Malawi Public Works Program - Local Development Fund (LDF) Mechanism Project

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Brief overview of the program

• Objectives (PDO): MASAF III APL II is to improve the livelihoods of poor and vulnerable households and to strengthen the capacity of local authorities to manage local development

• Context - Implemented within the National Social Protection Framework (Fertiliser Input Subsidy Programme) and the National Decentralisation Programme

• Scope - Public works plus (Public works cash transfer and savings and investment promotion).

• Links to national M&E: IHS used as a baseline for the IE and for targeting
PWP Malawi

- PWSP- objective is to improve household incomes and reduce food insecurity of poor households through expansion of opportunities in labour intensive activities.
- National wide coverage
- Wage income of MK200/day ~US$1.3/day for 12 days
- Wage rate is 11% above the minimum wage rate
- Wage rate purposefully set to enable beneficiaries purchase subsidized farm inputs
Poverty and Vulnerability Profile for 13.1 Million Malawians

CATEGORIES AND THEIR SOCIAL SUPPORT NEEDS

- Employment
- Skill building
- Capital
- Productive Assets
- Protection from asset/capital erosion

POTENTIAL SOCIAL SUPPORT PROGRAMMES/
INTERVENTIONS

PROTECTION AND PROMOTION
- Agricultural inputs subsidy
- Public works programs
- Village savings loans
- Micro-credit / Micro-finance

PROMOTION
- Public works programs
- School Meals Program
  - Cash and food for assets combined with skills building and cash for consumption/ Adult literacy training

PROVISION
- Social cash transfers
- School Meals Program

Poverty and Vulnerability Profile for 13.1 Million Malawians

40% MALAWI POVERTY LINE

Moderately Poor

25%

Moderate Poor

15%

Ultra Poor with Labour Capacity

5%

Ultra Poor & Incapacitated

10%

Poverty and Vulnerability Profile for 13.1 Million Malawians

5%

Moderate Poor

25%

Moderate Poor

40% MALAWI POVERTY LINE

Ultra Poor with Labour Capacity

5%

Ultra Poor & Incapacitated

10%
M&E Challenges in previous PWP Phases

a) Lack of baseline data led to problems in evaluating impact
b) Delayed reporting
c) Inconsistencies in reporting formats
d) Insufficient data for some MDG indicators
e) Lack of tracking studies on usage of PWSP wages and effect of the programme on livelihood
Key Performance Indicators (KPI)

Program Purpose:
Programme impacts - contribution to MGDS and MDGs

Programme Objective:
Improvement of livelihoods within the framework of improved governance at community, LA and national level

Outputs:
from the LDF windows

Inputs and activities:
in the LDF Windows

Assumptions / Risks

Decentralised structures

Tracking overall Programme Performance towards Programme Goal:
Informing management Decisions and strategies to attain Programme Goal

Informed by

Data sources
Progress reports; LA reports; sector reports
Community reports; Extension workers; NSO reports
Progress reports

Data collection methods
Baseline studies; Tracking studies; Impact Surveys;
Community Score cards; IFMIS;
Implementation reviews; Beneficiary assessment studies; Implementation Support Missions

M&E products
Quarterly reports; Annual reports; Evaluation reports; Implementation

Stakeholders
Steering Committee; NTAC; TST; Communities; Sector ministries; Local Councils, Cooperating partners

LDF TST
For aggregation, analysis and reporting

To assess

Impacts/ outcomes

Implementation

Context

To

MASAF 3 APLII-LDF MECHANISM PROJECT M&E SYSTEM
Objectives of the Impact Evaluation

• Measure the effect of PWP programme on beneficiaries’ food security and use of farm inputs
• Whether obstacles to saving money over short periods of time affect consumption decisions and use of farm inputs
• Whether the Link between PWP and Savings and Investment allow participants to move to higher income trajectory
Results Chain

**Inputs**
- Financial and human resources

**Activities**
- Preparation of IPFs
- Determination of No. of beneficiaries
- Issuance of guidelines
- Release of funds to LAs
- ISM
- Reporting
- Dissemination

**Outputs**
- No. of beneficiaries reached,
  - No. of person days of employment (9,562,644)
- No. of community assets created (6,228)

**Intermediate outcomes**
- Amount of farm inputs purchased
- Increase in food consumption
- Availability of social economic infrastructure

**Final Outcomes**
- Increased hh incomes
- Increased food security

Implementation (SUPPLY SIDE)  Results (DEMAND RESPONSE)
Results

- A total of 796,887 beneficiaries have so far been reached with PWSP
- A total of about MK1.9 billion (US$ 12.7 million) has been disbursed in three cycles of the PWSP
- The Beneficiary survey of 2010 showed that 93% of the beneficiaries were correctly targeted
- The program evaluation of 2008 showed that 68% of the beneficiaries used the wages to redeem the Farm Input Subsidized coupons
## Use of Results: the Feedback Process

<table>
<thead>
<tr>
<th>M&amp;E Instrument</th>
<th>Results</th>
<th>Use of results</th>
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| Implementation support Mission/Reviews| • All subprojects completed within the 12 days  
• 80% of budget was used on wages  
• 70% of wages paid on time  
• Roads quality not sustainable in the long-run | • Corrective action to local councils  
• Technical support  
• Review of implementation guidelines |
| Annual Tracking studies               | 68% of participants used their wages to buy fertilizers. 25% of participants used wage to exclusively buy food | Changes in targeting instruments, measuring of programme effects on livelihoods (annual) |
| Impact evaluation                     | IHS as baseline – treatment and control HH are balanced. Follow-up survey planned for October ’11. | Changes in programme design, duration, coverage and timing |
## Use of Results: the Feedback Process

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<thead>
<tr>
<th>M&amp;E instrument</th>
<th>Results</th>
<th>Use of results</th>
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<tbody>
<tr>
<td>Community score cards</td>
<td>• Communities expressed satisfaction with asset selection.</td>
<td>Stakeholder sensitization Review of guidelines Communication strategy to local councils to speed up payment process IE planned to assess program impact and to legitimate program scale up</td>
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<td>• Resentments were expressed with regard to beneficiary selection,</td>
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<td>delays in payment of wages and provision of tools by local councils</td>
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<td>• Bemoaned the low coverage of the programme</td>
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<tr>
<td>Beneficiary survey (2010)</td>
<td>93% correctly targeted</td>
<td>Sensitization and communication strategy In place to improve community-based targeting</td>
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Looking forward

Challenges

• Leakages (exclusion and inclusion errors) still being experienced in the programme
• Dilemma exists in terms of seasonality issues for program implementation
• Duration of 12 days considered too short
• Coverage is still low

Lessons learnt

• Combining different M&E tools (participatory methods, surveys, evaluation studies) helps understanding results for policy decision making
Thank You
Background ...

• Participants encouraged to participate in savings and investment programme for graduation purposes
• At national level, resource allocation uses population and poverty factors
• Same factors apply at district level
• At community level, community wealth ranking approach followed
• 40 percent of the programme beneficiaries are women