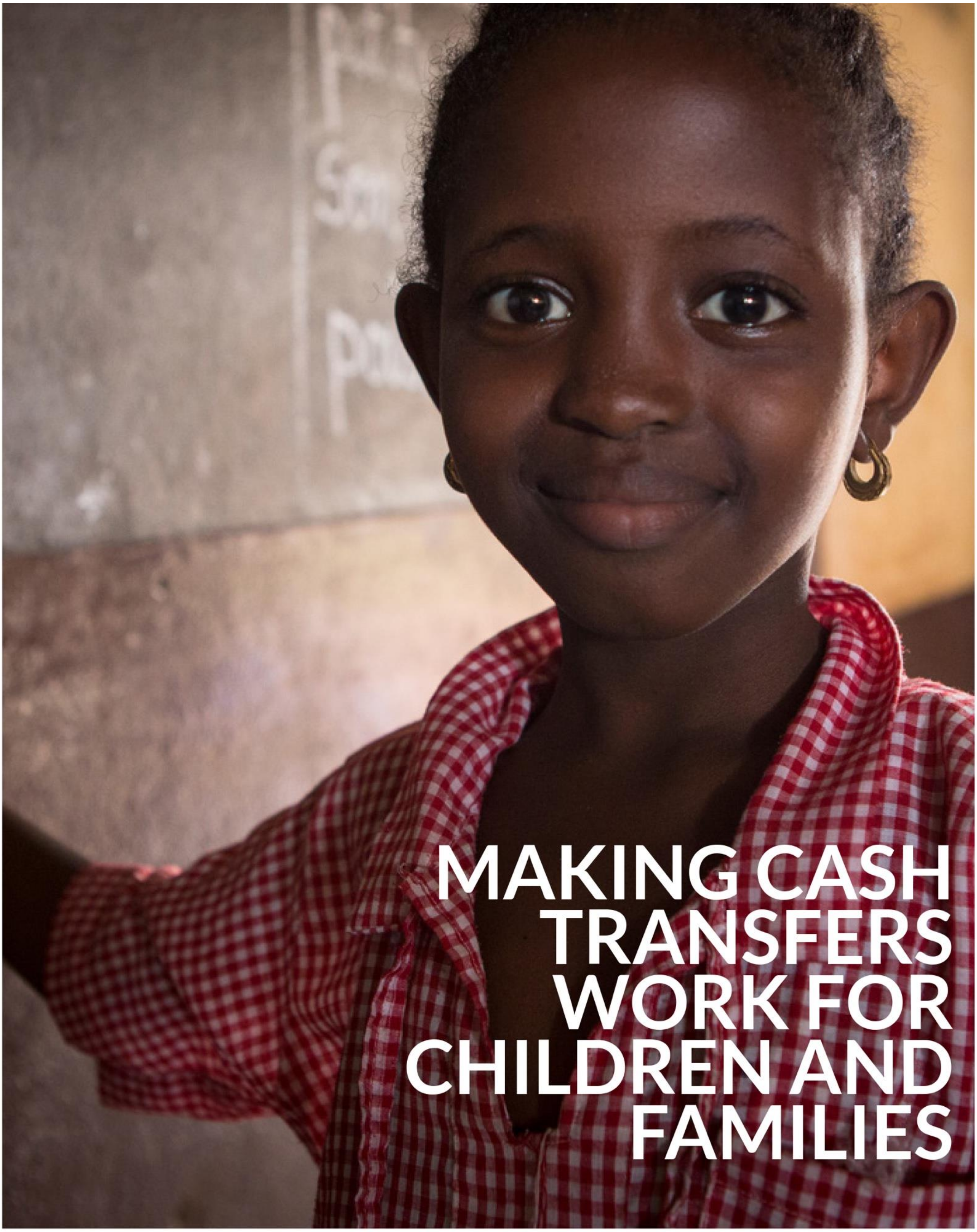

MAKING CASH TRANSFERS WORK FOR CHILDREN AND FAMILIES

CPSP

Child Poverty and Social Protection

SOCIAL POLICY

unicef

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About this guide

<u>What this document is about</u>

UNICEF's work on social protection has increased rapidly over the last decade. Among social protection interventions, cash transfers are one of the most common components supported by UNICEF, reaching over 70 countries in 2015. Depending on country contexts, the types of activities UNICEF engages in vary greatly – from modelling how cash transfers could work through a pilot programme, to conducting impact evaluations and policy engagement with decision makers.

While momentum is growing, UNICEF's work on cash transfers is sometimes less visible than other aspects of our work. Anyone working on cash transfers can face some basic questions, such as: *Why give cash transfers to children? If UNICEF is not directly providing the money for cash transfers, what exactly do we do? What are some examples of the work and are there any resources that can help conduct relevant activities?* This document aims to answer those basic questions about cash transfers, to illustrate what UNICEF does, and provide evidence and research from inside and outside the organization to support activities in countries.

The first part gives a brief background of why cash transfers matter for children, how UNICEF has engaged with cash transfers globally and what opportunities and challenges exist. The second part outlines a cycle of four broad areas where UNICEF works:

1. Taking stock: analysis of child poverty and existing cash transfer programmes;
2. Setting the direction: examining programme design options;
3. Mobilizing support and resources: policy engagement and advocacy;
4. Achieving results on the ground: implementation with monitoring and evaluation.

Under these areas, this document seeks to give a range of options and activities to improve the lives of children and families. It investigates 19 concrete activities undertaken by UNICEF Country Offices that could contribute to the introduction, expansion and improvement of cash transfers. For each activity, the document describes potential approaches and considerations, along with country examples and links to key resources which provide more detailed guidance and information about each aspect of the work.

<u>What this document is not about</u>

While cash transfers are an important part of social protection, the intention of this document is NOT to imply that cash is a silver bullet that will solve all problems. Not only are other aspects of social protection crucial, but a foundation of strong social services is essential for children, and for social protection to be effective. While recognising this broader context, this document focuses squarely on the programming around the cash transfer component of UNICEF's social protection work.

While this document aims to present the diverse nature of UNICEF's engagement, it should not be considered as an exhaustive list of all activities undertaken by UNICEF in countries. It is beyond the scope of this document to cover some of the emerging areas of work, including:

- Cash transfers in emergency and humanitarian contexts
- Cash 'plus' (linking cash transfers with other services or goods)
- Some emerging or innovative approaches to cash transfers (such as mobile payments or use of Information and Communication Technology)

For other UNICEF publications on social protection please visit the sharepoint (internal only) or our external website. A frequently updated range of resources is also available at www.socialprotection.org.

We welcome any feedback or suggestions to make this guide as useful as possible. If you have any comments, please get in touch with David Stewart, Chief of the Child Poverty and Social Protection Unit at UNICEF-New York (dstewart@unicef.org).

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Finally, a huge thanks to all the UNICEF Country Offices that provided extensive responses to the 2015 Social Protection mapping. These responses have been fundamental in understanding the breadth and depth of UNICEF's work in social protection and formed the foundation of this guide.

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List of Acronyms

ABND	Assessment-Based National Dialogue
ASEAN	Association of Southeast Asian Nations
ASPIRE	Atlas of Social Protection Indicators for Resilience and Equality
BMZ	German Federal Ministry for Economic Cooperation and Development
BRAC	Building Resources Across Communities
CABRI	Collaborative Africa Budget Reform Initiative
CaLP	The Cash Learning Partnership
CCT	Conditional Cash Transfer
CDC	Centers for Disease Control and Prevention
CEE/CIS	Central and East Europe and the Commonwealth of Independent States
CGE	Computable General Equilibrium
CGP	Child Grant Programme
CODI	Core Diagnostic Assessment Instrument
CoP	Community of Practice
CRC	Convention on the Rights of the Child
CSG	Child Support Grant
CT	Cash Transfer
CT-OVC	Cash Transfer for Orphans and Vulnerable Children
DFID	Department for International Development
DSD	Department of Social Development
EAPRO	East Asia and Pacific Regional Office
EC	European Commission
ECLAC	Economic Commission for Latin America and the Caribbean
EPRI	Economic Policy Research Institute
ESA	Eastern and South Africa
ESARO	East and Southern Africa Regional Office
FAO	Food and Agriculture Organization of the United Nations
GIZ	German Society for International Cooperation
GRM	Grievance Redress Mechanism
EU	European Union
HSCT	Harmonized Social Cash Transfer
IADB	Inter-American Development Bank
IDS	Institute of Development Studies
IFI	International Financial Institution
ILO	International Labour Organization
IMF	International Monetary Fund
IMIS	Integrated Management Information Systems
IPC-IG	International Policy Centre for Inclusive Growth
IPRS	Integrated Population Registration System
ISPA	Inter-Agency Social Protection Assessment
J-PAL	Abdul Latif Jameel Poverty Action Lab
LAC	Latin America and the Caribbean
LTAS	Long-Term Agreement for Services
MICS	Multiple Indicator Cluster Survey
MIS	Management Information System

MODA	Model-Oriented Data Analysis
MOSD	Ministry of Social Development
MPI	Multidimensional Poverty Index
MPIA	Modelling and Policy Impact Analysis
MTEF	Medium-Term Expenditure Framework
M&E	Monitoring and Evaluation
NBS	National Bureau of Statistics
NSPP	National Social Protection Policy
ODA	Official Development Assistance
ODI	Overseas Development Institute
OPHI	Oxford Poverty and Human Development Initiative
PASD	Direct Social Action Programme (Mozambique)
PASP	Productive Social Action Programme (Mozambique)
PEP	Partnership for Economic Policy
PETS	Public Expenditure Tracking Survey
PF4C	Public Finance for Children
PIERI	Policy Impact Evaluation Research Initiative
PMT	Proxy Means Testing
PSSB	Basic Social Subsidy Programme (Mozambique)
QSDS	Quantitative Service Delivery Surveys
RCT	Randomized Control Trial
ROSA	Regional Office for South Asia
SA	South Asia
SAM	Social Accounting Matrix
SASSA	South African Social Security Agency
SCT	Social Cash Transfer
SCTP	Social Cash Transfer Programme
SDG	Sustainable Development Goal
SIDA	Swedish International Development Cooperation Agency
SP	Social Protection
SPIAC-B	Social Protection Inter-Agency Coordination Board
SSN	Social Safety Net
TSA	Targeted Social Assistance
TSSC	Trilateral South-South Cooperation
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNHCR	United Nations High Commission for Refugees
VAF	Vulnerability Assessment Framework
VEP	Vulnerability as Expected Poverty
VHLSS	Vietnam Household Living Standards Survey
WCA	West and Central Africa
WFP	World Food Programme

Part I. Overview

In the early 2000s, only a handful of UNICEF country offices were exploring the use of cash transfers as a tool to achieve child outcomes. At the time, cash transfers were not recognised in the organization's Strategic Plan, there was little or no regional or global function to support activities around cash transfers, and some were concerned about the multiple risks involved in implementing such programmes. Within a few years, however, some early projects supported by UNICEF, as well as a number or pioneering cash transfer programmes in Latin America, had proven that cash transfers can make a dramatic impact on important aspects of children's lives. As a result, UNICEF launched its Social Protection Framework in 2012, and social protection has become part of the Strategic Plan (2014-17). Among the four components of social protection laid out in UNICEF's Framework, cash transfers are one of the most common components supported by UNICEF country offices; as of 2015, over 70 countries are working on cash transfers around the world.

Despite huge progress, the scale and design of many cash transfer programmes remain far from ideal: there is still limited coverage, particularly among the poorest and most vulnerable children and families, and transfer values in many programmes are often too low to make a significant difference. While the evidence of cash transfers as a tool to improve child well-being has grown rapidly recently, there are still myths or misunderstanding about the importance of cash transfers and UNICEF's role in supporting them. Against this background, the first part of this document reviews arguments to make the case for cash transfers, outlines UNICEF's involvement on cash transfers and identifies common challenges globally.

1. Why cash transfers matter to children

'Giving cash to poor and vulnerable people' is perhaps one of the simplest ideas to address poverty and thus explaining the rationale behind it may feel unnecessary. At the same time, it can be a controversial idea for some who think that the benefits will be wasted, misused or create dependency. This section takes a step back to review the key arguments and evidence to make a strong case for cash transfers for children and their families.

Box 1 Different types of cash transfers

There are a range of different types of cash transfer programmes, and while there is no one approach of categorising them, a common and useful way of breaking them down is between 'non-contributory' and 'contributory' transfers.

Non-contributory cash transfers are those that do not require direct contributions by participants. These are by far the most common programmes that UNICEF engages with. It is important to note some argue that the terminology "non-contributory" is misleading, as the recipients of the transfers often contribute to the financing through consumption and income taxes (Barrientos and Lloyd-Sherlock 2002). There are many different 'types' of non-contributory cash transfers, and no universally agreed criteria for categorising them. However, important criteria that often emerge in discussing them are:

- **The targeting approach:** Transfers can be broken down into: (i) universal transfers are those in which all members of particular group are targeted (such as all children of a certain age, people with disabilities, or all people in a particular region). As they target particular categories of the population, they are also sometimes referred to as 'categorical transfers'. (ii) means-tested or poverty targeted transfers which are targeted based on some form of individual or household assessment. In practice, there can be overlaps between these approaches, for example a transfer may be targeted to children in households below a particular income threshold. Cash transfers are often referred to directly by the targeted group of beneficiaries, such as **disability grants, child grants** or **family benefits**.

- **Whether they are unconditional vs conditional.** Unconditional cash transfers do not impose behavioural or status requirements on the recipients of the transfer, while conditional cash transfers payments made to households who comply with pre-defined conditionalities, such as sending children to school or health check-ups. In many cases, however, the distinction between the two may not be so clear in practice depending on the mechanisms and formality of the conditions (Pellerano Barca 2014). Based on evidence and experience, UNICEF generally prefers unconditional cash transfer programmes (see Conditionalities in cash transfers: UNICEF's approach).

Contributory schemes draw contributions from participants. Social insurance is the most common contributory scheme where contributions are made my beneficiaries and their employers and benefits are determined by these contributions – such as contributory pensions and unemployment insurance (For more information, see the ILO Introduction to social transfers). While there may be particular circumstances where a UNICEF country office engages on contributory schemes to protect children, this is not an area where we generally work, and is not covered in this document.

1. **Access to social security is a human right and a child right** recognised in foundational international human rights documents. The Universal Declaration of Human Rights states:

Article 22 – Everyone as a member of society, has the right to social security, and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Article 25.1 – Everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

Article 25.2 – Motherhood and childhood are entitled to special care and assistance.

Likewise, the Convention on the Rights of the Child (CRC) states that:

Article 26.1 - State parties shall recognise for every child the right to benefit from social security, including social insurance, and shall take the necessary measures to achieve the full realisation of this right in accordance with national law.

These international human and child rights form the foundation of UNICEF's involvement in expanding social protection, including cash transfers, for every child. To realize the above-mentioned rights for all, UNICEF supports the realization of universal coverage. Where the resources and capacities are limited, UNICEF advocates for progressive realization of universal coverage, arguing against narrowly-targeted programmes (UNICEF 2012).

2. **Cash transfers can directly address monetary child poverty and vulnerability.**

The latest data from a joint World Bank/UNICEF study shows that over 750 million people are living below the international poverty line (US$1.90 per person per day). Almost half of them are children (below 18 years of age), and they are twice as likely to be living in extreme poverty than adults (UNICEF and World Bank 2016). For households living in poverty, cash transfers provide direct income support to address basic needs, allowing the purchase of basic goods and services to address deprivations. Additionally, when the cash is spent on purchasing productive goods or in local markets, it could also have an indirect positive impact (or a multiplier effect) on household income and the local economy (IPC-IG 2015; J. M. Villa 2016; Thome et al. 2016).

The impact will depend on the design (including the transfer size) and effective implementation of cash transfers. Unless otherwise noted, the evidence below comes from a systematic review of evidence by Bastagli et al. (2016), which shows:

- Increase in *household total expenditure:* 26 out of 35 studies with evaluation on household expenditure demonstrated at least one significant positive impact.
- Increase in *household food expenditure*: 22 studies showed a statistically significant increase in household food expenditure among 31 reporting impacts.
- Reduction in *poverty rate*: while a decrease in aggregate poverty measures was found in two thirds of the nine studies that considered the impact on poverty measures, in many cases the impact was also limited due to the small sample size or transfer size.
- *Local economy impact*: A local economy-wide impact evaluation model constructed for cash transfers in seven countries in sub-Saharan Africa showed nominal income multipliers ranging from 1.3 to 2.5, implying that every dollar transferred to households adds 1.3–2.5 dollars to the total income in the local economy (Thome et al. 2016).

3. Cash transfers can serve as a safety net to protect families from shocks.

Cash transfers are important not only to support families to move out of poverty but also to protect families from economic shocks such as those caused by unemployment, illness, natural disasters or the death of a family member. When families lack the capacity to cope with shocks, children can suffer from both immediate as well as long-term consequences when they have to drop out of school, work in hazardous conditions or lack access to nutrition at critical development stages.

While it could be technically challenging to estimate the impact of cash transfers in mitigating risks, a study based on evidence from Mexico, for example, showed that a cash transfer programme served as a safety net for the schooling of households living in poverty and helped protect enrolment of students from income shocks (de Janvry et al. 2006). Additionally, evidence from the Transfer Project, a multi-country impact evaluation project in Africa, shows a reduction in negative risk-coping strategies such as begging or changing eating patterns in three countries, and less likelihood of children dropping out of school in almost all countries (Davis et al. 2016). The same project finds that Zambia's Child Grant Programme enables poor households to employ coping strategies typically used by the non-poor, such as spending savings, contributing to smooth food consumption in the face of agricultural production and price shocks (Lawlor et al. 2015).

4. **Cash transfers can address financial barriers to basic social services, such as education and health, thereby reducing multidimensional child poverty.**

While the world has seen major achievements in universal primary education and health coverage over recent years, still a large number of children face financial barriers in accessing quality services. Such financial barriers include formal and informal school fees, the costs of school uniform, shoes and school supplies, health service fees, the cost of medicine, and transportation fees. Evaluation of cash transfers has shown that they can help address financial barriers for both the education and health sectors. For instance:

- The increase in *school enrolment rate*: 13 out of 20 studies looking at this issue found a significant effect, generally an increase in attendance and decrease in school absenteeism.
- Increased use of *healthcare services*: 9 out of 15 studies looking at this issue demonstrated an increase in the use of healthcare facilities.

Increased access to education and health services directly addresses multidimensional poverty and in turn, can contribute to the capacity development of children where there is provision of quality services (Barrientos and Dejong 2004). Therefore, the impact of cash transfers on multiple dimensions of child well-being can be used to advocate for cash transfers not only to address immediate poverty but also as a means of investment for the future.

5. **Cash transfers can address financial drivers of child protection outcomes.**

While the link between cash transfers and child protection outcomes is still an emerging area with relatively little evidence, existing studies suggest that when families with children are under financial pressures, children can be at higher risk of child protection violations, such as early marriage or violence against children. Existing evidence demonstrates:

- Reduction in *early marriage*: among six studies on the topic, three showed unambiguous decreases in early marriage.
- Reduction in *risky sexual behaviour*: cash transfers in Kenya, South Africa and Zimbabwe have led to a reduction in sexual debut among youth. Furthermore, the Child Support Grant in South Africa was associated with reduced pregnancy and the Harmonized Social Cash Transfer in Zimbabwe increased the likelihood of condom use at first sex (Davis et al. 2016).
- Reduction in *violence against children*: the link between cash transfers and childhood violence is, at present, understudied, but a recent review finds promising evidence regarding the role of social safety nets in reducing sexual violence among female adolescents in Africa (Peterman et al. 2017).

6. **Cash transfers address the inter-generational cycle of poverty and inequity through accumulation of human capital.**

Evidence from longitudinal studies have shown that poverty is often transmitted to the next generation and children who grow up in poverty are much more likely to be poor in adulthood. While evidence on the long-term impact of cash transfers is still only emerging, well-designed cash transfers can potentially address the inter-generational cycle of poverty and inequity by supporting the accumulation of human capital among the most disadvantaged children (Araujo, Bosch and

Schady 2016; Roelen and Sabates-Wheeler 2011). It is important to stress, however, that cash alone is not a silver bullet and that a comprehensive policy approach – improving both the quality and provision of sectoral services and removing the barriers to access – is critical to achieve significant and sustainable results.

All of these arguments are based on an assumption that cash transfers are used to meet the basic needs of children and families – which has sometimes been challenged by opponents who believe the money will be spent otherwise, for example on alcohol consumption. Concerns about misuse, and other common concerns about increased dependency, local inflation or increased fertility, have consistently been debunked across countries and regions (see the resources below for more details).

Further Resources:

Evidence Reviews

Bastagli (2016) Cash Transfers: what does the evidence say?. ODI

Hagen-Zanker et al. (2017) The impact of cash transfers on women and girls. ODI

UNICEF-ESARO/Transfer Project (2015) Social Transfers and Child Outcome in Africa

UNICEF (2015) Evaluation Synthesis: Cash Transfer as Social Protection intervention

Roelen et al. (2016) Improving child wellbeing and care in Sub-Saharan Africa: The role of social protection. *Children and Youth Services Review* 73. pp. 309–318.

Attah et al. (2016): Can Social Protection Affect Psychosocial Wellbeing and Why Does This Matter? Lessons from Cash Transfers in Sub-Saharan Africa, *The Journal of Development*

FAO and UNICEF. 2016. From evidence to action: the story of cash transfers and impact evaluation in Sub-Sharan Africa.

Addressing the myths

UNICEF (2016) Addressing the myths series:

- Social protection and fertility
- Do social protection programmes lead to misuse and dependency?
- The affordability of social protection

Davis (2016) Dependency is Dead! on The World Food Day blog

Transfer Project (2016) Cash Transfers: Myths vs. Reality (infographic)

Evans and Popova (2016) Cash transfers and temptation goods. World Bank

UNICEF (2016). Conditionalities in cash transfers: UNICEF's approach

2. How UNICEF has engaged with cash transfers

UNICEF has been working to advance child-sensitive social protection, including cash transfers, at country, regional and global levels. In one of the earliest global activities, UNICEF and its partners published a joint statement on child-sensitive social protection in 2009. The Social Protection Framework was launched in 2012 to set out the definition, principals and considerations in promoting UNICEF's work on social protection. An internal programme guidance on social protection for children was also published in the same year to complement the framework to support country-level activities. Further, in recognition of the increased engagement, social protection is placed as a critical component of the social inclusion outcome under UNICEF's Strategic Plan (2014–2017) and Strategic Plan (2018–2018).

Box 2 Cash transfers in UNICEF's Social Protection Strategic Framework

UNICEF's Social Protection Strategic Framework outlines four critical components of social protection:

- Social transfers
- Programmes to ensure access to services
- Social support and care services
- Legislation and policy reform

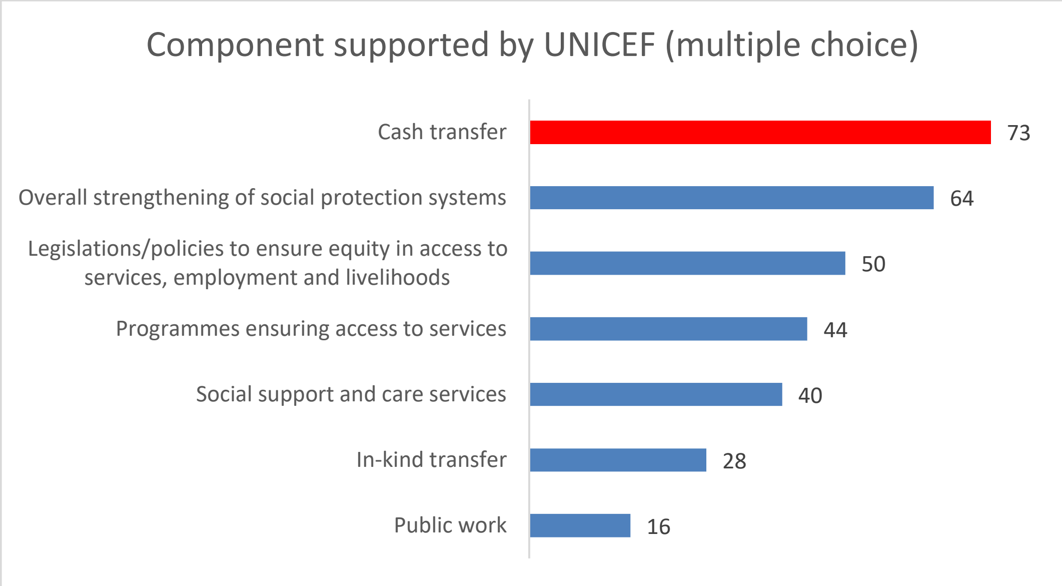
Social transfers are defined as "predictable direct transfers to individuals or households, both in kind and in cash, to protect them from the impacts of shocks and support the accumulation of human, financial and productive assets" and include cash transfers, in-kind transfers and public works.

While the framework recognizes "cash transfers as preferred mechanisms of delivery of social protection in many countries", it promotes integrated social protection systems where multiple vulnerabilities faced by children are addressed in a multi-sectoral manner. To learn more about the Social Protection Strategic Framework, visit https://www.unicef.org/socialprotection/framework/

Activities at Country Level

As of 2015, over 100 country offices work on social protection, and among the four social protection components, work on cash transfers is the most prevalent component (Figure 1). As of 2015, 82 cash transfers programmes were supported by 73 UNICEF country offices, a significant increase since the mapping in 2012, which found 52 country offices working on cash transfers.

Figure 1 Number of social protection components supported by UNICEF (2014–15)

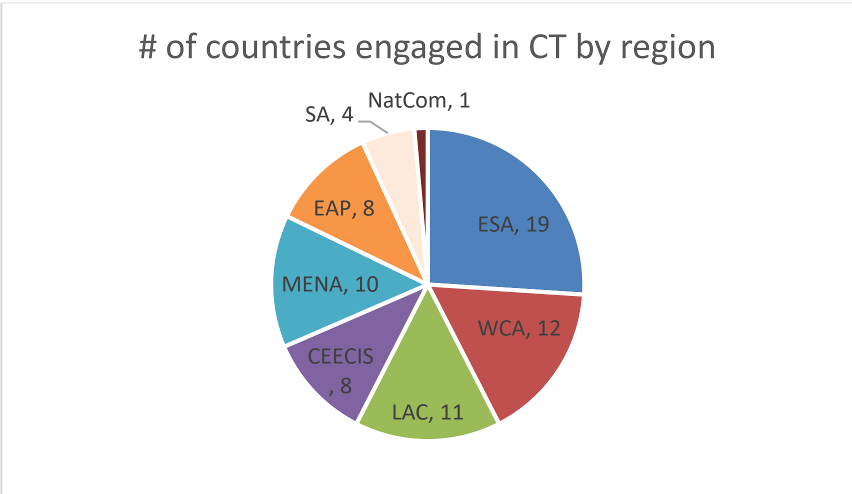


Source: UNICEF internal global mapping on social protection and child poverty (2015)

Regional Patterns

The patterns of engagement also vary by region. In terms of the number of countries, work in Eastern and South Africa (ESA) and West and Central Africa (WCA) combined counts for 31 countries (Figure 2), followed by 11 countries in Latin America and the Caribbean (LAC).

Figure 2 Number of countries engaged in CT by region

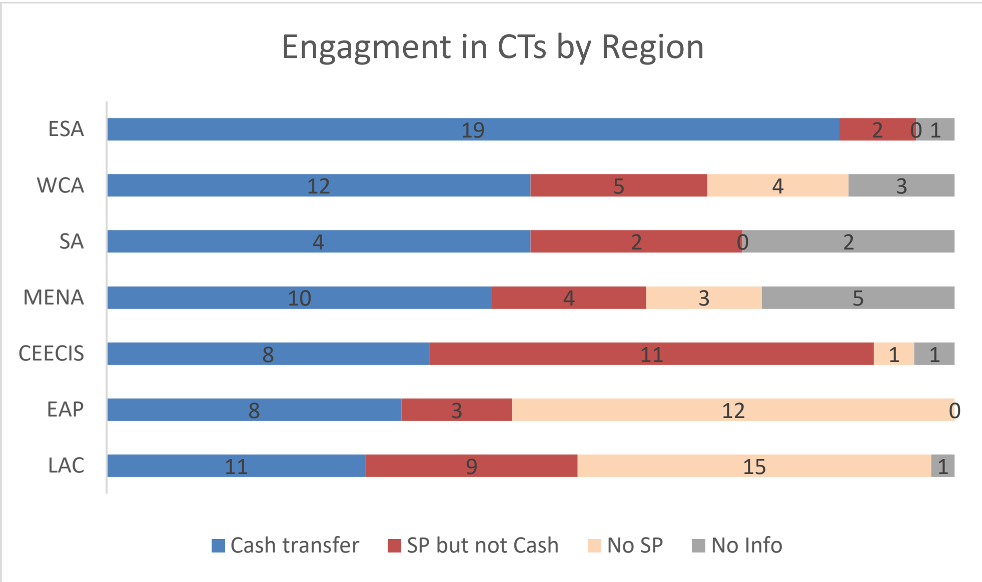


Source: UNICEF internal global mapping on social protection and child poverty (2015)

Figure 3, in turn, shows the share of countries that have (i) supported cash transfers in the last two years (ii) engaged in other components of social protection but not on cash transfers and (iii) had no activities and (iv) no information. East and Southern Africa (ESA) again has a remarkably high share of countries engaged in cash transfers, followed by South Asia (SA) and Western and Central Africa (WCA), where about half of the countries in the region engage in cash transfers. In four other regions, still about 30–40% of countries engaged in cash transfers, but in more developed regions such as LAC or Central and East Europe and the Commonwealth of Independent States (CEE/CIS), a significant share of countries worked on social protection components other than cash transfers, such as social care and support services or systems strengthening.

The nature of support varies across regions and contexts. In middle- and higher-income countries where there are already programmes and national capacity is often stronger, UNICEF's work is often focused on improving the current programmes through evidence generation, advocacy and/or systems building to increase synergies across different programmes. In contrast, UNICEF's activities in lower-income countries/regions are more likely to support the introduction of a pilot project, capacity building of government officials, and/or advocacy towards the scale-up of existing pilot programmes.

Figure 3 UNICEF's engagement in cash transfers and SP by region

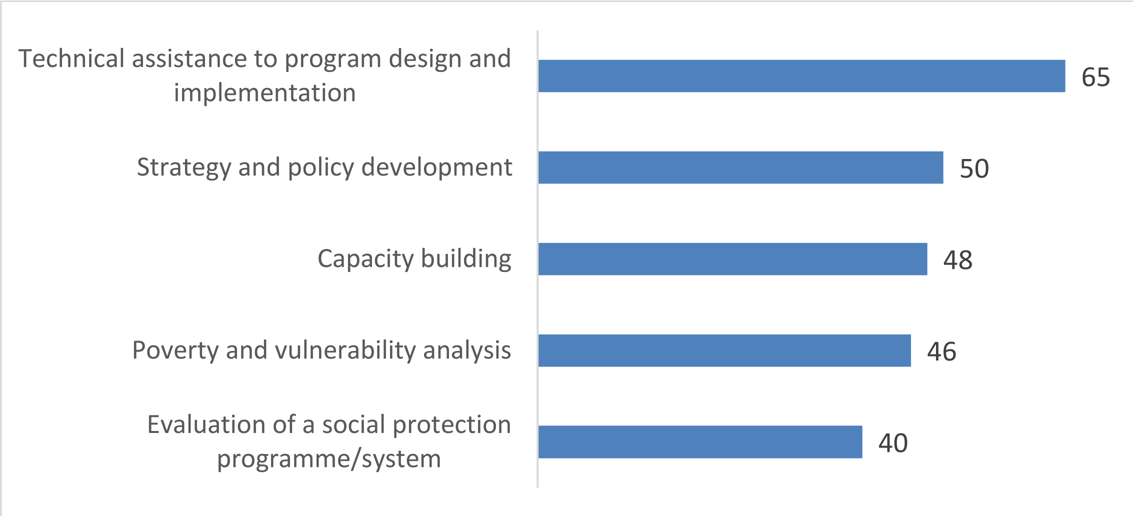


Source: UNICEF internal global mapping on social protection and child poverty (2015)

Nature of UNICEF support

How UNICEF supports cash transfers varies greatly depending on country context, demand from national governments and the capacity of each country office. Figure 4 presents a global snapshot of the most common activities undertaken to support cash transfers, ranging from technical assistance to impact evaluations.

Figure 4 Nature of support to CT programmes by UNICEF



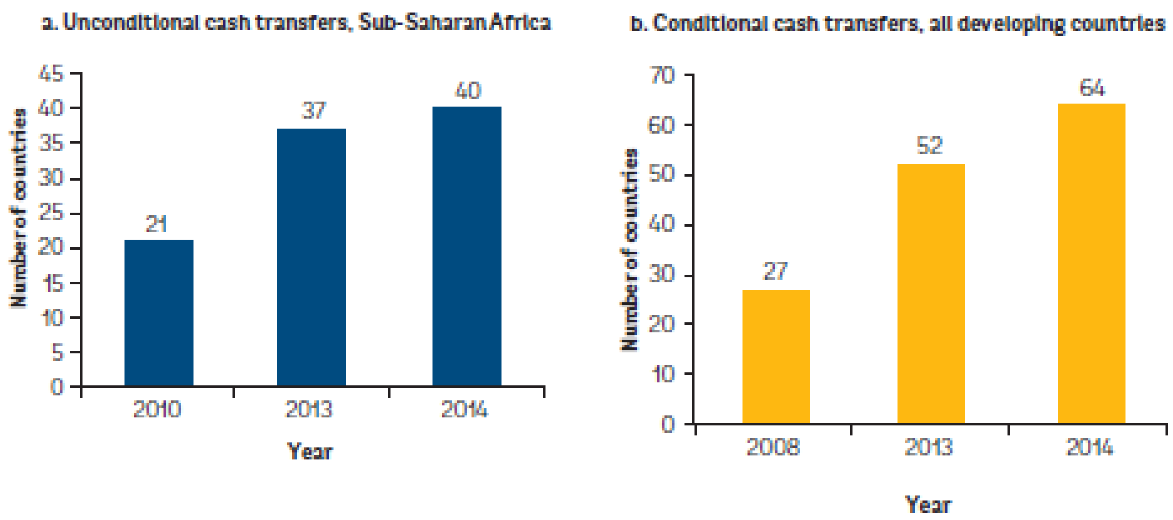
Source: UNICEF internal global mapping on social protection and child poverty (2015)

3. Key opportunities and challenges ahead

The rise of cash transfers

A growing number of countries are using cash transfers as a tool to address poverty and vulnerability. Unconditional cash transfers now exist in over 130 out of 157 low- and middle-income countries. According to the World Bank (2015), the number of countries using conditional cash transfers has risen from only 2 in 1997 to 64 in 2014 (see Figure 5). The growth in unconditional cash transfers has been particularly strong in Africa. By 2014, 40 countries out of 48 in sub-Saharan Africa had unconditional cash transfers, almost doubling since 2010 (ibid.).

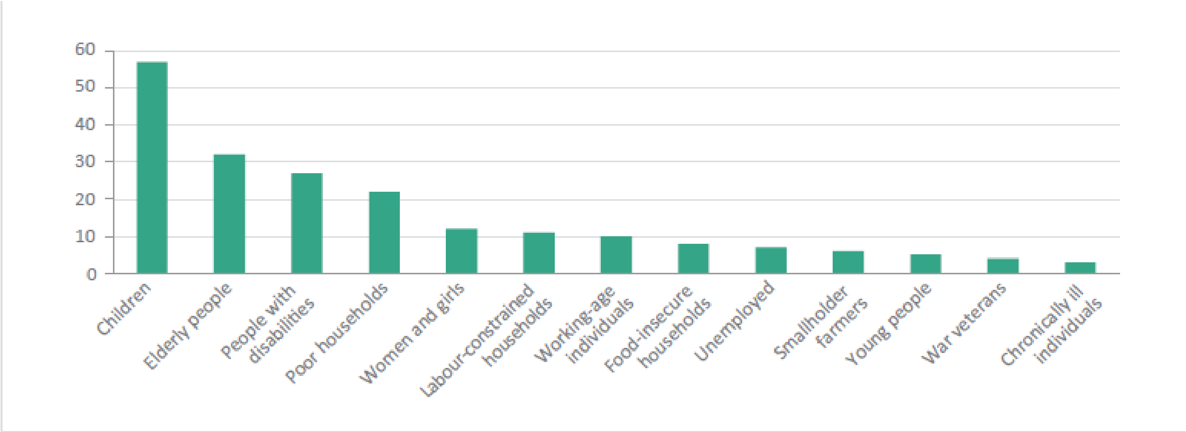
Figure 5 The growth in the use of cash transfers in recent years in the region (Cirillo and Raquel 2016)



Source: World Bank (2015)

In terms of the child focus of cash transfer programmes, an inventory of 127 non-contributory government SP interventions in Africa found that children were the most common target group – almost twice as frequent as the second category, which was elderly people (Cirillo and Raquel 2016). Further, among the 183 countries analysed in the ILO's world social protection report, 108 countries had specific child and family benefits (either non-contributory or contributory) rooted in legislation (ILO 2014).

Figure 6 Target groups of social protection programmes in Africa



Source: Cirillo and Tebaldi (2016)

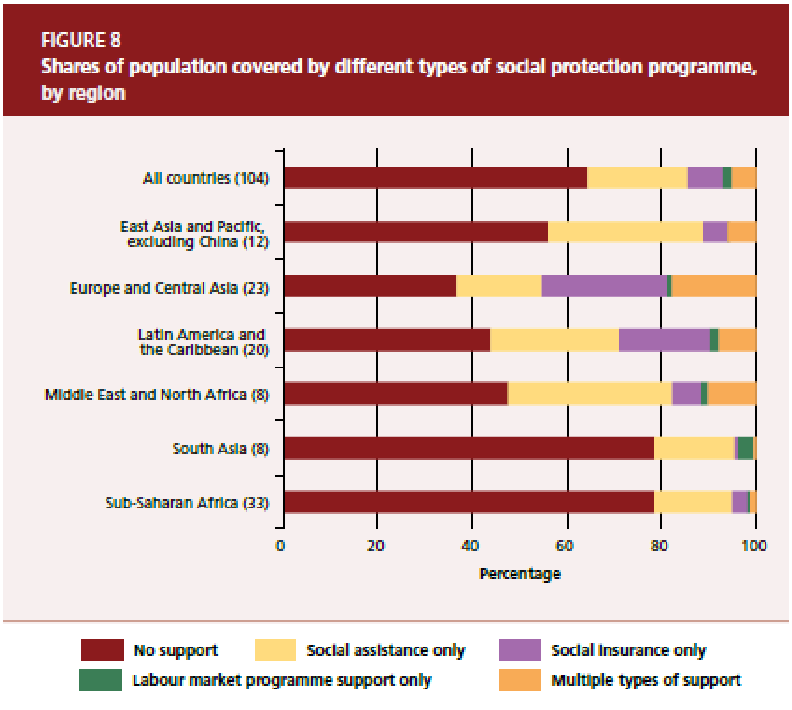
Remaining Challenges

While the rapid growth of cash transfer programmes in developing countries has been remarkable, many programmes still remain far from ideal. Here, we categorise three main challenges: coverage, adequacy and implementation.

(a) Coverage

While the number of countries with cash transfers increased drastically, the share of the population covered by social assistance remains limited (Figure 7). UNICEF's internal mapping exercise shows that in 41 out of 141 countries who responded (30 per cent), there are either no cash transfers or only pilot/small-scale programmes that reach less than roughly 2 per cent of the total population. Where cash transfers exist, many programmes suffer from the small size of the population covered by the programme. In fact, global statistics suggest that only around 5 per cent of the total population are enrolled in any type of CT programmes in low-income countries (World Bank 2015). While the coverage rate is higher for middle- or higher-income countries on average, many countries have reduced the reach of their cash transfers by moving from universal to targeted programmes, or by revising the targeting criteria. For instance, the universal child money programme in Mongolia was in practice targeted at 40 per cent of children in 2017, and 107 countries (including 68 developing countries) are rationalizing and narrow-targeting social welfare (ILO 2016).

Figure 7 Shares of population covered by different types of social protection programme, by region



Source: FAO (2015)

Many countries often face three particular challenges in achieving substantial coverage. The first issue is the fragmentation of existing cash transfer programmes. When different cash transfer programmes are run by different agencies with different procedures and different administrative systems, the coverage of each programme tends to remain limited. This is particularly a problem when there is limited ability or experience in sharing data or knowledge across programmes. Secondly, the lack of implementation capacity can hinder expansion. Capacity constraints could range from weak administrative setup to identify, register and make transfers to the beneficiaries to lack of staff capacity at central and/or local level. Finally, a lack of sufficient and sustainable financial resources can directly affect the potential scale and coverage of cash transfer programmes.

Coverage among the poorest households

Moreover, where cash transfers exist, the coverage among the poorest households can often be limited. While evidence suggests the coverage rate is generally higher among the poorest quintile compared to richer parts of the population, still only about one in seven people have access to cash transfers in low-income countries, as well as lower-middle income countries (World Bank 2015). The coverage of people living in poverty is particularly low in low- and lower-middle income countries, compared to upper-middle and high-income countries where half of those in poverty have access to cash transfers.

Exclusion of the most vulnerable groups can occur at two stages. At the programme design stage, a lack of understanding of the social and economic vulnerability of certain groups and/or a lack of representation in policymaking process could exclude them from the programme design. Depending on targeting methods, particular vulnerabilities that marginalized groups face may not be effectively captured, and a recent study demonstrated extensive exclusion errors in an assessment of proxy mean test targeted programmes. At the implementation stage, vulnerable groups may face more challenges in claiming their benefits if they live in remote areas, face language or literacy challenges, or discrimination during enrolment or at distribution points. The absence of effective grievance redress mechanisms also hinders the ability to improve the equitable distribution of cash transfers.

(b) Adequacy of the transfer

One of the most critical elements of the programme design is the transfer size. Without an adequate transfer, there may be limited or indeed no impact, even if the coverage rate is high. A review of impact evaluations show that variations in the transfer size have significant impacts on a range of indicators, including food expenditure and educational and health outcomes (Bastagli et al. 2016 and Transfer Project 2016a).

For many existing programmes, evidence suggests that the transfer size is not adequate to make significant impact. For instance, the average transfer size of cash benefits covers only 10 per cent of the household consumption for the poorest quintile in low-income countries (World Bank 2015). In the same report, the World Bank calculates "that transfer amounts represent approximately one fifth of the income needed to close the poverty gap in low-income countries, half the income needed in lower-middle-income countries, and is adequate as income support only in upper-middle-income countries".

Similar to the low coverage, small transfer size can be partly attributed to the fragmentation of programmes and a lack of sufficient and sustainable funding sources. Practically, there may be concerns regarding work disincentives where transfer amounts are higher, despite almost all available research showing no systematic evidence that cash transfers discourage work, and indeed can facilitate it (Bastagli et al. 2016, Banerjee et al. 2016).

(c) Implementation of cash transfers

Apart from issues surrounding programme coverage and adequacy, ensuring that cash transfers are delivered to the right households, at the right time, and consist of the right amount, is often a significant implementation challenge. Even with a high level of political commitment and financial resources to allow introduction, expansion or improvement of cash transfers, lack of implementation capacity and experience can be a major impediment to achieving results.

Common factors that hinder implementation can include: lack of capacity both at central and local levels; weak monitoring systems to track the performance of programmes; poor administrative infrastructure to maintain a database of potential beneficiaries and make payments; and unrealistic programme design or implementation procedures. Such challenges lead to exclusion of eligible households, delays in payments, incorrect or inconsistent transfers, and increased implementation costs.

The second part of this guide will introduce tools and activities that have been used to address the challenges faced in countries, mainly focusing on the coverage, adequacy and improved implementation of cash transfers.

Further reading:

- On the history of social protection and cash transfers:

Scarlato and d'Agostino (2016) The political economy of cash transfers: A comparative analysis of Latin American and sub-Saharan African experiences. Die discussion paper series

- On the latest statistics of Social Safety Nets/Social Protection programmes:

World Bank (2015) The state of social safety nets 2015

ILO (2014) World Social Protection Report 2014/2015

Cirillo and Tebaldi (2016) Social Protection in Africa: Inventory of Non-contributory Programmes. International Policy Centre for Inclusive Growth and UNICEF

ODI (2015) Doing cash Differently. How cash transfers transform humanitarian aid. Report of the High-Level Panel on Humanitarian Cash Transfers.

- On exclusion errors and transfer adequacy

Kidd, Gelders and Baily-Athias (2017). Exclusion by design: An assessment of the effectiveness of the proxy means test poverty targeting mechanism.

The Transfer Project. 2016a. "How much to programmes pay?".

A range of frequently updated links and information is available on socialprotection.org.

Part II. Tools and activities to support the introduction, expansion and improvement of cash transfer programmes

Underlying the global picture of UNICEF's engagement, there is a wide range of specific activities commonly undertaken to introduce, expand or improve cash transfers by country offices. Drawing from a range of sources, including child poverty and social protection mapping, country annual reports and publications and RAM analysis, this section identifies and provides information and tools on 19 of these activities.

An illustrative cycle of work on cash transfers
To help organise this diverse set of work, this guide broadly categorises these activities into an illustrative cycle of work on cash transfers (see Figure 8, and for the full list of activities in each area, see Table 1). These are:

A) Taking stock: analysis of child poverty and existing cash transfer programmes. UNICEF frequently works to understand the current situation of vulnerable children or those living in poverty as well as the existing cash transfer programmes and their effectiveness. This provides a foundation for our work to introduce, expand and improve cash transfers.

B) Setting the direction: examining programme design options. Often based on understanding the status quo and the gaps or weaknesses of current programmes, UNICEF works with governments to help think through how a new programme could be designed or existing programmes adjusted to better address child poverty and vulnerability.

C) Mobilizing support and resources: policy engagement and advocacy. Towards building and strengthening national programmes, UNICEF works to build common understanding, national support and mobilize resources to launch or build sustainable programmes at scale. Advocacy among decision makers and the public is at the heart of this area.

D) Achieving the results on the ground: implementation with monitoring and evaluation. As well as supporting analysis and design of cash transfers and the policy engagement and advocacy needed to achieve change, in many contexts UNICEF works directly with governments to support implementation, monitoring and evaluation of cash transfer programmes.

Figure 8 An illustrative cycle of activities on cash transfers

Table 1 List of activities and their main objectives

#	Activity	Main Objectives
Taking stock: analysis of child poverty and existing cash transfer programmes		
1	Understanding child poverty and vulnerability	Using measurements of child poverty, vulnerability and inequality to identify who and where the poorest and most vulnerable children are.
2	Mapping existing cash transfer programmes and their effectiveness	Review the details of all cash transfer (or social protection) programmes in the country to identify the strengths and gaps of existing programmes.
3	Analysing the distribution of cash transfer programmes	Examine the coverage of existing cash transfers by socio-economic groups/quintiles to assess who is receiving the cash transfers.
4	Estimating the impacts of major policy reforms (micro-macro simulation)	Run micro-macro simulations to identify potential impacts of major policy reforms (such as fuel subsidy reform) on children and how cash transfers could be used to mitigate potential negative impacts or shocks.
Setting the direction: examining programme design options		
5	Simulating the potential poverty impact of cash transfers by different programme designs	Run microsimulations to understand the impact of introducing, expanding or improving cash transfers on children and their families.
6	Costing different design options	Estimating the potential programme and operational cost of introduction/expansion or improvement of cash transfers.
7	Providing technical assistance on programme design	Making recommendations about programme design elements, such as targeting, transfer size or frequency, to maximize programme impact on children and families.
Mobilizing support and resources: policy engagement and advocacy		
8	Advocating for new, expanded or improved cash transfers	Undertaking policy and/or public advocacy to increase awareness and build support.
9	Convening partners	Bringing partners to conduct joint advocacy or technical assistance.
10	Supporting exchange of knowledge and experiences (field visits, south-south exchange, community of practice and training)	Supporting decision makers to participate in field visits, south-south exchange, community of practice or training to gain first-hand experience in seeing or listening to successful examples.
11	Supporting development of institutional frameworks	Supporting the development of national strategies, policies or acts related to social protection and cash transfers to formalize mid-term and long-term commitments.
12	Engaging in budgetary frameworks and processes	Mobilizing domestic resources to achieve sustainable funding mechanisms for cash transfers.
13	Analysing fiscal space to finance cash transfers	Looking at the domestic budget profile or specific revenue sources to finance the introduction, expansion or improvement of cash transfers.

Achieving results on the ground: implementation with monitoring and evaluation		
14	Providing technical support to implementation	Assisting the programme roll-out at various stages, such as communication with beneficiaries, registration, using tools such as MIS or payment mechanisms.
15	Building central and local capacity for implementation	Providing training, operational manuals or equipment to operationalize cash transfer programmes.
16	Modelling implementation through a pilot project	Directly financing and managing small-scale programmes to build evidence of scalability and impact of cash transfers where no national programmes exist.
17	Strengthening monitoring and accountability mechanisms	Setting up monitoring systems and building accountability mechanisms, such as grievance mechanisms or audits to ensure vulnerable children and families are receiving their entitlements.
18	Tracking the flow of money	Using Public Expenditure Tracking Survey (PETS) to track the flow of money from central level to household level to identify any bottlenecks in delivery or concerns of leakages.
19	Evaluating the implementation and impact on children	Conducting impact evaluations to rigorously identify the impact of cash transfers on children and families and/or evaluation of the implementation to identify areas of improvement in running the programme.

Putting the cycle of work, and the activities, in context

The four categories in the cycle of work intend to illustrate a potential flow of work on cash transfers, but it is important to note, however, that **the starting points, the sequencing and selection of activities will depend heavily on country context**. Some countries that are starting with limited or no existing cash transfers may find it only feasible and meaningful to model a cash transfer through direct implementation. Another country may start with a broad engagement with policymakers to first get traction on the issue, and then move towards concrete policy options and designs. Or perhaps the results of an impact evaluation of existing established programmes will be a starting point to improving programmes for children.

Additionally, a combination of different areas of work is often needed to build a wide range of support and to align the political interests and financial resources required to make implementation feasible. As such, activities are often combined to achieve results. For example, a policy option paper with microsimulation models and costing, or policy advocacy and technical assistance on programme design based on impact evaluation may be most effective.

The rest of this section looks into specific activities and tools, with a focus on the following elements:

What is it? Understanding the objective of the activity and what it entails

What does it require? Data, knowledge or skills required to undertake the activities.

(Where relevant) **How can it consider children specifically?** Ideas and considerations to bring a child lens into the activity.

Where has it been used? Country examples or cases of existing example(s) where UNICEF has undertaken the activity.

When/where could it work? A brief assessment about the context(s) in which the activity can potentially have the largest impact.

What are the limitations/challenges? Discussion of the risks or barriers in undertaking the activity or in achieving results

Where to find out more? Links to existing guidance and resources.

Box 3 How do you choose what to do?

Choosing the right activity is probably as important as doing the activity right. In many cases, it may be intuitive and clear to pick activities based on knowledge of where gaps are and what could work. In other situations, however, it may be much less obvious.

Making this decision may be more art than science. But while there is no algorithm to guide exactly which activity will be most useful in any context, there are some considerations in choosing what activity will have most relevance in the country. They include:

- Existing cash transfer programmes (if any)
  - Some of the tools and analysis can only be applied to existing programmes (one obvious example is mapping of existing programmes). For countries starting from no or limited cash transfers, advocacy or modelling through pilot projects could be a critical first step to open windows of opportunity.
- Bottlenecks
  - Although perhaps easier said than done, an understanding of what challenges exist to expand or improve cash transfers provides critical information to act upon. For example, are there misconceptions or scepticism about the impact? Does a lack of political commitment exist? Is there a lack of financial resources? Understanding the bottlenecks through discussions with key decision makers could point to specific activities to address the bottlenecks.
- Capacity
  - The capacity and financial resources required to conduct each activity vary greatly. Having a sense of what is feasible, both in terms of technical and financial capacity, can narrow down the choices.

For more information about a diagnostic approach, Exercise 4.3 of the UNICEF/Global Coalition guide on child poverty and SDGs takes a similar approach to narrowing down the area to focus on.

A. Taking stock: analysis of child poverty and existing cash transfer programmes

Activity 1: Understanding child poverty and vulnerability

What is it?

Understanding a country's child poverty and vulnerability situation is fundamental to advocacy and programme design, triggering discussions about policy and programme response in which cash transfers can emerge as a key potential solution. Child poverty and vulnerability analysis can also help improve the design of cash transfers to reach the poorest and the most vulnerable by building a clear understanding of who they are and where they live. Finally, child poverty measurements and indicators can be embedded in national development plans or poverty reduction plans, which could create a favourable policy environment for investment in cash transfers.

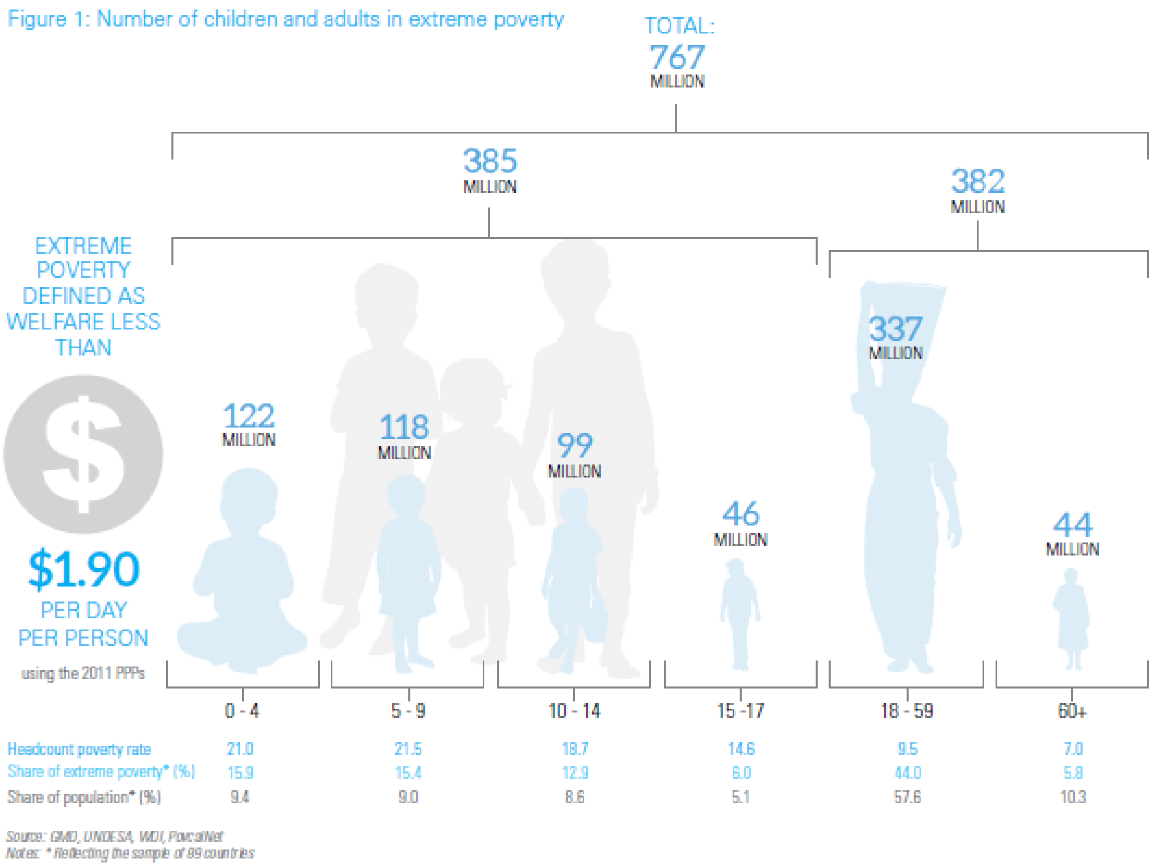
Child poverty analysis is undertaken to capture the scale and depth of children living in poverty and deprivation in three ways: monetary child poverty analysis, multidimensional poverty analysis and a combination of both. As children are explicitly recognized in SDG 1, which also defines both monetary and multidimensional poverty lines to be used for reporting, it is expected that an increased number of countries will routinely measure and report on child poverty rates using multiple methods.

Monetary poverty analysis defines poor households as households living under the international poverty line (extreme poverty is defined as living on less than $1.90 per day per person), the national poverty line (defined nationally by the basic needs) or other thresholds. Monetary child poverty rates can then be calculated as the share of children living in poor households among all children. On the other hand, multidimensional poverty analysis will use a certain methodology or index (such as MODA, MPI or Bristol) to count the number of children or households who are deprived in a certain number of dimensions, or whose deprivation index is below a certain value (for a more detailed comparison across different methodologies, see the guidance in the reference section below). Combined analysis will calculate both monetary and multidimensional child poverty rates, and analyse the overlap between the two where possible.

Depending on available data, child poverty and vulnerability analysis can build evidence to show the following:

- **Child poverty compared to the general/adult poverty rate.** With the SDGs, all countries are expected to report on extreme poverty rate, national poverty rate and multidimensional poverty rate disaggregated by age group. In most countries, child poverty is higher than the adult poverty rate (on average twice as high in developing countries), which makes a strong case for child-sensitive design of cash transfers.
- **Poverty rate by age group**. The poverty rate can be further disaggregated into specific age groups aged between 0–17. For example the UNICEF/World Bank analysis of extreme poverty finds the youngest children are most likely to be poor (see Figure 9).

Figure 9 Number of children and adults in extreme poverty

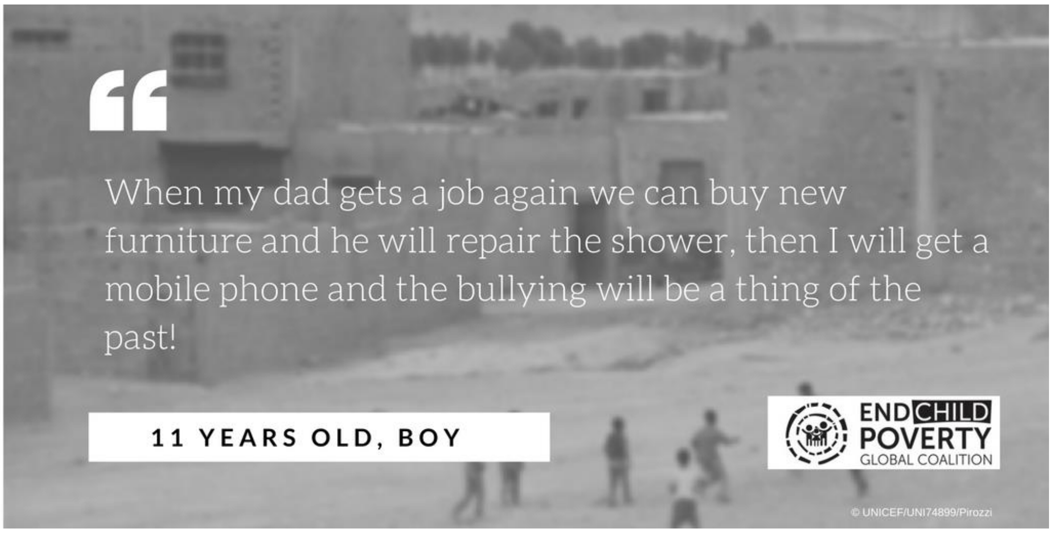


Source: UNICEF and World Bank (2016)

- **Child poverty trends.** With routine household surveys and child poverty monitoring, trends can also be analysed. A slow pace of reduction, for example, could make a strong case to improve or expand cash transfers in order to accelerate the pace of reduction.
- **The poverty gap.** The poverty gap is an indicator of 'poverty depth', showing how far, on average, the poor population are from the poverty line. Methodologies have been developed to calculate the poverty gap for both monetary and multidimensional measures. These measures can be particularly useful in countries where the poverty rate may not be significantly high but the households living in poverty are living far below the poverty line. Moreover, multiplying the poverty gap by the population can be used as a rough measure of the minimum budget required to eliminate poverty.
- **The child poverty profile.** Further disaggregation of child poverty (for example by region, urban/rural, ethnicity, status of disability, gender) can then be used to identify the characteristics of the poorest and the most deprived children. For multidimensional poverty measures, it could also show the leading dimensions and indicators of child poverty. Such disaggregation could be of particular use to advocate for and target interventions aimed at the most deprived children.
- **Voices of children.** While national child poverty estimates will be calculated based on quantitative data, experience shows that including children's voices in the analysis can be powerful, as they bring the reality of poverty and deprivation in children's own words. For examples, see Bhutan's child poverty study under the resources below, and Figure 10, an

example of a Twitter image used for a campaign by the Global Coalition to End Child Poverty on the occasion of International Day for the Eradiation of Poverty.

Figure 10 Social media message on poverty using a child's voice



Source: Global Coalition to End Child Poverty

Vulnerability is equally an important concept, particularly to build a functional social safety net that prevents people living near the poverty line falling into poverty. The importance has also increased with emerging discussions and applications of shock-responsive cash transfers. However, compared to poverty measurements, there is little or no consensus on how to measure vulnerability and the existing approaches tend to be much more complex, making it harder to bring direct policy influence.

Key concept: vulnerability analysis

There is growing understanding that vulnerability assessments are fundamental to designing policies and programmes that can protect families and children from future shocks. On the other hand, the term vulnerability "*has become one of those slippery terms (like sustainability) that is now used to signify so many different things that it is in danger of losing any real meaning*" (Cannon 2008). Thus, a starting point of any engagement in vulnerability analysis will be to clarify the definition of vulnerability in a way that serves the purpose: *what's the purpose of the vulnerability analysis? What are the outcomes of concern? What are the main sources of risk? What is a feasible scale of the analysis?* Having clear answers to these questions can help design and choose the most appropriate methodology and scope of analysis.

Existing literature to support vulnerability analysis can be roughly categorized into three areas:

A. Frameworks to assess vulnerabilities to inform policies and programmes provide a set of questions, possible indicators and research methodologies to understand the shocks, exposure and coping mechanisms of multiple outcomes. Given their broad scope, they are most useful to inform the development of policy and programme designs or holistic evaluation of existing interventions against certain risks. For examples, see the Social Risk Management Framework by the World Bank or Household Economy Approach by Save the Children.

B. Methodologies to assess vulnerabilities to inform policies and programmes will also contribute to the design, monitoring and evaluation of policies and programmes against shocks, but unlike the previous group of frameworks, they use a specific tool to assess vulnerability. This could take the form of an econometric analysis (like Vulnerability as Expected Poverty (VEP)), near-poverty headcounts (for example, simply counting those living just above poverty line), or participatory assessments (such as Participatory Vulnerability Analysis by Action Aid). Additionally, child-centred risk assessment tools can be used to consider children and families facing higher covariate risks, such as natural disaster or conflicts.

C. Methodologies to target households or individuals for programme implementation use a short questionnaire with pre-selected questions about the household situation, which is then used to identify vulnerable households who are eligible for a programme. Examples include the Vulnerability Assessment Framework (VAF) used for cash transfers to Syrian refugees in Jordan.

For more information on this, see a working paper on child-focused vulnerability analysis (internal access only) or refer to pages 24–27 of the Social Protection Framework.

Finally, there is increasing discussion and debate about rising **inequality**. Addressing inequality is not only important to achieve national and global poverty reduction but also for intrinsic reasons of fairness and justice (World Bank 2016). In the short-term, cash transfers can reduce inequality by providing income support to the poorest households. In the long-term, cash transfers can contribute to equalizing opportunities by promoting the human capital development of children.

Inequalities can be defined and measured in several ways. The most commonly used approaches are as follows:

- **The Gini Coefficient/Index** is one of the most common indicators of inequity. It measures how equal the distribution is using an indicator from 0 to 1, where 0 means everyone has the same income, and 1 means maximum inequality (e.g. one has all and the others have nothing).
- **The Palma ratio** is another indicator of inequality, defined as the ratio of the richest 10 per cent of the population's share of gross national income divided by the poorest 40 per cent's share.
- **The 20:20 ratio** is similar to the Palma ratio but compares the aggregated wealth of the top 20 per cent of the population to the bottom 20 per cent of a given population.
- The **Growth Incidence Curve** compares changes in the consumption or income between two points in time at each percentile of the distribution in order to understand in which quintiles income/consumption growth was fastest.
- **Inequality in outcomes** compares the difference in outcomes by income quintile. For example, *children from the poorest quintile are X times more likely to be stunted than children from the richest quintile.*

What does it typically require?

- **A household survey:**
  - Child poverty and vulnerability analysis are conducted using household surveys, typically those which are nationally representative with large sampling frameworks.

The type of survey required will depend on the types of methodologies used – whether income/consumption data for monetary poverty analysis or child deprivation data for multidimensional poverty analysis.

- **Analytical skills:**
  - Quantitative skills to analyse household surveys will be required to produce estimates and analyse the child poverty profiles.
  - National partners such as the National Statistical Office or local universities/research centres may be able to provide such expertise in some countries. In fact, building national capacity helps to routinize national measurements.
- **Engagement with national stakeholders:**
  - In order to bring the poverty and deprivation of children to the attention of high-level policymakers, engagement with key decision makers – such as the President's Office, the Cabinet, national planning commission, Ministry of Finance, Ministry of Planning – will be an important part of the process. They could be involved in conceptualizing and defining child poverty in the national context, as well as in disseminating the results at public events.

Where has it been used?

Case 1 Georgia: Understanding child poverty and the links to cash transfer programmes

In **Georgia**, a UNICEF-supported household panel survey was used to analyse the trend of monetary poverty by age group, rural-urban differences in child poverty, and poverty rates by number of children in the household. Analysis of the poverty rate by age group showed that child poverty was higher than the population's poverty rate regardless of the poverty thresholds (i.e. extreme poverty, general poverty or relative poverty) and highlighted the particularly high extreme poverty rate for children aged 5–14 (Figures 11 and 12).

Source: Baum et al. (2014)

Figure 11 Population poverty trends by age group in 2009, 2011 and 2013

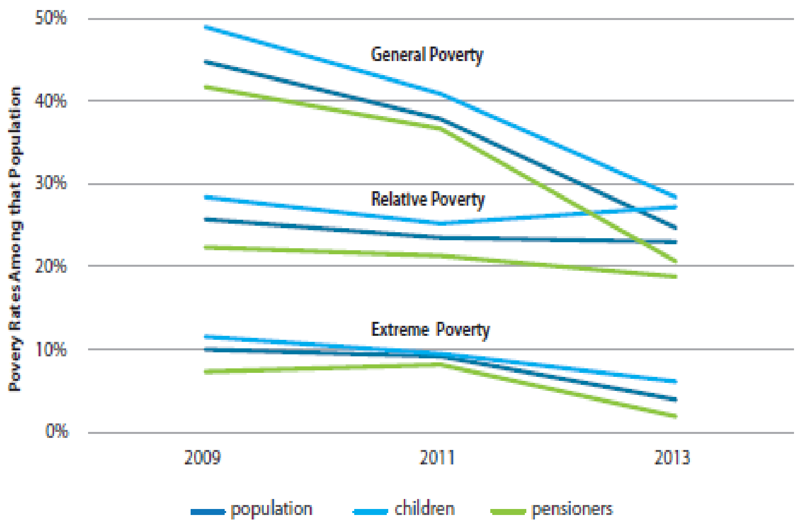
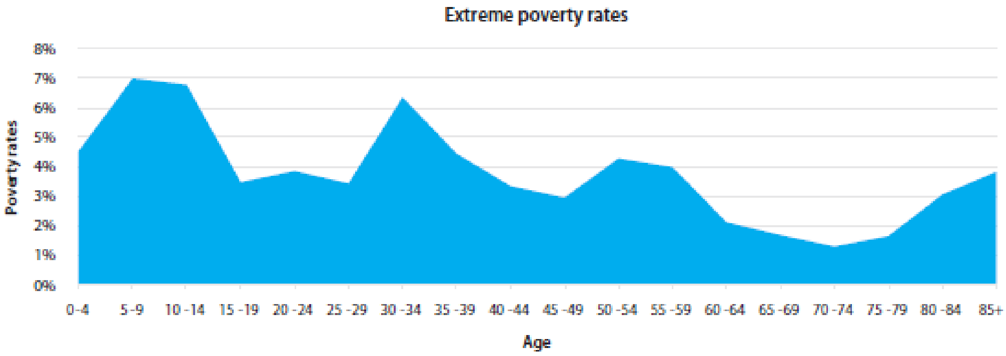


Figure 12 Extreme poverty rates and general poverty rates by age groups



Source: Baum et al. (2014)

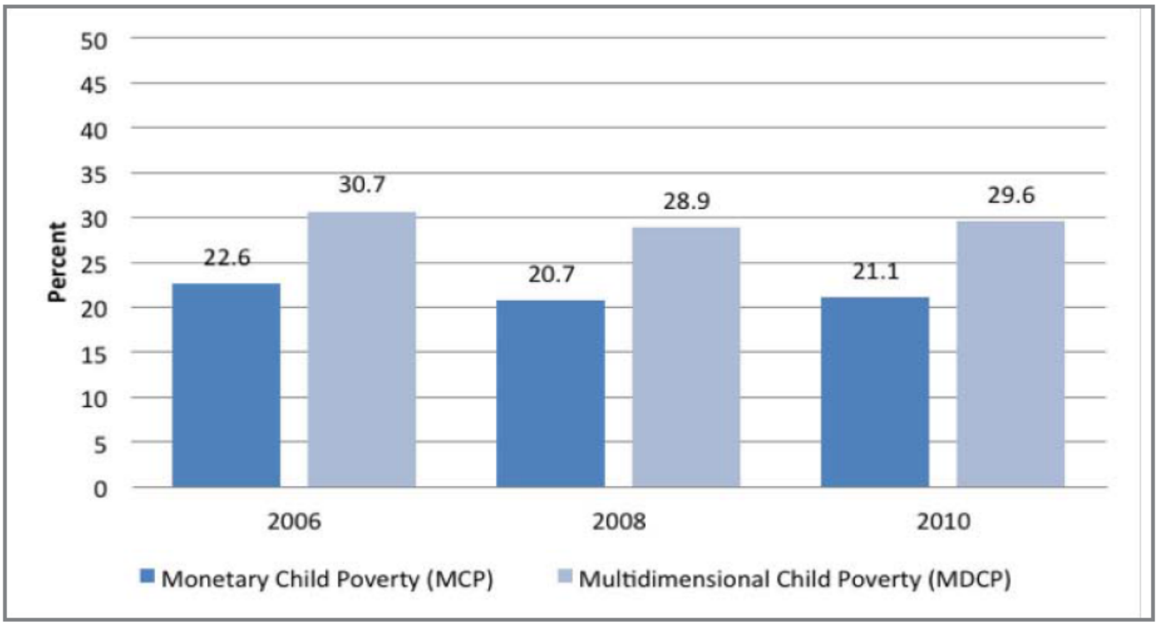
The study further revealed that coverage of the flagship cash transfer programme, Targeted Social Assistance (TSA), was low among households with children and conducted a microsimulation to understand potential impact of introducing/reforming social assistance programmes. Such analysis combined with policy advocacy and partnership building resulted in the introduction of a remarkable child benefit scheme to its social protection system, planned to reach approximately 260,000 children from the poorest households nationwide.

Case 2 Vietnam: Monetary and non-monetary approaches to child poverty

In Vietnam, UNICEF worked with the World Bank on the national poverty report *Well Begun, Not Yet Done: Vietnam's Remarkable Progress on Poverty Reduction and the Emerging Challenge*. Based on previous analysis and estimates, UNICEF provided information on a section dedicated to child poverty and deprivation. This section incorporated analysis of both monetary and non-monetary approaches to child poverty. On the monetary side, the report compared child poverty rates with adults and identified characteristics of families particularly vulnerable to extreme poverty (such as families with three or more children).

A Vietnam-specific multidimensional measure was then used to analyse eight poverty domains, including deprivations in education, nutrition, health, shelter, water and sanitation, child labour, leisure, and social inclusion and protection. The overlap between the two approaches, as well as the trend from 2006–2010 for both measures, showed a slow pace of reduction in both poverty rates, but more so for multidimensional child poverty.

Figure 13 Monetary and multidimensional child poverty in Vietnam, 2006–2010

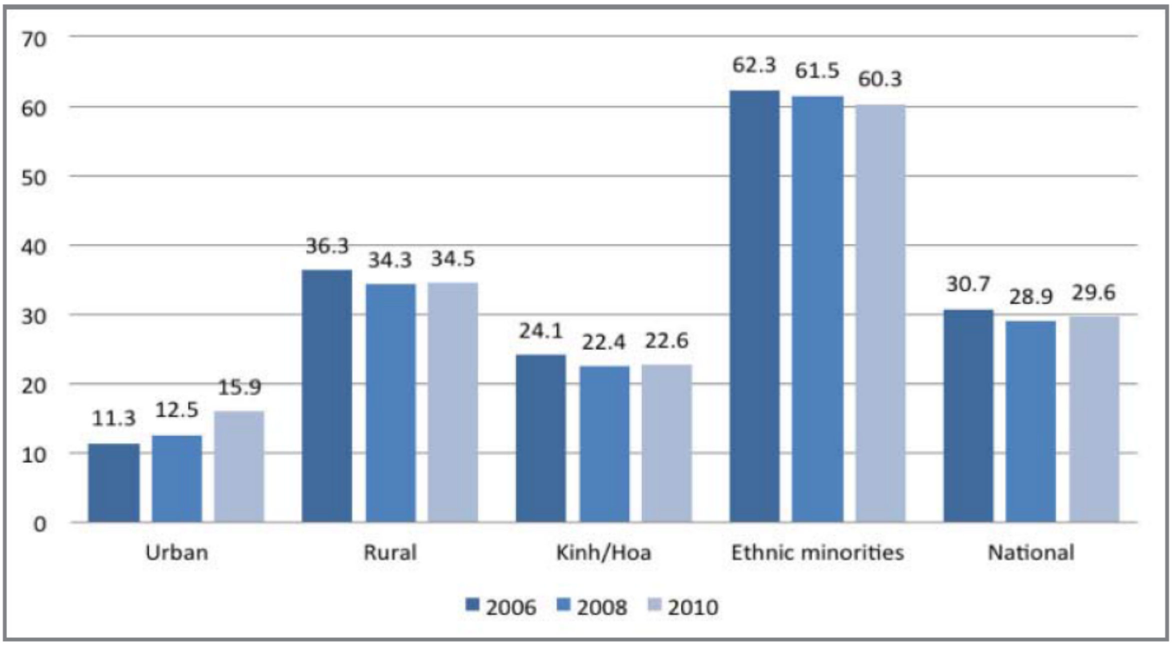


Source: 2006, 2008, 2010 VHLSS.

Source: World Bank (2012)

Further, child poverty profiling based on multidimensional child poverty measurement revealed the socio-economic groups in Vietnam that were most lagging behind. As Figure 14 shows, ethnic minorities were found to be at much higher risk of being multidimensionally deprived, almost twice as high as the national rate.

Figure 14 Monetary and multidimensional child poverty in Vietnam by selected sociodemographic variables, 2006–2010



Source: 2006, 2008, 2010 VHLSS.

Source: World Bank (2012)

The poverty report was influential in generating a dialogue with national policymakers to review the country's approaches for sustainable poverty reduction. The child poverty analysis together with the child benefit costing analysis informed the government to pilot a consolidated cash transfer programme for children aged 0–15 and pregnant women from the poor families in four provinces, which is expected to be scaled up in 2018.

When and where could it work?

- ✓ Child poverty is a universal problem – from lower-income countries to the richest ones. As such, poverty and vulnerability analysis could be relevant to any country or context, while the specific methodology or poverty lines used may vary.
- ✓ The explicit inclusion of children in Goal 1 of the SDGs can open the window of opportunity in some countries.
- ✓ High levels of child poverty in a country can be a strong foundation to advocate for a universal child grant rather than a targeted approach.
- ✓ Child poverty analysis may have a particularly strong impact in countries where decision makers are unaware of the situation of children in the country, as it can help bring attention to the issue at the highest levels.
- ✓ For countries where cash transfers do not exist at scale, poverty analysis can serve as a call to action to expand programmes. For countries with scaled cash transfer programmes, child poverty analysis can highlight the children who are excluded and not reached. This can lead to adjustments and improvement of the programme design to cover the disadvantaged children.

What are the limitations and challenges?

- Information from poverty analysis may not be sufficient to trigger concrete policy response as the analysis may not lead to concrete policy recommendations. As in the example of Georgia above, combining with other analyses – such as microsimulation to measure the potential impact of cash transfer expansion – could then lead to concrete recommendations and discussions on policy response.
- Particularly for multidimensional poverty analysis, there could be a gap between the poverty analysis and cash transfer as a solution. If the dataset covers both monetary poverty and multidimensional deprivations, the correlations between lack of money and sectoral outcomes could be analysed to partly bridge the gap between multidimensional poverty analysis and policy recommendation on cash transfer.

Where to find out more?

- *A world free from child poverty: a guide to the tasks to achieve the vision* is a comprehensive guide on child poverty work to achieve the SDG target on child poverty. Milestone 2 of this guide is dedicated to child poverty measurement and the guide gives an overview of different approaches and brings a number of country examples and considerations together for all practitioners.

- For each methodology, rich guidance and briefs are available:
    - Bristol:
        - UNICEF (2007) Global Study Guide is a detailed and comprehensive guide to conduct Global Study, including statistical tables and template Terms of Reference.
        - Gordon and Nandy (2013) Measuring Child Poverty and Deprivation is a technical guide, more focused on the Bristol approach to measure child poverty and deprivation.
        - UNICEF and ECLAC (2014) Guide to estimating child poverty outlines how the Bristol method was adapted to Latin American countries.
    - MODA:
        - The Innocenti website has the latest national studies as well as an online tool to conduct cross-country MODA analysis.
        - De Neubourg et al. (2012) Step-by-step Guidelines to MODA gives detailed instructions on how to conduct MODA analysis.
    - MPI:
        - OPHI website provides recent updates on measurement, policy applications and research.
        - Alkire et al. (2015) Multidimensional Poverty Index – Summer 2016: Brief Methodological Note and Results provides the latest updates of estimations in various countries, as well as brief notes on the methodology.
- Hjelm et al. (2016) *Comparing Approaches to the Measurement of Multidimensional Child Poverty* by UNICEF Office of Research uses two multidimensional approaches – MODA and MPI – on the same dataset to compare the differences in estimates when different methods are used.
- Poverty Databank by the World Bank provides interactive tools to track and analyse monetary poverty using the extreme poverty line.
- Partnership for Economic Policy (PEP) offers training material on poverty assessment and poverty analysis. DAD is a software that can be used to analyse poverty and inequity and DASP is a stata package to help analyse the distribution of living standards.
- Okubo (2016) Introduction to vulnerability analysis is a working paper that gives an overview of existing approaches to measure vulnerability from a child perspective.
- Alkire et al. (2016) Child Poverty in Bhutan: Insights from Multidimensional Child Poverty Index and Qualitative Interviews with Poor Children combines child-sensitive MPI with voices of children.
- The website of Global Coalition to End Child Poverty has a page that combines children's voices with a list of participatory studies.
- Estimating the impact on poverty of Ghana's fuel subsidy reform and a mitigating response by UNICEF Ghana and PEP analyses the impact of fuel subsidy reform on poverty and inequality. The paper points to the rising inequality in Ghana using the Gini index, examines how fuel subsidy reform disproportionately affects the poor, and models how expansion of cash transfer programmes can reduce national inequality levels.
- Reducing child poverty in Georgia by UNICEF (2014) uses monetary child poverty analysis to highlight problems faced by children, combined with simulation and costing analysis to advocate for reform of the country's social assistance schemes.

Activity 2: Mapping existing cash transfer programmes and their effectiveness

What is it?

According to an internal mapping exercise at UNICEF in 2015, almost 90 per cent of the countries surveyed (134 out of 141 countries) already had some form of existing cash transfer programme. In such contexts, taking stock of the programmes already in place can help identify the gaps in coverage and provide insights on how the coverage, equity and adequacy of cash transfers can be improved.

While the mapping exercise can be done for cash transfer programmes only, it is more common to conduct the exercise for all social protection interventions in order to generate a full picture of the country's social protection floor/system. Such studies have been carried out jointly by national partners and development partners, contributing to sharing understanding about the strengths and weakness of a country's existing programmes and system.

Information on each social protection scheme is collected from policy-related documents or informant interviews with policymakers. Key parameters of the programmes typically include information about the overall policy framework (if any), programme designs and implementation elements. Figures 15 and 16 shows respectively the parameters used for Assessment Based National Dialogue (ABND) and Core Diagnostic Instruments (CODI).

Figure 15 Parameters to describe social protection scheme used in ABND, example of Cape Verde

Name of the scheme	Legal framework	Responsible body	Target group	Eligibility criteria	Actual population covered	Benefits	Financing
Cabo Verde Social Pensions	Act No. 24/2006, Act No. 7/2006, Act No. 18/2010	National Centre of Social Pensions (CNPS), under the supervision of the Ministry of Youth, Employment and Human Resources Development	Elderly and people with disabilities	• Cabo Verde resident; • Income below national poverty line; • Not covered under other schemes	In 2015, 46 per cent of the elderly over 60 years of age	Beneficiaries receive a monthly payment of CVE5,000 (US$49.5)	General State Budget

Source: ILO (2016)

Figure 16 Eighteen key areas in social protection systems used in CODI

Source: Behrendt et al. (2016)

Depending on the objective and available resources, an output of this activity could be an inventory of programmes (such as listing key information about existing programmes) or a more comprehensive assessment of the programmes based on pre-defined criteria. For instance, CODI includes an assessment matrix used to assess a country's social protection system under 10 performance criteria. Similarly, the *Assessing child-sensitivity in social protection* guidance by UNICEF's Regional Office for South Asia (ROSA) supports assessment of child sensitivity in 11 dimensions. Identified gaps and weaknesses from the mapping/assessment exercise serve to identify entry points to further improve the programmes and the system.

Key concepts: **indicators to measure performance of cash transfer programmes**

In undertaking a stocktaking of cash transfer programmes, the following indicators can be used to measure and compare performances of different programmes.

Exclusion error: defined as the proportion of those eligible for a cash transfer programme but who are not receiving the benefits.

Inclusion error: defined as the proportion of those receiving the benefits of a cash transfer programme but who are not eligible for it.

Targeting Performance Indicator: while there is no singular method, a commonly-used approach divides the share of benefits received by the certain decile by the amount the decile would have received under a 'neutral' targeting whereby each decile receives 10 per cent of the total benefits. For instance, if the bottom 40 per cent of the income distribution receives 60 per cent of the total benefits, the indicator is calculated at 1.5 (=60/40) (Coady, Grosh and Hoddinott 2004).

What does it typically require?

- **Policy documents and reports:**
  - Information regarding objective(s), history and implementation agencies are typically derived from official reports from national governments or global database/publications such as social security inquiry.
- **Statistics/administrative data:**
  - Quantitative data will provide information about the coverage, adequacy and impact. They can be obtained by national administrative data, household surveys or global databases such as ASPIRE.
- **Budget information:**
  - Information about spending can be obtained from budget documents, such as budget speeches or expenditure reviews at national level, or global databases, including ASPIRE and social security inquiry. While financing for the social protection sector may be publicly available, finding cost information about specific programmes can be challenging in many countries.
- **Interviews:**
  - Key informant interviews with policymakers are often critical to complement publicly available information.

Where has it been used?

Case 3 Belize: A comprehensive social protection review (using CODI)

In 2010, the Government of **Belize** undertook a reform of social policy and safety net programmes, including the introduction of new programmes and development of tools to improve the management and effectiveness of existing programmes. Prior to this reform, high levels of government spending on social assistance were not considered to have translated fully into results on the ground, leaving many poor families vulnerable. To address this, the government initiated a comprehensive review of Belize's social protection system with financial and technical support from UNDP and UNICEF.

CODI was used as the guiding framework for the assessment and the process was led by the Ministry of Human Development, Social Transformation and Poverty Alleviation. ECI, a private consultancy company for development cooperation, was selected to carry out the assessment. The assessment was conducted in three steps: (i) data collection using questionnaires and additional interviews; (ii) assessment based on the data collected; and (iii) policy dialogue and recommendations.

Using CODI guidance, a comprehensive diagnostic was conducted, covering the policies, programmes and administrative arrangements of the social protection system. While emphasis was given to the assessment of systems, assessment of individual programmes and projects was also included, which was then used as a basis to mark scores for the whole system. Figure 17 below shows a snapshot from the report, where a cash transfer programme (BOOST) is rated on its inclusiveness by four categories in pre-defined areas (for example gender equality, general coverage and effective coverage).

Figure 17 An example of individual cash transfer assessment

Annex 4: Individual programme CODI assessments

BOOST

	AREAS	CATEGORIES 1	2	3	4
Inclusiveness	Gender equality, non-discrimination, and special needs	Gender equality, non-discrimination, and special needs of vulnerable persons are not taken into consideration in social protection laws, policies, strategies, and programs' design, nor in practice in the implementation.	Only for few programs, gender equality, non-discrimination, and special needs of vulnerable persons are taken into consideration in social protection laws, policies, strategies, programs' design, and in practice.	Gender equality, non-discrimination, and special needs of vulnerable persons are taken into consideration in some programs' design and implementation and related legal provisions exist for a majority of programs.	Gender equality, non-discrimination, and special needs of vulnerable persons are taken into consideration in the majority programs' design and implementation and related legal provisions exist for all programs.
	Coverage: non-contributory	Coverage of overall target population (as defined nationally) across the life cycle through non-contributory programs is very low.	Coverage of the target population (as defined nationally) across the life cycle through non-contributory programs is low.	Coverage of the target population (as defined nationally) across the life cycle through of non-contributory programs cover a majority of the target population.	Coverage of the target population (as defined by the nationally) across the life cycle through non-contributory programs is high.
			The majority of the economically active	The majority of the	All (or almost all) of the

Source: Otter, Butterworth and Villalobos (2017)

An inventory table with basic information about the country's existing social protection programmes was valued highly by all stakeholders as it helped build understanding and provide a quick snapshot of all existing programmes. The process of the assessment also provided a number of opportunities to exchange knowledge and opinions, which contributed to strengthening national ownership, capacity and coordination among the leading ministries and other involved national institutions.

Building on these diagnostics, and adding a gap analysis, poverty analysis and a M&E framework for the system, the final report of the comprehensive review was produced in 2017. It is expected that the report will serve as a key evidence base towards developing a social protection strategy in the country (Otter and Butterworth 2017).

When and where could it work?

- Mapping exercises are useful where there are at least a few existing cash transfer programmes in the country. Mapping could be particularly useful in contexts where cash transfer programmes are fragmented across different ministries or departments and there is no comprehensive knowledge about the existing programmes.
- Combining mapping with poverty and vulnerability analysis (Activity 1) will allow comparison between the population in need of cash transfer support and the existing programmes, and help identify the gaps in existing cash transfers.
- Mapping exercises can be a great opportunity to increase communication among different agencies within the government and also across different partners (Activity 2). As such, it could be conducted jointly with partners. For instance, CODI is developed by authors from different agencies aiming at creating greater collaboration and assessment-based national dialogue in order to promote UN-wide implementation.

What are the limitations and challenges?

- While mapping or assessment exercise most often produce policy recommendations as conclusions, the level of recommendations can be generic. For more concrete recommendations on the programme design or scale-up, additional activities, such as simulation or costing of certain scenarios (Activity 5 and 6), should be combined.
- While joint work by several organizations could increase the impact of the study, it can take significant time to reach agreements on the components of social protection to cover and the focus of the study.

Where to find more?

- Assessing child sensitive social protection by UNICEF-ROSA (2014) is a toolkit to support country-level analysis of the extent to which a social protection system is child sensitive, based on UNICEF's social protection framework. The assessment is composed of three parts. The first part collects information about the general country context. The second part assesses social transfers based on 11 dimensions. The final part draws on the previous sections to identify gaps and make policy conclusions.
- Social protection assessment-based national dialogue: A global guide. Joint United Nations response to implement social protection floors and achieve the Sustainable Development Goals was published by ILO in 2016, based on a number of joint UN initiatives using assessment-based national dialogue in Africa, Asia and East Europe. In particular, Step 1 of the guide focuses on developing an assessment matrix through a participatory process.
- Social security inquiry is a global database of social security schemes by the ILO. The database provides information about schemes type (private/public; contributory/non-contributory), regulatory frameworks, target group expenditure, benefit and funding sources from the year 2000 onward.
- Social Security Programs Throughout the World: Europe, 2016 is published by the Social Security Administration of the United States and the International Social Security Association, covering the features of statutory social security programmes in 170 countries. The database covers allowances to families for the support of children and provides information about the programme types, coverage, source of funds, eligibility and administrative organization.
- Social Protection in Africa: inventory of non-contributory programmes is a joint publication by International Policy Centre for Inclusive Growth and UNICEF (2016). The publication mapped 127 programmes in 39 African countries, covering key information such as programme objectives, types, targeting methods, delivery mechanisms and payment frequency.
- Mapping of social protection measures for children affected by HIV/AIDS in Asia and the Pacific is a regional mapping study by UNICEF's East Asia and Pacific Regional Office (EAPRO), specifically focused on social protection measures related to HIV/AIDS.
- Social Protection in Nigeria: an overview of programmes and their effectiveness was prepared by ODI for UNICEF-Nigeria in 2012. It reviews the key policies, programmes and

actors around social protection, along with a brief assessment of the performance of social protection programmes.

Box 4 Which cash transfer(s) to engage in?

A seemingly simple question can actually be tricky to answer. Some offices support child-focused programmes such as child grants, while others work to make general schemes (such as targeted social assistance) more child sensitive. Where there is sufficient capacity and demand, it is also possible to work on both, including the coordination among different programmes.

There is no clear answer to this question, as children do not necessarily have to be the target of cash transfer programme for them to benefit from programmes. For instance, some studies on pensions have found a significant impact on child-related impacts (Duflo 2000).

While there is no defined formula to choose which cash transfer to engage with, one approach could be to consider two factors: the *opportunity* and the *impact*. The former will examine the likelihood that UNICEF's involvement will influence programmes, while the latter looks at what could be the potential impact on children. Each factor can then be analysed based on several components:

Opportunity = how likely is it that UNICEF's engagement in the cash transfer programme will lead to change?

- **Political support:** Is there interest in reforming the schemes for the general population or is it politically more feasible to advocate for a child grant, which may be less politicized in some countries?
- **Vision:** Is there commitment by the government to build a social protection floor or system with a child or family grant, or is the immediate focus to build a flagship cash transfer for other socio-demographic groups?
- **Expected role of UNICEF:** Is there demand for UNICEF to be involved in cash transfers for socio-demographic groups other than children, or is UNICEF's support expected for child-specific schemes only?

Impact = what is the potential impact on children from the change we are seeking to achieve?

- What will be the impact of the proposed change, in terms of the coverage of children and families, quality of programmes and equity of coverage for the most vulnerable?
- Will pursuing a new child grant create or intensify fragmentation of cash transfer programmes in the country, leading to overall inefficiencies?

It is worth noting that the decision does not have to be either/or. Data on UNICEF's engagement shows that there are a number of countries working on both multiple programmes and towards supporting a comprehensive social protection system.

Activity 3: Analysing the distribution of cash transfers

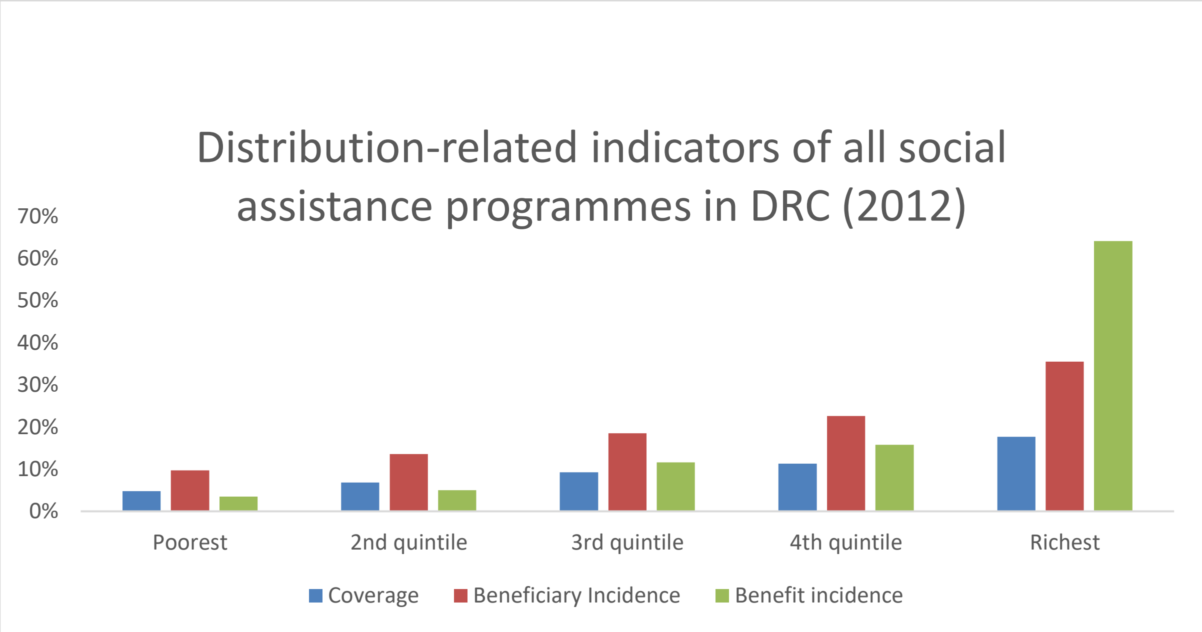
What is it?

Where there are some forms of cash transfer already in place, understanding the current status of coverage is an entry point to examining how coverage can be extended or improve its focus on the poorest and most vulnerable children and families. Such information could be generated from household surveys, administrative data or specific surveys for the programme-targeting assessment, which contain information about the characteristics of the recipients and non-recipients of the cash transfer. Three of the most commonly used approaches are the following:

- **Coverage rate of cash transfers by socio-economic group**
  - The share of individuals (or households) by socio-economic group who received the cash transfer, divided by the total number of individuals (or households) in the same group. This does not consider the amount of the transfer.
    - For example, *10 per cent of the households in the poorest quintiles received a child grant, while 3 per cent of the households in the richest quintiles received the same*.
- **Beneficiary Incidence Analysis**
  - The share of the beneficiaries of the programme in the socio-economic group compared to the total number of beneficiaries.
    - For example, *30 per cent of the total beneficiaries were from the poorest quintile.*
- **Benefit Incidence Analysis**
  - The share of the benefits going to certain socio-economic groups compared to the total amount of benefits allocated.
    - For example, *20 per cent of the total benefits were paid to households with children, while 80 per cent of the total benefits were paid to households without children.*

In addition to using the above analysis to evaluate the coverage of cash transfers across different groups, the same approaches can be applied to other sectoral policies and programmes to identify gaps in the existing coverage of services or subsidies. The inequity in distribution of non-cash programmes can then provide evidence to introduce or strengthen cash transfers for the poorest children and families (see Ghana's study on fuel subsidy under the reference section below for an example).

Closer look: The following figure shows the coverage, beneficiary incidence and benefit incidence of all social assistance programmes in the Democratic Republic of Congo in 2012 obtained from the ASPIRE database. It shows that the design of the available cash transfers benefits the richest over the poorest and therefore are not particularly pro-poor. The coverage rate among the poorest is much lower than the richer quintile. Thirty-six per cent of the beneficiaries were from the richest quintile, and in terms of benefit incidence 64 per cent of benefits went to the richest 20 per cent of the population. This analysis suggests areas of potential improvement in the programme design to increase the focus on the poorest.



Source: ASPIRE database

What does it typically require?

- **Surveys**
  - Household surveys, containing information regarding whether households received cash transfer programmes or not, can be a source. Field testing of a new Multiple Indicator Cluster Survey (MICS) module on social protection has been completed, aimed for use in round 6. As MICS collects a wide range of child indicators from areas including education, nutrition and violence, the new module will allow an analysis of the relationship between cash transfers and child outcomes.
  - In countries where beneficiaries of cash transfer programmes are limited and not fully captured in household surveys, specific surveys designed for the cash transfer programme (such as a baseline survey for an impact evaluation) or administrative data could be an alternative option.
  - Modelling techniques could be used when the number of recipients is too small to analyse in the household survey, although this is technically more complex.
- **Understanding of the most vulnerable groups**

    - Having an understanding of vulnerable and poor groups will point to proper disaggregation in undertaking any of the distributive analysis.
- **Basic analytical skills**
    - Distribution analysis requires the ability to cross-tabulate the coverage by household socio-economic status. Global databases do not require such skills, but only provide an analysis of combined social assistances programmes, rather than individual programmes.

How can it consider children specifically?

- The analysis can compare the coverage among households with and without children.

Where has it been used?

Case 4 Kazakhstan: Analysis of social transfers for children and families

A study commissioned by UNICEF-Kazakhstan, *Analysis of social transfers for children and their families in Kazakhstan*, looked into the design of existing social transfers and discussed policy options for improving social assistance to address the needs of poor and vulnerable families more effectively. The analysis of the coverage of different social assistance schemes reveals that, in general, social assistance is pro-poor, where the poorest quintile has a much higher coverage rate (46.70 per cent) than the richest quintile (20.20 per cent). Interestingly, the state social allowances and special state benefits are more progressive compared to poverty-targeted schemes, such as housing assistance (Table 2).

Table 2 Share of households by income quintile receiving social assistance per month

	Total	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
Total social assistance	27.30%	46.70%	30.10%	25.60%	23.50%	20.20%
Targeted social transfers	0.60%	2.20%	0.70%	0.30%	0.40%	0.10%
Housing assistance	1.70%	2.30%	1.20%	1.50%	1.80%	1.50%
State social allowance	11.30%	24.40%	14.60%	12.10%	8.10%	5.20%
Special state benefits	11.00%	20.50%	14.20%	10.60%	8.70%	7.00%
Other social transfers	9.20%	10.60%	6.50%	7.90%	9.30%	10.80%

Note: Income quintiles based on per capita household expenditure excluding social transfers; weighted by population weights

Source: Babajanian, Hagen-Zanker and Salomon (2015)

The study further looks at the coverage of social assistance programmes by household characteristics, such as education, employment status, disability, number of children in the household and location. Analysis shows that households with more children are more likely to receive social assistance and the coverage rate is particularly high among households with three or more children – a group that was identified to be particularly vulnerable to poverty in the same analysis (Table 3).

Table 3 Share of households receiving social assistance by number of children (aged 0–14) per month

Number of children	Proportion of group	Receiving any social assistance	Receiving targeted assistance	Receiving housing assistance	Receiving state social allowance	Receiving special state benfits	Receiving other social transfers
0	57.94%	25.8%	0.3%	2.0%	10.7%	9.8%	9.5%
1	23.92%	23.1%	0.7%	1.4%	12.2%	7.5%	7.2%
2	12.54%	31.0%	1.0%	1.2%	11.5%	13.7%	9.7%
3 or more	5.61%	51.6%	1.9%	0.9%	13.4%	33.3%	14.1%
Total	100.00%	27.3%	0.6%	1.7%	11.3%	11.0%	9.2%

Note: Weighted by population weights

Source: Babajanian, Hagen-Zanker and Salomon (2015)

The study makes a policy recommendation to increase the coverage among the rural population, who were identified as vulnerable but had a lower coverage rate compared to urban households. It also suggested improving the poverty targeting methodologies due to high targeting exclusion errors (see the Policy Brief here).

When and where could it work?

- ✓ Distribution analysis is most commonly applied in countries where there is already a cash transfer programme, and where there is a household survey that asks if a household received cash transfers in the past. If there is no household survey that could be used, modelling techniques could be applied to link with other datasets, but this could be technically more complex (for an example, see Handa et al. 2012).
- ✓ Distribution analysis can also provide evidence about the effectiveness of existing targeting methodologies and if they are achieving planned results. For more on targeting see Activity 14.
- ✓ Distribution analysis can also help compare the performance of different programmes.

What are the limitations and challenges?

- Distribution analysis can have the effect of scaling down cash transfers if the evidence suggests that non-poor or middle-class groups are receiving cash benefits. As such, it may be most effective to focus on exclusion of the poorest quintile rather than inclusion of the 'non-poor' population.

- The survey questions on the receiving status of the cash transfer will only capture beneficiaries who received cash transfers during a certain time period (such as in the past XX months).

Where to find more?

- Under the performance section of ASPIRE, you can find indicators to assess the coverage, benefit incidence and beneficiary incidence of social protection and labour programmes in 122 countries.
- Second Benefit Incidence Analysis of the Philippine Cash transfer programme analyses how the *Pantawid Pamilyang Pilipino Program* has benefited different socio-economic groups.
- See Social Monitor on social protection in CEE/CIS for an analysis using both concepts in the region.
- Soares and Teixeria (2010) Impact Evaluation of the Expansion of the Food Subsidy Programme in Mozambique by IPC-IG analyses the benefit incidence of the expansion of the food subsidy programme.
- Reducing child poverty in Georgia (UNICEF 2015) analysed the coverage of social transfer programmes for households with and without children by each wealth quintile, revealing that households with children had lower coverage of a cash transfer scheme.
- Analysis of CT-OVC coverage is a presentation put together by the Kenya Country Office, analysing the coverage of CT-OVC.

Activity 4: Assessing the impacts of major policy reforms (micro-macro simulation)

What is it?

Historically, a number of cash transfer programmes were introduced to mitigate the negative impacts of major policy reforms or policy shocks (Box 5). For instance, trade agreements, fuel subsidy reforms or tax reforms can increase poverty rates or inequality within a country. On such occasions, revenues from such reforms could be used to fund new or expanded cash transfer programmes to protect the poorest population.

In countries where such major policy reforms are expected to take place, or where such reforms have already taken place, identifying the (potential) economy-wide impact of the reforms, particularly among the poorest population, is essential to accurately estimate the impacts on poverty. Micro-macro simulation is a sophisticated econometric analysis that builds models to simulate the potential macro impact on the economy as a whole, as well as micro impact at household level.

While micro-macro simulation can bring the above mentioned additional benefits to microsimulations, there are some caveats as discussed under the limitations and challenges section below. Thus, careful comparison of the benefits and associated costs of micro-macro simulations is advised before undertaking the work.

Box 5 Common triggers of cash transfer introduction or expansion

Across different countries, there have been common events that have triggered national action to introduce or expand cash transfers. While the trajectories of cash transfers are unique to each country, knowing the common triggers helps assess some events as opportunities to strengthen work on cash transfers. From a review of the development of cash transfers in over 20 countries, the following events were identified as important triggers of cash transfer launch or scale-up.

- **Crises** trigger immediate relief to the affected population, which could then be scaled-up for longer-term programmes.
  Examples:
  - Economic crises
  - HIV/AIDS crises
  - Natural disasters
- Aside from crises, **concerns with the current situation** could motivate decision makers to act on them. Examples include:
  - Poverty numbers/reports
  - Inefficiencies of existing welfare programmes
- **Reforms** can put particular groups of the population at risk, which could lead to political action to introduce cash transfers as a mitigating mechanism. For more details about such analysis, see Activity 14: mitigating the negative impact of major policy reforms.
  - Fuel Subsidy Reform
  - Tax Reform
  - Trade Reform

- **Political events**, in particular elections, have served as a platform where politicians make commitments to the public on social services, including cash transfers.
- **International or regional commitments** have prompted signatory states and parties to develop national plans to fulfill commitments. The Livingstone Accord in 2006 had a major influence on African countries, and most recently 194 member states of the General Assembly signed the Sustainable Development Goals, which include a target on social protection. Such commitments not only contribute to developing national agendas but also accelerate the engagement and facilitation by development agencies.
- **Peer pressure** from the success of other countries, often in the same region, has also influenced domestic agendas. For more information about south-south exchange, refer to Activity 10: Field visits, south-south exchange and community of practice.

Key concepts: microsimulation and micro-macro simulation

Microsimulation (Activity 5) looks at changes in distribution at individual level, using microdata (for example, household or individual-level data), which allows the model to estimate changes in poverty rate or inequality measures.

Micro-macro simulation combines micro-level data with macro-level data (for example, a dataset that describes the structure and transaction in the economy) to analyse changes at individual level, taking into account the aggregated change that can take place as a result of the policy/programme. For example, cash transfers are likely to not only increase the income of the targeted population, but could also affect the wage rates, market prices and government's fiscal situation in the economy as a whole. Macrosimulation can model such potential economy-wide changes and is often used to analyse macro policy changes, commodity price shocks, droughts, demographic transitions or large-scale cash transfers.

Source: Lay (2006)

What does it typically require?

- **A household survey**
    - Information about household expenditure or income is necessary to conduct the 'micro' part of the simulation and to estimate changes in monetary poverty.
    - In the case of behavioural microsimulation models, information on other household parameters, such as the labour participation of household members and household production, are required.
- **Social Accounting Matrix (SAM)**
    - SAM captures the transactions and transfers between all economic agents in a defined socio-economic system to represent the macroeconomic accounts and allow macroeconomic modelling.
- **Advanced understanding of macroeconomic models and skills to build a macro model**
    - As micro-macro simulations are highly technical and complex, an economist(s) with advanced knowledge, skills and experience in micro-macro modelling, as well as familiarity with the datasets mentioned above, is required.

Where has it been used?

Case 5 Egypt: Assessing the impact of the energy subsidy reform on child poverty

In **Egypt**, UNICEF and the Ministry of Finance, in partnership with PEP, undertook a study on the potential impact of the energy subsidy reform on child poverty. The research was based on a micro-macro simulation of both the subsidy reform plan and a series of social protection policy options targeting families with children.

The study combined many of the tools and analysis introduced in this chapter, including child poverty profiling; benefit incidence analysis of fuel subsidy; micro-macro simulation of energy subsidy cuts; and microsimulation of a child cash transfer programme to be financed through savings from fuel subsidy reform. In particular, the macrosimulation model allowed "reconcil[ing] the large and complex general equilibrium effects of energy subsidy cuts – where energy is a major household consumption good, production input and direct source of employment – and the individual- and household-specific poverty and inequality effects of the resulting changes in wage rates, employment, self-employment income and consumer price" (Cockburn et al. 2014). For instance, the micro-macro simulation could identify how different factors will increase/reduce the child poverty rate, under four different sets of scenarios (Table 4).

Table 4 Decomposition of the incidence of child poverty in 2017–2018 for the different simulation scenarios by income factors

By factors	Sim1	Sim2	Sim3	Sim4
Wages	-1.42	-1.42	-1.41	-1.46
Profits	-1.90	-1.59	-1.97	-1.71
Cash transfer	0.00	-6.23	-3.41	-2.14
Consumer prices	4.79	4.55	4.71	4.75
Total change	1.47	-4.69	-2.07	-0.57

Source: Authors' estimation

Notes: the Shapley/Shorrocks decomposition has been performed with the STATA routine *adecomp*. Note that the factors "wages" and "profits" include the combined effect on revenues and employment in the wage and self-employment sectors respectively.

Source: Cockburn et al. (2014)

The results show that the potential negative impact of the reform on the number of children living in extreme poverty is large, with an additional half million children at risk of falling into poverty. However, they also show that investing a moderate share of the fiscal space generated by the reform in child-sensitive social protection can substantially reduce the number of children living in poverty.

A combination of evidence generation and policy advocacy contributed to the reform of energy subsidies and the launch of two new cash transfer programmes entitled *Takaful* and *Karama* in 2014. *Takaful* is a conditional cash transfer targeting poor families with children, while *Karama* is an unconditional cash transfer for elderly people and people with a disability. The programmes were scaled up to additional regions, and by November 2016 were benefiting 950,000 households (approximately 2.47 million children) identified as extremely poor. It is worth noting that the programmes are partly financed with the savings generated by the ongoing rationalization of the energy subsidies, as recommended in the study.

When and where could it work?

- ✓ This technique is most relevant in countries where there is a major policy reform that could negatively affect the well-being of the poorest households.
- ✓ Due to the highly technical nature of the modelling, the results may be more compelling to an audience who have a strong economic background.

What are the limitations and challenges?

- The additional financial and technical resources required to collect data and build a model could be significant.
- The model, assumptions and outcomes could be complex and technical, limiting the ability to convince high-level decision makers.
- Given the complex nature of the socio-economic system that the model aims to represent, the outcomes should be interpreted rather as "thought experiments than unconditional predictions" (Hertel et al. 2007).

Where to find more?

- *Introduction to CGE* are slides by Gilbert from ARTNeT Short Course on CGE Modelling at UN ESCAP which provide a quick overview of the basic elements of CGE.
- *Combining microsimulation with CGE and Macro Modelling for Distributional Analysis in Developing and Transition Countries* by Davies (2009) provides an overview of recent studies that combine microsimulation and CGE models in developing and transition countries.
- PEP supports local CGE researchers by creating a database of local researchers with expertise in CGE modelling and also by providing a range of training materials on Modelling and Policy Impact Analysis (MPIA).
- Estimating the impact on poverty of Ghana's fuel subsidy reform and a mitigating response by UNICEF-Ghana and PEP simulates the impact of fuel subsidy on poverty and inequality along with simulation analysis of cash transfer expansion as a mitigating mechanism. The paper contributed to the expansion of the flagship cash transfer programme (LEAP), and in response to these findings, the Ghanaian Government committed to doubling LEAP to 150,000 households, and plans to eventually triple their commitment.
- Enhancing equity for children in the context of the reform of energy subsidy in Egypt has been conducted within the collaboration between the Ministry of Finance, UNICEF-Egypt, the Regional Office for Middle East and North Africa, and the Partnership for Economic Policy (PEP). It analyses the potential impact of energy subsidy reform on child poverty and inequality, using a micro-macro simulation model.

B. Setting the direction: examining programme design options

Activity 5: Simulating the potential poverty impact of cash transfers by different programme design

What is it?

When considering design and coverage options in introducing a new cash transfer, or expanding an existing programme, knowing the potential impact each option could have is an important consideration for comparison. Microsimulation is a statistical exercise to project potential impacts of expansion or improvement of cash transfer using an existing household survey of the population of interest. It is typically used to compare impacts across different programme designs, such as the target population or the transfer size.

The basic forms of analysis will look at impacts on the monetary poverty rate (for both general population and children) as well as the poverty gap (such as how far the poor households are from the poverty line on average). While simulating the impact of cash transfers on other dimensions of deprivation can also be done, such as schooling or health outcomes, the model and data requirements can become extremely complicated, and there are only a limited number of existing studies (for an example of this, see Cambodia's case under the resources section below).

Microsimulations are often combined with costing exercises to compare the cost effectiveness of different options (Activity 6). Also, macrosimulation can be combined with microsimulations for a large-scale cash transfer programme when there is interest in analysing the economy-wide impact of cash transfers beyond the household level (see Activity 4 on micro-macro simulation for further information).

What does it typically require?

- **Several scenarios with different design options**
    - Several scenarios should be defined first, outlining a few hypothetical target groups and transfer sizes. The involvement of the national government in defining the scenarios could be an effective approach to influencing policy decisions as a result of the study.
- **A household survey:**
    - For basic monetary simulation, an income or expenditure household survey is the basis of the analysis to calculate the baseline poverty rates/gap and then the simulated impacts.

- **Analytical skills:**
    - Any statistical package that can analyse household survey results could be used (such as SPSS or STATA). There are also free software packages to conduct simulation, such as ADePT.

How can it consider children specifically?

- The simulation can project a reduction in the child poverty rate, in addition to general poverty rates.

Where has it been used?

Case 6 Uganda: Developing a social protection investment case

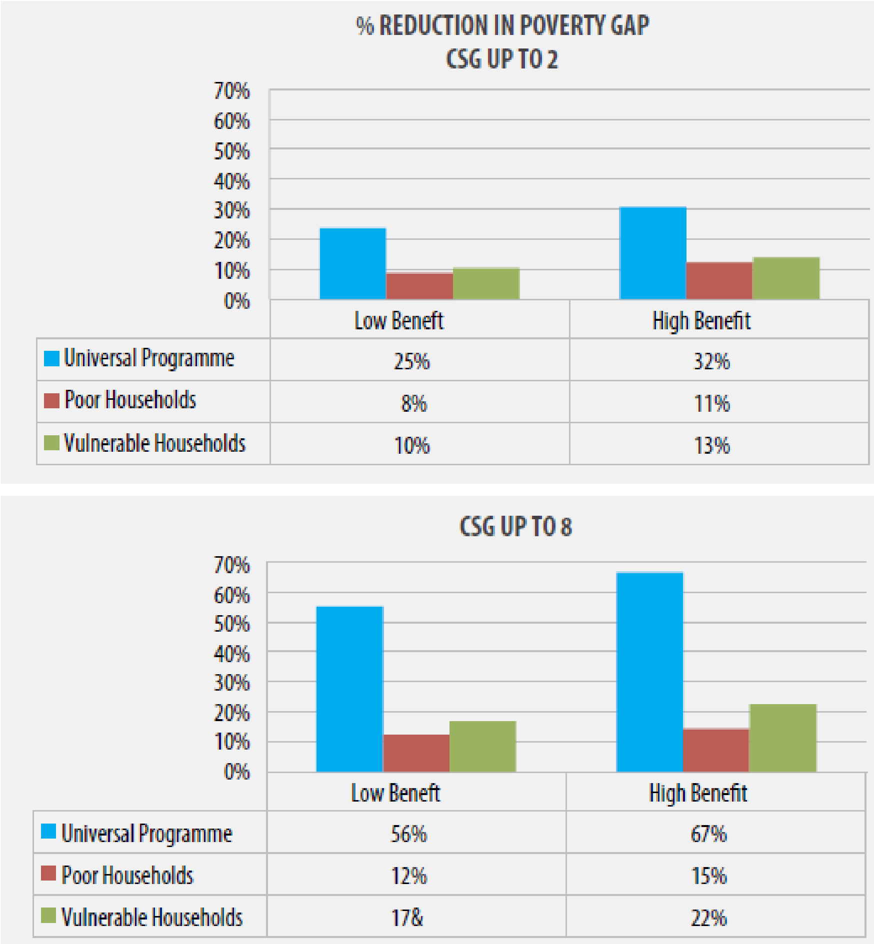
The social protection investment case of **Uganda** conducted a micro-simulation of several cash transfer programmes, identified through a range of stakeholder consultations with government and development partners. These programmes included a senior citizens grant, a disability grant and a child support grant, as well as universal healthcare. For the disability grant and the child support grant, different targeting approaches, grant amount and grant duration were tested. The aim was to compare the potential impact in reducing the poverty headcount and poverty gap, using the national household survey of 2013 and the living standards measurement survey of 2012. Further, the estimated cost of implementing each programme was calculated to analyse cost feasibility in the long run as well as cost effectiveness.

In the analysis of the child grant, for instance, the following scenarios were set up to compare different options:

- Age threshold for eligible children: under 2 or 8 years of age
- Targeting method: universal; targeting vulnerable households living below twice the poverty line; or targeting poor households living below the extreme poverty line
- Grant amounts: low (20 per cent of average household expenditure) or high (30 per cent of average household expenditure)

Figure 18 below shows the results on the poverty gap, comparing the estimated changes according to different designs. The study further examined the efficiency of the programmes by comparing the ratio of vulnerability gap reduction to cost, and fiscal sustainability by analysing the long-run costs over the next 27 years, and the effectiveness by calculating the per cent reduction in poverty gap for every one per cent of GDP invested in the child support grant.

Figure 18 Child Support Grant: poverty gap reduction



Source: Government of Uganda, UNICEF and Economic Policy Research Institute (2016)

In the study, the authors make specific assumptions on some aspects of the model, including: how to estimate the number of pregnant women, percentage of exclusion and inclusion error, and the administrative cost, which could provide rich insights and examples for countries considering similar studies. The study was launched in partnership with the government in November 2016 to prioritize national investment to build resilience among Uganda's most vulnerable population.

When and where could it work?

- ✓ Microsimulation can be relevant in any context where expansion or improvement of cash transfer is discussed – both in countries with no existing cash transfers and in countries with an existing scaled programme.
- ✓ As typical results will point to potential reduction in monetary poverty rate and poverty gap, analysis will likely get bigger traction in countries (or among relevant agencies) where there is strong emphasis on monetary poverty reduction.

What are the limitations and challenges?

- Access or availability of household surveys on household expenditure/consumption could be an issue in some countries.
- There are some assumptions that need to be made, particularly for the take-up rates and the inclusion/exclusion errors (see the abovementioned Uganda study for a careful examination on this).
- The potential impact of cash transfers is not limited to poverty headcounts or gaps – they could have long-term impacts on individuals, families and society. Microsimulations cannot take into account such impacts, thus can underestimate the overall impact of cash transfers, and micro-macro simulation (Activity 4) may be a better option to capture economy-wide impacts of large-scale cash transfers.

Where to find more?

- *ADePT Social Protection Module* is a free software developed by the World Bank to analyse a range of questions around social protection using data from household surveys. It helps analysis of the benefit incidence of social protection and can also perform static simulations.
- *Estimation of Rates of Return of Social Protection Instruments in Cambodia: A case for Non-contributory Social Transfers* uses a methodology to project multidimensional impacts of social transfers on education, nutrition and labour in a dynamic model.
- Social Protection Investment Case of Uganda was produced by the Government of Uganda, UNICEF and the Economic Policy Research Institute. The study was aimed to support effective implementation of the National Social Protection Policy by producing simulated impacts and costs of different design options.
- Reducing child poverty in Georgia also includes a microsimulation of different scale-up scenarios, combined with poverty analysis and cost analysis.

Box 6 Bringing a child lens to the analysis and activities

In undertaking any activity or analysis, UNICEF will have a clear focus on children and families, particularly the most disadvantaged. Bringing in a child perspective is straightforward in some of the activities and analysis. For instance:

- ✓ child poverty analysis can compare the poverty rate among children and adults;
- ✓ impact evaluation can include child-specific outcomes, such as schooling or nutrition;
- ✓ a simulation exercise will demonstrate changes in child poverty;
- ✓ benefit incidence can reveal coverage of cash transfer among households with and without children;
- ✓ Strategies can put emphasis on childhood and adolescence by adopting a life-cycle approach.

At the same time, other activities are commonly used for any other population group or by other agencies, such as advocacy, technical assistance or capacity building. In undertaking such activities, a child focus will be implicitly embedded in the activities as the programmes advocated for are expected to have positive impacts on children and families (in the form of child-targeted grants such as child benefits or general social cash transfers). Further, even in such cases, the focus on children can be strengthened by combining with the above analysis/activities in order to bring exclusive attention to children.

Activity 6: Costing different design options

What is it?

The choice of programme design for cash transfers is also influenced heavily by the cost implications. Without understanding how much a proposed expansion or improvement of a cash transfer programme costs, even with rough estimates, it is hard if not impossible to convene influential discussions on design options with multiple stakeholders. Cost estimates are often combined with other analysis, such as microsimulation (Activity 5) or fiscal space analysis (Activity 6), to then analyse the most cost-effective option as well as the potential source of funding.

While detailed costing exercises can be challenging to undertake from publically available information or surveys, basic cost analysis often conducted at the early stage of policy discussions could be relatively simple for cash transfer programmes, compared to other components of social protection, such as social care and support services or health insurance scheme. The major cost of cash transfers can be roughly divided into two:

(i) *Amount of direct transfer to household,* which can then be broken down into:

(The transfer amount per household) x (The number of beneficiary households).

(ii) Administrative costs, estimated from different sources of information including:

- Other existing cash transfer programmes in the country
- Other country examples (the Uganda investment case has a literature review)
- General assumptions (e.g. 20 per cent of the total cost)

The administrative cost will also largely depend on whether the expansion is able to use the existing structure or payment mechanisms, or if a new set-up is required for roll-out. Further, it could also depend on targeting approaches, where administrative set-up to conduct (proxy) means testing could increase the cost significantly. Other costs outside of these two categories could include research or training, but are often much smaller in terms of size of expenditure, thus they are excluded from initial estimates.

Cost estimates typically include longer-term projections to understand how the cost is expected to change over the next 5 or 10 years. The long-term implications can be quite different from the short-term numbers if there are any significant changes projected in terms of the number of beneficiaries, or other macroeconomic indicators (such as GDP or government expenditure). It is a common practice to compare the cost with the total expenditure in the social protection sector, with the total budget of the government and with the GDP both for the short term and how the share changes in the longer term. Such comparisons can help justify the affordability of cash transfers.

What does it typically require?

- **Design options of proposed or expanded cash transfers programme(s)**
  - As in the case of microsimulation, agreed scenarios or policy options should be first determined. These will at least define the target population and the transfer size.

- **Estimates of the number of beneficiaries and estimates of administrative costs**
    - Such numbers are critical figures for the estimates, as discussed above. They could come from different sources, including the census, household survey or administrative data.
- **Macroeconomic indicators and projections**
    - They are used to calculate the share of projected cost against the total government expenditure or GDP and obtained from global databases such as the World Economic Outlook of the IMF.

Where has it been used?

Case 7 Mozambique: Identifying social protection investments to achieve development targets

UNICEF **Mozambique** undertook a costing study for the social sector to identify the investment needed to achieve their development targets. Medium-term budget projections for the scale-up of INAS programmes were produced by the ILO in collaboration with UNICEF and the IMF, as part of the planning for the implementation of the Basic Social Security Strategy and in alignment with the 2011 Operational Plan.

A microeconometric model was used to estimate the total number of users based on pre-defined eligibility criteria (such as age or income). The projected numbers of potential beneficiaries were then inputted into an Excel-based costing model to calculate the cost implications for the chosen coverage level.

For four social protection programmes – namely the Basic Social Subsidy Programme (PSSB), the Direct Social Action Programme (PASD), the Productive Social Action Programme (PASP) and institutional care – three scenarios were identified to project the cost for 2013–2023, where the first scenario was the continuation of the current basic coverage, the second was an 'intermediate' scenario with moderate relaxing of eligibility, and the third scenario an 'ambitious' scenario where PSSB was replaced with social pension and child benefit introduced. Table 5 summarizes the baseline and three scenarios used for the analysis.

Table 5 Selected 2023 targets by scenarios

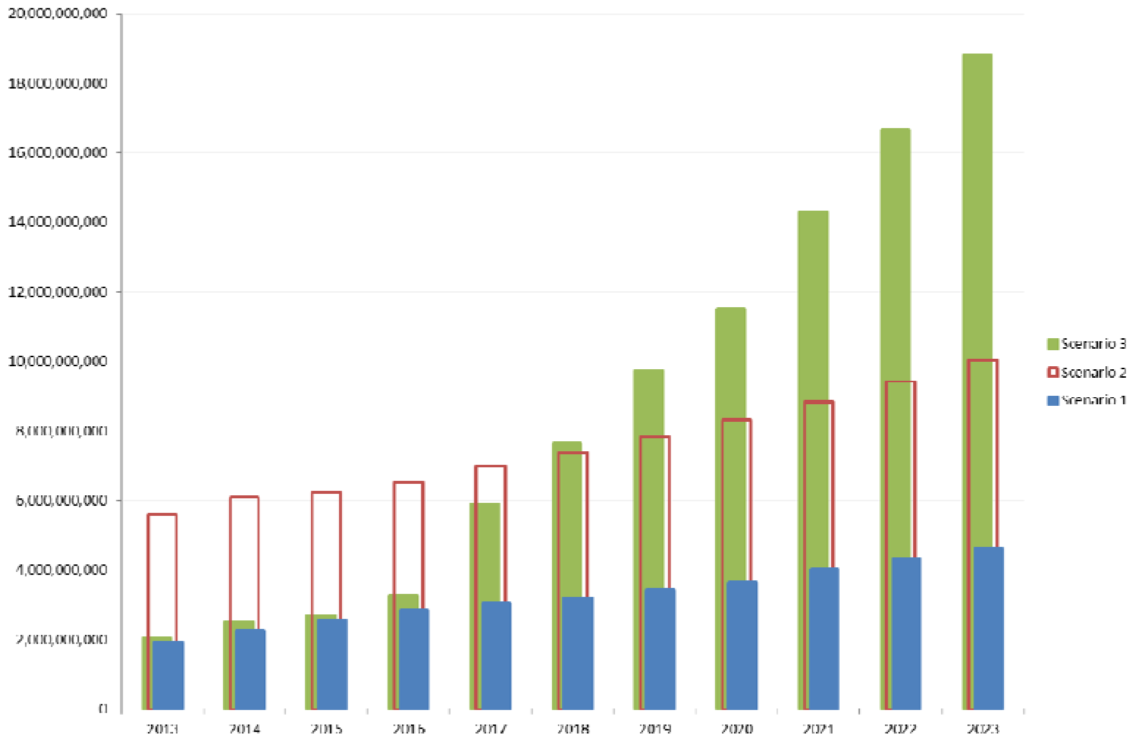
Target	Baseline	Scen. 1	Scen. 2	Scen. 3
PSSB / Social Pension				
Eligible Deciles		8 poorest	8 poorest	4 poorest
Eligibility criteria		No able-bodied in Household	Less than 1 in 5 able - bodied	Any labour constrained individual
Total number of beneficiary households by 2023	289,370	420,357	605,228	659,538
Transfer amount per primary beneficiary in 2023 (constant 2012 prices)	218	241	482	241
Periodicity	Monthly	Monthly	Monthly	Monthly
Admin cost by 2016 through 2023	30%	20%	20%	20%

Source: UNICEF-Mozambique (2015)

The cost implications of the different scenarios are presented in Figure 19. The study concludes that in all scenarios analysed here the projected cost of social protection would remain modest by international standards, as well as compared to the cost of other sectors. Even the costliest option would represent just 2.3 per cent of GDP under existing macroeconomic projections.

The costing analysis was launched jointly with the National Council for Children, along with situation analysis of children and an analysis of fiscal space, creating opportunities to engage with stakeholders, including the national budget director.

Figure 19 Projected total cost of social protection over the period 2013–2023 by scenario



Source: UNICEF-Mozambique (2015)

As the costing exercise demonstrates, there was great collaboration around social protection in Mozambique, including the ILO, IMF, DFID, Dutch Embassy, EU and UNICEF among other agencies. Learn more about the case study on UN collaboration and the development of SP floor in Mozambique here.

When and where could it work?

- ✓ Costing can be particularly useful in contexts where there is general agreement about investing more in cash transfers but there is uncertainty about how much money is required to achieve significant results.
- ✓ It is also useful when considering different design options and cost implications of a cash transfer programme.

- ✓ The estimates can be used to discuss the share of domestic resources in financing sustainable cash transfers over the medium and long term.
- ✓ Costing can be combined with an impact evaluation to show the cost-effectiveness of cash transfers (i.e. cost per unit of impact in a specific domain).

What are the limitations and challenges?

- Costing exercises usually provide very rough initial estimates for analysis and discussions, thus should be treated differently from a precise calculation of the exact cost.
- Cost is only part of the larger picture, and thus ideally should be combined with simulated impacts and/or fiscal space argument to make a stronger case.

Where to find more?

- UNICEF-ILO Social Protection Floor Costing Tool provides a pre-defined format and programme options based on an Excel spreadsheet, which makes it friendly for users to estimate costs and create graphs of certain scenarios without knowledge of modelling.
- Rapid Assessment Protocol (RAP): ILO Social Protection Assessment Based National Dialogue - A good practices guide: Step 2, Module 11: Calculating the cost of benefits using RAP model is intended to be used as part of a national dialogue. While the format allows more flexibility, the requirement of time and previous knowledge of modelling is higher than the SPF costing tool.
- The social protection investment case in Cambodia calculates the returns to investment by estimating both the costs and the benefits for different scale-up scenarios.
- Costing study in Lesotho looks both at the historic costs of the Child Grants Programme between 2007 and 2012 and simulates the likely future costs by 2020 for different scenarios.
- The Road to Recovery: Cash Transfers as an Emergency Response to Nepal's Earthquake of 2015 and a Catalyst for Consolidating Nepal's Social Protection Floor was published shortly after the 2015 earthquake, outlining policy options to provide both short-term emergency relief and mid/long-term cash transfers with costing of both measures.
- White et al. (2013) Guidance on measuring and maximizing value for money in social transfer programmes – second edition provides an analysis of administrative costs across five different countries.
- UNICEF (2017) Addressing the myths: the affordability of social protection discusses common misconceptions around the cost of social protection and provides analysis and information that can help address such misconceptions.

Activity 7: Providing technical assistance on programme design

What is it?

Seemingly minor changes in programme design can result in significant change in terms of the coverage and quality of the programme. Building on evidence and experiences, UNICEF provides technical assistance on programme design to increase the coverage, improve the quality and equity-focus of the programmes. This could include developing the design from scratch at the initial phase, or supporting the reform of the design of an established programme.

There are already existing resources and toolkits that can guide the selection of approaches in some areas. Table 6 below presents key considerations and further resources by design element. Additionally, Bastagli et al.'s *Cash transfers: what does the evidence say?* (2016) provides a summary of evidence on the design features of cash transfers based on systematic review.

Table 6 Elements of programme design to improve coverage and quality of cash transfer programmes

Design Elements	Key considerations	Resources
Objective and Messaging	• Are there clear objectives of the cash transfer and do they relate to the needs of children and families? • Does the cash transfer take a rights-based approach to social protection? • How the objective is perceived and communicated to the beneficiaries could also influence the outcomes. Is there a strategy for 'messaging' the objective of the cash transfer?	• Transformative social Protection. • The transfer project book on Lesotho's Child Grants describes how beneficiaries followed the messaging of the objective to spend for children. • An evaluation of CT 'labelled' for education.
Transfer size	• What amount is appropriate to achieve the objective of the cash transfer programme? (For example, programmes to address hunger could use the food poverty line and the cost of a daily meal as reference). • What is the national poverty line? How far are the poor families from the poverty line? Is the poverty line reflective of the basic goods and services? • What are the potential impacts of different transfer sizes on poverty, the poverty gap and other deprivations based on simulation? • What are the potential costs for each option? Are there enough financial resources to support both the horizontal expansion (coverage) and	• Transfer Project brief on transfer size examines the relationship between transfer size and outcomes from impact evaluations in sub-Saharan Africa. • The minimum expenditure basket is an approach to calculate household requirements to meet basic needs. • Activity 5 (simulation of impact) and Activity 6 (costing) could bring evidence to compare different options.

	the vertical expansion (transfer size), so that the CTs are not reaching large number of beneficiaries at the cost of smaller transfer size? • Is there alignment with the transfer sizes of other cash transfer programmes? • Is the transfer size adjusted to consider varied needs across eligible households? (for example, for do households with more children receive higher transfer amount?) • Is the transfer value adjusted to inflation?	
Frequency	• Is the distribution frequent enough to allow consumption smoothing and planning for future? • How much of a burden is it for poor households to collect the payments? • What is the capacity at central and local levels to disburse cash? • How frequent are other cash transfers or social assistance delivered? • Does the timing fit the purpose (for instance, are cash transfers aimed to promote schooling paid before the school fees are usually due?)	Redesigning conditional cash transfers is a research brief from Colombia in which different frequency and payment structure were tested.
Targeting	• Could universal grants be a feasible approach to realize child rights for all? • What share of the population is vulnerable and living in poverty? Does it make sense to target the poor or is poverty generally high? • What is the profile of the most vulnerable population? Are there specific drivers, such as age, region or disability? • Is there reliable administrative data of household income/expenditure that can be used to target the poor? • Is there local capacity to verify the household income/assets? Could inaccuracy in verification/targeting lead to exclusion of vulnerable households? • Are there community mechanisms/capacities to carry out assessments and ranking of poor members in the community?	• UNICEF Social Protection framework (p. 34). • ODI (2010) Toolsheet for targeting. • Samson et al. (2006) Designing and Implementing Social Transfer Programmes, Chapter 3. • Devereux et al. (2015) Evaluating the Targeting Effectiveness of Social Transfers: A Literature Review. • Coady et al. (2004) *Targeting of transfers in developing countries: review of lessons and experience.* • See key concepts box and references below for more information about major targeting methods.

	• What are the cost implications of different targeting methods? • What are the preference and norms among policymakers and the public?	
Eligibility criteria	• Will the criteria cover both the poor and the vulnerable? • Who and where are the poor and vulnerable children? • What are the gaps in coverage of current programmes? • What are the cost implications for each option and fiscal space? • Is there a reliable and feasible way to verify the criteria? • Shall households receive only one or multiple transfers?	• Same references as Targeting section (see above).
Conditionality	• Is imposing conditionality perceived as necessary to achieve the objectives? • Is there state capacity to provide the services and monitor compliance? • Is there any preference among the public and policymakers in terms of conditionalities? • Is the bottleneck to accessing services behavioural, which could potentially be addressed by CCTs, or are they financial/social? • For cash-for-work programmes, are children protected from the work requirements?	• Conditionality in Cash Transfers; UNICEF's approach. • The Conditions of Conditionality • Conditional Cash Transfers by the World Bank
Transfer Recipient	• What are the gender dynamics in the country within households? • Has any impact evaluation been carried out that will help determine if transferring cash to women will lead to their empowerment or put them at risk?	• Cash transfers: what's gender got to do with it? (UNICEF blog) examines the common assumption that giving to women will increase spending on children compared to men. • ODI toolkit on how to design and implement gender sensitive social protection programmes.
Access to other services	• Are there services or information that can be provided to the beneficiaries of cash transfers in addition to the	• Social Protection 'plus' workshop in Dar es Salaam (Innocenti).

	cash benefits to address the multidimensional nature of poverty and vulnerability?	• Save the Children (2017) 'Cash Plus' programming for Children.
Graduation/Exit	• Are the 'graduating households' living above defined thresholds resilient and protected from future shocks, or are they still vulnerable to poverty? • Does the programme provide enough duration for eligible households to achieve the objectives?	• SP framework (p.44). • BRAC's *PROPEL Toolkit.* • The Ford Foundation's *Graduation Approach Synthesis Analysis.* • IDS' *Graduating from Social Protection?* publication. • The IPC-IG's *Debating Graduation* Policy in Focus publication.

As programme design is often influenced by political and social norms, participating in the political process through leading a steering committee or launching a public campaign are also important in terms of influencing design elements. Moreover, continued monitoring and evaluation of a programme has been proven to play an important role in adjusting the programme design to improve the programme impact.

Key concepts: Different approaches to targeting

The method of targeting cash transfers is one of the most critical elements of programme design and implementation. The method used will directly affect the profile of the eligible population. Thus, advocating for an inclusive design that reaches the poorest and most vulnerable children is critical. Considerations include:

- **Coverage:** the selection of targeting method will determine the reach of the beneficiaries –anywhere from universal coverage to a targeted programme to specific group of the population.
- **Equity:** some methods may benefit the most vulnerable while others may lead to significant inclusion/exclusion errors.
- **Implementation:** a complex targeting method that does not match the implementation capacity of the government could lead to delay in delivery or exclusion of intended beneficiaries.

As such, targeting methodology is often at the centre of debate in designing cash transfers, with different agencies having differing views. UNICEF has been part of such discussions in many contexts in providing technical assistance to governments in selecting the right targeting methodology, with the purpose of achieving "progressive realization of universal coverage" (UNICEF 2012).

Universal programmes will provide transfers to all, regardless of their socio-economic status. The universal approach is closely aligned to UNICEF's strategic vision, where all people are covered by appropriate and effective social protection mechanisms. There is also increasing debate and interest in achieving universal basic income in industrialized countries. Universal approaches can avoid exclusion of vulnerable populations at the design level and simplify the administrative process. However, in countries where resources are scarce, universal approaches may not be immediately practical and governments may prefer to prioritize the most vulnerable population through other means of targeting.

Categorical targeting will provide a cash transfer to a specific sub-group of the population that meets the criteria. Some examples of such categories include:

- Age
- Gender
- Geography
- Disability Status
- Labour constrained households (often proxied by the dependency ratio)
- Caste/ethnic group
- Orphans.

The categories can be set to reach the most vulnerable groups of the population in a country, and should ideally be easily verifiable (although it can be challenging to verify some of the demographic characters without a birth certificate, national ID or assessment of disability status). Further, categorical targeting is often less expensive than other methods and is more transparent and clear, which makes it a preferred methodology in a number of countries, particularly in lower-income countries where administrative capacity is limited.

Means-tested targeting adopts a process to assess and verify the living standard of each individual/household to reach the poorest and the most disadvantaged. Rigorous means testing involves a process of interviewing and verifying information about income, while the proxy means testing (PMT) approach assesses individual/household living standards through more easily observed indicators or assets. While in theory such approaches can be effective in covering the poorest population, the cost and feasibility of implementation and updating the database can be pose a great challenge. Emerging evidence also suggests that formulas used for PMT can be inaccurate, resulting in exclusion of many of those living in poverty (see resources below).

Community-based targeting is implemented at village or district level by community representatives, where they rank and identify the individuals and households in most need within the community. This can function well in communities where authorities/representatives have information about the poverty situation in their own community and can potentially build capacity and ownership in the community. The level of understanding about the eligibility criteria among community members is also critical to avoid misjudgements (such as not allowing one beneficiary from receiving multiple transfers). At the same time, community-based targeting also faces a risk of elite capture and/or excluding discriminated groups.

It is important to note that multiple methods can be combined (such as using PMT for particular regions in the country). For more information about each method, see *Table 1: Advantages and Disadvantages of different targeting methods* in the Social Protection Framework (p. 34) and other resources mentioned under this activity.

What does it typically require?

- **Situation analysis of child poverty and vulnerability**
  - Such analysis can form the basis of understanding who the most vulnerable and poorest children are (Activity 1).
- **Simulation of different options**
  - Evidence generated from microsimulation that compares different options (Activity 5) or impact evaluation of existing pilot programmes (Activity 18) can bring objective information in the selection of targeting methodology and eligibility criteria.
- **Understanding of local implementation capacity**
  - Each design option will require a different process and implementation capacity, particularly for conditionality. Having a sense of what is feasible with existing resources can narrow down the number of choices.
- **Understanding of the political and cultural dynamics**
  - Decisions on programme design are highly political. Thus, involving key decision makers and the public in the discussion is critical to identify politically supportable options.

Where has it been used?

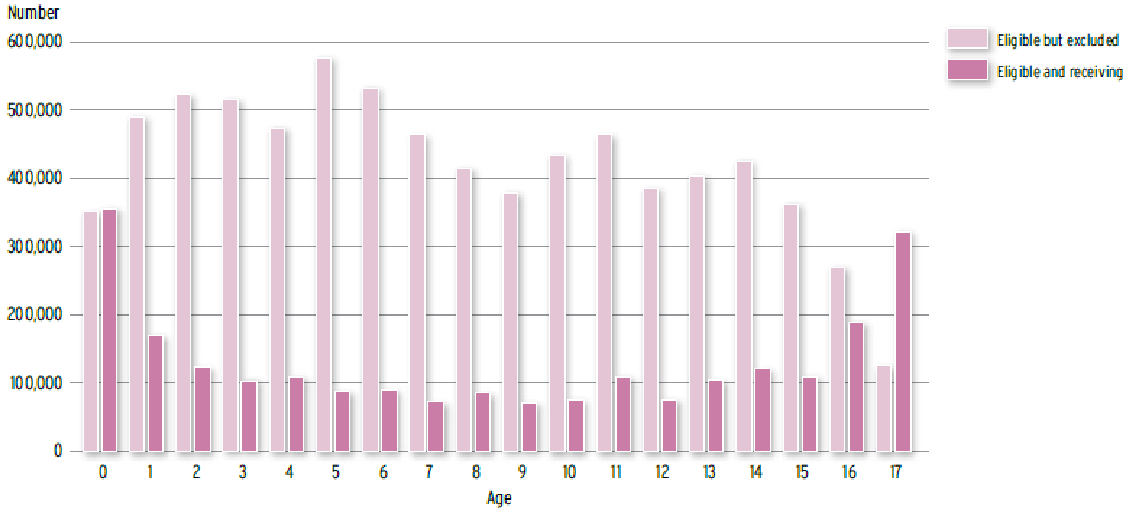
Case 8 South Africa: Addressing exclusion errors in the Child Support Grant

South Africa's Child Support Grant (CSG) is the largest cash transfer scheme in Africa, reaching approximately 11 million children, which represents about two thirds of all children under 18 years of age. The programme, which was launched in 1998 to provide support to primary caregivers of children under 7 years of age, has evolved and gradually expanded its coverage to include all poor and vulnerable children under the age of 18. While the achievement has been significant, as the programme adopts poverty-targeting, exclusion of certain vulnerable children and families has also been one of the concerns regarding programme design. This case illustrates how UNICEF has worked with national government agencies and partners to improve programme design as well as the implementation of the CSG.

UNICEF-South Africa and the South African Social Security Agency (SASSA) conducted the study *Removing barriers to accessing Child Grants: Progress in reducing exclusion from South Africa's Child Support Grant* to analyse which children are most prone to being incorrectly excluded from the grant, what drives exclusion of age- and income-eligible beneficiaries, and the reasons most often cited for not accessing the CSG. Both quantitative and qualitative methods were adopted to answer the research questions. National datasets were used to calculate the inclusion/exclusion rates and to identify the correlates of excluded families. Interviews were conducted with 274 respondents to further understand how the correlates result in exclusion of certain parts of the population and how the programme could be improved to address such challenges.

The results showed that in 2011, 23.7 per cent (or 2.35 million) of eligible children were not receiving the CSG. It also identified children who are at greater risk of exclusion, such as infants under the age of 1 and adolescents between 14–17 years old, households living in urban areas, out-of-school children, orphans, and children with limited mobility. A number of programme design and implementation issues were found to be preventing children from accessing the CSG. Such barriers included confusion about the means test, lack of official documents, distance from service points or programme rules that excluded teenage mothers or child-headed households. In conclusion, the study made overarching policy recommendations regarding the legislative oversight, the Social Assistance Act and the programme rules.

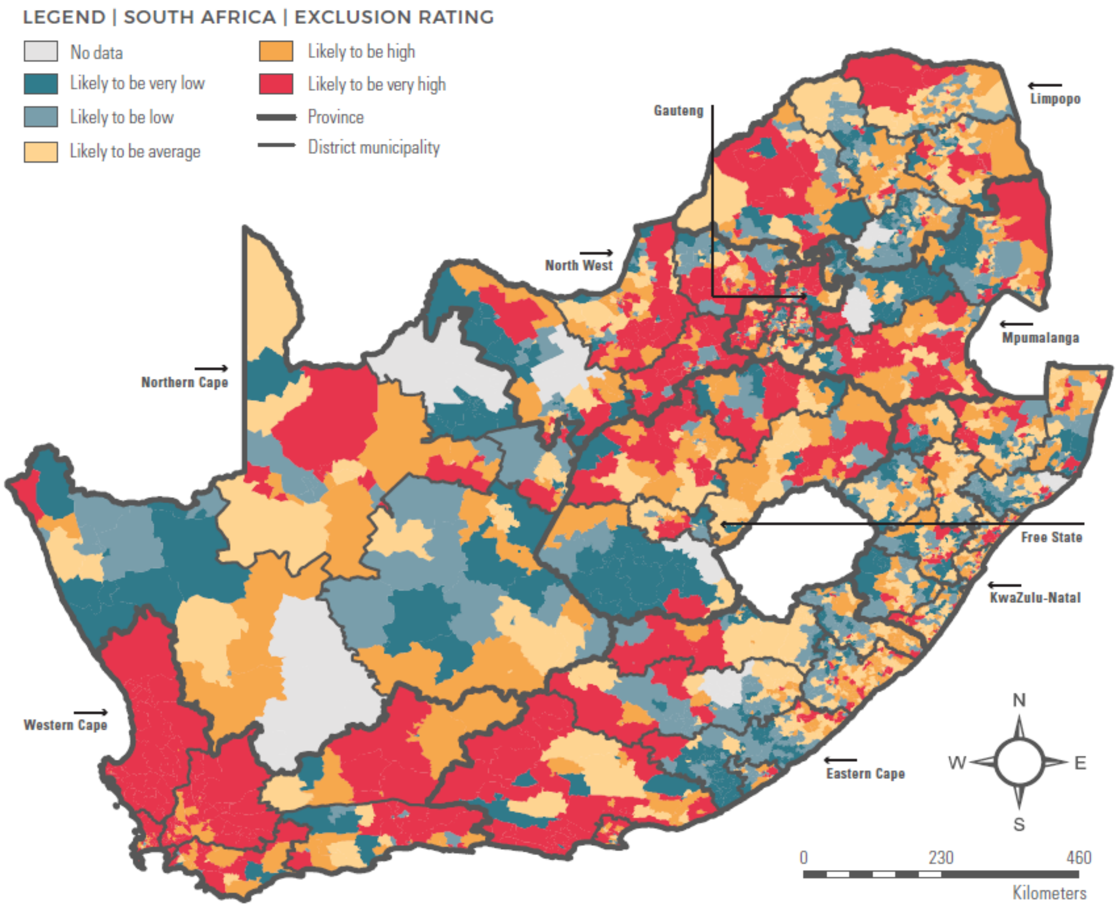
Figure 20 Number of eligible children receiving/excluded from the CSG in 2011



Source: (UNICEF Office of Research 2014)

UNICEF, SASSA and the Department of Social Development (DSD) conducted a follow-up study to monitor the progress and remaining challenges in 2016. One important contribution of this study is the spatial analysis and mapping of CSG exclusion rates across the country. This is done at a high level of disaggregation for all of the country's municipalities and wards. Such fine-grained analysis of exclusion was undertaken to inform the implementation of actions and to address the geographical disparities (Figure 21).

Figure 21 CSG exclusion rate by ward in South Africa, 2011



Map 11. CSG exclusion by ward, South Africa, 2011

Source: DSD, SASSA and UNICEF (2016)

As a consequence of a series of studies, briefs and policy advocacy by UNICEF and partners, the Cabinet approved amendments to the 2004 Social Assistance Act in 2016, which is expected to lead to introducing top-ups to the Child Support Grant for orphaned children cared for by relatives and in child-headed households (approximately 600,000 orphans). The other amendments to the Act, such as the introduction of a supplementary benefits fund and the proposed changes to SASSA's grant review process, reflect policy proposals raised in the exclusion studies.

There are several other cases where activities and analyses outlined in this section provided critical evidence to influence programme design. For instance, the child poverty study in **Georgia** (see Activity 1) pointed to how the formula of PMT was ineffective in identifying the poorest population due to the dynamic nature of poverty and vulnerability, based on longitudinal poverty analysis and an analysis of current coverage and exclusion. The study also recommended several policy options to improve the programme design, using microsimulation and costing techniques. The technical analysis and policy advocacy efforts, jointly carried out by the World Bank, resulted in the modification of the targeting formula and benefit schemes of the targeted social assistance programme (Baum et al. 2016).

Also see the example of **Nepal** in Activity 18, where the findings from impact evaluation also served as evidence to refine the targeting methodology.

When and where could it work?

- ✓ Technical assistance to programme design is perhaps most relevant when a new programme is being introduced or the design of an existing programme is being reformed.
- ✓ Simulations and impact evaluations may indicate where there needs to be a change in targeting mechanisms and criteria.

What are the limitations and challenges?

- ✓ Decisions on targeting are often heavily influenced by both ideologies and capacities, both of which may be difficult to influence in the short-run.
- ✓ Development partners may have conflicting advice on design considerations, particularly over targeting approaches (such as poverty versus universal targeting). Some emerging evidence points to methodological and operational problems of PMTs and may lead to increasing support towards universal programmes (see references below).

Where to find more?

- Assessing Child-sensitivity in Social Protection. A toolkit for social transfers by UNICEF-ROSA provides guidance to assess child-sensitivity based on 11 dimensions of cash transfer programmes.
- *Core Diagnostic Systems Assessment Instrument (CODI)* was developed in 2016 by multiple partners of the Social Protection Inter-Agency Coordination Board (SPIAC-B) as a tool to help map the elements of a country's social protection system, analyse performance and identify gaps. As an inter-agency tool, it is also aimed to promote exchange and collaboration across different agencies.
- Kidd et al. (2017) Exclusion by design: an assessment of the effectiveness of the proxy means test poverty targeting mechanism brings evidence to argue that PMT is inaccurate and arbitrary based on multiple country analysis.
- Brown et al. (2016) A poor means test? Econometric targeting in Africa is a working paper by the World Bank that reviews PMT approaches.
- Devereux et al. (2015) Evaluating the Targeting Effectiveness of Social Transfers: A Literature Review reviews empirical evidence of popular targeting mechanisms and discusses various costs and trade-offs associated with them.
- Alatas et al. (2016) Self-targeting: Evidence from a field experiment in Indonesia is a rigorous evaluation that compares different method of enrolling eligible households based on proxy-means testing (self-targeting or auto-enrolment).
- ODI (2010) Social Protection Tool sheet: Appropriate, Achievable, Acceptable: A practical tool for good targeting provides detailed steps to identify a targeting mechanism that is

appropriate (fit for purpose), achievable (adequately resourced) and acceptable (popular and government support).

- The research paper *Targeting effectiveness of social cash transfer programmes in three African countries* and the research brief *Does Community-Based Targeting Really Work in Cash Transfer Programmes in Africa?* both examine the targeting effectiveness of community-based mechanisms in Kenya, Malawi and Mozambique.
- Coady et al. (2004) *Targeting of transfers in developing countries: review of lessons and experience* is a book by the World Bank that provides an overview of targeting methods, review international evidence with a great focus on implementation of each methods.
- Child Safeguarding in Cash Transfer Programming (2012) by Save the Children gives guidance and resources to protect children from any risks cash transfers pose, with particular focus on emergency settings. The programme design section discusses safeguard policies to be considered in designing cash transfer programmes.
- Barrientos et al. (2016) Why assist people living in poverty? The ethics of poverty reduction by UNICEF-Office of Research analyses how ethical perspectives shape certain social norms and political processes that result in different policy designs.
- Soares et al. (2010) Targeting and Coverage of the Bolsa Família Programme: Why Knowing What You Measure Is Important in Choosing the Numbers by IPC-IG analyses how progressive the *Bolsa Familia* programme is, using a quantitative approach. In particular, it examines if the pre-fixed target of covering 11 million families was sufficient to cover the poor and the vulnerable.
- BRAC's *PROPEL Toolkit* provides and step-by-step implementation guide to BRAC's Ultra-Poor Graduation Approach and is intended for practical use in the field.
- The Ford Foundation's *Graduation Approach Synthesis Analysis* provides an overview of the initial efforts in scaling up the Graduation Approach. It focuses primarily on lessons learned that may be valuable for other institutions and agencies implementing, or considering implementing, a large-scale graduation programme.
- IDS' *Graduating from Social Protection?* publication explains the origins of graduation, and takes a look at the existing evidence and the challenges the approach poses for policy makers.
- The IPC-IG's *Debating Graduation* Policy in Focus publication looks at the various debates centring on the Graduation Approach, covering the arguments in favour and controversies too, and is intended to help inform policy formation.

C. Mobilizing support and resources: policy engagement and advocacy

Activity 8: Advocating for new, expanded or improved cash transfers

What is it?

Advocacy with decision makers is perhaps the most direct way of building political support to expand and improve cash transfers. Advocacy has been one of the core strengths of UNICEF and there has been an accumulated experience and guidance on advocacy in general across different programme and policy areas, within and outside of UNICEF, including the Advocacy Toolkit.

There are various ways to amplify the messages. These could range from campaigning, social mobilization, conferences/events, lobbying and negotiation with key decision-makers, communications and media work (UNICEF 2010). While advocacy could be done with or without a formal strategy, thinking through the nine questions from the advocacy toolkit could help sharpen the focus (Box 7). One key aspect to consider is the target audience – this could range from policymakers to the general public, depending on objectives and country contexts.

Advocacy work to mobilize financial resources may specify objectives and processes, and is covered in Activity 13 on engagement in budget process and frameworks.

Box 7 Nine advocacy questions from the UNICEF Advocacy Toolkit

Question 1: What do we want?
(To understand the situation)

Question 2. Who can make it happen?
(To understand stakeholders, their relative power and how change happens)

Question 3. What do they need to hear?
(To reach a specific audience)

Question 4. Who do they need to hear it from?
(To identify the right messenger for your audience)

Question 5. How can we make sure they hear it?
(To identify processes, opportunities and entry points)

Question 6. What do we have?
(To recognize capacities and gaps)

Question 7. What do we need?
(To identify resources required)

Question 8. How do we begin to take action?
(To set goals and interim outcomes and develop an action plan)

Question 9. How do we tell if its working?
(To monitor and evaluate advocacy)

The nine steps are adapted by Jim Schultz of the Democracy Center. The full toolkit can be found at: http://www.unicef.org/evaluation/files/Advocacy_Toolkit.pdf

What does it typically require?

- **Key 'asks'**
  - While it may be obvious, the success of advocacy most often depends on how clear and convincing the key asks are (or as Barack Obama reflects "*once you've gotten the attention of people in power then you have to engage them and have sensible ideas*"). Concrete suggestions (increase the transfer amount of the cash grant XYZ by XX per cent by 20XX) could arguably be more effective in triggering actions than a general advocacy message (such as 'expand social protection programmes').
  - It is important to note that advocacy is needed not only for the creation or expansion of programmes, but also to protect cash transfer programmes at times of economic downturn or fiscal austerity.
- **Evidence**
  - National or international evidence (which may come from other activities outlined in this brief) is critical to support advocacy.
  - Often a combination of quantitative and qualitative information can bring strength. This may include interviews with children/families, government officials, or international experts on their views or experiences.
- **Trusting relationships**
  - One of UNICEF's strengths identified across countries is the trust of and proximity to government and non-government stakeholders. As such, this may not be an issue for UNICEF in many cases, but taking a collective approach with other concerned organizations (or forming a 'coalition') could increase the impact or bring additional contacts and entry points.
  - Experiences from the field also suggest that fostering close, trusting relationship with key individuals – beyond 'contacts' or 'networks' - is one of the critical success factors in relationship building.
- **Communication materials/events**
  - Various formats have been used, including briefs, short video clips (see examples from Ghana, Fiji, Nepal), high-level political events, Op-Eds (see article from Thailand), briefs (Nepal), field visits (Activity 8), and social media campaigns.

Where has it been used?

Case 9 Gambia: Policy advocacy for child sensitive social protection

In 2010, understanding of and support for social protection hardly existed in the **Gambia** when UNICEF was strengthening its advocacy for investing in children to mitigate risks and address vulnerability. Through an already-existing relationship with the Department of Social Welfare within the Ministry of Health and Social Welfare, UNICEF undertook various advocacy engagements to build broad political support to promote social protection within the government and the UN family. The advocacy efforts aimed to promote social protection as a whole, with cash transfers as one of the core components. The activities around advocacy and policy outreach included:

- Establishment of the **National Social Protection Steering Committee** in 2012 to promote high-level dialogue for improving the SP floor. The committee comprised representatives from different sectors including the government, civil society organizations and the UN.
- The signing of a Memorandum of Understanding by three relevant government ministries, as well as five UN agencies including UNICEF and the IMF, committing all signatory parties to pursuing the social protection agenda.
- **A high-level forum** on SP, held jointly on an annual basis by the government and UN agencies since 2012 to further engage other partners and maintain momentum. The third meeting focused on social protection for families, bringing together over 120 top officials from the government, donor agencies, NGOs and the local media. Among the participants was the Vice President, who stressed the importance of reaching the most vulnerable families in her opening address.
- **Training** in various formats, targeting policymakers as well as community members to raise awareness and strengthen the knowledge. For instance, training for National Assembly Members, the highest legislative body of the nation, provided an important opportunity to discuss multidimensional child poverty, social protection and economic growth, institutional and administrative frameworks, and linkages with other services.
- Engagement with the **Budget Observatory Platform** under the National Assembly to advocate for increasing budget allocation for social protection, including cash transfers. The platform provided important opportunities to raise awareness about social protection programmes and to promote communication between policymakers.

All advocacy efforts, combined with engagement on fiscal space (such as the joint costing of a minimum social protection package and engagement in the Mid-term Expenditure Framework) and an analysis of the social protection system, led to the adoption of the National Social Protection Policy in 2016 and a significant increase of the social protection budget from GMD2 million to GMD4.3 million planned for 2017.

When and where could it work?

- ✓ Given the importance of political support across different contexts, policy advocacy is relevant in any context and almost all country offices combine evidence generation with advocacy activities to make sure that key messages reach targeted audiences.
- ✓ Advocacy also forms a central part of the work by National Committees in advanced economies.
- ✓ When UNICEF is a member of a steering committee or working group, such platforms can be beneficial to share key asks and coordinate advocacy efforts with other partners.

What are the limitations and challenges?

- The success of advocacy depends on the quality of evidence and the strength of partnerships.
- It may take a long time to reach a concrete outcome (but can be very cost effective in the long run).
- Although advocacy offers evidence and logic to change the mind set of policymakers, it may require direct in-person experiences (such as field visits – see Activity 8) to change the preference of some decision makers.

Where to find more?

- Advocacy Toolkit: A guide to influencing decisions that improve children's lives by UNICEF is a comprehensive guide that explains how to develop advocacy messages, monitor and evaluate advocacy, and build relationships and secure partnerships.
- Making the Case for Cash by CaLP is a guide which helps make the case for cash, explores how to ease fears and deal with sceptical environments, and proposes convincing strategies. While the primary focus is on use of cash in emergency, many parts of the guide also apply to other contexts.
- Milestone 3: Putting Child Poverty on the Map in A World Free from Child Poverty by UNICEF and the Global Coalition to End Child Poverty, builds on the Advocacy Toolkit, and focuses on policy advocacy around monetary and multidimensional child poverty, which can be a foundation for advocacy on cash transfers.
- UNICEF has published briefs to address three common myths: fertility, affordability, and misuse and dependency. Each brief looks at where the misconception comes from, what the evidence says, and points to resources and analysis that can help address such misconceptions.
- A few newspaper/magazine articles that make the case for cash transfers for a general audience are:
    - *The Benefits of Cash Without Conditions* by Rosenberg in The New York Times.
    - *Cash to the poor. Pennies from heaven* in the Economist.
    - *Development needed? Just give cash* by Harford in the Financial Times.
    - *Bill Gates wants to give the poor chickens. What they need is cash* by Blattman in Vox.
    - *Conditional Cash Transfers: Why Targeting and Conditionalities Could Fail* by Guy Standing in UNDP-IPC's One Pager.
    - *Cash for Free: Who's in the Driver's Seat?* by Peterman and Handa on Forbes.
    - Cash Transfers, Myth vs Reality by FAO.

  As the titles suggest, newspaper/magazine articles can over-simplify the arguments. Nonetheless, they show examples of messaging and communication aimed at a public audience.

Activity 9: Convening partners

What is it?

Apart from national governments, there are a number of development partners who work on cash transfers. Convening like-minded partners can increase the impact of advocacy with decision makers and accelerate the process of building political support. At the same time, partners may have different views or visions for cash expansion/improvement, which could hinder joint advocacy. As such, managing relationships with key partners is an important step in successful advocacy and policy engagement.

The process of convening partners begins with understanding who they are and what they want to achieve. Although the answers to these questions will inevitably vary by context, Box 8 below provides an overview of partners UNICEF commonly work with in the countries or regionally/globally.

Box 8 Selected work by partners at global, regional and national levels

UNICEF's internal mapping exercise identified the following agencies as the most common partners on cash transfers. This box gives more information about each organization's work based on publically available information and publications.

DFID has supported cash transfers in 16 countries, reaching 8 million people in 2013/14, which amounts to average spending of £201 million (US$249 million) a year, with a focus on rigorous evidence generation, maximising value for money and building resilience in fragile and humanitarian states. A recent independent review acknowledged the importance of DFID's work in working with governments to extend coverage to those that need it most, building sustainable systems and reducing future aid dependency. While acknowledging the short-term challenges, DFID works through national systems where possible. Guidelines on Value for Money approaches have been produced on social protection and social protection systems.

The **European Union's (EU)** development cooperation focuses include:
- administrative and technical capacity development;
- addressing the underlying causes of inequality and vulnerability – particularly those that affect women, children and people with disabilities;
- engagement of civil society, social partners, and the private sector, and;
- productive economic activity and employment.

It also emphasises the role of domestic resources to finance social protection in order to ensure both ownership and sustainability of programmes.

The **Food and Agriculture Organization** of the United Nations **(FAO)** supports governments and partners to incorporate social protection into national strategies against hunger and malnutrition. FAO is a partner of UNICEF in the Transfer Project, with a focus on local economic impact, agricultural production and labour outcomes and the impacts on social networks. Global publications include: *Achieving Zero Hunger: The Critical Role of Investments in Social Protection and Agriculture (2015)* and *The state of food and agriculture (2015) social protection and agriculture: breaking the cycle of rural poverty*.

The support of the **German Development Cooperation (GIZ/BMZ)** to the social protection sector aims for comprehensive and inclusive social protection systems. Their support to basic social protection includes social transfers and brings strong emphasis on informal sector workers and the poorest or the most vulnerable across different social protection components.

ILO aims to build social protection floors, and takes a rights-based approach to social protection. The main activities at country level include assessment of the social protection situation, promotion of national dialogues and formulation of recommendations, development of legal, administrative and statistical capacities, and the introduction of management information systems. The ILO has supported child benefits in 21 countries over the last ten years and published a global brochure about their work on social protection. At a global level, ILO has produced:

- The World Social Protection Report, which monitors and updates global progress in building social protection floors. The chapter on social protection for families and children discusses the role of social protection in ensuring child well-being, expenditure on social protection, extent of legal coverage and gaps.
- The Social Protection Monitor, which presents the latest trends and updates from around the globe related to social protection based on media.
- The Social security inquiry, which collects social security statistics on social security coverage and financing to build a comparable global database.
- A series of technical guidance and documents on social protection, particularly on universal coverage, financing and case studies.

The **Social Protection Inter-agency Cooperation Board (SPIAC-B)** was established to enhance global coordination and advocacy on social protection in response to a request from the G20 Development Working Group. The board members are composed of international organizations (including UNICEF), bilateral institutions and NGOs. Inter-agency social protection assessment tools (ISPA tools) have been developed as part of the activities by selected members of the board.

UNDP recognizes social protection, including cash transfers, as a key policy tool to achieve the SDGs. Their main focuses include 'leaving no one behind' and to address environmental concerns. Its partnership with the Government of Brazil, the International Policy Centre for Inclusive Growth (IPC-IG) hosts an online knowledge sharing platform (socialprotection.org).

WFP has long used in-kind (food) transfers as the main tool to address hunger, but has increasingly started using cash transfers, particularly in fragile and emergency situations. As of 2016, over a quarter of all assistance was provided in cash in over 50 countries, reaching 9.6 million people. WFP's platform to deliver assistance can also be used by other partners, including UNICEF, for instance in the case of Lebanon WFP's One Card platform.

The World Bank supports cash transfers at country level through lending, grants and technical assistance to promote resilience, equity and opportunity. The annual lending for social protection programmes to support cash transfers, public works and school feeding programmes reached US$3.6 billion (with US$2.5 billion lending in poorest countries) in 2015/16. In a review of six countries where there was collaboration between the World Bank and UNICEF, the following areas were identified as thematic areas of collaboration on social protection: (i) poverty analysis; (ii) development of social protection policies/strategies; (iii) design and scale-up of flagship cash transfer programmes;

(iv) coordination with other social protection programmes and sectors; and (v) dialogue and advocacy engaging different government institutions.

Global publications and databases include:
- Social Safety Nets HOW TO, a practical guide on programme design, key process and cross-cutting aspects of social safety nets programmes, available in English, French and Spanish.
- The Atlas of Social Protection Indicators for Resilience and Equality (ASPIRE), a platform that provides comparable indicators to measure social protection and labour performance
- The state of social safety nets series, which provides the latest updates from social safety nets programmes around the world based on information from ASPIRE.

There are regional development banks, such as Inter-American Development Bank (IADB) or Asian Development Bank, working in specific regions to provide loans and technical assistance. IADB has recently launched a comprehensive document on implementing conditional cash transfer programmes based on 20 years of support on national programmes.

Members of **civil society** are also key partners for advocacy, technical support and implementation. While the organizations engaging in cash transfers largely vary by country context, Save the Children and HelpAge International have often partnered with UNICEF in various contexts. **Save the Children** promotes child-sensitive social protection programming at country level across different regions and produces global/regional reports on social protection, accessible from their resource centre. **Help Age International** is also a strong advocate on social protection, with particular focus on pensions. Policy briefs and project summaries are made accessible from their website.

Convening partners can take different forms, depending on what the partners would like to achieve jointly. Organizing technical group meetings or steering committees can provide regular opportunities to coordinate across different agencies and joint field visits can be a great way to share experiences and views. Joint funding of studies or pilot projects could leverage the capacity and funding from different agencies and could make advocacy more effective.

What does it typically require?

- **Understanding the landscape**
  - A common first step is to compile an inventory of who is doing what. This list should ideally cover national government partners, NGOs, academia/think tanks, and development partners where relevant.
- **Participation in a formal advisory group to national government**
  - A common process of engaging partners is through a somewhat formal steering committee or technical working group on social protection. Such a platform provides opportunities to coordinate different actions and find mutual interests among different stakeholders.
- **Joint studies, statements, agenda or missions**
  - In some cases, UNICEF takes a step beyond communications and coordination and signs a common agenda or statement to officially put forward a vision and asks. Or, agencies could jointly conduct a study, complementing each agencies areas of strengths.

Where has it been used?

Case 10 Thailand: Building national partnerships towards introducing a cash transfer programme

Since 2008, UNICEF-**Thailand** has been working with the Government of Thailand and other partners to introduce cash transfers for families with children as part of the social protection floor initiative. While Thailand had already achieved universal access to basic universal healthcare services and nine years of free compulsory education, a significant number of families with young children, particularly those who work in the informal sector, were excluded from the national social protection floor at the time.

UNICEF has built a strong relationship with the national government and also leveraged the capacity of national partners on various fronts in order to support the introduction of the child support grant. Some joint initiatives with partners are listed below:

- A joint research project was undertaken by the Government and the *UN country team* on the social protection system. The study identified the policy gap in the area of child/family support and recommended the introduction of a child allowance to fill the policy gap.
- UNICEF organized a study visit of nine *government officials* and an influential Thai economist to see the South Africa's Child Support Grant scheme in operation in 2012. This served as a turning point to build support from government officials from the government's planning agency and several line ministries.
- A coalition with *civil society organizations* and UNICEF jointly worked to initiate public policy dialogue among civil society organizations, academic institutions, cabinet members and parliamentarians.
- Continued efforts were also made to build partnerships with key policymakers in executive and legislative branches including the Deputy Prime Minister, cabinet members and parliamentarians, through presentation of briefs and public policy dialogues.
- Strong partnership with the National Commission on Social Welfare Development and the National Committee on Child and Youth Development resulted in their endorsement of the policy proposal for the child grant.
- A *private-public partnership* was established between the Department of Children and Youth, Thailand Health Promotion Foundation and TDRI to undertake a national impact evaluation of the CSG, funded by the Government of Thailand's Sin Tax (a national tax on alcohol, tobacco and gambling).

This intensive advocacy resulted in cabinet approval of US$20 million for the first year of the child support grant in 2015, aimed at reaching 135,000 children with a monthly allowance of 400 baht (approximately US$12) per child aged 0 to 1. More recently, after the findings of a study revealed that food expenses alone ranged from 579 to 812 baht a month for a child, the benefit amount was raised to 600 baht and the age group was expanded to up to 3 years of age in 2016.

When and where could it work?

- ✓ In contexts where there is a significant presence of other partners.
- ✓ In countries where the national government has strong capacity and resources compared to development partners, and the voices of partners can be amplified by coming together.

What are the limitations and challenges?

- Each organization may have different views and opinions on programme design and implementation.
- The relationships with and presence of development partners largely depend on country context.
- Joint projects could lead to delay or complexity in the process.

Where to find more?

- Advancing Child-Sensitive Social Protection (2009) is a joint statement by 10 organizations, outlining seven principles of child-sensitive social protection.
- Common Ground: UNICEF and World Bank Approaches to Building Social Protection Systems (2013) is a joint guidance by the two organizations on strengthening systems approach to social protection.
- Annex 6 of the World Bank's Social Protection and Labour Strategy 2012-2022 gives a list of organizations working on social protection.
- Inter-agency Social Protection Assessment tools are developed jointly by partners of SPIAC-B to support countries in assessing the strength and weakness of the country's social protection system and offer options for further actions. The following three tools are available as of May 2017: Core Diagnostic Instrument (CODI), Public Works and Payments. A tool on ID is currently under development. UNICEF was part of the technical team on CODI.
- Capitalizing on UN experience: the development of the social protection floor in Mozambique by ILO, WFP and UNICEF (2015) documents the process and progress of collaborative work among UN agencies to build a social protection floor.

Activity 10: Supporting exchange of knowledge and experience (field visits, horizontal cooperation/south-south exchange, community of practice and training)

What is it?

As the old proverb goes, seeing is believing. Providing opportunities for policymakers to observe the impact of cash transfers first hand and meet their counterparts from other countries has shown to be effective, building knowledge and understanding as well as triggering discussions to scale-up cash transfers. There are a variety of opportunities in this area, ranging from field visits and south-south exchange to communities of practice. Face-to-face training also provides an opportunity to exchange ideas and learn about work in other countries (Table 7).

Table 7 Options and opportunities to promote learning and knowledge exchange.

	Modality	Objectives
Field visit	In-country visits to pilot sites/visits to other countries' implementation sites.	- Observe the impact and challenges of programmes. - Listen to the recipients and implementers.
South-south exchange	Cross-country visit with meetings to exchange information.	- Learn about the implementation mechanisms and impact of cash transfers from countries with more experience/larger-scale programmes.
Community of Practice (CoP)/International Conference	A face-to-face meeting among group of countries with similar interests/some with online community.	- Learn from other countries on selected topics. - Share knowledge across countries about common challenges and innovative solutions.
Training	Face-to-face or online, could be tailored to a particular country or could draw international participants.	- Learn about the theories and practices around cash transfers/social protection/social security from experts. - Discussions with participants and experts on particular issue.

Field visits can take place within the same country or to a different country, where policymakers make a visit to the site of cash transfer programme to observe the implementation and meet with beneficiaries and administrators. South-south exchange is a cross-country visit, where policymakers from one country visit another country where cash transfers are implemented at scale. The visit is often accompanied by discussion and knowledge exchange between the visiting policymakers and the host country to learn about best practices and challenges. A community of practice brings a group of countries with similar challenges to exchange ideas and knowledge. There are various planned training opportunities (Box 9), while some institutions could also run customized training based on demands.

Box 9 Training on social protection/cash transfers

Below are some of the popular training courses related to cash transfers on various topics (mostly targeting policymakers at central level).

Organizer	***Course***
Economic Policy Research Institute (EPRI)	Designing and Implementing Cash Transfers
World Bank	Social Safety Nets Core Course
Centre for Social Protection at the Institute of Development Studies (IDS)	Social protection: policies, programmes and evidence
International Training Centre of ILO	Courses on a wide range of topics relevant to social protection, from governance to implementation

What does it typically require?

The requirements will vary depending on the particular opportunity, but could include the following:

- **Identification of common demands**
  - Having common interests, issues and lessons are critical to enhance knowledge exchange among different partners. Identifying what each participating organization would like to learn is the first step.
- **Pilot or project site**
  - Arranging a pilot or programme site that matches the interests of the visiting group is important. Local authorities and administrators are usually responsible for setting up meetings and interviews with relevant stakeholders.
- **Partner countries**
  - The partner country for south-south exchange is often a country with a large scale and high quality cash transfer programme, often (but not always) in the same region. Development partners often play a role in finding a suitable country partner based on their international networks.
- **Facilitators/experts**
  - Facilitators play an important role in convening discussions, particularly for larger meetings such as a community of practice. It is also an important role for facilitators to support or lead the planning of the agenda to effectively engage participants.
  - For training sessions, presentations and discussions by national and international experts are often the foundation of the content.
- **Planning and follow up**
  - For any of the above, to ensure that the visit meets its core objectives and that learning is reflected in the national agenda and action, the planning and follow-up process can be as important as the visit itself.

Where has it been used?

Case 11 Brazil: Leading horizontal cooperation to strengthen social protection across countries

UNICEF-Brazil has been a key promoter of trilateral south-south cooperation that brings together different actors (programme and/or non-programme countries and international organizations) to share knowledge. As a knowledge broker and technical partner, UNICEF supports the design and execution of exchange activities and capacity development programmes based on mutual learning, and supports outreach to potential partners to mobilize resources. In 2016 alone, UNICEF facilitated trilateral cooperation on social protection with the following five countries on various topics:

- Algeria, working with government on the importance of a child-sensitive and inclusive social protection reform;
- Paraguay, on the expansion of the Paraguayan social protection system based on policy and operational recommendations from Brazil;
- Nepal, on political and financial commitments to expand the child grant nationally;
- São Tome and Principe, on training for management and implementation of social protection programmes;
- Guatemala, on an equity-oriented, inter-sectoral social protection model.

UNICEF also supported the visit of Brazilian social protection experts to Tunisia to provide the Tunisian Government with technical knowledge and expertise on developing child-sensitive social protection policies. Responding to the official request from the Government of Tunisia, facilitated by UNICEF, a four-day technical mission to Tunisia was organized, with a particular focus on fostering cooperation and coordination between different governmental sectors, public entities and civil society.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Apart from the valuable exchange of experience and technical knowledge between both countries around inclusive and rights-based social protection systems, the mission also generated a series of recommendations on how to proceed to ensure the most vulnerable populations are included in such programmes, especially children, adolescents and their families. These recommendations are to be further included into Tunisia's five-year Development Plan (2016–2020) as well as in the elaboration of a proposal for a longer-term cooperation project, which will have the objective of supporting the ongoing reform of the current social protection system in Tunisia.

One of the major CoPs on cash transfer is the **Africa Community of Practice** of cash and conditional cash transfers supported by UNICEF and the World Bank. The CoP is a learning platform that gathers more than 30 countries across Africa, which are divided into two groups to ensure language adequacy (English and French). Delegations from member countries meet annually to discuss relevant issues on cash transfers, such as: effective scale-up of cash transfers; linking cash transfers with other social services; cash as a response to emergencies; and technology/innovations to effectively implement cash transfers (for an example, see an article about the 2016 annual meeting in Tanzania and a short video clip from the 2015 meeting in Niger). This CoP benefits from its own private online community available on the socialprotection.org platform. Other examples of communities include workshops convened by the Transfer Project or the Cash Learning Partnership (CaLP) which is particularly focused on cash in emergencies.

When and where could it work?

- Field visits may be most effective when the bottleneck to getting political support is not on quantitative evidence but on personal perceptions or misconceptions.
- South-south exchange can be useful when a country can identify a partner country that has faced and overcome similar challenges.
- The success of a community of practice may depend on the similarities in interests and challenges the participating countries face. Providing online platforms to carry on discussion may help the follow-up process.
- The level of openness in the dialogues will depend on the trust and relationships among the participants. Spending time on ice-breaking activities, such as football and volleyball, may not be a bad idea!

What are the limitations and challenges?

- While visits, training sessions and discussions can be highly inspirational, they may not be sufficient to build broad consensus among other members, including those who did not participate. Choosing the right (and influential) participants is crucial.
- The objectives and content of the visits and discussions require excellent forward planning to meet the specific challenges a country is facing. For successful mutual exchange of knowledge, informing host countries about the priorities of visiting countries is therefore crucial.

Where to find more?

- UNICEF Brazil produced *guidelines* on Trilateral South-South Cooperation (TSSC), which includes step-by-step guidance on study tours and TSSC projects along with template of request forms, minutes, ToRs and trip reports.
- The website of the Transfer Project's 2016 workshop has information about their agenda, participants, presentations and a short video about the workshop.
- UNICEF has a forthcoming guidance note that will provide a framework and strategic direction for UNICEF's engagement in South-South/Horizontal Cooperation*: UNICEF Guidance Note on South-South/Horizontal Cooperation.*

Activity 11: Supporting development of institutional frameworks

What is it?

National policies and strategies can be important policy instruments to commit to the expansion and improvement of cash transfers. While in many contexts there can be challenges implementing and monitoring such instruments, they can formalize commitments or the institutional setup to advance cash transfer in a number of countries.

Policy instruments can be broadly categorized into two. The first category includes broader national strategies or frameworks for poverty reduction/economic development, such as national development plans or poverty reduction strategies. Institutional frameworks in the second category are focused on the social protection sector specifically. These include social protection frameworks, strategies or bills (see key concepts box below). While commitment on cash transfers can be formalized in either category, it is also an increasing practice to have both types at the same time, where strategies specific to social protection complement larger national plans and commitments. Additionally, global and regional frameworks play notable roles in influencing national agendas. For instance, under the SDGs, all countries have agreed to *"Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable"* (Target 1.3).

While contents vary depending on the objective and type, some elements relevant to cash transfers may include:

- Definition of the social protection programme or sector
- Analysis of the status quo (including the poverty and vulnerability situation, existing programmes etc.)
- Long-term vision, objectives of the sector/programmes
- Implementation mechanisms
- Monitoring and Evaluation plans

Such instruments can play a critical role in expanding or improving cash transfers by formalizing political commitments or by consolidating fragmented programmes to reach more of the population more efficiently. Strategies or frameworks have also proven to be effective ways to harmonize different programmes and build a coherent social protection system by linking different schemes, allowing automatic enrolment from one programme to another, or by strengthening the coordination in delivery of different programmes, potentially with the social welfare sector or coordinated MIS (read more about systems building in the resources below).

As the drafting processes are led by government, UNICEF plays a supporting role in the development of the document providing technical inputs as well as supporting the dissemination and implementation of approved strategies. Such roles could include (i) advocacy to develop policies/strategies; (ii) mapping/assessment of social protection programmes and services; (iii) technical assistance and advice on the content and future directions, and; (iv) facilitation among different stakeholders.

Key concepts: types of policy instruments relevant to cash transfers

While different instruments may share some of the above elements, there are differences in the role each plays. The table below describes common characteristics of each instrument.

Instrument	Characteristics
Social Protection **Framework**	Set of principles and visions to give overall directions and form the basis of rules and guidelines in the sector.
Social Protection **Strategy**	Plan to achieve certain goals in the sector. While the framework and strategy may be similar in nature, strategies *tend* to have more specific goals and actions than frameworks.
Social Protection **Policy**	Set of rules and principles that guide decision making within the sector.
Social Protection **Bill/Act/Law**	Formal legislation, enforced by an institution.
Poverty Reduction Strategy	Multisectoral plans focused on poverty reduction, often prepared in consultation with international finance institutions (IFIs) such as the World Bank or IMF.
National Development Plan	Multisectoral plans, often setting the long-term vision and approved by the highest level of national authorities.

What does it typically require?

- **Key 'asks'**
  - As the national governments will lead the development of national policies and strategies, a central role of UNICEF is to ensure that such documents consider children. As such, based on international and national evidence, it is important that UNICEF has key asks that should be included in the national instruments.
- **Participation in steering committees (or equivalent)**
  - While many drafting processes hold consultations with partners, being part of a working group or steering committee often provides the opportunity for greater collaboration and potential impact.
- **Understanding the national policymaking process**
  - As the development of national documents and strategies is highly political in nature, understanding the process and the key players who influence the outcome will help navigate the political system.

How can it consider children specifically?

- The situation analysis part can incorporate assessments of child poverty and vulnerability to set the stage for child-focused programmes.
- The policy proposal part can take a life-cycle approach or social protection floor approach so that the system consists of programmes to address needs of children and youth.

Where has it been used?

Case 12 Ghana: Supporting development of national systems and institutional frameworks

In **Ghana**, UNICEF has been actively supporting the country's social protection system and cash transfers in various ways – including technical and financial assistance to the flagship cash transfer programmes (LEAP and LEAP 1000) and the development and implementation of the National Social Protection Policy (NSPP). As the co-chair of the Social Protection Sector Working Group, UNICEF played a critical role in policy development, including support to consultation efforts at national, subnational and community levels. The Ghana Country Office also worked closely with the World Bank and DFID in the scale-up of LEAP and in advising the Ministry of Gender, Children and Social Protection in the formulation of the NSPP.

There are notable elements of Ghana's NSPP that makes it a strong strategic document to expand and improve cash transfers for vulnerable populations, including children. Particular components most relevant from a child perspective include:

- In the *Definition of Concepts*, minimum income security for children to access the basic needs of life is recognized as one of the four elements of the social protection floor.
- The policy identifies three main *vulnerability categories*: the chronically poor, the economically at risk and the socially vulnerable.
- The analysis of *country context and poverty/vulnerability situation* states that "children, women, people with disabilities and older persons are disproportionately affected by poverty". Further, it analyses the multidimensional poverty children face, including deprivation in sanitation, lack of education, stunting and child labour among girls.
- *The analysis of social protection* in the country points to the gaps in the social protection floor. In the area of minimum income security for children, identified gaps include: low coverage of the flagship cash transfer (LEAP); sustainable financing of support programmes for children under the age of 5 and teenage children; and coverage of social protection for out-of-school children.
- *Policy focus and direction* are derived based on the situation analysis, divided into short, medium and long-term, and key programmes are prioritized.
- The NSPP also sets out in detail the institutional mechanisms and implementation frameworks needed to achieve the vision.

The NSPP was approved by the Cabinet in 2015 and launched in 2016. The country is also seeking to pass a social protection bill to further strengthen the legal environment in creating a stronger social protection framework.

When and where could it work?

✓ There are countries where the process of developing such strategies are already planned or taking place (particularly in the case of poverty reduction plans or national development plans), where engagement in the process could be timely and effective.

- ✓ Where fragmentation of cash transfers is a major constraint to the scale-up of different schemes, policy instruments such as social protection policy or strategy can provide an opportunity and official framework to consolidate and expand cash transfers.
- ✓ Policy instruments have been adopted at the very initial stage of cash transfer development to set the long-term vision, or in countries where some cash transfer programmes already exist which require further expansion or integration.

What are the limitations and challenges?

- There is always a risk of policy documents not being implemented or executed. As a review of the process of developing a social protection policy in Tanzania found, "without strong institutional ownership with the backing of resourceful partners, proposed policies are less likely to get sufficient political support" (Ulriksen 2016).
- Another risk is the delay in finalization or adoption of strategies, where draft policies and strategies remain on the desks of policymakers without being validated officially.
- One challenge could be the myth of 'double-dipping', which usually stops the same family benefiting from different programmes even when they are eligible to. A strategy or framework covering could clarify this issue in order to avoid misunderstandings.

Where to find more?

- The AU Social Policy Framework for Africa is a policy framework adopted at the first session of the AU Conference of Ministries of Social Development in Windhoek, Namibia in 2008.
- An expert consultation was held on children and social protection for Africa to come up with recommendations for the fourth AU Conference of Ministries of Social Development in Addis Ababa, Ethiopia, held in 2014.
- Chapter 2 of *Designing and Implementing Social Transfer Programmes* discusses the elements of social protection strategy, and gives a roadmap for a strategy and action steps.
- *Extending social protection by anchoring rights in law* is a case study of South Africa by ILO.
- Integrated Social Protection Systems is UNICEF's strategic framework published in 2012.
- Common ground: UNICEF and World Bank approaches to building social protection systems is a joint brief by the two organizations, and could be a useful resource in strengthening the system through supporting the institutional frameworks.
- Social Protection Floors Recommendation (R202) by ILO was adopted in 2012. It outlines the concept of social protection floors and national strategies for the extension of social security, which could provide an important foundation for countries developing a strategy or framework based on the social protection floor concept.
- Below are some of the publically available examples of policies, national plans, strategies and frameworks on social protection:
  - Social Protection Policy and the Social Assistance Act in Kenya (2011)
  - National Development Plan and Social Security Act in South Africa
  - Social Protection Strategy in Rwanda, Myanmar
  - Social Protection Framework for ASEAN

Activity 12: Analysing fiscal space to finance cash transfers

What is it?

One of the common impediments to expanding cash transfer programmes occurs when resource constraints, or the perception of resources constraints, prevent a government from increasing investment for cash transfers. Building political support and developing costing can only advance the case so far, and so understanding the fiscal envelope of the government and pointing to potential resources to scale-up cash transfers can help address this challenge.

There are two broad types of fiscal space analysis. The first looks at the overall fiscal envelope of the country using official budget documents, analysing which of the common strategies could work to find and release additional domestic resources. Such analysis will use a framework of revenue sources and assess the feasibility, sustainability and adequacy of each option based on budget data. See the key concept below for discussion of the fiscal space diamond as an example of a framework.

The second approach zooms into particular forms of revenue/expenditure and suggests concrete changes in revenue design or expenditure patterns. Cash transfers often account for a small percentage of GDP or overall government expenditure; therefore, looking in detail at particular elements may be more useful and practical in developing concrete recommendations. For this type of analysis, several financing mechanisms are examined in terms of their ability to generate resources, and identify potential limitations and distortions that could result, as well as the sustainability of financing (see the example from Namibia below).

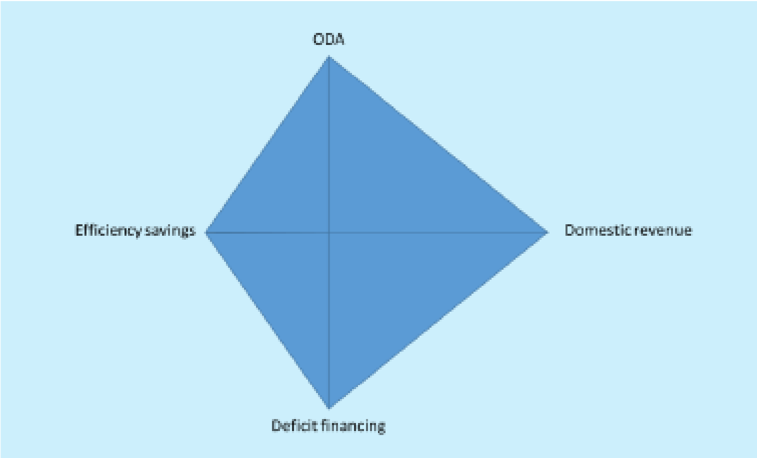
In identifying appropriate financing mechanisms for social protection, past experience from countries points to the importance of 'legitimacy' of funding. Linking specific taxes that do not impose burdens on those living in poverty, such as natural resource revenues or profits from state enterprises could, for example, encourage public consent. Such linkages can be made at an advocacy level (with or without actual earmarking). For more discussion on the importance of a financial 'narrative', see this blog post on social protection financing by Barrientos (2016) or watch the webinar on fiscal space for social protection.

Key concept: fiscal space diamond

A fiscal space diamond is one of the frameworks that can be used to identify potential sources of increased funding. The four elements of the diamond are:

(i) Official Development Assistance (ODA), which includes foreign aid and debt relief;
(ii) Domestic revenue mobilization, such as tax policy reforms or improved tax compliance, collection and administration;
(iii) Deficit financing through domestic and external financing;
(iv) Efficiency savings: increasing the efficiency of expenditures.

Tools like the fiscal space diamond help visualize and analyse which sources will be most appropriate, with particular strategies to be developed under each domain depending on the country context.



Source: Brikci and Lievens (2016), adapted from Roy and Heuty (2007)

What does it typically require?

- **Macroeconomic data**
  - Data requirements include official data on government spending and revenue sources, as well as other macroeconomic indicators (such as the overall fiscal balance, external debt stock, debt service, foreign reserves and inflation depending on the scope of the study). Such information can usually be obtained by the Budget Speech or from the Ministry of Finance, or global databases such as the World Bank World Development Indicators or the Global Economic Monitor.
- **Knowledge on macroeconomics**
  - Analyst(s) should be familiar with types of revenue sources and classifications of expenditure, as well as frameworks to conduct fiscal space analysis.

Where has it been used?

Case 13 Namibia: Developing a tax-benefit micro-simulation model

In **Namibia**, UNICEF supported the Ministry of Finance to develop a tax-benefit micro-simulation software model (NAMOD) to understand the implications of different policy reforms. NAMOD is based on the EUROMOD platform, a software widely used in European countries for tax-benefit modelling. Specifically, NAMOD simulates the costs and reductions in poverty, inequality and government revenues associated with changes to cash transfers (for example, the introduction of new grants, increasing grant amounts, or changes in eligibility) as well as the impact of changes in personal taxation (income tax and VAT). The study was finalized in early 2014 and provided a starting point from which the government can explore specific reforms.

Another study was also carried out by First Capital Consultancy to review concrete policy options for the sustainable funding of child grants in Namibia. The review looked at five tax schemes against the following six criteria:

- **Size of contribution:** how much funding does the financing mechanism contribute or provide? What are the sources and drivers of this revenue?
- **Political feasibility:** is the financing mechanism acceptable to all relevant stakeholders? Who is likely to oppose or support the financing mechanism?
- **Sustainability and stability**: does the financing mechanism decline over time or have an end date?
- **Progressivity**: does the financing mechanism place the burden on those most able to pay (vertical equity) and does the financing mechanism provide for horizontal equity (stakeholders with same income and wealth pay broadly same amount)?
- **Governance and administrative efficiency**: what are the implementation and collection costs?
- **Distortions and side effects**: does the financing mechanism create distortions (negative or positive effects) in the economy, for example improved health from alcohol taxes?

The table below summarizes the result from a scoring exercise based on the six criteria. Given the similarly high scores across all mechanisms and the administrative challenges in relying on a single mechanism, the paper recommends two options, both combining two or three mechanisms to generate N$2.9 billion to N$3.5 billion per year.

Table 8 Scoring exercise of different financing mechanisms

Mechanism	Size of Contribution	Political efficiency	Sustainability & Stability	Progressivity	Governance & Administrative Efficiency	Absence of Distortions & Side Effects	Total
Financial Transaction Tax Levy	5	4	5	4	5	4	27
Electronic Funds Transfer Levy	5	4	5	5	4	4	27

National Revenue Turnover Levy	5	4	5	5	5	4	28
Financial Sector levy	5	4	5	4	4	4	26
Solidarity tax	4	5	4	4	4	4	25

Source: Mwinga (2014)

The evidence generated by NAMOD and the study on fiscal space options, along with a child poverty study, qualitative grant assessment, study tour to South Africa, and feasibility assessment of child grant expansion, contributed to a Cabinet submission to expand access to child grants to cover not only orphans but also other vulnerable children living in households with an annual income of N$1,000 or below. Further, adjustments to the Child Care and Protection Act were made to include a legal provision that allows for a gradual expansion of child grants.

Source: A Namibia Fit for Children: Social Protection for All Children, PF4C global stock take.

When and where could it work?

- ✓ Fiscal space analysis could be more relevant to middle- and higher-income countries where there are greater domestic resources.
- ✓ Interest and discussions on fiscal space could also intensify when a country is facing an economic downturn, slower economic growth or fiscal contraction.
- ✓ Fiscal space analysis may be particularly relevant for countries seeking to move from donor-funded programmes to domestically financed programmes.
- ✓ To effectively mobilize domestic resources, an understanding of the budget cycle in a country and approaching policymakers at key moments of budget preparation will be important.

What are the limitations and challenges?

- Political challenges could occur, particularly when it involves cutting expenses for other programmes or sectors or raising taxes.
- UNICEF may not be well positioned as technical experts on fiscal space or revenue sources, and may lack partnerships with the MoF or IFIs, which could be crucial in pursuing activities.
- Fiscal data can be sensitive in some countries, in which case the analysis will have to rely on limited, publically-available information.

Where to find more?

- Financing Social Protection by ILO offers a comprehensive overview of the financing options and provides a thorough analysis of advantages and disadvantages and financial and economic implications.

- Fiscal space for social protection is a webinar series hosted by socialprotection.org. Topics include: inequality and taxation; harmonization of contributory and non-contributory schemes; social compacts for sustainable financing; and constituency building and fiscal space. All the recordings and slides are accessible from the website.
- Fiscal Space for Social Protection: Options to Expand Social Investments in 187 Countries offers a range of options to generate fiscal space for social protection with an annex that provides a list of fiscal space indicators for 187 countries.
- Fiscal Space for Strengthened Social Protection – West and Central Africa introduces a basic framework for policy analysis, and an estimation of the fiscal space required for social protection, accompanied with case studies from five western and central African countries.
- Bastagli (2014) Bringing taxation into social protection analysis and planning, published as an ODI working paper, discusses methodologies to jointly analyse taxation and social protection spending, reviews evidence on the distributional impact of taxes and transfers, and examines implications on social protection financing.
- Hagen-Zanker and Tavakoli (2012) An analysis of fiscal space for social protection in Nigeria was commissioned by UNICEF Nigeria and the Nigeria National Planning Commission to identify potential fiscal space for social assistance and insurance, based on Handley's framework (2009) and used for regional analysis in western and central Africa.

Activity 13: Engaging in budgetary framework and processes

What is it?

Engagement in the area of public finance, more specifically in the budget process and in budgetary frameworks, is critical to mobilizing domestic resources to sustainably finance cash transfers. Elements from Activity 8 (Advocating for new, expanded or improved cash transfers) may be relevant, however the objective, evidence, target audience and key partners will likely be different when engaging in budgetary frameworks and processes:

- **Objective:** to leverage domestic resources to expand or improve cash transfers. More specifically, influence overall budgetary frameworks and process to ensure that cash transfers are adequately budgeted. While usually advocacy strategies aim to expand budget allocations for cash transfers, in situations of economic downturn or fiscal retrenchment, engagement may focus on preventing possible budget cuts.
- **Entry points:** main opportunities may include the preparation of annual budgets and medium-term expenditure frameworks (see key concept box below).
- **Target audience:** frequently the Ministry of Finance, National Planning Commission, parliaments, and line ministries responsible for implementation.

UNICEF's involvement can range from reviewing budget proposals, providing technical inputs to prepared budget plans, or capacity training of government officials involved in budgeting both at central and local government level.

Key concept: Medium-Term Expenditure Framework (MTEF)

While the budget cycle runs annually, sectoral programming is often done across multiple years. As such, it has been a common challenge across countries to balance the annual (or short-term) expenditure needs with mid-term or long-term strategic budget needs. The MTEF has been increasingly adopted as a budget formulation process to consider macroeconomic forecasts, mid-term policy priorities and measures, and the fiscal framework for the following 2–4 years. The MTEF creates an important opportunity to include future plans to increase domestic finance, as cash transfer spending is generally not a one-time expenditure, but a mid-term or long-term budget requirement to achieve a longer-term strategic vision.

Sources: UNICEF (2016) Training on public finance management for children; USAID (2014) Guide to Public Financial Management.

What does it typically require?

As requirements will also be similar to general policy advocacy, only three main differences are highlighted here:

- **Evidence**
    - The evidence used in this process will need to respond directly to the demands and questions of budget officials, such as how much it costs (see Activity 6 for costing different design options), the potential impacts on poverty (see Activity 5 for simulating the potential poverty impacts), and where additional resources come from (see Activity 13 for analysing fiscal space to finance cash transfers). For instance, UNICEF-Myanmar developed a two-page brief for parliament entitled *Making the 2017–18 National Budget Work for Children*, with cost estimates required to scale-up a cash transfer programme.
- **Partners**
    - Core partners to engage in the budget process can include IFIs such as the World Bank, IMF, and regional development banks.
    - For more information about the political economy, see the webinar on constituency building and fiscal space.
- **Understanding and experience of being involved in the budget process, actors and frameworks.** Technical knowledge of the terminologies and processes around public finance is essential to being involved in budgetary frameworks and processes.

Where has it been used?

Case 14 Zambia: Engaging in budget frameworks to expand cash transfers

The Social Cash Transfer (SCT) programme in **Zambia** started as a pilot project in 2003, targeting 159 households. After its inception, it followed a cautious expansion process, until in 2013 the government, elected on a pro-poor agenda, increased the funding by 700 per cent (Michelo 2015). In 2016, the SCT programme was covering about 8 per cent of the population, representing 18 per cent of Zambia's extreme poor. The programme continued its rapid expansion, and between 2015 and 2016 alone, coverage increased from 185,000 households to 239,000 households.

Driven by the stubbornly high levels of poverty and the deteriorating economic situation in 2015 and 2016, Zambia's new government, which came into power after the August 2016 elections, formulated an economic reform programme, with social protection recognized as one of the five pillars of this programme. Government priorities had already realized a reduction of fuel subsidies and an increase in the budget for social protection.

In this important time period, UNICEF-Zambia and partners engaged in advocacy for an increased budget allocation to the Social Cash Transfer (SCT) in the MTEF. The advocacy work, led by DFID and UNICEF, aimed at an increase in budget allocation for SCT in the MTEF. UNICEF support for this process included the development of caseload and budget projections, contracting of a high-level consultant for government engagement and dialogue, and consultations with relevant stakeholders (such as the Ministry of Finance, civil society, and development partners).

Additionally, UNICEF-Zambia released the first edition of a series of annual social sector budget briefs. The briefs were widely circulated and provided the analytical underpinning for development partnership and intra-government advocacy for more efficient social protection spending. The sectoral analysis on social protection provided a snapshot of the trend over recent years and comparison of allocation for various transfers and subsidies.

Finally, it is important to mention the role of the programme's impact evaluation, which contributed to giving policy-makers the confidence in the programme's impact in their decision to increase the programme's budget for 2017. All of the accumulated work and processes contributed to the budget increase for the programme from US$30.2 million in 2016 to US$55.2 million per year in 2017.

However, challenges still remain. For instance, a critical bottleneck for regular and predictable delivery of cash transfers, has been the significant delay in disbursements at the central level. In some provinces, payment arrears have reached six months. To strengthen the Ministry's financial management capacity, including for SCT implementation, UNICEF hired a financial management expert in support of the Accounts Unit to initiate and coordinate a range of activities, based on recommendations from a recent fiduciary risk assessment.

When and where could it work?

- ✓ Advocacy and policy engagement can increase the impact of other analyses conducted to mobilize domestic resources (Activity 9–11).
- ✓ Engagement in the fiscal framework can be more effective in countries where they have adopted an MTEF.
- ✓ Engagement in fiscal space will also be important in countries where there is a national strategy/policy on social protection but uncertainty around funding.

What are the limitations and challenges?

- Preparation of the budget is a crowded and political space with conflicting agendas and priorities.
- While there is an increase in countries using MTEF, in many countries they often exist in form but are not used in practice, limiting the actual impact of engagement in such frameworks (CABRI 2013).

Where to find more?

- Component 2 of the activities outlined in the global stocktake of public finance for children helps to understand UNICEF's past engagements in budgetary frameworks and processes.
- How to engage in budget cycles and processes to leverage government budgets for children gives an overview of the budget cycle and legal framework, along with different entry points.
- Evidence and Guidance on Working with Parliaments on Budget Advocacy, Monitoring and Oversight for Children's Rights: Synthesis of Findings supports engagement with parliamentarians in particular.
- Webinar on Constituency Building and Fiscal Space for Social Protection – Navigating Political Space, hosted by socialprotection.org, features two presentations that highlight the importance of building coalitions and mobilizing grassroots organizations.

D. Achieving results on the ground: implementation with monitoring and evaluation

Activity 14: Providing direct technical support to programme roll-out

What is it?

In many countries where there are functional systems to deliver social assistance, political support and adequate financial resources for scale-up are often sufficient. In many countries, however, effectively implementing a large cash programme can be a major challenge that can lead to delays in delivery and exclusion of eligible groups, including the most socially vulnerable.

Implementation of cash transfer programmes is a large area of work itself and capturing all the steps involved is beyond the scope of this guide (see Figure 22 for an illustrative example). Fortunately, it is also an area where there is a wealth of existing guidance – some comprehensively provide guidance on the entire process, while others are specific to certain steps and tools (see the reference section below). Therefore, this activity will give an overview of the steps (Figure 22), outline considerations for UNICEF, and provide links to existing resources.

Figure 22 Key steps to operationalize a cash transfer programme

Outreach

- Share information about the programme details including eligibility and payment, process of registration, and complaint mechanisms (if any) to the eligible population.
- Adopt various communication tools such as mass media (radio, TV, newspaper, magazines), flyers, websites, text messages, and mobilize religious institutions, community leaders and civil society.

Registration

- Collect information about *potential* beneficiaries through surveys/visits or office interviews.
- This could either been done through survey outreach where programme staff and/or social workers survey the population and/or through on-demand application where individuals apply at offices.

Building a Registry

- Develop a database based on information collected for registration.
- In a single or harmonized registry, link the programme registry with other cash transfers or social protection programmes.

Determining Eligibility

- Identify eligible households based on the registry and targeting approach.

Enrolment

- Enrol eligible households into the system and provide eligible families with necesary information about payment and conditionalities.

Beneficiary Identification

- Provide and/or verify identification (such as ID card, registration card).

Building Payment Databases

- Register payment information to the system.

Payment

- Make payments to the beneficiaries.

Grievance Mechanism (Activity 17)

- Create a mechanism for receiving and addressing grievances from beneficiaries.

Monitoring (Activity 17)

- Ensure that cash transfers were delivered to the intended population within the correct amount of time.

Evaluation (Activity 19)

- Carry out periodic assessment of the implementation as well as the impact of cash transfers.

By the author, adapted from the World Bank's Safety Nets How To toolkit

UNICEF's expertise and asks

As laid out in the social protection framework, UNICEF emphasizes national ownership of programme implementation and thus ideally each step should be led by national and sub-national governments. In this context, UNICEF's on-the-ground presence and child-rights focus allows us to contribute to the following aspects of the implementation.

- **Inclusion of marginalized population**

At every step of the process, the families in most need are at risk of being excluded from receiving transfers. For instance, it could be too costly for families living in remote areas to travel to register and receive money, marginalized communities may face discrimination in registering or receiving payments, or ethnic minority groups may face language barriers in registration or enrolment instructions. To reach the most vulnerable, UNICEF can bring our equity focus to programme implementation so that additional considerations and resources are given to families and children at risk of exclusion. Such activities could include:

  - Identifying economically and socially vulnerable groups based on poverty and vulnerability analysis;
  - Supporting registration outreach for remote areas;
  - Offering technical advice to simplify registration processes.

- **Communication with the potential beneficiaries**

Clear communication is a critical factor throughout the implementation process, as success depends on the awareness of administrative officers and the eligible families on registration processes and timelines, requirements, payment process and entitlements. With accumulated experience and knowledge of communication methods, particularly around the emerging area of communication for development, UNICEF's role could include:

  - Offering technical support to help develop communication strategies;
  - Building partnerships with non-state actors to be part of the communication campaign;
  - Developing messages for flyers, radio or TV programmes.

- **Integration with other programmes**

An effective approach to implementation is to build on existing administrative systems or registries to avoid duplication. Accordingly, new or expanded cash transfer programmes should ideally build on existing systems, be they registries or MIS systems. However, in reality, many countries have fragmented programmes with separate implementation approaches, partly due to lack of national coordination mechanisms between different government ministries/departments.

UNICEF, with its strong field presence and connection with a wide range of national stakeholders, may be able to support coordination and communication across programmes and institutions to address fragmentation. Specific activities may include:

  - Harmonizing the registry of different programmes into a single registry;
  - Supporting the building of a common payment system;

- Advocating for enabling automatic enrolment of beneficiaries from one programme to another programme.

Key concepts: single registry and MIS

While Management Information Systems (MIS) and registries are often used interchangeably, they can distinguished from one another as follows:

- **A single registry** is a database to organize, store and retrieve data which houses comprehensive information on potential and actual beneficiaries. There is increasing focus in building a single or harmonized database across different social protection programmes to increase efficiency and effectiveness.
- **A Management Information System (MIS)** is an application software that systematically transforms data into information, links it to other databases and analyses and uses the information. It is a general term that could serve different functions, depending on the objective and the design of the set-up. Typically, MIS is designed to help understand who received what, by linking information from multiple resources/databases (such as the payments system), compliance of conditionality, update of eligible population and reports from grievance mechanisms.

Source: Barca and Chirchir (2014)

What does it typically require?

- **Technical expertise and experience**
  - There are a number of options about how to roll-out each step during implementation, and most steps require technical knowledge and experience to fully provide technical expertise.
- **Understanding of social vulnerability**
  - For programme implementation to reach the poorest and most vulnerable, a comprehensive understanding of the populations who are at risk of being excluded is foundational. Such information could be obtained from both quantitative and qualitative evidence on child poverty and deprivation.
- **Multi-stakeholder relationships**
  - Coordination across different ministries and departments requires relationship-building and facilitation skills to bring stakeholders together to agree on harmonized systems and implementation approaches. Often it will be important to involve sub-national governments and actors as they are at the forefront of implementation.
  - Non-state actors, such as NGOs, religious institutions or community groups can play a key role in mobilizing communities and delivering key messages.

Where has it been used?

Case 15 Kenya: Technical support to the expansion of cash transfer programmes

Kenya has experienced the rapid expansion of several cash transfer programmes in recent years. For instance, within a single year, coverage of three flagship cash transfer programmes (for orphans and vulnerable children, older people and people with severe disabilities) increased from 226,730 households to 450,000 (between financial years 2012/13 and 2013/14). Quick expansion of the programmes, however, raised implementation challenges, including effective targeting of the programmes and delays in the delivery of cash transfers. Major operational bottlenecks to scale-up were identified as:

- lack of a proper plan of expansion for the fiscal year;
- inadequate financial support for the cost of implementation and a delay in the release of funds;
- lack of national identification cards for potential beneficiaries;
- poor infrastructure and lack of equipment/vehicles to reach some areas;
- inadequate numbers of staff and poor technical expertise among existing staff;
- lack of synergies and sharing across different programmes.

Based on lessons learned from the first large-scale expansion of cash transfer programmes, the government undertook several reforms of the existing process to prepare for the next phase of scale-up. UNICEF supported this process by providing technical advice on payments, targeting, monitoring and evaluation, complaint and grievance mechanism and MIS, through five technical working groups, one on each component. This case study focuses on two components – the MIS and the payments. For more information about the other components, please refer to Scaling Up Cash Transfer Programmes in Kenya and the website of National Social Protection Secretariat.

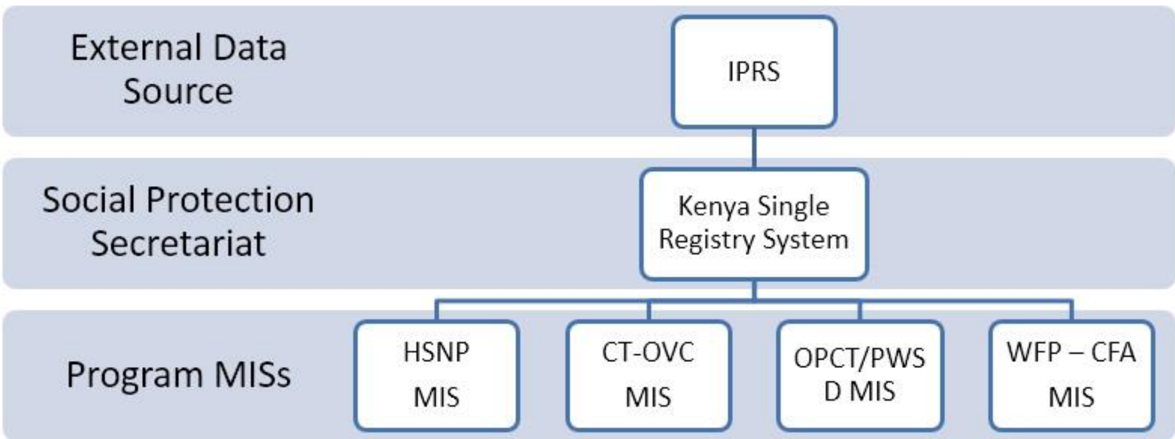
UNICEF, in collaboration with SIDA, WFP, DFID and the World Bank, contributed to the development and launch of the single registry and the MIS for cash transfers. The system aimed to meet the demands of the most marginalized communities through enhanced accountability, transparency and harmonization across the five National Safety-net Programmes. So far, the system has information on more than one million families comprising 1.7 million vulnerable children in 47 counties, and has already supported 830,000 families through cash transfer programmes as of 2016.

One remarkable feature of Kenya's information system is how the information from different programmes is consolidated into a single platform. On the web platform of the single registry, anyone can access summary statistics regarding the beneficiary enrolment, beneficiaries on the payroll, payment status and trends of the main cash transfer programmes linked to the system (Figure 23 and Figure 24).

Figure 23 Screenshot of Single Registry (accessed on 27 April 2017)

The single registry system is also linked to an Integrated Population Registration System (IPRS) so that beneficiaries can be validated based on national IDs. Authorized programme officers can use this platform to obtain more detailed information about the beneficiaries.

Figure 24 Structure of the Single Registry System, MISs and IPRS



Source: National Social Protection Secretariat (2017)

With regard to the payment system, UNICEF's technical assistance strengthened the government's managerial capacity by supporting the transition of 378,000 beneficiary households to a new payment provider and an improved linkage and understanding of funding flows with the Treasury in order to speed up and improve the regularity of transfers. As a result of UNICEF's advocacy efforts and strengthened links with the Treasury, the average delay per payment cycle in national cash transfers payments to recipients dropped from 44 days in 2014/15 to 26 days in 2015/16.

With such operational reforms and other ongoing efforts to build capacities of national and sub-national implementers and mobilize domestic resources through the Medium-Term Expenditure Framework, the government aims to continue the expansion of flagship cash transfer programmes in a harmonized manner.

When and where could it work?

- Countries rolling out or expanding cash transfers for the first time may have significant gaps in implementation capacities.
- UNICEF's role could be most relevant in countries with fragmented programmes or where there is exclusion of vulnerable groups.

What are the limitations and challenges?

- Some of the elements could be very costly, such as building a registry, MIS or payment system. To finance them, UNICEF will have to either mobilize domestic finance or work together with other development partners.
- The core technical expertise in payments, registries or MIS may not exist within UNICEF, in which case UNICEF will have to engage partners or consultants with expertise and experience.

Where to find more?

These are some of the comprehensive guides and toolkits to support the implementation of cash transfer programmes:

- Samson et al. (2006) *Designing and Implementing Social Transfer Programmes*.
- The World Bank's Safety Nets How To.
- EU Social Transfers in the fight against hunger. A resource for development practitioners.
- Mercy Corps Cash Transfer Programming Toolkit.
- Tools for implementation, compiled by The Cash Learning Partnership (CaLP).
- IADB (2017) *Asi funcionan las transferncias condicionadas*. This guide, written in Spanish, brings together country examples and experiences in implementing CCTs in Latin America.

For specific elements, please refer to the following documents.

- Single registries and integrated MISs: De-mystifying data and information management clarifies the often-confusing use of terminologies around information management, discusses success factors of integrated MISs (IMIS) with numerous country examples that illustrate different forms of IMIS.

- ISPA payment tool presents the main methods and different components for cash payments delivery; the main stakeholders and the role they play; and how the financial and SP systems environment impacts SP payments. It also offers questions and matrices to conduct an in-country assessment.
- Communicating cash: A quick guide to field communications in cash transfer programming by CaLP is a practical resource to support communication activities with the beneficiaries. It covers what beneficiaries need to know, what the channels are, and best practice for sensitization.
- Cash-Transfer Programming in Emergencies by Oxfam is published in two forms – a guide book and flash cards to support the distribution of cash transfers in emergencies.
- Paying attention to detail: how to transfer cash in cash transfers by Oxford Policy Management compares three different payment methods used in Kenya for payment of cash transfers (mobile phone/smart cards/post offices) and discusses the challenges faced by each method.
- Protecting Beneficiary Privacy by CaLP provides operational standards to secure personal data used for distribution of cash transfers. Such consideration and standards could be particularly important in engaging in beneficiary database/registry for implementation.

Activity 15: Building national and local capacity for implementation

What is it?

Roll-out of cash transfer programmes not only requires a functional administrative set-up but also people to manage and oversee the programme(s). To build this operational strength, UNICEF supports capacity-building activities with government officials at different levels to build their knowledge and skills.

Due to the different nature of work at national and local levels, the content of capacity building will also need to vary. Government officials at local level generally lead on the implementation of transfers: from identification of the beneficiaries to registration, payment, and monitoring and reporting of implementation. Activities to build capacity at sub-national level may include:

- Clarification of all the tasks required to implement cash transfers, and clear understanding of the division of labour across different agencies/departments;
- Setting up coordination mechanisms or responsible agencies where needed;
- Development of implementation guidelines or operational manuals and procedures;
- Training on the process of registration, payment and monitoring;
- Training on the use of MIS/payment system for implementation;
- Monitoring of the activities and compliance;
- Capacity building (or staffing) at central level to build trainers who can then work on capacity building in the field.

At the same time, countries may also face a shortage of capacity to oversee programme implementation at the national or central level. Such capacity gaps could result in a lack of coordination across different departments/ministries, delay fiscal transfers from central to local agencies, and cause weak monitoring of implementation processes. Additionally, institutional problems could include: neglect of compliance, enforcement and policy research functions; difficulties in maintaining records; excessively complex procedures; delays in processing benefit claims; and a failure to ensure that contributors and beneficiaries understand the principles and requirements of the various schemes (ILO 2000). At the central and institutional level, the technical support could entail:

- Creating a new body to oversee the implementation process, such as a new ministry or department;
- Creating or supporting the coordination body to link programmes across different departments and ministries;

- Formalizing the institutional arrangements through a social protection policy or act (See Activity 11: Supporting development of an institutional framework).

Closer look: The Government of Malawi faced significant capacity constraints when only two or three technical experts were based at national level to provide training at district- and community-level on targeting and implementation. To address the issue, central and local levels agreed on an upgraded staffing plan (Angeles et al. 2016).

What does it typically require?

- **Assessment of existing capacities and capacity gaps**
    - Understanding of existing capacity and capacity gaps provides important insight in designing training or producing guidelines. See report by the European Commission (2005) for an example of this under the reference section below.
- **Written guidelines or documents**
    - Capacity-building activities are perhaps most effective when they combine both in-person training as well as written guidelines and manuals that specify tasks and procedures to implement cash transfer programmes.
- **Expert facilitators**
    - For in-person training, having international or national experts can enhance the quality of the training. Some of the agencies offering in-person training also offer customized training at field level (see Box 9).
- **Wide range of participation from field-level colleagues**
    - While this is obvious, the time, language and financial constraints that field-level staff may have should be taken into full consideration.
- **Commitment and support from central level to the capacity development of the field-level staff**
    - Though the main focus of training could be targeted to staff at local level, training can also provide great opportunities for central level staff to understand challenges in the field.

Where has it been used?

Case 16 Nigeria: Supporting capacity development for cash transfers at national and state levels

In **Nigeria**, UNICEF supported various capacity-building activities at different levels of government. At the central level, UNICEF strengthened staff capacities at the NPC, National Bureau of Statistics (NBS), Nigerian Institute of Social and Economic Research, and state-level officers on key strategic areas including measurement and analysis of child poverty and costing social protection policies and interventions. Further, personnel from the Ministry of Budget and National Planning (Social Development and Monitoring and Evaluation Directorates) and the Office of the Vice President (responsible for Social Investment) participated in a study tour of South Africa to learn about the design and implementation of effective social protection programmes, and applied their knowledge to revise the draft National Social Protection Policy after returning from South Africa.

At state level, training workshops and study tours were organized in seven states to assist state-level government design and implement social protection initiatives and policies. Some activities took place to prepare participants for the workshop, including a review of existing social protection initiatives. During the workshop, participants prepared plans to design and implement social protection programmes and policies, and were asked to follow up and monitor the progress of implementation after the training.

Training and capacity building also took place in two states where they are implementing unconditional cash transfers for girls' enrolment, attendance and retention in basic primary school, reaching more than 20,000 girls aged between 7–15. To support the implementation of the cash transfer, operational manuals were developed covering areas of capacity assessment, enrolment, payment and case management manuals.

Case 17 Lesotho: Comprehensive training to support the management and delivery of the child support grant

In **Lesotho**, UNICEF has supported the introduction and expansion of the Child Support Grant (CSG), and capacity building was one of the core components of the support UNICEF provided. Interventions included: financial and technical support for the organizational development of the newly established Ministry of Social Development (MOSD) and the development of IT management systems and Management Information System (MIS) to support the operations of the CSG. For instance, UNICEF commissioned the Institute of Development Studies (IDS) to run comprehensive training on social protection for 30 government officials. A selected group of government officials from MOSD visited Tanzania and Brazil to learn about community-based targeting and how social transfer programmes are managed and delivered in a harmonised manner. The capacity building has been critical to the remarkable transition of the CGP from a small donor-funded pilot into a public-owned national programme in just a few years.

When and where could it work?

- ✓ Capacity building can help countries when they are initiating or starting to expand cash transfers with little experience.

- ✓ It can also be part of the solution to operational problems that were found in impact evaluations (Activity 5), PETS (Activity 11) or administrative system building (Activity 16).

What are the limitations and challenges?

- Staff turnover is often a challenge in many government ministries and departments, and could greatly undermine the long-term impact of training and capacity building.
- A report from the European Commission (EC) warns that capacity building has too often been donor driven, undermining local ownership. As such, capacity development shall have feasible targets and develop partner relationships (EC 2005).

Where to find more?

- Capacity building for social protection is a literature review on capacity building activities and resources in the social protection sector.
- Designing and Implementing Social Transfer Programmes is a comprehensive guide providing concrete steps and key considerations for all practitioners working on cash transfers.
- EC (2009) *Making Technical Cooperation More Effective* and EC (2005) *Institutional Assessment and Capacity Development: Why, what, and how?* are both resources from the EU on capacity building activities. While they do not have exclusive focus on social protection, many lessons from other projects are insightful for any capacity-building activities.
- Rohregger (2010) Social Protection and Governance by GIZ outlines the political economy around governance of social protection with implications for development cooperation actors.

Activity 16: Modelling implementation through a pilot project

What is it?

If national governments do not have the capacity or political support to lead the implementation of cash transfers, UNICEF has directly been involved in the implementation of programmes. Experiences also show that in a number of countries, donor-funded pilot projects can eventually evolve into nationally-owned programmes with an increasing share of government funding. Such funding of pilot projects often takes the form of joint financing among UN agencies or IFIs to cover the substantial cost involved in setting up the pilot transfers.

Direct implementation of pilot projects can be particularly useful in achieving the following outcomes:

- **Showcasing the impact of cash transfers nationally.** Pilot programmes with rigorous impact evaluations can demonstrate the actual impact in the national context (see Activity 18: Evaluating the implementation and impact of cash transfers).
- **Proving the scalability of the implementation**. By actually running a cash transfer, stakeholders can learn about the required administrative procedures, setups and capacity requirements (see Activity 15: Building central and local capacities to implement cash transfers).
- **Understanding the potential cost of running a cash transfer programme.** The cost of running a pilot programme can be used to calculate potential administrative costs and the cost of direct transfer by looking at the take-up rate (see Activity 6: Costing different design options).
- **Triggering discussions on the scale-up of cash transfers.** By generating evidence around impact, operation and cost, pilots can lead to policy-level discussions on how to build on the pilot project to achieve larger scale (see Activity 8: Advocating for new, expanded or improved cash transfers).

What does it typically require?

- **Funding**
    - Unlike other activities, direct funding will require a significant amount of funding as the cost includes the direct transfer costs to the households, which usually exceeds UNICEF's financial capacity.
- **Partnership building**
    - Relatedly, pooling resources with other partners has been one of the most effective strategies to overcome the financial challenge as well as to build multi-stakeholder engagement and support for the project.
- **Impact evaluation**

    - A key factor that determines the success of a pilot project is the evidence generated to demonstrate the context-specific effectiveness of the programme.
- **Government buy-in**
    - While financial support from the national government may be limited at this phase, governmental engagement and interest from the early phase is another success factor to the subsequent scale-up.

Where has it been used?

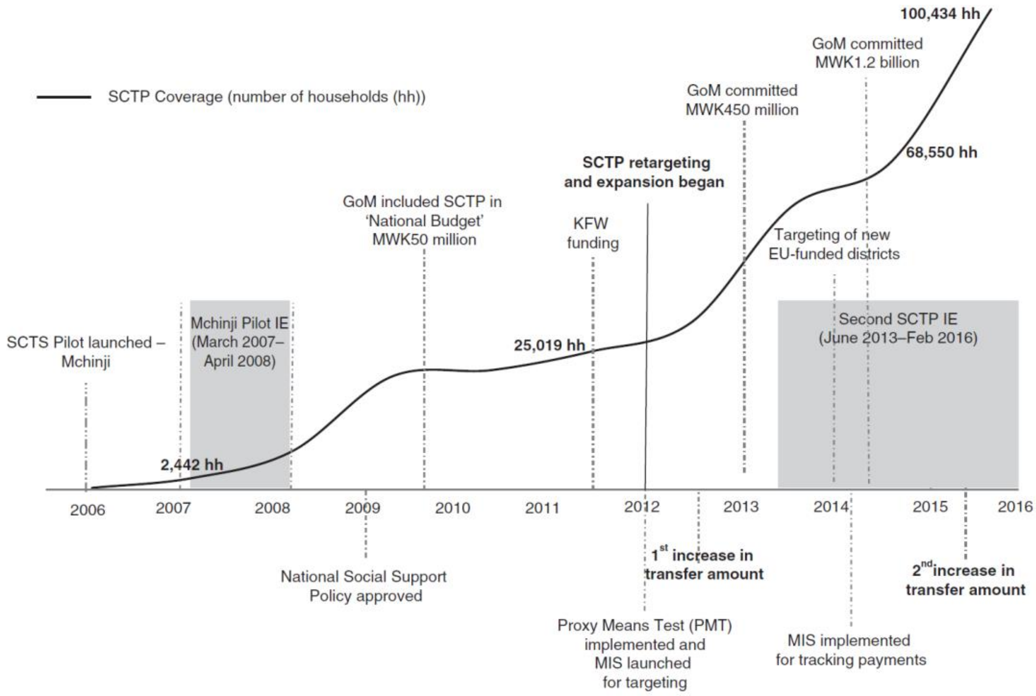
Case 18 Malawi: From pilot to at-scale cash transfer programme

The Social Cash Transfer Programme (SCTP) in **Malawi**, which now reaches 100,000 households, started in 2006 as a small pilot project with 400 beneficiaries in one district. There were a series of events and factors that led to the launch of the pilot. The country was facing a high level of poverty and a large poverty gap, and the macroeconomic growth activities and ad-hoc poverty reduction programmes were not showing results in improving the lives of people living in poverty. Additionally, HIV/AIDS had negatively affected many families, leaving many children in elderly or child-headed households. In this context, cash transfers were beginning to emerge as a potential response in poverty reduction strategies and the National Plan of Action for Orphans and Vulnerable Children. The 2006 Intergovernmental Regional Conference on Social Protection in Livingstone, Zambia, also played a key role in strengthening the commitment among government officials to test the feasibility of cash transfers in Malawi.

Following the Livingstone Conference, the Social Protection Technical Committee conducted limited operational research in one district to test the operational feasibility of a pilot project. As interested parties became confident of the feasibility, a proposal for district-level pilot was submitted to and approved by the Cabinet at the end of 2006.

The pilot scheme was an unconditional cash transfer targeting ultra-poor and labour-constrained families identified in a community-based process, with a bonus for families with school-aged children. There were other considerations made at that time to ensure that the pilot project built countrywide support after implementation. First, seven districts from all three regions of the country were selected strategically to increase the representativeness of results. Second, an independent impact evaluation was incorporated as part of the project to generate evidence on the feasibility, costs and benefits of the programme. UNICEF provided the initial funding for the first pilot district and the operational research, followed by additional funding from the Global Fund for Tuberculosis, AIDS and Malaria Global Fund, KfW (a German government-owned development bank), Irish Aid, the EU and the World Bank.

Figure 25 Key Events and SCT programme coverage by year (2007-2016)



Source: Angeles et al. (2016)

It is worth emphasizing the role the accompanying impact evaluation played in the expansion of the pilot programme. First, the evaluation of the targeting methodology led to improving the targeting criteria as well as the introduction of new oversight mechanism. An electronic MIS system was introduced to address issues raised by an evaluation on the operational issues. Finally, the positive impacts on food security, health, schooling, child labour and productivity were disseminated widely within the government and among the donors, and paved the pathways for other donors to provide financial support to the pilot project.

Source: Angeles et al. (2016) *The Social Cash Transfer Programme of Malawi* in From Evidence to Action. The story of cash transfer and impact evaluation in sub-Saharan Africa.

When and where could it work?

- ✓ Direct funding of a pilot project is perhaps most relevant in low-income/fragile countries with limited financial resources.
- ✓ It is also one of the limited options of support in countries with no or limited existing cash transfers.
- ✓ It could also be easier to arrange the support in countries with a large amount of donor coordination and joint projects.

What are the limitations and challenges?

- As the funding requirement often exceed UNICEF's capacity, working with institutions with larger-scale funding (such as IFIs) is important.
- While perhaps the most effective way in addressing myths and scepticism, it still takes a significant amount of advocacy and political engagement to result in a nationally-driven scale-up. In other words, the risks of the pilot not being scaled up should be fully considered.

Where to find more?

- *From Evidence to Action. The story of cash transfer and impact evaluation in sub-Saharan Africa* provides detailed accounts of how some countries have expanded their pilot projects, with a focus on the role of impact evaluation. Relevant countries include Malawi (see example above), Lesotho and Zambia.
- Other guidance to support the implementation of cash transfers in humanitarian contexts and to establish the link between humanitarian cash transfers and social protection exists, including:
    - Kukrety (2016) Working with cash-based safety nets in humanitarian contexts
    - Harvey and Bailey (2011) Good practice review: Cash transfer programming in emergencies

Activity 17: Strengthening monitoring and accountability mechanisms (including audits and grievance mechanisms)

What is it?

The purpose of monitoring mechanisms is to routinely and systematically collect information about the implementation status of cash transfer programmes. They are usually established as part of the implementation process and track progress against established procedures and goals, overseen either by the implementing agencies of the cash transfer or another independent organization with appropriate knowledge and skills. The information collected from monitoring systems is intended to feed into refining programme design and improving implementation in order to continuously improve processes and outcomes (Hitchcock 2014).

The work usually begins with the development of a monitoring framework based on the core objectives of the cash transfer programme, including important steps in implementation and as well as key child-related outcomes. Building on this, the development of a Monitoring and Information System (MIS) can integrate different data sources to allow systematic monitoring of the status of implementation.

A variety of information and sources can be collected through the monitoring process:

- **Registration/enrolment**
  - How many families/individuals have been registered or enrolled to the programme?
  - What are the profiles of the enrolled families/individuals (for example, gender, family structure, number of children, location, socio-economic status)?
  - Are certain groups of the population excluded?
- **Payment**
  - How much money was spent on cash transfer payments?
  - Are the payments predictable and of the correct amount?
  - Are there any problems with the flow of money?
- **Outcomes**
  - Is the transfer achieving core objectives, such as increased consumption, enhanced school enrolment, improved food security, and so on?

Source: UNICEF (2011)

There are tools and resources to help develop the monitoring framework and indicators, such as UNICEF-EAPRO's (2016) 16 tools for programming for policy results, or UNHCR's guidance on cash-based intervention (programme performance monitoring).

There are also other mechanisms to strengthen the accountability and transparency of the implementation, which could either be undertaken independently, or as part of the larger monitoring system. These include:

- **Grievance mechanisms**, which provide channels of communication for families to make appeals and claims for any perceived problems in implementation. This can help implementing agencies to both address specific individual cases as well as to identify any bottlenecks and challenges. Support to grievance mechanisms not only entails setting up channels for complaints and concerns, but also includes communicating with beneficiaries so that they are aware of the processes and mechanisms, raising awareness among the implementing agencies so that they can respond properly, and follow up complainant cases.

- **Audit**, which looks at the actual implementation status and the vision or goal of the programme. Some audits have a specific lens, such as a gender or child audit, or focus on a particular social vulnerability. In social audits, members of the community participate in the process to express their opinions and experience in a participatory way. Such participatory methods will not only review the implementation status against targets, but can also enhance awareness of the programme among participants.

What does it typically require?

- **Information about the implementation status**
    - The most important elements of the monitoring/accountability process are the inputs that tell implementing agencies what is or is not working. Management Information Systems allow programme implementation to be collected and understood centrally. Administrative data can also provide important information. For audits, there will be a designated institution or personnel to investigate the implementation status and listen to the experience of beneficiaries directly. Grievance mechanisms require direct channels of complaints and claims to relevant stakeholders.
- **Engagement of implementers**
    - Involving implementing agencies in the process – ideally both from central and local levels –will help ensure that the problems and bottlenecks revealed from various information sources can be verified and addressed.
- **Follow-up mechanisms**
    - Monitoring is a constant and continuing process. Mechanisms to address complaints and adjust programme implementation should ideally be embedded in policy frameworks or the implementation process in order for activities and information to result in concrete programme improvement.

Where has it been used?

Case 19 Sierra Leone: Developing a grievance redress mechanism

Social protection received attention in **Sierra Leone** as a tool to respond to the poverty caused by the Ebola outbreak. UNICEF-Sierra Leone, in partnership with the World Bank, supported the Government to strengthen the social protection system and to set up a cash transfer programme. The two organizations, as co-leads of the SP donor's working group, are responsible for supporting the Government of Sierra Leone in developing systems to implement social protection initiatives in the country, and play an advisory role in determining the direction social protection takes in the country. Support from UNICEF was offered to set up the Social Safety Net (SSN) MIS to ensure that social protection initiatives are well coordinated and data is available for decision making and programme monitoring.

Further, UNICEF also supported the anti-corruption commission set up to monitor the programme to ensure that money reaches the intended beneficiaries. The Grievance Redress Mechanism (GRM) enables beneficiaries and other stakeholders to raise grievances about the implementation of the SSN Project through multiple channels including civil society monitors, local councillors, wards, the National Commission for Social Action, and other local government officials. In addition to the GRM, beneficiaries and other stakeholders are able to report corruption to the Anti-Corruption Commission through the same channels used for the GRM as well as directly to the commission.

See also **Zimbabwe**'s example under impact evaluation (Activity 18), which takes an integrated approach to monitoring and evaluation.

When and where could it work?

- Monitoring should be part of any implementation of cash transfers and should be considered as a separate activity from evaluation (Activity 18).
- It is particularly important in contexts where a lack of capacity/experience in managing cash transfers is more likely to lead to implementation challenges and where certain vulnerable groups of the population are more likely to be excluded from receiving their entitlements.

What are the limitations and challenges?

- Conducting an audit could be sensitive, particularly around concerns relating to leakage and corruption. The involvement of actors from different agencies from the onset and clarifying the purpose of the activity to improve overall performance (as opposed to punishing or accusing certain individuals) can help address concerns and make audits more effective.
- Even when set up, grievance mechanisms may not be used if beneficiaries are not aware of the channel, fearful of any punishment or sceptical about the impact. Accordingly, strong monitoring and communication activities should accompany set up to encourage effective use.
- Setting up a technical system, such as MIS, can be costly and complex. If the user interface or the system is complicated or does not meet decision maker needs, a large investment may end up not being used in practice.

Where to find more?

- Chirchir (2011) Good practice in the development of management information systems for social protection gives an introduction on what MIS can do, the requirements of setting up a functional MIS and discusses how MISs of different programmes are linked to each other within a country.
- Child Safeguarding in Cash Transfer Programming (2012) by Save the Children gives guidance and resources to protect children from any risks posed by cash transfers, with particular focus on emergency settings. The monitoring and evaluation section suggests that child protection outcome indicators should be monitored.

- ODI (2012) Gender, vulnerability and social protection reviews the extent to which gender inequality is reflected in the design and evaluation of social protection schemes in nine countries. The package includes individual case studies, as well as a conceptual framework and a toolkit "to support policy makers, programme designers, and programme implementers to apply a much-needed gender lens to debates around social protection."
- Holmes et al. (2009) Strengthening Social Protection for Children in West and Central Africa reviews social protection programmes and policy frameworks (including PRSPs) in West and Central Africa from a child lens, particularly the specific vulnerabilities children face and policies/programmes to address them.
- Guide for Setting-up Child Friendly Complaints and Response Mechanisms is a case study by Save the Children from a refugee camp in Kenya.
- Holding cash transfers to account: beneficiary and community perspectives (2013) by ODI is a synthesis report of five cash transfers programmes based on perceptions and experiences of beneficiaries with policy recommendations on how accountability and M&E of the programmes can be improved.
- Complaints mechanisms (cash based interventions) from the Emergency Handbook by UNHCR is a brief guide to setting up complaints and response mechanisms as well as implementing a whistle-blowing mechanism.
- Control and Accountability in Conditional Cash Transfer Programs in Latin America and the Caribbean: Key Topics and Areas for Further Improvement (2011) by the World Bank reviews key activities and issues to increase the transparency and effectiveness of implementation of CCTs.
- Grievance Redress System of the Conditional Cash Transfer Program in the Philippines (2014) by the World Bank is a case study that describes how the grievance redress system of *Pantawid Pamilya* has addressed nearly 50,000 grievances since its launch.

Activity 18: Tracking the flow of money

What is it?

Monitoring of the implementation status of cash transfers can also be conducted from a public finance perspective to identify and improve any issues around fiscal transfers. A Public Expenditure Tracking Survey (PETS) is a quantitative tool to track the flow of money from the origin (central government) to the destination (households, in the case of cash transfers). It monitors the proportion of resources that reach the intended audience and if there were any delays or bottlenecks in the delivery. Through the evidence generated, PETS aim to inform implementing agencies how to improve the effectiveness, efficiency and equity of the flow of resources so that they reach the intended households in a timely manner. While most typically used for the education and health sectors, some studies have analysed the movement of funds for cash transfers, as in the example of Vietnam below.

Depending on the study objective or design, PETS can help answer some of the following questions:

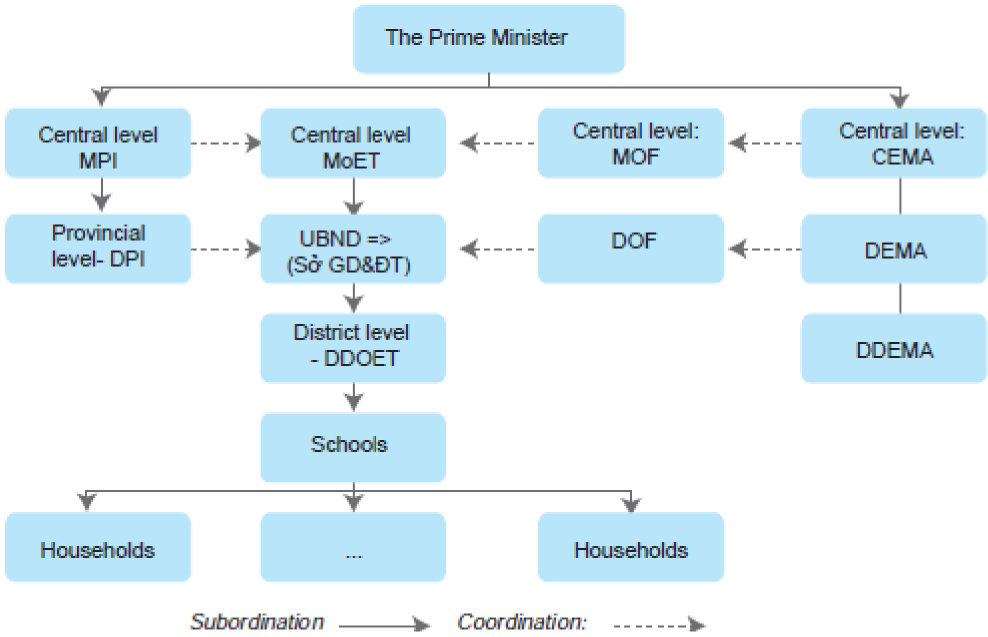
- Is there a delay in the delivery of transfer?
- Is there leakage and capture of funds?
- Did the beneficiary household receive the full transfer amount?
- Is there any inequity in public expenditure and service delivery among certain groups of the population?
- What are the gaps in access to the cash transfer in general and among the poorest?

To obtain more detailed information about the quality, efficiency and equity of service delivery on the frontline, PETS can be combined with Quantitative Service Delivery Surveys (QSDS). While PETS focus on the flow of funds, QSDS examine incentives and accountability mechanisms on the frontline of delivering service and goods (in this particular case, cash transfers).

What does it typically require?

- **Understanding of institutional arrangements and budget processes**
    - Based on desk reviews and key informant interviews, the institutional arrangements should be mapped to understand the flow of resources, as per the example below.

Figure 26 Actual organization structure of D.112 in Dien Bien Province



Source: Authors, adapted from the Dien Bien PPC's memo 588/UBND-NN of 16 June 2008.

Source: Ministry of Planning and Investment and UNICEF (2012)

- **Field survey/field visits**
  - Surveys and interviews are a key part of the process to provide critical information at all levels – from central government, provincial/district administrative officers, point of distribution and households. Questionnaires should be designed to capture key information depending on the scope and objectives of the study.
  - Obtaining accurate expenditure data at the central and local levels could be challenging, particularly in lower-income countries.
- **Analysis of the collected information**
  - Any analysis of the information should assess the effectiveness, efficiency and equity of the use of public expenditure and where any bottlenecks exist. Policy recommendations are then made for relevant actors to further improve the financial flow of the programme.

Where has it been used?

Case 20 Vietnam: Public expenditure tracking of the cash transfer programme

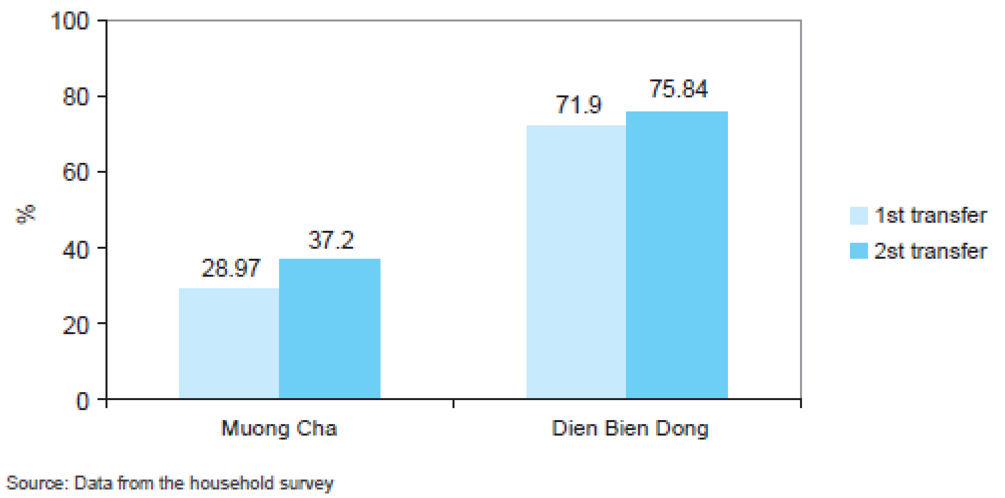
UNICEF **Vietnam** supported a pilot cash transfer programme to prevent school drop outs of poor and ethnic minority students in Dien Bien province, beginning in 2007. A PETS was conducted with the Ministry of Planning and Investment in December 2011 and January 2012 to identify shortcomings and bottlenecks around the implementation of the cash transfer. For this purpose, PETS collected information from programme officials at all administrative levels and at all 65 primary and lower-secondary schools in the two districts. Some 300 households were also visited in eight communities to capture the perceptions and opinions of families on the quality and relevance of the services to which they were entitled. Another key design feature was that ministry officials participated in field visits to see how their decisions affected their constituents, and they also validated the final report.

The study was able to find both positive and negative aspects of the programme implementation, resulting in specific recommendations to improve the programme. On the positive side, PETS found that 95 per cent of respondents reported that the support was critical to education opportunities, and that 77 per cent of households were satisfied.

At the same time, several areas for improvement were identified:

- Monitoring the primary objective of the cash transfer, an increase in school attendance, was not carried out at district or village level, which made it impossible to assess the effectiveness of the programme against its target.
- The registration process, which required three notarized photocopies of a poverty status card, was a constraint to poor and remote households.
- There was lack of public understanding about the purpose of the programme, the timing and level of transfers.
- Long delays were observed, particularly in the delivery from central to province and from schools to households.
- Although between most governance levels the observed cash transfer equalled 100 per cent (indicting no leakage), the average amounts of cash transfers reported by beneficiaries were significantly lower than official amounts stipulated by the programme's regulations. Further, payments of informal commissions were reported by a majority of beneficiaries in both districts (see Figure 27 below).

Figure 27 Percentage of households that paid commission for receipt of D.112 support



Source: Ministry of Planning and Investment and UNICEF (2012)

The results from the PETS were released as a full report and a policy brief. Further, a manual of conducting PETS was produced from the process, outlining the key steps in undertaking the analysis.

When and where could it work?

- Support from government and local authorities to conduct the survey is essential.
- The results may be particularly insightful where there are complex institutional arrangements to manage the cash transfer.
- Further, PETS may be most effective in contexts where there are concerns about leakage or delay in public resources intended to reach beneficiaries. Identifying possible leakages is not easy; however, when surveys used for impact evaluation ask respondents about the amount of transfers received or any fees paid to the agents, such information can point to areas for further investigation.

What are the limitations and challenges?

- Strong support and relationships are needed with the government to conduct necessary surveys and obtain information.
- The interviewees, particularly where there are problems, may provide wrong or inaccurate information.
- Field visits and surveys can be time consuming and costly.
- There are more applications and guidance for PETS in the education and health sectors than in the social protection sector.

Where to find more?

- A User's Guide to Poverty and Social Impact Analysis features PETS and QSDS. The one-pager tool sheet for both analyses gives an overview of the tools and provides key steps, requirements and references.
- *Social Accountability e-guide* by the World Bank provides an overview of the steps of conducting PETS.
- *Monitoring the quality of public spending in the social sectors in developing countries: lessons from public expenditure tracking surveys and other sources* reviews almost 30 PETS conducted in developing countries and provides good practices.
- The Public Finance for Children (PF4C) Community of Practice is an internal platform for UNICEF colleagues where key documents including ToRs or country studies are hosted.
- Public Expenditure Tracking Survey Report (2011–12) was prepared by the Ministry of Planning and Investment of Vietnam and UNICEF. As mentioned in the case study, the study analyses the resource allocation flows for a pilot cash transfer programme aimed to increase school attendance.

Activity 19: Evaluating the implementation and impacts of cash transfer programmes

What is it?

Evaluation, like monitoring, assesses the cash transfer programme to find out what is working, what is not, and how it can be improved. Unlike the continuous nature of monitoring the implementation process, evaluation is carried out periodically to assess a certain aspect of the programme and focuses on particular achievements. While monitoring tends to be conducted by officers directly involved in implementation, evaluations are principally conducted by an independent external group, in consultation with implementing agencies (Hitchcock 2014).

Evaluations can be categorized into different types, depending on their scope (CDC 2014). The most common is **impact evaluation**, to assess how effective a cash transfer programmes is in achieving its ultimate goals – aiming to provide direct answers to questions such as 'to what extent did the cash transfer programme improve the well-being of children?' A challenge in answering these questions is to differentiate the changes that can be attributed to the cash transfer with the changes that would have happened even without the cash transfer due to other factors. Ideally, rigorous quantitative methods will have been embedded into the programme design before implementation or expansion takes place (see the key concepts box below for more on quantitative methods). Qualitative approaches can complement quantitative approaches by offering insights about the behavioural dynamics underpinning the evaluation.

Arguably, evaluations of cash transfers have been the most critical drivers of their expansion and scale-up in many countries, as well as support for the approach at global level. Evaluations have proven the effectiveness of transfers on a range of outcomes – from poverty and productivity to education and health to local economic impacts, bringing support from a wide range of policy makers. Further, impact evaluations have addressed myths around misuse and dependency which have concerned stakeholders.

Process evaluation (also known as implementation evaluation or operational research) examines if the cash transfer programme is being implemented as intended. It aims to understand who receives the benefits, if there are any barriers to receiving transfers, what the experience of the families and implementers are, and if any delays or leakages have occurred throughout the process. Surveys and interviews with both the eligible population and the personnel involved in the implementation form a crucial evidence base to make these assessments. The results of process evaluations can have a direct influence on programme design and operational procedures (see, for example, the Nepal case study below).

Key concepts: designs and methods used for impact evaluations of cash transfers

Experimental design/randomized control trials (RCT), considered the gold standard in impact evaluation, are designs in which the recipients of the transfer are randomly assigned among an eligible population prior to implementation. The first – or treatment – group receives the transfer during the evaluation period while the control group does not. Importantly, the two groups should have similarities across a range of characteristics due to the randomized approach. Randomization for cash transfer programmes is typically done at cluster level (for example, village or administrative unit) so that the entire cluster is assigned either to treatment or control. From a methodological perspective, it is considered the most rigorous form of evaluation to credibly determine programme impacts. However, depending on the implementation and scale-up planned, there can be challenges or concerns over the approach in practice including ethical questions about determining recipients randomly.

Quasi-experimental designs, such as propensity-score matching and regression discontinuity, are used when an experimental design is not feasible. They use statistical techniques or 'discontinuities' in programme implementation rules (such as a strict poverty or age threshold) to match the characteristics of the treatment group with a similar comparison group. The impact of cash transfers can be estimated as the difference in average outcomes between the two groups. When done carefully, quasi-experimental designs are good alternatives to experimental methods, however, they hinge on the assumption that a comparison group can be credibly identified.

Qualitative approaches include open-ended interviews, focus groups, household case studies, key informant interviews, direct observations and participant observation. They can provide more in-depth contextual information to complement quantitative findings and capture direct experience of the beneficiaries to help understand the causal chain of final outcomes. Moreover, they can be used at earlier phases of implementation to identify the key questions to which the experimental or quasi-experimental methods can seek answers (read more here).

For more details, see Chapter 7 of Samson et al. (2006) and Chapters 3 and 4 of the Transfer Project book.

UNICEF's support for evaluation has been well documented, including the recent book from the Transfer Project, a multi-country research initiative to evaluate the impact of cash transfer programmes in eight countries in sub-Saharan Africa. The review of case studies from the Transfer Project shares an important lesson in undertaking evaluations to influence national social protection policy (Davis et al. 2016). In summary, influential studies are not only high quality but also share common success factors in the way impact evaluation was carried out. The Transfer Project is categorized by five factors:

1. Embedding evaluations in national policy process;
2. Relationship-building and multidisciplinary research teams;
3. Messaging and packaging of evidence;
4. The relationship between demand and supply of evidence; and
5. The creation of a regional learning agenda, including the establishment of a regional community of practice.

For more details about the success factors of effective impact evaluations that have influenced national social protection agendas, see Chapters 2 and 14 of Davis et al. (2016) From Evidence to Action and/or a 2016 blog post on the lessons on turning evidence into action from the Transfer Project by Peterman and Balvin.

Key concept: local economic impacts

In addition to measuring impact at individual or household level, advanced analytical tools have been used to measure the impact of cash transfers on local economies or, for larger programmes, on economic growth. Cash transfers to families are often spent at local markets, on foods, clothes, medicine, productive assets and other basic household needs. Evidence shows that increase in local demand stimulates the local economy and brings positive impacts to the society beyond individual households. These impacts are called multiplier effects.

Such local economy impacts have generated interest and traction from high-level policymakers. For instance, the President of Ghana quoted the positive impact of the flagship cash transfer programme on local economic growth in his opening speech at the 2014 Pan-African Conference on Inequalities (Taylor et al. 2016). Existing studies have also pointed to the role of cash transfers on economic growth beyond local markets for large-scale programme such as *Bolsa Familia* in Brazil or *Mas Familias en Accion* in Colombia (Soares 2012; Villa 2016).

In order to estimate local economic impacts, the adaptation of regular household surveys or additional collection of information, such as a business enterprise survey, is required. See Chapter 5 of *Evidence to Action* and *Methodologies to analyze the local economy impact of SCTs* (2011) for more details about the methodology.

What does it typically require?

- **Baseline data**
    - This should ideally capture the socio-economic situation of the population before the actual implementation of the transfer (for both the treatment group, who will receive the transfer, and the control group, who will not).
- **Midline/Endline data**
    - These data are collected a few years after implementation among the same households and individuals to capture the changes over time among both the treatment and control groups. (While it is technically possible to run an ex-post comparison/analysis of the impact from one survey, the results may be more likely to be biased than evaluations that compare data from baseline and mid/endline surveys.)
- **Analytical skills**
    - Specific requirements may vary across the methodologies used, but analysis is most likely to require skills in running econometric models on household surveys.
- **Experience in running evaluations**
    - The implementation of an impact evaluation requires a wide range of experience to develop the questionnaire, identify the right method, conduct sampling exercises, train and manage enumerators, as well as to collect, analyse and disseminate the results.
- **Political support**

    - Conducting an impact evaluation of a national cash transfer programme will inevitable require support by implementing agencies, in most cases the national government.
    - Involving national government from the design stage of the evaluation can increase ownership of the findings.
    - Even for the evaluation of pilot projects led by donors or civil society, the involvement of national governments in the process of evaluation could also play an important role in the scale-up of the project after the pilot period.
- **Financial resources**
    - While costs depend on the adopted methodology and scale of evaluation, rigorous forms of evaluations will often require large amount of mid/long-term funding, typically ranging from US$200,000 to US$1 million (Blomquist 2003).

How can it consider children specifically?

- Both quantitative and qualitative approaches can capture child or woman-related outcomes, such as nutrition, education, or early pregnancy/marriage.
- Interviews can be conducted with adolescents themselves.
- A qualitative approach can involve children and youth or their caregivers in interviews to incorporate their views and experiences. A quantitative approach can include indicators to measure the subjective well-being or perceptions of adolescents or family members as well.

Where has it been used?

Case 21 Zimbabwe: A comprehensive approach to monitoring and impact evaluation

Zimbabwe's Harmonized Social Cash Transfer (HSCT) Programme is a unique programme that started in a highly-sensitive political environment. Rigorous evidence from multiple monitoring and impact evaluation initiatives was particularly important to strengthen collaboration among different stakeholders and to improve and expand the unconditional cash transfer programme, reaching labour-constrained and food-poor households.

A monitoring and evaluation framework was developed as HSCT was launched and piloted, including the following four principle activities:

- **A management information system (MIS)** was developed to support the targeting process from the initiation and roll-out of HSCT. It also served an important monitoring function, to keep track of who was enrolled, when they were paid and how much they received. This allowed the MIS to play an important role in providing quick updates about the number and characteristics of beneficiaries and payments. The database was also triangulated with household surveys used for impact evaluation to provide a comprehensive picture of the programme's effectiveness.
- **A process evaluation** used quantitative and qualitative approaches to understand the success and challenges in implementation. Quantitative analysis was based on the

operational performance module of the household survey where questions were asked about the payment process, use of funds and programme understanding. The qualitative part included focus group discussions with community members, as well as semi-structured interviews with community leaders, staff from the implementing Ministry and UNICEF. The process evaluation gave a successful picture of HSCT implementation with the vast majority of beneficiaries receiving the correct amount of money on time, with reasonable levels of programme understanding. It also highlighted areas that could be further strengthened, such as harmonization with other programmes or the handling of grievances.

- **The targeting assessment** was conducted at the baseline of the survey to analyse targeting performance, using data from the baseline survey and census data from the MIS. The targeting assessment showed that HSCT was successfully reaching the intended beneficiary population, even when compared with other major cash transfer programmes around the world. This evidence was key to convince DFID to continue their support and reassure them about targeting quality.
- **An impact evaluation** was conducted by an independent research team from the American Institutes for Research and University of North Carolina at Chapel Hill to provide an assessment of programme impact, using a district-matched longitudinal study and in-depth interviews for the caregiver and resident adolescent. Despite the relatively short timeframe of the impact evaluation (12 months after implementation), it showed improved resilience among households and positive impacts on adolescent development, including delay in marriage and sexual debut.

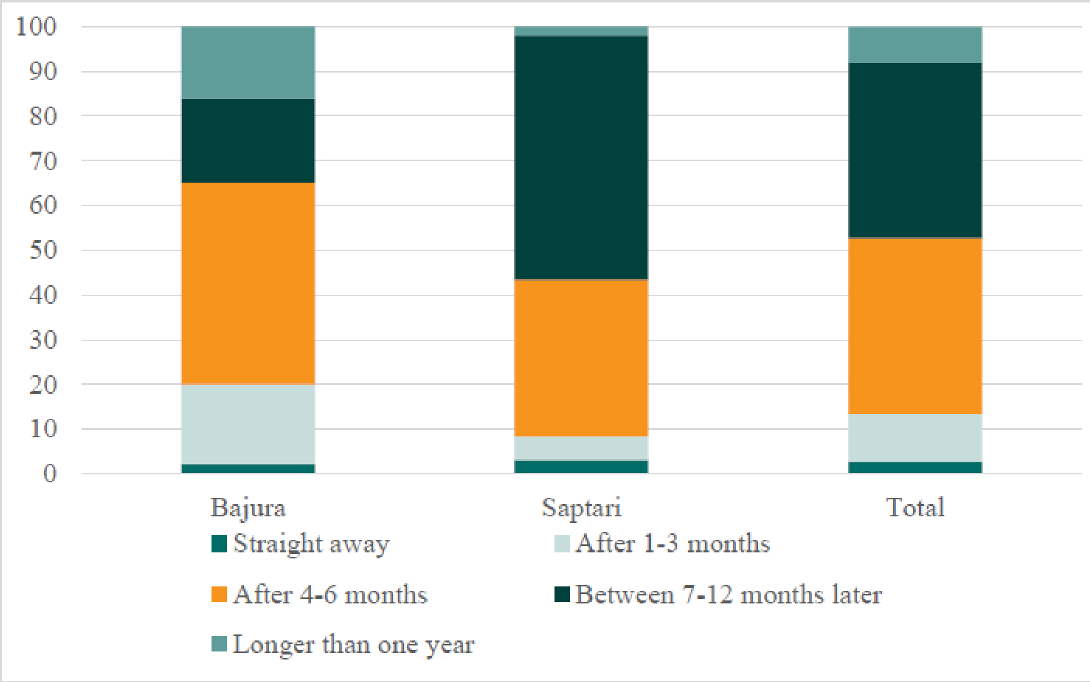
This combination of monitoring and evaluation with different tools and objectives generated critical evidence and trust among development partners to support the government's running of HSCT and to demonstrate that the programme was already having a positive impact on households. The information also contributed to improving programme design, including adjusting the poverty cut-off score in targeting.

Case 22 Nepal: A mixed methods assessment of the child grant

In **Nepal,** a mixed-method assessment of the child grant was carried out by ODI, UNICEF and the Government of Nepal to investigate the impact of the child grant, the effectiveness of targeting procedures and operational bottlenecks, with a particular focus on the Dalit population (one of the most vulnerable groups in Nepal due to long-standing caste-based discrimination). Drawing from a household survey of 2,000 Dalit households and using a propensity score matching method, the study found modestly positive impacts such as an increase in spending on food and medicine for children. However, the impact was found to be limited due to the low value of the transfer. At the same time, the study also found a number of operational challenges: poor targeting due to lack of local capacity to apply the wealth criterion, delayed and irregular payments, and confusion surrounding the registration process.

For instance, Figure 28 below shows the delay in payment after registration, where the vast majority of beneficiaries had to wait for more than four months, including cases where it took one year to start receiving the grant after registration. The delay was observed in both districts but more frequently in Saptari district.

Figure 28 Beneficiaries tend to wait for months before they start receiving the child grant



Source: Hagen-Zanker et al. (2015)

The study, which was selected as one of the Best of UNICEF Research 2016, was combined with other advocacy, analysis and technical support, resulting in improving the operationalization of the child grant. For instance, the Government of Nepal adopted the recommendation of changing the registration of eligible children from an annual to a trimester basis, allowing children to be eligible for the child grant immediately after the registration of their birth. Another significant impact of the study was the abolition of the wealth criteria, allowing all Dalit families with children under five years of age to access the child grant, regardless of their poverty status.

When and where could it work?

- ✓ Incorporating impact evaluation into programme design at the earliest stage possible will allow more evaluation options and rigorous design.
- ✓ Many countries run impact evaluations on pilot programmes to build evidence so that they can be scaled up. The relatively small size of pilot programmes is also ideal as it makes it possible to construct the control and treatment groups.
- ✓ One of the common bottlenecks to building political support is the myth that cash will be wasted or won't be feasible in the country. Impact evaluation can help debunk such myths by showing the actual results. This infographic from the Transfer Project, for example, shows the evidence to debunk four common myths.
- ✓ Combining impact and process evaluations can give a more comprehensive picture and concrete recommendations on how to improve the programme design and implementation processes.

What are the limitations and challenges?

- Evaluation can take a few years from planning to the dissemination of results. Producing briefs at different stages of the evaluation process can help to keep audiences engaged as work progresses.
- Quantitative impact evaluations in particular can be costly, typically ranging from US$200,000 to US$1 million, depending on the design of the evaluation (Blomquist 2003). To reduce the cost, national surveys can also be used to match a beneficiary sample in order to implement an impact evaluation, as in the case of Ghana's LEAP evaluation, which has piggybacked on a broader nationwide household panel survey.
- Given the costs and long-term nature of impact evaluations, it is important to be aware that policy decisions are be often based on misconceptions or political interests rather than hard evidence.
- There is a trade-off between choosing a rigorous method (which may cost more) versus other methods (which may produce less rigorous results).

Where to find more?

- From Evidence to Action has two chapters that describes the methods used throughout the Transfer Project in several countries. Chapter 3 focuses on quantitative methods while Chapter 4 introduces qualitative design and methods.
- Chapter 15 of Designing and Implementing Social Transfer Programmes outlines different designs and steps in conducing impact evaluation.
- *Impact Evaluation in Practice* by Gertler et al. (2011) is a practical introductory handbook for practitioners and policymakers with real-world examples. The book is available in English, French and Spanish, and the PDF is downloadable from this website. There are presentations and videos available on the website as well.
- Impact Evaluation Series by UNICEF Office of Research is a series of methodological briefs and short videos covering a wide range of topics, ranging from theory of change, participatory approaches, data collection and analysis methods.
- Abdul Latif Jameel Poverty Action Lab (J-PAL) is a global network of researchers who use randomized evaluations to answer critical policy questions in the fight against poverty. On their website, you can find a methodological overview of RCTs as well as results and policy lessons from different approaches.
- More information and resources are also available at the PEP Policy Impact Evaluation Research Initiative (PIERI).
- The Office of Research provides Long Term Agreement for Services (LTAS) for impact evaluation, including assessing the evaluability of UNICEF-supported impact evaluations, conducting impact evaluations, and providing impact evaluation training.

Process evaluation of Zimbabwe's Harmonised Cash Transfer Programme (2014) was conducted by the American Institutes for Research for UNICEF and the Government of Zimbabwe. The report analyses the process of implementation from the perspective of capacity, communication and programme understanding, monitoring, grievances, and harmonization.

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