# Social protection for the very poor in a narrow fiscal space

*The era of Sustainable Development Goals (SDGs) presents much bolder targets and requires not just a new approach to development thinking but also to how the goals are evaluated. This article reviews two social protection programs in Ghana. It examines key questions related to social protection, fiscal risks and the need for the development evaluator to reinterpret OECD/DAC's principles for development evaluation in line with emerging issues. It concludes by emphasizing the need for evaluation practitioners to re-examine what it really means for a policy or program to be "relevant" or "sustainable", in the framework of OECD/DAC's principles for evaluation of development assistance.*

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## Social protection, a development aid priority

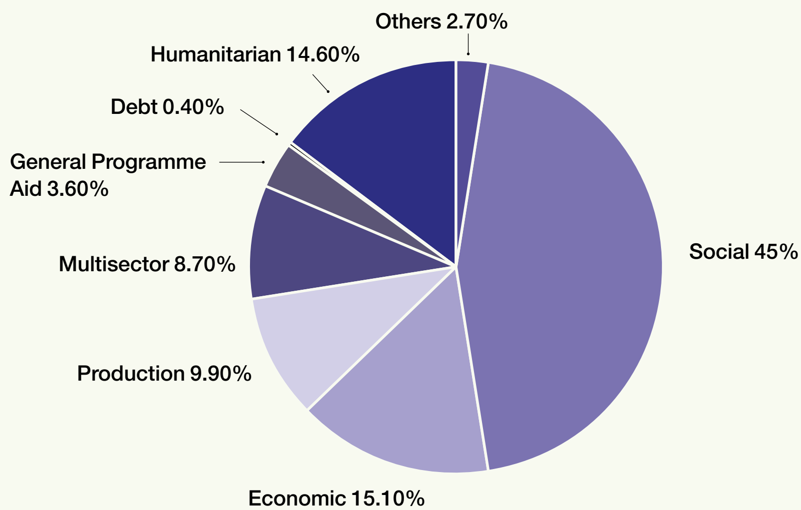
The evolving consensus that social protection is key to ensuring that extreme poverty is eradicated by 2030 is perhaps reflected in the sector distribution of Overseas Development Assistance (ODA) to Africa over the years (see Figure 1).

The question that remains unanswered however, is the strategy needed to ensure that social intervention programs become self-sustaining. This is a very important issue because of the sustainability risk that social protection programs face as a result of fiscal uncertainties in some sub-Saharan economies. **Evaluation practitioners must play a role in building a strong business case for continued fiscal support amidst the intensive competition for budgetary resources.**

This requires closer collaboration between development partners, program managers and the general evaluation community.

The focus of this article is to use Ghana's recent experience in implementing two key social intervention programs to highlight the fiscal risks and its ▶▶

**Figure 1:** Total DAC countries contribution as % of multilateral finance




**Source:** Author's calculations based on OEDC (2017). Development aid at a glance. Statistics by regions, Africa.

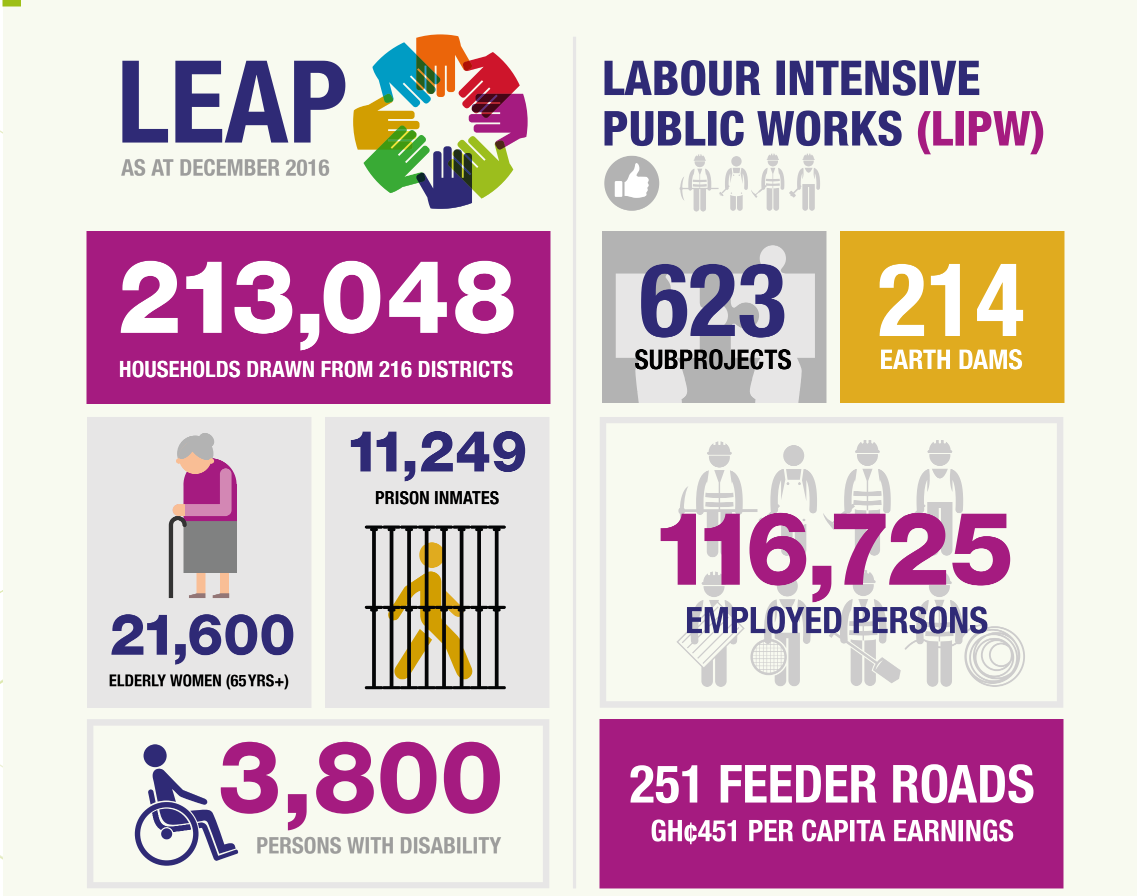
implications for program evaluation within the context of OECD/DAC's evaluation principles.

## LEAP and LIPW: Will the anchor hold?

Ghana has undergone four electoral transitions since the inception of democratic governance in 1992. Although the economy remains resilient, growth in recent years has slowed from a 5–year high of 9.3 per cent in 2012 to 3.5 per cent in 2016, exposing the economy's vulnerability to shocks. The social sector, which is key to reducing extreme poverty and vulnerability, has not escaped the adverse consequences of fiscal tightening under IMF's 3–year Extended Credit Facility, which is expected to wind up in 2018. That notwithstanding it [the social sector] continues to receive technical and financial assistance from bilateral and multilateral development partners with the intent of supplementing Ghana's efforts towards extreme poverty eradication by 2030.

Livelihood Empowerment Against Poverty (LEAP) and Labor-Intensive Public Works (LIPW) are two of such programs that are funded by the World Bank. LEAP is a cash transfer program that mainly targets extremely poor persons; the elderly (65years and above), persons with disability who cannot work, and Orphan and Vulnerable Children (OVC). Complementary services such as free registration with National Health Insurance Scheme are open to all beneficiaries while

**Figure 2:** Program Dashboard– LEAP and LIPW



▶ enrolment of school-going children is a mandatory for OVCs. The project is funded by the World Bank under the Ghana Social Opportunities Project.

Results from independent impact evaluations studies (for instance see Handa et al, 2013) suggests that LEAP has had some positive impact on beneficiary households in terms of non-consumption expenditures (savings), school enrolment and community social network. This notwithstanding, the authors acknowledge that 'implementation of LEAP has been inconsistent' due to irregular payment cycles (Handa et al 2013, p. 29). The program's zero impact on curative care seeking behavior and mixed results for child morbidity also raises concerns. Given Ghana's tight fiscal situation, value for money is of utmost importance to managers of the public purse. Further iterations of program design is required to reduce the incidence of adverse unintended outcomes and in order to boost public confidence in the program's effectiveness.

In 2011, the Government of Ghana, with support from The World Bank, commenced implementation of another social intervention; Labour Intensive Public Works (LIPW) program. The objective was to improve social protection spending by creating employment opportunities for the poor in targeted districts. Following an impact evaluation study that analyzed data from 2,341 households, the researchers found that the 'LIPW projects decreased unemployment rate in the intervention communities by 24.2 percentage points for feeder road sub-project, 18.5 percentage points for small earth-dam/dugout sub-projects, and 26.7 percentage points for climate change sub-projects' (Osei-Akoto et al, 2016: p. 56). According to data from The World bank's Implementation Status & Results Report (2017), US$102.2m (73.77 per cent) total credit proceeds had been spent by December 2016. As a project, LIPW officially ended on June 30, 2017 and is expected to be handed over to the Ministry of Local Government and Rural Development (MLGRD) as the implementing body.

## Program sustainability risks

There are essentially three sources of risks that faces LEAP and LIPW at both the policy and project level:

1. Fiscal Uncertainties (policy and project level).

2. Efficiency gaps in project delivery.

3. Enforceability of Service Level Agreement (SLA) between Metropolitan, Municipality and District Assemblies (MMDAS), and local contractors under LIPW.

**Implications for evaluation practice**

It is widely acknowledged that domestic political processes play a central role in shaping resource allocation decisions within government's fiscal space (ODI, 2009). This has implications for the role that development evaluators must play to shape decisions in the political economy.

There may be various roadblocks that development evaluators may have to overcome in order to influence the public purse in favor of social programs. The first is effective dissemination. **Dissemination of impact evaluation findings needs to be incorporated in a broader stakeholder engagement strategy as part of responsive evaluation practice.** Sharma (2004) as cited by Owen (2007), affirms this view by arguing that '**evaluators need to consider how recommendations are to be conveyed, and be active in encouraging clients to adopt them**' *(p. 123)*. ▶▶

- The second is how to apply new interpretations to OECD/DAC's development evaluation criteria, with respect to relevance and sustainability. Some researchers have cautioned against the use of program goals to evaluate relevance. For instance Chianca (2008) states:

*[...] measuring the level of goal achievement cannot be considered a sound basis for an evaluation of an intervention because goals, if not grounded in a sound needs-assessment, reflect only the expectations of program designers, managers, and other stakeholders (p. 45).*

The thrust of the argument is that relevance and sustainability seen through the program goals lens may reflect the values and expectations of development aid agencies but not necessarily that of local stakeholders.

## Conclusions

As witnessed in Ghana's social protection landscape, country-level development strategy that shifts emphasis "from taxation to production" without adequate provision for social investments, may create short-term shocks which will impede progress towards SDG# 1 (zero extreme poverty) and 10 (reduced inequality).

Also, weak internal resource generation capacity poses a sustainability risk to social programs that are mainly funded through Overseas Development Assistance (ODA).

Evaluating progress towards SDGs within the context of fiscal constraints requires policy and program evaluators to re-examine what it really means for a policy or program to be "relevant" and "sustainable".

The transformation of social protection programs into a productive inclusion enterprise is the only guarantee of long term sustainability, given Ghana's uncertain fiscal situation. This requires evaluators to pay close attention to program design. It also implies a greater participation in the political economy by evaluation practitioners. eVALU

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## Author's profile


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