



MINISTRY OF GENDER, LABOUR  
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**SOCIAL  
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# The Role of Social Protection in Uganda's Development

Stephen Kasaija

Head, Social Protection Secretariat, MGLSD

# What is Social Protection?

Measures which address economic & social vulnerabilities so that all citizens are able to contribute to, and benefit from, the country's growth & development

- **Social Assistance (Cash Transfers)**; regular, predictable, non-contributory transfers, of cash or in-kind, which provide guaranteed income to poor & vulnerable households. E.g. senior citizen's grants, disability grants etc.
- **Social Insurance**; income support on the basis of previous individual and / or employer contributions to mitigate impacts of income shocks. E.g. contributory pensions, health insurance, unemployment insurance.
- **Social Welfare Services**; provision of personal care and protection for vulnerable individuals who are unable to fully care and protect themselves. E.g. reception centres for abandoned children
- **Complementary interventions**: targeted innovative interventions to support access to services. E.g. School feeding.

# Social Protection Systems: Cash Transfers as a Central Component

- CT's globally recognized as key to achieving inclusive, equitable development.
- In Africa alone, at least 12 countries, including several within East Africa, have initiated important social assistance/cash transfer programmes:
  - Social pensions: Namibia, Lesotho, Botswana, Mauritius and Swaziland
  - Grants for vulnerable children: Kenya, South Africa, and Burkina Faso
  - Productive Safety Net programme (long term, predictable cash for work): Ethiopia
  - Vulnerable family support grants: Malawi, Zambia, Ghana
  - Disability support grants: Namibia, South Africa
- Kenya doubled its financing to cash transfer programmes in the 2011/2012 budget

# What do Cash Transfers *Uniquely* bring to Uganda's Development?

**Cash Transfers:** A sustained series of small but regular and predictable transfers to provide income security to a country's poorest and most vulnerable citizens. CT's provide a:

- Platform of income security on which citizens can build productive, secure and dignified lives
- An investment in the demand side of public services, to complement significant investments in the supply side.
- Bridge to connect vulnerable and excluded citizens to the development process
- Tool for governments to directly reach the most vulnerable citizens, with tangible benefits

# Why does Uganda need a Social Protection System with cash transfers?

- **Significant gains in poverty reduction but...**
- **Inequality** increasing; In '09/'10, approx. 45% of income controlled by richest 20%, compared to 9.4% held by poorest 20%.
- Almost **40% of HHs vulnerable to poverty**, living close to the poverty line.
- Between '05/'6 and '09/'10, **poorest saw almost no change** in consumption.
- **Less than 7 /10 children in poorest HHs enrolled in primary school** (9 /10 from wealthiest)

# ... Why Does Uganda need Social Protection ?

- Children from poorest HHs more than 4x more likely to be delayed by 5+ years in school compared to wealthiest HHs.
- No. of HHs citing financial constraints as main reason for school drop out more than **doubled** between '05/'06 and '09/'10.
- **31% cited financial constraints** as main reason for not accessing **medical services...** yet **sickness / calamity major reason for school drop out** for children from the poorest HHs.

**The poorest & most vulnerable are failing to benefit from, or contribute to Uganda's development.** As the population grows, these numbers are likely to significantly increase.

# How does SP support Uganda's Development?

- **Directly reduce poverty:** a reliable & regular transfer of 22,000 UGX per month represents a significant portion of the monthly income for the poorest households. ( what %age is this for the lowest decile?)
- **Directly tackles inequality and demonstrates the GoU's commitment to all Ugandan citizens.** Social protection enables all citizens to have a stake in Uganda's development thus, potentially **contributing to social cohesion and stability.** *In Brazil a combination of cash transfer programmes accounted for 28% of the fall in the Gini index (a summary measure of inequality) between '95 and '04.*
- **Help to increase uptake of existing Government Services.** In Brazil, participants in the *Bolsa Familia* are 63% less likely to drop out of school compared to children in non-participant households. In Ethiopia, 50% of beneficiaries of a national social protection programme used health facilities more in the year the programme was introduced than in the previous year. In South Africa children living with a pensioner receiving national pension have improved nutrition and are 3-4 centimetres taller than children not living with a pensioner

# ... How does SP Support Uganda's Development

- **Contributes to the core of development - human development:** in supporting improved nutritional status as well as access to health and education services for today's children, social protection can stop the transmission of poverty from parents to children and build the human capital necessary for Uganda's long term productivity.



# ... How does SP support Uganda's Development?

- **Helps to strengthen household productivity and capacity for income generation.** Small but reliable flows of income help vulnerable households to invest in small productive activities such as petty trading; obtain credit on better terms; and diversify into higher return activities.
- **Empower vulnerable citizens to live a life of security and dignity.** Social protection empowers the marginalised and excluded to take charge of their own lives and initiate productive activities for themselves. It enables such citizens to effectively contribute to local life and local development.

# Expanding Social Protection Programme-An Over view

- 5 year programme to Expand Social Protection
  - £40 million jointly financed by GoU, DFID, Irish Aid and UNICEF.
  - Approved by Cabinet in June 2010
  - Launched in September 2010.
- Will provide **policy support** focusing on strengthening leadership on social protection across government, developing a national social protection framework, generating evidence on the impacts of social protection, and building government commitment and investment in social protection; and
- Pilot **Social Assistance Grants for Empowerment (SAGE)**

# Programme Implementation- update

- Secretariat established- 2010
- Staff recruited nationally, regionally and internationally for Secretariat & districts
- Significant training for national GoU staff on SP policy issues
- MoUs signed with 8 local governments for implementation
- MIS system in place
- Training at various levels in the first 3 districts
- On course to deliver first cash transfer **10 days from**

**now**

# THANK YOU



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