Social cash transfers for Africa

A transformative agenda for the 21st century

Intergovernmental regional conference report
Livingstone, Zambia, 20-23 March 2006

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Social cash transfers for Africa

The conference was organised by the Government of the Republic of Zambia and HelpAge International. It was supported by the African Union.

This report summarises the main issues debated at the conference and its results.

Also available is a CD which contains:

- the workshop programme
- list of participants
- full text of all presentations
- working group feedback
- publications provided to conference participants.

Further resources on social protection and social pensions are available at **www.helpage.org**

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Social cash transfers for Africa: A transformative agenda for the 21st century

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Foreword

The Organisation of African Unity was founded with the fundamental goal of freeing Africa from its colonial legacies and building independent nations. As African states gained independence, the objective of the organisation shifted to tackling the continent's greatest challenges: poverty, inequality and promoting the rights of all Africans. In order to address these challenges the 2002 Constitutive Act of the African Union (AU) called for raising the standard of living of the people of Africa, the promotion and protection of human rights, and ensuring good governance and the rule of law. The development programmes of the AU Commission adopt the rights-based approach and human security. Among the more significant elements of the AU vision and mission is to mainstream sound and sustainable social development in which people are at the centre and are beneficiaries. In this scenario, marginalised and disadvantaged groups, especially in the rural areas, are given particular attention.

Nevertheless, most African countries continue to face challenges economically and socially. There is grave concern that the majority of the population is afflicted by lack of access to basic and social welfare services, as well as being marginalised. Similarly, the persistence of the HIV/AIDS pandemic, ill-health, poverty, unemployment, lack of education and training, food insecurity and malnutrition, have all contributed to a decline in living standards. Indeed, a number of countries in Africa are registering a regression in human development indicators, and some diseases are making a come-back, such as polio. This situation is compounded by the impact of globalisation on social and economic policies, leaving the most vulnerable to be among the poorest of the poor.

The African Union recognises the urgency for African governments to invest in disadvantaged and marginalised groups. In 2003, responding to its vision for the continent, the African Union committed to draw up strategies and policies that place people at the centre of development and respond to the values of citizens. It pledged in particular, to support marginalised and vulnerable groups including children, young people, unemployed people, families, people with disabilities, older people, and women.

In its effort to address the issue of social development and the fight against poverty, the AU Commission organised an Extraordinary Summit of Heads of State and Government on Employment and Poverty Alleviation in Ouagadougou, Burkina Faso in September 2004. The outcome was the adoption of a Declaration and Plan of Action to guide member states to develop policies on poverty reduction and job creation. Among others, member states committed themselves to improve the living conditions of older persons, through better social protection services including improved pensions, health and other social security schemes. Furthermore, as mandated by the AU Assembly of Heads of State and Government, the AU is finalising the continental Social Policy Framework which is aimed at fostering sustainable human and social development in Africa. The Social Policy Framework will provide guidelines to assist member states in formulating national policies that address poverty and the basic needs of poor people, especially the most vulnerable groups.

With a view to addressing the plight of vulnerable groups and improving their living standards, the AU Commission has developed several blueprints including the African Union Policy Framework and Plan of Action on Ageing; the Plan of

Action on the Family in Africa; a Common Position and Plan of Action on an 'Africa Fit for Children'; a Framework and Plan of Action on HIV/AIDS, Tuberculosis and other Related Infectious Diseases; and a Strategic Plan on HIV/AIDS. It has also developed a Plan of Action to implement the objectives of the African Decade of People with Disabilities. In these documents, member states are urged to respect the rights of their vulnerable citizens; design appropriate national policies and programmes to support them; and include the most vulnerable in their national poverty reduction strategy programmes.

The **Intergovernmental Conference on Social Protection** was co-hosted by the African Union and the Government of Zambia with the support of HelpAge International and the Department for International Development (UK). In its Call for Action, it urges governments to adopt social protection as an effective mechanism for reducing poverty, particularly extreme poverty, as well as to address the rights of its vulnerable citizens.

The African Union recognises that it is the task of governments to translate these regional policies into concrete actions. While we do not under-estimate the challenges identified by member states, it is important to learn from the various social protection experiences which already exist in Africa and build on them. For its part the AU Commission will continue to play its advocacy role and sensitise heads of state and government on the need to establish social protection programmes at national level for the benefit of the poor and vulnerable. We believe that this conference, which has brought together a wide range of actors in social protection, has provided an important forum for debate and learning as well as creating an ongoing platform for the future development of social protection programmes throughout the continent.

Advocate Bience Gawanas
Commissioner of Social Affairs, African Union

Executive summary

The three-day Intergovernmental Conference on Social Protection was held in Livingstone, Zambia, 20-23 March 2006. It brought together more than a hundred ministers and senior representatives from 13 African governments with the aim of examining new ways to tackle poverty and promote the human rights of the poorest people in Africa. The conference resulted in the key message that political will is the fundamental driving force for long-term investment in social protection programmes. The conference identified the need for the joint mobilisation of the determination and actions of stakeholders, including governments, parliaments, civil society and the donor community, to address poverty, deprivation, exclusion and the promotion of human rights.

Discussion focused on the connection between social protection and economic growth, and the positive links between investment in social protection and movement towards national and regional commitments to human rights goals. The meeting reached the important conclusion that social protection interventions must be integrated into national-level strategies and plans in order to be delivered effectively.

It was recognised early in the discussions that regular cash transfers, to identified vulnerable groups, offer a cost-effective means to reduce poverty and realise basic human rights. The meeting generally concluded that increasing investment in basic services such as health and education will only benefit poor people if they have the cash to access them.

Conference participants engaged in a problem-solving approach to barriers to national implementation of social protection and cash transfer programmes. Delegates identified the need for:

- disaggregated poverty and vulnerability data (by age, gender, disability, ethnicity and consideration of household poverty and household structure)
- policy maker understanding of the impact of regular cash transfers on the lives of poor people.

The meeting agreed that the integration of social protection interventions into national policy frameworks and poverty reduction strategies requires appropriate budgeting arrangements to ensure long-term financing. Similarly, cash transfer schemes need long-term national financing, with support from donor partners. These schemes also need capacity-building interventions, including investment in the people and national institutions currently responsible for each government's social and community development programmes. The conference welcomed participant countries' examples of social protection measures and pilot programmes. These offer the opportunity for future inter-country learning.

The conference's key outcome is the Livingstone Call for Action. This sets out the call for African governments to prepare costed cash transfer plans within three years, which are integrated into national development plans and national budgets.

Livingstone Call for Action (summary)

Background

The Livingstone Call for Action is rooted in both the conference's recognition that social protection is a basic human right as stated in the United Nations Declaration (1948, articles 22 and 25) and in delegates' general agreement on the following points:

1) Social protection strengthens the social contract between the state and citizens and social cohesion.

2) Evidence indicates that social cash transfers play a key role in both reducing poverty and promoting economic growth. As well as relieving suffering, cash transfers can increase human capital by helping families maintain health and educate their children. Transfers are also used for investment and consumption which stimulates local markets and benefits whole communities.

3) A sustainable basic package of cash transfers is affordable within current resources of governments and international development partners.

Livingstone Call for Action:

- Greater cooperation between African and other countries in sharing and exchanging information, including experiences and action, on social protection and cash transfers.
- Cash transfer programmes to be a more-used policy option by African governments. Transfer programmes include social pensions and regular cash transfers to vulnerable children and households, older people and people with disabilities.
- Commitment at national and international levels to social protection and to the promotion of consensus between ministries and institutional coordination, to enable effective national plans.
- African governments to prepare costed cash transfer plans within two to three years that are integrated into national development plans and national budgets, which development partners can supplement.
- Increased investment in institutional and human resource capacity and accountability systems.
- Reliable long-term funding for social protection, from national budgets and from development partners.
- The institutionalisation of biannual conferences on social protection supported by the African Union.

Livingstone, Zambia, 23 March 2006

The full wording of the Livingstone Call for Action is provided in the appendix.

Introduction

Background to the conference

The three-day Intergovernmental Conference on Social Protection held in Livingstone, Zambia, 20-23 March 2006, was organised by the Government of the Republic of Zambia in partnership with HelpAge International. It was co-hosted by the Government of the Republic of Zambia and supported by the African Union.

The meeting brought together more than a hundred ministers and senior representatives from 13 African governments (Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe). Representatives from Brazil, EU development partners, UN agencies and NGOs also participated in the meeting.

Purpose

The conference aimed to examine new ways of tackling poverty and promoting the human rights of the poorest people of Africa. By providing an international forum for policy makers to discuss direct action in social protection, the meeting aimed to identify measures which would both address social and economic inequality and contribute to economic growth.

A key goal was to support delegates to explore ways to fit and finance practical interventions at programme level into national poverty reduction and social protection strategies. In order to achieve this objective the conference aimed to examine the opportunities and challenges associated with establishing social cash transfer schemes.

The conference definition of social protection

'Social protection is a range of protective public actions carried out by the state and others in response to unacceptable levels of vulnerability and poverty, and which seek to guarantee relief from destitution for those sections of the population who for reasons beyond their control are not able to provide for themselves.'[1]

Socio-economic context

The meeting was a response to deep concern about continuing high levels of poverty in Africa and the likelihood that the Millennium Development Goals will not be reached by 2015. More specifically the conference responded to calls for development strategies to focus on social development, coming from the 1995 Copenhagen World Summit on Social Development and specifically within Africa from the 2004 Ouagadougou Outcome (Summit of African Union's Heads of States and Governments on Employment and Poverty Alleviation), and the African Union Social Policy Framework.

1 By implementing basic social protection, states and supporting international agencies fulfil international human obligations, as expressed in Articles 22 and 25 of the Universal Declaration of Human Rights.

The urgency of the situation was highlighted by recognition that development aid is not making enough difference to the lives of the poorest in Africa. An estimated 314 million African people live on less than US$1 a day.[2] This figure is predicted to rise to 366 million by 2015 .[3] These people are trapped in long-term intergenerational poverty where national economic growth rates do not translate into the reduction of poverty for the poorest. For example, Zambia has experienced an economic growth rate of 5.8 per cent over the past five years, yet levels of poverty remain the same or worse. Therefore policy responses to poverty in Africa must reduce poverty and tackle rising levels of income inequality.

Income inequality is linked to economic performance. Trends indicate that as the scale and depth of poverty increase, income inequality also widens between rich and poor people. At the same time the economic growth rate required to reduce poverty increases. Sub-Saharan Africa has the one of the highest levels of income inequality in the world, yet it has an economic growth rate which is only half the rate needed to reduce poverty by 50 per cent in the next ten years.

Income inequality also reduces poor people's ability to access basic social services, which is a right of all citizens. Current thinking suggests that well-coordinated social protection interventions in the form of regular cash transfer programmes will enable poor people to access education and health services. This will in turn support poverty reduction and promote development.

Some African governments have implemented basic social protection programmes, which provide valuable operational examples for others. Their experiences indicate there are practical and political challenges to scaling up to achieve more coverage and impact. Political will is seen as critical in ensuring the success and sustainability of social protection and cash transfers.

The African Union perspective

The African Union, which supported the conference, has a commitment to 'mainstream sound and sustainable social development in which people are at the centre and are beneficiaries'. It believes social protection is fundamental to this process. At regional level the African Union is engaging in international dialogue and developing a continental Social Policy Framework. This will focus on promotion of human rights, social protection and cash transfers.

The guiding principles of the African Union are based on human rights, the rule of law, good governance and enhancing the living conditions of the African people. The African Union mission therefore is to promote sustainable development at economic, social and cultural levels which ensure respect for the individual and collective rights of persons within the context of universal values and the peculiarities of Africa's human and people's rights. In this context, reducing poverty, ensuring the welfare and well-being of the African people, in particular the excluded and vulnerable groups, and narrowing the inequality gap remain among the priority activities of the AU Commission. In this regard, social protection and social benefits are major components to be addressed.

The African Union's drive for national social protection strategies and planned interventions reflects research that indicates the potential positive impact of these measures. Findings suggest that securely financed, basic social protection delivered by the government, including regular cash transfers, is an under-used policy

2 HelpAge International, *A transformative agenda for the 21st century: Examining the case for basic social protection in Africa*, HelpAge International, March 2006

3 HelpAge International, *A transformative agenda for the 21st century* option that can reduce poverty and stimulate economic growth. Social protection measures also improve each state's accountability to its citizens, and support the social and cultural rights of the poorest.

The African Union has already embarked on a number of initiatives to implement its mission. Commitments have already been made at various fora by heads of state and government to improve living conditions of vulnerable groups, through better social protection services including improved pensions, health and other social security schemes. The African Union has also developed a number of frameworks and plans of action to guide member states when formulating national policies and programmes for the benefit of their citizens, especially vulnerable groups.

Outcomes of the African Union's efforts to promote social protection include policy frameworks such as the African Union Policy Framework and Plan of Action on Ageing, a Plan of Action on the Family in Africa, a Common Position and Plan of Action on an 'Africa Fit for Children', a Framework and Plan of Action on HIV/AIDS, Tuberculosis and other Related Infectious Diseases, and a Strategic Plan on HIV/AIDS. The AU Social Affairs Commission continues to pursue its advocacy role to ensure that governments translate these commitments into concrete actions.

Conference organisation and content

The conference aimed to achieve maximum exchange of ideas and discussion. Detailed preparation was undertaken to enable this, including national-level 'roundtable' discussions and written responses to questions by invited governments on their experiences and analysis of social protection programmes. Roundtable discussions were held in Ethiopia, Uganda, Kenya, Mozambique and Tanzania. Written responses to the conference questionnaires were received from Ethiopia, Ghana, Kenya, Madagascar, Zambia and Zimbabwe.

All conference delegates received supporting materials including an outline of the issues to be addressed by the conference, studies on costing and impact of social protection and cash transfer schemes. These were provided by the International Labour Organisation (ILO), Department for International Development (DFID) of the UK Government, HelpAge International, Save the Children and the Institute of Development Studies UK. Information on the pilot cash transfer scheme of Kalomo was provided by Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ). The Government of Zambia provided an update on the Zambian social protection strategy and Drivers for Change study.

Day one: The conference received presentations from senior policy makers. His Excellency, Levy Patrick Mwanawasa SC, the President of the Republic of Zambia, presented the opening address.

The keynote address by Advocate Bience Gawanas, Commissioner, Social Affairs, African Union, was delivered on her behalf by Dr Kamal Esseghairi, Director, Social Affairs, African Union. Ministers and heads of delegations of participating countries shared their views on social protection.

Delegates provided the following presentations:

- The national strategy for growth and poverty reduction (MKUKUTA), Tanzania
- The old age pension in Lesotho
- Cost and affordability of basic social protection packages (ILO)
- Making the case for social transfers in fighting poverty and social protection (DFID, UK)
- An emerging social protection strategy (Zambia)
- Review of the results of a Drivers for Change Study on Social Protection (Zambia)
- The design and impact of the Kalomo Pilot Social Cash Transfer Scheme (Zambia).

Delegates from Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mozambique, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe each made statements on social protection issues in their country. (Summaries of participant countries' experiences of social protection interventions are provided in table on the following pages.) Delegates from South Africa, Namibia and Brazil each provided commentaries on their country's experience of social protection programmes.

Day two: A full-day field trip was made to the Kalomo Pilot Cash Transfer Scheme. This exposure trip enabled conference participants to meet the managing officers, volunteers and approximately a hundred beneficiaries of the scheme at their homesteads. This provided an inspiring example of social cash transfers in action. Delegates witnessed how basic cash transfers can be delivered regularly and to great effect to very poor people. It also gave an insight into the depth of poverty of the target group, as well as the successes and challenges of running the scheme.

Day three: The day focused on reflection and analysis to support action at national and regional level. A plenary discussion was facilitated on the Kalomo scheme. This centred on the opportunities and challenges involved in scaling up the scheme as part of the Zambia National Social Protection Strategy. The visit and discussion provided a valuable and energising learning experience, which has the potential to inform action in delegate countries.

Delegates formed four working groups to discuss key conference issues:

- What can be learned from pilot schemes to support scaling up to national coverage?
- How can we move towards predictable financing for social protection?
- How can basic social protection be integrated into poverty reduction strategy papers and national development plans?
- What are the key lessons to be learned, unresolved issues and useful experiences from this meeting and from African experiences regarding social protection?

In the final plenary session, conference members jointly drew up the Livingstone Call for Action. Importantly, delegates committed to take action on each point set out in this document. (The full wording of the Livingstone call for action is provided in the appendix.)

Assessing the way forward: challenges and opportunities for social protection in conference countries

Country	Types of social protection initiative described	Beneficiaries	Concerns	Future steps
Ethiopia	Productive Safety Net Programme (PSNP) consisting of food (30%) and cash transfer. Largest of its kind in Africa. Run by the Ministry of Finance and Economic Development. Co-funded by the government, the World Bank and DFID.	8.4 million food insecure people, including children, older and disabled people and women.	Leaves out large numbers of vulnerable people in areas not designated food insecure. Lack of clear criteria to target beneficiaries. Low institutional capacity.	Need to develop criteria-led inclusive social protection interventions nationwide, including cash transfers, building on evidence gained in PSNP.
Kenya	Food and cash transfers. Run by the Ministries of Home Affairs and Gender. Co-funded by the government and various donors, including DFID and UNICEF.	Vulnerable groups: prioritising households affected by HIV and AIDS, drought and food insecurity.	Emphasis is on interventions that are linked to growth rather than equality and social justice, leading to under-investment in social protection programmes.	Understanding of social protection needs to change so social protection is recognised as an investment. One national policy framework needed to coordinate variety of social protection initiatives.
Lesotho	Cash transfers via a social pension. Implemented by the Ministry of Finance and Development Planning. Financed through national revenues.	72,000 citizens aged 70+.	Age of beneficiary should be lowered and size of cash transfer increased.	Progressive fulfilment of government commitment to increase transfer in line with poverty reduction and human rights commitments and country's economic capacity.

Country	Types of social protection initiative described	Beneficiaries	Concerns	Future steps
Madagascar	Some conditional cash transfers within wider social protection strategy. Emphasis of social protection strategy to support children and women to access education, health services and public work programmes. Overall management by the Ministry of Population and Social Protection. Mainly funded by external sources: International financial institutions, the UN and bilateral agencies.	Chronically poor children and women with some emphasis on other vulnerable groups.	Large numbers in poverty and therefore partial coverage of interventions. Lack of coordination between ministries and lack of joint evaluation of impact. Poor resourcing.	Secure public support and political will for increased financing. Secure increased and long-term funding from government and development partners. Develop partnerships with civil society.
Malawi	New poverty strategy includes targeting free and subsidised social support through nutrition, education and some cash transfer as well as public works programme for vulnerable groups.	Vulnerable groups including older, disabled and unemployed people and malnourished women and children.	High poverty rates and vulnerability of poorest to environmental shocks including famine. Donor dependency and insecure and unsustainable funding for social protection. Inadequate institutional capacity to implement programmes.	Build up political will to secure greater investment in programmes and institutional capacity. Build on national experience of programme implementation to scale up.

Assessing the way forward: challenges and opportunities for social protection in conference countries (continued)

Country	Types of social protection initiative described	Beneficiaries	Concerns	Future steps
Mozambique	Scaled up version of food subsidy scheme, given through cash transfers. Targeted work programmes and support to HIV-affected households. Implemented by the Ministry of Women and Social Action through the National Institute of Social Action. Financed by the state budget.	Vulnerable groups—prioritising women and their lifelong role in childcare, HIV and AIDS affected households and orphans, and older, disabled and unemployed people.	Logistical challenges in reaching women across the life-span. Post-conflict issues including supporting generation of income. Generalised chronic poverty.	Develop practical criteria and delivery mechanisms to reach prioritised vulnerable groups. Promote effective national coordination systems. Need for national social protection strategy.
Rwanda	Some local pilots of cash transfers targeted at the socially excluded. Targeted funding of education and basic health.	Programmes are directed at families of survivors of genocide. Other vulnerable groups targeted include indigenous and disabled people.	Poverty levels affecting 60% of the population. Size and dispersed geographical location of socially excluded population. Generalised poor access to primary education, healthcare and shelter.	Increase coverage of social protection interventions to socially excluded groups. Prioritise primary education, healthcare and shelter. Continue testing mechanisms for effective cash transfers.
Tanzania	Some cash transfers. Targeted social protection for older and disabled people and HIV-affected households is within one of the four pillars in the National Strategy for Poverty Eradication and Growth (MKUKUTA). Social protection also includes improved access to education and a number of other initiatives.	People who are in a state of 'generalised insecurity'. Vulnerable groups include older and disabled people, women and orphans.	Convincing policy makers and the public that funding social protection and cash transfers has greater impact on economic growth and poverty reduction than investment in infrastructure. Lack of national social protection strategy to support implementation of social protection aims in national development plans.	Develop national strategy for social protection with all relevant stakeholders including civil society. Build capacity to implement and supervise programmes within existing institutions. Clarify roles of stakeholders including government, civil society and development partners.

Country	Types of social protection initiative described	Beneficiaries	Concerns	Future steps
Uganda	Targeted social protection is contained within the Poverty Eradication Action Plan (PEAP). The focus is on free primary education, improved access to health services, conflict resolution initiatives and credit for poor women.	Poor people, with a focus on women, conflict-affected people and HIV and AIDS affected households.	Ensuring that the benefit of social protection investment is understood as taking forward poverty eradication commitments. The need to improve effectiveness of current social protection actions and ensure coordination between different approaches and programmes. Government needs to clarify its position on the role of cash transfers within the social protection programme.	Take forward work on a national strategy on social protection and link it to the new Poverty Eradication Action Plan. Implement the Northern Uganda Social Action Fund. Remove cost-sharing at health centres. Conduct innovative pilot schemes to support evidence and political will.
Zambia	Cash transfer—the Kalomo pilot cash transfer scheme. Cash transfers are reflected in the recently agreed Social Protection Strategy. Implemented by the Public Welfare Assistance Scheme of the Ministry of Community Development and Social Services. Funded by German development aid through GTZ.	Cash transfers target the poorest 10 per cent of the population and households unable to participate in labour-based poverty reduction initiatives. Community-based selection. Recipients are older people, children, disabled, child and female-headed households.	Scaling up Kalomo nationwide requires investment in key institutions. The need to evaluate different forms of cash transfers and their effectiveness in relation to other transfers (such as food) and subsidies. The need to streamline administration of cash transfer systems.	Input into capacity building. Securing long-term finance and building political will at highest levels of government. Work with development partners to build evidence and evaluate types of cash transfer schemes through pilots and scale-up nationally Work with development partners to establish capacity building programmes.
Zimbabwe	Targeted access of poor people to basic education, food and public works programmes. Some cash transfers.	Vulnerable groups including women, children, disabled and older people.	Public works programmes receive more emphasis than cash transfer interventions.	Build political will and frameworks to develop and finance integrated social protection strategy.

Source: Country presentations made by government delegates at the conference. More detailed information for each country is available on the accompanying CD Rom.

'The influx of cash, even in modest amounts… leads to the generation of local markets with the resulting positive economic multiplier effects.'

The President of the Republic of Zambia

Conference discussion

The conference addressed three key areas:

- Examining the case for social protection
- Barriers to providing effective social protection
- Future action.

Examining the case for social protection

The conference recognised that the political will of national government is a critical factor in the successful planning and implementation of social protection schemes. This factor was a key reference point in both full conference discussions and group work. In order to make political will robust enough to lead effective action, governments require a clear case that explains why social protection should be given priority and what the resulting benefits for the economy will be.

This priority led the conference to examine the following factors in the case for social protection.

The link between social protection and economic growth

Both the opening address from His Excellency, Levy Patrick Mwanawasa SC, the President of the Republic of Zambia and following keynote presentations highlighted the arguments and evidence for the link between economic growth and social protection. Additional speakers referred to the example of OECD countries' experiences, where social protection policies since 1945 have led to poverty reduction, improved living standards, enhancement of human capital and social cohesion, in turn leading to growth and development throughout Europe.

The African Union noted that where social protection interventions have been introduced in African countries there have been similarly positive outcomes, with targeted inputs providing the means for poor people to invest and be self-sufficient. Evidence from Lesotho, Namibia, South Africa and Zambia has pointed to the positive, economic multiplier effect of cash transfers. In many cases cash transfers have been put to effective social and economic use, particularly by older women.

The conference noted contributions from delegates that underlined the dual impact of social protection measures, including cash transfer interventions. In these cases poverty reduction and improved social cohesion are often accompanied by increased purchasing power which not only supports beneficiary households but may also benefit the local economy.

Participating government delegates agreed it is necessary to maintain a balanced view towards social protection and cash transfers. The idea that social protection is a sign of a government's commitment to the poor, the wellbeing and the rights of all citizens must be held alongside the notion that social protection is also a mechanism for national investment. Social protection should be viewed as government expenditure which has the potential to make a contribution towards growth.

Five reasons for social protection interventions in Africa

1. No meaningful and sustained economic growth can be achieved in the absence of social protection. At the same time, economic growth is necessary to make possible the financing of social protection programmes.
2. Social protection contributes directly to poverty reduction by providing direct transfers to people with no immediate capacity to support themselves.
3. The influx of cash, even in modest amounts, in local communities leads to the generation of local markets with the resulting positive economic multiplier effects.
4. Social protection promotes equity by reducing income inequalities. Inequality if not seriously addressed can be a fertile ground for political upheavals, crime and other anti-social behaviour.
5. Social protection leads to the fulfilment of human rights of the most vulnerable by providing services that strengthen and secure their access to basic human rights and freedoms … Social protection is a very efficient vehicle for providing social justice to every member of our society.

His Excellency, the President of the Republic of Zambia,
Mr Levy Patrick Mwanawasa SC, 21 March 2006

‘Social protection is also a human rights issue… for the most disadvantaged …to have access to the basic necessities of life and an income to enhance their livelihood.’

African Union keynote address to the conference.

The link between social protection interventions and promoting human rights

Most African governments are signatories to the Universal Declaration of Human Rights (1948). The Declaration states under Articles 22 and 25 that each person has the right to a standard of living adequate for the health and wellbeing of themselves and their family. It also specifies the obligation of each government to promote, protect and fulfil this right by providing social security for all. Group discussion at the conference led to a call for raising citizens’ awareness of their rights so that they can demand accountability from governments and advocate for social protection measures. The Universal Declaration of Human Rights therefore provided a reference point for conference discussion.

Presentations by the African Union and senior government representatives and debates throughout the conference, emphasised the link between social protection and national and international agendas for growth and human rights. The conference supported the idea that social protection offers an alternative mechanism for the state to address its human rights obligations to its citizens. The conference welcomed this alternative approach, given each country’s experience of years of development inputs that have not significantly impacted upon the lives and rights of the growing numbers of chronically poor. Delegates provided written materials and oral examples of worsening poverty levels, income inequality and social problems and the associated challenges they face in providing people’s basic rights. HIV/AIDS and the intergenerational impact of the pandemic were seen as key factors which intensify the problem.

‘The poorest countries can afford modest cash transfers with assistance received from various sources.’

African Union delegate

The link between social protection and the achievement of the Millennium Development Goals

The conference raised awareness that social protection interventions would contribute to each government’s efforts towards achieving most of the Millennium Development Goals (MDGs). In addition, an MDG-led approach to tackling poverty helps guide and focus relevant social protection interventions. Discussion raised awareness that it is vital for national poverty data to be systematically collected to support an MDG-led approach. Information disaggregated by age, ethnicity, disability and gender, as well as by household structure and degree of poverty experienced, gives a clearer picture of the levels of poverty which MDG-targeted programmes need to address and the role of social protection and cash transfers in those planned responses. This disaggregated information is also useful to governments in a range of national planning uses beyond social protection delivery.

The potential impact of social cash transfers

As the conference progressed the potential of social cash transfers, or the regular and predictable allocation of small amounts of cash to targeted groups, became increasingly recognised and attracted the conference’s keen support. Social cash transfers were seen by the conference as a currently under-used and affordable intervention that addresses both poverty and the rights of the poor with notable levels of impact.

The representative for the African Union supported social protection and social cash transfer interventions by reminding the conference that the Ouagadougou Plan of Action, approved by Heads of State in September 2004, commits member states to improving the living conditions of older people through increased pensions, alongside health and other social security schemes.

Lesotho leads on a universal social pension for older people

In 2004 Lesotho introduced a pension for people aged 70 and over. The pension reaches 3.6% of the country’s 2.1 million population. This initiative was a direct response to the finding that despite the government's commitment to a rights-based approach to development, practical social protection interventions were not affecting many older people, many of whom are primary carers of orphaned children.

Supported by political will at the highest levels and integrated into government strategic and administrative frameworks, a regular cash transfer system has been established which reaches many of the targeted beneficiaries. This is important for the quality of life of the recipients, but it is significant for wider society too, as so many older people care for children.

National debates currently raise questions over the amount given and who should be eligible, and there is commitment in principle to look at increasing the cash transfer and widening eligibility by reducing the age to 65. Government and civil society are working together to evaluate delivery mechanisms and impact. Emerging evidence is heartening: findings already suggest positive impact not only on the recipients but also beneficial impact on the local economy and community.

Conference participants agreed that social protection in the form of cash transfers should be an integral part of development policy that prioritises basic service provision. Important research by DFID (UK) in 2006[4] shows that national investment in health and education will be more robust if there is parallel investment in national cash transfer schemes. Cash transfers give poor people the means to take up these services. The DFID study provided useful information and offered a new way of analysing policy in basic service provision.

The conference felt strongly that a precondition for success is the need for social protection and cash transfer interventions to be incorporated into national development plans, with appropriate budgetary resources. Clear links need to be made at policy level between support for the poor in terms of health, education and other basic service provision and regular and predictable cash transfers. By demonstrating that cash transfers enable marginalised people to access health and education services, appropriate funding is more likely to be allocated.

'You will see that the majority of the expenditure is mainly either consumption [or] most importantly education, but then this leads to investment.'

Mr Walumba, Provincial Social Welfare Officer, Zambia

Bringing cash transfers down to earth: Haatantala's story

Haatantala is 72 years old and lives in the village of Kazikili in Kalomo District in Zambia's Southern Province. He has outlived his wife and many of his children. He lives alone in a small mud house in large open fields of tall grass. For the first time in a few years his house is surrounded by a small field of maize. He says the plot will provide him with enough maize to last at least until November of next year.

In May 2004 Haatantala qualified for a cash transfer from the Ministry of Community Development and Social Services (MCDSS). This now provides him with a regular income of K30,000 (US$6) per month. He has used this money to buy seed and hire some local labour to plough and cultivate his maize field. When asked why he chose to invest his money in farming rather than use it immediately to buy food, Haatantala looks proudly at his field and says that it is only by growing his own food that he can be sure he never again has to beg from his neighbours to survive.

Barriers to providing effective social protection

Social protection has not been mainstreamed into national development strategies and this is the key barrier to effective implementation of social protection measures. Without a mainstreaming approach, social protection has not been automatically integrated into poverty reduction, food security, development plans or the furthering of human rights in most African countries. Conference delegates identified the four barriers to national-level integration.

Barrier one: negative perceptions of social protection interventions and cash transfers

Participants recognised that most development schemes do not focus their support on the poorest. This is partly because of negative perceptions about directing social protection interventions and particularly cash transfers towards vulnerable groups, which are not seen as having economical potential. Most development

4 Chapman K, *Using social transfers to scale up equitable access to education and health services*, background paper, Policy Division, DFID, January 2006

‘Cash transfers should not be deemed as “handouts”.’

The President of the Republic of Zambia

initiatives therefore are biased towards the ‘productive’ sections of the population. Zambia, the host country, offered the example of the Zambia Programme against Malnutrition (PAM), which targets ‘vulnerable but viable’ households that are estimated to have sufficient human capital to turn transfers of inputs into directly productive efforts. As in many African countries, there is not yet a national programme in Zambia for those many households that need long-term external support to achieve even basic consumption levels.

In most African countries, targeting the poorest with social transfers is perceived as difficult because of the lack of agreement on priority groups and competing ideas on the type of transfer that is most useful to them. For example, in Ethiopia, which has the largest food security programme in Africa, there is recognition that the current scheme does not reach the ‘enduring vulnerable segments of society’ in those areas not designated as food insecure, such as disabled people, older people, children and mothers. The conference acknowledged that the decision to provide support in either food or cash depends on local circumstances and changing factors, which present both analytical and administrative challenges. Nonetheless the conference agreed that in most cases cash transfers were likely to be the more flexible and easily administered option.

As national programmes of social protection and cash transfers are not currently widespread, the available information comes from standalone programmes which are often financed in response to external shocks, such as floods or drought, or heightened vulnerability associated with HIV/AIDS. The conference felt that perhaps part of the negative perception comes from national experience of social protection schemes and cash transfers associated with situations of extreme insecurity, which have generated concern that cash inputs may create dependency on ‘handouts’ at household level and donor dependency at national level. However, the idea that transfers create dependency was challenged at the conference. It was argued that poor people are in fact able to invest transfers wisely, that they are concerned about the future, and indeed that the poorest should be able to depend on basic welfare, if the welfare system is working properly. The conference recommended that evidence needs to be provided on how poor people invest cash for the economic advancement of themselves and their dependants. This would help overturn the prevailing opinion that local and national social protection schemes only have a ‘welfare’ approach, and raise awareness of the associated impact on local economies and economic growth.

Delegates agreed that a first-hand experience of cash transfer schemes in action would give policy makers and planners an unbiased perspective of impact. Exposure to functioning schemes and dialogue with stakeholders at all levels may make decision makers more likely to implement national schemes that target the poorest. For example the conference visit to the Kalomo Pilot Social Cash Transfer Scheme underlined to delegates the destitution that individuals experience and the enormous impact that even small regular cash transfers can have on the living conditions of very poor people. This exposure reinforced the idea of the dual responsibility of governments to support social and economic development. This is compatible with the dual potential impact of social cash transfers: the promotion of economic growth and regular support of the most vulnerable people.

Barrier two: competing demands for national investment

The conference recognised that competing demands on national budgets and financial constraints have prevented most governments and donors from making long-term financial commitments to social protection programmes.

The Minister of Gender, Labour and Social Development, Uganda, captured the concern of many government delegates when she suggested that the ever-present fear of the cost of social protection programmes makes them unattractive. In response the African Union representative proposed that social protection interventions are affordable with a mix of national revenue and external assistance.

A series of presentations and statements supported this view:

- Mozambique and Lesotho implement social cash transfer schemes that are entirely financed by their national budgets. Lesotho's social pension reaches all citizens aged 70 and over at a cost of 1.4 per cent of the national budget.
- Scaling up the Kalomo Pilot Social Cash Transfer Scheme in Zambia to cover the 10 per cent poorest households nationwide would cost an estimated US$21.6 million per year. This is equivalent to 0.3 per cent of GDP and 1.3 per cent of the 2005 budget. If the country chooses to introduce a universal social pension pegged at the same level as the household transfer it would cost a similar amount.
- The ILO modelling exercise for seven African countries estimates that a combination of child benefits, universal social pensions and a disability grant would reduce poverty rates up to 50 per cent and would cost between 3 and 7 per cent of GDP depending on the country. The model also suggests that to achieve the full combination of benefits suggested, aid would initially be required to fill the financing gap, but that as schemes take off, national financing would steadily be able to absorb the costs.
- DFID (UK) estimates that social cash transfers of US$0.5 per person per day to 10 per cent[5] of the population would in most African countries cost less than 3 per cent of GDP. This could be delivered initially by a social pension within existing national budgets. At the same time the expansion of social protection made up by a package of national transfers, including child and disability transfers, could be part of aid discussions.

These presentations provoked lively discussion and participants were keen to gauge how far donors and other development partners would be willing to enter into long-term funding agreements for social protection programmes. Delegates noted that in the past donors had difficulties in making long-term commitments and preferred a project approach with a clear exit strategy. The conference noted that nationally scaled-up cash transfer schemes are permanent commitments and require predictable funding from state and development partners. The conference identified two factors which appear to stand in the way of significant longer-term external funding:

- the unpredictability of donor 'fashions'
- the current World Bank and IMF advice against increased social spending by African governments.

While these factors are significant, there were conference contributions that injected some hope.

'We are challenged to demonstrate that one billion dollars spent on cash transfers has as much impact as one billion dollars spent on infrastructure.'

Tanzania country presentation

5 Though potentially more than 10 per cent of the populations of many countries may need transfers.

'We now see social protection as a basic human right, a helping hand in times of need, something we fought for very long and hard in British history.'

Rt. Hon. Hilary Benn MP, UK Minister for Development Cooperation, Millennium Summit Review, 15 September 2005

Firstly, participants were pleased to learn that the DFID (UK) White Paper on Development Cooperation commits the UK Government to significantly increase spending on social protection in ten countries in Africa and Asia by 2009, and to work with European partners and national governments in Africa to double to16 million the number if people moved from emergency relief to long-term social protection programmes by 2009.[6] Secondly, the conference learned that social protection is 'coming up the agenda' in EU development policy. This increasing focus has been influenced by the recent Commission for Africa recommendations concerning 'investing in people',[7] which is a cornerstone of EU policy towards Africa, and supports emphasis on social protection in tackling poverty and social exclusion in EU member states.

The conference recognised that for social protection programmes to have sustainable impact, governments must make a long-term national commitment. For most countries such a commitment would not be realistic without negotiating long-term co-financing agreements (10 to 15 years). These funding partnerships will enable national governments to set up cash transfer schemes that can be scaled up progressively, funded by a mix of external and internal revenue. The conference therefore noted that a vital early step is to engage the support of ministries of finance for social investment through cash transfers.

During discussion the conference acknowledged that among the wide range of development partners there are varying views about social protection. Representatives of development partners therefore highlighted the importance of securing dedicated support for social protection within donor strategies for poverty reduction.

Overcoming obstacles to prepare the way for change

In 2005 the Government of Zambia completed the Drivers for Change social protection study to facilitate the development of a coordinated social protection programme giving national coverage. Part of this work necessarily examined the barriers that stand in the way of progress. The obstacles identified by the study are:

- Lack of government ownership of social protection programmes, which are often seen to be driven by development partners.
- Too much emphasis on interventions that generate economic growth or support those who are perceived to be the 'deserving' poor, while excluding other vulnerable groups.
- Lack of understanding among many decision makers of the persistence and day-to-day reality of poverty, vulnerability and inequality.
- Lack of understanding among government and civil society that social protection programmes can be an investment tool for economic growth alongside furthering human rights.
- Lack of the institutional capacity of government departments to cope with social protection interventions.

6 Department for International Development, *Eliminating world poverty: Making governance work for the poor, A white paper on Interntional development,* July 2006 http://www.dfid.gov.uk/wp2006/default.asp

7 Commission for Africa, 'Leaving no-one out: Investing in people', *Our Common Interest: Report of the Commission for Africa*, Chapter 6, March 2005

Barrier three: the lack of national disaggregated data on poverty and vulnerability

Conference discussion was influenced by an understanding of both the need for and the challenges involved in gathering national data on poverty. The first MDG, which targets eradicating extreme poverty and hunger, sets a goal of reducing the proportion of the absolutely poor, who live on less than US$1 a day, by 50 per cent. This has guided government policy discussions to focus on a 'headcount' based on MDG indicators to give some basic statistics to guide interventions. Policy makers and statistics offices do what they can in difficult circumstances to monitor the percentage of absolutely poor people according to these poverty baselines.

However, governments face the challenge of needing disaggregated poverty and vulnerability data in order to develop targeted social protection interventions. Aggregated statistics need to be broken down into categories of age, disability, ethnicity, and also with reference to household structure and household poverty. In Kalomo, for example, disaggregation was done by distinguishing between 'moderately poor' households and 'ultra-poor' households, and between 'low dependency rate' households and 'high dependency rate' households.[8] Data need to be assessed, using, for example, social budgeting analysis, to provide meaningful and accurate information to planners, so that they can develop responsive poverty reduction programmes that allocate resources to the most vulnerable. Without this level of data, policy makers are unable to identify the most vulnerable and marginalised and there is increasing recognition that past and current development packages have mostly failed in this respect.

Delegates in both open forum and focus groups considered the growing number of marginalised people who experience 'enduring vulnerability', who include older people, children, women and disabled people. The conference recognised the need for governments to know the scope and nature of this extreme and chronic poverty which will involve developing a more extensive knowledge base, and importantly consulting with the poor.

More action research, dialogue about and investment in collecting disaggregated poverty and vulnerability data are therefore required. The conference agreed that directing support to the poorest should not only be a concern about greater economic productivity, but also an informed response to 'generalised insecurity' which prevents the poor from taking economic risks.

Barrier four: lack of institutional capacity

Participants felt that many governments lack administrative capacity and that this presents a key barrier to implementing countrywide social protection schemes and national cash transfer systems. Those ministries most closely involved with planning and delivering social protection schemes, such as ministries of finance and social welfare, would face the most pressure. The conference noted that social welfare ministries, in particular, often lack resources, skills and people, and that this under-resourcing has led to the fragmentation and lack of coordination of many current social protection interventions. This has often resulted in waste of money and effort, and failure to transform initiatives to a large-scale response, generating a widely held view that a social protection approach itself lacks potential.

8 Deutsche Gesellschaft fur Technische Zusammenarbeit (GTZ) GmbH, *Social cash transfers - Reaching the poorest: A contribution to the international debate based on experience in Zambia*, p. 17, July 2005

The conference agreed that institutional strengthening is necessary for many of the government departments mandated with social protection functions. These ministries and departments require reform and investment to develop the capacity of both people and systems in planning and implementation. Feedback from group work, in particular, identified the need for direct budgetary support to build national capacity to introduce systems that are not only efficient but enable sound governance, transparency, accountability and coordination in social protection programmes. Delegates noted the need for long-term support from development partners in the form of dedicated funding to overcome this obstacle.

The issue of pilot projects was raised again in the debate about capacity building. The conference concluded that independent pilot schemes which are not integrated into a nationally led approach do not contribute to government analysis and learning, and therefore do not support the improvement of systems or knowledge management in government institutions.

Where pilot projects are led by a government department, participants emphasised the importance of establishing clear processes for scaling up to national coverage. For example, the successful Kalomo project in Zambia models the potential impact of cash transfers, yet the challenge of scaling up remains an issue. Setting up a nationally endorsed system would involve discussion and agreement between relevant stakeholders at national and international level. The aim would be to reach consensus on the type of national schemes that would command both political support within key ministries, particularly a country's ministry of finance, and be resourced through national development plans. The challenge lies in demonstrating that investing in social protection delivers effective value for money.

Future action

From the three days of discussion delegates identified key steps that need to be tackled to promote a national approach to social protection programmes. Some of these are practical action points, while some take the shape of acknowledging that challenging issues still need to be discussed at national and international level before concrete action can be taken.

Taking action to integrate social protection into national policy, planning and funding

The conference in open forum and in group work identified the following practical steps to support social protection policy and implementation:

- Generating political will at the national and international level is necessary to support the delivery of national social protection programmes, which require long-term investment. The conference agreed that a key component of demonstrating a government's backing is legislation to support national schemes. This makes a practical reality of government commitment for its poorest citizens in line with a rights-based approach to development. A delegate from the Republic of South Africa supported this by informing the conference that social protection is a right backed by law in South Africa that can be, and is, claimed in court by citizens who are entitled to cash transfers.
- Where legislation is robust enough it can support efforts to translate words into a nationally led strategic approach. National 'ownership' generally leads to the

development of policy frameworks, budget processes and precise agreements and plans that coordinate functions such as the letting of contracts or approval of programmes by government. Central ownership can also facilitate the establishment of guidelines for implementing agencies. Political endorsement helps secure wide acceptance of the importance of social protection among stakeholders and the need to participate in a coordinated plan of action as cooperating partners.

- Inclusion in national planning and strategic policy frameworks is essential. At a macro-planning level poverty reduction strategy papers (PRSPs) or similar plans can be used to put social protection into a development context and ensure funding. Examples of inclusion of social protection in national poverty planning include the second generation of PRSPs in Tanzania, Uganda and Zambia. Zambia's forthcoming fifth National Development Plan (NDP) both includes and budgets for social protection.
- It is important to set up Sector Advisory Groups for Social Protection (SAG-SPs) which involve stakeholders from national to local level. Focus groups emphasised the need to include a full range of stakeholders to promote awareness of developing emergencies and social risk and guide relevant actions. The inclusion of social protection in Zambia's fifth NDP is largely the result of the work of a SAG-SP, established in 2004. Open discussion and feedback from group work therefore underlined that the formation of social protection advisory groups can be an effective way to ensure that social protection is integrated into national development planning. Mozambique and Uganda have formed such groups. In Tanzania the formulation of a national strategy on social protection will underpin action to secure funding and capacity building for implementation. The conference also focused on the Zambian experience which demonstrates the potential outcomes of a proactive approach to integrating social protection into national frameworks. The Zambia SAG-SP is chaired by the Permanent Secretary of the Ministry of Community Development and Social Services (MCDSS) and includes government, civil society and donor representatives. The SAG-SP is mandated to advise on sector related policy issues, mainstream social protection and monitor and evaluate implementation. It has drafted a National Social Protection Strategy which includes social cash transfers as a core component. Notably the SAG-SP is the institution that channels the results of the Kalomo pilot scheme and the lessons learned from other pilot activities into policy processes at national level.
- Action must be taken to ensure budgets are directly allocated to social protection interventions. Participants recognised that PRSPs and national social protection strategies only indirectly influence the allocation of government resources. Medium term expenditure frameworks (MTEFs) and annual budgets must make provision for social protection in order to make policy a practical reality. Therefore the ministry mandated with social protection must link closely with each country's Ministry of Finance in order to ensure that policy implementation is not held back by lack of funds. Effective resource allocation requires research and data on costs to enable macro-level plans to be translated into micro-level implementation. Focus group feedback recognised the value of monitoring and evaluation but called for adequate resources to be allocated to implementation as well.

'All that we do should be national in nature, so we encouraged national dialogue on the reformulation of the second PRSP, MKUKUTA.'

Dr Likwelile
Director of TASAF, Tanzania

> ‘The predictability of financing social protection [with] national consensus through a social protection strategy is key.’
>
> **Focus group feedback**

- Donor funds need to be integrated into policy frameworks and budgetary processes. Participants recognised that it is vital to ensure that appropriate levels of donor funding are allocated to social protection. Where donors provide general budgetary support these funds are integrated into the budgetary frameworks described above. Other less integrated forms of donor support are contributions to Sector Investment Programmes (SIP) where government and donors contribute to a ‘basket fund’. Zambia provided helpful insight again: here the Ministry of Finance, MCDSS, DFID and German Development Aid are negotiating a basket fund for scaling up social cash transfers from 3 to 60 districts during the five-year period of the fifth National Development Plan. This basket will not only include funds for transfers and administration but also for the costs for a substantial capacity building component. The fund is open for contributions from additional donors.

Taking steps to develop national capacity for implementation

Participants recognised that building national capacity to appropriate levels is a pre-condition for providing social protection schemes. The issues of low capacity in the government departments mandated with social protection functions and resulting fragmentation of efforts including schemes led by a number of actors, such as NGOs and development partners, had been well voiced in the conference.

Looking to the future, the conference identified two points to guide action:

- The conference agreed that social protection is a core government function and should be coordinated through government channels or institutions mandated by government. This is necessary to guarantee full national coverage as well as reliable and sustainable delivery.
- The conference recognised that capacity building and institutional strengthening are necessary to enable government departments to manage scaling up pilot initiatives to national level. In order to achieve this, donor funding is necessary to support capacity building and the conference agreed that funding packages should include components targeted at developing capacity to deliver social protection as well as providing funding for social protection itself.

Identifying the value of pilot projects

The issue of whether or not it is necessary to introduce pilot projects before scaling up to national level generated keen debate. Some delegates proposed that piloting is a valuable exercise because these projects provide information on the costs and benefits of specific social protection interventions, which will require policy decisions.

Pilot projects can provide vital learning on what is effective and what needs to be changed, while at the same time providing evidence of impact and acting as an advocacy tool to create the political momentum for scaling up to national schemes. The Kalomo project, for example, puts emphasis on methodical record keeping and impact measurement, and demonstrates that well-documented and publicised pilot programmes can create awareness and generate political will. Summary feedback from group work also indicates that a significant number of delegates believe pilot projects can perform a useful role in streamlining social protection approaches and promoting their incorporation into national strategic frameworks, policies and plans.

The Kalomo pilot project visit: experts at government and village level learn from each other

The conference visit to the Kalomo Pilot Cash Transfer Scheme led to genuine dialogue for development. Organised by the Government of Zambia, the day gave delegates the chance to witness the scheme in action, and talk to managers, community volunteers, village headmen and importantly the beneficiaries. This was not a managed series of presentations, but meaningful interactions between government-level experts in policy and planning and village -level experts in implementation. And no one is more expert about the impact of cash transfers than the recipients themselves, who described just how their lives had changed.

The day resulted in valuable outcomes:

- Heightened motivation. Delegates, who because of the nature and level of their work are often distanced from the day-to-day reality of extreme poverty, were deeply moved and motivated by seeing for themselves the impact of small regular cash transfers on the lives of destitute people. In turn, the project-level participants greatly valued the interest of the international delegates, and the recognition they received for their dedicated voluntary work.
- Reciprocal learning. The visit was characterised by transparency and honest exchange about what works and what needs to be improved. This led to knowledge sharing where each side welcomed ideas and was open to learning, yet recognised the need to select and adapt suggestions to fit local contexts and circumstances.
- Specific points. Conference reflections on the visit in open discussion and focus groups led to the following specific learning points to guide planning and implementation of future cash transfer projects:
  - Cash transfers need to be integrated into a social protection package alongside, for example, basic health and education services.
  - Ongoing monitoring of processes is needed to assess the effectiveness of implementation systems.
  - Ongoing monitoring of the impact of cash transfers is needed to assess amounts required to lift recipients out of destitution.
  - Ongoing assessment of eligibility is needed to ensure full coverage of vulnerable groups, for example carers of children.
  - Attending to logistical issues is necessary to ensure accessible services for recipients.
  - Capacity building in the implementing agency is vital. Staff need appropriate training and logistical support to enable them to do their jobs effectively and train others.

The Kalomo visit was recognised as a valuable component of the conference. The profound impact of raising awareness of the potential impact of cash transfers as well as knowledge sharing, led delegates to strongly recommend that visits to cash transfer schemes should be included in all future conferences.

‘Can we as Africans start with the Kalomo experience and really make a concrete agenda and meet regularly to see how we are progressing.’

Rwanda delegation

‘Pilots should be used to stimulate public debate…at political, technocratic and community levels, because if people don’t know they will not appreciate even when they are targeted.’

Focus group feedback

This idea of testing first was countered by other delegates who argued it is possible to launch nationwide social protection schemes without piloting first. The conference heard the experiences of Ethiopia and Lesotho in support of the non-pilot approach:

- Lesotho’s universal old age pension scheme was not piloted because older people are relatively easy to target, it was possible to deliver the pension through the Ministry of Finance and there was clear political will to deliver a universal and long-term transfer. A key issue for the Lesotho Government was ensuring the security of the transfers to beneficiaries rather than a question of administrative capacity. The conference welcomed the fact that studies of the use and impact of the Lesotho pension scheme will be made available to share learning.
- In the case of Ethiopia a large-scale programme, though not fully national, was implemented without a pilot scheme. Here targeting beneficiaries is done on the basis of location (food-insecure regions) and poverty levels.

Discussion led to identifying a number of factors which may indicate when piloting is not essential. These include having:

- a target group that is simple to identify
- a strong government-led mechanism for delivery on a national scale
- the political will of key stakeholders to support national-scale social protection interventions over the long term.

Some delegates suggested that systematic piloting before scaling up may be appropriate in circumstances where a comprehensive scheme targets all poor and vulnerable households, rather than one vulnerable group, such as older people, and where implementation is by an organisation with low capacity.

The conference also noted that scaling up involves a number of additional challenges to the initial phase for the implementing agency, so that directly transferring the piloted model to national roll-out is unlikely. Pilot programmes should therefore be viewed as multi-purpose tools for generating know-how, for training staff and for advocacy.

Learning lessons from pilot programmes

Although the conference identified circumstances in which pilot schemes may not be necessary, it is likely that many countries will adopt a pilot approach before scaling up to national social protection programmes. The conference therefore drew up a range of guidelines to support successful implementation of pilot projects:

- The key implementing agency should be a government department with the mandate for providing social protection, working in coordination with the Ministry of Finance, or operating within a government-controlled framework.
- Development partners, such as donor or UN agencies, consulting companies or NGOs should see their role as facilitators and funders. Where they are implementers, they should expect to work closely in partnership with and be fully accountable to governments, and be prepared to invest in capacity building.

- Each country must develop its own solutions. There are no blueprints on how to organise social protection. What works in one country may not work in another.
- Each country's circumstances are different and pilot programmes must take into account what is nationally, financially and institutionally possible in terms of scaling up. This will mean that the size of the target group and the volume of transfers have to be negotiated with the government, along with acceptable levels of administrative and logistical costs for the scheme.
- In order to allow administrative systems to cope, project design should be kept as simple as possible. Scaling up universal schemes based on agreed criteria, such as age, is simpler and less of a national administrative burden than complex means-tested schemes.
- Pilot programmes should be organised as a systematic, well monitored and documented learning process, and advocacy should be part of the scale-up process.
- Staff from all levels of the implementing institutions should be involved in order to build capacity at national level.
- Pilot programmes should be started as early as possible to ensure development of appropriate levels of know-how and capacity, for when funds for national roll-out become available.

‘One of the good things we can see is a small amount of cash can make a big difference to people’s lives.’

Focus group feedback

A summary of conference guidelines for social protection interventions

Over the three days of the Intergovernmental Conference on Social Protection, a range of guidelines and recommendations were proposed for implementing and developing social protection schemes, which are summarised here.

Social protection schemes should:

- Be national in coverage, and have national ownership at the centre.
- Receive committed political support from the highest levels of government.
- Form part of the national strategy to ensure robust economic growth which addresses income inequality.
- Be recognised as a means to empower citizens and be understood as a mechanism to further the human rights of the poorest.
- Be part of a national framework which ensures national standards of programme delivery and integration.
- Be supported with costing and impact analysis at national level, so that schemes can demonstrate affordability, and show how investment gives returns in poverty reduction, the furthering of human rights and improved economic growth.
- Ensure community participation in both national and local planning and delivery so that community participants can claim benefits and check corruption.
- Be a key means to ensure the effective participation of all sectors in the economy – government, civil society, NGOs, private and informal.
- Support local partnerships, and be open to strengthening and enabling traditional ways in which communities support vulnerable people.

These implementation guidelines complement the Livingstone Call for Action, which delegates drew up on the final day of the conference to galvanise their efforts at international and national level. The Call for Action is rooted in both the conference’s recognition that social protection is a basic human right as stated in the United Nations Declaration (1948) and in delegates’ general agreement on the following points:

1) Social protection strengthens the social contract between the state and citizens and social cohesion.
2) Evidence indicates that social cash transfers play a key role in both reducing poverty and promoting economic growth. As well as relieving suffering, cash transfers can increase human capital by helping families maintain health and educate their children. Transfers are also used for investment and consumption which stimulates local markets and benefits whole communities.
3) A sustainable basic package of cash transfers is affordable within current resources of governments and international development partners.

The Livingstone Call for Action

- Greater cooperation between African and other countries in sharing and exchanging information, including experiences and action on social protection and cash transfers.
- Cash transfer programmes to be a more-used policy option by African governments. Transfer programmes include social pensions and cash transfers to vulnerable children and households, older people and people with disabilities.
- Commitment at national and international levels to social protection and to the promotion of consensus between ministries and institutional coordination, to enable effective national plans.
- African governments to prepare costed cash transfer plans within two to three years that are integrated into national development plans and national budgets, which development partners can supplement.
- Increased investment in institutional and human resource capacity and accountability systems.
- Reliable long term funding for social protection, from national budgets and from development partners.
- The institutionalisation of biannual conferences on social protection supported by the African Union.

Livingstone, Zambia, 23 March 2006

AFRICAN UNION

INTERGOVERNMENTAL REGIONAL CONFERENCE

A transformative agenda for the 21st Century: Examining the case for basic social protection in Africa

20TH-23 MARCH 2006

SOCIAL PROTECTION - A TRANSFORMATIVE AGENDA

THE LIVINGSTONE CALL FOR ACTION

The Government of the Republic of Zambia co-hosted with African Union an intergovernmental conference on social protection from 21-23rd March 2006 in Livingstone. The event brought together ministers and senior representatives from 13 African countries, (Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe) together with Brazil, development partners, UN agencies and NGOs.

The conference discussed measures for protecting the poorest in Africa. The conference noted with concern the continuing high levels of poverty in Africa and the likelihood that the Millennium Development Goals will not be reached in the region unless development strategies incorporate direct action to enhance social development in line with the 2004 Ouagadougou Outcome (Summit of African Union's Heads of States and Governments on Employment and Poverty Alleviation), and the African Union social policy framework.

In his opening address, His Excellency, Levy Patrick Mwanawasa SC, the President of the Republic of Zambia, noted that social protection is a basic human right. Social protection directly tackles poverty, contributes to economic growth and stimulates local markets. The President also noted that providing social protection in the form of cash transfers is affordable in African countries with the resources currently available.

The conference heard a keynote address from the African Union Representative as well as overviews from Tanzania, Lesotho, Zambia, the ILO and DFID. The conference also heard presentations from individual countries' experience on social protection. The delegates also had the opportunity to visit the pilot Cash Transfer Scheme in Kalomo District.

The conference noted that:

- Social protection is both a rights and an empowerment agenda.
- The Universal Declaration of Human Rights and other human rights conventions establish that social security for all and social protection for the vulnerable is a basic human right.
- The guarantee of basic social protection strengthens the social contract between the state and citizens, enhancing social cohesion.
- Considerable evidence exists that cash transfers have played a key role in reducing poverty and promoting growth.
- A sustainable basic package of cash transfers is affordable within current resources of governments and international development partners.
- Transfers, when complemented with other social services, are a way to directly reduce poverty and inequality.
- Addressing generalised insecurity and inequality through social protection is proven to be an integral part of the growth agenda, particularly when provided alongside services promoting economic activity.
- The provision of cash directly to poor people enhances economic growth.
- Transfers are used for both investment and consumption.
- The provision of transfers increases human capital by helping people to keep healthy, educate their children, and support HIV/AIDS affected families.
- Transfers can stimulate local markets, benefiting whole communities.

Delegates called for:

- Greater cooperation between African and other countries in the sharing and exchange of information, as well as experiences and action on social protection and cash transfers.
- Cash transfer programmes, including the social pension and cash transfers to vulnerable children, older persons and people with disabilities and households to be a more utilised policy option in African countries.
- National and international commitment to social protection, and to the building of consensus within different Ministries and institutional coordination in order to agree national plans.
- African governments to put together Costed National Cash Transfer Plans within 2 to 3 years that are integrated within National Development Plans and within National Budgets, and that development partners can supplement.
- Increased investment in institutional and human resource capacity and accountability systems.
- Reliable long term funding for social protection, both from national budgets and development partners.
- The institutionalisation of a bi-annual conference on social protection under the auspices of the African Union.

Livingstone - Zambia, March 23rd, 2006

Key resources

Publications made available at the workshop

Age and security: How social pensions can deliver effective aid to poor older people and their families HelpAge International, 2004.

A transformative agenda for the 21st century: Examining the case for basic social protection HelpAge International briefing on workshop, 2006.

Can low income countries afford basic social protection? First results of a modelling exercise International Labour Office, 2005.

Making cash count: Lessons from cash transfer schemes in east and southern Africa for supporting the most vulnerable children and households Save the Children/HelpAge International/Institute of Development Studies (IDS), 2005.

Social transfers and chronic poverty: emerging evidence and the challenge ahead Department for International Development (DFID), 2005.

Social cash transfers - Reaching the poorest Deutsche Gesellschaft fur Technische Zusammenarbeit (GTZ), 2005.

Further resources

Aid for Africa and the case for cash transfers HelpAge International, August 2006.

Age and security: How social pensions can deliver effective aid to poor older people and their families HelpAge International, 2004.

Cash transfer programmes in Brazil: Impacts on inequality and poverty United Nations Development Programme, International Poverty Centre, 2006.

Designing and implementing social transfer programmes Economic Policy Research Institute (EPRI), 2006.

Non-contributory pensions and poverty prevention: A comparative study of Brazil and South Africa HelpAge International, 2003.

Why social pensions are needed now HelpAge International, 2006.

Websites

Pension Watch HelpAge International survey on pensions: http://www.helpage.org/Researchandpolicy/Socialprotection/Pensionwatch

International Labour Organisation Pensions web page: http://www.ilo.org/public/english/protection/secsoc/areas/policy/pensions.htm

International Poverty Centre (IPC), UNDP IPC resources: http://www.undp-povertycentre.org/ipcpublications.htm

Governance and Social Development Resource Centre Resource page on social protection for DFID materials: http://www.gsdrc.org/go/topic-guides/social-protection

Institute of Development Studies, Centre for Social Protection IDS research on social protection and related resources: http://www.ids.ac.uk/ids/pvty/pvsocprottheme.html

Social cash transfer scheme, Kalomo, Zambia The Ministry of Community Development and Social Services (MCDSS)/ GTZ Social Safety Net Project Kalomo cash transfer scheme: http://www.socialcashtransfers-zambia.org

African Union Website of the African Union: http://www.africa-union.org

All of our publications are available free to download or order from our website:

www.helpage.org

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