Food and Agriculture Organization of the United Nations

PtoP from PROTECTION to PRODUCTION

RESEARCH BRIEF

CGP positively impacted productive activities and labour allocation in Zambia

THE PROGRAMME

The **Zambia Child Grant Programme (CGP)** forms part of the Government of Zambia's flagship social protection cash transfer programmes. Implemented in 2010 by the Ministry of Community Development, Mother and Child Health (MCDMCH), the programme currently reaches 20 000 ultra-poor households with children under five years of age in three districts (Shangombo, Kalabo and Kaputa). At the time of the baseline household survey for this study in 2010, beneficiary households received 55 Kwacha (ZMK) a month (equivalent to about USD 12) independent of household size, an amount subsequently increased to 60 ZMK a month. The grant represents 28 percent of monthly per capita consumption of beneficiary households. Given the fixed amount, in per capita terms the transfer is larger for smaller-sized households.

The goal of the CGP is to reduce extreme poverty and the intergenerational transfer of poverty. The objectives of the programme are to (1) supplement and not replace household income; (2) increase the number of children enrolled in and attending primary school; (3) reduce the rate of mortality and morbidity among children under 5 years old; (4) reduce stunting and wasting among children under 5 years old; (5) increase the number of households owning assets such as livestock; and (6) increase the number of households that have a second meal a day.

THE EVALUATION

This brief is based on an analysis of a randomised phase-in control trial that included several levels of random selection at both community and household level. Communities serving as controls were scheduled to receive the programme at the end of 2013. We present findings after 24 months of programme implementation, including impacts on agricultural production, accumulation of productive assets and labour allocation. There are good reasons to believe that the CGP can have impacts on the economic livelihoods of recipients. Since the programme targeted rural areas, the vast majority of beneficiaries depend heavily on subsistence agriculture and live in areas where markets for financial services (such as credit and insurance), labour, goods and inputs are likely to be lacking or not functioning well. In this context, when cash transfers are provided regularly and predictably, they can help households overcome credit constraints and manage risk.

RESULTS

Four key findings can be drawn from this study. First, there is **robust evidence of a positive impact of the programme on the consumption of both food and non-food items**. The impact was larger in magnitude for food consumption and for smaller households (five or fewer members). The increase in food consumption stems exclusively from purchases, and not from self-produced goods. Dietary quality and variety also increased: CGP

Photo: Beneficiary in Kalabo, Western Province of Zambia
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recipients consumed significantly more cereals, pulses, meat, dairy/eggs, oils/fats and sweet products as compared with control households.

Second, **the programme had a significant impact on the accumulation of livestock and agricultural implements**. Large effects were found on both the share of households (21 percentage points) owning animals and on the number of animals owned, especially for larger sized households. These effects were larger in magnitude for poultry. With respect to agricultural tools, we observed two distinct patterns of positive impacts: i) on the share of households accumulating agricultural implements with low initial values at the baseline; ii) on the number of assets held for those implements already available at the baseline by a large share of households.

Third, **the programme had a positive impact on agricultural activity**. Receipt of the CGP led to an 18 percent increase in the area of worked land as well as an increase in the use of agricultural inputs, including seeds, fertilizers and hired labour. The increase in agricultural input use led to increased production – approximately a 37 percent increase in the value of overall production. We found a small yet significant increase in maize and rice production for smaller households and a decrease in cassava production, especially for larger households. The latter result was consistent with the decline in household consumption of tubers. The increase in production appeared to be primarily sold rather than consumed on farm; the CGP led to a 12 percentage point increase (from a 23 percent base) in the share of households selling their harvest.

Finally, in term of labour supply, receipt of the CGP transfer led family members to reduce participation in, and intensity of, agricultural wage labour. The impact was particularly strong for women – a 17 percentage point reduction in participation and 12 fewer days a year. Both males and females increased time spent in family agricultural and non-agricultural businesses. For males, there was also evidence of an increase in non-agricultural wage labour activities. No impact was found on child labour.

Overall, the study provided direct evidence that the CGP programme influences the livelihood strategies of the poor, with differential intensity across household size. The programme has helped families increase food consumption and productive activities and assets, including livestock holdings, which was one among the original six objectives of the programme. Furthermore, the programme provided more flexibility to families in terms of labour allocation, especially for women.

REFERENCES

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FOR MORE INFORMATION

Please visit: www.fao.org/economic/ptop/programmes/zambia/en **or write to:** ptop-team@fao.org

The From **PROTECTION** to **PRODUCTION** (PtoP) programme is, jointly with UNICEF, exploring the linkages and strengthening coordination between social protection, agriculture and rural development. PtoP is funded principally by the UK Department for International Development (DFID), the Food and Agriculture Organization of the UN (FAO) and the European Union. The programme is also part of a larger effort, the Transfer Project, together with UNICEF, Save the Children and the University of North Carolina, to support the implementation of impact evaluations of cash transfer programmes in sub-Saharan Africa.