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DFID SOCIAL TRANSFERS EVALUATION SUMMARY REPORT

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DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

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based on reports by

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Abbreviations

BRAC	Bangladesh Rural Advancement Committee
CLP	CHARS Livelihoods Programme (Bangladesh)
DAC	Development Assistance Committee (Organisation for Economic Cooperation and Development)
DFID	Department for International Development
IDRC	International Development Resource Centre (Canada)
ILO	International Labour Organisation
M&E	Monitoring and Evaluation
NGOs	Non Governmental Organisations
OM	Outcome Mapping
OVC	Orphans and Vulnerable Children
PSNP	Productive Safety Net Programme
TIP	Targeted Inputs Programme (Malawi)

Preface

This summary report draws directly and extensively from other reports prepared by Armando Barrientos, Mark Davies, Stephen Devereux, Sam Hickey and Rachel Sabates-Wheeler, Bruce Guenther, Ian Macauslan as part of the review process in preparation for the DFID Social Transfers evaluation planned for 2010-2011. I gratefully acknowledge comments and suggestions on previous drafts from Armando Barrientos and Tim Robertson, however, full responsibility for the text of this report rests with the author. In common with all evaluation reports commissioned by DFID's Evaluation Department, the views contained in this report do not necessarily represent those of DFID or of the people consulted.

Executive Summary

S1. Over the past few years DFID have increased their efforts to promote social transfers and social protection. The outcomes and impacts of social transfers and social protection schemes and DFID-influencing activities vary greatly relative to the unique conditions that were applied in specific contexts. What has worked well in one context may work very differently under a different set of conditions in another context. However, a set of generalised findings can be identified that support the knowledge and evidence base on the range of options available for social protection programming and policy debates. Findings, therefore, should be examined further in specific contexts rather than being used as prescriptive and definitive policy options.

Lessons and Recommendations

In implementation

S2. The Africa and Asia DFID supported social protection programmes examined in this review were as likely to be implemented by government ministries as by international NGOs. The United Nations was then the third most used agency for implementation.

S3. In assessing the effectiveness in implementation of these programmes, there is an encouraging trend towards 'needs-driven' schemes (e.g. PSNP in Ethiopia) taking beneficiary preferences increasingly into consideration. DFID should call for needs assessments in national and multi donor programmes and engage with these stakeholders to ensure programmes respond to those needs identified.

S4. The debate about whether **conditionalities** should be applied to DFID supported social transfer programmes remains unresolved through our review. In relation to public works programmes, the limitations of these programmes are evident in Nepal whereas in India, a more positive scheme can be seen. In relation to public services, concerns over the quality of the service accessed through social transfers can be overcome through initiatives that link social transfers to public services, particularly where the service is receiving investment. This approach is being considered in Zambia.

S5. Decisions to apply conditionality must be considered carefully and based on an assessment of what seems feasible and appropriate for the particular context into which the intervention is being introduced.

S6. The effectiveness of social transfers is largely dependent on the **level and regularity.** Experience from Zimbabwe's 'Protracted Relief Programme' and Ethiopia's PSNP highlight the need to take account of household need rather than size and, to regularly adjust amounts transferred for changes in prices.

S7. **Targeting** remains one of the most difficult problems facing those trying to implement social protection. DFID supported schemes uses a variety of methods from administrative schemes in Zambia to community based schemes in Bangladesh, all with some degree of success and failures. This complexity leads us to recommend that whilst targeting must be implemented carefully and monitored, the principle of 'acceptable error', particularly when building political support, needs to be considered.

Of Impact

S8. Most social transfer interventions supported by DFID – unconditional cash, food or asset transfers, public works, school feeding schemes, agricultural inputs packages – contribute to realising the objective of enhanced **household food security** in the short term, and to reductions in the **severity of poverty**, though not necessarily to **sustainable poverty reduction** in terms of falling poverty headcounts in the longer term. The potential of social transfers to contribute to broader **economic growth** can occur through either (1) multiplier effects or (2) market integration. Only six of the DFID-supported case study social transfer schemes reported any impact – positive, neutral, or even negative – on economic growth. It should be noted that the primary purpose of social transfers is to 'protect' rather than 'promote' livelihoods, so a failure to find evidence of economic growth impacts is not necessarily an indictment of these programmes.

S9. Governments and donors need to invest adequately in supporting the livelihoods of poor people, which implies identifying innovative complementary interventions to social transfers, or building on positively evaluated experiences such as BRAC's 'Asset Transfer Programme' to the 'ultra-poor' in Bangladesh.

S10. Social transfers can enhance the **health** status of programme beneficiaries through three pathways (the same as for education): (1) *directly*, by linking the delivery of transfers to health services; (2) *indirectly*, if beneficiaries allocate some transfer income to purchase of health care; (3) *'incrementally'*, by delivering complementary health interventions to the same individuals who receive social transfers. All three were recorded in some projects reviewed, occasionally with impressive results in terms of health outcomes. Some of the strongest evidence comes from the 'Ultra-Poor Programme' in Bangladesh which 'directly' links transfers to health services.

S11. Social transfer schemes that promote <u>education and health</u> should intervene not only on the demand side (by providing incentives or reducing costs), but also on the supply side, to maximise improvements in both service uptake and outcomes.

On Influencing

S12. The analysis of DFID-influencing activities is used to suggest policy influencing activities and approaches, which should be continued or extended, whereas others should be reviewed and/or are subject to revision.

DFID should continue

S13. DFID's most effective means of influencing government and donor approaches to social protection is its ability to facilitate the access of policy actors to the growing evidence base in this field. This capacity has allowed DFID to directly influence debate over social protection in ways that has increased the number of beneficiaries who benefit from social protection schemes (e.g. Ethiopia) and persuaded government officials to adopt social transfer pilot projects (e.g. Zambia). Where DFID has failed to produce and disseminate high-quality information and knowledge in sequence with its facilitating and advocacy strategies within national policy processes it has been less influential (e.g. the early stage of the process in Uganda).

S14. DFID should, therefore, continue to: act as a knowledge interface between key stakeholders and the wider evidence base on social protection; adopt a leadership role which in the past has been effective in securing higher levels of influence; continue the strong support from the centre to country advisors.

DFID should review

S15. DFID's successes in creating policy spaces, which work towards donor harmonisation, has helped policy debates with government officials to move faster than they might otherwise have done (for example PSNP in Ethiopia). DFID, however, should clarify its position on **ownership or influence** and reconsider the contradictions between two of its primary objectives – namely its efforts to promote its own vision of social protection on the one hand, and its efforts to secure government ownership of social protection policies and strategies on the other.

S16. In some cases, for example Zambia, DFID has used evidence from social transfer pilot projects as a basis for arguments to either scale up social transfer programmes and/or promote broader social protection policies. Pilot projects have provided DFID, and other proponents, something tangible around which to base their strategies and commitment via their expenditure. Where no such projects exist (e.g. Malawi, Uganda), DFID has struggled to build its influence. On the downside, projects implemented by NGOs (e.g. Zambia), this does little to improve government capacity in this field or increase governmental ownership of a social protection agenda.

S17. **DFID should develop** alternative plans to the promotion of pilot cash transfer projects. Broad strategies to influence social protection policies within countries should not rest entirely on the promotion of pilot cash transfer projects – at the very least, a Plan B is required. Pilots are indispensable as a means to learn about the design and delivery, but they are not useful or informative when they are used as primarily an advocacy tool.

Approaches that DFID should change

S18. The ability of DFID to use any increased evidence on cost effectiveness and wider impacts to extend social protection programming relies on the creation of influential partnerships. DFID advisors have developed relationships of trust with key government officials in social welfare ministries, but have been less successful in building productive relationships with more powerful political and policy actors, including parliamentarians, high-level political leaders, and those within the more powerful ministries of finance and planning.

S19. Greater efforts are required in developing close working relations with policy actors operating within the Finance Ministry. It also might be possible to locate programme delivery units within ministries of finance (e.g. see the pension scheme in Lesotho) and to run programmes within broader systems of social service delivery that have greater political support and institutional capacity, particularly health and education.

Monitoring and evaluation of social transfers

Evidence of impact

S20. Evidence gathering on the impacts of social transfers has, until recently, not been given adequate attention in the design of DFID supported programmes. Few schemes, either projects or national Government schemes have made any serious attempt to quantify the **impacts** of social transfers, especially in terms of poverty reduction and economic growth. Social transfer schemes have a tendency to monitor 'process' indicators (inputs and activities) rather than 'impact' indicators (outputs and attributable changes in beneficiary well-being).

S21. Resources are needed to support the most appropriate evaluation methodologies that can attribute costs and attribute impacts to specific social transfer programmes, and can quantify the full range of impacts (positive and negative), on primary and secondary beneficiaries. Assessment of long-term impact is crucial.

Monitoring and Evaluating Influencing

S22. There are intrinsic difficulties involved in evaluating policy influence, particularly concerning the problem of attribution as outcomes are fuzzy, and both intervening factors and contemporaneous events have a considerable influence on other donors. Monitoring policy influencing is relatively easier, but the current emphasis on measuring inputs and not outputs or the linkages from inputs to outcomes is problematic.

S23. It should be recognised that the success of policy influencing will often take fairly intangible forms which are difficult to quantify. Any broader effort to quantify and measure DFID's policy influencing activities should be accompanied by case-study analyses that locate such efforts firmly in particular contexts.

Core analytical framework

S24. A number of monitoring and evaluation lessons learned and recommendations made in the review are incorporated in a 'core analytical framework' to be used in future DFID social transfer evaluations. This framework includes guidelines for best practice and a basic set of standard indicators (that all DFID supported social transfer programmes should monitor and report) to enable comparison across schemes, countries and regions.

S25. The core analytical framework needs to have a strong focus on evaluating the impact of DFID-supported social transfer programmes. Without this, progress on the White Paper 3 commitments is meaningless as it would be impossible to demonstrate impact and; a lack of attention to impact evaluation would seriously undermine policy influencing activities.

Recommendations for Improving the Delivery and Effectiveness of White Paper 3 Commitments

S26. Our recommendations for DFID are intended to overcome the 'dependency debate', views that decry social protection as a 'welfarist, hand-out approach' – a major obstacle facing those supporting the increasing investment and expansion of social protection in Africa and Asia. Opportunities to overcome the dependency debate include an improved and appropriate evidence base that is founded on realistic considerations of what can be achieved in each country and which address the key concerns of those influential decision-makers who remain unconvinced.

S27. Appropriate methodologies should be supported that can allocate costs and attribute impacts to specific social protection programmes, and can quantify the full range of impacts, positive or negative, on primary and secondary beneficiaries. Assessment of long-term impact is crucial.

S28. A more detailed evidence base of what works, what does not work and why in different contexts would provide DFID with a range of context-specific evidence-supported options that would constructively nuance DFID's advocacy and policy advice.

S29. Lastly, it is crucial to consider how DFID can use the evidence most effectively. To enable this, DFID should institutionalise political analysis. Given the importance of politics as highlighted in this review, this provides DFID with the most significant opportunities yet to support the increasing investment and expansion of social protection in Africa and Asia.

1. Introduction

1.1 Scope, Objectives and Outline of Work

1.1 This report summarises some of the main findings of four reports commissioned by DFID in 2007[1] as part of the review process in preparation for the evaluation of DFID-supported work on social transfers planned for 2010-2011.

1.2 The review examined evidence of DFID's **effectiveness** in supporting the implementation of over 24 social transfer programmes in 16 countries across Africa, Asia and Europe, and gathered, organised and assessed the available evidence on the **impacts** of these programmes, including the impact on growth and poverty reduction. 17 of the programmes were examined in detail (see table 1).

1.3 The review also assessed DFID's progress towards **influencing** policy on social transfer in countries where DFID has sought to promote social protection. DFID's efforts in Ethiopia, Malawi, Uganda and Zambia, where examined in detail with a secondary focus on five other countries[2]. Finally, the review developed a baseline and framework designed to monitor and evaluate DFID supported social transfer schemes and progress towards White Papers 3 social protection commitments.

1.4 DFID commitments to increasing investment in social transfers and social protection are outlined in White Paper 3. Commitments include:

- Significantly increase spending on social protection in **at least** 10 countries in Africa and Asia;
- Double the number of people **moved from** emergency relief to long term social protection programmes in Africa;
- Support partnerships **between** developing countries to share experience of expanding social protection.

1.5 Social transfers provide direct, regular, and predictable assistance in cash or kind to poor individuals or households, with the aim of reducing deficits in consumption and, in some cases, strengthening their productive capacity. Social transfers are an important component of social protection. Social protection includes social assistance, social insurance, and labour market regulation. This report follows the relative focus of the different review reports (either social transfers or social protection) and, therefore, considers both social protection and social transfers at different stages.

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[1] (1) Devereux, S. and Coll Black, S., Review of Evidence and Evidence Gaps on the Effectiveness and Impacts of DFID-supported Pilot Social Transfer Schemes (2) Hickey, S. and R. Sabates-Wheeler, G. Guenther and I. Macauslan, Promoting SP & ST: DFID the Politics of Influencing; (3) Davies, M., Identifying Existing and Planned Baseline Information and Evaluation Plans in Connection with DFID's Social Protection White Paper 3 Commitments and Social Transfers Action Plan; (4) Barrientos, A., Core Analytical Framework and Indicators for the Evaluation of DFID-supported Pilot Social Transfer Schemes.

[2] Bangladesh, Kenya, Nepal, Pakistan and Tanzania.

Table 1. DFID Supported Social Transfer Programmes Reviewed in Detail

Country	Project/Programme
Bangladesh	BRAC Ultra-Poor Programme
Bangladesh	Chars Livelihoods Programme
Croatia	Structural Adjustment Loan: Social Policy Reform and Poverty Analysis
Ethiopia	Productive Safety Nets Programme
India	Community Based Drought Response Programme in Orissa
Kenya	Support to World Food Programme Kenya School Feeding Programme
Malawi	DFID support to the Inputs for Assets Programme of Malawi
Malawi	DFID support to the National Safety Nets Inception Phase programme
Malawi	Improving Livelihoods through Public Works in Malawi 2002-2004
Malawi	Support to Malawi Government to replenish strategic grain reserve
Malawi	Support to 2004/05 Special Agricultural Programme
Malawi	2003/04 Targeted Inputs Programme
Mozambique	Labour Intensive Road Programme to Mitigate the Impact of Drought
Nepal	Expanded Rural Community Infrastructure Works Programme
Zambia	CARE Partnership Programme Agreement
Zimbabwe	Vulnerable Farm Workers Relief (Humanitarian Aid) Recovery and Empowerment Programme
Zimbabwe	Protracted Relief Programme Phase 1

1.6 This **purpose** of this summary document is to examine each of the four preparatory review reports and to draw out key lessons and recommendations from them. The **objective** is to use this analysis to provide a summary of the main recommendations, highlighting the main opportunities and challenges DFID faces in achieving the social protection commitments outlined in White Paper 3.

1.7 In ***Section 2***, key lessons learned and recommendations relate to:

- the implementation, effectiveness and impact of DFID-supported social protection programmes;
- DFID approach to monitoring the implementation of White Paper 3 social protection commitments;
- the framework evaluating social transfers;
- DFID's approaches to influencing policy change on social transfers and;
- cross-cutting issues

1.8 ***Section 3*** presents recommendations for DFID to improve the overall delivery and effectiveness of the DFID White paper 3 commitments.

1.2 Limits of the report

1.9 Findings are taken from and limited to, the four reports from the initial review and a significant amount of the text is copy edited from these reviews. Any lessons learned drawn from the review on the effectiveness in implementation and impact of DFID supported social transfer schemes, are tentative and preliminary. Because of the limited availability to date of comprehensive reviews and evaluations, the arguments made were based on a very small number of case studies and discussion on impact, therefore, is limited.

1.10 Very few lessons and recommendations emerge from the review on how effective DFID supported social protection programmes have been in addressing cross cutting issues such as gender, social exclusion and HIV. In fact, only gender was examined in any detail in one of the reports, the review on the effectiveness and impacts of DFID supported programmes.

1.3 Methodology

1.11 The study is a desk review of the four reports commissioned as part of the DFID social transfers evaluation. *Lessons learned* and *recommendations* are drawn directly from these reports as examples that have implications for future work on social transfers and social protection.

1.12 The Terms of Reference for this summary required analysis on the 'potential for DFID to achieve, or improve, the delivery and effectiveness of White paper 3 commitments'. Analysis, however, is not made against the specific targets outlined in the commitments as they are limited to increasing spending, transitioning people from emergency aid, supporting southern partnerships. Instead, when examining outcomes against White Paper 3 commitments, the term is taken, in the generic sense, to relate to increasing investment and expansion of social protection including increasing the effectiveness of social protection programming.

2. Key Lessons Learned and Recommendations

2.1 Introduction

2.1 Key lessons and recommendations are drawn from the four areas examined in the full review, namely: effectiveness in implementation and impact of DFID-supported social transfer schemes; DFID's approaches to influencing policy change on social transfers; DFID's approach to monitoring the implementation of White Paper 3 commitments, and; development of a framework for evaluating social transfers.

2.2 The outcomes and impacts of social transfers and social protection schemes vary greatly relative to the unique conditions applied in specific contexts. There is a variety of experience in DFID supported programmes. What has worked well in one context may work very differently under a different set of conditions in another context. Aggregating specific key lessons and recommendations is, therefore, a challenge and could be misleading. However, a set of generalised findings have been identified but should be considered as part of the knowledge and evidence base on a range of options for social transfers and social protection programming, to be considered further in other specific contexts, rather than as prescriptive policy options.

2.3 In relation to influencing, although the political context for social protection must also be analysed and considered on a case-by-case basis, a fairly clear and common set of constraints against which the relative success of DFID policy influencing efforts can be judged, emerged.

2.2 Effectiveness in implementation of DFID-supported Social Transfer Schemes

2.4 Key lessons and recommendations on the effectiveness in implementation of DFID-supported social transfer programmes include: (1) Selection of social transfers; (2) Conditionalities; (3) Level, quality and regularity of social transfers; (4) Targeting and delivery strategies.

2.5 In each of the programmes supported by DFID, the reasons for selecting the social protection instrument were well argued and defensible. The **design of the transfer** was motivated in terms of the objectives of the intervention, beneficiary needs and preferences, country priorities and/or donors' and partners' policies. This signifies an encouraging trend away from 'resource-driven' social transfer schemes (i.e. delivery of food because food aid was the only resource available) towards 'needs-driven' schemes where governments and donors select what they believe to be the most relevant transfer, taking beneficiary preferences increasingly into consideration. The PSNP in Ethiopia, for example, aims to provide cash transfers were they are more relevant and effective, considering beneficiary preferences where possible.

2.6 In the context of DFID support to national and multi donor supported programmes, DFID should call for needs assessments and engage with national governments to ensure programmes respond to needs.

2.7 Social transfers can be delivered either unconditionally (as a free grant or subsidy), or with **conditions** that beneficiaries must meet before they collect their benefits. The most common conditionality applied to DFID supported social transfer programmes is the work requirement on public works, though there is also limited experience with promoting access to services (see table 2). However, the debate about whether **conditionalities** should be applied to DFID supported programmes remains unresolved, especially in Africa, largely due to limitations in the evidence base.

Table 2. Conditionalities applied on programmes reviewed

None	13
Participation in public works	7
School attendance	4
Health clinic attendance by children under 5	2
Participation in income generating activities	1
Attendance at awareness sessions	1

Source: Devereux, S. and Coll Black, S., Review of DFID-supported Pilot Social Transfer Schemes

2.8 Arguments against public works include: the heavy labour required excludes many labour-constrained but highly vulnerable poor people, self-targeting is impossible in areas with high rates of poverty and unemployment, most assets created by public works do not benefit the poor and are rarely maintained, so generate few sustainable benefits. An example of the limitations of DFID supported public works comes from the Nepal, 'Rural Access Programme' where the labour requirement raised concerns, not least that it placed unreasonable demands on poor people, who were often either time-constrained (e.g. widows caring for orphans) or labour-constrained (e.g. people with disabilities). Given that these are among the most vulnerable groups in most communities, transfers with labour conditionalities should be complemented by unconditional transfers to people who are unable to work for food or cash, as we see in the case of Ethiopia's PSNP).

2.9 Arguments in favour of public works rather than unconditional transfers include: work is more dignifying than handouts, the work and time commitment required makes this instrument self-targeting, public works can construct or rehabilitate essential infrastructure. The Orissa 'Drought Response Programme' (DRP) attempted to ensure that public works projects undertaken were useful and relevant to participating communities, by a strong emphasis on community ownership and empowerment.

2.10 In relation to **public services**, conditionalities are more commonly applied in Latin America where services are generally more accessible and of better quality than in Africa and Asia. However, the idea of linking social transfers to public services in Africa is receiving increasing policy consideration, especially in contexts where DFID is also supporting simultaneous investments in public services. No conditionalities were initially applied to a DFID-supported pilot cash transfer programme in Zambia, but in one pilot district a set of conditionalities relating to access to health care is being considered (e.g. attendance of under-fives at local health clinics). In another district, cash incentives relating to school attendance are being considered.

2.11 Instead of taking a blanket decision for or against conditional transfers, this design choice must be based on an assessment of what seems feasible and appropriate for the particular context into which the intervention is being introduced. Conditional cash transfers should be piloted in Africa, preferably linked to matching investments in the quality of public services (education or health) to which the conditions for receiving cash grants would be attached. The impacts on both beneficiary well-being and on the public services involved should be rigorously evaluated.

2.12 The effectiveness of social transfers is largely dependent on their **level and regularity**. Social transfer programmes often aim to achieve more than merely to increase or smooth food consumption, but these ambitions are undermined when payments are too low or when disbursements are made irregularly rather than predictably.

2.13 Cash transfer levels are often related to the local wage rate or the cost of a subsistence food basket, but if the transfers are not adjusted for household size, over time and across space, the real value of the cash can be highly variable, leaving beneficiaries unable to meet their subsistence needs if transfer levels are set too low or their real value declines. In the PSNP, rapid price increases devalued cash transfers and has been cited as one of the factors compromising the ambition of the PSNP to 'graduate' beneficiaries out of chronic food insecurity. Table 3 summarises the transfers delivered on various programmes for which data is available.

2.14 Amounts transferred on long-term social transfer programmes should be regularly adjusted for changes in prices, which also implies that relevant prices in local markets must be routinely monitored.

2.15 **Targeting** is one of the most difficult problems facing the designers and implementers of all social protection interventions. In assessing the accuracy and effectiveness of the targeting strategies of DFID supported programmes, problems where identified in all approaches and targeting methodologies adopted in the programmes reviewed. Administrative targeting criteria tend to emphasise demographic vulnerability ('vulnerable groups' such as female-headed households, or people with disabilities) and economic poverty (e.g. landlessness), but these are susceptible to significant exclusion errors (eligibility criteria are often too narrow) and inclusion errors (many proxy indicators are not robust). The DFID supported CARE Partnership Programme in Zambia, is a case in point. Administrative targeting rules were used to select the poorest 10% of households with no productive capacity. The 2006 annual review reports that communities argued that the 10% cut off for eligibility excludes many destitute or incapacitated households who should qualify for benefits.

Table 3. Levels of transfers on programmes reviewed

Cash transfer	Stipend = US$ 3.70 /month x 18 months = US$ 66.50 [Bangladesh]
	1–2 OVC = US$ 14.30 monthly, 5+ OVC = US$ 43 [Kenya]
	US$ 6 /month for households with no children, US$ 8 with children [Zambia]
Cash-for-work	US$ 1.30 /day [Bangladesh]
	US$ 0.7 /day [Ethiopia]
	Wage rate set just below the rural wage rate [Malawi]
	Wage set at minimum wage: US$ 50 /month [Mozambique]
Cash-for-work	Average wage rate = US$ 1.30 /day. Average income = US$ 200 /person per construction season [Nepal]
Food transfer	General feeding: 50 kg mealie meal, 10 kg beans and 1.875 litres of cooking oil
	Child supplementary feeding: fortified nutrient dense Corn Soya Blend (CSB) porridge either as a wet feed or as a dry ration; 200 kg CSB take home ration
	School feeding: Mid-morning drink, lunch of maize and beans [Kenya]
Food-for-work	Ration of rice, vegetable oil, pulse [Ethiopia]
	4 kg rice per person per day, total 280 kg rice per person [Nepal]
Asset transfer	Valued at US$ 92 or US$ 200 [Bangladesh]
Input transfer	Vouchers for fertiliser and seed
	25 kg of fertiliser, 5 kg of maize seed, 1 kg of legumes
	0.1 hectare pack: 10kg fertiliser, 2 kg of maize seed, 1 kg legume
	0.5 hectare pack: Basal fertiliser 50 kg; top dressing fertiliser 50 kg; maize seed 10 kg; cowpea seed 1kg

Source: Devereux, S. and Coll Black, S., Review of DFID-supported Pilot Social Transfer Schemes

2.16 Community-based targeting avoids both inclusion and exclusion errors (at least in theory), by drawing on local knowledge of individual circumstances. Community involvement therefore, can enhance community acceptance of targeting decisions (see box 1) although there are risks of 'elite capture' and exclusion of socially marginalised groups.

2.17 Whatever targeting rules and procedures are applied, targeting must be implemented carefully and it should be monitored. More comparative assessments across programmes are needed to understand both the accuracy and social consequences of alternative approaches to beneficiary selection. At the same time, however, the principle of 'acceptable error' needs to be considered. For example, building political support for a programme might require some 'leakage' to non-poor beneficiaries, and a relatively crude set of proxy indicators might be more cost-effective than rigorous means testing.

Box 1: Community-based targeting in the Bangladesh 'CHARS Livelihoods Programme'

Implementation Committees set up in each village, are responsible for identifying participants, supervising public works and distributing payments. In the first year of implementation, a performance review reported that 80% of asset transfers were accurately targeted and that the selection process was transparent and well accepted among programme communities.

2.18 In the social protection programmes examined in the review[3] that attempt to include vulnerable women, **gender targeting** of social transfers is applied with no analysis of how context-specific gender relations within communities and households may influence the distribution of benefits. A worst case scenario is that delivering benefits directly to women could lead to intra-household disputes and increase gender-based violence against women. Similarly, there is evidence to suggest that targeting methods may be influenced by local gender norms. Community-based targeting, as employed by social transfer schemes in Malawi, has resulted in the exclusion of socially marginalised women.

2.19 In addition to targeting women as a vulnerable group, some programmes employ a quota system to ensure that women benefit (sometimes equally) from social transfers[4]. Quotas may not be enough, however, to ensure that men and women benefit equally from opportunities for employment or other types social transfers. In addition to gender discrimination in employment practices, women's responsibilities for reproductive labour may limit the time they can devote to public works, while gender norms in some areas limit women's ability to travel long distances, thereby restricting their access to various types of social transfers.

2.20 An alternative route to supporting women's (equal) participation in social transfer programmes is to engage them in public fora and to involve them in the larger decision-making structures related to social protection programmes. This approach aims to empower women and to influence social relations between men and women to encourage improved gender equality. In Ethiopia, Food Security

[3] Including: Bangladesh 'Chars Livelihood Programme'; India 'Community-based Drought Response Programme'; Nepal 'Rural Access Programme' and; Zimbabwe 'Ex-farm Workers Programme'.

[4] The CARE Malawi 'Improving Livelihoods through Public Works' programme set a quota of 30% women among beneficiaries, as did the rural access programme in Nepal. In Ethiopia, the PSNP applied informal quotas.

Task Forces at every level are required to include at least one woman. However, the continued absence of a directive on this issue meant there were still few female members at the district and sub-district levels, and exceptionally few women in leadership positions, by 2006.

2.3 Impact of DFID-supported Social Transfer Schemes

2.21 Some observable lessons and recommendations were identified in the review featuring four 'impact' areas: food security, poverty reduction; economic growth and health.

Food security, poverty reduction and economic growth

2.22 Most social transfer interventions supported by DFID – unconditional cash, food or asset transfers, public works, school feeding schemes, agricultural inputs packages – contribute to the objective of enhanced **household food security** in the short term, and to reductions in the **severity of poverty**, though not necessarily to **sustainable poverty reduction** in terms of falling poverty headcounts in the longer term.

Food Security

2.23 Social transfers almost inevitably have significant positive impacts on household food security, by increasing food availability or access to food. Where social transfers are provided in the form of agricultural inputs, the impact on food security is through production rather than consumption. One notable success story is the 'Targeted Inputs Programme' in Malawi. Finally, well designed public works projects can improve food security through creating infrastructure that supports agricultural production (e.g. irrigation facilities) or market integration (e.g. feeder roads that link isolated communities to trade routes and market centres). Evidence for these impacts is limited, because of methodological difficulties in quantifying and attributing the economic benefits of infrastructure. However, an evaluation of public works in Nepal, which attributed increases in crop yields and market access to the construction of irrigation facilities and roads, shows that measuring the impacts of infrastructure is possible.

Table 4. Reported food security impacts of programmes reviewed

Cash transfers	Enabled asset accumulation
	Protected household assets against distress sales
	Public works income was spent on food and invested in agricultural inputs
	Public works cash was used to purchase animals and other assets, to diversify household incomes and reduce vulnerability to drought
	Cash transfers reduced pressure on community-level support
	Reduce pressure to migrate and take loans for food
Food transfers	Increased household food consumption
	Allowed more retention of own food production
	Food-for-work rations bridged the annual 'hunger gap'
Input transfers	Increased food crop production
	Free input packages added 2.5 months to household food supplies
	Free input packages added 200,000 tonnes of maize to the national harvest and 15% or 2 months of household annual food requirements
	Agricultural inputs had little impact on production because of drought
	Positive impacts on food security were only short-term, not sustainable
Asset transfers	Assets contributed to community-level food security
	Household food production deficits fell by 18% in project districts
Asset creation	Construction of roads on public works reduced food prices by 25%

Source: Devereux, S. and Coll Black, S., Review of DFID-supported Pilot Social Transfer Schemes

Economic growth

2.24 The potential of social protection to contribute to broader developmental objectives of poverty reduction and economic growth can occur through either (1) multiplier effects or (2) market integration. Only six of the DFID-supported case study social transfer schemes reported any impact – positive, neutral, or even negative – on economic growth (see table 5) and any detailed quantitative data was not available. It should be noted however that the primary purpose of social transfers is to protect rather than promote livelihoods, so a failure to find evidence of economic growth impacts is not necessarily an indictment of the programmes reviewed.

Table 5. Reported economic growth impacts of programmes reviewed

Cash transfers	Cash injection from public works stimulated effective demand in the local economy
	Shift from food aid to cash transfers removed distortions in food prices
	Cash transfers stimulated food production
	Traders experienced improved business following the introduction of cash transfers
	Cash transfers were too small to affect commercial demand for agricultural inputs
	Prices of food and other goods rose following the introduction of cash transfers
Food transfers	Food aid encouraged diversification into high value crops for sale
	Food-for-work projects had no impact on local labour markets and wage rates
Input transfers	Suppliers benefited from increased demand for fertiliser thanks to input vouchers
Asset creation	Infrastructure and assets created under public works were of low quality
	Poor quality of public works roads meant that access to markets was not improved and there was little increase in informal trade

Source: Devereux, S. and Coll Black, S., Review of DFID-supported Pilot Social Transfer Schemes

Poverty reduction

2.25 Social transfer schemes can contribute to poverty reduction directly, through income transfers, or indirectly, by allowing beneficiaries to generate income and accumulate assets, or through human capital formation. Social transfers also have the important objective of assisting poor families to avoid falling deeper into poverty and becoming destitute. Several DFID-supported schemes report evidence of poverty reduction, or 'poverty prevention', through one or more of these routes (see table 6).

2.26 ***Income transfers:*** The size of social transfers is rarely sufficient to lift beneficiaries above the poverty line, so the 'poverty headcount' is not reduced, but in most cases the 'poverty gap' is reduced – beneficiaries are less poor than before. In some cases, as in Bangladesh, a kind of graduation is achieved, with beneficiaries reclassified from 'ultra-poor' to 'moderately poor'. On Ethiopia's PSNP, 'direct support' to labour-constrained households constituted a sizeable proportion of household income – in several cases it was the only recorded source of income.

2.27 ***Income generation:*** Many social protection interventions transfer not just income, but also the ability to generate future income – they aim at 'livelihood promotion' as well as 'livelihood protection'. There is persuasive evidence that BRAC's 'Ultra-Poor Programme' contributed to a reduction in extreme poverty among poor Bangladeshi women. Similarly, the 'Vulnerable Farm Worker's Programme' in Zimbabwe has 'increased capacity to generate income'. In these and other cases, the capacity to generate income was achieved through the transfer of skills rather than cash or food.

Table 6. Poverty reduction impacts of case study programmes

Income effect	Support for ultra poor women resulted in significantly improved earnings (40-56%)
	Cash transfers were a large proportion of income for poor, elderly or sick beneficiaries
	Beneficiaries enjoyed increased capacity to generate income
	Public works participation enhanced beneficiaries' socio-economic status
	Livelihood impacts of public works undermined by low wage rate and delayed payment
	Cash transfers were not enough to cover basic consumption needs
	Despite higher incomes, beneficiaries remained poor and vulnerable to major shocks
Asset effect	Over 95% of 3,274 households that received asset transfers retained these assets
	Cash transfers stabilised household asset holdings
	25% of beneficiaries acquired new assets
	Cash transfer beneficiaries invested in small livestock
	Cash transfers protected and, to a lesser extent, built household assets
Production effect	Irrigation under public works raised crop yields by 55%
	Cropping intensity under public works irrigation doubled from 1 to 2 crops/year
	Savings were invested in animal husbandry
Employment effect	Employment rates improved: unemployment fell from 13.2% to 9.2%
	A slight increase in the operation of non-farm businesses was recorded
	Levels of economic activity increased among both men and women
Skills effect	Human capital was enhanced by learning construction skills, and literacy training
	86% of new skills acquisition by beneficiaries was attributed to public works
Savings effect	Increased savings and incomes among poor beneficiaries
	Voluntary savings mobilisation increased
Social services	Cash transfers enhanced beneficiary access to education and health
General wellbeing	Cash transfer beneficiaries avoided loans for food, casual labour, premature harvesting
	Improvements in living conditions compared to the baseline and to non-pilot districts
	Sustainability of recorded improvements in living conditions was questioned

2.28 ***Asset accumulation:*** A robust indicator of poverty reduction impact is changes in household asset values; in fact, this has been proposed as an indicator of 'graduation' from Ethiopia's PSNP. Investment in assets is one of the most popular uses of cash transfers after consumption needs have been met.

2.29 In rural areas, livestock are a store of wealth as well as a productive asset. Participants in Malawi's 'Public Works Programme' and Nepal's 'Rural Access Programme' invested some of their public works income in purchasing small animals, as did beneficiaries of unconditional cash transfers on the 'CARE Zambia Partnership Programme'. Whether this amounts to sustainable poverty reduction depends on whether the assets are retained and generate future income, but at the very least this accumulation of assets builds resilience against future livelihood shocks.

2.30 ***Poverty prevention:*** A robust indicator of 'anti-poverty' impacts is whether beneficiaries avoided adopting damaging 'coping strategies', which can best be assessed by comparing beneficiary behaviour under stress with a non-beneficiary control group, but such evaluations are rare.

2.31 If social protection is to be exploited seriously as an instrument for poverty reduction, and not just as an instrument for social welfare, then changes might be needed in the design and conceptualisation of many DFID-supported social protection interventions that are currently under-performing in terms of these broader ambitions.

2.32 Social transfers should be raised above basic 'subsistence' levels, such that those beneficiaries who are able to take advantage of income-generating opportunities do invest in assets and enterprises. Although evidence of this from the programmes reviewed is limited, the example of the Ultra-Poor Programme in Bangladesh does provide an example of how 'adequate' transfers can promote livelihoods when income generating opportunities exist. Although this approach might be more costly, it could be more cost-effective in the long-term if there is an exit strategy linked to graduation.

Box 2: Indirect Health Impacts in the PSNP

Although improved access to healthcare was not a direct objective, almost 50% of PSNP beneficiaries reported using health facilities more in 2005/6 than in the previous year.

2.33 Similarly, governments and donors need to invest adequately in supporting the livelihoods of poor people, which implies identifying innovative complementary interventions to social transfers, or building on positively evaluated experiences such as BRAC's 'Asset Transfer Programme' to the 'ultra-poor' in Bangladesh.

Health

2.34 Social transfers can enhance the **health** status of programme beneficiaries through three pathways (the same as for education): (1) *directly*, by linking the delivery of transfers to health services; (2) *indirectly*, if beneficiaries allocate some transfer income to purchase of health care; (3) *'incrementally'*, by delivering complementary health interventions to the same individuals who receive social transfers. All three were recorded in some projects reviewed, occasionally with impressive results in terms of health outcomes. Some of the strongest evidence comes from the 'Ultra-Poor Programme' in Bangladesh which 'directly' links transfers to health services.

- 18.6% increase in the use of modern contraceptive methods;
- installation of 24,690 slab latrines;

- 45% increase in immunisation coverage (from a baseline coverage of 53% in 2002) to over 98% by 2006;
- 95% of under-fives in the programme area now receive Vitamin A capsules;
- 96% of pregnant women now receive ante-natal care and 93% post-natal care.

2.35 However, the most common route in the programmes reviewed is the 'indirect' route, since very few projects include health conditionalities or linkages to health services (see box 2). Indirect health impacts are however, highly variable, unpredictable and difficult to measure, as this reflects beneficiary spending choices rather than programme design to achieve predetermined health objectives.

2.36 Social transfer schemes that promote <u>education and health</u> should intervene not only on the demand side (by providing incentives or reducing costs), but also on the supply side, to maximise improvements in both service uptake and outcomes.

2.4 DFID and the Politics of Influencing

Key lessons

Successful activities and approaches

2.37 FID's most effective means of influencing government and donor approaches to social protection is its ability to facilitate the access of policy actors to the growing evidence base in this field. This has been achieved through the provision of expert technical assistance, the studies that it commissions, the study tours to that it facilitates and also through the knowledge that its advisors possess of social protection. This capacity has allowed DFID to directly influence debate over social protection in ways that has increased the number of beneficiaries who benefit from social protection schemes (e.g. Ethiopia) and persuaded government officials to adopt social transfer pilot projects (e.g. Zambia).

2.38 Where DFID has failed to produce and disseminate high-quality information and knowledge in sequence with its facilitating and advocacy strategies within national policy processes it has been less influential (e.g. the early stage of the process in Uganda). In particular, the framing of social protection as 'an African success story', particularly via study tours, has been an important factor in persuading some government officials to increasingly adopt the social protection agenda.

DFID should continue:

2.39 ***Acting as a knowledge interface:*** DFID has achieved its most significant levels of influence through acting as an interface between key stakeholders and the wider evidence base on social protection, some of which it has been actively involved in producing.

2.40 ***Adopt a leadership role:*** DFID's willingness to take a lead role in policy spaces, dedicated to social protection, nationally, internationally and in multi-donor processes, has been effective in securing higher levels of influence.

2.41 ***Strong support from the centre to country advisors:*** DFID Advisors have been powerfully enabled by the level of importance that DFID HQ and DFID country offices have placed on the social protection agenda, and the scope that they have given to its advisors to allocate financial and human resources to these activities on a flexible and responsive basis. Such practices must be supported and further embedded and extended.

Donor harmonisation and influence vs. government ownership?

2.42 DFID's successes in creating policy spaces to work towards donor harmonisation has helped policy debates with government officials to move faster than they might otherwise have done and presented a common front that seems to have helped DFID and its partners to gain greater influence over the government.

2.43 DFID however should clarify its position on **ownership or influence** and reconsider the contradictions between two of its primary objectives – namely its efforts to promote its own vision of social protection on the one hand, and its efforts to secure government ownership of social protection policies and strategies on the other. Each objective may well be different and have possible contradictory approaches; for example, increased donor harmony may be good for donor influence but can also limit government ownership.

The pilot project-based approach

2.44 In some cases, DFID has used evidence from social transfer pilot projects (either government or NGO run) as a basis for arguments to either scale up social transfer programmes and/or promote broader social protection policies. This pilot project-based approach has had mixed success to date. On the plus-side, this has led to the implementation of such projects and (sometimes) an improved capacity of government institutions to implement such programmes. Pilot projects for example in Ethiopia; have provided DFID, and other proponents, something tangible around which to base their broader strategies of promoting social protection and of proving their commitment via their expenditure. Where no such projects exist (e.g. Malawi, Uganda), DFID has struggled to build its influence. On the downside, projects implemented by NGOs (e.g. Zambia), this does little to improve government capacity in this field or increase governmental ownership of a Social Protection agenda**.**

2.45 Although DFID are committed to the DAC principles for aid effectiveness, **DFID could usefully re-examine its pilot project-based approach**, with a particular focus on the following questions and issues:

- Broad strategies to influence social protection policies within countries should not rest entirely on the promotion of pilot cash transfer projects – at the very least, a Plan B is required;
- For example, DFID could usefully expend more energy exploring alternatives to social protection, including efforts to mainstream social protection interventions within higher-capacity sectors such as health and education;

- Pilots are indispensable as a means to learn about the design and delivery, but they are not useful or informative when they are used as primarily an advocacy tool.

The DFID factor

2.46 The views of key informants in the review suggest that DFID's influence on social protection is shaped by its: high-levels of personal commitment and professional competence shown by DFID's advisors in their promotion of the social protection agenda; status as a leading bilateral donor; willingness to disburse funds through direct budgetary support in support of its favoured policy agendas; relatively long history of engagement within each country and; flexible, generous and responsive financial management systems have been critical in enabling DFID to develop a degree of comparative advantage in this field.

Building influential relationships

2.47 Recognising that politics matters, the ability of DFID to use any increased evidence on cost effectiveness and wider impacts to extend social protection programming relies on the creation of influential partnerships.

2.48 The official mandate for social protection policies in many countries is often most clearly held by social welfare-type ministries, and it is with such institutions that DFID has often sought to forge close partnerships in promoting social protection. The ability of DFID advisors to cultivate relationships of trust with key government officials in social welfare ministries has helped to secure higher levels of commitment from such actors and to ensure that social protection debates and policy processes have moved forward faster than they might otherwise have done (e.g. Zambia, Uganda). However, such ministries have evidently low levels of funding, capacity and political voice, and have therefore been largely unable to take a strong lead on social protection, thus seriously impeding DFID's efforts to influence national policy, particularly in terms of national-level interventions beyond the protection pilot phase.

2.49 DFID has been less successful in building productive relationships with more powerful political and policy actors, including parliamentarians, high-level political leaders, and those within the more powerful ministries of finance and planning. It is this latter group, which can be thought of as part of a broader 'Finance Ministry tendency' that currently constitutes the primary source of resistance to DFID's efforts in this field.

2.50 ***Build stronger relations with more powerful policy actors:*** Greater efforts are required in developing close working relations with policy actors operating within the Finance Ministry tendency on social protection issues. Bridging the gap between different policy actors and sectors should also be considered in terms of where social protection programmes are institutionalised and delivered from. It might be possible to locate programme delivery units within ministries of finance (e.g. see the pension scheme in Lesotho) and to run programmes within broader systems of social service delivery that have greater political support and institutional capacity, particularly health and education.

2.51 ***Develop a broader national constituency:*** Opportunities to build influential relationships extend beyond 'formal' routes. The evidence presented in the review of influencing suggests that policy influencing activities need to be routed through the full range of policy channels in order to be effective, from formal through semi-formal to more informal channels. In most countries, DFID has proved more capable of generating influence through formal and (in particular) semi-formal channels of influence, but has achieved fewer gains through more informal channels. DFID's incipient efforts to persuade civil society organisations and parliamentarians in partner countries to play a stronger role as advocates for social protection could be usefully pushed further, although on occasions, indirectly via other agencies.

2.5 Monitoring and Evaluating Social Transfers

2.52 Lessons and recommendations for the monitoring and evaluation of social transfers are drawn from all four studies of the full review and include the recommendation to adopt a core analytical framework incorporating monitoring and evaluation best practice and a basic set of indicators.

Existing monitoring and evaluation

2.53 Many DFID-supported social transfer interventions reviewed were pilots designed to generate lessons on design and impacts. Given this focus on lesson learning and the limited evidence base to date on the impacts of innovative social protection measures, there is a demand for rigorous and robust monitoring and evaluation (M&E) systems. Unfortunately, however, in the DFID programmes reviewed, M&E is often inadequate in fundamental aspects. Even where information is available on, for example, 'cost-effectiveness' or 'poverty reduction', this does not necessarily mean that the specific indicators were calculated, or can be derived from project documents. More typically, qualitative conclusions of this kind are drawn.

Impact

2.54 Given the big claims made on behalf of cash transfer and asset transfer programmes, it is striking how few schemes, either projects or national Government schemes have made any serious attempt to quantify the **impacts** of social transfers, especially in terms of poverty reduction and economic growth. Evidence gathering on the impacts of social transfers has, until recently, not been given adequate attention in the design of DFID supported programmes[5]. Overall however, in the programmes reviewed, social transfer schemes have a tendency to monitor 'process' indicators (inputs and activities) rather than 'impact' indicators (outputs and attributable changes in beneficiary well-being). The following key lessons emerge from the review:

- Evidence of impact on poverty reduction is stronger on social transfer schemes that have evaluation strategies, such as Ethiopia and Bangladesh, and much weaker or non-existent for social transfers schemes without them.

[5] Programmes developed in 2006, especially Kenya, Pakistan and Ethiopia, gave more consideration to monitoring and evaluation.

Among social transfer schemes with weaker evaluation strategies, estimates of poverty reduction effects are usually based on estimates of programme incidence, and in some cases a basic reflexive comparison of the socio-economic status of beneficiary households that cannot provide robust estimates of impact.

- In several programmes, log frames refer to poverty reduction as the overriding objective but provide little guidance on how social transfers will generate poverty reduction, the size of the expected effects, and their timing.

- The effectiveness of social transfers could be improved by measuring the effects of social transfers on **human development**, stronger impact evaluation exercises could help identify factors linking the programme to human development outcomes and, the existing constraints and limitation.

2.55 **Upgrade systems:** Monitoring and evaluation systems need to be upgraded and adequately resourced for both ongoing and future DFID-supported social transfer programmes. Both the quality of the data and its use need to be improved.

2.56 **Resource appropriate M&E methodology:** Resources are needed to support the most appropriate evaluation methodologies that can attribute costs and attribute impacts to specific social transfer programmes, and can quantify the full range of impacts (positive and negative), on primary and secondary beneficiaries. Monitoring and evaluation systems, therefore, need to use a broader range of indicators than are currently being used in the programmes reviewed. Inclusion of indicators to assess long-term impact is crucial.

2.57 **Focus evaluations:** In the impact evaluation of social transfer schemes there is very little room for 'trade-offs' in terms of time or resources. It will be more effective to focus on a full impact evaluation for a smaller number of social transfer schemes and seek to validate these findings across countries with similar schemes and conditions, than to attempt scaled down evaluations across the board.

Cost effectiveness

2.58 Data on programme costs per beneficiary, and on cost-effectiveness more generally, was only obtainable for five programmes reviewed (see table 7). Social protection programmes are often advocated on the basis of their cost-effectiveness as compared with alternative delivery methods. The cost-effectiveness of social protection programmes is, however, extremely challenging to determine, partly because full costs are difficult to obtain and partly because impacts (effectiveness) are difficult to attribute and to quantify.

2.59 Assessing cost-effectiveness requires that both the tangible and intangible benefits in both short and longer-term be calculated. This approach may be particularly constrained by the limited availability of quantifiable information on programme impacts. However, if future evaluations provided estimates of the full range of benefits – and negative impacts – are delivered under all components of the intervention (as recommended in this review) a comprehensive cost-benefit analysis, and a more informed comparison across alternative social protection mechanisms would then be possible.

Table 7. Summary information on costs of social transfers

Programme	Cost per beneficiary
BRAC 'Targeting the Ultra-Poor'	$287 (total cost, including value of asset transferred plus monthly stipend to beneficiaries for 18 months)
Ethiopia PSNP	$35 (annual cost)
Kenya School Feeding	$7.44 per annum in Arid and Semi-Arid districts; $8.33 in urban informal settlements
Malawi 2003/04 TIP	$7 per household (total cost)
Zimbabwe 'ex-farm workers' (the food aid component of the programme)	$6.20 per person per month (based on one child equivalent to half an adult)

Source: Devereux, S. and Coll Black, S., Review of DFID-supported Pilot Social Transfer Schemes

Monitoring and evaluation of social protection policy influencing

2.60 Relatively little is known about which activities and strategies are the most effective for influencing policy, and still less about the approaches that can evaluate these. There are intrinsic difficulties involved in evaluating policy influence, particularly concerning the problem of attribution as outcomes are fuzzy, and both intervening factors and contemporaneous events have a considerable influence on other donors. To try and narrow down the focus to one particular influence is further complicated here because of the extent to which the promotion of social protection is pursued by a multiplicity of actors often acting in collaboration with each other. Disentangling what fraction of the growing consensus around social transfers and a social protection agenda could be directly attributed to DFID's policy influence is, therefore no easy matter. Monitoring policy influencing is relatively easier, but the current emphasis on measuring inputs and not outputs or the linkages from inputs to outcomes is problematic.

2.61 **Adopt a 'light-touch' to evaluating policy influence**: There is a clear willingness amongst DFID advisors working on social protection to be held to account for their policy influencing work in this area and to learn from evaluations of their (and their colleagues') work. However, mechanisms used for this purpose should be devised and applied via a 'light-touch' approach (i.e. they do not have to be followed too closely). Stringent systems may prevent staff from taking risks or from positioning themselves as part of a wider venture that (as with most advocacy work) inevitably required partnerships with other actors.

2.62 **Consider adopting the Outcome Mapping approach:** The future M&E of DFID's policy influencing work could usefully draw on the increasingly popular Outcome Mapping approach (OM), as promoted by Canada's IDRC. Here, monitoring is attached to outcomes rather than inputs.

2.63 **Keep the (political) context firmly in view:** It should be recognised that the success of policy influencing will often take fairly intangible forms which are difficult to quantify. If more quantifiable indicators were developed for the purposes of accountability, policy influencing activities could become skewed towards the achievement of these rather than potentially more important but less tangible outcomes. Any broader effort to quantify and measure DFID's policy influencing activities should be accompanied by case-study analyses that locate such efforts firmly in particular contexts.

Monitoring of the social protection commitments in White Papers 3

2.64 Progress towards White Paper 3 commitments have not been monitored due to the absence of formal reporting and difficulties in measuring the targets. As a result, opportunities to chart the increasing recognition and implementation of social protection within national government programmes have been missed limiting opportunities to build lessons from experience for the future.

2.65 The second White Paper commitment is, perhaps, the most difficult to measure as the concept of measuring numbers of people moving from emergency relief to long-term social protection is problematic. Recipients do not move from one programme to another and a number of external factors may affect the indicator e.g. years of increased humanitarian need. Given these difficulties, more comparative indicators principally measuring the expenditure on social transfers in relation to relief are required, enabling progress to be tracked.

2.66 **Clearer reporting arrangements across DFID:** In reporting against the White Paper commitments; the new DFID Corporate Divisional Performance Frameworks and preparation for the 2010 evaluation, more formal reporting arrangements outlining roles and responsibilities for collecting information and reporting against specific commitments with agreed evaluation foci are required to help ensure information is comprehensive, clear and regular. To ensure each of the three White Paper commitments are understood, consistent and measurable some terms used in them need to be defined and where necessary quantified with specific targets.

Supporting future evaluations – best practice and a core analytical framework

2.67 A number of M&E lessons learned and recommendations made in the review are incorporated in a 'core analytical framework' (see annex 1) to be used in future DFID social transfer evaluations. This framework includes guidelines for best practice and a basic set of standard indicators (that all DFID supported social transfer programmes should monitor and report) to enable comparison across schemes, countries and regions. The objectives of this analytical framework are:

- to facilitate **measuring progress** on the commitments set out in the White Paper;
- to help demonstrate the **impact** of DFID assistance to development countries relating to social transfers and;

- to support **lesson learning** among DFID staff and partners engaged in the establishment and development of social transfers, as regards the poverty reduction and policy influencing of their work on social transfers.

2.68 The core analytical framework needs to have a strong focus on evaluating the impact of DFID-supported social transfer programmes. Without this, progress on the White Paper 3 commitments is meaningless as it would be impossible to demonstrate impact and; a lack of attention to impact evaluation would seriously undermine policy influencing activities.

3. Recommendations for Improving the Delivery and Effectiveness of White Paper 3 Commitments

3.1 Our recommendations for DFID are intended to overcome the 'dependency debate' – a major obstacle facing those supporting the increasing investment and expansion of social protection in Africa and Asia. Opportunities to overcome the dependency debate include an improved and appropriate evidence base that is founded on realistic considerations of what can be achieved in each country and which address the key concerns of those influential decision-makers who remain unconvinced.

3.2 In the case study countries examined for the review of DFID-influencing[6], protagonists supporting the implementation of social protection are often faced with views that decry social protection as a 'welfarist, hand-out approach' that creates dependency on the state and is an expensive, unproductive use of funds. Such views anchor the significant degree of resistance which several ministries of finance have exhibited towards the promotion of social protection. Efforts to persuade governments that social protection does not create dependency remain largely unconvincing due to an inadequate evidence base surrounding their impact.

3.3 Over the time period that DFID has been seeking to promote social protection the evidence base on this policy approach has grown considerably. Where as in 2002 there was relatively little evidence of positive impact to report, there is now a wider-range of apparent 'success' stories which DFID have been able to cite in advocating social protection. There is a need, however, to improve this evidence base in two important respects, as follows:

3.4 Firstly, there is limited evidence which examines social protection and the emerging issues around its wider impacts, i.e. economic growth and influencing. In the context of this review, we found that monitoring and evaluation systems need to be upgraded and adequately resourced for both on-going and future social protection programmes, if these important factors are going to be captured. Appropriate methodologies should be supported that can allocate costs and attribute impacts to specific social protection programmes, and can quantify the full range of impacts, positive or negative, on primary and secondary beneficiaries. Assessment of long-term impact is crucial.

3.5 Secondly, a more detailed evidence base of what works, what does not work, and why, in different contexts would provide DFID with a range of context-specific evidence-supported options that would constructively nuance DFID's advocacy and policy advice.

3.6 Lastly, it is crucial to consider how DFID can use the evidence most effectively. DFID need to target the influential evidence at those actors and institutions most able to support change. To enable this, DFID should institutionalise political analysis. Some of the most serious problems with DFID's strategic approach reflect a failure to engage productively and sensitively with established political discourses

[6] Case studies include Ethiopia, Malawi, Uganda and Zambia.

on poverty, with policy processes, and with policy actors capable of securing the success or failure of the social protection agenda. It is possible that a prior and in-depth effort to analyse the politics of social protection might have helped here. DFID is well-positioned to adopt such perspectives, having trailed useful approaches such as Drivers of Change studies.

Annex 1: Core Analytical Framework and Indicators

Core analytical framework for the future evaluation of pilot and national social transfer schemes		
Objectives	**Monitoring**	**Evaluation**
Evaluation of the impact social transfer schemes on poverty reduction, productive capacity, and growth	Monitoring processes capable of enabling assessment of progress in implementation, especially: (i) programme incidence (ii) financial disbursements (iii) cost effectiveness	Impact evaluation: – ex ante impact simulations – ex post quasi experimental evaluation supporting difference in difference estimates of impact – not feasible or cost effective everywhere, but validation where deemed not feasible Pilots to assess scaling up
Evaluation of policy influencing on social transfers Generic → Objective specific below:	Reporting on activities and outcomes Reporting on strength of linkages from inputs to outcomes	Use assessed strength of linkages existing between inputs and outcomes to identify and measure attribution from influencing activities Strength of linkages is assessed in terms of: (i) collaboration, partnership, and engagement (ii) financial support for joint initiatives
(i) Engaging with international partners "to gain greater commitment to the use of social transfers in the poorest countries including the re-focusing of social protection work of key international partners such as the World Bank and the ILO"	As above, and especially: Identify changes in commitment among key international partners on social transfers	As above
(ii) Engaging with national governments and other donors to support social transfers and the development of national strategic frameworks for social protection	As above, and especially: – engagement with national governments – donor coordination at country level – whether DFID-supported social transfers schemes are in place – whether social transfers are embedded in social protection strategies	As above Cross-country meta-studies to identify key lessons and validate attribution

Minimum set of indicators for the evaluation of DFID-supported work on social transfer schemes	
Indicators for the monitoring of social transfers	
Programme incidence	% of households participating in the programme as a proportion of the estimated target population
Cost-effectiveness	% of programme budget transferred to beneficiaries Cost of transferring US$1 to programme beneficiaries Functional distribution of non-transfer programme expenditures
Indicators for the impact of social transfers	
Objectives	Indicators
Food security	% of food insecure households in programme who become food secure (adjusted for change in 'control' group)
Poverty reduction	% reduction in poverty gap among beneficiaries (adjusted for change in 'control' group)
	% reduction in poverty headcount among beneficiaries (adjusted for change in 'control' group)
Human development	% increase in school enrolments among beneficiaries (adjusted for change in 'control' group) % of beneficiary children of school age who attend school regularly (usually defined as 80 percent of term) % improvement in health status among beneficiaries (adjusted for change in 'control' group)
Assets	% beneficiary households reporting an increase in productive assets (adjusted for change in 'control' group)
Indicators of Policy Influencing	
Objectives	**Indicators**
Engaging with international partners "to gain greater commitment to the use of social transfers in the poorest countries including the re-focusing of social protection work of key international partners such as the World Bank and the ILO"	Significance of DFID engagement with key international partners, with the strength of linkages measured by: • Number and significance of joint initiatives and collaboration • Financial support for joint-activities
Engaging with national governments and other donors to support social transfers and the development of national strategic frameworks for social protection	Quality of engagement with national governments and donors around social transfers, with the strength of linkages measured by: • Strength of joint initiatives and collaboration, especially govt-donor for a, e.g. regularity and attendance of govt-donor social protection cttees. • Financial support for advocacy and evidence dissemination on social transfers Financial commitments for social transfer schemes, in place or planned

DFID STATEMENT OF PURPOSE

DFID, the Department for International Development: leading the British Government's fight against world poverty. One in six people in the world today, around 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

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- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

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