

Social cash transfers



The years of war in South Sudan have left much of the population in deep poverty, and the challenge of independence is to make a difference to the lives of the poor.

The Government of Southern Sudan, with the help of its development partners

including UNDP, created the first South Sudan Development Plan in 2011. The aim of the plan is to create a roadmap for development in the South for the next three years, shaping private sector investment, government service delivery and inputs from the international development community.

UNDP's technical assistance to the Development Plan process focused on promoting a pro-poor agenda that will support inclusive growth. This included supporting the Government's efforts to research and select evidence-based approaches to address poverty and promote social justice, particularly for women and children.

One such approach is social cash transfers. This entails the long term, regular transfer of cash by a government to a broad sector of the population in a form such as a pension, child benefit or family grant. On the one hand, social cash transfers provide a social safety net and can quickly improve a family's standard of living (for example

by improving nutrition). This helps to demonstrate the Government's ability to reach its people. On the other hand cash transfers can contribute to sustained economic growth and human development because the money is spent locally, which regenerates markets, is invested in productive assets like fertilizer or animals and helps family members to job seek or go to school. The concept focuses on giving the marginalized a stake in the economy and society after years of disenfranchisement due to war.

Inherent to the approach is the belief that families know what their greatest needs are and derive greater use from unconditional transfers that allow them to decide how to use the money, based on their knowledge and initiative. Furthermore, this approach does not discriminate between the so-called 'deserving' and 'undeserving' poor but covers a significant part of the population living in poverty with the aim of providing a ladder for people ➔



6 KEY PRINCIPLES FOR SUCCESS IN IMPLEMENTING SOCIAL CASH TRANSFERS

Fairness – must be fair to everyone

Assured – must be administered on a regular basis

Practical – simple and within the capacity of the civil service and banking sector

Not just pennies – the payments must be large enough to make a difference

Popular and politically acceptable

Must be government led – and seen by the population to be so



CASE STUDIES: GIVING MONEY TO THE POOR

South Africa: social pension to everyone over the age of 63; child benefit to the poorest 55% of children

Brazil: family grant (Bolsa Familia) & social pension to 39% of population

Mexico: family grant to 22% of population

Namibia, Lesotho, Bolivia, Botswana, Mozambique: all provide a social (non-contributory) pension

Mongolia and Bangladesh: child benefit

Ghana, Ecuador: family grant

to climb out of the poverty trap. This is based on the belief that people have a right not to be poor. Social cash transfers provide a vehicle to demonstrate the Government's commitment to a pro-poor agenda alongside sound social and capital investments to promote economic development. Social cash transfers have maximum impact where basic social services like health and education exist, so that people can send their children to school and access health services.



In South Sudan, social cash transfers can help the Government quickly reach the poorest parts of the population and make its presence felt, despite the constraints it currently faces on its ability to provide social services. However, it would also present many challenges, as South Sudan severely lacks infrastructure in the transport, communications and financial sectors.

A cash grant is proposed for all households in South Sudan with children under the age of five. This could be linked to UNICEF's plans to support the roll out of a comprehensive birth registration system, which will aid in the provision of services such as health and education for years to come.

UNDP is providing technical advice on this approach and brought an expert on the subject, Dr. Joseph Hanlon, to South Sudan to meet with Government officials. This is the start of the process of providing options and investigating possible alternatives to make cash transfers work. UNDP's support is geared towards ensuring that the economic and social development process is inclusive, resilient and sustainable. However, it would be a government-led and government-funded programme that could play a significant role in helping to meet the high expectations the population has of its leaders and its Government.

