

# Challenges and Lessons in Social Protection in small LA countries: reaching the poor through CCT programmes

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# Origins of CCT in LA countries

- They started in high middle income countries - Mexico: Progresa (1997) and Brasil: Bolsa Escola (1995)
- Experiences in poorer/smaller countries: Honduras (PRAF II) and Nicaragua (RPS). Supply issues are dealt with.
- Chile Solidario: psycho-social support and preferential access to public programmes.

# Expansion in LA countries

- Now it is in many LA countries such as:

Colombia (2001): Familias en Accion

Ecuador (1998 and 2003): Bono de desarrollo humano

Dominican Republic (2005): Programa Solidariedad

Panama (2005-6): Red de Oportunidades

Paraguay (2005): Tekopora (well-being in Guarani)

El Salvador (2005): Red Solidaria

Peru (2006): Juntos

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Argentina (2002) : Jefes de Hogares

Jamaica (2001): PATH - Programme of Advencement  
through Health and Education

# CCTs in LA

- Programmes have different origins, based on different diagnostics and social protection systems.
- They do have common elements: cash transfers and conditionalities
- However there are other features that are very different: design, targeting strategy, amount transferred, synergies with supply side.
- Programmes (countries) tend to influence each other, but the influence of the pioneers and of the cooperation agencies is much stronger in the small countries.  
Second generation: Mexico and Third generation: Chile.

## The objectives of the CCTs: design challenge

- The double objective of the programmes: to reduce the (extreme) poverty in the short-run and to break the intergenerational cycle of poverty through investments in human capital

Which is the most important objective? Aren't there some contradictions between the two objectives?

- 1) Income insurance (*Bolsa Familia*)
- 2) Human capital accumulation
- 3) “Developmental approach”: micro-credit and training

Based on the objectives of the programmes: one has to define the target population and the total number of beneficiaries?

# Targeting: permanent challenge

- Why targeting? How to target?
- Concept poverty and the objectives of the programme: monetary concept *versus* unsatisfied basic needs *versus* efficient targeting (HC).
- Geographical targeting: poverty mapping
- Categorical/demographic targeting
- Selection of beneficiaries: means testing, *proxy* means testing, multidimensional index (does the method matter?)
- Static and dynamic approach: the inclusion of new beneficiaries and graduation rules.
- Community targeting: advantages and problems

From conditionalities towards co-responsibilities: just a change of word?

- Are conditionalities needed?
  - Change incentives and cultural aspects
  - Gain political support
  - Evaluation results (low income-elasticity of school attendance)
- Supply issues and the concept of corresponsibility: effective access to basic rights: health and education
- Conditionalities and poverty diagnostic: from human capital towards the sustainability of the beneficiary families.
- Which conditionalities are important?
- Monitoring of conditionalities *versus* monitoring of co-responsibilities.
  - Costs and implementation difficulties

# Exit doors or graduation: when and how?

- Does it make sense to talk about exit doors if the focus is in HC accumulation?
  - Duration of the programme for beneficiary families
  - Eligibility reassessment (every 2 to 3 years).
- Beyond human capital: the adoption of the family support and complementary programmes
  - Are complementary programmes adapted to beneficiary families?
  - Aren't costs too high? Have those programmes being evaluated? Are they cost-effective?



# Institutional issues: the local level

- Coordination among different government levels: political use of the programme and institutional jealousy.
- Ownership at the local level: budget, infrastructure, participation in the implementation.
- Bottlenecks at the local level:
  - no social protection experience at the local level
  - reaching the poor: ¿another reason for the family support?
  - community participation and social control at the local level

# Institutional issues: coordination with line ministries

## Best practices:

- Line ministries should be involved from the design to evaluation.
- Budget to tackle supply side problems (face the increase in demand)

## Problems:

- monitoring of conditionalities and corresponsibilities; bargain over the budget; institutional jealousy; difficulty to bring on board public servants from other ministries (teachers, nurses and doctors)
- The components linked to “productive activities” such as microcredit and training.
- **More institutions are involved more coordination required.**

# Limits and opportunities

The future of CCTs in small countries:

- Sustainable? What does sustainable mean: exit doors or budget restrictions?
- How to overcome supply side bottlenecks and institutional constraints.
- - How to articulate CCTs with social protection in general?
- Are CCTs part of a social protection system or are they emergency programmes to save one generation or an emergency safety net?

# What about the African context?

- Kalomo experiment: non-viable households and unconditional
- OVC in Kenya: conditional
- Budget constraint and use of ODA.
- Starting point of a social protection system: CCT *versus* pensions
- To condition or not?
- How to target? How to select beneficiaries?
- How to build new institutions?
- The importance of national ownership

# A successful beneficiary family??!!



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ETAPAS	Periodo Ordinario					Examen Complementary		Examen de Regularización	
	Primera Etapa	Segunda Etapa	Tercera Etapa	Calif. Final	Examen Complementary	Examen de Regularización	Examen Complementary	Examen de Regularización	
	Nº Letras	Nº Letras	Nº Letras	Nº Letras	Nº Letras	Nº Letras	Nº Letras	Nº Letras	Nº Letras
LENGUA Y LITERATURA CASTELLANA	2 Dos	3 Tres	3 Tres	2 Dos	3 Tres				
LENGUA Y LITERATURA GUARANÍ	4 Cuatro	4 Cuatro	4 Cuatro	2 Dos	3 Tres				
EDUCACIÓN ARTÍSTICA	3 Tres	4 Cuatro	2 Dos	3 Tres	3 Tres				
MATEMÁTICA	3 Dos	4 Cuatro	1 Uno	2 Dos	2 Dos				
HISTORIA Y GEOGRAFÍA	2 Dos	2 Dos	2 Dos	1 Uno	1 Uno				
FORMACIÓN ÉTICA Y CÍVICA	5 Cinco	5 Cinco	5 Cinco	5 Cinco	5 Cinco				





<http://www.undp-povertycentre.org/cct>

- Thank you!
- Muchas Gracias!
- Obrigado!

