Food and Agriculture Organization
of the United Nations

Qualitative research and analyses of the economic impacts of cash transfer programmes in Sub-Saharan Africa

Synthesis Report

from PROTECTION
to PRODUCTION

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The From Protection to Production (PtoP) programme is, jointly with UNICEF, exploring the linkages and strengthening coordination between social protection, agriculture and rural development. PtoP is funded principally by the UK Department for International Development (DFID), the Food and Agriculture Organization of the UN (FAO) and the European Union.

The programme is also part of a larger effort, the Transfer Project, together with UNICEF, Save the Children and the University of North Carolina, to support the implementation of impact evaluations of cash transfer programmes in sub-Saharan Africa.

For more information, please visit PtoP website: www.fao.org/economic/ptop

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Preface and Acknowledgements

This report synthesizes the analysis and findings of a set of six country case studies that explore the impact of cash transfer programmes on household economic decision-making and the local economy in sub-Saharan Africa. The six countries are Ethiopia, Ghana, Kenya, Lesotho, Malawi and Zimbabwe. The research is being carried out under the auspices of the "From Protection to Production" (PtoP) project, a four-year collaboration between the United Nations Children's Fund (UNICEF), the United Kingdom Department for International Development (DFID) and the Food and Agriculture Organization of the United Nations (FAO). The PtoP is part of a larger effort, the Transfer Project – jointly implemented by UNICEF, Save the Children and the University of North Carolina – that supports the implementation of cash transfer evaluations in sub-Saharan Africa.

The research is intended as a complement to other studies of cash transfer programmes that focus more on social indicators such as health and education outcomes. It therefore covers themes such as the extent to which cash transfers can help households to manage risk, overcome credit constraints, make productive investments and improve their access to markets, as well as their effect in stimulating local economies. It also refers to analysis from other studies, in particular those conducted under the PtoP project, in order to strengthen the integration of data.

The six country case studies were carried out by Oxford Policy Management (OPM), a development consultancy in the United Kingdom, in partnership with local research organizations and researchers. Each study had an individual lead researcher from OPM; the overall project managers for the six-country study were Simon Brook and Valentina Barca of OPM. The technical Team Leader was Jeremy Holland, an OPM Associate. Pamela Pozarny of FAO provided technical oversight and contributed to the field research in all six countries, and to this final synthesis report. The country research teams are as follows:

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This synthesis report was authored by Valentina Barca, Simon Brook, Jeremy Holland, Mosope Otulana and Pamela Pozarny.

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List of Acronyms

AMTO	Assisted Medical Treatment Orders
BEAM	Basic Education Assistance Module
BOLSA	(Tigray) Bureau of Labour and Social Affairs
BWC	Beneficiary Welfare Committee
CaLP	Cash Learning Partnership
CCC	Community Care Coalition
CCT	Conditional cash transfer
CGP	Child Grant Programme (Lesotho)
CLIC	Community LEAP Implementation Committee
CPC	Child Protection Committee
CSSC	Community Social Support Committee
CT	Cash transfer
CT-OVC	Cash Transfer to Orphans and Vulnerable Children (Kenya)
DESCI	Debit Savings and Credit Institution
DFID	Department for International Development
DLIC	District LEAP Implementation Committees
ETB	Ethiopian Birr
FAO	Food and Agriculture Organization
FGD	Focus group discussion
FHH	Female-headed households
FISP	Farm Input Subsidy Programme
GHS	Ghanaian Cedis
HSCTP	Harmonised Social Cash Transfer Programme (Zimbabwe)
KII	Key informant interview
KSh	Kenya Shilling

LEAP	Livelihood Empowerment Against Poverty (Ghana)
LEWIE	Local Economy-wide Impact Evaluation
LOC	Location OVC Committees
MIS	Management Information System
MESW	Ministry of Employment and Social Welfare
MWK	Malawian Kwacha
M&E	Monitoring and Evaluation
NGOs	Non-governmental organizations
OPM	Oxford Policy Management
OVC	Orphans and vulnerable children
PtoP	From Protection to Production
SCT	Social Cash Transfer (Malawi)
SCTPP	Social Cash Transfer Pilot Programme (Ethiopia)
TPLF	Tigrayan People's Liberation Front
UCT	Unconditional cash transfer
UNICEF	United Nations Children's Fund
VDC	Village Development Committee
WOLSA	BOLSA office at *woreda* level

Executive summary

Support for (CT) programmes has been growing in sub-Saharan Africa over the last ten years. Since late 2004, the African Union has provided encouragement to countries to develop their own social policy frameworks, with a Plan of Action supported by governments that commits member states to expanding and empowering social protection programmes. Individual governments are also taking the initiative in their own countries (Garcia and Moore, 2012).

Research background and focus

This research was carried out under the auspices of the "From Protection to Production" (PtoP) project. The PtoP is a four-year collaboration between the United Nations Children's Fund (UNICEF), the United Kingdom Department for International Development (DFID) and the Food and Agriculture Organization of the United Nations (FAO).[1] The project is carrying out a series of studies to understand the economic development impact of social CT programmes across seven countries of sub-Saharan Africa: Ethiopia, Ghana, Kenya, Lesotho, Malawi, Zambia and Zimbabwe. In each country, UNICEF, DFID and FAO commissioned an analysis of the CT programme using three main instruments: a) Qualitative research; b) Econometric analysis of quantitative evaluation data; and c) General equilibrium models.

This synthesis report presents the findings from the qualitative research in six[2] countries, and focuses on the following CT programmes: Ethiopia Social Cash Transfer Pilot Programme (SCTPP); Ghana Livelihood Empowerment Against Poverty (LEAP); Kenya Cash Transfer to Orphans and Vulnerable Children (CT-OVC); Lesotho Child Grant Programme (CGP); Malawi Social Cash Transfer (SCT); and Zimbabwe Harmonised Social Cash Transfer Programme (HSCTP).

The field research design, implementation and analysis were undertaken by Oxford Policy Management (OPM) with support from FAO.[3] The study seeks to understand the impact of CT programmes in three interrelated areas:

1. **Household economy**, i.e. the activities surrounding decisions on how to distribute resources within a beneficiary household.
2. **Local economy**, i.e. the economic activities – the production and exchange of goods and services – beyond the beneficiary household, in the beneficiaries' communities.
3. **Social networks**, specifically risk-sharing arrangements underpinned by social capital, and the contribution of beneficiaries to local decision-making processes.

It also explores operational issues, i.e. how the design and implementation of the CT programmes affects decisions and economic impacts at household and community levels.

[1] The PtoP is part of a larger effort, the Transfer Project – jointly implemented by UNICEF, Save the Children and the University of North Carolina – that supports the implementation of cash transfer evaluations in sub-Saharan Africa.
[2] Qualitative work was done in all countries except Zambia.
[3] The final individual country reports are available at www.fao.org/economic/ptop/publications/reports.

Methodology

A set of five hypotheses were developed and tested across all six country case studies to understand the impact of CT programmes in each of the research areas above. The hypotheses, and the attendant evaluation questions that were used as a guide to investigate them, are presented in Annex A. The hypotheses were informed by recent empirical research that has looked at CT impacts beyond poverty alleviation and access to human development services and suggests that, under certain conditions, CTs may be able to foster:

- Broader economic development at household level manifested through, for instance, changes in labour supply of different household members, investment in productive activities that increase capacity to generate income and attain a more sustainable livelihood, and prevention of detrimental risk-coping strategies (e.g. withdrawing children from school, reducing meals, or selling off assets), thus building household resilience;
- Impacts on the wider economy, such as effects on creditworthiness, local labour markets and the supply and cost of local goods and services, which in turn can generate multiplier effects; and
- Impacts on social networks, including on the social cohesion of or within local communities, on increasing social capital and risk-sharing mechanisms and on generating improved perspectives of hope and dignity.

These impacts are mediated by the operational arrangements of the CT – i.e. the ways in which beneficiaries are identified, enrolled and paid and the ways that support services are provided and implementation monitored – which can have a positive or negative influence on the extent of the CT impact on the household economy, local economy and social networks.

Fieldwork was conducted over the course of three weeks and followed the same research protocol and fieldwork schedule in each country. The research was staggered depending on programme implementation, starting in Ghana in April 2012 and finishing in Ethiopia in May 2014. Within each country the qualitative research was conducted in four communities in which the CT was received by targeted individuals or households and one "comparison" community, in which the CT programme was not implemented. The communities were selected using a simple sampling hierarchy that was applied systematically across all six countries, with some adaptation to different administrative levels and definitions.

Within these sampled communities, the data gathering used focus group discussions (FGDs) with beneficiaries and non-beneficiaries and key informant interviews (KIIs) with individual beneficiaries, non-beneficiaries and others, including market traders, farmers, shopkeepers, service providers, local leaders and programme stakeholders at different administrative levels. A number of in-depth household case studies were also undertaken with selected beneficiaries.

Within each community the sampling methodology specified a minimum of four standardized categories of focus group respondents with whom to hold discussions: these were male and female beneficiaries and male and female non-beneficiaries. Where possible, participants for beneficiary FGDs were randomly chosen from the administrative list of beneficiaries in order to avoid biases. Although population frames for probability-based sampling were not available, participants for other FGDs conducted (including non-beneficiaries) were selected as randomly as possible using local key informants to identify a total population and then randomly selecting from that group. The selection of key informants for interviews was determined purposively (to address particular themes) through the social mapping exercise and by snowball sampling from FGDs. For many of the non-beneficiary participants selected, the teams sought the assistance of community committees (or a community development assistant, in the comparison communities) to identify either members of similar occupational groups or households living in fairly similar conditions to CT beneficiaries. In other instances of group-based analysis – for example, when discussing livelihood distributions and trends with a group of market vendors – random sampling for assembling groups was not necessary or appropriate.

Each focus group conducted a semi-structured discussion, with the participants covering the four core themes of the research. This discussion incorporated the use of one of five participatory tools (see Annex B). The aim of using these visual tools was to facilitate group-based discussion and analysis of the contribution of CTs to changes in the research areas outlined. Two tools, social mapping and community well-being analysis, were employed on the first day in each community with local opinion leaders in order to ascertain the characteristics of the community and the perceived status of CT beneficiaries within the local population. The other three tools – household income and expenditure analysis, livelihoods matrix analysis and institutional mapping – were conducted on subsequent days with beneficiaries and non-beneficiaries to help analyse particular issues or topics.

A series of activities took place within the team and with external stakeholders to analyse, synthesize, review and validate the findings from the fieldwork. These varied slightly depending on the context and administrative levels in each country, but generally included: a) daily team debriefs to review the data collected, discuss their implications for the key research questions and identify areas requiring deepening and further inquiry in the following days; b) community feedback to report back and validate preliminary findings with participants and key informants and collect any final contributions; c) district feedback to share findings with programme and administrative staff (usually from the lead ministry implementing the programme); and d) national (or regional for Tigray, Ethiopia) feedback at the end of the fieldwork to share and discuss findings and analysis with relevant stakeholders from both government and development partners.

Findings

The synthesized findings and analysis from the qualitative research in the six country studies are organized according to the four research themes: household economy, local economy, social networks, and operational issues. A key overarching finding across the research themes is that a wide range of contextual factors have effects on the types and scale of CT impacts. These mediate the CT impacts in different ways in different countries, which are discussed in full below. The main mediating factors are summarized in Box 1.

Box 1 Contextual factors mediating the impacts of cash transfers

Household asset base, livelihood strategies and levels of vulnerability. For all beneficiary households the CT served as a safety net which affected livelihood choices to varying degrees, but tended not to fundamentally shift livelihood sources and strategies. This was particularly the case for households with a low asset base and/or limited livelihood options, often those most vulnerable, who were typically those targeted by CT programmes. However, for relatively "better-off" households, in the absence of the need to prioritize basic needs-spending some beneficiaries could pool the CT with other resources and household assets as an additional income source to be invested as working capital and in more diverse livelihoods, including hiring labour, often increasing their household economic level and well-being.

Household size and labour capacity. The ability of households to engage in productive work, determined largely by the number of working-age adults and dependents, affects the use and impact of the CT. In many cases household composition was used as part of a community-based CT targeting system. Hence for many households – especially those predominately composed of the elderly, the chronically ill and/or others who were labour-constrained – the CT was used as a substitute for income sources based on arduous and physically taxing labour. Additionally, across all countries, the impact of CTs was diluted in large households, especially when the CT amount was not linked with household size.

Local economic institutions. The impact of the CT on household economies was influenced by the types and strength of local formal and informal institutions, including savings groups, risk- and asset- sharing or contribution-based networks, connections to markets, local demand for new goods and uptake costs. In more vibrant contexts, beneficiaries were sometimes encouraged by the activities of others receiving the CT to participate in new activities.

Complementary services and programmes. Linkages between CTs and other support mechanisms for beneficiary households can create synergies that can promote investments, livelihoods and well-being.

Frequency and reliability of payments. Many payment schedules were not always implemented as planned. In some cases this led to several payments being received together, resulting in "lumpiness" in the amounts of cash at each transfer. The "protective" potential of CTs to affect household economic activity was strongly linked to regular, reliable and predictable payments – when payments were missed, this affected CT impacts through increased debt, disinvestment of assets and inability to plan, and could even worsen household conditions. When transfers were delayed and then several payments made at one time, however, while the protective potential was reduced, the "transformative" potential impacts were sometimes greater, particularly for slightly better-off households who could survive for longer periods without depending on the CT and could then use a lump sum to make livelihood and productive investments.

Community and regional context. Particular features at community or higher levels that affect most households had an effect on the impact of CTs. These factors include, notably: agro-ecological context, including land availability and tenure; levels of food insecurity; location, remoteness and levels of local market activity and diversity of goods at local markets; availability of services; sociocultural norms, including gender norms; the strength of informal and formal social support systems; and the functionality of community committees, among others.

Cash transfer impacts on the household economy

The research hypothesis that "*the introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash*" was confirmed. Across countries the research provided evidence that CTs can and do encourage incipient income-generating activities, which in turn have the potential to stimulate livelihood improvements and promote financial gain. Even a small amount of cash has the potential to improve livelihood choices, although it was not uniformly effective at increasing productive investments; some better-off households could make productive investments, though many vulnerable households continued to rely on the cash for their daily needs. If the income flows from the CTs were more predictable and regular, the benefit (particularly to beneficiaries in less-connected communities) could be greater.

Overall, CTs led to positive changes in household well-being and a wide range of well-being-related impacts. Some changes, however, were short-term/temporary (e.g. diversification of food types only in the days following payment dates). Five main areas of well-being impact at the household level were focused on in the study, as described below.

Overall, CTs promoted school enrolment and attendance, and there was some indication that transfers could also improve school performance. Evidence also pointed to increased retention in school, leading to reductions in child-labouring activities, although this was not always a direct and linear relationship.

Unsurprisingly, given the poverty status of the intended beneficiaries, a large proportion of the CT was spent on food. While this limited the transformative potential of the CT in many cases, it did mean important impacts were found on food consumption and quality within the household, supporting the CT's role as an effective safety net while also improving well-being. Beneficiary households in the most food-insecure areas reported increases in food quantity and a limited change in quality or diversity of food, mostly in the short-term. Beneficiaries in less food-insecure and/or economically better-off areas reported eating more diverse diets and higher quality foods, as well as eating more meals per day. "Dramatic" changes in relation to food were typically short-lived, occurring around payment days.

Across countries, beneficiaries used the CT to purchase "non-survival" consumption items which had positive impacts on their well-being. In some cases, beneficiaries purchased clothes and personal hygiene items which helped them renew confidence and self-esteem, because they did not stand out as obviously poor and so were more able to re-establish social ties and participate in community events. This effect was notable for both adults and children.

CTs generally provided beneficiaries with means to withdraw from or reduce reliance on negative coping strategies, such as begging, prostitution, dropping out of school, distress sales of assets, reducing the number of meals consumed, migration for work and high levels of daily "piecework". However, positive impacts were in many cases constrained by operational issues regarding late or missed payments; when this was the case, some beneficiaries reverted back to negative coping strategies.

CTs produced only modest change in beneficiaries' levels of risk-aversion, but did increase their sense of hope for the future. The effect on risk-aversion was mediated mostly by individual households' asset bases and the enabling environment within the context of their communities. Education, information and support, and individual character and motivation also play a role in combination with the CT in shaping how beneficiaries approach the future. For the poorest beneficiaries, while transfers had limited to no impact on risk-taking and longer-term planning and investment, the CT was able to contribute to satisfying food, health and basic needs, which generated feelings of hope and provided a sense of security for the future by giving them the confidence that they had a safety net which would at least prevent their conditions from becoming worse. In households where there was less pressure to spend on food, health, and basic needs, and where the transfer was regular and reliable, beneficiaries did engage in limited, prudent risk-taking, such as the purchase of livestock or goods for sale. For a number of the most destitute beneficiaries the CTs alleviated "worry" and stress, and for some, gave them some time to "rest" from arduous livelihood activities.

The pre-CT livelihoods strategies of beneficiary households varied widely across countries, districts and communities. The research explored impacts of the CT on livelihood investment and diversification in agricultural and off-farm activities and its potential to serve as a transformative mechanism for livelihood change – i.e. moving beyond simply protecting the poorest to enabling more permanent shifts out of poverty.

In terms of investment in agricultural livelihoods, land-holding beneficiaries reported being able to hire labourers to work and to increase the area farmed and productivity of their land, although some beneficiaries who had available land but were labour-constrained found the CT amount insufficient to hire labour, or were constrained by gender norms. CTs were most effective at improving agricultural productivity and increasing spending on agricultural inputs (e.g. fertilizer, seeds, etc.) in contexts where the primary constraint was working capital to buy inputs, rather than land availability. However, investment in agricultural inputs remained lowest where land was less available and spending on basic needs was a priority – typically among the most asset-poor households – despite increased household income and cash liquidity from the CT. Generally, the type of agricultural spending was context- and household-specific and largely dependent on the type and amount of land available and the labour resources within the household, as well as what inputs were most easily obtainable. Those with a relatively higher asset base and some household labour were able to invest more using the CT, for instance in hiring more labour, buying farm inputs, expanding farm size and, in some cases, diversifying into other crops. Investment in small livestock (for both savings and improved household consumption) was prevalent among beneficiaries in some contexts, but sometimes limited to those beneficiaries who had available land and where proportional spending on agricultural inputs such as fertilizer, seeds and labour was comparatively higher.

CTs affected land tenure arrangements for beneficiaries who already de facto farmed land or owned their land – particularly by allowing them to reduce the amount of land they sharecropped out. Increased use of beneficiaries' own land was found in the majority of country case studies, notably Ethiopia, Ghana, Kenya and Malawi. This also coincides with increased long-term investments in land improvements such as stone terracing, soil bunds and land levelling. These beneficiaries are typically not of the poorest wealth category. Despite evidence of some investment across countries, the amount of the CT was insufficient to push beneficiaries into being classed as "landlords" or significantly change land tenure arrangements.

Casual labour was an important income source for asset-poor households across countries, although often viewed as a measure of "last resort" when other options were not available. CTs generally enabled beneficiaries to reduce their engagement in casual labour and use their time to work more on their own farms (when they had some land). The degree of impact varied depending on the income-generating options available, the household's wealth category and asset base, attitudes towards and availability of casual labour and the perceived purpose of the CT.

Participation in off-farm livelihood activities was highly variable across communities and strongly determined by the existing economic environment and by options for different beneficiaries (e.g. women or men) in different contexts, such as petty trading vs fishing vs tourism industry. Petty trading activities often provided a small boost to overall household income. In some countries the CT messaging tended to limit livelihood diversification, however, in favour of prioritizing basic household needs and education. Where the CT targeted labour-constrained households with high priority for food spending, beneficiaries were unlikely or unable to invest in diversifying livelihood activities. Investments in off-farm activities were highest where the enabling environment and available markets already existed, and lowest among the poorest beneficiaries who faced the most labour and resource constraints, and who were food-poor.

Across countries – in both matrilineal and patrilineal contexts – CTs did not significantly transform structural gender norms, particularly concerning the gender balance of strategic household decision-making, but instead conformed to existing gender patterns of roles and responsibilities and practices. Addressing gender norms was not a primary objective of the CTs in this study, and so direct impacts in this area might not be expected. However, CTs targeting orphans and vulnerable children were received in a particularly large proportion of female-headed households, and these CTs generated an increase in these women's access to and control over resources in contexts where women already had some say in household spending decisions, thus resulting in a degree of economic empowerment. However, they also reinforced norms around women as primary caretakers and men as caretakers of last resort, thus potentially reinforcing more structural traditional gender norms. Gender norms strongly influenced the types of livelihoods and savings activities towards which beneficiaries directed the CT funds.

Cash transfer impacts on the local economy

The research hypothesis that "the whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context" was partially confirmed. Across countries there were marginal positive effects on economic exchanges in local markets, although the aggregate injection of capital from the CT was usually too small to have a significant impact on the local economy. The economic effect was most evident around payment days, and in more moderate, sustained ways between payments as beneficiaries were able to consume more goods from local markets. However, CTs did not create markets where they did not exist before.

The CTs intensified trading activities and economic exchange in local markets and provided a marginal boost to local businesses. This was especially the case on payment days, when impromptu vending of food and other goods was widely described, as well as overall increases in sales. Overall, impact on the local market was proportionate to the size of the CT and aggregate amount relative to the size of the community and local market, as beneficiaries generally represent too small a proportion of the community population for the CTs, which are of relatively modest value, to create significant, long-term changes to the local economy. Similarly, the level of CT impact was inversely proportionate to the size and volume of trading activities (because beneficiaries were a small proportion of the overall local population and customer base). Moreover, adequate infrastructure (primarily access to paved roads), thriving markets and ease of access to markets influenced beneficiaries' decisions to engage with local markets. Poorer beneficiaries were less likely to have access to the market and to use the CT as a means to enter trade and exchange as producers. For this reason, in communities where the majority of people were highly vulnerable and poor, fewer market impacts were seen and even the comparatively smaller, more remote markets remained small and remote with few noticeable changes. There was some evidence of CTs leading to the diversification of goods on offer in local markets, and evidence of shifts in purchasing patterns, notably more bulk purchases of goods, often during the days around payment dates.

In most instances, prices in local markets were determined by relatively equal fixed profit margins among local traders and shop owners, taking into account costs of inputs and transportation. Increases in prices were attributed more to external factors (fuel prices, weather patterns, wholesale prices) than to the CT. Across countries, there was no evidence of increased prices due to the CT, as vendors did not want to risk alienating the majority of their customers, possibly driving them to competitors. The entrance of beneficiaries into the market as traders in some cases resulted in reported decreases in local produce prices. In most country contexts, however, it was reported that female beneficiaries were entering petty trade activities with no recognized price change impacts.

An important and pervasive impact of the CT programmes was the increased creditworthiness of beneficiaries, though risk aversion also limited the extent to which they accessed credit. When CT payments were predictable and regular, there was an unequivocal message from beneficiaries that their newly acquired creditworthiness was highly valued, helping them to smooth consumption throughout the month and gain overall confidence. In many cases, beneficiaries expressed increased confidence and feeling more "safe", being able to borrow money or purchase food and household items on credit from local venders. However, despite the wider availability of credit, reticence was still often expressed about using credit options because of the risk of indebtedness; some beneficiaries did not take advantage of the increased availability of credit but rather used the CT to reduce their indebtedness. Living in poor, inherently vulnerable and precarious contexts, the majority of beneficiaries across countries were very aware that heavy debts were high-risk and should be avoided, particularly under conditions of irregular CT payments. Predictably, creditworthiness was diminished by uncertainty around payment dates. Both beneficiaries and credit lenders recognized the importance of reliable and predictable payments in underpinning trust. For beneficiaries, buying on credit presented a potential risk of being trapped in a cycle of vulnerability and building up unsettled debts. To control for this risk, lenders (both formal and informal) often directly linked the amount and length of loans to the timing and sometimes amount of payment of the CTs (e.g. there would be no loan if payment day was more than one month away).

CT impacts on local labour patterns were generally positive, but marginal. Beneficiaries in some contexts, including women and the elderly, were able to hire additional labour to work on their land, shifting their status in some cases from casual employees to employers. Across all countries, as mentioned above, beneficiaries themselves were able to reduce their own participation as hired labourers to varying degrees and for varying time periods. Some mediating factors affected these impacts on labour patterns and markets, including, for example: seasonal variations and unreliability of agricultural work, and in some contexts land availability; gender norms (e.g. in which women were not able to hire in labour directly themselves); and the regularity of the CT disbursal.

Cash transfer impacts on social networks

The first research hypothesis in this area, that "cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)" was partially confirmed. CTs generally did improve beneficiaries' access to economic collaboration, but this was strongly linked to the regularity and certainty of the CT payment and the absence of basic needs-spending priorities. Inclusion in new (as opposed to existing) economic networks – which could provide access to business opportunities and capital

– was rare and, when found, it was more likely to occur between fellow beneficiaries and extended family networks.

The second hypothesis, that “changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make ‘social contributions’) and increasing their ‘entitlement sets’ and livelihood choices” was largely confirmed. CTs generally increased the ability of the poorest and most vulnerable beneficiaries to participate in and/or to “re-enter” the social life of their extended families and communities, decreasing the social distance between the poorest households in the community and local institutions, and strengthening overall connectedness. There is, however, no evidence that CTs increased beneficiaries’ inclusion in community-level decision-making processes. Active participation in decision-making remained particularly difficult for those beneficiaries who were elderly, immobile or illiterate.

Risk-sharing relationships are important sources of support and resilience in the face of shocks and negative trends affecting poor and more vulnerable households and individuals. Across countries, the immediate family was typically viewed as a reliable source of help and as being of central importance in risk-sharing. Beneficiaries generally became less of a burden due to the CT through reducing their need for financial assistance and/or increasing their own financial contribution to their families (including through reciprocal arrangements). The ways in which nuclear family relationships were affected by CTs varied, however. Many of the social systems and cultural norms and practices in traditional rural villages are defined by lineage – matrilineal and patrilineal – which often determines which members of the household or family make decisions and have access to and control over resources and assets, including regarding use of the transfer funds. These social structures therefore affected expectations among different family members, and the ways they were perceived and treated by one another. In contrast to the immediate family, the extended family was often viewed as being a financially burdensome institution rather than as a true source of risk-sharing relationships.

Overall, CTs decreased the social distance between the poorest households in the community and local institutions. Across countries, trustworthiness and reciprocity were central values governing both informal and formal institutions, and beneficiaries’ access to these institutions was determined by how others judged them on these values. Levels of institutional connectedness for beneficiaries were strongly determined by the regularity and timeliness of payments. Across the countries the importance of informal institutions based on social capital and reciprocity as a basis for support mechanisms is high. CTs enabled entry and greater access into these institutions in rural areas, increasing participation, especially in faith-based and traditional events and in community-based savings groups or informal financial contribution networks. Many beneficiaries across countries reported being able to join or re-enter contribution-based networks such as funeral networks – although not always – but CTs did not evenly increase participation in formal savings or livelihoods groups, as amounts were commonly insufficient to enable membership. Exclusion from these more formal rural institutions was often due to the infrequency of CT payments and their value, although in some contexts formal credit and savings mechanisms were regarded with suspicion so beneficiaries were unlikely to use CT funds to participate in these institutions.

The influence of self-esteem, confidence and dignity in promoting feelings of belonging and engagement in social processes – specifically including membership of networks, and community and family relations – is also important (e.g. affecting livelihood strategies). The extent to which and ways that the CT changed, and in particular improved, beneficiaries' experiences with community engagement varied, being more pronounced in communities with strong cultural norms around "belonging", support and sharing. CTs improved beneficiaries' self-esteem, particularly among the elderly. In communities where there was particular shame around being poor or vulnerable, beneficiaries generally reported that being less obviously poor enabled them to participate more in the social lives of their community. Increased self-esteem was reflected in improvements ranging from improved personal hygiene, discontinued begging and the types of work chosen. In turn, beneficiaries were regarded more favourably within the community. In some cases this resulted simply in positive psychological impacts, but for many, this represented a bridge to re-enter significant support and risk-sharing networks.

Social rifts and tension caused by CTs were generally rooted in existing long-term resentments expressed through short-lived flare-ups on days around payment dates and during targeting. Across countries, jealousy was primarily expressed by "nearly beneficiaries" who, like many others in communities across the programmes, had a relatively poor understanding of the processes around targeting and beneficiary selection. In contexts where the CT was targeted at a particular social group (e.g. the CT targeting orphans and vulnerable children in Kenya) jealousies and resentment were found particularly in communities where there are only marginal differences in household composition, poverty and asset ownership between the targeted households and other poor households. Longer-term resentment was also evident, particularly in contexts with higher levels of underlying poverty and therefore a more widespread sense of entitlement to benefits. In many communities across countries, there was a strong sense of fairness, justice and equity regarding accessing programme assets, according to which it was felt that benefits should be more equitably distributed among households, or that households should take turns being recipients of any assistance that arrives in the village. Resentment and ill-will were not always directed at beneficiaries but at community committees, local authorities or those perceived to have power in the decision-making process concerning who would be included and who would be excluded as programme beneficiaries. The undercurrents of jealousy and tension described above were commonly exacerbated by operational aspects of programme implementation, though these tensions were mitigated or ameliorated by well-implemented programmes.

Effects of operational factors on cash transfer impacts

The hypothesis that "Cash transfers can be improved through a better understanding of likely household and local economic impacts and inducing positive and sustainable changes" was confirmed. The challenges in achieving this assertion lay both in understanding the likely impacts of the implementation of programmes as intended but also, and perhaps more importantly, in implementing the programme as intended. From experience to date, planners and implementers now understand well that payment delays and a lack of monitoring have had serious adverse impacts on beneficiaries and CT effectiveness. CT programme staff increasingly appreciate the effects of constraints relating to shortages of resources to provide sufficient technical and material support to community committees – the programmes' crucial interface with beneficiaries. Finally, there is lack of sufficient attention to planning processes for some aspects of programme implementation, particularly complementarities with other programmes that would further optimize potential impacts.

Generally, the CT targeting was perceived to be reaching the poorest households in a community relatively well, with those selected seen as deserving. However, information and communication on targeting was weak and there was found to be a lack of clear understanding of the targeting process or the reasons why people had been included or excluded. Across countries, there was a view that eligible households had been unfairly excluded but only in rare cases were inclusion errors raised. In all countries there was a general view that greater coverage was preferred, rather than larger CT amounts, which reflects a general normative value of sharing and equity within rural communities. Finally, CT programmes would greatly benefit from well-defined strategies and principles of engagement that take into account beneficiaries' different needs, vulnerabilities, asset base and capacities, particularly if they aim eventually to move beyond protection objectives towards more transformative impacts.

Across countries, late and unreliable payments were the biggest obstacle to sustaining positive impacts of CTs. Late payments potentially contribute to rapid disinvestment and increased vulnerability, causing negative financial and social impacts as well as preventing households from budgeting and planning for investments and expenditures. In cases where beneficiaries have accessed loans in planning future activities, unreliable payments risk making their financial situation even worse than before the CT. Irregular, "lumpier" payments, rather than more frequent, smaller payments, can draw people away from local markets, diminishing positive impacts on local economies. However, these "lumpier" payments were also beneficial for some, particularly better-off beneficiaries with the potential to make greater investments rather than relying on the CT for smoothing consumption, and those who prefer to purchase food in bulk.

Grievance mechanisms were generally not well coordinated (or even in existence), leading to many problems at the community level, including community committees being unable to carry out effective monitoring. Across countries, monitoring systems were generally weak, with limited or no processes for updating beneficiary records or systems in place for handling complaints. In many instances, chiefs, traditional leaders and local administrators were often de facto sources of authority to handle grievances and mediate conflicts between beneficiaries and non-beneficiaries, whether or not they were formally involved in the CT processes. They were viewed as being impartial and having a better understanding of the community, but did not know how to help people make actual complaints. Despite the roles of traditional leaders and local administrators, the problems of weak or non-existent mechanisms for grievances, case management and monitoring and evaluation (M&E) undermine the transparency of programme operations, and affect CT impacts by decreasing the extent to which exclusion and inclusion errors are corrected. They also risk undermining beneficiary and community member entitlements and rights.

Overall, communications strategies in all programmes generally operated below expectations; however, where they operated adequately they could promote improved well-being among beneficiaries. A lack of communication can have a major impact on beneficiaries, especially if they do not receive warning or notice that a payment will be delayed; households were likely to incur additional debt or default in repayment if payments were not made on time. Likewise, lack of communication among community members created or heightened jealousies and resentments. Programme messaging, particularly about the use of CTs as well as other livelihood matters, was mixed, often ad hoc and insufficient. In most cases, community committees were themselves poorly informed, often unaware of programme processes and procedures and often under-resourced or supported to conduct these tasks. Across countries, community and district committees cited limited staff, time and resources and sometimes unresponsive populations. As a result of communication gaps, opportunities were diminished to further optimize household and local economy impacts.

Local committees are typically the front line and face of the CT programme, and a key determinant of the success of implementation. For the most part, community level committees can be characterized as “high commitment, low capacity”, although there were some cases of community committees performing relatively well and showing high levels of commitment and motivation, despite their constraints. Across countries, these committees received insufficient material and technical support; members disclosed a lack of clarity on their role due to highly insufficient training or guidance. The research highlighted the importance of defining and nesting the local CT committees appropriately into the local community context to facilitate their operations and effectiveness. District level committees also showed weak performance or were even defunct, often due to lack of funds and sometimes lack of attention and priority from authorities. The lack of financial and organizational support for volunteer-based technical staff affects performance, sustainability of the structures and, perhaps most important, erodes the capacity to support more transformative impacts of the CT on household behaviour.

Overall, CTs were poorly coordinated and harmonized with concurrent programmes, and failed to take advantage of positive aspects of the enabling environment or programme complementarities. Fragmentation among health, education, agricultural and social service programmes targeted to the poorest and most vulnerable limits the rate of potential improvement of beneficiaries’ livelihoods. CTs provided varying levels of improvement in access to existing government services; however, in many cases these synergies were not envisaged or planned for in the initial design of the CT programmes.

Policy insights and recommendations

The findings of the research in the six case study countries raise a number of important implications for policy-making and programme design.

Household economy and well-being

The research findings raised the question of the extent to which a safety net can actually transform a household’s economic potential. In many cases the CT was a top-up for a poor but relatively asset-secure household. Programmes can be designed as safety nets with little/minimal transformative potential at the level of household economic decisions and local economy, but also can be shaped to address those households with some potential for productive investments and possible graduation. In both cases, there are key areas of well-being that have been consistently improved and can be further supported.

Local economy

The research findings raised clear operational implications around the need for integration of CTs with more effective livelihood support to economically active beneficiary households. This might include programmatic integration with credit extension initiatives and extension of labour-sharing arrangements to allow beneficiary households with land but no labour inputs to use and sustain productive investments from the CT.

Social networks

The research showed an opportunity exists for CT implementation to maximize the positive institutional effects on beneficiary inclusion by engaging with local associations and risk-sharing social networks, both formal and informal, to identify and overcome other hurdles to participation. There is further opportunity to support beneficiary households to identify and access opportunities for economic collaboration and to overcome any actual or perceived barriers to entry. This type of additional support, provided by local CT staff and community members, can maximize the types of behaviour change, underpinned by increased dignity and social capital, already evident to some extent, among beneficiaries and local institutions.

Operational issues

The final hypothesis addressed by the research builds on the broader notion that impact evaluations can feed back into what is described as "evaluative practice", in which reflections on impact motivate improvements in design and delivery.[4] The research found communication systems relatively weak, with community members, even including beneficiaries, generally uninformed about CT targeting, with little understanding of why and how beneficiaries were selected. This often resulted in increased jealousies, tensions, resentment and misunderstandings. Perhaps of greatest concern, the research found that irregularities and unpredictability of payments had a profoundly negative impact on the well-being and livelihood strategies of beneficiaries, threatening achievements, undermining social safety net functions and economic initiatives and in some cases worsening household economic security and prompting negative risk-coping mechanisms.

The research found a number of clear recommendations for operational improvement:

1. Strengthen the functionality of community and district level committees, which would be relatively inexpensive, would contribute to optimizing impact of the programme and would address significant issues concerning beneficiary well-being and livelihoods.

2. Improve communication with both beneficiaries and non-beneficiaries, and between various local committees to broaden overall CT programme awareness, enable case management, enhance monitoring and build synergies among programmes.

3. Determine a payment regularity and predictability that can be feasibly maintained and adhered to, which would minimize the negative effects of payment irregularity.

4. Promote stronger linkages and better integration and complementarity with other ongoing programmes and services (at a programmatic level). This would help maximize CT programme benefits as part of a larger policy environment which can promote sustained, positive economic and social impacts for the most vulnerable through a social protection system with sufficient and operational linkages – in practice – to other relevant sectors.

[4] See, for example, Abbott D., S. Brown and G. Wilson (2007).

1. Introduction

1.1. Introduction to the six country study

This study seeks to understand the impact of cash transfer (CT) programmes in Ethiopia, Ghana, Kenya, Lesotho, Malawi and Zimbabwe in three interrelated areas:

1. **Household economy**, i.e. the activities surrounding decisions on how to distribute resources within a beneficiary household.
2. **Local economy**, i.e. the economic activities – the production and exchange of goods and services – beyond the beneficiary household, in the beneficiaries' community.
3. **Social networks**, specifically risk-sharing arrangements underpinned by social capital, and the contribution of beneficiaries to local decision-making processes.

It also explores operational issues, i.e. how the design and implementation of the CT programmes affects decisions and economic impacts at household and community levels.
The research was carried out under the auspices of the "From Protection to Production" (PtoP) project. The PtoP project is a four-year collaboration between UNICEF, the United Kingdom Department for International Development (DFID) and the Food and Agriculture Organization of the United Nations (FAO).[5] The project is carrying out a series of studies to understand the economic development impact of social cash transfer programmes across seven countries of sub-Saharan Africa: Ethiopia, Ghana, Kenya, Lesotho, Malawi, Zambia and Zimbabwe. In each country UNICEF, DFID and FAO have commissioned an analysis of the CT programme using three main instruments:

1. Qualitative research;[6]
2. Econometric analysis of quantitative evaluation data; and
3. General equilibrium models.

This study presents the findings from the qualitative research in the six study countries. Analysis of the findings from the qualitative research was completed by Oxford Policy Management (OPM) with support from FAO[7]. The econometric analysis and general equilibrium modelling are being conducted by other organizations and the results will be published separately by FAO.

1.2. The research hypotheses

A consistent set of hypotheses has been tested across all six country case studies to understand the impact of cash transfer programmes in each of the three research areas listed above, and to explore operational issues. Five hypotheses were proposed: one each to cover household economy, local economy and operational issues, and two covering social networks. The hypotheses, and the attendant evaluation questions used as a guide to investigate them, are presented in Annex A.

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[5] The PtoP is part of a larger effort, the Transfer Project – jointly implemented by UNICEF, Save the Children and the University of North Carolina – that supports the implementation of cash transfer evaluations in sub-Saharan Africa.
[6] Qualitative work was done in all countries except Zambia.
[7] The final individual country reports are available at www.fao.org/economic/ptop/publications/reports/en/.

- Household economy hypothesis: The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.
- Local economy hypothesis: The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.
- Social networks and economic impacts, hypothesis 1: CTs increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).
- Social networks and economic impacts, hypothesis 2: Changes in social networks linked to CTs positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision making processes (including through an increased ability to make "social contributions") and by increasing their "entitlement set" and livelihood choices.
- Operational issues hypothesis: CTs can be improved through a better understanding of likely household and local economic impacts.

The hypotheses were informed by recent empirical research examining CT impacts beyond poverty alleviation and access to human development services, which suggests that under certain conditions CTs may be able to foster broader economic development.[8] International literature suggests that, at household level, these broader effects may manifest themselves in several ways: through changes in labour supply of different household members; by investment of part of the funds into productive activities (such as purchase of agricultural inputs or other assets) that further increase the beneficiary household's capacity to generate income and attain a more sustainable livelihood; and by prevention of detrimental risk-coping strategies such as withdrawing children from school or selling off assets, thus building household resilience. In the local economy, it is found that CTs can have an effect on local labour markets and on the supply and cost of local goods and services, which in turn can generate multiplier effects (see Local Economy Wide Impact Evaluations – LEWIEs – in Ethiopia and Ghana[9]). With regard to social networks, the literature indicates that CTs can have considerable impacts on the cohesion of the local community, and that these impacts – even those that are positive – are often a chance side effect of the programme rather than a feature that has been systematically taken into consideration during design (MacAuslan and Riemenschneider, 2011).

These effects are mediated by the operational arrangements of the cash transfer. The way in which beneficiaries are identified, enrolled and paid, support services provided and implementation monitored, can have a positive or negative influence on the extent of the programme's impact on the household economy, local economy and social networks.
This report summarizes these issues as they were explored in the qualitative fieldwork and analysis for the following programmes: and Ethiopia Social Cash Transfer Pilot Programme (SCTPP), Ghana Livelihood Empowerment Against Poverty (LEAP); Kenya Cash Transfer to Orphans and Vulnerable Children (CT-OVC); Malawi Social Cash Transfer (SCT); Lesotho Child Grant Programme (CGP); and Zimbabwe Harmonised Social Cash Transfer Programme

[8] e.g. see FAO (2011); Arnold, *et al*. (2011); Creti (2010); Asfaw, *et al*. (2014); Daidone (2013); Taylor (2013); Kagin *et al*. (2014).
[9] See Kagin *et al*. (2014) and Thorne *et al*. (2014).

(HSCTP). Section 2 provides a brief overview of CTs in sub-Saharan Africa, which sets the context for the research. The research methodology is outlined in Section 3. Section 4 provides an analysis of the mediating factors around programme performance and impacts, which frame subsequent discussion of the findings across countries. The report concludes by offering a number of policy insights in Section 5.

2. Cash Transfer Programmes in Sub-Saharan Africa

The global expansion of CT programmes is particularly evident recently in sub-Saharan Africa, where support for them has been growing over the last ten years. Since late 2004, the African Union has provided encouragement to countries to develop their own social policy frameworks, with a Plan of Action supported by governments that commits member states to expanding and empowering social protection programmes. Individual governments are also taking the initiative in their own countries (Garcia and Moore, 2012). The 2005 UN Report on the World Social Situation stated that “income transfer programmes that sustain the poorest families are essential to changing the structure of opportunities and are key to reducing the intergenerational transmission of poverty and inequality”. Also in 2005, the UN Economic Commission for Africa recognized the value of CTs in tackling extreme poverty in sub-Saharan Africa and promised resources of up to US$ 2 billion a year, to rise to US$ 6 billion a year by 2015 (Hailu and Veras Soares, 2008). In 2010, 21 countries (about half the countries in Africa) had some form of unconditional cash transfer (UCT) in place and by 2013, the number had almost doubled, with social safety nets now being implemented in 37 African countries (World Bank, 2014), although they still cover only a quarter of the poorest quintile (ibid.)

This section provides a brief overview of CTs in sub-Saharan Africa, looking at the broad categorizations of CTs: their scale; their scope and objectives/targeted beneficiaries; their overall impact to date; and institutional and operational arrangements, including implementation and monitoring. This section draws heavily on a World Bank review of CTs in sub-Saharan Africa (Garcia and Moore, 2012), the State of Social Safety Nets 2014 report (World Bank, 2014) and the work of Davis (2013).

2.1. Typology, scale, scope and objectives

Sub-Saharan Africa is one of the two most vibrant regions in the world in terms of planned or ongoing social protection initiatives, together with Latin America, with only 8 of 47 countries not having any policy dialogue on the use of CT programmes in 2010 (Garcia and Moore, 2012). This focus is due to the compounded influences of persistent poverty, increases in food and fuel prices, the ongoing HIV/AIDS crisis, donor funding orientation and commitment, and of a new call to action by the African Union (African Union, 2008).

A review conducted in 2009 (Garcia and Moore, 2012) identified a total of 123 diverse CT programmes in the region, ranging from emergency one-time transfers to unconditional non-contributory social pensions to conditional cash transfer programs (CCTs) with human capital development objectives. Two distinct types of CT programmes emerged in the region which were loosely linked to a country’s economic classification. “Middle-income CTs”, many of which are in Southern Africa, are typically part of rights-based social assistance systems and are usually based in government institutions and domestically funded. Their stable nature allows them to fulfil a ‘preventive’ and ‘promotive’ function. Conversely, CTs in Low-Income and Fragile States tend to be relatively short term projects (often tagged as ‘pilots’) targeting a limited proportion of population due to ad-hoc (often donor) funding. Nevertheless, a recent trend has shown how many lower income countries are now making large efforts to scale up their pilots and integrate fragmented CTs into a national Social Protection Programme Strategy. (Garcia and Moore, 2012).

CT programmes in the region address a very wide range of objectives, reflecting the diverse regional contexts and needs. Some of these objectives may be related to specific human capital goals or peace processes and consolidation in a post-conflict situation, while others focus on addressing both acute and chronic food insecurity and ensuring that recipients are able to meet subsistence consumption needs (Garcia and Moore, 2012).

The objectives of the CT ideally guide who is selected as a recipient. Concern about vulnerable populations in the context of HIV/AIDS has often driven the objectives and targeting of many of these programmes, with commonly targeted groups in sub-Saharan Africa including orphans and vulnerable children (OVC) or other HIV-affected individuals, as well as the elderly, and people with disabilities or those who are unable to participate in the labour market. Other vulnerable groups often targeted include the extremely poor, potentially malnourished preschool children and pregnant or lactating mothers. Targeted groups are not mutually exclusive; significant overlap across the groups may occur, and some programmes target a combination of these groups (Garcia and Moore, 2012; Davis et al., 2012). There are often differences between CCTs, which often target children or OVC, the unemployed, mothers and young children and young adults (or a combination of these) and UCTs, which generally target a wider variety of groups, often based on age (the elderly are the most frequently targeted group), those affected by disasters and food security. UCTs target those who are unable to participate in the labour force slightly less frequently (Garcia and Moore, 2012).

2.2. The impacts of cash transfers

The value received by beneficiaries of CT programmes in sub-Saharan Africa can be very low. However, evidence from ongoing impact evaluations of (unconditional cash transfer (UCT) programmes in this region (e.g. Ethiopia, Ghana, Kenya, Lesotho, Malawi, South Africa and Zambia) has indicated positive impacts across a number of dimensions (Davis, 2013; World Bank, 2014). These impacts include potentially improving welfare through reduced poverty – although only 375 000 people in sub-Saharan Africa have moved out of the bottom quintile as a result (World Bank, 2014, p. 33) – as well as increased food consumption and food security. Research shows that the CTs in this study provided cash that covered from about 7 percent to just over 30 percent of per capita consumption in beneficiaries' households (Davis, 2013), although the participatory analysis of incomes and expenditures in this study generally found higher levels (see section 4.2.1).

Nutritional status is improved in some contexts, both through increased food consumption and through an improved diet and/or diet diversity (although this is also affected by other factors). CTs also have impacts on the levels of human capital that both individuals and households can draw upon, reducing vulnerability to shocks and in some cases enabling them to engage in more productive livelihoods. Human capital is increased through improvements in health status and use of health services, as well as through increased primary and/or secondary school enrolment and attendance. Impacts have also been seen to improve transition into adulthood for adolescents, with reductions in sexual activity and unsafe sex. Some impacts have also been measured by improvement in psycho-social status, with less depression among recipients (Davis, 2013) and increased happiness.

The impacts on improved livelihoods and productive activities can include increased investment in agricultural inputs and tools, increased agricultural production, increased home production of food, increased livestock ownership and increased ownership of non-agricultural enterprises. In some cases CTs also enabled a move towards more on-farm activities (as opposed to providing casual labour on others' farms) and family productive activities (including non-agricultural enterprises). CTs have also led to an increase in labour market participation in some contexts but they have also enabled elderly and physically disabled beneficiaries to engage less in the labour market or work activities (and to "rest"). Impacts on child labour have been mixed, however (Davis, 2013).

CTs have improved the ability of households to manage risk, leading to reductions in negative coping strategies. They have also enabled debt to be reduced and savings increased (and thus caused an increase in creditworthiness) although recipients have often remained cautious about taking on more debt. Aside from livelihood and economic impacts, CTs have also had social impacts (sometimes as a result of improved economic status) by enabling recipients to engage or re-engage with social networks and community activities (Davis, 2013), which also improves their ability to manage risk by drawing on increased levels of social capital.

Impacts have also been seen more widely than on the individual or household recipient, as they are also felt by the local economy. CTs can have large income multiplier effects, although these are mediated by various factors within the local context (Davis, 2013). These issues are discussed further below in this study.

Impact evaluations of CCTs have also generally shown promising results, such as: 1) evidence of positive impacts on education and health outcomes; 2) some evidence of positive impacts on nutrition, mainly when the CCTs have been accompanied by the distribution of food supplements; and 3) no major negative impacts on labour supply, despite criticisms that CCTs foster dependency. Larger-scale programmes have also been seen to have impacts in reducing inequality and some impact on poverty measures, especially by narrowing the poverty gap and lessening the severity of poverty (Hailu and Veras Soares, 2008).

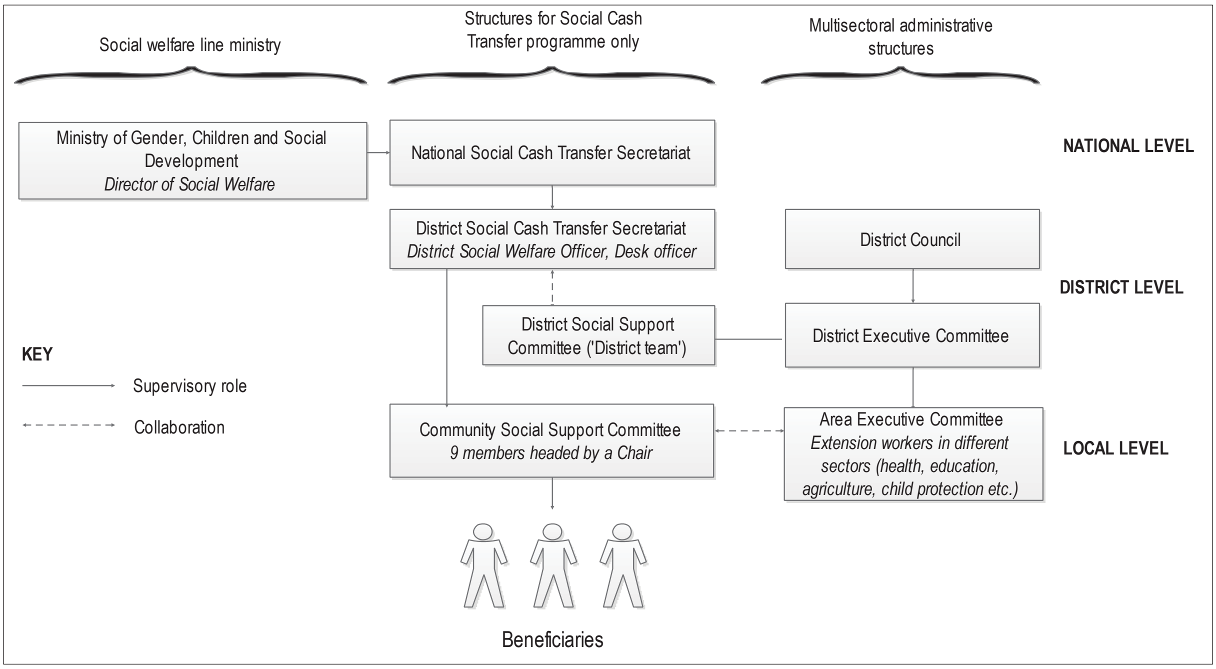
2.3. Institutional and operational arrangements

The institutional location of a CT programme affects many areas of design, implementation and performance. Garcia and Moore (2012) describe a wide range of institutional homes for the programmes in their review of countries across sub-Saharan Africa. Nearly half of them (mainly short-term, emergency transfers, often with NGO or donor involvement) operate outside the jurisdiction of government ministries. However, the rest have some kind of government-run CT, most of them based in a department related to social welfare or labour. There is also a link between institutional home and national income status: as income levels decrease, programmes are more often seated outside of the government (ibid). However, very few CT programmes in sub-Saharan Africa are located in institutional settings that carry out higher-level coordinating functions. All the programmes in this study are located within governments:

- Ethiopia — Tigray Bureau of Labour and Social Affairs
- Ghana — Department of Social Welfare, within Ministry of Employment and Social Welfare
- Kenya — Department of Children's Services, within Ministry of Gender, Children and Social Development
- Lesotho — Ministry of Social Development
- Malawi — Ministry of Gender, Children and Social Development
- Zimbabwe — Department of Social Services, within Ministry of Labour and Social Services

An example of the institutional arrangements in Malawi is shown in Figure 1.

Figure 1 **Institutional arrangements of the Social Cash Transfer programme in Malawi**



Source: OPM

Benefits provided by CTs in Africa vary widely, but almost three-quarters of them provide only cash (the six CT programmes in this study fall within this group). The most common benefits given by other CTs were in-kind transfers (i.e. non-cash items or goods); some programmes (although none in this study) primarily provide in-kind transfers and supplement them with a small amount of cash (Garcia and Moore, 2012). The majority of CTs are given on a monthly or bimonthly basis, with transfers awarded quarterly and annually in less than 10 percent of cases (Garcia and Moore, 2012).

Some CTs are using new technologies to address traditional capacity constraints, including challenges that are relatively unique to sub-Saharan Africa. For example, biometric identification is used to overcome traditional difficulties in identifying recipients who don't have appropriate documentation, and Malawi's SCT provides beneficiaries with photo identification cards. Point-of-sale devices or mobile phones are also used to transfer cash to nomadic or hard-to-reach recipients, and mobile phones are sometimes used for collecting data or monitoring purposes (Garcia and Moore, 2012).

Due to limited capacity and resources, CTs often begin and operate with limited monitoring capacity. They can use a variety of ways to manage information, but manual systems can inhibit the growth of the programme – e.g. Kenya's CT for OVC was slowed down by its Management Information System (MIS) for a time because the system was not designed to handle data for a programme as large as it became. Many of the small CTs have monitoring systems with at least some manual elements – e.g. at payment distributions for the Lesotho CGP, a payment coupon and receipt are stamped in a Child Grant coupon book, which identifies the household through a unique number (Blank 2008, cited in Garcia and Moore, 2012).

Community involvement in CTs in sub-Saharan Africa reflects both the traditional role that communities play in individuals' lives and their potential to assist with CTs through involvement in identifying potential recipients, targeting, collecting data, verifying information about recipients, distributing cash, monitoring recipients' use of cash and addressing grievances. This high level of community involvement also sometimes reflects capacity limitations within implementing bodies (Garcia and Moore, 2012).

CCTs in sub-Saharan Africa also apply conditions and monitoring with a level of flexibility not usually seen in other CTs globally, largely due to insufficient or no administrative enforcement capacity, and many use "soft" conditions, or "co-responsibilities" which impose no penalties for non-compliance. Even in CCT programmes that establish hard conditions, conditions are often applied flexibly (Garcia and Moore, 2012). The majority of programmes in the region, however, are not CCTs, although many also have strong messages regarding spending and behaviour change.

3. Research Methodology

Within each study country the qualitative research looked in depth at four communities in which the CT was received by targeted individuals or households (or "intervention" communities) and one comparison community[10], in which the CT was not implemented. The communities were selected using a simple sampling hierarchy. Within these sampled communities, focus group discussions were conducted with beneficiaries and non-beneficiaries using a mix of participatory tools. Interviews were also conducted with individual beneficiaries and non-beneficiaries, including market traders, farmers, shopkeepers, service providers and local leaders. A number of in-depth case studies were also undertaken with selected beneficiaries. In addition, key informant interviews were conducted with programme stakeholders at administrative levels.

Fieldwork was conducted over the course of three weeks in each country and staggered depending on programme implementation, starting in Ghana in April 2012 and finishing in Ethiopia in May 2014. We elaborate on the research methodology below.

[10] Note: We do not use the term "control" in this report, as it suggests that the cash transfer (or "treatment") was deliberately withheld for experimental purposes from a community that is statistically equivalent to the other communities in the study (and more generally). A more accurate description for this research is "comparison" community, which we use throughout, unless referring to the findings of other experimental approaches used in PtoP (and other) research and evaluations.

3.1. Sampling strategy

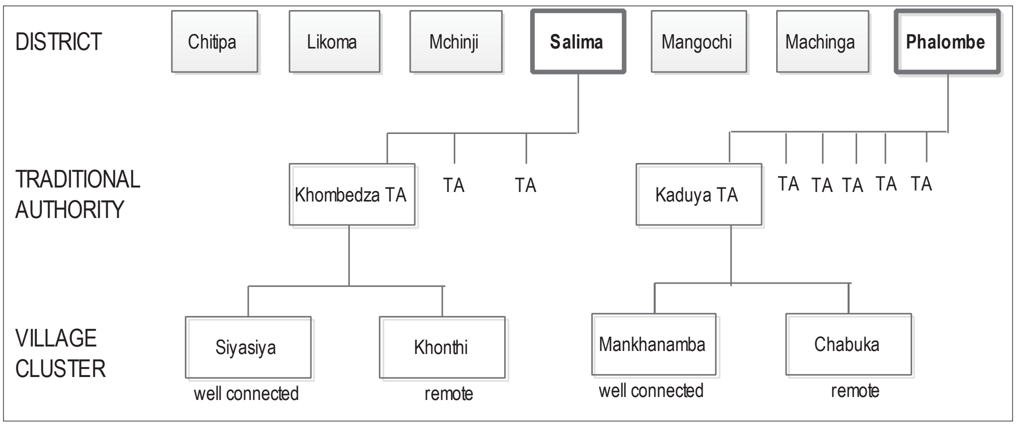
3.1.1 Selection of communities

A consistent methodology was used across the six case study countries covered by the PtoP qualitative research to select the communities where fieldwork was to take place.[11] This consisted of a three-stage sampling of geographical areas:

- *Stage 1:* Two of the highest-level administrative areas (e.g. district or region) in the country were selected, from among all those that participated in the CT programme. The purposive selection was designed to capture two livelihood and vulnerability contexts in the country that were distinct from one another but both quite typical of the country as a whole. Where possible, one area was selected where there was also a quantitative evaluation taking place, to maximize opportunity for triangulation of study results, while also allowing for selection of an additional important livelihood and vulnerability context that had not been covered by the quantitative evaluation, as in the case of Northern Ghana.
- *Stage 2:* A single sub-area (e.g. province) from each of the identified locales was selected, from among those that participated in the programme. Again, the selection was intended to reflect the typical characteristics of the district/region as a whole in terms of its livelihood and vulnerability contexts.
- *Stage 3:* Finally, two communities within each of the two sub-areas were selected. This third level of geographical sampling was based on categorization of the ease of access to markets, as determined by their proximity to a main road. One well-connected community and one more remote community were identified (selected as the community with the median number of beneficiaries in that category.

Although this three-stage process was followed in each country, it was adapted to fit with the local administrative levels. An example of the sampling strategy from Malawi is shown in Figure 2 below.

Figure 2 **Social Cash Transfer beneficiary communities selected for the Malawi study**



Source: Ref. Malawi country report

[11] A detailed description of the sampling methodology can be found in each of the country studies and in the Methodological Guidelines for Qualitative Research on the PtoP website: www.fao.org/economic/ptop/publications/method.

Comparison communities

One nearby community in or near each high-level administrative unit was selected as a "comparison" community. This was a location where the CT programme did not operate. The objective was to understand the characteristics of communities not affected by the programme in terms of the three main areas of inquiry in this research. This enabled the team to compare trends and patterns in household well-being, the livelihood strategies employed in the local community and the extent of social networks in non-programme communities with the two study communities where the programme was operating.

3.1.2 Selection of group participants and individual respondents

Within each community the sampling methodology specified a minimum of four standardized categories of focus group respondents with whom to hold discussions; i.e. male and female beneficiaries and male and female non-beneficiaries. Focus group discussions (FGDs) were held with between 5 and10 participants. Participants for additional FGDs and respondents for key informant interviews (KIIs) were identified through community poverty profile analysis (comprising social mapping and/or well-being analysis participatory tools) and by "snowball sampling" through referral from FGDs and KIIs. Figure 3 below shows the field research "roadmap" that was adopted in each country.

Where possible, participants for beneficiary FGDs were randomly chosen from the administrative list of beneficiaries in order to avoid biases. Although the research team did not have population frames for probability-based sampling, participants for other FGDs conducted (including non-beneficiaries) were selected as randomly as possible using a local key informant to identify a total population and then randomly selecting from that group (for example, by including persons from different neighbourhoods). The selection of key informants for interviews was determined purposively (to address particular themes) by the social mapping exercise and by "snowballing" from FGDs.

For many of the non-beneficiary participants selected, the teams sought the assistance of the programme community committees (or a community development assistant, in the comparison communities) to identify either members of similar occupational groups or households living in fairly similar conditions to CT beneficiaries. In other instances of group-based analysis – for example, when discussing livelihood distributions and trends with a group of market vendors – random sampling to assemble groups was neither necessary nor appropriate.

In addition to FGDs and KIIs, several in-depth household case studies were conducted with beneficiaries in various districts, which provided rich narratives of the conditions and perceived changes and experiences brought on by the CT.

Figure 3 Illustrative fieldwork schedule in each administrative unit (example from Malawi)

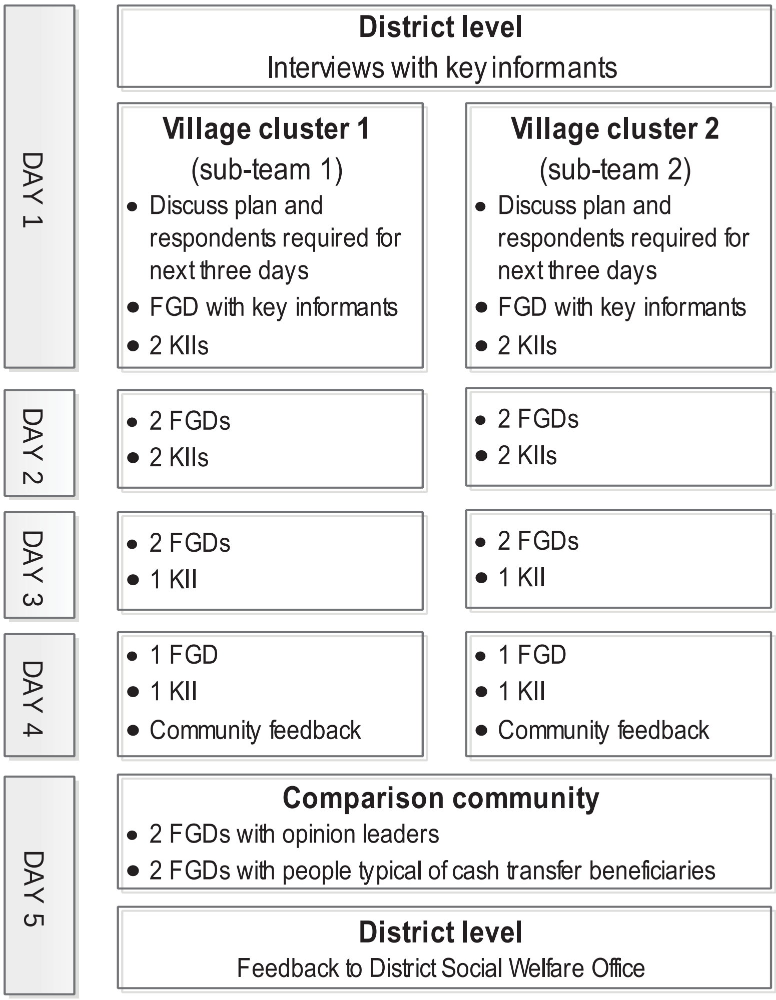


Table 1 Summary of communities

Country	District (or equivalent)	Community
Ghana	Tolon Kumbugu District (north)	Tali – Well connected to market
		Dalung – Remote from market
		Kpalisogu – Comparison community (well connected)
	Komenda District (south)	Dompoase – Well connected to market
		Agona Abrim – Remote from market
		Dwabor – Comparison community (remote)
Ethiopia	Hintalo Wajirat Woreda	Adi Keyih Kushet (Adi Keyih Tabia) – Well connected to market
		Daeret Kushet (Sebebera Tabia) – Remote from market
		Mainy Kushet (Freeweiny Tabia) – Comparison community (well connected)
	Abi Adi Woreda	All Ketenes (Kebele 01) – Market town
		All Ketenes (Kebele 02) – Market town
		All Ketenes (Kebele 02) – Low beneficiary population comparison community
Kenya	Owendo District	Kandira Luwala (North Sakwa Location) – Well connected to market

Country	District (or equivalent)	Community
		Kakamasia (North Sakwa Location) – Remote from market
		East Kanyamkago (West Kanyamkago Location) – Comparison community
	Kangundo District	Ngoleni (Kathiana Location) – Well connected to market
		Mbee (Kathiana Location) – Remote from market
		Kalunga (Kathioko Location) – Comparison community (well connected)
Malawi	Salima District	Siyasiya (Khombedza TA) – Well connected to market
		Khonthi (Khombedza TA) – Remote from market
		Kambwiri Sele (Karonga TA) – Comparison community (well connected)
	Phalombe District	Mankhanamba (Kaduya TA) – Well connected to market
		Chabuka (Kaduya TA) – Remote from market
		Mulelemba (Kaduya TA) – Comparison community (well connected)
Lesotho	Mafeteng District	Metsi-Maholo – Well connected to market
		Malakeng – Remote from market
		Ha Fako + Ha Tebelo – Comparison communities
	Leribe District	Litjotjela – Well connected to market
		Malaoeneng – Remote from market
		Boshoela + Ha Ratulo – Comparison communities
Zimbabwe	Chivi District	Ward 7 – Well connected to market
		Ward 32 – Remote from market
		Ward 33 (Masvingo District) – Comparison community
	Goromonzi District	Ward 11 – Well connected to market
		Ward 21 – Remote from market
		Ward 1 (Seke District) – Comparison community

3.2. Fieldwork implementation

In each country, the schedule for fieldwork followed the same schedule (as much as possible). This is outlined in Figure 3 above. The gathering of data in each location used FGDs and KIIs to gather information and local analysis by groups of participants. Within the FGDs, a number of participatory tools were used.

3.2.1 Selection of group participants and individual respondents

Each focus group comprised a semi-structured discussion with the participants covering the four core themes of the research, along with the use of one of five participatory tools (see Table 2). The aim in using these visual tools, produced through group-based analysis, was to facilitate group discussion – building consensus or bringing out differing views – of the contribution of CT transfers to these changes. They supported the documentation and analysis of key changes in behaviours and impacts and brought out rich examples and experiences that people encountered. Two tools, social mapping and the community well-being analysis, were employed with local opinion leaders on the first day of the research in each community to ascertain the characteristics of the community and the perceived status of the beneficiaries within the local population. The other three tools – the household income and expenditure analysis, the livelihoods matrix analysis and institutional mapping – were conducted on subsequent days with beneficiaries and non-beneficiaries (Annex B).

Table 2 **Participatory tools used**

Tool	Participants	Focus
Social mapping	Opinion leaders	Physical characteristics of the community and its infrastructure (location of settlements and facilities, crops, access to markets and roads, etc.); highlights of social and cultural composition and dynamics in communities (social grouping differences and impacts from the programme)
Community well-being analysis	Opinion leaders	Socio-economic status of the community (characterization by wealth groups and what distinguishes them across a range of dimensions as perceived by informants)
Household income and expenditure analysis	Beneficiaries	How beneficiaries earn their income and what they spend it on – identifying patterns and trends and changes over time
Livelihoods matrix analysis	Beneficiaries and non-beneficiaries	How people earn a living in their community, and the relative merits of different options – analysing impacts of the programme on livelihood options and results, and the effects on local economy
Institutional mapping	Beneficiaries and non-beneficiaries	Who beneficiaries interact with, and the relative importance of the different people. This tool elicits perceptions of relationships and the strengths of social connections among people in the community.

Source: OPM

Besides the focus groups, the team carried out semi-structured KIIs to understand and explore key aspects of change in greater depth. Participatory tools did not form a part of these interviews. The key informants included:

- administrative leaders – formal and informal (chiefs, village heads, group village heads);
- religious leaders;
- members of the structures that contribute to the CT implementation (e.g. decentralized social welfare workers, members of local programme committees);
- CT beneficiaries whose experience was typical of the beneficiaries in that community;
- members of formal and informal local associations (savings and loans groups, funeral societies, insurance groups, etc.);
- social sector professionals, including teachers, health extension workers and child protection workers;
- business people (shop owners, mill owners, traders, etc.)

3.2.2 Analysis and presentation of findings

A series of activities took place within the team and with external stakeholders to synthesize, review and validate the findings from the fieldwork. These varied slightly depending on the context and administrative levels in each country, but generally included:

- **Daily debrief.** The team spent time at the end of each day to review and cross-check all notes collected, write up the outcome of the participatory tools and discuss thoroughly their implication for the key research questions under each area of investigation. The process ensured that consensus was reached internally on the findings. This process also encouraged team members to query and probe one another, deepening information and understanding of the implications of findings. This probing also revealed knowledge gaps that served as follow-up points of inquiry for the next day.

- **Community feedback.** At the end of the four days of fieldwork in each community, the field teams ran a community debrief session to report back to participants and key informants on the preliminary findings. This also provided an opportunity to verify whether the community considered that the picture that had emerged from the research was an accurate reflection of their situation.
- **National (or regional for Tigray, Ethiopia) feedback.** On completion of the two weeks of fieldwork the results from the field were shared and discussed with national (or regional) level stakeholders from both government and development partners. This provided initial feedback on findings and was welcomed and useful for officials to gain an early understanding of key issues.

4. Findings

In this section the synthesized analysis and findings from the qualitative research in the six country studies are presented. The narrative is organized across the four research themes: household economy, local economy, social networks and operational issues. The findings are presented under a series of subheadings linked to the research hypotheses introduced above, which are illustrated and analysed further in the text.

As the evidence presented below will show, it should be noted that a wide range of contextual factors (including those related to community, household or individual levels, or to the programme itself) were seen to have an effect on the types, scale and longevity of CT impacts seen, as Section 4.1 explores. These factors will be further drawn upon in the analysis of findings within each research theme and hypothesis in the subsequent sections.

4.1. Contextual factors mediating cash transfer impacts

A wide range of contextual factors mediated impact of the CT at the household and community level. We discuss these below.

Household asset base, livelihood strategies and levels of vulnerability. For most beneficiary households the CT was serving as a cushion or safety net, rather than a means of shifting their livelihood sources and strategies. This was particularly the case for those households with a low asset base and/or limited livelihood options, i.e. the households typically targeted by the CT programme. However, as will be discussed throughout this paper, among the different country programmes there were a number of cases of beneficiaries being able to pool the CTs with their other resources and household assets, as an additional income source to be invested, which enabled them to increase their household economic levels and well-being. In the absence of a need to prioritize spending for basic needs, CTs could be used as working capital towards investing in more diverse livelihoods, including hiring labour.

Household size and labour capacity. The ability of households to engage in productive work, notably agricultural activities – determined largely by the number of working age adults and dependents – affected the use and impact of the CTs. In many cases household composition was used as part of the community-based targeting system for CTs. Hence for many households – especially those predominately composed of the elderly, the chronically ill and/or others who were labour-constrained – the CT was used as a substitute for income sources based on arduous and physically taxing labour. Additionally, across all countries, the impact of CTs was diluted in large households. One widow in Phalombe District, Malawi, who was raising eight children, had bought a 50kg sack of flour with the cumulative nine-month CT paid at the end of 2013, but it had already run out after three months and so she and her children had returned to doing casual labour to earn an income for food. In the Northern Region of Ghana, polygamous households were common and many beneficiaries tended to live in large extended family contexts in which the LEAP transfer (which did not take into account variations in overall household size) was pooled along with other household resources but did not go very far with so many household members to feed.

Local enabling economic institutions. The impact of the CT on household economies was influenced by the types and strength of local formal and informal institutions, including savings groups, risk and asset sharing or contribution-based networks (such as the Ethiopian *Iqqubs* or Kenyan "merry-go-rounds" or extended family networks, such as in Ghana), as well as connections to markets, local demand for new goods and uptake costs. In more vibrant contexts, beneficiaries were sometimes encouraged by the activities of others receiving the CTs to participate in new activities. In Tolon Kumbugu District in northern Ghana, one market trader in Tali community commented on the increased presence of beneficiary women as traders, stating, "…when they see that one woman is making profit, they all join in the same business".

Complementary services and programmes. Additional central features of the local context that have a bearing on household impacts of CTs are complementary services and programmes. Linkages between the CT programme and other mechanisms of support to beneficiary households can create synergies that can promote beneficiary investments, livelihoods and well-being. Some of these complementarities may take the form of "soft" conditions, such as school enrolment or infant and child health care (such as in Ghana), other inputs, or simply messaging and advice provided to use and invest the cash wisely (e.g. in children, in health and nutrition – even in goats). In other circumstances, linkages among programmes are intentionally discouraged in order to disperse benefits widely across a diversity of community members (such as in Malawi), thus missing opportunities to further reinforce gains achieved through the CT.

Frequency and reliability of payments. Many of the payment schedules established per country programme schedules were not always implemented as planned. In some cases this led to several payments being received together in larger "lump sums" which had various effects on impacts of the CT on beneficiaries such as increased debt, disinvestment of assets, inability to plan and even worsening household conditions. As one beneficiary in Chivi District, Zimbabwe, described, "Due to late disbursements of the transfer, some debts do accumulate and when this happens the person falls into poverty." The "protective" potential of CTs to affect household economic activity was strongly linked to regular, reliable payment of the transfers. However, in situations when transfers were delayed and then several payments made at one time (resulting in a "lumpiness" in the amounts of cash at each transfer), although the protective potential was reduced, sometimes the "transformative" potential impacts were greater, particularly for those households that were slightly better off and thus could survive for longer periods without depending on the CT. Evidence has shown that these categories of households could then use the "lump sum" to invest in greater and often more enduring expenditures. For the majority of beneficiaries without the means to use lump sums in this way, however, they either spread their spending between lump sum payments or smoothed their consumption by buying consumption goods on credit during these periods.

Community and regional context. Particular features at community or higher levels that affect most households also had an effect on the impact of CTs. These factors include, notably, agro-ecological context, land availability and tenure, location and diversity of goods at local markets, availability of services, sociocultural features, the strength of informal and formal social support systems:

- *Agro-ecological features, including land availability*: These aspects include weather and climate, soil resources (type of soil and fertility), land use (grazing vs crop cultivation and subsistence crops vs cash crops), main farming and production systems, etc. The opportunities and constraints of the biophysical environment have significant impacts on CT outcomes. In highly land-constrained contexts or in contexts where land tenure patterns denied access to land, beneficiaries were unable to use their transfers to increase productivity. In other contexts, where land availability was not a constraining factor, beneficiaries at least had the potential to use their transfers more productively. Goromonzi and Chivi Districts in Zimbabwe are instructive examples of how livelihoods and household well-being varied significantly based on agro-ecological context. Goromonzi has some of the most fertile soils in Zimbabwe, favourable weather rainfall, and large plots of land available, which provided a more favourable livelihood environment for potential CT productive investment, sustaining production of household gardens, cultivation of cash crops, and livestock production. Chivi, on the other hand, has low- quality land, low annual rainfall, land suitable only for cereal agriculture, and people generally tend to have small plots, limiting potential CT productive investment. Similarly, in Kenya, many of the beneficiaries living in Owendo District, Nyanza Province, were able to optimize fertile land conditions and existing commercial sugar cane production opportunities that beneficiaries in Kangundo District, Eastern Province, with poorer agro-ecological conditions and severe pressure on land availability, were unable to access.
- *Remoteness*: More remote communities typically had less diversity of economic activity, fewer markets, lower demand and less availability of goods. For example, in the most remote zone of the more remote village cluster visited in Phalombe District, Malawi, beneficiaries declared that they did not even diversify their food immediately after payday. This may be because of the limited produce available at their local trading centre, or because their relative isolation meant they interacted less often with other beneficiaries or with programme or health staff, so received less information or encouragement in regards to diversifying their diet.
- *Levels of food insecurity*: Consider the case of Lesotho, where food insecurity and the shortage of arable land pose increasingly critical problems and even rural people find it necessary to purchase rather than produce their own food. In this type of context, agricultural inputs would be understandably low, and beneficiary households would place an emphasis on using the transfer to meet immediate food needs. In Ethiopia, distinctions among households with respect to food security were stark. Some beneficiary households had barely enough to eat without “begging” and even continued modest forms of begging with the CT – especially in urban environments – while others were able to grow or purchase essential food staples.
- *Quality of markets*: This issue is linked to remoteness, as communities far from main roads or large markets tended to have smaller, more limited markets, and less supply/demand for diverse goods at existing markets. In the absence of accessible markets, economic institutions with strong links to market chains over and above subsistence agriculture were less likely to exist in the community (see above).

- *Sociocultural context:* Sociocultural norms emerged as an important factor in helping to explain the use of the CT in different contexts. Gender norms within families and communities determined access to shelter, land, economic networks and other productive resources. Contrasts between the two selected research districts in Ghana illustrate this well: while in both contexts men have greater decision-making authority over household resources, Komenda District in Central Region is a matrilineal society, in which women have greater access to productive resources through inheritance. In contrast, Tolon Kumbungu District in Northern Region is a patrilineal society, reducing women's access to productive resources through inheritance and thereby limiting the extent to which female beneficiaries could utilize their CTs productively. Sociocultural norms also influence decision-making with regard to the CT. Again, contrasts between two selected research districts, this time in Kenya, illustrate this well: in the (Bantu) Kamba society of Kangundo District, Eastern Province, widows and their children risked being chased away from patrilocal family homes, so taking on a CT-eligible OVC as an extended family asset became an important strategy to avoid this treatment. In contrast, in the Luo society in Owendo District, Nyanza Province, the CT did not influence a family's initial decision to take on an OVC, because of the high value placed on children and the associated norms of social responsibility. Beyond the immediate family, across the case studies in different contexts extended families played various roles in enabling beneficiaries to access risk-sharing arrangements or asset pools.
- *Functionality of community committees*: The motivation, commitment, capacity, support and oversight of the community committees supporting the CT programme, and collaboration with district level committees and harmonization and linkages with other existing programmes have implications for the achieving objectives and long-term positive impacts. This will be discussed in more detail in section 4.5.5 below.

The following sections examine the findings and analysis for each research area and hypothesis, drawing on these mediating factors as relevant to explain the impacts.

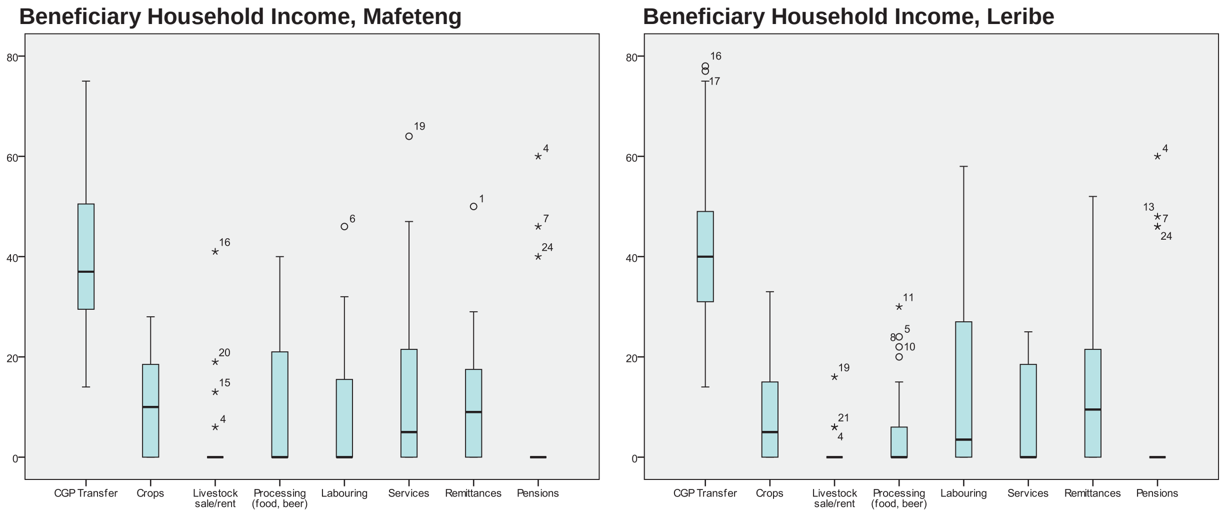
4.2. Household economy

Overview: Household Economy
Hypothesis: *The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.* **Evidence**: *Confirmed.* In the countries studied, even the small amount of cash improved livelihood choices. The transfer was less uniformly effective at increasing productive investments. Some households made productive investments, though many vulnerable beneficiary households continued to rely on the cash for their daily needs. If the income flows were more predictable and regular, the benefit (particularly to beneficiaries in less connected communities) could be greater.

4.2.1 Cash transfers as a source of income

Across the case study countries, the CT represented a major source of income for beneficiary households. Participatory income expenditure analysis with beneficiaries revealed that this proportion typically ranged between 40 and 60 percent of total beneficiary household income (see, for example, Figure 4 showing beneficiary household income distribution in Lesotho).

Figure 4 **Distribution of beneficiary household income in Mafeteng and Leribe Districts, Lesotho**



4.2.2 Household well-being

Overall, CTs led to positive changes to household well-being. The country case studies analysed a wide range of well-being-related impacts. Some changes, however, were short-term or temporary (for example, diversification of food only in the days following payment dates), but there was generally a clear positive impact on beneficiary well-being.The studies discussed five main areas of well-being impact at the household level.

School and child labour

> *"The school is important to us because they equip our children with knowledge so that they can be able to look after us in the future ... When there is no education there is no life."* Female beneficiary, Chivi District, Zimbabwe.

Overall, CTs promoted school enrolment and attendance, and there was some indication that transfers could also improve school performance. The importance of and value placed on schooling was consistent across the study countries, and most evident where CTs were specifically targeted at children and their well-being (for example, Lesotho's Child Grant Programme[12]). Some programmes promoted schooling more directly as a "co-responsibility" with some monitoring, such as in Ghana, or complementary programmes, such as in Zimbabwe (with Basic Education Assistance Module (BEAM), while others encouraged using the CT for children's education but with less enforcement, such as in Kenya. In all cases, child enrolment was seen to increase across all programmes studied. By removing the largest barrier to education access – the direct and indirect costs associated with sending a child to school – school

[12] "*We are told by the social workers that we must buy food, clothes and school needs for our children, not to buy household furniture. We are also told that there are people who monitor how the money is being spent*". Male beneficiary, FGD, Mafeteng District, Lesotho.

enrolment and attendance were boosted,[13] as much of the quantitative evidence also testifies (Berhane *et al*., 2012[14]; Handa *et al*., 2014[15]; OPM, 2014[16]; Covarrubias *et al*., 2011[17]). For example, parents in Zimbabwe reported that their increased creditworthiness enabled them to negotiate payment plans with schools. A primary school head teacher in Kangundo, Kenya, echoed this: “Now (with the payment) we allow them to continue in school because we know that the payment will come.” A male beneficiary in Lesotho usefully summarized how additional cash helps to send children to school:

> *“Before CGP life was worse but now we are able to buy food, school uniforms and clothes for our children. And before, children were not able to go to school because they didn't have proper clothes or uniforms.”* Male beneficiary, Mafeteng District, Lesotho.

Importantly, the ability to purchase additional food (notably for breakfast), school uniforms/shoes[18] and soap for children was often cited as a reason for improved school performance as well as attendance. This was partly attributed to the fact that children were no longer distracted by hunger from missed meals, and were less likely to be tired from participating in child labour – but also to an increased sense of confidence due to improved physical appearance and greater self-esteem. Teachers in one school in Phalombe, Malawi, noted a marked improvement in the educational materials belonging to the estimated 50 students from households on the CT programme. Most were dressing better, with uniforms; they carried school bags and had adequate school supplies. Moreover, the teachers observed that this had an important impact both on the children's attendance rate and on their self-esteem and performance, as exemplified by the case of one girl pupil who was now “chatting more with others” and “participating in and contributing to group work”. In Abi Adi, Ethiopia, beneficiaries and teachers attributed improved performance and progress in school to the fact that children were now able to eat breakfast before school, similarly noting improvements in the academic performance and self-confidence of beneficiaries’ children, as shown by one girl who now, unlike before, “confidently speaks in front of others”. The effect of a change of this significance on children’s sense of self is substantial, as one 13-year-old student in Leribe District in Lesotho candidly explained (Box 2).

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[13] While the case study countries guarantee free primary education, the indirect costs of education, such as stationery, school uniforms and compulsory payments, represent a significant barrier of access for the poor. Secondary schooling, on the other hand, comes at a high cost for poor families, meaning that impacts on enrolment were most evident for older age groups.

[14] In Ethiopia, attendance rates rose from an average of 86% at baseline to 94% for the Midline Evaluation in Abi Adi town, but showed a less decisive pattern in rural Hintalo Wajirat.

[15] In Ghana, LEAP increased school enrolment among secondary school-aged children by 7% (mostly boys) and reduced grade repetition among both primary and secondary school-aged children. Among primary school-aged children LEAP also reduced absenteeism by 10% but did not affect enrolment, as this was already very high.

[16] The CGP in Lesotho “had a large impact on the proportion of children (aged 6-19) who are currently enrolled in school (5% overall). It also contributed to retaining children aged 13-17 in primary school, particularly boys who would have otherwise have dropped out (enrolment rates were 10% higher for this group)”. However, other dimensions of school progression were unaffected, stressing the severity of challenges with service supply in the education sector (OPM, 2014).

[17] Interestingly, in Malawi, questions on changes in negative coping strategies showed that “pulling children out of school in order to work for food or money falls by 37% as an impact of the transfer” (Covarrubias *et al*., 2011).

[18] For example, results from the Quantitative Impact Evaluation in Lesotho confirm that the CGP contributed to a highly significant 25.5% increase in the proportion of pupils who had both uniforms and shoes to go to school with (OPM, 2014).

Box 2 **Thabo: a child in a beneficiary household, Litjotjela Community Council, Leribe District, Lesotho**

Thabo is 13 years old and in grade 4 at primary school. He lives with both his parents and three brothers and sisters. Three of the four children in the family attend primary school, but the fourth, a baby girl, is still too young. He seems well-informed about the GCP his family is receiving, as his mother told him about the grant and its purpose. He explained that the money is to be used for school uniforms, clothes at home, food and maybe some "toys".

Thabo's parents sell snacks (fatcakes) at school to make a living. He sometimes works to help his parents with this, but only after school or on weekends. He also helps to fetch water and does chores when not in school, such as washing dishes. Thabo says his family has received the grant for a "long time." He explained how things have changed since they started to receive the payment: "before we sometimes did not wear shoes, we had very old torn uniforms. Now we have clean uniforms, we can change shoes (the school shoes he was wearing were indeed sturdy and in good condition), we eat meat and vegetables with pap". Now he has breakfast before school. Thabo also explained he has a new ball to play with. He says, "*Kese ke khona ho ja ke khore. Bopheto bo hantle*" [my life is fine because I can now afford to eat and my stomach is full]. Before, some children at school would talk about him, saying bad things about his torn uniform. He feels better now – for example, he never sleeps in class, and has improved to the #2 position in his class from being #10 previously. He is also going to be able to attend the school field trip to South Africa this year. Thabo confirms that now friends have also started to come home with him after school because they can get something to eat at his house too – whereas before, "my mother would sometimes have to ask neighbours to borrow maize meal".

Note: Names have been changed.

Evidence also pointed to the fact that increased retention in school implied reductions in child labouring activities, as some of the quantitative evidence from the PtoP study also shows (Asfaw *et al*., 2014; Covarrubias *et al*., 2014).[19] However, this is not always a direct and linear relationship; in Malawi, for instance, the qualitative study showed that while the SCT had enabled some households to reduce the amount of *ganyu* work their children were involved in, children might still take part in *ganyu* after school and on weekends instead of during school hours. A study on the productive impacts of the Malawi SCT Scheme (Covarrubias *et al*., 2014) also showed that, while there is evidence of reduction in child labour outside the household, the time freed seemed to be replaced with greater involvement in household tasks rather than increased leisure or study time – the SCT was also shown to lead to more child participation in family farm or non-farm business activities.

Nutrition and food consumption

> *"This means I can buy food when my children need it, not just when I have a bit of money from selling avocado."* Female beneficiary, Kangundo District, Kenya.

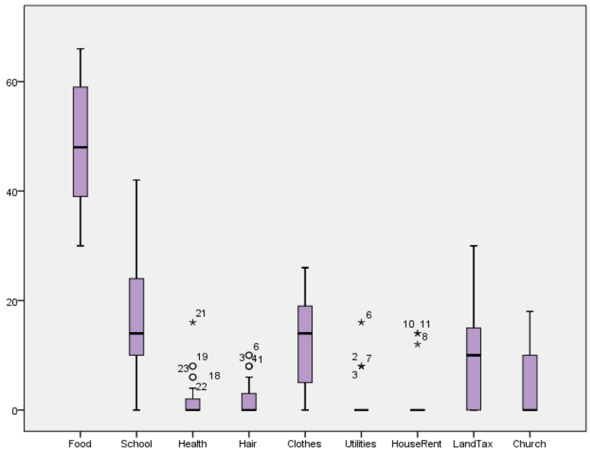
Unsurprisingly, given the poverty status of the intended beneficiaries, a large proportion of the CTs is spent on food. This was shown, for instance, in the participatory expenditure analysis undertaken in all countries in this study (see Figure 5 below for an example from Ethiopia) and supported by other quantitative evidence (see e.g. Berhane *et al*., 2014; Asfaw *et al*., 2012; OPM, 2014). While this limited the transformative potential of the CT in many cases, it did mean important impacts were found on food consumption and quality within the household, supporting the CT's role as a safety net.

[19] In Lesotho, on the other hand, "evidence of a reduction in the amount of time children were involved in work-related activities is limited" (OPM, 2014).

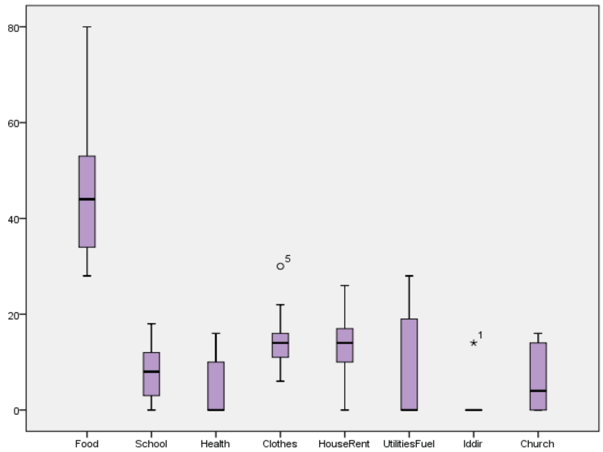
Figure 5 **Distribution of beneficiary household expenditure in Hintalo Wajirat and Abi Adi *woredas*, Ethiopia**

The research team asked beneficiaries[20] to estimate the distribution of their expenditure on different items. The recall period was the previous month, since the SCTPP transfer is distributed on a monthly basis. The results are presented visually here.

Beneficiary Household Expenditure, Hintalo Wajirat



Beneficiary Household Expenditure, Abi Adi



Overall, respondents in Hintalo Wajirat spent an average of 48% of their budgets on food, with school expenditures (16%) and clothes (including school uniforms at 13%) making up the other major consumption items. Regular and predictable CTs have provided a boost to beneficiaries' household economies, helping them to cover these key expenditures. There was negligible difference in food costs as a percentage of annual incomes between beneficiaries from the more remote Daerete (47%) and the more market-integrated Adi Keyih (49%). Health costs were almost completely absent (2%) from beneficiary household budgets, reflecting the access afforded by free primary health care for the poor in Ethiopia. Around half of respondents reported that land tax represented 17% of their annual spending. A small number of beneficiaries (3) from Adi Keyih indicated house rent and utilities (electricity and water) as annual expenditures, reflecting lower levels of asset ownership (houses and land) in Adi Keyih *vis-à-vis* Daerete. Church contributions were only mentioned by beneficiaries in Daerete and represented an average of 10% of annual expenditure.

In Abi Adi beneficiaries spent an average of 45% of their budget on food, with school costs (8%) and clothes, which include school uniforms (14%), making up the other major consumption items. Except for school costs – Abi Adi beneficiaries spent half the amount of beneficiaries from Hintalo Wajirat (8% vs 16%) – their main expenditures were similar to their counterparts in Hintalo Wajirat. The higher school costs as a proportion of total household budget borne by beneficiaries in Hintalo Wajirat reflect the limited availability of secondary schools in their *woreda*, which leads to additional costs (house rent, food, transport) to send children to secondary school. The school grant of 35 ETB (US$ 1.78) was widely considered to be insufficient to cover the considerable education costs in Hintalo Wajirat. The other main consumption expenditures for beneficiaries in Abi Adi were house rents (average 12%) and utilities (water, electricity, fuel – at 9%). As in Hintalo Wajirat, health costs (4%) were not a significant burden on beneficiaries and church contributions were almost 6%.

[20] In Hintalo Wajirat *woreda* the tool was applied in discussions with 23 beneficiaries across Daerete and Adi Keyih *kushets* (a sample of 9% of the total 262 beneficiaries in those *kushets*). In Abi Adi, the tool was facilitated with 23 beneficiaries from *kebele* 01 and *kebele* 02 *ketenes* (a sample of 4% of the total 621 beneficiaries in those *ketenes*). The data provided an overview of the range of incomes (not shown here) and expenditures among male and female beneficiaries in each context, and allowed the qualitative analysis to take into account the "average" experience while also interpreting and explaining differences in behaviour.

Generally, food consumption improved for all, with smoothed consumption of staples, and in some instances greater variety and higher quality items appearing in the diet between payment dates, suggesting improvements in nutritional status. This was not only linked to increased purchase of food, but also to increased self-production, as was best exemplified by garden plots in Lesotho.[21] "Dramatic" changes with respect to food were typically short-lived and centred around payment days, which beneficiaries reportedly perceived as "festive occasions". Beneficiaries in Kangundo District, Kenya, described how on payment day a quarter of a kilo of meat plus maize and beans were bought, and the family ate well. This was echoed in stories from shopkeepers and beneficiaries in all countries and by findings from the quantative components of the CT-OVC and CGP impact evaluations, which reported evidence of positive impacts on the quality of food consumption (Asfaw et al., 2012[22]; OPM, 2014).

The poorest households in the most food-insecure areas reported increasing the quantity but only a limited increase in quality or diversity of food, mostly in the short-term (consuming a larger amount or greater variety of staples, particularly in communities where food insecurity was more pronounced). Contextual factors mediated this, however, so that beneficiaries in less food-insecure and/or economically better-off areas reported eating more diverse diets, including more protein, vegetables and higher quality foods, as well as eating more meals per day – as the quotes below exemplify:

> *"Now we have more plantain in our fufu and eat vegetables such as kontomire and garden eggs as well as palm oil."* Female beneficiary, Dompoase, Central Region, Ghana.

> *"My children and I used to eat only once a day. Sometimes we would stay without food for days. Thanks to the cash transfer we now buy food and eat every day, twice."* Disabled male beneficiary, Abi Adi, Ethiopia.

In Ghana and Malawi, in the poorest households with the largest nutritional shortfall, the CT ensured survival for elderly and impoverished beneficiaries. For example, in a context of seasonal food insecurity in northern Ghana, because the CTs typically arrived in lump sums, beneficiaries were better able to buy grains in bulk for storage and draw on this during the hungry season. This was a vital survival mechanism, particularly for the elderly who were no longer able to work. In other contexts, a smaller but more frequent CT enabled beneficiaries to maintain a better diet with the same outcome. In Phalombe, Malawi, for instance, elderly female beneficiaries explained that as a result of the CT they had been able to increase the number of meals they ate per day (e.g. from one to two, or from two to three). This also had an effect of their self-esteem.

> *"I now feel proud as I have enough food again."* Female beneficiary, Mankhanamba, Phalombe, Malawi.

[21] The quantitative evaluation of the CGP shows that the frequency of harvest for the garden plot significantly increased in beneficiary households, while the self-production of maize also increased (OPM, 2014). In Kenya, a higher proportion of households was found to be consuming self-produced products as an impact of the CT-OVC (Asfaw *et al*., 2014).

[22] In Kenya, for example, significant impacts were found on consumption of animal products such as dairy and eggs, meat and fish, and on consumption of fruits (Asfaw *et al*., 2012).

This broadens understanding and adds contextual depth to the quantitative evidence from Ghana, which shows no impact on household consumption specifically (because of "lumpy" payments), but does show "dramatic improvements" in food security (Handa et al., 2014). Clearly, beneficiaries of the Ghana LEAP conveyed abundant experiences of eating better and more nutritious foods because of the CT – coping better, rather than simply surviving. The CGP in Lesotho was also found to have contributed to reducing the number of months during which households experienced extreme shortage of food by 1.5 months during the 12 months prior to the survey and this result is highly significant (OPM, 2014).

Box 3 Peace: an elderly beneficiary in Mankhanamba, Phalombe, Malawi

Peace is a widow, about 75 years old, living in Mankhanamba. Her household comprises ten members: herself; her elderly and disabled uncle; her eldest living child, Rose; and seven children (Rose's three children and four orphans, the children from her two eldest deceased sons). Only one orphan is attending primary school. The others refuse to attend, but they neither help on the family farm nor undertake other work. This is a problem. Peace was selected as a beneficiary about three years ago. After attending several community meetings, she and Rose were informed by the committee that she had been selected. Rose explained that they did not learn at the start of the meetings that cash was going to be provided; it was only once her mother was selected that they were told.

Although the cash does not come regularly, Peace and Rose recounted the importance it played in their lives and how the cash had made significant changes for the household. The most important change was having more food. Before, they had difficulty finding enough to eat, especially during the hungry season before harvests. Rose explained that she would resort to asking relatives for help, and doing *ganyu* to pay for food. Now, under the programme, they had food every day and were sometimes able to buy fish. Importantly, Rose said that she now did less *ganyu*. This left more time to work on the family farm of about six acres, which was planted mostly in maize and also in groundnut, soybean, pumpkin and sunflower. Other than sunflower, all that was harvested was used for feeding the household. As for inputs, she used only very small amounts of fertilizer, as they had not been selected for the government Farm Input Subsidy Programme. Rose had always hired some *ganyu* for certain tasks (e.g. weeding), and with the CT she was now able to hire more.

Rose and Peace had invested in house repairs, rebuilding the walls through payments for labour and materials. It was clear that Rose was very proud of managing this home improvement, pointing out the improved walls. The programme had also enabled the family to buy a goat for the first time. This was on the advice of the "volunteer" committee member, who visited regularly and who urged them to think about how to manage the household after the programme ended.

As representative and primary caretaker of her mother, all the decisions regarding the use of the CT were made by Rose, who also consulted with her aunt. The money was mostly spent quickly after payday on food, schooling expenses, and some on the house (including basic needs such as blankets and plates) – there was no saving. In addition, Rose firmly said that she would not buy on credit or take out loans, for fear of not being able to repay. Anyway, she said, people would refuse to lend to her; she had tried that once already.

Note: Names have been changed.

Purchasing other household goods that enhance well-being

> *"…now their [beneficiary children's] shoes and rags are replaced by good clothes… some houses were in bad shape and others collapsing and now they are improved."* Key informant, Owendo District, Kenya.

"Children used to use mosquito nets while others used to use hessian sacks for baling cotton as blankets, but now they use proper blankets to sleep under if the truth be told". Female beneficiary, Salima, Malawi

Across countries, beneficiaries used CT funds to purchase non-survival consumption items which had positive impacts on their well-being. For example, in Ghana and Ethiopia, adult beneficiaries, especially the elderly, used the transfers to purchase clothes and items of personal hygiene for adults, which helped them re-establish social ties and renew confidence – as they did not stand out as obviously poor. This allowed them to participate in certain aspects of their communities' social life, such as attending church and traditional festivities. As a female beneficiary explained in Abid Adi, Ethiopia: "*When we were dirty, other community members would ignore us; they did not greet us, but now they do".*

In Malawi, some beneficiaries were able to build houses or make significant improvements to their homes (see Box 3 above). In Kenya, home improvements were evidenced by reports of common purchases of basic household items – for example, mattresses, where previously people had been sleeping on the floor. In Kenya and Lesotho, where the CTs were focused on children, much emphasis was placed on spending to improve children's ability to appear and feel less poor – school clothes, new shoes, soap, paying for school trips. In Ethiopia, the ability to buy items of personal hygiene, such as soap or an additional set of clothes, was reported as enhancing beneficiaries' well-being, enabling them to re-establish social ties thanks to renewed confidence to interact with others without feeling ashamed.

Reduction in negative risk-coping strategies

"Hunger pushed me to do this [beg]. Since I started to receive the cash transfer I no longer have to. I feel happier. Before, when I was in the street, my neighbours would turn away fearing that I would ask them for food; now they greet me." Elderly beneficiary, Abi Adi, Ethiopia.

CTs generally provided beneficiaries with means to withdraw from or reduce their participation in negative coping strategies. These strategies included: begging;[23] prostitution; dropping out of school and absenteeism; distress sales of assets; reducing the number of meals consumed; and migration for work. For example, in Ghana's Northern Region, LEAP beneficiaries reduced family members' participation in *Kaaya-yei* (working as a head porter), which was particularly common among younger household caretakers and usually practised by young girls and boys who are typically sent south or to larger cities as transporters. This practice is generally viewed as a net-loss activity, and involves temporary or even longer-term migration, increasing vulnerabilities to households and to the specific caretaking individuals (e.g. ill health, unplanned pregnancy, deterioration of care for elderly and children, often resulting in poor school attendance and performance).

"I used to always go for Kaaya-yei [working as a head porter].... But since LEAP came, I don't go any more. My family had no source of livelihood. Now with LEAP I have a source of livelihood so I don't go.... If I go now... they will call me a prostitute." Female beneficiary, Northern Region, Ghana.

[23] Note: The quantitative evaluation in Malawi showed that begging for food or money was reduced by 14% in beneficiary households (Covarrubias *et al*., 2014).

In Kenya, beneficiaries reported that CTs helped to prevent girls marrying at a young age, a detrimental coping strategy used to ease the financial burden on their immediate family. In Ethiopia, the CT was mentioned as permitting more time to rest, as one beneficiary illustrated, the CT helped to reduce time spent on begging, giving more time to "rest". Overall, positive impacts were seen in many cases; however, constrained by operational issues around late or missed payments, some beneficiaries did revert to negative coping strategies.

Increased sense of hope but limited change in aversion to risk

> *"Before LEAP, they [the beneficiaries] looked miserable but [they now look] happier and hopeful."* Key informant, Central Region, Ghana.

Across countries, CTs produced only modest change in beneficiaries' risk aversion, but did increase their sense of hope for the future. The effect of the CT on risk aversion was mediated mostly by the asset base of individual households and the enabling environment found in their communities and within which they lived. Education, information and support, and individual character and motivation also play a role in combination with the CT in shaping how beneficiaries approach the future. One female beneficiary's story in Adi Adi, Ethiopia illustrates this convergence and the precarious balance many beneficiaries experience between exercising caution and making plans for future ventures (Box 4).

For the poorest recipients, however, transfers had limited to no impact on risk-taking and longer-term planning, with food, health and basic needs being spending priorities. The experience of Alice in Goromonzi District, Zimbabwe (Box 5), illustrates the commonly-experienced limitations across many contexts of a very small CT and a beneficiary household that is better able to survive due to the CT but still lacks the assets to "graduate" out of poverty.

Box 4 **Zufan: A widow's hopeful outlook towards the future, Abi Adi *woreda*, Ethiopia**

Zufan is 30 years old, a widow, living in a rented house in Abi Adi town with her elderly mother and three children (ages 14, 11, and 6 years), all of whom attend school. Education is of primary importance, she explains. She herself regrets that she was forced to leave school in grade five due to poverty, and says "*I am poor, but I want them capable of living a better life*." Her main source of income is the cash transfer and in addition she makes *tella,* which she has sold from the house since even before the programme. Despite receiving the transfer, she has not been able to increase her sales because more women are selling and competition has increased too much: *"people drink at their relatives first, I don't have any relatives."* When in need, she also collects and sometimes sells firewood. Her mother has a small plot of land (about one-half hectare) in the rural area, which is sharecropped (on a one-third harvest agreement). This contributes a small amount of grain to the relatively meager household food ration. Zufan estimates that the transfer more than doubles her current income; she confirms that it has been a tremendous boost to the household well-being. Most of the cash is spent on buying more food (quantity, but not diversity) – allowing for three, rather than one or sometimes two, meals of *injera* daily – and on school materials. With more food, she sees a noticeable change in the children's behaviour; they are less tired so they are attending class more regularly, and fighting less. She is now also able to make various contributions (e.g. Tigray People's Liberation Front (TPLF) party membership, her mother's land tax, the church and national holiday events), all of which are eminently important in the community, she explains. Before the programme, she could only manage offerings to the church, which are binding according to her beliefs. In difficult times, she says she tries to cope and solve problems herself (e.g. selling wood or using traditional medicine rather than paying hospital fees/medicines), and she does not want to turn to others to ask for assistance: "*I do not want to ask others for help, most have more problems than me; at least I can work*." However, she says, "*I am alone*." But taking credit is another matter. She has been accessing credit from two shopkeepers since before the programme, and has now added a third, all of whom are *tella* customers. With these loans, she purchases food items, such as grain (e.g. barley), coffee, sugar, pepper and salt, but can save nothing. She has increased the amount of her credit (perhaps doubling it) since the programme began, up to about 140 ETB at any given time, and repays these debts as quickly as she can, typically within two weeks. She knows she could ask for more credit, but since her income is uncertain and the *tella* market is unsure, she remains hesitant and budgets accordingly. Her great hope, she says, is that "*I would like to start a restaurant-tea house*." She has asked the Debit Savings and Credit Institution (DESCI) for a loan for this venture but was denied, due to lack of collateral, and she does not have the guarantee of a group, nor can she join any various saving groups. She does not feel defeated, however, saying: "***I now feel I can change my life****; I can make a restaurant, even if my tella sales are less*." Zufan's sense of hope is clear, not only for her own household's well-being, but for others as well: "***I have a plan to get credit for my restaurant; then others can be on the programme instead of me***." Much needed guidance and direction in realizing her dreams are lacking, however; for example, she does not recall ever receiving a Community Care Coalition (CCC) or social worker visit. As she explains, "*I need advice and support to change my life. If I have money, I will think better and engage in business that could allow me to help other poor people."*

Note: Names have been changed.

Box 5 **Alice: Beneficiary livelihoods in Ward 11, Goromonzi District, Zimbabwe**

Alice is a 37-year-old, female-headed household beneficiary of the HSCTP, receiving US$ 50, bi-monthly. She lives in Ward 21, Great Bromley Ward of Goromonzi District, with the ten children she cares for: four who are her own, two orphans of her deceased brother, two children of her sister – who has since left the locality – and two from her father's household.

Alice does not have access to farmland, as she is relatively new to the area, having migrated initially to join her former husband from whom she has now separated. She engages in casual labour, such as seasonal farm work or thatching roofs, to earn income, spent mostly on food and paying school fees for the nine children attending primary school.

Alice says the meagre income and the CT combined is hardly sufficient to make ends meet, but she manages as best she can. With few people to turn to, she does have some reliable support networks, however, including both a former employer living nearby, for whom she once worked as domestic help, and who continues to support her through occasional household and child support, including in emergencies. She also relies on members of the Child Protection Committee (CPC), who have provided invaluable support in offering guidance, counseling regarding the use of the CT, and continuous moral support during frequent household visits.

Despite the insufficiency of the CT, Alice confirms it has improved the well-being of the household, notably by providing more food and more diverse foods to eat. They now eat three meals a day rather than two, and include rice and sugar more often in their diet. She also now pays school fees. Only three children were able to attend school before the CT; now she is able to pay for six more children to attend. She is also now able to purchase bathing soap and clothing more frequently.

Previously, before the CT, she was barely coping, and was forced to sell assets such as her chickens. She would like to revive poultry production activities to earn money, and has been planning on this since the CT programme started, but still lacks adequate start-up capital. She refuses categorically to buy on credit, because debts cause her too much stress and worry concerning repayment. She is averse to assuming too much risk right now, as she feels she still needs cash for meeting immediate, pressing needs. Going to the nearby market in Surrey wearing proper clothes gives her dignity and more confidence, she explains, and now people come to visit her more often than before.

The CT has given her a sense of relief, she says, she now feels less desperate. With assurance that the CT will arrive, *"ikozvino ndava kurara zvakanaka."* ["now I sleep better."]

Note: Names have been changed.

However, even for the poorest beneficiaries, the elderly and chronically ill caretakers, the CTs did provide a source of hope and could provide a sense of security for the future:

> *"The money has helped me a lot, a lot! It is my only source of hope!"* 80-year-old caretaker of three CT-OVC beneficiaries, Machakos District, Kenya.
>
> *"Now I sleep better."* Female beneficiary, Goromonzi District, Zimbabwe.

Even in instances where CT beneficiaries were still living hand to mouth, the CTs often significantly improved their well-being and provided a degree of resilience by giving beneficiaries the sense that they had a safety net which would at least prevent things from becoming worse. The impact evaluation in Ghana went to the point of measuring this change in attitudes, showing a 16 percent increase in household heads who feel happy about their life, especially among female-headed and smaller households (Handa *et al.*, 2014). In households where there was less pressure to spend on food, health and basic needs, and where the transfer was regularly and reliably paid, beneficiaries did engage in limited, prudent risk-taking, such as the purchase of livestock or goods for sale. Qualitative work in Ghana confirms these findings, even among the poorest beneficiaries. In Agona Abrim, Central Region, for example, beneficiaries explained that they now had something to look forward to and a sense of hope, linked to a longer-term perspective. They went on to explain how the LEAP entitlement had increased their sense of self-worth and self-respect due to being better clothed, fed and able to "mingle."

Regularity of payment also influences beneficiary behaviour. When payments are highly irregular and uncertain, planning is more difficult, although not always ruled out in households with sufficient labour and other assets to use those payments more strategically. This is shown in the case of Patrick and James, two beneficiaries and former commercial labourers from Gormonzi, Zimbabwe: both expressed confidence, somewhat surprisingly given highly irregular payments, in receiving future CT payments. Both had even developed plans to build their own houses. They hesitated to begin these ventures too soon, however – acting with caution and opting to invest only in what they felt sure of, given their current limited resource base.

In sum, in contexts where the transfer had a specific purpose or was targeted to those who were unlikely or unable to take up new behaviours, attitudes towards risk aversion remained largely unchanged, at least for the short term. A beneficiary in Leribe District, Lesotho, typifies the approach of many CT beneficiaries to risk and diversified livelihoods: "… we are mainly concentrating on children – we are the same people doing the same things and the only change is our children."

4.2.3 Household livelihood strategies

The pre-CT livelihood strategies of beneficiary households varied widely across countries, districts, and communities. In addition to positive impacts on beneficiary well-being, the research explored impacts of the CTs on livelihood investment and diversification in agricultural and off-farm activities. These impacts can be considered more transformative – i.e. moving beyond simply protecting the poorest to enabling moves out of poverty.

Agricultural activities and inputs

Across countries, land-holding beneficiaries reported being able to hire labourers to work and increase the productivity of their land. CTs were most effective at improving agricultural productivity and increasing spending on agricultural inputs in communities where the primary constraint was working capital to buy inputs, not land availability. This could be observed for beneficiaries in Ghana. One beneficiary in a focus group of LEAP beneficiaries in Ghana's Northern Region explained: "In one way or the other, each of us is able to either hire an additional labourer or acquire other farm inputs such as fertilizer and chemicals." Similarly, in Owendo District, Kenya, in the context of a dynamic enabling economy underpinned by smallholder sugar cane production, there was evidence that the CT was being used as leverage to enable households to build assets as well as to hire labour – enabling them to broaden or initiate productive activities in sugar cane cash cropping, which had been an existing opportunity that many beneficiaries could now access.[24] However, some beneficiaries who had available land but were labour-constrained found the CT amount insufficient to hire labour, or were constrained by

[24] Interestingly, while the quantitative evidence from Kenya did not show any clear impact of the CT on productive activities, it did show that households receiving the CT "consumed significantly more cereals, animal products (meat and dairy) and other foods out of own production, as compared to control households". This was particularly true for both smaller and female-headed households (Asfaw *et al*., 2012).

gender norms (men often found it easier to hire labourers than women, although not in all cases). In Lesotho, spending on productive investments was limited because of the "soft conditionality" attached to the money, which was perceived to be solely for the benefit of the children.[25] Across countries, even where land was available, farming was still perceived as risky because of unpredictable weather patterns.

Overall, investment in agricultural inputs remained lowest where land was not available and spending on basic needs was a priority – typically among the most asset-poor households – despite increased household income and cash liquidity from the CT. In these cases, agricultural spending was concentrated on meeting the household's basic needs rather than on investment (for example, buying chickens for eggs to consume rather than for sale in the case of Kenya CT-OVC beneficiaries) and agricultural activities were primarily focused on subsistence. For example, in less rural Zimbabwe, where land was not readily available, spending on seeds and fertilizer remained low. Beneficiaries explained that their priority is to eat better and keep children in school; combined with a scarcity of fertile land and poor climatic conditions, this means that spending on agricultural inputs could not be a priority for them. Although vulnerable beneficiary households in Malawi reported finding it difficult to buy the desired quantities of agricultural inputs, some beneficiaries in Phalombe District did consider it a major area of investment, and were even able to diversify into seeds of crops they had not previously grown, including sunflower, groundnut and tobacco. Generally, the type of agricultural spending was context- and household-specific (e.g. tools vs labour vs grazing animals vs fertilizer) and largely dependent on the type and amount of land available and the labour resources within the household. For example, in Dompoase, Ghana, a discussion with a female beneficiary (a caretaker of four OVCs) with a relatively higher asset base and some household labour, revealed how LEAP had allowed her to hire more labour, buy farming inputs (e.g. machetes, insecticide spray) and expand farm size. This was in addition to using the transfer to start a small trading business. These results generally correspond with findings from the quantitative impact evaluations, where some impact was seen on purchase of assets and inputs (mostly pesticides and fertilizer), but not systematically within or across countries (OPM, 2014; Asfaw *et al.*, 2012; Covarrubias *et al.*, 2011).[26]

CTs affected tenure arrangements for beneficiaries who already held land de facto or who owned land, by allowing them to reduce the amount of land they sharecropped out, as was the case particularly in Ethiopia. This corresponds with findings from the quantitative midline evaluation showing that, in Hintalo Wajirat, an increasing number of SCTPP beneficiaries were operating their own holdings rather than sharecropping them out.[27] Increased use of beneficiaries' own land was found in the majority of country case studies – notably Ethiopia, Ghana, Kenya and Malawi. This trend also coincides with increased long-term investments in land improvements, such as stone terracing, soil bunds and land levelling, which are also found in other similar research (Berhane *et al.*, 2014). These beneficiaries are typically not of the poorest wealth

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[25] *"The money is intended for the poor and orphans, and it is for them to improve their lives. It is not right to invest the money in agriculture. It is not allowed. CGP is intended for the children*." Chief, KII, Mafeteng District, Lesotho.

[26] In Kenya, results actually showed some negative impacts on agricultural input expenditure (Asfaw *et al*., 2014), while in Malawi ownership of agricultural assets increased by 16% for hoes, 32% for axes and 30 % for sickles (Covarrubias *et al*., 2011).

[27] In 2012, before they started receiving benefits, most beneficiaries (77%) sharecropped out their land. In 2013, by contrast, after they had started to receive SCTPP payments, this proportion dropped to 57%. The share of SCTPP beneficiaries operating their own land rose from 20% to 33% (Berhane *et al*., 2014).

category.[28] Despite evidence of investment across countries, the amount of the CT was insufficient to push beneficiaries into the landlord wealth category or significantly change land tenure agreements.

Investment in small livestock was prevalent among beneficiaries in some contexts, but sometimes limited to those beneficiaries who had available land (such as those in Goromonzi District, Zimbabwe, and certain areas within Kangundo District in Kenya[29]), and where proportional spending on agricultural inputs such as fertilizer, seeds and labour was comparatively higher. In Ghana, in some instances where there was less pressure to spend the LEAP transfer on food, basic needs or health costs, beneficiaries reported diversifying their income by investing in improving and widening the range of agricultural strategies. In Dalung Community in the Northern Region, some beneficiaries were able to buy animals (goats, guinea fowl, etc.) as part of a higher risk investment and diversification strategy. One such beneficiary explained that, "We already fed before LEAP no matter the condition", but said that the transfer had eased the excessive pressure of meeting the other basic expenditures, aside from food consumption, at the household level. In Malawi, households were encouraged by the local Community Social Support Committee (CSSC) to invest in livestock as a way of building up a stock of assets that could be drawn upon in time of need and used as sustainable sources of income following programme closure. A significant number had done so; several beneficiaries reported having bought chickens or goats, while one had bought pigs. The SCT made it easier for households to make these investments. This positive outcome had been driven in part by the uncertainty about how long the CTs would continue, which motivated households to make the investment. Most respondents who had invested in livestock had the intention of letting them reproduce, and then selling in time of need, rather than using them to provide regular income such as from the sale of milk or eggs. One successful beneficiary displayed his achievements by pointing to his corral where he had begun with one goat and had reached a total of ten before selling one to obtain cash in order to pay school fees.

Labour

With regards to the labour practices of beneficiaries, casual labour was an important income source for asset-poor households across countries. CTs generally enabled beneficiaries to reduce their engagement in casual labour (especially distress sale of labour) and use their time differently – notably, for many of those with land, to work productively on their own farms. The degree of impact varied, depending on the income-generating options available, the household's wealth category and asset base, attitudes towards and ease of availability of casual labour, and the perceived purpose of the CT.

In Kenya, for example, the CT-OVC allowed some households to withdraw from or reduce their time in casual labour, limiting their distress sale of labour, with the poorest beneficiaries now able to use their time more "purposively" towards supporting OVCs in their care and – as many

[28] Female-headed households in Ethiopia were an exception to this. Contractual arrangements favoured the party who sharecrops in, with 1/3 of crop production allocated to the landowner and 2/3 to the party who sharecrops in. People sharecropping in did not prioritize ploughing the plots (cultural taboos restrict women from ploughing the land themselves), and productivity was low.

[29] It should be noted that the impact evaluation of the CT-OVC does report "large and significant effects on the share of households owning small animals", especially for smaller households and female-headed households (Asfaw *et al*., 2012). Similar results were also reported in Malawi, where goat and chicken ownership increased 52% and 59%, respectively, as a result of the transfer (Covarrubias *et al*., 2011).

cited – working more on their own family farms.[30] This was perceived to be extremely positive. Casual labour remained an important coping strategy when, for instance, the CT was late or at times of year when households ran low on food. However, there was a sense that beneficiaries had more "choice" about when to undertake labouring activities, particularly outside the lean agricultural season. Beneficiaries in Malawi reported that they and, in particular, children were performing less casual labour, or *ganyu: "I used to be a slave to ganyu but now I'm a bit free"* (Female beneficiary, Mankhanamba, Phalombe). In fact, now some were able to hire in labourers, creating a virtuous circle. However, for many adult beneficiaries, *ganyu* was still considered "a necessary evil". It was a main strategy for earning income before the CT and continued to be so afterwards in both connected and remote locations. Among beneficiaries in Lesotho, casual work, known as *scoropo*, was also one of the main livelihood strategies, with agriculture-related casual work (e.g. weeding and harvesting) considered the domain of women. Beneficiaries in the Lesotho study research generally did not reduce the amount of *scoropo* they did, as the transfer was "for children", or "not enough", or only came "after time".[31] Beneficiary households in Goromonzi District, Zimbabwe – where beneficiary households had relatively more assets, higher aggregate incomes, larger areas of productive land to grow and sell cash crops, more livestock, and more favourable soil and climatic conditions than in Chivi District – were able to reduce their reliance on casual labour. In Chivi District, however, beneficiary households with able-bodied household members continued to rely on casual labour (*maricho*) to supplement their household income, with an upper quartile of 20 percent of household income derived from casual labour. Interestingly, for female beneficiaries in Abi Adi Town, Ethiopia, casual wage labour represented an improved livelihood option; some reported working as cooks or cleaners because the transfer freed up their time from searching or begging for food. In Lesotho, casual or piecework was not reduced, but it was also not seen as something only poor people engage in.

Off-farm activities

Participation in off-farm activities was highly variable across communities and strongly determined by existing economic environments and beneficiaries' options (for example, petty trading vs fishing vs tourism industry). In Ghana, petty trading became common among beneficiaries, due in part to the low start-up cost, and beneficiaries with a stronger asset base engaged in more ambitious livelihood diversification strategies. In Ethiopia, the booming rural town of Adi Abi provided opportunities for increased economic activity, including trade and services. Petty trading activities often provided a small boost to overall household income. In some countries, the CT messaging limited livelihood diversification, however, and prioritized basic household needs and education. In Zimbabwe, the CTs targeted labour-constrained households with high priority placed on spending for food, so they were unlikely or unable to invest in diversified livelihood activities. In Lesotho, where beneficiaries had a sense that the transfer was intended first and foremost for food and education needs of children, there was the least reporting of uptake of new livelihood strategies, as most of the transfer went towards these costs. In Kenya, by contrast, there was a considerable degree of livelihood diversification, including petty businesses, such as selling farm produce and small food items.

Investments in off-farm activities were highest where the enabling environment and available markets already existed. For example, in southern Ghana, beneficiaries had greater opportunities

[30] Corroborated with findings from Asfaw *et al*. (2014).
[31] Note, however, that the quantitative evaluation of the CGP did find some evidence of a reduction in the intensity of adult participation in paid occasional and irregular work, particularly piecework jobs (OPM, 2014).

for off-farm diversification through fishing, small-scale mining and timber logging, while those in northern Ghana had fewer opportunities due to poor infrastructural development and limited access to markets. In addition, diversification was lowest among the poorest beneficiaries who faced the most labour and resource constraints, and were food-poor.

In Ghana, a significant number of beneficiary households were able to use the LEAP transfer as a contribution to working capital for income-earning activity, with the size of that activity depending on the household asset base. A common form of increased investment among beneficiary households was in petty trading, which featured ease of entry through small start-up costs but had low profit margins. Petty trading involved small amounts of kerosene, household items and – notably for women – sales of cooked food. This was the case, for instance, in Tali Community in the Northern Region, as one female beneficiary says: *"some of the beneficiaries have started small businesses. They have put up temporary tables where they sell sweets, biscuits, matches, etc. Others also fry koshe and kulikuli and they sell them in the market on the road."* For female beneficiaries of the Kenya CT-OVC, the transfer helped many women in particular participate in "merry-go-rounds" (micro-credit saving groups), which enabled them to develop income-generating activities such as petty businesses selling household goods. Women were innovative in the use of these savings groups – for instance, accumulating items such as sugar, cooking fat, and rice that were distributed in rotation, and engaging in "grain banking" to save and then sell produce when prices were high. In a less typical case from Owendo District in Kenya, four female beneficiaries grouped together to develop a motorcycle taxi business. Although operating as a group enterprise, each of the women bought a motorcycle and hired a young driver, who gave a minimum daily profit of 300 KSh to the owner (the rest he could keep as earnings). The motorcycle taxi business was reportedly thriving.

Engagement in riskier, higher-value activities was also in evidence in Kenya, in activities such as cereal (grain) banking and sale of crops, sale of cooked food, hiring out cows for ploughing and cooperation through labour groups and through leasing farmland to produce maize and other subsistence crops. In Abi Adi, Ethiopia, the SCTPP transfer helped some women beneficiaries to open or scale up their existing businesses, such as *tella* brewing, sale of vegetables or grain, or cotton yarn-making. In Malawi, the investment of household income in small businesses was quite widespread among beneficiaries, particularly in well-connected areas. Female beneficiaries who live in the zone adjacent to the trading centre of a community called Siysiya reported selling boiled maize, doughnuts and pancakes, and also brewing beer. One had started a business of offering small loans, to be repaid with a little interest. A focus group with male beneficiaries in a nearby zone revealed that several of them, too, had small businesses, selling firewood and making and selling brooms and mats. Such activities were non-existent, however, among both beneficiaries and non-beneficiaries in poorly connected areas. In Zimbabwe, there was a higher reported incidence of investments oriented towards higher productivity and diversified livelihoods in relatively resource-rich and climatically favourable Goromonzi, where some beneficiaries reported purchasing goats and broilers, buying milk for resale and improving poultry production. Beneficiaries in Lesotho generally did not use the CTs to invest in off-farm activities, focusing instead on using them to improve the well-being of children within the household. Overall, across countries the research provided evidence that CTs can and do encourage incipient income-generating activities under the right circumstances, activities which in turn have the potential to stimulate livelihood improvements and promote financial gain.

4.2.4 Household livelihood strategies

An extensive amount of literature exists on CTs and gender relations. This research has built a body of evidence demonstrating the impacts of putting cash directly into the hands of women – impacts on their ability to reduce risky coping strategies[32] and to spend in ways that improve household welfare.[33] Beyond practical welfare improvements, CTs can also have a more strategic or empowering effect on women. In Mexico's *Progresa/Oportunidades* programme, CTs strengthened women's decision-making role in household expenditures, financial security, self-esteem and social status.[34] In Brazil's *Bolsa Familia* programme, the CTs increased women's labour market participation.[35] In other contexts, where women did not gain more influence over overall resource allocation decisions, their household bargaining position, along with their level of respect, was at least strengthened more generally as a result of receiving the CTs.[36]

Across countries in this study – in both matrilineal and patrilineal contexts – CTs did not significantly transform strategic gendered household decision-making processes, but conformed to existing gender norms,[37] as reflected in the example from Kenya in Box 6 below. In Ghana, for example, gendered household decision-making processes did not change significantly with the introduction of LEAP. However, because the LEAP transfer targeting mechanism skews financial flows towards women-headed households, it had the net effect of increasing women's access to and control over resources, especially women who invested in agriculture and income-generating activities. Where women themselves controlled income and profits, and made independent decisions over the use of such income, there was a potential for increasing empowerment in the long run. An example of this can be found in the case of Mary Aluko, a 48-year-old CT-OVC recipient interviewed in Owendo District, Kenya, who is the caretaker for 18 children. She managed to use the transfer to pay for education fees, feed the children and also make significant agricultural investments. She purchased cows for ploughing and milking, goats, chicken, high-yield seedlings and fertilizer. The transfer also allowed her to participate in two merry-go-round savings groups for women in business, and a microcredit group which provides access to agricultural extension workers. The case in Kenya exemplifies how the nature of the CT targeting among all case studies created opportunities for women to make independent household economic decisions. Nevertheless, in all cases, cultural beliefs regarding male power and authority prevailed.

In some instances, such as in Lesotho, gender relations within the household were not particularly changed, but the transfer did increase the voice of children in household decision-making. The CGP promoted children's awareness of rights and entitlements, and the Ministry of Social Development very effectively sensitized adults and children to the purpose of the transfer. A female CGP beneficiary in Leribe District reported that, "Children nowadays go to the legal guardian [or grandmother] and say I want one, two, three, etc., and the legal guardians or grandmother make decisions along with the child."

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[32] See Schubert, B. and M. Huijbregts (2006).
[33] See Arnold, C. with T. Conway and M. Greenslade (2011), op cit p. 40.
[34] See World Bank (2008).
[35] See Veras, F., R. Ribas and R. Osorio (2007).
[36] See Wallace, T. and J. Chapman (2011).
[37] It should be noted that none of the CTs studied had explicit objectives to address strategic gender norms.

While the CTs in the countries studied did not have explicit objectives regarding transforming structural gender norms, and so the lack of impact might not be surprising, CTs that target OVCs went to a particularly large proportion of female-headed households, and those transfers increased these women's access to and control over resources in contexts where women already had some say in household spending decisions. Cumulative findings from global research on CT impacts suggests that transfers given to female recipients are more likely to be spent on meeting household needs and lead to positive outcomes for those within the household.

Box 6 Gender differences in access to and control over household resources in Kenya

The Kenya case study found little evidence of the CT-OVC transfer being associated with one household member, T; his research confirmed that, in many instances, women controlled decisions on investing or spending the cash. This is particularly significant in the Kenya CT-OVC context, where a high proportion of beneficiaries are female widows. During the research, FGDs with female beneficiaries in both regions confirmed that in households that were de facto headed by women, spending was prioritized first on welfare and human development and only then on livelihood diversification/investment if possible. There were also instances reported of older OVCs having a say in how the money was spent for their education. Furthermore, there were plenty of examples, elicited through FGDs using household income and expenditure analysis and livelihoods analysis, of income-generating projects in which women controlled finances.

Where women were living in a male-headed household, however, discussions about control over financial decision-making must be interpreted with the prevailing patriarchal culture in mind. This was particularly the case for the Luo communities in Owendo District, less so for the Kamba communities in Kangundo. In Owendo District particularly, male relatives within a deceased man's family make significant decisions for a widow. In Owendo District, also, where there was widespread use of the CT-OVC for investment in livestock (see discussion below) we know that Luo woman have no control over the sale of livestock. In Kangundo District, on the other hand, women might by necessity have become decision-makers when men died and the women returned to their parents, or when men were absent due to migration. Hence, unsurprisingly, the research confirmed that the CTs had not transformed gender relations in household decision-making, which was rooted in deep, structural patriarchal norms in the societies under study. Yet the nature of the CT targeting had created some opportunities for women to make independent household economic decisions. When the transfer was targeted at predominantly female caregivers, it had the net effect of increasing women's access to and control over resources. This was particularly the case for female widows, for whom the CT could enhance the ability to make independent decisions and to engage in income-generating activities. Nevertheless, widows still live in cultures underpinned by male power and authority.

Gender norms strongly influenced the types of livelihoods and savings activities for which beneficiaries used the CT funds. For example, in Ethiopia, female-headed beneficiary households in rural areas are typically either landless or, if they do own land, they are faced with gender-based constraints that further hinder their ability to achieve sufficient levels of agricultural productivity. Certain types of savings groups had female membership only, while men contributed to agriculture and labour groups instead. Some CTs – particularly those targeting vulnerable children – emphasized norms around women as primary caretakers and men as caretakers of last resort, thus reinforcing traditional gender norms.

In some communities, the impacts from CTs on some aspects of improved well-being were achieved more cost effectively by male beneficiaries doing the actual work than females. In Malawi, where the CT was often used to construct or renovate homes, both men and women considered that men would be able to complete housing renovations at a lower cost than women because they could more easily mould their own bricks, and only had to hire labour for the roof. One group of female beneficiaries not only said that they would have to hire labour for the walls as well, but that they risked being charged a high price if builders knew that they were widows without alternative male support, and that they would therefore have no option but to pay. However, it was also found in Malawi that female beneficiaries, particularly widows, are commonly the primary decision-makers regarding the use of the CT – e g. on important decisions such as renovations – and need not consult other male relatives, which is often the case elsewhere.

4.3. Local Economy

Overview: Local Economy
Hypothesis: *The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.* **Evidence**: This was *partially confirmed*. Across case studies there were marginal positive effects on economic exchanges in local markets, although the aggregate injection of capital from the CTs was too small to have a significant impact on the local economy. The economic effect was most evident around payment days, and in more moderate, sustained ways between payments, as beneficiaries were able to consume more goods from local markets. However, CTs did not create markets where they did not exist before.

4.3.1 Trading activities

Evidence from across the six country case studies showed that the transfer intensified economic exchange in local markets and provided a marginal boost to local businesses.[38] This was especially the case on payment day, when impromptu vending of food and other goods was widely described, as well as overall increases in sales. For example, in the market-accessible community of Adi Kehiy in Hintalo Wajirat *woreda*, Ethiopia, a number of shopkeepers said that beneficiaries usually purchased 1/3 kilo of sugar and 1/3 kilo of coffee after collecting the transfer. This finding is confirmed by accompanying research conducted under the FAO PtoP project using the Local Economy-wide Impact Evaluation (LEWIE) model,[39] where it was found that each Birr transferred can generate 1.84 ETB (US$ 0.09) and 1.26 ETB (US$ 0.06) of real total income for SCTPP-receiving areas of rural Hintalo Wajirat and urban Abi Adi, respectively (Kagin *et al.*, 2013). Similar quantitative results were also found in Ghana[40] (Thorne *et al.*, 2014).

Overall, impact on the local market was proportionate to the size of the CT and aggregate amount relative to the size of the community and local market. Beneficiaries generally

[38] While these effects were mostly on local markets, in Lesotho this pattern was different due to a programme mishap: the CGP payment dates were missed, so beneficiaries received much larger lump sums. Consequently, they were more likely to purchase more of their needs from large towns (rather than from markets in their own communities) because the proportional cost of transport was reduced significantly. One lesson learned from this could be that, in communities with large competing markets nearby, regular dispersal of the transfer may be an important determining factor of whether beneficiaries spend their transfer funds in their own communities.
[39] See also: Taylor, J.E. (2013); Taylor, J.E. and M. Filipski (2014).
[40] In Ghana, the LEWIE evaluation shows that each Cedi transferred to a LEAP household potentially generates Ghana Cedis 2.50 of total income (with a 90 percent confidence interval of 2.38 to 2.65).

represented too small a proportion of the community population for the CTs – which are of relatively modest value – to create significant, long-term changes to the local economy. For example, in the small local economy of Dompoase in Komenda District, Central Region, Ghana, KIIs with local traders, beneficiaries and non-beneficiaries confirmed that trading activity had noticeably increased due to LEAP transfers, with beneficiaries buying more in the local shops, and even buying prepared foods (previously considered a luxury), particularly after payment day. In the comparatively larger and more economically active market town of Agona Abrim (also in Komenda District), however, the LEAP transfer was widely perceived to have had a negligible impact on the local economy. Similarly, the size and volume of trading activities determined the size of the impact of the CT. For example, shopkeepers in large shops around trading centres in Zimbabwe were not even aware of when the beneficiaries were paid, because beneficiaries were a small proportion of the overall local population and customer base.

Moreover, adequate infrastructure (primarily access to paved roads), thriving markets, and ease of access to markets influenced beneficiaries' decisions to engage with local markets. For example, paving of the Mekele-Abi Adi-Adwa road in Abi Adi *woreda* increased access to markets in Ethiopia, as did the recent arrival of a new market nearby in Dalung community in Tolon Kumbungu District, Northern Region, Ghana. According to beneficiaries, this new market provided an opportunity to invest in and expand businesses, including food preparation and processing of rice and shea butter. This example demonstrates the potential for improving beneficiary economic conditions through a combination of complementary local economy effects and direct support from the LEAP transfer, which could provide the necessary capital for those households that do not need to divert their entire CT to welfare spending and for whom start-up capital is the main constraint to economic activity. However, poorer beneficiaries, unsurprisingly, were less likely to have access to the market and to use the CT as a means to enter trade and exchange. For this reason, in communities where the majority of people are highly vulnerable and poor, fewer market impacts were seen and even the comparatively smaller, more remote markets remained small and remote with few noticeable changes.

4.3.2 Diversification of goods

In the six study countries there was some evidence of diversified goods on offer in local markets, and evidence of more bulk purchases of goods, although this was mostly in the days around payment dates. For example, in Kangundo District, Eastern Province, Kenya, beneficiaries and shopkeepers reported an increased range of goods on offer and increased volumes of purchase. This included new household items such as higher quality mattresses, cooking pots and better building materials. In all research communities in Malawi, on the day the CT was paid, and for a few days afterwards, beneficiaries bought a wider variety of foodstuffs than was normally the case. This might include eggs, meat, fish, beans, sugar or tomatoes. Similarly, in all communities in Ghana, CT beneficiaries were able to purchase goods that they normally might not buy, such as eggs or other proteins (fish, meat), "magi cube for sauce," cooking oil and tea, all of which were already available in existing markets. Comparatively, in Lesotho, diversification mostly implied different brands of maize meal as well as larger quantities (bulk of 50kg rather than 25kg) - implying savings - and other household products (hardware, paraffin lamps). One informant shopkeeper mentioned she bought these new items at the special request of beneficiaries through "advance purchase orders" for upcoming paydays, while in Ethiopia, one shopkeeper actively patronized by beneficiaries in Adi Abi simply "stocked up" before payday as he knew their purchase items would typically include coffee, sugar and oil.

Price changes

In most instances, prices in local markets were determined by relatively equal fixed profit margins among local traders and shop owners, taking into account costs of inputs and transportation. Increases in prices were attributed to external factors (fuel prices, weather patterns, wholesale prices) more than to the CTs. In some cases the entrance of beneficiaries into the market as traders resulted in a reported decrease in local produce prices. For example, in Kenya, the CT was used by several women in Ngolei trading centre in Kangundo District to set up as roadside petty traders (*soca yamuda*), or even as market traders, with some reporting of lowered prices. In most country contexts, however, it was reported that female beneficiaries were entering petty trade activities with no recognizable price change impacts. In Lesotho, shop owners in Leribe and Mafeteng Districts held sales around payment dates, hoping to get more customers into their shops. Overall, there were only very rare cases of opportunistic price changes. A shopkeeper in Gormonzi District, Zimbabwe, explained this decision, stating, "If we increase prices opportunistically we will chase our customers away." Across countries, there was no evidence of increased prices, as vendors did not want to risk alienating the majority of customers to take advantage of a benefit received by the minority, and possibly driving them to competitors. As a market trader in Tali, Ghana reported:

> *"We cannot increase our prices because of these few beneficiaries… how about those who are not beneficiaries, how can they afford?"*

4.3.3 Creditworthiness and indebtedness

> *"Before LEAP, if you faced a problem… you couldn't go to your friend or neighbour to borrow. The lender would typically ask: 'what would you pay me back with?'"* Elderly female beneficiary, Tolon Kumbugu District, Ghana.

An important and pervasive impact of the CT programmes was that beneficiaries were perceived as more creditworthy, though risk aversion limited the extent to which they accessed credit. Where CT payments were predictable and regular, there was an unequivocal message from beneficiaries in all study areas that their newly acquired creditworthiness was highly valued, helping them to smooth consumption throughout the month and gain overall confidence. In Lesotho, for example, credit also allowed beneficiaries to reduce borrowing from extended family members. A female non-beneficiary in the relatively remote community of Malakeng, in high-poverty Mafeteng District, commented, "I am very happy my father-in-law is getting the grant, which means I no longer have to support his family and am no longer burdened."

In many cases, beneficiaries expressed that they felt more confident and safer to borrow money or purchase food and household items from local venders on credit. In Central Region communities in Ghana, for example, local shopkeepers confirmed that they would now be willing to extend goods on credit to LEAP beneficiaries whereas previously they would not. Shopkeepers and market stallholders widely stated that CT-OVC beneficiaries in Kenya were seen as creditworthy. Shopkeepers in Lesotho reported that they were willing to give credit to beneficiaries for a maximum of one month, because they felt pity for beneficiaries, who would otherwise be without food or necessary household items. In Chivi District, Zimbabwe, one shopkeeper reported that she extended credit to CT beneficiaries, but not to non-beneficiaries. Another in Goromonzi District stated, "These people can now borrow. These people are now known as beneficiaries and [are] more creditworthy." And in Phalombe District, Malawi, to avoid default, a shopkeeper explained how he had innovated by keeping a book with a record of transactions; on presenting their programme identity cards, beneficiaries could take goods on credit up to a ceiling of 300 MWK (about US$ 0.70).

Despite the wider availability of credit, there were also several instances of beneficiaries using the CT to reduce their indebtedness. HSCT beneficiaries in Zimbabwe prioritized settling of outstanding debt as a use for the transfer, and placed great emphasis on becoming debt-free. Even in resource-rich Owendo District, Kenya, beneficiaries placed emphasis on the importance of being seen as creditworthy, yet expressed reticence about using credit because of the risk of indebtedness.[41] In all communities in Ghana, beneficiaries often mentioned that they were wary of credit because of obligation and concern about falling into debt. These results were corroborated by the quantitative evaluation evidence, which showed strong effects on amounts repaid (23%) (Handa *et al*., 2014). Living in poor, inherently vulnerable and precarious contexts, the majority of beneficiaries across countries were widely aware that heavy debts were high-risk, hazardous and to be avoided, especially under conditions of irregular payments.

Predictably, creditworthiness was diminished by uncertainty around payment dates. Both beneficiaries and credit lenders recognized the importance of reliable payment in underpinning trust. Beneficiaries perceived that a risk of buying on credit was becoming trapped in a cycle of vulnerability and the accumulation of unsettled debts. One beneficiary in Chivi, Zimbabwe, remarked clearly, “Due to late disbursements of the transfer, some debts do accumulate, and when this happens, the person falls into poverty.” To control for risk, lenders, both formal and informal, often directly linked the amount and length of loans to the timing and sometimes the amount of payment (e.g. there would be no loan if payment day was more than one month away). Others, such as the shopkeeper described in Malawi, as well as a shopkeeper in an Ethiopian research community, kept careful records of beneficiaries and their purchases, to ensure repayments.

4.3.4 Shifting labour patterns

CT impacts on local labour patterns were generally positive, but marginal, as the quantitative evaluations accompanying this study corroborate (OPM, 2014; Asfaw *et al*., 2012; Covarrubias *et al*., 2011).[42] Beneficiaries in some contexts were able to hire additional labour to work on their land, shifting their status from casual employees to employers. Across countries, CTs generally increased hiring of farm labour for beneficiaries, including among elderly beneficiaries who had retired, although in some cases (e.g. in Kenya) the CT led to opportunities for a decline in casual labour, because of increased buying or hiring of draft animals to plough the fields, instead of hiring labourers. In Malawi, for example, a number of cases illustrated how the CT enabled, improved and expanded production – and some of that extra production could be sold, not just consumed by the household – as well as providing income for non-beneficiary workers. Across

[41] Note that the connotation for what it means to access credit was highly context-specific. For example, in Central Region, Ghana, community well-being analysis showed that “buying on credit” was a characteristic of the ultra-poor, so it makes sense that people would want to stop that behaviour after becoming beneficiaries. But in Northern Region, Ghana, it was middle-income people who were characterized as buying on credit, though typically only in emergencies.

[42] For the CGP, impact on labour participation was described as neutral, except for a reduction in irregular/piecework (OPM, 2014). For the CT-OVC in Kenya, no significant impact was found on adult labour participation, except for those households that lived further away from markets and therefore faced higher transaction costs (13%) (Asfaw *et al*., 2012). In Malawi, participation in low-skilled agricultural wage activities dropped significantly (61%), but few impacts were found on other dimensions (Covarrubias *et al*., 2011).

all countries, as mentioned above, beneficiaries themselves were able to reduce their own participation as hired labourers to varying degrees and time periods.

Some mediating factors affected these impacts on labour patterns and markets, including:

- **Seasonality and unreliability of agricultural work**, with hiring in labour more common during times for sowing, weeding, harvest, etc. In some contexts, seasonal patterns were also perceived to be changing or becoming less predictable, adding to the unreliability of agricultural work. Additionally, in contexts with limited land availability there were fewer reports of an increase in hiring labour.
- **Gender norms,** which also affected shifts in labour patterns. In Owendo District, Kenya, women were rarely able to hire in labour to work sugar cane or maize fields themselves, but commonly worked through middle-aged male relatives. Male beneficiaries reported that this was possible.
- **Regularity of disbursal of CT**, with beneficiaries often making choices based on the income they have or plan to have. A male beneficiary in Leribe District, Lesotho, reported that, without the transfer, "… most people have fields but cannot afford to farm them." In many instances, if the payment was delayed, they would revert to pre-CT strategies, once again becoming casual labourers rather than hiring workers themselves.

4.4. Social networks

Overview: Social networks
Hypothesis 1: *Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).* **Evidence**: This was *partially confirmed*. Cash transfers generally did improve beneficiaries' access to economic collaboration, but this was strongly linked to the regularity and certainty of the CT payment and the absence of basic needs-spending priorities. Inclusion in new economic networks was rare, and was more likely to occur between fellow beneficiaries and extended family networks.
Hypothesis 2: *Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make "social contributions") and increasing their "entitlement sets" and livelihood choices.* **Evidence**: This was *largely confirmed*. Cash transfers generally increase the ability of the poorest and most vulnerable beneficiaries to participate in and/or "re-enter" the social life of their extended families and communities (decreasing the social distance between the poorest households in the community and local institutions and strengthening overall connectedness). There is, however, no evidence that CTs increase beneficiaries' inclusion in community-level decision-making processes. Active participation in decision-making remained particularly difficult for elderly, immobile or illiterate beneficiaries.

4.4.1 Risk-sharing relationships

Nuclear and extended family relationships

Across countries, immediate family was viewed as a reliable source of help and as being of central importance, “our beloveds”, as a respondent in Lesotho described them. The ways in which nuclear family relationships were affected by CTs varied, however. Beneficiaries generally became less of a burden by reducing the need for financial assistance, and/or increasing their own financial contribution to their families (including through reciprocal arrangements). Many of the social systems and cultural norms and practices in traditional rural villages in Africa are defined by lineage – matrilineal and patrilineal – which often determines which members of the household or family make decisions and have access to and control over resources and assets, including regarding use of the transfer funds. In many ways, therefore, this structure affected expectations among different family members, including how they were perceived and treated by one another.

In Kenya, for example, in some patrilineal areas, families exhibit risk-sharing behaviour that appears more stable and beneficial for OVC. In the Luo cultural context of Owendo District, if a child’s father dies, every effort is made to keep the child within the father’s family, while in (Bantu) Kamba society in Kangundo District, if a child’s father dies, beneficiaries explained that mother and child will often be “chased away” to the mother’s family with no claim to paternal assets. However, one CT-OVC beneficiary, a widow with six children, reported that after she started receiving the transfer her husband’s family left her alone and began seeing her as an asset. The CT was perceived to be an extended family asset that helped family members agree to be caregivers for the OVC in a sociocultural context in which the child would be otherwise be seen as a burden.

Respondents in Lesotho and Zimbabwe emphasized the importance of remittances from sons, daughters and family members working in South Africa. However, it was mentioned that if they told family members who send remittances that they were receiving the CGP those family members would “categorically stop sending remittances”. Indeed, some beneficiaries noted a reduction in remittances received from their family and relatives once they started to receive the CTs. Quantitative evidence from Lesotho helps to frame the issue: while sharing arrangements with close family members increased significantly (with a 12% increase in in-kind support received and a similar increase in the probability of beneficiary households providing in-cash and in-kind support to others),[43] remittances from members abroad or elsewhere decreased (OPM, 2014).[44] As a non-beneficiary in Ethiopia explained, “… the money is not only helping beneficiaries but also the people who used to support them”, demonstrating how the CT relieves stresses to the nuclear family support system.

Extended family was often viewed as comprising a burdensome financial institution rather than as a true source of risk-sharing relationships. In an institutional mapping exercise, beneficiaries in the rural market town of Agona Abrim, Komenda District, Central Region, Ghana, placed the extended family outside the community circle. Although normatively it is a network of mutual

[43] Note that such sharing arrangements are very important and widespread in Lesotho, with around 75% of the households in the quantitative evaluation “treatment” and control groups receiving or providing support to relatives, friends and other community members, in terms of cash, or in-kind resources (mainly food) (OPM, 2014).
[44] In Malawi, on the other hand, private transfers (including remittances and in cash/in-kind gifts) dropped by 32% (Covarrubias *et al.*, 2011).

assistance, in practice it is an unreliable source of support that would only help you if you were a contributing person (not poor) or on death's door – "it's every man for himself."[45] Beneficiaries across research communities in Kenya regarded the extended family as an institution that should be kept at a distance and not relied upon for support because of its potential to drain their resources. Across communities in Lesotho and Zimbabwe, extended family was described as "the same people who pull you down." Unsurprisingly, beneficiaries did report that receipt of the CT enabled them to increase their engagement in extended family activities. In the Fante society of Komenda District, Central Region, Ghana, extended family relations are culturally important but beneficiaries had previously felt let down by their extended families. They noted with some bitterness that, because the LEAP contribution had eased the overall burden of their support, extended family members were now more likely to provide support to them in times of need. Indeed, beneficiaries reported they were now more able to contribute to the *abusua to* – the family levy – commonly used for funeral expenses, which in Fante society is of the highest importance. Beneficiaries in Agona Abrim noted this change of position that financial contribution brings: "Now when someone dies, they say 'come, come!'" Among the Dagomba ethnic group in Tolon Kumbungu District, Northern Ghana, the practice of "fostering" young children is another risk- sharing mechanism enhanced by CTs. Traditionally, this practice operates as a platform for socialization into one's extended family. However, this practice also serves as an important risk- mitigation and coping strategy for poor households. CT-receiving families are typically better-off, so fostering is considered beneficial for all.

4.4.2 Connectedness to local institutions

Focus group participants were asked to assess various institutions (formal and informal) within their community in terms of importance and access, using a Venn diagram tool. This provided a good basis for discussion regarding the reasons why they rated different institutions in different ways and the related dynamics. As an example, in Kangundo District, Kenya, when mapping paper circles with names of institutions, a participant squeezed the "nuclear family" paper circle into a ball and placed it right in the very centre of the Venn diagram (see diagram converted into Figure 6). One participant explained that "when you are in trouble they [the nuclear family] are the first to help".

[45] Beneficiaries in that same focus group sang a song about what it meant to be poor in their community which emphasized their exclusion from the extended family: "*I'm a poor person so I'm of no use; The family have expelled me; When there's a gathering they don't call me*".

Figure 6 **Institutional analysis (converted from pictured Venn diagram) conducted by a focus group of male non-beneficiaries, Ngoleni sub-location, Kangundo District, Kenya**

Institution	Importance (1-3) (1=high)	Social distance (1-3) (1=close)	Participant Analysis
Church (*Kanisa*)	1	1	A centrally important social institution and source of mutual help and support.
Security (*Sharia*) police	2	2	They make you feel safe and secure; police are quick to act and easy to reach
Formal Credit/Banks	3	4 (outside circle)	Formal credit organizations are outside the circle as they feel very distant to participants. Perception that Equity Agent shop approach is stealing their money: “Equity is buying and selling money”
Benevolent Group (*Chama*)*	1	2	Contribution-based but, like friends, will assist when you have an occasion. Very important for risk- sharing and mutual support
Relatives/Extended family	1	1	Have to consult them about decisions because they affect the whole kinship group. You have a responsibility to your kin. They arbitrate over issues/disputes and mediate over marriage
Nuclear family	1+	1+	When you have problems they are the first to help and there is a lot of regular communication. Very close relationships and bonds.
Health centre	1	2	Very important, particularly for the elderly and people with long-term health problems.
Neighbours/Friends (*Rafiki*)	2	2	Can be unreliable but at their best they help you if you need a hospital visit, etc.
School	1	2	Education is an investment strategy for parents and provides “enlightenment” for children.
Trading market	3	3	The local market is accessible but doesn’t feel close and is not that important. It is “just buy and sell”, “give and take”
MPesa	1	2	*MPesa* is accessible money anywhere. It can help support household needs *immediately* (sometimes through a friend’s nominated phone). It brings friendliness and closeness. Absent landlords use *MPesa* to pay for labour and you can use *MPesa* credit in local shops.

* Also a male church group (equivalent to Salvation Army)
NB: There is no labour/tool-sharing farming group in the community

Overall, CTs decreased the social distance between the poorest households in the community and local institutions. Across countries, trustworthiness and reciprocity were values governing both informal and formal institutions, and beneficiaries' access to these institutions was determined by how others judged them on these values. As such, beneficiary levels of institutional connectedness were strongly determined by the regularity and timeliness of payments.

Informal institutions[46]

Across the countries the importance of informal institutions based on social capital and reciprocity as a basis for support mechanisms is high. The research has shown that CTs enabled entry and greater access into these rural structures. This can be seen especially clearly across all research communities in Ethiopia, for instance, where a wide range of different types of arrangements had specific names (see Box 7) and were widely mentioned by respondents as being central to the ability of rural households to manage risks and shocks, including lack of labour or draught power, damage to property, loss of assets or medical costs. However, such mechanisms were based on principles of reciprocity and contribution; if a household could not contribute or reciprocate, they would be left out. This is the reason why female-headed households were not often able to avail themselves of labour-in-kind *offera* before receiving the CTs as they could not supply food and drinks in exchange for agricultural labour.

Box 7 Types of reciprocity-based social support mechanisms in Hintalo Wajirat, Ethiopia

Offera: a household that requires labour (e.g. for agricultural activities – ploughing, weeding, harvesting – or for constructing or renovating a house) asks for labour from other community members in exchange for food and drinks, depending on its resources (e.g. the rich may supply *tella* and a full meal, the poor only bread and tea).
Mikishar: if a cow dies by accident (e.g. falling from a cliff), it is cut up and the meat is distributed to community members who in turn pay a given amount of cash (e.g. 1-5 ETB or US$ 0.05-0.25). With the money collected the owner can purchase another animal.
Lifinti: a reciprocal agricultural labour-sharing arrangement (including provision of ox); as one male beneficiary in Adi Keyih put it, *"today I work on your land, tomorrow you work on mine"*.
Ritben: if a household needs to meet unexpected expenses, such as medical costs, they prepare *tella* and *shiro* and offer it to community members who contribute with whatever amount they can.
Shugga: labour-oxen exchanges between rich and poor; i.e. a rich household lends oxen for ploughing to the poor in exchange for labour and provision of straw (used as livestock fodder).
Gussa: rotational support provided to elderly people whereby relatives and/or community members host an elderly man or woman for approximately one month, providing food and other items or services (e.g. clothes, medical costs), depending on willingness/capacity.

CTs increased participation, especially in faith-based (church/mosque) offerings and traditional events, and in community-based savings groups or informal financial contribution networks. In Lesotho and Zimbabwe, the CT increased reciprocal lending and borrowing relationships and allowed beneficiaries to switch from "asking" (with no expectation of repayment) to "borrowing" (implying ability to repay). As a Village Assistance Committee member in Leribe District, Lesotho, reported:

[46] The distinction between formal and informal institutions is based on how they are regulated. Informal institutions have a behavioural regularity based on socially shared rules, usually unwritten, that are created, communicated and enforced outside of officially sanctioned channels (Helmke and Levitsky, 2003; North, 1991; Pejovich, 1999). Formal institutions are regulated by rules and constraints, and enforced through official sanctions, fines, etc. (North, 1991; Ostrom, 2005).

> *"Before the transfer the beneficiaries used to rely on others for things but now they are less reliant, and also when they borrow things now they are expected to return them, whereas before there were no expectations for them to return the things that they had borrowed."*

In Ghana's Central Region, beneficiaries in Komenda District reported more active participation in church-based activities. In Tolon Kumbungu District in Ghana's Northern Region, elderly people explained that previously they would hide indoors – feeling a sense of exclusion – but were now able to attend social gatherings. In both sites beneficiaries noted that before the introduction of the LEAP CT, they had not usually been invited to be involved in decision-making; within the community they had experienced a poor reception and had not been "seated" during social gatherings (literally on chairs). LEAP increased inclusion for beneficiaries, as they were now able to contribute and participate in social gatherings. In other country cases too, the importance of investment in social capital was highly valued, as illustrated by the Ethiopian coffee ceremony, which beneficiaries were now able to host and join.

With regard to contribution-based networks, such as funeral networks, many beneficiaries in the study across countries reported that they were able to join or re-enter these networks, although not always as described above for Ethiopia. Beneficiaries in Ethiopia, Kenya and Malawi joined informal rotating savings groups. In Ghana, in some communities, only LEAP beneficiaries who had reliable sources of income between CT payments could access certain savings/labour-sharing groups (e.g. *susu*). As a male non-beneficiary noted:

> *"We won't let them [the destitute] join us because they will be asking too much of us and yet they don't bring anything to the table*".

Importantly, the country study in Malawi revealed a trend that appears common to the other countries: where informal networks were less strong, it was not because the CT was weakening them. In Malawi, respondents in both programme and comparison communities reported the gradual weakening of informal support networks.

Formal institutions

CTs did not evenly increase participation in formal savings or livelihoods groups, as amounts are commonly insufficient to enable membership. Exclusion from these more formal rural institutions was often because of the infrequency of CT payments and their relatively low value. In Goromonzi, for example, female beneficiaries reported being interested in joining the women's clubs, but were unable to afford the weekly contribution, as they had to prioritize household needs. In another example, SCTPP beneficiaries in Ethiopia were denied access to DESCI, a microfinance institution operating in Tigray Region. Sometimes, groups were structured around programmes providing material support rather than financial support, such as the Farm Input Subsidy Programme (FISP) in Malawi. In this case, it was believed that people should not be beneficiaries of both programmes. In Ethiopia, as mentioned above, beneficiaries were unable to gain access to *Iddir* societies – permanent burial social support structures that offer a wide range of support services to members (including a cash donation to the household of the deceased male) to help the bereaved get back on their feet – because joining fees were prohibitively high. It is worth noting that non-participation in formal institutions was not always a result of having insufficient or unreliable income. For example, in Kangundo District, Kenya, formal credit and savings mechanisms were regarded with suspicion, so beneficiaries were unlikely to use CT funds to participate in these institutions.

4.4.3 Social inclusion and self-esteem

Changes in community engagement

Psychological impacts – such as self-esteem and a more hopeful outlook toward the future – are often overlooked in impact assessments and are more difficult to capture. However, it is of great value to examine the roles that self-regard, confidence and dignity play in promoting belonging and engagement in social processes, specifically with respect to membership in networks, community and family. In this regard, qualitative research is an ideal method to examine in-depth perceptions, views and feelings, as well as their changes over time. The extent to which and in what ways the CT changed, and in particular improved, beneficiaries' experiences with community engagement varied, being more pronounced in communities with strong cultural norms around "belonging", support and sharing.

CTs did improve beneficiaries' self-respect, particularly among the elderly. In communities where there was particular shame around being poor or vulnerable, beneficiaries generally reported that being less obviously poor enables them to participate more in the social lives of their community, to "mingle more" (in the words of a Ghana LEAP beneficiary), which in consequence raises self-esteem. A good illustration of this value is the response of a caretaker in Dalung, Ghana:

> *"I always give a proportion of the LEAP money to the aged beneficiary (father) so he could contribute to social events such as funerals, naming ceremonies and weddings."*

Increased self-worth was reflected in improvements ranging from improved personal hygiene to discontinuing begging to the types of work chosen. In turn, beneficiaries were regarded more favourably within the community. In some cases this was simply a positive psychological impact, but for many, this represented a bridge to re-enter significant support and risk-sharing networks. Across Ethiopian research communities, the CT allowed beneficiaries to shed the stigma of poverty, have better self-esteem, and be viewed as worthy of inclusion by other members of the community, particularly for those who were able to stop begging as a result of receiving the CT (see Box 8). These positive feelings encouraged a more favourable perspective toward the future – "*I now feel I can change my life*" – as noted in Box 4 above. In research communities in Malawi, changes such as having new clothes and not standing out as ultra-poor were important, more so in communities that were well-connected and where trading centres and shops to buy clothing were more readily available.

Box 8 **Restored dignity of an elderly woman begging in Abi Adi *woreda*, Ethiopia**

During a group discussion with female beneficiaries in *kebele* 01 in Abi Adi, one elderly woman recounted how before the cash transfer she used to knock on the doors of neighbours' houses, enter and wait (and hope) to be given food. She explained that, since it is not culturally appropriate to directly tell her to leave, some neighbours, unwilling or unable to assist her, would start to vent their anger at their own children, for example yelling, *"move, go away!"* She would understand that these messages were meant for her and she would leave. In her own words, "*Hunger pushed me to do this. Even if there was a barking dog to guard the house, I would not be scared, I would still go ahead and enter, hoping to be given some food. Since I started to receive the cash transfer I no longer have to do this. I feel happier. Before, when I was in the street, my neighbours would turn away fearing that I would ask them for food; now they greet me."*

4.4.4 Jealousy within the community

Social rifts caused by CTs were generally long-term resentments with short-lived flare-ups on days around payment dates and during targeting. Across countries, jealousy was primarily expressed by "nearly beneficiaries" who, like many others in communities across programmes, had a relatively poor understanding of the processes around targeting and beneficiary selection.

A female non-beneficiary in Mafeteng District, Lesotho, expressed a common sentiment:

> *"Our relations with our neighbours are still the same but we become jealous when we see their children wearing new shoes or clothes because we believe that we are just as poor and we deserve the money."*

And non-beneficiaries in Owendo District, Kenya, questioned why they should continue to support neighbours getting a CT:

> *"Why do you ask me for salt or a matchbox, why? Yet you are okay, you laugh at me, you laugh at my plight, stop insulting me just because you get the money and I don't."* Female non-beneficiary, Kakmasia sub-location, Owendo District, Kenya.

In contexts where the CT was targeted at a particular social group – e g. the OVC CT in Kenya – jealousies and resentment were found, particularly in communities where there are only marginal differences in poverty and asset ownership between the targeted households and other poor households.

Box 9 **Issues causing jealousy and resentment in Kenya**

In Kenya, resentment or frustration was particularly evident among non-beneficiary OVC households, including both long-term OVC households and those households with newly orphaned children. Because many households assumed OVC caretaking only after the targeting of the CT programme, they perceived the targeting as unfair and in need of updating. In Owendo District, an initial absence of poverty-targeting criteria in the early days of the CT-OVC programme had exacerbated perceptions among poorer households that the CT beneficiaries did not always deserve their CT: "before we were the same, now they walk differently*"*. Yet others in Owendo said that, although indeed some beneficiaries were better-off, they had so many dependents and OVC that it was understandable – "they are wealthy but deserving", said one FGD participant.

The undercurrents of jealousy and tension described above tended to be exacerbated rather than ameliorated by operational aspects of programme implementation in Kenya, including sensitization, communication, targeting transparency and payment processes. This was also seen in Lesotho, where, in one example, jealousy was exacerbated by the fact that some payment stations were set up in non-beneficiary, "control" communities, highlighting the need to look at how operational aspects of a programme affect impacts in any evaluation (see section 4.5). In another example, from Ghana, concerns were hotly voiced concerning selection, with the assertion that in a community decisions are normally made in a group, not by an individual (which was the case in one community).

Longer-term resentment was also evident particularly in contexts with higher levels of underlying poverty and therefore a more widespread sense of entitlement to benefits. In many communities across countries, there was a strong sense of "fairness," justice and equity, according to which community members felt that households should distribute benefits, or take turns being recipients of any assistance that arrived in the village. In Salima District, Malawi, village heads and others involved in the targeting of welfare programmes, ensured that one household received the fertilizer subsidy (i.e. FSIP), another received the CT, yet another might receive free school uniforms, etc.

It is also worth noting that ill-will was not always directed at beneficiaries, but at community committees, local authorities or those perceived to have power in the decision-making process regarding who would be included and who would be excluded as programme beneficiaries. As a male non-beneficiary in Goromonzi District, Zimbabwe, stated, "People were upset in the village about how it was done but when it was understood they were satisfied." Community members across all countries, however, generally expressed overall agreement that those selected were deserving and in need:

> *"We feel sorry for them, they cannot even afford clothes or shoes, we are happy for this support."* Female non-beneficiary, *kebele* 01, Abi Adi, Ethiopia.

4.5. Programme operations

Overview: Programme operations
Hypothesis: *Cash transfers can be improved through a better understanding of likely household and local economic impacts and inducing positive and sustainable changes.* **Evidence**: This was *confirmed*. The constraint is both in *understanding* the likely impacts of the implementation of programmes as intended, but also – and perhaps more importantly – in *implementing* the programme as intended. From experience to date, planners and implementers now understand well that payment delays and a lack of monitoring are having serious adverse impacts on beneficiaries and on the cash transfer's effectiveness. As well, programme staff increasingly appreciate the effects of constraints relating to shortages of resources to provide sufficient technical and material support to community committees – the programme's crucial interface with its beneficiaries. Finally, there is lack of sufficient attention to planning processes for some aspects of programme implementation, particularly complementarities with other programmes, which would further optimize potential impacts (e.g. graduation).

This section examines the operational and contextual issues which mediate impacts and should be considered by programme planners and implementers when designing CT programmes. An important finding is that, while planners and implementers understand well that payment delays and a lack of monitoring are having an adverse impact on the CT programme's effectiveness, they are often constrained by practical and logistic factors, which are largely determined by higher-level political realities.

4.5.1 Targeting

In most cases, beneficiaries and non-beneficiaries agreed that, generally, the CTs were reaching the poorest households in the community – that they were relatively well-targeted and that the households selected deserved. However, awareness-raising and information/communication on targeting was weak, and many people, beneficiaries and non-beneficiaries alike, did not fully understand the targeting process or why they had been included or excluded (also see section 4.5.4 on communication, below). Targeting procedures and processes should ideally be transparent and inclusive, especially if they are based on community targeting mechanisms, which typically include a community validation process. In Zimbabwe and Lesotho, major exclusion errors (unacceptably high in Lesotho, at 67%) led to many grievances from non-beneficiaries. Across countries, people seemed to feel that eligible households had been unfairly excluded. However, only in rare cases were inclusion errors raised. When asked their preference between increased CT amounts or greater targeting coverage, respondents in all countries, beneficiaries and non-beneficiaries alike, unanimously said greater coverage was preferred. This unsurprising finding reflects a general normative value of sharing and equity within rural communities. Another important feature of targeting is sensitivity to dynamic poverty numbers and to households moving in and out of poverty. The Ethiopia country study highlighted two main categories of beneficiaries: extremely poor households lacking productive labour capacity and in need of safety net support, and extremely poor households potentially more capable of engaging in income-generating activities and making a transformative use of the CT to graduate from the programme. CT programmes need well-defined strategies and principles of engagement that take into account beneficiaries' different needs, vulnerabilities, asset bases, and capacities, particularly if they have the potential to move beyond protection eventually, in order to have more transformative impacts.

4.5.2 Payments

Across countries, late and unreliable payments[47] were the biggest obstacle to sustaining positive impacts of CTs. Late payments can potentially contribute to rapid disinvestment and increased vulnerability, causing negative financial and social impacts as well as preventing households from budgeting and planning for investments and expenditures. In cases where beneficiaries have accessed loans in planning future activities, unreliable payments even risk worsening their financial situation compared with before the CT. In Ghana, the ability of beneficiaries to support small business on LEAP was called into question because of unreliability of the payment schedule. In Kenya, late payments had negative financial impacts – causing asset disinvestment in previous purchases, pulling children from school and reducing food intake – and also had detrimental effects on social networks such as savings groups. As discussed above in section 4.3, larger, "lumpier" payments can draw people away from local markets, diminishing positive impacts on local economies. But these types of payments, as opposed to more frequent smaller

[47] Noted in all countries except for Ethiopia, where the payments were widely reported as regular and reliable.

payments, were also shown to be beneficial and, for some, preferable for meeting high costs such as education. In fact, beneficiaries who prioritized investment over smoothing consumption (essentially better-off beneficiaries), or who preferred to buy in bulk preferred "lumpier" payments across all the communities.

The Ethiopia country study provides an example of well-executed payments, which were "overwhelmingly described as efficient and well-organised". Payments were so regular, even non-beneficiaries and local traders knew the payment dates and schedules and planned accordingly. This allowed beneficiaries to access lines of credit, which supported investments in small businesses.

4.5.3 Grievances and M&E (Monitoring and Evaluation)

Mechanisms for filing grievances were generally not well-coordinated (or sometimes did not even exist), leading to many problems at the community level, so that community committees were unable to carry out effective monitoring. Across countries, monitoring systems were generally weak, with limited or no processes for updating beneficiary records or effective systems for handling complaints. For example, in Lesotho, most beneficiaries and non-beneficiaries were not aware of any monitoring process and were wary of making complaints, in case that might result in the discontinuation of the programme or affect their own situation *vis a vis* the programme. In Ghana, it was found that monitoring by the local Community LEAP Implementation Committee (CLIC) could be problematic, with a potential for conflict of interest, particularly if beneficiaries wanted to complain about the targeting process managed by CLICs themselves. Further, in Malawi, it was seen that a monitoring system that allowed continual updating, including recalculating benefit amounts as beneficiary circumstances change (such as when children move from primary to secondary school or leave school, etc.) would promote better efficiency of programme resources as well as greater fairness.

In many instances, chiefs, traditional leaders and local administrators were often de facto sources of authority to handle grievances and mediate conflicts between beneficiaries and non-beneficiaries, whether or not they were formally involved in the CT processes. They were viewed as being impartial and having a better understanding of the community, but they did not know how to help people make actual complaints. In Zimbabwe, it was found that traditional leaders and councillors were de facto dealing with grievances, despite not formally being involved in the programme.

Similarly, elders were seen as potentially more impartial arbiters of any disagreements caused by the CTs, as well as possible resources for identifying beneficiaries. In the remote rural Dalung community, Tolon Kumbungu District, Northern Region, Ghana, potential beneficiaries were identified by groups of elders in collaboration with the CLIC, because elders were seen as impartial and knowledgeable about the people in the community. The country case study on Ethiopia illustrates why elders play a key role in grievances: first, some rural communities were found in remote areas, far from formal institutions of conflict resolution; second, elders are perceived as giving fairer resolutions than formal authorities, mainly because they are recognized as community members themselves and respected.

Despite the roles of traditional leaders and local administrators, the problems of weak grievance mechanisms, case management and M&E undermine the transparency of programme operations, and affect CT impacts by decreasing the extent to which exclusion and inclusion errors are corrected. They also undermine beneficiary and community member entitlements and rights. Of note, in Kenya, there is now a plan to implement a "beneficiary/citizen charter" in which beneficiaries in particular would be provided with information regarding their rights, their co-responsibilities and programme procedures and processes, including grievance mechanisms. An example of the effects of weak monitoring can be seen in Kenya, where the CT-OVC exit strategy states that beneficiary households will exit after five years of being in the programme, or after meeting any of six exit criteria. However, in practice, in the districts where research was conducted, this exit strategy has not been systematically implemented. As a result, households that had improved their socio-economic status since entering the programme or had otherwise become ineligible had still not exited.

4.5.4 Communication

Overall, communications strategies in all programmes generally operated below expectation; however, where they operated adequately, they could promote improved well-being among beneficiaries. In some cases, such as in Kenya, upwards communication to programme managers was somewhat effective, but downwards communication to beneficiaries and to communities more broadly was weak or non-existent. In Zimbabwe, the communication strategy was limited to pay points, allegedly only during the first payments. This created misunderstandings around targeting and tensions overall because most community members were uninformed. The review of communication issues in the Lesotho CGP revealed that lack of communication can have a major impact on beneficiaries, especially if they do not receive warning or notice that a payment will be delayed; households were likely to incur additional debt or default in repayment if payments were not made on time. Likewise, lack of communication among community members created jealousies and resentments. On the other hand, the purpose of the CGP as a transfer that should be used to meet the needs of children (especially food and education) were very well communicated to parents, as well as to beneficiary children, who demonstrated a high level of awareness of their rights and the purpose of the transfer, all of which resulted in widely reported improvements in the well-being of these children. Importantly, programme messaging, particularly about the use of CTs, as well as other livelihood matters among CT programmes, was found to be mixed, often ad hoc and insufficient. In Ethiopia, for example, messaging was found to be uneven, supplied only during payment days at some pay points and only for a short period in the day (one hour in the early morning). However, in Malawi, there was a practice of holding meetings at pay points to convey positive messages; this included encouraging beneficiaries with "success stories" to speak to others about their success, an excellent way of promoting innovative CT use.

There are several possible reasons that could explain why awareness-raising and communications strategies were poorly implemented. In most cases, the community committees were themselves poorly informed, often unaware of programme processes and procedures and often under-resourced to conduct these tasks. In Owendo District, Kenya, this was because Owendo was newly created and the post of District Children's Officer was not yet filled, so the communication process had no oversight. This lack of coordinated oversight also caused problems in Zimbabwe, where the Child Protection Committees did inform the communities about the purpose of the programme, but this was only done at pay points, central locations shared by a number of communities, some a fair distance away. This meant that non-beneficiaries, local leaders and others who had no reason to visit the pay points would be poorly informed, and were less likely to be able to diffuse community tensions caused by the transfer. Across countries, community and district committees cited limited staff, time and resources, and sometimes unresponsive populations. As a result of communication gaps, opportunities to further optimize household and local economy impacts were diminished.

4.5.5 Role and set-up of local committees

Local committees are typically the front line and face of the CT programme, determinant in the success of implementation. For the most part, community level committees can be characterized as "high commitment, low capacity". Across countries, these committees receive insufficient material and technical support; members disclosed a lack of clarity on their role due to highly insufficient training or guidance. In Kenya, the Beneficiary Welfare Committee (BWC) 'valiantly copied awareness-raising activities done by the Location OVC Committees (LOC), in the absence of being provided with their own materials. In Ghana, CLICs were largely ineffective because of poor guidance and little support. They did not understand their role, or fully understand the rules and procedures of the programme.

There were instances of community committees performing relatively well and showing high levels of commitment and motivation, despite their constraints. In Malawi, CSSCs found that the short (one-day) notice given before payment days meant that some beneficiaries had insufficient time to make arrangements for transport to the pay point – and there was not always enough time to notify all beneficiaries, given the lack of adequate resources to circulate. These CSSC members, being trusted by their communities, found a solution by collecting payments on behalf of households that are unable to reach the pay point, and giving it out to them at their homes so that the beneficiaries do not face an even greater journey to the district office to collect the money. Household visits, a common measure in theory among the programmes, were limited in practice, mostly due to lack of resources and guidance. However, these visits can provide sound advice to beneficiaries and have high potential for facilitating household transformation, as confirmed by beneficiaries in Malawi, for example. Finally, the research found that it is important to define and nest the CT local committees appropriately into the local community context to facilitate their operations and effectiveness. As example, an odd consequence of the targeting for the SCT in Malawi has been the sidelining of the Village Development Committees (VDCs), which take responsibility at local level for the harmonization, planning and implementation of community-level development activities. They are excluded from involvement in the SCT programme, as one District Social Welfare Officer explained, to avoid possible influence in the selection of beneficiaries. However, the result is an informal, sometimes strained relationship between the two, with insufficient communication. This in turn makes it difficult for the programme to be integrated with other local level activities.

District level committees also typically showed weak performance or were defunct, often due to lack of funds and sometimes to lack of attention and priority from authorities. District level teams have the potential to play an important role, acting as the link between the community committees and central government. DLICs in Ghana were essentially non-functional, however; some never even met because members felt that decisions taken at any meeting would not be actionable due to limited resources.

The lack of financial and organizational support for volunteer-based technical staff affects performance, sustainability of the structures and – perhaps most importantly – erodes the capacity to support more transformative impacts of the CT on household behaviour. In a number of countries, there were aspirations to better "institutionalize" these committees. For example, it has been recommended that the appointment criteria for CLIC members in Ghana and the implementation of those criteria need to be reviewed. This recommendation needs to be reviewed carefully as part of a broader push to ensure sustainability. Any perceived politicization of CLICs can greatly affect performance of the CLIC and its effectiveness, and this links back to how its members are selected. There was also some suggestion that in some instances beneficiaries were themselves CLIC members, which raises possible conflict of interest issues and should be examined. In Ethiopia, SCTPP programme managers noted the high importance of reinforcing the institutionalization and capacity of the Community Care Coalition (CCC) structure (as well as WOLSA structures – i.e. BOLSA offices at *woreda* level, framing its procedures to ensure that strategic and systematic operations are in place, including, for example: membership, required capacity and a responsive capacity development programme, as well as a systematic programme of activities (i.e. work plans).

4.5.6 Enabling environment and complementarities

Overall, cash transfers were poorly coordinated and harmonized with concurrent programmes. Fragmentation among health, education, agricultural and social service programmes targeted to the poorest and most vulnerable limits the rate of potential improvement of beneficiaries' livelihoods. In many cases these synergies were not envisaged or planned for in the initial design of the CT programmes.

In Ghana, linkages among LEAP and national health insurance and education programmes seem to operating effectively. But in Tolo Kumbungu District, Northern Region, for example, there were a number of non-governmental organizations (NGOs) operating, a nationally-funded School Feeding Programme, and programmes to offset seasonal risk and youth unemployment, but linkages and access to LEAP in alignment with these complementary programmes and services was limited. The Kenya country study revealed significant opportunities for creating synergies with concurrent programmes but these had not been optimized. These opportunities were hindered by poor cross-sectoral connections in Kenya generally, particularly between safety net programmes and initiatives in other sectors. Complementary reforms and investments are needed for graduation from the CT-OVC programme. As mentioned above, the SCT in Malawi sidelined the existing VDCs, organizations that could have taken responsibility for harmonization, planning and implementation at the community level, which made it difficult to integrate the programme into others. Moreover, general consensus, particularly at local levels, was found to be that SCT beneficiaries should not access FISP benefits, although this perspective differed among government and programme officials.

In Zimbabwe, beneficiaries were excluded from other interventions, though this was not intended. The CT was meant to complement health, education and social services targeted to the poorest and most vulnerable. This is comparable to what was observed in Malawi as well, where the aim was for a "package" of support. On one hand, the CT could be part of a package of support services which would help beneficiaries cope with a wider range of shocks and needs, building household resilience. However, it was believed this might risk exclusion of equally vulnerable households from receiving any benefit at all, and might go against the egalitarian ethos of community members and political interest at higher levels. In Ethiopia, a minimum of synergies might be expected among programmes because CCCs were operating not only as committees of the SCTPP, but already existing community structures that had developed as home-grown social protection committees, accountable for establishing community-managed care for the most vulnerable. In fact, however, as confirmed during discussions with various officials, beneficiaries' enrolment in two programmes was to be avoided as it would cause jealousies. Building synergies among programmes to target the same beneficiaries was therefore specifically ruled out, limiting potential benefits accrued from access to complementary services and programmes.

CTs provided varying levels of improvement in access to existing government services. In Kenya, for example, beneficiaries reported that they generally saw little increase in access to agricultural extension services unless they were using the transfers to participate in formal savings groups. In Malawi, health extension workers had effectively communicated messages regarding the importance of using the CT to increase dietary diversity – notably on paydays – while education and agriculture extension workers were poorly integrated into the programme. As mentioned, in Ghana, automatic linkage and registration was facilitated with the national insurance programme and with schooling and the school uniform programme, and in Zimbabwe, eligible beneficiaries with school children were supposed to be enrolled in the national BEAM and Assisted Medical Treatment Orders (AMTO) – although in practice, this was hardly operational.

Overall, the picture seems to be one of quite fragmented programmes, with very limited coordination among them, resulting in limited opportunities to build on each other's successes in promoting beneficiary transformation.

5. Policy Insights

The findings of the research in the six case study countries raise a number of important implications for policy-making and programme design. Below we outline these as relevant to each of the main research areas.

Research theme	Hypothesis	Conclusion	
Household economy	The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.		**Confirmed.** Even the small amount of cash improved livelihood choices. The transfer was less uniformly effective at increasing productive investments. Some households made productive investments, though many vulnerable beneficiary households continued to rely on the cash for their daily needs. If the income flows were more predictable and regular, the benefit (particularly to beneficiaries in less- connected communities) could be greater.
Local economy	The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.		**Partially confirmed**. There were marginal positive effects on economic exchanges in local markets, although the aggregate injection of capital from the CT was too small to have a significant impact on the local economy. The economic effect was most evident around payment days, and in more moderate, sustained ways between payments as beneficiaries were able to consume more goods from local markets. However, CTs did not create markets where they did not exist before.
Social networks (1)	Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)		**Partially confirmed.** Cash transfers generally did improve beneficiaries' access to economic collaboration, but this was strongly linked to the regularity and certainty of the CT payment and the absence of basic needs-spending priorities. Inclusion in new economic networks was rare, and was more likely to occur between fellow beneficiaries and extended family networks.
Social networks (2)	Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision- making processes (including through an increased ability to make "social contributions") and increasing their "entitlement sets" and livelihood choices		**Largely confirmed.** Cash transfers increase the ability of the poorest and most vulnerable beneficiaries to participate in and/or to "re-enter" the social life of their extended families and communities (decreasing the social distance between the poorest households in the community and local institutions and strengthening overall connectedness). There is, however, no evidence that CTs increase beneficiaries' inclusion in community-level decision-making processes. Active participation in decision-making remained particularly difficult for elderly, immobile or illiterate beneficiaries.
Operations	Cash transfers can be improved through a better understanding of likely household and local economic impacts		**Confirmed.** The constraint is both in *understanding* the likely impacts of the implementation of CTs as intended, but also, and perhaps more importantly, in *implementing* the programme as intended. From experience to date, planners and implementers now understand well that payment delays and a lack of monitoring are having serious adverse impacts on beneficiaries and the CT's effectiveness. As well, programme staff members now appreciate the effects of constraints related to lacks in resources to provide sufficient technical and material support to community committees – the programme's crucial interface with beneficiaries. Finally, there is lack of sufficient attention to planning processes for some aspects of programme implementation, particularly complementarities with other programmes that would further optimize potential impacts.

Household economy and well-being

The studies addressed the following hypothesis:

> *The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.*

The research found a clear and positive impact on the well-being and vulnerability of beneficiary households. Beyond this, however, CTs did not typically enable beneficiaries to make dramatic, long-term changes in livelihoods. Further confirming the hypothesis, it was found that some households are more vulnerable, and that these household-level constraints are more effectively addressed by CTs. Beyond the household, vulnerability is a function of constraints on access to assets, livelihoods and markets imposed by deeper-seated contextual or mediating factors, as outlined above in our framing of the research findings. For example, limited access to land, productive assets, economic networks and markets as a result of local gender norms was an issue that could not be addressed by the CTs (nor were they explicitly designed to address or affect strategic gender norms and relationships).

The research also raised the question of the extent to which a safety net can actually transform a household's economic potential. In many cases the CT was a top-up to a poor but relatively asset-secure household. Programmes can be designed to provide a safety net with little/minimal transformative potential at the level of household economic decisions and local economy, but also can be shaped to address those households with some potential for productive investments and possible graduation. In both cases, there are key areas of well-being that have been consistently improved and can be further supported.

Local economy

The studies addressed the following hypothesis:

> *The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.*

Existing research on the local economy impacts of CTs, albeit limited, shows scattered evidence that CTs provide stimulus to the local economy in the form of increased demand for consumption goods, inputs or assets, and by some, however modest, increased demand for diversity of goods. These findings are supported by the tendency for poor people to spend locally, and on locally produced rather than imported goods.

The ability of CTs to transform local markets is perhaps overstated in the hypothesis. Local economies were not significantly influenced by the injection of CT capital, and local prices were influenced instead by a range of exogenous factors, including climate change. Beneficiaries remained, for the most part, risk-averse and reluctant to take on debt to invest in longer-term economic strategies. That said, the research confirmed some positive externalities of beneficiary household economic activity through increased agricultural productivity, diversification of income generation, and a greater level and diversity of economic exchange within the local economy resulting in greater circulation of cash, a wider range of products bought and sold and more bulk purchases. The mediation of an enabling economy, good biophysical environment for agricultural production, land availability, market integration, a strong household asset base and low levels of sociomedical vulnerability are all critical factors for the achievement of these positive impacts, as is the aggregate amount of cash from CTs entering the local economy in a particular community.

The research raised clear operational implications regarding the need for integration of CTs with more effective livelihood support to economically active beneficiary households. This might include programmatic integration with credit extension initiatives and extension of labour-sharing arrangements to allow beneficiary households with land but no labour inputs to use and sustain productive investments from the CT.

Social networks

The research addressed the following hypotheses:

> *Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).*
>
> *Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make "social contributions") and increasing their entitlement sets and livelihood choices.*

This research partially confirms these points, with strong qualitative evidence explaining the entry, or re-entry, of many CT beneficiaries into extended family and/or community networks. At the same time, improved status in the community and institutional connectedness were more limited and confirmed to be based on some qualities not affected by the CT (e.g. adult literacy in Malawi, widow status in Ethiopia and reliable income in all countries). To this effect, little evidence was found that indicated beneficiaries were able to directly participate in or influence community decision-making structures. Overall, however, the studies showed improved social engagement and re-entry into existing social networks, increased contributions resulting in connectedness and risk-sharing and overall increased self-esteem and hope for the future. These are powerful and potentially transformative changes, albeit in small steps.

This considerably broadened and improved access for beneficiaries to risk-sharing mechanisms, largely founded on reciprocal relations and contributions, into which they were able to expand and could now participate. This resulted in an increased sense of "security," belonging, trust, increased connectedness and higher self-esteem. For example, many beneficiaries were able to engage in contribution-based social networks in churches or mosques –considered to be critical community institutions. The ability to participate and have membership in faith-based activities and other forms of key community institutions, such as burial societies, support groups, etc., was viewed as a high priority sociocultural value and fundamental to being a community member. For many, the CTs enabled their ability to do so, mostly by allowing them to enter or re-enter the networks they were unable to join due to extreme poverty.

While beneficiaries might experience improve self-acceptance, dignity and hope, the CT is not the sole solution and will not necessarily guarantee or always provide easy access to productive or beneficial networks. There is an opportunity for CT implementation to maximize the positive institutional effects on beneficiary inclusion by engaging with local associations to identify and overcome any remaining hurdles to participation. There is further opportunity to support beneficiary households to identify opportunities for economic collaboration and overcome any actual or perceived barriers to entry. This type of additional support, provided by local CT administrative staff and community members, can maximize the types of behaviour change already evident to some extent, among beneficiaries and local institutions.

Operational issues

The research addressed the following hypothesis:

> *Cash and in-kind transfers can be improved through a better understanding of likely household and local economic impacts.*

The final hypothesis addressed by the research builds on the broader notion that impact evaluation can feed back into what is described as "evaluative practice", in which reflections on impact motivate improvements in design and delivery.[48] The research found communication systems to be relatively weak, with community members, even including beneficiaries, generally uninformed about CT targeting, with little understanding of why and how beneficiaries were selected. This often resulted in increased jealousies, tensions, resentment and misunderstandings. Perhaps of greatest concern, the research found that irregularities of payments had a profoundly negative impact on the well-being and livelihood strategies of beneficiaries, threatening achievements, undermining social safety net functions and economic initiatives, and in some cases worsening household economic security and prompting negative risk-coping mechanisms.

The research found a number of clear recommendations for operational improvement which could strengthen and better tailor programme's strategies in order to address specific needs, vulnerabilities, asset base, and capacities of beneficiaries. This would generate more transformative impacts, and particularly benefit beneficiaries who have the potential to move beyond protection to more sustainable livelihoods.

1. **Strengthening the functionality of community and district level committees**, which would be relatively inexpensive and would optimize impact of the programme and address significant issues concerning beneficiary well-being and livelihoods. Strengthening mechanisms that support beneficiaries/caregivers to invest or diversify, and providing capacity building for programme staff and community volunteers who provide this support, can contribute to increasing sustainability of positive CT impacts.

2. **Improving communication with both beneficiaries and non-beneficiaries, and between various local committees** including at district and community levels, which would broaden overall CT programme awareness, enable case management, enhance monitoring and build synergies among programmes. Allied to this, the CT could provide an entry point to messaging around important livelihood issues such as improved nutritional practices, good sanitation and hygiene, HIV/AIDs and gender equity, among other topics. This would also have implications for encouraging improved well-being and facilitation of graduation and exit strategies. Managers also need to pay greater attention to ongoing management of grievances and general programme monitoring.

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[48] See, for example, Abbott D., S. Brown and G. Wilson (2007).

3. **Determining a payment regularity that can be feasibly maintained and adhered to,** which would minimize the negative effects of payment irregularity. Even for extremely poor beneficiaries, the predictability and certainty that the transfer will arrive is arguably more important than the interval or sometimes even the value of the transfer. (This is linked to risk aversion, smoothing of consumption and negative coping strategies).

4. **At a programmatic level, promoting stronger linkages and better integration with other ongoing programmes and services,** which would maximize benefits of the CT programme. Underpinning many of the CTs examined in this research is the idea that each is envisaged as part of a larger policy environment which can promote sustained, positive economic and social impacts for the most vulnerable. An important step to facilitate coordination would be to ensure that a multi-stakeholder high-level "task force" (or some variation) is established to oversee the strategic planning and programming for design and implementation of a social protection system with sufficient and operational linkages – in practice – to other relevant sectors. Horizontal sectoral linkages and coordination with decentralized structures – including local administration and authorities, sectoral ministries, traditional authority systems and any other governance mechanisms at local levels – would also be essential in order to build social protection systems that are appropriately positioned in local contexts and able to operate with support and assistance from all main stakeholders.

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Annex A Research Framework

Table 3 Research framework: Hypotheses and research questions

HOUSEHOLD ECONOMY HYPOTHESIS: The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision-making on how to use the additional cash.
• How and why do beneficiaries make decisions regarding the allocation of additional funds (consume / invest / save)? • How does the additional cash affect beneficiaries' choices of livelihood activities and production strategies? For example, what favours beneficiaries' choices to invest? And their choices to engage or not in labour markets? • What is the effect on detrimental risk-coping strategies, e.g. distress sales of productive assets, school dropout, child labour? Or on strategies such as migration? • How do beneficiaries' attitudes to risk change as a consequence of a cash transfer? • Do different types of beneficiaries make decisions on how to spend the additional cash in different ways (e.g. male vs female; old vs young)? Why and how? • What are the main constraints (linked to networks, physical access, etc.) faced by households in engaging in income-generating activities and how do these influence behaviours and choices?

LOCAL ECONOMY HYPOTHESIS: The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.
• What is the perception of community members (including non-beneficiaries) and local traders and businesses in terms of: increased opportunities for trade (higher purchases from beneficiary households and opportunities for business creation and/or expansion); increased labour market opportunities; increased demand for variety of goods and services offered; increased credit-worthiness of customers; changing habits; increased competition; and inflation? • How do these changes affect traders in terms of their strategies and profits? • What local circumstances favour or deter ripple effects in the community? What effects are triggered by what circumstances? How can positive effects be enhanced?

SOCIAL NETWORKS AND ECONOMIC IMPACTS, HYPOTHESIS 1: Cash transfers increase beneficial risk-sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)
• What were social networks like before the cash transfer implementation and how did they relate to livelihoods? • How are existing social and support networks affected by the introduction of a targeted cash transfer (including effects on sharing arrangements and disposition of existing networks)? • What is the importance placed upon changing social networks by community members (i.e. is the fact that networks are being affected by the cash transfer considered "important" by people in the community)? How is this traded off against other programme impacts (i.e. do the overall benefits from the injection of cash make up for any negative social effects that may arise)? • Which networks are most affected and why? Which are the strongest networks and why? Are these mostly kin-based? • Does the introduction of cash trigger the creation of new networks? If so, how? Which ones? Is there an increase in networks that extend beyond the reference community? What effect does this

have?

- What role does jealousy towards programme beneficiaries play? Was there any conflict within the community as a consequence of the programme?

SOCIAL NETWORKS AND ECONOMIC IMPACTS, HYPOTHESIS 2: Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision-making processes (including through an increased ability to make "social contributions") and increasing their "entitlement sets" and livelihood choices

- How do a beneficiary's social and economic identity (e.g. age and gender) or status affect their inclusion in community networks and decision-making processes? What about their changing networks after the introduction of a transfer?
- What social, economic and political factors influence social dynamics across households when cash transfers are introduced?
- Are communities with high prevalence of HIV/AIDS and orphans affected differently by the introduction of cash?
- What are the community changes in terms of power dynamics? What are the effects on local elites? And on gender relations and bargaining power, within and across households? How does this affect the community as a whole?

OPERATIONAL ISSUES HYPOTHESIS: Cash transfers can be improved through a better understanding of likely household and local economic impacts

- What is the dynamic between social networks and the programme's processes (social mobilization, targeting, registration, payment, communications and grievance mechanisms)? How does this affect the impact and sustainability of different cash and in-kind transfer systems?
- How do cash transfers differ from vouchers or food aid in terms of household and local economy effects?
- How do programme design and objectives (e.g. orphans and vulnerable children, labour-constrained households) affect household level decisions regarding the allocation of additional funds?
- How do the amount, frequency, predictability and mode of distribution of payments affect decisions regarding the allocation of additional funds?
- How can cash transfer systems be designed to complement and improve / make more inclusive local economic impacts?

Annex B Participatory Tools Used

Table 4 **Participatory tools, respondents, and areas of focus**

Tool	Respondent	Focus
Social mapping	Opinion leaders	Physical characteristics of the community and its infrastructure (location of settlements and facilities, crops, access to markets and roads etc.); highlights of social and cultural composition and dynamics in communities (social grouping differences and impacts from the programme)
Community well-being analysis	Opinion leaders	Socio-economic status of the community (characterization by wealth groups and what distinguishes them across a range of dimensions, as perceived by informants)
Household income and expenditure analysis	Beneficiaries	How beneficiaries earn their income and what they spend it on – identifying patterns and trends and changes over time
Livelihoods matrix analysis	Non-beneficiaries	How people earn a living in their community, and the relative merits of different options – analysing impacts of the programme on livelihood options and results, and the effects on local economy
Institutional mapping	Beneficiaries and non-beneficiaries	Who beneficiaries interact with, and the relative importance of the different people. This tool elicits perceptions of relationships and the strengths of social connections among people in the community.

Annex C Programme Characteristics

C.1 Ethiopia: Social Cash Transfer Pilot Programme (SCTPP)

In line with the African Union vision of an expanded social protection service and in accordance with Ethiopia's signature to the African Union's Social Policy Framework, the regional government of Tigray expressed its commitment to piloting a social protection minimum package. In 2011, the Tigray Bureau of Labour and Social Affairs (BOLSA), with support from the United Nations Children's Fund (UNICEF), launched the Social Cash Transfer Pilot Programme (SCTPP) in one rural and one urban *woreda* (or subdistrict) of the Tigray Region, Abi Adi and Hintalo Wajirat, respectively.

The overall goal of the SCTPP is to improve the quality of lives of orphans and other vulnerable children, the elderly and persons with disabilities and to enhance their access to essential services such as health and education (BOLSA Tigray, 2011). Its specific objectives are to:

- Contribute to the reduction of poverty, hunger and starvation in all households which are extremely poor and at the same time labour-constrained;
- Increase school enrolment and attendance and improve the health and nutrition of children living in target group households;
- Generate information on the feasibility, cost-effectiveness and impact of a social cash transfer scheme administered by BOLSA.

The cash transfer value is determined by the number of household members and their characteristics. The basic household transfer is 155 ETB (US$ 7.88). In addition, the household receives 25 ETB (US$ 1.27) for each child under the age of 16, plus an additional 10 ETB (US$ 0.50) if the child is enrolled in school, also called a "school grant," (for a total of 35 ETB (US$ 1.78) for a maximum of four children. Households with a disabled child younger than 18 receive an additional 40 ETB (US$ 2.00), households with a disabled adult receive an additional 50 ETB (US$ 2.54), and those with an elderly dependent receive 60 ETB (US$ 3.05) (BOLSA Tigray, 2011).

The cash transfer is distributed regularly to targeted beneficiary households on a monthly basis, on the 10th of each month of the Ethiopian calendar, which corresponds to the 18th or 19th of each month of the Gregorian or Western calendar. Beneficiaries collect their cash from designated payment points operated by the Dedebit Microfinance Institution (DECSI). There are three payment points in Hintalo Wajirat; one is in Adi Keyih, which was a fieldwork location of this study. There is one payment point in Abi Adi, in *kebele* 02. Beneficiaries can delegate someone to collect the transfer on their behalf by requesting the *tabia/kebele* manager, who is in charge of processing and approving all designations, to add a second person to their SCTPP certificate (Berhane *et al.*, 2012).

C.2 Ghana: Livelihood Empowerment Against Poverty (LEAP)

Launched in 2008, the Livelihood Empowerment Against Poverty (LEAP) cash transfer is the flagship programme of Ghana's National Social Policy Strategy. It aims to "empower" the poor by enhancing their capacity to access government interventions and enabling them to "LEAP out of poverty" (Ministry of Manpower, Youth and Employment, 2007). The LEAP programme is being implemented by the Department of Social Welfare (DSW) under the Ministry of

Employment and Social Welfare (MESW). When the programme started in 2008, it reached 1 654 beneficiary households in 21 selected districts. Currently LEAP reaches 70 191 beneficiary[49] households across 100 districts nationwide (Department of Social Welfare, April 2012).

In addition to the provision of cash, LEAP promotes an "integrated social development approach", which seeks to link beneficiaries with complementary services. For example, the MESW signed a Memorandum of Understanding with the health, education and agriculture ministries to provide free access to the National Health Insurance Scheme (NHIS), free school uniforms and access to agriculture support. Linkages to microcredit through the Ministry of Women and Children's Affairs (MOWAC) are also an envisaged complementary service.
LEAP uses a range of targeting methods, including geographical, community-based, categorical and proxy means testing. Geographical targeting stratifies districts according to poverty indicators, with "deprived" districts prioritized by using a poverty map developed by the Ghana Statistical Service and National Development Planning Commission. Within districts, beneficiary communities are selected by the District LEAP Implementation Committee (DLIC). According to the LEAP operational manual, the DLIC is made up of the District Chief Executive, a representative of the social services subcommittee, a representative of assembly men and women,[50] the District Social Welfare Officer, the Director of the Department of Children, the Director of Education, the Director of Health, the Director of Labour and the Director of Information, as well as religious and non-government organization (NGO) representatives in the districts.

The selection of beneficiary communities follows a range of locally-identified poverty criteria including: the prevalence of adverse health conditions such as high incidence of guinea worm, buruli ulcer and HIV/AIDS; the level of NHIS registration; the availability of and access to quality basic social services; the prevalence of child labour or child trafficking; and the degree of geographical isolation. There does not appear to be a clear or consistent methodology for ranking these various poverty criteria. This has been confirmed through subsequent discussions with the DSW.

C.3 Kenya: Cash Transfer to Orphans and Vulnerable Children (CT-OVC)

The main aim of the CT-OVC programme is to provide a social protection system through regular and predictable cash transfers to poor households living with orphans and vulnerable children (OVC)[51] in order to strengthen the capacity of families to care for and protect OVC while promoting their human capital development. This is in line with the National Social Protection Policy approved by Cabinet in May 2012.[52] At the time of writing this report, the CT-OVC programme supported 144 637 beneficiary households in 39 districts (2012/13 financial

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[49] While the term "beneficiary" is used throughout this report, we are aware that there is a debate about the use of this word as it implies that recipient households automatically derive a benefit from the cash transfer.
[50] This is an administrative term which refers to members elected to the District Assembly, which is the highest political authority in the district.
[51] An OVC is a child (<18 years old) who is identified by one or more of the following criteria: (i) has lost one or both parents (i.e. single or double orphan); (ii) lives in a household where at least one parent, caregiver or child is chronically ill; and/or (iii) lives in a child-headed household.
[52] Ministry of State, National Development and Vision 2030 (2012), *Executive Report, Kenya Social Protection Sector Review*, Nairobi: GOK, p.10.

year),[53] playing a central role in supporting the estimated 28 percent of poor households with OVC who are recipients of safety net support in Kenya.[54] This is against an estimated total of around 2.4 million OVC in 2009 (representing almost 30% of the total number of children living in poverty, and approximately 600 000 of those who lived in extremely poor households) (World Bank, 2013).

The specific objectives of the CT-OVC programme are fivefold: (i) education: to increase access to school (enrolment, attendance and retention) for children (4 to 17 years old, up to standard 8); (ii) health: to increase access to basic health services and reduce rates of mortality and morbidity for children 0 to 5 years old through immunization, growth monitoring and vitamin A supplements; (iii) basic food consumption and shelter: to improve household food consumption, nutrition and food security; (iv) civil registration: to increase the number of birth certificates for OVC, national IDs for caregivers and death certificates for deceased parents; and (v) household capabilities: to increase access to OVC-related services by improving linkages with other ministries and partners.

Early targeting through identification of OVCs in areas with high orphan numbers plus chronic illness of caregivers now combines geographic, community, household and proxy means test methods to identify "households living in extreme poverty, caring for OVC, who are not currently receiving cash benefits from other similar cash transfer programmes". These developments in targeting methods aimed to transform the selection process, from a crude, relatively blunt system to a more refined and increasingly objective and sharpened mechanism for beneficiary identification.

Acceptance into the programme means beneficiary households are eligible for a regular cash benefit of Ksh 2 000 (approx. US$ 24) per month. This is a set amount; the value of the transfer is not indexed against numbers of OVC in the beneficiary household. In principle, the transfer is received every two months. Payments are delivered through district treasuries or the Postal Corporation of Kenya, with designated days when all beneficiaries travel to their payment point and queue with their national identification cards. Biometric enrolment (a fingerprint or toeprint) and alternative delivery mechanisms (e.g. through the private Equity Bank) are being introduced in selected districts.

C.4 Lesotho: Child Grants Programme

The Child Grants Programme (CGP) is an unconditional cash transfer targeted to poor and vulnerable households in Lesotho, providing a regular transfer of M3602 (US$ 36) every quarter to poor households with children. The households are selected through a combination of proxy means testing and community validation.

The primary objective of the CGP "is to improve the living standards of Orphans and Vulnerable Children (OVC) so as to reduce malnutrition, improve health status, and increase school enrolment among OVCs".

The programme is run by the Ministry of Social Development, with financial support from the European Commission and technical support from UNICEF-Lesotho. In the pilot stage, technical assistance to the implementation was provided by Ayala Consulting and World Vision.

[53] Figures provided by Department of Children's Services, Nairobi, 25 July 2012.
[54] Ibid.

The transfer value for the CGP was set at a flat rate of M120 (US$ 12) per month per household and was disbursed every quarter. This was based on an assumption of M40 (US$ 4) per child, with an average household size of three. Effective April 2013, the cash transfer has been indexed to household size as follows:

- Households with 1-2 members receive M360 (US$ 36) quarterly;
- Households with 3-4 members receive M600 (US$ 60) quarterly; and
- Households with 5 and more members receive M750 (US$ 75) quarterly.

Payments are made through a cash-in-transit firm at one or two pay points per Community Council on a quarterly basis. Specific payment dates are determined by the Ministry of Social Development and announced a few weeks in advance to the district offices, who inform the community through the councillors and community chiefs. They in turn notify the rest of the community between two days and two weeks in advance of the pay date. In Litjotjela, payments have been made through the banks since April (with households collecting money in cash from the bank).

C.5 Malawi: Social Cash Transfer (SCT)

The Social Cash Transfer programme was launched as a UNICEF-funded pilot exercise in Mchinji District in the Central Region of Malawi in 2006. Its aim was to provide regular small amounts of cash to very poor households that were also deemed “labour-constrained” – unable to generate sufficient income through labour – owing to reasons such as old age, disability, chronic illness or having a very high ratio of child and elderly dependants to working-age adults. The objectives of the pilot programme were cited as: the reduction of poverty, hunger and starvation among ultra-poor, labour-constrained households; an increase in school enrolment and attendance of children living in target households; and the generation of information on the feasibility of running a cash transfer scheme at larger scale in Malawi (Schubert, 2006).

The scheme rapidly received endorsement by the Cabinet. In 2007, following the allocation of US$ 9 million of funding from the Global Fund for AIDS, Tuberculosis and Malaria, a Social Cash Transfer Secretariat was set up in the then Ministry of Gender, Children and Community Development with the intent of expanding the programme to six further districts out of the 28 in the country: Chitipa and Likoma in the Northern Region; Salima in the Central Region and Machinga, Mangochi and Phalombe in the south.

Under the scaled-up scheme the programme's objectives remained largely the same, but with an additional emphasis on the need to improve health and welfare of children (Ministry of Gender, Children and Social Development, 2014),[55] as follows:

- To contribute to national efforts to reduce poverty and hunger among ultra-poor and labour-constrained households;
- To increase school enrolment and attendance of children living in target group households; and
- To improve health, nutrition, protection and well-being of vulnerable children in target group households.

[55] Ministry of Gender, Children and Social Development (2014), “Social Cash Transfer Programme,” presentation by ministry representative to fieldwork team for the present study, January 2014.

The unit at which the programme is implemented at the community level is the "village cluster". A cluster is a group of villages comprising between 800 and 1 500 households. The cluster is not an official division of local government administration in Malawi; it has been devised only for the purposes of implementing the Social Cash Transfer programme. Households that are enrolled in the Social Cash Transfer programme receive a basic allowance of between MK 1 000 (US$ 2.30) and MK 2 400 (US$ 5.50) per month, depending on the size of the household. The upper limit of MK 2 400 is given to households of four members or more.

In 2013 the primary funder of the Social Cash Transfer programme was shifted from the Global Fund for AIDS, Tuberculosis and Malaria to the Government of Germany, via its development funding arm, KfW. At this time many of the procedures of the programme have been revised. A major priority has been the "retargeting" of all districts in the programme, to update the records of existing beneficiaries and to allow for the possibility of enrolling new beneficiaries in existing locations or in new locations within the programme districts.

C.6 Zimbabwe: Harmonised Social Cash Transfer (HSCT)

In support of the Government of Zimbabwe's National Action Plan for Orphans and Vulnerable Children 2011-2015, the Child Protection Fund– a multi-donor funding mechanism – was established, with the following three pillars:[56]

- Reduce household poverty by implementing a national cash transfer programme targeting households that are food-poor and labour-constrained;
- Enhance access to child protection services for all vulnerable children including legal, welfare and judicial services for children affected by violence, abuse and exploitation; and
- Improve access to basic education for poor orphans and other vulnerable children.

In response to the first pillar, the "unconditional" Harmonised Social Cash Transfer (HSCT) was introduced in 2011 by the Ministry of Labour and Social Services, through the Department of Social Services. The programme's objective is to "strengthen purchasing power of 55 000 ultra-poor households who are labour-constrained, through cash transfer". It aims to enable beneficiary households to increase consumption above the food poverty line, reducing the number of ultra-poor households as well as reducing risky coping strategies such as child labour and early marriage. The programme is expected to lead to improved nutrition status, health and education and reduction of mortality (MoLSS, 2011).

Beneficiary households had to meet two targeting criteria: Be food-poor and labour-constrained.
At the ward level, the Department of Social Services is supported by the Child Protection Committees (CPCs). The CPCs assist with verification of targeting results, informing beneficiaries, monitoring the payment process, counselling beneficiaries, and informing the District Office in case of the death of the head of a beneficiary household.

Payments were designed to be made bi-monthly and delivered through a cash-in-transit firm to one or two pay points across each ward. CPCs are multi-sector community-based structures at

[56] Ministry of Labour and Social Services (2011), 'Manual of Operations for the Zimbabwe Harmonised Social Cash Transfer Programme', March. 2011.

provincial, district and ward levels. They evolved out of Child Welfare Forums established by the government to provide advisory services to the Ministry of Labour and Social Services in 1999 and were redefined as CPCs in 2004 (MoLSS, 2012). The main role of CPCs is to identify and respond to issues affecting orphans and vulnerable children. In addition to their traditional role, the CPCs at the ward level are part of the implementation structure for the HSCT at ward, village and household level.

The CPC focal persons were trained following the targeting of the programme and were meant to be provided with three bicycles, manuals of operations for each CPC member and blank copies of programme operations forms.

The value of the bi-monthly cash transfer varies between US$ 1 and US$ 25, depending on household size.

The amounts were aligned with the prevailing “food basket” offered by the World Food Programme to vulnerable households and payment offered by the public works scheme run by the government. For a four-person household the bi-monthly transfer amounted to US$ 6 per person, representing 20 percent of the individual food poverty threshold of US$ 30.

The cash transfer is “unconditional” although beneficiary households are encouraged to direct the transfer towards their household’s and children’s immediate needs, including education and health.

Implicitly, the exit strategy of the programme is tied to the retargeting exercise through which beneficiary households who are no longer labour-constrained will be removed. A retargeting exercise will be undertaken every two years. Prior to this, transfers to legitimate beneficiary households will only be discontinued in cases where “the head of a one-person beneficiary household dies, a household moves out of the project area or a household dissolves completely” (Schubert and Chirchir, 2012).

Annex D District Profiles

D.1 Ethiopia: Hintalo Wajirat and Abi Adi *woredas*, Tigray Region

Woreda	Hintalo Wajirat	Abi Adi
Population*	153 505	16 115
Poverty status **	45%	13.7%
Language	Tigrinya	Tigrinya
Dominant religion	Christian Orthodox	90% Christian Orthodox, 10% Muslim
SCTPP beneficiary households***	Hintalo Wajirat: 3 018 (Female: 70.5% or 2 128; Male: 29.5% or 890) Sebebera *tabia*: 256 Adi Keyih *tabia*: 424	Abi Adi: 749 (Female: 80% or 600; Male: 20% or 149) *Kebele* 01: 392 *Kebele* 02: 229 *Kebele* 03: 128
Basic agrophysical context	Semi-arid and predominantly arid rain-fed subsistence agriculture, small-scale cash crops. Hilly and mountainous terrain (> 2 000 meters above sea level).	Town surrounded by cliffs and hills to the north and east (1 800 meters above sea level)
Main livelihood activity	Agriculture-based mixed farming production system. Crop cultivation (notably wheat, barley, *teff*, sorghum) practised along with livestock-rearing. Limited non-farming activities include petty trading, casual labour.	Wide range of urban livelihoods: daily labouring, skilled work, income-generating activities, trading, crops from ownership of land in rural areas.
Infrastructure, public services and institutions****	74 primary schools (30 schools grades 1-4; 44 schools grades 5-8), 2 secondary schools (1 in Bahr Tseba, 1 in Adi Guddom), 7 health centres, 20 health posts, no hospital.	2 primary schools, 2 secondary schools. 1 public hospital, 1 health centre, 1 commercial bank, 1 microfinance institution (DECSI), 2 weekly markets (on Wednesday and on Saturday), 1 public library, 2 bus stations
Basic governance-leadership structure	Divided into 22 *tabias* with representation in the *woreda* council (the body governing the *woreda*). *Tabias* are headed by *tabia* administrators who are elected by local constituencies and are in charge of (3-5) *kushets* in each *tabia*. Strong customary traditional leadership coexists alongside formal authorities and consists of male and female elders in charge of intra-household and intra-community conflict resolution	Divided into 3 *kebeles* with representation at the *woreda* council (the body governing the *woreda*). *Kebeles* are headed by *kebele* administrators who are elected by local constituencies and are in charge of (3-5) *ketenes* in each *kebele*. Weak customary traditional leadership coexists with formal authorities and consists of male and female elders in charge of intra-household and intra-community conflict resolution
Sociocultural characteristics	Equal distribution of farmland, male and female smallholders vested with land usufruct rights. Cultural norms against women ploughing land is a key driver of high number of FHHs sharecropping out their land. General reports of gender equality, harmonious and joint decision-making processes at household level (between husbands and wives), but also indications of men being primary decision-makers and retaining authority in some households. Most important social networks are family and community-based, offering important	Widespread ownership of land in rural areas among male and female urban residents; crop production from sharecropping arrangements is an important source of income. Livelihood activities are many and varied, including day labour, skilled work and a wide array of income-generating activities. General reports of gender equality, harmonious and joint decision-making processes at household level (between husbands and wives), but also indications of men being primary decision-makers and retaining authority in some households. Familial relations of mutual aid are weak and linked to the nature of relations in the urban context. Most important social networks are community-based

	networks of support entrenched in tradition, customary law, and reciprocity. CCCs and the social support mechanism that they manage play a central role. Churches and mosques are also important providers of support to the poor.	(friends, neighbours), providing important networks of support entrenched in norms of solidarity and reciprocity. CCCs and the social support mechanism that they manage play a central role. Churches and mosques are also important providers of support to the poor.
* Central Statistical Agency, Population and Housing Census 2007 ** For Hintalo Wajirat: BOLSA, 2011a. For Abi Adi: Ministry of Finance and Economic Development, 2012 Interim Report on Poverty Analysis (2010/11)]. Note: No data on poverty status for Abi Adi *woreda* was found; the above source is for poverty status in urban areas of Tigray, not for Abi Adi specifically. *** Beneficiary list provided by UNICEF; percentages of male/female beneficiaries provided by BOLSA **** Bureau of Planning and Finance 2012, Statistical data for the region		

D.2 Ghana: Komenda District and Tolon Kumbungu District

District	**Komenda**	**Tolon Kumbugu**
Region	Central	Northern
Population[57]	114 705	112 331
Language	Fante	Dagbani
Dominant religion	Christianity	Islam
LEAP beneficiaries households[58]	783	785
Basic biophysical context	Coastal savannah	Guinea savannah
Main livelihood	Subsistence farming	Subsistence farming
Infrastructure, public services and institutions	112 health facilities; 109 primary schools, 82 junior secondary schools, 6 senior secondary schools, 4 vocational and technical schools, 1 tertiary level institution, 180 km of feeder road	19 health facilities, 131 primary schools, 26 junior secondary schools and 2 senior secondary schools. Single main road which connects district to *tamale*. Feeder roads impassable in rainy season
Main sociocultural characteristics	Extended family network is an important risk-sharing mechanism for major life cycle events such as funerals Matrilineal society with greater access for women to productive resources through inheritance. Men often still primary decision-makers and authority within the household.	Complex and larger extended family structure – "*compound system*" – serves as a risk-sharing mechanism. Patrilineal society reduces women's access to productive resources through inheritance. Men maintain greater decision-making authority over household resources.

[57] Ghana Statistical Service (2012). "2010 Census Data".
[58] LEAP Database, April 2012.

D.3 Kenya: Owendo District and Kangundo District

District	Kangundo	Owendo
Province	Eastern	Nyanza
Population[59]	[old Machakos District 442 930]	108 913 (new district)
Language	Kikamba / Kiswahili / English	Kiluo / Kiswahili / English
Dominant religion	Christianity	Christianity
CT-OVC beneficiaries	5 656 total (New Kangundo District tbc[60])	7 580 total
Basic agrophysical context	Semi-arid rain-fed agriculture; hilly terrain.	Sub-humid rain-fed agriculture.
Main livelihood activity	Transformation from agropastoral to agricultural livelihoods	Agriculture – including notably sugar cane as a cash crop, livestock, fishing
Infrastructure, public services and institutions	District recently created (2008) and relevant data is not held.	District recently created (2010) and relevant data is not held.
Sociocultural characteristics	Patrilineal descent; long tradition of absentee male adults investing women with decision-making power by necessity; increased tendency towards nuclear/fragmented families. Orphanhood and male/female parental desertion of children can lead them to be cared for by mother's family.	Weight placed on patrilineal descent and patrilocal residence grants men greater decision-making power as heads of homesteads than women. Children regarded as valuable property, with strong emphasis on keeping a woman within her husband's family and community even when she is widowed.

D.4 Lesotho: Mafeteng District and Leribe District

District	Mafeteng	Leribe
Region	Northwest	Central/Southwest
Population[61]	192 977	298 352
Language	Sesotho and English	Sesotho and English
Dominant religion	Christianity	Christianity
CGP Beneficiaries	700	391
Basic biophysical context	Contains the three ecological zones of lowlands, foothills and mountains.	Contains the three ecological zones of lowlands, foothills and mountains.
Main livelihood	Mining, construction and domestic work in South Africa, agriculture (mostly subsistence), livestock-rearing and sale of	Mining, construction and domestic work in South Africa, jobs in factories in Mapotsoe, agriculture (mostly subsistence), livestock-

[59] KNBS (2010), Kenya Population and Housing Census, Volume 1 A. Nairobi: KNBS, pp. 87-88, 119.
[60] Data from the CT-OVC Central Programme Unit, Nairobi, 25 July 2012.
[61] 2006 Population and Housing Report.

	wool and mohair, petty trading, casual work and public works programmes.	rearing and sale of wool and mohair, petty trading, casual work and public works programmes.
Infrastructure, public services and institutions	23 health centres, 1 hospital, 16 primary schools, 22 secondary schools, 96 high schools; 11 other training schools, 122 traditional initiation schools.	34 health centres, 2 hospitals, 196 primary schools, 33 secondary schools, 39 high schools, 4 vocational schools. Two tarred roads
Main sociocultural characteristics	Patriarchal; inheritance is patrilineal, and once married, the woman moves to her husband's household and community.	Patriarchal; however, women are increasingly taking roles in public decision- making as noted in the representation in District and Community Council membership in Leribe.

D.5 Malawi: Salima District and Phalombe District

District	**Salima**	**Phalombe**
Region	Central	Southern
Population	340 000 (2008)	310 000 (2008)
Language	Chichewa (86%), Chiyao (10%)	Lomwe, Nyanja, Yao
Dominant religion	Christianity (66%), Muslim (29%), other or none (6%)	Christianity (94%), Muslim (1%), other or none (5%)
Social Cash Transfer beneficiaries	2 613 (Dec 2013)	4 193 (Dec 2013)
Enrolled traditional authorities	3 since 2007; 2 more targeted in 2013	6 (but not full coverage in each)
Basic biophysical context	Southern lakeshore (43%), Rift Valley escarpment (57%)	Lake Chilwa / Phalombe Plain (100%)
Main livelihood	Farming, fishing, small-scale business	Farming, fishing
Infrastructure, public services and institutions	20 health facilities 128 public primary schools, 16 public secondary schools. Extensive road network.	12 health centres, 1 private hospital 83 primary schools, 13 secondary schools, 2 special schools Very poor road network.
Main sociocultural characteristics	Both matrilineal and patrilineal. Chewa tradition mostly matrilineal.	Matrilineal society.

D.6 Zimbabwe: Chivi District and Goromonzi District

District	**Chivi**	**Goromonzi**
Province	Masvingo	Mashonaland East
Population[62]	155 640	154 262
Language	Ndebele, Shona, Venda and Zulu	Shona
Dominant religion	Christianity & ancestral worship	Christianity & ancestral worship
CT-OVC beneficiaries[63]	3 968	2 762

[62] 2002 national population census
[63] Based on beneficiary list provided by Department of Social Services

Basic agrophysical context	2 major zones, both with low quality land and low annual rainfall	Highveld Prime Cereal and Cash Crop Resettlement Zone; some of the most fertile soils in Zimbabwe; high levels of annual rainfall.
Main livelihood activity	Cereal agriculture Casual labour, petty trading, fishing, gold panning and remittances	Cash crop production supplemented by livestock production, petty trading, casual labour
Infrastructure, public services and institutions	81 primary schools, 34 secondary schools, 11 health facilities and 3 hospitals	10 primary schools, 9 secondary schools. No information on health facilities available
Sociocultural characteristics	Most important social networks are kin-based relations. Churches also play a central role in these communities. Patrilineal society. Friends, neighbours and wider community also provide networks entrenched in tradition and reciprocity. Customary law disadvantages woman in relation to inheritance, which is skewed towards male members of household or wider family.	Most important social networks are kin-based relations. Churches also play a central role in these communities. Patrilineal society. Friends, neighbours and wider community also provide networks entrenched in tradition and reciprocity. Kin-based relationships are weaker in resettled areas. Customary law disadvantages woman in relation to inheritance, which is skewed toward male members of household or wider family.