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Social assistance and cash transfers: an example from Kyrgyzstan

Social cash transfers to promote reproductive health

Kyrgyzstan

Population	5.9 million
Human Development Index rank	120 out of 188
Life expectancy at birth	70.8
National poverty rate (% of the population living below national poverty line)	32.1%
Absolute poverty rate (% of the population living below USD 1.90/day Purchasing Power Parity)	1.3%
Total public social protection expenditure including health expenditure (% of Gross Domestic Product, latest data 2012 (ILO, 2014)	9.58%

Source: UNDP, 2016 unless otherwise specified

■ *Cover photo: Social protection specialists of the Ken-Bulun community visit households to assess the needs of their clients.*

Kyrgyzstan: Political and economic challenges of independence

Kyrgyzstan, a land-locked country in Central Asia, was part of the Soviet Union until it gained independence in 1991. Its loss of position in the planned economy of the Soviet sphere caused severe economic contraction, and Kyrgyzstan is still a low-income country. It is a parliamentary republic, but political instability is a major challenge. Authoritarian presidents were ousted in 2005 and 2010, and in 2010 severe ethnic clashes erupted between the Kyrgyz and Uzbek populations. These events, in combination with food price increases in 2011 and 2012, reversed earlier gains in poverty reduction. The extreme poverty rate, which measures the share of the population unable to afford a basic food consumption basket, increased from 3.1% in 2009 to 5.3% in 2010, and in 2012 it was still 4.4%.

The country has improved the efficiency of and access to health services, although the quality is still rather low. Health indicators reflect this: life expectancy has only increased from 65 in 1980 to 68 in 2014, and Kyrgyzstan has the highest maternal mortality rate among the countries of Eastern Europe and Central Asia at 50.3 per 100,000 live births.

Social cash transfers for the poor and vulnerable

The guiding document on Kyrgyzstan's social policy is the Strategy for Social Protection Development 2015-2017, a follow-up to a previous strategy that was in force until 2014. Its goal is to establish an effective and equitable social protection system. The current social assistance system provides two types of monthly cash transfers: one for poor families with children, and the other for defined categories of individuals such as the elderly or people unable to work and not covered by any other pension. Households can only claim one of them.

Two social cash transfer schemes

The monthly benefit for poor families (MBPF) is for families whose monthly income is below a guaranteed minimum income (GMI) per person. The benefit brings the family's income up to the GMI level. The GMI is not calculated according to need but varies according to the country's budget situation. In 2011, it was only 28% of the extreme poverty line, just enough for an individual to purchase 2100 calories per day.

The benefit paid has risen over the years. In 2012, it averaged 640 Kyrgyzstani som (KGS) per capita each month, equivalent to around USD 12. This supports but does not assure a family's livelihood. Other sources of income include informal work, and in rural areas subsistence farming plays a major role. The GMI was increased by 57% in 2012 and 10% in both 2013 and 2014, improving the adequacy of the MBPF.

Overall, however, the benefit has a low impact on poverty reduction, partly because of the small amount, but mostly because only the poorest of the poor are entitled to receive it. It accounts for less than 10% of total household consumption in the bottom quintile of the population. Moreover, targeting efficiency is low, with 60% of children in the poorest quintile remaining uncovered in 2015.

The second regular monthly cash transfer scheme is the monthly social benefit, paid to individuals who are unable to work and do not receive any other pension. The amount paid varies for different categories of beneficiaries but averages about twice as much as the benefits for poor families.

Only 1.2% of the population received the monthly social benefit in 2009. Over half the individuals in the poorest quintile are not eligible because they receive a pension from the social insurance system, including people who have contributed to it themselves, people with disabilities, and orphans.

A social protection officer for the Ken-Bulun local authority, Jangazieva Sanapia, fills in the social passport for an applicant for social assistance.

Comparing the two social cash transfers

	Monthly Benefit for Poor Families	Monthly Social Benefit
Target group	Poor families with children	Individuals unable to work and without other pension: • people with disabilities • HIV-infected children • orphans • mothers with more than ten children • elderly people
Means test	Family monthly income per person below the GMI	No means test
Benefit level	Difference between the family income per person and the GMI	KGS 1000- 3000 (USD 14-43) (2015) depending on the beneficiary category
Average amount	KGS 235 (USD 3.5) per capita (2010) KGS 640 (USD 9) per capita (2014)	KGS 827 (USD 12) (2009) per capita
Coverage	7.4 % of the population lived in a beneficiary household in 2012	1.2% of the population (2009)

In addition to the two regular cash transfer schemes, there are some occasional or temporary benefits. Emergency cash benefits were introduced after the 2010 ethnic clashes: families that lost their breadwinner and victims who became disabled, as well as children infected with HIV via hospitals in the south (Osh, Nookat) received KGS 3,100 (around USD 45 at the time) per month. Likewise, children of families with missing persons were able to receive KGS 1,000 (USD 14) per month for six months.

Targeting benefits: the Social Passport for Poor Families

The targeting mechanism for social assistance benefits in Kyrgyzstan is the 'social passport'. This contains information on family members, their incomes and assets, serious diseases and the social services they receive. Condition for registration is a monthly family income below a certain threshold, which in 2012 was KGS 1,745 (USD 26). In that year, around 464,000 families held a social passport.

Social passport information is compiled by social workers at the community level. Families have to come forward themselves to apply, but if social workers see eligible families who are not applying – perhaps because they are illiterate or fear being stigmatised – the social workers may pro-actively help them in their application process.

In each community, a social committee – formed of social workers, the head of the community, and local council members – meets twice a month to consider which benefits social passport holders should receive. The committee makes decisions about in-kind support measures such as reduced electricity costs, which are paid from the local budget. For cash transfers, the committee passes its recommendations to the district, which checks the data and documentation before, usually, agreeing. Cash benefits are normally paid out by a social worker at the local authority office.

Besides its targeting function, the social passport is also the source of data for monitoring and planning social policies such as policies to support female-headed households or improved social services in rural areas.

Beneficiaries missing out on social and health protection

Many poor people in Kyrgyzstan do not benefit from the social protection and health services for which they are eligible. Two barriers to needy and poor families' access to support are a residency qualification, and lack of knowledge.

To obtain social services or assistance, people have to be registered as residents at the local administration where they apply for the benefits. But the rate of internal migration is high and getting registered in a new location is very challenging. This is partly because registration is only possible at an officially registered house, but

Social protection specialists of the Ken-Bulun community visit houses to assess their clients' needs.

many internal migrants live in newly-built districts around the cities which are often illegally built and therefore not registered. In addition, some owners fail to inform the authorities when they are renting a house, in order to avoid higher taxes and utility charges. According to estimates by government and civil society in 2010, there may be as many as 50,000 unregistered citizens in the capital, Bishkek.

A second barrier to accessing services is lack of knowledge. Many poor people in Kyrgyzstan, especially vulnerable groups such as people with disabilities, elderly, women from poor households and people living in rural areas do not seek health services because they have little knowledge of health-related issues or because they do not know what services and benefits are available. In a survey of poor women and men of reproductive age in a district in Chuy province (conducted by a local non-governmental organisation (NGO) with support from the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH), 30% of the women and 38% of the men said they did not know anything about sexual and reproductive health services. Only 12% of the women and 23% of the men were aware of basic social protection provision, such as the cash benefits for poor families with children.

Reproductive health care services are included in the medical package people should get for free, but many poor women of reproductive age do not know what care is necessary, nor that they can get these services without charge. People with disabilities are particularly disadvantaged, since they also face discrimination and logistical barriers to accessing care.

Health workers and social workers employed by local governments work with families in need and could potentially be valuable channels for information on health issues and available services. However, neither health nor social workers are well-informed about matters outside their own areas of expertise and they rarely exchange information. For example, social workers who support families experiencing crises such as unemployment or domestic violence do not know about medical issues like the need for health care during pregnancy, nor about the services available. Equally, health workers who give counselling or treatment to poor pregnant women do not know about the social assistance to which the women might be entitled.

The German contribution: social protection to strengthen access to health

German development cooperation has supported measures that aimed to increase the efficiency and uptake of cash transfer programmes, partly as a way of increasing utilisation of health care services. From 2009 to 2015, German support for social assistance in Kyrgyzstan was delivered through the framework of the regional programme 'Health in Central Asia', to which German financial (KfW Development Bank) and technical cooperation (GIZ) make complementary contributions. The rationale was that social protection can make health services more efficient and increase their impact by increasing the demand for them. Improving the supply side of health services is often not enough; for example, poor people may need money to pay for travel costs to reach health services, or adequate nutrition while there.

Within the health programme, GIZ was therefore supporting basic social protection to improve access of vulnerable groups to health services, as well as working directly to improve services in the area of sexual and reproductive health and rights, and to promote the health of young people. The German programme cooperated closely with the US Agency for International Development, the World Health Organization (WHO) and several other United Nations organisations.

Strengthening demand for social and health services

Increasing awareness will help increase utilisation of services. To this end, GIZ supported the survey conducted in Chuy province mentioned above. Using the results, in 2013 the NGO Alga worked with GIZ to develop a communication strategy on sexual and reproductive health, health of young people, and social protection programmes. The strategy, to be implemented by Alga, includes seminars and training for social and health workers, roundtables and conferences with the participation of local authorities and religious leaders, and street actions with target groups.

Training health and social workers as information promoters

To strengthen the role of health and social workers in communication, the GIZ health programme team developed a joint training course for them, covering social assistance schemes and reproductive health issues such as family planning and safe motherhood. The training was first delivered in 2013 in Chuy province, to 25 participants including social workers, health specialists, local government officials, and representatives of local NGOs. One goal of a joint training for the different groups was to strengthen cooperation between them by building personal and organisational contacts.

Supporting digitisation of the social passport

GIZ has supported the digitisation of Kyrgyzstan's social passport system to make it more efficient, convenient and error-free. A digital system enables transfer of data between administration levels, reduces errors, and facilitates tracking of budgets and resources. Further, social workers can take data for the passport directly from the Household Book. Beneficiaries no longer have to go to different offices and through different application processes to apply for different benefits.

In 2011, an external consultant developed the software for the digital social passport and trained 15 social workers and specialists from the Ministry of Social Development to use it. The software was first piloted in three districts in 2013 (one rural district in Chuy province and two urban districts in Bishkek). Afterwards the Ministry of Social Development, responsible for the process, organised further piloting in six other cities, covering all the provinces.

Digitisation is a challenging process. In the early stages, it creates additional administrative burdens, as all documentation has to exist in paper as well as digital versions. The workers need support as they learn to handle the software. However, the benefits are already visible and the digitisation process is promising.

A focus group discussion assesses the target population's knowledge about social protection and sexual and reproductive health issues.

Many other countries are modernising their social protection databases and facing similar challenges such as lack of technical facilities and skills, and challenges with compiling basic data. GIZ supported an international workshop on management information systems in social protection for south-south exchange and learning. Held in Bishkek, the workshop brought together experts from science, public administration, and donor organisations from a number of countries including Brazil, Cambodia, India, Nepal, Tajikistan, and South Africa.

Digitisation of the social passport forms part of a wider project of digitising local government databases in Kyrgyzstan. It is further pursued through the integration of the social passport and the Corporate Social Protection Information System (KISSP) into a local electronic system of governance (e-Ayil).

Social protection workers receive training to use the software for the digital social passport at the GIZ Regional Health Programme office in Bishkek.

A good foundation for tackling future challenges

Kyrgyzstan's commitment to strengthening its social assistance system is illustrated by the fact that from 2000 to 2005, public social protection expenditure increased as a share of GDP from 2% to 6%. Challenges of access are being addressed: the digitisation of the social passport may bring forward the possibility of relaxing the restrictive 'registered residency' rule that prevents so many eligible families from obtaining benefits. Digitisation also opens up the possibility of integrating a number of other related databases that are currently held by different ministries and agencies, such as tax records, health insurance, and the land registry.

The health and social development ministries' joint focus on better access of vulnerable groups to reproductive health and social services is promising. Use of the social passport for data collection and analysis will play an important role in the implementation of improved social and health policies in the future.

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Registered offices
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Sector Initiative Systems of Social Protection

Dag-Hammarskjöld-Weg 1-5
65760 Eschborn
T +49 61 96 79-0
F +49 61 96 79-11 15

social-protection@giz.de
www.giz.de

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On behalf of
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Division 304 – Health, Population Policy and Social Protection

Addresses of the BMZ offices

BMZ Bonn
Dahlmannstraße 4
53113 Bonn, Germany
Tel. +49 228 99 535 - 0
Fax +49 228 99 535 - 3500

BMZ Berlin
Stresemannstraße 94
10963 Berlin, Germany
Tel. +49 30 18 535 - 0
Fax +49 30 18 535 - 2501

poststelle@bmz.bund.de
www.bmz.de

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