

The Impact of Social Cash Transfers on Schooling in Africa: An Update from the Transfer Project

Introduction

Over a dozen governments in sub-Saharan Africa (SSA) are now experimenting or scaling up cash transfers as part of their poverty reduction strategies. These programs tend to have comprehensive objectives including food security, consumption smoothing, children’s health and education, and asset building. Most programs are unconditional and average transfers range from US \$8 to \$25 per month depending on the country and payment structure (e.g. whether transfers are linked to family size). Given program objectives, Transfer Project supported evaluations cover a wide range of domains including both social and economic outcomes. This Research Brief provides an update on the evidence to date on the impact of cash transfers on schooling. Results are taken from published literature as well as official evaluation reports submitted to governments, most of which are available on the Transfer Project website in original form (<http://www.cpc.unc.edu/projects/transfer>).

Summary of Impacts on Schooling to Date

Impact evaluation reports usually provide a range of schooling outcomes including current enrolment, grade progression, attendance during the reference period, and grade attainment. The most comparable indicator across all studies is current school enrolment so this is what we report in Table 1. In addition, since the largest financial barriers to schooling occur at the secondary level in sub-Saharan Africa, we report impacts for secondary age children (usually age 12-17) since this is where we expect the programs to have the most impact.

The table reports school enrolment impacts of cash transfer programs in seven countries where UNICEF is actively involved along with local development partners

Table 1: Impacts of Cash Transfer Programs on School Enrolment of Secondary School Age Children

Country Programme	Percentage point impact
Ethiopia Productive Safety Net Program (girls only)	10 ¹
Ghana Livelihood Empowerment against Poverty (LEAP)	7
Kenya Cash Transfer for Orphans & Vulnerable Children (CT-OVC)	8
Lesotho Child Grant Program (CGP)	6
Malawi Social Cash Transfer Programme (SCTP) ²	5
South Africa Child Support Grant (CSG) ³	8
Zambia Child Grant Programme (CGP)	9
Zambia Multiple Categorical Grant (MCP)	12
Zambia Social Cash Transfer (Monze SCT)	8

1 Not statistically significant.

2 Includes primary and secondary age children.

3 Primary age children only.

in program design and implementation. Several evaluations are ongoing and so data is not yet available (Ethiopia-Tigray; Zimbabwe HSCT; Malawi SCT 2013-14). Program impacts at secondary level range from 5 to 12 percentage points. These effect sizes compare favourably to effect sizes from conditional cash transfer programs around the world as reported in Kenya CT-OVC Evaluation team¹, despite the fact that the SSA programs tend not to be conditional, a conclusion that is also reached in a Campbell Systematic Review on conditional and unconditional cash transfers.²

1 Kenya CT-OVC Evaluation Team (2012). The impact of Kenya's Cash Transfer for Orphans and Vulnerable Children on human capital, *Journal of Development Effectiveness*, 4:1,38-49.

2 Baird, S. Francisco Ferreira, Berk Ozler & Michael Woolcock (2013). Relative Effectiveness of Conditional and Unconditional Cash Transfers for Schooling in Developing Countries: A Systematic Review. *Campbell Systematic Reviews* 2013:8.



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Gender differences: All evaluations assess whether there are differential effects by gender and to report them when there are differences. It is noteworthy that the majority of programs report equal impacts for boys and girls. One program, the Lesotho CGP, reports lower impacts for girls relative to boys (4 versus 8 percentage points) while the Zambia MCP reports larger impacts for girls (19 pp) than for boys (9 pp). The Ethiopia PSNP also reports larger impacts for girls which are statistically significant for households receiving larger transfer amounts. Consequently, the evidence to date suggests that these unconditional cash transfer programs are equally as beneficial for female secondary school enrolment.

Other indicators: As mentioned earlier, evaluations also report other schooling indicators though these are not as comparable across countries. Evidence on these other indicators suggests that cash transfers in SSA also reduce repetition (Ghana, Kenya) and increase school attendance (Ghana). In one case (Kenya), impacts are significantly greater for families that face larger out-of-pocket costs for schooling.

Design features: What are key design features that can increase impacts on schooling for children? A critical parameter in all programs is the size of the transfer—there is a clear pattern of larger impacts when transfers represent a larger proportion of beneficiary pre-transfer income, with a threshold of 20 percent of pre-transfer income being especially critical. Another important feature is the degree of ‘messaging’ about the purpose of the transfer.

In Kenya for example, there is a strong message during program enrolment about the purpose of the cash being for the care and support of OVC including children’s human capital. In Ghana there is an explicit link with the National Health Insurance Scheme which program recipients are required to enrol in, while in Lesotho there is an explicit message that the cash should be spent on children, and as a result there are large impacts on education spending and purchases of children’s clothes and shoes. Conditioning cash payments on school enrolment has not been implemented in the SSA context on a wide scale because of supply-side constraints which effectively discriminate against the most isolated and socially excluded children, capacity issues with monitoring conditions, and because programs have objectives that go well beyond school enrolment. Indeed the impacts shown in Table 1 are of the same magnitude as those of Mexico’s PROGRESA, which conditioned transfers on school attendance and which has been an influential program in terms of advancing CCTs around the world. Nevertheless there remain opportunities to leverage cash transfers to enhance impacts on schooling without imposing conditions, for example by providing complementary services such as textbooks, uniforms or peer-support networks that are linked to schooling and that provide additional support for families to invest in human capital. These complementary services remain a fruitful area for innovation to enhance the schooling impacts of cash transfers in SSA.



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