

Zambian Social Cash Transfer Programme: Assessment of the targeting mechanisms and proposed harmonised approach

Briefing Note

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SCT targeting schemes studied

- The 10% Inclusive Model (IM), which targets the poorest 10% among incapacitated and destitute households;
- The Child Grant scheme (CG), which targets all households with at least one child younger than 5 or disabled person under 14; and
- The Multiple Categorical scheme (MC), which targets households satisfying one of the following conditions: households headed by women with at least one orphan, households headed by an elderly person with at least one orphan and households with at least one disabled member.

The assessment

The Government of Zambia (GoZ) is currently scaling up the Social Cash Transfer programme (SCT) with the potential of rolling it out nationally in the near future. The SCT programme has piloted four different targeting methods over the past decade: the Inclusive Model (IM), the Child Grant (CG), the Multiple Categorical (MC) and the Social Pension (the latter was not included in the analysis because the MCDMCH intends to pass it under the competencies of the Ministry of Labour). However, as the programme expands, the GoZ believes that the SCT should rely on a harmonised method for selecting beneficiaries.

Currently there are a number of design and implementation issues that undermine the effectiveness and acceptability of the targeting methods and it is based on an understanding of such limitations that we propose an alternative harmonised approach.

Design issues

Given the extent of extreme poverty in Zambia, it is difficult to design a targeting mechanism that can effectively reach only the poorest 10 or 20%. It seems that the methodologies piloted as well as others studied in our research can screen out the better-off, but their ability to differentiate among the poor is limited.

One of the central problems of SCT targeting methodologies is that in some cases the method for selecting beneficiaries deviates from the programme's objective. **Both the MC and the CG have been designed to target vulnerable households in poor areas; however, the SCT target group is the poorest of the poor, not the vulnerable. Moreover, the design of the IM stands on a fundamental flaw: aiming at targeting 10% of the national population does not mean that in each district and each community the poorest 10% should be targeted.** In poorer areas this threshold should be higher, while in richer ones lower, so that on average the 10% is reached.

The designs of these three methodologies make them ineffective in targeting the extreme poor. The contribution of the criteria to identifying the poorest is negligible since they are only slightly correlated with extreme poverty. **Although only slightly correlated with extreme poverty, the IM criterion (incapacitated households) is much more progressive than the MC and CG.**

Having said this, the IM and the MC criteria are in line with people's perceptions about who the poorest are and therefore these schemes are more accepted. We found that communities tend to believe that the extreme poor are those with no or reduced labour capacity. **The CG scheme does not correspond to the perception of poverty and hence its acceptability is much lower.**

There is no single method that can effectively identify the poorest households and hence the methodology selected must be combined with another targeting tool in order to be effective.

Implementation issues

The three schemes have been adapted to local circumstances and the way the selection works in practice differs substantially from the manual of operations; the three pilots studied essentially operate as targeted programmes rather than as universal ones.

Key features of the IM have not been operationalised in Kalomo. The selection of beneficiaries relied exclusively on CWACs and other local actors (i.e. headmen), but the involvement of the communities was negligible, as opposed to what is indicated in the manual of operations.

Even though the MC and the CG are by design universal schemes, the DSWOs in Serenje and Kaputa established ceilings to the number of candidates per community. Such quotas were allocated irrespectively of the extent of poverty or population. We found that eligible households who live near the community centre were selected over those in other areas and that in some communities a *'first come first served'* process took place until the forms ran out.

The quota system seems to have left room for favouritism in the selection of beneficiaries in the three schemes. Generally speaking, respondents had the perception that when CWACs had to identify only some of the poorest, they prioritised relatives and neighbours. This undermined the acceptability of the programme.

A harmonised targeting methodology

Our proposal for a harmonised targeting methodology is based on the assessment of the current methods, the objectives of the SCT, the context, and builds on the methods and processes that are already in place. Since there is no single criterion or targeting methodology that can effectively reach the poorest, we propose **a double-screening strategy**.

The first filter would consist of a simple categorical eligibility criterion: intra-household dependency (incapacitated). This means that households without able members and households with dependency ratios of at least three dependents per able body would be eligible. Since the pilots showed that when ceilings were imposed the selection was perceived as unfair and not transparent, and the acceptability of the programme was undermined, we believe that **no quota should be set**. Hence, CWACs would help identifying all the households that meet the criterion. Then, enumerators would interview such households.

Regarding the second screening, we recommend combining the identification done by CWACs with an objective poverty assessment. Such a screening would allow the programme to: 1) exclude candidates that are somewhat better off, increasing the effectiveness and acceptability of the programme; 2) set quotas according to the budget available (to a certain extent); and 3) do geographical targeting.

It has been suggested by the MCDMCH that a community validation could be incorporated to the process as a third and final screening. Even though this extra screening could increase the acceptability of the programme, we think that the costs might outweigh the benefits and that there are clear risks to indirectly introduce some form of quota. The MCDMCH should evaluate to what extent the targeting improvement would be significant enough in order to justify the endeavour. One possibility could be to introduce a third step involving primarily informing the community about the selected household and using this opportunity as a possibility to lodge complaints.

Conducting the proposed targeting exercise once every three years seems feasible and frequent enough to guarantee the effectiveness and efficiency of the programme. In order to be effective and accepted, however, this methodology will need to be complemented with other important improvements to the system, particularly in relation to its implementation.

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