

# Health and Social Protection

## German Development Cooperation in Malawi

Health and social protection are essential for safeguarding livelihoods, particularly among the poorest and most disadvantaged populations in Malawi, where high poverty rates and vulnerability to economic and climate-related shocks persist. Strengthening these systems is not only crucial for improving well-being but also for enhancing resilience and promoting sustainable economic growth. In Malawi, investments in health services and social protection programmes, such as the Social Cash Transfer Programme, play a critical role in reducing poverty, addressing malnutrition, and promoting human capital development in line with the country's Vision "Malawi 2063".

### Health

#### The challenge

Malawi has made significant strides in its health sector over recent years. Notably, the country made great strides in reducing infant mortality and combating HIV/AIDS. The under-five mortality rate has impressively declined from 234 deaths per 1,000 live births in 1992 to 48 deaths per 1,000 live births in 2024. Additionally, the total fertility rate has decreased from 6.7 children per woman in 1992 to 3.7 in 2024, reflecting improved access to reproductive health services.

Despite these advancements, Malawi continues to face substantial challenges in providing adequate healthcare to its growing population. Health infrastructure and services often remain inaccessible and are frequently of low quality. The country grapples with a significant shortage of qualified health personnel, exacerbated by a financial deficit that severely compromises healthcare quality and endangers lives. Consequently, maternal and neonatal health outcomes require further improvement. The maternal mortality ratio stands at 381 deaths per 100,000 live births as of 2019, and the neonatal mortality rate is 24 deaths per 1,000 live births in 2024. These figures underscore the ongoing need for enhanced healthcare services to support mothers and newborns and the access to Sexual and Reproductive Health and Rights in Malawi.

#### Our approach

The goal of German Development Cooperation in Malawi's health sector is to enhance universal access to and the utilisation of high-quality essential health services, with a particular focus on sexual and reproductive health. German support is designed to benefit the

entire Malawian population, with a strong emphasis on women, young people, children, and economically disadvantaged groups.

This objective aligns with Malawi's national health strategy, the Health Sector Strategic Plan III (2023-2030), titled "Reforming for Universal Health Coverage." The strategy prioritizes equitable access to essential health services for all Malawians, aiming to improve service quality, efficiency, and sustainability.

Germany contributes to this goal by strengthening health service delivery, improving health infrastructure, enhancing quality management and supporting human resource development and management. Additionally, German support reinforces the role of non-state actors in healthcare provision. These efforts are implemented through GIZ (for Technical Cooperation) and KfW (for Financial Cooperation), ensuring a comprehensive and coordinated approach to health sector development in Malawi.

#### Volume of German funding via Financial and Technical Cooperation for current projects under Health and Social Protection

Health	EUR 92.40 million
Social Protection	EUR 77.06 million

In addition, Germany is a large contributor to both sectors through its financial contributions to the European Union, World Bank, African Development Bank, the United Nations, Global Fund to Fight AIDS, Tuberculosis and Malaria, and GAVI the Vaccine Alliance.

Specifically:

- Germany supports the construction and rehabilitation of health facilities, alongside the procurement of high-quality medical equipment, to enhance the quality of healthcare services in Malawi. Increasingly, these initiatives are funded and implemented through the multi-donor Health Services Joint Fund (HSJF), in partnership with the United Kingdom, Norway, Scottish Aid and Save the Children promoting coordinated efforts in the health sector.
- In collaboration with international and local NGOs, traditional and religious leaders, and private sector partners, Germany works to improve the knowledge, acceptance, and accessibility of modern family planning methods and sexual and reproductive health services. These activities are grounded in a rights-based and gender-sensitive approach, with a particular emphasis on providing services to young people and vulnerable populations in remote rural areas, ensuring equitable access to critical health services.

left: Beneficiaries of the Social cash transfer programme in Machinga district.

right: A nurse-midwife providing care and support to a mother and her newborn baby.



- Germany also supports several key reforms within the health sector aimed at improving the efficiency and effectiveness of resource use. A harmonised approach to Continuous Professional Development (CPD) based on performance appraisals is being introduced to replace traditional resource intensive in-service trainings that take health workers away from their duty station and are often not aligned with actual training needs.
- In collaboration with district health offices, Germany promotes enhanced partner coordination through joint planning and review mechanisms with special emphasis on gender sensitive, youth friendly and respectful healthcare.

## The benefits

German Development Cooperation has made significant contributions to improving Malawi's health sector through the collaborative efforts of GIZ and KfW. One of the primary benefits has been the support for the construction, rehabilitation, and equipping of health facilities across the country, which has substantially improved access to high-quality healthcare services, particularly in rural and underserved regions. Germany has also played a crucial role in enhancing healthcare management, particularly by institutionalizing the use of quality-of-care standards, strengthening data management and digitalization of healthcare processes, and patient feedback mechanisms. These efforts have improved the efficiency of resource use, leading to more effective healthcare delivery. Additionally, Germany's support has expanded access to sexual and reproductive health services, prioritizing a rights-based and gender-sensitive approach to ensure equitable access for all, with particular attention given to vulnerable groups.

## Social Protection

### The Challenge

Approximately 21% of Malawians live in extreme poverty based on the national extreme poverty threshold, meaning they struggle to meet the basic daily food requirements for survival. A significant portion of these ultra-poor individuals are also labour-constrained. Based on the international extreme poverty threshold of USD 2.15 per day, 72% of Malawians live in extreme poverty, highlighting the broader economic challenges facing the population. Over a third of children under the age of five suffer from stunting, which not only impedes their physical and cognitive development but also results in substantial economic losses for the country.

In response to these pressing challenges, the Government of Malawi has introduced the Malawi National Social Protection Policy (NSPP) and the Malawi National Social Protection Strategy (MNSPS) to expand social protection across the lifecycle. The strategy focuses on strengthening social safety nets, promoting resilient livelihoods, and integrating nutrition-sensitive and shock-sensitive social protection. It also aims to enhance social security, create an enabling environment, and address cross-cutting issues such as disability inclusion, food security, gender equality, climate change, and environmental protection. Through this comprehensive approach, the Government seeks to build a more resilient and inclusive social protection system that improves the well-being of vulnerable populations.

## Our approach

The goal of German Development Cooperation is to support the Malawian Government in its efforts to reduce poverty through a strengthened social protection system. Germany plays a key role in supporting the implementation of Malawi's social protection policy and strategy, fostering greater harmonisation across various programmes. Particular emphasis is placed on the Social Cash Transfer Programme (SCTP), which serves as a cornerstone of Germany's engagement in the sector. Support to the sector is delivered through Technical Cooperation, implemented by GIZ, and Financial Cooperation, facilitated by KfW.

Specifically, Technical Cooperation works alongside the Ministry of Finance and Economic Affairs on strengthening the social protection system: enhancing its performance, access and identification through policy advice and capacity building, strengthening of the national household database known as the Unified Beneficiary Registry (UBR) and through working with three district administrations to enhance the harmonization and efficiency of social protection delivery. This includes providing conceptual guidance and supporting the standardization of operational procedures. Key activities include the finalization of a comprehensive capacity development plan for the key stakeholders, support towards quality and updated data in the key household database, and the development of a service directory for the districts to coordinate and steer different services on the ground.

Through Financial Cooperation, Germany supports the MNSPS by funding unconditional cash transfers, including a school bonus, to 10% of ultra-poor and labor-constrained households in seven districts across Malawi, via the SCTP. In addition to funding transfers, German Financial Cooperation supports the Ministry of Gender, Community Development, and Social Welfare in its overarching role of planning, coordinating, and managing the SCTP, with a strong focus on enhancing the effectiveness and sustainability of the SCTP. This support includes continuous reviews and improvements to the SCTP's design, administration, and implementation, achieved through technical equipment, consultancy services, capacity building, and the introduction of standardized operational procedures, a Management Information System (MIS), and financial management software. German financial support has been instrumental in establishing the institutional systems necessary to reduce operational costs and enable the nationwide expansion of the SCTP.

### The benefits

An external evaluation of the SCTP by the University of North Carolina and the University of Malawi demonstrated that beneficiaries experience significant improvements due to regular, predictable cash transfers. The programme positively impacts food security, school attendance, health, and agricultural and economic productivity. The evaluation highlighted a 1.7 multiplier effect, meaning every Malawi Kwacha received, generates 1.7 Kwacha in local spending, benefiting businesses and supporting non-recipients.

The social protection system in Malawi has evolved considerably over the last two decades. The new policy adopts a cross-sectoral approach, engaging more stakeholders to enhance coordination and effectiveness. A key pillar is the UBR, a central database for social protection and humanitarian programmes, improving efficiency and cost-effectiveness. Additionally, district officials are better equipped to support beneficiaries, strengthening the system at the local level. Through its SCTP support and system-strengthening approach, German Development Cooperation is well positioned to drive innovation and promote best practices in Malawi's social protection landscape.