized about the program and its activities.

- **Training of District Training Team (DTT)** – A total of 14 District officers are identified as trainers to facilitate the process. A team of National Trainers who are from different relevant Ministries at central level, trains the DTT in the targeting process so that the DTT can take over to roll out the process in the entire district while being supervised by the central level.

- **First community meeting** – At community level the district conducts first community meeting with the aim of informing the communities and their leaders about the programme, its methodologies of implementation and to get their cooperation. All chiefs and community members are required to attend the meeting. The first community meeting is used to identify members of the community who could form the Community Social Support Committee (CSSC)

- **Training of CSSCs** – The CSSC and extension workers are trained on data collection.

- **Data collection and quality check** – This step includes the collection of household data through a specifically designed form. The form has two parts to assess the household profile and the vulnerability of households in terms of assets.

- **Data entry and ranking** – Data collected from households is entered into the management information system (MIS). The households are then ranked according to their vulnerability status in order to categorise them as pre-ineligible and pre-eligible.

- **Second community meeting** – The ranked list of households is presented back to the community to validate the identified households, their composition and their ranked position by the communities and community leaders. During this step, inclusions and exclusion errors can be reported.

- **Data entry (appeals) and re-ranking** – the information from the appealing households is entered into the MIS and the ranking is adjusted.

- **Final approval of ranked households** –The final lists of households is approved in the DSSC meeting to select the 10% cut off point

- **Third community meeting** – This is stage of presenting the final results (selected households and transfer amounts) to the communities and the beneficiary households are officially enrolled.

The transfer amount varies by household size as well as the number of children in primary and secondary school. The transfer includes an education bonus to encourage school enrolment and attendance and discourage child-labour (Abdoulayi et al, 2014). The benefit formula is based on the average market price of a bag of maize and is occasionally adjusted in consultation amongst the GoM, the implementers and civil society (Social protection working group, 2014).

The programme is growing considerable both in terms of coverage in current implementing districts as well as expanding into new districts (Abdoulayi et al, 2014). As of July 2015, the SCTP runs in 18 out of the 28 districts of Malawi but only operates full scale in Mchinji, Chitipa and Likoma. The programme currently (July 2015) supports 151,317 households and a total of 670,482 individuals (Ministry of Gender,

[1] The following points are directly taken from: Jimu, Ignasio (2015). Review of the targeting process of Social Cash Transfer Programme. Study commissioned by Irish Aid Malawi (draft)

Children and Social Welfare, 2014). The total estimated target group once the programme runs full-scale and nationwide is 319,000 households and over 1.5 million individuals (ibid.).

Table 1: Transfer amount by household size and number of children in school

Transfer amounts by household size and number of children in school				
Household size	Monthly cash benefit (pre-May 2015)	Revised monthly benefit (May 2015)	Primary school	Secondary school
1 member	MK 1,000	MK 1700	Number of children x MK 300 (2015: MK 500)	Number of children x MK 600 (2015: MK 1000)
2 members	MK 1,500	MK 2200		
3 members	MK 1,950	MK 2900		
≥ 4 members	MK 2,400	MK 3700		
Ø household benefit:	MK 2,700	-		
Source: Abdoulayi et al, 2014; Ministry of Finance Economic Planning and Development,				

Table 2: Transfer share of size of baseline consumption

Transfer share of size of baseline consumption		
Mean share	0.18	0.28
Median share	0.15	0.23
Proportion below 20%	0.70	0.40
Source: Abdoulayi et al, 2015		

A key "requirement for a cash transfer programme such as the SCTP to generate impacts is for the value of the transfer to be sufficiently large enough as a share of the target population's consumption" (Abdoulayi et al, 2015). The 2015 SCT evaluation conducted by UNICEF, the University of Malawi and the University of North Carolina simulated the "the amount of transfer each household in the evaluation sample is likely to receive and computed its value as a proportion of total consumption of the household" (ibid.).

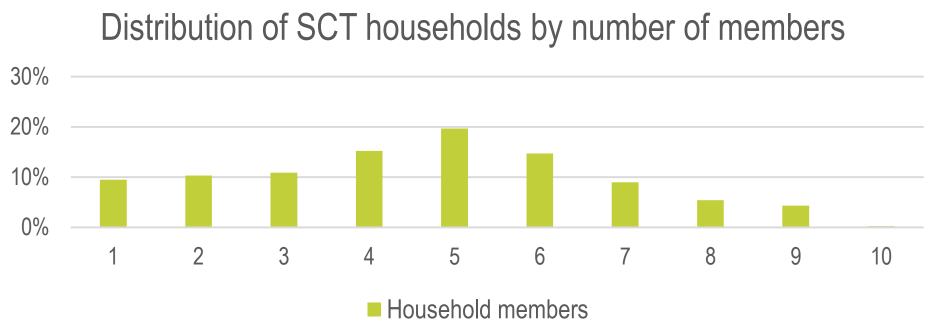
The authors of the evaluation cite evidence of SCT programmes from around the world including several major African cash transfer programmes and state that as 'rule of thumb' "the transfer should deliver at least 20 per cent of pre-programme consumption in order to generate widespread impacts" (ibid.). Table 2. shows that during the period of the mid-term evaluation, the "average transfer share was 18 per cent of pre-programme consumption, 70 per cent of beneficiaries had a transfer share that was below this threshold (20 per cent), and half of beneficiaries had a transfer share that was below 15 per cent".

However, with the implementation of the new transfer size from May 2015 onwards "only 40 per cent of recipients will have a transfer that is below 20 per cent of their original consumption level and the median share will be 23 per cent" (ibid.)

Table 3: Social cash transfer household heads and beneficiaries by gender (July 2015)

Social cash transfer household and beneficiary characteristics				
	Beneficiaries	Percentage	Household head	Percentage
Male	295,730	44.1	40,259	26.6
Female	374,752	55.9	111,057	73.4
Source: Ministry of Gender, Children, Disability and Social Welfare, 2015				

Figure 1: Distribution of households by number of members (May 2015)



Source: Ministry of Finance, Economic Planning and Development, 2015

Table 4: SCT household head characteristics (July 2015)

Social cash transfer household and beneficiary characteristics	
	Number
Child headed households	1,371
Elderly headed households	76,343
Household head with disability	42,564
Household head with chronic illness	88,459
Source: Ministry of Gender, Children, Disability and Social Welfare, 2015	

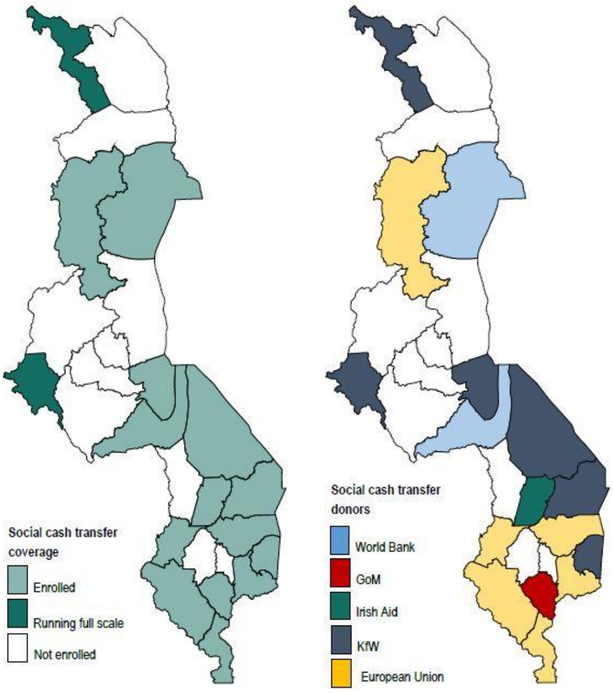
Table 5: Age of SCT beneficiaries in selected districts

Age of SCT beneficiaries in selected districts					
Age	Balaka	Chitipa	Salima	Total	Percentage
0-20	2	1	1	4	1.9
21-30	19	5	9	33	9.6
31-40	22	8	10	40	11.9
41-50	16	11	12	39	11.6
51-60	20	12	19	51	15.2
>60	46	55	46	147	43.9
Total	**126**	**105**	**104**	**335**	**99.7**
Source: Jimu, 2015					

Table 6: Social cash transfer programme coverage, donor and status of scale-up (July 2015)

Social cash transfer programme coverage, donor and status of scale-up					
District	**Donor**	**Status**	**No. of TA**	**Household heads**	**Members**
Likoma	KfW	Full scale	1	224	1,161
Chitipa	KfW	Full scale	5	3,758	15,629
Mchinji	KfW	Full scale	9	10,389	45,242
Machinga	KfW	Running	15	14,035	75,551
Mangochi	KfW	Running	9	18,298	91,173
Phalombe	KfW	Running	6	7,641	34,012
Salima	KfW	Running	10	8,822	43,197
Balaka	Irish Aid	Running	7	8,517	38,507
Thyolo	GoM	Running	7	9,629	38,606
Dedza	World Bank	Running	2	3,388	13,391
Nkhata Bay	World Bank	Running	9	3,929	18,975
Nsanje	EU	Running	9	5,569	22,460
Chikwawa	EU	Running	11	10,151	39,939
Mzimba North	EU	Running	4	5,477	21,400
Mzimba South	EU	Running	7	8,864	30,751
Neno	EU	Running	4	2,015	7,785
Mwanza	EU	Running	3	1,946	7,165
Zomba	EU	Running	10	15,458	67,935
Mulanje	EU	Running	6	13,210	57,585
Current total				**151,317**[2]	**670,473**
Source: Social cash transfer database (n.d.), Abdoulayi et al (2014), implementers;					

Figure 2: Social Cash Transfer coverage (May 2015)



Source: Ministry of Finance, Economic Planning and Development, 2015

[2] The target for Chikwawa and Nsanje is 65,566 households and for Dedza and Nkhata Bay: 21,000

3 Financing and expenditure

Funding for the original eight districts is provided by the German Government (through KfW) and Irish Aid. The GoM funds the programme in the district of Thyolo. In 2014, the German Government and the European Union increased their contribution to enable full coverage in the existing seven districts as well as to extend the programme to additional districts. The World Bank funds the scale up to an additional two districts. (Abdoulayi, 2014). Targeting is for the new districts started in February 2015 with the first payment transferred the following month (Ministry of Finance, Economic Planning and Development, 2015).

Aside from the provision of salaries for national and district government officers, there has been little financial commitment from the Government towards the SCT in the past (Kalebe-Nyamongo & Marguette 2014). However, in recent years the Government has slowly started embracing the programme. Between "2006 and 2010 the government was simply an implementing agent with all the resources coming from the donors" (Jimu, 2015) but in 2010 the Government started to contribute in money for actual transfers and currently the government pledges to provide at least 10 % of the funding (Jimu, 2015).

4 Programme impact

In 2006, the average monthly transfer amount was decided to be MK 1,700. This amount was chosen because it would be sufficient to fill the average ultra-poverty gap for an average sized household. The transfer would therefore be enough to lift an average household, both in terms of size and poverty gap, above the ultra-poverty line (Schubert & Huijbregts, 2006).

Two years in to the pilot, the University of Boston conducted an impact evaluation in the Mchinji district and found that beneficiaries, compared to control groups, showed a variety of improvements in their livelihoods. Beneficiary households increased their accumulation of assets such as livestock and other basic necessities. Beneficiaries were eating more nutritious meals, invested in the building of new houses and increased agricultural output through tilling and other productivity enhancing activities. Researchers also observed a change in the well-being and general appearance of beneficiary households (Abdoulayi et al, 2014).

Evaluations of beneficiary well-being and expenditure have found improved health, higher healthcare expenditures, and increased expenditures on children's education, higher enrolment and fewer absences, as well as greater accumulation of household assets, basic necessities, productive assets and livestock. In addition, researchers observed increased agricultural production through the purchase of fertilizer and farm labour, higher food expenditures, fewer missed meals, greater food diversity and improved housing quality (ibid.)

Table 7: Impact of the social cash transfer programme in Mchinji (2008)

Impact of the social cash transfer programme in Mchinji (2008)
Improved health with fewer sicknesses among adults and children
Greater demand for healthcare for children and adults and higher healthcare expenditures
Greater demand and increased expenditures on schooling and children's education, resulting in higher enrolment and fewer absences
Significant accumulation of household assets and basic necessities
Accumulation of productive assets and livestock
Increased agricultural production, with greater food stores, through the purchase of fertilizers and/or farm labour
Improved food security, including higher food expenditures, fewer missed meals, fewer days without adequate food, and greater food diversity
Improved housing quality and ability to handle household shocks
Source: Abdoulayi et al, 2014

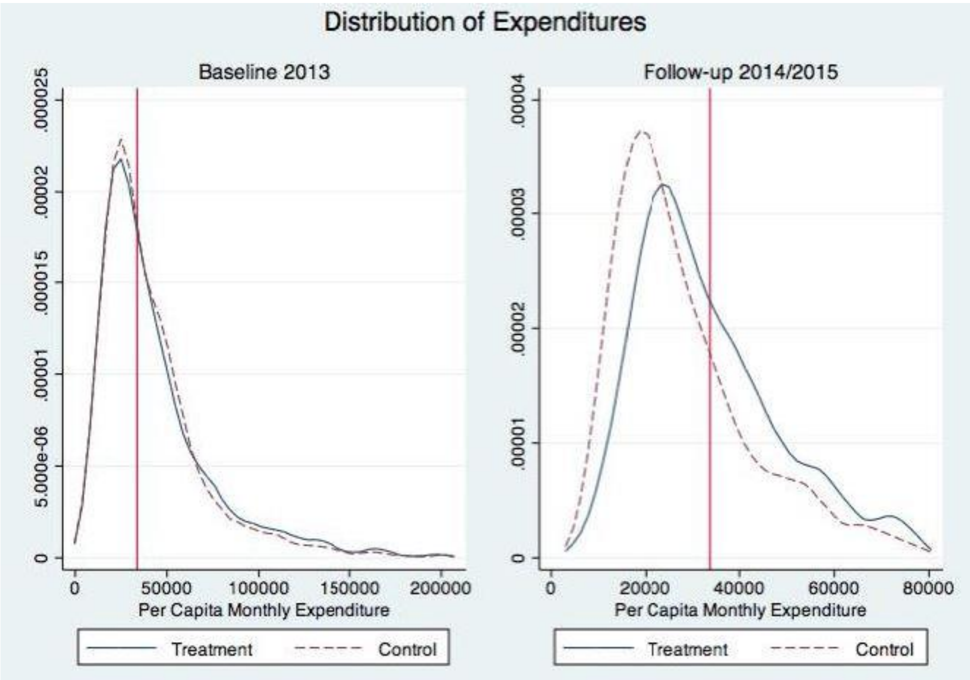
In the first quarter of 2015, a mid-term evaluation of the SCT was conducted by UNICEF and the University of North Carolina (UNC) in the districts of Mangochi and Salima to measure the impact the programme has had after 12 months and 6 transfers. The evaluation compared household characteristics to the baseline assessment undertaken in 2013 and analysed the impact of the SCT based on randomized controlled trials (RCT). The method compares developments in a randomly chosen treatment group to another group, the control group, which has very similar characteristics as the treatment group except it does not receive the transfer. This enables researchers to control for general trends in the region and with high certainty determine the effects of the transfer on targeted groups.

Compared to the baseline evaluation conducted right after the harvest in 2013 “per capita consumption has declined by 25 per cent between baseline and follow-up” (Abdoulayi et al, 2015), which is explained by the fact that the follow-up data was collected during the lean season where consumption in Malawi falls significantly. The decline of household consumption of 15 per cent is consistent with the decline in consumption “between August and December reported in IHS3 for households in the rural South and Central regions” (ibid.). It is important to note that:

“the SCTP has been able to reduce the negative impact of seasonality among eligible households evidenced by the fact that average consumption is clearly greater for beneficiary households over control households in many categories, including items targeted by the programme, such as food, clothing and education” (ibid).

Figure 3 compares the per capita consumption distribution at baseline survey and mid-term evaluation, with the inflation adjusted ultra-poverty line (vertical line). This graphs show how the SCT has “produced a positive right shift in per capita consumption for treatment households in comparison to control households” (ibid.). While the treatment effect is clearly visible in the graphs, the evaluators note that effects on total per capita and food consumption were not found to be statistically significant. However, the SCT seems to have “significant impacts on certain sub-components of overall consumption, notably clothing, furnishings, education, and miscellaneous goods and services” (ibid.)

Figure 3: Impact evaluation: distribution of expenditure



Source: Abdoulayi et al, 2015

In terms of sub-component of household expenditure, the "two largest areas of programme impacts are for clothing (MK 622) and furnishings (MK 536), which includes interior furnishings, tools, and home maintenance expenditures" (ibid). In addition, the evaluation found an "education impact of MWK 201, and [found] that the average education expenditures for treated households are one of the only categories that is higher at Midline compared to Baseline" (ibid.). These results "suggest that households are using the cash to improve material well-being and invest in their children's education" (ibid.).

Table 8: Impact of the SCT on poverty indicators

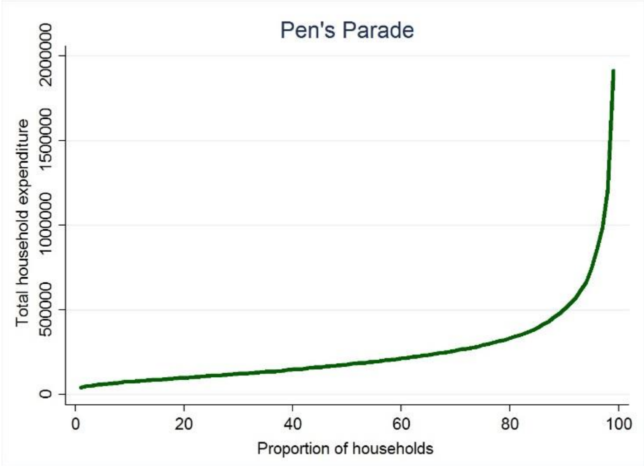
Impact of the SCT on poverty indicators				
Dependent variable	Programme impact (1)	Baseline treated mean (2)	Midline treated mean (3)	Midline control mean (4)
Poor (%)	-0,05**	0,83	0,94	0.96
	(-3.51)			
Ultra-poor (%)	-0.15**	0.57	0.70	0.82
	(-4.67)			
Poverty gap poor	-8.72*	48.16	50.21	57.94
	(-1,94)			
Poverty gap ultra-poor	-8.45	35.87	34.17	41.63
	(-1.94)			
Squared poverty gap (severity poor)	-9.02*	27.87	28.78	37.02
	(-2,60)			
Squared ultra-poverty gap (severity poor)	-6.76*	17.10	14.88	21.08
	(-2.14)			
No. of observations	3,813	788	889	1,251
Source: Abdoulayi et al, 2015				

The table above (Table 8) shows the SCT's impact on a number of poverty indicators. It indicates that the SCT has significant large positive effects on the poverty gap of treated households and even stronger on the squared poverty gap, that measures the severity of poverty. Given that the mid-term evaluation assessed the programme after only 6 transfer and 12 moths it would have been unreasonable to except people to have moved above the poverty line. However, what the SCT clearly does it to reduce the depth of poverty (poverty gap) and the poverty severity (squared poverty-gap) for beneficiaries.

5 Conclusion: Key Challenges of the Social Protection Sector in Malawi

The implementation of the cash transfer is a complex undertaking with a multistage targeting procedure and a significant number of stakeholders involved. Targeting of the ultra-poor is very difficult in a country with high levels of poverty and little inequality amongst the poorest (see Figure 4.). Evaluations of the SCT have found its targeting outcomes to be less than satisfactory (Matita & Chirwa, 2014) and while the joint eligibility criteria are quite unambiguous they are still subject to interpretations, especially as "several proxies of poverty are variedly applied in different contexts at community level" (ibid.).

Figure 4: Expenditure distribution in Malawi (Pen's Parade)



Source: National Statistical Office, 2011

According to a recent study of the SCT (Matita & Chirwa, 2014) a high proportion of beneficiary households do not fulfil the criteria prior to being selected into the programme. In fact, comparisons of dependency ratios and labour supply before and after selection suggests "strategic restructuring of households to suit the criteria" (ibid.). In 2013, only 33 percent of beneficiary households had a dependency ratio higher than 3 prior to selection. This percentage rose to 61 percent during programme participation (ibid). Using a variety of poverty measures studies find the inclusion error of the programme to vary between 37 and 68 percent (Miller et al, 2008). Other studies found that 24 percent of recipients were not eligible according to the criteria, indicating a high inclusion error. The high inclusion errors are attributed to the "lack of clarity of the targeting concepts and the use of poor proxies, favouritism and the influence of village level politics" (ibid.). It has been observed that members of the CSSC and extension workers often face pressure to target relatives of local leaders (ibid.).

The complex targeting mechanism using a variety of poverty proxies raises general questions about poverty targeting in a country with a poverty headcount of over 80 percent in some districts and ultra-poverty rates as high as 50 percent in others. The combination of fixed 10 percent coverage rate regardless of the size of the eligible group, widespread and deep poverty as well as lack of easily understood eligibility and targeting criteria creates incentives for corruption among the CSPC and village leaders as well as jealousy within communities. Beneficiaries have described their joy of being able to provide for their family and invest in their future but have also bemoaned the jealousy and animosity they experienced in their communities (Miller et al, 2008).

In 2008, the psychological impacts of the SCT on recipients were assessed and found that, in comparison to the control group, households were considerably more hopeful about their future and satisfied with their lives. However, beneficiaries were also more likely to experience "jealousy from other households in their communities and, on average, community members were less likely to help them since receiving the cash transfer" (ibid.). Moreover, twenty-two percent of beneficiary households reported to have experienced more conflict in the community since receiving the transfer (ibid.).

Despite evidence of social tensions in communities served by the SCT, recent evaluations assessing the level of satisfaction towards the targeting process for the SCT, the FISP and the MVAC show greater satisfaction for SCT than for MVAC and FISP (Jimu, 2015). For the SCT, dissatisfaction of community member's primarily arose from high exclusion levels (ibid, 2015).

Table 9: Community satisfaction towards the targeting process of the FISP, SCT and MVAC

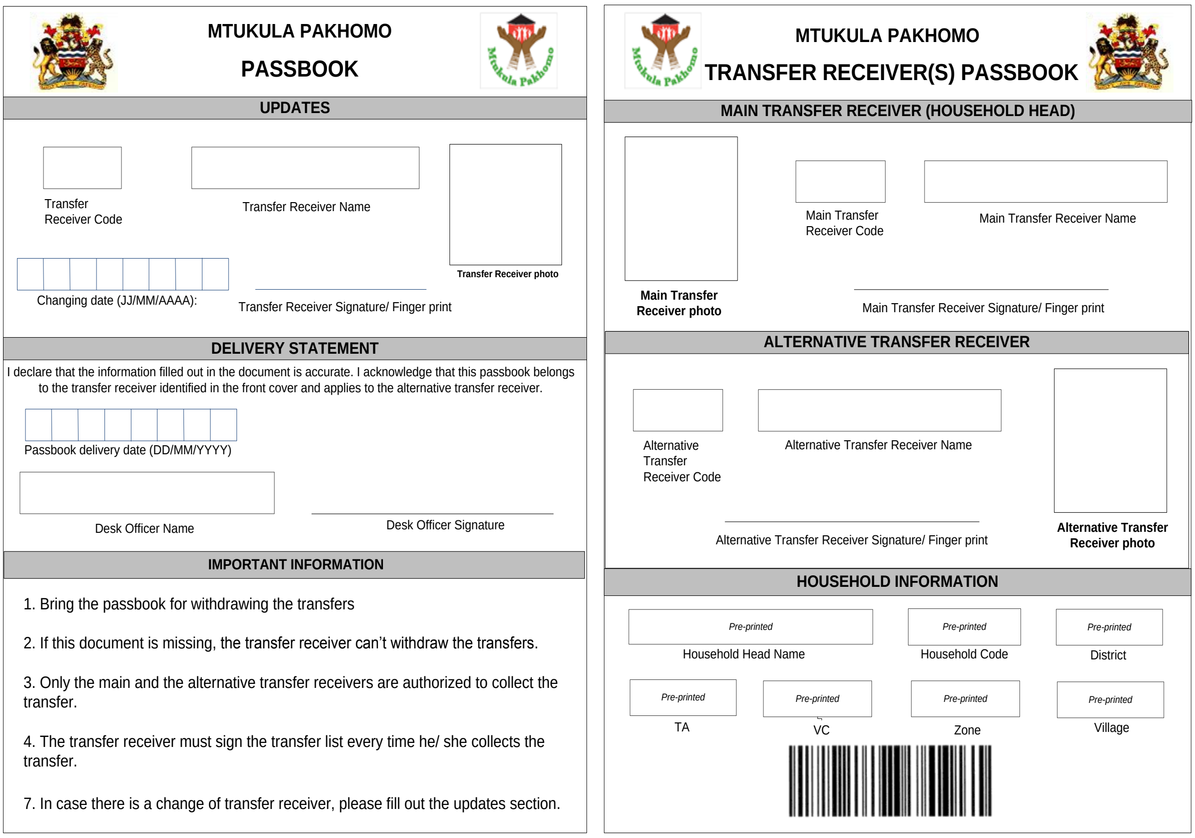
Community satisfaction towards the targeting process of the FISP, SCT and MVAC			
Program	**Very satisfied**	**Satisfied**	**Not satisfied**
FISP	26.03	36.99	36.99
SCT	55.36	24.29	20.36
MVAC	55.00	15.00	30.00
Source: Jimu, 2015			

Despite recipient household showing signs of increased productivity enhancing activities as well as improved ownership of productive assets and livestock it remains unclear whether these households have gained the ability to avoid and withstand future shocks were the transfer to be removed in a retargeting effort. The authors of the 2008 impact evaluation “fully expect that ultra-poor and labour constrained households that are removed from the [cash transfer] will revert back to the same socio-economic position they were in prior” to selection (Miller et al, 2008).

It has been stated that each district’s coverage is targeted to be 10 percent of the population. In 2006 it was found that countrywide 10 percent of the population corresponds to both SCT eligibility criteria. This percentage was then applied to all enrolled districts regardless of the actual proportion of the eligible population. Even in a country like Malawi that is, compared to its neighbours, less spatial diverse in terms of poverty, such policy leads to a serious misallocation of funds amongst the districts. A geographically uniform cut-off point for eligible residents inevitable leads to significant inclusion and exclusion errors on the district level (ibid.).

Currently payments are mostly delivered manually, which leads to a number of challenges. Millions of MK need to be withdrawn in cash and ferried to remote villages, demanding the presence of a number of district officers and police for security. Moreover, manual payments are difficult to monitor and little information in terms of savings ratio can be retrieved. The current form of payments also tasks beneficiaries with travelling long distances as multiple pay-points per village cluster are not provided. In order to address these issues and to make the pay-out system more efficient e-payment pilots have been introduced in Balaka in Michinji.

Figure 5: Social Cash Transfer handbook used to identify beneficiaries


MTUKULA PAKHOMO

PASSBOOK

UPDATES

Transfer Receiver Code

Transfer Receiver Name

Transfer Receiver photo

Changing date (JJ/MM/AAAA):

Transfer Receiver Signature/ Finger print

DELIVERY STATEMENT

I declare that the information filled out in the document is accurate. I acknowledge that this passbook belongs to the transfer receiver identified in the front cover and applies to the alternative transfer receiver.

Passbook delivery date (DD/MM/YYYY)

Desk Officer Name

Desk Officer Signature

IMPORTANT INFORMATION

1. Bring the passbook for withdrawing the transfers
2. If this document is missing, the transfer receiver can't withdraw the transfers.
3. Only the main and the alternative transfer receivers are authorized to collect the transfer.
4. The transfer receiver must sign the transfer list every time he/ she collects the transfer.
7. In case there is a change of transfer receiver, please fill out the updates section.

MTUKULA PAKHOMO

TRANSFER RECEIVER(S) PASSBOOK

MAIN TRANSFER RECEIVER (HOUSEHOLD HEAD)

Main Transfer Receiver photo

Main Transfer Receiver Code

Main Transfer Receiver Name

Main Transfer Receiver Signature/ Finger print

ALTERNATIVE TRANSFER RECEIVER

Alternative Transfer Receiver Code

Alternative Transfer Receiver Name

Alternative Transfer Receiver Signature/ Finger print

Alternative Transfer Receiver photo

HOUSEHOLD INFORMATION

Pre-printed		Pre-printed	Pre-printed
Household Head Name		Household Code	District
Pre-printed	Pre-printed	Pre-printed	Pre-printed
TA	VC	Zone	Village

Source: Ministry of Finance, Economic Planning and Development, 2015

6 Recommendations

- Government capacity to oversee, monitor and coordinate social protection is currently limited. Efforts should be undertaken to support Government's capacity and ownership over social protection in Malawi. This should include an analysis of fiscal space and financing modalities to increase Government's contribution to social protection expenditure

- Malawi's social protection system currently lacks integrated MIS and M&E systems. Developing such systems would be an important step towards improving the coordination and harmonization of the country's social protection system.

- Currently there is little exploitation of linkages between programmes and between programmes and complementary services, such as agriculture, health, and education. It would be important to develop a detailed strategy on linkages to ensure that vulnerable Malawians who are enrolled in programmes also benefit from other important services or received additional support. Linkages to other programmes can provide important support for households to graduate out of poverty.

- Currently the county's social protection programme (MNSSP) is not well aligned with the broader system of social protection, namely the MVAC humanitarian response. It is recommended that stakeholders identify ways to improve the harmonization of the 'regular' social protection interventions with the MVAC to improve impacts and exploit synergies.

- Complex targeting criteria, the prevalence of community targeting, widespread and deep poverty with a very flat income distribution, and strict cut-off points all contribute to inefficient poverty targeting outcomes, as observed in a number of evaluations. It is recommended to re-visit the targeting approaches of MNSSP programmes, as well as the FISP. In the long-term, Malawi may consider more categorical transfers that could be better suited to the country's widespread and mostly uniform poverty.

- The current transfer share of the SCT relative to pre-transfer incomes is 23 percent, which is slightly above the crucial threshold of 20 percent that transfers need to be effective. For all programmes there is a strong need to remain attentive to the real value of the transfers over time in order to safeguard programmes' effectiveness.

- In the short to medium term we strongly recommend to extend the coverage of the current NSSP programmes, in particular the Social Cash Transfer, the School Feeding Programme and the Village Savings and Loans programmes.

- Over the last few years, Malawi has invest considerably in building up and improving the necessary systems for the SCT and there have been great improvements in coverage recently. Currently the SCT is implemented in 18 out of 28 districts. Given the positive impact evaluations, the tremendous need for such support amongst the county's vulnerable, as well as the by now well-established system and expertise, the report advices all stakeholders to extend the coverage to districts currently not covered.

- Currently there is little exploitation of linkages between programmes and between programmes and complementary services, such as health services and education. It would be important to develop a detailed strategy on linkages to ensure that vulnerable Malawians who are enrolled in programmes also benefit from other important services or received additional support. Amongst programmes there are a number of positive linkages, such as connecting beneficiaries of the Social Cash Transfer and Public Works Programmes to Village Savings and Loans association, where they can safe their transfers and slowly start making productive investments.

7 References

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