Overseas Development Institute

The role of cash transfers in reducing childhood poverty and vulnerability in West and Central Africa

Social Protection to Tackle Childhood Poverty: Lessons from West and Central Africa

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International evidence on impact of cash transfers on reducing childhood poverty

- Childhood poverty and vulnerability can be addressed indirectly and directly by cash transfers
- Cash transfers to households are found to be spent mostly on food, clothes and seeds, and meeting the costs of services like education and health
- Cash transfers can reduce the incidence of child labour
- Cash transfers, combined with additional investments in basic service provision, are an effective tool to improve child nutrition, birth registration, school enrolment and survival rates
- Child sensitive social protection should include a package of social assistance; social services; social insurance; and social equity

Existing cash transfer programmes

Cape Verde: Cape Verde has established two cash transfer programmes: a Minimum Social Protection scheme and Social Solidarity Pensions, which were launched in 1995 and 1992, respectively, providing transfers and free access to basic social services to about 17,000 extremely poor elderly, chronically ill and persons with disabilities.

Existing cash transfer programmes

Ghana: In early 2008, the Ministry of Manpower, Youth and Employment launched a pilot cash transfer programme, called Livelihood Empowerment Against Poverty (LEAP), which aims to supplement the incomes of 'dangerously poor households' through the provision of cash transfers and to link them up with complementary services so that they can, over time, 'leap out of poverty'. Technical support for the design of the programme and related capacity-building has been provided by international organisations and donors. The programme was due to reach 53,000 households by the end of 2008 and aims to reach one-sixth of the extreme poor within five years.

Existing cash transfer programmes

Nigeria: A small conditional cash transfer programme, In Care of the Poor (COPE), has been launched by the National Poverty Eradication Programme (NAPEP), using debt relief funds from the Heavily Indebted Poor Countries (HIPC) initiative. It provides cash transfers to extremely poor and vulnerable households, on the condition that adult members attend training sessions, keep their children in school and utilise health services. It has recently started operations with 12,500 beneficiary households in 12 states and the Federal Capital Territory.

Existing cash transfer programmes

- **Sierra Leone:** A pilot cash transfer programme, the Social Safety Net (SSN) was launched in 2007. It is targeted the elderly and most vulnerable with no other means of support, through the Ministry of Labour. Around Le 200,000 (approximately US$62) is transferred every six months using community targeting methods through SSN committees. The programme aims to reach 16,000 households.

Cash transfers in West and Central Africa

- Few institutionalised cash transfer programmes and limited coverage
- Potential to address childhood poverty through cash transfers, but important to consider differential pattern of poverty and vulnerability
- Broader political and institutional challenges to effectively deliver and scale up cash transfer programmes
- How affordable are cash transfers and are they sustainable?