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Key Points

- Conditional Cash Transfer (CCT) programmes are social protection programmes designed to address vulnerability, poverty and human capital development in many developing countries. However, the effects of CCTs on poverty reduction and human capital development vary across regions and countries.
- Following the launch and subsequent implementation of CCTs in Nigeria between 2007 and 2008, Nigeria became one of several developing countries in Latin America, Asia, and Africa with CCTs designed to reduce poverty and vulnerability amongst the core poor through human capital development. However, ten years after the initial introduction of CCTs in Nigeria, very few empirical studies have examined their implementation and effects on poverty reduction and human capital development.
- This Poverty Brief discusses findings from two independent studies that examine the implementation of CCTs in Nigeria and their (in)ability to reduce poverty and contribute to human capital development. It also highlights the changes that have been introduced since 2016 as part of the National Social Investment Programmes.
- Based on findings from the studies and the changes implemented since 2016, the authors recommend that CCTs in Nigeria should: (i) increase the eligibility period for beneficiaries and expand coverage for the poor; (ii) integrate CCTs with other cash, in-kind, and skills-acquisition/training programmes; and (iii) improve governance mechanisms by promoting transparency and accountability.

WHAT HAVE WE LEARNT FROM TEN YEARS OF CONDITIONAL CASH TRANSFER (CCT) PROGRAMMES IN NIGERIA? EVIDENCE AND LESSONS FROM TWO INDEPENDENT STUDIES

by Oludiran Akinleye, Olabanji Akinola, Adebanke Akinrimisi, Seyi Shadare, and Gbenga Shadare

Introduction

Emphasis on the relevance of social protection programmes for addressing poverty reduction and human capital development in developing countries has received renewed and increasing attention over the past two decades (Deacon, 2012; World Bank, 2001). The inclusion of social protection targets and goals in the Sustainable Development Goals (SDGs) in 2015 illustrates this renewed and increasing attention. It also reveals the desires of local and international development stakeholders to ensure at least a minimum provision of social protection to the poor and vulnerable (Omilola, 2018; Federal Republic of Nigeria, 2017). Hence, social protection programmes, including but not limited to conditional cash transfers (CCTs) and unconditional cash transfers (UCTs), are being implemented in many developing countries to fight poverty and support human capital development (Garcia and Moore, 2012). In 2007, with the objectives of addressing “vulnerability of the core poor in the society against existing socioeconomic risks” and reducing “intergenerational poverty,” Nigeria introduced its first national CCT programme known as the “In Care of the People” (COPE) CCT programme (National Poverty Eradication Programme, 2007, p. 5).

Between 2007 and 2008, the Federal Government of Nigeria commenced the implementation of COPE in 12 of 36 states of the Nigerian federation, with other states joining afterwards. Years later, in fulfilment of its electoral promise and as an expansion of the social safety net system in Nigeria, the Federal Government of Nigeria, led by President Muhammadu Buhari, established a CCT programme as part of the National

Social Investment Programmes in 2016. The new CCT programme has since replaced COPE and currently operates in 26 states of the Nigerian federation (The Nation, 2018). Aside from the national CCT programme, some subnational state governments and international donor agencies also operate CCTs in various parts of the country. However, ten years after the initial introduction of a CCT in Nigeria, few studies have examined the country's experience with CCTs (notable exceptions include Shadare, 2019; Akinola, 2017; Holmes et al., 2012). To fill the extant knowledge gaps in the literature on CCTs in Nigeria, this Poverty Brief presents findings from two independent studies conducted on social protection and CCTs in Nigeria between 2013 and 2016, and highlights changes to the national CCT since 2016. The Brief argues that despite initial and current design and implementation challenges, CCTs are relevant in the Nigerian context, but that some important changes are required in order to ensure that they contribute effectively to poverty reduction and human capital development. These changes include, but are not limited to; (i) increasing the eligibility period and expanding coverage for all eligible beneficiaries in participating communities, (ii) integrating CCTs with other cash and in-kind social protection programmes as appropriate for different age groups, and (iii) improving transparency and accountability as part of overall governance reforms relating to the implementation of CCTs in Nigeria.

Background and Methodology of Studies

As social protection programmes, CCTs aim to augment the human capital development of members of vulnerable and poor households, especially children, by making the receipt of monthly or bimonthly cash transfers by households conditional on regular attendance in schools and health clinics (Davies et al., 2016; Bastagli et al., 2016; Barrientos, 2007; De Janvry and Sadoulet, 2004). Thus, to receive payments, selected households in CCT programmes are often required to fulfil certain educational and health-related conditions (Adato and Hoddinott, 2010; Fiszbien and Schady, 2009; Freeland, 2007). In the case of Nigeria's pioneer COPE CCT programme, a community-based targeting method was adopted, according to which community leaders provided a list for government officials to use of those considered the poorest within the community. The government officials subsequently verified and selected the "deserving" poor based on household characteristics such as the presence of school-age child(ren) and/or if a household was headed by a female, elderly person, disabled person, person living with HIV/AIDS or Vesicle Vagina Fistula (VVF). In order to receive payment, selected beneficiary households were required to maintain 80 percent minimum attendance for children during the school year and regularly visit hospitals and clinics for government-sponsored vaccination programmes (NAPEP, 2007).

The two independent studies (I and II) reported in this Brief are based on studies of COPE as well as on changes implemented since 2016. The studies were conducted independently with the twin objectives of (i) understanding the governance of CCTs in Nigeria and (ii) obtaining evidence of the multi-subjective experiences and perceptions of various stakeholders on social protection in Nigeria. Field studies and data collection for the two studies were conducted by two of the authors of this Brief in 2013 and 2016. The respondents included beneficiaries and non-beneficiaries of COPE, national and international policymakers, civil society, human rights activists, educational and health officials, government and non-governmental officials, and staff of donor agencies working on social protection in Nigeria. *Study I* employed a mixed-methods approach that combined qualitative and quantitative methods and techniques in data collection and analysis. Data for the study was collected by one of the authors between May and October 2013 in Abuja (the Federal Capital Territory), and in Lagos and Oyo states. The study involved qualitative interviews with key informants and officials involved in the implementation of Nigeria's (COPE) CCT, as well as with the beneficiaries of the programme in three rural communities in Oyo state. Qualitative data from the study also included data from archival research, participant observation, and personal communication with stakeholders. Quantitative data for the study was obtained using Household Survey (HHS) questionnaires administered to randomly selected household heads in the three communities selected for the study. While qualitative data was analysed using interpretive thematic analysis, quantitative data was analysed using the Statistical Package for the Social Sciences (SPSS) software. *Study II* was a qualitative methods study that involved focus group discussions (FGDs) and semi-structured elite/key informant interviews. The research was conducted by one of the authors between February and August 2016 in Abuja (FCT) and the states of Lagos, Kano, and Oyo. Data was analysed using thematic analysis with the aid of NVivo computer software.

Key Findings and Analysis

In general, many of the respondents in the two independent studies expressed positive views about CCTs in Nigeria. Beneficiaries considered COPE a helpful intervention that allowed them to meet their immediate household needs, especially the purchase of small household items (e.g. food). However, they also mentioned key challenges such as the one-year eligibility period of the COPE programme, the low amount of monetary transfer (N5000 Nigerian Naira per month, approximately US\$ 33 as per 2016), and the poor and unintegrated nature of the programme with other social protection programmes. Following the introduction of the new national CCT by the federal

government in 2016, beneficiaries of CCTs currently receive bi-monthly payments of N10000 (approximately US \$27 in 2019), representing a total of N5000 per month. Notably, to support their consumption and to prevent them from falling further into poverty, the N10000 payment is paid unconditionally to households. However, households with pregnant women and school-age children receive an additional top-up payment of N10000 if they fulfil health, education, and sanitation related conditions (Adam, 2018).

In addition, the findings of the two studies revealed significant differences between Nigeria's CCT programme and those in Latin America, particularly the Brazilian and Mexican programmes on which COPE was modelled. For instance, while children enrolled in CCTs in Brazil and Mexico may remain in these programmes through both elementary and high school (Fiszbien and Schady, 2009), children in Nigeria's COPE programme exited the programme after a year, regardless of their level of study. The current CCT in Nigeria has an extended eligibility period of three years. Furthermore, COPE was based on the use of quotas that limited the number of beneficiaries to 10 households per community, and evidence from the studies demonstrates that coverage of eligible households was low and the number of households excluded was high in all the communities studied. Under the current CCT, the names of poor households from the community are entered into a national social register, and eligible households are verified and selected from this list. However, despite the fact that the Nigerian CCT uses community-based targeting methods to select beneficiaries, it is still a major challenge to delineate the "deserving poor" from the other members of the community who share the same characteristics.

The non-integrated nature of the COPE CCT with other social programmes was highlighted as a drawback by survey respondents. Although the programme was expected to provide adequate training in trades and skills acquisition for adult members of beneficiary households, respondents expressed dissatisfaction that this did not take place. At the same time, CCTs are implemented without consideration of the availability of necessary supply-side resources such as teachers in schools and doctors in hospitals/clinics, particularly in rural communities. The overall governance mechanisms for COPE, especially regarding transparency and accountability, made it challenging to institutionalise and build trust between state and non-state officials responsible for implementing the programme on the one hand, and members of the community on the other. There were no grievance mechanisms in COPE for anyone seeking to redress their exclusion from the programme. Although a grievance redress mechanism is now in place, it is ineffective and largely unknown to community members and beneficiaries (World Bank 2018). The non-inclusion, and in many cases weak involvement, of civil society/non-governmental organisations (NGOs) in the

monitoring of COPE, was also highlighted as a drawback by some respondents. This is something that could have strengthened the social accountability aspects of the programme. Even in terms of the current programme's involvement with independent monitors, the engagement between state officials, non-governmental agencies, and members of the community remains weak. The weak engagement in COPE is thus replicated, particularly in relation to the potential of empowering community members to hold state and non-state officials accountable for their actions and inactions.

Conclusion and Recommendations

Social protection programmes designed to reduce poverty and support human capital development (CCTs) have had, and will possibly continue to have widespread support among governments and donors. This Poverty Brief has presented and discussed key findings from two independent studies that examined the design and implementation of CCTs as social protection programmes in Nigeria, with special reference to the lessons learnt from COPE, Nigeria's pioneer CCT. It also highlighted some of the recent changes to CCTs in Nigeria since 2016. Based on the findings and changes, the authors of the Brief make the following recommendations:

- With particular reference to the eligibility period and progressive moves towards universal coverage, the design and implementation of CCTs in Nigeria require a more comprehensive coverage of eligible households and expansion of the coverage period. For instance, it would be more beneficial if there were universal coverage in small rural communities with high levels of poverty. Beneficiaries with school-age children should also be covered for the period of enrolment in school until graduation. On average, a child enrolled in a public school in Nigeria requires six years at elementary school and six years at secondary school.
- Transparency and accountability are crucial to the success of any social protection programme. Ensuring that CCT programmes in Nigeria are more transparent in the selection of beneficiaries and that state and non-state officials are held accountable for their actions will be helpful to improve on the success of CCT programmes in Nigeria. So far, the beneficiaries remain vulnerable to the whims and caprices of state and non-state actors and institutions. Social accountability mechanisms that can empower beneficiaries and community members continue to be weak or completely absent in many places.
- Finally, it is important to note that despite the challenges associated with the implementation of CCTs in Nigeria, CCTs have provided hitherto unavailable support to some of the poorest and most needy households in Nigeria. It is, therefore, imperative to mention that improving the design and delivery of CCTs to better serve those in need, will be very helpful in reducing poverty in Nigeria.

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