



Republic of Malawi
Social Protection Policy

“Social Protection: a Right for All”

Fourth Draft
25 March 2008



**HIS EXCELLENCY
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PRESIDENT OF THE REPUBLIC OF MALAWI**

FOREWORD

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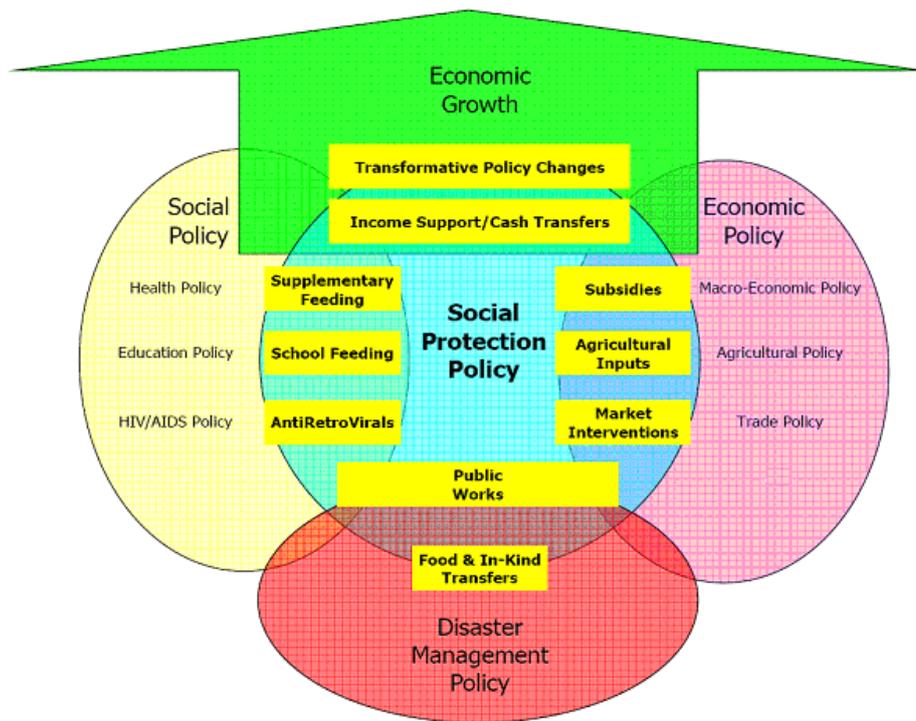
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LIST OF ACRONYMS

ADC	Area Development Committee
AIDS	Acquired Immuno-Deficiency Syndrome
CBO	Community Based Organisation
CEDAW	Convention on the Elimination of Discrimination against All Women
CSPC	Community Social Protection Committee
CRC	Convention on the Rights of the Child
DA	District Assembly
DfID	Department for International Development
DoDMA	Department of Disaster Management Affairs
EU	European Union
FBO	Faith Based Organisation
GDP	Gross Domestic Product
HBC	Home Based Care
HIV	Human Immunodeficiency Virus
IGA	Income Generating Activity
IHS	Integrated Household Survey
MDGs	Millennium Development Goals
MoAFS	Ministry of Agriculture and Food Security
MEGS	Malawi Economic Growth Strategy
M&E	Monitoring and Evaluation
MGDS	Malawi Growth and Development Strategy
MoEP&D	Ministry of Economic Planning and Development
MoF	Ministry of Finance
MoHP	Ministry of Health and Population
MoLG&RD	Ministry of Local Government and Rural Development
MVAC	Malawi Vulnerability Assessment Committee
NAC	National AIDS Commission
NGO	Non-Governmental Organisation
NSNP	National Safety Nets Programme
NSPSC	National Social Protection Steering Committee
NSPTC	National Social Protection Technical Committee
PRSP	Poverty Reduction Strategy Paper
PSS	Psychosocial Support
PWP	Public Works Programmes
SLS	Savings and Loans Schemes
SPF	Social Protection Fund
SPD	Social Protection Division
TIP	Targeted Inputs Programme
UDHR	Universal Declaration on Human Rights
UNICEF	United Nations Children's Fund
US	United States

VDC Village Development Committee
WB World Bank

Figure 1



Social Protection in Malawi

TABLE OF CONTENTS

1.0 INTRODUCTION	12
1.1 Background	12
1.2 Poverty and Vulnerability in Malawi	13
1.3 Rationale	14
1.4 Linkages with Other Relevant International Conventions, National Policies and Strategies	17
1.4.1 Links with the Constitution of Malawi	17
1.4.2 Links with Relevant International Conventions	17
1.4.3 Links with Malawi Growth Development Strategy.....	17
1.4.4 Links with other Sector Policies	18
1.5 Key Challenges and Barriers	18
2.0 Broad Policy Directions	20
2.1 Definition of Social Protection	20
2.2 Vision	20
2.3 Mission	20
2.4 Guiding Principles	20
2.4.1 Leadership	20
2.4.2 Needs and evidence-based	20
2.4.3 Beneficiary preferences prioritised	20
2.4.4 Protection and promotion of secure livelihoods	21
2.4.5 Tackling social exclusion and marginalisation.....	21
2.4.6 Timely, harmonised and reliable.....	21
2.4.8 Accountable and transparent.....	21
2.4.9 Common financial management, reporting and monitoring and evaluation guidelines.....	21
2.4.10 Sustainable, long-term funding.....	21
2.5 The Overall Goal of the Policy	22
2.6 Objectives of the Policy	22
3.0 Policy Themes.....	23
3.1 Theme 1: Provision of Welfare Support	23
3.1.0 Policy Area 1: Goal.....	24
3.1.1 Policy Area 1: Specific Objective.....	24
3.2 Theme 2: Protection of Assets	24
3.2.0 Policy Area 2: Goal.....	24
3.2.1 Policy Area 2: Specific Objective.....	24
3.3 Theme 3: Promotion through Productivity Enhancement	25
3.3.0 Policy Area 3: Goal.....	25
3.3.1 Policy Area 3: Specific Objective.....	25
3.4 Theme 4: Policy Linkages and Mainstreaming	26
3.4.0 Policy Area 4: Goal.....	26
3.4.1 Policy Area 4: Specific Objective 1.....	26
3.4.2 Policy Area 4: Specific Objective 2.....	27

3.4.3 Policy Area 4: Specific Objective 3.....	27
4.0 Implementation Arrangements	28
4.1 Institutional Arrangements	28
4.1.1 National Social Protection Steering Committee	28
4.1.3 Ministry of Local Government and Rural Development (District Assemblies)	30
4.1.4 Ministry of Economic Planning and Development	30
4.2 Funding Arrangements	31
4.2.1 Parallel funding	31
4.3 Implementation Plan	31
4.4 Information, Education & Communication.....	32
4.5 Monitoring and Evaluation	33
4.5.1 Means of monitoring	33
4.6 Review of the Policy.....	34
APPENDIX 1.....	35
GLOSSARY	35

EXECUTIVE SUMMARY

National Social Protection Policy is the medium term policy that has been formulated to reduce poverty and vulnerability. Social Protection and Disaster Risk Reduction is the second theme in the Malawi Growth and Development Strategy (MGDS).

The policy has been developed as a prelude to programme development and provides a holistic framework for designing, implementing, coordinating, monitoring and evaluating social protection interventions. It is envisaged that the implementation of a comprehensive social protection policy, integrated with other pro-poor development policies, would also contribute significantly to Malawi's economic growth. The policy has linkages to the Malawi constitution, the vision 2020, Malawi Growth Development Strategy, relevant international conventions, and other sectoral policies.

The programmes developed from the policy will be implemented through the National Social Protection Steering Committee, with the Ministry of Economic Planning & Development as its coordinating ministry and secretariat. At the local level, the Area Development Committees (ADCs) and Village Development Committees (VDCs) will work with Community Social Protection Committees (CSPCs) to oversee targeting and implementation of social protection activities. Civil Society organisations will compliment Government in its efforts to reduce extreme poverty and vulnerability to risks of many Malawians

Social protection interventions have strong positive linkages with other economic and social policies and with disaster risk reduction. These interventions will not infringe on or duplicate the established policies and programmes in the fields of social development, economic development and disaster management, but will complement these programmes.

There are four policy themes and these are: welfare support, protection of assets, promotion through productivity enhancement and policy linkages and mainstreaming. The four themes constitute four policy areas, each of which outlines a Goal, Specific Objectives and Strategies. The objectives stated above provided guidance in the formulation of the strategies. The programmes will therefore, been developed from the strategies contained in the policy.

The Government, led by the Ministry of Economic Planning and Development, will develop the National Social Protection Programme (NSPP) with the members represented in the National Social Protection Technical Committee.

The Government commits to implementing a national Monitoring and Evaluation system for the effective implementation of this Social Protection Policy and programmes.

SECTION ONE

1.0 INTRODUCTION

1.1 Background

It has increasingly been recognized in Malawi that irrespective of the massive programmes being implemented by Government and major stakeholders designed to achieve sustainable economic growth and development, such programmes on their own, do not translate into improved quality of life for the majority of the Malawians. The process of economic growth and development due to its complex and competitive nature and insatiable demands for resource endowments to create wealth invariably excludes a certain sector of the population from taking full advantage and benefits of economic growth.

Such groups of people include the most vulnerable like: the elderly, the chronically sick, orphans and other vulnerable children, persons with disabilities, and destitute families. This category of people is vulnerable to risk and typically lack appropriate risk management instruments, and this constrain them from engaging in higher return economic activities to enable them move out of chronic poverty (MGDS 2006-2011). Given this scenario, it has therefore, become necessary to design special programmes to address the plight of the vulnerable groups to allow them to fully participate in economic development and hence take advantage of the benefits of growth. The Government in collaboration with stakeholders has in the past implemented safety-nets programmes to address the various challenges being experienced by the most vulnerable. However, due to coordination problems, poor commitment to the programme in the past, and funding constraints have all culminated in minimal impact on poverty and vulnerability.

These challenging developments have often times been compounded and aggravated by natural disasters such as flooding, interspaced with dry spells and hence droughts. The occurrence of natural disasters has ultimately worsened the vulnerability position of the already disadvantaged sector of the population. In view of these circumstances, the Government in collaboration with the donor community, the civil society organizations (CSO), and the private sector plan to design and implement a more improved and comprehensive Social Protection Programme to reduce poverty and vulnerability in Malawi. As a prelude to such a programme, Government has decided to formulate a Social Protection Policy which provides a holistic framework for designing, implementing, coordinating, monitoring and evaluating social protection interventions.

For purposes of this policy, Social Protection describes all public and private initiatives that provide income or consumption transfers to the poor, and protect the vulnerable against livelihood risks. It also enhances the social status and the rights of the marginalized with the overall objective of reducing ultra poverty as well as the economic and social vulnerability of the poor. Section one of the Policy provides: the background, details of poverty and vulnerability in Malawi, the rationale, linkages with other policies and strategies and key challenges. Section two provides broad policy directions. Section three details the four policy themes and section four provides implementation arrangements. The implementation plan appears under appendix to the policy. The glossary which defines technical terms is the last item in the policy.

1.2 Poverty and Vulnerability in Malawi

The first attempt to profile the incidence of poverty and vulnerability in Malawi was undertaken in the early 1990s. Since then, several studies varying in scope and focus have been conducted but their conclusion is strikingly the same: poverty in Malawi is widespread, deep and severe. The population in Malawi is predominantly rural (83%) m. The economy is highly dependent on agriculture, mainly smallholder farming and fishing. The 1998 and 2005 Integrated Household Surveys (IHS) stand out as comprehensive attempts at the national level that have reassessed the extent of poverty in the country. According to the 2005 IHS, 52% of Malawians live below the poverty line. The proportion of the ultra-poor has remained the same at 22%. In other words, the IHS suggests that about 6.7 million Malawians live in poverty and 2.7 million cannot afford to meet the daily recommended food requirements. The gini-coefficient (an inequality index) is estimated at 0.38 which reflects profound inequalities in the access to assets, services and opportunities across the population.

Malawians face problems of both chronic poverty and vulnerability. A **poor** household is defined as a household that fails to attain a minimum acceptable consumption level of food and basic needs as defined by the poverty line (IHS 2005). The poor are estimated to consume less than MK44.4 per day per person in 2005 prices. According to the Malawi Poverty and Vulnerability Analysis (MPVA), the determinants of poverty suggest that the most important factors affecting the level of household poverty are household size, education, access to non-farm employment, access to irrigation, proximity to markets and trading centers, and access to good roads. Access to larger land holdings and engagement in cash crop production also play an important role. However, none of the factors that characterize poverty in Malawi work in isolation. Some of these characteristics are the consequences of poverty and others are the causes of poverty. Furthermore, as indicated in the IHS, the 52% households below the poverty line comprise a heterogeneous

group that have diverse needs.

The poor are categorised into the ultra and the moderately poor. The **ultra-poor** (22%) comprise households that have few or no assets, little or no land, limited or no labour, are chronically ill and are child/female/elderly headed with high dependency ratios. Most of these households are socially excluded, extremely vulnerable to shocks, have limited coping mechanisms and struggle for survival on a daily basis.

The **moderately poor** (30%) comprise households that have some members who are able to do productive work. They can respond to labour-based projects and programmes in order to overcome their poverty and hunger. These households are vulnerable to risks and shocks like hunger and further impoverishment. It must be noted that poverty is extremely dynamic, with individuals and households shifting frequently from one category to another, and even a small shock (for example a poor harvest) can tip large numbers of “non-poor” into poverty.

Vulnerability is defined as inability of households to deal with shocks to their livelihoods. Rising vulnerability implies both an increasing likelihood of shocks taking place, and a declining ability to overcome shocks without experiencing livelihood collapse. Vulnerabilities affecting Malawi at national level include:

- Agricultural vulnerability (i.e. erratic rainfall, land constraints, lack of livestock and constrained access to fertilisers, inputs and credit);
- Economic shocks and processes (undiversified livelihoods, weak markets, interactions between transitory shocks and chronic poverty);
- Health and nutrition risks (high incidence of diarrhoea, acute respiratory infection, cholera and malaria) and HIV & AIDS; and
- Demographic vulnerability (high population growth, increasing numbers of households headed by women, children or the elderly).

Vulnerability in Malawi is often the joint effect of these factors, rather than any single factor taken on its own, that add up to greater risk and less ability to deal with shocks. Failure to recover sufficiently from past shocks (such as the 2001/02 food crisis), has had the effect of depleting household assets, and households’ ability to rebuild assets.

1.3 Rationale

In order to address chronic poverty and vulnerability, the Government developed the National Safety Nets Strategy (NSNS) in 2000 and National Safety Nets Programme (NSNP) under the Malawi Poverty Reduction Strategy in 2002. The NSNP consisted of four sub programmes: the Public Works Programme, the Targeted Nutrition Programme, the Targeted Inputs

Programme and Direct Welfare Transfers Programme.

The key objective of the NSNP was to reduce poverty and vulnerability of the poor and most vulnerable. The NSNP was however beset by a number of shortfalls that include: capacity constraints, ad hoc and uncoordinated implementation of programmes by stakeholders, inadequate funding and inherent programme design problems which failed to impact on reducing poverty and vulnerability. The above shortfalls have been compounded by the lack of a policy to guide stakeholders in implementing programmes and projects to meaningfully reduce poverty and vulnerability.

To address these weaknesses, the Government and other stakeholders agreed on the need to shift from safety nets to social protection. Social Protection and Disaster Risk Reduction is the second theme in the Malawi Growth and Development Strategy (MGDS). The MGDS represents a nationally owned strategy for investing in both economic growth and social development, and serves as the basis for coordinating all socio-economic and development activities. The MGDS was approved by the Government in October 2006, and is the successor to the Malawi Poverty Reduction Strategy (MPRS).

This policy provides a holistic framework for designing, implementing, coordinating, monitoring and evaluating social protection interventions. The **rationale** for this is that a comprehensive social protection policy:

1. Takes a broad perspective, and looks at poverty and vulnerability in an integrated and coordinated manner;
2. Gives priority to reducing ultra poverty;
3. Emphasises long term, predictable interventions; contributes to asset creation and protection;
4. Strengthens human capital, thereby helping to break the intergenerational cycle of poverty;
5. Increases economic activities through market strengthening and income generation;
6. Is redistributive and reduces income inequality;
7. Directly provides transfers to those that can not support themselves, thereby directly tackling destitution;
8. Fosters social and political stability; and
9. Supports fulfilment of human rights and freedoms.

The implementation of a comprehensive social protection policy, integrated with other pro-poor development policies, would also contribute significantly to Malawi's **economic growth**. Experience from other countries, both in southern Africa and beyond, confirms that social protection, far from

being a drain on resources, is a driver of economic growth. In addition to reducing poverty, a sound social protection policy promotes equity, stimulates growth and ensures better use of fiscal resources. It does this through:

- Promoting human capital formation, and raising labour productivity;
- Enabling the poor to protect themselves and their assets against shocks, thus defending their long-term income-generating potential;
- Encouraging investment by reducing risk through the predictability of transfers;
- Combating discrimination and unlocking economic potential;
- Supporting the participation of the poor in labour markets, by reducing the risk involved in searching for jobs;
- Stimulating demand for local goods and services and thereby supporting enterprises in rural areas through economic multipliers;
- Helping to create an effective and secure state by fostering social cohesion and promoting a sense of citizenship; and
- Reinforcing conditions to attract local and foreign investment that will further contribute to stable and conducive macro-economic environment.

The **purpose** and **aim** of the Social Protection Policy is to:

- Define strategies to improve the socio-economic status of the poor and vulnerable;
- Provide reference guidelines to all stakeholders in the design, implementation and monitoring of social protection programmes and processes;
- Provide guidelines for cost-effective, predictable, and sustainable interventions to the benefit of beneficiaries, implementers and financiers;
- Provide guidelines for resource mobilisation and allocation; and
- Establish an institutional framework with the mandate to initiate, coordinate, implement, monitor and evaluate national social protection programmes.

1.4 Linkages with Other Relevant International Conventions, National Policies and Strategies

1.4.1 Links with the Constitution of Malawi

Social protection has bearings in the Malawi Constitution under articles 30, 37 and 43. Article 30 which is on the ‘right to development’ stipulates that; *‘All persons and people have a right to development and therefore to the enjoyment of economic, social, cultural and political development and women, children and the disabled in particular shall be given special consideration in the application of this right.’* It further states that the ‘state shall take all necessary measures for the realization of the right to development.’ Articles 37 and 43 are on the ‘right of access to all information held by the state’ and ‘administrative justice’ respectively.

1.4.2 Links with Relevant International Conventions

Malawi is also a signatory to a number of relevant international instruments, conventions and declarations that promote principles of social protection. These include the Millennium Development Goals (MDGs), the Universal Declaration on Human Rights (UDHR), the Convention on the Rights of the Child (CRC), the Convention on the Elimination and Discrimination against All Women (CEDAW) and the Livingstone Call for Action (Zambia, March 2006).

1.4.3 Links with Malawi Growth Development Strategy

At national level, social protection is the second Theme of the Malawi Growth and Development Strategy (MGDS), which states that: *‘The long term goal of the MGDS within the sphere of Social Protection is to improve the life of the most vulnerable’*, while *‘the medium-term expected outcome is to increase assets of the poor to enable them to meaningfully engage in sustainable growth and contribute to poverty reduction.’* The MGDS advances the following key strategies to empower the poor and the most vulnerable:

- Providing efficient and effective support to the poor and the most vulnerable with very limited factors of production;
- Improving planning and integration of knowledge on the needs of the chronically poor;
- Providing opportunities for the poor farmers and rural communities to graduate from poverty by facilitating their integration in mainstream agricultural productivity and enabling them to create wealth;
- Promoting savings culture in Public Works Programmes (PWP); and

- Providing capital for income generating activities.

While the MGDS function as the national development framework, the Social Protection Policy is an integral part of the MGDS. This ensures that poor households receive more attention than was given to them in the past. The MGDS also facilitates the integration of social protection interventions with interventions in other policy areas.

1.4.4 Links with other Sector Policies

Social protection interventions have strong positive linkages with other economic and social policies and with disaster risk reduction. These policies include: HIV & AIDS; Youth; Food Security; Gender; Orphans & Vulnerable Children; Reproductive Health; Early Childhood Care and Development; Environment; Land; Equalisation of Opportunities (Disability); Decentralisation; and other relevant programmes in agriculture, education, health and labour. Through synergies with these policies, social protection will contribute to asset creation, protection and income generation; strengthen human capital and stimulate economic activities; promote social empowerment, reduce income inequality and break the intergenerational cycle of poverty; ensure social and political stability and fulfilment of human rights and freedoms.

It is important to note that the Vision and Goal of the Social Protection Policy will only be achieved through a combination of policies that complement and reinforce each other. The Social Protection Policy will not infringe on or duplicate the established policies and programmes in the field of social development, economic development and disaster risk management, but will complement them as depicted in Figure 1 on *page vii*.

1.5 Key Challenges and Barriers

This Policy is bound to face several challenges and barriers in the course of implementation. Inadequate planning and inadequate data integration on the country's development and growth strategies on the one hand and the risk and obstacles to these strategies on the other hand have posed structural weaknesses and fluctuating resource needs for the chronically poor. Poor targeting has also been a constraint mainly due to insufficient data regarding the characteristics, location and the needs of the vulnerable.

Financial constraints also pose a great challenge and risk within the context of scaling up the programmes. Social Protection Programmes require substantial amount of financial resources which may not be entirely provided by the Government through the national budget. Government will negotiate with the donor community, the private sector and in some cases with the civil

society organisations to mobilize adequate financial support for scale up activities.

Human capacity limitations also pose a great risk especially with regard to planning and implementation. Inadequate human resources and limitation of resources to attract and retain qualified personnel at all levels to ensure effective implementation, inadequate specialised experts to effectively deal with emerging issues are some of the potential risks. Absence of skilled analysts can lead to pressure from stakeholders to scale-up the programmes without proper structures on the ground.

SECTION TWO

2.0 Broad Policy Directions

2.1 Definition of Social Protection

Social protection is defined as all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalised, with the overall objective of reducing ultra poverty as well as the economic and social **vulnerability** of poor, vulnerable and marginalised groups.

2.2 Vision

Enhanced quality of life for those suffering from poverty and hunger and improved resilience of those who are vulnerable to risks and shocks.

2.3 Mission

To provide and promote productivity-enhancing interventions and welfare support for the poor and vulnerable, that reduce risks and the impact of shocks, thereby facilitating movement of people out of poverty and reducing the vulnerability of those in danger of falling into poverty.

2.4 Guiding Principles

2.4.1 Leadership

Strong Government ownership and leadership at all levels (national, district and community) should provide for the coordination and alignment of partners' long-term support under this policy, including contributions from non-state actors.

2.4.2 Needs and evidence-based

Social protection must be based on evidence and analysis of who needs what type of assistance, when (and for how long), where and why, and impact on peoples' lives and livelihoods. The programmes have to be driven by needs, not by instruments; and should include an analysis of the cost-effectiveness of alternative interventions.

2.4.3 Beneficiary preferences prioritised

Beneficiaries should be consulted and closely involved in the design, planning and implementation of social protection interventions.

2.4.4 Protection and promotion of secure livelihoods

Social protection should encompass provision for the ultra-poor, as well as protection and promotion that aim to help the poor to graduate out of poverty, and to reduce the vulnerability of all the poor to risks and livelihood shocks – thus transforming their lives.

2.4.5 Tackling social exclusion and marginalisation

Social protection should address social as well as economic vulnerabilities, by protecting disempowered individuals such as vulnerable women, men and children, people with disabilities, the elderly and households affected by HIV and AIDS against discrimination and exploitation.

2.4.6 Timely, harmonised and reliable

Social protection interventions should be delivered in a timely, reliable, well-coordinated and sustainable manner and should be harmonised across the country.

2.4.7 Rights and responsibilities - based

Social protection should promote the progressive realisation of human rights as articulated in Malawi's constitution (Cap 4, Sec 30, 37, 43) and other relevant national and international legal instruments.

2.4.8 Accountable and transparent

Social protection should be transparent, incorporating principles of accurate and timely dissemination of information; publicity of instances involving abuse of the system; disclosure of the contract terms and unit costs of Government, NGO or private agencies selected to administer social protection interventions; and transparency in the procurement of social protection services. Any targeting must be transparent and fair.

2.4.9 Common financial management, reporting and monitoring and evaluation guidelines

Government agencies and partners involved in social protection should commit to a common set of financial management, audit, progress, monitoring and evaluation and reporting processes, consistent with national and international guidelines and indicators.

2.4.10 Sustainable, long-term funding

Government and partners should be committed to reliable funding, using appropriate mechanisms (basket funding) that provide predictable and

institutionalised funding to social protection, under Government control and sustainable over the long term.

2.5 The Overall Goal of the Policy

The overall goal of the Policy shall be to reduce poverty and enable the poor to move out of poverty and vulnerability.

2.6 Objectives of the Policy

The objectives of the Policy are as follows:

- To provide welfare support to those that are unable to construct a viable livelihood;
- To protect the assets and improve the resilience of poor and vulnerable households;
- To increase the productive capacity and asset base of poor and vulnerable households to move them above the poverty line; and
- To establish coherent and progressive social protection synergies by ensuring strong positive linkages to influence economic and social policies, and disaster management.

SECTION THREE

3.0 Policy Themes

The Policy is built around four key thematic areas that have consolidated the aspirations contained in the vision, mission and in the guidelines. These thematic areas are as follows:

- Provision of Welfare Support
- Protection of Assets
- Promotion through Productivity Enhancement, and
- Policy Linkages and Mainstreaming

It is recognised that coherent and progressive social protection interventions have strong positive linkages with other economic and social policies, and with disaster management – and, through synergies with these policies, can contribute to economic growth. Social protection interventions will not infringe on or duplicate the established policies and programmes in the fields of social development, economic development and disaster management, but will complement these programmes. The fourth policy area encompasses these linkages.

3.1 Theme 1: Provision of Welfare Support

Policy Statement

Welfare support constitutes interventions to meet the most pressing needs of the very poorest members of society such as elderly, infirm, person with disabilities, chronically ill and Orphans and other Vulnerable Children (OVC) living in households with no adults fit for productive work. Such support should ensure access to the basic goods and services required for their survival (consumption needs such as food, clothing, blankets, soap, shelter, water and sanitation, basic health services and transport) and access to basic education (investment in human capital). In addition, some households (or individuals excluded from households, such as orphans, widows living alone, street children) require access to home based care and psychosocial support.

Their principal difficulty is that the poorest are often unable to provide labour for productive activity and are, therefore, unable to earn a living. Most of the interventions designed and targeting such households do not reach them. The poorest do not attend community meetings for a number of reasons, some of which include sickness, shyness, social exclusion, or because they cannot find time since they are always looking for food and other necessities. The few interventions that reach them are by chance and only for a short period of time.

This policy area will ensure that direct assistance reaches the intended beneficiary households.

3.1.0 Policy Area 1: Goal

To provide welfare support to those who are unable to construct a viable livelihood.

3.1.1 Policy Area 1: Specific Objective

To provide welfare support to uplift the livelihoods of those who are unable to support themselves, have limited factors of production, and lack family and community support.

Strategies

Provide predictable transfers such as cash, shelter or food.

3.2 Theme 2: Protection of Assets

Policy Statement

This policy area will focus on supporting poor and vulnerable households to protect their assets from depletion and erosion thereby building resilience over time. Given adequate support, such households can graduate out of poverty and can eventually start to contribute to socio-economic development.

A considerable proportion of social protection is concerned with preventing the erosion of assets that occurs when families or communities are hit by shocks. The policy will provide households in this category with fallback positions when they run into difficulty. It will also provide them with sufficient income to ensure that they do not compromise their future ability to thrive due to short-term shocks.

3.2.0 Policy Area 2: Goal

To protect the assets and improve the resilience of poor and vulnerable households.

3.2.1 Policy Area 2: Specific Objective

To prevent asset erosion of poor and vulnerable households.

Strategies

- Implement Public works Programme, at a wage indexed to the cost of living, consolidated eventually into a national employment guarantee scheme, and
- Implement Social insurance schemes (e.g. community-based health insurance; burial societies and insurance schemes for livestock loss)

3.3 Theme 3: Promotion through Productivity Enhancement

Policy Statement

This policy theme will mostly be targeted at the poor and vulnerable households who need some support that will enable them to increase their income and accumulate assets. These households, which have some labour and productive assets, need productivity enhancing interventions that significantly add value to their assets and improve their incomes. They have the potential to be integrated into a well functioning economic and social environment.

Ongoing social and economic interventions that aim at general social and economic growth will have to be complemented initially by social protection interventions aimed at the poor and vulnerable, to ensure that such households graduate out of poverty, and in turn eventually contribute to economic growth.

3.3.0 Policy Area 3: Goal

To increase the productive capacity and asset base of poor and vulnerable households to move them above the poverty line.

3.3.1 Policy Area 3: Specific Objective

To enable households to lift themselves out of poverty by increasing their productivity and building their assets.

Strategies

- Implementing Vouchers/cash transfers to enable the poorest (agricultural) households to access agricultural inputs;
- Implementing Public works programmes – longer term, inflation-adjusted higher wage, predictable and guaranteed, based on creation of valuable community/household assets (e.g. irrigation, dam construction, afforestation, nutrition gardens, and home-based care), using appropriate technologies and linked to skills building;

- Promoting village savings and loans programmes; and
- Implementing Conditional cash transfers (e.g. cash-for-assets)

3.4 Theme 4: Policy Linkages and Mainstreaming

Policy Statement

Some causes of poverty and certain forms of vulnerability are related to social exclusion and marginalisation, rather than only to livelihood shocks such as drought or illness – though economic and social vulnerabilities often act to reinforce each other. For groups affected by social exclusion and discrimination (such as widows, the chronically ill and people stigmatised with HIV/AIDS, orphans and other vulnerable children and disabilities), changes in policy, rights-based campaigning or enforcement of socially progressive policies might be sufficient to transform the conditions of their lives. Taking this aspect into account has the advantage of addressing the underlying causes of vulnerability, while being less expensive and more sustainable than over-reliance on economic interventions alone.

Therefore, this policy area will support initiatives that aim at transforming, through policy change, the living conditions of those who are socially excluded and marginalised through empowering them with policies, systems, legislative and administrative means that protect such disempowered groups against discrimination and exploitation.

3.4.0 Policy Area 4: Goal

To establish coherent and progressive social protection synergies by ensuring strong positive linkages to influence economic and social policies, and disaster management.

3.4.1 Policy Area 4: Specific Objective 1

To ensure that the poor and the vulnerable have access to social services.

Strategies

- Key ministries and stakeholders collaborating in the social sector to ensure that all the poor and vulnerable access social services e.g. child care support, protection from abuse and exploitation, access to justice, access to school, access to treatment for people living with HIV&AIDS, Early Childhood Development, treatment from malnutrition.

3.4.2 Policy Area 4: Specific Objective 2

To ensure that the poor and the vulnerable engage in economic activities.

Strategies

- Collaborating with key ministries and other stakeholders in the economic sector to provide opportunities for all the poor and vulnerable to participate in economic activities and contribute to economic growth; and

3.4.3 Policy Area 4: Specific Objective 3

To ensure that disaster risk management initiatives give priority to the needs of the poor and the vulnerable.

Strategies

- Collaborating with key ministries and other stakeholders in the disaster management sector to ensure that all the poor and vulnerable benefit from improved access to disaster management strategies; and
- Collaborating with key ministries and other stakeholders in establishing early warning systems for Malawi through Vulnerability Assessment; and
- Collaborating with key ministries and other stakeholders in integrating disaster risk management into sustainable development planning at all levels.

SECTION FOUR

4.0 Implementation Arrangements

4.1 Institutional Arrangements

4.1.1 National Social Protection Steering Committee

The Ministry of Economic Planning & Development will be the coordinating agency and secretariat for the National Social Protection Programme (NSPP). The Ministry will strive to harmonise the implementation of the policy and programme with the Ministry of Local Government and Rural Development through the establishment of integrated institutions at the District Assembly and community levels.

The National Social Protection Steering Committee (NSPSC) comprising principal secretaries from the key line ministries, heads of missions for the development partner institutions, and civil society (CONGOMA) will be responsible for matters of policy and resource mobilization. The NSPSC is chaired by the Chief Secretary to the President and Cabinet. The full membership is as follows:

1. Chief Secretary (Chair);
2. Secretary for Agriculture and Food Security;
3. Secretary and Commissioner for Disaster Management Affairs;
4. Secretary for Local Government and Rural Development;
5. Secretary to the Treasury;
6. Secretary for Health;
7. Secretary for Labour;
8. Secretary for Transport and Public Works;
9. Secretary for Women and Child Development;
10. Secretary for Persons with Disabilities and the Elderly;
11. Secretary for Nutrition, HIV and AIDS;
12. Secretary for Irrigation and Water Development;
13. Secretary for Education;
14. The Country Manager, The World Bank;
15. The Head of the Department for International Development (DFID);
16. Representative of UNICEF;
17. Council for the Non-Governmental Organization of Malawi (CONGOMA);
18. Executive Director, Elderly People Association;
19. Secretary for Economic Planning and Development (Secretariat)

4.1.2 National Social Protection Technical Committee

The National Social Protection Technical Committee (NSPTC) will be responsible for technical direction and recommendations on programme implementation. The NSPTC is chaired by Secretary for Economic Planning and Development. The full membership is as follows:

1. Ministry of Economic Planning and Development (Chair and Secretariat)
2. Ministry of Agriculture and Food Security
3. Department of Disaster Affairs
4. Ministry of Local Government and Rural Development
5. Ministry of Finance
6. Ministry of Health
7. Ministry of Transport and Public Works
8. Ministry of Persons with Disabilities and the Elderly
9. Department of Nutrition, HIV and AIDS
10. Ministry of Irrigation and water Development
11. Ministry of Labour and Social Development
12. Ministry of Women and Child Development
13. Malawi Social Action Fund (MASAF)
14. Council for the Non – governmental Organisations of Malawi (CONGOMA)
15. Malawi Confederation of Chambers and Industry (MCCI)
16. The World Bank
17. The Department for International Development (DFID)
18. UNICEF
19. World Food Programme (WFP)
20. Malawi Vulnerability Assessment Committee (MVAC)
21. Executive Director, Elderly People Association
22. The Executive Director, Network of organisations Working with Vulnerable and Orphaned Children (NOVOC)
23. Chairperson, NGO Gender network
24. Chancellor College
25. Bunda College
26. Centre for Social research (CSR)
27. National AIDS Commission (NAC)
28. Action aid
29. OXFAM
30. Plan Malawi

4.1.3 Ministry of Local Government and Rural Development (District Assemblies)

The District Assemblies will be responsible for coordinating and implementing social protection activities at the district level, together with other partners. The District Assemblies will therefore, coordinate all the implementing partners including government sectors and the Civil Society. At the local level, Area Development Committees (ADC) and Village Development Committees (VDC) will work with Community Social Protection Committees to oversee targeting and implementation of social protection activities. It is expected that ADCs and VDCs will form Social Protection Subcommittees.

4.1.4 Ministry of Economic Planning and Development

The Ministry of Economic Planning and Development will provide leadership in the programming and delivery of social protection. However, all programmes will envisage partnerships between Government, civil society and the private sector at all levels. CSO, NGO and other public institutions will complement Government efforts in the implementation of the policy and programmes. The following will be the functions of the MoEP&D:

1. Serving as secretariat for the National Social Protection Steering Committee (NSPSC), and the National Social Protection Technical Committee (NSPTC). Specific tasks include ensuring regular meetings are held and that invitations, minutes of meetings and other relevant documents are shared in a timely manner;
2. Developing and overseeing the implementation of the SP work plan and budget with approval from the technical committee;
3. Coordinating monitoring and evaluation activities of the different social protection components at different levels and providing required data to the MGDS monitoring system and social protection committees;
4. Maintaining a (preferably geo-referenced) database and catalogue of social protection activities;
5. Undertaking public information, education and communications campaigns (including web-based Internet fora);
6. Assessing priorities to allocation of available resources between districts and programme components in liaison with the technical committee;
7. Recommending “best practice” guidelines and identifying gaps for social protection components, and undertaking pilots through agreement with the technical committee;
8. Coordinating activities of a cross-cutting nature, e.g. non-state actors involvement, targeting, gender issues, impact of HIV and AIDS and ensuring that linkages exist;

9. Providing training and advice to the districts to ensure consistency of approach in targeting and distribution of resources;
10. Coordinating the technical sub-committees of the NSPTC, to facilitate lesson-learning for district staff, implementing partners, government and donors ; and
11. Developing transparency and accountability mechanisms between, and for, all stakeholders.

4.2 Funding Arrangements

A Social Protection Fund (SPF) will be created, using a basket funding mechanism. The sources of funding will include:

- Government budget;
- long-term, guaranteed contributions from donors and development
- partners;
- NGO contribution; and
- Private sector contributions.

The SPF will be managed by the MoEP&D and the approval of disbursement of the funds will be done by the NSPSC based on programmes recommended by the NSPTC. However actual disbursement of funds to implementers for example Districts Assemblies will be done directly by the Treasury.

4.2.1 Parallel funding

NGOs and other institutions that are not allowed to put their resources in a basket fund will be allowed to implement projects as long as they adhere to implementation plans and design for Social Protection programmes and do not duplicate other efforts.

4.3 Implementation Plan

The Government, led by the Ministry of Economic Planning and Development, will develop the National Social Protection Programme (NSPP) with the members represented in the National Social Protection Technical Committee. The programmes will be developed with all stakeholders, including government, civil society, the private sector, UN agencies and development partners.

The NSPP will be included as an appendix to the Policy. As one of the themes of the MGDS, progress made in the domain of social protection will be reviewed annually. At the end of 2011, the lifespan of the MGDS, an independent evaluation of the NSPP will be carried out to understand whether and how it has impacted on the lives of the poor and vulnerable in a meaningful manner. In preparation for this, a baseline for the evaluation will be conducted

by the end of 2008.

The implementation plan for the Policy will be in the form of an Action Programme that is derived from the main Policy document and appears as an appendix to the Policy. The Action Programme is presented in a tabular format for ease of implementation, monitoring and review. Specific objectives have been highlighted to ensure that there is focus on what each component of the policy is aiming to achieve. Each objective is linked to one or more strategies, clearly indicating how the objective will be achieved within a specific timeframe, subject to periodic review.

This Action Programme will operationalize the statements contained in the Social Protection Policy by aiming to achieve the overall goal and objectives, and by implementing the strategies and actions in line with the MGDS. Within the context of available resources, design and implementation of social protection interventions should prioritise the poorest. Existing informal community initiatives should be taken into account when designing the programmes.

As formal social protection is new to Malawi, some social protection instruments may need to be designed, piloted, and evaluated, before being brought to scale if proven viable.

4.4 Information, Education & Communication

Promotion of social protection programmes will be based on an Information, Education and Communication (IEC) campaign that will guide how the population will learn about social protection and respective programmes. Information will be shared through collaboration with the electronic and printed media, presentations at national, regional and global fora. Also education and information sessions will be held with the entire population at district and community level.

4.5 Monitoring and Evaluation

4.5.1 Means of monitoring

The Government commits to implementing a national Monitoring and Evaluation system for implementation of this Social Protection Policy. In particular this system will address:

- (i) Efficient use of available resources (cost-effectiveness);
- (ii) Effective coordination of relevant partners to implement social protection programmes;
- (iii) Ensuring that key stakeholders and implementing partners have sufficient capacity to carry out monitoring and evaluation activities; and
- (iv) Progress in reducing vulnerability to hunger and poverty by assisting the ultra-poor graduate from their condition, protecting the moderately poor and the non-poor from falling into poverty and ultra-poverty – the specific objectives described in Section 2 – will be monitored using the following sources with additional indices and analyses to include references to the different poverty groups:
 - Integrated Household Survey;
 - Core Welfare Indicator Survey;
 - VAC analysis and reports; and
 - Annual and monthly reports from relevant programmes (See Policy Impact Monitoring and Evaluation (Appendix 2)).

The Government will coordinate and lead the monitoring and evaluation process and ensure timely reporting and dissemination of results. A Social Protection Monitoring and Evaluation Report covering the above assessment areas will be published annually. All agencies implementing programmes related to this Policy will report regularly to the respective coordinating body.

The Government will commission an independent assessment of implementation of this Social Protection Policy following publication of the annual Monitoring and Evaluation Report. The findings of the independent assessment will be discussed at an annual Stakeholders Meeting.

The Monitoring and Evaluation results will be used to inform policymakers, programme implementers and donors to directly influence programme planning and design processes as well as resource management.

Monitoring and Evaluation tools for respective social protection programmes will be harmonised, utilising a common reporting format. The

Government will devise this common reporting format based upon the Government of Malawi Monitoring and Evaluation System Master Plan.

4.6 Review of the Policy

This Policy will be reviewed in 2011 and again in 2013 after monitoring key milestones and targets. The review will be coordinated by the Ministry of Economic Planning and Development.0

APPENDIX 1

GLOSSARY

Conditional/unconditional transfers:

In this text **conditional** transfers are provided to beneficiaries on condition that they fulfil some requirement, such as participating in public works programmes or cash/food for work, or attendance at health clinics or schools. **Unconditional** transfers are provided to beneficiaries without any such requirement. Both conditional and unconditional transfers may be targeted or universal.

Hazard:

A shock such as drought, flood, conflict or market dysfunction, which is likely to have a negative impact on people's **livelihoods**

Household:

A group of people, each with different abilities and needs, who live together most of the time and contribute to a common economy, and share the food and other income from this.

Livelihood:

The sum of the ways in which people make a living and meet their basic needs.

Poor:

Households that fail to attain a minimum acceptable consumption level of food and basic needs as defined in the Integrated Household Survey (IHS 2005). Using income as a proxy, the poverty line is set at a daily expenditure of MK44.4 per person, (using 2005 prices) on this basis the poverty headcount is estimated at 52.4% of the population.

Poverty:

In general, Malawians characterise poverty “...as a state of continuous deprivation or a lack of basics of life.”¹ Basic needs include economic, social, psychological and physiological requirements. Poverty, therefore, has many dimensions including income poverty and human or capability poverty. Poverty exists, and is observable, at various levels: at the individual, household, community and national levels, and has a gender dimension. Qualitative², information from the poor themselves also defines poverty in terms of lack of felt basic needs at household and community level.

Risk:

The likelihood of a shock or **hazard** that results in **vulnerability**.

Social Protection:

Social protection describes all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalised, with the overall objective of reducing ultra poverty as well as the economic and social **vulnerability** of poor, vulnerable and marginalised groups.

Ultra-poor:

Households that fail to attain a minimum acceptable consumption of food, and are not able to purchase essential non-food items (e.g. soap, clothing, school utensils), as defined by the ultra-poverty line in IHS 2005. In Malawi, this ultra-poverty line is set at a daily expenditure of MK27 per person; on this basis the ultra-poverty headcount is estimated at 22% of the population.

Vulnerability:

The inability of households to deal with shocks to their **livelihoods**. Rising vulnerability implies an increasing likelihood of **hazards** taking place (risk), or a declining ability to overcome shocks without experiencing **livelihood** collapse.

¹ Government of Malawi and United Nations Development Programme (1993) *Situation Analysis of Poverty in Malawi*

² Government of Malawi (2000) *Qualitative Impact Monitoring of poverty Alleviation Policies and Programmes: World Bank (1999) Voices of the Poor.*

Appendix 1: Implementation Plan

OVERALL POLICY GOAL: Reduce poverty and enable the poor to move out of poverty and vulnerability.

OVERALL POLICY THEMES: (See page 7)

Policy theme 1: Provision of welfare Support

Goal	Specific objective	Strategy	Responsibility for and implementation	Timeframe
3.1.0 To provide welfare support to those who are unable to construct a viable livelihood.	3.1.1 To provide welfare support to uplift the livelihoods of those who are unable to support themselves, have limited factors of production, and lack family and community support.	3.1.1.1 Provide predictable transfers such as cash, shelter or food.	MoWCD MoLG&RD District Assemblies Civil Society	2008-2011

Policy Area 2: Protection of Assets

Goal	Specific objective	Strategies	Responsibility for implementation	Timeframe
3.2.0 To protect the assets and improve the resilience of poor and vulnerable households.	3.2.1 To prevent asset erosion of poor and vulnerable households.	3.2.1 1. Public works, at a wage indexed to the cost of living, consolidated eventually into a national employment guarantee scheme 2. Social insurance schemes (e.g. community-based health insurance; burial societies and insurance schemes for livestock loss)	MoWCD MoLG&RD DAs Civil Society	2008-2011

Policy Area 3: Promotion through Productivity Enhancement

Goal	Specific objective	Strategies	Responsibility for implementation	Timeframe
<p>3.3 To increase the productive capacity and asset base of poor and vulnerable households to move them above the poverty line.</p>	<p>3.3.1 To enable households to lift themselves out of poverty by increasing their productivity and building their assets</p>	<p>3.3.1. 1. Vouchers/cash transfers to enable the poorest (agricultural) households to access agricultural inputs; 2. Public works programmes –longer term, inflation-adjusted higher wage, predictable and guaranteed, based on creation of valuable community/household assets (e.g. irrigation, nutrition gardens, home-based care), using appropriate technologies and linked to skills building; 3. Village savings and loans programmes; 4. Conditional cash transfers (e.g. cash-for-assets)</p>	<p>MoWCD MoLG&RD DAs Civil Society</p>	<p>2008-2011</p>

Policy Area 4: Policy Linkages and Mainstreaming

Goal	Specific objective	Strategies	Responsibility for implementation	Timeframe
<p>3.4 To establish coherent and progressive social protection synergies by ensuring strong positive linkages to influence economic and social policies, and disaster management.</p>	<p>3.4.1 To ensure that the poor and the vulnerable have access to social services.</p>	<p>3.4.1. Collaboration with key ministries and other stakeholders in the social sector to ensure that all the poor and vulnerable access social services e.g. child care support, protection from abuse and exploitation, access to justice, access to school, access to treatment for people living with HIV&AIDS, Early Childhood Development, treatment from malnutrition.</p>	<p>MoEP&D</p>	<p>2008-2011</p>
	<p>3.4.2 To ensure that the poor and the vulnerable engage in economic activities.</p>	<p>Collaboration with key ministries and other stakeholders in the economic sector to provide opportunities for all the poor and vulnerable to participate in economic activities and contribute to economic growth</p>	<p>MoEP&D</p>	<p>2008-2011</p>

<p>3.4.3 To ensure that disaster risk management initiatives give priority to the needs of the poor and the vulnerable.</p>	<p>Collaboration with key ministries and other stakeholders in the disaster management sector to ensure that all the poor and vulnerable benefit from improved access to disaster management strategies</p>	<p>MoEP&D DoDMA</p>	<p>2008 - 2011</p>
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