



REPUBLIC OF ZAMBIA

MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES

# SOCIAL CASH TRANSFER FACTSHEET

## OVERVIEW

### Introduction

The Social Cash Transfer (SCT) Programme is a Government of the Republic of Zambia (GRZ) programme which has been operating in Zambia since 2003 and is implemented by the Ministry of Community Development and Social Services (MCDSS).

- The main objective of the SCT Programme is to reduce extreme poverty and the intergenerational transfer of poverty among beneficiary households.
- Results under the SCT Programme show that individuals and households accessing SCTs have seen notable improvements in their lives, including reduced hunger and better school attendance for children.

This is fulfilling the government's vision of:

‘ A nation with capacity to promote and provide sustainable security against constant or periodic critical levels of deprivation and extreme vulnerability. ’

### SCT targeting: The new inclusive model

The current harmonised methodology requires that in order to be eligible for the SCT, households must meet ALL the following criteria: a) residency; b) belong to households that have an elderly member, or a person with severe disability, or a chronically ill person on palliative care, or are child-headed, or headed by a female with at least three children; and c) welfare criteria.

### SCT payments and payment systems

Beneficiary households are entitled to 200 Kwacha per month which they receive every two months as a sum of 400 Kwacha. Beneficiary households with a member with severe disability receive double the amount, i.e., 400 Kwacha per month and 800 Kwacha every two months. There are three main approaches to making social cash transfer payments to beneficiaries in Zambia and they can be distinguished as: cash, mobile network payments and mainstream bank account transfers. Payments are received by the main recipient in the household or an appointed deputy.

### SCT coverage

The SCT programme has been scaled up to all the 116 districts of Zambia.

The programme has reached

**974,160**

households country wide

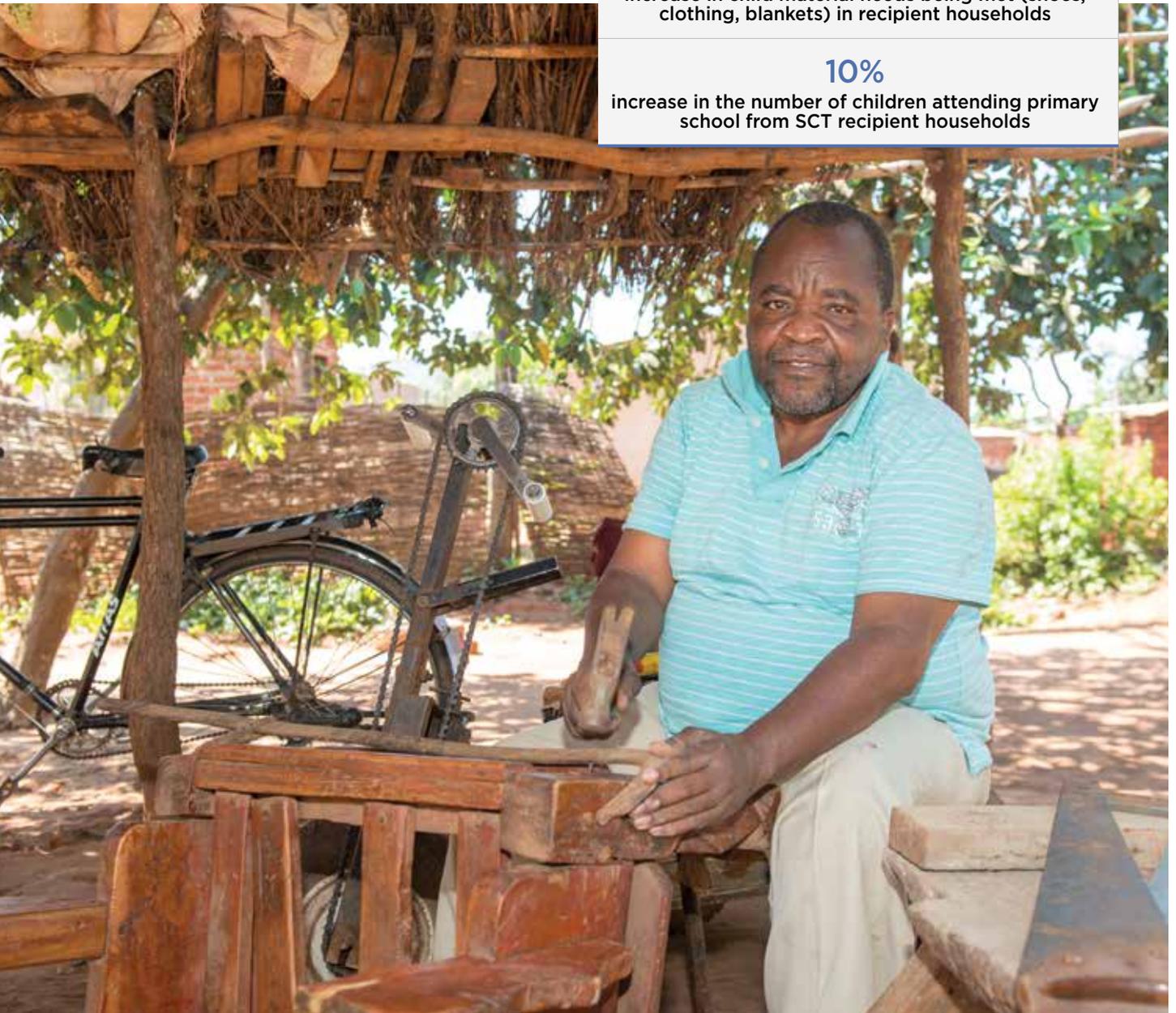
and aims to reach

**1,027,000**

households by the end of 2022

## SCT impact

The SCT programme has been subjected to extensive evaluation and its impacts have been documented. This includes reduced poverty, increased food security, improved child wellbeing, improved living conditions and greater productivity and asset ownership.



*Edson Mwale, 61, is among the persons with disabilities receiving support through the SCT programme in Chipata District.*

## Child wellbeing

Evaluations have revealed the following impacts for children in households receiving SCTs:

<b>5%</b> reduction in prevalence of diarrhea in recipient households
<b>22%</b> increase in the number of children 6-12 months receiving minimum feeding requirements
<b>30%</b> increase in child material needs being met (shoes, clothing, blankets) in recipient households
<b>10%</b> increase in the number of children attending primary school from SCT recipient households



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## ELIGIBILITY AND TARGETING

### Qualification and Required Documentation

#### Residency

Households must have been living in the same catchment area for at least six months. This is verified by the Community Welfare Assistance Committees (CWACs), the Area Coordinating Committees (ACCs) and the traditional leadership such as village headpersons.

#### Categories

Households must qualify under one of the following categories:

Households with an elderly person	This is a household that has an elderly member who is aged 65 or above, and has a National Registration Card (NRC) that indicates this.
Households with members with severe disability	This is a household that has a member with a severe disability as indicated by the Disability Medical Assessment Slip; or a card from the Zambia Agency For Persons with Disability (ZAPD) that shows their level of disability.
Households with members who are chronically ill and on palliative care	A household is considered to have a member that is chronically ill and on palliative care if they have a Medical Assessment Slip that indicates this.
Child-headed households	A household is considered to be child-headed if the head of the household is under the age of 19; is not married; and is verified by the community members to be a child-headed household.
Female-headed households with at least three children	This is a household headed by a female who is in the age range of 19 to 64; has at least three children under the age of 19; is not married; and is verified by the community members to be a female-headed household.

#### Welfare

A household is eligible if it is not able to meet basic needs, based on a means and needs test. The estimated welfare is automated by the Management Information System (MIS) based on a Household Living Conditions Index.

The Social Cash Transfer (SCT) programme is a Government of Zambia initiative implemented under the Ministry of Community Development and Social Services aimed at reducing extreme poverty and the inter-generational transfer of poverty. The target population for the programme is incapacitated (labour-constrained) and extremely poor households. A methodology for identifying and registering potential beneficiaries has been developed, along with a pre-agreed step by step guide on how households can be identified and enrolled in the programme.

#### How are beneficiaries selected?

The targeting or selection process employs the **Pull Registration Approach**; potential eligible households actively seek to be part of the programme. This is done by visiting established registration points managed by district officers or their delegates at pre-specified times and dates.

The CWAC members divide the community into a number of smaller catchment areas and each of these catchment areas is assigned to one or more CWAC members to sensitise households on the Social Cash Transfer programme.

The CWAC member does so by inviting all the households in his/her catchment area to a community meeting to explain the eligibility criteria of the programme and the identification process.

# Registration Process

1

## SENSITISATION

The District Social Welfare Office conducts sensitisation activities in the communities. They do this using various means including through CWACs who are trained to sensitise community members about the programme, eligibility criteria and about the upcoming registration exercise.

2

## REGISTRATION

Households who qualify under one of the SCT categories mentioned on the previous page go to a delegated government official to undertake the registration.

3

## FIRST COMMUNITY VALIDATION

Once registration of potentially eligible households is completed, a community meeting is called to verify the list of registered households. Once the list is agreed at community level, it is then signed off by the village headperson.

6

## COMMUNITY VALIDATION

The list of eligible households generated by the MIS is shared with the community, allowing community members to propose to remove better-off households and households that have dissolved.

5

## WELFARE ESTIMATION

The information collected from the households during enumeration is entered into the SCT Management Information System (MIS). The SCT MIS checks residency, incapacity and vulnerability to determine the eligibility of households.

4

## ENUMERATION

Enumerators visit households identified during the registration stage to collect more information about the households.

7

## INFORMING THE BENEFICIARY

After the list of eligible households has been validated, beneficiary households are told to remain behind and are given further information on the programme and on their entitlements.



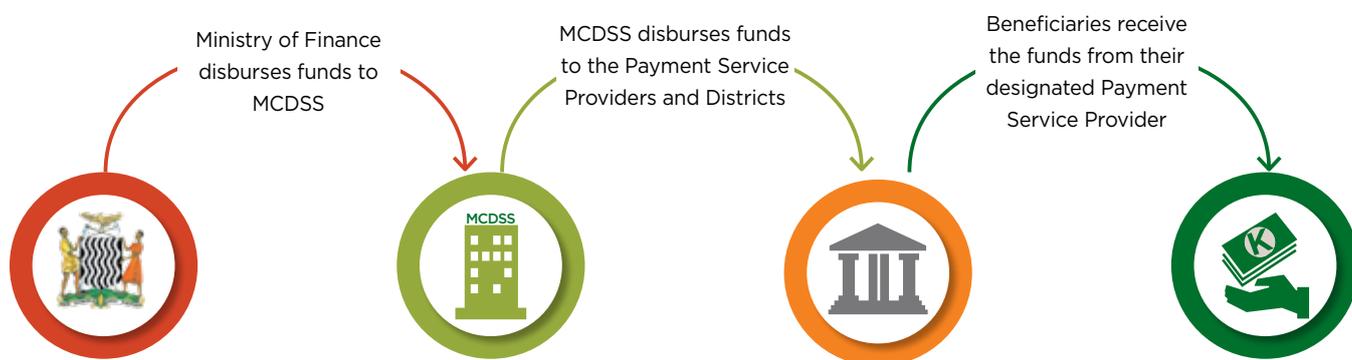
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### PAYMENT SYSTEM

Payments are made through Pay Point Managers, mobile network operators through mobile money accounts and mainstream bank accounts.



### Key Features of the Payment System

- Households receive payments every two months i.e. 6 times a year.
- Beneficiary households are entitled to K200 per month, delivered as K400 every two months.
- Beneficiary households with disabled members are entitled to K400 per month delivered as K800 every 2 months.
- The “main recipient” is a nominated & registered member of the household (preferably female) who receives the payment on behalf of the household.
- The “deputy” is a nominated & registered person who can collect the payment on behalf of the main recipient if he/she is unable to do so.
- If the main recipient or deputy receiving cash through the Pay Point Managers are unable to receive these funds within the stipulated time, the household will forfeit the payment for that two month period.

### Requirements for collection

- Pay Point Manager: NRC as a means of identification & signature/thumbprint
- Payment Service Provider: Social Cash Transfer Visa Card and secret pin



Note: Beneficiaries must always verify the amount credited or received.



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## IMPACTS

The Social Cash Transfer (SCT) programme provides cash to poor households to reduce extreme poverty and inter-generational transfer of poverty.

Results from the impact evaluation of the SCT programme 2014 indicate that the programme:



**reduces poverty**



**increases food security**



**improves living conditions**



**increases productivity and asset ownership**



**improves child wellbeing**

### Poverty reduction

**12%**

reduction of poverty gap among SCT recipient households compared to non-recipient households

**10.5%**

reduction on outstanding loans of SCT recipients

### Food security

**19%**

increase in households eating more than 1 meal/day

**8%**

increase in households eating more or 2 meals/day

**18%**

increase in households not severely food insecure

### Living conditions

**15%**

SCT recipient households own a latrine

**9%**

of households on SCT own more mosquito nets than non-recipient households

**26%**

households on SCT with purchased lighting

**3%**

households on SCT with cement floors

### Productivity and ownership

**18%**

increase in land operated

**K283**

Increased value of harvest

**8%**

Increase in maize production

**4%**

increased rice production

**21%**

SCT recipient households owning livestock

### Child wellbeing

**5%**

reduction in prevalence of diarrhea in recipient households

**22%**

increase in the number of children 6-12 months receiving minimum feeding requirements

**30%**

increase in child material needs being met (shoes, clothing, blankets) in recipient households

**10%**

increase in the number of children attending primary school from SCT recipient households



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## OUR VOICES

**The Social Cash Transfer (SCT) programme is a Government initiative to help reduce extreme poverty and vulnerability. The SCT has helped beneficiaries to:**

1

### BUY AND REAR LIVESTOCK



“The Social Cash Transfer funds have kept me and my family going”, says Rose Mukosha, 59-year-old widow and mother of 10 children in Kayowelo B, Muchinshi, Chingola District.

Rose narrated how life has been difficult since her husband’s death five years ago and how the Social Cash Transfer came to her rescue.

“We used to do some farming and had a lot of goats but after my husband’s death, I lost all the goats to theft and disease. I was so discouraged but through the Social Cash Transfer funds, I have renewed hope and the funds have kept me and my family going. Through the funds, I started buying goats and I now have 11 of them from nothing.”

Rose asks that government and cooperating partners continue supporting vulnerable people like her.

### INVEST IN INCOME GENERATING ACTIVITIES

2



Douglas Mpundu of Kapisha compound in Chingola is a 28-year-old person with a disability but has gone against all odds and is the breadwinner of his family.

“Both myself and my twin were born with disabilities and unfortunately my twin brother didn’t make it,” narrated Douglas.

Douglas shared that his life has never been easy, but he believes he can be at a better place because his disability is not inability. “Through Social Cash Transfers, I am a full time entrepreneur and through my business, I am able to buy basic items such as food, soap and clothes.”

Douglas has two outlets where he sells stationery and provides printing services in Chingola District on the Copperbelt Province.



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## FREQUENTLY ASKED QUESTIONS



**What is the Social Cash Transfer programme?**

The Social Cash Transfer (SCT) is a **Government of Zambia Social Protection programme** aimed at reducing extreme poverty and the inter-generational transfer of poverty. On the programme, beneficiaries receive cash grants of K200 per month (paid bi-monthly as K400 or K800 for households with members with severe disabilities).



**What are the objectives of the SCT programme?**

**Income:** To supplement household income for food security and wellbeing

**Education:** To contribute towards increasing the number of children enrolled and attending primary school education.

**Health:** To contribute towards the reduction of mortality and morbidity among children under 5 years old.

**Food Security:** To contribute towards increase in the number of households having a second meal per day

**Livelihoods:** To contribute towards increase in the number of households owning assets such as livestock.



**What criteria is used for selection of beneficiaries?**

Beneficiary criteria includes: Residency criterion; Households with an elderly person; Households with members with severe disability; Households with members who are chronically ill and on palliative care; Child-headed households & Female-headed households with at least three children below the age of 19.



**Who benefits from the SCT programme?**

**The extremely poor and incapacitated (labour-constrained) in Zambia.** Apart from the beneficiary households, the benefits of the SCT programme also spill over to non-beneficiary community members in the form of greater economic activity.



**Who pays for the SCT programme?**

The SCT programme is financed by GRZ with support from Cooperating Partners.



**How many transfers do beneficiaries expect to receive in a year?**

The cash transfers are paid six times in a year i.e. every two months. However, for new beneficiaries, payments commence when the approved list is released and this determines the exact number of transfers that beneficiaries will receive in a year.



### **Who implements the SCT programme?**

The SCT programme is implemented by **the Department of Social Welfare under the Ministry of Community Development and Social Services**. The Department has structures up to the community level. Community Welfare Assistance Committees (CWACs) and Pay Point Managers (PPMs) support the implementation of the programme.



### **Do beneficiaries of the SCT programme have to fulfil any conditionalities?**

**No.** Beneficiaries of the SCT programme do not have to fulfil any conditionalities, in terms of behaviours, practices or spending, to remain on the programme. Evidence has shown that implementing such conditionalities is difficult, expensive and unnecessary. In the case of Zambia, robust and rigorous impact evaluations have shown that beneficiary households spend the cash on improving livelihoods and human capital, as is intended by the programme even in the absence of conditionalities.



### **Does the SCT programme create dependency?**

**No,** to the contrary. Evidence from Zambia and across the globe shows that the Social Cash Transfer programme has been found to improve the livelihoods of beneficiary households and further generate economic activity in their communities. It is a special vehicle for human capital improvements and investments.



### **Can beneficiaries complain about the SCT Programme?**

**Yes.** The SCT Programme has a Grievance Redress Mechanism in each district to receive and resolve complaints from beneficiaries.



### **Is the SCT programme sustainable?**

**Yes,** the SCT programme is sustainable because it is increasingly financed by the Government; it is affordable and at national scale the programme would cost less than 1% of GDP, and it is an investment in human capital which ultimately contributes to economic growth, thereby yielding even higher returns on investment in the future, and so (in a sense) paying for itself.



### **Do other countries have programmes similar to the SCT programme?**

**Yes,** many countries worldwide are implementing cash transfer programmes as a strategy to reduce poverty and realise the basic rights of their people. South Africa, Brazil, Indonesia and Zambia are home to some of the oldest and largest cash transfer programmes. Other countries are increasingly introducing or expanding cash transfer programmes, e.g. Kenya and Ethiopia.



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## GLOSSARY OF KEY TERMS

<b>Area Coordinating Committee (ACC)</b>	The ACC comprises of representatives from CWACs in the area it covers. ACC members are responsible for supervising CWACs in the implementation of the Social Cash Transfer (SCT) programme in their respective areas.
<b>Beneficiary households</b>	These are households that meet all the eligibility criteria (see 'Eligibility' & 'Targeting'), have been enrolled in the SCT programme, and receive the payments every two months.
<b>Community Welfare Assistance Committee (CWAC)</b>	The CWAC comprises of volunteer members elected from the community it covers. Their role in the SCT programme is to assist with the implementation, in particular the sensitisation and dissemination of information about the programme in their communities, as well as witnessing payments to beneficiaries.
<b>District Welfare Assistance Committee (DWAC)</b>	The DWAC comprises members from line ministries and other institutions in the district. The DWAC serves for a period of three years. It is the highest authority for the programme in the district. The District Social Welfare Officer serves as the Secretariat for the DWAC.
<b>Elderly person</b>	A person 65 years old or above, proven with a National Registration Card.
<b>Eligibility criteria</b>	Criteria which have to be met by the household in order to be selected for the programme.
<b>Eligible household</b>	This is a household that meets the eligibility criteria.
<b>Exiting the programme</b>	'Exit' refers to some households leaving or being removed from the programme. For example a household will exit the programme if it is found to no longer meet the eligibility criteria.
<b>Extreme poverty</b>	A household is considered to be in extreme poverty when its members are incapable of meeting basic needs, and have little immediate prospect of doing so.
<b>Female headed household</b>	A household with a female as the recognised head, who is recognised as the head of the household, who is unmarried and aged 19 to 64 with at least three children below the age of 19.

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**Household**

A household is defined as a group of people who live in the same dwelling, eat from the same pot and share expenses.

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**Incapacitated household**

This is a household whose members are unable to provide the household's basic needs.

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**Inter-generational transfer of poverty**

This is the transfer of poverty from one generation to another, i.e. children in poor households remaining in poverty as adults.

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**Main recipient**

This is the member of a beneficiary household (preferably female) who receives the cash transfer on behalf of the household.

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**Social Protection**

Policies and programmes that protect and promote the basic wellbeing and livelihoods of people suffering from critical levels of poverty and deprivation and/or vulnerable to risks and shocks.

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**Pay point managers**

These are public workers who have been authorised from within the community to make payments to the main recipients (or authorised deputies) from beneficiary households.

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**Registration**

This is the process of listing of potential eligible households for the SCT programme. It is also the process that allows households meeting the eligibility criteria to apply to be considered for enrolment on the programme at designated registration points.

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**Targeting**

This is the process of selecting beneficiaries for the SCT programme.

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**Welfare estimation**

This is a process through which the Management Information System makes a poverty assessment and determines the eligibility of households using pre-determined welfare criteria.

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## MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES



**CONTACT** Ministry of Community Development and Social Services  
Private Bag W252  
Community House, Sadzu Road, LUSAKA  
Tel: +260 211 225 327  
Email: [info@mcdsw.gov.zm](mailto:info@mcdsw.gov.zm)

[www.mcdsw.gov.zm](http://www.mcdsw.gov.zm)