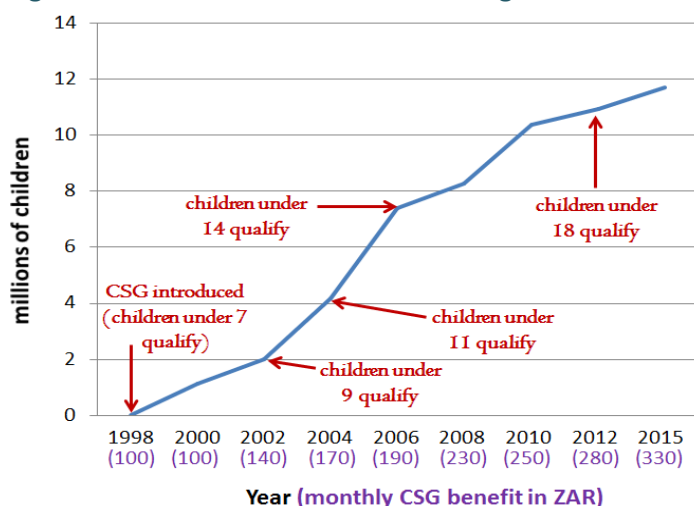


1. How is social protection provided to children in South Africa?

In 1913, the idea of providing income support to households with children was conceptualized by means of the Children’s Protection Act, which provided for a State Maintenance Grant (SMG). The SMG was a means-tested grant paid to women who did not receive support from their partner or the child’s father or who were in situations such as widowhood or desertion. Although all South Africans were legally eligible to receive the grant, people in the independent states where the black population lived were unable to access it because the states did not administer the benefit. The grant, therefore, effectively discriminated against the non-white population. Male family members often migrated to urban areas to find employment, leaving behind their families and breaking up traditional households. A main concern regarding the SMG and its focus on the nuclear family was that it did not fit the reality of many South African families.

After the end of the apartheid era, a reform of the social protection system was envisioned to meet the needs of multi- or skip-generation households where children were often raised by grandparents after parental migration or death from HIV/AIDS. In 1998, the CSG replaced the SMG and was designed to reach the child instead of being linked to the child’s biological parents.

Figure 1. Gradual increase of CSG coverage



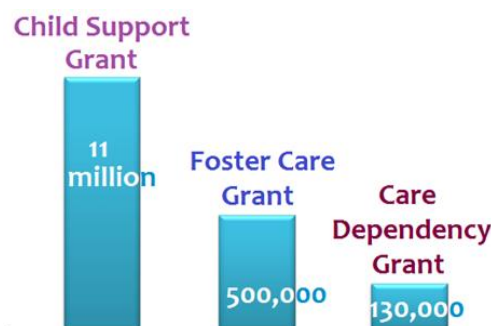
Source: Department for Social Development

Initially, the CSG was a monthly benefit of ZAR100 (\$8) and covered children until 7 years of age. Over time, incremental changes were made to several features of the CSG programme.

The eligibility age was gradually increased to 18 years and the monthly benefit was raised to ZAR330 (\$27) per child. The monthly income threshold for the means test was raised to ZAR3,300 (\$269) for singles and ZAR6,600 (\$537) for couples. The CSG can be paid for up to six children, including legally or non-legally adopted children, as well as biological or non-biological children of the primary caretaker in a household.

Besides the CSG, South Africa provides a Foster Care Grant and a Care Dependency Grant. The FCG is not means-tested, but has low coverage, which is often attributed to lengthy application procedures, including a court order confirming the child’s need for foster care. The CDG provides ZAR1,410 (\$115) and the means test is ten times the benefit amount (monthly income threshold at ZAR14,100 or \$1,159). It is paid to children with severe chronic illnesses or disabilities, which have to be confirmed through a medical assessment. All grants are payable to citizens, permanent residents and refugees with legal status.

Figure 2. Number of beneficiaries in 2015



In addition to these grants, the Government provides complementary services in health and education.

2. What is the delivery mechanism?

In South Africa, two institutions are active in the design and delivery of social protection. The Department for Social Development (DSD) is responsible for policy-making and oversight while the South African Social Security Agency, created in 2006, administers and delivers all social grants. The creation of SASSA reduced fragmentation and inconsistency within the previous system, where the benefit levels and eligibility criteria for social grants were decided by nine different regions and disbursed by different paymasters.

Registration for the CSG requires children and their caretakers to submit their biometric data, including their

photographs, fingerprints and voice recordings. This information, along with the beneficiary's name and a unique beneficiary identification number, are stored on an electronic chip card. This SASSA-branded MasterCard is the sole instrument used to identify beneficiaries.

Although it may take up to three months to process applications, benefits are paid retroactively from the date of application. Payments for all grants are made during the first two weeks of each calendar month. Payments are made through electronic bank transfers or by cash at SASSA offices, supermarkets or other payment points. When payments are made in cash, beneficiaries are identified through their SASSA-branded MasterCard.



Mobile payment unit



SASSA-branded MasterCard

Today, SASSA has registered all beneficiaries into a biometric electronic system and works with one paymaster. SASSA has gradually improved and made its payment system cost-effective by using biometric data and negotiating provider contracts. With the introduction of the smart card, the administrative cost decreased from ZAR33 (\$2.70) to ZAR16.4 (US\$1.40) per month per beneficiary. Recording biometric data has allowed SASSA to identify 850,000 fraudulent grants.

A strong complaint and appeals mechanism underlies the social grant system in South Africa. Any decision of the implementing agency can be put to the Independent Tribunal for Social Assistance Appeals. It receives and hears appeals for all social grants, decides whether to confirm, alter or set aside a decision made by SASSA and whether to award the grant temporarily or permanently.

In addition to the use of technology and the establishment of complaint and appeals mechanisms, coverage was also increased through massive communication campaigns that sought to explain the benefits and eligibility criteria. These campaigns also tried to overcome traditional beliefs (e.g. infants have to stay at home during the first weeks after birth) that

contributed to reducing registration rates for newborns.

Further, the ICROP sought to increase coverage by helping people to complete applications forms and providing information. The ICROP uses fully functional mobile service units staffed with computers, office equipment and workers. These units travel to far-flung communities in the country.

3. What is the impact on people's lives?

In South Africa, since unemployment is high and poverty widespread, the CSG is spent primarily on food. The grant positively impacts health and nutrition of children. In fact, a study has found that children who benefit from the grant are, on average, 3.5 centimetres taller than non-recipient children.

The CSG also increases access to childhood development and schooling. Studies have shown that in CSG households, mothers are better informed of other services such as the early childhood development services, and are more inclined to register their children in these facilities. This has had positive consequences for the children since pre-school learning provides children a head start in education, improves their ability to develop social skills and allows the children to grow up in a safe environment.

Furthermore, the CSG has been shown to reduce incidences of risky behaviour among adolescents, such as reduced sexual activity, fewer pregnancies and reduced drug and alcohol use, especially for females.

Mothers in receipt of the CSG were more likely to participate in the labour market and more likely to be employed. Through the combined effects of improving school attendance and enabling mothers to participate in the labour market, the CSG has had a positive impact on the earnings of family members.

4. What's next?

South Africa has come a long way since the end of the apartheid era in 1994. Today, its social protection system is one of the most comprehensive in the region. While the CSG is currently a means-tested benefit, plans to raise the eligibility threshold and even universalize the grant are real policy options. Universal provision of the CSG will reduce many barriers to access and help include vulnerable children currently excluded from the programme.

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Building Social Protection Floors

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