

# The challenge in harmonising Mozambique's core social transfer programmes

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**Mozambique is a low-income nation** in southern Africa with a poverty incidence at around 40 per cent. Its three flagship social transfer initiatives are:

- the Basic Social Subsidy Programme (*Programa de Subsídio Social Básico*—PSSB): a cash transfer targeting extremely poor households with no fit-for-work adults and headed by elderly people or having members with a disability or a chronic illness who are unable to work;
- the Productive Social Action Programme (*Programa Ação Social Produtiva*—PASP): an initiative with the aim of promoting public works projects for building or upgrading infrastructure in poor and vulnerable communities while providing beneficiaries with training and other educational opportunities. These projects operate through self-selection mechanisms, though there is an emphasis on prioritising vulnerable households with one or more members with working capacity; and
- the Direct Social Action Programme (*Programa de Ação Social Direta*—PASD): an intersectoral initiative between the Ministry of Gender, Children and Social Action and the Ministry of Health with the aim of providing child-headed households and those with sick, food-insecure and malnourished people with food vouchers. It also has a stream to benefit households affected by one-off shocks. Different streams of the programme provide benefits for different lengths of time, ranging from immediate to medium- and long-term support.

The PSSB significantly limits its capacity to reach households with members with a disability or a chronic illness, since it only targets households with no fit-for-work members. Analysis of the programme's coverage also reveals that there is a bias against eligible households with many dependents, as some 50,000 secondary beneficiaries were missing by 2014. This bias is not due to programme design, but rather because local-level authorities prefer to concentrate their limited budget on as many households as possible, as opposed to covering fewer households with more members and thus entitled to larger grants.

Because these initiatives operate without the support of a strong management and information system and a strong monitoring and evaluation mechanism, public access to coverage figures is quite scarce, especially for figures disaggregated by programme stream and selection criterion. This limitation is particularly felt in the PASD, since the implementing partners—the World Food Programme (WFP) and the government—produce distinct coverage reports limited to the units managed by each.

Data on the PASD's coverage for the first semester of 2014 (excluding the components funded by the WFP) indicate that several groups suffer from reduced coverage, including people living with HIV, people temporarily unable to work, and households with children aged 0–24 months in need of mother's milk substitutes.

Given such challenges, it seems reasonable that these programmes should undergo some sort of simplification of their eligibility criteria and

a reduction in the targeting overlap between many categories defining eligibility for one or more programmes. A prudent idea would be to shift the eligibility criteria towards covering households with high dependency ratios. This could very likely maintain the eligibility of many households currently benefiting from the PSSB, while at the same time facilitating an understanding of the programme. It could also lead to the enrolment of other vulnerable households that are currently not eligible due to the programme's design.

However, it is very likely that this would lead to significant impacts on the programme's budget, as more people would become eligible. This is probably why the country's current National Basic Social Security Strategy (*Estratégia Nacional de Segurança Social Básica*—ENSSB II) did not follow this route. Nevertheless, even the budget issue could be solved if, for instance, the shift in the eligibility criteria also included reducing the eligibility threshold for the proxy means test, to compensate for the new households that would fall under the 'high dependency ratio' category. Instead, the ENSSB II chose to create yet another targeting category for poor households with children aged 0–2 years, which could lead to even greater complexity.

Many eligibility criteria of the PSSB, the PASP and, in particular, the PASD depend on health status assessments, but the referral system between health and social workers is still very inefficient. This is true even though the country has decentralised structures related to both the Ministry of Health and the Ministry of Gender, Children and Social Action that are supposed to cooperate with each other but which, in reality, work quite separately.

In the context of the PASD, health workers are responsible for identifying potential beneficiaries and referring them to the National Institute of Social Action (INAS). Despite the potential of this *modus operandi* to strengthen intersectoral initiatives between health and social assistance, the reality is that excessive eligibility criteria, a lack of clear guidelines and a lack of joint activities and coordination between stakeholders result in an inefficient and merely passive referral service. Thus, one can even question the equity of an enrolment strategy that relies on people assessing their health status to then be referred to social assistance, as the poorest members of society often tend to have less access to public health services to begin with.

While the PASD expects health workers to play a crucial role as paths of entry for enrolment, the programme offers them no training, incentives or payments. In districts where the PASD operates in partnership with the WFP, there tends to be a better referral service from health centres to the INAS, but this is limited to the enrolment process and does not include initiatives to regularly support eligible households facing chronic illness and/or disability.

#### Reference:

Arruda, P.L. 2018. "Mozambique's Social Protection System: an Overview of the Basic Social Subsidy Programme (PSSB), the Direct Social Action Programme (PASD), the Productive Social Action Programme (PASP) and the Social Assistance Services (PAUS)" *IPC-IG Working Paper No. 173*. Brasília: International Policy Centre for Inclusive Growth.