

A New Look at Old Dilemmas

Revisiting Targeting in Social Assistance



Universal Social Protection is a goal shared by many governments around the world, codified in the Sustainable Development Goals, and supported by the World Bank Group. Social protection policies and programs help individuals and societies manage risks and mitigate poverty through instruments that improve resilience, equity, and opportunity.

COVID-19 also has highlighted the importance of social protection systems that can respond quickly to shocks, assisting the newly vulnerable as well as those already in need. While the pandemic may end, the vulnerabilities and inequalities it has revealed and deepened will remain—as will the need for strong social protection systems and programs to safeguard the poor and vulnerable against future shocks, which climate change will exacerbate.

WHY TARGET SOCIAL PROTECTION?

Targeted social protection interventions can play a valuable role in helping achieve Universal Social Protection. Evidence shows that concentrating a greater share of benefits on the poorest people is more cost-effective than expanding coverage more broadly leading to greater impacts and promoting human rights, equity and inclusion. Countries choose to differentiate eligibility and benefits to fit programs to purpose and to reduce costs. Many countries have multiple targeted programs and nearly every country has at least one poverty-targeted social assistance program.

HOW TO TARGET SOCIAL PROTECTION?

Targeting is a tool that must weigh potential gains, errors, and costs. No single approach applies in all contexts.

The report advocates a robust process for selecting and developing context-specific solutions.

To achieve optimal impact, targeting must be adapted to **purpose, budget, capacity, and circumstances**. This report is a guide to thinking through key questions when targeting social protection and emphasizes the importance of having thoughtful delivery systems and processes in place. Some questions can influence the choices about whether, how broadly or narrowly, and how to target a program.

- What are the policy objectives for a particular program?
- What is the country's capacity centrally and locally, and how can it be augmented?
- What data are available or can be easily obtained?
- What counts as success?

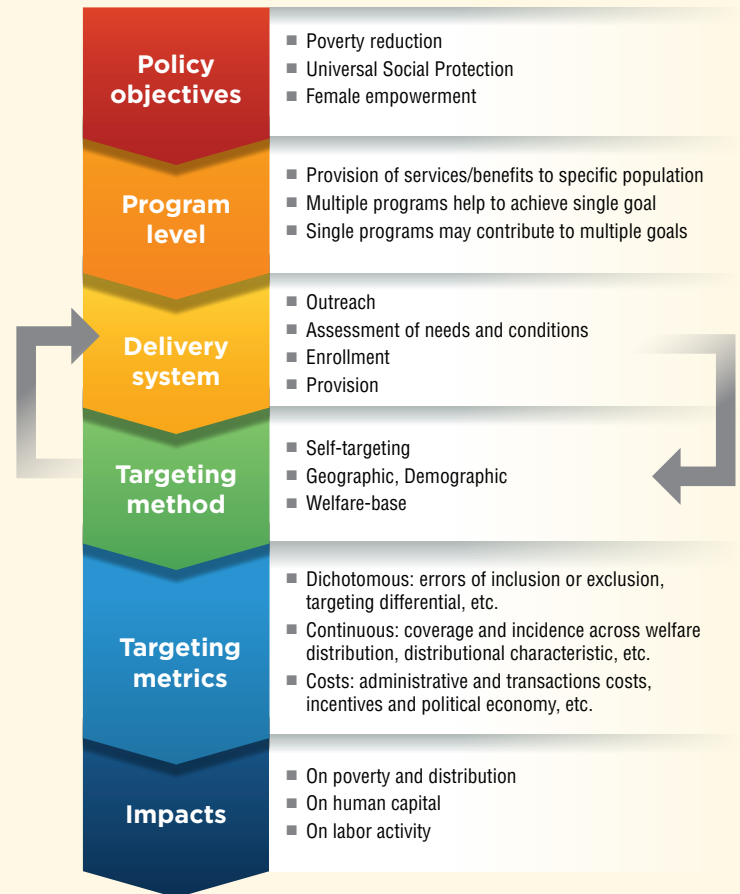


THE REPORT

- **STUDIES** recent global evidence around outcomes and costs of targeting benefits on the poor or vulnerable.
- **EXPLORES** options and choices when translating a broad vision of focusing resources on individuals, households or groups into specific concepts and implementable programs.
- **DISCUSSES** how contexts and a range of factors shape the choice of targeting methods.
- **REVIEWS** delivery systems and processes, showing their importance for targeting outcomes, transparency and both social and administrative accountability.
- **EMPHASIZES** how improvements in delivery systems can improve, accessibility, inclusivity, equality, dignity, transparency and accountability.
- **EXPLAINS** how better measurements can lead to a clearer understanding of targeting issues.
- **UPDATES** know-how on the data and inference used by different household-specific targeting methods.
- **EXAMINES** how “big data,” artificial intelligence, and machine learning algorithms can help determine eligibility for social assistance.

Social Assistance Programs From Objective to Impacts

FOR EXAMPLE:



10 KEY FINDINGS

- 1 Targeting **selected categories, families, or individuals** can play a valuable role within the framework of Universal Social Protection.
- 2 Measuring the **accuracy and costs** of targeting can be done in many ways; judicious choices will consider a range of metrics.
- 3 To **reduce poverty**, concentrating a greater share of benefits on the poorest is more cost-effective than expanding coverage more broadly.
- 4 While targeting has costs, these are usually **low or within an acceptable range** and must be balanced against the potential gains of focusing resources on those most in need.
- 5 **Good delivery systems** are critical for implementing all social protection programs, especially targeted programs.
- 6 **Objectives and social and political context** are likely to influence choosing among existing targeting methods. There is no absolute ranking of methods.
- 7 **There is no ‘one size fits all’ targeting method** and customization is key. Lessons learned show the benefits of building capacity in delivery systems, customizing the use of data and, if needed, inference to purpose and context.
- 8 Income dynamics and shocks make the **determination of eligibility** challenging. Some targeting methods are more agile than others.
- 9 **Advances in technology**—ICT, big data, artificial intelligence, machine learning—offer the promise of significant improvements in targeting accuracy but are not a panacea. Better data may matter more than greater sophistication in inference.
- 10 Targeting social protection should always remain a **dynamic process**.