

# Salt, soap and shoes for school

## Evaluation summary

**The impact of pensions on the lives of older people and grandchildren in the KwaWazee project in Tanzania's Kagera region**



Thank you to all of the older people and to the children taking part in this survey who worked so hard to help us understand their lives. A big debt of gratitude is owed to Kurt Madörin, the initiator and coordinator of KwaWazee, for his huge contribution to this evaluation. Many thanks also go to project team leader Lydiah P Lugazia, deputy team leader Jovinary Francis, and KwaWazee team members Media Choli, Desideri Laurian and Meryness Laurian, and to the team of young enumerators. Lightness Mpunge, Antidius Rutayuga and Leonidas Kitambi made a huge contribution through their excellent translations and more. Professor David Donald's help with design of the study and data analysis was invaluable, as was Dr. Tobias Bauer's support with statistics. Thanks also go to Adrian Gschwend, Josien De Klerk, Esther Schüring and Michel Ducommun and many others who have not been mentioned. Last but not least, a big thank you goes to the funding partners who contributed to this assessment: the Regional Psychosocial Support Initiative, HelpAge International, World Vision International, Swiss Agency for Development and Cooperation, Dar es Salaam and KwaWazee Switzerland.

This is a summary evaluation report. Together with the full report it can be downloaded free of charge from: [www.helpage.org](http://www.helpage.org), [www.kwawazee.ch](http://www.kwawazee.ch), [www.repssi.com](http://www.repssi.com), [www.worldvisionministry.org](http://www.worldvisionministry.org) and [www.sdc.or.tz](http://www.sdc.or.tz).

Additional documents, including the complete results of the standardized questionnaire, can be downloaded [www.kwawazee.ch](http://www.kwawazee.ch).

A short video *Pension day in Nshamba* can be viewed on YouTube at: [www.youtube.com/helpage](http://www.youtube.com/helpage)

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Written by Stefan Hofmann, Mandy Heslop, Glynis Clacherty and Flora Kessy.

The report has been published with financial support from SDC, REPPSI, and WVI.

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Registered charity no. 288180

Cover photos: Stefan Hofmann and Mandy Heslop. Black and white photos: Stefan Hofmann

Design and print by Intertype

Printed on recycled paper

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**ISBN 1 872590 37 3**

## 1 Introduction

This report presents a summary of the evaluation findings of a project supporting older people and their dependants in Tanzania.

The KwaWazee project was started at the end of 2003 in the Kagera region of north-western Tanzania, an area severely affected by the consequences of HIV and AIDS.

Its aim was to provide poor and vulnerable people over the age of 60, including those caring for children without parents, with a regular cash income in the form of pensions and child benefits. By the end of 2007, nearly 600 older people were receiving a regular monthly pension of Tsh. 6,000 (US\$5). Additionally, main carers received child benefits of Tsh. 3,000 (US\$2.5) for each grandchild.

In recent years, cash transfers have become an increasingly popular way of providing social protection in low-income African countries. But while a number of evaluations have confirmed their benefits to the most vulnerable households, there is much less information on the provision of pensions for older people and child benefits to those caring for grandchildren.

Besides presenting findings on the economic impacts of cash transfers, the study also presents remarkable findings on the rarely-explored area of psychosocial wellbeing of older people. Moreover, the study's inclusion of children in an impact assessment of cash transfers through activity-based workshops is probably unprecedented.

The full report, which is available from KwaWazee, REPSSI, World Vision, Swiss Agency for Development and Cooperation (SDC) in Dar es Salaam and HelpAge International, includes more detailed accounts of different aspects of the project:

- An assessment of the impact of pensions and child benefits on older people and of the cost-effectiveness and implementation of the project by Stefan Hofmann and Mandy Heslop, freelance consultants.
- An assessment of the impact of pensions and child benefits on the grandchildren by Glynis Clacherty, consultant, Clacherty & Associates.
- A summary of national and regional policies for social protection aimed at older people in Tanzania and an exploration of the lessons learnt from the KwaWazee pensions fund by Dr Flora Kessy, Senior Social Research Scientist at the Ifakara Health Research and Development Centre (IHRDC), Tanzania

## 2 The project

KwaWazee began at the end of 2003 as a small-scale project which aimed to learn more about the realities of older people's lives and how best to respond to them. Since initially there was no intention of becoming a larger scale programme, KwaWazee did not systematically try to reach a defined number of older people in a certain geographic area.

At the start, when funds were very limited, the objective was to support a few dozen of the most vulnerable older people in and around a group of villages called Nshamba in the Muleba district. A team of community volunteers with first-hand experience of living conditions in the area selected the beneficiaries using broad proxy indicators of vulnerability including age, health, and living conditions like the extent of family support and the size of the shamba (the area of land around the home on which staple food crops are grown). To qualify for a pension, applicants had to be over 60. Initially, older people caring for grandchildren were prioritised.

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‘Before the pensions they had jiggers (sand fleas) in the fingers, I had no-one to give me soap, no-one to give me kerosene. We would live in the dark.’

*Pensioner*

In the following years, as more funds became available, KwaWazee gradually increased the number of beneficiaries. By December 2007 there were nearly 600 pensioners. Targeting and distribution procedures were adapted as coverage was extended to other villages in the Muleba District. The setting up of psychosocial support groups, in which grandparents and grandchildren met separately to share their experiences, also advanced the learning process.

The project brought about significant changes with regard to improving older people’s and children’s food security status and their psychosocial well-being. Positive changes were observed in many areas. For example:

- Most pension recipients no longer had to beg, compared with two-thirds of non-recipients. The proportion of older people who had to sell assets such as farmland was halved.
- Just over one-fifth of pension recipients described themselves as ‘always sick’, compared with more than one-third of non-recipients.
- Children from homes receiving cash transfers not only ate better, but also had enough soap to last most of the month, and were absent from school less often.
- More than a quarter of pension recipients were able to make modest savings – three times as many as non-recipients.

### 3 Evaluation methodology

The evaluation had three main elements – the impact of the pension on older people, the impact of the pension and child benefits on children, and a review of how this project relates to the policy debate on social protection in Tanzania.

#### Methodology with older people

The project had been running for four years when the evaluation was carried out. As no baseline survey was carried out at the start of the project, a quasi-experimental comparison group design was chosen in order to assess the impact of the project. Hypotheses and indicators were developed with the participation of older people.

A randomly selected group of pensioners, the experimental or ‘project’ group who had all received a pension for at least 14 months, was compared with a group of non-pensioners, the ‘control’ group. Members of the control group had to be from the same geographical area and to meet all the criteria for becoming a KwaWazee pensioner. For ethical reasons they were accepted as pension fund beneficiaries after the fieldwork was completed.

The research consisted of a standardised questionnaire, 108 interviews with older people, interviews with key informants, nine case studies and nine focus group discussions on different issues, two of which concentrated on the running of the project.

Regarding most of the criteria used for the selection of pensioners – such as the state of the house, size of land, income other than pensions and ownership of assets – the control group averaged better than the project group.

But despite this relative initial advantage, the balance turned clearly in favour of the project group when indicators for the impact of the pensions were assessed. Clear differences in many of the areas investigated produced statistically significant results despite the relatively small size of the sample.

### Sample numbers

	Project group carers	Project group non-carers	Project group	Control group carers	Control group non-carers	Control group	Total
Standardised questionnaires	29	25	<b>54</b>	29	25	<b>54</b>	<b>108</b>
Focus groups on health, support network, care situation and implementation of the pension fund (5-8 participants each)	4	2	<b>6</b>	2	1	<b>3</b>	<b>9</b>
Case studies	4	1	<b>5</b>	2	2	<b>4</b>	<b>9</b>

### Methodology with children

Like the adult study, the children's study used a quasi-experimental comparison group design to evaluate the impact of the cash transfers through both quantitative and qualitative data.

The project group was selected from households who were part of the randomly selected sample for the accompanying study of older carers. The project group children therefore all came from homes where a pension payment was being received.

The control group was selected from children who were also cared for by grandparents, mostly grandmothers, but whose households were not yet receiving the pension payment. They matched the project group in terms of age, gender and geographical area.

Work with the children consisted of an activity-based one-day workshop in which they were divided into two age groups: 9-12 and 13-18 years, with ten children in each workshop (five boys and five girls). The following is an outline of numbers.

### Sample numbers

Project group 9 – 12 years old	Project group 13+ years old	Control group 9 – 12 years old	Control group 13+ years old
10	11	8	11

## 4 Impact of the pension

### 4.1 Impact on older people

For KwaWazee's target group, a monthly pension of Tsh. 6,000 (US\$5 plus child benefits of Tsh. 3,000 (US\$2.5) for each child cared for, more than doubles the cash available to the average older person. For many pensioners, it represents at least 80 per cent of what they have to spend. This extra income reduces extreme poverty and prevents those who are just poor from falling into extreme poverty. Although most households who receive a pension remain critically poor, the quality of life of older people and grandchildren has greatly improved.

Increased quantity of food, more varied diet, improved health and wellbeing and better protection against crises, were just a few of the obvious benefits.



'Before the pension I had no shoes so I had to cheat. I had to tell the teacher that I have taken the shoes to the fundi (shoemaker) to get fixed. But after the pension my granny bought me shoes.'

*Grandchild of pensioner*

‘We eat little foods. Yesterday we had bananas for one meal and cassava for the other. Because of the small size of our plot our main food is ugali (maize flour) – we have not enough land so we buy this maize. If I could buy other foods I would buy rice. Sometimes I feel fed up of ugali and would like some meat, beans and fish.’

*Non-pensioner*

### Household income

Pensioners are better prepared for crises such as illness or drought, more self-reliant, and in hard times have to resort less often to begging, poorly paid day labour or selling assets. They can also afford to pay for help in cultivating their land.

Over half – 57 per cent of pensioners – stated that they did not have to beg in the last month, compared with 30 per cent of the control group. Only six per cent of the pensioners had to beg very often, compared with 22 per cent in the control group. Some 11 per cent of pensioners had to sell assets such as plots of land within the last two years, compared with 21 per cent of the control group.

Another indicator that the pensioners are better prepared to cope with crises is the significantly higher number of older people who were able to make modest savings: 28 per cent, compared with eight per cent of the control group.

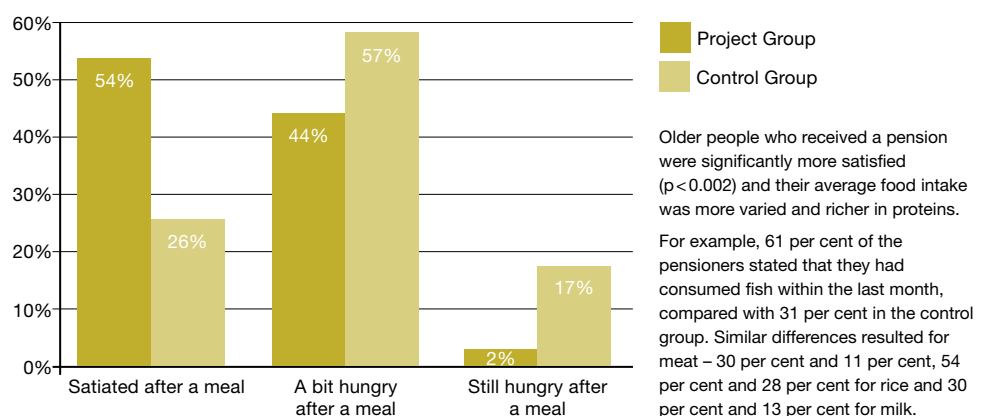
The survey also showed a decrease in day labour, although this did not feature as strongly as suggested in the group discussions. Although income generation was not an aim of the project or the focus of the research, there were a number of indications that the pensions encouraged investments or helped to increase the productivity of the farm.

### Nutrition

Most households headed by older people said they did not have enough land to grow sufficient food or that they lacked the energy to cultivate it properly, especially if they had insufficient support and no regular income.

In this situation, cash transfers in the form of pensions and child benefits had an immediate effect on the nutrition of the whole household.

### Nutrition: satiation after a meal



### Health

The improvement of pensioners' overall state of health reported in the focus group discussions was only partly reflected in the quantitative research. Both groups showed a similarly high prevalence of sickness, with nearly 70 per cent reporting that they were often or always sick. But when the data was disaggregated, the degree of sickness differed in favour of the project group. Only 22 per cent described themselves as always sick, compared with 37 per cent of the control group.

Clear improvements could be observed in health prevention. As well as significantly improved nutrition, pensioners spent more on soap and owned more bed linen –

factors which promote better hygiene and rest. They also showed an overwhelming improvement of their psychosocial wellbeing (see below).

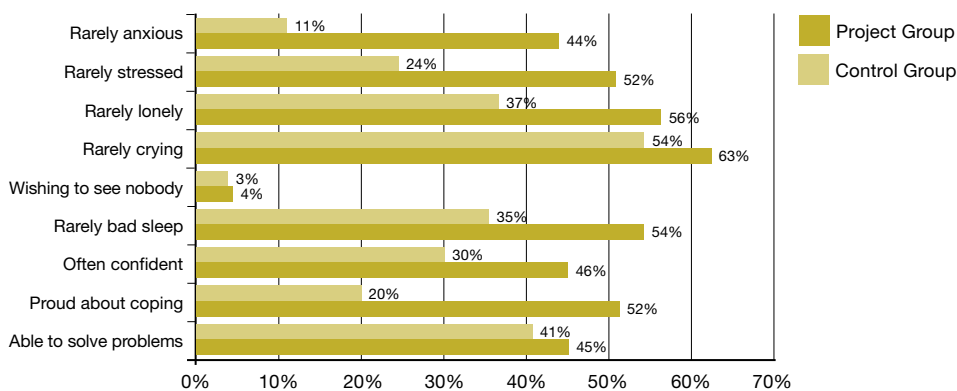
On the other hand, there was no significant difference between the two groups in either the number of health care options or the use of medication.

The relatively minor signs of a health improvement resulting from the pensions may be influenced by the fact that the oldest age group was over-represented in the project group. Moreover it should be recognised that the health situation remains critical even for older people receiving a pension. This is exacerbated by the unreliable implementation of the national policy which entitles older people to free health care.

### Psychosocial wellbeing

Older people who received a pension were significantly less anxious about the future, less stressed, less lonely and had fewer difficulties with sleeping. At the same time, they felt more confident about how they were coping with the challenges of their lives. Older people who looked after grandchildren were significantly less worried about meeting the children's needs.

### Psychosocial wellbeing



An index over a whole set of questions shows the project group with 54.9 points –markedly higher than the control group with 43.9 points. This improvement of 25 per cent is statistically significant ( $p < 0.001$ ).

The regular pension income strengthened older people's self-sufficiency and their capacity to plan, giving them more control over their lives. Greater self-esteem and less daily stress were other obvious effects.

### Social relationships

The survey showed how chronic poverty and the consequences of HIV and AIDS affect families, severely weakening important support networks.

The 108 older people interviewed were asked how many children each of them had originally (an average of six to seven), how many were still alive (three to four), and how many could be asked for help (one). They were also asked how much they had been able to support their own parents, and how much support they were getting from their children. Nearly all – 95 per cent – reported that they had been well able to support their parents, but only 24 per cent said they received good support from their children.

The survey showed no significant change in support networks as a result of receiving a pension. Family and friends remained the biggest source of external support, while support by the clan or community was consistently judged minimal. There was some evidence that support from some neighbours and family members decreased with the improved situation of pensioners, who now had to pay for some services. However,

'Now if I want to go somewhere I can ask my neighbour. Now they agree because they know I have something and can give something back such as mandazi [fried cakes] for them. Before they wouldn't agree to help me because I had nothing.'

*Pensioner*



'I will be very very happy as I will have money to buy flour. My children were coming hungry from school if I didn't have energy to work for food. I will also buy shoes for the children, soap, exercise book and pen. I can maybe also buy meat and make my children happy.'

*Non-pensioner, awaiting the first pension*

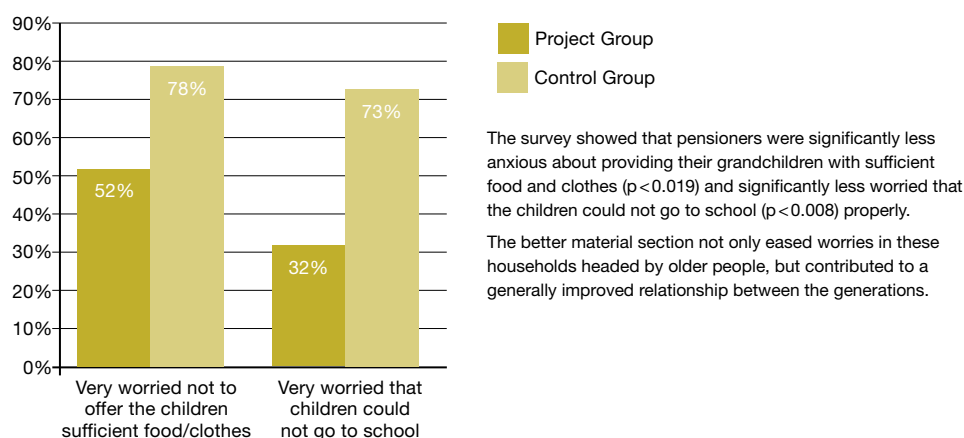
even in these cases pensioners overwhelmingly welcomed the more reciprocal relationships that resulted from greater financial stability. They reported that they were more likely to get credit from shops or neighbours since they had the capacity to pay them back.

The most prominent change in social relationships was evident in households where older people cared for grandchildren. The increased ability to meet the children's needs eased worries and improved the relationship between the generations.

### Caring for children

About half the pensioners are carers. The increased income from pensions and child benefits considerably increased their ability to provide for their grandchildren's material needs, and reduced associated anxieties.

### Worries in the care situation



The study did not confirm that older people with care responsibilities necessarily face extra stress. In fact, older people strongly acknowledged their grandchildren's help with housework and companionship, confirming a high degree of interdependence between carers and children. Older people were concerned about the wellbeing and education of their grandchildren, not least because they saw them as a source of support in future.

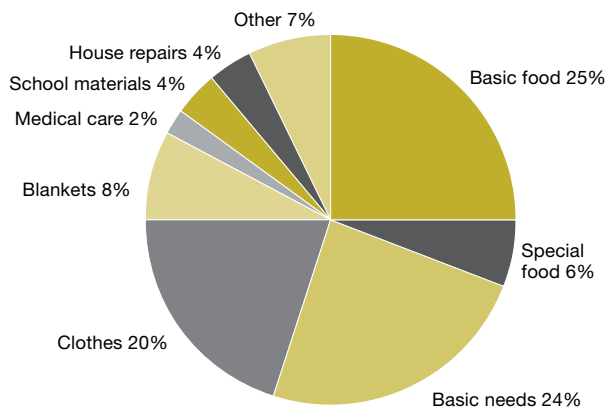
The study revealed that older people without care responsibilities – about half of the pensioners – are often in a more critical position and should therefore not be overlooked in cash transfer schemes.

Older men with sole responsibility for children featured rarely in the project. However, findings indicate that they face particular difficulties, including weak support networks, which need to be explored further.

### What pensions are spent on

In common with most recently-evaluated cash transfer programmes, by far the biggest part of the pensions was spent on basic food and things like kerosene and soap to meet basic needs.

### Biggest change since pensions started



According to different estimates in the survey, the pensions cover on average between 60 and 70 per cent of an older person's expenses.

A pre-study household survey carried out during one month with the psychosocial groups showed that more than 70 per cent of all spending was on food and meeting basic needs.

The diagram does not reflect the proportion of spending, but reflects the pensioners' answers when asked about the two biggest changes brought about by the pension.

When the control group was asked about changes they expected the pension to bring, the priorities were very similar.

'If you get home and you find food and you eat you become energetic again and help. Then there is no fighting with granny. You are happy to get water because she got food for you.'

*Grandchild of pensioner*

## 4.2 Impact on children

Children in homes receiving pensions and child benefits felt they had time to play, study, read and talk to friends. In contrast, children in homes without this extra income felt they spent most of their time working, often doing tasks that were too hard for them.

Material wellbeing was also affected. Children who came from homes with cash transfers were most often satisfied after eating, ate a greater variety of foods, had protein more often and only ran out of soap in the last week of the month.

Children in the other homes often felt hungry after eating, ate only a single carbohydrate such as green bananas and had very little protein in their diet. They often had no soap to wash themselves or their clothes, and many stayed home from school as a result.

Though the small sample means that the findings are not conclusive, there is some evidence that the children who came from homes receiving cash transfers for a year had an improved nutritional status according to body mass index indicators.

Cash transfers have a positive impact on school attendance and progress. Children from homes receiving cash transfers were absent from school less often, as they were not sent home for lacking fees, uniforms or stationery. Some children from homes without cash transfers had left school altogether as the harassment from school authorities became too much. Those that still went to school also talked about how their progress was affected by feeling hungry in class, worrying about poverty at home and having no kerosene to study at night.

It is therefore not surprising that children from homes receiving cash transfers scored statistically significant higher scores on a depression scale than the other group. It was also clear that more money coming into the home improved the relationship between children and grandparents because it reduced stress. Children felt more loved when their grandmother was able to meet their material needs, and conflict between the generations was reduced.

‘Yes we receive the pension in our village but there are others not getting it. I can’t understand why they have not yet received support. Maybe the computer hasn’t chosen them.’

*Pensioner*

## 5 Implementation

### Targeting

The percentage of older people receiving pensions varies considerably within the five distribution areas. Whereas the coverage in Nshamba and the neighbouring villages is very strong, clearly exceeding the estimated number of older women living below the basic needs poverty line, coverage in other parts of Kagera – Ngenge, Mubunda, Kishanda and Buganguzi – remains much lower and more incidental.

Household data from the most recently accepted beneficiaries suggests that the older people in greatest need have been reached. However, survey respondents repeatedly said that many others would equally qualify for a pension. Older people were also unclear about the project’s eligibility criteria, confirming experience of the difficulty of means-testing in communities where poverty is widespread. Despite all attempts by the project to be transparent and fair in its targeting, there is awareness that wherever there is a selection process there is always the possibility of bias.

### Delivery mechanism

The vast majority of the pensions are distributed at the pay point in Nshamba on Wednesdays. Distribution is well organised with short waiting times, and is conducted in a very friendly atmosphere. Pensioners are allowed to have part of their pension credited to a savings account set up for the purpose.

While the distribution procedures for older people able to collect the pension at the pay point are reliable, the arrangements for delivery to more distant pay points are less developed. Most difficulties arose from home delivery to older people who are physically incapable of collecting their pensions themselves. The discovery of fraud cases involving project volunteers has led to improvements to ensure older people receive their pensions.

### Management

The running of the project has been extremely cost-effective so far. However, the current figures do not reflect the budget required to run a pension scheme of this size on a professional basis. The volunteer structures put in place initially did not prove viable in the long run, while many of the salary and infrastructure costs have not been charged to the project so far.

The budget for 2008 suggested that 15-20 per cent of the pension fund would have to be spent on running costs, with means-testing the most costly element, particularly in more remote areas. This is in line with other means-tested cash transfer pilots.

### Sustainability

Pensions imply a long-term commitment, as by definition they are meant to be paid to the pensioners for the rest of their lives. KwaWazee is conscious of this and therefore tries to operate with a mid to long-term financial plan. However, it has to be stressed that projects run by non-governmental organisations like KwaWazee are only sustainable if they become part of a larger-scale programme of social protection at a regional or national level.

## Future of the project

In four years KwaWazee has become a highly efficient pilot programme, with effective targeting, reliable delivery, and the flexibility to adapt to new needs. This is largely due to the vision and the commitment of the coordinator and staff. However, to ensure the long-term sustainability of the pension fund, the question of whether it can be included in district plans needs to be discussed with government authorities.

For the next phase the following areas for improvement have been identified:

- Further clarification of the admission criteria and the area covered by the programme.
- A more transparent information policy about the programme's objectives and limitations to improve the community's acceptance and pensioners' sense of ownership of the scheme. For example, greater involvement of village representatives and other knowledgeable community members to improve understanding of the targeting and to minimise the possibility of excluding people in need.
- More networking with local non-governmental organisations working with orphans and vulnerable children to improve practice and to raise more awareness for supporting older people and skipped generation households.

## 6 Social protection in Tanzania

Few countries in sub-Saharan Africa have instituted national social pension schemes to older people, a fact which has been attributed to their cost.

However, evidence from countries already implementing large-scale social pension schemes indicates that their overall cost is relatively low, and ranges from one to two per cent of gross domestic product. The experience of existing schemes also demonstrates that the universal provision of social pensions to older people is administratively simpler and less expensive than means-tested provision.

In Tanzania, the provision of social protection to vulnerable groups is a policy aimed at reducing poverty rooted in the National Strategy for Growth and Reduction of Poverty (MKUKUTA). Social pensions are seen as an effective way of implementing one of MKUKUTA's most fundamental objectives: the reduction in the numbers of people living below food and basic needs poverty lines. Some 40 per cent of older people are eligible for social protection under the MKUKUTA mandate and should be covered by effective social protection measures by 2010.

The country's main social protection scheme with direct relevance to older people's welfare is the employee contributory social security pension scheme. But this is limited in terms of its coverage: only five per cent of the working population contribute, a manifestation of the low numbers who are formally employed. There is very little documentation in Tanzania on social pensions or social assistance for older people. Thus, the KwaWazee scheme can be regarded as a step towards the introduction of more such provision in Tanzania.

The review of the literature on social assistance for older people and the findings from the KwaWazee project show that investment in social protection and social transfers is a particularly effective way of targeting the poorest people in developing countries. Universal non-contributory pensions help to improve the lives of all the generations and have direct benefits for both families and communities. Social pensions are an important way of providing support to vulnerable older people, vulnerable children and people affected by HIV and AIDS.

'There was no-one to give me soap and the children were defecating everywhere. I was doing day labour to get food and soap. I thought of stealing. I thank this organisation who supports me. But I still need food.'

*Pensioner*



‘We go more to the dispensary since bibi (grandmother) got the pension. Before we just used the herbs from the fields.’

*Grandchild of pensioner*

Tanzania’s National Multisectoral Social Protection Framework provides an entry point to implement social protection strategies. Given the country’s widespread poverty, the framework focuses on how to reduce poverty among the insecure population by providing social protection to vulnerable groups, including orphans and older people. In addition, it looks at how social protection can enhance economic development. Potentially, it has the capacity to bring about profound changes to the lives of the poor, while promoting social equity and inclusion.

As the Social Protection Framework develops, there are several policy and methodological gaps that need to be addressed. These include defining clear eligibility criteria for social protection for older people to reach the 40 per cent target stipulated in MKUKUTA. Another challenge is the realisation of existing social protection measures such as older people’s entitlement to health services.

Effective communication with local authorities is imperative to enhance the sustainability of social assistance programmes. Stakeholders should work towards increasing the provision of social protection for older people by integrating programmes into District Council Comprehensive Plans – a measure that would secure council funding.

Although the literature is rich in lessons on cash transfers worldwide, little is documented on how such schemes work in specific countries. The wide dissemination of the KwaWazee evaluation findings is therefore imperative and could influence how measures laid down in the national social protection framework are implemented.

Finally, providing older people with identity cards is one of the key strategies identified in the Tanzania Social Protection Framework. Stakeholders are urged to play a major role in setting up mechanisms to support this process.

## 7 Conclusions

### Older people and children affected by HIV and AIDS

- Older people who are already vulnerable to chronic poverty are placed further at risk by the consequences of HIV and AIDS such as the reduction in their family support networks.
- Older people have involuntarily become important actors in the crisis, caring for sick adult children and bringing up orphans and vulnerable children.
- All older people, whether they care for grandchildren or not, are severely at risk of being trapped in a spiral of poverty.
- In households where older people care for children, poverty directly impacts on the children’s nutrition, wellbeing and educational opportunities.

### Impact of pensions on older people and children

- Pensions are an effective way of bringing more stability and dignity to the lives of older people. They significantly improve food security and the ability to meet basic needs, resulting in better hygiene, self-confidence and the increased ability to strengthen family support networks and reciprocal relationships.
- Pensions significantly improved recipients’ psychosocial wellbeing. Pensioners felt less worried about the future, less lonely, slept better and showed pride in the way they were coping.

- Regular pensions and child benefits lead to greater financial stability and better protection against crises such as illnesses or droughts. In difficult times, pensioners had to resort less to measures such as begging, day labour or selling assets.
- Children living in homes with a pension and child benefits are better off than children in households without a pension, leading to a considerable improvement in their psychosocial wellbeing: They are better satisfied after meals, have a more varied diet, and a better coverage of basic needs such as access to clothes, school materials, soap to wash with and kerosene (for light to do homework by), all of which are essential for school attendance and progress. They also have to do less hard work and have more time for themselves. Thus, better nutrition, better hygiene and better access to medication are likely to improve their general state of health.

### The implementation and sustainability of the pension fund

- The pension fund is run in an efficient and cost-effective way. Satisfaction with delivery is high and the targeting of the most vulnerable older people is effective.
- However the project did demonstrate some of the inherent difficulties of implementing a means-tested pension in an area of widespread poverty. While an estimated 65 per cent of women above the age of 60 are beneficiaries in the project's target area of Nshamba, older people and key informants felt strongly that there were many more who would qualify for a pension.
- The high percentage of the rural population living in poverty<sup>1</sup> and the even higher vulnerability of older people and their dependants strengthens the case for a universal non-contributory pension.<sup>2</sup> All the difficulties and problems with means-testing would be solved, leading to greater transparency and acceptance of the pension by the community.
- Given the programme's contribution to reducing poverty in the project area, measures to ensure its long-term sustainability and increase its coverage need to be discussed with government authorities. Making the project a part of government policy on social protection through district and council comprehensive plans could be an important stepping stone to securing long-term financial sustainability for older people and their dependants.
- The project's sustainability should also be explored further in the context of the current policy debate in Tanzania, and thought given to the role that regular cash transfers might play in attaining National Social Protection Framework and MKUKUTA targets on reducing the poverty of older people.

### Social protection for older people in Tanzania

A review of social protection strategies in sub-Saharan Africa, together with the KwaWazee and other projects, show that:

- Investment in social protection and social transfers are a particularly effective way of targeting the poorest people in developing countries.
- Universal non-contributory pensions improve the quality of life across the generations and have direct positive benefits on families and communities, thus tackling the intergenerational nature of poverty.
- Pensions are an effective way of providing support to older carers and vulnerable children affected by HIV and AIDS.



<sup>1</sup> According to the UN Human Development Report 2007/2008 57.9 per cent of the population of Tanzania is living on less than US\$1 per day and 89.9 per cent on less than US\$2 a day. Latest figures for national indicators show that 35.7 per cent of the whole population of the Republic of Tanzania live below the Basic Needs Poverty Line, which was set at TSh. 259 (US\$0.22) per day in 2001. The percentage is distinctly higher in rural areas and it can be expected that it is much higher for older people.

<sup>2</sup> Universal pension: regular cash income given to all older people regardless of their socio-economic status

‘We have no plot so we work for other people. Sometimes I stop the twins from going to school to work for money. I have only a house and we depend on working for others.’

*Non-pensioner*

■ A universal old-age pension from the age of 60 in Tanzania would cost 1.1 per cent of GDP in 2006 values, and a universal child benefit for school-age children and orphans would cost 2.1 per cent of GDP, according to estimates by the International Labour Organization.<sup>3</sup> These combined measures would reduce the food poverty gap by two-thirds.

## 8 Recommendations

■ Civil society and donor agencies should feed the findings of this study into current policy debates on how the Tanzanian Government can implement its commitments under MKUKUTA. The national poverty reduction strategy makes reference to social protection for 40 per cent of the most vulnerable older people. A universal pension scheme which starts off by targeting 40 per cent of older people with the aim of increasing the coverage over time, would therefore meet MKUKUTA’s stipulations.

■ The Tanzanian Government should consider introducing a comprehensive social protection package to reduce poverty. In alignment with the international debate promoting a Global Social Floor (led by the ILO) this should include income security for older people and disabled people through a social pension, child benefits, unemployment benefits and universal access to health services. This is particularly important given the country’s high poverty rates and high prevalence of HIV and AIDS.

■ The Tanzanian Government should improve access to identity documents for older people. While the study confirmed that many older people lack birth certificates or other kinds of formal identification, it is clear that strong identification systems are a precondition for the inclusion of older people and their dependants in national social protection schemes. Better identification schemes would also improve older people’s access to free health care for older people, as well as facilitating the protection of the basic human rights of all citizens.

■ The Tanzanian Government, in accordance with its exemption policy on health care, should continue its effort to make health services available to older people, young children and single mothers free of charge.

<sup>3</sup> Gassmann, F and Behrendt C, *Simulating the effects on poverty reduction for Senegal and Tanzania*, ILO Discussion Paper 15, August 2006

'I hope that what will change is what has been preventing me from sleeping – even when I am doing day labour I worry about everyday expenses. I always worry – 'yes I have 300 Tsh. but will it be enough to care for my children? How will I care for them with this small money?' They eat ugali [maize porridge] without any sauce... they sometimes go to bed dirty. So I will get better sleep.'

*Non-pensioner when asked what change she expected from the pension*



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## Salt, soap and shoes for school

### Evaluation summary

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**ISBN: 1 872590 37 3**

'By the time I got sick some people were coming to my place to buy my plot because I was in a bad way. I sent the information to the ten cell leader and told him I would sell my plot. But he asked me how I would feed the children if I sold the plot. He told me to go to the people [KwaWazee] who are registering. So I walked to the centre and I explained everything to G. and she registered me. To get the pension I had to send a neighbour as I had no energy. She came with money. She found me in a very bad situation. So after getting this money they helped me to go to the hospital. When I came back I gave the remaining amount to people to help me cultivate my plot. I grew cassava and that is what I am living on. If it were not for these people I think I could have died. I did not have to sell my plot when I got this money.'

*Pensioner in Ngenge*