

Food and Agriculture Organization of the United Nations

Social Protection

From Protection to Production

Social Cash Transfers in sub-Saharan Africa:

evidence, myths and policy implications

Silvio Daidone

Master Course in Public Policy & Human Development

Maastricht, March 28, 2017

Social protection policies continue to expand across sub-Saharan Africa

- Virtually every nation in sub-Saharan Africa (SSA) has some kind of cash transfer programme
- Designed to address country-specific development needs
- Key mechanism to protect vulnerable individuals and households from poverty and hunger, and to help them build resilience
- African "model"

- Unconditional (with messaging), targeting on poverty and vulnerability (OVC, elderly), community involvement in targeting

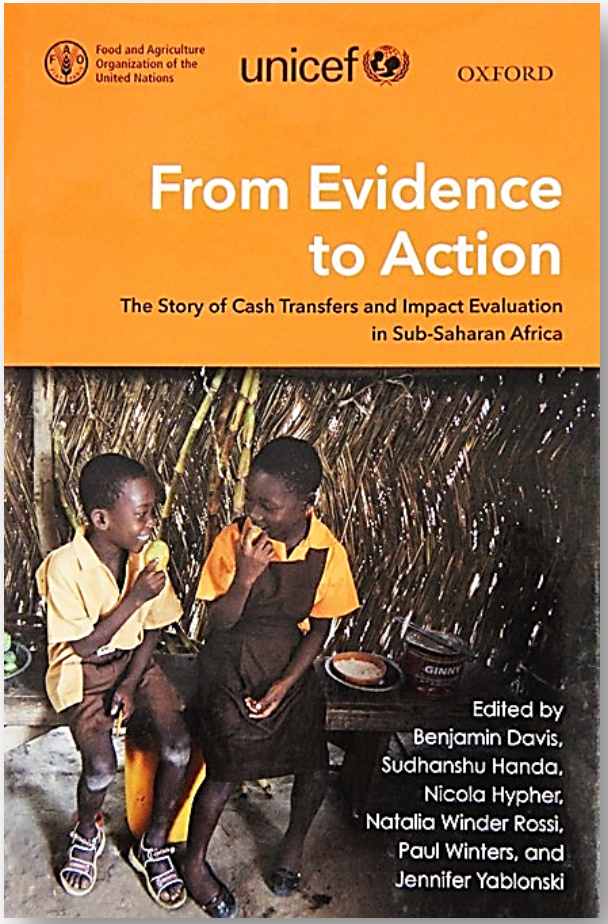
Common perceptions around social cash transfers

1. Spent on alcohol or tobacco
2. Fully consumed, not utilized for productive activity
3. Create dependency
4. Increase fertility
5. Lead to community-level price distortion and inflation
6. Too costly to implement at scale

Food and Agriculture Organization of the United Nations

THE TRANSFER PROJECT

From Evidence to Action: The Story of Cash Transfers and Impact Evaluation in Sub-Saharan Africa



- 8 years of research in SSA and the broader policy context
- **Who:** Community of research, donor and governments– focus on coordination in efforts and uptake of results
- **Mission:** Provide rigorous evidence on of government-run large-scale (largely unconditional) SCTs
- Little evidence from SSA
- Objectives:

1. Provide evidence on the effectiveness of SCT
2. Inform the development & design of SCT
3. Promote learning

Food and Agriculture Organization of the United Nations

THE TRANSFER PROJECT

From Evidence to Action showcases evidence on social cash transfers across sub-Saharan Africa

- Ethiopia, Ghana, Kenya, Lesotho, Malawi, South Africa, Zambia and Zimbabwe
- 8 year process of the Transfer Project
- Describes with country case studies how these programmes led to broad range of social and productive impacts on poor families
- Shows how impact evaluations are conducted, the relevance of evidence, and the ways in which evidence informs broader social protection policy and programming processes in each country
- Draws lessons from comparisons of results across countries
- Read!

What is the Transfer Project?

- Multi-country initiative to help governments design and implement impact evaluations of cash transfer programs
- Led by UNICEF, FAO and UNC-CH
- Demand driven and decentralized
  - Countries participate if they want
  - Raise their own money, contract out evaluations
  - UNICEF is typically honest broker on the ground
  - UNC/FAO provide technical advice; in some cases implemented evaluations
  - Rigorous, but no standard approach, design fits context/need

The SSA evidence base (Transfer Project affiliated evaluations only, there are others)

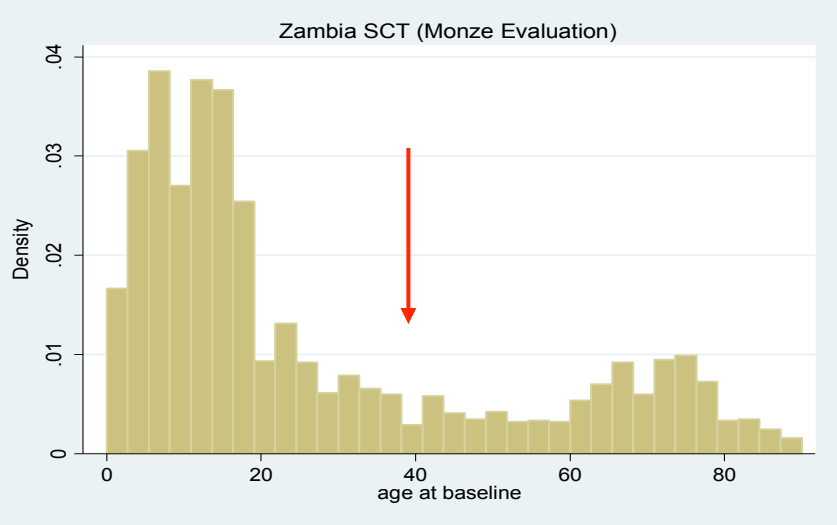
Country/Program	IE Design	Survey years
Ethiopia Tigray (Bolsa)	RDD	2012, 2014
Ethiopia Tigray II	RDD	2016, 2018
Ghana LEAP	Longitudinal PSM	2010, 2012, 2016
Ghana LEAP Phase 2	RDD	2017, 2019
Ghana LEAP 1000	RDD	2015, 2017
Kenya CT-OVC	RCT	2007, 2009, 2011
Lesotho CGP	RCT	2011, 2013
Malawi SCTP	RCT	2013, 2014, 2015
South Africa	PSM	2010
Tanzania PSSN	RCT	2015, 2017
Zambia CGP	RCT	2010, 2012, 2013, 2014, 2017
Zambia MCP	RCT	2011, 2013, 2014
Zimbabwe HSCT	Longitudinal Matched Case-Control	2013, 2014, 2017

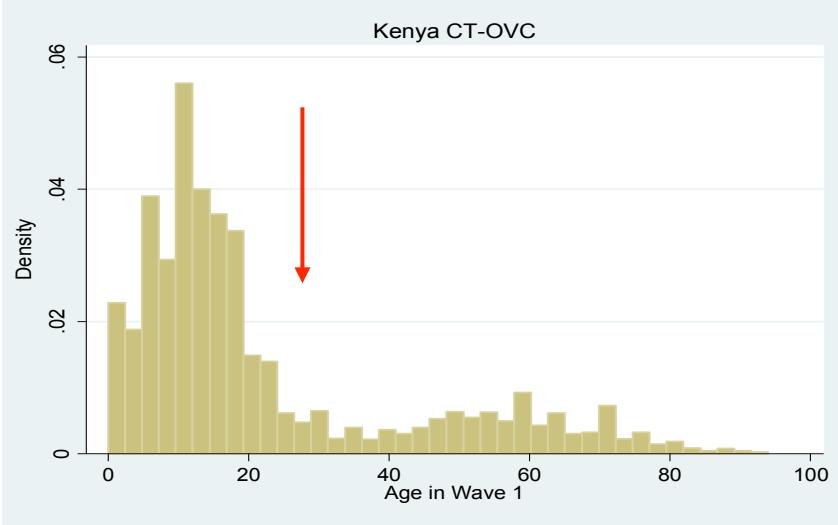
Red indicates ongoing study

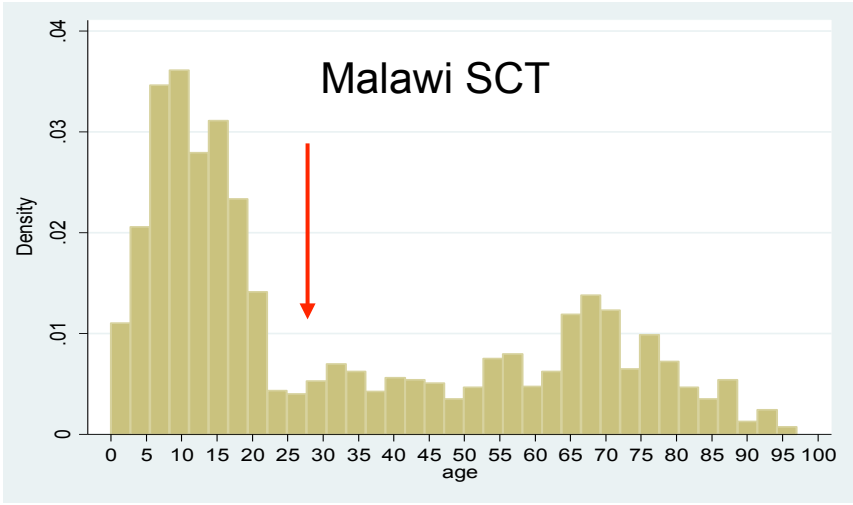
Innovations in the Transfer Project approach

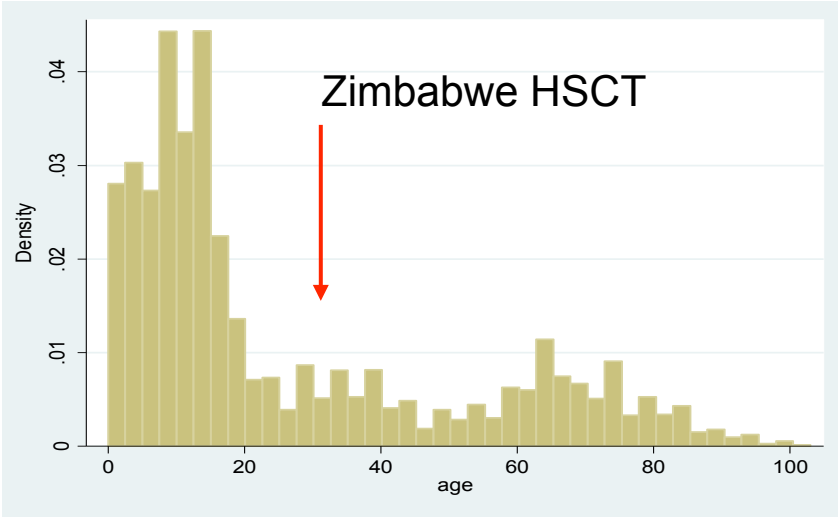
- Mixed methods
  - Quantitative, qualitative and local economy impacts simulation (LEWIE)
- Content
  - Poverty, consumption, health, education
  - Youth transitions to adulthood and HIV risk
  - Productive impacts, local economy effects
  - Social networks and informal social protection
- No one method followed by each country; each approach responded to needs, programme context and budget considerations in each particular country
- By linking of different methods, produced a common story of what was happening and why

Unique demographic structure of recipient households in OVC and labor-constrained models (missing prime-ages)



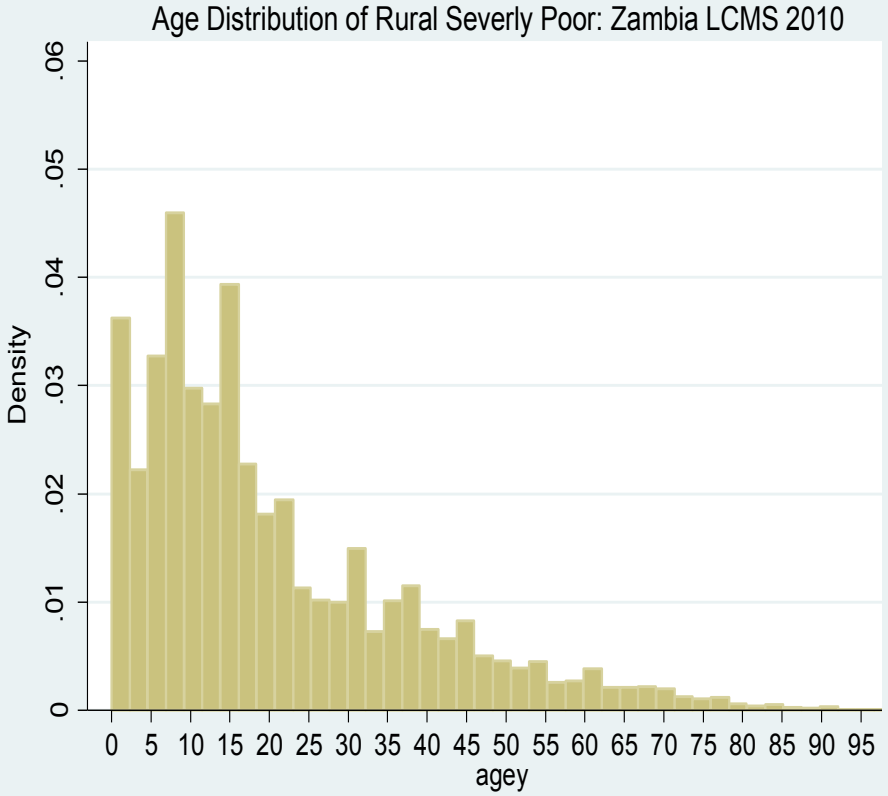


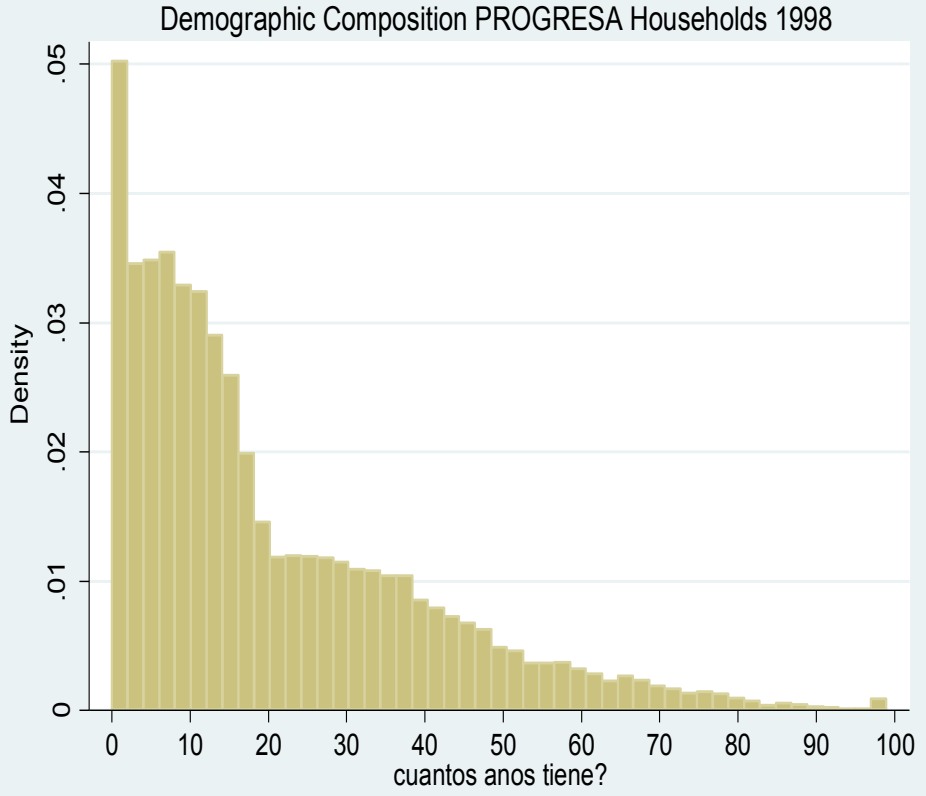




Compare to ultra-poor (Zambia) or typical CCT target families (Progresa)

pre-schoolers and prime-age adults





Who gets the cash? Women! But not necessarily by design

More than two-thirds of beneficiaries are female

And three of five beneficiary HH are female-headed

Program	Female beneficiaries (%)
Ethiopia SCTPP	78
Ghana LEAP	65
Ghana LEAP 1000	100
Kenya CT-OVC	85
Lesotho CGP	67
Malawi SCTP	84
Zambia CGP	99
Zambia MCTTG	75
Zimbabwe HSCT	64

Summary of evidence across domains and countries

Domain of impact	Evidence
Food security	
Alcohol & tobacco	
Subjective well-being	
Productive activity	
Secondary school enrollment	
Spending on school inputs (uniforms, shoes, clothes)	
Health, reduced morbidity	
Health, seeking care	
Spending on health	
Nutritional status	
Increased fertility	

Across-the-board impacts on food security

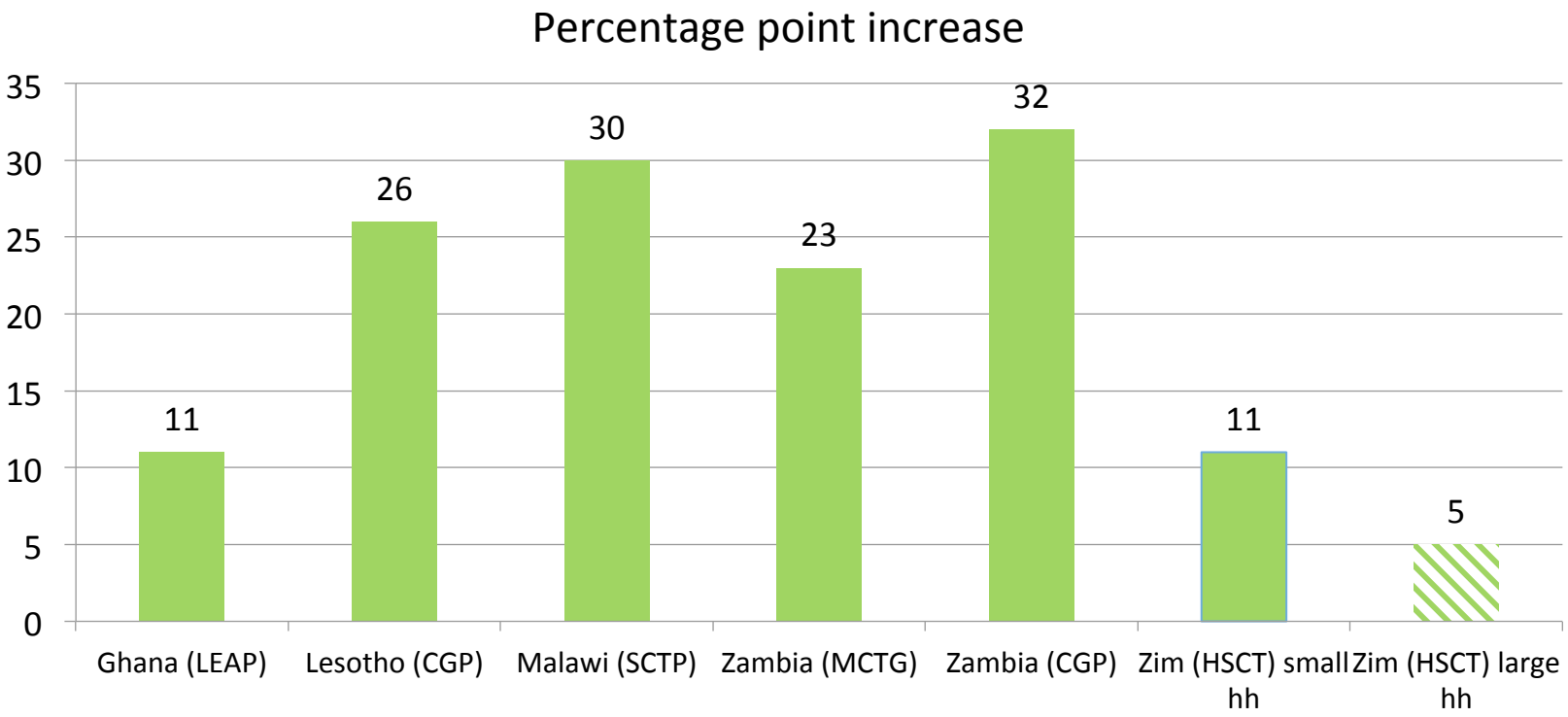
	Ethiopia SCTP	Ghana LEAP	Kenya CT-OVC	Lesotho CGP	Malawi SCTP	Zambia MCTG	Zambia CGP	Zimbabwe HSCT
Spending on food & quantities consumed								
Per capita food expenditure	✓	X	✓	✓	✓	✓	✓	✓
Per capita expenditure, food items	✓	X	✓	✓	✓	✓	✓	✓
Kilocalories per capita	✓			✓	✓		✓	✓
Frequency & diversity of food consumption								
Number of meals per day					✓	✓	✓	
Dietary diversity/nutrient rich food	✓	✓	✓	✓		✓	✓	✓
Food consumption behaviors								
Coping strategies adults/children	✓	✓		✓	✓			
Food insecurity access scale						✓	✓	✓

Red check (cross) marks represent positive (negative) significant impact, black are insignificant and empty is indicator not collected

Cash will not be wasted on alcohol and other "bads"

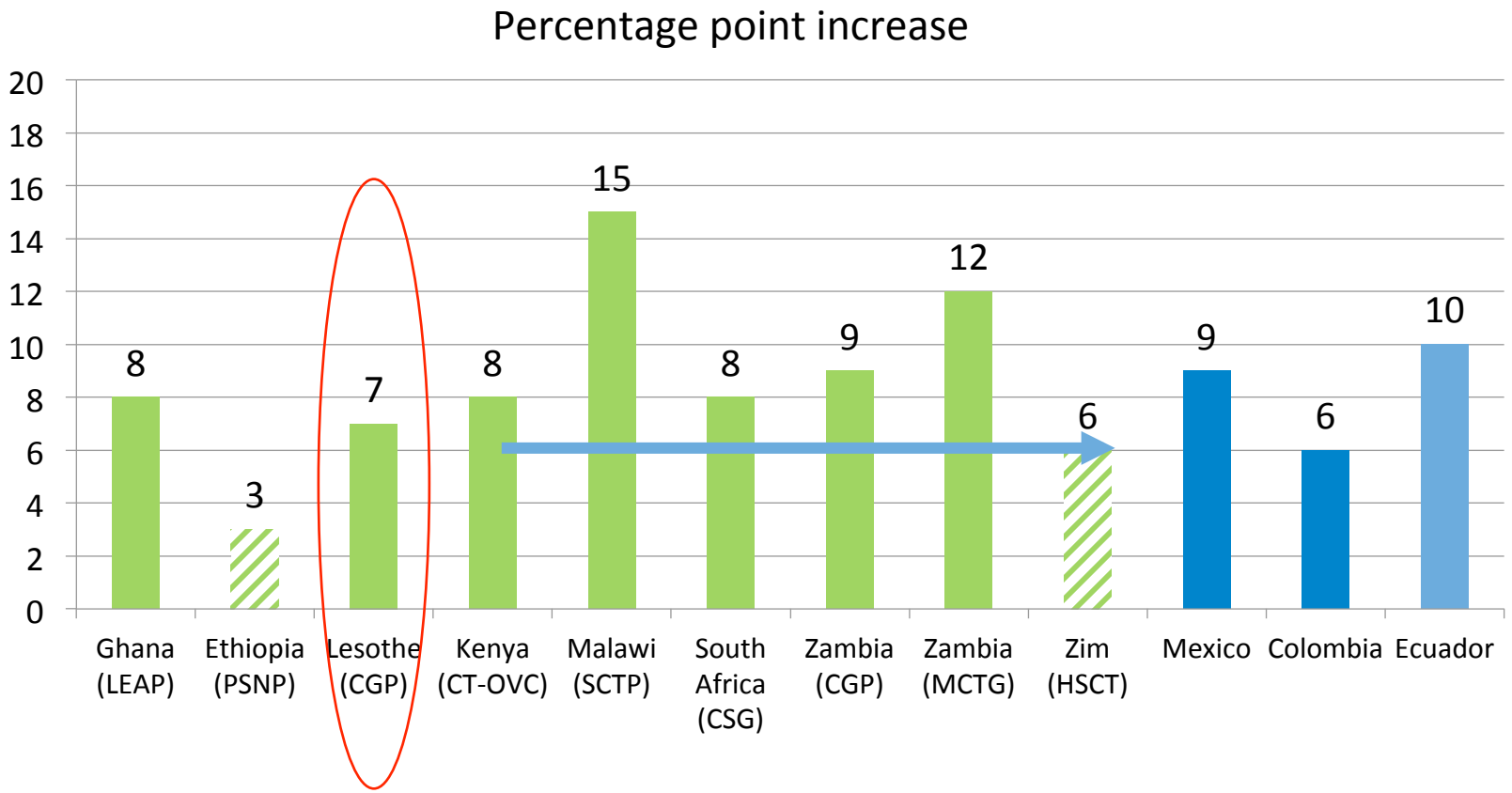
- Alcohol & tobacco represent 1 percent of budget share
- Across seven countries, no positive impacts observed on alcohol and tobacco
  - Data comes from detailed consumption modules covering over 250 individual items
- Alternative measurement approaches yield same result
  - "Has alcohol consumption increased in this community over the last year?"
  - "Is alcohol consumption a problem in your community?"
- Consistent with meta-analysis by Evans & Popova (2016) on cash transfers and temptation goods

Significant increase in share of households who spend on school-age children's uniforms, shoes and other clothing



Solid bars represent significant impact, shaded not significant. Lesotho includes shoes and school uniforms only, Ghana is schooling expenditures for ages 13-17. Other countries are shoes, change of clothes, blanket ages 5-17.

School enrollment impacts (secondary age children): Same range as those from CCTs in Latin America

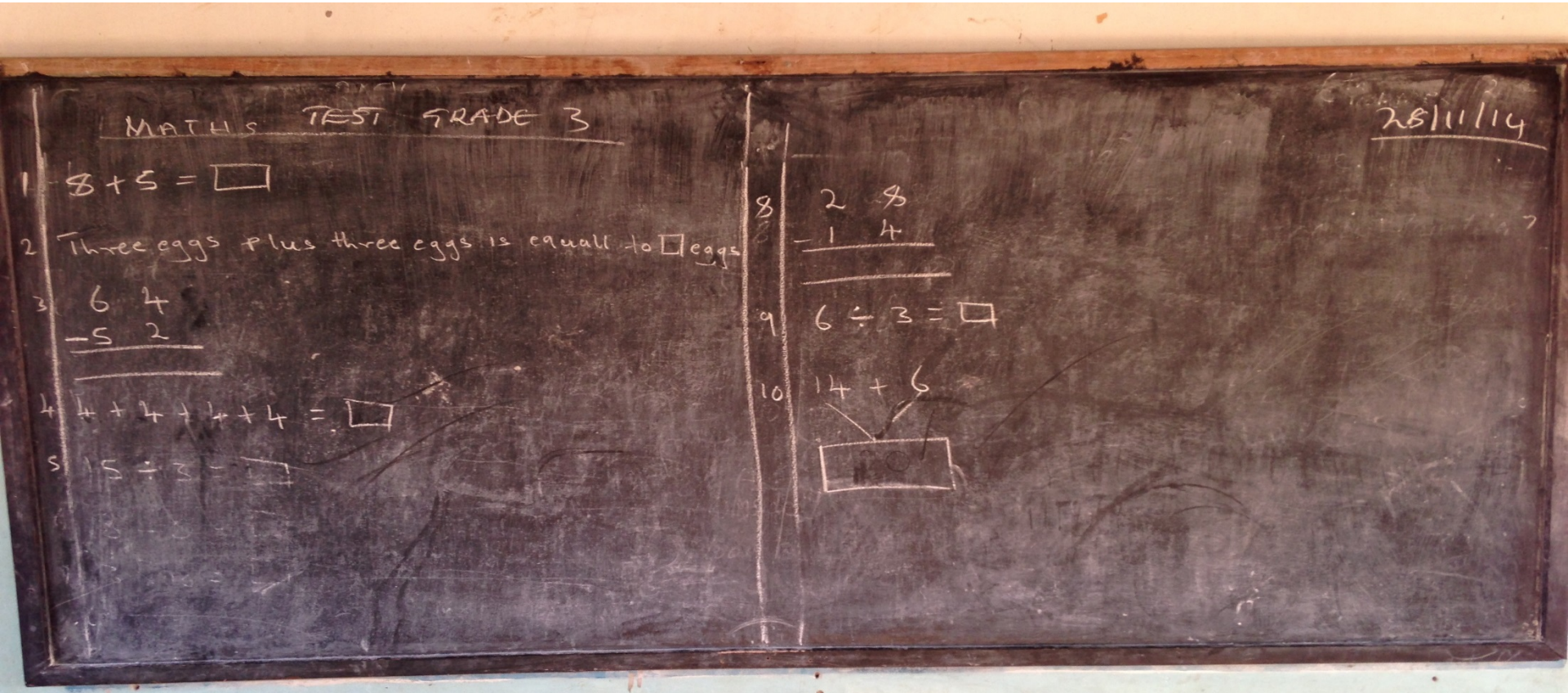


Primary enrollment already high, impacts at secondary level. Ethiopia is all children age 6-16.

Food and Agriculture Organization of the United Nations

THE TRANSFER PROJECT

More kids in school but school quality still a challenge



Grade 3 math test – Serenje District, Zambia

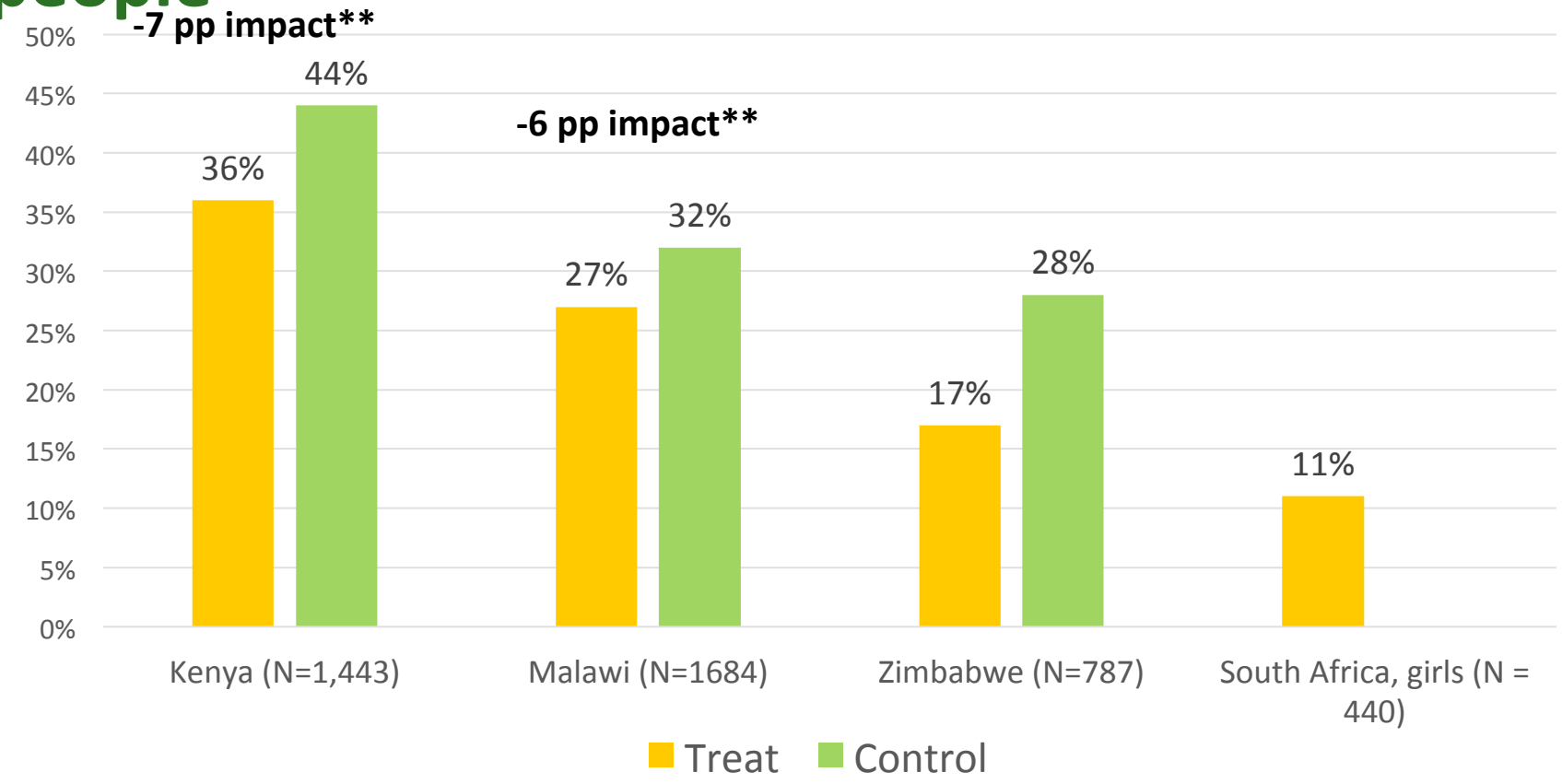
Cash does not lead to inflation

- In six countries, tested for inflation in intervention versus control communities using basket of ten goods
  - No inflationary effects found
- Why not?
  - Beneficiaries small share of community, typically 15-20 percent
  - Poorest households, low purchasing power, don't buy enough to affect market prices
  - Demand does increase on pay-day, supply response appears to be adequate

Cash does not increase fertility

- Zambia Child Grant Programme
  - No impacts on total fertility or whether currently pregnant
    - Palermo et al J of PopEconomics (2016)
  - Some indication of improved birth outcomes (fewer pregnancy complications)
- Kenya Cash Transfer for Orphans & Vulnerable Children
  - Reduction in early pregnancy among women 15-24 by 6 pp
    - Handa et al Soc Sci & Medicine (2015)
  - No increase in number of children living in household
- South Africa Child Support Grant (Heinrich et al)
  - Reduction in early pregnancy by 11 pp

Transfers delay sexual debut among young people



- Kenya and Zimbabwe impacts driven by girls, Malawi driven by boys. Zambia no impacts.
- Kenya results in Handa et al PLOS One (2014)

Where is evidence the weakest in terms of impact?

- Young child health and morbidity
  - Positive impacts on reducing morbidity and expenditures, but less on care seeking
  - Why? Supply of services typically much lower than for education sector
- Few impacts on young child nutritional status (anthropometry)
  - Kenya CT-OVC, South Africa CSG, Zambia CGP, Malawi SCTP, Zimbabwe HSCT
  - In RSA, Zambia, positive impacts when mother has completed primary school or has protected water source
  - Why? Determinants of nutrition complex, involve care, sanitation, water, disease environment and food
  - Why? Poor supply of health services in rural sector

Health Facilities Survey Zambia CGP – Poorly Stocked!

X.3: Drugs		Carry	In Stock
VARIABLES	(1) N	(2) mean	(2) mean
Insecticide treated mosquito nets	31	0.774	0.452
Meningitis vaccines	31	0.0968	0.0323
Polio vaccines	31	0.419	0.290
Measles vaccines	31	0.419	0.355
Tetanus vaccines	31	0.419	0.355
DPT vaccines	31	0.387	0.323
BCG vaccines	31	0.419	0.258
Antiretrovirals	31	0.258	0.226
Cotrimoxazole	31	0.387	0.226
Penicillin injection/tablets	31	0.258	0.194
Folic acid tablets	31	0.581	0.452
Fansidar	31	0.613	0.387
Coartem	31	0.516	0.258
Oral rehydration salts	31	0.677	0.452
Aspirin	31	0.742	0.355
Paracetamol/Panadol	31	0.774	0.355
Intrauterine devices	31	0.258	0.161
Contraceptive pills	31	0.581	0.452
Spermicide	31	0.129	0.0645
Condoms	31	0.806	0.548
Total number of supplies/medication	31	9.516	6.194

Impacts on productive activities and labor supply

- Households invest in productive activities: impact varies by country, transfer size, target group
- Cash transfers do not lead to dependency
- Actually they have the potential to lead to multiplier effects in local economy!

We will talk about these impacts more extensively in next presentation

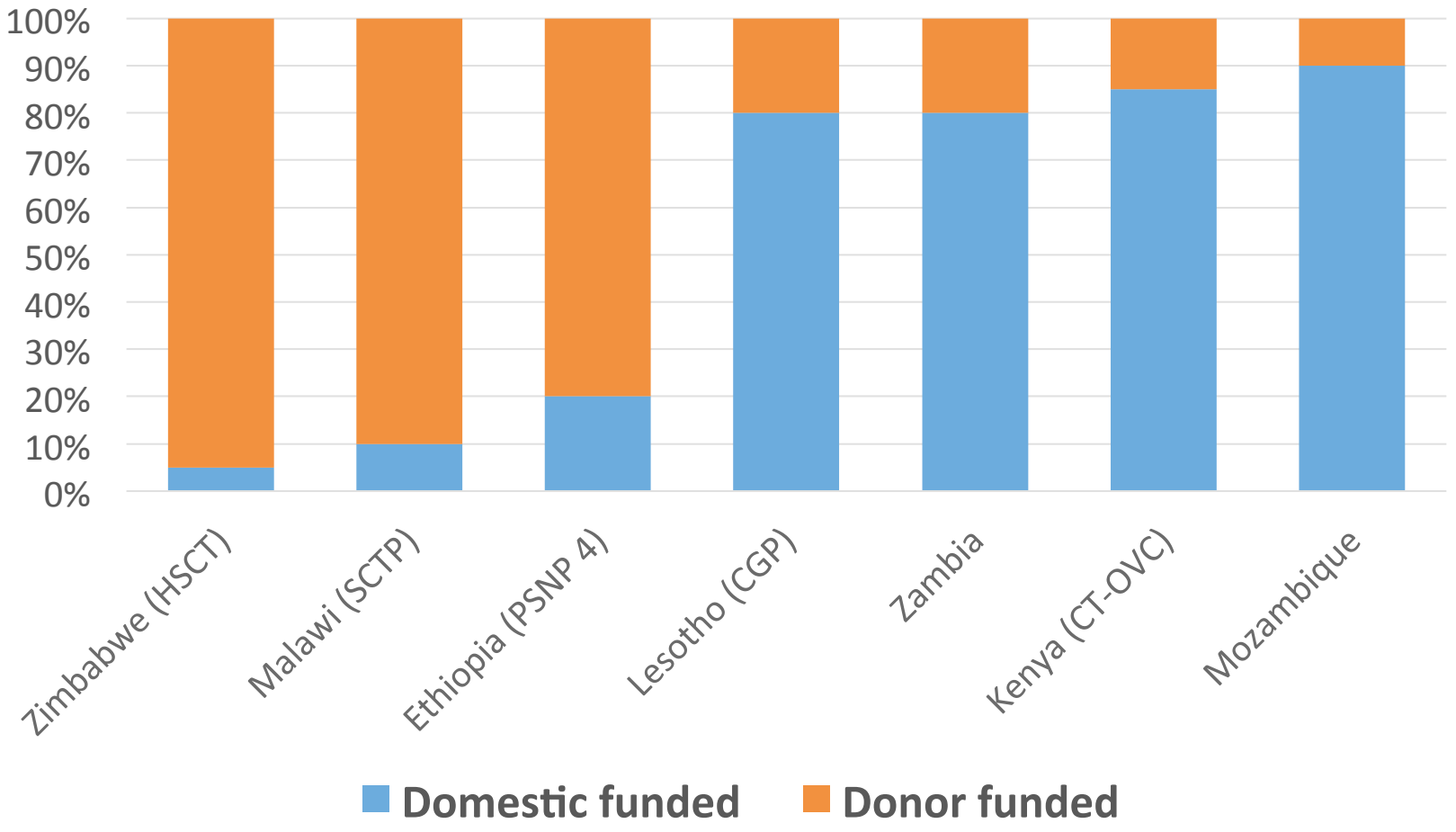
Building comprehensive social protection systems

- Typical for a cash transfer to roll out first, policy comes later
  - Overwhelms weak Ministry
  - Few links to other key services (health insurance, school fee waivers) or agricultural extension
  - Program convergence seen as 'double-dipping'
- Single registry a step in this direction
  - Need practical guidance on the ground for social workers, nurses, teachers

Lesson learned: what makes social protection programmes effective?

- **Supply side matters to maximize impact** (supply of health and education)
- **Targeting** (young children 0-2 missing proportionally)
- **Research is important, but implementation matters more** : systematically take forward findings of research and scale up!
- **Political commitment and domestic resource mobilization** critical to sustain programmes

Funding of cash transfer programs in 2015



Policy and programme impact at country level —but not neccesarily due to rigorous experimental design

- Being embedded in national policy processes
- Not just impacts—but systematic approach to analyzing generated confidence and enhanced reputation
- Continuous generation of information at key moments in policy cycle
  - Intermediate products such as LEWIE and qualitative
- Multi-disciplinary teams and strong relationships with government counterparts
  - Proximity and interdependence of evaluators, government team and partner agencies
- Broad-based learning agenda beyond impacts
- Messaging, packaging and timing of results
- Regional learning agenda (community of practice)

Impact of Transfer Project: regional level

- Strong evidence base on impact of cash transfers now available in SSA; no need to go to other regions for models
- Context-specific design and implementation (home grown models, community participation, unconditional transfers, etc)
- Strengthen evidence base to feed to important regional processes (AU commitments, etc)
- Contribution to changing the discourse: SP as an investment, not a cost

Impact of Transfer Project: Global level

- Generation of evidence on the broad range impacts of social cash transfers—poverty, social, economic and social determinants of HIV risk, economic and productive impacts at household and local level
- SSA is now a global leader in the production of evidence and regional learning on cash transfers, including cutting edge research
- Contribution to evidence on unconditional transfers: impacts on outcomes comparable to conditional transfers

Food and Agriculture Organization of the United Nations

THE TRANSFER PROJECT

Acknowledgements

- The body of research here has benefited from the intellectual input of a large number of individuals. For full research teams by country, evaluation reports, survey instruments, and data available, see: https://transfer.cpc.unc.edu/

- Transfer Project is a multi-organizational initiative of the United Nations Children's Fund (UNICEF) the UN Food and Agriculture Organization (FAO), Save the Children-United Kingdom (SC-UK), and the University of North Carolina at Chapel Hill (UNC-CH) in collaboration with national governments, and other national and international researchers.

- Current core funding for the Transfer Project comes from the Swedish International Development Cooperation Agency (Sida) to UNICEF Office of Research, as well as from staff time provided by UNICEF, FAO, SC-UK and UNC-CH. Evaluation design, implementations and analysis are all funded in country by government and development partners. Top-up funds for extra survey rounds have been provided by: 3IE - International Initiative for Impact Evaluation (Ghana, Malawi, Zimbabwe); DFID - UK Department of International Development (Ghana, Lesotho, Ethiopia, Malawi, Kenya, Zambia, Zimbabwe); EU - European Union (Lesotho, Malawi, Zimbabwe); Irish Aid (Malawi, Zambia); KfW Development Bank (Malawi); NIH - The United States National Institute of Health (Kenya); Sida (Zimbabwe); and the SDC - Swiss Development Cooperation (Zimbabwe); USAID – United States Agency for International Development (Ghana, Malawi); US Department of Labor (Malawi, Zambia).

Thanks!