PROGRESS AND UPDATE OF THE SOCIAL CASH TRANSFER PROGRAMME IN ZAMBIA

SUBMITTED TO THE COMMITTEE ON HEALTH, COMMUNITY DEVELOPMENT AND SOCIAL SERVICES

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START
The Policy Monitoring and Research Centre (PMRC) is a public policy research think tank whose vision is “Unlocking Zambia’s Potential”.

**PMRC STATED AIM**

- Producing high quality, relevant and timely public policy analysis, delivery monitoring and reform proposals.
- Promoting and encouraging informed public debate on critical social and economic policy issues critical to national development.

To deliver its mandate, PMRC works with, and leverages from the programmatic, information, communication and outreach networks of various institutions and organisations. These include governmental, civil society and citizen groups. This approach of collaboration has enhanced PMRC’s relevance to national development through awareness of public policy.
PRESENTATION OUTLINE

- Introduction
- Overview of the Social Cash Transfer programme
- Sustainability of the Programme
- Strengths and Weaknesses of the Programme and
- Recommendations on the way forward to successfully implement the programme.
INTRODUCTION

The Social Cash Transfer programme was adopted to be one of the major social protection interventions whose aim is to continuously reduce extreme poverty in Zambia. The Program is among other social protection initiatives such as the Public Welfare Assistance Scheme (PWAS) which involves in kind transfers to the needy and the Food Program Management which is the provision of food to vulnerable households. These programmes implemented by the Ministry of Community Development and Social Services (MCDSS) for Incapacitated households.

The main aim of these programmes is to;
- Provide and promote quality social welfare services
- Alleviate poverty
- Reduce destitution
- Promote family values and
- Reducing juvenile delinquency.
OVERVIEW OF THE SOCIAL CASH TRANSFER PROGRAMME

ELIGIBILITY CRITERIA

Beneficiaries of the SCT must:

A person over 65 years or an individual with a severe disability (determined by disability assessment), and resident in the community for over 6 months.

The Ministry selects beneficiaries through a harmonized targeting model. Beneficiaries are assessed by the eligibility criteria and capsized through the process outlined;

1. Community Sensitisation Community Welfare Assistance Committees (CWACs) make the community aware of the programme and eligibility criteria.

2. Beneficiaries (opt-in) Those individuals or groups, who feel that they are eligible, report to SCT ‘desk’ that is set up within their community.

3. Living Conditions Test Information about potential individual beneficiaries is entered into the SCT Management Information System (MIS) to conduct a living conditions test to identify the most vulnerable households.

4. Community Validation The final proposed list of beneficiaries is shared with the community to gather their feedback on whether the list comprises appropriate SCT beneficiaries.

NOTE that while eligibility is determined at an individual level, the household receives the SCT.
TRANSFER AMOUNT AND MODE

The SCT transfer currently stands at K90 per household, K180 bimonthly for the able bodied households. Households with members who are living with disabilities receive a double amount of K180 per month, K360 bimonthly because households with disabled members incur more costs as these are vulnerable groups that need special attention and care.

Payments are exclusively channelled through pay points which are organised in collaboration with other government institutions such as schools and health centres.

In order to reduce the administrative cost of implementing the programme, the Ministry partnered with Zambia Postal Services to administer the SCT through ZAMPOST. This is being piloted in Luapula and Western Provinces, and will soon roll out to different parts of the country.

The main recipient is a pre-identified member of the household (preferably female) who receives the payment on behalf of the household. Households have a ‘deputy’ who is a pre-identified person, to collect the payment on behalf of the household when the sole beneficiary is unavailable.
SUSTAINABILITY OF THE PROGRAMME

Since the introduction of the Kalomo pilot project in 2003 supported by the Deutsche Gesellschaft für Technische Zusammenarbeit (German Technical Assistance to Zambia (GTZ)), SCTs have rapidly gained support as an effective response to the reduction of chronic poverty. **As at 2017, about 75% of the cost of the implementation of the SCT is funded by the Zambian Government where at the remaining approximate 25% is donor support (financial and technical support). This is a notable improvement in comparison to the 5% which government was funding in 2009.**

<table>
<thead>
<tr>
<th>Year</th>
<th>GRZ Funded</th>
<th>Donor Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>5%</td>
<td>95%</td>
</tr>
<tr>
<td>2017</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>
SUSTAINABILITY OF THE PROGRAMME

In 2018, the number of Social Cash Transfer beneficiaries will be further increased to **700,000 from the previous 500,000 in 2017**. This indicates an increase in budgetary allocation towards the SCT programme from **552 million in 2017 to K721 million in 2018**. In addition to this, there was a country wide roll out of the programme to beneficiaries in different districts in every province.

- In terms of a long term financial sustainability of the programme one of the most effective and key sustainability measures which would support the programme is; effective and efficient resource mobilization by government.

- The nature of the selection criteria (incapacitated households) of Zambia’s SCT scheme naturally doesn’t allow for a form of graduation except other members of the household with the ability to improve the general livelihood is taken into consideration and this must be explored further.
SUCCESSIVE EVALUATIONS AND IMPACT ASSESSMENTS HAVE REVEALED THAT THE SCT PROGRAM HAS HAD BOTH, POSITIVE AND NEGATIVE IMPACT ON POVERTY REDUCTION AND DECREASING INEQUALITIES. THE SCT PROGRAM HAS RESULTED IN POSITIVE RESULTS SUCH AS:

- Increased multiplier effect the beneficiaries utilised about 80% of the cash transfers to make local purchases
- 4 percentage point reduction of extreme poverty
- 9 percentage point reduction in households living below the poverty line (headcount poverty)
- Increases in food security- households eating one meal/day increased by 5 percentage points
- Households eating more than 2 meals in a day increased by 8 percentage points
- Households not severely food insecure increased by 13-19 percentage points
STRENGTHS AND WEAKNESSES OF THE PROGRAMME

WEAKNESSES

There have been a few weaknesses that have been identified and highlighted from evaluations and interactions with various stakeholders and beneficiaries. Some of these weaknesses include:

- Eroding social cohesion of rural communities
- Limited financial and technical support for consistent and timely monitoring and evaluation
- Possible aid diversion resulting from insistent mentoring and evaluation and auditing
- Limited capacity of officers operating the Management Information Systems (MIS) and strategic registry
- Delayed payments to beneficiaries usually attributed to administrative challenges
- No official complaints procedure for beneficiaries to give feedback
- No fixed periodic time set for potential beneficences to register

The weaknesses listed further validate the need for the proposed study by the Committee on Health, Community Development and Social Services on “Progress and Update of the Social Cash Transfer Programme in Zambia”
RECOMMENDATIONS ON THE WAY FORWARD TO SUCCESSFULLY IMPLEMENT THE PROGRAMME

In view of the challenges faced during the implementation of SCT in Zambia, **PMRC recommends the following:**

- Set up and communicate an official channel for feedback from beneficiaries
- Increases in budgetary allocations towards the SCT (increase in amount and number of beneficiaries in comparison to poverty levels)
- Increased capacity building for integrated MIS and improved management systems will to reduce the administrative cost of implementing the SCT
- Periodic forensic audits to ensure that there is an authentic data base of true beneficiaries.
- Prioritizing monitoring and evaluation to avoid corruption and general aid diversion
- Ensure that the transfer is more predictable and reduce the delays in payments. This will ensure that the beneficiaries are not inconvenienced
- Establish a specific period for occasional registration of potential beneficiaries.
In conclusion, Social Cash Transfers play a vital role in poverty reduction and reducing inequalities.

It is encouraging to note that the social welfare sector in Zambia is increasingly progressing with dynamic and effective programs but there are opportunities to further improve social cash transfer programming.

With political will, the weaknesses and challenges of the social cash transfer programme can be overcome, leading to effective program implementation.
Unlocking Zambia's Potential Response to this presentation can be sent to: chileshe.chaunga@pmrczambia.net

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