

The Social Cash Transfer Scheme in Zambia

Basic Income Congress

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Background

- **Nearly 87% of Zambians survive on less than US\$2.00 per day**
- **20% of Zambian children have lost both parents to HIV epidemic**
- **75 000 children are homeless**
- **45% of Zambia' population have no access to improved water sources (source: Human Development Report – 2007/2008)**
- **Population of 65,000 in about 200 villages in Kalomo (source- Household Survey – Care International, 2002)**
- **29% of population takes more than 30 minutes to drinking water source (average distance – 1.5km (source- Household Survey – Care International, 2002)**
- **78% of population takes more than 30 minutes to health center (average distance – 11.6 km) (source- Household Survey – Care International, 2002)**

The Cash Transfer Rationale

- To meet the Social Protection Strategy of Zambia.
- Mitigate the Impact of HIV/AIDs and poverty on children and families in Kalomo – Zambia
- Pilot programme of Kalomo was used to meet nutritional needs of poverty stricken communities



A grandmother looking after orphans and scheme provides her with K50,000.00 (about U\$10 or U\$11)

Design of the Pilot

- The social cash transfer is a scheme aimed at providing monetary assistance to certain needy groups.
- The scheme was started by the German technical Cooperation (GTZ).
- A single beneficiary gets (ZMK) 40,000.00 or \$8 to \$9
- A family gets (ZMK) 50,000.00 or U\$10 to U\$11
- The present sponsorship is ending by march 2009 and the future sponsorship is not yet known. (This sponsorship has been sporadic)

The Aims and objectives of the scheme

- Reduce extreme poverty, hunger and starvation in 10% of the most adversely affected households
- Enable the children (orphans) due to HIV/AIDS or other reasons to go to school
- Give households opportunity to use the financial resources allocated to them for small business
- To improve nutrition and well being of house hold

Target groups

- Destitute: Entails those households that are extremely needy and have severe difficulty surviving.
- Incapacitated: This group consists of those households that don't have enough physically fit household members to provide for the household
- NB: I must emphasize that often the target groups are really in hopeless situations and survive by the grace of the lord. This is where the question of sustainability comes into play.



The elderly man in this photo is the beneficiary from this scheme



Beneficiaries with CWAC members scheme

Achievements/Outcomes

- Beneficiaries were able to buy food for the household hence improve their dietary allowance.
- The old are able to find the appropriate manpower to help them.
- Purchase of educational materials for children is possible for some.
- Some invest the money in small animals like chicken or goats, and sometimes buy items to sell.
- The targets who receive Anti-Retroviral Therapy (ART) due to HIV/AIDS are able to receive monthly Anti-Retroviral (ARV) treatment.
- NB: In Zambia, there is only one centre per rural district where HIV/AIDS patients can collect ARV medication from, centers are as far as 200 km away from the patients.

Children who come from beneficiary homes



Challenges

- All these achievements and more were attained when GTZ, managed the scheme as the beneficiaries used to receive the money within the mandated time frame
- Project based and not part of comprehensive social protection strategy of Zambia.
- The result of the withdrawal of GTZ was that the dispensation of money is now sporadic and unorganized
 - School going children cannot go to school on time, or have had to stop school altogether.
 - Some patients on ARV therapy can no longer collect life saving medication they depend on and consequently are no longer with us as a result of this.
 - Meaningful government support and engagement is lacking

One of the beneficiaries



Way forward

- **Social protection should be supported by all structures**
- **Mainstream social protection and raise awareness among key role players e.g. traditional leaders, teachers, etc.**
- **Graduate from Social protection (cash transfers) to economic empowerment (i.e. Income Generating Activities, Small Scale Enterprises towards targeted communities and individuals.**
- **Empower households with sustainable livelihoods programmes.**
- **Support and promote indigenous community group initiatives, such as Chilimba as a way of building community capacity.**
- **Trickle down and mainstream Social Protection at the level of Kalomo district council (e.g. Land allocated for constructing a shopping complex. Revenue received from rent could help those in need of long term support and could guarantee long term support for beneficiaries)**