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# **COVID-19 AND CASH TRANSFERS: EXPERIENCES AND LESSONS FROM LATIN AMERICA**

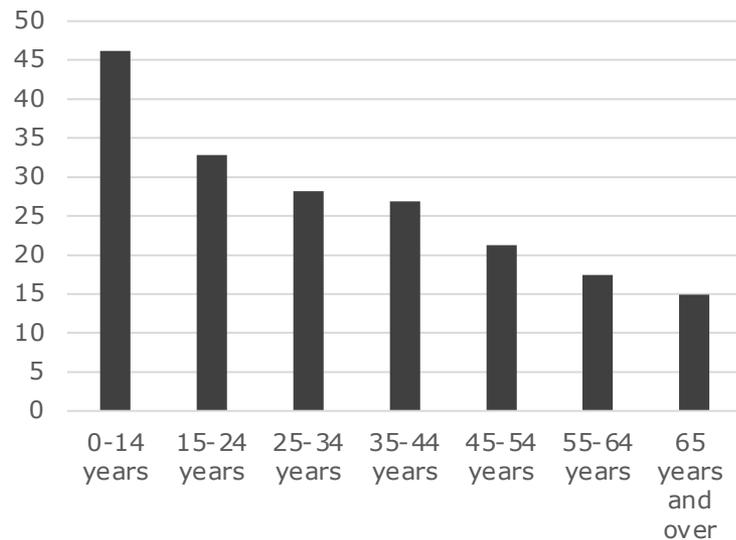
## Presentation overview

1. Social protection infrastructure at the time of the pandemic
2. Social protection responses: huge variation
3. Causes and policy implications of the different responses

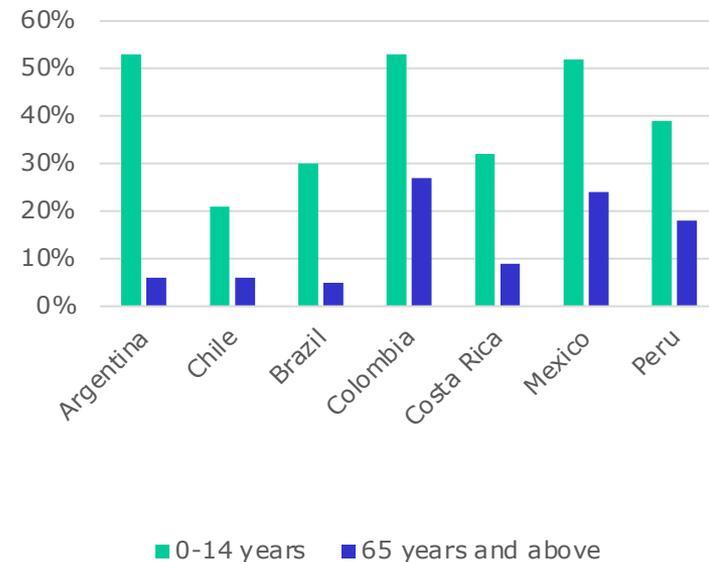


# Social vulnerability in Latin America is concentrated in children

Poverty by age (%) ECLAC 2019



Poverty rate of children vs the elderly, selected countries (ECLAC 2021)



## 2. Measuring breadth and adequacy of cash transfers (Blofield, C. Giambruno, F. Filgueira)

### Transfers to the socially most vulnerable households

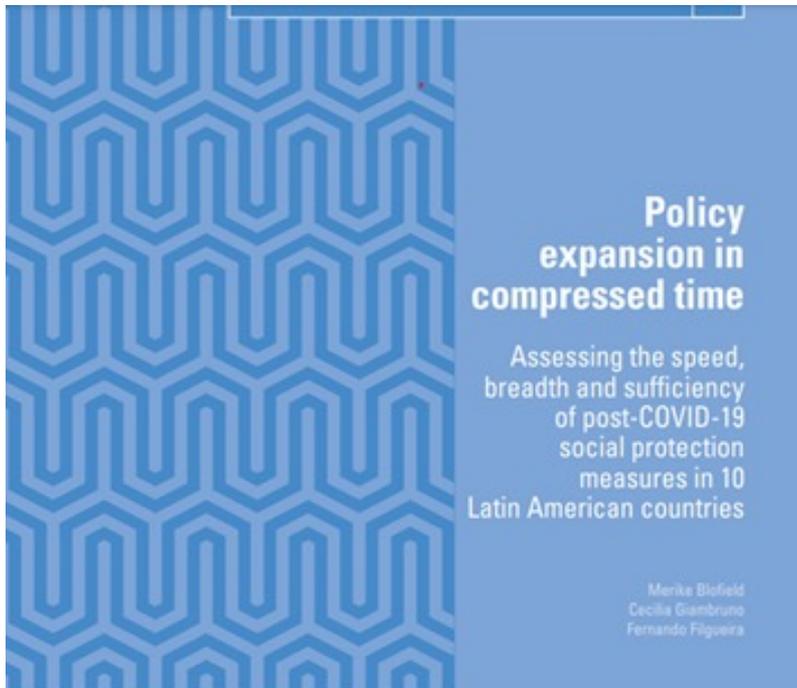
- Cash transfers to children (existing programs)
- New, emergency cash transfers to ‘informal’ households

#### Breadth/coverage

- CCTs: share of all children covered
- Informal households: share of total/informal employed population covered

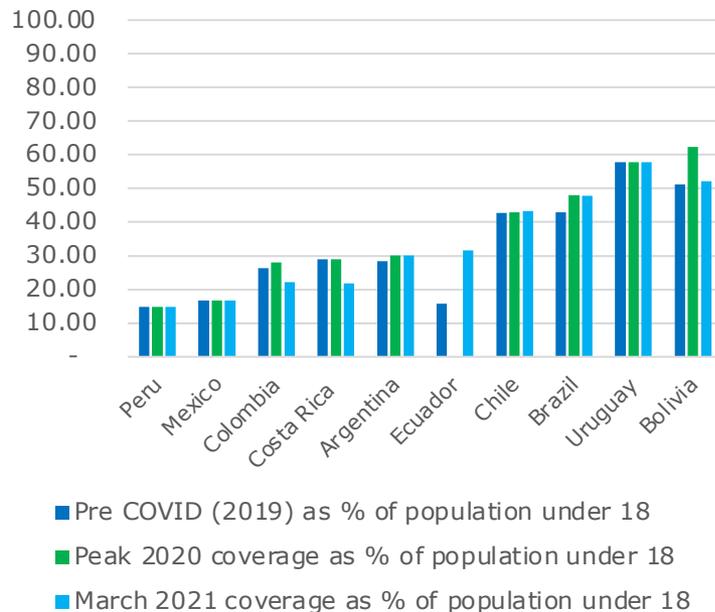
#### Adequacy

- Amount as share of ECLAC national urban extreme poverty line per capita, per member of a four-person household, over first full year of pandemic

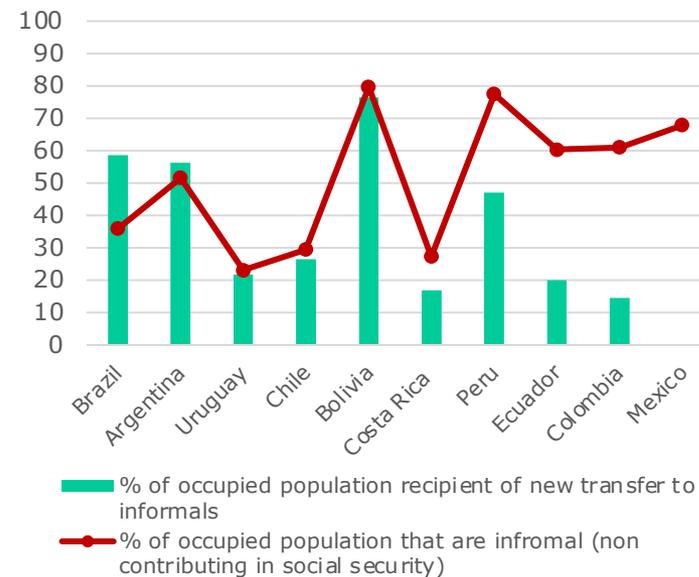


# Non-contributory cash transfers toward children & informal households for first year of pandemic (CEQ paper, Blofield, J. Pribble, Giambruno 2021)

Evolution of **coverage** of existing **cash transfer programs to children** before and during COVID-19 in ten Latin American countries

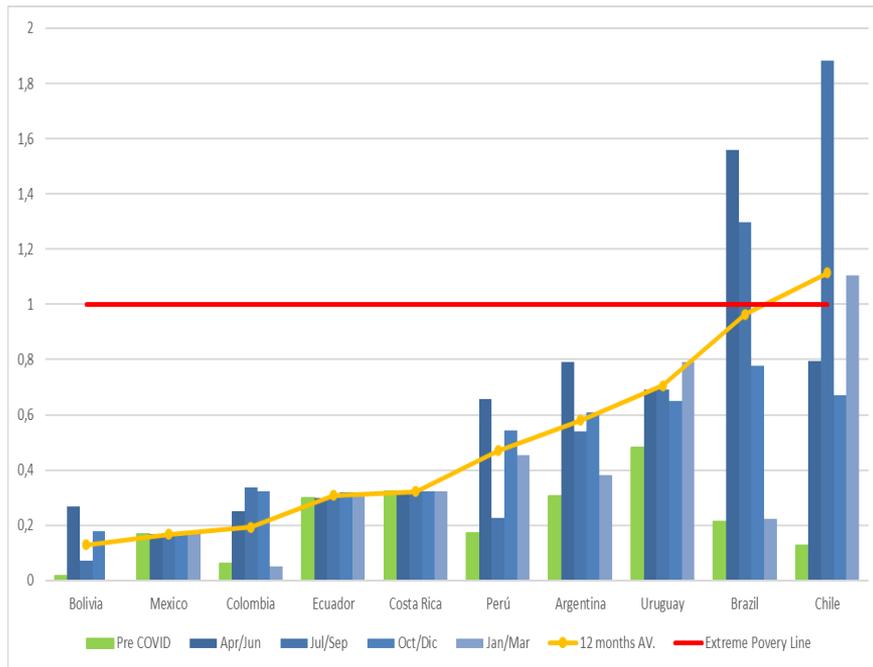


Peak **Coverage** in new **emergency cash transfer programs** in relation to total and informal employed population during April 2020-March 2021

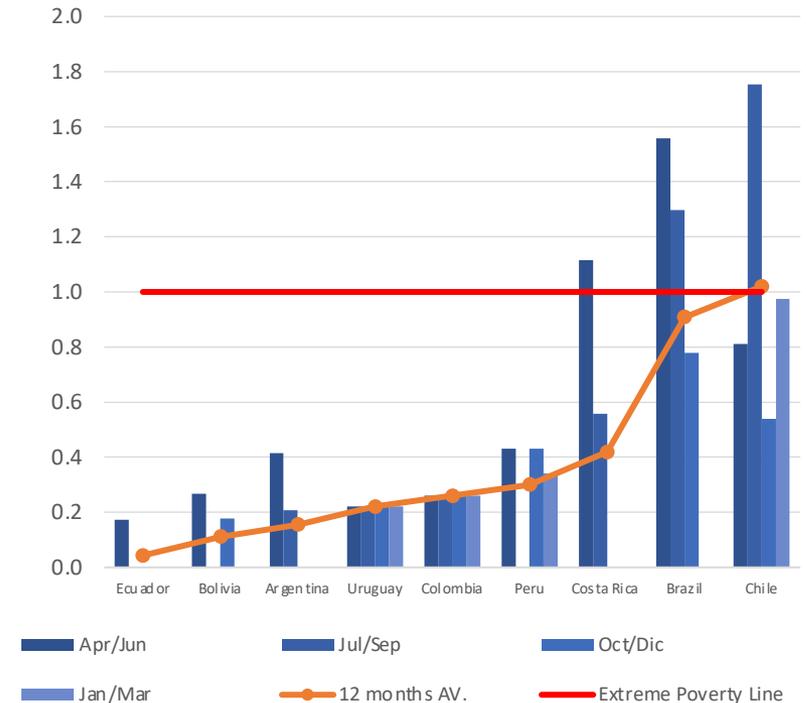


# Adequacy of cash transfers in Latin America during first full year of pandemic

Adequacy of **existing cash transfers** as a percent of the **extreme poverty line**, April 2020-March 2021 period, quarterly average and twelve-month average



Adequacy of **emergency cash transfers** as a percent of the **extreme poverty line**, April 2020-March 2021, quarterly average and twelve-month average



# Variation in scope of policy response during first year

(Blofield, C. Giambruno, J. Pribble CEQ 2021)

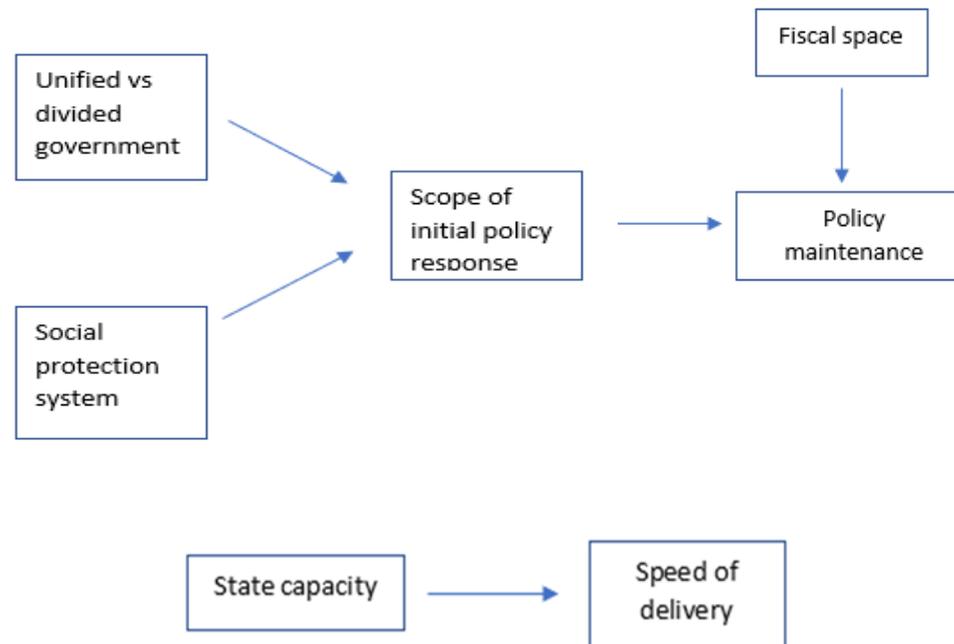
	<b>BROAD COVERAGE Demand-driven</b>	<b>RESTRICTED COVERAGE</b>	<b>NO CHANGE</b>
HIGH ADEQUACY	BRAZIL & CHILE		
MIXED/ LOW ADEQUACY	ARGENTINA, COSTA RICA, PERU, URUGUAY		
LOW ADEQUACY	BOLIVIA	COLOMBIA & ECUADOR	
NO CHANGE			MEXICO

# 2. The politics of policy response during crisis conditions

(M. Blofield, J. Pribble, and C. Giambruno)

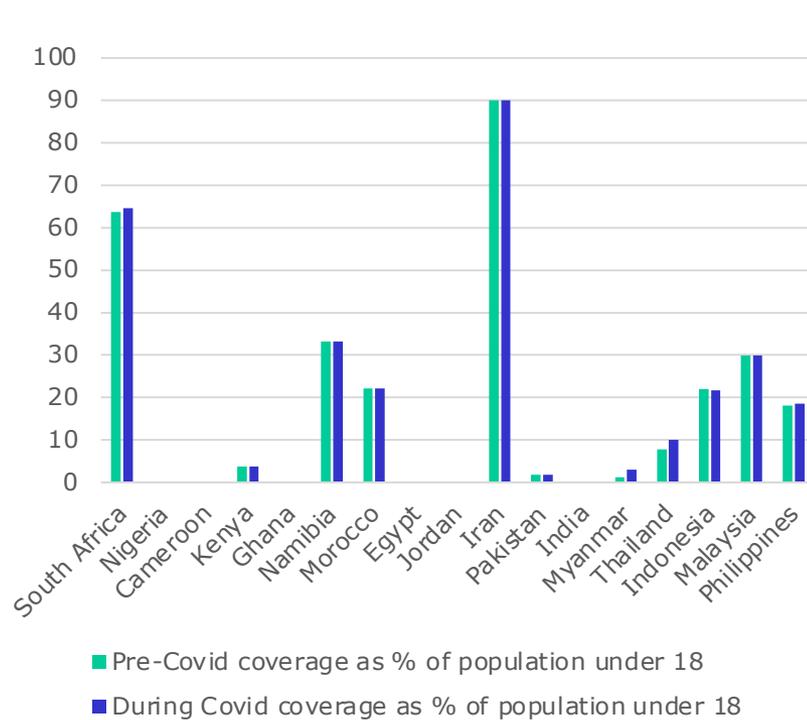
## SETTING: PRESIDENTIAL DEMOCRACIES

### CRISIS (March 2020): Leaders motivated to respond

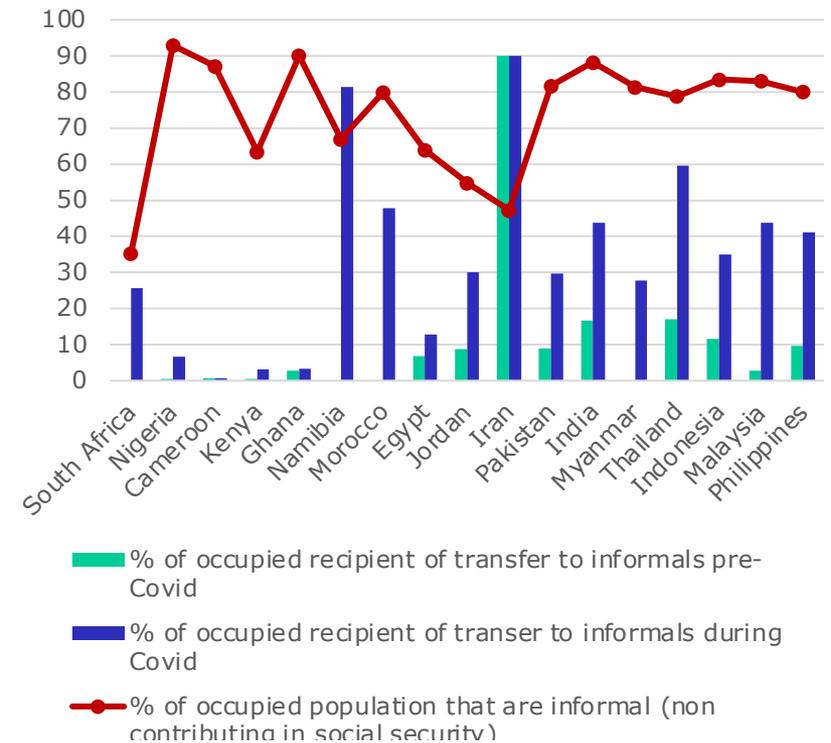


## Cash transfer breadth in MENA, SSA and Asia, select countries (L. Rochowski 2021)

Evolution of coverage of existing cash transfer programs to children before and during COVID-19 in select Asian, Sub-Saharan African and MENA countries



Coverage in non-contributory cash transfer programs of adults under 65 years, in relation to total and informal employed population, before and following COVID-19 (peak coverage)



## Policy implications

- Policy design:
  - Eligibility criteria: transparent or clientelistic; inclusive or restrictive
  - Demand-driven (you can self-identify and apply) or govt selects according to existing databases
  - targeting mechanism (individual or household; child, mother, 'head of household')
- Policy delivery: in-person, bank account, electronic, mobile phone app
  - Mobile phones have best reach; need to bolster internet connectivity

## Broader implications

- The strengthening of broader social protection floors