



IMPACTS OF THE CT-OVC PROGRAMME ON COMMUNITY DYNAMICS IN KENYA

BACKGROUND

The **Cash Transfer for Orphans and Vulnerable Children (CT-OVC)** programme in Kenya provides regular and predictable cash transfers to poor households with OVC aged 17 years and younger. The objective of the CT-OVC programme is to strengthen the capacity of the poor to care and protect OVC, to encourage their fostering and retention within their families and communities, and to promote their human capital development.

By December 2012, the government had succeeded in providing regular bi-monthly cash transfers of KSh 4 000 to over 150 000 households nationwide across 47 districts. The value of the transfer represented an average of 14 percent of the expenditures of beneficiary households in 2011. Given the fixed transfer amount regardless of household size, in per capita terms the transfer was larger for smaller-sized households. Due to inflation, the real value of the transfer declined by 40 percent between 2007 and 2009, and by an additional 15 percent between 2009 and 2011. The transfer value was raised by 33 percent in July 2011, after data collection was finalized for the impact evaluation.

THE EVALUATION

This brief is based on data collected during qualitative field work in July, 2012, part of a 4-year randomized experimental evaluation of the CT-OVC programme. A sampling strategy based on regional characteristics and community market integration followed a four-stage process, including selection of provinces, districts, locations and sub-locations. The sampled districts were Owendo in Nyanza province and Kangundo in Eastern province. The study was carried out in focus groups and in-depth key informant interviews using participatory methods. A range of selected tools were employed, including social mapping and livelihood analysis, institutional analysis (Venn diagrams) and household income and expenditure analysis. Household case studies were also conducted. All researchers were trained in a five-day workshop held in Nairobi prior to community entry.

RESEARCH AREAS AND KEY FINDINGS

The study examined the impact of the cash transfer in three broad, interrelated areas: household economy, local economy and social networks.

Household economy impacts.

The CT-OVC cash transfer enabled resource-poor households to meet basic needs and prioritize children's education without disinvesting in assets, increasing debt or pursuing detrimental coping strategies such as child labour. The CT-OVC stimulated beneficiary household economic investments and strengthened sustainable livelihood strategies, but this was highly dependent on the household asset base, vulnerability levels and numbers of OVC. Potential for investments and livelihood diversification was found to be moderated largely by a favourable bio-physical resource base and environmental context,

as well as base assets including availability of land, livestock, labour and access to sugar cane cash cropping mechanisms. These factors combined to stimulate farm improvements and increased agricultural production activities. As example, in the more resource-rich Owendo district, livelihoods were underpinned by farming and fed into greater capacity to invest in livelihood diversification, including in some case diversifying into riskier, higher value activities. The mediating factor of OVCs in the household is also a significant factor- evidence suggests welfare and economic impacts at household level were weakened the more OVC there were (based on interviews, it was not uncommon that households were caring for 3-4 OVC and more). Inflation compounds this effect. Finally, levels of poverty and prevalence of HIV/AIDS are key determinants that shape household vulnerability, effecting potential to direct resources into economic



investments. Evidence emerged of increased female decision-making power in beneficiary households, although gender relations still remained rooted in patriarchal social structures. It was further found that the transfer was constrained in its impact on households by the fast-growing number of orphans taken in by beneficiaries and non-beneficiaries, particularly in Nyanza province.

Local economy impacts. The CT-OVC transfer had positive impacts on the local economy through increased beneficiary agricultural productivity, diversification of income generation, and a greater level and diversity of local economic exchange, resulting in greater money circulation and an improved range of products bought and sold. On the other hand, poverty and vulnerability in beneficiary households, growing numbers of OVC and constraints within the economic and physical environment undermined achieving greater economic impact.

Social networks. The CT-OVC transfer increased levels of social capital, associated risk sharing arrangements and economic collaboration. The transfer was facilitated by a socio-economic environment of well-established and dynamic mechanisms for

micro-credit, HIV/AIDS support and church-based welfare support, etc. In addition, for even the poorest households, transfers contributed to increased self-esteem and increased ability to engage in community and religious activities. The programme threatened, however, to undermine trust-based reciprocity within communities, particularly where there were large numbers of orphans. This was due to jealousy of non-beneficiary households with equal or greater levels of need and the perception of targeting errors related to programme operational dynamics.

OPERATIONAL RECOMMENDATIONS

The study explored how and why various CT-OVC operational arrangements affected impacts and raised a number of important operational recommendations in support of future rounds of CT-OVC transfers:

Improve the timeliness of the transfers for beneficiaries. Late transfer of financial resources to districts, and consequently late payments to beneficiary households can undermine the value of the CT-OVC programme in terms of welfare, educational and productive outcomes.

Build the capacity of Beneficiary Welfare Committees (BWC). Introduced in 2012, BWCs have an important role to play in empowering beneficiaries. However, a lack of accompanying capacity building and support threatens to undermine the value of the BWC. This aspect is already planned within the CT-OVC programme.

Improve communication and awareness-raising. The cash transfer requires improved communication and awareness-raising on a number of issues and processes in the programme, including the new BWC arrangements and thematic areas of sensitisation (e.g. HIV/AIDS, good nutritional practices, improved farming practices and income generating activities).

Ensure complementarities among programme initiatives. Finally, the impact of the programme would be enhanced if better complementarities were developed among different programmes with the cash transfer, such as HIV/AIDS, agriculture, youth promotion, income generation and government support for secondary school education.

REFERENCES

Oxford Policy Management. 2013. Qualitative research and analyses of the economic impact of cash transfer programmes in sub-Saharan Africa: Kenya Country Case Study Report, PtoP project report, FAO, Rome.

FOR MORE INFORMATION

Please visit: <http://www.fao.org/economic/ptop/programmes/kenya/en> or write to: ptop-team@fao.org



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