

Key recommendations from the Elderly Policy workshop

A universal social pension scheme should be put in place in Malawi

- Government needs to raise money for universal social pension (the workshop has suggested some ideas for how this could be done)
 - Need to create institutional /structural capacity to deliver the universal social pension. This will help prove it can be done and that money invested will be put to good use
 - Need to work with others – civil society, private sector, donors
 - Raising awareness of the public of the scheme
 - Consideration needs to be given to the other policies that need to be linked to a universal social pension e.g. investment in skills
- Government should put the universal social pension scheme on its annual budget because it has been proven that these schemes can reduce poverty
 - Clarity / transparency over where the money is coming from –e.g. one levy is allocated to pay for the pension
 - Analysis should be done on how much the pension should be
 - Government should build a national consensus on this policy and how to do it. Other stakeholders need to be convinced. Everyone should own the policy
 - Need to be clear on reasons why we want a universal policy – because it is easier to administer, and it is non discriminatory
 - Need to emphasise the cost of not doing anything
 - We should be clear that those already receiving pension should not lose this .The universal pension is a base for every one over 60-years-old.
 - Another reason for social pension is to support the care that older people provide to children, and as a means of investing in the future generations in Malawi so that they do not turn to crime
 - Government should implement the policy –they should adopt the universal scheme
 - Government should solicit donor support for the early stages of the social pension scheme

- Government puts funds in this year's national budget to create the delivery structures for a social pension scheme. Phase 1: Look at framework for delivery, what public private partnership needs to be built?
- Pension's department needs to be involved, perhaps in the payment (Ministry of disabilities and elderly)
- Need for a monitoring mechanism involving other departments and civil society
- Options for payment – possible mechanisms OIBM, Post Office, Malawian Savings Bank (everyone should have an account)
- Good idea to follow Lesotho and rely on village chief to report on deaths so that there are no 'ghost' pension payments
- The amount of the pension should take account of what productive activity we want to expect from elderly, also to enable them to meet risks /emergencies
- Important that older people are encouraged to do economic activity with the pension where possible
- The levies which are already administered should be considered for funding of pension – proposal for industrial/ private sector levy or contribution
- Levies need to be more transparent so we know what funds they can provide
- Social protection must shift from safety nest to social pensions and other predicable cash transfers. As policy shifts, the funding also needs to shifts
- Tax on liquor, cigarettes and drugs to pay for pension?
- There should be skills training for people so that they can undertake productive activities with the universal social pension. Without skills training people might not be able to invest in becoming more productive –backyard businesses
- The programme should be able to build linkages with donors, private sector etc
- Need for a review of pension fund management in Malawi and how it can provide investment
- Need to start sensitisation of general public – what could be coming peoples way. Marketing to donors too so they are assured of effective delivery and that the money would de put to good use
- Consider structures for monitoring etc so that Malawi can prove that money would be well used

- First year of programme a pilot? Could start at 70 so Government can understand challenges of implementing the programme and have time to build a resource base.

Way forward

- Emphasise the problems to ministers – not just for older people but for future generations.
- Not just an issue now, but for the future of Malawi. An issue for every politician not just Government.
- Produce a White paper – this commits Government to action.
- Ministry starts thinking about how to get support civil society –and the role that they will play in implementing a universal social pension.
- Clarifying our rationale for a universal social pension.
- Adjust/recast current drafts of policies so that they reflect the new agreement on universality.