Session One The nature and scope of child poverty

International Symposium on Child Poverty and Development 20-22 November 2012 Beijing, China







The nature and scope of child poverty

- Monitoring child poverty, deprivation and well-being: Established practises and new developments
 Chris de Neubourg, UNICEF Innocenti Research Centre
- Multidimensional child poverty in rural China: Measurement and policy

Liu Sheng'an, Foreign Capital Project Management Center, State Council LGOP, China

- Mozambique's experience in measuring child poverty and designing key interventions
 Cristina Matusse, Ministry of Planning and Development, Mozambique
- Reducing child poverty: Targeting the poor through social protection

Lawrence Ofori-Addo, Department of Social Welfare, Ghana

MONITORING CHILD POVERTY, DEPRIVATION AND WELLBEING 监测儿童贫困,剥夺与福利

Established practises and new developments 已有实践与新发展

Chris de Neubourg Beijing, November, 2012 北京**, 2012**年11月

unite for children



Measuring child wellbeing 3 main components and 1 focal point 测量儿童贫困: 三个主体与一个焦点

- Monetary poverty (children living in financially poor families)
- 经济贫困(儿童居住在经济困难家庭)
- Deprivation (children lacking "things" they need for their personal development
- 剥夺(儿童缺少个人发展所需"物品")
- Subjective wellbeing (self-assessed wellbeing)
- 主观福利(自我评估的福利,自身感受)
- **Inequities** (children at the bottom far away from the median in a single domain and children deprived simultaneously in multiple domains)
- •不平等(在单一维度上处于底层的儿童距离中位数很远,且儿童在多个维度同时被剥夺)

CHILD WELLBEING



FINANCIAL POVERTY

经济贫困

DEPRIVATION 剥夺

SUBJECTIVE (not feeling well) 主观 (感觉不佳)

INEQUITY



UNICEF Innocenti Research Centre

3 COMPONENTS ARE RELATED BUT NOT THE SAME: PARTIALLY OVERLAPPING 三个主体领域相关但不等同:部分交叠



POOR CHILDREN Children living in poor families 贫困儿童:居住在贫困家庭的儿童

- Poor families = families with financial means below a defined minimum standard (poverty line)
- 贫困家庭 = 家庭财产低于定义的最低标准(贫困线)
- The minimum standard can be defined in various ways;
- 最低标准有如下几种定义方法;
- By the government (xx RMB) —— 由政府规定 (xx人民币)
- By an international agreed (set) minimum standard (x \$ per day, i.e. World Bank) —— 国际认可的最低标准(x美元/天,如世界银行)
- By an international agreed procedure (x % of the median income, i.e. EU, OECD) —— 国际通用的判定方法(中间收入的x%,如OECD和EU)

DEPRIVATION OF CHILDREN Dimension that can be measured 儿童剥夺:可衡量的维度

- FOOD, NUTRITION —— 食物,营养
- HEALTH —— 健康
- WATER —— 用水
- SHELTER —— 住房
- EDUCATION and EARLY CHILDHOOD DEVELOPMENT —— 教育和幼 儿期发展
- EXPLOITATION CHILD LABOUR —— 使用童工
- LEISURE CULTURAL ACTIVITIES —— 闲暇和文化活动
- INFORMATION —— 信息
- VIOLENCE —— 暴力
- REGISTRATION —— 登记注册
- FREEDOM OF EXPRESSION ——表达自由

Single Dimension Deprivation 单维度剥夺

- Measures the degree of deprivation of children in every single dimension
- 在每一个维度分别衡量儿童剥夺
- For example the Global Poverty Study for China revealed that children in rural areas in 2 Chinese provinces are especially deprived in nutrition, early childhood development, safe water, sanitation and housing as the major areas of deprivation for children.
- 例如全球贫困研究发现,中国有两个省的农村地区儿童剥夺在如下维度表现得较为明显:营养,幼儿期发展,安全用水,卫生设备以及住房。

Ilustration (based on China Health and Nutrition Survey – 9 provinces – small sample – 2000 children) 中国实例(基于中国营养与健康调查—9省—小样 本 — 2000个儿童)

Deprivation Headcount Rate (%) of Each Dimension by Area, Inference Approach, 2009 —— 按地区划分的各维度剥夺率(%), 推断法, 2009



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Deprivation index —— 剥夺指数

- Deprivation indices summarize deprivation in several dimensions, sometimes including financial poverty, into a single figure: a multidimensional index
- 剥夺指数将不同维度的剥夺加总成一个数字,有时包括经济贫困:多维度指数

Important examples: —— 重要例子:

- Global poverty study: Bristol approach (2003)
- 全球贫困研究: Bristol 方法(2003)
- MPI Multidimensional Poverty Index (OPHI UNDP)
- MPI多维度贫困指数(OPHI UNDP)
- Advantage: a single figure is easy to communicate
- •优势:单一数字易于传递信息
- Drawbacks: it collapses the many dimensions again into 1
- 劣势: 将多维度变回单一维度
- **But** it has attractive mathematical properties: the index can be decomposed in composing elements
- •然而,它具有很好的数学特质:指数可以被分解为不同的组成元素

Multiple Overlapping Deprivation Analysis MODA 多维度交叠剥夺分析 MODA

- Combines the insights gained from single dimensional analyses with the mathematical properties of the index construction
- 将单维度分析可得的见解与指数所具有的数学性质相结合
- Adds to that the possibility to look at the interactions (feedback loops) between the deprivations in each of the dimensions
- 更可能考察不同维度之间的相互作用(反馈回路)
- It makes a more profound equity analysis possible
- 使得更深入的平等分析成为可能

Life cycle approach and the child as the unit of measurement and consideration 生命周期法以及儿童作为衡量与考察的单位

- Children have varying needs at different ages: measuring deprivation is to be measured age-specifically
- 儿童在不同年龄有不同需求: 剥夺的衡量也应随年龄而变
- Children needs cannot be reduced to a single dimension: children grow up and need a series of of things in that process
- 儿童需求不能被简化为单一维度: 成长过程需要一系列"事物"
- After a child has been well taking off during pregnancy and birth, it needs to be immunised and well nourished, having access to clean water and a safe environment, go the school and being able to learn etc.
- 在一个儿童安全降生以后,需要接种疫苗、精心喂养,拥有干净饮用水,安全的生存环境,上学并获取知识等。
- Just saving lives of children younger than 5 is not enough
- 仅仅拯救5岁以下儿童的生命是远远不够的。

Life cycle approach (CNHS) 生命周期法 (CHNS)

Deprivations of Each Dimension (H, %), Life-cycle Approach 各维度被剥夺儿童的百分比(%),生命周期法



MODA life cycle approach MODA 生命周期法

Figure 1 The Life-cycle approach: selection of dimensions for each age group



表1 生命周期法:每个年龄组的维度选择

UNICEF Outline – MODA objectives – Methodology – Country Case - Conclusion

Multidimensional Overlapping approach 多维度交叠分析法

- Can further analyse single deprivation analysis
- 可以进一步进行单维度分析

I. Single deprivation analysis, Age 0-4 单维度分析, 0-4岁

<u>3. Deprivation incidence at sub-national level —— 地区水平的剥夺指数</u>

Choose a dimension				
Nutrition				
Health				
Water				
Sanitation				
Housing				
Violence				



MODA can make special multiple overlapping analyses MODA可进行特殊的多维度交叠分析

II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析,0-4岁

<u>1. Number of deprivations for each child</u> —— 每个儿童的剥夺维度数目

(1) Distribution of number of deprivations at national level — 国家水平的分布



II. Multiple Overlapping Deprivation Analysis, Age 0-4 多维度交叠剥夺分析, 0-4岁

(2) Multi-dimensional deprivation distribution by different characteristics 根据不同特征分组后的分布



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Outline – MODA objectives – Methodology – Country Case - Conclusion

II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析,0-4岁

2. Deprivation overlap analysis —— 剥夺交叠分析

(2) Deprivation overlap for 3 dimension —— 三维度交叠分析





Multidimensional Analysis (CHNS) 多维度分析 (CHNS)

Percentage contribution of each dimension to regional adjusted headcount, **Inference approach**, K=2, Equal weights

每个维度对地区调整剥夺指数(根据剥夺宽度进行调整)的贡献,推断法,K=2,等权重



UNICEF Innocenti Research Centre

Decomposing according to region (CNHS) 按地区分解 (CHNS)

Percentage contribution of each region, Inference Approach, K=2 各地区贡献百分比, 推断法, K=2



MODA

Multiple Overlapping Deprivation Analysis 多维度交叠剥夺分析

Dashboard approach 仪表盘法

Mock up version CC-MODA dashboard CC-MODA 仪表盘试验版展示 UNICEF IRC

• www.unicef-irc.org

The CC-MODA output and the principles of the MODA methodology will be disseminated through an *Interactive web-portal.*

CC-MODA的分析结果将通过一个互动数据库来进行传播。

Multidimensional Child Poverty Analyses: the Multiple Overlapping Deprivation Analysis (MODA) approach

Background

Methodology

CC-MODA analysis by country

CC-MODA cross-country comparison analysis

The CC-MODA output will be disseminated through an *Interactive web-portal*. **CC-MODA**分析结果将通过一个互动数据库来进行传播

Multidimensional Child Poverty Analyses: the Multiple Overlapping Deprivation Analysis (MODA) approach

Background

Methodology

CC-MODA analysis by country

CC-MODA cross-country comparison analysis

CC-MODA ANALYSIS BY COUNTRY —— CC-MODA单个国家

Select a country	-	Select age-group	Select type of analysis	-	Go
Ethiopia (2011)		Age 0-4	Single deprivation analysis		
Kenya (2008)		Age 5-17	Multiple overlapping deprivation analysis		
Liberia (2007)]	
Nigeria (2008)		Combined age-groups			
Tanzania (2010)					
Zambia (2007)					

II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析,0-4岁

<u>1. Number of deprivations for each child</u> —— 每个儿童的剥夺维度数目

(1) Distribution of number of deprivations at national level —— <u>国家水平的分布</u>



II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析, 0-4岁

(2) Multi-dimensional deprivation distribution by different characteristics —— 根据不同特征分组后的分布



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Outline – MODA objectives – Methodology – Country Case - Conclusion

II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析,0-4岁

2. Deprivation overlap analysis —— 剥夺交叠分析

(2) Deprivation overlap for 3 dimension —— 三维度交叠分析





II. Multiple Overlapping Deprivation Analysis, Age 0-4

多维度交叠剥夺分析, 0-4岁

5. Decomposition of the adjusted deprivation headcount -cont'd ——调整剥夺比率的分解



UNICEF Outline – MODA objectives – Methodology – Country Case - Conclusion



Multidimensional child poverty in rural China: Measurement and policy

LIU, Sheng'an

Foreign Capital Project Management Center, State Council LGOP

November 2012



Limited research on multi-dimensional child poverty in China

- Child poverty in China is more severe than that in developed countries.
 However there is no systemic official data of multidimensional poverty.
- Analysis and evaluation are conducted from the 7 dimensions of child poverty, based on China's actual conditions and lessons from international practices.





Outline

Multidimensional child poverty in China and policies

 Comprehensive analysis of multidimensional child poverty in China



Dimension of Income



Children whose family income is low or unevenly disposed, would be short of basic needs for living and development

Population of poor children in rural areasChild poverty incidence in rural areas

In 1978, rural land reform began. In 1986, public institution in charge of rural poverty alleviation and development was established. In 2007, the State Council set up the system of subsistence allowances in all rural areas Later, a series of polices benefiting rural communities is launched.

Dimension of Income

- Estimated population of 0-14 children living in poverty: 20,250,000
- Poverty incidence of 0-14 children




The factors that influences children's health: heredity, environment, and health care

Incidence rate of a disease within
2 weeks
Child mortality

1989, People's Republic of China on the prevention and control of infectious diseases
 1994, Maternal and infant health care act
 2003, New Rural Cooperative Medical System





Source: 2008 National Health Service Survey







Source: Development and Statistics Bulletin of Health Cause in China, 2010



Dimension of Nutrition



Measure children's nutrition conditions, which is affected by factors like economic situation, dietary structure, feeding method, etc.

Child Malnutrition Rate

 Code of Marketing of Breastmilk Substitutes in 1995
 National Student Drinking Milk Plan, Student Nutrient Meal, National Beam Plan in 90s

>In 2007, free textbooks and fee waiver are offered to students from poor families under the 9^{th} grade and basic allowance provided to boarding students

From fall 2011, Nutrition Improvement Program carried out in rural China for children under 9th grade. Piloted in 680 extremely poor counties, the Program provides primary school and junior high students with RMB 3/day as food allowance, benefiting as many as 260 million.

Dimension of Nutrition

中国5岁以下儿童中重度营养不良率(%)





Dimension of Water and Sanitation



Children who have no access to safe water and sanitation likely to have their living compromised or contract disease

Rate of access to running water in rural areas Rate of access to sanitary toilets

1989, Prevention of Drinking water source pollution Since 1986, the objective of increasing rural access to safe water was added to the Five-Year Plan of National Socioeconomic Development. Since 1996, the objective of increasing access to sanitary toilets was added to the Five-Year Plan of National Socioeconomic Development and considered as the obligation of central and local governments The Government launched The Eleventh Five-Year Plan of National Rural Drinking Water Safety (2006-2010), and stated that by the end of 2010, the issue of safe water for 160 million rural people should be tackled.

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Dimension of Water and Sanitation

中国农村饮用自来水人口占农村人口比例(%)



Source: China Health Statistics Yearbook 2010, National Rural Household Sample



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Dimension of Water and Sanitation

中国农村卫生厕所普及率(%)



2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010

Source: China Health Statistics Yearbook 2010, National Rural Household Sample



Dimension of Education



Failing to receive early and fundamental education due to various reasons would compromise children's intellect, skills and potential, and thus have long-term effect on human capital accumulation

- Retention rate
- Enrollment rate in pre-school

Since 1983, Teachers Law, Education Law, Vocational Education Law, and Compulsory Education have been passed, and have formed a legal framework for substantial education development.

China launched its Outline of National Medium and Long-term Education Reform and Development Plan (2010–2020), which noted that by 2012, national expenditure on education should reach 4% of GDP.

By 1995, 9-year universal education is achieved. In 2005, school fee waivers and free textbooks offered to all rural students under 9th grade, and basic allowance granted to boarding students.



Dimension of Education

中国扶贫工作重点县义务教育阶段儿童在校率(%)





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Dimension of Education

中国学前教育毛入园率 (%)





Source: Census of Women and Children in China, 2010



Education Dimension

中国财政性教育经费支出占GDP比例(%)



2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Source: Finance Office in Department of Education, National Bureau of Statistics



Dimension of Shelter



Children living in poor housing conditions are vulnerable to weather hazards, and may endure physical and/or psychological harm.

- Size
- Structure
- Housing value per capita

The State Council promulgated its Regulations for Rural Five-Guarantee Work in 2006, in which the third entry is to "provide standard housing condition".

The Ministry of Housing and Urban-Rural Development promulgated its Guidance on Expanding Pilot Restructuration of Endangered Housing 2009, and granted housing allowance to five-guarantee families, low income families and other poor families who live in dilapidated buildings.

Chinese Government carried out Rural Dilapidated House Transformation Program from 2008 to 2010. The central fiscal authority granted RMB 11.7 billion to finance housing improvement for 2.04 million households in pilot areas. By 2011, all counties in central and western China have been included in the plan.



Dimension of Shelter



Source: National Rural Household Sample Survey



Dimension of Shelter



2009年中国农户钢筋混凝土和砖木结构住房面积比重(%)

Source: National Rural Household Sample Survey





2009年中国农户人均住房价值(元)

Source: National Rural Household Sample Survey



2006年中国儿童因伤害致残比率



Source: Second National Sample Survey of People with Disabilities, 2006

关注 ACTOMS ON CHILD POWERTY

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According to the Second National Sample Survey of People with Disabilities, the rate of children disabled due to injury is 14.2 out of 10,000 (16.3 for boys and 11.9 for girls).

Dimension of Social Protection



Children whose caretakers fail to provide love and care, or who are not able to fully participate in social activities and service, and thus are subjected to physical and/or mental harm, affecting their holistic growth

- Rate of injury
- Rate of disability due to injury
- > Mortality
- > No. of special children

China promulgated Law of the People's Republic of China on the Protection of Minors in 1991, which states that minors have right to proper rearing and care, and parents are legally obliged to fulfill their responsibility as guardians to raise and educate minors.

The State Council promulgated Guidance on Migrant Worker Issues in 2006, which demanded that local government take action in the education of left-behind children in rural areas.

Adoption Law, which was launched in 1991.

"Piloting poverty relief and HIV prevention in Yi

ethnic-minority-inhabited areas in Liangshan"

"Piloting poverty relief and Kashin-Beck disease prevention in Aba, Sichuan Province"



Special Children

- Left-behind children
- Migrant children
- ► Orphans

According to 2010 data, there are over 50 million left-behind children in rural China, and more than 200 million migrant children, whose average age is 12 and the average time period without parental care is 5 years

Most drug- and HIV- affected regions

- ► HIV-affected children
- Children in endemic disease affected areas





- Multidimensional child poverty in China and policies
- Comprehensive analysis of multi-dimensional child poverty in China



Chinese Government has paid attention to child poverty reduction and development, and has achieved a great deal

Law and framework

Law of the People's Republic of China on the Protection of Minors, Law on Compulsory Education, Law on Mother and Infant Health Care, Prevention of Juvenile Delinquency Act, Prohibition of Child Labor, National Plan of Action of Children's Development

Actions and measures

Financial support, program support, social resources, targeted support

All of the above are measures in a single dimension or another.



Imbalanced Development among Dimensions of Child Poverty in China

- Government has paid attention to income, education, health, water and sanitation.
- There are some weak links in child poverty reduction, like pre-school education, malnutrition, and special children.



Correlations in Multidimensional Child Poverty

Analysis based on sample survey in Hubei Province and Gansu Province shows:

- Income poverty is not significantly correlated with factors of education, immunization, health care, underweight or stunting, but it is with housing condition.
- There is no significant correlation between family income level and pre-school attendance for children aged 3-5 and 6-15.
- ► There is no significant disparity in morbidity whether the family is poor or not.
- Out-migration for non-farming jobs helps to reduce income poverty. Based on the child poverty rate, the integrated rate of extreme poverty and low income is 17.9% if there is one family member who goes out for a non-farming job. If no family members migrate, the figure is 26.5%. However, the absence of both parents has negative effects on children's mental health, and they rank the lowest in perceived happiness, life satisfaction and self-confidence.
- The major factor in reducing child poverty is increasing investment in education healthcare, immunization and infrastructure.

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Thank you! Any questions and criticisms are welcomed.





Republic Of Mozambique Ministry of Planning and Development National Directorate of Planning

Scope and Nature of Child Poverty Mozambique Experience in Measuring Child Poverty and Designing key Interventions

South – South Cooperation Symposium on Child Poverty

20 - 22 November 2012, Beijing, China

Presentation Topics

- Key data sources to measure poverty
- Poverty Definition
- Poverty measurement methods
 - Monetary measures
 - Non-monetary measures
- Key areas to measure Child Poverty
 - Access to Education
 - Access to Health services
 - Anthropometric measures (nutrition)
- Government interventions to address Child Poverty
- Final Remarks

Key Data Sources

- National census population
- Household Budget Survey
- Household Survey
- Demographic and Health Survey
- Multiple Indicator Cluster Survey
- Agriculture Survey
- Administrative data
- Continuous Household Survey (New), INCAF
- Other sources

Poverty Definition

National Definition:

•Mozambique evolved from a view of poverty that was **strictly monetary** (in PARPA I) to a **more holistic** view that defined poverty as —

"The impossibility, due to incapacity or due to lack of opportunity of individuals, families or communities to attain minimum living conditions according to basic societal norms" (PARPA II)

Poverty Measurement Methods

- Poverty as a multidimensional phenomena
- Three dimensions of the poverty:
 - Consumption poverty
 - Property or access to public or private goods or services
 - Anthropometric measures of child well being
- Two poverty lines:
 - Food poverty line (basket food!)
 - Non food poverty line

Poverty Measurement

Poverty Approach	Advantages	Disadvantages
Consumption Poverty	 Consumption level that satisfy basic conditions in food and non food items (absolute poverty); Define one poverty line 	 Focus on one well being dimention; Sentitive to short term variation (climate and economic disasters)
Non Monetary Poverty	 Owenership to durable goods, access to public services; Illustrate longer term development processes 	 There is no linkage with a fix standard deviation of well being; No linkage with consumption in shorter term.
Anthropometric Measures of Child Well Being	 International measure for absolute deprivation; Precise and consistent (timelly and geografically) 	 Weak linkage with economic growth in short term; Does not capture poverty dinamics aspects

Poverty Measurement

- Poverty Indexes:
 - Poverty headcount proportion of people living below poverty line (2008, 18 Mts , almost half a dollar)
 - 1997-96.7%
 - 2003 54.4%
 - 2008 54.7%
 - Poverty gap distance between the poverty line and family consumption
 - Square poverty gap measure inequalities among poor people

Limitations on Consumption Poverty

 It focus on the families and not on the individuals – 80 per cent of household members are children

 Estimated family consumption does not make any reference to the consumption composition for children

Non Monetary Measures

- Quality of housing
- Durable consumer goods
- Access to education
- Access to health services
- Access to safe sanitation and drinkable water
- Access to electricity
- Anthropometric measures (nutrition)

Key Areas to Measure Child Poverty

Access to Education

• Net Enrollment Rate for Primary and Secondary School - NER



Access to Health

- Infant mortality rate
- Under five mortality rate


Anthropometric Well Being Measures

- Malnutrition Measures
 - Height/Age Chronic malnutrition, Stunting;
 - Weight/Age Underweight;
 - Weight/Height Acute malnutrition, wasting.

Anthropometric Well Being Measures



Anthropometric Well Being Measures



...there is a **strong negative association between parental education** (in this case the head of the household) **and malnutrition**.

eg: chronic malnutrition among children who reside in households whose head has no formal schooling is 51.4%, while the rate of chronic malnutrition for children who reside in households whose head has completed higher education is only 26.2%.

Key Policies to Address Child Poverty

ON THE PARP/PRSP:

Priority 1. Availability and Quality of Social Services

Strategic objectives:

Promote equity in access to health care, with special attention to health and nutrition for women, children and other vulnerable groups

Reinforce measures to increase access for pregnant women to institutionalized child
Care through financing and greater numbers and quality of service providers, as well as incentives to boost demand for services.

•Institute preventive and curative nutritional surveillance to reduce mortality from malnutrition among children under fives.

•Introduce multi-sector intervention packages for reducing chronic malnutrition.

Key Policies to Address Child Poverty

Priority 2: Universal access to seven years of primary education, of sufficient quality to ensure the learning of basic skills:

- Continue with the accelerated construction of classrooms and improving their quality and sustainability.
- Continue to strengthen and implement programs to improve the quality of instruction and to keep children in school through to grade seven.

Key Policies to Address Child Poverty

Mozambique approved in 2007 the National Strategy for Food and Nutritional Security (ESAN II)

The strategy focus on:

- •Ensure enough food to people
- Improve purchase power
- •Reduce stunting and underweight
- •Multisectorial interventions

All above objectives are integrated in the national programmes and strategies including PRSP/PARP, Economic and Social Planning and State Budget.

Final Remarks

- Poverty measures based on households
- Child poverty related to specifics measures more related with child well being (health, education and malnutrition areas)
- In general progress observed in those measures

REDUCING CHILD POVERTY: *TARGETING THE POOR THROUGH SOCIAL PROTECTION*

A Case Study from Ghana

Mr. Lawrence Ofori-Addo Deputy Director, Department of Social Welfare LEAP Coordinator Ghana

Ghana - Background

- Population of 24.4 million
 > 45% below 18 years
- GDP of \$38 Billion;

 \blacktriangleright economic growth rate of 14.4% in 2011.

- Lower Middle Income Country
 > GDP Per Capita of \$1,300
- Poverty halved between 1991 and 2005;
 - Poverty Rate: 28.5%, Extreme Poverty Rate: 18.2%
- Improving HDI: 0.38 in 1990, 0.54 in 2011; ranked 135 out of 187 Countries
- But inequality persists:
 Gini Coefficient: 42.8 (2006)



CHILD POVERTY AND DISPARITIES

- An estimated <u>**3.4 million</u>** children live in poverty (2.2 million live in extreme poverty).</u>
- But Ghana has seen a significant reduction in Child Mortality.



Source: GDHS 1988, GDHS 1993, GDHS 1998, GDHS 2003, GDHS 2008.

WIDE DISPARITIES IN CHILD MALNUTRITION AND EDUCATION



More than 30% of children in Upper East, Northern, Eastern and Central Regions are **stunted**



Net enrolment in primary schools is fairly high, although enrolment is not the same in all regions...

LEAP: FLAGSHIP NATIONAL SOCIAL PROTECTION PROGRAMME SINCE 2008

- LEAP provides cash transfers to extremely poor households who have one of the following "eligible members".
 - Orphans and Vulnerable Children
 - The Aged/Elderly (65 years and above)
 - Severely disabled people who cannot work

• LEAP Conditional on accessing health and education services:

- All children 5-17 years in household must be enrolled in school
- All children below 5 years must be immunized and have regular health screenings.
- Current expansion plan is to reach ~160,000 households by 2016 (20% of bottom quintile).
- All members of the household get **free National Health Insurance** Scheme for indigents

IMPACT OF LEAP – HEALTH AND EDUCATION

Children are 14% points more likely to have health insurance and 7% points less likely to be ill.

	(1)	(2)	(3)	(4)
		Curative	Preventive	NHIS
	Illness	care	care	enrollment
2012	0.07	0.17	0.10	0.16
	(5.23)	(0.89)	(0.58)	(8.52)
Т	0.04	-0.35	0.51	-0.27
	(0.58)	(0.28)	(0.65)	(2.32)
DD	-0.07	0.00	-0.13	0.14
	(4.07)	(0.02)	(0.68)	(4.87)
Observations	3,360	232	153	3,345
R-squared	0.13	0.69	0.81	0.41

LEAP reduces the likelihood of children 5-17 years old missing any school by 6%, and reduces the chance of repeating a grade by 11%.

	(1)	(2)	(3)	(4)
	Missed any	Currently	Ever repeat	Missed entire
	school	enrolled	grade	week
2012	-0.11	0.01	0.05	0.54
	(7.21)	(1.01)	(2.56)	(28.61)
Т	-0.03	-0.07	0.18	-0.06
	(0.37)	(1.04)	(1.55)	(0.49)
DD	-0.06	0.02	-0.11	-0.05
	(2.99)	(1.25)	(3.98)	(1.98)
Observations	3,329	3,558	2,933	3,327
R-squared	0.22	0.20	0.23	0.47

IMPACT OF LEAP – QUOTES FROM BENEFICIARIES

• "LEAP has allowed for improvements and changes in the diets of beneficiaries. Beneficiaries now able to cook with good magi and more fish. There is also more variation of foods we eat ..." (Female Beneficiary, Dalung, Northern Region).

• "Some of the beneficiaries have **started small businesses**. They have put up temporary tables where they sell sweets, biscuits, matches etc. Others also fry koshe and kulikuli and they sell them in the market on the road". (Female beneficiary, Tali)

 "Before LEAP it was all about survival. Some people might have died, but for LEAP". (beneficiary in Agona Abrim community)

LEAP REFORM

<u>Targeting</u> is done in 4 steps: STEP 1: Geographical Targeting

STEP 2: Community Based Targeting (CBT)

STEP 3: Proxy Means Testing (PMT)

STEP 4: Categorical Targeting

Challenges with CBT:

- Inconsistent implementation
- Poor transparency and accountability

<u>Challenges with PMT:</u>

- Slow, expensive roll-out
- Lower targeting performance

	Poverty Status – Households (GLSS5)					
	extrem e poor		non- poor	Total		
LEAP PMT score and Categorical Targeting (PMT & CT)						
Targeting	13%	11%	11% 76%			
Coverage	12%	16%	10%	11%		

Coverage of poor

Inclusion errors

Targeting performance

THE COMMON TARGETING MECHANISM - ROADMAP



THE CTM PILOT

• A new Proxy Means Test was designed in 2010, based on survey data

	Simulations using GLSS5/6							
		Old PMT		New PMT				
	extreme poor	all poor	total population	extreme poor	all poor	total population		
targeting	19%	33%	-	53%	70%	-		
coverage	15%	16%	14%	57%	48%	19%		

- A pilot was carried out in 2011 to:
 - 1. Validate the new PMT against an independent verifier of welfare (aggregate consumption per household)
 - 2. Test a combination of targeting methodologies in the application of the PMT. *Two options were considered*:
 - A. Community Based Targeting and PMT (similar to the existing LEAP approach)
 - B. Door-to-door census of PMT with Community Validation.

PILOT EXERCISE - METHODOLOGY

- 6 districts, 12 communities (4 in each of the three ecological zones in Ghana forest, coastal, and savannah).
 - **1. In 6 Communities**: PMT only to validate its performance against consumption.
 - **2A. In 3 Communities:** Community based targeting (CBT) exercise was carried out prior to PMT.
 - **2B. In 3 Communities:** Door-to-door census administration of PMT, followed by a Community Validation (CV).
- The Community Based Targeting and the Community Validation were carried out by Community Committees formed and trained on this purpose, similar to the LEAP model.

PERFORMANCE OF PMT

The correlation between the PMT score and the welfare measure (consumption per capita) is overall satisfactory.



AS A RESULT, TARGETING PERFORMANCE DOUBLED



PMT AND CBT

- Both the PMT and the CBT perform relatively well in targeting the poor
- The PMT reduced the inclusion errors (4%), but also has high exclusion errors* (34%)



PMT AND CV

• Exclusion errors reduced (4% verses 34%) but at the expense of increased inclusion errors (27% vs. 4%)



PILOT – SOME LESSONS LEARNED

- **PMT was poor at targeting small households;** it has subsequently been improved to reduce high exclusion errors.
- **Communities are able to target well**; however, need consistent training to reduce bias.
- **Geographical targeting within districts matters** fewer inclusion errors in areas with high poverty levels.
- **Census approach is costly** the census approach would increase the cost three times compared to the CBT approach, thus PMT and Community Validation combination could not be pursued.
- <u>**Conclusion</u>**: As a result of significant improvement in targeting accuracy and the lack of funds to do a full scale census, the CBT PMT methodology was adopted with improvements to both CBT and PMT.</u>

IMPLEMENTATION CHALLENGES FOR CTM

There are several **disincentives** for other stakeholders to engage in the CTM

• Administrative:

- Concerns that complex targeting procedures may slow down delivery of benefits
- Lack of control of targeting could imply fewer resources for individual programs
- Some agencies have different priorities and may not commit to CTM

• Financial/Cost:

• Some SP programs currently incur little or no explicit costs of targeting.

• Political Economy:

- Restricting discretion may be less politically appealing
- Large targets and political pressure to achieve these targets in short periods of time may not encourage systematic targeting procedures

NEXT STEPS

- Ensure **stronger engagement with Ministry of Finance** on the following:
 - Budgetary allocations across SP programs should take into account targeting effectiveness.
 - Rationalize GoG spending on SP
- Incorporate lessons learned from roll-out into finalizing implementation arrangements:
 - Form and train District and Community Social Protection Committees
 - Finalize cost structure
 - Finalize information sharing agreements

• Continue to engage other relevant SP programmes

THANK YOU

OTHER REFERENCE SLIDES

LEAP TARGETING EFFICIENCY COMPARED TO OTHER SOCIAL PROTECTION PROGRAMMES

	Share of outlays benefiting the poor	Coverage estimates	Targets
	(estimations using imputation methods)	(various years 2006-2011)	(set by policy makers)
LEAP (Livelihood Empowerment Against Poverty)	57.5	~70,000 HHs	200,000 HHs (2016)
NHIS indigent exemption	>50	~150,000 ind.	1.8 million persons
Free School uniforms	not known	1,260,000 ind. (over the life of the program)	1.5 million pupils
Labor intensive public works in poor areas	not known	~ 7,600 ind.	-
National Youth Employment Program (NYEP)	not known	~110,000 ind.	-
Ghana School Feeding Programme	<21.3	~ 500,000 ind.	-
Kerosene subsidies	20.7	~ 50% of HHs	-
Fertilizer subsidy scheme	15.8	~ 16% of HHs	-
Electricity subsidies embedded in tariff structure (in 2005/06)	8.0	~ 50% of HHs	-
Subsidies for petrol and diesel products (except kerosene)	>2.3	na	-

LEAP EXPANSION PLAN

Description	2013	2014	2015	2016
Coverage (Number of	90.000	120.000	165 000	200.000
Average number of HH members (3.9)	351.000	468.000	643.500	780.000
Average value of the grants	36	36	40	40
Total resources for payments	38,880,000	51,840,000	78,408,000	96,000,000
Totals* in US\$				198,352,000

More than 1 in 4 children in Ghana is stunted



LEAP PROJECT CYCLE



PMT vs. Cbt results

- Both the PMT and the CBT perform relatively well in targeting the poor
- As expected, the CBT seems to have slightly higher inclusion errors, while the PMT seems to have higher exclusion errors



* the figures are not fully comparable; however the pattern is the same when imposing an equal number of selected HHs by both methods (per community)

Community vs. PMT preferences

		CBT selected	PMT selected	HH is poor	CBT selected	PMT selected	HH is poor
	(% of HHs)	Row %	Row %	Row %	Column %	Column %	Column %
Household	Less than 2	21%	1%	23%	31%	1%	16%
size	3 - 6	22%	23%	56%	53%	56%	64%
	7 or more	27%	69%	69%	16%	43%	20%
HH has	elderly	49%	30%	67%	39%	24%	25%
HH has	disabled	40%	33%	60%	16%	14%	12%
HH head is e	lderly widow	56%	20%	69%	9%	3%	5%
Death of a mer	working HH nber	31%	15%	38%	16%	6%	9%
Gender of	Male	18%	24%	46%	55%	76%	67%
HH head	Female	32%	17%	49%	45%	24%	33%
Number of	none	59%	3%	59%	19%	1%	9%
working age	1	20%	10%	34%	33%	17%	26%
adults	2	17%	24%	50%	28%	39%	38%
(18-59)	3 or more	23%	47%	62%	20%	43%	26%

DISTRIBUTION OF POVERTY

- The number of poor people in the south declined by 2.5 million, but *increased* by 900,000 in the north
- In sharp contrast with the South, no significant decline in the proportion of poor in the North
- Poverty rate *increased* in capital city (Accra) from 5% to 12%. Pockets of poverty exist in other urban areas
- <u>Half</u> of those living in poverty are children under the age of 18, estimated at <u>3.4 million</u> (2.2 million live in extreme poverty)

DISPARITIES ARE DUE TO:

- **Infrastructure:** low investment in infrastructure in the north makes it unattractive for private sector investments.
- Geography/climate: North has been more affected by climate change (droughts and floods) leading to reduced returns to Agricultural investments.
- Socio-economic: Economic/industrial power centers are located in the forest and coastal areas