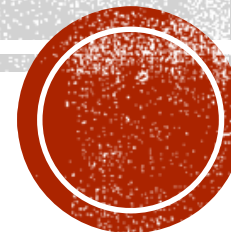


# **SOCIAL PROTECTION PLUS IN LESOTHO**

Transfer Project Workshop, Addis Ababa, 6-8 April 2016



# 1. ABOUT LESOTHO

- Chronic crises and stresses: HIV/AIDS, Climate Change, Overgrazing, Food Price Hikes, Food Insecurity and Malnutrition.
- One of ten most unequal countries globally
- Per capita GDP growth of 3.4% (1981 – 2008). Nevertheless
- Poverty is intractable: 59% to 57% (1990-2013)
- 70% of population depends on agriculture for livelihood

# 1.A EVOLUTION OF SP IN LESOTHO

- EU invests 22 Million (2008-2015) Euro in Support to Social Development in partnership with UNICEF.
- 2012 Min Social Development split from Health. Sets up Child Grant Programme (CGP).
- Government internalizes financing of the CGP starting from the fiscal year 2013/2014.
- Feb 2015 EU-funded National Policy on Social Development and the National Social Protection Strategy Adopted;
- FAO Evaluates Impact of Child Grant Programme on Production
- FAO discovers ways to strengthen Production Impacts

# 1.B. CURRENT STATUS OF SP IN LESOTHO

- Nine percent of GDP spent on transfer programmes (Old Age Pension, school feeding, tertiary bursaries etc)
- Yield positive outcomes
- Enjoy strong popular and political support,
- Much of the money goes to non-poor.
- Some transfer programmes have strong vested interests
- Child Grant Programme considered most advanced in targeting
- El Nino drought induced Food Price increases imply an erosion of benefits

# 1.C. DILEMMA'S SURROUNDING TRANSFER PROGRAMMES IN LESOTHO

- Universality <-> Targeting
- Electoral Benefits <-> Poverty Reduction
- Inclusion of the poor <-> Acquired Rights of the non-poor
- Voice of tradition <-> Voice of the poor
- Cash <-> In-kind Livelihood Support <-> Capacity Development

# 1.D. NEED FOR GREATER INTERNATIONAL ADVOCACY TO FACILITATE CHANGE

- African Union and its Regional Economic Communities can support learning on Social Protection through the CAADP and Malabo Declaration.
- Appoint Social Protection Champion ?
- Inter-Country Peer Review Mechanisms ?

## 2. RESULTS: MYTHS DISPELLED

- The productive capacity of the poor cannot be increased
- Cash transfers breed dependence
- Conditionalities always require compliance systems (GCP Cash Transfer impact evaluation revealed increased levels of expenditure on schooling and health needs for children and increases in food security but limited impact on poverty measures).

# CHILD GRANT PROGRAMME (GCP)

- GCP = unconditional cash transfer since 2009
- GCP Objective = improve living standards of orphans and vulnerable children
- GCP Cash = 25\$ -50\$ quarterly depending on number of children
- GCP evaluation => need for complementary agr and nutrition interventions

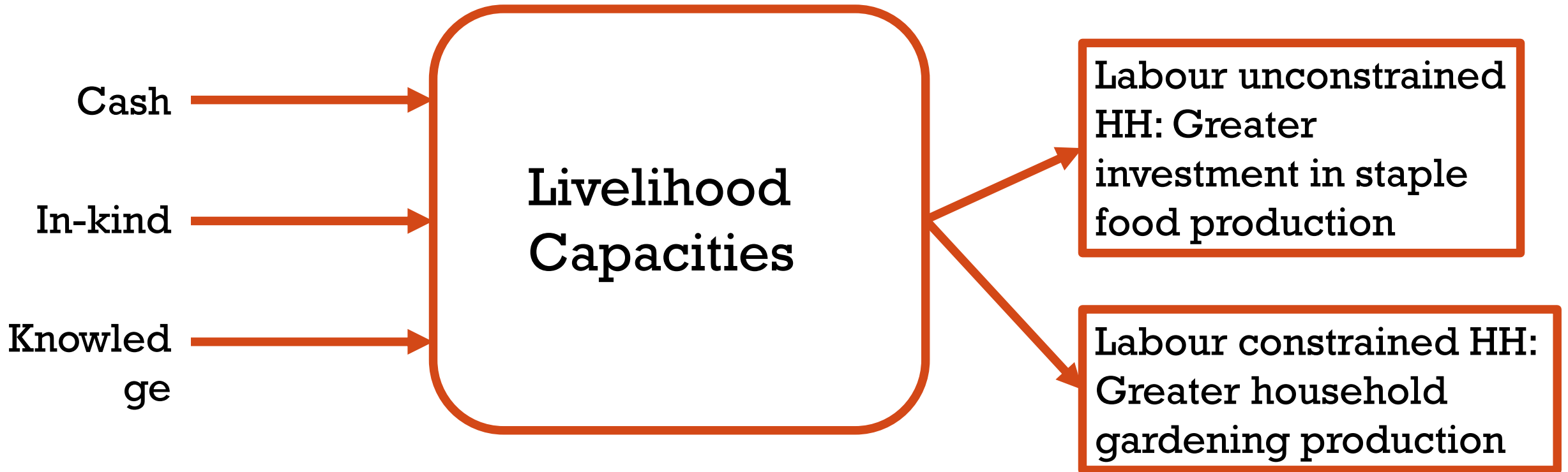


# FAO FOCUSES ON COMPLEMENTARY AGR & PRODUCTIVE INCLUSION

- GCP Cash Transfers plus LFSSP
- GCP Cash Transfers plus SPRINGS

## 2. A. LINKING FOOD SECURITY TO SOCIAL PROTECTION (LFSSP)

- What: provide CGP Cash Transfer plus vegetable seeds and training on homestead gardening
- When: six months, from July 2013 to January 2014
- To whom: 800 households eligible for the CGP
- By whom: FAO-Lesotho and NGOs
- Why: to improve the food security of poor and vulnerable households
- How: cash transfer plus homegardening support, in combination, would result in stronger impacts as compared to each programme in isolation.



## LFSSP: RESULTS (1)

- Differing livelihood strategies and preferences in securing immediate food needs:
  - A) CGP Cash Transfer initially allows labour unconstrained families to exploit investments in small scale operations
  - B) After an additional year of the CGP Cash Transfer, however, labour unconstrained families de-emphasize vegetable harvests and invest more in staple food production
  - C) Labor **constrained** households may have initial preferences for food purchases and have been able to increase efforts in vegetable cultivation only after LSFPP assistance

# LFSSP: THE RESULTS (2)

- CGP Cash Transfer alone had little or no impact on consumption from own-production. Impacts were large for purchases, especially for the unconstrained
- With the introduction of LFSSP Homestead Gardening package and the extra year of transfers, however, households receiving cash consumed more vegetables, home produced meat and dairy goods
- One year later with the LFSSP there were reductions in purchases (notably vegetables) for the constrained families.

# LFSSP CONCLUSIONS

- Positive effects of the combined programs with cash and complementary homestead gardening support, particularly for the poorest
- Impacts differ considerably based on demographic nature of the household:
  - a) CGP Cash Transfer alone achieve some (limited) outcomes for households with labor capacity
  - b) Combination of CGP Cash Transfer and LFSSP homegardening package was particularly suited for labour constrained families
  - c) Complementary activities must be adapted to production potential of different vulnerable groups (not all farmers are the same; not all poor farmers are the same; not all rural families are farmers). Need for better define livelihood profiles.

## 2.B.GCP CASH TRANSFERS + SPRINGS

- What: Sustainable Poverty reduction through income (CGP Cash Transfer), nutrition and Governemnt services
- When: Phase 1: 2015, Phase 2: 2016
- To whom: 2500 GCP Cash Transfer Recipient in three Community Councils
- By whom: UNICEF , Catholic Relief Services, Ministries of Agriculure as well as Social Developoment. FAO-Lesotho provided seed packages. FAO-Rome provides baseline survey and evaluation design
- Why: continue to provide evidence on combined agriculture and social protection interventions
- How: CGP Cash Transfer plus SPRINGS package i.e.community-based savings and lending, income generation, homegardening, related training plus improved access to government services (health, nutrition, education and protection) through One Stop Shops / Citizen Service Outreach Days.

# 3. NEXT STEPS

- Use Lessons learned from LFSSP to Respond to the El Nino drought with cash and in-kind homegardening plus training;
- Support policy and institutional frameworks for integration between agriculture and social protection
- Explore the Role of Social Protection in Resilience (shock-responsive Social Protection) (e.g. effect of food price hikes on purchasing power of cash transfers).
- Strengthened National Information System for Social Assistance (NISSA) to target also food security and complementary agricultural interventions. (Livelihood profiling)
- Evaluate how combinations of Cash Transfers, Agricultural Livelihood complementarities and other elements of community development can enhance effectiveness.



# REFERENCES

From Protection to Production Project

<http://www.fao.org/economic/PtoP/en/>

PtoP Report on the Lesotho Child Grant Programme and Linking Food Security to Social Protection Programme  
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