



## View on Web

## Leveraging Social Safety Nets to Transform Africa's Future

🛅 6th Nov, 2023



Africa is at a critical juncture, facing daunting challenges on the path to eradicating extreme poverty. The region's progress in poverty reduction has been derailed by a confluence of crises, including economic disruptions, climate disasters, and geopolitical tensions, all exacerbated by the global pandemic. As vulnerabilities escalate and social tensions rise, it is imperative to shed light on the transformative potential of social safety nets, an underutilized tool in the continent's arsenal.

Before delving into the heart of the matter, it is crucial to acknowledge the setbacks that have impeded Africa's journey towards the **Sustainable Development Goal** of eradicating extreme poverty. While several countries made significant strides in poverty reduction prepandemic, the subsequent economic upheavals, climate-related calamities, and geopolitical tensions stemming from Russia's invasion of Ukraine have cast a shadow over Africa's developmental prospects. The compounding effects of these factors have exacerbated inequality, widened fragility, and hindered the pursuit of pro-growth investments, thus thwarting the continent's trajectory towards sustainable development.

Amidst these challenges, the remarkable reach and impact of **social safety nets across Africa** during the pandemic offer a glimmer of hope. As a powerful instrument for addressing a myriad of intertwined obstacles such as extreme poverty, climate vulnerability, and limited opportunities for the youth, social safety nets have proven to be a lifeline for millions. With an unprecedented expansion across the region in recent years, these programs have effectively cushioned the impacts of the pandemic, extending support to over 100 million individuals with commendable speed and scale. The innovative integration of technology, exemplified by Togo's Novissi program, has enabled swift and targeted assistance to those most in need, underscoring the adaptability and potential of these initiatives.

Yet, despite their demonstrated success, social safety nets continue to be underutilized and misunderstood. The low coverage among urban populations and the persistence of misconceptions regarding their efficacy among policymakers and the public pose significant challenges.



Firstly, the integration of cash transfers with comprehensive economic inclusion services can

foster productive livelihoods and enhance resilience, as exemplified by the Gbessoke program in Benin. This integration model not only empowers beneficiaries but also contributes to better education and health outcomes, laying the groundwork for sustainable development. Secondly, the adoption of robust digital systems, as witnessed in Nigeria, Senegal, and Mauritania, can facilitate the seamless delivery of services at scale, ensuring swift and efficient support to vulnerable households.

Finally, strategic direction and effective communication are paramount to harnessing the full potential of social safety nets. By aligning these programs with climate adaptation initiatives and embedding them in national climate commitments, African governments can bolster their efforts to protect the most vulnerable from the adverse impacts of climate change. Notably, progressive social safety net programs can serve as a viable alternative to regressive energy and food subsidies, as evidenced by Nigeria's ongoing reform efforts.

In the quest to build a prosperous and sustainable Africa, scaling up social safety nets and establishing comprehensive social registries with widespread coverage are not just prudent policy choices but imperative steps towards realizing the continent's full potential. Getting this done means the right technology stack must find the right implementation partner.

At CSM, we work with **social registry systems** in India and Ethiopia to help these nations navigate the complexities of the 21st century, where they can seize every opportunity to leverage these transformative tools and pave the way for a brighter and more equitable future.



AUTHOR:

**Bibhuti Bhusan Routray** Head, Marketing