



Improving cost-effectiveness of social protection through coordination and implementation

Recently, microsimulations and evaluations of the long-term cost-effectiveness of social protection programmes are gaining attention. Most of them show that benefits can outweigh the costs if all direct and indirect benefits are considered.

Various programme evaluations show that programmes could be more cost-effective if they are better managed. An inclusive, participatory design, implementation and coordination can improve the coverage and efficient delivery of services from the start.

INCLUDE's research projects have investigated three main issues around social protection programmes:

- 1) their mid- and long-term impacts
- 2) their cost-effectiveness
- 3) their coordination and implementation

The main factors for improved coordination and implementation are outlined below.

1. Aligned and integrated programmes

Programmes that can be complementary (e.g. cash transfers and health insurance) need to create synergies, such as aligned information provision and efficient service delivery. Programmes that can be substitutive (e.g. free national healthcare and contributory health insurance), need joint coordination to prevent dropout or 'double dipping'.

3. Acknowledge trade-offs in objectives

Targeting vulnerable groups, providing universal social protection and being cost-efficient are objectives that appear to be difficult to realize in one programme and cause a trilemma.

5. Clear and effective (vertical) governance

Implementation occurs at various levels, including actors such as local bureaucrats. Capacity building and clear role division at these levels is important, as well as alignment with existing informal institutions (i.e. traditional authorities) that can be complementary, substitutive, accommodating or competing.

INCLUDE's 7 research consortia have evaluated the following programmes in Sub-Saharan Africa:

- Free Maternal Services (Kenya)
- Free Primary Care (Kenya)
- Reproductive Health Output-Based Aid (Kenya)
- Cash Transfer for Orphans and Vulnerable Children (Kenya)
- Tanykina Community Healthcare Plan (Kenya)
- Livelihood Empowerment Against Poverty (Ghana)
- National Health Insurance Scheme (Ghana)
- Productive Safety Net Programme (Ethiopia)
- Weather Index Insurance pilot (Ethiopia)
- Senior Citizens Grant (Uganda)
- Vulnerable Family Support Grant (Uganda)
- Self-Help Low-Cost Post-Traumatic Stress Support (Uganda)

2. Substantial, regular and predictable transfers

Although few studies have assessed the long-term impact of cash transfers, explanations for differences in impact can be found in the size of the transfer, the regular payment of the transfers and if recipients were promised to receive the transfer for a long period.

4. Pro-poor design and implementation

The extreme poor and other vulnerable groups are often (self-) excluded from social protection. Coverage can be increased through single registries, adequate information provision on participation and reducing transaction costs (of registration and transportation). Policymakers are advised to thoroughly assess the possible inclusion and exclusion errors in deciding between targeted or universal programmes.

6. Context-specific community participation

National, large scale programmes need tailoring at the local level for effective implementation. Early participation of communities in design can increase coverage, participation and cost-effectiveness.