



Scaling up cash transfer programmes: Good practices and lessons learned from Kenya, Tanzania and Zambia

by Ana Beatriz Monteiro Costa, Mario Gyoeri and Fábio Veras Soares, International Policy Centre for Inclusive Growth (IPC-IG)¹

Social cash transfer programmes are important and promising initiatives in the promotion of sustainable development and inclusive growth in the developing world. However, many of these programmes are operating at a small scale, reaching only a limited number of beneficiaries. Strategies to expand, adapt and sustain successful pilot or small-scale programmes are thus necessary in the continuous process of poverty alleviation and development. This policy research brief provides an overview of the literature relating to the scale-up of cash transfer programmes and an examination of good practices and lessons learned from the process in three African countries: Kenya, Tanzania and Zambia.

Scaling up social cash transfer programmes means expanding successful initiatives to reach a greater number of beneficiaries. However, programmes are often scaled up across different dimensions simultaneously: a quantitative scale-up (increasing the number of enrolled beneficiaries) is often accompanied by a functional scale-up (expanding programmes to different sectors or to a broader functional area), a spatial scale-up (increasing geographical coverage) and possibly also an intertemporal scale-up (improving duration, continuity and sustainability).

Scaling up cash transfer programmes: theory and academic literature

Cooley and Kohl (2006) have developed a three-step framework to guide the implementation of scale-ups of development policies and programmes in general. Their model shall be used as a theoretical framework for the more practical discussion in the second part of this policy brief. Their proposed process consists of:

- strategic planning and the development of an expansion plan;
- creating the conditions for the implementation of the expansion plan; and
- operational aspects—the implementation of the scale-up plan.

In the first step, the emphasis is on the need for strategic planning and the development of an expansion plan before the beginning of the scale-up process. The pilot phase plays an especially important role in this regard, as it is during this phase that new ideas, strategies and solutions can be tested. Furthermore, the pilot phase can help to test the viability, optimal size and successful elements of a project. In a context where it is not feasible to implement a pilot phase, an effective and comprehensive scale-up plan becomes even more important. It should include a reasonable time-frame for the expansion, possibly detailing a gradual scale-up approach; assign clear roles and responsibilities for the different stakeholders; and address the programme vision, the evidence supporting the expansion and its feasibility (including the impact and cost-effectiveness of the model, as well as public demand for the programme), the proposed actions within the scale-up plan and, finally, the resources and necessary budget to support the scale-up process and future operations.²

The second step in the scale-up process is to create the conditions for the implementation of the expansion plan and the scale-up process itself. According to Hartmann and Linn (2008), seven spaces are necessary and should be created or adapted to promote a smooth scale-up process. These are: (i) *the fiscal/financial space*; (ii) *the political space*, which is the necessary support of the political leadership and important stakeholders as well as building constituency; (iii) *the policy space*, which includes the regulatory and legal framework to support the programme and its expansion; (iv) *the organisational space*, which is the institutional and human capacities essential for the scale-up process; (v) *the cultural space*, which accounts for possible cultural obstacles due to different values and social-interaction patterns in multicultural communities and countries; (vi) *the partnership space*, which is the need for the mobilisation and support of both domestic and external partners; and (vii) *the learning space*, which includes the ability to learn and adapt as well as the necessity for sharing knowledge and training.

In addition, based on the experience of members of the Africa Community of Practice on Cash Transfer Programmes (CoP) and the CoP facilitation team, a number of challenges can be expected to arise regarding the scale-up phase of a cash transfer programme. Being aware of them from the very beginning can contribute to a smooth expansion process.

- **Targeting:** Reaching the desired target population with a relatively low rate of inclusion and exclusion errors, within a short period of time, may be a major challenge for any scale-up. A pre-existing registry of potential beneficiaries could be an important starting point for identifying the target population of the scale-up. If no such registry is in place, targeting approaches with a high level of community involvement might be able to identify the potential beneficiaries of a transfer in a timely manner.
- A second challenge may be to set up a payment mechanism that is capable of handling the payments to a larger number of beneficiaries reliably, safely and transparently. A monitoring and information system to calculate, monitor and authorise the payments for all programme beneficiaries is an important prerequisite in this context.
- **Sustainability:** A last issue that should ideally be answered before the start of scale-up is how a programme can be sustained in the medium to long term, with regards to at least four dimensions. First, the fiscal space: how to ensure that the country can commit to continuously spending

a certain share of its gross domestic product (GDP) on a scaled-up cash transfer programme? Note that in Latin America the scale-up of cash transfers was financed with an average of just 0.5 per cent of GDP. Second, from an operational perspective (see the previous bullet point). Third, from an institutional perspective: how to strengthen institutional arrangements, in particular when considerable implementation is based on local arrangements and communities? Finally, how can political and policy support for the programme be sustained?

The third and final step in the scale-up process is the operational aspect—in other words, the implementation of the scale-up plan. This step includes the actual transfer and adaptation of the model, the mechanisms for accountability and overall coordination, as well as monitoring and evaluation of the programme’s progress and performance: the latter is crucial to promote public oversight and to make any necessary modifications to the programme. These three steps of the scale-up process are summarised and structured as the ‘Three-step/ten-task process for scaling up’ proposed by Cooley and Kohl (2006), presented in Box 1.

BOX 1

Systematic planning and management process for scale-up

Step 1: Develop a Scaling up Plan

Task 1: Create a Vision

- Scaling up Model; Methods; Organizational Roles & Dimensions

Task 2: Assess Scalability

- Viability of the Model & Analyzing the Organizational and Social Context

Task 3: Fill Information Gaps

Task 4: Prepare a Scaling up Plan

Step 2: Establish the Pre-conditions for Scaling up

Task 5: Legitimize Change

Task 6: Build a Constituency

Task 7: Realign and Mobilize Resources

Step 3: Implement the Scaling up Process

Task 8: Modify Organizational Structures

Task 9: Coordinate Action

Task 10: Track Performance and Maintain Momentum

Source: Cooley and Kohl (2006).

Scaling up cash transfer programmes: country case studies

In addition to the theoretical aspect of the scale-up process, observing and learning from the experiences of other countries is important not only to replicate successful elements but also to avoid similar mistakes and pitfalls during the scale-up process. The remainder of this paper presents the case studies of three African countries that have successfully scaled up their cash transfer programmes over recent years.

Kenya

Kenya is currently scaling up its four main cash transfer programmes—the Cash Transfer to Orphans and Vulnerable Children (CT-OVC), the Older Persons Cash Transfer Programme (OPCT), the Cash Transfer Programme to Persons with Severe Disabilities (PWSRCT) and the Hunger Safety Net Programme

(HSNP)—aiming at establishing a comprehensive social safety net, the National Social Safety Net Programme (NSNP). The coverage of the four programmes increased from approximately 302,500 households in 2012/13 to 575,500 beneficiaries in 2015 (Mwasiaji 2015; MLEAA 2016). The CT-OVC, OPCT and PWSRCT target poor households with at least one member from the categories covered by each programme (orphans and vulnerable children, elderly people, and people with severe disabilities), while the HSNP uses solely poverty-related criteria. To improve the beneficiaries’ well-being and to facilitate their access to services, households receive a cash transfer of between KES2,000 and KES2,550 per month (approximately USD20–25).³

As pointed out by Winnie Mwasiaji (2015), the National Coordinator of Kenya’s Social Protection Secretariat (MLSSS),

the main factors contributing to the expansion of these three programmes were: the high level of poverty and vulnerability in the country, the legal framework (as Article 43 of the Kenyan Constitution attributes to the government the obligation “to provide appropriate social security to persons who are unable to support themselves and their dependents”) and, finally, the positive results of the impact evaluation of the CT-OVC programme. This impact evaluation indicated that beneficiary households increased their consumption levels, food expenditure and dietary diversity compared with similar households not enrolled in the programme. Furthermore, poverty rates among the participating households were 13 percentage points lower than in the comparison households (OPM 2010).⁴

Regarding lessons learned, Mwasiaji (2015) points out that in 2013/14, when the CT-OVC, OPCT and PWSRCT were scaled up, no expansion plan had been in place. This led to a number of challenges during the implementation of the scale-up process, which have been addressed in the years since. Mwasiaji argues that the freshly scaled-up programmes suffered from poor targeting, lacking resources in terms of infrastructure and human capacity, as well as fiscal/financial bottlenecks that led to delays in the release of funds. In the following years, the government has successfully worked towards the resolution of these challenges, as illustrated in MLEAA (2016). The following points illustrate the most outstanding achievements of this process:

In 2014 the government adopted a scale-up plan to guide the further expansion of the NSNP up until 2017.

An important step in this regard was the establishment of a single registry for all four NSNP programmes in early 2015, which allows for the effective coordination of all four programmes, and with a view to preventing households from participating in several programmes at a time.

Delays in payments are being addressed by a reform of the country's payment delivery mechanisms, now operated by a new service provider: payments are processed fully electronically, and beneficiaries can withdraw their payments based on a two-factor identification method (Personal Identification Number (PIN) and a national identification card and/or a biometric fingerprint).⁵

Furthermore, complaints and grievance mechanisms have been largely standardised for all four NSNP programmes, and a common monitoring framework with a range of standard monitoring indicators has been established.

In this sense, Kenya's experience illustrates how a scale-up process can be the basis for not only increasing a programme's number of beneficiaries but also for coordinating several cash transfer programmes, clearing bottlenecks and increasing the coherence between programmes to establish a veritable social protection floor in the medium term.

Tanzania

Tanzania's Social Action Fund (TASAF) is implementing the Productive Social Safety Net (PSSN), which was scaled up between 2013 and 2015. It started with a total of 275,000

beneficiary households in 2013 and expanded rapidly to reach 1.1 million extremely poor households —i.e. approximately 6 million individuals—in 2015. The PSSN is a social protection scheme designed after a number of successful policies and strategies focused on poverty reduction, particularly TASAF I and TASAF II.⁶ The objective of the PSSN is to enable poor households to increase their income and opportunities while improving consumption. Targeting poor and vulnerable households, the project incorporates two elements: (i) a scaled-up cash transfer (which includes both a basic unconditional cash transfer for all poor and vulnerable households and an extra conditional cash transfer for households with children and pregnant women); and (ii) a public works programme, which is currently in the pilot phase (whereby members of vulnerable and poor households capable of physical activity receive payment for each day they work).

In 2013 the Government of Tanzania decided to scale up the PSSN to cover about 15 per cent of the population classified as extremely poor, increasing the number of beneficiary households from 275,000 in 2013 to approximately 1.1 million in 2015. The expansion (both in the quantitative and spatial dimensions) was conceived as part of Tanzania's efforts to achieve Millennium Development Goal (MDG) 1: to halve the proportion of people living on less than USD1.25 per day. Despite good economic performance, key social indicators, such as poverty and vulnerability rates, stunting, child and maternal mortality and life expectancy, were at very high levels before the scale-up, as highlighted by Salazar (2013). In this context, the government was successful in securing adequate funding for the scale-up, most notably through a World Bank credit of USD220 million (with the possibility of additional financing of USD200 million), the commitment of its own government resources, as well as the support of several development partners such as the United Kingdom Department for International Development (DFID), the Swedish International Development Cooperation (SIDA), the United States Agency for International Development (USAID) and the United Nations (UN). Finally, to achieve a successful expansion, the government has adopted operational adjustments, established a solid unified registry of beneficiaries, planned impact evaluations of the project and assembled teams to build capacity among local government PSSN staff on all aspects of the programme, such as targeting, enrolment and compliance processes.

Tanzanian policymakers have drawn a number of lessons from the experience of scaling up the PSSN, and these lessons have played a major role in adjusting and improving the implementation model. 5 incentives as more components of the programme are rolled out. Another key lesson for effective scale-up relates to the need to integrate the PSSN into local government structures. Strengthening the role of TASAF and collaboration with local governments to address supply-side gaps due to increased demand induced by the PSSN are expected to smooth future expansion of the programme. Lastly, the Tanzanian experience shows that development goals such as the MDGs can make a real difference and are in a position to facilitate international fundraising for the expansion of cash transfer programmes.

Zambia

Zambia's experience with the country's Social Cash Transfer (SCT) programme is very informative in the sense that the programme has been gradually scaled up from a pilot with 159 beneficiary households in 2003 to a national programme with 185,000 households by the end of 2015. While the expansion was rather slow and gradual between 2003 and 2013, when the programme reached 61,000 households, there was a massive and rapid expansion between 2013 and 2015, which more than tripled the number of beneficiary households.

As pointed out by Michelo (2015), the programme started as an 'experiment' on the desirability and feasibility of cash transfer interventions in the country. Aiming to reduce hunger and the intergenerational transmission of poverty, a first social cash transfer modality was launched in 2003 as a pilot and targeted 159 labour-constrained households in one district of the country, Kalomo. By expanding to other districts and incorporating and testing different designs (especially regarding the targeting method), the social cash transfers have been gradually scaled up over the years. Some of these gradual changes include the following.

First, a gradual expansion of cash transfers during an experimental phase between 2003 and 2010 tested different targeting methods and examined the implementation of cash transfers in different contexts. By early 2010, social cash transfers were implemented in eight districts and reached about 24,000 households.

In 2010 the government continued the scale-up process by establishing an unconditional Child Grant targeting households with children under the age of five in three districts, as well as a Multiple Category Grant in two districts, mainly targeting orphans and vulnerable children. By 2013, the Social Cash Transfer (SCT) programme reached 61,000 households in 19 districts, using four different targeting models depending on the intervention district (labour-constrained, old age, child grant, multiple category).

What followed was a massive and rapid scale-up of the programme starting in 2014, when the government increased the programme's funding by 800 per cent (from approximately USD3.5 million to USD30 million). In 2014, in a six-month period, the programme was rapidly scaled up from 19 to 50 districts, and the number of beneficiaries jumped from 61,000 to 145,000 households. Subsequently, the programme was further scaled up to reach 185,000 households by the end of 2015 and is expected to reach 242,000 by the end of 2016 (about 8 per cent of the population). Additionally, the Government of Zambia aims to cover all 103 districts by 2018 (MCDMCH 2014).

Michelo (2015) describes four drivers behind this expansion: (i) the high levels of poverty in the country—most notably, an extreme poverty rate of 42 per cent of the population; (ii) the considerable amount of labour-constrained households depending on external support to survive; (iii) the positive results of the SCT programme impact evaluation;⁷ and (iv) the substantial experience gathered over the 10 years of operating the SCT programme in the country. These four reasons, together with an explicit pro-poor reform agenda of the government at the time, legitimised the scale-up process, which was intended to increase the geographical coverage and the number of beneficiaries of the

programme and to implement a harmonised targeting model (based on labour-constrained households).⁸

The government adopted some strategic decisions to prevent possible failings of the scale-up process, in particular given that considerable adverse consequences were expected in case of a failure. First, the role of international development partners was shifted towards capacity development of the government agency responsible for the programme, the Ministry of Community Development, Mother and Child Health (MCDMCH 2014). Second, additional staff members were contracted to support the scale-up. Third, to improve the quality of data capture, teachers were recruited as enumerators. Fourth, a proxy means test with elements of community-based targeting was introduced to provide better targeting and exclude better-off households.⁹ Finally, multi-disciplinary teams were formed to carry out inception visits in the new districts implementing the programme, thus smoothing the process. Overall, the success of the scale-up of Zambia's SCT programme is a credit to the institutional landscape, particularly in terms of vision, strategic plan and policy.

Conclusion

As social cash transfers have proved successful in reducing poverty and promoting inclusive growth, the transition from small initiatives into large-scale programmes is becoming a major concern for governments, policymakers and donors. Although the scale-up process will vary according to a country's social, political and cultural context, as well as to the characteristics of the programme itself (such as its type, original size and focus), our analysis has shown that there are a number of factors which can facilitate the scale-up process and might be important enabling conditions:

- The experiences of Kenya and Zambia illustrate how political will and a favourable political space can sustain the scale-up process of a cash transfer programme. Support from the political leadership and a variety of stakeholders is vital for the expansion process.
- The legal framework can also drive and guide the scale-up process, in particular if it grants rights to social security/ social protection for poor and vulnerable members of the population (see Kenya's experience).
- International commitments such as the MDGs—or now the Sustainable Development Goals (SDGs)—can be a major motivation for scaling up cash transfer programmes and may play an important role in leveraging international funding for scale-ups (see Tanzania's experience).
- Academic evidence on the effectiveness of cash transfer programmes, as documented through rigorous impact evaluations (see Kenya's and Zambia's experiences), can be the basis for gaining political support for scale-up.

In addition to these factors that help legitimise the expansion process, some important lessons can be drawn from the experiences of other countries scaling up cash transfer programmes. They include the following.

- Having a detailed scale-up plan, including fiscal and budgetary planning, is crucial for a successful scale-up (Kenya). Otherwise, the expanded programmes may suffer

from implementation problems and might not be effective in achieving their aims (at least in the first months after the scale-up). It is also important to highlight that the process of discussion and negotiations that leads to the scale-up plan can be crucial to create political support for the scale-up.

- Capacity-strengthening at national, regional and local levels is essential to avoid bottlenecks during the implementation phase (Zambia).
- Grievance redress mechanisms and community involvement (e.g. CMCs) can be crucial to detect implementation problems related to a rapid scale-up (Kenya and Tanzania).
- Considering possible threats in advance and addressing/precluding them through active measures can ensure the success of a scale-up (Zambia).
- Scale-ups can be an opportunity to improve the coordination and coherence of different cash transfer programmes with a view to establishing a comprehensive social safety net in the medium term (Kenya).

Overall, scaling up initiatives cannot be seen as a one-size-fits-all process. However, it may be helpful for governments and other stakeholders to learn from the good practices of other countries, as well as the challenges that may arise during the scale-up process, to successfully prevent bottlenecks and ensure a successful expansion of the programme.

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2. For details, see Hartmann and Linn (2008).

3. CT-OVC, OPCT and PWSRCT beneficiaries receive KES2,000 per month, while HSNP beneficiaries receive KES2,550. See MLEAA (2016) for details.

4. The full impact evaluation report can be found at <http://www.unicef.org/evaluation/files/OPM_CT-OVC_evaluation_report_july2010-final_Kenya_2010-019.pdf>.

5. For details, see Mwasijaji (2016).

6. The PSSN is the first component of the Tanzania Social Action Fund III (TASAF III). The other components of the project include: enhancement of livelihoods and increasing incomes; targeted infrastructure development; and capacity-building (TASAF 2016).

7. The impact evaluation was conducted between 2010 and 2012 and analysed the impacts of the Child Grant Programme (CGP) on beneficiary households. The study found that the CGP had a direct influence on the livelihood strategies of poor households and also helped families increase productive activities and assets. Furthermore, it had the potential to lead to relatively large income multipliers and to increase the flexibility of labour allocation, especially for women (Daidone et al. 2015).

8. As of 2013 the SCT programme was operating with four different targeting models (namely, labour-constrained, universal old-age pension, child grant and multiple categorical models). To harmonise the targeting process, an evaluation was conducted to identify the most appropriate targeting model. This evaluation indicated that the incapacitated (labour-constrained) model had a higher correlation with poverty. Thus, as part of the scale-up process, the SCT programme started targeting incapacitated extremely poor households (Beazley and Carraro 2013).

9. The targeting process includes four stages: identification, enumeration, welfare estimation and community validation. Since it includes elements of both community-based targeting and proxy means test appear, the targeting type can be defined as a mix of the two methods (MCDMCH 2014).

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