

Appropriate, Achievable, Acceptable: A practical tool for *good* targeting



Introduction

Debates about whether and how best to target social transfers towards maximum poverty reduction impacts provoke strong reactions from different stakeholders in social protection policy and programming. Some argue that, given scarce resources in developing countries, targeting based on financial poverty indicators is essential if programmes are to reach the poorest households whilst still being affordable. Others argue that, where poverty is generalised across the population, simpler approaches such as universal benefits to those in particular easily identifiable demographic groups (such as children and the elderly) are more appropriate and can address wider dimensions of poverty beyond income.

However, for those at the cutting edge – people designing and implementing social transfers – these debates are often difficult to distil and navigate. Evidence on the effectiveness of targeting does little to help: for any single example of where one targeting mechanism has been effective, there are others of where it fails. This paper seeks to provide a practical approach to navigating through decisions about targeting. It outlines the minimum data and information requirements for good decision making on targeting and identifies the questions that policy-makers and programmers need to answer in order to negotiate the various trade-offs between different targeting choices.

Overcoming confusion in targeting: *Appropriate, achievable and acceptable*

Targeting terminology can be confusing, often owing to inadequate distinction between **who** should be eligible for support; and **how** to identify the eligible so that they can receive transfers. Without a

clear distinction between these processes, it is not possible to know whether poor programme performance occurs because of weak design or because of poor implementation.

Decision-making can be increasingly evidence-based and systematic by dividing decision-making into three distinct but interrelated areas and asking whether targeting is **appropriate**, **achievable** and **acceptable**.

Targeting is **appropriate** when it is fit for purpose: i.e. when targeting contributes to, or enhances the achievement of programme goals and objectives. For example, programmes with limited resources aiming to reduce poverty and vulnerability among the poorest will do better to limit eligibility to those below a particular threshold of the income distribution, whilst programmes with broader objectives, such as social inclusion, might better define eligibility based on social or demographic groups, irrespective of income, such as scheduled castes and tribes in India.

Targeting is **achievable** when governments and development partners are adequately resourced to implement targeting effectively. Both affordability (financial costs associated with targeting) and capacity (such as staff availability to carry out means tests, and technology to manage data) limit what governments can do in terms of targeting, so trade-offs have to be made between what is *appropriate* and what is *achievable*. For example, the most appropriate targeting approach (such as, means testing), may be rendered impossible due to staff capacity and costs, requiring resort to a second or third best option.

Targeting is **acceptable** when it receives enough popular and government support to make programme delivery sustainable.

Politics and ideology underpin attitudes towards social transfers in general and targeting of transfers in particular. For example, in some countries, transfers are seen as hand-outs and there is limited support for transfers targeted at the poor but some support for those targeted at the incapacitated.

These '3-As of targeting' form the building blocks for practical solutions to targeting challenges in low income countries. The remainder of this paper outlines the steps that

policy-makers and programme implementers can take to achieve optimum combinations of appropriate, achievable and acceptable targeting. It is important to clarify that this work focuses primarily on social transfers that aim to reduce poverty – notably financial poverty. The authors recognise that social transfers can, and do, have many other objectives (for example social justice and inclusion) and that poverty is multi-dimensional and not solely financial. However, this paper was mandated to develop tools for assessing how far different targeting approaches enable programmes to reach the poor or poorest households. As a result the focus remains primarily on financial poverty.

How to ... work out what is appropriate

Most social transfer programmes aim to reduce financial poverty by increasing household consumption for all those falling below a defined poverty threshold (and so address poverty in its *breadth*), or for those in the most extreme poverty (addressing the *depth* of poverty). This focus on increased consumption may be accompanied by longer-term measures, such as investment in human capital, or in household assets or community infrastructure. It may also be accompanied by measures focusing less on financial than on other elements of poverty, such as increasing school enrolment and attendance, improving access to health care, stimulating labour markets, ensuring national food self-sufficiency, reducing social exclusion, and achieving social justice.

There are two problems here. First, it is not always clear who the poorest households are. Too often assumptions and anecdotal evidence about who is poorest are used rather than solid, representative and rigorously collected data. The same applies to the characteristics of poor households: some will contain members who are economically

Box 1: Assessing appropriateness of different targeting proxies in Bangladesh

Evidence from testing the ODI tool on datasets from Bangladesh, Malawi and Ghana provide interesting results – and challenges for policy-makers in using them. Bangladesh provides a useful example:

Design errors were calculated for four different poverty thresholds – the upper and lower Cost of Basic Needs (CBN) poverty lines for 2005 (BBS, 2006), and the bottom decile and quintile. At each of the four poverty lines, the number of households who would be included assuming perfect poverty targeting is as follows: upper CBN 10.78 million households (this is around 38% of households); lower CBN 6.61 million households (about 23% of households); bottom decile 2.86 million households; and bottom quintile 5.73 million households. Drawing on various Government of Bangladesh data, Table 1 shows the numbers of poor households that would be excluded from programmes and the number of non-poor households that would be included in programmes under four different targeting proxies – household contains someone over 60 years, household is female-headed, household contains a disabled person, household contains child(ren) under five years. The table shows that different social categorical approaches are more or less appropriate if programmes seek to reach poor people. Disability and female headed categories perform the worst, with more than 90% of poor or poorest households being left out of the programme if disability or female headed household are used as criteria for selection. Old age (sixty years and above) fares slightly better but still leaves more than 75% of poor(est) households out of programmes if used as a criterion for selection. The best criterion is households containing child(ren) under five years where around 40% of poor(est) households will not be eligible (Slater and Farrington, 2009).

Number and percentage of poor(est) households not eligible and non-poor(est) households eligible under different targeting criteria in Bangladesh

	Upper CBN poverty			Lower CBN poverty			Poorest 10%			Poorest 20%		
Selected household characteristic / targeting proxy indicator	No of poor households not eligible*	Percentage of poor households not eligible	Non-poor households eligible	No of Poor households not eligible	Percentage of poor households not eligible	Non-poor households ineligible	No of Poorest households not eligible	Percentage of poorest households e not eligible	Other eligible	No of Poorest households not eligible	Percentage of poorest households not eligible	Other eligible
Old age 60+	8.11	75%	5.20	5.03	76%	6.28	2.20	77%	7.21	4.39	77%	6.53
Female headed hhs	9.86	91%	2.03	6.01	91%	2.35	2.57	90%	2.66	5.20	91%	2.43
Disabled	10.17	94%	0.65	6.23	94%	0.88	2.69	94%	1.09	5.39	94%	0.93
Children U5	4.50	42%	6.37	2.45	38%	8.49	0.96	37%	10.75	2.17	38%	9.09

Source: Slater and Farrington, 2009 and based on analysis by Shaheen Akter

vulnerable and, with the right support, may be able to engage more fully in economic activity. Others may exhibit different vulnerabilities, including those rooted in demographics, morbidity or long-term disability that have less prospect of being economically active and so require long-term support. Second, the combination of differing objectives – all of which are important and directly related to a multi-dimensional view of poverty – create targeting trade-offs that may pull policy-makers in different directions.

ODI has developed and tested a spreadsheet-based tool that utilises nationally collected household datasets to address these problems (see Slater and Farrington 2009). It is designed for use by managers and administrators who work on social transfer (and other) policies and programmes, and enables them simply, and without resorting to complex statistics or econometric modelling, to understand how well different proxy indicators correlate with poverty. This means that, for any programme with the objective of reducing financial poverty, programme designers can work out whether geographical targeting, social categorical targeting, or some other approach will result in greatest targeting effectiveness.

From a long-list of criteria (ranging from geographical location, to individual and household demographic indicators, to other indicators of welfare such as status of housing or asset ownership), policy-makers and programme designers can identify the most appropriate targeting approaches. The steps are as follows:

1. **Identify the range of poverty lines below which the programme is aiming to provide support.** For example, where governments have a fixed budget, they can aim to reach everyone below the national poverty line (“breadth”) and distribute smaller amounts per household, or they can limit coverage of the programme to the lower deciles of income poverty distribution (“depth”) and distribute relatively larger amounts per household.
2. **Calculate how many poor households are deemed ineligible for support using proxy indicators.** For example, how many of the 67% of poor households in Zambia, would not be included if targeting were based on disability indicators? Or if a programme in Bangladesh uses female-headed household as its targeting criteria, how many and what proportion of households below the upper poverty line are not female headed? (For actual Bangladesh results see Box 1)
3. **Calculate how many non-poor households are deemed eligible for support using proxy indicators.** For example, how many households above the poverty line in Zambia have members with disabilities? Or how many and what proportion of female-headed households in Bangladesh are above the upper poverty line?
4. **Calculate the cost of deeming non-poor households eligible for support using proxy indicators.** For example, if transfers of \$20 / household / month are targeted at non-poor households including members with disabilities in Zambia, how much and what proportion of the budget is spent on transfers to the non-poor? Or, if transfers of 500 Taka are paid to female-headed households in Bangladesh, what amount and proportion of programme resources will be transferred to the non-poor?
5. **Assess the extent of trade-offs between including the non-poor, and deeming the poor ineligible.** This is the most important step. Critical questions to be asked are:
 - Which proxy indicators perform best at minimising non-poor eligibility and / or maximising poor eligibility?
 - Should some indicators be discarded on the basis that they perform poorly in both regards?
 - Are there such significant trade-offs between non-poor eligibility and poor eligibility that it is difficult to see how any proxy indicators will deliver targeting appropriate to the programme objectives?

How to ... evaluate what is achievable

Assessing what targeting is appropriate is a critical first step because it enables us to understand who we should be trying to reach with social transfers. It shows what we should attempt to achieve. But actually delivering the transfers, with no exclusion of eligible people nor inclusion of ineligible people, is another challenge altogether. Errors of inclusion and exclusion are the two main types of error associated with the implementation of targeting (Box 2): Inclusion errors (or leakage) occur when people who are not eligible receive benefits. Exclusion errors (or undercoverage)

Box 2: Inclusion and Exclusion Errors in Programme Implementation

When programmes are implemented, there are two main errors associated with targeting: Inclusion errors (or leakage) occur when people who are not eligible receive benefits. Exclusion errors (or undercoverage) occurs when people who should be enrolled in the programme are not.

Targeting errors in a notional programme			
Households:	Eligible	Ineligible	Total
Included in programme	15	5	20
Not included in programme	5	75	80
Total	20	80	100

Source: adapted from Grosh et al (2008)

costs of achieving more accurate targeting (and thereby reducing inclusion and exclusion errors) are worth it, given that these additional costs reduce the overall proportion of resources available for the transfers themselves. In Latin America, Central Asia and Eastern Europe, the costs of means- and proxy means-testing average about 4% of total programme costs. In absolute terms this is about US\$8 or less per beneficiary (Grosh et al 2008). In the poorest countries, where coverage is less, programmes have greater transaction costs and the total transfer size to beneficiaries is far smaller than in other parts of the world, these costs can be disproportionately large in the

occur when people who should be enrolled in the programme are not. Exclusion errors damage outcomes and undermine effectiveness; inclusion errors undermine efficiency. Public opinion may be much more opposed to the wastage implied by inclusion errors than by wrongly excluding those entitled to benefits. Errors of inclusion and exclusion do not necessarily therefore warrant equal weighting, on either economic or political grounds.

Resource and data constraints mean that what is most appropriate is not always achievable in the real world. There are therefore significant trade-offs between the most appropriate targeting (often means testing focused on financial poverty) and what is practically possible in developing countries. The ‘Catch-22’ of social protection means that countries most in need of social transfers have the least capacity to deliver them; furthermore, demand for social transfers is usually counter-cyclical (for example, there is increasing demand for transfers during recession / high unemployment, and yet at this time the tax base for funding social transfers is more constrained) (Devereux 2003; Alderman and Haq 2006). These trade-offs are important and can be best assessed under three main areas: financial, infrastructure and human resource constraints.

Many governments in developing countries face major *financial* constraints when it comes to targeting. Some of the considerations in assessing ‘affordabililty’ in sub-Saharan Africa contexts are discussed in Box 3. In countries with high levels of chronic poverty, it is not always clear whether the

programme. Other targeting mechanisms – such as geographical, community-based targeting or using easily verifiable demographic criteria – are invariably cheaper but often present a trade-off with appropriateness.

Human resources constraints are also very important but difficult to measure. Advanced targeting systems require staffing and in poor countries with few existing programmes, the start-up costs (i.e. training new staff) can be large. Staff such as social workers or NGO programme officers rarely work on one single programme so their costs are shared between social transfers and other activities. Frequently, human resource costs are transferred and not accounted for: for example where community-based targeting is used, the common assumption is that targeting costs can be minimised because costs become hidden and are borne privately by local community members whose work is not remunerated.

The contexts of physical and socio-political *infrastructure* in which social transfers are to be delivered also presents a constraint. Delivering transfers in remote and / or hostile regions is difficult and targeting may be impractical or exacerbate social and political conflicts. In these cases, what is appropriate must be weighed against what is physically possible and what approach will, at minimum, do no harm. Physical infrastructure for targeting is not restricted to roads. It also requires good information systems that are accessible, representative and regularly updated – this is true not just for means-testing but, as the ODI appropriateness tool has shown,

for social categorical and geographical targeting too. Availability of information is often patchy in the poorest countries.

What can policy-makers and programmers do to objectively assess the trade-off between what is appropriate and what is achievable? We suggest the following steps:

1. **Compare cost estimates of targeting from other programmes with comparable features and assess the extent to which these correlate with levels of inclusion and exclusion errors.** Evidence shows that comparing very large programmes from Latin America does not help much with understanding the costs of targeting of more ad hoc and smaller programmes in Africa and parts of Asia. Comparisons are better made with programmes of similar coverage, duration, objectives, size of transfer and total budget. Where country data is available, the World Bank's Social Protection ADePT tool provides a mechanism for comparing inclusion and exclusion errors in a range of social transfer and social insurance programmes across many countries.
2. **Assess the context.** Key features that will influence targeting choices include the poverty headcount and depth (where poverty is generalised across the population, self-targeting is less effective), physical accessibility, access to information and the risks that may affect targeting options (for example, conflict or political unrest). Some of these contextual features may be so important that they dominate the targeting decision-making process. One example is in emergencies, where the risk of many deaths is high.
3. **Assess the capacity of institutions and organisations to carry out targeting.** The World Bank provides various useful toolkits, including one for assessing institutional arrangements and capacity that can help to assess capacity and propose designs for appropriate institutional setup (see Mathauer, 2004).
4. **Assess the implications that costs, capacity and context (the three previous steps) have for different targeting options**

Box 3: Affordability of different targeting approaches to reduce poverty among OVCs (Orphans and Vulnerable Children) in Sub-Saharan Africa

Stewart and Handa assess the effectiveness and feasibility of different targeting approaches in social transfer programmes that aim to reduce poverty among OVCs in four countries in SSA – Malawi, Mozambique, Uganda and Zambia. They focus on approaches rather than mechanisms and compare targeting:

- labour-constrained households, which have no able-bodied members between the ages of 15 and 60, inclusive, or have a dependency ratio greater than three;
- Households with age-vulnerable or disabled adults. Age-vulnerable households have a female member above the age of 55 or a male member above the age of 60, or a disabled or chronically ill adult.
- Households with children. 'Vulnerable children' are defined as the poorest children, hence the scheme effectively targets poor households with children less than 18 years of age;
- Households with orphans;
- The poorest households, employed as a benchmark that represents perfect targeting for policies with the sole objective of poverty alleviation.

Stewart and Handa (2008) find that, for an assumed budget of 0.5% GDP:

1. Targeting cash transfers to labour-constrained households will reach individuals in the third decile of the consumption distribution without exhausting the budget. I.e. under perfect targeting assumptions, all eligible households in the target group would be reached and programme resources would be left over. In Malawi (95% of budget), and Mozambique (94%), the programme budget constraint would be approached. In Uganda (80%) and Zambia (29%), a much lower proportion of the budget would be used.
2. Targeting households containing older people or disabled people would exhaust the budget in Malawi, Mozambique and Uganda. In Zambia, the budget would not be exhausted.
3. In Zambia targeting orphans in the poorest 3 deciles would expend only 55% of the programme budgets (0.5% of GDP). In Malawi, Mozambique and Uganda, the budget would be exhausted.
4. Cash transfer programs that target households with children would exhaust the budget, but reach poorer households, on average. Recipients under child-centred targeting would both exhaust the budget and reach only individuals with the lowest self consumption. In Malawi, Mozambique and Uganda; in Zambia, a small proportion of individuals in the second consumption decile would be reached as well.

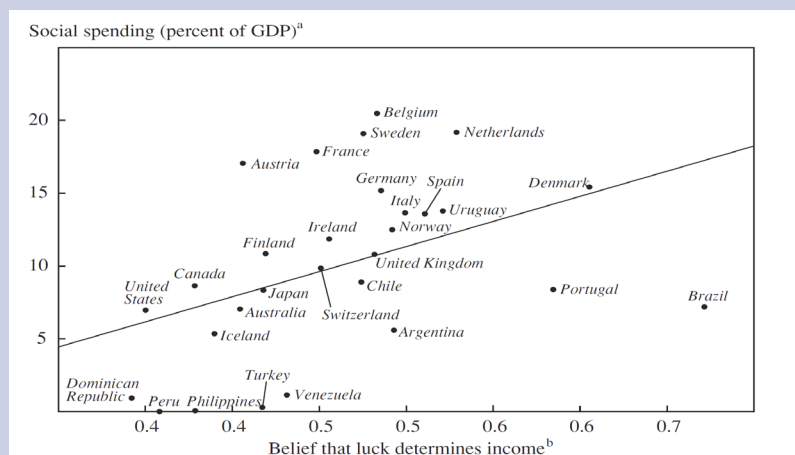
How to ... assess what is acceptable

How programmes are targeted is at the heart of acceptability: Coady et al (2004) note the importance of (often implicit) values among programme managers, policy makers, or society itself in weighting the benefits of transferring resources to different groups, for example, the moderately versus extremely poor, or to those with labour capacity versus those who are incapacitated. And whilst these values might be implicit, their effect is explicit: The executive and legislative parts of government, and the general (voting) population can have a strong influence on how and for how long social transfer programmes are funded. Because these

Box 4: Using the World Values Survey to assess acceptability of targeting

Alesina et al (2001) assesses responses from the United States and Europe and finds very different responses. 54% of Europeans believe that the poor are unlucky, whereas only 30% of Americans share that belief (p. 242). Sixty percent of American respondents, but only 26 percent of Europeans, say that the poor are lazy (p. 243). From a regression of transfers divided by GDP against attitudes about income across a range of countries, it is also possible to discern a positive relationship between countries' spending on social transfers, and attitudes about poverty.

Figure 1: The relationship between social spending and the belief that luck determines income



Source: Alesina et al (2001)

influences are powerful, focusing only on the technical aspects of which targeting is appropriate or achievable is inadequate.

Inclusion and exclusion errors are measurable and lie at the heart of general political acceptability of social transfer programmes. Programmes that include many individuals or households that are not eligible for support in programme design are deemed to be wasteful and public concern has led to efforts to improve targeting and so overcome the leakage found in earlier versions of social transfer programmes. Exclusion errors have generated much less political and public concern. In assessing acceptability, three steps are most important:

1. **Analysis of public and government attitudes towards redistributive measures.** There are a number of tools that enable programmers to assess how receptive to and supportive of social transfers the population is likely to be. An important one is the World Values Survey which can be used to make simple assessments of the acceptability of targeting the poor based on social, political and cultural orientation. The World Values Survey asks values-related

questions across a range of countries, including questions that indicate attitudes to poor people. Respondents are asked whether poor people are trapped in poverty, whether poor people are lazy, and whether success is due to effort or luck. An example of analysis is shown in Box 4. Similarly, AfroBarometer provides data from household surveys about attitudes towards poverty and government responses. This includes questions about the breadth and depth of poverty and whether, for example, it is better for there to be more jobs at lower wages or fewer jobs at higher wages. An assessment of these responses provides a good indication of attitudes towards social transfers that target poor households versus those that use proxies such as age or gender. Where many people believe that the poor are lazy, especially at community-level, long-term support is more likely for programmes that are self-targeted, such as those requiring beneficiaries to complete public works, or targeted on households with limited or no labour capacity. These conclusions can be compared with findings about appropriate and achievable targeting.

2. **Assess the propensity of social transfers to reduce / worsen social stigma.** In low income settings, whilst stigma associated with poverty targeting is rare (because so many people are poor) there are many examples of stigma where social categories or proxies are used for targeting. Assessments of poverty levels, especially based on geographical analysis, can help to show whether targeting is likely to cause stigma and point to appropriate targeting measures. Where there are strong spatial poverty patterns, geographical targeting can be useful. But this can only work where there is adequate funding for dense coverage: in one district in Ethiopia in 2006, a very large proportion of the population were in need of transfers but funding allowed only limited coverage of social transfers: social friction in the community was so great that beneficiaries and non-beneficiaries took to worshipping at different mosques in the same villages (Slater et al 2006). The explicit targeting of vulnerable groups can help to overcome exclusion but in other cases it can entrench and further isolate vulnerable groups. Common examples of this are the stigma associated with support to OVCs in Africa in programmes where children orphaned as a result of AIDS are explicitly targeted, and the targeting of female headed households in Bangladesh.

Box 5: 'We Are All Poor Here': Economic Difference, Social Divisiveness, and Targeting Cash Transfers in Sub-Saharan Africa

Work by Frank Ellis highlights some of the challenges associated with targeting in low income settings. Drawing on survey data from Malawi, Ethiopia and Zambia, he examines the concerns that policy-makers and programme implementers face with respect to targeting social transfers – in particular social divisiveness, as manifested in the common statement at community meetings where targeting is taking place that 'we are all poor here'. Ellis finds that there are very small economic differences between difference income deciles in all three countries:

as a rule of thumb US\$2 per capita per month separates the poorest decile from the next poorest decile in the income distribution, and US\$9-10 per capita per month separates the poorest decile from the sixth decile (p. 1).

Thus, social transfers when targeted at the very poorest (either on the basis of income or via social categorical targeting) are likely to result in 'leapfrogging' – where the very poorest in receipt of transfer income rapidly overtake the incomes of other poor people in the third, fourth or fifth decile.

Table 1: Mean consumption by Decile:
Malawi, Zambia, Ethiopia (US\$ per capita per year)

Deciles	Malawi	Zambia	Ethiopia	Simple Average
10	760.5	716.0	506.7	661.1
9	347.6	320.6	270.0	312.7
8	260.4	243.4	244.3	242.7
7	211.9	195.3	197.4	201.5
6	178.4	163.6	176.5	172.8
5	152.0	138.4	156.5	149.0
4	129.3	117.5	136.7	127.9
3	108.9	98.7	120.6	109.4
2	88.3	78.7	104.6	90.5
1	62.2	51.3	80.1	64.5

Table 2: Consumption differences between
Deciles: Malawi, Zambia, Ethiopia (US\$ per capita
per month)

Decile Interval	Malawi	Zambia	Ethiopia	Simple Average
9-10	34.4	32.9	19.7	29.0
8-9	7.3	6.4	3.8	5.8
7-8	4.0	4.0	2.2	3.4
6-7	2.8	2.6	1.7	2.4
5-6	2.2	2.1	1.7	2.0
4-5	1.9	1.7	1.6	1.8
3-4	1.7	1.6	1.3	1.5
2-3	1.7	1.7	1.3	1.6
1-2	1.7	1.7	1.3	1.6

Ellis finds that these small economic differences go some way to explaining social divisiveness in targeted transfer programmes and he raises the possibility that some of this divisiveness could be overcome by social categorical targeting. Whilst social categories do not necessarily correlate well with poverty, they have the advantage that people understand better the basis on which people are included in or excluded from programmes. Beyond this, the findings also raise deeper ethical concerns about the danger that in promoting targeting the very poorest, we ignore other poor / very poor people, and about the pressure that we put on communities when they are forced to make decisions about eligibility / inclusion based on minute differences in their own communities

In addition to these ethical questions, Ellis's work also challenges an emerging pattern in social transfers in Africa – attempting to reach the bottom decile by using household labour capacity / constraints as a proxy. Ellis, confirming earlier World Bank work providing a stocktake of Social Protection in Malawi, challenges the view that households with limited labour (for example households comprising older people and OVCs and no working age adults) are poorer than households with labour. He goes on to note that:

it is doubtful that the labour capability difference between households ... is as clear cut as the rule suggests. The productive deployment of labour is not just a matter of labour supply but also of labour demand. Households containing labour entirely unemployed, or significantly underemployed, differ little in their material conditions from households lacking economically active labour, and indeed may even be worse off due to the higher food consumption needs of adult household members ... even if labour is productively deployed, it is possible that its returns are insufficient to meet basic nutritional requirements (the ultra-poverty line), which in all the countries mentioned in the paper is double or more than double the 10 per cent proportion of poorest households (p. 9-10)

Source: Ellis (2008)

3. **Analysis of how far targeting only the poorest is acceptable.** Whilst the political economy of social transfers is largely driven by concerns about inclusion errors (access to programmes by those who are ineligible), the focus of many social transfer programmes on reaching the very poorest households throws up some different questions about acceptability that policy-makers and programmers also need to address. In Bangladesh, social transfers are increasingly focused below the lower poverty line whilst in sub-Saharan Africa there is a tendency to design social transfer pilots that focus on the bottom decile. Analysis by Ellis (2008) shows that the differences between the lowest and higher deciles is very small (Box 5). This throws up difficult questions about these sorts of approaches:

- Is it acceptable for programmes to target the very poorest and ignore other poor or very poor people?
- Is it acceptable to target those in the bottom decile and enable them to ‘leapfrog’ those in deciles immediately above who receive no support?

Household survey data can be relatively easily analysed to assess the risk that targeting the poorest will result in exclusion of others whose welfare is only fractionally better.

Trade-offs and other lessons

Comparing the results about which targeting approaches are appropriate, achievable and acceptable implies a set of trade-offs that the policy-maker must navigate through. These are shown more clearly in the decision tree in Figure 1.

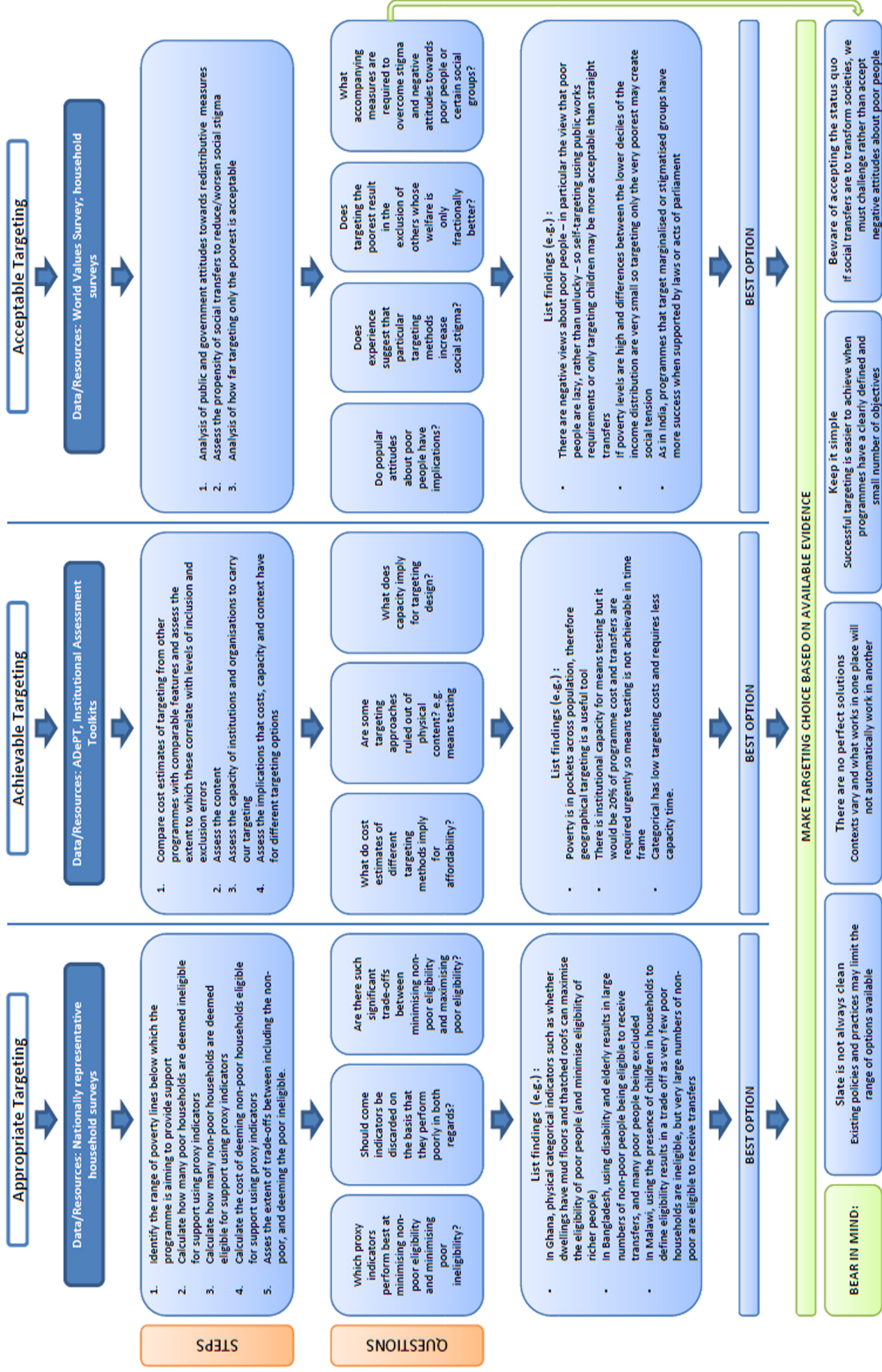
The other things that we need to bear in mind when targeting programmes are as follows:

1. **The slate is not always clean:** We already know that politics and ideology have overt and covert influences on targeting decisions. But we also need to recognise that some decisions that affect targeting are taken as given at the very start of programming. Appropriateness can be undermined where governments or donors decide that their objective is to deliver an instrument to a specific group – rather than beginning with an assessment of the problem that needs to be addressed. Some decisions, for example, over what poverty line to target,

or whether particular social groups should be targeted, may not be open for discussion.

2. **There are no perfect solutions:** Individuals or organisations that push single instruments or suggest that there is one, single solution to targeting are not helping and, ultimately, may undermine efforts to reduce poverty and vulnerability. It is critical to make context and evidence-based decisions about targeting and to remember that social transfers are a means to an end (i.e. the reduction of poverty and vulnerability, plus wider objectives of, for example, social inclusion), and not an end in themselves.
3. **Keep it simple:** getting targeting right, managing expectations of what social transfers can deliver, and maximising their success against objectives is much easier when programmes have one realistic objective, whether reduction in depth of poverty, or nutritional status, or social inclusion, for example. Including other objectives confuses targeting and is only appropriate so long as it does not create trade-offs between different approaches. Targeting is unlikely to help achieve a more pro-poor allocation of resources if there are too many competing objectives.
4. **Beware of accepting the status quo:** Whilst the range of targeting choices may be limited by ‘acceptability’ and by prior decisions about the focus of programmes, these limits should not always remain unchallenged. For example, where differences between the very poorest and the poorest are very small, we may want to challenge the idea that targeting only the very poorest is acceptable. Similarly, where large swathes of the general public think that poor people are lazy, the easy option is to design programmes that do not target the working-age and capable poor. However, if social transfers are to have a transformative effect on society, it is critical that negative perceptions about poor people are challenged. So targeting may need to be accompanied by information campaigns that make the case for targeted transfers.

Figure 1: Targeting Decision Tree



Tools and Resources:

Tools and key data sources to support or accompany targeting decision-making include:

- Information on the ODI targeting appropriateness tool from: <http://www.odi.org.uk/projects/details.asp?id=791&title=targeting-universal-social-transfers>
- The toolkits section of the World Bank's Social Protection and Labour Site which includes the referenced tool kit and primer on institutional analysis and capacity building: www.worldbank.org/sp
- The World Bank's Social Protection ADePT tool provides a mechanism for calculating and comparing inclusion and exclusion errors: www.worldbank.org/adept
- AfroBarometer draws on survey data from countries in Africa and identifies public attitudes towards poverty and strategies to reduce poverty: <http://www.afrobarometer.org/index.html>
- The 2005 World Values Survey covers 99 countries, offers down-loadable data files in SPSS and STATA, codebooks that include cross-tabulations of responses, and an on-line analysis function: www.worldvaluessurvey.org
- The World Bank-supported Living Standards Measurement Surveys provide nationally-representative household survey data that can support assessments of how appropriate different targeting mechanisms will be. Information, documentation / analysis of data, including instructions on accessing the datasets (which are mostly held by national governments' statistics offices), can be found at: www.worldbank.org/lsm/
- www.wahenga.net for evidence on experience of targeting social transfers in sub-Saharan Africa and discussion boards where debates about targeting are posted.
- Other DFID-commissioned toolboxes and manuals: EPRI's Designing and Implementing Social Transfers provides a comprehensive introduction to targeting mechanisms and choices: <http://www.epri.org.za/rp38.pdf>

- The Economic Policy Research Institute in Cape Town offers training, in various locations, that includes targeting of social transfers. See www.epri.org.za/courses.html

Key references and sources of information include:

Alderman, H. and T. Haq (2006) 'Counter-cyclical safety nets for the poor and vulnerable' Food Policy

Alesina, A., E. Glaeser, and B. Sacerdote (2001) 'Why doesn't the United States have a European-Style Welfare State?' Brookings Papers on Economic Activity 2,

Coady, D., Grosh, M. and Hoddinott, J. (2004) Targeting of Transfers in Developing Countries: Review of Lessons and Experience, World Bank, Washington DC.

Devereux, S. (2003) Policy options for increasing the contribution of social protection to food security, Forum for Food Security in Southern Africa Theme Paper No. 4, London: ODI.

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