

Governance and Community-Based Social Protection in Senegal

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Abstract

Social protection has received increasing attention in recent years as a powerful mechanism for reducing vulnerability and poverty in Senegal. Despite numerous plans and programs, the proportion of individuals below the poverty threshold in Senegal is still high. Community-based organizations (CBOs) are evolving in Senegal to provide a credible alternative to State interventions. However their viability is compromised by the lack of professionalism in their management. The question remains whether the potential increase of these organizations will meet the potential increase of social protection demand in Senegal. We analyze the potentialities of CBOs in delivering social protection in Senegal, as regards to some governance principles and how they are related to performance. We combine qualitative and quantitative analysis from primary data collected in a rural community and two municipalities of Senegal. We find that CBOs are often tributary to their own resource, are isolated and are constituted by the most vulnerable members. Members of CBOs have opportunities to report bad performance but are less able to sanction or to influence management committees. Most of CBOs have no written rules and do not really have control mechanisms outside the report that leaders share at meetings. CBOs that prepare financial reports have significantly larger coverage. Relatively transparent and accountable CBOs in budget-related issues reach a high coverage rate. Some policy implications are derived.

Keywords: Non-State Social protection; governance; Senegal

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1. Introduction

For a long time individuals or households adopted themselves many strategies such as removing children from schools, delaying health care and selling livestock, in order to overcome shocks or to prevent risks¹. Sometime they may be provided assistance from the State. These forms of individual coping strategies as well as the support from the State are not self-sufficient due to resources constraint. Alternative services involving non-state actors (NSAs) such as organizations, cooperatives and associations are evolving however in many developing countries to help vulnerable people to overcome the risks they face (Brunori and O'Reilly, 2010; Shepherd et al., 2004). These services, known as non-state social protection (in opposite to the State) are interventions that take generally the form of social assistance designed to transfer resources in cash or in-kind to eligible groups or persons. They also take the form of social insurance alike to social security that is financed by contributions and based on the insurance principle (Norton et al., 2001).

In this paper, we focus on the form of non-state social protection called community-based social protection (CBSP). It is defined as a grouping of activities locally developed that uses various mechanisms² to protect community members from risks (Browne, 2013). CBSP mechanisms are increasingly seen to have a great potential in lowering the magnitude of vulnerability and poverty at the community level due to their decentralized and flexible nature and because of their independency from national politics (Coheur et al., 2007; Mohanty, 2011). However a critical review of the role and contribution of non-governmental development organizations to social development across the world shows that they still face challenges to achieve a large scale coverage (Fowler, 2000). In addition to administrative issues, community-based arrangements may face limitations in technical decision making and management although

¹ People face unexpected events called shocks or risks such as illness, death, flood, food insecurity, etc. Some are more likely to remain in their precarious situation as before the events and others are more likely to fall into the poverty situation even if they were better off before the shocks occur. As such they are vulnerable to poverty and need measures or mechanisms to cope with and manage the potential risks they might face.

² Such as health insurance, funeral insurance, mutual assistance (gift-giving, loans, labour) or savings and credit groups.

they may have superior local knowledge and achieve better targeting (Bhattamishra and Barret, 2008; Carrin et al., 2005).

For example, Tabor (2005) attributes the failure of many community-based health insurance schemes to weaknesses in management, financing, or a combination of the two. In assessing the actual potentialities and limits of community-based health organizations for extending social protection to the informal sector and the poor, ILO (2002) arrives at the conclusion that a minority of them are accountable to the community. There is also evidence that mis-management of funds and administrative inefficiency are risks associated with membership of burial societies (Thomson and Posel, 2002). Dercon et al. (2006) argue that well-defined rules and regulations, the characteristics and inclusiveness make group-based funeral insurance in Ethiopia and Tanzania potentially well placed as models to broaden insurance provision and other developmental activities in communities.

The above mentioned examples revealed that governance has its importance in lowering potential challenges incur in CBSP. Alike the cases of health and funeral, information asymmetries are likely to any social protection service based on membership. Adverse selection - hidden information - and moral hazard - hidden action - for example may often occur making more complex risk sharing relationships among members and leading to poor outcomes (Biener and Eling, 2012; Collier, 2007). Holmes and Jones (2010) stress that institutional factors play a key role in shaping how social protection strategies and programmes evolve in different country and local contexts.

In this paper, we analyze the potentialities of community-based organizations (CBOs) in delivering social protection in Senegal, as regards to some governance aspects. Our motivation is fourfold. First, the issue of CBSP in Senegal is of interest in a context of the decentralization process undertaken by the Senegal since 1996. The transfer of responsibilities to local collectivities has created conditions to the emergence of CBSP. Our mapping from the research area has revealed that 92% of all NSAs identified and involved in social protection are CBOs. There are increasingly evolved in Senegal and the proliferation of these social economic initiatives is more likely in the future as a result of the impoverishment of the population and the low supply of basic social services from the State.

Second, attention has been devoted in promoting CBSP mechanisms and in advocating its link with state social protection (Du Toit and Neves, 2009; Habtom and Ruys, 2006; Mitlin et al., 2011). View differs however in terms of which strategies should be prioritized in different countries settings (ILO, 2002). As community-based mechanisms continue to be the most accessible for the majority of the population in Senegal (Pereznieto and Fall, 2009), any support to CBOs require more understanding on incentives and constraints incur by these NSAs in delivering social protection.

Third, although CBOs constitute an alternative in providing social protection in Senegal, their viability is compromised by the lack of professionalism in their management. Examples from community-based health insurance schemes and from rotating and savings credit associations in Senegal show that main factors behind poor performance are among others problems of adverse selection and limited use of financial management tools (Atim et al., 2005; Fadiga and Fadiga-Stewart, 2004; USAID, 2001). Yet analyses are still limited to governance issues i.e. *processes* of decision-making, mechanisms and management. There is little knowledge if not any on the *quality* of these processes³. We provide evidence on how effective are some governance principles - participation, transparency and accountability – in CBSP and how these governance aspects are related to performance.

Fourth, the Poverty Reduction Strategy Paper (PRSP, 2010) considers social protection as a privileged instrument for an accelerated growth and a sustainable poverty reduction in Senegal. More recently, two axes over the three formulated by the National Strategy for Social and Economic Development for the years 2013 to 2017 (SNDES, 2012), include social protection and governance as a focus. Our survey collected relevant information about CBSP that will be useful in orienting efficiently decision-making policy related to key issues in CBSP. Also our analysis would help identify governance aspects that are more relevant to performance outcomes and would help identify challenges that still need to be overcome to successfully integrate these

³ Brody (2009) makes a distinction between “governance” as being about *processes* of decision-making, mechanisms and management, and “good” or “effective” governance referring to the *quality* of these processes, judged against a set of governance principles.

governance aspects into the design and implementation of non-state social protection policy/programme in Senegal.

The remainder of the paper is organized as follows. The second section discusses briefly the conceptual framework of effective governance within social protection context. Section three provides an overview of social protection in Senegal. Section four presents the data and methodology. Section five examines key characteristics of CBSP in the research area. Section six analyzes governance effectiveness within CBOs. Section seven examines the impact of CBSP. Section eight concludes the paper and provides some policy implications.

2. A Conceptual Framework on Effective Governance

The 2004 *World Development Report* describes accountability using the principal/agent relationship. Simply presented within the context of social protection services, agents (providers) should be accountable to users of services such as clients/citizens (the principals). And the principals exercise *enforceability* by getting *information* about performance. However information asymmetry issues - adverse selection and moral hazard - may often occur making more complex (and threaten) the accountability relationships (see e.g. Collier, 2007). For example, principals and agents may not have compatible interests and principals are not able to fully observe the behavior of agents i.e. the latter have information advantage over the former. In that case, poor service delivery outcomes may result.

Varieties of institutional mechanisms have been highlighted to deal with the agency problems and to strengthen the accountability relationship in the delivery chain. Good or effective governance encompasses these mechanisms or means for strengthening the accountability relationship. While the definition of the term is variably understood, good or effective governance, either defined for example by the African Development Bank, the European Commission or the Organization for Economic Co-operation and Development, includes some effective and important mechanisms likely to influence the behaviour of actors in the delivery of social services (Gisselquist, 2012). We consider in this paper three aspects of effective governance that are common in the different definitions (Brody, 2009): (a) participation, (b) transparency and (c) accountability (enforceability) mechanisms (see Box 1).

These aspects of governance, when effective, are likely to solve agency problems and alter the quality of social services delivery and consequently service performances (Girishankar, 1998; Azfar et al, 2004; Ahmad et al., 2005; Bassett et al., 2012).

Box 1: Three principles of effective governance

Participation considers whether beneficiaries get involved in the delivery of social services. For example, a greater involvement of beneficiaries as members of the board of social service programs would increase their capacity to influence decision-making processes, and therefore would improve the effectiveness of social services delivery.

Transparency and accountability are related aspects of effective governance. Transparency considers whether effective information mechanisms are available for the beneficiaries and (possibly) contributors about the social service delivery process. For example, transparency requests publications (awareness) from providers to beneficiaries and contributors about all relevant issues related to the delivery of social services.

Accountability refers to the availability of effective enforceability mechanisms through transparency. For example, accountability considers whether beneficiaries and contributors have opportunities to report bad performance in the delivery of social services through appropriate mechanisms. Accountability considers also whether their complaints are effectively considered making providers accountable through mechanisms sanctions.

3. An Overview of Social Protection in Senegal

Social protection has received increasing attention in recent years as a powerful mechanism for reducing vulnerability and poverty in Senegal. Despite numerous plans and programs, social protection interventions still undergo some challenges.

The need for social protection

Like many sub-Saharan African countries, the objective of poverty reduction has been one of the major concerns for the Senegalese Government. The proportion of individuals below the poverty threshold in Senegal is still high with 46.7% in 2011, as indicated in the *Enquête de Suivi de la Pauvreté au Sénégal ESPS_II* (ANSD, 2011). Many country statistics sources indicate that social performance remains below expectations. For example, data from the Round

4 of *Afrobarometer* survey⁴ implemented in 2008 in Senegal reveal that potential difference is likely in terms of access to basic social needs (Table 1). About more than half of the individuals surveyed aged 18 years or older have coped, at least once during a year, with a lack of food, a lack of clean water, a lack of health care and a lack of income. This situation prevails more in the rural zone. The lack of cash income for the majority of the respondents in all regions is revealing of the potential insecure situation.

Table 1: Example of social insecurity in Senegal, 2008

	Number of households in		% of households having a member that faced at least once the twelve last months, a lack of				
	Region	Rural community	Food	Clean water for home use	Medical care	Cooking fuel	Cash income
Dakar	256	16	42.2	54.3	53.1	51.6	88.7
Diourbel	128	48	59.4	54.7	75.0	75.0	80.5
Fatick	72	64	63.9	63.9	84.7	86.1	87.5
Kaolack	128	96	65.6	58.6	80.5	75.0	89.8
Kolda	96	80	69.8	60.4	82.3	52.1	95.8
Louga	80	64	56.3	52.5	77.5	75.0	95.0
Matam	56	48	76.8	69.6	87.5	87.5	96.4
Saint-Louis	80	56	70.0	47.5	80.0	82.5	95.0
Tambacounda	80	64	53.8	60.0	66.3	66.3	92.5
Thiès	168	96	56.0	51.8	78.6	60.1	91.7
Ziguinchor	56	32	60.7	66.1	75.0	67.9	94.6
Zone							
Rural	656		69.5	65.9	87.7	73.5	95.1
Urban	544		44.1	45.4	55.5	59.0	85.1
Total	1200	664	58.0	56.6	73.1	66.9	90.6

Source: Calculated from Senegal 2008 Afrobarometer survey.

Recent figures confirm the above conclusion and particularly for the most often designed vulnerable category of the population, i.e. children, youth and women. Data from Senegal AGVSAN (2010) shows that Most of the regions present the prevalence rates of undernourishment of children that exceed the critical level of 10% judged by the World Health

⁴ The survey was based on national probability samples and the sample size was stratified to ensure national representativeness.

Organization as nutritional alarm signal. Unemployment rate is unevenly distributed by region and around 13.3% for women and 12.7% for young people aged 15-24 (ANSD, 2013).

In general, Senegal has a low level of coverage in terms of social protection (SNDES, 2012). The diagnostic done by actors during the participative process of the Senegalese Poverty Reduction Strategy Paper (PRSP), has identified the weakness of social protection as one of the factors that increase households poverty (National Strategy for Social Protection elaborated in 2005). Statistics show that less than 20% of the Senegalese benefit from social protection, excluding 80% of employees in the rural and informal sectors (Sow, 2008). This justifies why the Government of Senegal stresses the necessity to make the protection of vulnerable groups as one of the important axes of its strategy.

The National Social Protection Strategy

Senegalese authorities have established a General Delegation for Social Protection for better vulnerability management. Several programs are developed and based on non-contributory transfers to poor and vulnerable populations in order to have a minimum income security, livelihood, health care, access to education and decent housing (ANSD, 2013). The distribution of social issues in the various ministries poses however the problem of coordination that is necessary to allocate resources optimally, to maintain the incentive measures advocated and to reduce the risk of diversion (SNDES, 2012). For example, 36% of those eligible for above mentioned programs have said they were not aware of the program. 21% could not provide the required documentation to qualify for programs, 13% reported that the Government has not provided the necessary resources and 10% reported difficulty in going to the place of funds collection (ANSD, 2013).

Since 2011, Senegal is in its third Poverty Reduction Strategy Paper (PRSP3) called Economic and Social Policy Document (ESPD) (2011-2015). This document is the result of several consultations with people on the ground using a participatory approach, at both central and decentralized levels. Emphasis was placed on wealth creation, strengthening governance, development of strategic sectors with significant impact on improving the well-being and social demand. Recently an update of ESPD has led to the development of the National Strategy for

Social and Economic Development (SNDES). This new strategy covers the period 2013 to 2017 and follows the political will to put Senegal on the trajectory of the emergence and the need to take into account the concerns of people in a context of sustainable development. Its cost is estimated at around 5,000 billion FCFA (SNDES, 2012).

Non-State Interventions

Many non-state social protection (NSSP) services are evolving in Senegal concomitant to the national strategy of social protection. NSSP in Senegal includes among others formal private insurance schemes, mutual health organizations based on communities and professional groups, Socio-professional mutual societies and limited social assistance programmes for the poorest and most vulnerable (Pereznieto, 2009; Thiam, 2009). Several forms of social assistance are developed as well involving non-state actors such as national and international organizations. Like in many other African countries these programmes suffer from governance and accountability issues in the implementation and the management of social protection services. Fall (2011) concludes that the social protection programs are mid-term and narrowly designed programs, isolated and monitored differently by several institutions in terms of approaches, management and targeting instruments. This conclusion is corroborated by Pereznieto and Fall (2009) that assess the impact of existing social protection schemes in Senegal. The authors' interviews show that some of the social protection programmes have very weak mechanisms for management and control, with a small proportion of intended resources allocated arriving at the beneficiary (Pereznieto and Fall, 2009, p. 49).

Besides NGOs, there are several associations based on a group of family, community or profession. Although these community-based organizations provide a credible alternative to State and other NSSP, they are managed by volunteers with limited capacity and do not have proper tools. The potential organizational weakness of the associations might thus limit the role they can play in expanding the social protection coverage rate. This paper provides more understanding on governance issues and performance of these organizations.

4. Data and Methodology

This study uses primary data collected at different levels of NSSP actors in two regions of Senegal, Dakar and Kaffrine. The choice of Dakar, the capitale, is related to its demographical weight as Dakar accounts for 20.6% of the total population of Senegal in 2011 and represents only 0.28% of the national territory, with a population representing 43.4% of the total urban population of Senegal (ANSD, 2013). This situation leads to urbanization problems and to great disparities: Outskirts are very developed in Dakar and where poverty is found to be severe with increasing membership organizations.

The second research region Kaffrine, is one of the poorest areas in Senegal, with a population representing 4.5% of the total population, 8,5% of the total rural population, and with a rural population accounting for 70.3% in 2011 (ANSD, 2013). Very few governmental infrastructures are present in this area⁵ and social protection is organized in the form of intercommunity solidarity. Moreover, according to the geographical administrative subdivision in 2009, Kaffrine is a new region: Collecting relevant information on community-based social protection is important for policy actors aiming at promoting and developing this new region and for other organizations that seek to help vulnerable groups in this region.

We use dataset derived from surveys and interviews at the level of CBOs and at the level of individual members and non-members of CBOs. In January - March 2013, we implemented a quantitative survey that covered 203 CBOs and 1181 members all identified in one rural community of Kaffrine and two municipalities of Dakar (Table 2). The sample of CBOs is representative in the research area as several strategies of identification were used to map as possible all these organizations. In Kahi, we were able to visit all the 32 villages of this rural community. The identification strategy used in the two municipalities is rather less easy as quarters in municipalities are less accessible and difficult to identify than villages in rural communities. In this instance, the most feasible strategy was to meet with some local authorities in order to obtain the list of CBOs.

⁵ By 2010, Kaffrine belonged to the two regions of Senegal with the lowest composite access index of basic social services, i.e. the percentage of the rural population having access to a source of drinking water, a primary school, a health facility, a market and a road. All these services taken together, is less than that of all other regions.

Table 2: Distribution of all CBOs identified in the research area

Rural community /Municipalities	Region		Total	Sample of members surveyed
	Dakar	Kaffrine		
Kahi	0	84	84	486
Guinaw Rail Nord	75	0	75	437
Guinaw Rail Sud	44	0	44	258
Total	119	84	203	1181

Source: Calculated from the CBOs survey, 2013

We used a unique questionnaire to collect quantitative and some qualitative data. A first part of the questionnaire was answered either by the president of CBOs or a member of the management committee. The modules of this part helped collecting information on the localization and the general characteristics of CBOs, their organizational structure, services they provided and the beneficiaries, their funding sources and most important, their governance features and some performance-related data. The second part of the questionnaire was intended to the members of CBOs in order to collect information on the characteristics of members, their opinion on the governance and services obtained from their organizations. We additionally obtained qualitative information from key informant interviews for 4 non-members and 9 members of 6 selected CBOs in order to understand better the issues of governance and performance.

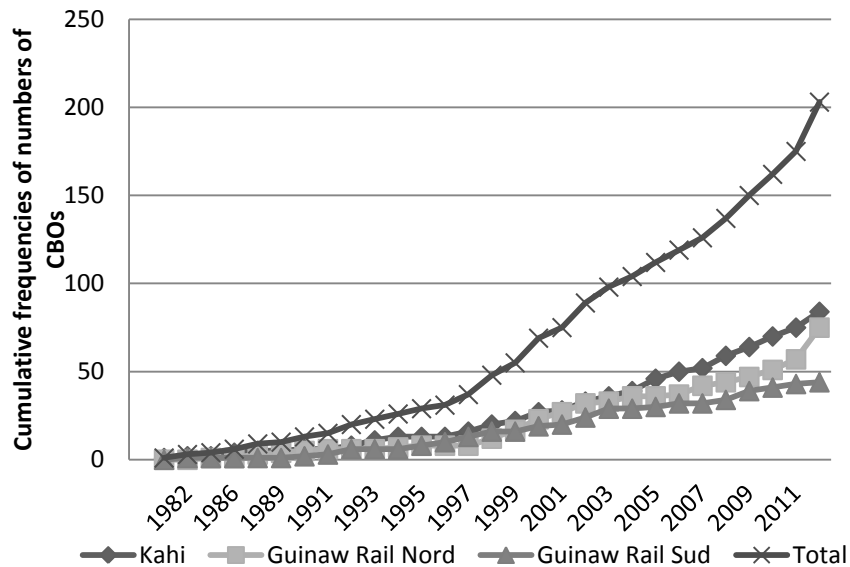
5. Characteristics of CBOs

Increasing supply of CBSP

CBOs identified in the research area are mostly development associations. Their proliferation is related to the impoverishment of the population and the low supply of basic social services. As reported from the survey, CBOs would have the general goal of solidarity between members and would develop their locality under the forms of the different services they provided. These membership organizations are more developed in the rural zone to fight against poverty. Their effective presence may also be related to the fact that most of the local

development plans of the rural communities include membership associations. Decentralization would also favor the proliferation of CBOs. Figure 1 shows that the number of CBOs involved in social protection was increasing gradually since the decentralization process undertaken by the Senegal in 1996.

Figure 1: Emergence of CBOs in the research area, Senegal



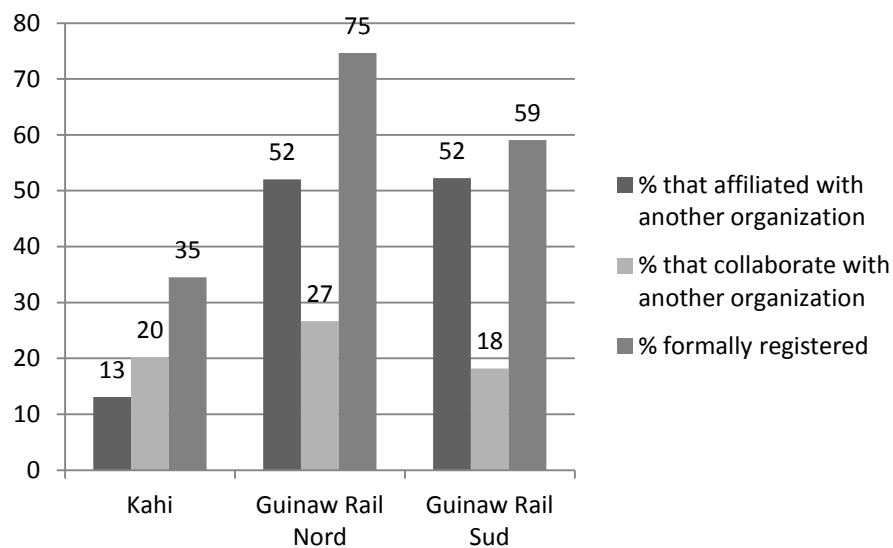
Source: Calculated from CBOs survey, 2013.

The data show that only 14% of the 203 CBOs identified were present in the study area before the decentralization process. However an additional 30% of CBOs have emerged during the first local electoral regime (1996 to 2002), 30% additional have emerged during the second local electoral regime (2003 to 2009) and 26% additional have emerged during the last local electoral regime (2010 to 2012). These figures suggest that the supply of social protection is likely to increase during the subsequent years of local electoral regimes. Given that it is also more likely to observe the same trend in terms of social protection demand, the question remains whether the potential increase of CBOs will meet the potential increase of social protection demand. Indeed, CBOs are often tributary to their own resource, are isolated and are constituted by the most vulnerable members.

Isolated organizations

Non-affiliation characterizes CBOs. The survey revealed that the majority are not affiliated to (64.04%) and do not collaborate with (77.83%) another organization. Non-affiliation is less acute however in the two municipalities of Guinaw Rail Nord and Guinaw Rail Sud (Figure 2). Likewise, the most formally registered CBOs are found in the urban area. The general observation as regards to these statistics suggests that CBOs are mostly independent and likely to be subject to isolation with a low impact in terms of providing social protection.

Figure 2: CBOs' registration, affiliation and collaboration



Source: Calculated from the CBOs survey, 2013.

Limited sources of funding

Funding sources are not much diversified and are in majority limited to two in the research area. The survey reveals that the main funding resources of CBOs are their own revenue - obtained through the activities they develop - and the contributions of members (Table 3)⁶. A

⁶ To be a member of these organizations, individuals must regularly contribute for a fixed amount which will be the initial funding of the organization. Once active, associations organize and create activities that allow them to earn revenue. In rural areas, these are generally agricultural activities where half of the crop is sold and put in the cash box of the organizations. The other half is distributed in the village to help the poor. With this money and the contribution of members, NSAs could help their beneficiaries and could develop systems of credit.

small percentage of CBOs have more than 2 funding sources in the rural area as well as in the two urban areas: 10% in Kahi, 11% in Guinaw Rail Nord and 16% in Guinaw Rail Sud. It appears in Table 3 that some CBOs benefit largely from funding from national or international donors as they have the bulk of their funds stemming from these external sources. However this is true only for very small numbers of organizations in the research area. For the majority, the main sources of funding cover more than half of total resources of CBOs. Given that these resources are spent to a large part to beneficiaries, the limited access to external financing might undermine CBOs' objective of providing social protection for vulnerable groups in these areas.

Table 1: Importance of funds, 2012

Funding sources of CBOs	Kahi		Guinaw Rail Nord		Guinaw Rail Sud	
	% of CBOs having the bulk of funds from this source	Average % of funds in total resource	% of CBOs having the bulk of funds from this source	Average % of funds in total resource	% of CBOs having the bulk of funds from this source	Average % of funds in total resource
Own revenue	45.24	69.97	41.33	58.06	45.45	61.75
Contributions of members	47.62	87.35	56.00	74.40	50.00	67.13
National donors	4.76	70.00	1.33	60.00	0.00	
International donors	0.00		0.00		2.27	45.00

Source: Calculated from the CBOs survey, 2013.

Less diversified and vulnerable membership

Members of CBOs are naturally potential beneficiaries of services provided by these organizations. Statistics reveal that members are diversified in terms of the professional occupation (Table 4). However self-employed and unemployed members constitute a large part of members within a CBO: 62.1% and 43% of the membership organizations in a whole include respectively at least self-employed and unemployed. Self-employed members are constituted of

producers and mostly persons involved in small trading activities. Unemployed include housewives and students.

Table 4: Composition of CBOs

	% of CBOs by professional occupation of members			Average size of members in 2012	
	At least salaried	At least unemployed	At least self-employed	Total	Female
Kahi	3.6	53.6	79.8	51	41
Guinaw Rail Nord	16.0	29.3	46.7	69	57
Guinaw Rail Sud	18.2	47.7	54.6	34	21
Total	11.3	43.4	62.1	54	43

Source: Calculated from the CBOs survey, 2013.

The composition of the CBOs is also biased towards women membership. Females are more represented within CBOs: At least 50% of CBOs have only female memberships and at least 41% of CBOs have male and female memberships either in rural Kahi or in municipalities of Guinaw Rail Nord and Sud. This homogenous characteristic of CBOs in terms of the professional occupation of the members and gender suggests that covariate or common shocks might undermine their risk sharing capacity.

6. Governance Effectiveness

We examine how effective are three aspects of governance within the CBOs: participation, transparency and accountability. We consider six types of questions that were asked to the members about these governance procedures. The general question was formulated as follows: “How well or badly do you think the management committee of the organization is practicing the following procedures or haven’t you heard enough to have an opinion?”⁷ Table 5 presents the percentage of the members that judged that the management committee is well practicing the three aspects of governance. No less than 80% of the respondents judged as well the governance of the management committee of their organization with respect to *participation* - under the form of *involvement* and *consultation*, with respect to *transparency* - under the form of *info program*

⁷ This question has been used in afrobarometer survey to study governance issues. See <http://www.afrobarometer.org/>

and *info budget* - and with respect to *accountability* - under the form of *complaint* and *guarantee*. Depending on the size of the samples, the percentages vary between 80% and 100% in the three areas of study. The governance of the management committee of the membership organizations seems relatively effective in general according to the opinions of their members. However this conclusion is not definitive.

Lack of transparency

Indeed we asked members about a third form of each of the three aspects of governance considered. The percentages of members who reported that they have been consulted once by the management committee or who reported that they know what their organization have in the cash box or even who report that they could sanction the management committee from bad performance, are far less than those indicated above concerning the other aspects of *participation, transparency* and *accountability* (Table 5).

Particularly, transparency seems to be more problematic in the three areas, as only 11%, 7% and 29% of the members interviewed respectively in Guinaw Rail Nord, Guinaw Rail Sud and Kahi have reported that they know what their organization have in the cash box (see Box 2).

Table 5: Members's perceptions on governance aspects, 2012

Zone	% of respondents that judged the management committee of the organization is well practicing these governance procedures											
	Allowing participation				Showing transparency				Practicing accountability			
	Involvement ^a	Consultation ^b	Once consulted	Sample	Info program ^c	Info budget ^d	know what organization have in the cash box	Sample	Complaint ^e	Guarantee ^f	Could Sanction the management committee	Sample
Kahi	85.96	86.39	58.10	463	85.59	86.49	29.28	444	79.87	92.42	56.93	462
Guinaw Rail Nord	98.86	96.58	53.53	439	99.08	96.78	10.57	435	89.21	98.56	57.79	417
Guinaw Rail Sud	99.21	99.60	51.19	252	100.00	98.84	6.98	258	98.81	98.42	60.47	253

^{Note:} The management committee (a) allows members like the respondent to participate in decision making and (b) consults other members before making decisions. The management committee (c) makes the acting program known to other members and (d) provides to other members with the information about the organization' budget. The management committee (e) provides effective ways to handle complaints about the management committee and (f) guarantees that revenues are used for services and not for private gain.

Source: Calculated from the CBOs survey, 2013.

Box 2: Transparency effectiveness within selected CBOs

“The financial activities are recorded in a book that is not accessed by other members. Members can ask for explanations to leaders and sometimes there are disputes but out of respect for the more elderly, they always find consensus”.

Key informant interview about Yaaye dji, a CBO providing credit services.

“The organization has a notebook where all expenses are recorded. It does not make financial reports, but the management committee explains every time the use of the funds in the cash box. The management committee is limited to two people and can lack transparency”.

Key informant interview about Bokkou Dioubo Ndigui Wilanène, a CBO providing food.

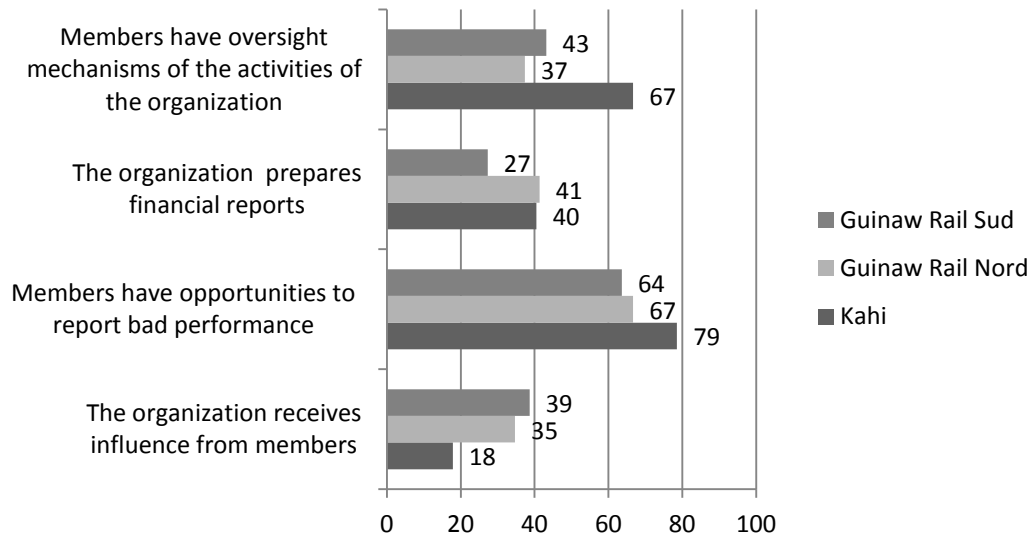
“The president and a treasurer manage the fund but the organization does not make financial reports. The other members are limited to the explanations of the Treasurer during meetings and have not control mechanisms of activities. Members are obliged to trust the leaders”.

Key informant interview about a women organization providing help for ceremony.

Relative accountability and weak enforceability

Accountability issues are present under different forms in the area of study. Data collected at the membership organization level show that accountability in general seems more likely in rural Kahi than in the two urban zones (Figure 3). About 67% of CBOs in Kahi acknowledge having oversight mechanisms of their activities against about 37% and 43% respectively in Guinaw Rail Nord and Guinaw Rail Sud. Nevertheless, the effectiveness of accountability remains questionable. More of half of the CBOs in the research area do not prepare financial reports while most of the oversight mechanisms as reported by the membership organizations are finance-related. In addition, even if a majority of CBOs give opportunities to their members to report bad performance, enforceability is still weak in the three areas: these members are less able to sanction or to influence the management committee. One explanation might come from the fact that there is no rigorous mode of selection of membership organizations' leaders.

Figure 3: % of CBOs in which these aspects of governance are effective



Source: Calculated from the CBOs survey, 2013.

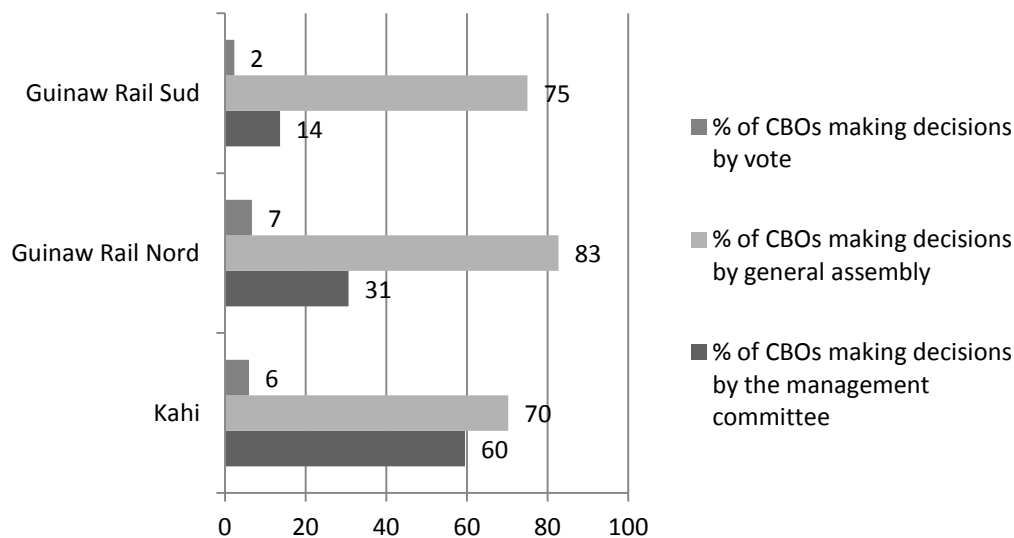
Statistics from the survey reveal that leaders are mainly selected by consensus or by selection/appointment (at least 80% of CBOs) and to a small extent by election in the three areas. It appears that affinity characterizes the membership organizations and that members could refrain to sanction their relatives due to this empathy, as it was reported by a key informant interview about a woman organization providing help for ceremony in rural Kahi: *“Even for complaints, women prefer to remain silent and not say anything in order to avoid creating problems in the organization or to avoid being the cause of the breakup of the group”*.

Members’ involvement in decision making

With regard to the members’ participation, it is observed that decisions within the CBOs are taken either during the general assembly, by the management committee and to a small extent by vote (Figure 4). Each member is thus in a potential position to be involved (have a voice) in the organizations’ decisions in the three areas provided that this member be present during important or decisive meetings. The involvement of members may also be timid or conditioned in CBOs in which decisions are restricted to and taken by the management committee given that

members are very less represented within the management committee: About 73% of CBOs have 20% of their members in the management committee.

Figure 4: Mode of decisions making within the CBOs



Source: Calculated from the CBOs survey, 2013.

In summary, organizations suffer from great organizational and structural weakness. Key informant interviews show that governance mechanisms are not sector or service specific. Whether providing credit services, food provision or a help for ceremonies, or whether they are organizations of men or women, CBOs face the same problem of the weakness of their management system and institutional capacity. Most of them have no written rules. Everything is said orally and members do not really have control mechanisms outside the report that leaders share at meetings.

7. Impact of CBSP

CBOs tend to target all categories of beneficiaries but appear to focus more on women and generally on their members. In rural Kahi, CBOs provided mostly services to older persons, pregnant women, members, disabled persons and to women in general. Besides to focus on their

members and women, CBOs in the municipalities provide services to Youth. This section examines CBSP performance in terms of the scale of services and the potential poverty incidence. It also analyses performance in relation with governance as examined in the previous section.

Coverage effect

We first examine the scale of community-based social protection in the research area in terms of the numbers of people assisted. We calculated from the survey data the *potential* coverage rate that is limited to the members of CBOs, assuming that members are more likely to receive first the service provided by their organizations. We also calculated the *effective* coverage rate that accounts for the number of persons - members and non-members - who have received effectively a service from CBOs in 2012. Table 6 indicates that 20.3% of the population of Kahi, 14.4% of the population of Guinaw Rail Nord and 3.2% of the population of Guinaw Rail Sud would have received CBOs' services in 2012, provided that all members have been assisted in that year. The estimated *effective* coverage rates are even lower: CBOs were only able to cover in 2012 respectively 13.7% of the population in Kahi, 14.2% in Guinaw Rail Nord and 2.3% in Guinaw Rail Sud.

Table 6: Estimated coverage rate of NSSP

	Kahi	Guinaw Rail Nord	Guinaw Rail Sud
Total number of CBOs	84	75	44
Total number of members (a)	4299	5177	1476
Total number of effective beneficiaries (b)	2686	5108	1073
Estimated population (c)	21146	35885	45742
Estimated <i>potential</i> coverage rate (a/c)	20.3	14.4	3.2
Estimated <i>effective</i> coverage rate (b/c)	12.7	14.2	2.3
Average operational budget (FCFA)	267865	1018341	896679
Average percentage spent for beneficiaries	83.2	73.6	72.0

Note: 1FCFA=500 \$US.

Source: Calculated from the CBOs survey, 2013.

These figures indicate that the coverage rates of CBSP are still low in the research area. The case of Guinaw Rail Sud is striking as the coverage rate in this zone is about seven times

that of Guinaw Rail Nord, its homologous urban area. One explanation may be that the coverage rates depend both on the number of CBOs and the population in each area. Compared to Guinaw Rail Sud, Kahi and Guinaw Rail Nord have more CBOs for a small number of the population. The difference of coverage rates in the three zones may also be explained by the fact that CBOs might make a tradeoff between the physical coverage and the financial coverage. Calculus from the survey data reveals that CBOs in rural Kahi and in Guinaw Rail Nord and Guinaw Rail Sud spend on average respectively FCFA9000, FCFA11000 and FCFA28000 per beneficiary⁸. CBOs seem to favor thus financial coverage against physical coverage in Guinaw Rail Sud.

Potential poverty effects

Another important community-based social protection outcome is the poverty reduction impact as a result from the services received. Given that the survey has not recorded much information on non-members and because members are the most beneficiaries from the services, we focus on the probable poverty effects within the CBOs. We assume that each member is *ex ante* at a given level of poverty and his decision is guided by the fact that he would expect to be better-off after adhering to a CBO⁹. As such a member might be affected by the service received from his organization and we could suspect that poverty might change. We roughly examine this question as regards to the members' expectations. We asked the following question: *In 2012: How was your contribution with respect to what you received?*

⁸ This is an average over the years 2009, 2011 and 2012. The average budget per beneficiary in 2012 are respectively FCFA8078, FCFA14753 and FCFA35098.

⁹ This is one advantage of membership organizations as echoed by the literature on the risk sharing.

Table 7 : The potential incidence of poverty, 2012

Research area	% of members likely to experience poverty reduction ^a	% of members likely to stay at same level of poverty ^b	% of members likely to experience vulnerability ^c	Sample
Kahi	38	22	40	428
Guinaw Rail Nord	23	11	67	436
Guinaw Rail Sud	16	23	61	256
Total	27	18	55	1120

a Members have contributed less than received from the organization

b Members have contributed as equal as received from the organization

c Members have contributed more than received from the organization

Source: Calculated from the CBOs survey, 2013.

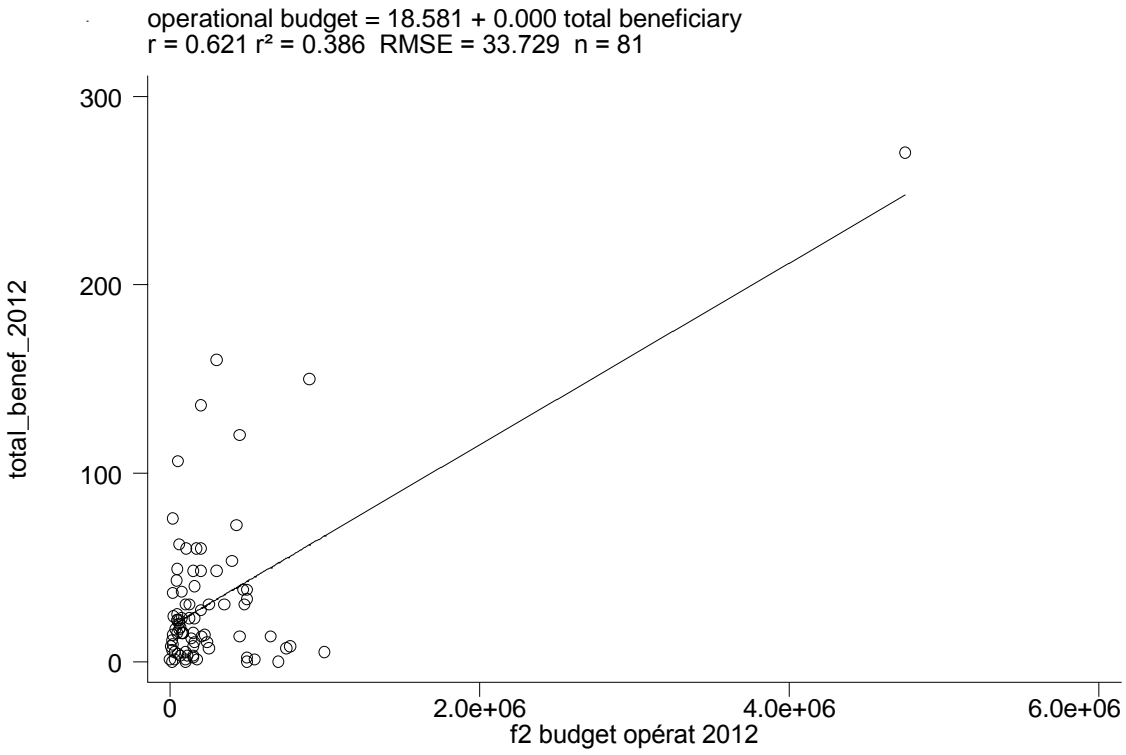
In general potential poverty reduction from CBSP in the research area is 27% (Table 7). This is much higher in rural Kahi than in the municipalities of Guinaw Rail Nord and Guinaw Rail Sud. Statistics suggest that the incidence of poverty in the research area is still questionable, despite the presence of many community-based social protection services. “*Although helpful, the assistance received is far from sufficient*” have reported some members of CBOs interviewed¹⁰.

Relation with effective governance

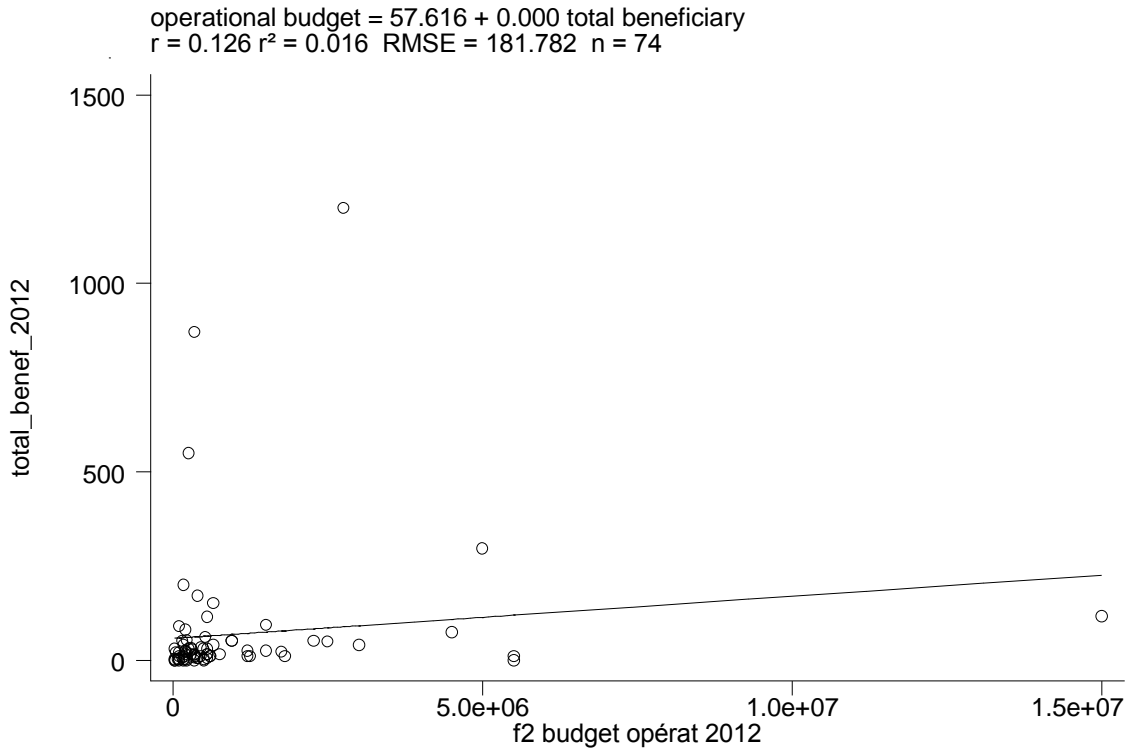
Community-based social protection outcomes are likely to depend on the operational budget of CBOs or the way this budget is spent for the intended purpose. For example, more than 70% of the budget of the organizations on average goes to the beneficiaries in each zone (see Table 8). It is thus interesting to see the relation between the budget and the performance - in terms of coverage - and what might cause or explain this relation. Figure 5 shows this relationship in the research area for the year 2012. The figure provides a scatter plot and regression line for the predicted variable *operational budget* from the variable *total beneficiary*. r is the coefficient of correlation between the two variables and r^2 the coefficient of determination of the regression.

Figure 5: Correlation between the annual operational budget and the total beneficiary in 2012

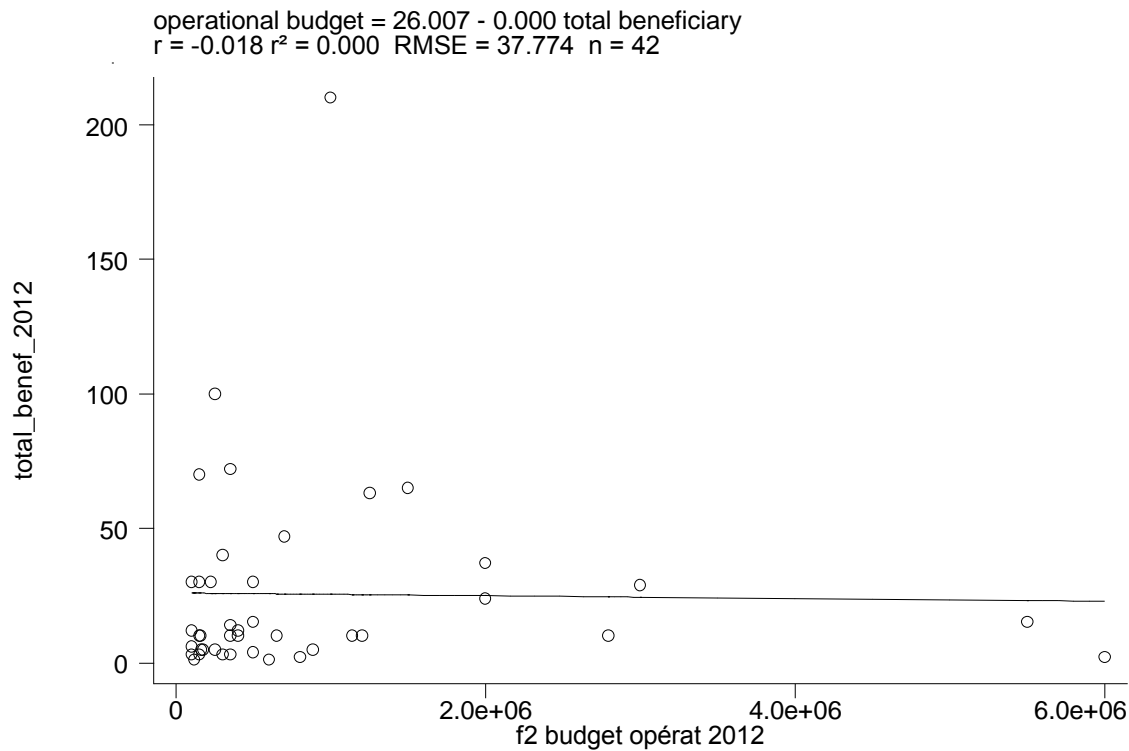
¹⁰ See the full report.



Kahi



Guinaw Rail Nord



Guinaw Rail Sud

Source: Calculated from the CBOs survey, 2013.

Figure 5 shows that the number of beneficiaries and the operational budget are correlated in the rural community of Kahi. The operational budget of the CBOs seems not to be related to the number of beneficiaries in the municipalities of Guinaw Rail Nord and Sud in 2012. We argue that the evidence (or a lack) of a relationship between the numbers of persons covered and the operational budget of CBOs may be explained by a governance problem. Given that the organizations spend a high percentage of their budget towards beneficiaries, it is likely that the governance problem is budget-related. We compare CBOs' performance across those that prepare financial reports and those that do not, using t-test statistics. Preparing financial reports supposes transparency and accountability effectiveness in the budget issues.

The comparison reveals that there are significant differences in performance across the CBOs (Table 9). In general, organizations preparing financial reports have significantly larger coverage in terms of the number of beneficiaries. The average number of persons that have received a help in 2012 is significantly lower among organizations that do not prepare financial

reports in the rural community of Kahi and the municipality of Guinaw Rail Nord. There is no difference in the number of beneficiaries in the municipality of Guinaw Rail Sud. This indicates that the performance of the membership organizations is not random: it seems to be relatively transparent and accountable organizations in budget-related issues that reach a high coverage rate.

Table 9: Comparison of total beneficiaries across organizations that prepare financial reports and those that do not prepare financial reports

	Total sample	Organizations that prepare financial reports	Organizations that do not prepare financial reports	
<i>Total</i>				
Number of membership organizations	203	77	126	
Average number of total beneficiaries in 2012	43.67	68.64	28.42	***
<i>Rural community of Kahi</i>				
Number of membership organizations	84	34	50	
Average number of total beneficiaries in 2012	31.97	44.38	23.54	**
<i>Municipality of Guinaw Rail Nord</i>				
Number of membership organizations	75	31	44	
Average number of total beneficiaries in 2012	68.10	113.29	36.27	**
<i>Municipality of Guinaw Rail Sud</i>				
Number of membership organizations	44	12	32	
Average number of total beneficiaries in 2012	24.38	22.08	25.25	

Comparisons are made using t-tests. Significant differences are indicated with *p < .15; **p < .10; ***p < .05.

Source: Calculated from the NSAs survey, 2013.

In general, key informant interviews reveal that the biggest constraint to achieve greater coverage is the lack of financial means and the informal management. The funds available are not sufficient to allow members to have sufficient resources for their activities. The organization also lacks experience and is anymore facing constraints related to the lack of training of the management committee

8. Conclusion and policy implications

We have examined how governance mechanisms such as participation, accountability and transparency are effective in delivering social protection services by CBOs in Senegal. We

also examine CBSP performance in relation with these governance aspects using a quantitative and a qualitative analysis. First, the analysis shows that CBOs are increasingly evolved in Senegal to respond to the low supply of basic social services and also thanks to the decentralization process. The emergence of these organizations suggests that the supply of social protection is likely to increase. Given that it is also more likely to observe the same trend in terms of social protection demand, it is important to strengthen the institutional capacity of CBOs in order that their potential increase will meet the potential increase of social protection demand. For example, some of CBOs are informal, most are independent and thus likely to be subject to isolation with a low impact in terms of providing social protection. Therefore, formal registration and close collaborations with the local councils appears to be crucial for an important development of the CBOs.

Second, there is a need to increase the financial capacity of CBOs. As their main sources of funding cover about over half of total resources that spend a large part to beneficiaries, the limited access to external financing might undermine CBOs' objective of providing social protection for vulnerable groups. Increasing thus the operational budget of CBOs is important to reach a high coverage rate. Increasing external funding sources is crucial for better CBSP as CBOs rely mostly on low contributions of members who are in a majority unemployed and self-employed. The weak external financing of CBOs in general may be due also to the lack of formal recognition that reduced their chance of receiving aid. As long as the recognition from the central or the local government is effective, this aid could come from national or most importantly international NGOs given that some CBOs have acknowledged, during the survey, that NGOs can finance only formal associations of members but not individual persons.

Third, increasing the funding sources of CBOs is not sufficient though. Effective governance issues within CBOs are budget-related. In general, organizations preparing financial reports have significantly larger coverage in terms of the number of beneficiaries. As the organizations spend a high percentage of their budget towards beneficiaries, effective transparent and accountable mechanisms in general and particularly in budget issues need to be put in place within CBOs. For example, members of CBOs could have access to other control mechanisms outside the report that leaders share at meetings. Regular financial activities need to be recorded not only in a book but be accessible to all members. Also the size of the management committee should not be limited to the president and the treasurer and should be extended to few members

in order to increase participation and transparency. As organizations composed of friends and relatives, affinity seems characterizes CBOs. Members could refrain to sanction their relatives due to this empathy, as it was reported by some members themselves during the survey. Election route needs thus to be promoted in selecting CBOs' leaders. Vote needs also to be promoted in the decisions-making process of the CBOs.

Four, CBOs should benefit from capacity building in terms of financial management. Most of the management committee is less educated women. They are not very professional and sometimes mistakes occur resulting from informal management that leads to misunderstandings. As it is reported from the case studies, the biggest constraint to achieve greater coverage is the lack of financial means and the informal management. The organizations lack experience and face constraints related to the lack of training of the management committee.

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