



# Social Protection in Urban Contexts: The Case of Ghana

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# USP an emerging issue

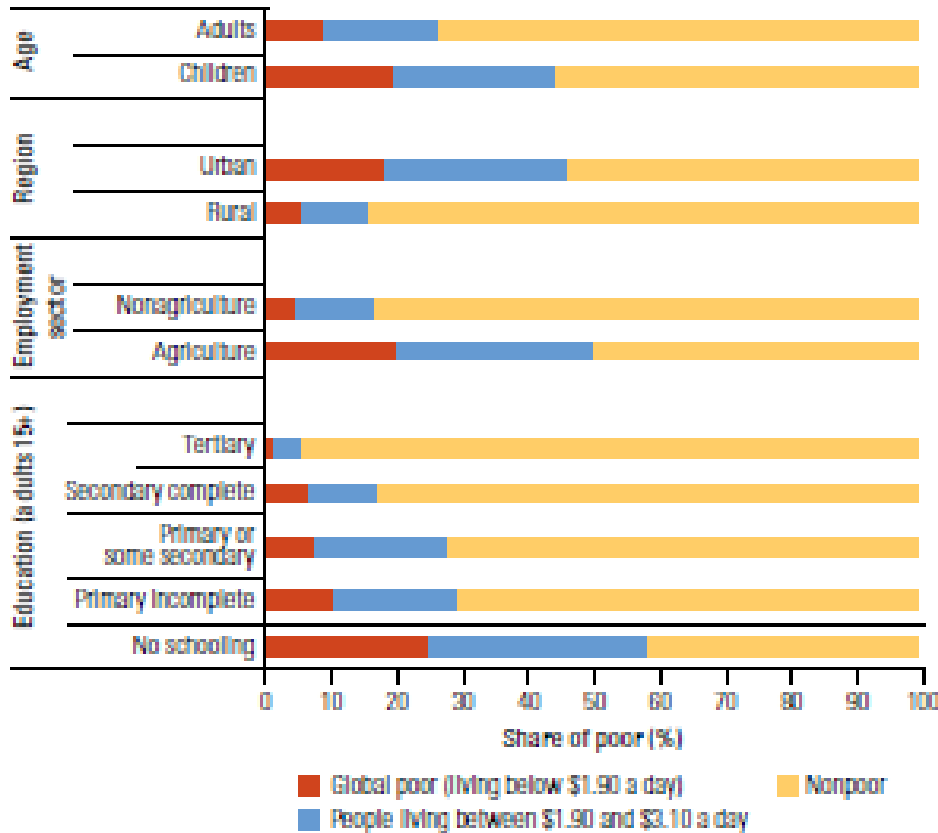
- A dedicated SDG, 11: “make cities and human settlements inclusive, safe, resilient and sustainable”
- SDG11 influences SDG3 (health); SDG8 (sustainable growth); SDG10 (inequality); and SDG16 (inclusive societies)
- New Urban Agenda (UN Habitat III, Quito 2016): right to adequate housing, accessible urban mobility for all, and sustainable consumption.
- Explicit focus to slums, urban migrants and refugees

# Experience so far on USP

- Most SP programs originate in rural areas
- Moving to urban SP has *recently* implied:
  - Replicating or adjusting rural social protection: e.g. **Mexico**
  - A new program exclusive to urban areas: e.g. **China**
  - Simultaneous urban and rural programs: e.g. **South Africa**
- Cannot advice for a USP “best practice” but just “exporting” RSP far from a solution
  - Urban and rural poverty are different
  - Specific challenges for USP

# Urban and rural poverty are different

**FIGURE 2.10** Profile of the Extreme and Moderate Poor, by Selected Characteristics, 2013



## The Global Poor:

- 80% live in rural areas**
- 2/3 live off agriculture**
- Half of them are children**

## Urban Poverty

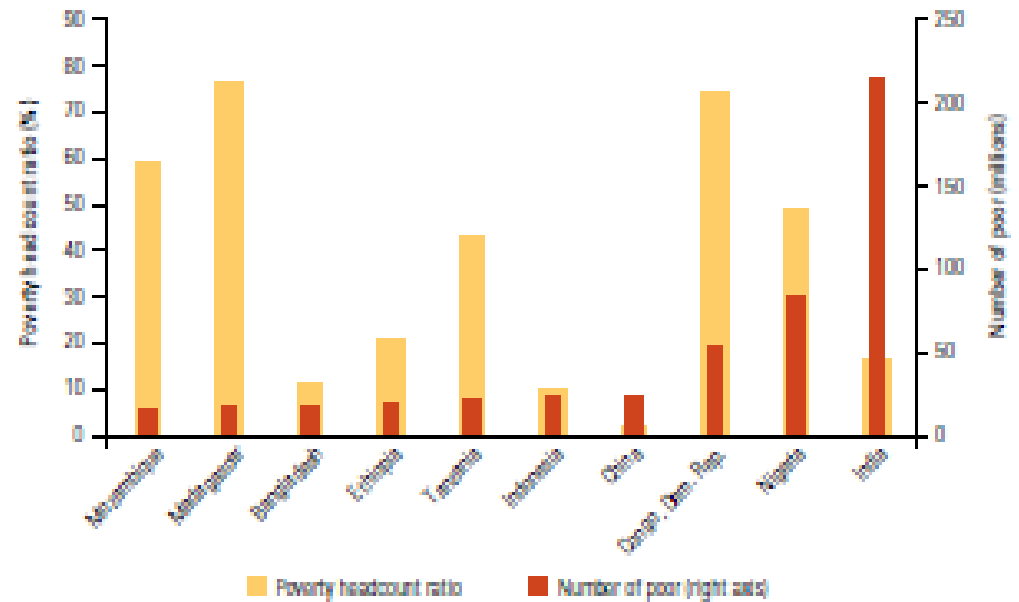
- More volatility of incomes
- Higher living costs,
- Reliance on monetized economy
- Insecurity of employment
- More mobile populations
- High density, more diverse groups
- Weaker social networks

Sources: Castañeda et al. 2016; Newhouse et al. 2016.

# The future of urban poverty

- Concentration of extreme poverty in a few countries (fragile, conflict, disasters)
- Urbanization will create more urban poor
- Ending poverty will increasingly demand bridging urban and rural inequalities
- The poor will continue to be young

FIGURE 2.7 Number of the Poor, Top 10 Countries, 2013



Source: Most recent estimates, based on 2013 data using PovcalNet (online analysis tool), World Bank, Washington, DC, <http://research.worldbank.org/PovcalNet/>.

Note: Poverty is measured using the 2011 US\$1.90-a-day PPP poverty line.

# Specific USP challenges

- Current lower SP **coverage** of the poorest in rural areas [lower urban coverage among the bottom 20 ~ 7 pp on average]
- Social insurance linked to **formal** work does not offer a solution to highly informal urban settings [urban informality as high as 50%-80%]
- Deliberate **exclusion** to urban social services so to discourage migration (e.g. Brazil's favelas, China's hukou, Jordan's UN humanitarian transfers)

# Specific USP challenges

Standard **PMT targeting** more challenging in urban SP

- **Proxies:** Housing material does not relate to land ownership; rural improved WASH subpar for urban areas
- **Weights:** Different weights needed for same proxies (remittances, crowding, ownership)
- **Sampling:** Urban marginalized populations particularly **hard to reach** (become invisible)
- **Community involvement:** Community based targeting in urban areas less effective

# Specific USP challenges

## Provision

- cash vs in kind in highly monetized societies, with higher cost of living and higher price volatility
- Public works programs in urban areas may be less attractive (low paid manual labor competes with more earning opportunities)

**Size** of transfer and disincentives (but unlikely at low levels of benefits)

**Payment levels:** a unique transfer for U/R; differentiated levels; or same level with additional entitlements (housing subsidies, or free utilities)



# Specific USP challenges

- Very practical **operational** issues:
  - migrants (limited knowledge of languages, rights to services, inability to bring entitlements to them);
  - concentration of poor in parts of the cities or slums;
  - transient populations (with implications for registration, payment, monitoring)
  - Portability of SP even in universal provision

# A Quick Review: Ghana LEAP

- Flagship cash transfer programme of the Ghana Social Protection Policy
- A rural programme, targeting poor households who also include at least one eligible member
- Currently reaching approximately 213,000 families (up from 73,000 in 2014)
  - 3.2% of households are in urban areas (6,800)
  - 41% of individuals in households are children
- Demonstrated impacts in several dimensions
  - Education, local economy, livelihoods, happiness
  - Excellent targeting performance!

# Expansion: where the rubber meets the urban road

- LEAP expansion in 2016
  - First time to purposively target urban communities
  - Using same modality as rural targeting
    - Community based mobilization
    - Demand driven registration (MTU)
    - Computer-Assisted Personal Interviewing (CAPI)
    - Application of PMT (same threshold)
- Resulted in **very low qualification rates** (sometimes <1%) in communities that were identified as very poor

# Are households in town just richer?

- Families were **not aware** of registration exercise
- **Access** to registration limited
  - Took place during daytime hours
  - 1-2 locations per community
- **PMT not sensitive** to urban poverty
  - Especially hh size
- Other issues?
  - Perceived benefit doesn't outweigh the time cost?
  - Households too mobile?
  - What about those without homes?
  - Urban poor dispersed throughout the city?

# ULEAP™

(credit: Peter Ragno)

- Four key areas to review:
  1. Outreach and communication
  2. Registration processes
  3. Urban indicators of poverty (PMT)
  4. Adapting the benefit package

# What's Next?

- Will need more information for ULEAP design
  - Urban poverty indicators, poverty mapping in major urban areas, residency status, urban household structure
- Advocate for review of benefit structure (for all of LEAP, now inclusive of urban)
- Identify (and implement) key linkages with social services and productive inclusion
- Go beyond LEAP to identify other social protection adaptations to urban population
- Evaluate the impact of LEAP on urban populations

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Thank You

