

# VERTICAL EXPANSION OF SOCIAL PROTECTION PROGRAMMES

May 2018



## Operational Trial of a Vertical Expansion

Malawi Social Cash Transfer Programme

CASE STUDY



This material has been kindly funded by UK Aid from the UK Government; however the views expressed do not necessarily reflect the UK Government's official policies.



1: UNICEF Malawi/2018/Vertical Expansion payment January, Balaka district

## Background

**For the last nine years, Malawi has been supporting on average 1.73 million people each year with emergency food assistance, i.e. about 10% of its population<sup>1</sup>.** With widespread chronic poverty and high vulnerabilities, even predictable, recurrent lean seasons and minor weather variations develop into emergencies<sup>2</sup>. Humanitarian actors including UN agencies and NGOs, repeatedly step-in to cover needs.

**New and more sustainable ways of preventing and addressing recurrent food crises have to be found.** An international humanitarian system, which is under strain by ever longer lasting crises, affecting more people, cannot sustainably respond to needs that largely result from chronic poverty. It is designed to support countries overwhelmed by a shock, to save lives, alleviate suffering and maintain human dignity during and in the aftermath of disasters. It also aims at preventing and supporting preparedness for the occurrence of such situations, through Disaster Risk Reduction measures.

**Despite limited capacity and funding, the Government of Malawi has invested, with support from partners, in building a social protection system that has grown in maturity and impact.** Different modalities are delivered through different programmes. Social cash transfers are provided to one quarter of the population (SCTP and public works), access to services is to some extent facilitated, and investments are made to build a coordinated and harmonized system. Despite heavy reliance on external funding, governmental financial commitments to social protection are slowly increasing.

**A flexible social protection system which can be leveraged in response to crisis can be part of the solution.** Building on preparedness efforts, an effective social protection system which fulfils its core mandate, addressing deprivation and vulnerabilities of the poorest<sup>3</sup>, and which can be

used in crisis, offers an opportunity to re-think prevention, response, and recovery.

**The vision of bringing together humanitarian and development actors to think differently about how to address and reduce humanitarian needs is echoed in the global arena.** “We urgently need to invest in new approaches to protect the lives and dignity of those affected and to ensure aid is spent as efficiently as possible”<sup>4</sup>.

**In Malawi, this context has led to a ‘breaking the cycle of food and nutrition insecurity’ agenda.** Discussions have increasingly homed in on the humanitarian-development nexus as one way to improve national capacities to respond to both chronic and acute food and nutrition needs.

**The Government of Malawi has committed to investing in shock-sensitive social protection, including leveraging the existing and growing social protection system to respond to shocks.** Through the Malawi National Social Support Programme II (MNSSP II), the government has made a commitment to design and implement a social protection system that covers more people, provides complementary support to respond to the multiple and compounding needs of the population, and that is sensitive to shocks, i.e. that contributes to mitigate, respond to and recover from shocks, in collaboration with the humanitarian sector.

**A social protection system can be used in different ways to support a response to shocks.** New beneficiaries from disaster affected communities can temporarily receive support from an existing social protection programme (horizontal expansion), or shock-affected existing beneficiaries can be provided with more assistance when needed (vertical expansion). Certain elements of an existing social protection system can also be leveraged to deliver the assistance (piggybacking), or small adjustments can be made to core social protection programmes to meet the need (design tweaking). Finally, humanitarian interventions can be delivered in a way that aligns as best as possible with approaches used in social protection programmes, or vice versa (alignment)<sup>5</sup>.

1 GoM (2018) 2017/18 Lean Season Food Insecurity Response Plan.

2 ODI and RCRCCC (2018) Towards shock-sensitive social protection in Malawi.

3 O'Brien, C., Scott, Z., Smith, G., Barca V., Kardan, A., Holmes, R., Watson, C. and Congrave, J. (2018), 'Shock-Responsive Social Protection Systems research: Synthesis report', Oxford Policy Management, Oxford, UK.

4 ODI 2015: Doing cash differently, How cash transfers can transform humanitarian aid - Report of the High Level Panel on Humanitarian Cash Transfers, p.7.

5 Ibid. p. 17 - 36.

In 2017/18, the Government of Malawi tested the feasibility of a *Vertical Expansion* of their flagship cash transfer programme, the Malawi Social Cash Transfer Programme (SCTP), in which more than 3,000 households living in drought-affected areas were provided with emergency assistance<sup>6</sup> during a four month period. This was done via an adjustment of the regular SCTP transfer amounts for those beneficiaries living in drought-affected geographic areas which showed high degrees of food insecurity as per the Malawi Vulnerability Assessment Committee.

## Why a Vertical Expansion of the SCTP?

**Poor households are often some of the most vulnerable to disasters.** Poor people are among the groups most exposed to and suffering from shocks, including drought or floods: Limited livelihood options, resources, and access to services, mean that these households are often the least able to withstand shocks, and therefore prone to food insecurity, especially without resorting to negative coping mechanisms.

**In Malawi the SCTP assists households which are both ultra-poor and labour-constrained.** The SCTP currently assists more than 210,000 households in 26 districts, scaling up to national coverage in 2018. It is one of 5 main instruments under the Malawi National Social Support Programme<sup>7</sup>. On average, a household on SCTP receives 7,000 MK per months, aiming at reducing poverty and smoothening consumption amongst ultra-poor and labour constrained households; to increase school enrolment of children; and to improve the nutrition, economic and general well-being of beneficiary families.

<sup>6</sup> Humanitarian assistance in response to food crisis can be provided through different modalities, e.g. by cash or in-kind. In Malawi, during the 2017/18 response, humanitarian food assistance was delivered in cash, following market assessments.

<sup>7</sup> Shock-sensitive social protection (SSSP) in Malawi has been defined as “social protection systems that meet seasonal needs, prepare for, and respond to unpredictable shocks together with the humanitarian sector, and support recovery and the return to regular programming”. SSSP is articulated in Malawi’s main social protection framework, the Malawi National Social Support Programme II (MNSSP II) 2018-2022.

The extent to which a household on an existing programme is eligible for emergency assistance depends on the underlying targeting criteria and the type of shock; a degree of overlap between existing beneficiaries and those affected by a crisis is expected<sup>8</sup>. In Malawi, most annual food crises result from chronic poverty and high vulnerabilities rather than unpredictable or fast onset shocks. Thus it is likely that SCTP households will be amongst those most vulnerable to annual acute food insecurity.

**Households on SCTP were identified for emergency food assistance, allowing for the use of existing data as a base for beneficiary identification, rather than starting humanitarian targeting from scratch.** A list of pre-identified households could be assistance in identifying eligible households to receive temporary support. A “vertical expansion [...] of programmes at a time of emergency can involve using existing social protection data, [and] there is also a clear rationale for new programmes [leveraging] existing datasets where possible, rather than collecting data from scratch”<sup>9</sup>.

**A Vertical Expansion of an existing programme, if set-up robustly, can offer the opportunity for a quick, cost-efficient, and effective response to shocks, as it uses established systems.** Whether or not social protection systems can be used in crisis depends, among others, on geographic coverage, procedural strength, transfer mechanisms, and the regularity of payments. Investments that usually are made in establishing regular humanitarian interventions could be channelled into an existing system, strengthening its capacity to deliver not only during regular operations but also in times of crisis.

**Past evidence in Malawi notes that humanitarian community-based targeting tends to avoid targeting households already receiving other forms of support, leading to exclusion errors.** Communities target households to receive

<sup>8</sup> O'Brien, C., Scott, Z., Smith, G., Barca V., Kardan, A., Holmes, R., Watson, C. and Congrave, J. (2018), 'Shock-Responsive Social Protection Systems research: Synthesis report', Oxford Policy Management, Oxford, UK, p- 63.

<sup>9</sup> O'Brien, C., Scott, Z., Smith, G., Barca V., Kardan, A., Holmes, R., Watson, C. and Congrave, J. (2018), 'Shock-Responsive Social Protection Systems research: Synthesis report', Oxford Policy Management, Oxford, UK, p- 63.

temporary humanitarian food assistance, and past evidence notes that communities tend not to target households for this assistance if they are already receiving long term / social protection support (e.g. SCTP), as they perceive it as 'double dipping'<sup>10</sup>.

**However, topping-up the SCTP transfer with temporary assistance using the same transfer channel may be more acceptable at community level than enrolling them in two separate programmes.** Using the same assistance channel, for vertical top-ups in case of a shock, may lessen tensions on community level, as more funds through the same channel may lessen perceptions of double-dipping<sup>11</sup>.

## Who supported the Vertical Expansion trial?

### GOVERNMENT

**The Ministry of Finance, Economic Planning and Development (MoFEPD) together with the Department of Disaster Management Affairs (DoDMA) provided strategic guidance.** MoFEPD and DoDMA guided the design of the operational trial, especially with regards to the relationship with the parallel humanitarian food response, and importantly supported communications from national to district level.

**The Ministry of Gender, Children, Disability, and Social Welfare (MoGCDSW) was at the frontline of planning and implementation.** MoGCDSW, the implementing ministry for the SCTP, was the operational arm of the trial. MoGCDSW, with the support of UNICEF, cleared the operational path for the Vertical Expansion to happen.

**Government extension workers and the Community Social Support Committees (CSSCs) did the leg-work.** Extension Workers supported the Vertical Expansion monitoring on the ground. CSSCs and Social Support Officers were in charge of communicating the trial to the wider population.

### DONORS

**Irish Aid and DFID provided financial support to the Vertical Expansion – for the actual**

10 UNICEF (2017) Review of a policy decision: the automatic inclusion of Social Cash Transfer Programme beneficiaries into the food emergency caseload – Malawi, 2016-2017.

11 Ibid.

**emergency top-ups as well as the technical support.** DFID funded UNICEF to provide technical support to the trial. Irish Aid, also a donor to the regular SCTP in Balaka district, covered the emergency top-ups.

### UN AGENCIES

**UNICEF and WFP supported Vertical Expansion operations, across planning, preparedness, implementation and learning.** UNICEF, given its longstanding support to the social protection system, worked closely with MoGCDSW and Service Providers to prepare and implement the trial. WFP leveraged its humanitarian expertise and partners on the ground to foster linkages. Both agencies significantly invested in documenting learning and translating best practices into operational guidance.

### NGOs

**CARE conducted the necessary trainings and extensive monitoring around the Vertical Expansion, providing the basis for systematic learning.** UNICEF contracted CARE Malawi to support the CSSCs in their understanding of the Vertical Expansion, including dissemination to target populations. CARE also managed the necessary assessments, and analysed findings on processes, outputs, and outcomes of the Vertical Expansion.

**United Purpose, the humanitarian partner in Balaka, provided accompanying support to the implementation of the trial.** United Purpose, the implementing partner for WFP and the INGO Consortium in the trial areas, worked with CARE, CSSCs, and district representatives on a coordinated approach.



2: CARE Malawi/2018/Focus Group Discussion in Ntondoka

## What was done?

The 2017/18 humanitarian food response, where over a million people were identified as requiring food assistance, was used as a reference point to define design parameters of duration, timing, and target area for the Vertical Expansion<sup>12</sup>. The Malawi Vulnerability Assessment Committee (MVAC), informed by the IPC report<sup>13</sup>, provides guidance on the number of households in need of food assistance by month and disaggregated by districts. In Balaka district, 15,144 households were in Phase 3 or worse, therefore requiring emergency food assistance<sup>14</sup>.

**Given the trial nature, households receiving temporary support through the Vertical Expansion were *not* deducted from the humanitarian caseload as per MVAC.** The Vertical Expansion in 2017/18 was deliberately designed as an operational trial, since it was the first of its kind. As preparedness activities for a flexible SCTP were not all in place when the humanitarian response was being prepared, stakeholders opted to test feasibility before considering it a valid way forward, i.e. reducing the humanitarian caseload respectively.

### WHO

**The trial targeted 3,073 SCTP households living in drought affected areas in Balaka.** With an average household size of 5.4, approximately 16,594 individuals benefitted from the top-ups, among them an estimated 1,659 children. 2,272 of the households are estimated to be female-headed (74%)<sup>15</sup>. The Vertical Expansion caseload made up for approximately 20 percent of the recommended number of households to temporarily receive food assistance in Balaka district.

12 The response was called the 2017/18 Lean Season Food Insecurity Response Plan (Govt, 2017). This annual food assistance is often referred to as 'MVAC response', named after the committee.

13 IPC is a set standardized protocol to classify the severity of food insecurity situations for evidence-based decision-making. It provides information on the situation (How bad); the most affected geographical areas and populations (Where, Who and How many); the duration and timeframe (When), and the driving factors (Why).

14 MVAC (2017) Bulletin 14.17/ Volume 1 p.4

15 The MIS as it currently stands does not link individual household information to the payroll. The proportion of female headed households and children are reached by applying the district percentages as per the MIS.

**Humanitarian targeting took place in Balaka using the Joint Emergency Food Assistance Programme (JEFAP) guidelines; SCTP households were eligible for targeting in this process.** Partners providing humanitarian assistance (United Purpose) supported communities in identifying affected households for the temporary food assistance, including SCTP households when considered as eligible.

**The Vertical Expansion supported only SCTP households who had not already been identified for humanitarian assistance at community level.**

An extensive process to cross-verify whether a SCTP household had been targeted under MVAC was conducted. United Purpose and CARE followed up on duplication errors through household visits, with the help of CSSCs, and together with the Social Support Officers.

### WHAT

**Top-ups through Vertical Expansion mirrored the transfer values provided by the parallel humanitarian response, representing approximately 65 percent of the Food Basket during the lean season.** On average, a monthly top-up totalled 13,500 MWK (approximately 18.5 USD); households were entitled to 54,000 MWK over four months.

**Both the Vertical Expansion and the humanitarian transfer values varied slightly based on changes in market prices.** WFP implementing partners carry out regular market monitoring for key commodities. Where market data were not available in time the previous month's transfer value was provided and corrected retrospectively in the next payment.

### WHEN

**The Vertical Expansion was carried out between December 2017 and March 2018, aligned to the MVAC recommendations.** The SCTP scaled up vertically during the lean season.

## WHERE

**The Vertical Expansion trial was carried out in Balaka District for two reasons: Firstly, the target area was identified as drought-affected and showing high levels of food insecurity.** The Vertical Expansion mirrored the parallel humanitarian response in terms of geographic target areas. Where a Group Village Head (GVH) was targeted for humanitarian food assistance, the SCTP Village Cluster (VC), partially or entirely matching the GVH, was also targeted. By following the MVAC guidance, four Traditional Authorities and 29 VCs were targeted under the Vertical Expansion.

**Secondly, the Vertical Expansion trial was carried out in Balaka district because the regular SCTP is implemented by monthly e-payments, facilitating shock-responsiveness.** Manual SCTP payments as used in Malawi follow a bi-monthly payment cycle, as opposed to SCTP via E-Payment which is distributed on a monthly basis. Humanitarian food assistance is provided each month. Aiming at the delivery of timely humanitarian assistance, an expansion of the SCTP is currently only considered in the context of it being implemented by E-Payments.

## How

**First Merchant Bank (FMB), the service provider for SCTP payments in Balaka, transferred additional temporary top-ups to households as part of regular SCTP payments.** Beneficiaries of the SCTP can access their entitlements by either ATM, or a mobile bank van circulating target areas once a month. SCTP beneficiaries who benefited from the Vertical Expansion of the SCTP received their top-ups at the same time as their regular, monthly payments, meaning no extra effort to access assistance was necessary. Transfers were wired from FMB to the beneficiary account from different sources, but households received both payments together.



3: UNICEF Malawi/2018/Vertical Expansion payments

## Monitoring and Learning

**A learning framework was developed to assess the success of this trial against key indicators and learning questions tailored to inform the scale-up of Vertical Expansion capacities in MNSSP II if and when appropriate.** Learning questions were clustered around the following key considerations:

- Can a Vertical Expansion of the SCTP mirror the humanitarian response in terms of duration, geographic target area, and regularity of payments?
- Is a Vertical Expansion operationally feasible, politically acceptable, financially affordable and agreeable to the community?<sup>16</sup>
- Are households benefitting from SCTP equally, more, or less eligible to receive emergency food assistance during the lean season than other households?
- Is there one sub-set of the population, either distinguished by benefitting from an existing programme, or because the household head has a specific characteristic, which shows significantly more food insecurity than others?
- Can a Vertical Expansion contribute to minimizing exclusion of SCTP beneficiaries for humanitarian food assistance due to the fact they receive long term assistance, even if it implies (acceptable) inclusion errors?
- Does a Vertical Expansion put too much strain on core social protection programmes and thereby jeopardize the core functioning?
- Do established systems and procedures for data management (MIS), fund flow, reporting, and coordination, both from the humanitarian and social protection spectrum, allow for a Vertical Expansion?
- Can the SCTP Financial Service Provider provide additional funds to identified beneficiaries if and when needed?

**Systems-level findings are based on reports and observations during the trial.** These covered necessary interactions and procedures between key line ministries at national and district level, UN agencies, NGOs, and the Financial Service Provider.

**CARE Malawi conducted baseline, on-site-, post-distribution, and endline-monitoring with support of government extension workers.** With technical guidance from UNICEF and WFP, extensive surveys and community-level discussions were conducted by CARE.

**Outcome findings are based on the views of 2,839 members of the wider population in the target area, including beneficiaries from the humanitarian response, the Vertical Expansion, or and those who did not receive assistance through a programme.** CARE Malawi, during baseline-, Post-Distribution-, and Endline monitoring interviewed 2,322 people by using a cross-sectional survey: 72 percent of the respondents were female, 28 percent male. 518 community members expressed their views in Focus Group Discussions, 68 percent of them being female, and 32 percent male.

**In order to compare food related vulnerabilities across different sub-sets of the wider target population over time, data were disaggregated by (i) programme association and (ii) household characteristic.** Findings were disaggregated by: (i) programme association, meaning being either non-beneficiary, MVAC beneficiary, an SCTP household who has been identified for MVAC at JEFAP targeting stage, or a Vertical Expansion beneficiary; and (ii) type of households, i.e. households headed by (a) elderlies, (b) children and/or orphans, (c) a person with a chronic disease, (d) a disability, or (e) a household having children under the age of five.

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16 UNICEF / WFP 2017 to Government of Malawi: Concept Note of the Vertical Expansion operational trial: the point is not to design the perfect technical solution that will be implementable with difficulty.

**The trial included key indicators used to monitor food insecurity across an intervention period, adapting humanitarian food-based data collection tools.** These indicators included<sup>17</sup>:

- *Food Consumption Score (FCS)* – The FCS is used as a proxy indicator to measure household food security. It measures dietary diversity, food frequency (over a 7-day recall period) and relative nutritional importance of the food consumed. Results are grouped into three categories – poor (0-28), borderline (28-42), acceptable (>42).
- *Reduced Coping Strategies Index (rCSI)* – The rCSI measures behaviours adopted by households when they are facing difficulties meeting their food needs (food related negative coping mechanisms). An increasing rCSI value indicates an increase in both the frequency and severity of using negative coping mechanisms.
- *Livelihood-based coping strategies (ICSI)* – This is used to better understand longer-term household coping capacities, and the behaviours households engage in to adapt to recent crises (such as selling productive assets). Strategies are grouped in terms of ‘stress’, ‘crisis’ or ‘emergency’ strategies.
- *The Households Dietary Diversity Score (HDDS)* - This measures the number of different food groups consumed over a 7-day recall period. It provides an estimation of the quality of a diet, and is very sensitive to changes. The higher the score, the better the quality of the diet.

**Indicators were corroborated in terms of their ability to reflect food insecurity throughout the monitoring cycles.** The Food Expenditure Share was not collated after baseline data collection, given the monitoring team experienced difficulties obtaining reliable answers regarding household expenditures capturing the past three months before the interview.

## CAVEATS

**SCTP households received five months arrear payments, amounting to an average of 35,000 MWK per household, just before baseline data collection – these may have led to more positive food indicators and may have influenced spending patterns.** Given delays in contracting of the SCTP service provider, regular payments in Balaka had been stalled in the second half of 2017. With arrangements being made in November, beneficiary households received 5 months’ worth of entitlements during the late November / early December 2017 payment. This relatively high cash influx may have influenced spending patterns and short-term vulnerability statuses.

**The Vertical Expansion entitlements for December 2017 and January 2018 were paid in bulk, which may have influenced Post-Distribution Monitoring.** The arrears payment in November also covered December entitlements. Thus, there was no payment cycle for the Vertical Expansion payments to piggyback on before the end of the year. Two months of Vertical Expansion transfer values (December and January) were therefore paid in bulk in January, which may have made SCTP on Vertical Expansion characteristics appear better off, and influence spending patterns. At the time of Post-Distribution Monitoring data was collected, MVAC and Vertical Expansion beneficiaries had received a total of two monthly entitlements.

**The MVAC entitlements for February 2018 and March 2018 were paid together, ahead of the endline monitoring.** This was largely driven by funding considerations. This may have made MVAC beneficiaries appear better off at endline, and may have influenced spending patterns.

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17 WFP 2014-2017 Strategic results framework indicator compendium

# Findings

## OUTCOMES

### FOOD SECURITY – GENERAL

All beneficiaries of humanitarian support, regardless of the channel through which they received the support became less food insecure between December and January, with indicators either maintaining or reversing by March. Taking an average of the households receiving an intervention, the percentage of households with poor Food Consumption decreased from baseline (38%) to post-distribution monitoring (30%) and then stagnated (31%). This trend is not confirmed by other indicators, i.e. reduced CSI, the percentage of people adopting emergency livelihood strategies, or the HDDS, which worsen at endline.

At all monitoring stages, and across all population sub-sets, there is little difference in the Household Dietary Diversity Score. When comparing the HDDS across non-beneficiaries, MVAC beneficiaries, and SCTP households receiving emergency top-ups, the maximum average difference is 0.16 points. A similar picture emerges when comparing the HDDS of different categories of households, where the maximum variance is at 0.7 points, as shown in Figure 1.

### HOW FOOD INSECURITY OF HOUSEHOLDS BENEFITTING FROM DIFFERENT PROGRAMMES EVOLVES THROUGHOUT THE LEAN SEASON

When comparing the main food security indicators of non-beneficiaries, MVAC beneficiaries, and SCTP households receiving emergency top-ups through the Vertical Expansion or humanitarian partners, no group is consistently more vulnerable on a significant scale. Vulnerabilities evolve differently for different groups and different indicators. No single group was consistently more vulnerable at any stage, or across any of the monitoring stages – see Figure 1 & 2.

At baseline stage, non-beneficiaries show slightly more vulnerabilities than any other group, as per four main food vulnerability indicators. For the first round of data collection, data show that households who were neither identified for emergency food assistance through the communities nor on SCTP are slightly more

vulnerable compared to any other group, as per rCSI, ICSI, FCS, and HDDS.

At baseline, SCTP households not targeted for food assistance at community level resort less to emergency livelihood strategies (iCSI) and show lower levels of food insecurity (FCS). But they also apply more negative consumption-based coping mechanisms than households on MVAC, whether also on SCTP or not (rCSI). When comparing SCTP households, whether identified for humanitarian food assistance through the community or through VE, to MVAC beneficiaries, SCTP households seem to be better off as per the ICSI and the FCS. This picture is reversed for consumption based Coping Strategy Index (rCSI) (figure 1 & 2).

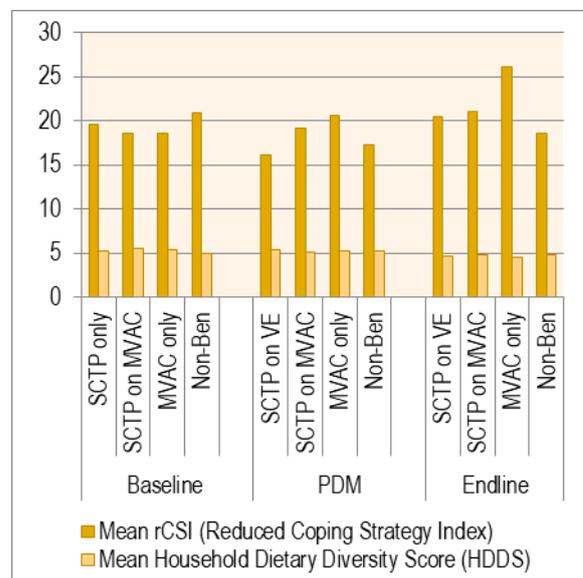


Figure 1: rCSI and HDDS across programmes and over time

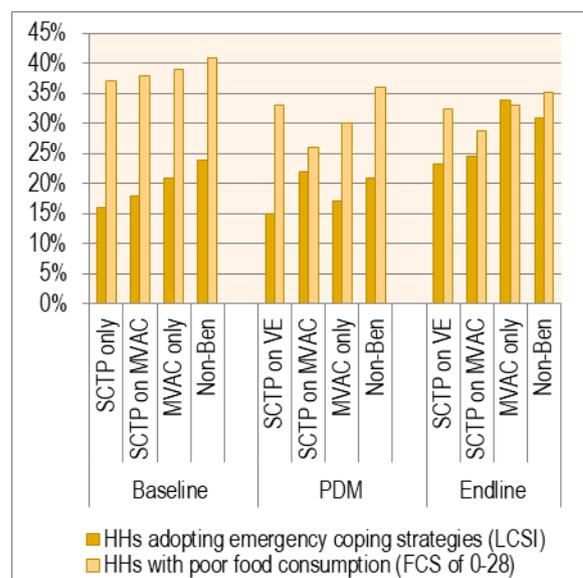


Figure 2: ICSI and FCS across programmes and over time

HOW FOOD INSECURITY OF HOUSEHOLDS WITH DIFFERENT CHARACTERISTICS EVOLVES THROUGHOUT THE LEAN SEASON

When comparing the main food security indicators of households headed by (i) an elderly, (ii) child or orphan, (iii) persons with a disability, (iv) persons with a chronic disease, or (v) having children under the age of five, no group is consistently more vulnerable than the other on a significant scale. Vulnerabilities evolve differently for different categories of households and different indicators, over time.

No single category was consistently more vulnerable at any stage, or across any of the monitoring stages, as shown in figures 3 & 4.

**That said a pattern of food related vulnerabilities emerges when households are grouped based on the characteristics of their respective head.**

When households are assessed based on the programmes in which they participate, the average percentage of respondents having a poor Food Consumption Score was 39% at baseline stage. However, when viewed through the lens of the category of the household, the percentage of respondents with poor FCS was higher (4) or equal (1)<sup>18</sup> to this value for all categories of households. This trend is confirmed, however less significant, by the rCSI.

**Children and/or orphan headed households are most consistently worse off, compared to average food insecurity from a programmatic perspective.** With the exception of rCSI at baseline stage, child and/or orphan headed households show always more food related vulnerabilities, across time and indicators, than comparing households' across programmes (8 / 9 data-points).

**Households led by a person with a disability seemed to react the best to the intervention, with highest reductions in rCSI and poor food consumption (FCS) at both post-distribution-monitoring and endline-stage.** Households led by a person with a disability had the highest rCSI (at 22.4, highest by 0.4 point), and highest percentage of respondents with poor food consumption (67%) at baseline, but reduced to 12.0 (rCSI) and 36% (FCS) at endline. Households with children <5 also show above average improvements.

18 Households with children under 5

**In contrast, child and/or orphan headed households seemed to react less well to the intervention in comparison with other categories of household, whether additional support was provided through MVAC or through the Vertical Expansion.** They worsened in terms of the rCSI from baseline (14.24) to Post-Distribution (21.68) to endline stage (28.23). This trend is confirmed when looking at the application of negative livelihood coping strategies, as well as food consumption.

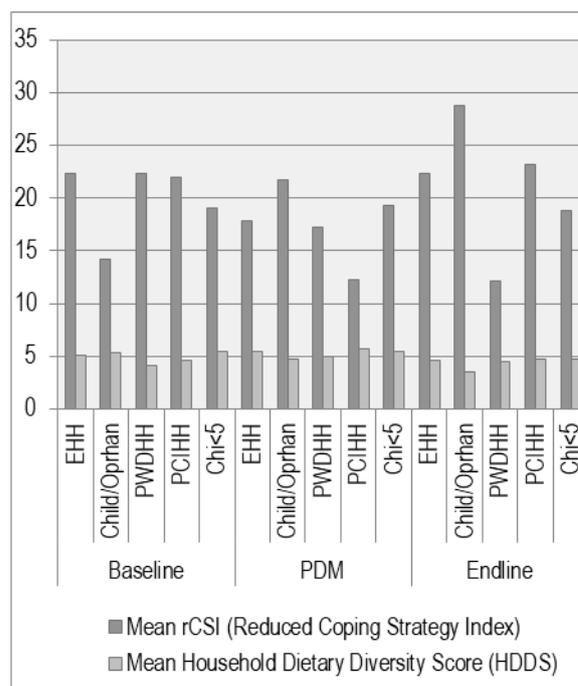


Figure 3: rCSI and HDDS across household categories and over time

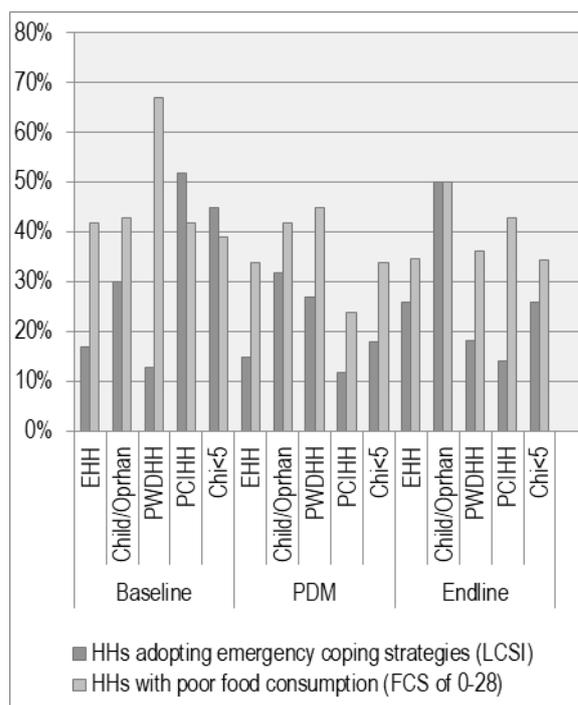


Figure 4: ICSI and FCS across categories and over time

**SPENDING**

When viewing beneficiaries through the lens of programme participation, MVAC beneficiaries tended to spend more of their humanitarian transfer on food than SCTP households receiving additional assistance, whether through MVAC or through the Vertical Expansion. At Post-Distribution Monitoring, beneficiaries of MVAC spent comparatively more of their assistance on food (46%) than VE (25%) or SCTP-MVAC (24%) beneficiaries; spending on food increased at endline, but the percentage difference between these groups remained the same.

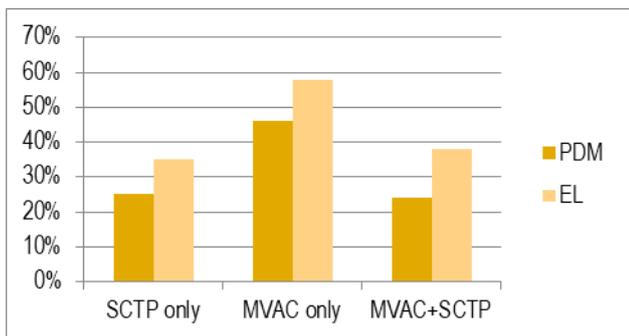


Figure 5: Spending patterns with % spent on food across programmes and over time

SCTP households, both those receiving assistance through MVAC and the Vertical Expansion, show trends of investing more in livestock or repaying debts, especially at baseline stage. This is shown in Figure 6. However, this trend has to be read with care, considering SCTP households had received arrears payments in November 2017 and double emergency top-ups in January 2018 (see caveats).

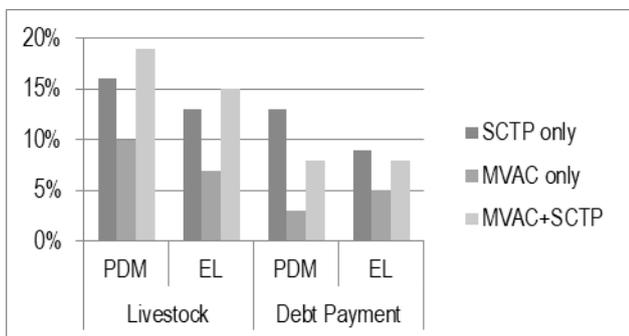


Figure 6: Livelihood investments and debt repayment across programme and over time

When looking at spending patterns through the lens of household categories, there is a relatively even distribution which doesn't differ significantly over time. All categories of households spend most of their assistance on food. Child and/or orphan headed households and households headed by a person with disabilities show slightly increased expenditures for food at endline. Households headed by a person with a disability invest significantly more in livestock than others.

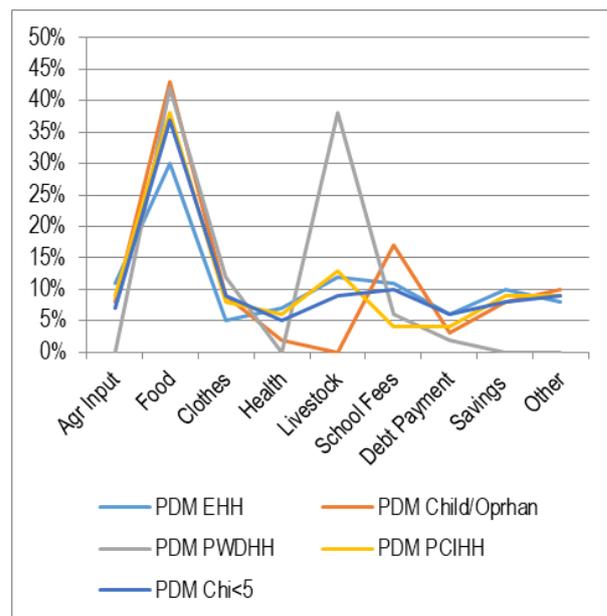


Figure 7: Expenditure patterns across household categories at PDM

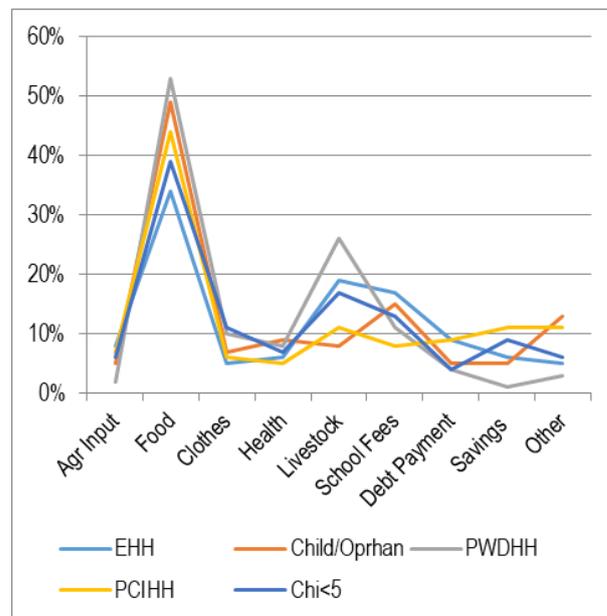


Figure 8: Expenditure patterns across household categories at endline

## TIMING

The timing for providing emergency food assistance was pertinent with regard to the impact on assisting beneficiaries to tend their fields rather than engaging in piece work. However, preventive action ahead of the lean season was regarded as necessary by communities to avoid application of negative coping strategies.<sup>19</sup> Overall, households start applying negative coping mechanisms ahead of the suggested period of intervention by MVAC, reaching a peak one month before the recommended start date (December), as shown in Figure 9.

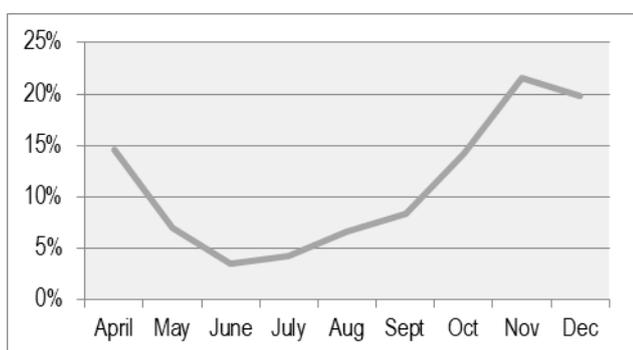


Figure 9: % of HHs practicing negative coping mechanism each month<sup>20</sup>

## TARGETING ACCURACY

**86% of SCTP households in the affected areas were eligible for MVAC, and met the criteria to be prioritized. JEFAP targeting criteria expects communities to identify the most vulnerable from those eligible. Only 19% of SCTP households were registered for MVAC by the communities.** Humanitarian targeting, according to JEFAP guidelines, uses a two-fold approach: Both the Village Civil Protection Committees and communities develop independent lists of households who meet the targeting criteria. Communities then prioritise the most in need from these lists, to identify those to be enrolled for the intervention. Ongoing verification is then conducted to ensure eligibility of MVAC beneficiaries. Communities identified only 19% of SCTP households for assistance, whereas using the verification tool 86% of SCTP were eligible<sup>21</sup>.

19 CARE 2018: Endline Report - Monitoring of the Vertical Expansion Operational Trial.

20 CARE 2018: Baseline Report - Monitoring of the Vertical Expansion Operational Trial.

21 CARE 2018: PDM Report - Monitoring of the Vertical Expansion Operational Trial

## SHARING

While forced sharing remains an issue at community level, it was less present for Vertical Expansion beneficiaries as compared to MVAC. Vertical Expansion beneficiaries shared more voluntarily with family members or their respective substitute. MVAC payments seem to follow different conduct at community level, with some chiefs and Village Civil Protection Committee members playing a more decisive role in enforcing sharing: "In some villages every registered beneficiary for MVAC who is also on SCTP is required to share with three more households. If the household is not benefitting from SCTP, then it is required to share with two more households"<sup>22</sup>, as shown in Figure 10.

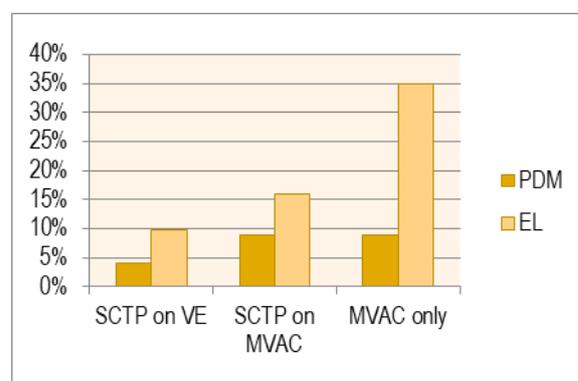


Figure 10: Enforced sharing across programmes

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## OUTPUTS

**Beneficiaries who received humanitarian support through the Vertical Expansion of the SCTP received the intended amount of cash including adaptation to market price variations.**

The SCTP proved it is able to deliver humanitarian transfer values. Transfers were adapted to reflect changes in key commodity prices, as recommended by WFP on a monthly basis. Where market monitoring data came in too late to be reflected in the upcoming payment, the subsequent payment was adjusted accordingly.

**The transfers provided through the Vertical Expansion of the SCTP proved to be regular and timely, combining two monthly entitlements in one payment cycle, just as occurred with the humanitarian response.**

The Vertical Expansion of the SCTP and the humanitarian response implemented three payment cycles. Equally, both programmes combined two pay-outs in one: Vertical Expansion payments for December and January were combined due to a lack of regular SCTP payments to piggyback on in December. Similarly, WFP implementing partners paid February and March transfers in February due to funding considerations.

**The Vertical Expansion of the SCTP was able to be operationalized in the intended target areas, identified as drought affected and food insecure by MVAC.** Despite the MIS currently being unable to generate payrolls as per humanitarian needs assessments, only SCTP households living in areas identified for emergency food interventions received top-ups. This was achieved with support of district social welfare staff manually matching MVAC target areas (GVH) with MIS-compatible geographic units (VC).

**Vertical Expansion entitlements reached the intended beneficiaries, with the caveat of over-paying three percent of the households by one monthly entitlement.** During the Vertical Expansion operational trial, payrolls were drafted with support of UNICEF, cleared by MoGCDSW and then forwarded to the Financial Service Provider. The lack of an automatized process for Vertical Expansion payrolls within the ministry led to a mistake in one of the payrolls, resulting in 101 households receiving 5 monthly payments, rather than the four intended.

## PROCESSES

### COMMUNICATION AND FEEDBACK MECHANISMS

**Whereas SCTP households who benefitted from the vertical expansion of the SCTP were well conversant with the rationale of emergency top-ups, the wider community lacked awareness.**

Post-Distribution Monitoring and End-Line reporting confirm that the Vertical Expansion reasoning was well understood among beneficiaries, including the objective, transfer values, and the length of the intervention. Non-beneficiaries and traditional authorities however claimed they had not been granted enough background information.

**Despite communication material on the Vertical Expansion being designed, it was not disseminated effectively.** MoFEPD informed the District Social Welfare Office in writing about the trial. Given time constraints, CSSCs in charge of supporting the regular SCTP on the ground were sensitized in parallel by CARE. A District Executive Committee Meeting was only organized on 23rd of January 2018, well after the trial had begun.

**Even though communities were aware of complaints and feedback mechanisms, monitoring noted widespread aversion to using them, citing fear of reprisals and the feeling that nothing will change even if they fed back information.** Communication channels put in place by humanitarian actors and the SCTP included suggestion boxes, complaints committees, a hotline, and complaints focal points. Being aware of those mechanisms seemed to be no indication for usage, or functioning however – anecdotal evidence from PDM suggested that little was reported due to fear of negative consequences at community level and lack of trust in effectiveness.

**Communities' feedback and complaints around the Vertical Expansion have been dealt with in an ad hoc manner, but were not systematically captured during the operational trial.** CARE, United Purpose, and district social welfare staff, with support from MoGCDSW at national level, as well as UNICEF and WFP, responded to claims mainly related to duplication errors and lack of information as they arose. The communication channels had not been adapted to systematically capture issues around an expansion of the SCTP.

## PERCEPTIONS

**Mixed perceptions around the Vertical Expansion arose on the ground, ranging from satisfaction to a desire to use community-led targeting for SCTP households.** With unsurprisingly positive perception on the Vertical Expansion from beneficiaries, anecdotal evidence suggests that there is a widespread feeling that communities themselves should target households for food assistance (e.g. as per JEFAP), including those who benefit already from social protection programmes, e.g. SCTP. Overall, monitoring reported on incidents where beneficiaries of both programmes, MVAC and the Vertical Expansion, were given derogatory names i.e. “Manjalende” meaning a “programme of lazy people”<sup>23</sup>.

**It is still unknown if communities would accept a vertical expansion of SCTP if it meant that the humanitarian caseload was smaller.** Some communities noted that SCTP should receive more assistance, and it could be done through a Vertical Expansion. However, it is unclear if these sentiments would remain if SCTP were prioritised over others in the community.

## TARGETING PROCEDURES

**Monitoring processes identified 598 SCTP households who were unintendedly registered to receive humanitarian assistance through both the MVAC channel and the Vertical Expansion of the SCTP.** In order to avoid providing excess assistance, households ceased to receive humanitarian support, whether provided through MVAC or through Vertical Expansion, once they had received their four monthly entitlements (in two months). This was corrected to try and ensure households would only receive 4 months in total.

**In case of a Vertical Expansion, communities claimed it would have been better to exclude SCTP households from community based JEFAP targeting in the first place – with the reasoning that they were being assisted through a Vertical Expansion.** The policy decision was made to have SCTP households identified by communities during JEFAP targeting, due to lack of certainty that the SCTP could actually scale-up and deliver the necessary assistance in time: Without a

guarantee that the SCTP could provide the top-ups, telling communities to exclude SCTP households for emergency food assistance was deemed to be putting humanitarian principles at risk. The design was that if the system could deliver, remaining households would be assisted through the vertical expansion. However, this approach proved to reduce understanding and therefore transparency at community level<sup>24</sup>. As mentioned above, due to poor coordination, 598 were initially enrolled on both interventions to then be excluded after they had received their full entitlements.

## FINANCIAL SERVICE PROVIDER

**As per design, SCTP beneficiaries benefitting from the vertical expansion of the programme saw their accounts credited at the same time as regular SCTP entitlements.** The Financial Service Provider for regular SCTP, leveraging its contract with MoGCDSW which allows for scalability, proved to be able to provide the intended caseload for Vertical Expansion with emergency top-ups synchronized to their regular SCTP entitlements.

**Transfer amounts credited to SCTP beneficiaries were able to be easily adapted for the purpose of the Vertical Expansion.** The Financial Service Provider, once provided with the payroll from MoGCDSW, didn't face any challenges in adapting transfer values for part of the beneficiaries in case of a Vertical Expansion.

**The Financial Service Provider was able to provide separate reconciliation reports for regular SCTP entitlements and emergency top-ups through a Vertical Expansion.** From the bank's side, no challenges were faced to provide in a timely manner disaggregated reconciliation reports after payments, separating information on regular SCTP payments and Vertical Expansion entitlements.

## SCTP MANAGEMENT INFORMATION SYSTEM

**The SCTP Management Information System (MIS), facilitating programme management, decision-making, and accountability, is at present unable to automatically provide a payroll which only targets households living in drought affected areas as per the MVAC assessment.** Whereas humanitarian targeting follows 'Group Village Heads' (GVH) in terms of

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geographic units, the smallest unit characterizing a MIS-generated payroll is the Village Cluster (VC). In order for the Vertical Expansion to mirror humanitarian geographic targeting, district social welfare staff, with support of UNICEF, manually matched targeted GVHs with VCs.

**The MIS currently doesn't support automatic reporting against the characteristics of Vertical Expansion beneficiary households.** The Financial Service Providers' reconciliation reports, after the SCTP expanded vertically, was limited to the number of household heads credited with emergency food top-ups. The lack of an interface from reconciliation reports to household information in the MIS (i.e. regarding sex, age, or number of family members) did not allow for detailed reporting on beneficiary numbers and demographic or status-based vulnerability characteristics (e.g. household headed by a person with disability).

**The MIS as it stands does not capture short-term vulnerability trends regarding food or other shocks, relevant for emergency interventions which leverage the SCTP, whether through a respective module in the MIS or through interfaces with a digitized humanitarian database.** Currently, there is no module, nor systems or procedures in place to feed the MIS with baseline-, Post-Distribution-, or end-line-monitoring data if and when the SCTP is scaling up vertically in response to a crisis. During the 2017/2018 operational trial, monitoring has been managed with support of development partners, reported outside of the MIS.

## FUNDING

**Despite a lack of institutionalized systems for routing humanitarian resources through established social protection systems, Vertical Expansion funding was delivered to the MoGCDSW SCTP account in time to start a response as per MVAC recommendations.** No delays were noted in Irish Aid placing emergency funding at the relevant MoGCDSW account at the Financial Service Provider. It is to be noted that Irish Aid happens to also fund the regular SCTP in Balaka district: with a great degree of flexibility, the donor channelled Vertical Expansion funds to a standing SCTP account, accepting that both fund flows would reach the same account.

**There were difficulties in calculating the exact budget necessary for the Vertical Expansion of the SCTP, due to inability to precisely determine the number of households that would benefit from the Vertical Expansion at planning stage.**

Vertical Expansion costs were budgeted based on planning figures, which used the number of SCTP households in a TA. However, under MVAC, only certain areas within a TA are targeted, meaning such planning figures are inflated. Yet agreements with donors to provide funding needed to be in place ahead of the lean season to allow for a timely response. The IPC report indicated the number of households in a TA, but the specific areas (GVHs) within this were identified by humanitarian targeting processes only a few weeks before the first transfer (December 2017). The Vertical Expansion then had to match GVHs with Village Clusters (see above), thereby reaching the final number of beneficiaries. Irish Aid agreed to enter agreements for a Vertical Expansion based on figures of all SCTP households living in drought affected Traditional Authorities (TAs) in Balaka. The planned number of beneficiaries reduced, by further refining the geographic target area.



Picture 4: © UNICEF Malawi/2018/Vertical Expansion beneficiary acknowledging receive of assistance to Community Social Support Committee member

## INPUTS

**There were no additional costs associated with delivering emergency top-ups to SCTP households living in drought affected areas, as Vertical Expansion entitlements were provided as part of regular SCTP payment cycles.** In 2017, UNICEF supported MoGCDSW and Irish Aid to contract Financial Service Providers for regular SCTP. As part of the contracting process, Vertical Expansion responsibilities for the Service Provider have been formalized: both contracting parties agreed that no additional costs would occur in the case of a Vertical Expansion piggybacking on regular SCTP payments.

**MoGCDSW at national level, district social welfare staff, donors, as well as UNICEF and WFP contributed important staff-time and resources to support Vertical Expansion planning, coordination and reporting.** With no institutionalized coordination mechanism for cross-sector and inter-ministerial emergency interventions as yet in place, the Vertical Expansion design, planning, implementation, and reporting was heavily supported by different actors. MoGCDSW assigned the Balaka Principal Social Welfare Officer to act as focal point, committing staff time on top of the regular workload at Vertical Expansion peaks (i.e. ahead of payments). UNICEF and WFP contributed significant technical support to the operational trial.

**Given the specific focus on learning during the operational trial, approximately a quarter of the overall budget, including the top-ups and operational support, were associated with monitoring activities.** With financial support from DFID, UNICEF contracted CARE Malawi to conduct implementation- and monitoring support throughout the Vertical Expansion. Activities ranged from training of Community Social Support Committees to baseline-, on-site-, Post-Distribution-, and endline monitoring and reporting.

## Learning

### DESIGN

#### TARGETING CRITERIA

- ↓ **Given unclear patterns in food insecurity across programmes, neither SCTP nor JEFAP necessarily identifies the most food insecure.** SCTP beneficiaries are not continuously more food insecure than households identified by the communities for humanitarian assistance. Likewise there are non-beneficiaries who are more food insecure than MVAC or SCTP beneficiaries.
- ↓ **Communities are unable to apply current targeting criteria to distinguish between relatively minor differences in vulnerability and food (in)security.** It is challenging to target in Malawi. The extremely flat variances among different categories of respondents from a programmatic lens (e.g. SCTP versus not) confirms that poverty and food security characteristics are relatively homogenous.
- ↗ **However, targeting households as per the characteristics of their respective head, coupled with indicators assessing mid-term food insecurity, may more closely be able to reach an intended caseload for emergency food interventions.** Disaggregating the respondents by their household head's characteristics, rather than by programme, proved to identify more food related vulnerabilities.
- ↗ **Regular transfers received by households on the SCTP appear to play a mitigating role against the application of negative emergency livelihood coping mechanisms at baseline stage.** At targeting stage, households on the SCTP, whether targeted for additional food assistance by the communities or not, have lower levels of ICSI than both MVAC- and non-beneficiaries. The SCTP is designed to mitigate the negative impact of shocks on its beneficiaries.
- **Indicators looking at livelihood coping capacities appear to play a decisive role for the community in assessing whether SCTP beneficiaries should receive humanitarian support. However this pattern doesn't replicate for non-beneficiaries.** For both the FCS and the

ICSI there is a clear pattern of decreasing vulnerability from non-beneficiaries (most vulnerable) to MVAC beneficiaries, SCTP households identified for MVAC at community level, and then to SCTP households identified for Vertical Expansion at baseline stage (least vulnerable). Whereas there is a clear difference between SCTP households targeted for MVAC at community level and those on Vertical Expansion, non-beneficiaries have a higher ICSI. Therefore, this indicator is not a decisive factor for overall targeting.

### TARGETING PROCESS

- ↓ **Trying to identify SCTP households for a Vertical Expansion who have not been targeted through JEFAP is time consuming and ineffective.** As mentioned above, and given preparedness activities for a flexible SCTP were not all in place when the humanitarian response was being prepared, stakeholders opted to test feasibility of Vertical Expansion before considering whether a reduction in the humanitarian caseload is an appropriate approach. The operational trial has confirmed that this is an ineffective way of proceeding: Households tend not to reveal whether they are on SCTP when asked by MVAC or Vertical Expansion partners, due to a fear that they will be removed from the programme<sup>25</sup>.
- ↓ **It is common for households receiving transfers from the SCTP to be excluded from some other programmes in the same community, such as MVAC. Vertical Expansion can contribute to mitigating these exclusion errors.** Across respondents, whether on MVAC, SCTP or none of the assistance programmes, there is recognition (44%) that households which are benefitting from SCTP are side-lined from additional assistance at community based targeting: Every third non-beneficiary or household receiving MVAC and every second SCTP household confirms exclusion patterns<sup>26</sup>.

### DESIGN CONSIDERATIONS

- **Households' dietary diversity may be more behavioural than related to food access.** The Household Dietary Diversity Score did not change significantly over the intervention period, despite increases in cash and the highest percentage of transfers being allocated towards food.
- **One's disability may influence spending patterns towards non-labour intensive items.** Households headed by a person with disability spent significantly more on livestock than other categories; likely as a way to increase their asset base in line with their personal capabilities- see Figure 11.

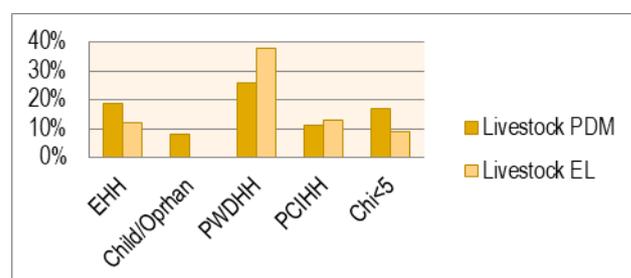


Figure 11: Households headed by a person with disability - Investment in livestock

- ↓ **Cash-based emergency food assistance to child and/or orphan headed households does not solely reach the intended objective as yet. Further research and relevant intervention adaptation is required.** Given child and/or orphan headed households didn't improve considerably in key food security indicators, despite the additional cash influx and the highest spending level on food. While no data are available for sharing of MVAC rations by child and/or orphan headed households, these are significantly more often (33%) forced to share their Vertical Expansion entitlements than others (average of 15% of the other categories was forced to share).
- ↓ **The SCTP does not currently provide a nutrition sensitive transfer, unlike the humanitarian response is designed to do.** Humanitarian food assistance provides certain households (PLW, children under 2) with a nutritional supplement or the cash equivalent. The trial did not account for this. The humanitarian actors did not provide the additional transfer in Balaka as partners were providing nutritional supplements across the district, thus by chance covering those on MVAC and vertical expansion.

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- **Households start to apply negative coping mechanisms ahead of the intervention start date suggested by the Malawi Vulnerability Assessment Committee.** Based on the reduced Coping Strategy Index, households peak in applying negative coping mechanisms one month ahead of the lean season.

#### COMMUNICATION

- **SCTP pay-points were effective channels to sensitize SCTP beneficiaries on the objectives of the Vertical Expansion.** SCTP households generally understood the objectives and rationale behind the vertical expansion, suggesting that the presence of most SCTP beneficiaries at pay-points offers room for effective sensitization and awareness rising.
- **Whilst communication materials existed, dissemination of key messages especially to non-SCTP households, including with district representatives, requires further work.** Non-SCTP households were either not aware of, or did not tend to understand the rationale behind the vertical expansion. In addition, the dissemination of key messages to key stakeholders (e.g. district council) was delayed, causing confusion.



5: © CARE Malawi/2018/Vertical Expansion monitoring

#### SYSTEMS

- ↑ **The SCTP, where implemented by e-payments, is able to scale up vertically in response to crisis, in a cost-efficient and effective manner, and without jeopardizing core social protection programming.** The SCTP, leveraging technical support from development partners, has proved it is able to deliver emergency assistance to SCTP households living in drought-affected areas and facing temporary food insecurity. The established system can deliver additional assistance, if and when necessary, to existing beneficiaries, without jeopardizing its core programming. Targeted households were proven to be provided with relevant assistance in time.
- ↑ **A Vertical Expansion of the Malawi Social Cash Transfer Programme can be implemented in a way that it mirrors parallel humanitarian responses, including recommendations on geographic targeting, timelines, and transfer values.** Acknowledging the need to improve the MIS' capacity to support a Vertical Expansion in only those areas which are drought affected, additional staff-support and manual manoeuvres allowed the SCTP to mirror humanitarian responses as per MVAC suggestions. It is clear that the SCTP can scale-up in drought-affected areas, during the lean season, and providing transfer values which reflect varying market prices of key commodities on local markets as per price monitoring.
- ↑ **The SCTP when expanding vertically provides great flexibility with regards to beneficiary lists, duration of the intervention, and transfer values.** With social protection programmes in place before, during, and after an emergency, a Vertical Expansion allows for great flexibility when it comes to short-term changes in beneficiary lists (e.g. regarding duplication errors), transfer values (i.e. adaptation to market prices), and duration (i.e. extending humanitarian support in case a crisis persists longer than anticipated). On the ground, it proved easier to remove beneficiaries from Vertical Expansion than from the humanitarian response using cash e-vouchers (SCOPE): whereas the infrastructure for SCTP remains in place, SCOPE cards had to be physically taken away from beneficiaries who are no longer entitled to receive assistance.

↑ **The Financial Service Provider showed capacity to secure liquidity and the necessary change in the event of a Vertical Expansion.** Throughout the trial, no issues were faced with regards to the additional cash to be handed out to beneficiaries benefitting from the Vertical Expansion of the SCTP (liquidity) or to small change allowing for each beneficiary to receive the amounts they were entitled to.

↑ **No security risks associated with the Vertical Expansion were reported during the operational trial.** Before, during, or after the intervention, no security incidents were reported which could be associated with the Vertical Expansion. Even at SCTP pay-points where both beneficiaries of the Vertical Expansion and those who were not identified for emergency food top-ups (as they did not live in drought affected areas), no tensions rose.

↗ **With the necessary donor flexibility, humanitarian funding can be routed through the Malawi National Social Support Programme.** Although it is acknowledged that routing options for channelling humanitarian resources through social protection systems have to be institutionalized in Malawi, Irish Aid was able to place emergency funding at the relevant MoGCDSW account to be transferred to beneficiary accounts by the Financial Service Provider.<sup>27</sup>

↗ **The donor for the Vertical Expansion trial proved to be flexible when entering a funding agreement based on planning figures, thereby allowing for timely fund routing.** Whereas humanitarian targeting starts off with a number of beneficiaries and then allocates this caseload to geographic target areas (i.e. caseload is known before), the Vertical Expansion of the SCTP for this trial aimed to mirror geographic areas (i.e. the caseload is known at a later stage). In order to advance preparedness, agreements with donors on Vertical Expansion funding had to be entered prior to details on the caseload being known. Irish Aid proved great flexibility in allowing so. Discussions are ongoing to see if the unspent balances could be used as a contingency to respond to future emergency needs.

<sup>27</sup> This refers explicitly to the capacity of channel humanitarian funds through Government programmes.

↗ **Cross-sector collaboration between government- and non-government stakeholders at district level proved to be effective, though still lacks clear and reliable procedures and communication lines.** Throughout the trial, Government Extension Workers, by instruction of MoFEPD, collaborated with CARE to monitor the Vertical Expansion. Likewise CARE cooperated with CSSCs in supporting the implementation and necessary sensitization. Cross-sector collaboration proved to work, although it would be more effective if it relied on institutionalized ways of collaboration between humanitarian and social protection sectors at district- and sub-district level.

→ **Regularity and timeliness in regular payment cycles are crucial to leverage the SCTP in response to crisis – where no regular SCTP payments are in place, the provision of Vertical Expansion entitlements was delayed during the operational trial.** Ongoing technical support to MoGCDSW is necessary to ensure monthly regular SCTP payments, allowing for timely response to humanitarian needs through the SCTP. During the operational trial, regular SCTP faced one month of no payments – given the entitlements had been distributed with a prior arrear payment (see above). After initial set-up difficulties, no further delay was faced.

↓ **The SCTP Management Information System (MIS) as it currently stands is not able to support a Vertical Expansion by automating the generation of payrolls for emergency food top-ups as per humanitarian targeting, or providing relevant monitoring data.** Payrolls covering only those SCTP households in areas identified for food interventions by MVAC had to be adapted manually during the operational trial. Group Village Heads and Village Clusters, the geographic units used by humanitarian actors and the SCTP respectively, were matched by hand. It is only after that, that the MIS can generate a payroll for the respective VCs. Likewise, monitoring through the MIS is limited, as there is currently no interface between the account number, and the wider household characteristics (i.e. sex, age, number of family members). Finally, the MIS does currently not have a module able to capture short-term humanitarian vulnerability indicators relevant for emergency interventions.

## Recommendations

### FOR THE NEXT LEAN SEASON – DESIGN

**If and when food shortages are to materialize in districts where SCTP is implemented by e-payment in 2018/2019, consider a Vertical Expansion to an identified caseload.** A Vertical Expansion has proved to be an appropriate, efficient way to deliver emergency food top-ups to the intended caseload. There are a few considerations, such as whether humanitarian actors can meet the remaining needs not provided by SCTP, which may mean it is unsuitable however.

**Explore if and how, and with what gains, a categorical approach in targeting can be applied to the delivery of humanitarian assistance – whether through MVAC or established social protection programmes. Data show a categorical approach to be more effective in identifying food related vulnerabilities than a programme based methodology.** Throughout the trial, households headed by elderlies, children and/or orphans, a person with disability or chronic illness or households with children under five, have proven to be more vulnerable than the average caseload across non-beneficiaries, MVAC beneficiaries, and Vertical Expansion beneficiaries. With this in mind, and until further research helps corroborating or refining those findings, it is recommended to provide additional assistance to these categories, provided they are living in geographic areas identified as drought affected and showing high levels of food insecurity.

**Improve the design of emergency food assistance programmes using findings from this trial and humanitarian monitoring data.**

Humanitarian actors conducted similar monitoring for the emergency food interventions. By taking up the findings from this exercise, and triangulating them with humanitarian data, the design of humanitarian interventions could be refined to meet beneficiaries' needs more effectively.

**Adjust humanitarian targeting for districts with Vertical Expansion capacity, to streamline criteria and procedures in the most coherent way.** Given that SCTP is not yet able to reach all affected populations in an area (horizontal expansion capacities); humanitarian actors will need to provide the remaining assistance. To identify these households, JEFAP could either test applying the same categories at community level, or leveraging the UBR for household information (perhaps with one other vulnerability indicator, such as LCS1). Important to this would be the exclusion of SCTP households from the JEFAP targeting process to avoid duplicative assistance. This would enable the SCTP system to be leveraged, whilst continuing to test the most appropriate ways of identifying households in a transparent and coherent manner.

**Use the upcoming research on targeting criteria (who, how, when)<sup>28</sup> to confirm or refine the targeting process for shock-responsive social protection, contributing to streamlined response mechanisms and thereby reducing duplication errors.** The findings have shown that there may be different criteria (such as categorical) that may be more appropriate for identifying households affected by acute food insecurity driven by slow onset events. These indicators could be applied to screen households on an existing programme, but can also be applied to non-beneficiaries, so as to identify the most food insecure households in a community and minimise exclusion errors. This is also important, given that – at least in the short term, as national systems are being developed – there may be different mechanisms responding to the same need in an area. It is important to have an approach that avoids households receiving multiple benefits from different actors, or being wrongly excluded.

**Design Vertical Expansion and relevant procedures in a way that SCTP provides nutrition-sensitive top-ups when leveraged in response to crisis.** Learning from emergency interventions through the SCTP should learn from, and feed back into the core design of regular SCTP including linkages to ongoing nutrition activities.

28 GoM, WFP, UNICEF, FAO (2018) ECHO TA - Expression of Interest/ Terms of Reference.

**Invest in supporting the dissemination of Vertical Expansion related communication, beyond the development of material – monitor effectiveness.** Whilst communication materials were developed, future work should focus on the early sensitisation and approval of District Executive Councils, and the understanding and acceptance of a vertical expansion by the wider community.

**Explore the option of preventive action, including Vertical Expansions of established social protection programmes ahead of the lean season peak, to avoid people from falling into severe food insecurity.** Data show that people start applying negative coping mechanisms well ahead of the suggested start date, correlating with the actual start of the lean season. In order to prevent vulnerable households from recurrently falling into food insecurity, explore the required inputs and operational feasibility of scaling up established social protection programmes in a preventive manner.

## FOR THE NEXT LEAN SEASON - SYSTEMS

**If and when a Vertical Expansion has been identified as appropriate, in terms of shock, scale, and modality, count the assistance provided through the Vertical Expansion as part of the broader humanitarian response (i.e. the MVAC caseload).** With the proven capability of the SCTP to scale up vertically, there is no reason to further conduct a Vertical Expansion outside of the overall humanitarian response.

**Do not use JEFAP as the entry point for targeting households for a vertical expansion.** During the operational trial, the Vertical Expansion “wrapped around” JEFAP targeting by assisting those SCTP households who had not been considered for MVAC at community targeting stage. Given this leaves room for confusion at beneficiary level, as well as duplication errors, it is recommended to delineate both processes as off the next Vertical Expansion: in areas identified as food insecure, and where SCTP is being implemented by e-payment, conduct and communicate a Vertical Expansion as per design and exclude SCTP households during JEFAP targeting - given they are being assisted through the Vertical Expansion.

**Adapt the SCTP Management Information System to support a Vertical Expansion – priority is to be put on procedural tasks (payroll, etc.) with monitoring capacities of the MIS to be increased incrementally.** To further the leveraging of the SCTP in response to crisis, the MIS needs to be revised as to its capacity to automatically generate payrolls that mirror geographic target areas as per humanitarian needs assessments. Interfaces with the Unified Beneficiary Registry are to be explored and leveraged where possible. A Monitoring framework for use in case of a SCTP expansion is to be developed to cover short-term and shock-related vulnerabilities.

**Adjust market assessment methodologies to provide tailor-made recommendations on whether markets are able to absorb a cash-influx provided by (i) a Vertical Expansion, and (ii) an overall cash-based response.** Currently recommendations on modalities are made presumably on anticipation of an entire food emergency caseload consisting of assistance by cash. However, markets may be able to absorb a

smaller influx, through a Vertical Expansion. Assessment methodologies underlying recommendations on modalities are suggested to provide projections for differently sized cash-influxes, thereby informing the appropriateness of a Vertical Expansion.

**Mainstream both humanitarian and social protection Grievance and Redress Mechanisms (GRM) to capture and respond to issues related to an expansion of the SCTP in response to crisis.** Adapt tools and procedures in place to address grievance and receive feedback from the wider communities to specifically capture issues related to a Vertical Expansion. Anticipate Horizontal Expansion capacities and the roll-out of e-payments when working on core GRM systems, in order to extend relevance of the changes made.

**Identify core focal persons to oversee the vertical expansion process.** The trial relied on key personnel for oversight of the trial, including coordination with humanitarian actors implementing in the same area. Identifying and engaging with key stakeholders early on in the thinking and planning of a vertical expansion is key.

#### IN THE MID-TERM

**Wherever other districts are rolling out e-payments to implement regular SCTP, both vertical and horizontal expansion capacities should be built in from the beginning as preparedness activities.** The MoGCDSW e-payment contracts for Balaka and Ntcheu districts can serve as an example. More considerations as to formalizing shock-responsive capacities with Financial Service Providers of all kinds are to be found in an operational guidance for Vertical Expansion<sup>29</sup>.

**Keep investing in targeting accuracy for SCTP. With increasing use of Vertical Expansion, inclusion errors will be compounded when SCTP beneficiary lists are used as a basis for humanitarian targeting.** In the event that pre-positioned beneficiary lists are used, potential inclusion errors will be compounded when granting the same households emergency top-ups.

<sup>29</sup> UNICEF / WFP May 2018: Operational guidance for a Vertical Expansion of the SCTP - currently being finalized.

**Design and implement complementary activities beyond cash assistance for child and/or orphan headed households, so they can be better supported in times of food crisis.** Child and/or orphan headed households have not been responding satisfactorily to the assistance provided, whether through MVAC or Vertical Expansion. A focus on monitoring, learning and research is necessary to understand the reasoning behind this pattern and to inform target-group specific interventions.

**Ensure consistent definition and usage of household information across humanitarian and social protection programming.** For example, whereas currently households above the age of 63 years are considered elderly in the SCTP Management Information System, other implementing actors consider people above the age of 59 as elderly. Taking this as an example, it is necessary to align categories across different interventions and databases.

**Expand the potential group of donors able to support shock-response social protection by further establishing viable routing for humanitarian funds to be routed through established social protection programmes.** Irish Aid, the Vertical Expansion trial donor, is also funding regular SCTP programming in Balaka district. With increasing use of social protection programmes in response to crisis, viable fund routing options for more donors are to be established.



6: © UNICEF Malawi/2017/Dieng