

**THE NATIONAL SOCIAL
PROTECTION STRATEGY**
(NSPS):



INVESTING IN PEOPLE

GOVERNMENT OF GHANA

Ministry of Manpower, Youth and Employment (MMYE)

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LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
ART	Anti Retroviral Treatment
BFP	Bolsa Familia Programme
CBRP	Community-Based Rehabilitation Programme
CDO	Community Development Officer
CHNC	Child Health and Nutrition Centre
CP	Country Programme
CRS	Catholic Relief Service
CSO	Civil Society Organisation
CWIQ	Core Welfare Indicator Questionnaire
DA	District Assembly
DfID	Department for International Development
DOVISSU	Domestic Violence and Victim Support Unit
DSW	Department of Social Welfare
EIIP	Employment Intensive Investment Programme
FAO	Food and Agriculture Organization
f-CUBE	Free, Compulsory, Universal Basic Education
GAC	Ghana AIDS Commission
GDP	Gross National Product
GES	Ghana Education Service
GHS	Ghana Health Service
GLICO	Gemini Life Insurance Company
HIV	Human Immuno-Deficiency Virus
IDS	Institute of Development Studies
ILO	International Labour Organization
MAPRONET	Market Access Promotion Network
MDAs	Ministries, Departments and Agencies
MMDAs	Metropolitan, Municipal and District Assemblies
MMYE	Ministry of Manpower, Youth and Employment
MOES	Ministry of Education and Sports
MOFEP	Ministry of Finance and Economic Planning
MOH	Ministry of Health
MOWAC	Ministry of Women and Children's Affairs
MPSD	Ministry of Private Sector Development
MTCT	Mother to Child Transmission
NACP	National AIDS Control Programme
NDPC	National Development Planning Commission
NGO	Non Governmental Organisation
NHIS	National Health Insurance Scheme
ODI	Overseas Development Institute
OI	Opportunistic Infections
OVC	Orphans and Vulnerable Children
PLWHAs	People Living with HIV/AIDS
PMTCT	Prevention of Mother to Child Transmission
PWD	Persons Living with Disabilities
SAP	Social Assistance Programme

SBE	Support for Basic Education
SFHNE	Supplementary Feeding, Health and Nutrition Education
SIF	Social Investment Fund
SPF	Social Protection Fund
SPS	Social Protection Strategy
SP	Social Protection
STEP	Skills Training and Employment Promotion
UNAIDS	United Nations Response to HIV/AIDS
UNDAF	United Nations Development Assistance Framework
UNICEF	United Nations Children's Fund
VCT	Voluntary Counselling and Testing
WFP	World Food Programme

FOREWARD

The National Social Protection Strategy represents the Government of Ghana's vision of creating an all inclusive society through the provision of sustainable mechanisms for the protection of persons living in situations of extreme poverty, vulnerability and exclusion. It is founded on the principle that every Ghanaian matters and is capable of contributing his or her quota to national development.

This document recognises the important contributions already made by the formal and informal sectors towards the management of diverse forms of risks and shocks that are not uncommon within the context of a developing country such as Ghana. Some of these instruments and interventions have been in existence over a relatively long period of time and require review in relation to their targeting effectiveness, while others, due to their proven impact deserve replication and expansion. New interventions have also been introduced in response to emerging social protection concerns in the country.

Poverty trends show that an estimated 40% of Ghanaian are "poor", thus referring to citizens who have the capacity to meet their basic nutritional needs, but are unable to cater for additional necessities such as health, shelter, clothing and education. Furthermore, approximately 14.7% of the population are afflicted by "extreme poverty" and are thus unable to cater for basic human needs including their nutritional requirements and additionally suffer from inter-generational poverty.

Achieving the MDGs and NEPAD targets will require a reversal of this trend. Development with a human face through a National Social Protection Strategy of this kind is an appropriate and effective recourse against an array of life cycle risks and shocks such as unemployment, sickness, disability and old age that extremely poor people are unable to absorb. The NSPS has charted an innovative and context appropriate course by investing in the extreme poor, recognizing the fact that they possess the potential to contribute to national development through pro-poor growth.

Per The Ghana Growth and Poverty Reduction Strategy II (2006-2009), the nation's development goal is to attain middle income status by the year 2015 with a per capita income of \$1000. The NSPS supports this vision by empowering extremely poor citizens to contribute to and share in the benefits of socio-economic growth by freeing them from the malaise of under development.

The NSPS will achieve its poverty reduction goals by implementing the Livelihood Empowerment Against Poverty (LEAP) Social Grants scheme that will provide target groups with a reliable and cost-effective cash transfer to support their basic human needs. The LEAP programme will not only provide a "spring board" to lift or assist beneficiaries to "leap" out of their current socio-economic status by improving their livelihoods but will assist them to access existing government and social services that will provide them with a buffer against various risks and shocks.

The LEAP programme will assist targeted groups to become socially empowered by increasing their access to education, healthcare, and other human services. By supporting beneficiaries with a reliable minimum income, the LEAP programme provides basic livelihood security and increases the ability of target populations to plan for the future. With their basic subsistence secured, the extreme poor will become full participants in society and will be free to engage in productive activities to support themselves and ultimately contribute to national development by reducing the incidence of domestic poverty.

This Strategy is a precursor to a broader National Social Policy and will guide stakeholders and implementing MDA's in the administration and management of new and existing of Social Protection programmes. Thus, it is with a deep sense of commitment that the Government of Ghana, via the Ministry of Manpower, Youth and Employment presents the first National Social Protection Strategy for implementation.

This Strategy will guide stakeholders and implementing agencies in the administration of Social Protection programmes with a view to bringing meaningful change in the lives of Ghanaians. To this end it is with a deep sense of commitment that the Government, through the Ministry of Manpower, Youth and Employment presents the first National Social Protection Strategy for implementation by Ministries, Departments, Agencies and Civil Society Organizations.

The Ministry is deeply appreciative of the contributions and support of the Technical Working Group that supervised the formulation of this strategy. Membership consisted of the Ministry of Women and Children's Affairs, Department of Social Welfare, Ministry of Education, Ministry of Health, Ministry of Food and Agriculture, Ministry of Finance and Economic Planning and various Civil Society Organizations. Finally the Ministry is extremely grateful for the continued technical and financial support provided by UNICEF, the Department for International Development (DfID), and members of the Vulnerability and Exclusion Sector Group.

EXECUTIVE SUMMARY

1. Introduction:

Social Protection consists of a set of formal and informal mechanisms directed towards the provision of social assistance and capacity enhancement to the vulnerable and excluded in society. In broad terms, such measures cover extremely poor individuals, households and communities, including those who need special care but lack access to basic social services and social insurance to protect themselves from the risks and consequences of livelihood shocks, social inequities, social exclusion and denial of rights. Social Protection thus goes beyond income support and includes the strengthening of social cohesion, human development, livelihoods and protection of rights and entitlements.

According to the Ghana Living Standards Survey (GLSS), the poverty profile of Ghana indicates that an estimated 40% of Ghanaians are “poor”. This refers to citizens who have the capacity to meet their basic nutritional needs, but are unable to cater for additional necessities such as health, shelter, clothing and education. Furthermore, an additional 14.7% of the population is afflicted by “extreme poverty” and are thus unable to cater for basic human needs including their nutritional requirements and suffer from poverty across generations.

The Government of Ghana’s vision of a Social Protection Strategy (NSPS) is the creation of society in which the citizenry are duly empowered with the capacity to realize their rights and responsibilities to manage social, economic, political and cultural shocks. Social Protection interventions will afford persons in extreme poverty to contribute to economic growth within the framework of the Ghana Growth and Poverty Reduction Strategy II (2006-2009). This is viewed within the context of meeting basic rights endorsed by globally acclaimed human rights instruments in addition to other international and national commitments such as the Millennium Development Goals, the Ghana Poverty Reduction Strategy II (2005-2009) and the 1992 Constitution. The overall goal of the Social Protection Strategy is thus to provide policy direction in the protection of persons living in situations of extreme poverty, vulnerability and exclusion from both expected and unanticipated threats to their livelihoods, with a view to making them effective participants in the socio-economic development of the country.

Successful implementation of the Strategy will provide safeguards for, and empower individuals and households living under extreme conditions of poverty to become responsible managers of their livelihoods, and claim their societal rights and entitlements. The benefits of interventions will be recycled from the individual to the community and ultimately to the nation at large and will be manifested by improvements in overall standards of living, hence the designation, ***“Investing in People”***.

The Strategy reviews and improves existing coverage of Social Protection programmes, identifies additional schemes that take account of existing gaps in coverage and provides for the strengthening of institutional arrangements and capacities of government departments and agencies, civil society organisations and communities for delivery of Social Protection interventions. The Strategy will be accompanied by a policy shift in the allocation of resources towards mechanisms for effective protection and promotion of livelihoods that address the root causes of poverty, vulnerability and exclusion.

Directing Social Protection interventions towards increasing the capacities of the vulnerable and excluded to manage risks will have the benefits of contributing positively to economic growth given that with time, individuals and communities will be in a position to integrate their support into mainstream economic activity and thereby reduce reliance on both public and private support systems.

2. Vulnerability and Exclusion in Ghana

Ghana's Poverty and Social Inclusion Assessment (PSIA) identifies different segments of the population that suffer differential vulnerabilities depending on their Security. According to the study, the most vulnerable and excluded citizens are characterised by severe livelihood insecurity and are unable to cope with multiple life-cycle risks and shocks.

Furthermore, because 'poverty' has multiple effects it's imposed vulnerability and exclusion on affected citizens goes beyond an inability to provide for basic needs to include a lack of access to education, health, information and the opportunity to participate social processes. These citizens are further characterized by a rampant denial of rights, the inability to demand accountability, lack of access to resources as well as other institutional barriers that contribute to poverty, vulnerability, and social exclusion. The PSIA further identifies small-scale farmers as a leading vulnerable group in the country due to multiple risks and establishes a link between gender and poverty where rural farmers were mainly women and among the poorest in society.

3. Justification for a National Social Protection Strategy for Ghana:

The Strategy is founded on the philosophy that all Ghanaians if afforded the opportunity, can contribute towards the process of transforming Ghana into a middle income country by the year 2015. Vulnerable and excluded segments of the population potentially reverse the gains of overall developmental efforts because of their tendency to take away rather than contribute to national economic activity. Furthermore, the youth (aged between 15–35 years) who are the most vibrant sector of the society and constitute an estimated 26% of the total population require critical attention. Their situation is characterized by among others unemployment with its attendant problems of social vices, disillusionment and poverty. It is also a fact that the youth are also full of potentials which if properly harnessed could be channelled towards effective human resource development of the youth themselves and also for socio-economic development of the nation.

The misconception that Social Protection represents wasteful handouts to undeserving poor people has been overtaken by recent research and thinking, which indicates that it contributes to development and growth in several ways. It facilitates investment in human and physical assets thereby reducing the risk of future poverty. It enhances risk-taking livelihood strategies. It provides safety nets and facilitates social and economic cohesion, reducing the likelihood of conflict. Finally, it helps correct market failures such as imperfect credit and insurance markets. It is therefore an indispensable element of economic growth and ultimately, an effective development strategy. The opportunity costs of not putting in place measures to reposition the vulnerable and excluded are therefore high and this strategy presents a series of Social Protection interventions that are cost effective and affordable.

Social Protection is founded on the principles of human rights. Article 17 (4)(a) of the 1992 Constitution sets the stage for the implementation of policies and programmes aimed at redressing social, economic or educational imbalances in the Ghanaian society. By the same measure, the ‘Directive Principles of State Policy’ of the Constitution guarantees the protection and promotion of all basic human rights and freedoms, including the rights of the disabled, the aged, children and other vulnerable groups (Article 37-2b). Social Protection therefore is a right of every citizen.

While Social Protection is not a novelty, uncoordinated delivery and poor targeting of most of the existing interventions have resulted in limited coverage and impact. The absence of a coordinating agency to monitor implementation of varied Social Protection programmes across institutions has resulted in lack of cohesion and coordinated response. The Department of Social Welfare (DSW), which has the mandate and technical expertise in the integration of the vulnerable and excluded into mainstream society has been itself excluded as an institution with respect to implementation capacity. Steps have not as yet been taken to review the past capacity needs of the Department to respond to present Social Protection concerns. The Strategy therefore takes the auspicious step of making the first policy proposal for the transformation of the DSW into a Department for Social Development under the Ministry of Manpower, Youth and Employment. This is in recognition of the fact that Social Protection concerns are not simply welfare concerns but also social development concerns.

Additionally, existing interventions generally focus on offering social assistance to the extreme poor with very limited emphasis on preventing livelihood decline. The importance of emphasising a gradual shift towards the prevention of livelihood decline in the medium to long-term, as well as institutionalisation of Social Protection measures, has become necessary. Furthermore, the need for the introduction of entirely new interventions in response to emerging Social Protection concerns has become even all the more imperative.

The Strategy provides the framework for Government and Civil Society to support the extremely poor to fulfil their fundamental human rights as endorsed by globally acclaimed human rights instruments in addition to other international and national commitments such as the Millennium Development Goals, NEPAD and the Ghana Growth and Poverty Reduction Strategy II (2005-2009). The elements of the Social Protection Strategy will effectively reduce extreme poverty among the most vulnerable and excluded and mitigate the effects of shocks to prevent a decline in their well being. The Strategy thus serves as a ‘spring board’ for moving people out of poverty, while addressing issues of rights, denials and abuse and promoting pro-poor growth. These are consistent with, and will contribute positively to, Ghana’s development goals as well as the MDGs and the targets of NEPAD.

4. The NSPS: Complementing NEPAD and the MDGs:

Ghana adopted the Millennium Declaration in 2002, which details eight MDGs ranging from halving global poverty by 2015 to enhancing global partnerships. Furthermore, the New Partnership for Africa’s Development (NEPAD) targets are consistent with the MDGs in seeking to, among others, eradicate poverty in Africa and place the continent on the path towards sustainable economic growth and the empowerment of women.

Social Grants schemes can play an important role in achieving the MDGs. Their rapid spread throughout Latin America, Southern Africa and parts of Asia is an indication of a growing consensus on the value of Social Grants in these regions in tackling both poverty and high levels of inequality.

Ghana must advance its progress towards achieving the MDGs and in particular MDG 1 (Income Poverty/Hunger) in order to achieve middle-income status by 2015. Evidence shows that various Social Grants programmes are resulting in sustainable impacts on hunger, indicating their potential to contribute to food security and the achievement of MDG 1. For example, 70% of Mexican households participating in the *Progressa* Programme have shown improved nutritional status. Programme impacts on stunted growth in children have also been impressive, with the growth rate among children aged 12-36 months increasing by one centimetre per child per year.

In Ghana, the NSPS will support and complement the vision of the MDGs and the NEPAD targets by reducing extreme poverty among targeted vulnerable and excluded groups and mitigate the effects of shocks to prevent a decline socio-economic status. Social protection will assist to achieve MDG targets by:

5. LEAP: The New Dawn in Social Protection

The NSPS will seek to empower the extreme poor and other vulnerable populations through the implementation of the Livelihood Empowerment Against Poverty (LEAP) Social Grants Programme. LEAP is an innovative and context specific initiative that will provide both conditional and unconditional cash transfers to target populations. The programme is intended to empower and help targeted population provide for their basic needs, poise them to access existing government interventions, provide a “spring board” to help them to “Leap” out of the malaise of extreme poverty, and ultimately empower them to contribute to the socio-economic development of the country.

The LEAP Programme is to provide *conditional cash transfers* to the extreme poor with no alternative means of meeting their subsistence needs. The case for targeting these groups is made on cost-effectiveness and equity grounds. With a limited public budget for social transfers, it seems sensible and fair to allocate these transfers to those who need them most. To this end, *unconditional* grants will also be provided to individuals with no productive capacity e.g. the elderly poor, persons with severe disabilities etc. Ghana’s NSPS Programme presents a distinctive approach to social development and is founded the following core pillars:

- i) **Pillar 1** – The NSPS seeks to complement of social grants to existing sp programmes for effective risk management and impact of poverty reduction programmes.
- ii) **Pillar 2** – The NSPS seeks to address the causes of poverty, and not simply its symptoms. Therefore, the programme acknowledges that the roots of poverty are found in the multiple social risks faced by the poor, and in their vulnerability to the impact of these risks. By focusing on social risks, the NSPS addresses the dynamic nature of poverty.
- iii) **Pillar 3** – The NSPS seeks to develop the capacity of the poor to reduce, ameliorate, or cope with social risk and vulnerability through the LEAP Social Grants Programme. To

this end, the NSPS draws particular attention to human capital investment, and more generally to productive investment as the fundamental keys to poverty reduction and pro-poor growth.

- iv) **Pillar 4** – The NSPS acknowledges the variety and heterogeneity of risks affecting individuals, households and communities, and especially in the case of Orphan, Vulnerable Children (OVCs), People Living with HIV/AIDS (PLWHAs) and women. The NSPS therefore acknowledges the multidimensional nature of poverty and its exacerbating and unique effects on various target groups.
- v) **Pillar 5** – The NSPS acknowledges the ‘gender dimension’ associated with poverty, exclusion and vulnerability, and therefore includes a gender-sensitive approach to its poverty reduction and social empowerment strategies.
- vi) **Pillar 6** – The NSPS focuses on poverty reduction and livelihood empowerment and on providing support to vulnerable and excluded groups.

Why Social Grants?:

Cash-based social / grants provide a critical element for reducing vulnerability to poverty, regardless of the framework within which one understands social protection. In addition to their vital social contribution, social transfers can support critical economic objectives. Many of the world’s fastest growing economies over the past several decades have built social protection into their policies at early stages because of its potential to increase productivity and contribute to stabilising domestic demand. The failure to provide appropriate social protection limits prospects for growth and development at the very foundation of society because household poverty undermines children’s nutrition and educational attainment, limiting their future prospects.¹ To this end the NSPS will go beyond income support and aims to reduce poverty and inequality by enhancing the productive capabilities of poor men and women.

Target Beneficiaries/LEAP Conditions:

Based on the above objectives, the following four main categories of Social Grants will be administered to address the respective target groups:

- i) Social Grants for Subsistence Farmers and Fisher folk
- ii) Social Grants for the extremely poor above 65 years
- iii) Care Givers Grant Scheme for OVCs, particularly Children Affected By Aids (CABAs) and children with severe disabilities.
- iv) Caregivers Grants for incapacitated /extremely poor PLWHAs
- v) Social Grants for Pregnant Women/ Lactating Mothers with HIV/AIDS.

Beneficiary households select target groups will be required to comply with certain conditions

¹ Asian Development Bank (2003), pg. 50.

while they remain on the scheme. These conditions will include:

- i) To enrol and retain all school going age children in the household in public basic schools. This will afford the children to also benefit from the on going Capitation Grant and the School Feeding Program.
- ii) All members of the household must be registered and card bearing members of the National Health Insurance Scheme.
- iii) New born babies (0 -18 months) must be registered with the Birth and Deaths Registry, attend required post natal clinics and complete the Expanded Programme on Immunisation.
- iv) To ensure that no child in the household is trafficked or engaged in any activities constituting the Worst Forms of Child Labour (WFCL).

6. LEAP as a Complement to Existing Social Protection Structure

The LEAP programme will assist targeted groups to become socially empowered by increasing their access to education, healthcare, and other human services. By supporting beneficiaries with a reliable minimum income, the LEAP programme provides basic livelihood security and increases the ability of target populations to plan for the future. With their basic subsistence secured, the extreme poor will become full participants in society and will be free to engage in productive activities to support themselves and ultimately contribute to national development by reducing the incidence of domestic poverty.

Furthermore, the success of most Social Grant schemes largely depends on the existence of other social services. If health and education services are not in place, conditional transfers cannot be a viable instrument. For example, programmes that eliminate school fees and subsidize healthcare costs in must be developed before implementing a conditional Social transfer programme in order to avoid the misuse of grant funds. It is in this context the Education Capitation Grant and the NHIS will provide the needed support for the success of the LEAP programme.

Public Work Programmes also combines elements of social transfers with insurance functions, offering a safety net to those in the labour market. A well known Public work programme is the Employment Guarantee Scheme in India that provides employment on demand for unskilled, unemployed persons. In Ghana, Linkages will be established between LEAP and The Labour Intensive Public Works Programme, The Youth Employment Programme and The Cocoa Mass Spraying Programme to support the labour market. The table below illustrates the complementary relationship between LEAP and the existing programme structure.

Demonstrating a Complementary Relationship:
LEAP and Existing Government Programs

<u>TARGET</u>	<u>LEAP</u>	<u>COMPLEMENTARY PROGRAMMES</u>
1. Aged 65+	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • NHIS Indigent Card • Free Bus Ride • Micro nutrient Supplement • Supplementary Feeding
2. PWDs without Productive Capacity	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • NHIS Indigent Card
3. Caregivers of OVC (Able to work)	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<p align="center"><u>Caregivers:</u></p> <ul style="list-style-type: none"> • NHIS Indigent Card • Agric. Input Support • Microfinance • Skills Training for Caregivers <p align="center"><u>OVC:</u></p> <ul style="list-style-type: none"> • Post Basic (15+): Skills Training/Apprenticeship
4. Caregivers of PLWHAs	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • Agric. Input Support • Micro-Credit • Skills Training for Alternative Income Generating Activities (IGA)

Furthermore, beneficiaries of the LEAP Programme will be supported to access existing district-based poverty reduction initiatives (indicated earlier in this section) to enhance their income generating capacity and self-empowerment including, the Agricultural Input Support Programme, the Micro Finance Scheme, and the Youth Employment Programme.

Finally, LEAP interventions can help achieve desired impact of existing programmes by strengthening programme coverage and delivery to ensure that the neediest individuals are catered for. Government agencies implementing micro-insurance and micro-finance schemes will be assisted under the NSPS to facilitate awareness-raising schemes that will educate citizens on the socio-economic benefits of programme interventions as means to increasing participation. Private sector operators will also be assisted to develop products targeted at the extreme poor. The implementation of these programmes will be closely monitored by Social Protection Unit to ensure that the desired impact is achieved.

7. Implementation Arrangements

The NSPS is a continuous government intervention that will be implemented as a pilot project for a period of five years from 2007-2012.

Pre -Implementation Activities:

A comprehensive sensitisation programme will be implemented during the first quarter of 2007 to raise awareness and solicit support of relevant stakeholders and the general public, for the implementation of the strategy.. National level sensitization workshops will be organized throughout the country to ensure a comprehensive understanding of the strategy and its benefits. In addition, a Design Mission will be fielded in March 2007 to develop a full scale pilot programme and implementation manual for LEAP. The mission will also look at the expansion of the OVC database developed by DSW for the 2006 Care Givers grant scheme into a Single Registry System. The registry will be the central mechanism for determining and monitoring programme eligibility, controlling duplication of benefits, efficiencies in administrative cost and systematic management of beneficiaries and programme graduates.

A pre-pilot LEAP will be implemented by the MMYE and the DSW in the first half of 2007. The pre-pilot is an expansion of the OVC Caregivers Grant scheme that was implemented in twenty one (21) districts. The selection of the districts will be based on district rankings from the National Poverty maps developed by the NDPC and HIV/AIDS prevalence rate.

The LEAP Pilot Programme:

Full scale implementation of the LEAP pilot Programme will commence in 2008. The mission report will detail out the implementation work plan/arrangements for the LEAP. Implementing Ministries, Departments and Agencies (MDAs) will be supported to develop and cost programmes for the extreme poor as part of their 2008 Medium Term Expenditure Framework (MTEF) and Budget. The detailed work plan for the implementation for target populations at the district and community level will also include thorough community sensitization programmes. A core team from the MMYE and DSW will be constituted to support implementation.

Implementation arrangements will also include programmes to build capacity and support relevant MDAs to enhance their targeting mechanisms to programme for the extreme poor.

The LEAP Single Registry System:

In order for the LEAP Social Grants programme to be effective, a regular and reliable registration and tracking system must be put in place. Based on the OVC database, a scaled-up version of the system will be developed to manage programme beneficiaries and track their participation in other social services. The Single Registry System will be modelled after the *Bolsa Familia* example and will collect standardized information on beneficiaries.

8. Funding Arrangements for Sustainability

The implementation of the NSPS will adopt an innovative and sustainable funding strategy which will ensure that funding is available to facilitate the implementation of programmes. Proposed fundraising mechanisms will include the following:

- *Social Investment Fund (SIF):*

The Social Investment Fund was administratively established through the concerted effort of Government, the African Development Fund and the United Nations Development Programme (UNDP), as a mechanism to channel resources to the poor under the GPRS. A draft Social Investment Bill which will legally establish the Fund will soon be put before parliament.

The legal establishment of the Fund will facilitate access by the poor to basic economic and social infrastructure including schools, health centres and social services. It will also enhance access of the poor to financial services by increasing the availability of micro-finance schemes and the capacity of micro-finance institutions. Furthermore, in support of poverty reduction, community based organizations, NGOs and indigenous micro-finance institutions will be strengthened. Finally, recommendations will be made for the bill to provide funding to support and sustain the LEAP Social Grants Programme.

- *National Lotto Act:*

The National Lotto Act (2006) was enacted by the president and parliament of Ghana to provide revenue generation through lottery games to support various state activities. In particular, the Act will establish “a lottery with the object of providing care and protection for the physically or mentally afflicted, the needy, the aged, orphans and destitute children”². Finally, a Legal Instrument will be developed to implement the provisions of the Act and recommendations will be made to include social grants as a mechanism to be supported by generated funds.

- *Medium Term Expenditure Framework (MTEF) and District Assembly Common Fund:*

A percentage of the poverty Reduction/Alleviation fund could also be dedicated to the implementation of the NSPS at the district level. The NSPS is already mainstreamed into the Growth and Poverty Reduction Strategy (GPRSII) The move has enhanced the mainstreaming of the programme into MDA programmes. MDAs could therefore cost and budget the implementation under the Medium Term Expenditure Framework (MTEF). This strategy is also away of institutionalising SP into relevant implementing MDAs

- *Mainstreaming of the NSPS into the Multi Donor Budgetary Support (MDBS):*

The NSPS has already been mainstreamed into the MDBS as a strategy to ensure Development Partners’ support to the implementation. This strategy will ensure that, a percentage of the total Development Aid to Ghana will be allocated to the NSPS. This move will also enhance MDAs opportunity to develop and budget for programmes under the NSPS.

- *Adoption / Fosterage of Vulnerable & Excluded Persons:*

Under this arrangement, public spirited corporate bodies and individuals will also be encouraged to adopt and support Vulnerable & Excluded persons even if they are close relatives. Tax incentives could be given to such public spirited persons. This measure is expected to generate public interest for support and care for Vulnerable & Excluded persons.

² National Lotto Act (2006), p 3.

Since these sources of funds are well established and permanent sources of funds, they could provide continuous funds for the implementation of the programme. An intensive public education and sensitisation programme will be carried out to inform the MDAs and the general public on the proposed funding arrangements for the NSPS.

9. Financial Projections for the LEAP Programme

The amount of cash to be transferred to beneficiaries would just be sufficient in order to have a significant impact on beneficiaries with regard to the objectives of the NSPS of lifting them out of extreme poverty or that would lead to a relapse into poverty and non-productivity. From the poverty band analysis, the average monthly per capita household income of extreme poor population (14.7% of total population) is US\$6.0.

At the same time, the transfer should not raise the economic status of the beneficiaries beyond a level that will encourage unemployment/create dependency syndrome or relapse into extreme poverty. As illustrated in the poverty band analysis diagram, the cash transfer amount should not exceed the average monthly per capita household income of US\$15 (averaging US\$0.5 daily) for the transitory poor. Finally, the amount of transfer must consider the following factors:

- a) The minimum pension paid to employees under the Social Security and National Insurance Trust Scheme.
- b) The daily minimum wage for workers which is GHC19,000 (US\$2) or GHC 513,000 (US\$56) monthly.

The projected average number of households with extremely poor members is calculated as 154,370 representative of extremely poor population of about 821,845. The households size was calculated using an average of 5 persons per household (GLSS04 projects 5.9 as the mean household size for the extremely poor population). Based on various Best Practices of social grants programmes from other countries and the current per capita income of the extreme poor populations in Ghana, it is estimated that the monthly per unit cost of transfer will range from US\$6 to US\$12 for the various intervention.

It must be noted that the NSPS recognizes that in practicality variations will occur from household to household depending on the number of eligible beneficiaries, but will not exceed the maximum amount of \$12 / household. Based on the average household size for the targeted poor population, the following assumptions are made on the distribution of households with one or more extremely poor dependents.

SOCIAL GRANTS PER BENEFICIARY/HOUSEHOLD

Household Category	Social Grants	
	Monthly	Annual
Household with 1 targeted beneficiary	US\$6	US\$72
Household with 2 targeted beneficiaries	US\$8	US\$96
Household with 3 targeted beneficiaries	US\$10	US\$120
Household with 4 or more targeted beneficiaries	US\$12	US\$144

The targeted beneficiaries from Ghana's extremely poor population to receive LEAP Grants include:

- Subsistence farmers and fisherfolk;
- Aged poor above 65 years;
- PWDs without productive capacity;
- OVCs, PLWHAs and Pregnant Women with HIV / AIDs.

The expected social income from social grants (ranging from \$6-\$12) when added to the current average household income will result in the average per capita income of household of the beneficiaries increasing from US\$6 per month to fall within US\$12 – US\$18 per month. The transfer will therefore lift the beneficiaries out of extreme poverty to enable and stabilise them to assess other complementary interventions or other pro – poor social investment programmes to combat hunger and poverty according to Government's commitment of the Millennium Development Goals. The projected cost of the NSPS ranges between US\$23m to US\$27m per annum. The cost breakdown is provided in the following table.

LEAP SOCIAL GRANTS - PROJECTED COST ESTIMATES

ID	SUMMARY	Year 1	Year 2	Year 3	Year 4	Year 5
1	Preparation and programme design	235,000	-	-	-	-
2	Capacity building and strengthening of the institutional structures for implementation of NSPS / LEAP at all levels	1,875,940	2,582,680	2,522,680	396,800	321,800
3	Advocacy, sensitization and social mobilisation programmes for LEAP / NSPS	388,500	635,000	635,000	40,000	40,000
4	LEAP Social Grants Transfer Scheme to Beneficiaries	19,724,400	20,118,887	20,521,265	20,931,691	21,350,326
5	Integration of NSPS / LEAP with other MDA based Social Protection Strategy Programmes	80,000	80,000	80,000	80,000	80,000
6	Design and implementation of community level monitoring system	531,120	973,240	1,555,360	1,555,360	1,555,360
7	Programme monitoring and reporting	117,900	152,400	196,400	166,400	226,400
	TOTAL	22,952,860	24,542,207	25,510,705	23,170,251	23,573,886
9	Overheads (2.0%)	459,057	490,844	510,214	463,405	471,478
10	Contingency (1.0%)	229,529	245,422	255,107	231,703	235,739
	GRAND TOTAL	23,641,446	25,278,473	26,276,026	23,865,359	24,281,103
	Percentage of Social Grants to Total Cost	85.9%	82.0%	80.4%	90.3%	90.6%
	Percentage of Social Grants to Grand Total	83.4%	79.6%	78.1%	87.7%	87.9%
	Percentage of GDP	0.20%	0.22%	0.23%	0.21%	0.21%

The total cost of the programme is about 23.6m in Year 1 and then reaches a maximum of US\$26.3million in Year 3. Beyond year 3, it is expected that most of the capacity building and institutional strengthening activities will have been completed or near completion. From Year 4 onward, it is expected that most the institutional and capacity building activities will be mainstreamed into the day to day activities of the various MDAs and MMDAs.

Therefore percentage of the social grant component to the total cost will be decreasing from 83.4% in Year 1 to 78.1% in Year 3, and starts increasing again from Year 4 onwards when most of the capacity building and institutional strengthening activities will have been completed or near completion.

Implications for Implementation:

During the initial three years of the programme, the capacity of the Ministry of MMYE, Social Protection Unit (SP Unit) and the Department of Social Welfare at the National, Regional and District Levels will be developed and appropriate structures strengthened to facilitate the successful implementation of the programme. By the end of the year 3, it is expected that the capacity building activities will have reached its peak and it will start to decrease towards year 4 and beyond where this will be mainstreamed into the main programmes of the district assemblies.

In order to increase awareness and mobilize support the NSPS at the national, district and community levels, the first three years will involve the development and implementation of advocacy, sensitization and social mobilization programmes for the LEAP / NSPS.

It is also planned to integration the NSPS / LEAP with other MDA based Social Protection Strategy Programmes on an annual basis so that it will ensure a comprehensive and integrated approach for achieving the overall objectives for the Social Protection in Ghana.

The key to successful implementation of the NSPS / LEAP programme is the participation and involvement of the communities in ensuring effective monitoring of the NSPS / LEAP programme. As part of the programme, a community monitoring system will be designed and also establish communities monitoring teams and equip them with capabilities to continuous monitor the entire implementation process.

CHAPTER I: SOCIAL PROTECTION FOR GHANA

1) SOCIAL PROTECTION – AN INNOVATIVE DEVELOPMENT MECHANISM

a) *Defining Social Protection*

Social Protection mechanisms are developed by governments to enhance the capacity of poor and vulnerable persons by assisting them to manage socio-economic risks, such as unemployment, sickness, disability and old age. These interventions are meant to improve and increase the livelihoods of target groups by reducing the impact of various risks and shocks that adversely affect income levels and/or opportunities to acquire sustainable basic needs.

Social protection has traditionally been defined in terms of a range of public institutions, norms and programmes aimed at protecting individuals and their households from poverty and deprivation. These broadly include labour and employment standards, programmes aimed at covering contingencies arising from life-cycle changes, and norms and programmes directed at work related contingencies such as unemployment and retirement. Box 1 presents some definitions of common Social Protection terminology:

Box 1:
Definitions of Key Social Protection Terms

Some definitions

Social protection is associated with a number of key concepts that are used in different ways by different people. Some of the terms used in this article are here defined.

Social protection focuses on the threats to well-being arising from hazards, risks and stresses.

- **Hazards** are events which, if they materialize, can adversely affect the consumption and investment plans of households. Unemployment, sickness and drought are typical hazards threatening the well-being of the poor.
- **Risk** is the probability that hazards will materialize. For example, research shows that the poor face a higher risk of sickness.
- **Stresses** are typically continuous and cumulative pressures that adversely affect well-being, such as low wage rates or having to work excessive numbers of hours.

Households and communities deploy a range of **buffers** to protect their well-being against hazards, risks and stresses, including assets, insurance, social networks and public entitlements. The poor are especially vulnerable because they face higher risk of hazards and stresses, and have fewer buffers. Social protection involves interventions from public, private, voluntary organizations, and social networks, to support individuals, households and communities prevent, manage, and overcome the hazards, risks, and stresses threatening their present and future well-being.

Source: UNDP, International Poverty Centre Poverty in Focus June 2006, p.7

b) *Why Social Protection?*

There is a growing consensus among multilateral and bilateral institutions surrounding the need to build the capacity of countries, especially those in the developing world, to strengthen and develop Social Protection policies and programmes as an urgent response to, social inequality, economic crisis, disease and related issues of vulnerability and exclusion.³ The consensus has centred on

³ IADB 2000; Asian Development Bank 2001; ILO 2001; World Bank 2001

‘Social Protection’ as the umbrella concept, covering a wider range of programmes, stakeholders, and instruments such as ‘social security’, ‘social insurance’, and/or ‘safety nets’.

Unlike social security, Social Protection is a broader concept and approach to social empowerment because social security is normally associated with employment-based contributory state programmes. Social protection also differs from social insurance, because it is not normally restricted to contributory programmes covering a specific range of contingencies. Finally, the concept of Social Protection is additionally more sophisticated than social safety nets, because of its focus on longer-term assistance and addressing the root causes of social inequalities, rather than providing temporary interventions in response to specific crises.⁴

The Universal Declaration of Human Rights (1948) recognises Social Protection as a fundamental human right for all citizens of the world. Articles 23 -25 of the instrument specifically state the following:

Article 22: “Everyone, as a member of society, has a right to social security and is entitled to realisation through national effort and international co-operation and in accordance with the organisation and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.”

Article 23.3: “Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”

Article 25: “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. Motherhood and childhood are entitled to special care and assistance.”⁵

Furthermore, the following international instruments that have been adopted to guide the protection of vulnerable and excluded groups:

- The Universal Declaration of Human Rights (1948);
- The UN Convention on the Elimination of All forms of Discrimination Against Women (CEDAW, 1979)
- The UN Convention on the Rights of the Child (1989)
- The ILO Convention on the Worst Forms of Child Labour 1999
- The ILO Convention on Minimum Age for Employment (1973)
- African Charter on Peoples and Human Rights

These international mandates have informed the following domestic legislation and policies that constitute the existing legal framework for supporting various vulnerable and excluded groups in Ghana:

⁴ Barrientos and Shepard, 2003

⁵ The Universal Declaration of Human Rights, 1948.

- The 1992 Constitution;
- Intestate Succession Law, 1985 (PNDC Law 111);
- Social Security Law, 1991 (PNDC Law 247)
- The Criminal Code (Amendment) Act, 1998 (Act 554);
- The Children’s Act, 1998, (Act 560);
- Child Rights Regulations, 2003 (L.I 1705);
- Juvenile Justice Act, 2003 (Act 653);
- Labour Law, 2005 (Act)
- Persons with Disability (Act 715)
- National Disability Policy (2000)
- The Draft National Ageing Policy (2003)
- National HIV/AIDS Policy (2002)
- Adolescent and Reproductive Health Policy
- Gender and Children’s Policy (2003)
- Early Childhood Development Policy (2004)

Finally, Social Protection draws attention to the need to take a collaborative approach to formulating an innovative and context appropriate social empowerment tool to improve the livelihoods of poverty stricken citizens. While economic growth is essential for sustainable poverty reduction, the very poor are unlikely to benefit from any “trickle-down” effects that may result from most interventions. In countries where growth is slow, there is a need to develop mechanisms that improve the ability of the very poor to contribute to economic development.

c) Social Protection for Economic Growth

The misconception that Social Protection involves wasteful handouts to undeserving poor people has been overtaken by recent research that illustrates its contribution to national development and growth in several ways. Social Protection facilitates investment in human and physical assets thereby reducing the risk of future poverty, enhances risk-taking livelihood strategies among poor people, and facilitates social and economic cohesion - reducing the likelihood of conflict.

Social protection can empower potentially productive people who are currently excluded from economic opportunities to be full participants in society. Providing these groups with basic subsistence support through cash transfers or social grants, can give the poor the security to look for work, to send their children to school and to take risks with investments that generate noteworthy national returns.

For example, beneficiaries of Mexico’s *Oportunidades* programme invest 25% of their cash grants in small-scale enterprises and agricultural production. These investments are generating returns of between 32% and 49%.⁶ Similarly, Zambia’s pilot cash transfer programme, which targeted the 10% of the poorest households, 29% of income from social grants is used to support livestock rearing and purchase agricultural inputs.⁷

Developing countries are increasingly recognising the role of social protection, though their spending remains relatively low, especially, as mentioned, in sub-Saharan Africa.⁹ In countries

⁶ DfID; “Social Protection and Economic Growth in Poor Countries”, *Social Protection Briefing Notes* Series Number 4; March 2006.

⁷ Ibid

with high levels of inequality – such as in Latin America and much of sub-Saharan Africa – social protection, along with broader social investment, is particularly important. High inequality reduces both growth and the impact of growth on poverty and, if inequality is not addressed, development will be set back.

For these reasons, Social Protection is an indispensable and effective development strategy for achieving Ghana's development goals as outlined in GPRS II. Thus, the opportunity costs of not putting measures in place to positively reposition extremely poor citizens are not only high but undermine efforts to promote national development. As a result, the Government of Ghana views Social Protection as a “win – win” situation by empowering the poor and ultimately advancing the nation's growth agenda.

d) *The NSPS: Complementing NEPAD and the MDGs*

The United Nations Millennium Development Goals (MDGs) address many dimensions of extreme poverty – including penury, hunger, and disease – while promoting gender equality and environmental sustainability. As previously stated, poverty reduction is the result of several interacting factors, including the redistribution of incomes, assets, insufficient opportunities for pro-poor economic growth, and lack of substantive social provision/ protection mechanisms.

Ghana adopted the Millennium Declaration in 2002, which details eight MDGs ranging from halving global poverty by 2015 to enhancing global partnerships. Furthermore, the New Partnership for Africa's Development (NEPAD) targets are consistent with the MDGs in seeking to, among others, eradicate poverty in Africa and place the continent on the path towards sustainable economic growth and the empowerment of women.

Social Grants schemes can play an important role in achieving the MDGs. Their rapid spread throughout Latin America, Southern Africa and parts of Asia is an indication of a growing consensus on the value of Social Grants in these regions in tackling both poverty and high levels of inequality.⁸

Poverty targets are far from being met in Sub-Saharan Africa. The proportion of people living on less than a dollar a day rose from 44.6% to 46.4% between 1990 and 2001. Higher economic growth is needed in addition to a new thinking on how socially excluded groups such as older people, female-headed households, orphans, people with disabilities and those living with HIV/AIDS can benefit and contribute to economic development.

Ghana must advance its progress towards achieving the MDGs and in particular MDG 1 (Income Poverty/Hunger) in order to achieve middle-income status by 2015. Evidence shows that various Social Grants programmes are resulting in sustainable impacts on hunger, indicating their potential to contribute to food security and the achievement of MDG 1. For example, 70% of Mexican households participating in the *Progressa* Programme have shown improved nutritional status. Programme impacts on stunted growth in children have also been impressive, with the growth rate among children aged 12-36 months increasing by one centimetre per child per year.⁹

⁸ DfID, October 2005

⁹ Ibid.

In Ghana, the NSPS will support and complement the vision of the MDGs and the NEPAD targets by reducing extreme poverty among targeted vulnerable and excluded groups and mitigate the effects of shocks to prevent a decline socio-economic status. Social protection will assist to achieve MDG targets by:

1. **Reduces Hunger and Income Poverty** – Social Protection can help achieve the MDGs by tackling hunger and reducing the number of people living on less than a dollar a day. Social security provides a minimum standard of living for all, including vulnerable groups such as the elderly, orphaned children and people living with disabilities. For those able to work, Social Protection can help them during difficult times, such as ill-health, or at stages in life such as pregnancy, when work is not possible.
2. **Invests In Poor People and Supports Livelihoods** – The new livelihood opportunities and improved incomes created by social protection will allow families to invest more in health and education, particularly of children. This is one of the most effective ways to help children escape from abject poverty faced by their parents.
3. **Improves Women's Economic Access** – targeting women so they can engage more in economic activity. Lack of access for women to income and assets can restrain growth. For example, in Burkina Faso, agricultural production would increase by the estimated 10 to 20 percent if women had equal access to inputs.
4. **Critical To Ensuring Equitable Growth** – Emerging evidence is showing how well-designed social protection programmes-both social insurance and social assistance-can have a positive impact on growth, in a variety of ways. Social protection is not a trade off with growth but is an essential component of any long-term sustainable growth and poverty reduction agenda. More generally, redistribution of income from the better off to the poor can boost growth if the poor are more likely to spend on home produced goods and services rather than imports as pertains in South Africa.
5. **Stimulates Demand For Local Goods/Services** – For example, in Zambia 70% of social transfers is being spent on locally produced goods, increasing incentives for local businesses and infrastructure to develop, which is important for remote areas.
6. **Supports an Effective and Secure State** – It builds social cohesion and a sense of citizenship and reduces conflict. A safe and predictable environment is essential to encourage individual, including foreign investors to work and invest. In China, increasing unrest has led to greater investment in social transfers as a means of promoting social cohesion and safeguarding growth. Social protection plays the important role of protecting the poor and vulnerable during periods of economic transition. For example, in Mexico, the *Oportunidades* Social Transfer Programme was introduced to protect the vulnerable from the North Atlantic Free Trade Agreement.

e) Lessons Learned: Social Protection Initiatives in Ghana

Social Protection is not a new concept in Ghana. Government has provided various Social Grants and safety nets to support individuals in various capacities and particularly to reduce the incidence of poverty. These initiatives include the Programme of Action to Mitigate the Social Cost of Adjustment (PAMSCAD), the Village Infrastructure Project (VIP), projects implemented by the Social Investment Fund (SIF), nutrition interventions, education subsidies, immunization programmes and child protection mechanisms.

While these social assistance programmes made considerable efforts to reduce poverty and improve the livelihoods of Ghanaian, experience indicates that sustainable mechanisms to empower those facing extreme poverty were insufficient. As a result, extremely poor Ghanaians, lack access to basic social infrastructure, goods and services, as well as the resources to become economically productive. Therefore they continue to fall deeper into poverty despite overall positive, national growth trends.

Additionally, previous interventions generally focus on offering social assistance to the extreme poor with very limited emphasis on preventing livelihood decline. The importance of emphasising mechanisms to prevent or buffer beneficiaries from relapsing into poverty in the medium to long-term as a Social Protection measure is vital to the success of achieving national development goals.

Furthermore uncoordinated programme delivery and poor targeting resulted in limited coverage and impact in many prior interventions. In addition, the absence of a coordinating government agency to monitor implementation of varied Social Protection programmes across institutions resulted in a lack of cohesion and of a coordinated response.

The development of a new National Social Protection Strategy (NSPS) is both necessary and timely. The NSPS will draw upon local experiences as well as “Best Practices” and “Lessons Learned” from other African, Asian and South American nations to develop a “people centred” and context specific approach to Social Protection in Ghana.

The NSPS represents a shift in the design and practice of Social Protection interventions from what may be described as a piecemeal approach to a harmonised, integrated, sustainable and forward-

Case Example 1:

DSW/UNICEF OVC Social Transfer in Ghana

In 2005 The Department of Social Welfare (DSW), with support from UNICEF, began implementing a Social/Cash Transfer Scheme to target OVC Caregivers in 21 districts where the prevalence HIV/AIDS is relatively high.

The Scheme which was developed to assist citizens to access the National Health Insurance Scheme (NHIS) provides a conditional cash transfer of €72,000 to support NHIS premiums for identified Caregiver. The Scheme is meant to promote access to quality healthcare and increase participation in the NHIS scheme.

Caregivers must satisfy the following conditions to be eligible for the cash transfer:

- 1) Enrol and retain the OVC (within the school going age) in a public school.
- 2) Secure the child a birth registration certificate if not already registered.

Additionally, District Social Welfare Officers and the District Assemblies are assisting and encouraging beneficiary Caregivers to access relevant social protection interventions available in the respective districts. These services include: Micro Credit Schemes, Youth Employment Programme, Agricultural Input Support and other pro-poor programmes

looking national framework. In addition, the programme coordination and monitoring will be undertaken by the Ministry of Manpower, Youth and Employment (MMYE) with key support from the Department of Social Welfare (DSW), which will be ultimately restructured into the Department for Social Development (DSD) in order to play a central role in addressing the social development needs of target groups. Finally, the NSPS is entrenched in the philosophy that if afforded the opportunity, all Ghanaians *can* contribute their quota towards achieving economic growth and prosperity. Thus, through the NSPS Government will invest in target groups who will in turn invest in the nation.

2) VULNERABILITY AND EXCLUSION IN GHANA

Ghana's Poverty and Social Inclusion Assessment (PSIA, 2005) identifies different segments of the population that suffer differential vulnerabilities depending on their Security. According to the study, the most vulnerable and excluded people are characterised by severe livelihood insecurity and are unable to cope with multiple life-cycle risks and shocks.

Furthermore, because 'poverty' has multiple effects it's imposed vulnerability and exclusion on affected citizens goes beyond an inability to provide for basic needs to include a lack of access to education, health, information and the opportunity to participate social processes. These citizens are further characterized by a rampant denial of rights, the inability to demand accountability, lack of access to resources as well as other institutional barriers that contribute to poverty, vulnerability, and social exclusion. The PSIA further identifies small-scale farmers as a leading vulnerable group in the country due to multiple risks and establishes a link between gender and poverty where rural farmers were mainly women and among the poorest in society.

Finally, the coping strategies adopted by vulnerable groups to insulate themselves from various risks and shocks further exacerbates their vulnerability because these strategies often involve selling of assets, reduction in the quality and quantity food intake, and increased child labour.

a) *The Extreme Poor in Ghana*

The 'poor' are categorised as those who face a combination of risks that permits survival but do nothing to aid security. They experience seasonal or short-term hardships such as food insecurity and malnutrition. Extreme poverty affects individuals and households over time, sometimes affecting entire social groups or categories, and significant proportions of the

Case Example 2:

SIF Investing in Ghana's Urban Poor

In response to official requests from the GoG for a follow-up support to the ADF-funded Poverty Reduction Project in Ghana (1998-2004), Bank Identification and Preparation Missions visited Ghana in September 2004 and March 2005 respectively and held discussions with stakeholders, GoG officials and Partners. The Appraisal Mission (May 2005) strengthened the community ownership dimension of the project, tightened operational linkages with ongoing best practice microfinance initiatives, and confirmed that urban poverty reduction strategies needed to be defined and implemented at the local level.

The proposed project seeks to contribute to poverty reduction in Ghana by improving urban livelihoods in the poor cities/towns communities through better planned urban growth, enterprise development, and enhancement of provision of accessible, quality and equitable urban and peri-urban services. It is in line with the Bank's policy on Poverty Reduction, the Bank Group's 2005-2009 CSP for Ghana and in conformity with the ADF X lending policy. These policies and strategy call for a holistic and coherent approach to poverty reduction and stress the need to efficiently address income poverty and non-income dimensions (lack of access to social services, social and political capital), to invest in the human capital development of the poor with equity, gender differentiated programming, exemptions for the vulnerable, and to better their productivity.

inhabitants of particular areas. It may even characterise a large proportion of the population of whole countries, particularly those in the developing world - very few of which have emerged from poverty in the last two decades.¹⁰ Repeated seasonal episodes of poverty can also be extreme and difficult to escape, as is typically the case for seasonal farmers. Perhaps more importantly “extreme” poverty affects people over an entire lifetime and/or across generations.

In addition, it is widely believed that most poor people are transiently poor – temporarily poor or ‘churning’ – sometimes poor, sometimes not poor; and that those who are always poor are not in the majority. However, research indicates that the picture is actually very varied from one setting to another. National pictures may not represent the situation in all regions of a country, and national incidences of extreme poverty are also varied, though in most poor countries where data has been collected the proportions are significant. This suggests that the current approach to Social Protection in many countries is not working for the extreme poor.¹¹

According to the Ghana Living Standards Survey (GLSS), the poverty profile of Ghana indicates that an estimated 40% of Ghanaians are “poor”, thus referring to citizens who have the capacity to meet their basic nutritional needs, but are unable to cater for additional necessities such as health, shelter, clothing and education. Furthermore, an additional 14.7% of the population is afflicted by “extreme poverty” and are thus unable to cater for basic human needs including their nutritional requirements and suffer from poverty across generations.¹² Furthermore, the Ghana Growth and Poverty Reduction Strategy II (GPRS II, 2006-2009) is based on the goal that all Ghanaians must attain a per capita income of US\$1000 by the year 2015 if the nation is to achieve middle income status. The current per capita income is approximately \$370¹³, and therefore efforts must be made via a comprehensive and sustainable Social Protection strategy to lift the poorest citizens out of the poverty cycle and poise them to contribute to the nation’s development.

b) Women, Children and Poverty

In developing a Social Protection Strategy for the nation it is prudent to acknowledge the gender dimensions associated with poverty. Women suffer the brunt of extreme poverty in Ghana and remain at the top of the list of excluded and vulnerable groups in society. Women face particular barriers concerning the acquisition of assets and lack access to opportunities that spur economic growth. Furthermore, because women are most often the primary caregivers in household settings, these inequalities often trickle down to negatively impact the livelihoods of their children.

In Ghana, nearly 35% of all household heads are females and 53% of these households reside in the rural areas where extreme poverty is at a national high.¹⁴ The gender dimensions of poverty are even more evident within the food crop sector where women are more predominant. Regions with the least reduction (experiencing increases) in poverty levels tend to have high female populations in the range of 50-52%. While women (particularly those in rural areas) are an important economic force, they do not share equally in the benefits that accrue from overall national efforts and remain disadvantaged in many respects. Women also suffer from various forms of abuse and social

¹⁰ UNCTAD, 2002

¹¹ Barrientos & Shepard, 2003, *Chronic Poverty and Social Protection*, p.3.

¹² GLSS, 2000

¹³ Gross domestic product (GDP), GDP per capita, GDP by economic sectors, employment, and national budget data are from the World Bank database (www.worldbank.org).

¹⁴ *Social Investment Fund (SIF)*, June 2005

inequities, which marginalise and exclude them from full participation in socio-economic endeavours – denying them access to social services.

Poverty among children in Ghana is also high, and evidence from CWIQ (1998 and 2003) suggests that rural children are more disadvantaged in terms of access to education and health than urban children. At least 30% of rural and urban children are underweight and slightly lower percentages are stunted.

There are an estimated 213,000 Orphans and Vulnerable Children (OVC) in Ghana.¹⁵ Children under 15 years of age represent 3%-5% of reported cases, while 27% of all orphans are stricken with HIV/AIDS. Poverty and vulnerability among children are also manifested in situations such as the worst forms of child labour, harmful traditional practices, sexual abuse and parental neglect.

b) Determining the Risks and Shocks

The most vulnerable segments of the population are those exposed to multiple shocks concurrently and lack the resiliency and financial means sustain their basic needs. The relationship between vulnerability and poverty is exacerbated by exclusionary tendencies, where segments of the population are unable to access various social services that result in a denial of rights and entitlements. The following risks and shocks are the primary causes of vulnerability and extreme poverty in Ghana. The related indicators of vulnerability are further illustrated in Table 1 below:

- Macro-economic shocks
- Natural/man-made disasters
- Health shocks
- Life-cycle shocks
- Exclusion and denial of rights

¹⁵ The National Policy Guidelines on Orphans and Other Children Made Vulnerable by HIV/AIDS (GAC, MOWAC, MMYE (2005) defines orphan to mean “a child who has lost either or both parents to HIV/AIDS or to any other cause”. A vulnerable child is one “who on the basis of a set of criteria when compared to other children bears a substantial risk of suffering significant physical, emotional or mental harm”. Child is defined under the 1992 Constitution to mean any person below the age of 18 years.

Table 1:
Risks, Shocks and Related Vulnerability

Risk/Shocks	Vulnerability Indicators
<i>Macro-economic shocks</i>	<ul style="list-style-type: none"> ▪ Decreasing employment opportunities and labour market issues ▪ Poor access to markets and large post harvest losses ▪ Inflation and diminishing real incomes ▪ Rising cost of agricultural inputs ▪ Rising cost of utilities and energy ▪ Rising cost of social services (education and health) ▪ Child abuse and neglect.
<i>Natural./Manmade Disasters</i>	<ul style="list-style-type: none"> ▪ Uncertain and erratic rainfall; drought; floods; bushfires; pest infestations; deforestation; declining soil fertility; depleting water sources; environmental degradation; ▪ Civil conflicts; and ▪ Child rural-urban migration.
<i>Health shocks</i>	<ul style="list-style-type: none"> ▪ Malaria, diarrhoea diseases and public health issues (high morbidity, infant and child mortality) ▪ Malnutrition ▪ Poor access to quality health services ▪ HIV/AIDS ▪ ‘Neglected’ diseases (trachoma, lymphatic filariasis, schistosomiasis).
<i>Life-cycle risks</i>	<ul style="list-style-type: none"> ▪ Early childhood diseases; ▪ Adolescence reproductive health issues; ▪ Neglect associated with old age; ▪ Disabilities affecting different age groups ▪ Death (especially of main provider of household livelihood); ▪ Accidents and injuries at the workplace
<i>Denial of rights</i>	<ul style="list-style-type: none"> ▪ Exclusion (discrimination based on gender, age and other social status) ▪ Lack of participation ▪ Lack of access to asset ownership (land) and insecurity of tenancy ▪ Child abuse ▪ Stigmatisation (e.g. People Living with HIV/AIDS (PLWHA’s) and Persons with Disabilities (PWD’s)).

2) A NEW DAWN FOR SOCIAL PROTECTION IN GHANA

a) *The National Social Protection Strategy (NSPS)*

In Ghana, poverty has been identified as the main cause of vulnerability and exclusion. Although the country has made some progress in reducing poverty the pace has been slow and the impacts low. Due to their chronic inability to cater for the most basic human needs, the extreme poor remain the most socio-economically disadvantaged group in society and are resultantly unable to meet the minimum requirements to access existing government assistance programmes.

The Ghana Poverty Reduction Strategy II (GPRS: 2006-2009) recognises the need for specific Social Protection measures targeted at the most vulnerable and excluded groups, with explicit reference to developing a National Social Protection Strategy as the framework for reaching out to the extreme poor.

The National Social Protection Strategy (NSPS) is an innovative “people centred” national intervention aimed at providing livelihood support and empowerment to the extreme poor in society, and related vulnerable and excluded target populations. Ghana’s NSPS Programme presents a distinctive approach to social development and is founded the following core pillars:

- i) **Pillar 1** – The NSPS seeks to complement of social grants to existing sp programmes for effective risk management and impact of poverty reduction programmes.
 - ii) **Pillar 2** – The NSPS seeks to address the causes of poverty, and not simply its symptoms. Therefore, the programme acknowledges that the roots of poverty are found in the multiple social risks faced by the poor, and in their vulnerability to the impact of these risks. By focusing on social risks, the NSPS addresses the dynamic nature of poverty.
 - iii) **Pillar 3** – The NSPS seeks to develop the capacity of the poor to reduce, ameliorate, or cope with social risk and vulnerability through the LEAP Social Grants Programme. To this end, the NSPS draws particular attention to human capital investment, and more generally to productive investment as the fundamental keys to poverty reduction and pro-poor growth.
 - iv) **Pillar 4** – The NSPS acknowledges the variety and heterogeneity of risks affecting individuals, households and communities, and especially in the case of Orphan, Vulnerable Children (OVCs), People Living with HIV/AIDS (PLWHAs) and women. The NSPS therefore acknowledges the multidimensional nature of poverty and its exacerbating and unique effects on various target groups.
 - v) **Pillar 5** – The NSPS acknowledges the ‘gender dimension’ associated with poverty, exclusion and vulnerability, and therefore includes a gender-sensitive approach to its poverty reduction and social empowerment strategies.
 - vi) **Pillar 6** – The NSPS focuses on poverty reduction and livelihood empowerment and on providing support to vulnerable and excluded groups.
- ***LEAP: The Premiere Social Grants Programme***

The strategy will provide beneficiaries with social support through the Livelihood Empowerment Against Poverty (LEAP) *Social Grants* or *Cash Transfer* Programme. Cash-based social transfers are operationally defined as regular non-contributory payments of money provided by government or non-governmental organisations to individuals or households, with the objective of decreasing chronic or shock-induced poverty, addressing social risk and reducing economic vulnerability.

The transfers can be unconditional, conditional on households actively fulfilling human development responsibilities (education, health, nutrition, etc.) or else conditional on recipients providing labour in compliance with a work requirement. The transfers can be universal or explicitly targeted to those identified as poor or vulnerable.¹⁶ Ghana’s LEAP programme will focus on supporting extremely poor target groups with a monthly subsistence grant on both conditional and unconditional basis.

¹⁶ Samson, M. (2006) *Designing and Implementing Social Transfer Programmes*, pg.1

- *Why Social Grants?*

Cash-based social transfers provide a critical element for reducing vulnerability to poverty, regardless of the framework within which one understands social protection. In addition to their vital social contribution, social transfers can support critical economic objectives. Many of the world's fastest growing economies over the past several decades have built social protection into their policies at early stages because of its potential to increase productivity and contribute to stabilising domestic demand. The failure to provide appropriate social protection limits prospects for growth and development at the very foundation of society because household poverty undermines children's nutrition and educational attainment, limiting their future prospects.¹⁷ To this end the NSPS will go beyond income support and aims to reduce poverty and inequality by enhancing the productive capabilities of poor men and women.

¹⁷ Asian Development Bank (2003), pg. 50.

CHAPTER II: DEVELOPING A NATIONAL STRATEGY

1) APPROACH, METHODOLOGY AND DESIGN

a) Wide Consultations

The process of developing the NSPS commenced in February 2004 with the development of a concept paper through stakeholder consultations. This was followed by a consultative workshop in August 2004 between Ministries, Departments and Agencies (MDAs), local and international Non-Governmental Organisations (NGOs), Civil Society Organisations (CSOs), research institutions and development partners.

The process was also informed by interactions with the Social Protection Technical Working Group chaired by the Deputy Minister of Manpower, Youth and Employment (MMYE). The Working Group included representatives of various development partners and donor organizations including UNICEF, the World Bank, UNDP, DfID and GTZ. Further consultations were held with more stakeholders and MDAs at decentralised levels to engender wider stakeholder ownership. The development of the NSPS also benefited from international consultations and exchange programmes.¹⁸ Finally, given the important linkages between Social Protection and poverty reduction, efforts were also made to ensure that the compilation of GPRS II was fully informed by the Social Protection Strategy process.

b) Learning from 'Best Practices'

The review and analysis of existing interventions and literature on vulnerability and exclusion and Social Protection formed a major component of the development of this Strategy and covered major studies on Ghana such as Poverty Social Impact Assessments and the United Nations Common Country Assessment on Vulnerability and Exclusion undertaken in 2004. It included reviews of documents on Social Protection interventions by MDAs and organisations including the World Food Programme (WFP), Action Aid, CARE International, World Vision Ghana, Catholic Relief Services (CRS), PLAN Ghana, the World Bank and UNICEF. These sources complemented national statistics gathered from the Ghana Living Standards Surveys (GLSS), Population Census, The Core Welfare Indicator Questionnaire (CWIQ), Ghana Labour Surveys, Demographic and Health Surveys, among others.

The review and analysis of international frameworks on Social Protection especially those of the World Bank, DfID, International Labour Organisation (ILO), Asian Development Bank and the United Nations guided the design of a conceptual framework for the Strategy. Social Protection studies by international research institutions and organisations including the World Bank Institute, Overseas Development Institute (ODI), Institute of Development Studies (IDS) as well as the Social Protection Strategies of Zambia, Ethiopia, Uganda, Malawi, Vietnam, Bolivia, Brazil, Mexico and Asia were among background and reference sources.

¹⁸ During the development phase, teams led by MMYE were supported to participate in social protection capacity building and peer review programmes in Finland, Tunis and Brazil.

2) **POVERTY ANALYSIS:**

1. *Determining the Poverty Band*

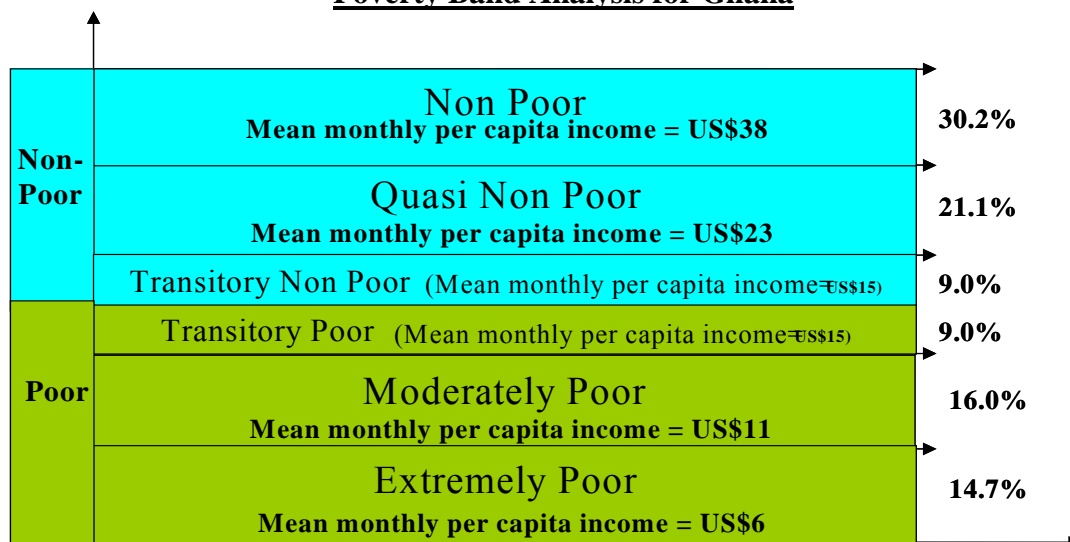
According to the Ghana Living Standards Survey (GLSS), the poverty profile of Ghana indicates that an estimated 40% of Ghanaians are “poor”. This refers to citizens who have the capacity to meet their basic nutritional needs, but are unable to cater for additional necessities such as health, shelter, clothing and education. Furthermore, an additional 14.7% of the population is afflicted by “extreme poverty” and are thus unable to cater for basic human needs including their nutritional requirements and suffer from poverty across generations.

The definition of the poverty groupings under this NSPS is based on a poverty band analysis using the mean monthly per capita income for determining the size and degree of the domestic poor. The following economic measures of poverty focus on nutritional-based poverty lines that correspond to a basic nutritional requirement of 2,900 kilocalories per adult/day (GLSS 2000):

Extreme Poverty Measure (EPM) – refers to a lower poverty line of US\$292.4 per adult/year (averaging US\$24.4 per adult/month or US\$0.81 per adult/ day). It covers those whose standard of living is insufficient to meet their basic nutritional requirements if they devoted their entire budget to food.

Upper Poverty Measure (UPM) – refers to an income of US\$376 per adult/year (averaging US\$31.3 per adult/month or US\$1.04 per adult/day) and incorporates both essential food and non-food consumption. The diagram below illustrates the findings of the poverty band analysis using per capita household income as a proxy for the ‘standard of living’ indicator based on GLSS4 data.

Figure 2:
Poverty Band Analysis for Ghana



As illustrated in the Poverty Band Analysis diagram above, the income poor form about 39.7% of the total population earning below the UPM Line of US\$1.0 per day. The remaining 60.3% of the non-poor population of the poverty band analysis earns a monthly average ranging between US\$23 (US\$0.8 per day) and US\$38 (US\$1.3 per day). Out of the 39.7% of the income poor population, 9% are among the transitory poor, 16.0% are moderately poor and 14.7% are extremely poor with

an average monthly per capita household income of US\$15 (US\$0.5 daily), US\$11 (US\$0.4 daily) and US\$6 (US\$0.2 daily) respectively.

Patterns of poverty and vulnerability show vast regional disparities. For example, whilst the poverty rate in the Upper West Region is at 88% (more than double the national average); there is a decrease in poverty rates in the Greater Accra and the Southern Regions. In addition, while only 6.6% of the population of the Western Region is in the first quintile, the figure for the Upper East, Northern and Upper West Regions are 58.6%, 58.5% and 51.4% respectively.

There are also disparities between urban and rural areas in the distribution of poverty in Ghana. Extreme poverty is concentrated in certain rural areas (the rural savannah). The wealthiest sectors of the population are located in the larger urban centres, particularly in Accra.

c) Social Development Framework

The complexities associated with poverty reduction and elimination requires the adoption of a range of measures that will result in sustainable change in the lives of the extreme poor. The NSPS will therefore be implemented under the following programmatic guidelines:

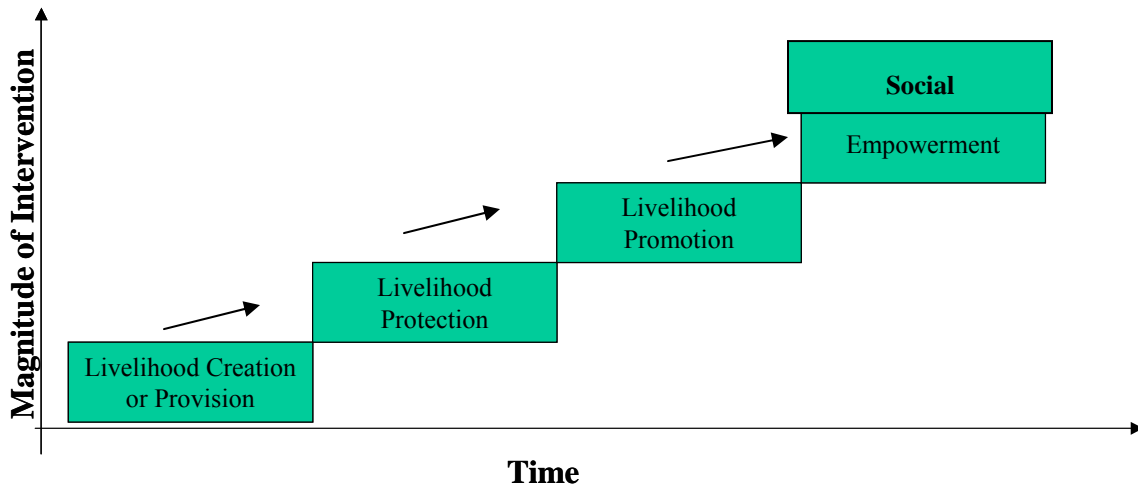
Livelihood Creation/Provision – Non-contributory measures to support those who are unable to meet their basic survival needs. Selected persons living in situations of extreme poverty, such as OVCs, the elderly, seasonal agricultural groupings (such as female crop farmers and fisher folks), and persons with severe forms of disability are targeted for such programmes. Livelihood interventions for these categories include cash transfers, supplementary feeding and disaster relief.

Livelihood Protection – Measures to protect/sustain livelihoods. These measures are contributory programmes such as social security, health insurance, micro-insurance and crop insurance schemes based on the insurance principle of risk mitigation. This mechanism ensures stability and prevents people from sliding back into extreme poverty. They include contributory insurance and pension programmes, labour market reforms, and land reforms.

Promotion – Access to schemes that offer livelihood-enhancing opportunities for target groups such as the Integrated Agriculture Input Support Programmes.

Social Empowerment – Measures that seek to address exclusionary tendencies such as gender and child discrimination, lack of access to information on government policies and to the justice system, and other social services. Examples include protection of the rights of socially vulnerable groups through measures such as law reform, enforcement and transformation of attitudes and behaviour through public education. This continuum is illustrated below in Figure 3 as a graduated process from livelihood creation to social empowerment:

Figure 3:
NSPS Development Framework



The social development framework is based on the principle that target groups must first be supported to attain their basic human needs in order to sustain their livelihoods; secondly they must be insulated/protected from shocks that might cause them to slide back into poverty; thirdly, they must be able to access opportunities and existing social programmes that will promote and improve the depth and breadth of their lives; and finally they must be empowered to participate in and benefit from social policy development, institutional access, democratic processes.

CHAPTER III: THE NEW DAWN IN SOCIAL PROTECTION

1) THE “LEAP” SOCIAL GRANTS PROGRAMME

a) *Overview*

Although various Social Protection interventions have been instituted by Government gaps in programme efficacy, service delivery and M&E processes further demonstrated the need for a comprehensive national umbrella strategy that complements as well as assists in the management of current initiatives. While the majority of existing mechanisms have been developed in the areas of education, health, and economic enhancement, programmes to support, protect and promote the livelihood of the extreme poor are non-existent.

As a result, wide gaps exist in scope and coverage of existing Social Protection mechanisms for a critical mass of the national population. These shortcomings have resulted in minimal impact, reductions in national level vulnerability and exclusion and the desired result in the attainment of economic growth.

Evidence from various developing countries indicate that the use of social transfers or grants are an effective mechanism to achieving poverty reduction and a range of MDGs, particularly if set within a wider national poverty reduction strategy.¹⁹ The NSPS will seek to empower the extreme poor and other vulnerable populations through the implementation of the Livelihood Empowerment Against Poverty (LEAP) Social Grants Programme. LEAP is an innovative and context specific initiative that will provide both conditional and unconditional cash transfers to target populations. The programme is intended to empower and help targeted population provide for their basic needs, poise them to access existing government interventions, provide a “spring board” to help them to “Leap” out of the malaise of extreme poverty, and ultimately empower them to contribute to the socio-economic development of the country.

The LEAP Programme is to provide *conditional cash transfers* to the extreme poor with no alternative means of meeting their subsistence needs. The case for targeting these groups is made on cost-effectiveness and equity grounds. With a limited public budget for social transfers, it seems sensible and fair to allocate these transfers to those who need them most. To this end, *unconditional* grants will also be provided to individuals with no productive capacity e.g. the elderly poor, persons with severe disabilities etc. The LEAP Programme will specifically result in the following:

- i) Reduction of extreme poverty, hunger and starvation among the most severely disabled and incapacitated persons living with disabilities.
- ii) Stimulation of access to social services (health and education in particular) and to smoothing consumption levels and demand of the extreme poor Orphans and Vulnerable Children, aged below 15 years, especially those affected by HIV/AIDS.
- iii) Positively impact on the livelihood of women and infants during pregnancy and work to reduce the rate of Mother-to-Child-Transmission (MTCT) of HIV/Aids among target groups.

¹⁹ DfID, October 2005; *Social Transfers and Chronic Poverty: Emerging Evidence and the Challenge Ahead*

Based on the above objectives, the following four main categories of Social Grants will be administered to address the specific needs of the respective target groups:

- i) Social Grants for Subsistence Farmers and Fisher folk
- ii) Social Grants for the extremely poor above 65 years
- iii) Care Givers Grant Scheme for OVCs, particularly Children Affected By Aids (CABAs) and children with severe disabilities.
- iv) Caregivers Grants for incapacitated /extremely poor PLWHAs
- v) Social Grants for Pregnant Women/ Lactating Mothers with HIV/AIDS.

Case Example 5: **Zambia's Pilot Cash Transfer Scheme**

The Pilot Social Cash Transfer Scheme in Kalomo District, Zambia

Food poverty and vulnerability is widespread in Zambia. Half the population suffers from chronic hunger according to FAO: over five million people in one million households. Some 700,000 households are poor because they lack productive work and access to credit or programmes such as food or cash for work that could take them out of food poverty. The other 300,000 households are structurally poor with few/no able-bodied adult household members.

Of the latter, over one million people in 200,000 households – 10% of the population – suffer critical levels of food poverty and are unable to respond to development opportunities. Many are AIDS-affected; breadwinners have died leaving grandparents and orphans unable to respond to self-help oriented programmes. In these households, 60% are children whose basic needs of nutrition, health services, clothing and education are not met. Some of these destitute households are targeted by the Kalomo Pilot Social Cash Transfer Scheme with support from the Government of Zambia and the German aid agency GTZ.

Approved households without children receive ZMK30,000 (US\$6) in cash monthly, while households with children receive ZMK40,000 (US\$ 8). The transfer does not lift the beneficiary households out of poverty but it does alleviate life-threatening food poverty. If they choose to spend it on maize, it will buy a second daily meal. It is assumed that beneficiary households know best what they need most in order to survive; that they spend the money wisely; and that household heads (mostly older women) spend most of the cash on children in the household. All these assumptions are closely monitored and have so far proved to be realistic.

Selection of beneficiary households is undertaken by Community Welfare Assistance Committees (CWACs), whose members are elected or approved by the community. After training, CWACs use a multi-stage process to select the 10% of households who are most needy and labor-constrained. Payments to households living near Kalomo Town are channeled through accounts in the local bank. For those living further away "Pay Points" have been established at rural health centers and schools.

At the end of 2004, around 4,000 persons in 1,027 households received monthly cash transfers. Of these, 66% are female-headed, 54% are elderly-headed, and at least 54% are AIDS-affected; 61% of the household members are children, of whom 71% are orphans.

Both targeted beneficiaries and the local community report that the transfers have improved the well-being of the poorest households. Recipients use them to buy food and other basic needs (e.g. blankets, soap, school books). Some beneficiaries have even saved some cash (including through a rotating fund), and invested in seeds and small animals.

If the Social Cash Transfer Scheme were extended to all 200,000 destitute and labor-constrained households in Zambia, annual costs would amount to US\$21 million – about 5% of annual foreign aid inflow, or 0.5% of Zambian GDP. This means that national social cash transfers are affordable – especially if government and donors share the costs. However, more and larger pilots are needed to assess the feasibility and costs of full scaling-up of the scheme.

Schubert, B.: *The Pilot Social Cash Transfer Scheme, Kalomo District – Zambia*. Chronic Poverty Research Centre Working Paper 52, 2005. Manchester: IDPM/ CPRC.

b) Advantages of (LEAP) Social Cash Transfer

Analysis of studies on Social Cash Transfer programmes in developing countries reveals that their impact has been positive and that the costs are affordable. In many cases, there have been multiplier effects over and above the primary goal of poverty reduction.

- **Effectiveness:**

Social Cash Transfer schemes reduce extreme poverty in an effective and broad-ranging way. A study on non-contributory pensions in Brazil and South Africa showed that in the absence of social transfer income, poverty in households with poor older persons would be 5.3% and 1.9% higher in the two countries respectively. The point is that even when a scheme could not lift a household above the poverty line, it reduces the depth of poverty and its worst effects. Apart from the elderly poor, persons with severe forms of disability, women and children also benefit from non-contributory pension schemes.

- **Impact on Individuals:**

Social Cash Transfers to groups such as the elderly poor can enhance their social status within and outside the family. In particular, these transfers can bring them greater recognition, social inclusion and autonomy. Studies have shown that recipients of non-contributory pension regard it as a contribution to family income and use it for feeding and basic education of children living in the household (Helpage International, 2004).

- **Impact on Family And Community Networks:**

LEAP can support overburdened family and community networks and reduce dependency. Households that only consist of old people, persons with disabilities and children cannot survive without a supplement to their income. The most recent analysis of the situation in Zambia (UNICEF, 2004) revealed that a third of all orphans live in households headed by elderly people. Social Cash Transfers will also be relevant to the elderly poor, where rural-urban migration of the youth are fast eroding family networks.

- **LEAP and Pro-Poor Growth:**

As has been noted in both chapters one and two, expenditure on basic social protection is an investment in long-term economic development. The additional purchasing power transferred to the beneficiaries has multiplier effect and strengthens the local economy. Indeed, there is empirical evidence that households receiving social grants use them for food and health care for the family, for the basic education of their children, and for investments in physical capital that can provide a future source of income. In this way, social cash transfer breaks the vicious cycle of poverty and promotes pro-poor growth.

- **Impact on Self-Help Capacities:**

There is very little evidence suggesting that social cash transfer schemes in developing countries significantly lead to increased dependency, or that they reduce the incentive to work. On the contrary, it has been proven that transfers in most cases help recipients to help themselves. Reports from Zambia show that 28% of the transfers were spent on investments

and beneficiaries have desisted from selling their assets for food and other subsistence needs.

- **Impact on MDGs:**

Social cash transfers bring quick results. This is an aspect of particular importance with regard to achieving the Millennium Development Goals by 2015. For example, Brazil started cash transfer schemes in 1995. These schemes now reach 7 million households and projected to cover 11 million households covering 40 million people by December 2006 (Ministry of Social Development, Brazil). The LEAP will roll out over five year period to cover an estimated 14.7% of the Ghanaian population in the extreme poor bracket.

c) Description of LEAP's Target Populations:

The LEAP strategy for purposes of reducing extreme poverty by x % and improve the situation of the vulnerable and excluded among the Ghanaian population will specifically target the following:

i) Subsistence Farmers and Fisher-folk:

Subsistence farmers and fisher-folks have been described in various studies and documents as the most extreme poor among the Ghanaian population. The farmers are mostly found in the production of maize. Out of the estimated 2.7 million households engaged in harvesting staple grains and cash crops, 2,406,900 of them harvest maize. Maize is the only staple or cash crop grown extensively in all the three ecological zones of the country (i.e. Coastal, Forest and Savannah). Using the GLSS (2000) estimation of 14.7% of the population being extremely poor, 361,035 are considered as extremely poor subsistence farmers (including post-harvest workers). Similarly, 15,300 men and women engaged in fishing and fish processing on seasonal basis. Both groups will be targeted by the LEAP programme and receive Social Grants (conditional cash transfers) to support their livelihoods.

Case Example 6:

**Gambaga Witches Camp -
Cultural Stigma/ Vulnerability:**

The Gambaga Witches Camp in the Northern Region of provides a safe haven for elderly poor women who have been declared as "witches", and resultantly find themselves abused and isolated from their communities and families.

These women therefore lose any livelihood support they may derive from their relations leaving them vulnerable to various risks and shocks and excluded from mainstream society.

The scheme is to enable subsistence farmers have an income and food security and build their capacities to access opportunities likely to move them out of extreme poverty and as well break the inter-generational poverty cycle likely to be handed over to their children. The subsistence farmers and fisher folk's scheme will primarily target an estimated 376,335 beneficiaries with their respective households.

ii) Extremely Poor Above 65 Years:

Vulnerability among the elderly poor and their households affects their well-being directly and also limits their capacity to contribute to social and economic development. The vulnerability of older people is often given as a reason for the introduction of non-contributory pension programmes.

Individual ageing is often marked by a growing distance from markets, as older people find it harder to get employment and credit, and the assets they have accumulated are used up or declined in value. This is in particular reference to the elderly poor who never engaged in the formal sector or in any paid employment. Their social and family networks tend to weaken becoming destitute eventually, particularly elderly poor women.

The old age non-contributory pension scheme (unconditional cash transfer) has the potential advantage of reaching older people with extreme poverty and vulnerability, and enabling the investment needed for households to overcome their condition at relatively low cost. Pension benefits are likely to be shared within households thereby enhancing their family networks and recognition. In most African countries (largely due to the HIV/AIDS pandemic) households consisting of only grand parents and orphans are growing. Unless these households are covered by a social cash transfer scheme, they will be unable to provide their members most basic needs in terms of food, health care and education.

iii) Persons With Disabilities (PWDs) and without Productive Capacity:

Case Example 6:
OVC Cash Transfers in Kenya

In 2004, the Ministry of Home Affairs (MOHA) and the National Aids Control Council (NACC) set out to develop a cash transfer scheme for orphans as an integral part of its strategy to encourage foster care in families. UNICEF and the Swedish International Development Cooperation Agency (SIDA) have funded a small pilot programme in three districts to assess the feasibility of this programme.

The households, caring for 500 children in total, each receive every month the equivalent of US\$0.50 a day, and a similar amount for each child is given towards community-based initiatives. Initial evaluations suggest that the money has been spent on food, clothing, shoes, medical expenses and other minor household purchases. School attendance has increased and some children with HIV/AIDS have been able to obtain anti-retroviral treatment. The project is receiving strong political support and there are plans to scale up the pilot to reach 2500 orphan

DfID, October 2005, *Social Transfers and Chronic Poverty: Emerging Evidence and the Challenge Ahead*

The Disability Grant under the LEAP will target those Persons with disabilities with severe functional limitations and without productive capacity. Studies have identified the following three types of factors that worsen the plight of these individuals:

- (i) Additional costs resulting from the disability;
- (ii) Loss of income and/or opportunities to work;
- (iii) Marginalization or exclusion from services and/or social and community activities.

Without a comprehensive (if not necessarily sufficient) income maintenance programs and other schemes available in the country, care and support of persons with disabilities are usually considered to be the responsibility of their families. Without support from the family, severely disabled person's condition can be very precarious. In circumstances where there is little support from outside the household, the additional resources (including time) needed to adequately support the disabled individuals can place a large stress on the entire household. In poor households, where the disabled person is also responsible for all or part of the household's income or subsistence, the effect can be devastating.

The Disability Grant Scheme under the LEAP would provide economic security to this vulnerable group. The unconditional cash transfers targeted at persons with disabilities recognises that some persons have disabilities that are so severe that they will not be able to earn a living even if they have the opportunity to participate in livelihood programs and even if education and employment policies are inclusive.

Many people have functional limitations, some of which do not affect normal activities, and some, which when corrected and/or with the appropriate devices do not necessarily restrict normal activity. PWDs with productive capacity but are vulnerable to the risk of poverty will be supported to benefit from existing Social Protection measures e.g. Youth Employment Programme, Micro Finance Scheme, Community-Based Rehabilitation etc.

vi) Caregivers of Orphan Vulnerable Children (OVC) and Persons Living With HIV/Aids (PLWHA):

Recognizing the financial responsibilities and employment limitations that Care Givers must endure to look after their wards, The LEAP Programme will implement an innovative Social Grants Scheme for Caregivers of OVCs, who are in the extreme poverty bracket. PLWHAs.

Caregivers of OVC:

Ghana has an estimated 230,000 orphans and other vulnerable children, many of whom result from HIV/AIDS related conditions. An increase in the number of orphans is one serious consequence of AIDS deaths of men and women in their prime childrearing ages. This strategy does not draw a distinction between orphan hood caused by HIV/AIDS and that resulting from other causes since both categories of children suffer the same consequences.

For purposes of this strategy, the term orphan is defined as a child under the age of 18 who has lost one or both parents to HIV/AIDS or other causes. The strategy also recognises other children living in difficult circumstances.

The following groups comprise the general representation of OVCs in Ghana.²⁰

²⁰ *National Policy Guidelines on Orphans and Other Vulnerable Children Made Vulnerable by HIV/AIDS*. Ghana AIDS Commission in Partnership with MOWAC and MMYE, January 2005.

1. Orphan;
2. Children Infected/Affected by HIV/AIDS
3. Children Abused or Neglected
4. Children in Conflict with the Law
5. Children in Need of Alternative Family Care
6. Children with Disabilities
7. Children in 'hard to reach' Areas
8. Children Affected by Worst Forms of Child Labour
9. Children Living on the Streets
10. Children in Need of Care and Protection under Section 18 (Act 560).

The estimated number of AIDS orphans in Ghana will double over the next ten years increasing from 230,000 in 2005 to 291,000 by 2015. The figure is likely to surge to an estimated 400,000 with the expanded definition of orphans. In most cases, children, especially those from poor or marginalized households, will be at risk of being abused and exploited, thereby increasing their vulnerability and disposition to poor livelihood (i.e. poor feeding, lack of medical care, increased risk of HIV infection).

In the first instance, the Scheme will provide direct cash transfers to extremely poor Caregivers of the orphans and vulnerable children (OVCs) in order to provide support for their basic livelihood needs.

Since the people who support vulnerable children are often women who are poor themselves, a cash transfer scheme would assist to reduce this burden of care. The Care Givers Scheme will therefore focus largely on women Caregivers.

Other children not covered under the scheme will be addressed by other existing Social Protection measures e.g. Capitation Grant, Supplementary Feeding and the School Feeding Programme. This will be conditioned on the household not engaging in Child Labour and Child Trafficking as well as avoidance of children going into certain difficult circumstances as a condition to other cash transfers schemes.

Caregivers of PLWHAs:

The first case of AIDS in the country was diagnosed in 1986, and by the year 2004 an estimated 380,000 adults and 14,000 children were HIV-positive (UNAIDS, 2004a). By 2004, the cumulative number of people diagnosed with AIDS was 36,000. Both the annual number of new AIDS cases and the annual number of AIDS deaths are projected to increase to over 45,000 by 2015. In addition, improvement in the care and treatment of PLWHA, especially with the use of ART and HAART, will lead to improved survival. Thus, the number of PLWHA is expected to increase to about 500,000 by 2015 even if new strategies are developed to reduce the spread of the virus.

Prevalence rates increased from an estimated 2.6 percent in 2000, to 3.6 percent in 2003, and 3.1 percent in 2004 (National AIDS/STD Control Programme, GHS, 2005). The estimated number of AIDS orphans (children under the age of 15 who have lost one or both parents to AIDS related causes) is likely to double over the next 10 years – increasing from 132,000 in 2004 to 291,000 by 2015.

The number of new AIDS cases has increased dramatically over the last 10 years – from an estimated 5,500 in 1994 to 36,000 in 2004 (Figure 3). Both the annual number of new AIDS cases and the annual number of AIDS deaths are projected to increase to over 45,000 by 2015. The number of PLWHAs could therefore be even higher than the projected when the epidemic is arrested, due to improvements in care and treatment efforts. The provision of Anti Retroviral Therapy (ART) and the treatment of Opportunistic Infections would prolong the lives of PLWHAs.²¹

One of the key support requirements is the home based care of the PLWHA that requires support from the family, care givers and the entire family. One of the constraining factors for PLWHAs, especially the extreme poor, is their inability to meet their consumption needs and provide for the services of the carers. Since the people who support PLWHAs are often poor themselves, cash transfers can help to reduce this burden of care. Rather than creating a situation of social dependency, cash transfer programmes are a crucial response to rising dependency ratios especially within the context of high HIV/AIDS prevalence rates.

vii) Social Grants for Pregnant Women/Lactating Mothers with HIV/AIDS:

Recognizing the complexities and relationship associated with HIV/AIDS and infant mortality, the LEAP programme will introduce a special social grant component to support lactating mothers stricken with HIV/AIDS to reduce the incidence of mother to child transmission (MTCHT). The following risks are associated with Breastfeeding in women with HIV/AIDS:

- (1) HIV Transmission can occur through breastfeeding;
- (2) Breastfeeding is an independent risk factor for HIV Transmission;
- (3) Increased rate of transmission is associated with duration of breastfeeding.

Due to the stigma attached to women in Africa who do not engage in breastfeeding and the related economic constraints, and general lack of awareness, HIV positive women who are additionally

Case Example 7:
Community-based Targeting in Ethiopia

The National Productive Safety Net Programme, which started in 2005, uses community targeting to select beneficiaries. Household selection is the responsibility of the community Food Security Task Force (FSTF) which consists mainly of community representatives, a central government “development agent” and a member of the sub-district (Kabele) council.

Selection criteria include: chronically food insecure households who have faced food shortages over three years, households who suffer a sudden and severe loss of assets and are unable to support themselves, and households without family support and other means of assistance.

Once the FSTF has made its initial selection, the list is made public for one week and, following a community meeting to agree the list, it is sent to the sub-district council for final approval.

DfID, October 2005, *Social Transfers and Chronic Poverty: Emerging Evidence and the Challenge Ahead*

²¹ Ghana AIDS Commission, 2000

among the extreme poor, often resort to breastfeeding due to a lack of alternative means to nourish infants. Women who lack awareness on MTCHT and remain without the socio-economic capacity to find alternatives to breastfeeding continue to spread the disease.

The NSPS will collaborate with the Ministry of Health to build the awareness capacity of mothers with HIV/AIDS and provide beneficiaries with a social grant to support the purchase of infant formula for the recommended duration of 6-months. The LEAP programme will additionally support women beneficiaries to purchase anti-retroviral medications to improve their health and mortality.

The LEAP Programme additionally recognizes pregnancy as a life-cycle risk and will therefore take a special interest in supporting extremely poor pregnant women with social grants to sustain their livelihoods.

2) **DETERMINATION OF BENEFITS**

a) Overview

LEAP Social Grants will be paid monthly to each household assessed to be eligible members of the target group population and will receive a minimum cash transfer or threshold grant as defined under the LEAP Programme. For instance, with a monthly minimum amount of US\$6 (approx ₺50,000), social grants for the Care Givers of OVCs will assist beneficiary households to purchase basic staple foods, kerosene on daily/weekly basis; and further make some savings for the payment of Health Insurance premiums and clothing. The grant will provide a necessary cushion that will improve the total health and well being of beneficiaries.

A household that has been identified as having a combination of eligible individuals (i.e. poor elderly, OVC, PLWHAs, PWDs) will receive additional funds for each participant. A cost-effective ceiling cap will be placed on funds per household and strict monitoring of eligibility qualifications will be employed through a comprehensive registry system for the purposes of reducing the incidence of programme abuse.

A beneficiary will have to satisfy certain prescribed conditions in order to qualify for the social grants. Targeted groups will continue to benefit from the scheme by upholding stipulated conditions of participation. For instance, programmes to provide treatment, care and support for PLWHAs and affected persons at the institutional, community and home levels require vast expansion to serve as complimentary services to the scheme.

b) Why Conditional Cash Transfers?

Conditional Cash transfer schemes aim at creating demand by poor households for social services deemed critical to human capital accumulation – usually related to education and health care. There are several reasons why poor households and the vulnerable do not have access to most of these public and social services:

- Households may simply lack the resources necessary to pay the direct and indirect costs associated with accessing the services. Some of these costs may include user costs – school fees and charges on health care, transportation costs etc.

- Households may also lack the information about the benefits of some types of social services for instance Caregivers of OVC may not recognise the returns to educating girls in some communities.
- Household decision-makers might not always act in the long term-best interest of certain members-particularly children where basic survival is a priority. For example, some parents or guardians might depend on the short term income gains from child labour/trafficking even while recognising the longer term benefits the child will receive from education.

Conditional Cash transfer or Social Grants to be provided under the LEAP can work to address all these factors. By directly providing income to Caregivers for instance they can better afford services associated with public services e.g. payment of National Health Insurance premiums for themselves and the children they care for. To further improve the social and economic situation of beneficiaries, conditions for assessing social grants will be complimented with access to other Social Protection programmes.

c) Conditions:

Beneficiary households select target groups will be required to comply with certain conditions while they remain on the scheme. These conditions will include:

- i) To enrol and retain all school going age children in the household in public basic schools. This will afford the children to also benefit from the on going Capitation Grant and the School Feeding Program.
- ii) All members of the household must be registered and card bearing members of the National Health Insurance Scheme.
- iii) New born babies (0 -18 months) must be registered with the Birth and Deaths Registry, attend required post natal clinics and complete the Expanded Programme on Immunisation.
- iv) To ensure that no child in the household is trafficked or engaged in any activities constituting the Worst Forms of Child Labour (WFCL).

3) TARGETING MECHANISMS

There are a variety of targeting instruments currently used in various countries and programmes. These include: Household (or individual) assessment mechanisms (means testing, proxy means testing) broad categorical eligibility (e.g. geographic targeting) and self-targeting. Many programmes adopt a combination of these mechanisms and while the design and implementation vary significantly, most household targeting systems involve the quasi-exhaustive survey approach. Due to its widely adopted use and context-appropriate design the quasi-survey approach is will be employed as the primary targeting mechanism for the LEAP programme. The approach involves the following process:

- Collecting data on specific households and individuals through visits and interviews using pre-designed questionnaires;
- Entering collected data and information into a unified household registry;
- Comparing household characteristics with pre-established eligibility criteria;

- Establishing programme specific beneficiary list.

The Survey Approach will be complemented with households applying for benefits on an on-going registration basis as well as regular updating and re-certification. This will require substantive support from the SPU and the DSW at the district level to facilitate the registration, needs assessment, re-certification etc. A mix of these two approaches can be an effective way to balance the goals of maximizing reaching out to the poor while minimizing the costs of interviewing large numbers of ineligible non-poor households.

4) **PAYMENT ARRANGEMENTS**

a) 'Push' and 'Pull' Approaches

There are essentially two main approaches to the payment of social transfers – the ‘push’ or ‘pull’ mechanisms. In ‘pull’ approaches, the full cash grant is made available at a defined point, usually at a particular time. These are so called because the recipient is ‘pulled’ to the pay point to receive the money. The pay points usually include branches of state-owned financial institutions (such as state-owned retail banks, telecom companies or the post office), though they may also include locations established or manned by private payment contractors or banks. The pay points may either be multipurpose (e.g. a bank branch) or dedicated (set up at a place only for this purpose); and fixed or mobile, where a vehicle is used to establish temporarily the presence necessary for payment at a remote spot. If the payment process involves an automated process for confirming identity (e.g. the production of a smart card and a biometric imprint), then electricity will be required and if not available, a generator will have to be carried; if the process requires real time confirmation of eligibility against a central data (to minimize fraud), then communications will also be required.

In ‘push’ approaches, the grant are credited electronically ‘pushed’ to a bank account in the name of the recipient or beneficiary, and the recipient is able to access the funds at her or his choice at conventional or specialized financial infrastructure. The financial infrastructure may include bank branches, automated teller machines (ATMs) or point of sale (POS) machines located at merchants from whom the beneficiary may request ‘cash back’. The payment instrument is usually a plastic card with magnetic stripe or in some cases, with a chip (i.e. a smart card) containing for example biometric identifiers. The card may be linked only to an account accessible via the issuing bank (i.e. a proprietary bank card) or may be accessible more widely via a card network such as VISA. Wireless POS (Point of Sale) devices are now available which do not depend on the fixed line infrastructure; and in some places, the cell phone itself is becoming a device for financial transactions.

There are in fact many similarities in the payment process under each approach: in each case, a recipient must identify herself or himself by some accepted method (whether card + PIN/ biometric, or manual inspection of an official identification document); the payer must verify the amount which the recipient is entitled to (whether by looking up automatically on a database or manually consulting records); and then the payment must be transacted. New technology can be used in both approaches: in a pull environment, the dedicated pay point may in fact have equipment very similar in function to a conventional ATM from which the cash is paid out after swiping a card and presenting a biometric (fingerprint) for authentication of identity.

While both approaches are used in developing countries, the pull approach is most common. Due to the LEAP focus on targeting extremely poor beneficiaries, the majority of who will be drawn from rural districts across the nation, the pull approach will be employed due to financial and technical constraints needed to support the push approach.

The NSPS will partner with the ARB Apex bank to support payment mechanisms under the pull approach. The bank is the umbrella institution for the Association of Rural Banks and has membership institutions in every district in Ghana. Furthermore, the ARB Apex Bank has a successful track record of providing pro poor banking facilities for most communities, including Micro Credit Schemes for Persons with Disabilities, Rural Women, and Farmers.

d) Strengthening the DSW's Capacity to Lead:

Within the context of the NSPS, the not only does the concept of social protection seek to provide interventions in response to specific livelihood needs, but addresses the root causes of social inequalities. With this approach, there is consequently a requirement for repositioning the DSW to meet this challenge. Within the context of the National Social Protection Strategy, the DSW is expected to address four main objectives:

1. Promote access to social services for disadvantaged, vulnerable and marginalized groups; and
2. Promote poverty alleviation and ensure income security amongst vulnerable and marginalized, and disadvantaged groups.
3. Ensure that the target groups selected for social assistance programmes are qualified to receive support through establishment of operational linkages with MDAs implementing various social protection programmes.
4. Lead the implementation of the LEAP social grants programme at the regional, district and community level, with support from the Social Protection Unit at MMYE.

The National Social Protection Strategy will provide support to deepen the current social protection and development functions of the DSW and position them to effectively support the social development agenda of the NSPS by facilitating a comprehensive capacity building exercise for the department at the national, regional and district levels. To this end the pre-implementation phases of the NSPS will field a design mission to develop the details of the Single Register database and conduct a full capacity assessment and implementation plan for DSW at all levels to support LEAP. Among others, the assessment will examine the following institutional challenges and make recommendations for scaling up capacity to meet the demands of LEAP:

- Wide mandate and scope growing as society increasingly moves away from the traditional social support systems;
- Limited number of personnel for the growing demand for services
- Limited opportunities for training and skills upgrading to meet demands of LEAP and new developmental challenges;
- Need for enhanced skills training in IT and M&E functions

- Many specialized divisions under one department, most of which are potentially departments on their own right;
- Increasing lack of coordination within the department and various divisions;
- Lack of clear public image and awareness of responsibilities;
- Lack of visibility due to their target group being the “voiceless”;
- Lack of respect for social work and its recognition as a professional qualification;
- Overlapping roles with existing institutions and emergence of new ones without re-alignment of mandates based on comparative advantage (GNCC, Dept of Community Development, Prisons, courts, NGOs CBOs, etc);
- Inadequate human, financial and logistics for effective delivery of services.

The capacity building will require considerable increase in the numbers of appropriately trained social workers particularly at the district level and community levels and logistics must be provided for effective service delivery. The NSPS will employ the services of the National Youth Employment Programme to secure additional professional staff with various technical competencies to support DSW’s work under the NSPS.

CHAPTER IV: ENHANCING THE CURRENT SOCIAL PROTECTION STRUCTURE

1) LEAP AND THE EXISTING SOCIAL PROTECTION INTERVENTIONS

a) Overview

Beneficiaries of the LEAP Programme will be supported to access existing district-based poverty reduction initiatives to enhance their income generating capacity and self-empowerment including, the Agricultural Input Support Programme, the Micro Finance Scheme, and the Youth Employment Programme

Case Example 3:

Expanding Social Protection in Bangladesh

The Targeting the Ultra Poor Programme (TUP) in Bangladesh grew out of a narrowly conceived food aid project. The country's Vulnerable Group Feeding Programme (VGF) provided for people's immediate needs, but made little difference to their longer term prospects.

VGF was extended into the Income Generation for Vulnerable Group Development Programme (IGVGD), incorporating savings, training and micro credit. This performed well but did not reach the poorest, and many of its beneficiaries later fell back into poverty.

The experimental TUP (now being expanded) took an even broader approach, and included asset transfers and local institutional development in its mechanisms. There is increasing evidence that this broad based social protection programme, incorporating a social safety net, livelihood promotion, asset transfer and empowerment, can reach Bangladesh's poorest households and help them break out of long-term poverty traps.

In developing a comprehensive strategy on Social Protection, it is prudent to review the existing social service programmes currently in place. Although various programmes have been developed to assist low-income citizens, the extreme poor are still unable to meet the basic eligibility requirements needed to gain access. Thus the LEAP is meant to work as a complement to the existing framework of both public and private programmes by assisting target groups to attain the socio-economic capacity to benefit from these initiatives.

To this end, with few exceptions, beneficiaries of the LEAP are not to form a dependency on programme support but are rather meant to use it as a stepping stone to improve their livelihoods and benefit from the gambit of government programmes.

b) The Scope of Interventions

NSPS interventions will be based upon improvements in existing mechanisms and the formulation of new interventions to address gaps in coverage for the extreme poor. It will

additionally seek to sharpen existing interventions in terms of implementation and targeting effectiveness in addition to strengthening of institutional capacities of implementing partners. Social Protection interventions cover the following broad interventions:

- i) Child Protection, Survival and Development Interventions
- ii) Labour Market Policies and Programmes
- iii) Health Programmes
- iv) Social Insurance Programmes
- v) Microfinance
- vi) Social Welfare Programmes

The following section provides a brief description of each of these initiatives.

Child Protection, Survival and Development Interventions

i) Education Capitation Grant

The Education Capitation Grant is an ongoing Government programme aimed at increasing access to basic education. The main objective of the programme is to improve school enrolment and retention. This programme started with a pilot in 2004 and covered 53 public schools in the most deprived communities in Ghana. Under the programme, each public school received a grant of ₵25,000 (approx. US \$2.70) for boys and ₵35,000 (US \$3.80) for girls. The payment covers tuition and other school levies.

Since September 2005, the government has scaled up the programme to cover all public schools in the country towards the attainment of the constitutional requirement of Free Compulsory Universal Basic Education (FCUBE).²² Under the scheme flat payment of ₵30,000 is paid on behalf of each child. A minimum of 3 million pupils and students (in pre-school, primary and Junior Secondary School (JSS)) are covered. The Ministry of Education and Sports (MOES) is responsible for implementing this programme, and funds schools through the existing Ghana Education Services (GES). Implementation has been hampered by inadequate numbers of teachers, accommodation and logistics. These have in the past affected the quality of education among beneficiaries and drawn attention to the need for improving the quality of students produced as a result of the increased enrolment.

In response to some of these constraints the teacher retirement age has been raised from 60 to 65 years. Furthermore, Secondary school graduates are being trained to provide more teachers for postings in the rural areas. The use of SSS graduates has been successfully applied in various innovative programmes such as the Rural Education Volunteers (REV) programme of Action Aid, and the Integrated Community Programme (ICDP) of Plan Ghana.

The Capitation Grant will promote progress towards the MDG of a 100% primary enrolment rate by 2015. Various studies have shown that if the programme is effectively implemented such a programme will improve access and enrolment and help reduce inter-generational poverty in the long-term.²³ In the short-term, the Capitation Grant will attract large numbers of children from poor families to the classroom and thereby significantly contribute to the development of the country's human resources. It will also provide otherwise deprived children with the opportunity to educate themselves and ultimately contribute to national social and economic development targets.

ii) The School Feeding Programme

The School Feeding programme is a comprehensive, multi-purpose, NEPAD-assisted Government programme, which uses enrolment in schools as an entry point to deliver

²² Ministry of Education (Ghana), 2005

²³ Early Child development: Investing in out children's future, 1996; The economics of education, 3rd ed, E. Cohn and T. Geske; 1990, G. Psacharopoulos, G. 1994. Returns to Investment in Education: A Global Update. World Development Report, pp. 1325-43. World Bank, Washington, D.C

interventions to reduce malnutrition, food insecurity and poverty in target communities. The primary objective of the programme is to improve school enrolment, attendance, performance and retention for children aged 6–15 using food rations.²⁴ The programme provides at least one daily meal to children in deprived districts (based on GPRS classification)²⁵ in order to improve security, low pre-school and primary enrolment and literacy levels. The food rations are prepared mainly from locally grown food crops such as maize, rice, sorghum, soybeans, cowpea, groundnuts, eggs, milk and vegetables.

Programme targets were to cover 500,000 pupils at the pre-school and primary school levels in 2005, increasing to 1.7 million pupils in five years. The programme is implemented through existing structures of the MOES at the national, regional and district levels.

iii) Supplementary Feeding Programme

The Supplementary Feeding Programme (SFP) distributes food “for the purpose of [providing] supplementing energy and other nutrients missing from the diets of those who have special nutritional requirements” (Gillespie, 1999). The SFPs usually involve:

- (1) Supplementary feeding of pregnant and post-partum women and of infants and children, usually in conjunction with the provision of health services (maternal child health or MTCH feeding);
- (2) Rehabilitation feeding of severely malnourished children; and
- (3) School feeding – providing a meal or snack for children at school.²⁶

Supplementary feeding programmes are of strategic importance in Ghana in view of the high prevalence of malnutrition among infants, pregnant and lactating women and its long-term effect on improving human capital. Evidence has shown that supplementary feeding interventions can have the most significant impact between 6 and 36 months even though effects on growth may be seen at older ages of up to five years.²⁷ It has also been established that feeding programmes directed at pregnant women can have beneficial effects on intrauterine growth (as recorded in birth weight) and morbidity and mortality. It also impacts on lactating women and benefits the nursing of infants. International best practice suggests that typical benefit levels comprise 350–500 calories per day per child, and 350 calories per day for pregnant and lactating women.²⁸

²⁴ Ghana-NEPAD School Feeding Programme, Programme Document, 2004

²⁵ Ghana Demographic Health Survey 2003

²⁶ Beatrice Lorge Rogers, Ph.D. and Jennifer Coates, M.S.; Food-Based Safety Nets and Related Programs, World Bank, September 2002

²⁷ Institute for Research Development/Westinghouse; 1991

²⁸ Macroeconomic and Sectoral Analysis, World Bank [Technical Notes]; Gillespie SR, ‘Supplementary Feeding for Women and Children, World Bank, 1999

Labour Market Policies and Programmes:

i) Overview

Potentially productive people in developing countries are unable to effectively participate effectively in the labour market due to ill health, lack of education and access to supportive opportunities. As a result, the poor use assets less efficiently, productivity grows more slowly, and economies are less competitive than they would have been otherwise. Social protection can play a key role in improving health and education outcomes and providing a workforce that is better able to compete in the global economy.

In Ghana, existing labour-related Social Protection interventions aim to prevent income loss, old age insecurity (pension) and skills development both for the formal and informal sectors. In Ghana, enforcement of labour laws is inadequate, and protection for the informal sector is even weaker. Furthermore, there is little incentive for employment promotion through Government policy. The NSPS will therefore undertake two main strategies to enhance the labour market:

- (a) Promote enforcement of existing labour laws for the formal and informal sector;
- (b) Create awareness and build capacity informal sector consultative frameworks and standards.

Enforcing of the Labour Law (2003) will accord casual labour the same rights and privileges of permanent workers in the formal sector. Mechanisms for institutionalised protection of workers in the informal sector will cover measures for sensitisation, awareness creation and consultations with informal sector operators to form umbrella organisations and develop guidelines for their members. Umbrella organisations such as the dressmakers and beauticians associations will be reviewed, strengthened and replicated in other sectors of the informal community. Codes of ethics and standards will also be developed to guide their operations. Initiatives to establish an employment policy will be a vital complement to reducing extreme poverty and related vulnerability and exclusion in this regard.

Within the framework of the National Employment Policy, the NSPS will promote a distinction between *workfare*, which is aimed primarily at promoting employment, and *fairwork*, which is intended to promote the rights and working conditions of workers. The NSPS will also assist in the review of disability benefits paid to physically-challenged people working in the public sector. The following is a summary of current labour related policies and interventions.

ii) Public Works Programme

Labour-intensive public programmes seek to establish institutionalised community-based programmes, which create jobs by using the services of unemployed and under-employed youth in communities. The following Public Works Programmes (PWPs) are currently on-going and will be expanded to provide additional opportunities under the NSPS for the extreme poor.

(a) National Youth Employment Programme

The National Youth Employment Programme was launched by the Ministry of Manpower, Youth and Employment in 2006 forms an essential package of the Strategy. The primary objective of the programme is to create opportunities of employment for the youth and also empower them to create jobs for accelerated development of the nation and to facilitate economic and social interventions. It is expected that at least half of the over 900,000 persons who have been registered by the Ministry will be provided with one avenue or other for self employment after having gone through some training in one or more of the economic empowerment modules provided under the programme. The following specific objectives cut across all training options:

- The identification of projects with economic potential that can generate employment for as many youth as possible.
- To minimize the migration of the youth from rural to urban communities in search of employment
- To inculcate a sense of nationalism, reduce deviance, and promote discipline and good morals among participating youth.

(b) Labour-Intensive Public Programmes:

The labour-intensive public works programme is a decentralised programme that gives priority to unemployed or underemployed youth from the communities and districts where public works take place. The public works often consists of public infrastructure works, especially rural roads, and public construction projects such as schools, clinics and office buildings. Its objective is to provide guaranteed employment for at least six months.

(c) National Forest Plantation Programme:

The National Forest Plantation Programme was started in 2001 to restore degraded forest cover. The programme uses labour consisting predominantly of smallholder farmers and unemployed youth from the local communities. The Forest Services Commission (FSC) in collaboration with the Ministry of Environment and Science, MOFA and District Assemblies administer the programme. The budget for 2005 was about \$9.5 million.

By 2004, the programme had restored over 51,000 hectares of forest plantations nationwide through a comprehensive replanting initiative. It also generated about 32,000 full time farming jobs and about 1,038,382 temporary jobs for the youth. The majority of those covered by the programme are impoverished communities operating on degraded forest lands. The programme has provided stable employment and raised the incomes of large numbers of participating smallholder farmers by diversifying their sources of livelihood. In this way, the programme has also contributed to income security among the poor, and helped to reduce the migration of youth from the rural environment to urban areas.

(d) Mass Cocoa Spraying Programme:

The national Mass Cocoa Spraying Programme, instituted by the Government in 2001, involves the spraying of cocoa farms to control Capsid and Black Pod diseases in all the main cocoa growing regions. The programme targets unemployed youth in rural communities in cocoa growing areas. Targeting is done through identification of unemployed and under-employed youth within defined communities of the programme areas. In 2004, the programme generated about 60,000 jobs for unemployed youth in cocoa growing communities.

iii) Contributory Pension Schemes

The Social Security and National Insurance Trust (SSNIT) is Ghana's national Contributory Pension Scheme that offers long-term income protection to contributors or their beneficiaries through old-age pension, invalidity benefits and death benefits.

Established in 1965 as a statutory public trust by the Social Security Act, (Act 279) the scheme first existed as a Provident Fund that paid a lump-sum benefit. It was replaced in 1972 by the Social Security Law of 1991 (PNDCL 247). The targeted beneficiaries of the Scheme are workers in the formal and informal sectors. The pension scheme pays monthly retirement benefits to pensioners.

Although the scheme is a necessary intervention, it is plagued by various weaknesses that affect the security of its beneficiaries. It is characterised by limited coverage and low benefit levels. Some establishments deduct pensions on behalf of employees but fail to make payment to SSNIT, and resultantly leave participants without an adequate safety net upon retirement. Furthermore, SSNIT has recently designed one product for the informal sector that will cover only 2% of workers in this category over the next five years. Thus, vast portions of this population remain vulnerable to various socio-economic risks and shocks in the short and long-term. Enforcement of the scheme is therefore in need of strengthening, expansion and diversification of products that can accommodate various groups.

iv) Skills Training /Strengthening of Training Centres

The Ghana government sponsors a number of significant skills training programmes. They include those operated by the Department of Community Development (DCD), rehabilitation centres of the DSW, the Integrated Community Centres for Employable Skills (ICCES), and the Skills Training and Employment Promotion Programme (STEP), which is implemented by the MMYE to provide unemployed youth with the skills needed for self-employment.

STEP is an example of a publicly funded programme designed to develop the skills of unemployed youth. The programme aims train over 40,000 unemployed/under-employed youth in Ghana.

Although these programmes are sound initiative, various challenges and lessons have been learned since implementation. Many of the interventions were not sufficiently decentralised, and thus activities were sometimes unduly concentrated in the urban areas resulting in high

transaction and transportation costs to beneficiaries. Additional problems included lack of employment after training, lack of access to start-up capital, ineffective trade associations, and weak market linkages.

v) **Integrated Agricultural Input Support**

The agricultural input support programme is a MOFA pilot programme that provides loans and agricultural inputs to poor small-holder farmers. The intervention was designed as a response to the findings of the Poverty and Social Impact Assessment (PSIA), which revealed that most poor and vulnerable people do not benefit from agricultural and poverty reduction programmes. The programme provides a short-term static grant rather than a recurrent cash transfer plan.

The programme supports a broad range of activities such as the provision of seeds, fertiliser, improved planting materials, irrigation facilities, breeding stock, beekeeping, poultry and snail rearing, processing, storage, marketing, and training. Emphasis is placed on activities that will yield immediate results and beneficiaries are also exposed to savings programmes and the use of rural banks to make them financially independent. Eligibility for assistance is based on the recommendations of the PSIA regarding the characteristics of the poorest people, and the applied criteria includes availability of labour, ownership of land and lack of capital.

i) **Health Programmes**

Preventive Health Programmes:

The Ministry of Health implements a number of preventive health Social Protection programmes that seek to reduce health shocks which cause child, infant, and maternal mortality. Priority interventions include:

- (a) Health Protection and Promotion (Malaria Control Programme);
- (b) The Expanded Programme on Immunisation (EPI) (for reducing child mortality);
- (c) Programmes to reduce Maternal Mortality;
- (d) Programmes to reduce Nutrition and Micronutrient Deficiencies (General Population);
- (e) Prevention of Mother-To-Child-Transmission (MTHCT) of HIV/AIDS.

Case Example 4:

The Solidario Programme in Chile

The Chile Solidario programme introduced in 2002 constitutes a response by the Chilean government to the persistence of extreme poverty in a country with two decades of high rates of economic growth. This led to the view that both economic growth and strong but generic anti-poverty programmes were insufficient to eradicate extreme poverty, and that an integrated and comprehensive programme focused on the 250,000 extremely poor households was required.

Chile Solidario is grounded in the view that poverty is multi-dimensional, and aims to support households with deficits along a range of different dimensions.

UNDP, International Poverty Centre *Poverty in Focus* June 2006, p.8.

i) Social Insurance Programmes

Health Insurance

The National Health Insurance Scheme (NHIS) was established by the NHI Act, 2003 to. The NHIS receives a 2.5% contribution from the SSNIT pension scheme to support the programme and subsidize healthcare costs. The annual premium for the poor is ₵72,000 (US \$8), is ₵180,000 (US \$20) middle income citizens and ₵480,000 (US \$52) for higher income earners. Premiums for non-contributors to the pension scheme (mainly the informal sector) are graduated.

Public subsidies are often used to pay for the premiums of social and community insurance programmes. It is not known at this stage how many of the poor and vulnerable (who are not entitled to exemptions) will be able to afford the premiums. However, given their unstable income flow, it is unlikely that informal sector workers will be able to afford the minimum payment of ₵72,000 needed to participate in the scheme without additional social assistance. The following activities are planned to improve service delivery under the NHIS:

- (1) Steps will be taken to guarantee the quality of service at the point of delivery;
- (2) Sensitisation and awareness creation will be stepped up to reach the vulnerable and excluded; and
- (3) Measures will be put in place to manage operating cost, abuse and spillage to ensure sustainability.

The effective implementation of the NHIS and improved access to quality health care will be a necessity to improving the overall the health and productivity of the poor.

ii) Micro-insurance

Micro-insurance is comprised of semi-formal and formal mechanisms under which poor and vulnerable communities in low-income countries manage various social and economic risks. In 2001 CARE Ghana in collaboration with Gemini Life Insurance Company (GLICO) set the stage for the development of the 'Anidaso' micro-insurance product.

As a risk management tool for the vulnerable and excluded the Anidaso scheme accommodates the unstable incomes streams of potential subscribers. It has demonstrated its capacity to help individuals mitigate the impact of risks such as the death of a breadwinner.

One of the main benefits of such market-based risk-sharing arrangements is reducing the burden on the Government to provide welfare support as individuals begin to progressively secure themselves against personal risks. The strategic objective of Government, therefore, is to collaborate with the private sector (insurance companies) to scale-up coverage of affordable micro-insurance products to cater for the extreme poor. The NSPS will provide support to this initiative through:

- (1) Collaboration and partnership with the private sector in areas such as sensitisation and

awareness creation, especially at the district and community levels;

- (2) The strengthening of the regulatory framework; and
- (3) Sponsorship of research and studies to improve development of pro-poor micro-insurance products by the insurance sector.

ii) Microfinance

Schemes that have targeted women in particular, have demonstrated the creative potential of the poor to improve their quality of life and reap the benefits of their skills and hard work, with dignity. Micro-finance generally lends funds to the informal sector for productive activities. Several micro-finance programmes have been implemented in Ghana, a number of them emanating from the public sector. However, access to micro-finance schemes for the extreme poor remains a major challenge.

The main difficulties associated with these programmes are related to poor targeting methodologies and the inability to recover loans. SIF's micro-finance initiative reduced the incidence of such problems by employing multiple levels of targeting to improve beneficiary identification and loan recovery.

Under the NSPS, improvements will be made by way of improving access of the extreme poor and related vulnerable and excluded groups to funds for productive activities. The Strategy is to improve on the existing programmes in the short to medium term and to work towards a more enabling policy and regulatory framework for the sector in the long term.

iii) Social Welfare Programmes

Overview

For over half a century, the Department of Social Welfare (DSW) has supported the social development needs of various citizens and remains the central agency with the unique and challenging responsibility of identifying, registering and rehabilitating People with Disabilities (PWDs), Orphan, Vulnerable Children (OVC) and troubled Juveniles across the nation. The department works in partnership with vulnerable and excluded groups and their communities to improve their social well-being and livelihoods by supporting them to become full participants in society *and* assisting to position them to contribute their quota to national development. In implementing their social development agenda the department administers three core Social Protection programmes to support vulnerable and excluded persons in society. These interventions include:

1. Community-Based Rehabilitation Programmes (CBRP)
2. Child Rights Protection Programmes; and
3. Juvenile Justice Administration Programmes

Community-Based Rehabilitation Programme (CBRP):

The CBR programmes target PWDs and aims to promote interaction between participants their families, the societies in which they live and their communities. The objective is to rehabilitate the disabled in their own environment, with integrated family and community support. A district CBR team consisting of DSW, GES, MOH, MOFA, and DCD carries out various social integration functions.

Unit Committees help to budget, plan, and implement disability-friendly services at the community level through collaboration with various stakeholders. These NSPS will complement this programme by providing Social Grants to targeted PWDs to improve their livelihoods promote independence and reduce the burden of support on family.

Child Rights Protection:

Child rights protection involves child welfare services where a child becomes the ward of the department; registration and inspection of day care centres to help prepare children aged 0-5 years for basic education; assessment of fit persons and provision of safety for the homeless, services to deprive, neglected and abandoned children.

Juvenile Justice Administration:

This entails among other duties, supervision of juveniles placed on supervisory orders; and liaison duties for the courts.

In pursuit of the above programmes, the DSW is also engaged in:

- (a) Counselling and home care for HIV patients and families;
- (b) Registration of persons with disability to assess their needs and the assistance to offer;
- (c) Encouragement of home-based care for the elderly;
- (d) Hospital welfare services;
- (e) Assistance to street children; and
- (f) Residential care for persons with disabilities, for the destitute and for offenders.

DSW has also developed a district level collaborative framework for implementing programmes on disability, old age and juvenile issues, as well as a host of activities for integrating the disadvantaged into society.

While an extensive programme base exists, the DSW is plagued by various logistical, financial, and human resource constraints that impair service delivery. Therefore as a lead agency assisting the MMYE to implement the NSPS there is a vital need to build the capacity of the DSWs human resource, administrative and institutional mechanisms across the country

2) NSPS AND EXISTING SOCIAL PROTECTION INTERVENTIONS

a) Challenges to Existing Government Programmes:

Although various Social Protection interventions have been instituted by Government gaps in programme efficacy, service delivery and M&E processes further demonstrated the need for a comprehensive national umbrella strategy that complements as well as assists in the management of current initiatives. While the majority of existing mechanisms have been developed in the areas of education, health, and economic enhancement, programmes to support, protect and promote the livelihood of the extreme poor are non-existent.

As a result, wide gaps exist in scope and coverage of existing Social Protection mechanisms for a critical mass of the national population. These shortcomings have resulted in minimal impact, reductions in national level vulnerability and exclusion and the desired result in the attainment of economic growth.

c) Enhancing Coverage:

Under the NSPS various existing programmes will be expanded to target the extreme poor. To this end, implementing MDAs and MMDAs will be assisted to develop pro-poor programmes / interventions targeted at the extreme poor.

Government agencies implementing micro-insurance and micro-finance schemes will be assisted under the NSPS to facilitate awareness-raising schemes that will educate citizens on the socio-economic benefits of programme interventions as means to increasing participation. Private sector operators will also be assisted to develop products targeted at the extreme poor. The implementation of these programmes will be closely monitored by Social Protection Unit to ensure that the desired impact is achieved.

c) LEAP as a Complement to Existing Social Protection Structure

The LEAP programme will assist targeted groups to become socially empowered by increasing their access to education, healthcare, and other human services. By supporting beneficiaries with a reliable minimum income, the LEAP programme provides basic livelihood security and increases the ability of target populations to plan for the future. With their basic subsistence secured, the extreme poor will become full participants in society and will be free to engage in productive activities to support themselves and ultimately contribute to national development by reducing the incidence of domestic poverty.

Furthermore, the success of most Social Grant schemes largely depends on the existence of other social services. If health and education services are not in place, conditional transfers cannot be a viable instrument. For example, programmes that eliminate school fees and subsidize healthcare costs must be developed before implementing a conditional Social transfer programme in order to avoid the misuse of grant funds. It is in this context the Education Capitation Grant and the NHIS will provide the needed support for the success of the LEAP programme.

Public Work Programmes also combines elements of social transfers with insurance functions, offering a safety net to those in the labour market. A well known Public work programme is the

Employment Guarantee Scheme in India that provides employment on demand for unskilled, unemployed persons. In Ghana, Linkages will be established between LEAP and The Labour Intensive Public Works Programme, The Youth Employment Programme and The Cocoa Mass Spraying Programme to support the labour market. Table 2 below illustrates the complementary relationship between LEAP and the existing programme structure.

Table 2:
Demonstrating a Complementary Relationship:
LEAP and Existing Government Programs

<u>TARGET</u>	<u>LEAP</u>	<u>COMPLEMENTARY PROGRAMMES</u>
2. <i>Aged 65+</i>	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • NHIS Indigent Card • Free Bus Ride • Micro nutrient • Supplement • Supplementary Feeding
2. <i>PWDs without Productive Capacity</i>	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • NHIS Indigent Card
3. <i>Caregivers of OVC (Able to work)</i>	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<p style="text-align: center;"><u>Caregivers:</u></p> <ul style="list-style-type: none"> • NHIS Indigent Card • Agric. Input Support • Microfinance • Skills Training for Caregivers <p style="text-align: center;"><u>OVC:</u></p> <ul style="list-style-type: none"> • Post Basic (15+): Skills Training/Apprenticeship
4. <i>Caregivers of PLWHAs</i>	<u>Livelihood Needs:</u> <ul style="list-style-type: none"> • Shelter • Food • Clothing • Soap • Water 	<ul style="list-style-type: none"> • Agric. Input Support • Micro-Credit • Skills Training for Alternative Income Generating Activities (IGA)

Furthermore, beneficiaries of the LEAP Programme will be supported to access existing district-based poverty reduction initiatives (indicated earlier in this section) to enhance their income generating capacity and self-empowerment including, the Agricultural Input Support Programme, the Micro Finance Scheme, and the Youth Employment Programme.

Finally, LEAP interventions can help achieve desired impact of existing programmes by strengthening programme coverage and delivery to ensure that the neediest individuals are catered for. Government agencies implementing micro-insurance and micro-finance schemes will be assisted under the NSPS to facilitate awareness-raising schemes that will educate citizens on the socio-economic benefits of programme interventions as means to increasing participation. Private sector operators will also be assisted to develop products targeted at the extreme poor. The implementation of these programmes will be closely monitored by Social Protection Unit to ensure that the desired impact is achieved.

CHAPTER V: IMPLEMENTATION ARRANGEMENTS

1) IMPLEMENTATION PLAN

a) Approach and Scope

The National Social Protection Strategy (NSPS) is an innovative “people centred” national intervention aimed at providing livelihood support and empowerment to the extreme poor in society, and related vulnerable and excluded populations.

c) Implementation Arrangements

The NSPS is a continuous government intervention that will be implemented in the first instance for a period of five years from 2007-2012.

Pre-Implementation Activities:

A comprehensive sensitisation programme will be implemented during the first quarter of 2007 to raise awareness and solicit support of relevant stakeholders and the general public, for the implementation of the strategy... National level sensitization workshops will be organized throughout the country to ensure a comprehensive understanding of the strategy and its benefits. In addition, a Design Mission will be fielded in March 2007 to develop a full scale pilot programme and implementation manual for LEAP. The mission will also look at the expansion of the OVC database developed by DSW for the 2006 Care Givers grant scheme into a Single Registry System. The registry will be the central mechanism for determining and monitoring programme eligibility, controlling duplication of benefits, efficiencies in administrative cost and systematic management of beneficiaries and programme graduates.

A pre-pilot LEAP will be implemented by the MMYE and the DSW in the first half of 2007. The pre-pilot is an expansion of the OVC Caregivers Grant scheme that was implemented in twenty one (21) districts. The selection of the districts will be based on district rankings from the National Poverty maps developed by the NDPC and HIV/AIDS prevalence rate.

The LEAP Pilot Programme:

Full scale implementation of the LEAP pilot Programme will commence in 2008. The mission report will detail out the implementation work plan/arrangements for the LEAP. Implementing Ministries, Departments and Agencies (MDAs) will be supported to develop and cost programmes for the extreme poor as part of their 2008 Medium Term Expenditure Framework (MTEF) and Budget. The detailed work plan for the implementation for target populations at the district and community level will also include thorough community sensitization programmes. A core team from the MMYE and DSW will be constituted to support implementation. Implementation arrangements will also include programmes to build capacity and support relevant MDAs to enhance their targeting mechanisms to programme for the extreme poor.

2) INSTITUTIONAL ARRANGEMENTS

a) Overview

In order to ensure efficient service delivery and coordination of the NSPS, a Social Protection Unit (SPU) will be established by the MMYE with dedicated staff to oversee the implementation, monitoring and evaluation of the strategy. As previously stated the DSW, will be restructured to enhance its capacity in order to support the implementation of the LEAP and to collaborate with the SPU to effectively coordinate and manage the implementation of the national strategy as well as address social development issues.

The SPU will have oversight responsibility for specific interventions that will be implemented by designated lead MDAs. The SPU will also have the responsibility for sensitising stakeholders at all levels to ensure commitment and support of relevant stakeholders for Programme implementation. The unit will also sensitise district level counterparts and other key implementing partners on their various roles and responsibilities under the NSPS. The SPU will additionally be responsible for coordinating and supervising all M&E activities and to ensure that the effective design and use of the single registry tracking system is operational.

b) Implementing Partners

Due to the cross cutting nature of implementing and managing the LEAP programme, sector specific portions of the strategy will be implemented in collaboration with 12 MDAs with the MMYE and DSW playing a central coordinating and monitoring role. In view of our limited experience in implementing Social Grant schemes, the LEAP programme will be rolled out by targeting a practical and cost-effective percentage of the population each programme year until all eligible populations are fully covered (see Chapter VI for details).

The NSPS will additionally establish sub Social Protection Units in respective MDAs to coordinate internal activities and set-up Social Protection Committees and monitoring groups at the district and community levels to oversee implementation in targeted communities. Coordination of district level committees and community groups will be managed with support from DSW field offices. The National Youth Employment Programme will provide personnel to support DSW in the implementation of the LEAP.

c) The LEAP Single Register System

In order for the LEAP Social Grants programme to be effective, a regular and reliable registration and tracking system must be put in place. Based on the OVC database, a scaled-up version of the system will be developed to manage programme beneficiaries and track their participation in other social services. The Single Registry System will be modelled after the *Bolsa Familia* example and will collect standardized information on beneficiaries.

LEAP Register Functions:

The LEAP will operate a data management system that will provide comprehensive information on all beneficiaries of social development programmes. The LEAP Single Registry System when fully functional will eventually provide a national database to identify and monitor the progress of

extreme poor individuals and households who benefit from social development interventions including the LEAP Social Grant Programme. In order for the LEAP Social Grants programme to be effective, a regular and reliable registration and tracking system would be put in place. The Social Protection Strategy will develop the nucleus of the single register database on target beneficiaries as well as extend it to other social development programmes under the broad social sector policy. This registration system will eventually lead to a Single Registry System similar to the *Bolsa Familia* of Brazil.

In order to enhance efficacy and scope, the MMYE will discuss partnership arrangements with the *National Identification Authority (NIA)*, the *Ghana Info Project (GIP)*, the Ghana Statistical Service (GSS), the *National Health Insurance Scheme (NHIS)*, and the *Kofi Anan Center of Excellence for Advance Information Technology Institute* to assist in adapting best practice examples to enhance tracking of beneficiaries. The purpose of the partnership is also to integrate the register into existing facilities and to prevent duplication. The data from the system could be used to populate the Ghana Info System. The system will set objective criteria for the community registration system which will be used for tracking poverty reduction at the community level. The system will specifically perform the following functions:

- i) Registering all beneficiaries;
- ii) Provide registered persons with an ID Card;
- iii) establishing the eligibility criteria for accessing benefits
- iv) Support management of complementary benefits and hence, strengthening of inter-sectoral linkages between programmes for maximum impact
- v) Provide a baseline for monitoring and evaluating improvements in the condition of beneficiaries and of the programme.
- vi) the register will record monthly transfers to beneficiaries

The register will be updated periodically to ensure the integrity of the data and correct irregularities. Such a database will provide the necessary information for ensuring that resources go to those who need them, and progress in their conditions monitored to ensure that vulnerable groups do not become perpetually dependent on the programme to ensure sustainability.

Populating the Register:

The register will be populated at the community, district and regional levels with data be generated at these levels. The register is the starting point for selecting the Social Grant beneficiaries. As a starting point data will be generated on beneficiaries using a combination of targeting mechanisms such as geographical targeting; community based targeting; identifying specific vulnerable categories and self targeting to identify beneficiaries for the register. Extreme poor individual and household selection would be done in collaboration with existing community structures such as unit committees, traditional authorities and opinion leaders.

Location of Register:

The register will be maintained at the national, regional, district and community levels. The community register will document information on all beneficiaries at the community level, while the district register will document information on all beneficiaries in each district. The district registers in a region will be compiled into a regional register and finally a national register. When the system is fully developed, it will be an automated system with data entry points in each community/district and networked into the national database.

The register will be updated periodically to ensure the integrity of the data and correct irregularities. Such a database will provide the necessary information for ensuring that resources are efficiently distributed to target groups and progress in their socio-economic status is monitored in order to ensure that vulnerable groups do not become perpetually dependent on the programme.

3) COMMUNICATIONS STRATEGY***a) Social Protection Communications Strategy***

Under the NSPS a Communications Strategy will be developed to raise-awareness on programme benefits and garner widespread national and international support to ensure sustainability. Recognizing the importance of thorough public engagement mechanisms to promote and sustain the NSPS, the communication strategy will be outsourced to a communication firm with the specific expertise to deliver a national, regional and district level communication plan. The Strategic focus of the Communications Agenda will be to:

- i) Target decision-makers (cabinet, Parliament, MDAs and MMDAs) for advocacy/policy dialogue on the need for cash transfers as viable mechanism to support economic growth;
- ii) Target potential beneficiaries to create awareness and obtain maximum participation and coverage;
- iii) Create a platform for dialogue among state and non-state Social Protection practitioners and programme implementers to support long-term programme implementation and enhance capacity.

b) District/Community Outreach

The strategy will target District Assemblies, Communities, Traditional rulers, and Civil Society Organisations using a variety of communication tools and channels such as radio, television, posters, jingles, durbars, radio and TV advertisements, workshops, seminars, drama, etc. Due to their experience in administering poverty reduction programmes and their far reaching programme interventions across the country, the NSPS will explore a possible partnership with the Centre for Social Policy Studies (CSPS) during the pre-implementation and sensitization phases of the programme.

4) **NSPS EXIT STRATEGIES**

a) Overview

The NSPS will employ a beneficiary or intervention level exit strategy for graduating beneficiaries from the programme or continuing support depending on the category of the beneficiary. It is therefore expected that terminal beneficiaries with productive capacity will participate in the LEAP programme for a period of three years to develop and sustain their basic livelihoods. During the latter stages of year three, participants will be linked up with other complementary programmes to further enhance their social and economic capacities.

*i) **LEAP Exit Strategy for Extremely Poor Above 65 Years of Age:***

The general overall exit strategy for the extremely poor above 65 years is that they will continue to receive the social grants until death. However, for those extremely poor above 65 years who have family members or care givers with potential for support in the future, they will be supported with a 2 years time limited social grants transfer benefit to serve as a buffer to lift them out of extreme poverty condition and empowered them with productive potential through the other complementary programmes. The exit strategy may also consider a top up for those with limited pensions that fall within the category of extreme poverty.

*ii) **LEAP Exit Strategy for Subsistence Farmers & Fisherfolk:***

The overall exit strategy for all Subsistence Farmers is that beneficiaries will be given Social Grants transfers for a three year period. During this period they will also be linked the integrated agriculture input support programme and other related complementary programmes to promote food security and survival after they exit LEAP. The first year is to build some savings so that by the end of the second year they will gain adequate capacity for sustainable food security.

*iii) **LEAP Exit Strategy for Care Givers of incapacitated PWDs:***

The incapacitated PWDs will be granted continuous social grants with the anticipation that they will have medical improvements or vocational rehabilitation potential. The beneficiaries of the Social Grants Transfer to the Care Givers of the incapacitated PWDs will be subjected to reapplication every two years to assess their condition for either continuation of the social grant scheme or possible transition to an appropriate complementary scheme that will offer significant potential at promoting return to work or means of ensuring self sustaining food security and survival.

*iv) **LEAP Exit Strategy for Caregivers of OVCs:***

Care Givers will be supported with social grants until the OVC is above 15 years of age, where he will be capable of doing light work. The OVCs who are above 15 years will be transferred to other complementary sustainable food security safety net interventions, such as integrated agricultural input support and skills acquisition interventions (i.e. vocational skills training to

equip them, National Youth Employment Programme and Apprenticeship Programme.

v) **LEAP Exit Strategy for Caregivers PLWHAs:**

The overall exit strategy for all PLWHAs is that after two years, they will be reassessed for continuation or transferred to other complementary programmes such as the National HIV / AIDS response intervention and the integrated agriculture input support in order to promote sustaining food security and survival.

The families or care givers of PLWHAs will receive the Social Grant Scheme for a minimum of two years before they are transferred to other complementary sustainable food security safety net interventions, such as integrated agricultural input support and skills acquisition interventions such as the vocational skills training to equip them. However, all those incapacitated PLWHAs without any support will continue to receive the social grants in order to enable them meet their daily food or nutritional requirements.

vi) **LEAP Exit Strategy for Pregnant Women/ Lactating Mothers with HIV/AIDS:**

The lactating Mothers living with HIV/AIDS will be given the social cash grants until the child is six months old and is able to eat appropriate or alternative food. The social cash grant will be used to purchase powdered milk as an alternative to breastfeeding for the baby in order to prevent the transfer of HIV / AIDS. During this period, the lactating mothers will be linked with other complementary programmes such as the Supplementary feeding programme, Women Development Fund, National HIV / AIDS response intervention and the integrated agriculture input support in order to promote sustaining food security and survival.

CHAPTER VI: FUNDING AND COSTING

1) COSTING

a) *Financial Projections for the LEAP Programme*

The amount of cash to be transferred to beneficiaries would just be sufficient in order to have a significant impact on beneficiaries with regard to the objectives of the NSPS of lifting them out of extreme poverty or that would lead to a relapse into poverty and non-productivity. From the poverty band analysis, the average monthly per capita household income of extreme poor population (14.7% of total population) is US\$6.0.

At the same time, the transfer should not raise the economic status of the beneficiaries beyond a level that will encourage unemployment/create dependency syndrome or relapse into extreme poverty. As illustrated in the poverty band analysis diagram, the cash transfer amount should not exceed the average monthly per capita household income of US\$15 (averaging US\$0.5 daily) for the transitory poor as previously shown in the Poverty Band Analysis (Figure 2).

In addition, the amount of transfer must consider the following factors:

- a) The minimum pension paid to employees under the Social Security and National Insurance Trust Scheme.
- b) The daily minimum wage for workers which is GHC19,000 (US\$2.1) or GHC 513,000 (US\$56) monthly.

Based on review of various social grants transfers' interventions from other countries and the current per capita income of the extreme poor populations in Ghana, it is estimated that the monthly per unit cost of transfer will range from US\$6 to US\$12 for the various intervention. Detailed calculations of the exact amount of transfer for each beneficiary group or intervention would depend on the particular situation of the household; i.e.: the number of eligible beneficiaries. However, regardless of the number of beneficiaries each household will be limited to a maximum of \$12 in cash assistance. The details of the calculations will be done during the project design mission for the LEAP.

i) Underlying Assumptions

- 1 Using an exchange rate (per US\$1) = US\$9,400 as at 2005.
- 2 Estimated total population is 18,912,079 (2000 Census)
- 3 Projected total population to 2005 is 21,606,852
- 4 The GDP (2005) is assumed to be US\$11,565,700,000

ii) Project population of Extremely Poor

The targeted beneficiaries from Ghana's extremely poor population to receive LEAP Grants include:

- Subsistence farmers and fisherfolk;
- Aged poor above 65 years;
- PWDs without productive capacity;
- OVCs, PLWHAs and Pregnant Women with HIV / AIDs.

The projected target population and representative number of households are provided in the table below.

TABLE 2:
PROJECTED EXTREMELY POOR POPULATION

Extremely poor categories	Extremely Poor	Average number of Households
Subsistence Farmers	198,655	39,731
Subsistence Fisherfolk	39,731	7,946
The aged poor above 65 years	165,933	33,187
PWDs (without productive capacity)	219,157	43,831
OVC (Care Givers Scheme)	128,000	25,600
PLWHA (Care Givers Scheme)	60,870	12,174
Pregnant Women with HIV / AIDs	9,507	1,901
TOTAL	821,854	164,370

The projected average number of households of the extremely poor population in Ghana was calculated using an average of 5 persons per household (GLSS 4 projects 5.9 as the mean household size for the extremely poor population). Based on the average household size for the targeted poor population, the following assumptions are made on the distribution of households with one or more targeted beneficiaries:

- About 10% of the targeted households will have only one targeted beneficiary.
- About 20% of the extremely poor households will have two targeted beneficiaries.
- About 30% of the extremely poor households will have three targeted beneficiaries
- About 40% of the extremely poor households will have four or more targeted beneficiaries.

Using the above percentage distribution of the households with targeted beneficiaries, the number of targeted households per each category of extremely is given in the table below.

**TABLE 3:
TARGETED EXTREMELY POOR POPULATION**

Extremely poor category	Number of Households with Extremely Poor Dependents				
	1 Member	2 Member	3 Member	4 or more Member	Total
Subsistence Farmers	3,973	7,946	11,919	15,892	39,731
Subsistence Fisherfolk	795	1,589	2,384	3,178	7,946
The aged poor above 65 years	3,319	6,637	9,956	13,275	33,187
PWDs (without productive capacity)	4,383	8,766	13,149	17,532	43,831
OVC (Care Givers Scheme)	2,560	5,120	7,680	10,240	25,600
PLWHA (Care Givers Scheme)	1,217	2,435	3,652	4,870	12,174
Pregnant Women with HIV / AIDs	190	380	570	760	1,901
TOTAL	16,437	32,874	49,311	65,748	164,370

In the absence of a long term poverty reduction targets, it is assumed that the poverty levels will remain constant.

*iv) **Projected Cost Estimates***

It must be noted that the NSPS recognizes that in practicality variations will occur from household to household depending on the number of eligible beneficiaries, but will not exceed the maximum amount of \$12 / household.

Based on the average household size for the targeted beneficiary population, the following assumptions are made on the distribution of households with one or more extremely poor dependents.

**TABLE 4:
UNIT COST PER HOUSEHOLD CATEGORY**

Household Category	Unit Cost of Transfer (US\$)	
	Monthly	Annual
Household with 1 targeted beneficiary	US\$6	US\$72
Household with 2 targeted beneficiaries	US\$8	US\$96
Household with 3 targeted beneficiaries	US\$10	US\$120
% Household with 4 or more targeted beneficiaries	US\$12	US\$144

The social income when added to the current average household income will result in the average per capita income of household of the beneficiaries increasing from US\$6 per month to fall within US\$12 – US\$18 per month. The transfer will therefore lift the beneficiaries out of extreme poverty to enable and stabilise them to assess other complementary interventions or other pro – poor social investment programmes to combat hunger and poverty according to Government’s commitment of the Millennium Development Goals.

Using the projected targeted beneficiaries, the unit cost of transfer for each household category and the projected annual growth rate of 2%, the projected cost of the NSPS is provided below.

TABLE 5:
LEAP SOCIAL GRANTS - PROJECTED COST ESTIMATES

ID	SUMMARY	Year 1	Year 2	Year 3	Year 4	Year 5
1	Preparation and programme design	235,000	-	-	-	-
2	Capacity building and strengthening of the institutional structures for implementation of NSPS / LEAP at all levels	1,875,940	2,582,680	2,522,680	396,800	321,800
3	Advocacy, sensitization and social mobilisation programmes for LEAP / NSPS	388,500	635,000	635,000	40,000	40,000
4	LEAP Social Grants Transfer Scheme to Beneficiaries	19,724,400	20,118,887	20,521,265	20,931,691	21,350,326
5	Integration of NSPS / LEAP with other MDA based Social Protection Strategy Programmes	80,000	80,000	80,000	80,000	80,000
6	Design and implementation of community level monitoring system	531,120	973,240	1,555,360	1,555,360	1,555,360
7	Programme monitoring and reporting	117,900	152,400	196,400	166,400	226,400
	TOTAL	22,952,860	24,542,207	25,510,705	23,170,251	23,573,886
9	Overheads (2.0%)	459,057	490,844	510,214	463,405	471,478
10	Contingency (1.0%)	229,529	245,422	255,107	231,703	235,739
	GRAND TOTAL	23,641,446	25,278,473	26,276,026	23,865,359	24,281,103
	Percentage of Social Grants to Total Cost	85.9%	82.0%	80.4%	90.3%	90.6%
	Percentage of Social Grants to Grand Total	83.4%	79.6%	78.1%	87.7%	87.9%
	Percentage of GDP	0.20%	0.22%	0.23%	0.21%	0.21%

vii) *Financing and Implementation Issues:*

The total cost of the programme is about 23.6m in Year 1 and then reaches a maximum of US\$26.3million in Year 3. Beyond year 3, it is expected that most of the capacity building and institutional strengthening activities will have been completed or near completion. From Year 4 onward, it is expected that most the institutional and capacity building activities will be mainstreamed into the day to day activities of the various MDAs and MMDAs.

Therefore percentage of the social grant component to the total cost will be decreasing from 83.4% in Year 1 to 78.1% in Year 3, and starts increasing again from Year 4 onwards when most of the capacity building and institutional strengthening activities will have been completed or near completion. A comprehensive programme design mission of local and international consultants will be fielded to develop a detailed programme for the NSPS implementation which will refine the various assumptions that have been made in this document.

During the initial three years of the programme, the capacity of the Ministry of MMYE, Social Protection Unit (SP Unit) and the Department of Social Welfare at the National, Regional and District Levels will be developed and appropriate structures strengthened to facilitate the successful implementation of the programme. By the end of the year 3, it is expected that the capacity building activities will have reached its peak and it will start to decrease towards year 4 and beyond where this will be mainstreamed into the main programmes of the district assemblies.

In order to increase awareness and mobilize support the NSPS at the national, district and community levels, the first three years will involve the development and implementation of advocacy, sensitization and social mobilization programmes for the LEAP / NSPS.

It is also planned to integration the NSPS / LEAP with other MDA based Social Protection Strategy Programmes on an annual basis so that it will ensure a comprehensive and integrated approach for achieving the overall objectives for the Social Protection in Ghana.

The key to successful implementation of the NSPS / LEAP programme is the participation and involvement of the communities in ensuring effective monitoring of the NSPS / LEAP programme. As part of the programme, a community monitoring system will be designed and also establish communities monitoring teams and equip them with capabilities to continuous monitor the entire implementation process.

2) FUNDING

b) Funding Arrangements for Sustainability

The implementation of the NSPS will adopt an innovative and sustainable funding strategy which will ensure that funding is available to facilitate the implementation of programmes. Proposed fundraising mechanisms will include the following:

- *Social Investment Fund (SIF):*

The Social Investment Fund was administratively established through the concerted effort of Government, the African Development Fund and the United Nations Development Programme (UNDP), as a mechanism to channel resources to the poor under the GPRS. A draft Social Investment Bill which will legally establish the Fund will soon be put before parliament.

The legal establishment of the Fund will facilitate access by the poor to basic economic and social infrastructure including schools, health centres and social services. It will also enhance access of the poor to financial services by increasing the availability of micro-finance schemes and the capacity of micro-finance institutions.²⁹ Furthermore, in support of poverty reduction, community based organizations, NGOs and indigenous micro-finance institutions will be strengthened. Finally, recommendations will be made for the bill to provide funding to support and sustain the LEAP Social Grants Programme.

- *National Lotto Act:*

The National Lotto Act (2006) was enacted by the president and parliament of Ghana to provide revenue generation through lottery games to support various state activities. In particular, the Act will establish “a lottery with the object of providing care and protection for the physically or mentally afflicted, the needy, the aged, orphans and destitute children”³⁰. Finally, a Legal Instrument will be developed to implement the provisions of the Act and recommendations will be made to include social grants as a mechanism to be supported by generated funds.

- *Medium Term Expenditure Framework (MTEF) and District Assembly Common Fund:*

A percentage of the poverty Reduction/Alleviation fund could also be dedicated to the implementation of the NSPS at the district level. The NSPS is already mainstreamed into the Growth and Poverty Reduction Strategy (GPRSII) The move has enhanced the mainstreaming of the programme into MDA programmes. MDAs can therefore cost and budget the implementation under the Medium Term Expenditure Framework (MTEF).

- *Mainstreaming of the NSPS into the Multi Donor Budgetary Support (MDBS):*

The NSPS has already been mainstreamed into the MDBS as a strategy to ensure Development Partners’ support to the implementation. This strategy will ensure that, a percentage of the total Development Aid to Ghana will be allocated to the NSPS. This move will also enhance MDAs

²⁹ Social Investment Fund Bill, 2007.

³⁰ National Lotto Act (2006), p 3.

opportunity to develop and budget for programmes under the NSPS.

- *Adoption / Fosterage of Vulnerable & Excluded Persons:*

Under this arrangement, public spirited corporate bodies and individuals will also be encouraged to adopt and support Vulnerable & Excluded persons even if they are close relatives. Tax incentives could be given to such public spirited persons. This measure is expected to generate public interest for support and care for Vulnerable & Excluded persons.

Since these sources of funds are well established and permanent sources of funds, they could provide continuous funds for the implementation of the programme. An intensive public education and sensitisation programme will be carried out to inform the MDAs and the general public on the proposed funding arrangements for the NSPS.

APPENDIX 1:
IMPLEMENTATION PLAN

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Stakeholder Sensitisation on NSPS								
Validation meeting with MMYE and its Departments and Agencies	X							
Sensitisation of MDAs at National level	X							
Sensitisation of Parliamentary Select Committee for Social Welfare, Labour and State Enterprises	X							
Sensitisation of MMDAs at the District Level	X							
Secure Technical Assistance for	X							

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
the Design Mission for the LEAP Social Grants Programme								
Develop targeting mechanism and strategies for selection of targets groups	X							
Identify and select the targets districts and communities (using the district poverty maps as a guide)		X	X					
Initiate the process for developing the Social Policy Framework	X	X	X	X				
Establish NSPS Fund for supporting the Social Protection Strategy Implementation			X	X				

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Strengthen the institutional structures for implementation of NSPS / LEAP at all levels (MMYE / DSW, MOWAC MDAs, MMDAs)								
Conduct Institutional review of MMYE, DSW and related NSPS MDAs structures to develop and implement sectoral capacity building programmes	X	X						
Restructure DSW into Department of Social Development		X	X	X	X			
Establish National Social Protection Unit in MMYE	X	X						
Establish a multi-sectoral National Social Protection Steering Committee (NSPSC).	X	X						

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Establish Social Protection Units in relevant MDAs and MMDAs		X	X					
Establish and / or Strengthen District Level Structures for Social Protection		X	X	X				
Strengthen structures at the community level for effective monitoring of beneficiaries of LEAP		X	X	X	X			
Develop and implement capacity building programmes for the NSPS at national and district levels								
Assist MDAs to develop programmes and Action Plans on Social Grants Scheme		X	X					
Assist MMDAs to develop programmes and Action Plans		X	X	X	X			

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
on Social Grants Scheme								
Facilitate Capacity Building of MMYE, MDAs and MMDAs for NSPS								
DEVELOP AND IMPLEMENT ADVOCACY, SENSITISATION AND SOCIAL MOBILISATION PROGRAMMES FOR LEAP & NSPS	X	X	X	X	X	X		
Develop and implement resource mobilisation strategies for ongoing support of the NSPS Implementation			X	X	X	X	X	X
Prepare National and District Level Draft Design framework on sensitisation programmes and social mobilisation								

	2007				2008			
ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
activities								
Prepare Community Level Design on sensitisation programmes and social mobilisation activities								
Carry out advocacy activities at the district level about the need for incorporating Social Protection strategies and programmes into District Development Plans								
Actively involve district and community leaders and key groups in the targeting and monitoring of LEAP Implementation								

	2007				2008			
ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Mobilise media and opinion leaders to carry out an effective campaign on LEAP and other Social Protection Programmes								
Organise workshops for media								
Sensitise traditional and opinion leaders, NGOs and CSOs								
Conduct radio programmes in local languages								
Conduct TV programmes in local languages								
Produce IEC materials (i.e. flyers, brochures) for dissemination								
DISBURSEMENT OF LEAP SOCIAL GRANTS SCHEME (FLAGSHIP PROGRAMMES) TO								

	2007				2008			
ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
BENEFICIARIES								
Implement the LEAP Social Grants Scheme		X	X	X	X	X	X	X
- Implement Cash subsidy for subsistence farmers and fisher folk		X	X	X	X	X	X	X
- Implement Non contributory Scheme for the Aged poor		X	X	X	X	X	X	X
- Implement Care Givers Grant Scheme for OVCs, particularly Children Affected By AIDS (CABA) and children with severe disabilities		X	X	X	X	X	X	X
- Implement Cash Subsidy Scheme for invalid PLWHAs		X	X	X	X	X	X	X
Integrate NSPS / LEAP with other MDA based Social Protection Strategy								

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Programmes							
Liaise with MDAs to mainstream Flag Ship Programmes, while MDAs implement mainstreamed programmes falling within their Ministries.								
Integrate with Social Investment Fund NDPC / SIF								
Integrate with Supplementary Feeding Programme - MOH								
Integrate with Capitation Grant / School Feeding programmes – MOESS								
Capitation Grant - MOESS								
Integrated Agriculture & Fisheries Support - MOFA								

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop strategies for promoting and mainstreaming labour intensive investment programmes into LEAP and NSPS programmes								
Integrate with National Health Insurance Scheme - MOH / NHIC								
Integrate with Child Labour Programmes								
Establish mechanisms to facilitate and promote Micro Credit interventions for qualifying LEAP beneficiaries exiting the programme								
MONITORING AND EVALUATION SYSTEM								
Develop Monitoring and Evaluation System at the			X					

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
National and District Levels including Community Level Monitoring System								
Facilitate capacity building for stakeholders for effective implementation of their programmes.			X	X	X	X	X	X
Develop and implement a comprehensive Registry System for NSPS (Single Register Database) to facilitate the overall management of the strategy implementation.	X	X	X	X	X	X	X	X
Liaise with MDAs to collect, collate, analyse and disseminate information on Social Protection to stakeholders.			X	X	X	X	X	X
Conduct Baseline Studies of target communities /		X	X					

ACTIVITY	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
beneficiaries								
Conduct surveys in the target communities within the selected districts to collect data for registration of beneficiaries		X						
Conduct regular registration and re-registration / re-certification of beneficiaries					X			
Conduct regular monitoring of target communities and beneficiaries								
NATIONAL LEVEL AND FIELD MONITORING AND REPORTING								
Steering Committee Meetings								
Regular Technical Team Meetings								
Regular MDAs Meetings								

	2007				2008			
ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Field Monitoring Visits (Quarterly, Annually) - National level								
Field Monitoring Visits (Monthly, Quarterly, Annually) - District level								
Prepare Reports (Monthly, Quarterly, Annual Reports, etc)								
PROGRAMME EVALUATION								
Conduct Mid Term Reviews								
Conduct Annual Reviews								
Conduct End of Project Reviews								
Conduct Beneficiary Outcome / Impact Study								

APPENDIX 2:
LEAP SOCIAL GRANTS - DETAILED PROJECTED COST ESTIMATES

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
1.0	PREPARATION AND PROGRAMME DESIGN					
1.1	Validation meeting with MMYE and its Departments and Agencies	5,000	-	-	-	-
1.2	Sensitisation of MDAs at National level	7,500	-	-	-	-
1.3	Sensitisation of Parliamentary Select Committee for Social Welfare, Labour and State Enterprises	7,500	-	-	-	-
1.4	Sensitisation of MMDAs at the District Level	15,000	-	-	-	-
1.5	Conduct Technical Assistance for the design of the LEAP Social Grants Programme	150,000	-	-	-	-
1.6	Initiate the process for developing the Social Policy Framework	30,000	-	-	-	-
1.7	Develop strategies for establishing NSPS Fund for supporting the Social Protection Strategy Implementation	20,000	-	-	-	-
	SUB TOTAL (1.0 - Preparation and programme design)	235,000	-	-	-	-
2	Strengthen the institutional structures for implementation of NSPS / LEAP at all levels (MMYE / DSW, MOWAC MDAs, MMDAs)	-	-	-	-	-

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
2.1	Implement capacity building and institutional support for DSW on Social Protection at national and district levels	1,023,240	1,760,880	1,760,880		
2.2	Establishment of Institutional structures for National Social Protection (NSPS) Coordinating Unit in MMYE	482,700	271,800	271,800	271,800	271,800
2.3	Capacity building of MMYE and SP Unit and related technical team members	75,000	75,000	75,000	75,000	
2.4	Establishing and strengthening a multi-sectoral National Social Protection Steering Committee (NSPSC).	20,000	40,000	40,000		
2.5	Capacity building and institutional support for establishing Social Protection Coordinating Units in relevant MDAs	60,000	60,000	-	-	-
2.6	Capacity building and institutional support for strengthening District Level Structures for Social Protection	140,000	275,000	275,000	-	-
2.7	Capacity building of key stakeholders through international site visits, conferences and attachments	75,000	100,000	100,000	50,000	50,000
	SUB TOTAL (2.0 - Capacity building and institutional structures)	1,875,940	2,582,680	2,522,680	396,800	321,800
3.0	DEVELOP AND IMPLEMENT ADVOCACY, SENSITISATION AND SOCIAL MOBILISATION PROGRAMMES FOR LEAP & NSPS	-	-	-	-	-

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
3.1	Develop and implement resource mobilisation strategies for ongoing support of the NSPS Implementation	10,000	10,000	10,000	10,000	10,000
3.2	Prepare National and District Level Draft Design framework on sensitisation programmes and social mobilisation activities	30,000	-	-	-	-
3.3	Prepare Community Level Design on sensitisation programmes and social mobilisation activities	20,000	-	-	-	-
3.4	Carry out advocacy activities at the district level about the need for incorporating social protection strategies and programmes into District Development Plans	56,000	110,000	110,000	-	-
3.5	Actively involve district and community leaders and key groups in the targeting and monitoring of LEAP Implementation+B3	242,500	485,000	485,000	-	-
3.6	Mobilise media and opinion leaders to carry out an effective campaign on LEAP and other Social Protection Programmes	15,000	15,000	15,000	15,000	15,000
3.7	Produce IEC materials (i.e. flyers, brochures) for dissemination	15,000	15,000	15,000	15,000	15,000
	SUB TOTAL (3.0 - Advocacy and social mobilisation strategy)	388,500	635,000	635,000	40,000	40,000

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
4.0	LEAP PROGRAMME SOCIAL GRANTS TRANSFERS TO BENEFICIARIES					
4.1	Subsistence Farmers	4,767,720	4,863,074	4,960,335	5,059,542	5,160,733
4.2	Subsistence Fisherfolk	953,520	972,590	992,042	1,011,883	1,032,121
4.3	The aged poor above 65 years	3,982,440	4,062,089	4,143,331	4,226,198	4,310,722
4.4	PWDs (without productive capacity)	5,259,720	5,364,914	5,472,212	5,581,656	5,693,289
4.5	OVC (Care Givers Scheme)	3,072,000	3,133,440	3,196,109	3,260,031	3,325,232
4.6	PLWHA (Care Givers Scheme)	1,460,880	1,490,098	1,519,900	1,550,298	1,581,304
4.7	Pregnant Women with HIV / AIDs	228,120	232,682	237,336	242,083	246,925
	SUB TOTAL (4.0 - LEAP Beneficiary Transfers)	19,724,400	20,118,887	20,521,265	20,931,691	21,350,326
5.0	Integrate NSPS / LEAP with other MDA based Social Protection Strategy Programmes	-	-	-	-	-
5.1	Liaise with MDAs to mainstream Flag Ship Programmes, while MDAs implement mainstreamed programmes falling within their Ministries.	10,000	10,000	10,000	10,000	10,000
5.2	Liaise with SIF Secretariat to integrate with Social Investment Fund programmes with LEAP	10,000	10,000	10,000	10,000	10,000
5.3	Liaise with MOH to integrate Supplementary Feeding and National Health Insurance Programmes with LEAP	10,000	10,000	10,000	10,000	10,000

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
5.4	Liaise with MOESS to integrate with Capitation Grant / School Feeding programmes with LEAP	10,000	10,000	10,000	10,000	10,000
5.5	Liaise with MOFA to integrated Agriculture & Fisheries Support with LEAP	10,000	10,000	10,000	10,000	10,000
5.6	Develop strategies for promoting and mainstreaming labour intensive investment programmes into LEAP and NSPS programmes	10,000	10,000	10,000	10,000	10,000
5.7	Mainstream and integrate Child Labour Programmes with LEAP	10,000	10,000	10,000	10,000	10,000
5.8	Establish mechanisms to facilitate and promote Micro Credit interventions (eg MASLOC) for qualifying LEAP beneficiaries exiting the programme	10,000	10,000	10,000	10,000	10,000
	SUB TOTAL (5.0 - Integrate LEAP Programme with other NSPS programmes)	80,000	80,000	80,000	80,000	80,000
6.0	MONITORING AND EVALUATION SYSTEM	-	-	-	-	-
6.1	Develop Monitoring and Evaluation System at the National and District Levels including Community Level Monitoring System	30,000	-	-	-	-
6.2	Capacity building for stakeholders for effective monitoring and evaluation	20,000	-	-	-	-

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
6.3	Develop and implement a comprehensive Registry System for NSPS (Single Register Database) to facilitate the overall management of the strategy implementation.	80,000	-	-	-	-
6.4	Liase with MDAs to collect, collate, analyse and disseminate information on Social Protection to stakeholders.	30,000	30,000	30,000	30,000	30,000
6.5	Conduct Baseline Studies of target communities / beneficiaries	80,000	-	-	-	-
6.6	Conduct surveys in the target communities within the selected districts to collect data for registration of beneficiaries	-	50,000	50,000	50,000	50,000
6.7	Conduct regular registration and re-registration / re-certification of beneficiaries	-	20,000	20,000	20,000	20,000
6.8	Conduct regular monitoring of target communities and beneficiaries	291,120	873,240	1,455,360	1,455,360	1,455,360
	SUB TOTAL (6.0 - Monitoring and Evaluation System)	531,120	973,240	1,555,360	1,555,360	1,555,360
7.0	PROGRAMME MONITORING & EVALUATION	-	-	-	-	-
7.1	Quarterly Steering Committee Meetings	9,600	9,600	9,600	9,600	9,600
7.2	Monthly Technical Team Meetings	28,800	28,800	28,800	28,800	28,800
7.3	Quarterly MDAs Meetings	12,000	12,000	12,000	12,000	12,000

	ACTIVITY	Year 1	Year 2	Year 3	Year 4	Year 5
7.4	Quarterly Secretariat Field Monitoring Visits	20,000	20,000	20,000	20,000	20,000
7.5	Monthly District Level Field Monitoring Visits	20,500	55,000	69,000	69,000	69,000
7.6	Prepare Reports (Monthly, Quarterly, Annual Reports, etc)	12,000	12,000	12,000	12,000	12,000
7.7	Conduct Mid Term Reviews	-	-	30,000	-	-
7.8	Conduct Annual Reviews	15,000	15,000	15,000	15,000	
7.9	Conduct End of Project Review	-	-	-	-	75,000
	SUB TOTAL (7.0 - Programme Monitoring and Evalaution)	117,900	152,400	196,400	166,400	226,400
	GRAND TOTAL	22,952,860	24,542,207	25,510,705	23,170,251	23,573,886