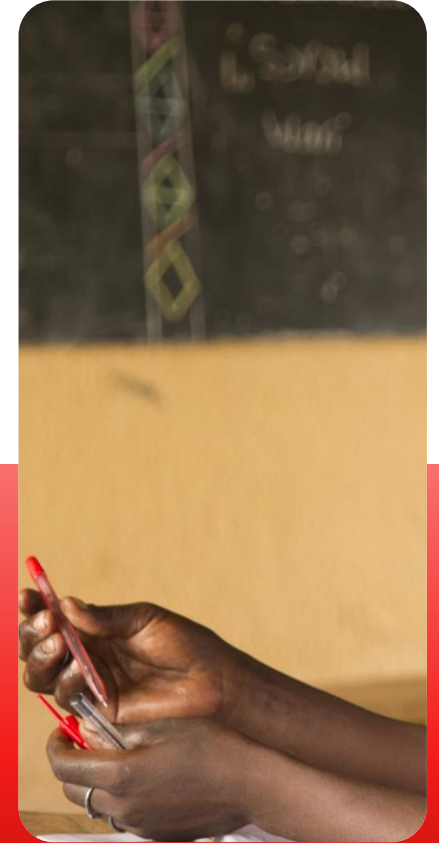


# Towards Universal Child Benefits

Save the Children's experiences from East and Southern Africa



# Flow

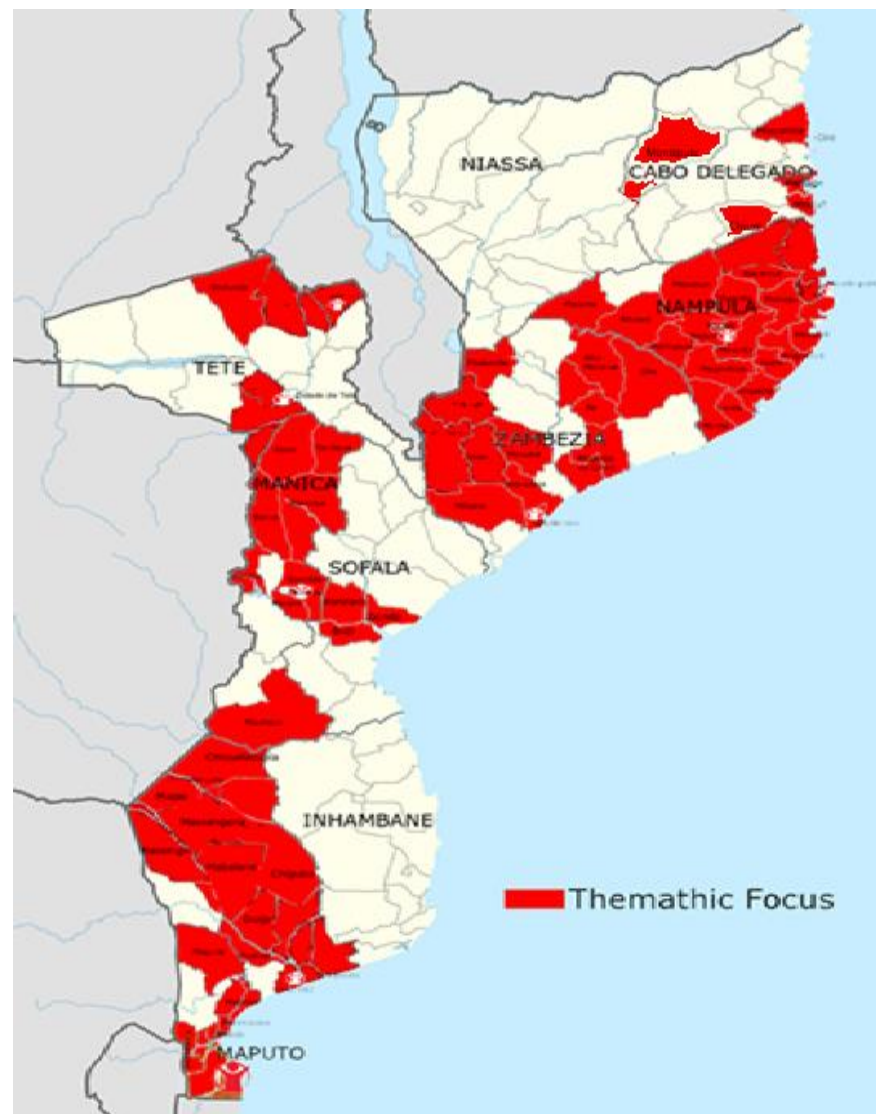
- **Overview of SC Mozambique's work**
- **Why prioritize investments in child focused social protection?**
- **The Case for Universal Child Benefits (UCBs)**
- **Examples of Save the Children's Work in ESA – Malawi, Somalia, Ethiopia**
- **Examples from across Africa**
- **Q&A**

# Our Strategy 2019-2021 & thematic areas in Mozambique:



# WHERE WE WORK IN MOZAMBIQUE:

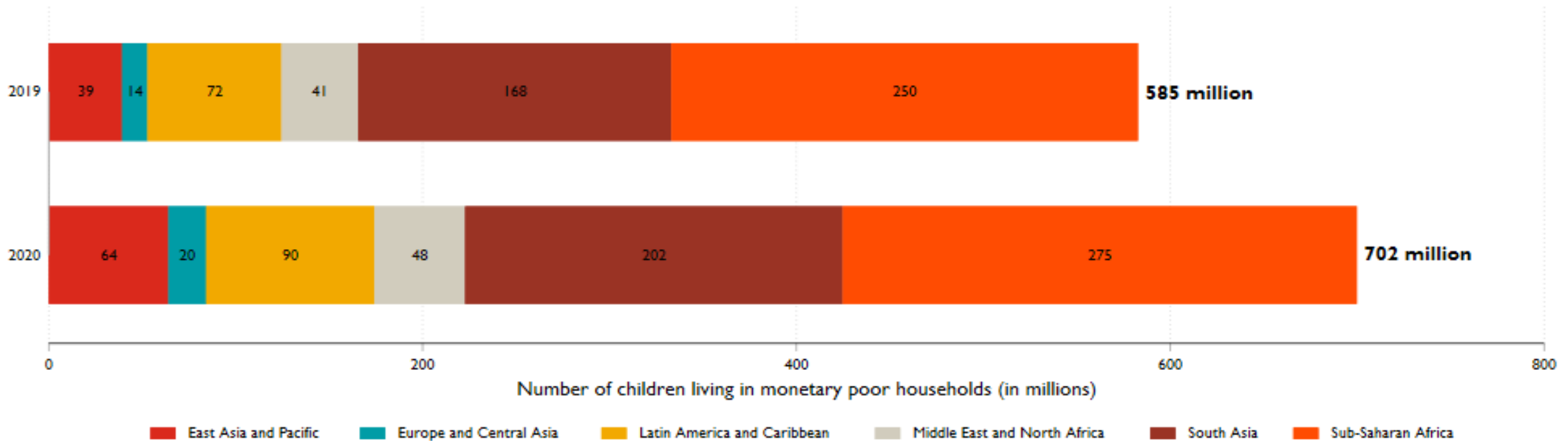
- ❖ Child Marriage
- ❖ Child Poverty (**Child Sensitive Social Protection** and Food Security and livelihoods)
- ❖ Child Protection;
- ❖ Child Rights Governance;
- ❖ Education
- ❖ Gender
- ❖ Health and Nutrition
- ❖ Humanitarian Response and Resilience



# Urgent action on Child Poverty is needed

In 2019, just over one in three children globally (34.9%) had access to any form of child or family benefit. This falls to as low as 15.9% of children in Africa, and 13.1% of children - in sub-Saharan Africa.

585 million children were already living in poor households. The coronavirus pandemic could increase this number by another 117 millions.



Save the Children & UNICEF (June 2020). Numbers for 2020 shows upper boundary of estimates.

# Children have a **RIGHT** to Social Protection

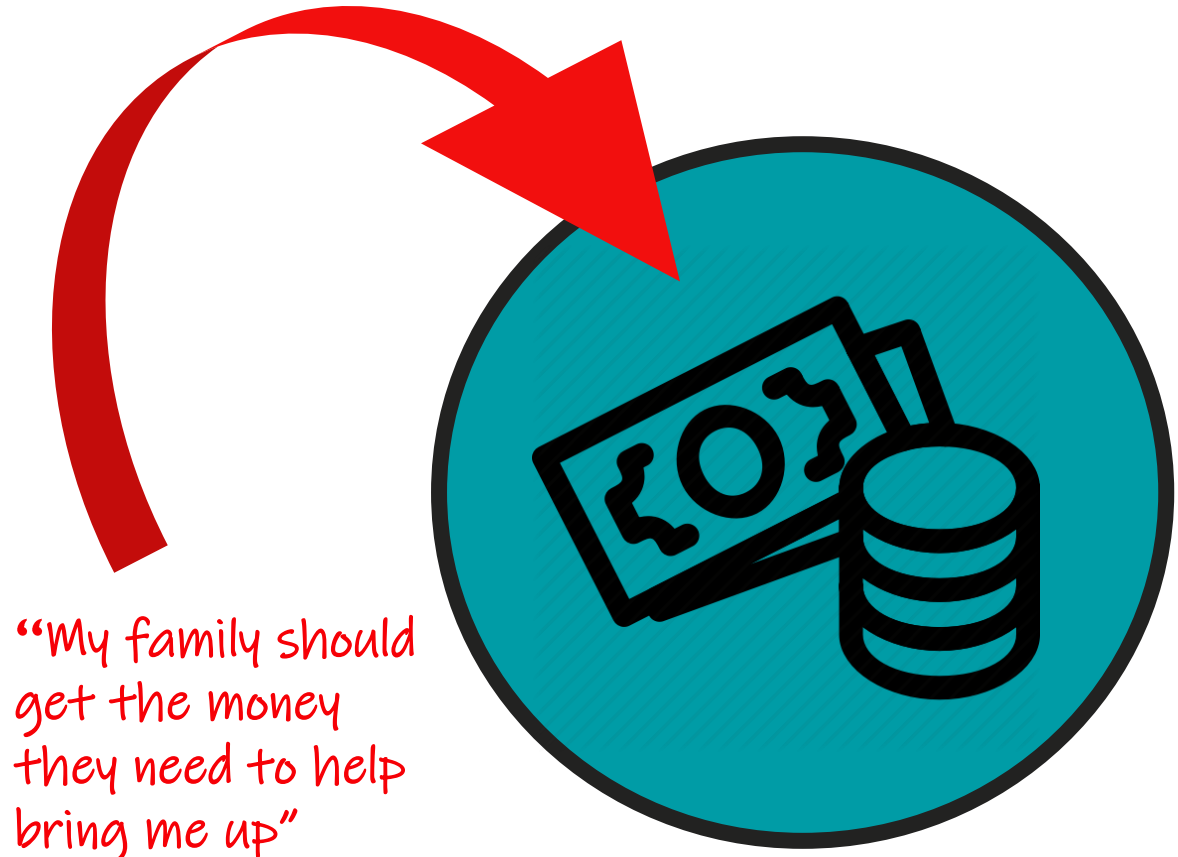
## UNCRC Articles 26 and 27

### Article 26

1. States Parties shall recognize for every child the **right to benefit from social security**, including social insurance, and shall take the necessary measures to achieve the full realization of this right in accordance with their national law.

### Article 27

1. States Parties recognize the right of every child **to a standard of living adequate** for the child's physical, mental, spiritual, moral and social development.



[ypcs.org.uk/rights/uncrc/articles/article-26/](https://ypcs.org.uk/rights/uncrc/articles/article-26/)



# Why prioritise investments in children?

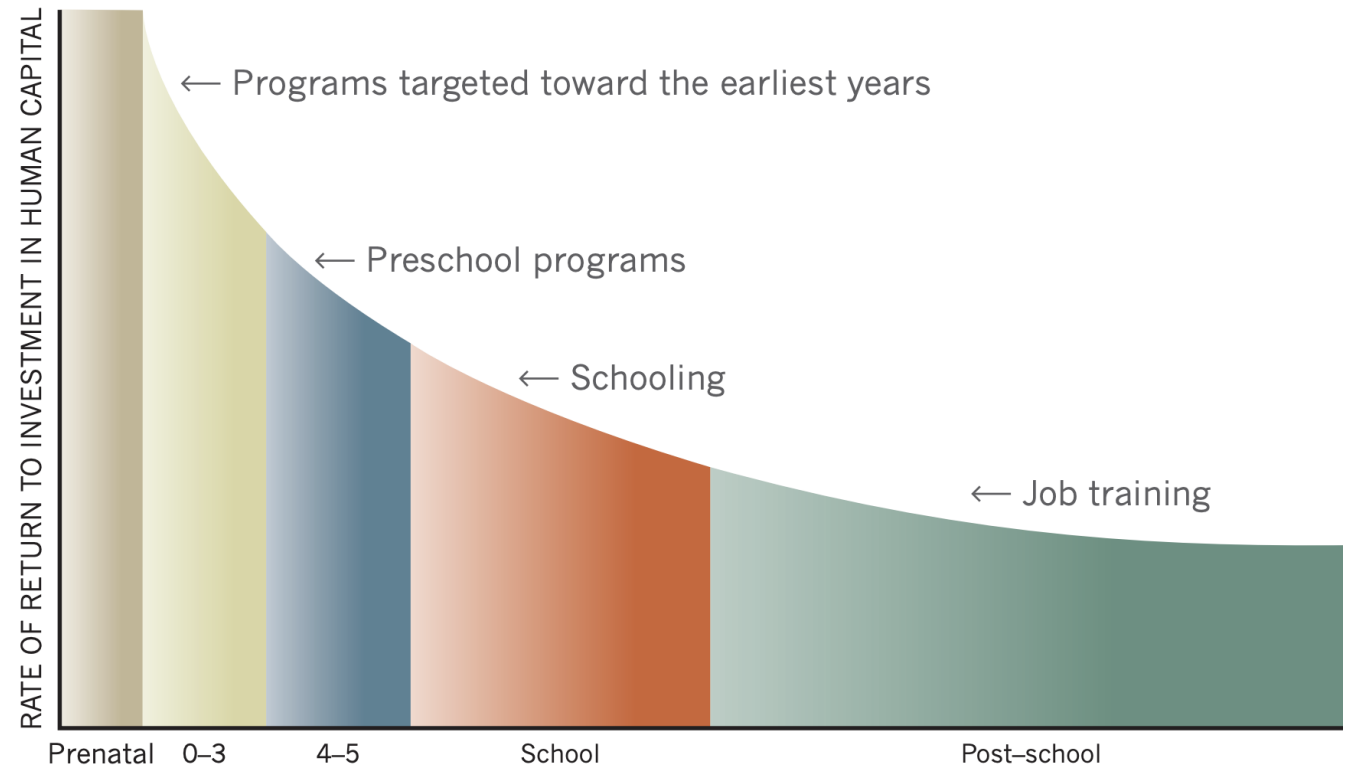
**Childhood is the period in life where we see biggest returns in investment.**

**Poverty inflicts irreversible damage to children and costs economy and society later on.**

**We know regular cash transfers can produce positive child outcomes.**

**A skilled workforce is the result of countries investing in their children.**

## Returns to a Unit Dollar Invested



Heckman, James J. (2008). "Schools, Skills and Synapses," *Economic Inquiry*, 46(3): 289-324

# Save the Children is calling upon:

...Governments, donors and other development partners to:

urgently support an expansion in social protection coverage of children and their caregivers, working progressively towards UCBs.





# What are Universal Child Benefits?

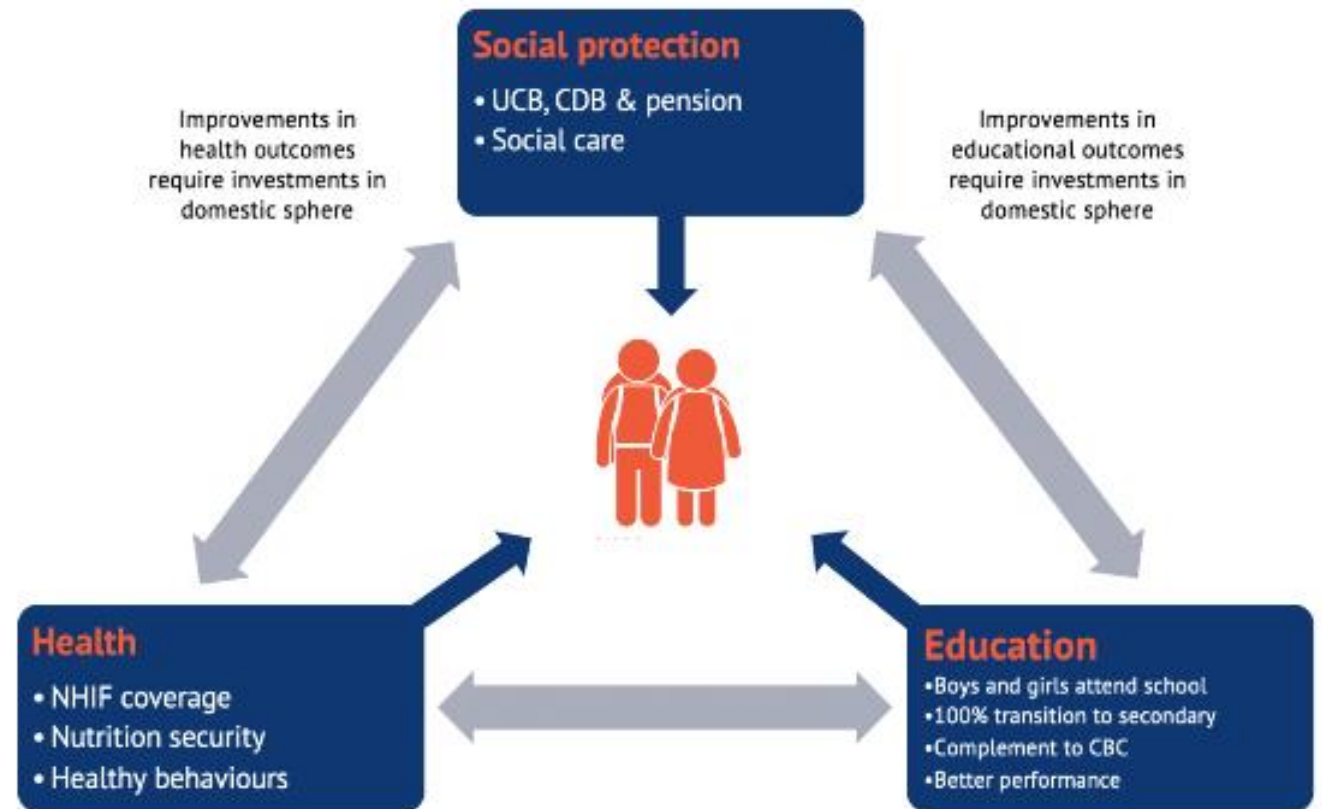
**UCBs, in their fullest form, refer to the provision of regular, unconditional income transfers to caregivers of children from the time of pregnancy or birth until the child's 18<sup>th</sup> birthday.**



# Why invest in Universal Child Benefits?

- Every child has the right to social protection
- Investment in human capital
- Child poverty reduction
- Poverty targeting is costly and ineffective
- Improve social cohesion and trust in government
- Strong economic stimulus
- Increasing birth registrations
- Reaching the most deprived and marginalized
- Dealing with future shocks (climate)

Figure : Investments in health, education and social protection services to strengthen child development and build the nation's human capital –Source: *Development Pathways*





## Examples of Save the Children's Work in the Region

Improving coverage and impacts of children in Social Protection Programs

# MALAWI: Analysis of the Child Sensitivity of Malawi's Social Protection System



To what extent does the Malawi National Social Support Programme currently consider and respond to the needs of children?



Where are the main gaps (e.g. in terms of coverage, adequacy etc.) deserving closer attention?



What are the current strengths and opportunities for advancing child-sensitivity of social protection policy and programmes so that they deliver more for Malawi's children?



The Social Cash Transfer Programme\* covers just **12%** of children in multidimensional poverty

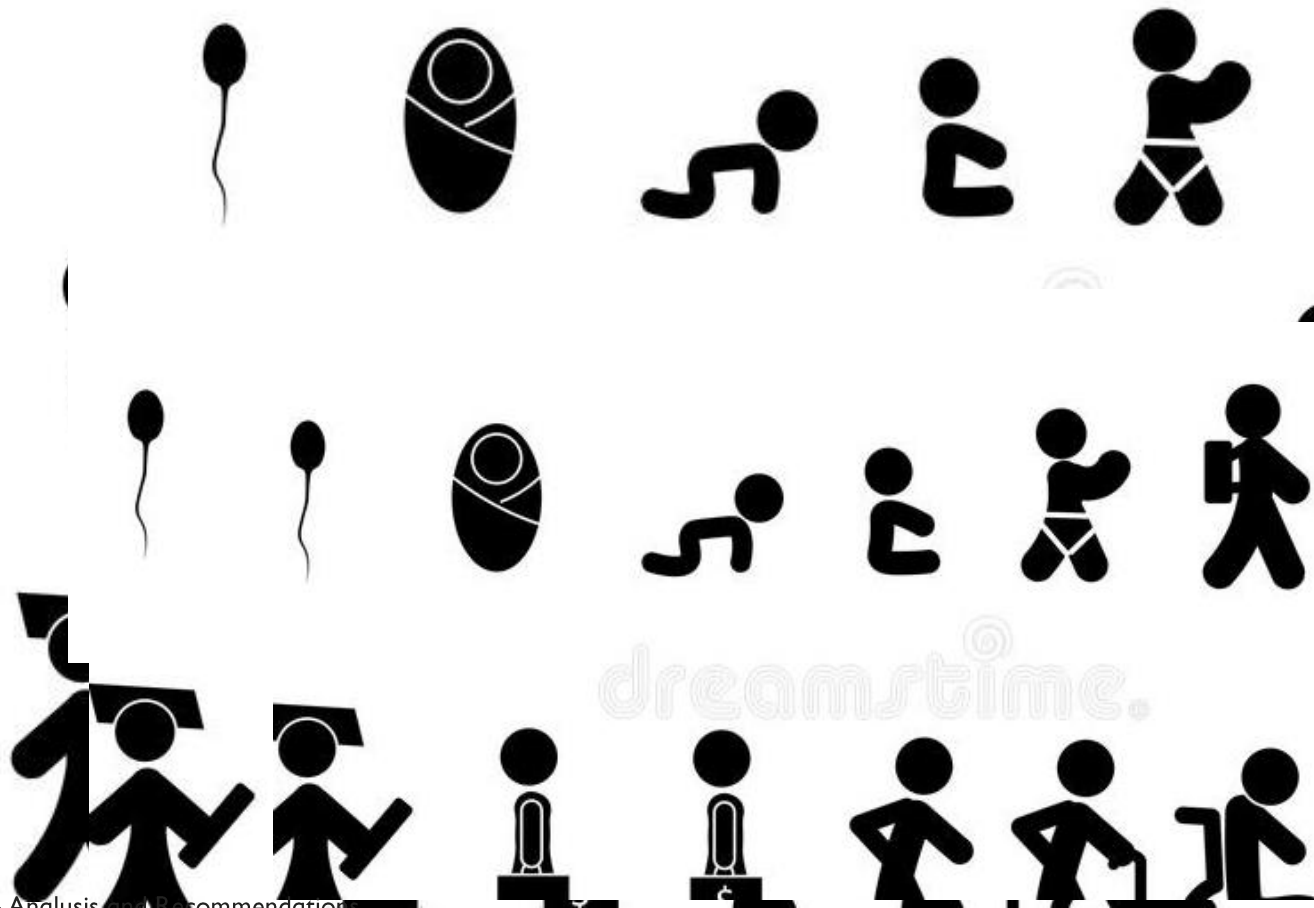


Leaving **79%**

Public Works programme covers estimated **2%** of children in multidimensional poverty

Food for Assets programme covers estimated **7%** of children in multidimensional poverty

\*Only **2.1%** of all children under 5 years are covered by the Social Cash Transfer Programme





# Financial protection

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...nted (**24%** in  
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...ion.

# Child-Sensitive Social Protection in Somalia

**Social Protection Scoping Study** for Somaliland - [here](#)

**Piloting a child benefit** in Hargeissa with govt co-financing and oversight

Social protection **systems building** in Somalia - funded by European Trust

- Research on financing
- Funding 10 Ministry staff to work on a unified registry
- Design and pilot a child grant

Running a **shock responsive social protection pilot**



# ETHIOPIA: Estimated coverage of children in existing social protection schemes

	Rural PSNP	Urban PSNP	CBHI	School Feeding
Number of children covered	8 million people (~2-2.5 million households) = est. <b>~4 million children</b>	604,000 people = est. <b>~241,600 children</b>	22.5 million people = est. <b>~10 million children</b>	<b>0.9 million children</b> (2018/19) – highest level: 3.1 million children (2015/16)
Total as a proportion of all children in poverty	<b>33%</b> of 12.1 million <b>monetary poor</b> children <b>11%</b> of 36.5 million <b>multidimensionally poor</b> children	<b>2%</b> of 12.1 million <b>monetary poor</b> children <b>0.7%</b> of 36.2 million <b>multidimensionally poor</b> children	N/A - CBHI is for all informal households not poverty targeted	N/A - targeting chronically food insecure districts – not poverty targeting at the household/individual level/ AA – universal provision
Total as a proportion of all children in Ethiopia	<b>~9.7%</b>	<b>~0.6%</b>	<b>~24.2%</b>	<b>~2.2%</b>



# Costing UCBs in Ethiopia

Scenarios	Monthly value (ETB)	Annual cost (billion ETB)	As a % of GDP (2020)
Child benefit for 0-2 year olds	100	12,308	0.38%
Child benefit for 0-5 year olds	100	23,958	0.75%
Child disability benefit	400	2,633	0.08%

# Other examples of child-focused programmes from the region

Country	Programme	Details
<b>Mozambique</b>	Subsidio para Crianças	<ul style="list-style-type: none"> <li>• Regular grant targeted at caregivers of children (0-2)</li> <li>• Aimed at reducing high levels of chronic malnutrition (stunting)</li> <li>• Aimed at national coverage by 2024</li> </ul>
<b>Angola</b>	Valor Criança	<ul style="list-style-type: none"> <li>• Regular grant targeted at caregivers of children (0-4)</li> <li>• Pilot aiming to reach 20,000 children in three provinces</li> <li>• Inclusive categorical targeting: all children of eligible age to be reached</li> </ul>
<b>Kenya</b>	Cash Transfer for Orphans and Vulnerable Children  (Plans for Universal)	<ul style="list-style-type: none"> <li>• Coverage increased from 500 hhs (2004) to 240,000 (2015)</li> <li>• Gov't increasingly financing through national resources (% financed by development partners fell from 57% in 2008 to 16% in 2016)</li> <li>• Resulted in delayed first pregnancy among youth (Handa et al., 2016)</li> </ul>
<b>Namibia</b>	Various child grants	<ul style="list-style-type: none"> <li>• Gov't invested 1.5% of national government budget in Child Grants (2017/18)</li> <li>• Reaching 306,555 children (2017)</li> </ul>
<b>South Africa</b>	Child Support Grant	<ul style="list-style-type: none"> <li>• &gt;12m children covered (63% of 0-17 population)</li> <li>• Means tested (children &lt;18)</li> <li>• Eliminated poverty in bottom two deciles (Leibbrandt et al., 2010)</li> </ul>

# Financing of Social Protection in Lesotho

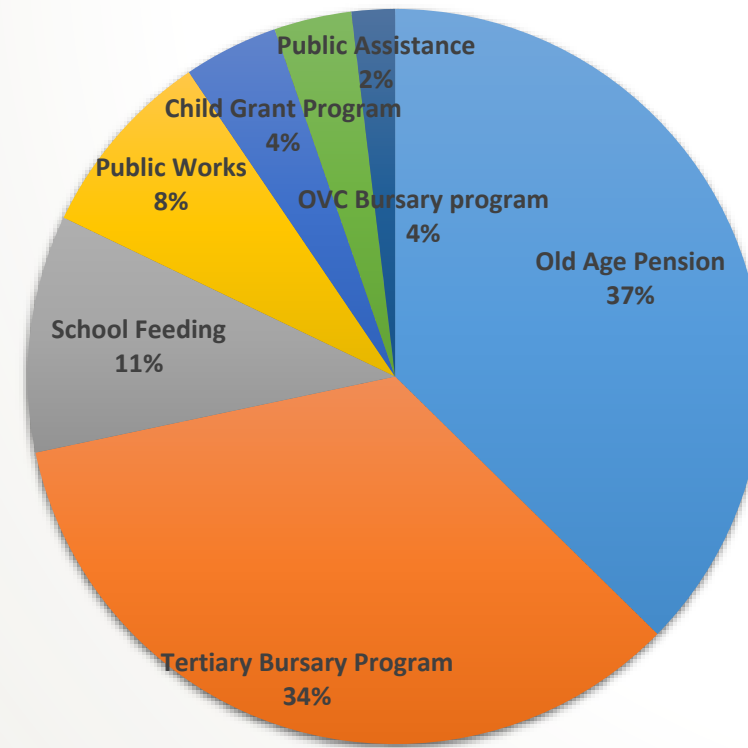


Lesotho invests **7% of GDP** in social protection

Most programs evolved from being 100% donor funded to **mostly 100% Government funded**

(including Child Grant Programme, Old Age Pension, Tertiary Bursary Programme, Public Works)

Estimated Annual Budget - Social Protection



- Old Age Pension
- Tertiary Bursary Program
- School Feeding
- Public Works
- Child Grant Program
- OVC Bursary program
- Public Assistance

# LESOTHO's Child Grant Programme – Impacts (2013 & 2018)



- **Improved child wellbeing** (reduced child morbidity/sickness, reduction of child labour)
- **Improved school attendance and retention**
- **Access to social services** - birth registration
- **Food security:** 60% of the grant utilized for food, improved dietary diversity
- **Increased local economic activity** by 2.23 per \$1 invested
- **Reduction in extreme poverty** (e.g. food, hygiene, personal care, clothing, footwear, etc.)
- **Increased HH consumption** and reduced consumption inequality
- Nationwide expansion of CGP is affordable: It does not affect macroeconomic stability



## Expansion of the Program to respond to Shocks

- The program has been used effectively to respond to drought and COVID through vertical and horizontal expansion



# QUESTIONS & COMMENTS

# THANK YOU



**Save the Children**

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[adam.davies@savethechildren.org](mailto:adam.davies@savethechildren.org)

# The Effectiveness of Cash Transfer Programming for Children

This [2 pager](#) is a short summary of cash transfer evidence against Save the Children's three breakthroughs – Survive, Learn and Be Protected.

Cash Transfer Programming (CTP) is a means of giving people money to meet critical needs, invest in their livelihood and in their children's future.

Substantial evidence has been generated on the effectiveness of cash transfers - including their impacts on children - especially if provided with complementary support.

Cash is arguably one of the best evidenced anti-poverty tools available.



# Universal Child Benefits Evidence 2 Pager

Children represent one third of the world's population, as much as one half grow up in extreme poverty (i.e. surviving on less than \$1.90 per day) .

Yet just 35% of children globally receive any form of child or family benefit. This figure falls to as low as 28 percent in the Asia and Pacific region and 13% in sub-Saharan Africa.

Never has there been a greater need globally for us all to get behind Universal Child Benefits.

This 2-pager is a summary of evidence on Universal Child Benefits.



See this [blog](#) for more on UCBs in response to COVID-19





# Child Sensitive Social Protection Approach Paper

This document presents **Save the Children's vision in the area of social protection** and draws together a wide range of examples of our work from accumulated experience in the last decade and a half, categorised into five main types of work.



# Frequently Asked Questions on UCBs

# Will Universal Child Benefits increase pregnancies?

**Evidence shows that fertility rates fall over time as families and societies become wealthier.**

**In reality, most child benefits are too small in value to encourage women to have children.**

**RCTs in Kenya, Malawi, Zambia and Zimbabwe find no impact on the likelihood of women giving birth.**

**RCT of Save the Children's maternal and child grant programme in Nigeria– no impact on fertility rates.**

**South Africa's Child Support Grant - Evidence on increased birth spacing and delayed pregnancies among young girls.**



# Will Universal Child Benefits increase dependency and lower labour participation?

There is evidence from low- and middle-income countries, that the receipt of social security benefits does not reduce engagement in the labour force. In contrast, it can increase it or help people move into higher quality employment.

In contrast, there is evidence from LIC and MIC that poverty targeted programmes can dis-incentivize engaging in work. (eg. Georgia, Uruguay, Argentina)



# Will parents misuse the money?

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Across a range of child benefits worldwide, there is irrefutable evidence that the vast majority of parents use the cash they receive to enhance their children's wellbeing.

**Of seven Transfer Project evaluations, five studies showed no increase in alcohol and tobacco spending from baseline (and in Lesotho transfers reduced spend on these products), while significantly increasing spending on food.**

**The World Bank systematic review of 19 studies from 1997-2014 found strong evidence that transfers are not consistently used for alcohol or tobacco. Authors suggest this is likely due to the effect of women controlling household finances.**

Evans, D. K. and Popova, A. (2014) **Cash Transfers and Temptation Goods: a review of global evidence.**

# UCBs and Poverty Reduction

## 2020 UNICEF and ODI Study Findings

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In low-income and middle-income countries (LICs and MICs), simulations suggest that UCBs could reduce poverty significantly.

**An exercise for 14 Middle Income Countries showed that universal transfers financed by 1% of GDP led to a fall in the child poverty headcount of as much as 32% and a reduction in the child poverty gap of up to 48% in some countries.**

The maximum poverty reduction occurred when transfers were 'weighted', paying higher transfer levels towards the poorest 40% and 'taxed back' from higher earners.

Source: ODI/UNICEF (2020) Universal child benefits: policy issues and options. London: Overseas Development Institute and New York: UNICEF.

# Why Universal vs. Poverty Targeted Child Benefits

## Poverty targeting...

- Is expensive
- Has high exclusion errors
- Can create dependency
- Can bring shame and stigma
- Can result in resentment or political apathy among those that are not covered

## Universal targeting ...

- Has higher poverty reduction impact
- Creates positive impression of government
- Increases trust in government
- Strengthens social contract between state and citizen
- Improves social cohesion

