Malawi: Lessons Learned From Public Works Programs

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General

- In designing Public Work programs (PWPs), it is important to clarify whether the objectives are developmental or to deal with short-term shocks.
- PWPs make a significant contribution to sustained poverty reduction only when carefully designed to include a graduation strategy (e.g., economic activities training, savings and life skills training) or where continuity of employment is viable (e.g., financed through routine maintenance budgets). Programs lasting twelve months or more can allow for asset acquisition, training and higher risk economic activity. In this way, beneficiaries can begin to graduate out of PWP employment.
- Valuable assets have been created under PWPs, contributing to economic growth (environmental protection, access routes etc.). In Malawi, full cost recovery will not be possible for some time. It is therefore essential that PWPs budget for maintenance of such assets.
- PWPs are a valuable vehicle for developing capacity and empowering local government bodies in Malawi. Adequate provision must be made however, for local government administrative and supervision costs.
- PWPs are a means of skills transfer in participating communities. As a result, follow-on programs find residual knowledge and organisational capacity in place.

Payment

- Beneficiaries in Malawi prefer a lower wage over a longer period of time to a higher wage for a short period (see Adams 2001.
- Delay in payment can result in adverse economic impact as participants borrow on the strength of wages at extortionate informal lending rates.
- The type of transfer (e.g., food vs cash) is very context-specific. Food transfers are easier for women to control at a household level but PWPs could be the only means for women to access cash. Cash transfers can stimulate the rural economy and make the poor credit-worthy within their own communities.

HIV/AIDS and gender

- Contributing cash earnings to the household has a positive impact in empowering women.
- Women participants who underwent group formation training through CARE’s Contract Association model reported increased control over cash resources compared to their counterparts working as individual employees.
- A number of invisible barriers affect the participation of women in public works. Road maintenance programs, in particular, should include all-female gangs under female gang leaders with child care, a realistic task rate and works within 3-4 km of the home.
Significantly more work needs to be undertaken in Malawi to effectively incorporate measures to address HIV/AIDS prevention, care and impact mitigation into the design of PWPs. Transmission may be exacerbated through harassment by fellow workers or gang leaders, return of errant husbands to wage-earning women and women resorting to sexual favours for help with arduous tasks. PWPs can provide a platform for savings and credit facilities as coping mechanisms for HIV/AIDS affected households.

### Training, economic activity and investment
- Combining a wage rate with savings released as a lump sum significantly affects the uptake of economic activity and the accumulation of assets. When combined with training in appropriate savings methodologies in pilot exercises, this led to the promotion of a savings culture amongst project participants, enabling investment in sizeable assets (livestock, farm inputs) often for the first time. As participants move to higher risk economic activities, there is potential for support with market linkages and business advisory services.
- Self-targeting using a wage rate below the market wage can be effective in excluding elite capture of access to work. This is considered to be the most appropriate and realistic method of targeting for safety nets programmes to tide beneficiaries over a period of acute stress.
- However, experience in Malawi suggests that a wage rate above or near a market rate is more appropriate for programs with a poverty reduction objective. This necessitates a robust targeting exercise at community level using sufficient external facilitation to ensure the participation of the most vulnerable (but workable).

### Maximizing unskilled labour component of PWP
- Under the Malawi National Safety Nets Strategy, PWPs aim to disburse 40% of program costs directly as wages for unskilled labour.
- This is difficult to achieve on road works, particularly where soils are poor or topography difficult, and can lead to conflict in project identification where vital access routes are not deemed eligible for PWPs. It is also difficult to achieve where capacity-enhancing activities are to be introduced (savings, economic activity training, training for transformation etc)
- While this guideline is appropriate for pure safety net activities, in programs where objectives are more development-focused, this target may need to be revised.

### Scope of works
- Selection of PWP sub-projects is important as not all works are appropriate. Suggested criteria for suitable works include a low requirement for capital investment or materials (up to 10% of all cost), within 3 km of target households, sustained over at least 4 months, easily reduced to a large number of discrete tasks to be executed consecutively, and executable during seasons where there is no conflict with other labour demands on the time of target beneficiaries.
- In addition to road maintenance, rehabilitation and upgrade, a wider range of works—including reforestation, river catchment protection, soil conservation (e.g. contour ridging), river training, flood defence, urban drainage, small scale irrigation, gravity fed water systems and solid waste management (peri-urban land fill)—have been successfully piloted in Malawi.

### Use of small-scale contractors
- Small-scale community-based contractors can be adequately trained over an 8-week period to establish a viable business and produce an acceptable quality of work.
- It is recommended that specific contract clauses and external monitoring be introduced where contractor models are used, in order to ensure compliance on beneficiary targeting, site standards, HIV/AIDS awareness and other elements of the ILO Decent Work agenda. Specifically for HIV/AIDS awareness, adequate funds should be included in the contract price to cover associated costs.

**References**
- Linda Adams Beneficiary Perceptions of Safety Net Transfers in Malawi (DFID, 2001)

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