



10%

of households reached nationwide



1.3 million

people benefit from cash transfers

300,800

households receive monthly cash transfers



600,000+

children benefit from transfers



222,140

children benefit from education bonuses



2021/22 Lean Season

16,836

households reached through SCTP

82,717

beneficiaries reached

290,000+

urban beneficiaries reached with COVID-19 top-ups



Over MK13 billion

distributed annually in cash transfers



The Social Cash Transfer Programme (SCTP)

OVERVIEW

The Social Cash Transfer Programme (SCTP)—locally known in Chichewa as Mtukula Pakhomo—is a non-conditional critical safety net for the most vulnerable, ultra-poor Malawians. By providing monthly cash transfers to over 1.3 million people annually, this programme helps ultra-poor families to meet their basic needs and build resilience, with the ultimate goal of building human capital and moving them out of poverty.

Studies in Malawi estimate that for every USD\$1 spent on cash transfers, USD\$1.69 is generated for the local economy.

The SCTP is one of five key social protection initiatives implemented as part of the Malawi National Social Support Programme (MNSSP II). The World Bank, European Union, German Government through KfW, and the Government of Ireland fund the programme with technical support provided by UNICEF and other partners. On average, households receive 9,000 Malawian Kwacha (about USD\$10.00) per month, which leads to profound improvements in the lives of beneficiaries.

PROGRAMME IMPACTS

Each family has the flexibility to spend the unconditional cash transfers as deemed best to address their needs. Evidence shows that the most common purchases include food, livestock, and agricultural inputs like tools and fertilizer. Beneficiaries also use the cash transfers to pay school fees and buy educational supplies, such as uniforms and shoes. These investments reduce hunger, increase crop production, grow household assets, and result in significantly more children going to school instead of working to help support their families.

In addition, the cash transfers benefit the local economies. The beneficiaries spend the money in local stores and increase education rates in the community. Many beneficiaries are also involved in other social protection programmes to enhance households resilience, such as savings and loans groups, providing additional community gains and more solid pathways out of poverty.

PROGRAMME ELIGIBILITY

The programme aims to assist the 10% of most vulnerable households in each of the 28 districts of Malawi. Beneficiaries include:

- ultra-poor households that are unable to meet their most basic needs, and
- labour-constrained households that don't have enough members fit to work in order to cover their basic needs.
- Household members who are defined as "unfit to work" include those:
 - older than 64 years, or
 - between 18 and 64 years but who have a chronic illness or disability that makes them unable to work.

MONTHLY TRANSFER AMOUNTS

Once enrolled, families receive predictable cash transfers based on household size.

Household size	Monthly transfer amounts in MWK
1 member	4,000
2 members	5,000
3 members	6,500
4+ members	8,000
Primary school bonus for every child	1,000
Secondary school bonus for every child	2,000
Average household benefit	9,000

INNOVATION AND IMPROVEMENTS

Since the inception of the SCTP in 2006, the Government of Malawi and its partners have worked to improve and expand the programme. This includes the coordination between social protection and humanitarian actors to leverage the SCTP system in response to seasonal variations and emergencies.

Each year in Malawi, poor families struggle during the Lean Season as their food supplies dwindle while they await harvest. To help during this challenging period, the SCTP now provides enrolled beneficiaries with seasonal top-ups. This vertical expansion of the SCTP gives families the additional resources they need to better withstand recurring shocks. In coordination with partners, a horizontal expansion (i.e. temporary inclusion of additional beneficiaries) of the programme is also organized every year during the Lean Season to address the increased needs of affected populations.

More recently, thanks to the SCTP's available know-how and core infrastructure, the Government of Malawi was able to design and

Impact in numbers

60%

increase in crop value due to increased production, providing assisted families with more food



86%

increase in spending on productive tools such as agriculture assets and livestock



21%

increase in ownership of small livestock, such as chickens or goats



Reference: University of North Carolina (2016) Malawi Social Cash Transfer Programme Endline Impact Evaluation Report Chapel Hill, North Carolina

roll out an emergency Urban Cash Intervention (CUCI) transfers intervention in response to the socio-economic effects of the COVID-19 pandemic.

Other enhancements include the introduction of a harmonised electronic payments solution, the improvement of Management Information Systems (MIS), harmonised grievance and redress mechanisms, and the strengthening of coordination platforms. Six districts are fully paying cash transfers through the harmonised

electronic payments, and scale-up of electronic payments is underway in 14 districts with a national coverage expected by mid 2023.

Thanks to the SCTP, the Government of Malawi and programme partners are helping to increase communities' resilience to shocks through cash "plus" activities and linkages to social service including nutrition and education and support families graduate out of extreme poverty.

Selected quotes from the MSCTP Impact Evaluation (2016); other impact domains are based on qualitative data.

“ To say the truth, things have changed, our food consumption has changed. We are able to buy maize with the money and with the business running, we also buy good relish like fish, [and we are] able to buy salt.



The IE had great impact on wellbeing of caregivers, school participation, reduced child labour and safer transition to adulthood worthy highlighting.

...strong positive impacts on the material well-being of children.

...improve the well-being of caregivers of orphans and vulnerable children.

SCTP households were more likely to delay their first sexual encounter, reduce experience of forced sex and decrease poor mental health. In addition, among females in the poorest households, there was a significant reduction in first pregnancy.

12% and 16%

increase in primary and secondary school enrollment, helping children to escape the cycle of poverty



US\$1.69

generated for the local economy for every USD1.00 spent on cash transfers





social protection is a right

By providing monthly cash transfers to **over 1.3 million people annually**

this programme helps ultra-poor families to meet their basic needs and build resilience, with the ultimate goal of building human capital and moving them out of poverty.



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