As part of the implementation of the Expanding Social Protection programme (ESPP) the Ugandan government aims to reduce chronic poverty and improve life chances for poor people. The Uganda Social Assistance Grants for Empowerment (SAGE) pilot programme is a key element of the ESPP and tests a range of implementation modalities to determine an efficient, cost-effective and scalable social transfer. The two targeting methods used are:

- the Vulnerable Family Support Grant (VFSG); and
- the Senior Citizens Grant (SCG).

The VFSG employs a composite index measuring vulnerability to determine eligibility, whereas the SCG uses age only (all those above 65 years, or 60 years in Karamoja region, are eligible). Under the VFSG, adult women are the recipient of the transfer, and for the SCG the transfer is given to the specific older person. For both grants, the transfer is worth UGX25,000 per month and is paid every two months.

The impact evaluation (OPM 2016) used a mixed-methods approach and assessed the impact of the SAGE pilot programme for the two targeting methodologies across four dimensions: reducing material deprivation; increasing economic security; reducing social exclusion; and increasing access to services.

The impact evaluation found evidence that SAGE has improved welfare under both targeting methods. Consumption poverty has decreased, with the poverty headcount declining by some 8 percentage points. The poverty gap and the severity of poverty also decreased for the VFSG group (by 2 per cent and 1 per cent, respectively). SAGE also increased expenditure on food for both targeting mechanisms by around UGX9,000 for both groups, leading to reduced reported hunger for the SCG group, and improved diet for the VFSG group. SCG households also reported reduced reliance on others and an increase in dignity, while VFSG households mentioned an improvement in their experience of poverty and an increase in subjective well-being.

SAGE improved economic security through a positive impact on livestock ownership for both groups (a 7.8 per cent increase for SCG, 16.7 per cent for VFSG), as well as increases in the purchases and sales of livestock in the last 12 months for the VFSG group (33.7 per cent and 8.3 per cent, respectively). There was also a positive impact on households’ ability to borrow a large amount of money in an emergency, which is a key coping mechanism for households when facing shocks. SAGE did not cause dependence, with no impact on labour participation or livelihood activities. Child labour rates were unchanged.

The evidence is weaker regarding household access to services. There is no impact on education expenditure, attendance or attainment across different ages and genders. As for health, the quantitative research does not find a strong impact on health outcomes, though it finds a positive impact on health expenditure or the SCG group, who spend on average UGX2,700 more per person per month on health as a result of the programme. The qualitative research also reports a positive impact on SCG households’ health-seeking behaviour.

SAGE was found to have improved relations between family members, in particular for SCG recipients, through beneficiaries being better able to contribute to family welfare. For VFSG households, there was an increase in the likelihood of beneficiaries providing support to other households, while the evidence on this was mixed for SCG households. SAGE is thus perceived to have contributed to general social cohesion through positive impacts on inter- and intra-household relations, while both quantitative and qualitative research found notable increases in the social status and voice in community meetings of elderly beneficiaries.

The SAGE programme achieved its core objectives of supporting households’ basic consumption and alleviating poverty. It has helped them retain and build their productive assets, while improving their ability to cope with shocks.

The evaluation has also shown that SAGE had slightly different impacts depending on the target group. The impact on productive investments was more pronounced for the VFSG group. The SAGE programme also encouraged savings for the VFSG group, which it did not do for the SCG. For the SCG group, on the other hand, SAGE has had a more pronounced impact in terms of improving beneficiaries’ social standing and subjective well-being, and reducing their dependence. It has also enabled them to spend more on health care, which is especially significant for older people. Moreover, the targeting of the VFSG has not been as well accepted by communities as that of the SCG, which may help explain why VFSG beneficiaries are more likely to share some of their transfers.

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Thus, while SAGE is seen to interact with the local economy in a variety of ways through each of these targeting approaches, the mechanisms of these interactions differ in important ways.

Reference:

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