



**The Republic of Uganda**

# **Expanding Social Protection Programme(ESP) in Uganda**



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# Presentation outline

- 1. National Policy and Political Context**
- 2. Why does Uganda need a system of Social transfers?**
- 3. Overview of Expanding Social Protection programme**

# National Policy and Political Context

- The Government of Uganda recognises social protection as a **key policy instrument to help the country realize its national aspiration of achieving middle-income status.**

# National Policy and Political Context

## **Uganda is a signatory to a number of regional commitments on Social protection**

- The Livingstone Call to Action (2006) calls on countries in Africa to put in place costed plans for the implementation of Direct Income Support programmes.
- The AU Social Policy Framework (2008) which calls on member states to recognize that social protection is a state obligation, with provisions in national legislations.
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# National Policy and Political Context

## It's a Constitutional Commitment

- Article XIV(b) of the Constitution of Uganda (1995) states that *“All Ugandans enjoy rights and opportunities and access to education, health services... decent shelter, adequate clothing, food security and pension and retirement benefits.”*
- The National Objectives and Directive Principles of State Policy (vii) states that *“The State shall make reasonable provision for the welfare and maintenance of the Aged.”*

# National Policy and Political Context

- **The National Development Plan**

identifies Direct Income Support as a key strategy for socio-economic transformation

- **Election Manifesto Promises**

National Resistance Movement, Forum for Democratic Change and the Democratic Party have committed to provide Senior Citizen grants.

# Emerging Consensus on definition of Social Protection in Uganda

*Overall Objective:*

- *‘to enhance the resilience of all Ugandans through supporting income security, care and protection for vulnerable groups’.*



# Emerging Consensus on definition of Social Protection in Uganda

- *Direct Income Support*; regular, predictable transfers, of cash or in-kind, which provide guaranteed income to poor & vulnerable households. E.g. senior citizen's grants, disability grants, Public Works, Child Grants etc
- *Social Insurance*; provides income support on the basis of previous individual and / or employer contributions to mitigate the 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 to support access to services are also identified. This includes new, targeted measures to ensure access to services for the most vulnerable – e.g. school feeding.

# Why does Uganda need a system of Direct Income Support?

- Economy is growing but a lot of people are still living in poverty (24.5% nationally) or risk falling into poverty (40% live just above the poverty line)
  - 9 % of people eat only one meal a day.
  - 16 % of children below 5 years are underweight.
  - 38 % of children are stunted

This has irreversible long term effects on human development and the economy...

# Why does Uganda need a system of Direct Income Support?

- **Inequality** is increasing...
- 45% of the income is controlled by the richest 20% of the population compared to 9.4% of the income held by the poorest 20%.
- Between 2005/6 and 2009/10,
  - the poorest saw no change in their consumption.
  - In Karamoja region, poverty reduced by **only 5%** compared to 21% nationally.

# Why does Uganda need a system of Social Transfers?

- Despite massive investment in health and education services, the poorest and most vulnerable are failing to access basic services
  - Less than 7 out of every 10 children from the poorest households are enrolled in primary school.
- Such children are more than four times likely to be delayed by 5 or more years in school than children from the wealthy households.
- The poorest and most vulnerable are failing to benefit from, or contribute to Uganda's growth and development.

# Overview of ESP

- 5 year programme to Expand Social Protection in Uganda
  - Financed by Government of Uganda, DFID, Irish Aid and UNICEF.
  - £41 million excluding GOU financial and in-kind support approx. UGX 6bn (\$2.4 m) over the 5 years.
  - Approved by Cabinet in June 2010
  - ESP Launched in September 2010.
  - SAGE launched by H.E. The President-1st oct 2011 and 1st March 2012 .
  - 13,000 beneficiaries have been paid to-date





# The purpose of ESP

- to embed a national social protection system, including social assistance for the poorest and most vulnerable, as a core element of Uganda's national planning and budgeting processes.
- The ESP programme is about more than developing a policy and provision of social assistance cash grants. ESP vision is to embed social protection as a basic, core government service.

# What are the deliverables of ESP?

A. ESP is providing **policy support** to

1. strengthen leadership on social protection across government,
2. develop a national social protection framework,
3. generate evidence on the impacts of social protection, and
4. build government commitment and investment in social protection; and




# What are the deliverables of ESP?

- Piloting Social Assistance Grants for Empowerment (SAGE)
  - UGX 23,000 per month to target beneficiaries
  - 95,000 households targeted for the pilot period
  - 600,000 vulnerable people to be reached during the pilot period
  - 14 Districts targeted during the pilot period

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# The purpose and scope of the SAGE pilot

- SAGE responds to the National Development Plan, calling for a cash transfer pilot to promote poverty reduction and contribute to national social, economic, and human development processes
- SAGE will generate evidence on the impact of cash transfers in Uganda, and how they might most effectively be implemented nationwide

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- SAGE program is led by MGLSD but managed by the Social Protection Secretariat
  - At district level, a SAGE team manages the programme under the responsibility of Chief Administrative Officer
  - Sub-county, parish and community levels are coordinated by the district SAGE team
  - Capacity of various levels is assured by a training and support programme
  - MTN Uganda manages the disbursement of grant through Mobile Money services

# Amount cash transferred

- UGX 23,000 per month to each beneficiary
- Rationale for transfer value:
  - a. Adequate to achieve intended impacts based on regional evidence.
  - b. Affordable at national scale.
  - c. Socially acceptable.
- Bereavement/graduation bonus equivalent to 4 months is transferred to for all households exiting the programme

# Who are SAGE beneficiaries?

- Senior Citizen's Grant (a.k.a social pension)*Eligibility criteria: older persons aged 65 years and above (60 years in Karamoja)*

# How are payment delivered?

MTN Mobile Money





# How will impact be measured?

- Independent impact evaluation will be carried out to establish impacts on key indicators such as:
  - 1) Poverty and nutrition
  - 2) Access to health services
  - 3) Access to education services
  - 4) Local economic development
  - 5) Social exclusion



# Challenges ( and Solutions)

- Inadequate staffing in District local Governments
  - LGs have reallocated staff to SAGE pilot areas.
- Lack of a national Civil Registration Database slowed down the roll out of the Vulnerable Family grant
  - Working with URSB and UNICEF on Birth and Death registration
- Limited Fiscal Space for national scale up
  - Analytical work on Costs and Financing options will be jointly undertaken with MFPED

# Status of ESP implementation

- ESP Approved by Cabinet in June 2010
- ESP launched in September 2010
- By June 2012, **13,000** beneficiaries in 8 districts receiving grants

# Status Cont'd

- Offices established in 8 pilot districts
- 350+ trained at national & district levels in policy and implementation
- By June 2012, over 770 LG officials will have been trained on programme implementation
- By June 2012, 30,000 beneficiaries receiving grants in all 14 districts
- Field monitoring visits by Political leaders
- By June 2013 all 95,000 beneficiaries will be covered



# What SAGE Grants have so far achieved

## Economic & Social Impacts

1. Improved feeding ,nutrition and better health
2. Livelihoods investments – seeds, livestock, hiring labour to work untended land.
3. Local businesses report turnover increases on payment days
4. School fees & medical expenses
5. House improvements – iron sheets, timber
6. Increased dignity, empowerment, self-esteem, confidence & participation in community affairs

**Income security . Economic resilience . Improved welfare**



# Achievements cont'd

## Public Support

- Strong public support - within and outside target districts.
- Calls from political leaders & local governments to extend programme to new districts.



# Recommendations by political leaders

- National coverage: GoU should prioritize Direct Income Support to older persons and commit to national scale up of Senior Citizens Grants
- Financing: GoU should identify sustainable sources of funding for SAGE
  - Budget Committee of Parliament has recommended a UGX 36B request for financing national scale up
- Establishment of a Parliamentary Forum on Social Protection

# National Scale Up

- MGLSD working together with local governments has developed robust, efficient and nationally scalable systems and processes for the effective delivery of SAGE Grants.
- These systems and procedures have been tested and are able to be efficiently scaled up for gradual national coverage.



# What Social Protection do for Uganda

- A national, Government-led Social Protection System:
  - Can help Uganda achieve its aspiration of becoming a middle income country
  - Can help reduce poverty and intergenerational transmission of poverty
  - Contributes to the core of development - human development for Uganda's children
  - Maximises impact of government investment in health and education services
  - Helps to strengthen household productivity and capacity for income generation-with lasting benefits for future generations



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