

## **Views from Africa on Social Protection**

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July 2005



Social protection, including cash transfers, is being recommended as an effective way to deliver aid to the poorest. The question is: are donors willing to invest? Sylvia Beales discusses the views of donors and African governments.

High on the agenda of the G8 Summit in Scotland in July 2005 is the response of the rich world to the crippling, persistent poverty and disempowerment of the poor world. The call for more and better aid for the world's poorest people will also be the centre-piece of the July-December 2005 UK presidency of the European Union.

In May 2005, European Union member states announced a doubling of aid by 2010 to reach the United Nations target of 0.7 per cent of GDP. How this aid will reach the poorest will also be discussed in the UN member states' review of the Millennium Summit in New York in September 2005.

Africa is a special focus of attention at these events. On the table are a package of proposals developed by the Commission for Africa, a team of 17 high-ranking academics, politicians and serving ministers, nine of whom are African.

The Commission's report, *Our common interest*,<sup>1</sup> places action on the poorest at its heart, calling for 'investment in people'. This means not only increasing aid to Africa by US\$50 billion a year by 2015, but also developing social protection strategies, including cash transfers, in all African countries by 2007.

Donors are asked to support the African Union's NEPAD programme to develop a rights and inclusion framework, and to support countries to develop social protection strategies. Commissioners are calling for long-term and predictable funding for social protection, with the allocation of US\$2 billion funding immediately, rising to US\$5-6 billion by 2015.

HelpAge International consulted widely with its network in Africa on core issues for the Commission for Africa, and input evidence regularly to the commissioners. Older women and men highlighted the urgent need for better governance and equitable

social protection, including regular cash transfers.

### **Potential of cash transfers**

Recommendations from these consultations are echoed in a survey by HelpAge International and Development Initiatives on the attitudes of African governments, regional institutions (including the African Union and NEPAD), donors and multilateral agencies to social protection and cash transfers.<sup>2</sup>

The main finding was that African governments and regional institutions all recognised the importance of social protection for their older and younger vulnerable citizens, and the potential role of cash transfers within an integrated social protection framework.

In particular, they recognised that social protection, in the form of child and foster care grants, school support programmes and social pensions for older carers, could be an effective mechanism to support households dealing with poverty and HIV/AIDS.

### **Constraints and concerns**

Another key finding was agreement on barriers to implementing social protection programmes. Foremost among these is the fact that social welfare ministries responsible for social protection, with the exception of South Africa, receive little support from governments or from donors.

Although poor people, when asked, are calling for better social services and for social protection to help them access these services, poor financing to date of social protection programmes, together with poor targeting, has compromised citizens' belief in their governments' commitment to social protection. This in turn weakens the effectiveness of existing social protection programmes.

Survey respondents also commented on constraints caused by donors' differing definitions of social protection. Some donors see social protection primarily as a response to extreme vulnerability, while others regard it as a mechanism to 'put people at the centre' in development. These discrepancies may be hampering discussions on the place and funding of social protection in development policy.

The survey also highlighted concerns about the possible connection between corruption and social protection schemes. In view of this, there was a strong recommendation that the rollout of social protection, especially cash transfers, should be linked to sensitisation of recipients about their rights and entitlements, to enable them to monitor delivery. A clear synergy was noted between the desire by African governments and some donors to improve accountability between citizen and state, and the promotion of social protection.

### **Pilot programmes**

African governments and regional institutions are undertaking partnerships with a range of UN and government agencies, as well as NGOs, to test out affordability and implementation of social protection programmes.

The German development agency, GTZ, is supporting a social assistance scheme in Kalomo, Zambia. The International Labour Organization (ILO) is working with national governments, including Tanzania, to pilot and cost a range of social insurance and cash transfer schemes.

UNICEF is undertaking a survey with a number of partners, including HelpAge International and Save the Children UK, of the effect of cash and material transfers on vulnerable children and their carers in sub-Saharan Africa.

Current African Union/NEPAD analysis on how to achieve the Millennium Development Goals (MDGs) in Africa will consider the impact of social protection in reducing social exclusion. Some of the poorest African governments are already taking steps to establish universal schemes to target their older citizens. The UK Department for International Development has supported a range of social protection studies, including the HelpAge International and Development Initiatives survey, the compilation of a database on 'Social assistance in low income countries',<sup>3</sup> ILO surveys on financing, and a review by the International Poverty Centre (IPC) of the impact of conditional cash transfers in Africa.<sup>4</sup>

The ILO is also undertaking a 'social security enquiry stocktake' across Africa to obtain up-to-date data comparable to that held on OECD countries. It hopes that this will support the development of social protection policies and programmes across the region.

### **Link with poverty reduction**

The HelpAge International and Development Initiatives survey reviewed comparative studies of the impact and cost of conditional cash and material transfers (dependent on school attendance, for example), and food transfers, as opposed to universal 'social' cash transfers. A number of studies already show that cash transfers are more sustainable and cost-effective than food transfers. The IPC study argues that conditional cash transfers need to be pitched at a relatively high level in relation to GDP to be of real value to poverty reduction and MDG achievement.

The HelpAge International and Development Initiatives survey emphasised again the need to link social protection strategies with poverty reduction plans. African governments and institutions agreed that properly funded social protection programmes would come about only when donors and recipient governments developed consistent policies and costing approaches, which were integrated into poverty reduction policies.

### **Donor opinion**

Despite donor emphasis on 'country ownership' of aid programmes, the survey highlighted how influential donor opinion is on the form that development aid takes. Donors may still be having an undue influence on the outcomes of national poverty consultations and related budget support processes.

Concrete action to reduce extreme poverty among the poorest groups may be more

subject to donor opinion than we care to think.

It will be important for the Millennium Summit to consider honestly why the MDG Project has failed to reach the world's poorest people. Approaches to reaching the poorest will only have the remotest chance of success if there is political will and courage to follow through. Giving social protection the profile and funding it requires to target the poorest across all age groups, abilities and ethnic origins involves such political will and courage.

1. Our common interest, Commission for Africa, 2005, [www.commissionforafrica.org](http://www.commissionforafrica.org)
2. Beales S and German T, Situation analysis of social protection and cash transfers in Africa, HelpAge International with Development Initiatives, 2005
3. Barrientos A and Smith R, Social assistance in low income countries database, Institute of Development Policy and Management, University of Manchester, February 2005
4. Kakwani N, Soares F et al., Conditional cash transfers in African countries, International Poverty Centre (IPC), Brasilia, March 2005