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# FIJI

## Assessment of the Social Protection System in Fiji and Recommendations for Policy Changes

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**CURRENCY EQUIVALENTS**  
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Currency Unit	=	Fijian Dollar
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FJD 1	=	USD 0.565000

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**ABBREVIATIONS AND ACRONYMS**

ACP	Annual Corporate Plan	GOF	Government of Fiji
ADePT	Software Platform for Automated Economic Analysis	HIES	Household Income and Expenditure Surveys
AusAID	Australian Agency for International Development	ICT	Information Communication Technology
BC	Birth Certificate	IWPs	Individual Work Plans
BMD	Birth, Marriage and Death	KPIs	Key Performance Indicators
BP	Business Plan	M&E	Monitoring and Evaluation
C&A	Complaints and Appeals	MIS	Monitoring and Information System
C&P	Care and Protection	MOE	Ministry of Education
CBN	Cost of Basic Needs	MOSWWA	Ministry of Social Welfare and Women Affairs
CI	Chronic Illness	MOU	Memorandum of Understanding
CSO	Civil society organizations	OM	Operational Manual
DSW	Department of Social Welfare	PAE	Per Adult Expenditure
EFO	Externally Funded Output	PAP	Poverty Alleviation Program
E&G	Exit and Graduation	PCCPP	Peoples Charter for Change, Peace and Progress
GIC	Growth Incidence Curve	PD	Permanent Disability
FA		PMO	Prime Minister's Office
FAO	Food and Agricultural Organization of the United Nations	RDSSED	Roadmap for Democracy and Sustainable Socio-economic Development
FAP	Family Assistance Program	SA	Social Assistance
FIBOS	Fiji Island Bureau of Statistics	SFCCO	Strategic Framework for Change Coordination Office
FBFP	Free Bus Fare Program	SMS	Systems Management Server
FNCDP	National Council for Disabled Person	SOP	Standard Operational Manual
FNPF	Fiji National Provident Fund	SP	Social Protection
FVP	Food Voucher Program	SOWs	Social Welfare Officers
FPL	Food Poverty Line	TA	Technical Assistance
FIBOS	Fiji Island Bureau of Statistics	WOs	Welfare Officers
GDP	Gross Domestic Product		

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## Executive Summary

**Fiji is a country of about 830,000 (as of 2008) people located in the South Pacific Ocean**, about two-thirds of the way from Hawaii to New Zealand. It has a territory of 18,274 square miles spread over 332 islands, of which approximately 110 are inhabited. Most of the population resides on two large islands – Vatu Levu and Vanua Levu.

**Fiji is a one of the most developed of the Pacific island economies, though still with a large subsistence sector.** Per capita GDP stands at US\$ 4,400 (as of 2010). While agriculture accounts for only 10% of the GDP (versus 77% by services sector), it occupies 70% of the labour force. The country's economy is significantly dependent on tourism (about 0.5 million visitors per year) and remittances from abroad. The sugar industry has traditionally occupied a dominant role, but has declined significantly in recent years. The economy overall has been rather stagnant over the last few years.

**The country has fairly high human development indicators**, with life expectancy at birth of 71.3 years (68.7 and 74 years for males and females, respectively). The literacy rate stands at 93.7%, with average years of schooling at 13 years.

**The prevalence of poverty based on the costs of basic needs poverty line stands at about one third of the population.** However, the prevalence of extreme/food poverty is quite low, at about 7.5% of the population. The Government of Fiji considers further reduction in poverty as one of its key objectives.

**As is the case in many other countries, the social protection system in Fiji has the objective of providing social safety net for the most vulnerable and poorest people.** The Government of Fiji (GOF) tries to achieve this objective under rather limited budget resources. The World Bank Social Protection team has been working closely with the GOF over the last year and a half in undertaking the analysis of various aspects of the Fiji's SP system, with a view of providing solid analytical base and options/suggestions for policy changes. The key findings and suggestions emerging from this program of analytical work and advisory services are consolidated in this report.

**The key messages that emerge from this work are:**

- **The existing SP resources are small, but targeted quite well.** Overall, the targeting accuracy of the Family Assistance Program (FAP) towards low-income household is very good. In 2009, 70% of the program recipients were in the 1<sup>st</sup> and 2<sup>nd</sup> (poorest) quintiles of per capita consumption distribution.
- **The impact of current system of social transfers on poverty at the national level is limited.** One of the key findings is that given the overall low coverage (and large under-coverage of the poorest), limited per-

capita generosity, and design features whereby FAP is limited to individual recipients (one per household), the effect of the FAP on alleviating poverty is very small. This highlights a key issue for the government to consider, which is increasing the fiscal allocations to accommodate a gradual increase in the program coverage/benefit in accordance with the policy to alleviate extreme poverty.

- **The eligibility criteria for targeted social assistance (as well as key target groups) need to be more clearly defined.** Currently, the FAP has a “double filter” whereby eligibility is based on an individual belonging to a certain category (elderly, disabled or chronically ill), and a household passing an unverified (subjective) means test. The program thus excludes poor households who do not have any household members belonging to one of these categories, and often makes chronic illness a “back door” entry into the program. One of the key recommendations of this report is to widen the access to the program for poor households, subject to a well-defined standard process of assessing household welfare status, and targeting the program at extreme poor. At the same time, the GOF could consider introduction of the social pension for people age 65+, as well as a disability benefit for permanently disabled people. This would allow the GOF to specifically address the needs of the different population groups, and to reach out to populations outside of FAP if deemed poor and in need of social assistance.
- **The operational capacity of the Department of Social Welfare (DSW) is adequate, yet the operational processes and practices could be made more efficient in a number of ways.** DSW has a long history of running the social welfare programs, and has developed good practices and put good staff in place. The recently introduced system of electronic payments to FAP recipients attest to the fact that DSW strives for modernization. Yet the qualitative assessment of FAP beneficiaries, as well as analysis of other operational issues, indicates a few issues that, once addressed, could greatly enhance program operations. Those issues include long processing times for approving an application (in some cases up to two years); inadequate communication on the steps and outcomes of the application process (including no knowledge on part of applicants on how to appeal the decision); lack of regular re-certification of beneficiaries; high workload and lack of specialization (case management) and task differentiation among welfare officers, etc. This report presents several recommendations on how to achieve improvements in those areas.

**The document presents policy options that the Bank’s team has identified based on the analysis of the current SP system.** These policy options have been discussed with DSW officials, and have been presented to the Cabinet during the mission in May 2011. The idea of having options is to advise the GOF on possible avenues for developing the SP system with a focus on vulnerable and poor populations. We believe that the options will help the Government to further advance the poverty reduction objective.

**In implementing the proposed recommendations, several risks would need to be addressed.** First, there is a risk of putting too much emphasis on “graduation” based on the desk review of files and not the proper assessment of household living circumstances. Unless objective assessment criteria are applied in each case, based on the standard evaluation process, such a “graduation” may become a “kick out” of beneficiaries. Second, there is a risk that not putting enough rigor/capacity in determining poverty status (for FAP) and the disability status (for disability benefit) may result in loose rules of determining eligibility for new applicants. Third, there is a risk that the proposed re-structuring of SP programs may end up not being comprehensive enough (e.g., introduction of the basic social pension & disability benefit, but limited role of FAP as a poverty benefit). These risks can be mitigated through continuous technical assistance to and dialogue with the Government.

**From a broader social protection perspective, even if most of the recommendations presented in the report are implemented, the functions of the current SP system in Fiji would still be focused largely on *protection*.** The important *prevention* and *promotion* functions would still need to be developed further, although the Government has been already making steps in this direction. A future aspiration for the social protection system could be to take on these functions in a more deliberate and focused way.

**In terms of the concrete steps for the work program that could be undertaken in the next year, the report suggests the following.** In the area of poverty and SP analysis: (i) Working with the Fiji Bureau of Statistics (FIBOS) to help re-design the questionnaire (SP module) for the 2013 HIES survey so as to have a better instrument to analyze SP programs and poverty; (ii) Undertaking further analysis of specific vulnerable population groups (e.g., people living in squatter settlements); (iii) Providing training to FIBOS and DSW staff on the use of ADEPT SP as a tool of analysis. In the area of SP (implementation): (i) Completing the design and piloting the new form for assessment of the welfare status of FAP beneficiaries; evaluating how this new form performs in selecting poor households; (ii) Helping the DSW in establishing the framework (operational guidelines) for rigorous assessment of disability/chronic illness (with a focus on a functional assessment). In the area of further policy dialogue on SP the focus is on: (i) Continuing dialogue on the implementation of the proposed policy changes; (ii) Defining further the parameters of the proposed social assistance programs (i.e., coverage, targeting criteria, benefit size, program budget, etc.). These are the priority areas that have been discussed and agreed with the GOF.

# 1 Introduction

**This Summary Report is the culmination of a comprehensive, more than a year-long, collaboration** between the World Bank, Fiji Department of Social Welfare (DSW), Fiji Islands Bureau of Statistics (FIBOS) and AusAID. It reflects various activities undertaken under the work program that was agreed upon with the Government of Fiji (GOF), with financial support provided by AusAID under the Externally Funded Output (EFO) agreement with the World Bank.

**The objective of the work was to provide analytical support and technical assistance to the GOF in the two key areas:** (i) analysis of poverty; (ii) analysis of the design and operational side of the social protection (SP) system. The findings and recommendations emerging from this work are intended to improve the understanding of various social policy issues in Fiji and to provide the GOF with a more solid basis for the evidence-based social policy making.

**The work in the 1st area (poverty analysis) focuses on understanding the dynamics and profile of poverty in Fiji.** Among other things, this work resulted in the first poverty maps created for Fiji, which provide a powerful visual depiction of poverty pockets that can help to ensure that anti-poverty programs reach the poor. Beyond targeting, this work can be informative for the planning process at a sub-national level, and for analyzing resource allocation and existing programs. The poverty work is reflected in a separate poverty report. Here we present only some key findings.

**The work in the 2nd area (social protection) focuses on understanding how adequate the current SP system is, and how it can be enhanced with an objective of further contributing to the Government's goal of poverty reduction.** It encompasses qualitative and quantitative analysis of the Family Assistance Program (FAP) – the main social protection program in Fiji; assessment of various operational aspects of the social protection system (such as operational system design and workload, grievance and appeal mechanisms, program exit and graduation strategies, assessment of chronic illness and disability); and suggestions on the policy options for the design of the SP system moving forward. The policy options were presented by the World Bank's team to the Cabinet in May 2011.

**The objective of this report is to present the key findings/issues that emerged from the analysis, as well as potential options for policy changes.** The recommendations are made with a view of being very concrete, and also with understanding that while some of them could be implemented quickly, others should be considered for medium to long term. This summary report intentionally omits some technical details, since those are available in the accompanying background papers on various issues.

**In addition to discussing the suggested changes to various aspects of the social protection, the report also presents activities that would be needed**

**to implement them.** In other words, it suggests the work program for the next 2-3 years. The suggested work program has been discussed and agreed upon with the Department of Social Welfare (DSW), and is something that could be supported by the GOF and international partners. This proposed work program moving forward is presented in the form of the detailed matrix of activities (and their expected cost) at the end of this report.

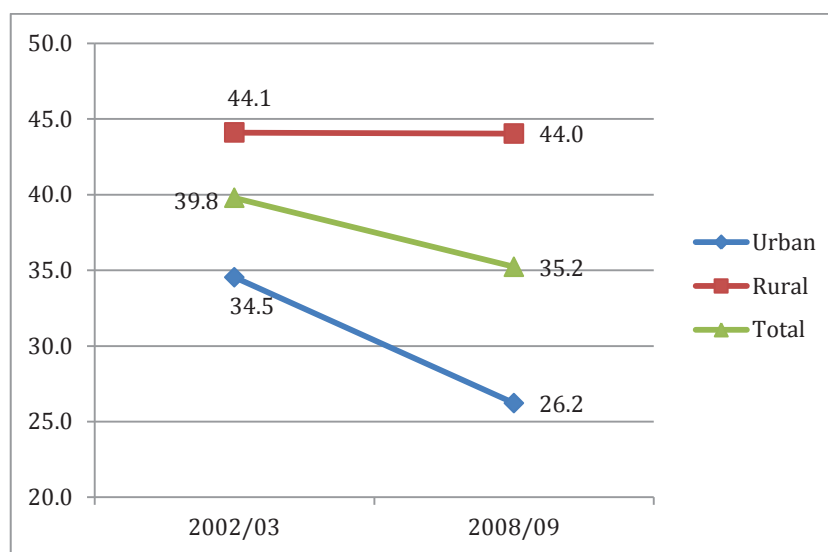
**The remainder of the report is structured as follows.** Section 2 presents the profile of poverty and vulnerability in Fiji. It is intended to provide a context for the discussion of the social protection system. Section 3 presents a brief overview of the current social protection system in Fiji. Section 4 presents the key design features of Family Assistance Program (FAP) and discusses the program's strengths and challenges by looking at the range of the performance indicators. The discussion in this section reflects the findings emerging from the quantitative and qualitative analysis of the FAP. Section 5 considers some of the policy options for the design of the SP system moving forward. In a way, it provides some "big picture" ideas and also highlights how much some of the proposed changes could cost from a budget perspective. It also discusses issues related to the development of the new targeting approaches. Section 6 highlights some of the key findings and recommendations that emerged from the analysis of various operational aspects of the SP system. The activity Matrix in the Annex presents the suggested work program activities that would need to be implemented in the next couple of years to ensure progress with enhancing the SP system in Fiji.

## 2 Poverty and Vulnerability in Fiji

**Poverty reduction remains high on the policy agenda in Fiji.** The reduction of poverty to negligible levels is one of the pillars of the Fiji Peoples' Charter – a guiding document for the Fijian policy makers. We believe that the proposed changes to the SP system, as discussed later in the report, will help contribute to this agenda. In this section we highlight some of the key features of poverty in Fiji.<sup>1</sup> The poverty profile provides guidance on which population groups in Fiji face higher risk of poverty.

**In 2009, just over one third of the Fijian population lived in poverty.** On the positive, since 2003 national poverty dropped by 4.6 percentage points -- from 39.8% in 2002/03 to 35.2% in 2008/09.<sup>2</sup> This, however, masks very different underlying trends in rural and urban areas -- while urban poverty declined significantly, rural poverty is virtually unchanged (Figure 1). Therefore, most of the poverty reduction during this period is driven by the 8.3 percentage point (23%) reduction in urban poverty from 34.5% to 26.2%. Rural poverty remained at 44%.

**Figure 1: Poverty Incidence Trends across the Urban and Rural Areas**



Source: Bank estimates using HIES 2002/03 and HIES 2008/09.

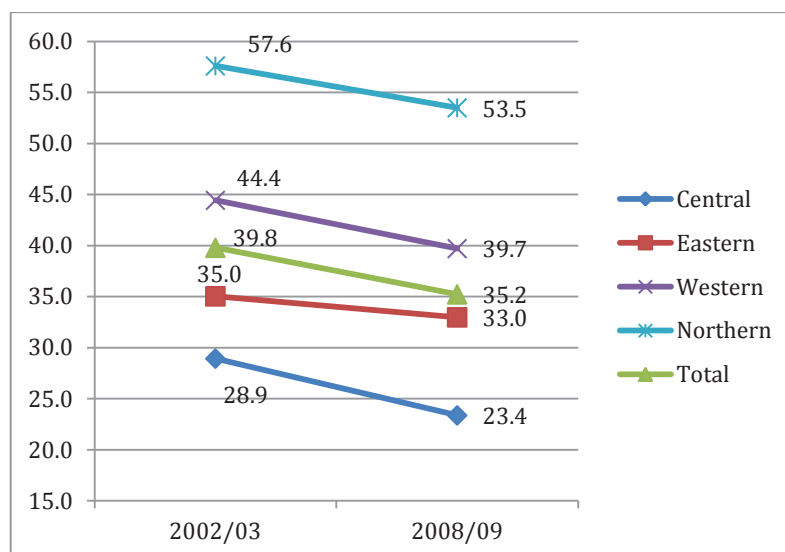
**There is a large sub-national variation in poverty.** Figure 2 shows large disparity in poverty levels across the four divisions, where Northern division comes out as poorest, followed by Western Division. The least poor division is the Central division. The poverty trends between 2003 and 2009 are remarkably similar, at around 4-6 percentage point reduction across three of the divisions.

<sup>1</sup> For a detailed discussion of the poverty, including the methodology, see the World Bank (2011a).

<sup>2</sup> In the report, we will refer to the poverty numbers derived from the 2002/03 and 2008/09 HIES as 2003 and 2009 poverty numbers, respectively.

The Eastern division is an exception where the reduction in poverty is relatively muted (2 percentage points).

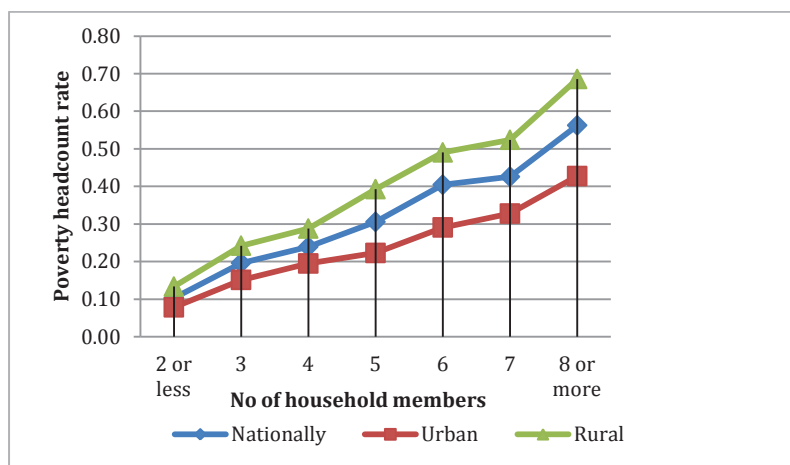
**Figure 2: Poverty Incidence across Divisions**



Source: Bank estimates using HIES 2002/03 and HIES 2008/09.

**Larger households in Fiji tend to have higher incidence of poverty.** In rural areas, the relationship between household size and poverty incidence is much stronger. In rural areas, households with at least 8 members have a poverty rate of 70% as opposed to 43% in urban areas (Figure 3). Even for a modal household of 4 members, the rate of poverty between urban (19%) and rural (29%) are starkly different. But this picture hides an important source of heterogeneity.

**Figure 3: Poverty status in 2009 and household size by type of area**



Source: Bank estimates using HIES 2002/03 and HIES 2008/09

**In Fiji, households with more children and elderly are much more likely to be poor.** For instance, nationally in 2009, households which have elderly and children are the poorest, with a poverty headcount of 52%, while households with no elderly and children have a poverty headcount of 22% (Table 1). The

high levels of poverty among elderly are attributed to a large degree to the fact that many elderly are not covered by the pension system, since the Fiji National Provident Fund (FNPf) covers only formal sector workers who made contributions, and there is no basic old age social pension. This is a feature of the Fijian SP system that we will talk more about later in the report.

**Table 1: Poverty headcount trends by presence of elderly (+65) or children (<14) and by rural-urban status**

Type of household	2002-03	2008-09	Change
<b>National</b>			
Households with elderly only	48%	45%	-3%
Households without elderly	38%	33%	-5%
Households with children only	43%	39%	-4%
Households without children	27%	24%	-3%
Households with both children and elderly	53%	52%	-1%
Households without children and elderly	25%	22%	-3%

Source: Calculations based on the HIES 2002-03 and HIES 2008-09.

**Fijian households on average have 2 children and larger households with more children have higher poverty rates, which remains an important concern in the country.** The analysis indicates that almost half of households with 2 or more children are poor (Table 2). Furthermore, the analysis indicates that these households are also substantial contributors (30-34%) of all the poor, as seen in the middle columns of Table 2. In sum, this raises important implications for social policy such as targeting households with high number of dependants, and ensuring that the benefit takes into account the size and composition of the household.

**Table 2: Poverty by number of children in the household (2008/09)**

	Poverty, %	Share of the poor, %	Share of the population, %
No children	29.3	40.8	49
1	33.8	25.2	26.3
2	47.4	22	16.3
3 or more children	51	12	8.3
Total	35.2	100	100

Source: Calculations based on the HIES 2008-09.

**Education is usually an important determinant of poverty. The analysis shows that in Fiji there is also a strong correlation between the level of education and the risk of poverty.** The poverty rates in Fiji are higher for households where household head has less than secondary education – at around 50% versus 35% overall poverty rate (Table 3). The good news is that

Fiji has well educated population. As a result, only 18% of the population lives in households where the household head has less than secondary education. However, in the most populous group of secondary education, poverty is still quite high, as 40%. Poverty is significantly lower for households with heads who have attained post-secondary education (10.3%).

**Table 3: Poverty rates by household head's Education Level, 2009**

	Poverty, %	Share of the poor, %	Share of the population, %
None	47.0	4.0	3.0
Primary	51.8	21.8	14.8
Secondary	37.4	69.2	65.1
Post- secondary	10.3	5.0	17.1
Total	35.2	100.0	100.0

Source: Calculations based on the HIES 2008-09.

**The analysis indicates that a significant share of the population remains highly vulnerable to poverty.** Specifically, the analysis reveals a sizeable concentration of households around the poverty line. A 20% increase in the poverty line would increase the poverty headcount rate by 13 percentage points, from 35.2% to 48%. In other words, a substantial share of the total population consumes no more than 1.2 times the currently poverty line, and face a risk of falling into poverty. The fact that only a 20% increase in poverty line would lead to 58% poverty rate (relative to the current rate of 45%) in households with elderly (age 65+) is remarkable, and of significant policy importance in discussions on social pension and targeting.

**High levels of poverty are providing rational for interventions through SP programs to help the poorest of the poor.** The key consideration is how to best help those population groups (such as households with elderly and children) that are much more susceptible to being poor so that limited SP resources are used in the most effective way. Now that we have the background of the poverty profile in our mind, next section discusses the key elements of the current SP system in Fiji.

### 3 Overview of the Current SP System in Fiji

**The safety net in Fiji is quite diverse.** As in many other countries, it includes both private and public mechanisms of support. In terms of the private mechanisms, the reliance on community support in Fiji has been historically strong, especially in rural areas. The role of private transfers has been also significant. The role of the private transfers is strong – the analysis of the household survey data (The World Bank, 2011a) indicates that 20% of the population lives in households receiving remittances from abroad, and 12% lives in households receiving domestic remittances. The social insurance system is represented by pensions from the Fiji National Provident Fund (FNPF). However, its coverage is quite small. The system of social assistance is represented by a number of welfare programs, as discussed below. The poverty analysis (The World Bank, 2011a) has indicated that while both private and public transfers have a sizeable impact on poverty, social welfare transfers have a dominant role. The review here focuses mostly on social assistance, but we also provide more information about social insurance.

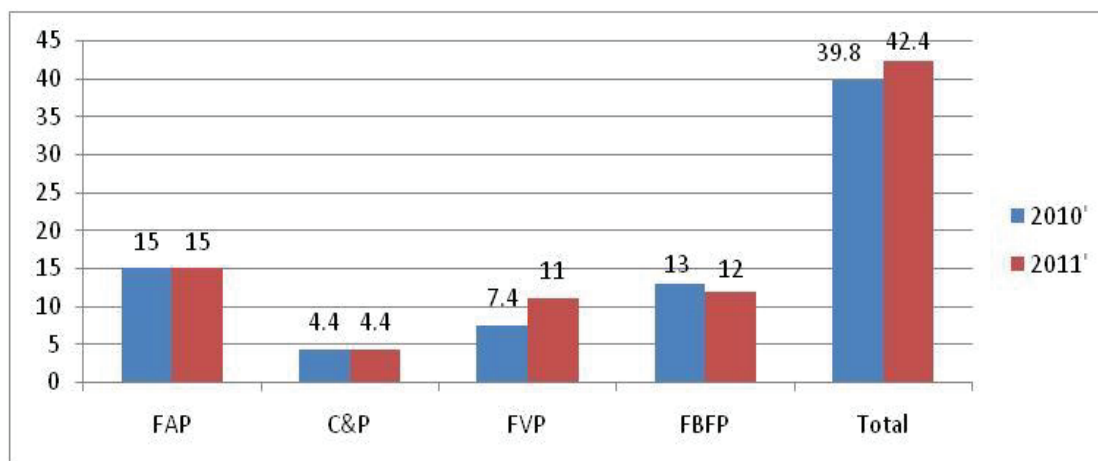
**The Fijian Government has a range of programs for social assistance.** The key social assistance programs have historically been the Family Assistance Program (FAP) and Care and Protection (C&P) allowance. Starting from 2010, the Government has also introduced the Food Voucher Program (FVP)<sup>3</sup> and the Free Bus Fare Program (FBFP). These four programs currently represent the core of the social assistance (SA) in Fiji.

**The size of the social assistance budget envelope as a proportion of GDP is quite small.** While the budget for these key SA programs managed by the lead agency, the Department of Social Welfare, has increased (in nominal terms) from F\$ 22.4 million in 2009 to about F\$ 39 million in 2010, it still represents only about 0.6% of GDP. The increase in the budget has been driven by the introduction of the Food Voucher Program (FVP) in 2010 with a budget of F\$ 7 million, as well as of the Free Bus Fare Program (FBFP) with a budget of F\$ 13 million. The social assistance budget for 2011 is expected at F\$ 42 million (Figure 4).

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<sup>3</sup> The FVP introduced in 2010 effectively provided food vouchers worth \$F 30 per month to beneficiaries of the FAP. In 2001, FVP coverage was extended to some other categories of the population, as discussed later in the report.

**Figure 4: Budget for the Key Social Assistance Programs in Fiji**



Source: Budget data from the Ministry of Finance.

Note: FAP – Family Assistance Program; C&P – Care and Protection Allowance; FVP – Food Voucher Program; FBFP – Free Bus fare Program.

**The Family Assistance Program (FAP) remains the key social assistance program in support of vulnerable people.** The program targets such vulnerable categories of people as elderly, disabled and chronically ill. It has **an annual budget allocated to it of F\$ 15 million**, which is the highest among all social assistance programs (Figure 4).

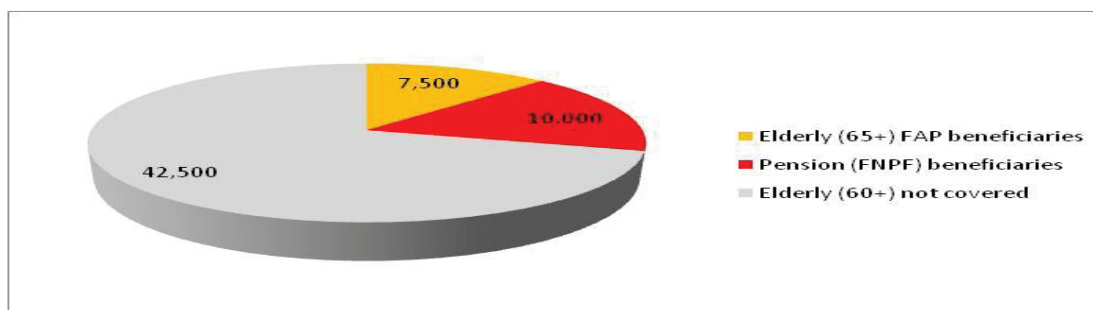
**The Care and Protection (C&P) Allowance Program is much smaller than the FAP, and targets the needy families with children.** Originally, the program was reserved for children in foster or institutional care, and as a result counted only about 500 cases. The recent reform of the FAP meant that such categories of households with children as single parents, deserted spouses, death of breadwinner and prisoner' dependants have been transferred under the administration of C&P, which as a result will have about 8,000 cases. The C&P monthly allowance is paid to the guardian of the child is based on the child's school age, school enrolment, and other criteria, with a maximum benefit per household or institution of \$110 per month. The benefit scale is provided below.

- F\$25 p/mo if child does not go to school
- F\$30 p/mo if child is in primary school
- F\$40 p/mo if child is in secondary school
- F\$60 p/mo if child is disabled
- F\$60 p/mo if child is in a residential home

**Additional programs, such as food voucher (FV) and free bus fare (FBF), were introduced by the Government in 2010.** Food vouchers were initially given to beneficiaries of the FAP, so they could be considered as a “top up” to the FAP benefit. Starting in 2011, eligibility for FV was expanded to elderly age 70+, pregnant mothers (for the duration of 7 months), and families with children attending school in remote rural areas. FBF covers children going to school.

**In terms of the social insurance, an important feature of the system is the lack of the basic old age social pension.** The pension system of Fiji consists primarily of the Fiji National Provident Fund (FNPf), which covers only workers in the formal sector. On top of that, there is a state pension to specific categories of civil servants and military. The private voluntary pension savings schemes are not developed. As a result, people outside of the formal sector (or with very small savings accumulated through FNPf) face challenges having income security in old age. We believe that low coverage of the pension system is one of the key factors behind high risk of poverty amongst elderly people that is revealed through our analysis. 70% of the elderly population age 60+ are not covered by either FNPf pension or FAP (Figure 8).

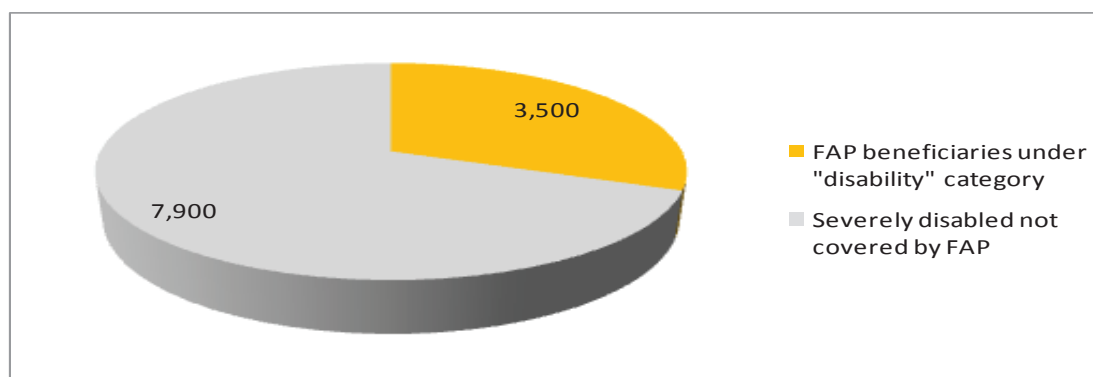
**Figure 5: Coverage of the Elderly by the SP System**



Source: The World Bank estimates.

**People with disabilities are assisted through the FAP.** However, not all people with even severe/permanent disability could be covered under FAP (Figure 9). Also, not more than one disabled person in a household can be covered. The standard FAP benefit also does not take into account the degree of disability, which could lead to much higher needs. As will be discussed further in the report, there are also issues related to distinction between chronic illness and disability, and assessment of disability.

**Figure 6: Coverage of the Disabled People**



Source: The World Bank estimates.

## 4 Analysis of FAP as a Key Component of SP System in Fiji

### 4.1 Key design features of FAP

**The objective of the FAP is to provide social assistance for certain categories of people judged and verified as being unable to provide for their own means of support.** These categories currently include elderly, chronically ill, and permanently (severely) disabled. Elderly are defined as those whose age is 65 and older. The status of chronic illness or disability is determined through a medical verification process. The FAP is administered by the Department of Social Welfare (DSW) of the Ministry of Social Welfare, Women and Poverty Alleviation (MSWWPA).

**The eligibility for FAP is determined based on an individual belonging to one of the above vulnerability categories and means testing.** In other words, FAP is a categorical benefit given subject to means testing at the household level. Means testing is supposed to rely on the collection of the income and expenditure data, but in practise it is based on the assessment of the household welfare status by the Social Welfare Officer (SWO) during the home visit. While FAP can be considered a family benefit (as money is shared within household), the applicant for the benefit is an individual who applies on his/her behalf, not on the behalf of the household (family).

**Most beneficiaries appear to be living in low income households.** The qualitative assessment of FAP beneficiaries (World Bank, 2011c) found no evidence to indicate any systemic biases in determining eligibility for the benefit. There is some evidence of inclusion and exclusion errors. Inclusion errors appear to result principally from poor income and expenditure data collection and the essentially qualitative basis for decisions as to eligibility. In terms of the exclusion errors the study has found that up to 20% of declined applicants *may* be eligible for receipt of the FA Benefit.

**The FAP entails a monthly cash grant.** The size of the benefit ranges from Fijian \$60 to \$110 per month, depending on the degree of poverty (hardship) faced by a beneficiary household. In practise, most beneficiaries get a benefit of F\$ 60 per month.<sup>4</sup> The benefit size does not take into consideration the household size and composition.

**Beneficiaries consistently reported the FA Benefit made a positive contribution to their life.** The greatest impact resulting from receipt of the FA Benefit and the Food Vouchers appears to be support in meeting basic needs, in particular support for purchasing food and paying for services. Assistance with food expenses encompassed the ability to purchase food in bulk, the ability to purchase more food items and the ability to purchase a wider variety of food items (77% of beneficiaries).

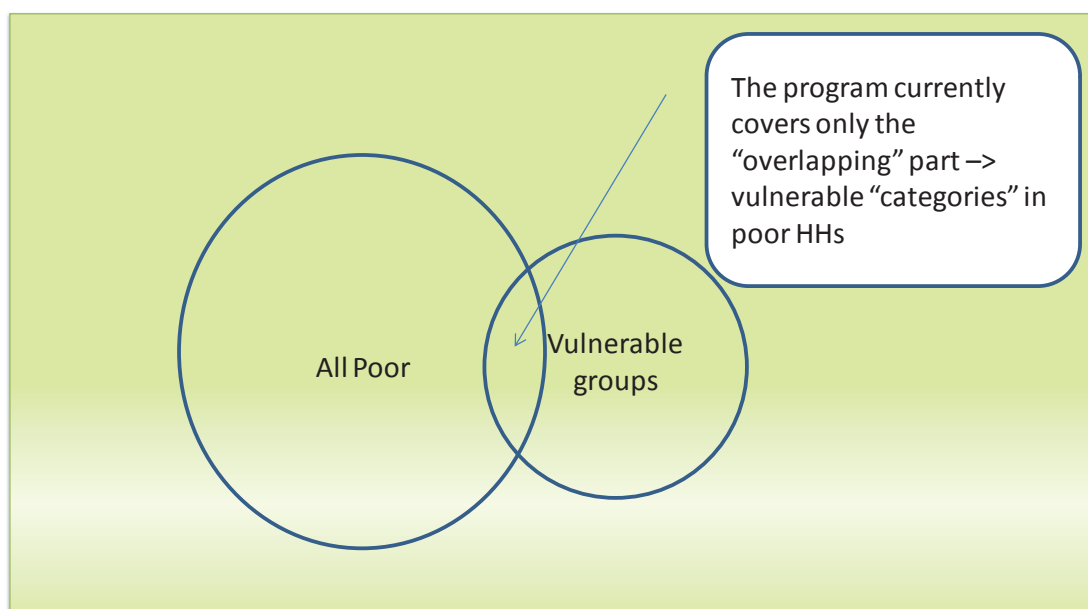
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<sup>4</sup> At the current exchange rate this is about US\$ 33 per month.

**Most beneficiaries stated they used the benefit to support other members of the household.** In particular, many beneficiaries who had children noted that the FA Benefit was used to cover the school fees. A considerable number of beneficiaries reported the FA Benefit reduced their dependence on others. Beneficiaries also stated that the FA Benefit also contributed to supporting medical, educational and transport expenses. For a small number of beneficiaries the FA Benefit assisted with loan repayments; and also enabled some beneficiaries to contribute to their household income or improve their income generation opportunities (primarily gardening).

**By design the program currently excludes those poor households that do not have any household members belonging to one of the vulnerable categories.** This feature of the design is presented graphically in Figure 7. The program also currently limits the number of beneficiaries to one person per household, even if two or more could be potentially eligible based on the existing criteria. There are currently about 25,000 direct beneficiaries of the FAP, which represents 3% of the population. Low coverage of the FAP is something we discuss in more detail in the next section.

**Figure 7: Eligibility for the FAP**



Source: World Bank.

**On the program operations side, the qualitative analysis of FAP indicated that:** (i) the DSW overall is well positioned to deliver the programs, but there is a scope for enhancing operational efficiency; (ii) the recipients of FAP are indeed the needy ones, even though some time fluidly defined categories are used to get eligibility into the program; and (iii) the system of determining eligibility could benefit from a more standardized approach to the determination of the household welfare status. A detailed discussion of these issues is presented further in the report.

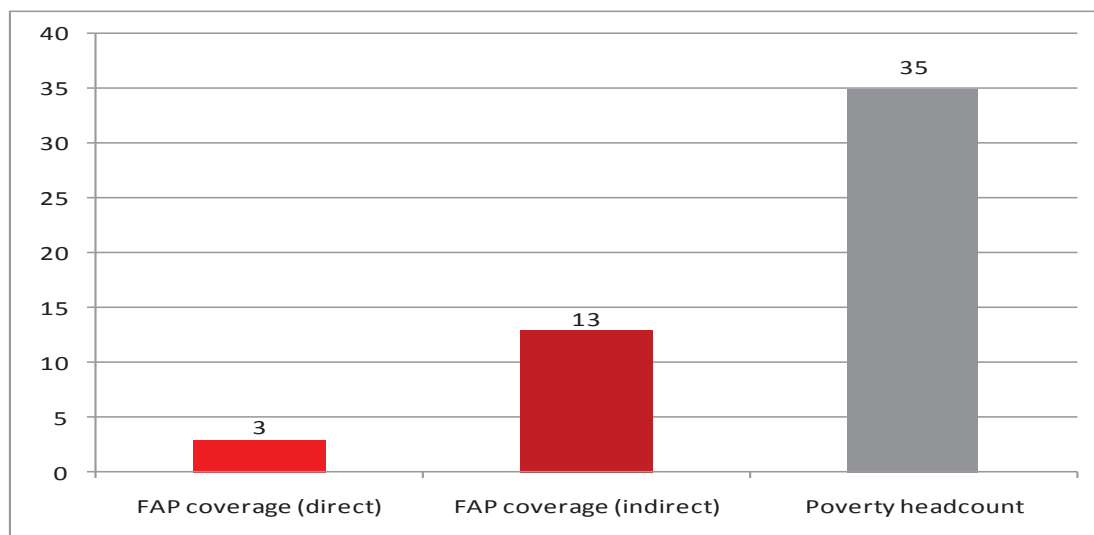
## 4.2 Strengths and challenges of FAP

The objective of this section is to provide a quantitative assessment of the FAP program in terms of the key performance indicators. These performance indicators include coverage, targeting, benefit adequacy (size), and poverty impact.<sup>5</sup> The results of the *quantitative* assessment presented here aim to complement the findings of the *qualitative* assessment of the FAP program that focuses on the processes involved in application for the benefit, assessment of eligibility.

### 4.2.1 Coverage

While being the key component of the social assistance in Fiji, the FAP has a rather limited coverage. Currently, there are about 25,000 recipients of FAP, or 3% of the population. Of course, considering that resources are shared within household, and taking into account the average household size, it is estimated that about 13% of the population directly or indirectly benefit from the FAP benefit (Figure 8). Limited coverage is making the FAP to be inadequate to support all those under the poverty line, which is about 35% of the population as of 2008. Obviously, the main constraint to expanding the coverage of the program would be the lack of fiscal resources needed to do so. Yet it needs to be mentioned that the cost of the FAP as a % of GDP is currently rather modest – about 0.3%.

Figure 8: FAP Coverage vs. Poverty Headcount, % of Population (2008)



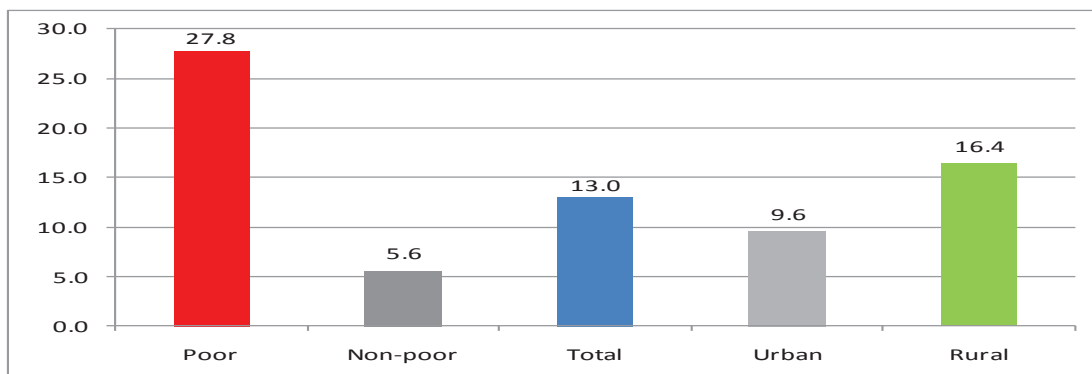
Source: Data on the FAP and poverty statistics.

Note: Direct coverage refers to immediate FAP beneficiaries; indirect coverage refers to all people living in households with FAP beneficiaries.

<sup>5</sup> The reader can also see (World Bank, 2011b) for a full discussion of these issues.

**The coverage of the program is higher among the poor and rural population.** Compared to the nationwide (indirect) coverage of 13%, the coverage among the poor (bottom 30% of the population) is 27.8%. As would be expected for the program that is means-tested and geared toward destitute, the coverage among the non-poor (those that do not belong to the poorest 30% of the distribution) is quite small – only 5.6%. Reflecting the higher prevalence of poverty and concentration of the poor in rural areas, there is 16.4% coverage there compared to 9.6% in urban areas (Figure 9).

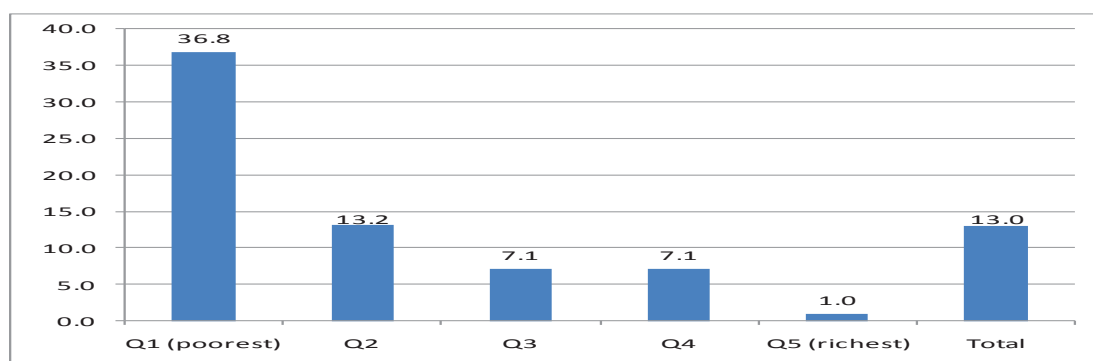
**Figure 9: FAP Coverage (indirect) by Poor/Non-poor, and Urban/Rural**



Source: World Bank estimates using 2008/09 HIES data.

**The analysis of the coverage across quintiles of the distribution also confirms that coverage increases with the poverty status.** Indeed, the (indirect) coverage in the poorest quintile reaches 36.8%, but then drops to 13.2% for the 2<sup>nd</sup> quintile, and 7.1% for the 3<sup>rd</sup> and 4<sup>th</sup> quintiles (Figure 10). There are only very few cases for people in the top quintile getting the benefit. While the progressivity of the coverage towards the poor is something commendable, it is still important to keep in mind that about two thirds of the poorest 20% of the population is not covered by the program. In other words, there is a scope for reaching more of the poor with the FAP program, if additional budget allocation becomes available.

**Figure 10: FAP Coverage (indirect) by Quintiles of the Distribution**



Source: World Bank estimates using 2008/09 HIES data.

Note: Quintiles are constructed based on the distribution of household per adult equivalent income (same variable as used in the income-based poverty assessment).

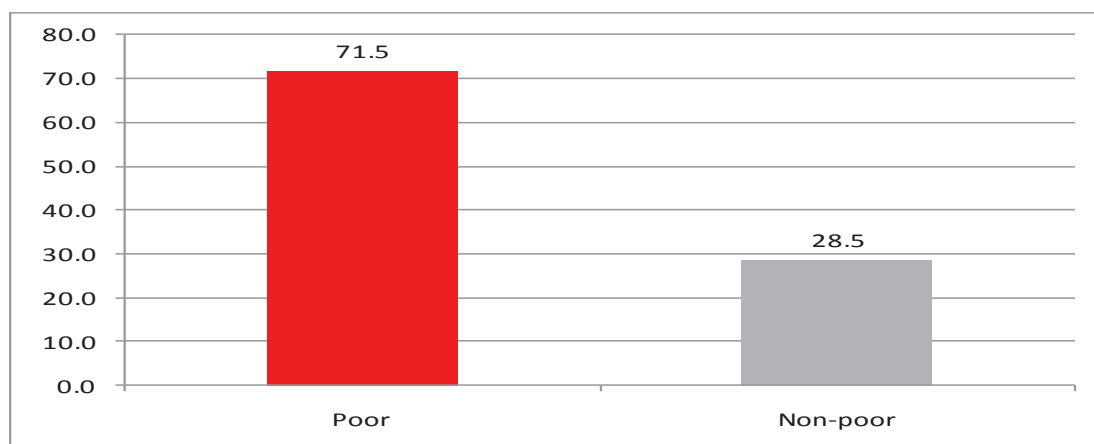
#### **4.2.2 Targeting**

**The FAP program is targeted quite well, with a high concentration of beneficiaries among the poor.** The analysis of the 2008/09 HIES data indicates that 71% of the FAP beneficiaries are among the poorest 30% of the population (Figure 11). Moreover, 56.4% of the beneficiaries come from the poorest 20% of the population, and another 20.3% comes from the 2<sup>nd</sup> quintile of the distribution (Figure 12). In other words, 76.7% of the total beneficiaries come from the bottom 40% of the distribution. The remaining 23.3% comes from quintiles 3 to 5, with very few beneficiaries coming from the top quintile. In the international perspective this makes the FAP program to be quite well targeted,<sup>6</sup> since usually if about 60-70% of the beneficiaries of the poverty-targeted program come from the bottom 25-30%, it is considered a very good practice. That of course does not mean that the targeting or the processes (and their efficiency) related to targeting cannot be improved.

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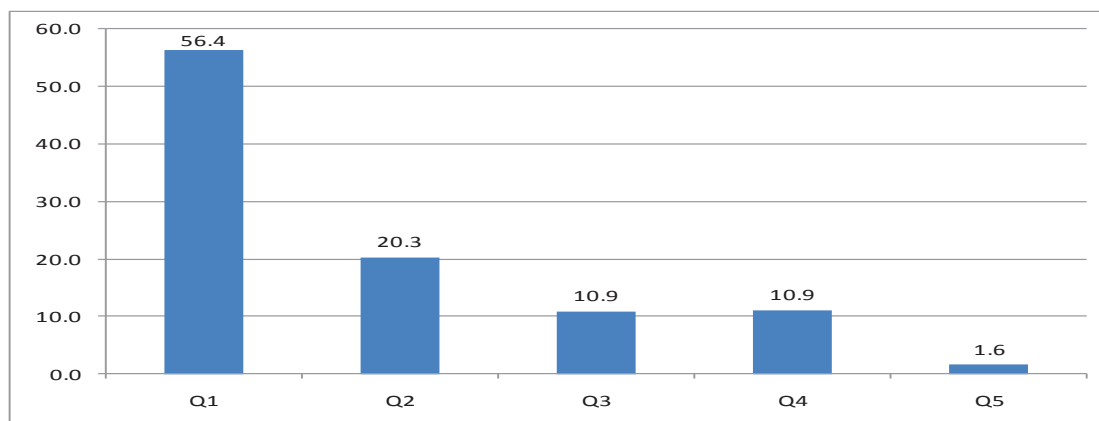
<sup>6</sup> Targeting is one of the key performance indicators of any social welfare program since it indicates the share of total benefit (or share of beneficiaries) across various population groups, including urban/rural and poor/non-poor. It is important to note that a targeting picture presented here refers to a given point in time. As such, it does not represent the targeting accuracy at the point of entry into the FAP program (i.e., when individual becomes eligible for a program). Such analysis would not be possible due to data limitations.

**Figure 11: Targeting Performance – Distribution of FAP Beneficiaries, %**



Source: Author's estimates using 2008/09 HIES data.

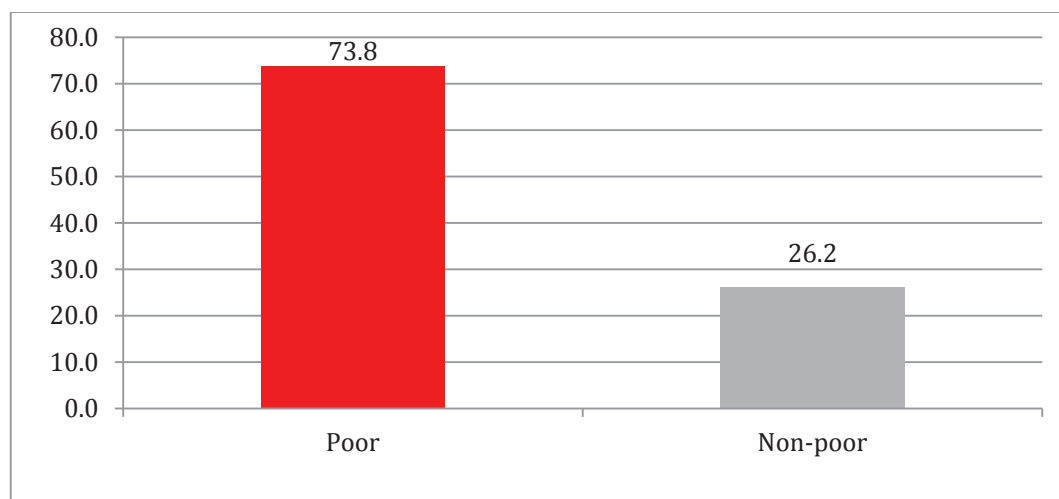
**Figure 12: Targeting Performance – Distribution of FAP Beneficiaries by Expenditure Quintiles, %**



Source: World Bank estimates based on the 2008/09 HIES data.

**The analysis of the distribution of the FAP benefit also confirms that a program is concentrated among the poor.** We find that 73.8% of the total amount of the FAP benefits goes to the bottom 35% of the distribution (**Error! eference source not found.**). The 1<sup>st</sup> and 2<sup>nd</sup> quintiles account for 79% of the FAP benefit, while the top quintile gets only 2% of the benefit. In other words, the finding of a good targeting performance is robust to the use of the distribution of FAP beneficiaries as opposed to the distribution of the FAP benefit.

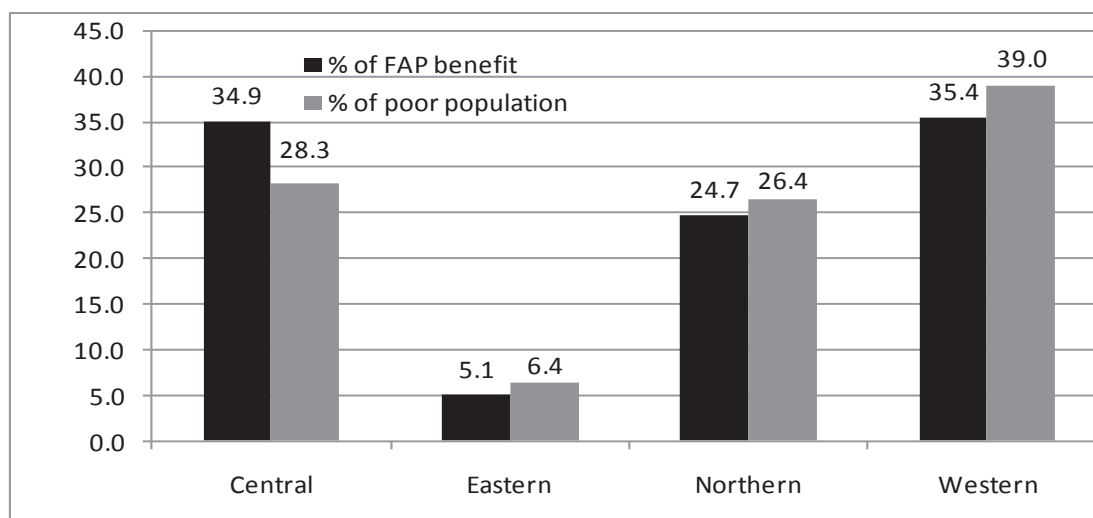
**Figure 13: Targeting Performance – Distribution of FAP Benefit between Poor and Non-poor, %**



Source: World Bank estimates using 2008/09 HIES data.

**The distribution of FAP benefit across administrative divisions is consistent with the distribution of the poor.** The data demonstrate that Western Division accounts for the highest share of the FAP benefit (35%), and also for the highest (and similar) share of the poor population (39%). Eastern Division accounts for the smallest share of the FAP benefit (5%), but also for the smallest share of the poor population (6%). Central Division accounts for 35% of the benefit and 28% of the poor, while Northern Division accounts for 25% of the benefit and 26% of the poor (Figure 14). In other words, the distribution of the FAP benefit across divisions reflects the distribution of the poor, which is a positive feature of the program.

**Figure 14: Targeting Performance – Distribution of FAP Benefit and of Poverty across Administrative Divisions, %**



Source: World Bank estimates using 2008/09 HIES data.

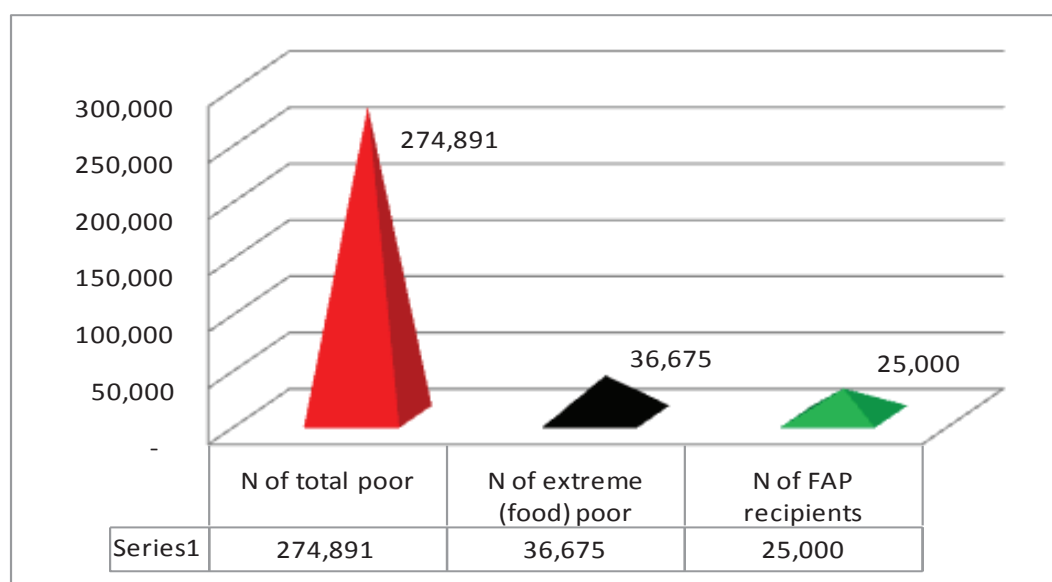
**Compared to the distribution of the poor between urban and rural areas, the targeting of the FAP program seems to favour somewhat urban areas.**

The analysis indicates that while rural poor account for 69% of the total poor (due to higher incidence of poverty in rural areas), rural FAP beneficiaries account for 59% of the total FAP beneficiaries. It is likely that this is due to people living in more remote rural areas being less likely to go through all the stages of the benefit application and approval process. This has been confirmed in discussions with DSW staff.

**What contributes to a good targeting performance of the FAP in its current format?** This is an important question to answer before we can recommend how the program can be improved either in terms of the targeting outcome, or the targeting process, or both. We mention some of the key possible answers that came out of the analysis below.

**The FAP program by design targets a small group of most vulnerable people.** As mentioned previously in describing the FAP, the program targets elderly, disabled and chronically ill, in combination with verification of the household welfare status by the DSW social welfare officers. The resulting pool of beneficiaries is about 25,000 people (about 3% of the population), which is even less than the estimated number of the extreme (food) poor in Fiji, at about 35,000 people. If we take the estimated number of the total poor, at about 275,000 people, the number of the FAP beneficiaries would really represent the “peak of the iceberg” (Figure 15). It is important to emphasize that this is not a flaw of the program, but rather what it tries to achieve by design.

**Figure 15: The Number of the FAP Beneficiaries versus the Number of Extreme Poor and Total Poor**



Source: World Bank estimates using 2008/09 HIES data.

**In addition to the FAP target group being very small, the FAP categories face a higher risk of poverty than the one faced by general population.** The poverty analysis (The World Bank, 2011a) revealed, for example, that households with only elderly residing in them face a 45% risk of poverty compared to a 35% risk of poverty for general population. That puts this

population group at having the 2<sup>nd</sup> highest risk of poverty – only households with both elderly and children in a household face a higher risk of poverty at 52%. The quantitative analysis of the risk of poverty faced by households with chronically ill and disabled was not possible due to the limitations of the 2008/09 HIES data. However, the qualitative analysis of FAP beneficiaries (The World Bank, 2011c) indicated that the welfare situation of many such households is quite destitute. Hence, those target groups are very likely to be poor to start with.

**The DSW social welfare officers do a good job in assessing the household welfare status.** The qualitative assessment of FAP beneficiaries (The World Bank, 2011c), as well as many other interactions that the World Bank team had with the DSW, indicate that social welfare officers (SWOs) do a fairly good job at assessing the household income generating capacity and living conditions. This definitely contributes to “sorting out” the most destitute households even among the poor. Further in this section we discuss in a greater detail the household characteristics that SWOs look at in assessing the household welfare status.

#### **4.2.3 Benefit adequacy**

**Now that we highlighted key issues related to coverage and targeting of the FAP benefit, it is also important to discuss *benefit adequacy*.** Benefit adequacy (or generosity) refers to the size of the benefit relative to some benchmark, which can be average income/consumption of the poor, poverty line, minimum wage, etc. The idea really is to explore the importance of the FAP benefit for the livelihoods of beneficiaries from the *quantitative* perspective. In the analysis of the FAP benefit adequacy we bring into consideration that the FAP beneficiaries now receive additional F\$ 30 per month through the Food Voucher Program (FVP). For convenience, we will call this combined amount of F\$ 90 an “extended” FAP.

**FAP benefit in a combination with a Food Voucher (FV) is just above the food poverty line (FPL), but much less than the total poverty line.** Indeed, the extended FAP benefit of F\$ 90 is above the estimated value of the FPL in 2008/09 of F\$ 80 per adult equivalent (PAE) per month,<sup>7</sup> but is lower than the poverty lines for rural (F\$ 153 per month) and urban (F\$ 196 per month) areas.<sup>8</sup> “Extended” FAP represents respectively 59% and 46% of the rural and urban poverty lines.

**It is important to note that the adequacy of the FAP benefit is reduced significantly when the household size is taken into consideration.** By design

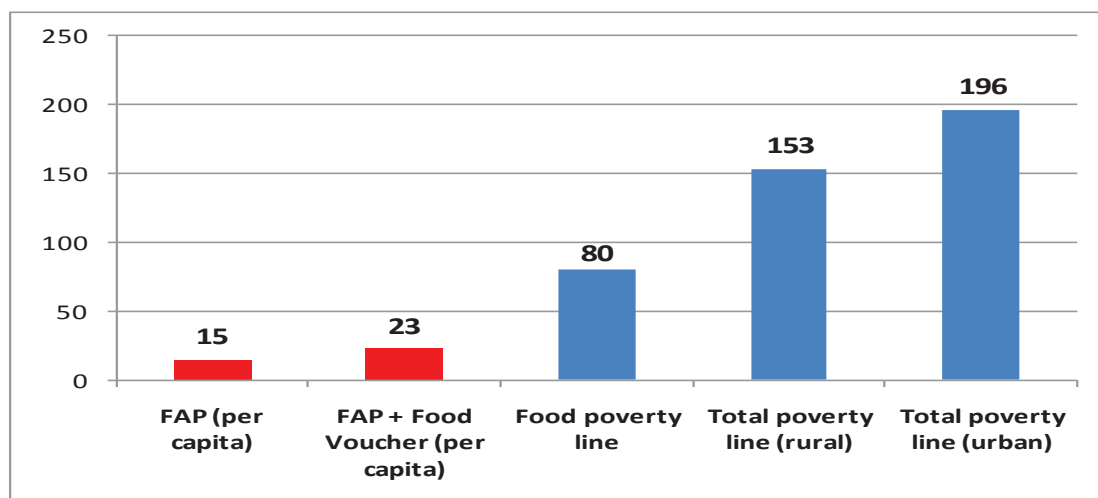
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<sup>7</sup> The calculation per adult equivalent takes into consideration the composition of the households, with adults given the value of 1, and children under age 14 given the value of 0.5 (a scale that has been used for the poverty analysis in Fiji).

<sup>8</sup> These are consumption based poverty lines estimated by the World Bank/FIBOS team based on the cost of basic needs (CBN) approach using 2008/09 HIES data. These poverty lines for rural and urban areas of F\$ 153 and F\$ 196 respectively, are not very different for rural and urban poverty lines estimated by Narsey/FIBOS team (Narsey, 2008) using basic need approach based on income aggregate – F\$ 165 and F\$ 186, respectively.

only one person in a household is allowed to receive a FAP benefit. Assuming that all members of the household would one way or another benefit from benefit, and taking into consideration the household size, the value of the “extended” FAP benefit per capita is equal to F\$ 23 per month, or 29% of the food poverty line (Figure 16).

**Figure 16: The Size of the FAP Benefit *per Capita* Compared to Poverty Lines, F\$ per month**



Source: World Bank estimates using 2008/09 HIES data.

**FAP benefit combined with the Food Voucher contributes about 20% of per adult equivalent income of the *poor* households which have benefit recipients.**<sup>9</sup> While on average the extended FAP benefit contributes 13.4% of PAE income of beneficiary households, it contributed respectively 21.9% and 19.7% of the PAE income of the households in the bottom 20% and 30% of the distribution. Note that beneficiary households are defined as those who have FAP recipients, since the benefit is at the individual rather than household level. How adequate is this benefit size? There is no straightforward answer to this question, but international experience generally suggests that a benefit that does not exceed 15-20% of the per capita income/expenditure of a beneficiary household is of a size that can help the poor without creating perverse incentives.

#### **4.2.4 Poverty Impact**

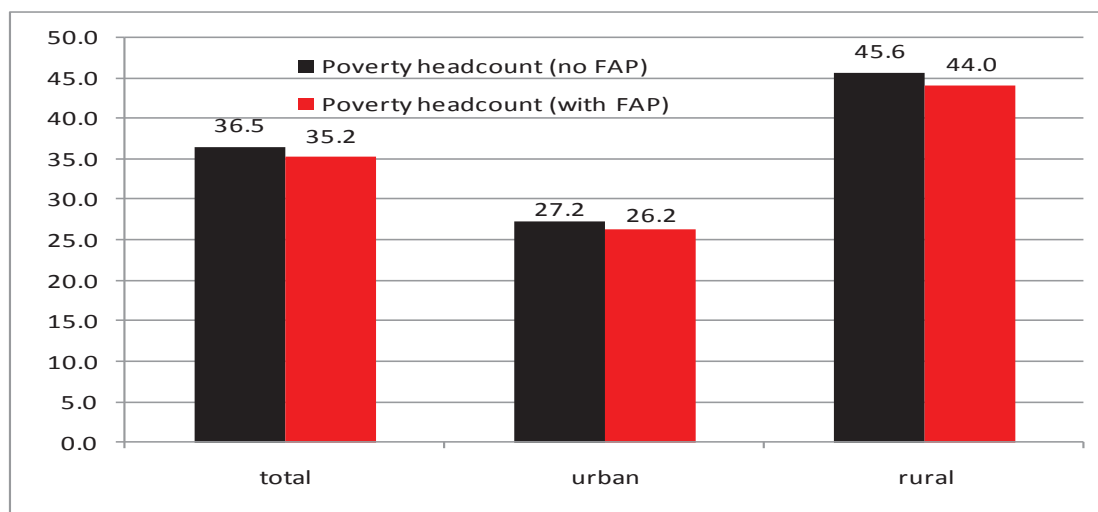
**After analyzing the benefit adequacy the next important question is to what extent the FAP benefit is contributing to the poverty reduction at the national level.** In a way, the poverty impact of the benefit is a function of those parameters that we have considered so far – coverage, targeting accuracy and benefit size. For instance, if the coverage of the poor is low, the impact of the benefit on poverty could be expected to be small, even if it is targeted well and of an adequate size. It is also important to keep in mind when looking at the

<sup>9</sup> Note that income in this case would also include the value of the food produced at home or given to a household by relatives, and not only monetary incomes. This is especially important in rural areas to account for the value of self-subsistence agriculture.

poverty impact results that this impact can take different forms. The first impact parameter is to what extent the benefit reduces the *incidence* of poverty in a country. The second one is to what degree the benefit reduces the severity or *depth* of poverty. In simple terms, receiving the benefit may not make a poor individual or household to become non-poor, but it may reduce the degree of poverty by boosting household income or consumption.

**The analysis indicates that in Fiji the FAP benefit reduces the incidence of consumption poverty from 36.5% to 35.2%.** In other words, without a FAP benefit 36.5% of the population would be under the poverty line, compared to 35.2% of the population with a receipt of the benefit (Figure 17). This represents a reduction in the poverty incidence of 1.3 percentage points, or 3.5 percent (in relative terms). The benefit reduces the poverty incidence from 27.2% to 26.2% in urban areas and from 45.6% to 44.0% in rural areas. This may not seem like a lot, even in relative terms. However, this is to be expected given a rather small scale (i.e., coverage) of the FAP program (even among the poor), and a rather small benefit size. Moreover, social assistance benefits are usually not intended to transition beneficiaries from poor to the well off. If that were to happen, there would be adverse incentives for participation in the labour market, etc. Usually the main objective is to reduce the depth of poverty.

**Figure 17: The Impact of the FAP Benefit on the *Poverty Incidence*, %**



Source: World Bank estimates using 2008/09 HIES data.

**The main impact of the FAP benefit comes through reduction in the depth of poverty.** Indeed, the analysis suggests that due to FAP the depth of poverty goes down from 10.9% to 9.9% at the national level.<sup>10</sup> In relative terms, that means an 8.8% reduction in the depth of poverty, with respectively 7.6% and 9.4% reduction in urban and rural areas. Even this impact at the national level may be considered rather limited, but, as mentioned above, this is driven by a rather limited coverage and small benefit size. Increasing, or relaxing, those

<sup>10</sup> The poverty gap is measured as an average distance (in %) from the poverty line, with non-poor given a value of zero (as they are above the poverty line).

parameters would require significant increase in the FAP budget and is a policy decision. We will touch more on this point later.

**To sum up, the analysis of the FAP program indicates that:** (i) The FAP in its current format does a pretty good job in excluding non-poor individuals from benefiting from the program; (ii) The current coverage of the program is very limited, as nationwide only 3% of the population directly benefits from the program and 13% of the population indirectly benefits from it; (iii) the FAP benefit makes a positive impact on the lives of individual beneficiaries/households -- the benefit contributes about 22% to the per capita income of the beneficiary households which belong to the poorest quintile of the distribution; and (iv) The program has very limited impact on the reduction in the incidence of poverty at the national level, but it does reduce the poverty depth. As we discussed, such features of the FAP as low coverage (even of the most poor) and small benefit size (coupled with the fact that only one person in the household can be a recipient) currently prevent the benefit from achieving even larger poverty reduction impact.

The next section presents some of the policy options for development of the SP system.

## 5 Proposed Policy Level Options

This section first presents broader policy options aimed at expanding the coverage of the poor by social assistance. It then continues by discussing a potential targeting mechanism to reach the poor.

### 5.1 Options to expand the coverage of the poor

**This section presents the policy options that the Bank's team identified based on the undertaken analysis of the current SP system. We believe that adopting these options will help advance the poverty reduction objective.** These policy options have been discussed with the DSW team, and have also been presented to the Cabinet during the mission in May 2011. The idea of having those options is to provide the GOF on the possible avenues of developing the SP system. The key "winner" groups from the suggested policy changes would be extreme poor, rural poor, elderly, and disabled.

**Option 1 entails keeping FAP in its current "categorical" format, but increasing coverage and/or benefit size.** Under this option, there is no significant change in the design of the program except that all individuals in the household who belong to eligible "categories" are allowed to get the benefit (i.e., the benefit is not limited to only one eligible individual per household). We estimate extending the coverage by 10,000 people (from 25,000 to 35,000) without changing the benefit size would cost additional F\$ 10.8 million per year (Table 4). The option of increasing the benefit size by another F\$ 30 per month (without increasing the number of beneficiaries) would cost the budget an additional F\$ 9 million per year. Exercising both options at the same time would increase the total budget from F\$ 27 million to 50 million (Table 4).

**Table 4: Key Reform Parameters and Budget Costs under Policy Option 1**

N of beneficiaries			
		Coverage (N of beneficiaries)	
		Current FAP	additional 40%
Benefit size	Current FAP+ FV (90\$)	25,000	35,000
	additional F\$ 30	25,000	35,000
Total budget, F\$ million (annual)			
		Budget, F\$ million per year	
		Current FAP	additional 40%
Benefit size	Current FAP+ FV (90\$)	27	37.8
	additional F\$ 30	36	50.4

Source: World Bank estimates.

**Not changing the design of the program under Option 1 comes with several disadvantages.** The first one is that individuals (and households) not belonging

to the vulnerability categories are excluded from access to the program, even if they are extremely poor. The second is that administering the program with a double filter of eligibility (individual category + means-testing at the household level) is complex. These cons could be addressed by considering the design option presented below.

**Option 2 entails changing the design of the FAP benefit so that it becomes a poverty benefit for extreme poor households.** The key features of this option are: (i) Eliminating the vulnerability “categories” (such as elderly, disabled and chronically ill) as a filter of eligibility; (ii) Making the FAP benefit open to all extreme poor individuals<sup>11</sup>, subject to assessment of the welfare status; (iii) Allowing for every individual in the identified poor household (up to a certain maximum number per household) to be eligible for the benefit.<sup>12</sup>

**These features would make FAP to be a truly poverty benefit.** This is because the benefit would be provided for an eligible household, and the benefit size would take into consideration household size, composition and characteristics of the household members.<sup>13</sup> Having a household-level benefit is especially warranted with the “poverty” filter becoming the only filter for determining eligibility. This is because poverty is a household concept – if the household is identified as being poor, it means that all members of that household are poor. The poverty benefit with these features is expected to increase the concentration of the resources among the extreme poor.

**It is important to note that under both options (option 1 or option 2) attaining the objectivity of the selection process would be hugely important.** More objective eligibility certification process can be achieved by means of a scorecard informed by proxy variables. As discussed before, that would increase the transparency of eligibility certification and make the process more unified and operationally efficient.

**Under this option, the idea would be to target the extreme poor households.** For instance, one could target the poorest 5% to 15% (depending on objectives and available fiscal resources) of the population, based on the indicator-based (scorecard) targeting so that the poverty rankings of the households could be established. Our estimates suggest that targeting the

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<sup>11</sup> Be deciding on the cut-off the size of the target group could be set so that the fiscal costs are under the desired ceiling.

<sup>12</sup> Under this option there is also a potential to provide an enhanced benefit for specific categories of people within the household (e.g., children, disabled, elderly).

<sup>13</sup> The benefit can also be made consistent with labor market incentives. For example, working-age adults can be excluded from the beneficiaries. Note that under the rules of the current FAP the benefit should also reflect the household size and economic circumstances of the household. However, in practice there is little variation in the benefit size across households.

poorest 8.4% of the population would result in about 68,000 beneficiaries<sup>14</sup> (about 10,000 households), and with an average payment of F\$ 30 per month per beneficiary the required budget envelope would be F\$ 25 million per year (Table 5). F\$ 40 million per year (about 0.67% of GDP) would allow to cover 120,000 beneficiaries<sup>15</sup> (14.7% of the population), at F\$ 30 per person per month.

**Table 5: Key Reform Parameters and Budget Costs under Policy Option 2**

<b>N of beneficiaries</b>				
		<b>Target group</b>		
		<b>bottom 4.3%</b>	<b>bottom 8.4%</b>	<b>bottom 14.7%</b>
<b>Benefit size</b>	<b>F\$ 30 per each HH member</b>	35,000	68,000	120,000
	<b>F\$ 60 per each HH member</b>	35,000	68,000	120,000
<b>Total budget, F\$ million (annual)</b>				
		<b>Target group</b>		
		<b>bottom 4.3%</b>	<b>bottom 8.4%</b>	<b>bottom 14.7%</b>
<b>Benefit size</b>	<b>F\$ 30 per each HH member</b>	12.6	24.5	43.2
	<b>F\$ 60 per each HH member</b>	25.2	49.0	86.4

Source: World Bank estimates.

**This option will increase the concentration of resources in poor households.** For instance, the poor household of 5 people each receiving F\$ 30 per month would get F\$ 150 per month, while under the current FAP design the same household with an eligible member would get F\$ 90 (FAP + food voucher), and a poor household with no eligible “category” member would get nothing.

**While targeted social assistance (poverty benefit) has many advantages, it also comes with costs.** The key advantage of the targeted social assistance in the form of the poverty benefit is that it directly contributes to poverty reduction by targeting most vulnerable population. It is consistent with international good practices, as many countries spend more than 1% of their GDP on targeted programs. However, it is important to keep in mind though that making targeted assistance operational requires development of the assessment methodology, clear definition of the household, and establishment of the limit for the benefit amount per household. Determining eligibility (selecting poor) requires additional administrative resources that come at additional budget costs. Yet, the Bank’s team believes that with some assistance the DSW has good capacity to develop and implement such a poverty program, and that in the longer term option 2 should be preferred to option 1.

<sup>14</sup> The simulations indicate that the targeting performance will be such that 70% of the recipients will be in the bottom 20% of the distribution.

<sup>15</sup> The simulations indicate that with this size of the target group about 60% of the recipients would be expected to be in the bottom 20% of the distribution, and about 80% would be among the poor (which is bottom 35% of the distribution). This is based on a simple model of predicting household welfare.

**What would the targeted FAP achieve in terms of poverty reduction at the national level?** We estimate that F\$ 40 million in targeted resources would be expected to reduce poverty headcount from 35.2% to 31.7%, or by 10 percent in relative terms. It would also reduce the poverty depth (gap) from 9.9% to 8.2%, or by 17 percent. While the targeted FAP can reach extreme poor and thus to help reduce poverty prevalence and depth, it would not reach specific population groups (such as elderly and disabled, for example) which may not be extreme poor.

**Option 3 entails combining the targeted poverty benefit with introduction of the universal old age social pension and disability benefit for permanently disabled.** As we discussed earlier in this report, the rationale for these programs is that these groups of the population are not adequately covered under the current framework of the social protection system in Fiji.

**Under old age social pension, the idea would be to cover all people in the age group 65+ (or other chosen age group) with a modest benefit.** These would take the current FAP beneficiaries under the “elderly” category outside of the FAP. However, under a new design of FAP poor households with elderly would still be able to apply if they consider themselves (and qualify) to be extreme poor. However, the pension benefit would be taken into consideration when determining household eligibility for FAP. As shown below (Table 6), provision of all elderly 65+ with a benefit of F\$ 60 per month (which is a current size of FAP), would cost the budget F\$ 28.8 million, or 0.48% of GDP.

**Table 6: Coverage and Cost of the Universal Old Age Social Pension**

Coverage group	Group size	Monthly benefit, F\$ per month	Annual budget, F\$ million	Budget, % of GDP
Elderly (65+) -- all	40,000	30	14.4	0.24
Elderly (65+) -- all	40,000	60	28.8	0.48
Elderly (65+) <b>not covered by FNPF or FAP (estimate)</b>	28,000	60	20.2	0.34

Source: World Bank estimates.

**Importantly, the introduction of the old age social pension would effectively create the 1<sup>st</sup> pillar of the pension system in Fiji, which currently does not exist.** It can be introduced at a rather modest cost, which would be lower than in many other countries which have universal social pension (Table 7). The Fiji National Provident Fund (FNPF) will continue to play the role of the 2<sup>nd</sup> pillar. The size of the eligible group can be controlled by: (i) setting the eligibility age (for instance, 70 instead of 65); (ii) pension-testing the benefit (for example, people covered by FNPF not being eligible); (iii) means-testing the benefit (i.e., assessing the household welfare status).

**Table 7: Coverage and Fiscal Costs of the Social Pension – Country Examples**

Country	Age of eligibility	Individual benefit as % of per capita GDP	Annual budget, % of GDP
Bolivia	60	20%	1.1
East Timor	60	41%	2.1
Mauritius	60	16%	1.7
South Africa	60	28%	1.3
Swaziland	60	10%	0.6
Samoa	65	20%	1.3
Kiribati	70	28%	0.65
Lesotho	70	64%	1.43
<b>Fiji (proposed), F\$ 60 per month</b>	<b>65</b>	<b>10%</b>	<b>0.5</b>

Source: World Bank estimates.

**The introduction of the old age social pension would come with several pros and cons.** On the positive side, it would create foundation for a sound pension system in Fiji.<sup>16</sup> It would help reduce poverty specifically among elderly, and the administration of the benefit is not complex (since the proof of age is the only eligibility requirement). On the negative side, such an instrument could undermine incentives to save through the contributory pensions (including participation in the Provident Fund). It would also increase the pressure on the budget as population ages and the size of this group increases in both relative and absolute terms. The latter concern could be addressed by means-testing eligibility for social pension.<sup>17</sup> In other words, elderly people who are not poor would not be eligible. However, administering the tested program would result in additional administrative costs.

**The introduction of the disability benefit for severely disabled would specifically address the needs of those people.** Based on the estimates of severely disabled population as 1.4% of the total population, we estimate that provision of the benefit of F\$ 90 per month to them (about 11,400 people) would require F\$ 12.3 million per year, or 0.21% of GDP (Table 8).

<sup>16</sup> It is important to note that Fiji is not an exception in terms of limited social insurance coverage as social insurance covers only formal sector workers. Such a situation is quite common in many other countries. Many countries are experimenting with measures to expand the coverage of social insurance to informal sector workers as well. Pursuing this option could be more cost effective in the long run, and is something to consider further in the Fijian context.

<sup>17</sup> This could be well justifiable considering that while 50% of the households with elderly only are poor, another 50% are not.

**Table 8: Coverage and Costs of the Proposed Disability Benefit**

Coverage group	Group size	Monthly benefit, F\$ per month	Annual budget, F\$ million	Budget, % of GDP
Severely disabled (1.4% of population)	11,400	90	12.3	0.21
Severely disabled (1.4% of population)	11,400	60	8.2	0.14
Severely disabled <b>not covered by FAP</b>	7,900	90	8.5	0.14

Source: World Bank estimates.

**It is important to emphasize that the introduction of the disability benefit would need to come hand in hand with the proper assessment of disability.** Such an assessment would need to focus on the functional (versus purely physical) concept of disability.<sup>18</sup> A proper assessment is needed to serve as a “gate keeping” mechanism into eligibility. This is important as the experience from other countries shown that vague eligibility parameters may lead to escalating number of applicants and rising fiscal costs. It is important to keep in mind also that not all severely disabled people live in poor households.<sup>19</sup> This means that the provision of the universal benefit to this group would mean that some extreme poor households may not be covered by the poverty benefit, due to the budget constraint. Similar to social pension, means-testing could be way to go, but it would come with extra administrative costs.<sup>20</sup>

## 5.2 Targeting the poor

**The objective of this section is to discuss a targeting approach for reaching the poor.** The targeting accuracy of FAP was briefly discussed in the previous section which focused on the key parameters of the FAP from the quantitative perspective. In this section we provide some thoughts on the development of the targeting approach that can help identify the poor while also being operationally efficient.

**The key question is to what extent the current targeting performance of FAP can be improved or at least maintained and made more operationally efficient if the target group expands.** In this context, we would like to investigate three issues. The first is trying to understand which factors the SWOs are currently look at during the household home visit to evaluate the household welfare status. The second issue is how well the basic variables found in the household survey (HIES) can predict the household welfare. The third and

<sup>18</sup> This is something discussed in more detail further in the report.

<sup>19</sup> Disability affects people irrespective of their wealth, although the prevalence tends to be higher at the bottom of the distribution.

<sup>20</sup> One also needs to consider political economy of introducing new benefits. It is often the case that, once introduced, the benefits are there to stay for a long time. It is very difficult to remove or change them.

related issue is whether the two sources of the information can be combined in the form of the scoring card to take advantage of “the best of both worlds”.

### **5.2.1 Current practise of assessing the household welfare status**

**What are the key characteristics that SWOs currently use in assessing household welfare status?** The qualitative survey of FAP beneficiaries (The World Bank, 2011c) documented the key stages of the application and eligibility assessment process. It also highlighted the importance of the home visit (and the information gathered during it) in the assessment of eligibility based on the welfare status. Here we elaborate more on the characteristics (variables) that SWOs use in making their decisions. It is important to note that the findings presented here also reflect the outcomes of a workshop that the World Bank Social Protection (SP) team had with the central and district SWOs in March 2011. In this workshop, we specifically asked SWOs<sup>21</sup> to list 5 most significant characteristics (separately for urban and rural areas) that they look at during the household visit. The answers that were given were further analyzed in terms of frequencies. The further key findings emerged.

**A significant variety of household characteristics is used by SWOs in the assessment of the household welfare status.** We have found that the factors used by the SWOs in their assessments can be broadly classified into the following key groups: (i) house location, ownership status and availability/type of land; (ii) dwelling type/walls and condition (external); (iii) living conditions inside the house (incl. sanitation); (iv) availability of assets and durable goods; (v) household size, composition and health status of household members; (vi) income generating capacity; (vii) proof of expenses; and (viii) access to public services. The income generating capacity, assets/durable goods, house location/ownership status, and dwelling conditions (external) are identified as the most important groups of factors in both urban and rural areas.

**Some noticeable differences in the weights of various factors have been identified between urban and rural areas.** For instance, the house ownership status (own vs. rented) and legal status of land appear to be more significant considerations in urban areas (Table 9). Durable goods are more frequently cited as an important factor in urban versus rural areas (65% vs. 42%). Not surprisingly, land availability (for subsistence agriculture) is more frequently mentioned as important in rural areas. Access to public services such as electricity, water and sewer appears to be a more important indicator of welfare in urban areas. These differences point out to the importance of calibrating the welfare assessment (and weights) separately for urban and rural areas. Using one single formula would run into the risk of “averaging out” those important differences.

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<sup>21</sup> The total number of SWOs who participated in this exercise was 26.

**Table 9: Key factors used by the SWOs in the Assessment of the Household Welfare Status**

Urban			Rural		
	N	% of total		N	% of total
<b>House location, ownership, type of land, extra amenities</b>			<b>House location, ownership, type of land, extra amenities</b>		
Location of the house	2	7.7	Location of the house	2	7.7
House ownership status (own, rent, matagali)	6	23.1	House ownership status (own, rent, matagali)	1	3.8
Legal status of land (freehold/squatter)	5	19.2	Legal status of land (freehold/squatter)	2	7.7
Farm	0	0.0	Farm availability	2	7.7
Access to the sea	0	0.0	Access to the sea	1	3.8
Household land resources (backyard, garden, land for cultivation)	2	7.7	Household land resources (backyard, garden, land for cultivation)	3	11.5
<b>Dwelling type &amp; condition</b>			<b>Dwelling type &amp; condition</b>		
Type of house/dwelling walls/structure (concrete, wooden, lean-to, bure, tin, bamboo)	11	42.3	Type of house/dwelling walls/structure (concrete, wooden, lean-to, bure, tin, bamboo)	12	46.2
House physical condition (external)	3	11.5	House physical condition (external)	4	15.4
<b>Living conditions inside the house (incl. sanitation)</b>			<b>Living conditions inside the house (incl. sanitation)</b>		
House living condition (internal)	0	0.0	House living condition (internal)	2	7.7
N of rooms	2	7.7	N of rooms	2	7.7
N of HH members/room (congestion)	0	0.0	N of HH members/room (congestion)	1	3.8
Toilet/bathroom type (pit/waterseal) & condition	2	7.7	Toilet/bathroom type (pit/waterseal) & condition	3	11.5
Type of fuel (kerosene/gas)	1	3.8	Type of fuel (kerosene/gas)	1	3.8
<b>Assets &amp; durables</b>			<b>Assets &amp; durables</b>		
Vehicles	1	3.8	Vehicles	2	7.7
Durables, assets (HH items)	17	65.4	Durables, assets (HH items)	11	42.3
Furniture (availability, type, condition)	6	23.1	Furniture (availability, type, condition)	5	19.2
Kitchen utensils	1	3.8	Kitchen utensils	1	3.8
<b>Household size, composition and health status</b>			<b>Household size, composition and health status</b>		
HH members (N, composition, kids)	9	34.6	HH members (N, composition, kids)	8	30.8
Dependants & their needs	0	0.0	Dependants & their needs	1	3.8
Health/physical status of HH members	3	11.5	Health/physical status of HH members	3	11.5

Source: Based on the information received from the Social Welfare Officers (SWOs).

Notes: Percentages of more than 10 are emphasized in red.

**Table 9: Key factors used by the SWOs in the Assessment of the Household Welfare Status (*continued*)**

Urban			Rural		
	N	% of total		N	% of total
<b>Income generating capacity</b>			<b>Income generating capacity</b>		
Land availability (for income generation)	1	3.8	Land availability (subsistence income generation)	7	26.9
Income of the individual	2	7.7	Income of the individual	2	7.7
Income/resources of the HH/family	8	30.8	Income/resources of the HH/family	6	23.1
Source of income (incl. formal or informal)	6	23.1	Source of income (incl. formal or informal)	7	26.9
Employment status of HH members (working/unemployed)	3	11.5	Employment status of HH members (working/unemployed)	2	7.7
Family support	5	19.2	Family support	4	15.4
Plantations/rootcrops (as a source of income)		0.0	Plantations/rootcrops (as a source of income)	3	11.5
Other support (NGO, Government)	1	3.8	Other support (NGO, Government)	2	7.7
Remittances (and frequency)	1	3.8	Remittances (and frequency)	1	3.8
<b>Proof of expenses</b>			<b>Proof of expenses</b>		
Payslips, bank statemets (proof of income)	2	7.7	Payslips, bank statemets (proof of income)	1	3.8
Bank account	1	3.8	Bank account	3	11.5
Cupboard (food availaibility)	1	3.8	Cupboard (food availaibility)	1	3.8
Expenses/expenditures	2	7.7	Expenses/expenditures	2	7.7
Expenses on communal things	0	0.0	Expenses on communal things	1	3.8
Bills (electricity/water)	1	3.8	Bills (electricity/water)	1	3.8
School expenses	1	3.8	School expenses	1	3.8
<b>Access to public services</b>			<b>Access to public services</b>		
Access to electricity/water/sewer	8	30.8	Access to electricity/water/sewer	5	19.2
Access to school/hospital	3	11.5	Access to school/hospital	2	7.7
Access to market	0	0.0	Access to market	1	3.8
Access to road (remoteness)	1	3.8	Access to road (remoteness)	2	7.7

Source: Based on the information received from the Social Welfare Officers (SWOs).

Notes: Percentages of more than 10 are emphasized in red.

**An important point is that in observing all those household characteristics the SWOs currently do not use any standard paper (or other) forms.** As a result, there is no trace record of the household visit, which makes it impossible for the information to be verified. The lack of the record would also make it challenging to assess in a couple of years down the road (for the purposes of re-certification of the household eligibility for benefits) the extent to which the household living conditions have changed. This issue is well recognized by the DSW, and the World Bank SP team has been approached by the DSW with a request to develop a scoring card that could provide a basis for consistent collection and assessment of the household information. This work has already started. This task is also reflected in the suggested activities for the implementation phase (see Table in Annex 1; point 2.1.2).

**Not all the factors mentioned by the SWOs can be traced in the household survey questionnaire.** This presents a number of challenges for using these variables to predict the household welfare, at least from the modelling perspective. First, one cannot analyze to what extent those factors are correlated with household expenditures or incomes. Second, one cannot derive the empirical weights for these factors based on the household survey data. Third, it precludes one from making simulations of how those factors in combination with factors observed in the HIES would predict the poverty status of the households. Yet, we believe that not using those factors (which are not in the HIES) in the assessment of the household welfare would significantly increase the errors as these factors are clearly very important.

### ***5.2.2 Predicting the household welfare status***

**We next investigate how well the basic variables found in the household survey can predict the household consumption.** In doing that, we look at the number of the key household characteristics that can be indentified in the 2008/09 HIES, including location, characteristics of the household head (ethnicity, age, gender, education level, employment status), quality of the dwelling and access to public services, and durable goods. It is important to mention that the model is a predictive one, and hence there is no need to worry about causality.

**We find that at the national level a simple model is able to pick up 61% of the variation observed in the data. However, the predictive power is better at the urban level.** For urban strata the model explains 61% of the variation, while for rural strata it explains 50% of the variation (**Error! Reference source not found.**). This, in a way, is not surprising if we consider that the model does not specifically include the variables that are expected to capture better the welfare of rural households, such as availability of livestock.<sup>22</sup> Experimenting further with a basic model, we were able to increase the predictive power by about 1 to 2 percentage points for both urban and rural areas. However, since

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<sup>22</sup> While the 2008/09 HIES questionnaire asks about the sources of income, including raising livestock, it does ask about availability or number of various livestock.

this does not represent a substantial improvement, we do not report those regression results here.

**There are some significant differences between urban and rural strata in explanatory power of some variables.** For instance, while all levels of education seem to be important in urban areas, it is only post-secondary education that is associated with a higher pay-off in rural areas. Yet, the return to post-secondary education is higher in urban compared to rural areas. In urban areas the concrete/brick walls are associated with a higher welfare status, while in rural areas the walls made of wood or corrugated iron are associated with a lower welfare status. Access to electricity seems to be an important predictor of welfare in both urban and rural areas, with a larger coefficient in rural areas. Owning the dwelling is stronger associated with welfare in rural areas. There are also differences in how well various durable goods predict welfare in rural versus urban areas. For instance, the ownership of the gas/electric stove is positively correlated with a household welfare in rural areas, but not in urban ones. Availability of the washing machine is positively correlated with the household welfare for urban households only. While the availability of the telephone (land line) is positively correlated with the welfare status for both urban and rural households, the correlation coefficient is higher for the former.

**These regression results are important for several reasons.** First, they can help guide the choice of variables for the household welfare scoring card (assessment of eligibility for the FAP). Second, they indicate that the degree of importance of various factors can vary substantially between urban and rural areas, and hence the weights need to be calibrated accordingly. Third, they suggest that a substantial share of the variation remains unexplained, especially for rural households. This suggests that the reliance on only those variables that can be found in the household survey could be not good enough. Ideally, the assessment of the household welfare status should take into account both the variables that can be observed in the household survey and the variables that are not in the household survey but have been suggested by the SWOs as being important in assessing the household welfare.

**Table 10: Regression Results of Predicting Household per Adult Equivalent Consumption**

	log(aecd) national		log(aecd) urban		log(aecd) rural	
	coef	se	coef	se	coef	se
urban	0.145***	0.022				
division==Central	0.261***	0.026	0.164**	0.074	0.230***	0.032
division==Eastern	0.279***	0.033			0.296***	0.036
o.div_3	(dropped)		-0.159*	0.084	(dropped)	
division==Western	0.042*	0.025	-0.035	0.076	0.011	0.030
hhsz	-0.244***	0.011	-0.277***	0.016	-0.212***	0.014
hhsz2	0.011***	0.001	0.013***	0.001	0.008***	0.001
HH Head - Sex	0.021	0.029	0.036	0.042	0.015	0.042
HH Head - Age	-0.002***	0.001	-0.001	0.001	-0.003***	0.001
HH Head - Ethnicity	-0.081***	0.014	-0.035*	0.019	-0.152***	0.021
HH head - married	0.007	0.026	0.020	0.038	-0.006	0.035
HH head - wage/salary earner	0.093***	0.032	0.049	0.039	0.112***	0.034
HH head - self-employed	0.114***	0.032			0.132***	0.032
o.hh_other	(dropped)		0.005	0.058	-0.019	0.044
HH head - not working	0.006	0.034	-0.041	0.046		
Primary or less	0.018	0.044	0.147*	0.077	-0.060	0.053
Secondary	0.065	0.068	0.172*	0.098	0.054	0.122
Some post-secondary	0.300***	0.050	0.412***	0.082	0.211***	0.066
Number of Rooms	0.061***	0.006	0.065***	0.009	0.059***	0.008
An independent dwelling	0.019	0.023	0.042	0.027	-0.007	0.048
Walls of concrete, brick or cement	0.108**	0.047	0.206***	0.033		
Wooden walls	-0.015	0.047	0.070**	0.034	-0.096***	0.027
Permanent walls of tin or corrugated iron	-0.047	0.046			-0.107***	0.026
o.walls_other	(dropped)		-0.139	0.120	-0.055	0.052
Water from metered	-0.133***	0.047	-0.154	0.320	-0.040	0.044
From a communal standpipe	-0.063	0.047	-0.039	0.334	-0.028	0.042
Roof tank	-0.052	0.059				
o.wtd_well	(dropped)		0.246	0.414	0.061	0.059
Other sources	-0.068	0.049	0.007	0.327	-0.010	0.047
Hhold doesn't have electricity	-0.072***	0.027	-0.120*	0.073	-0.068**	0.028
o.kerosenelight	(dropped)		(dropped)		(dropped)	
Hhold uses wood for cooking	-0.179***	0.027			-0.069**	0.030
hhold uses kerosene for cooking	-0.147***	0.024	0.019	0.037		
o.cfuel_lpge	(dropped)		0.153***	0.042	0.102**	0.042
Flush for exclusive	0.049*	0.028	0.047	0.059	0.045*	0.027
Water sealed for exclusive use	0.024	0.030	0.043	0.077		
o.tol_other	(dropped)		(dropped)		-0.021	0.033
Own these living quarters	0.043*	0.024	0.075**	0.036	0.192***	0.060
Rent from a private landlord or Housing Authority	-0.058*	0.030	-0.006	0.039		
o.dv_other	(dropped)		(dropped)		0.201***	0.064
Car	0.249***	0.023	0.208***	0.030	0.308***	0.038
Carrier/Truck	0.110***	0.041	0.165**	0.068	0.116**	0.051
Refrigerator	-0.001	0.024	0.044	0.039	-0.006	0.029
Computer	0.203***	0.024	0.213***	0.030	0.101**	0.048
Video/TV	0.096***	0.024	0.124***	0.048	0.096***	0.027
Radio	0.011	0.023	-0.009	0.042	0.017	0.027
Washing machine	0.055***	0.020	0.094***	0.029	0.007	0.028
Gas/Electric stove	0.072***	0.020	0.041	0.033	0.090***	0.025
Telephone	0.083***	0.017	0.104***	0.026	0.058**	0.023
Outboard motor	0.238***	0.047	0.203**	0.092	0.261***	0.053
Water pump	-0.138**	0.063	-0.136	0.144	-0.073	0.068
Brush Cutter	0.063***	0.019	0.068**	0.030	0.061**	0.025
o.div_2			(dropped)			
o.hh_self			(dropped)			
o.walls_tin			(dropped)			
o.wtd_roof			(dropped)		(dropped)	
o.cfuel_wood			(dropped)			
o.hh_unemp					(dropped)	
o.walls_concrete					(dropped)	
o.cfuel_kero					(dropped)	
o.tol_water					(dropped)	
o.dv_rent					(dropped)	
_cons	8.359***	0.116	8.133***	0.362	8.302***	0.148
Number of observations	3,573		1,662		1,911	
R2	0.616		0.610		0.506	
Adjusted R2	0.611		0.599		0.495	

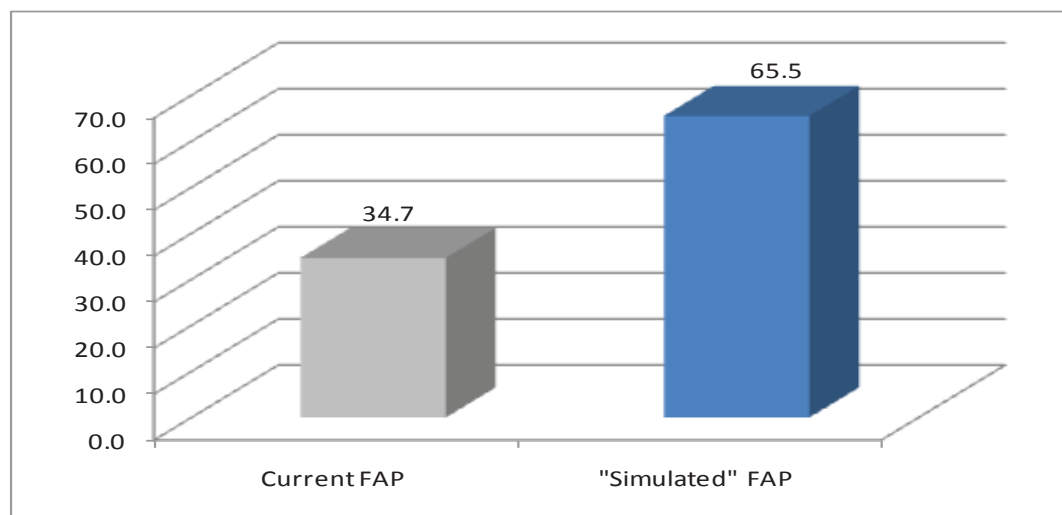
Source: World Bank estimates based on the 2008/09 HIES data.

Note: \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.

**While it seems intuitive that a simple prediction model may not result in good targeting outcomes, we would like to test this premise empirically.** In simulating the targeting outcomes we are using a scenario under which there is about the same number of direct FAP recipients (24,000) in the “simulated” FAP as under the current FAP program, but the benefit is given to every person in the identified poor household. To compare the outcomes under the “old” (existing) FAP and the “simulated” FAP a counterfactual consumption is created by removing the FAP benefit from the recorded consumption. We use the same prediction model as discussed above, differentiated between urban and rural strata.

**The results indicate that the application of the prediction model (in combination with the program design) leads to fairly good targeting outcomes.** While under the current FAP about 54% of the beneficiaries belong to the bottom quintile (20%) of the distribution, under the “simulated” FAP this number increases to 85%. The respective numbers for the bottom 10% of the population are 35% and 65%, respectively (Figure 18). However, one has to keep in mind that this improved targeting performance is driven by two factors: (i) the prediction of the model and (ii) the design of the program under which every member in the identified poor household gets some benefit<sup>23</sup> (versus only one member per household being a beneficiary under the current program format). While the current FAP results in the leakage of about 30% to non-poor (i.e., among all the program beneficiaries about 30% are non-poor), the “simulated” FAP is found to result in the leakage of only 7%.

**Figure 18: The Share of the Benefit going to the Bottom 10% of the Population – Current FAP vs. “Simulated” FAP**



Source: World Bank estimates based on the 2008/09 HIES data.

**What is the general accuracy of the model in predicting the household welfare?** The program design aspects aside, we find that that a simple prediction model would correctly identify about 50% of the population as belonging to the bottom 20% of the distribution, and about 72% of the population as belonging to

<sup>23</sup> This increases the concentration of the beneficiaries among the poorest.

the poor (bottom 35% of the population). These numbers are comparable to (but not better than) the targeting accuracy of the current FAP program, whereby 71% of the beneficiaries belong to the poor.<sup>24</sup>

### ***5.2.3 A scoring card approach to assessing the household welfare***

**The results presented above bring to mind a few important points.** First, a simple prediction model per se is not likely to significantly improve targeting over the current FAP targeting performance, unless combined with a change in the FAP design. Second, there seems to be a scope for an improvement in targeting accuracy, which could possibly be achieved if the scoring card takes on board a richer (than a simple model) set of information (variables). However, the definite answer to whether the improvement in the targeting performance could indeed be obtained is only possible after the performance of the new scoring card is compared against household consumption – something that can be done only during the testing and piloting of the new instrument. There is no doubt, however, that the scoring card which is fairly comprehensive and rich in information will provide a unified basis for the assessment of the household welfare status.

**The development, piloting and testing of a scoring card has been identified as a priority area in consultations with the DSW.** It is worth mentioning that substantial work has been already undertaken in designing such a scoring card (SC). Its design takes into consideration the following key principles: (i) utilizing a rich set of variables already used by the SWOs in their (subjective) assessment; (ii) ensuring that the SC form is fairly comprehensive, yet manageable in terms of the time required to implement it; (iii) focusing on the collection of the information that is fairly easily verifiable; (iv) leaving some room for the objective judgment by SWOs,<sup>25</sup> while at the same time being grounded in the collection of the observable information.

**As a reflection of those principles, the draft scoring card has the following format.** The 1<sup>st</sup> block collects detailed information about the applicant and location of the household. The 2<sup>nd</sup> block is a detailed household roster, including education and sources of income for household members. The 3<sup>rd</sup> block gathers info about the dwelling's ownership and external condition. The 4<sup>th</sup> block looks at the living conditions inside the dwelling, including access to electricity, type of cooking fuel, etc. The 5<sup>th</sup> block collects info about durables and assets (including livestock). The 6<sup>th</sup> block includes several questions designed to facilitate the overall assessment of the household welfare status by the SWO. The current draft of the SC form, which has already underwent the 1<sup>st</sup> round of the discussion with the DSW, is included in Annex 1.

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<sup>24</sup> One also has to keep in mind that the simulated accuracy of targeting does not take into account the errors that could creep in during the program implementation (i.e., assessment of household eligibility for benefits).

<sup>25</sup> For instance, we would like to leave some room for the overall assessment by the SWO of the household welfare status at the end of the interview; and for the SWO to make any relevant notes/observations on the household.

**To sum up, a further analysis of targeting revealed that:** (i) the targeting accuracy of the current FAP is quite good; (ii) a simple prediction model which is based only on a limited set of variables available in the household survey is not very likely to improve the targeting performance; (iii) a standard scoring card for the assessment of the household welfare could be a way to go, subject to testing and piloting. We suggest to use the “hybrid” approach in designing the scoring card (SC) for the welfare assessment of the household, whereby the key factors identified by SWOs in predicting the household welfare are combined (in a single scoring card) with some other key factors found to predict well the household welfare in the household survey.

**It is important to emphasize that no matter which policy option is taken by the Government, the efficiency of the current SP system would need to be improved on the operational side.** The section that follows highlights some of the key findings and recommendations that emerged from the analysis of various operational issues.

## 6 Operational Issues and Proposed Reforms of Operations

**As mentioned earlier, the operational capacity of the DSW is adequate, but during the studies conducted under the TA program several issues were found that could be improved<sup>26</sup>.** DSW has a long history of running the social welfare programs in Fiji, and thus has developed management and operational practices and has central, division and district staff in place. DSW has worked in areas aiming at modernizing operations, such as replacing the voucher system with an electronic payment system. However, a review of the operational practices indicates a few aspects of the programs that, once addressed, could greatly enhance program efficiency. These issues include long processing times for approving an application, insufficient program information and dissemination, limited regular re-certification of beneficiaries, high workload for staff and lack of specialization (case management) or task differentiation among welfare officers, unclear definitions and mechanisms for conducting eligibility, exit and graduation assessments, insufficient monitoring tools and reports and inadequate grievance system.

**This section summarizes key findings and recommendations in each of the operational areas that were reviewed.** These areas include program information, the application process, staffing of DSW, disability assessments for eligibility, exit and graduation strategies and mechanisms, monitoring framework and MIS review. A qualitative study was also conducted to collect information on beneficiary perspectives on DSW program; as part of this study interviews with staff were undertaken to learn about field operations. More details are available in the individual reports on specific topics. It is important to mention that no matter which broader policy options in social protection the Government takes moving forward, the improvements on the operational side highlighted in the recommendations can greatly benefit the SP system. The matrix of the proposed activities (and budget) that would be needed to implement the proposed recommendations is provided in Annex 1.

### 6.1 Program Information

#### *Issues*

**Most beneficiaries currently learn about the FA program through someone they know.** There is a perception by some beneficiaries that the elderly are automatically eligible. Most beneficiaries learn about the eligibility criteria and the application process when they apply for the FA Benefit. The Turanga-ni-Koro and Advisory Counselors, other community leaders and doctors appear to have an important role in ensuring better information dissemination, as a significant

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<sup>26</sup> For a full review see (The World Bank, 2011c and 2011d).

number of beneficiaries stated they learned about the FA through community leaders or medical professionals.

**Finding out about the application status is time consuming and expensive for applicants.** Requiring potential beneficiaries to repeatedly return to the DSW Office to learn the outcome of their applications is both expensive for the applicant and results in applicants repeatedly going to the DSW office without certainty of receiving the information on the application status, thus posing frustration in both applicants and staff. Better communication channels, such as the use of SMS, need to be explored.

### ***Recommendations***

***Develop a communication strategy for DSW programs which will include program material and communication channels and tools for the various programs' stakeholders.*** The strategy can focus on building community awareness of the FA program, and providing applicants with better information regarding eligibility criteria, the application process and application status. First, there is the need to develop program material such as brochures, pamphlets and posters and improve information flows and channels. Secondly, given the time required to process applications and the steps in the application process, it may be worthwhile to provide applicants with a sheet detailing the steps which will be taken in processing the application; a realistic expectation of the time which will be required to complete each step in the application process needs to be provided as well. Since most beneficiaries appear to have access to a mobile phone, contacting the applicant via phone call or SMS may be a simpler and more effective means of advising most beneficiaries (in addition to contacting the Turanga-ni-Koro or Advisory Counselor). These measures could help reduce the number of visits to DSW offices by applicants seeking to know the status of their application (approved, rejected or pending). Further details are available in Annex 1, section 2.2.1 and 2.2.2.

## **6.2 Application Process**

### ***Issues***

**The current application process results in prolonged processing times.** An applicant typically approaches the DSW Office and an initial interview is conducted. If the applicant appears to be eligible, documentation is further requested (including a Turanga-ni-Koro or Advisory Counselor referral letter). Following this, a home visit is undertaken to verify information in the application. Data is entered into the DSW system progressively. This process builds transaction volume and creates backlogs and unnecessary files which cannot be managed by the weak filing systems.

**Beneficiaries interviewed during the study advised that the typical time to process their application was 16 months.** On average the time from initial application to home visit was 9 months and from home visit to outcome was a

further 7 months. Applicants are typically told to keep returning to the DSW Office to learn the outcome of their application, causing many applicants to return to the office repeatedly. In some cases, beneficiaries reported returning up to 20 times before they learned the outcome of their application. This is time wasting, frustrating, and expensive for beneficiaries, and it also diverts welfare officers from their primary tasks. Asking applicants to return repeatedly can also result in beneficiaries not learning the outcome of their application for some time after the application has been approved.

### ***Recommendations***

***Establish actions to reduce the application process times.*** These actions include refining responsibilities and tasks for welfare officers and improving the eligibility assessment by establishing standardized application forms and including clear definitions and assessment processes for chronically ill and permanent disabled categories, and by providing standard forms for collecting household information during the home visit. More information is provided in the eligibility criteria and staffing sections below and further details are available in Annex 1, section 2.1.1.

***Develop further specific sections of the standard operational manual (SOP).*** The current SOP already provides good guidance on many aspects of the programs' implementation including the application process. However, it can be greatly improved by streamlining and separating the document into various manuals according to DSW programs (i.e., Children Protection, Family Services, Poverty Alleviation Program), which would provide guidelines for training purposes and be used by WOs on a daily basis. The SOP should also include clear descriptions of roles and tasks for each welfare officer and clear definitions and descriptions of program operations including targeting (eligibility, exit and gradation assessments), monitoring, grievance systems, etc. Further details are available in Annex 1, section 2.2.7.

## **6.3 DSW Offices and Staffing**

### ***Issues***

**The DSW staffing situation has been affected by Government initiatives to downsize the public sector.** DSW faced management issues during 2009 due to the departure of the Permanent Secretary (PS) of the Ministry of Social and Women and Poverty Alleviation and Director of DSW and several positions became vacant due to the new compulsory retirement age (55 years) in Government. DSW currently has 114 DSW positions in total, but only approximately 2/3 is filled and many executive level positions remain acting, which stretches the capacity of the DSW management. It is important to note that the Government is currently undertaking a Civil Service Reform being led by the Public Service Commission. A UNDP assessment is currently being conducted as part of this effort to review the organizational structure of DSW.

**DSW has an adequate office composition at central and local levels, but operational staff is overstretched.** DSW has 5 Divisional Offices and 11 District Offices. There are 37 social welfare officers (SWOs) in division and district offices in charge of FA and C&P cases and at least 1 Clerical Officer (CO) in each division office. Since there is no clear separation of roles between Welfare Officers for Family Assistance and Child Protection in the field offices, it was not possible to assess staffing workload by program.

**Welfare officers have to deal with a huge variety of cases.** Welfare cases include child neglect or abuse, court reports, FA new applications and reviews, marriage counselling, adoption, probation and community work. Child protection Welfare Officers are mainly in charge of child abuse and neglect cases but currently there is a mixture of responsibilities for officers in the field as well as a case overload.

**The front-line staff in each of the DSW offices visited was found to be dedicated and generally committed to providing a high level of service to clients.** Senior Welfare Officers were experienced and had a deep understanding of the issues faced by their staff and by clients, and a strong commitment to their role and high degree of loyalty to the Department. However, welfare officers are neither social workers, nor do they have (by their own admission) adequate case management capability. Currently there is no clear division of labour or tasks among the various levels of welfare officers, nor is there differentiation by area or by process (client facing vs. procedural), which puts a high pressure on work performance and productivity.

**Office equipment and Internet are available in most offices but there is room for upgrades.** Even though most offices have computers, connectivity and office equipment, there is a need to make sure *every office* has adequate equipment to conduct the work, including: computers in good condition, reliable and fast Internet connectivity, one scanner, one photocopy machine, mobiles, filing cabinets and mobilization resources (vehicle and fuel money) for conducting home visits. Some officers reported the lack of resources, especially for conducting home visits and phone calls.

**An important office management feature that DSW lacks is a filing system.** DSW Offices do not have a standard filing system (i.e. filing taxonomy) and several offices have inadequate filing capacity. Files are frequently stacked around the office in chairs and/or the floor. Significant time can be spent sorting through piles in order to locate files. Several beneficiaries reported having to re-apply for the FA due to loss of information. The file contains the primary documents and is therefore important. The files need to be easily accessible by Welfare Officers, for example, in the case of an appeal or for monitoring purposes. The lack of filing system is considered to be a significant constraint to the effective management of FA Benefit applications and beneficiaries. It makes the process more inefficient and increases the time required to perform a task.

## ***Recommendations***

***Strengthen human resources at DSW***, by increasing efforts to fill in the management gap at DSW, and by decreasing the WO/beneficiary ratio (caseload ratio) of welfare officers to offer better services to clients based on a case management scheme. The latter could be achieved by assigning more experienced welfare officers to conduct proper eligibility assessments and placing greater attention on monitoring of beneficiaries for graduation. At the same time, it would be useful having administrative officers or data entry clerks to conduct more procedural tasks. Adequate training for each position should also be provided. Further details are available in Annex 1, section 2.2.8 and 3.3.

***Clearly differentiate between the roles and tasks of welfare officers, improve job descriptions and office equipment to foster improved service quality and delivery***. There is the need to distinguish first between children protection and family services officers, and second, between tasks that could be done by the entry level officers and data entry clerks and those that require involvement of more experience officers. Clear roles and job descriptions and proper equipment will encourage staff retention of DSW by providing a friendly work environment with clear expectations and career paths. Finally, DSW should work with the Public Service Commission (PSC) to ensure vacancies are filled in HQ to support areas such as monitoring and graduation of beneficiaries. Improving the job descriptions of welfare officers should also helped reduce the application processing times. Further details are available in Annex 1, section 2.2.8.

***Develop a standard filing system at DSW Offices***. There is a strong need for improving the filing system in HQ and in each division and district office so as to make sure applicants' information is appropriately stored and easily available. A better system for the management of beneficiary files is required such as sorting files alphabetically by name and chronological by application date. This system should be put in place with adequate safety controls and measures, including the purchase of filing cabinets for each office. Further details are available in Annex 1, section 2.3.2.

## **6.4 Eligibility Criteria**

### ***Issues***

**DSW programs currently have a combination of categorical and poverty assessment eligibility criteria.** An individual can apply for the program if he/she falls under the category of elderly, disabled or chronically ill, or as a single parent in need of assistance (poor family). There are no clear exit or graduation criteria or mechanisms, even though the Government has a clear mandate of graduating beneficiaries (1,500 until 2014) as spelled out in the Roadmap for Democracy and Sustainable Socio-economic Development (RDSSD). Based on findings from the qualitative study and the operational review conducted for DSW, it is recommended to strengthen the definitions of eligibility

and exit criteria as well as the assessments for qualifying, approving and graduation beneficiaries as described below.

**The category under which the benefit is granted seems to be somewhat arbitrary in many cases.** Several beneficiaries reviewed could have been approved under several categories. For instance, some who have been approved as chronically ill appear to be suffering from common, but not debilitating illnesses (hypertension, diabetes). The medical report appears to be largely procedural. There is evidence to indicate that the category of “chronic illness” is often used as a “back door” entry into the program for destitute households which otherwise would not be eligible as they don’t have elderly or disabled household members.

**The decision to grant the benefit appears often to be based on a perception of disadvantage.** Welfare Officers (WO) typically stated that the FA benefit was for ‘the poorest of the poor’ or ‘destitute’ people. When asked to define these terms, WOs tended to describe those in terms of living conditions rather than economic situation. Most importantly, WOs look at available proxies of household welfare during the home visit. This is because they recognize the constraints involved in attempting to obtain detailed and validated income and expenditure information. The de facto proxy approach appears to be successful as, with few exceptions, beneficiaries were evidently poor. However, the issue is, as we discussed earlier, that there is no unified approach to assessment and no trace record of how exactly the assessment was done. The DSW has expressed interest in standardizing the proxy or indicator-based approach through development of a standard assessment form which is included in the operational review.

**The resident household composition is often not accurately or consistently recorded.** It is often not clear what constitutes a household. Some beneficiaries are evidently living independently or require support from caregivers. Beneficiaries move from living independently to living with children, either as part of the same household or sharing a dwelling but living otherwise independently. The composition of the household can be somewhat fluid, not only in terms of members of household living at same address, but also because beneficiaries can move between addresses. A current pre-condition for eligibility for the FA is that the applicant’s family cannot provide adequate support.

**There is a lack of consistency in the consideration of support provided by adult children.** There was little evidence of enquiry as to whether, in cases where applicant had adult children, the children could support applicant. Some files evidence immediate family who may be able to provide support – yet the application was approved. Other files evidence family who may be able to provide support – yet the application was declined. It is often unclear whether the income and expenditure figures on the FAP application were for the applicant/ beneficiary or for the household. Several beneficiaries had changed their situation, for example moving in with family between the application and

review. Other beneficiaries lived with their family, in particular adult children, at the time of the application.

**The FA benefit is means tested, however the income and expenditure information in the file is often piecemeal and does not represent all income or expenditure incurred by the beneficiary or their household.** It is evident many beneficiaries do not have a record of income and expenditure and are simply guessing. Every file reviewed showed an income and expenditure deficit with no indication of how this was covered. It is possible that, on occasion, the income and expenditure information provided is structured to suit the means-test algorithm.

**There is evidence the home visit as it is currently structured does not reveal the beneficiary's actual livelihood situation.** The home visit appears often to be cursory, or poorly recorded. A considerable number of beneficiaries stated they were not home when the Welfare Officer showed up for the home visit, or that the Welfare Officer did not make a home visit at all. Some offices write details of the home visit on the application form and input to e-Gov system, other offices use a (brief) home visit form. There is also little evidence of validation, despite WO's saying the home visit was important to validate the beneficiary's statements about their living situation

### ***Recommendations***

***Develop a better operational definition of the household and standardize forms and processes to improve eligibility criteria and assessment.*** There is a need to have a clear definition of the household for the purposes of defining eligibility. There is also a demand for improved criteria and processes for assessment of the chronically ill and permanent disability categories, as well as the assessment of eligibility based on poverty status. A standard form is needed to collect household information during the home visit, which will include more detailed information on family members to assess the household poverty status and vulnerability. Further details are available in Annex 1, section 2.1.1.

**Greater emphasis needs to be placed on the collection of standardised information during the home visit.** The home visit is the principal means of assessing eligibility for the FA benefit and the current heterogeneous process and related forms should be standardised across DSW offices. The use of an unverified means test to determine eligibility should be replaced with an approach to enhance efficiency by providing clear guidelines and process to welfare officers, and focusing on verifiable variables which are reliable proxies for household welfare status. As mentioned before, a preliminary draft of such application/assessment form was developed, but it requires testing and piloting. The following section provides information on how to specifically improve eligibility assessments for chronically ill and disabled applicants. Further details are available in Annex 1, section 2.1.2.

## 6.5 Assessment of chronic illness and disability

### *Issues*<sup>27</sup>

**The policy context in Fiji is generally conducive to promoting the inclusion of persons with disabilities** and ensuring that their rights to access services and opportunities are maximised. However, the implementation of these policies needs to be improved under the guidance of the Fiji National Council for Disabled Persons (FNCDP).

**There is confusion between the categories of CI and PD in the context of the FA.** To start, the usage of some conventional definitions is required in this area. A *chronic illness* is a health condition that requires ongoing and regular management (e.g., medication, nutritious diet, regular medical checkups), but with such management a person can remain fully functional and participate in the labour market. *Permanent disability* is usually defined as difficulties doing various activities as a result of a health condition and the impact of the attitudinal, physical and social environment of a person. Disability also requires ongoing management, including a broader range of interventions, such as assistive devices, rehabilitation, environmental adaptations, personal assistance, accessible services, as well as a policy and legislative environment that promotes inclusion and mainstreaming of disabled persons.

**The CI/PD assessment process for the FAP is currently entirely medical, with no inclusion of any functional assessment.** In the assessment, it would be particularly important to differentiate between CI and PD categories. Also, currently the medical form is completed based on existing medical records and is undertaken in a short single appointment by a medical doctor working in government health facilities. The best practice or focus of the majority of country approaches to evaluating disability is a medical examination combined with some form of functional status assessment. The assessment is undertaken by a medical doctor, but usually within the context of a team approach (including physiotherapists, occupational therapists, speech-language therapists, audiologists, and psychologists) and with training in the use of the assessment tools. Few countries have a single standard assessment tool, even if the overall process of application is standard. The benefits in some countries (e.g., UK) include allowances for care needs, and this requires a further assessment of the nature of these care needs. The assessment processes for disability are generally quite lengthy and occur over a few sessions.

**The DSW medical assessment form was recently reviewed but remains problematic** in its use of percentages in describing the severity of disability for all types of disability as well as chronic illness. The use of percentages can be useful in determining severity of physical and sensory impairments, but has limited applicability to assessing chronic illness, intellectual disability and psychiatric illness (emotional disability). Furthermore, the percentages describe the individual's impairments and have limited applicability in describing or

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<sup>27</sup> For a comprehensive review of the issues discussed here see (World Bank, 2011f).

assessing functioning in daily activities or the impact of environmental factors or antecedents in a person's life (e.g., educational attainment, employment history). The lack of guidelines on how to apply the categories of work ability in the old form, and the percentages in the new form, can lead to subjective judgements in determining an applicant's work ability or degree of severity of disability.

**Beneficiaries are generally correctly placed on the FA (i.e., in need of financial assistance), but the allocation of beneficiaries to one of the three categories (CI, PD and elderly) is not always clear-cut.** Few of the reviewed beneficiary files suggested that neither the category of CI or PD was warranted nor the person was old enough to be placed in the elderly category. In many cases the beneficiaries are clearly disabled (for instance, amputees), but according to files they are chronically ill. One explanation is that they might have been chronically ill (e.g., diabetes) at the time of the entry into FAP. As no such beneficiaries were interviewed for the purposes of this assessment, it was not possible to ascertain the correctness of the information in the file.

### ***Recommendations***

***Clarify the CI and PD categories.*** This will entail to: 1. Formalize definitions that clearly differentiate permanent disability (PD) and chronic illness (CI); 2. Develop clear guidelines for assessment of CI and PD; 3. Review all recipient files for CI and PD with some re-assessments of relevant beneficiaries (e.g., some people may have already developed PD since entering the program as CI); and 4. Update the information in e-welfare and e-Gov. Further details are available in Annex 1, section 2.1.4 (1).

***Revise the medical assessment form.*** This would include: 1. Identify key changes required on the medical (CI/PD) assessment form; 2. Make changes to the form; and 3. Provide training and guidelines on the use of the medical assessment form. Further details are available in Annex 1, section 2.1.4 (2).

***Introduce the functional status assessment.*** The activities in this area would include: 1. Develop a functional assessment instrument based on the international best practices; 2. Pilot test the instrument and revise it based on the results; 3. Develop a structure for the Group/Council that will undertake functional assessments (could consist of 1 medical doctor, 1 WO and 1 local representative of FNCDP); 4. Provide training on administration and scoring of the assessment tool; and 5. Apply the tool in the eligibility decision process. Further details are available in Annex 1, section 2.1.4 (3).

***Ensure the provision of medical care and medication for chronically ill people.*** This area will entail the DSW working closely with the Ministry of Health, medical doctors and Fiji National Council for Disabled Person (FNCDP) to ensure the provision of medical care and medication for chronically ill people, and of accessible and specialized services for disabled people. This will include developing the framework and MOUs for inter-agency cooperation. The provision of medical care and regular medicine to chronically ill could achieve the objective of "graduating" this people from the FA while opening spaces for extreme poor. Further details are available in Annex 1, section 2.1.4 (4).

***Review the disability data collection platforms within Fiji as a whole.*** This activity would cover: 1. Select a suitable standard measure (set of questions) of disability; 2. Apply this measure to all national disability data collection platforms; and 3. Analyze the impact of disability on vulnerability and poverty and the impact of FAP on the lives of disabled people and their households. Further details are available in Annex 1, section 2.1.4 (5).

## 6.6 Exit and Graduation

### *Issues*<sup>28</sup>

**The Government of Fiji has been putting an increasing emphasis on exit and graduation agenda.** This is driven by limited fiscal resources for social assistance that need to be spent well and by recognition that many beneficiaries view social programs as an entitlement lasting forever. The lack of regular re-certification of beneficiaries has also contributed to a rising sentiment in a society that there are many beneficiaries out there who should be no longer eligible.

**DSW has moved forward in its reform agenda on the aspects of exit and graduation systems' design and implementation.** Some of the former FAP categories (i.e., single parents, loss of breadwinner, desertion by spouse and prisoner dependent) are being transferred to the C&P program to place more emphasis on human capital development through conditions that school age children should attend school, as well as to provide selected recipients with capacity building opportunities so that they might be able to engage in sustainable economic activity, releasing them from reliance on DSW support.<sup>29</sup>

**Due to resource constraints, DSW has not had the capacity to undertake consistent case reviews to recertify eligible recipients and to exit recipients which are no longer eligible.** Few recipients self-report about changes in their social or economic status. Hence, they remain eligible forever in the absence of re-certification. DSW could benefit from a concentrated effort to conduct regular (perhaps once every two years) review of cases, which would open up spaces for other needy applicants because of program exits of non-deserving recipients. Additional resources will be needed to conduct a system-wide review and to provide appropriate training for review teams.

**Further support and funding for strategic partnerships through the Poverty Alleviation Program (PAP) grants linked to the C&P graduation need to be pursued.** DSW has signed Memorandums of Understanding (MOUs) with agencies and departments of government to deliver targeted employment/self-employment capacity building to selected C&P recipients with a view to graduating them from the DSW assistance when certain criteria are

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<sup>28</sup> For a comprehensive review of the issues discussed here see (World Bank, 2011f).

<sup>29</sup> For a complete report analyzing exit and graduation see (The World Bank, 2011h).

met. The graduation criteria and requirements need clarification for smooth program implementation and monitoring.

**There is an effort to expand the number and type of agencies and organizations which could support graduation of DSW beneficiaries.** The MOU Strategic Partnership approach is in its early stages, and could benefit by the development of an MOU partnership strategy that would include not only government agencies and departments, but also integrate NGOs and CSOs with a skills development and employment driven focus. For the graduation program to be successful, it is essential that the progress of DSW recipients could be effectively monitored and reported in order to determine if barriers and constraints to employment are evident for this group.

**DSW has made significant strides in supporting the graduation agenda through initiation of recipient smart cards and electronic banking.** Approximately 18,000 Smart Cards have been given to DSW recipients, with the remaining cards to be distributed later when issues concerning the availability in remote areas of electronic payment machines are resolved. Financial inclusion and the linking of the poor to formal banking systems can garner positive results to promote the use of banking services such as savings and loans. Improved payment methods such as smart cards are recognized as an international good practice.

**The Standard Operating Procedures (SOP) need to reflect the above program changes** as well as future reforms. An SOP format allowing for quick revisions of program related material would best suit DSW in this time of reform and change.

### ***Recommendations***

**The exit and graduation system can be improved by:** (1) Strengthening exit measures; (2) Clarifying graduation criteria; and (3) Strengthening graduation mechanisms funded through the Poverty Alleviation Program grants. Specifically, the key recommendations are elaborated as follows:

***Clarify exit and graduation criteria.*** There is no clarity with respect to exit criteria for both programs, FA and C&P including the current lack of definitions and guidelines on how exit and graduation are to be implemented in terms of beneficiaries' income, children age, duration in the program, availability to work, etc. The lack of clear definitions leads to confusion in implementation and would increase frustration as the staff needs to implement the program. DSW should ensure definitions and guidelines are well established and communicated to staff as early in program implementation as possible. Further details are available in Annex 1, section 2.2.4.

***Develop and implement a comprehensive graduation strategy.*** The graduation strategy should include: (1) Graduation objectives; (2) Characteristics of recipients eligible for graduation; (3) Circumstances for non-participation in graduation; (4) Additional recipient support required (e.g., child

care, skills training, transportation, etc.); (5) Potential strategic partnerships (rationale and requirements) with government agencies, private sector and NGOs/CSOs; (6) Use of MOUs (format, structure, responsibilities, reporting requirements); (7) M&E system for recipient progress; (8) Graduation mechanisms and tools to track progress over time; and (9) Communication strategies for stakeholders, partners, staff and recipients. Further details are available in Annex 1, section 2.2.4.

***Provide graduation program training to DSW management staff and to those involved in MOU development and implementation.*** Inform all divisional and district staff about the program objectives and staff roles (e.g., identifying recipients with graduation potential, facilitating interaction with MOU partners, tracking and reporting issues arising, etc.). Further details are available in Annex 1, section 2.2.4.

***Consider an incentive to encourage household members to provide death certificates on the death of the recipient.*** At the present time, the recipient households often continue to collect deceased recipient's payments. One suggestion is to provide a "Funeral Benefit" on receipt of a death certificate, similar to that provided in Namibia. The linkages of the beneficiary database to the Bureau of Births, Marriage and Death (BDM) database could also be developed to ensure that DSW system gets notification of recipients' death. Further details are available in Annex 1, section 2.2.4.

***Institute an annual (or once in two years) recipient update (re-certification) system through a Rights and Obligations Agreement to remind beneficiaries that the DSW assistance program is needs based, not a right.*** Prior to the smart card initiative, DSW recipients were required to sign a *Proof of Life* form when they renewed their voucher books every six months. In the absence of a similar annual requirement for the smart cards, it would be useful to require all recipients to sign an annual "Rights and Obligations Agreement", informing them of their right to apply for and to receive funds if they continue to be eligible coupled with their obligation to supply truthful information, advise DSW of any significant changes in their welfare/family status and follow the complaint and appeal process as described in the Agreement. At the time of signing, recipients will be asked to verify the information in their file and if their status has changed. If this process is too administratively demanding for DSW staff to undertake, assistance and alternatives can be sought from provincial authorities/other departments. Further details are available in Annex 1, section 2.2.5.

## **6.7 Monitoring and Evaluation (M&E) framework**

### ***Issues***

**M&E systems are necessary for good public management since they are directly linked to governance, transparency, social accountability and thus program credibility and support.** M&E can help to make informed and

evidence-based decisions for necessary reforms and policy making. However, M&E tools and approaches should be defined and tailored based on existing capacity and expertise making sure trained staff are in place and data sources and financial resources are available for data collection. M&E Units should be independent, have sufficient authority and access to upper management and should be shielded from political influence to ensure objectivity and transparency in dissemination of information and results.

**A review of the Ministry of Social Welfare & Women Affairs (MOSWWA) and DSW monitoring practices took place in May 2011.** The study<sup>30</sup> concluded that the Government of Fiji has made substantial efforts in providing a national and strategic M&E framework as outlined in the Roadmap for Democracy and Sustainable Socio-economic Development (RDSSSED) and the Strategic Framework for Change Coordination Office (SFCCO) in 2009. As such, the MOSWWA has been able to establish directions based on the goals and targets for their mandate to provide efficient and timely social assistance to disadvantaged populations. However, even though an M&E framework is in place for the MOSWWA and DSW, few issues were detected during the review with respect to the lack of M&E staff, guidelines and report standardization. These issues, once addressed, could greatly improve the monitoring practices of DSW by allowing for regular feedback for management and main stakeholders, which would result in corrective measures and timely and strategic decision making.

**Even though DSW has developed monitoring activities, there is no evaluation strategy in place.** DSW does not currently have a program evaluation strategy in place for assessing impact, targeting or processes. Few evaluations were performed as part of the TA program on DSW programs including a targeting accuracy exercise (World Bank, 2011b), an operational review (World Bank, 2011d) focusing on the application process and staffing, and a qualitative study on impact of the FAP and C&P (World Bank, 2011c). The evaluations provided important information and feedback for DSW management, and could greatly be beneficial if mainstreamed into M&E activities.

**Welfare officers perform too many functions, which limits their ability to conduct the beneficiary monitoring visits.** As described in the DSW staffing section, Welfare Officers in division and district offices are in charge of conducting applicant's eligibility assessment during a home visit, as well as applicant's information data entry into the MIS (e-Gov) and monitoring visits, among other tasks. This amount of workload has imposed several strains and heavy caseload (number of cases by welfare officer) on the welfare officers, since they are in charge of both Family Assistance and Children Protection cases where the latter can be labour intensive involving court cases and legal actions. As described in the operational review, activities that involve dealing extensively with a client should be differentiated from procedural tasks, so welfare offices can devote more effort to conduct effective case management, including the regular monitoring of beneficiaries for identifying, for example, cases suitable for graduation opportunities. In addition to the heavy case load, some welfare

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<sup>30</sup> See (World Bank, 2011e).

officers manifested mentioned the lack of resources (such as vehicles, money for fuel and mobiles) to conduct home visits for monitoring.

**There is a continued need for regular case load reports.** A case return (case load by welfare officer) report by every division manager was prepared until recently on each division on a quarterly basis and sent to HQ for collation, and included the number of cases reviewed per welfare officer.<sup>31</sup> Even though these reports are relevant to provide an overall picture on the number of welfare cases (children services and family services) per division/district office and welfare officer to be able to monitor statistics, they have not been produced recently due shortage of M&E staff in DSW HQ.

**DSW is currently hampered by the lack of program statistics and data, causing uncertainty about program demand as well as program performance.** There is no updated and reliable database in place for the MIS. This is partially due to the transition process from the former e-welfare system to the current e-Gov system. A comprehensive, updated and reliable database is an essential tool for program measurement and success. The same applies for a functioning M&E system, allowing managers to track trends and program requirements for corrective measures and decision-making. FA and C&P have been reviewed to be updated in the database since 2009, but the exercise is still incomplete (more information in the next section). An important cross check DSW can conduct is to compare beneficiary information with databases from other Government agencies to cross check information on beneficiaries.

**In terms of staffing, two positions (one Assistant Director and one SWO) are assigned to monitoring tasks at DSW, but there is a need to further review the staff roles and responsibilities in light of suggestions to improve the M&E area of DSW.** The Assistant Director was assigned to the posting in 2011 and was interviewed for the review. He has considerably improved the reporting mechanisms from Divisions to HQ by developing standard templates for the business plans, division plans and internal working plans (IWPs) to ensure alignment of activities. The Research, Policy and Planning SWO position (M&E executive level position) is currently vacant and many of the current tasks are not being conducted. The SWO vacancy should be filled out as soon as possible, and another M&E officer could be added to assist with collating information. There is also a need to strengthen the IT unit in charge of e-Gov. Training in results based management would also benefit DSW staff and stakeholders in charge of M&E activities.

### ***Recommendations***

***Develop an M&E plan in a participatory manner*** to establish clear M&E program objectives, stakeholder demands for information and levels of access, roles and responsibilities, log frame with indicators, M&E guidelines, data sources, and a training plan. The monitoring review report provides suggestions

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<sup>31</sup> Cases include new FA application, FA review application, child welfare, court report, probation and community work and general welfare.

on the development of the log frame, indicators and reporting templates, but a participatory approach with stakeholders is recommended. Further details are available in Annex 1, section 2.3.2 (1).

***Strengthen M&E and IT staff***, by filling in SWO position for M&E, adding one position for M&E officer at the central level, and creating two IT positions for the Department: one for the MIS (e-Gov) officer and another for the database officer. In addition, at least one clerical officer or data entry clerk should be in place in every division and district office for data entry and clerical tasks. Further details are available in Annex 1, section 2.3.3.

***Develop clear guidelines and training material for data collection and processing*** and provide enough resources for monitoring activities such as the development of reporting templates, M&E guidelines, training to support proper understanding and undertaking of M&E practices. Sufficient resources (i.e., vehicles, fuel budget, and mobile phones) also need to be allocated for conducting home visits. Further details are available in Annex 1, section 2.3.2 (1) and 2.3.2 (2).

***Improve cross checks by developing a systematic mechanism for cross checking information*** with other Government Agencies databases such as the Births, Deaths and Marriages Agency, Department of Immigration, Fiji Revenue and Customs Authority (using TIN numbers) in order to verify beneficiary information such as income, deaths, leaving the country, etc. Further details are available in Annex 1, section 2.3.2 (3).

## **6.8 Management Information System (MIS)**

### ***Issues***

**DSW was previously utilizing a software application called E-welfare to manage applicant and beneficiary information; this has been replaced by a new MIS called E-Gov since 2009.** E-Gov<sup>32</sup> is an online portal and is part of Government's commitment to enhance and improve public service delivery through the application of Information Communications Technology (ICT) managed by the Ministry of Information. The mission of e-Gov is to provide cost effective, timely and reliable delivery of ICT solutions through innovative, practical, and responsible practices. Several Government agencies are now connected to e-Gov. The current MIS of DSW serves as a component of e-Gov which is scheduled to be fully deployed by the end of 2011. E-Gov for DSW was first implemented in July 2009, and it was initially piloted in the Suva Office. The roll out phase includes all division and district offices which will be connected by the last quarter of 2011. Even though an adequate MIS is being put in place, one of the main bottlenecks identified in the system is updating the beneficiary databases in order to have a robust and reliable database and MIS.

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<sup>32</sup> <http://www.fiji.gov.fj/>.

**In late 2009, the DSW started the review of more than 27,000 beneficiaries receiving assistance under the FAP to update their information in the beneficiary database.** The objective was to assess the individual cases to discern the more deserving cases from those that require phasing out from the program. The first stage of the review was initiated in December of 2009 in which 40 students were hired in the divisions to visit beneficiary households to “update” their information and then enter the data in e-Gov. The review, however, has not been carried out in a standardized manner. Divisions were not using the same form for the review, the students hired for the job did not receive proper training, and lack of resources for mobilization of sufficient staff greatly hampered the task. Nevertheless, as a result of the completion of the first phase, approximately 3,000 beneficiaries exited the program due to “no longer meeting” eligibility status or death of the beneficiary. As of May 2011, 18,000 files still needed to be entered or updated in e-Gov.

### ***Recommendations***

***Continue and improve the beneficiary database update exercise.*** The incomplete review of beneficiary households and incomplete uploading of the information into the E-Gov are still hindering program operations, specifically in terms of the lack of up to date information and statistics on applications and current beneficiaries. There is a need to hire review officers and data entry clerks and provide adequate training and forms to be used during the home visit reviews, as well as to ensure resources are available for visits, data entry and mobilization. Further details are available in Annex 1, section 2.3.1.

***Modify MIS and coding to reflect the changes to the programs.*** It would be necessary to update application forms based on revised targeting categories, including a better definition of the household, and to include sections in the MIS to incorporate information of a more comprehensive and standard application that will assist in better assessing the chronic illness, disability and poverty/welfare situation of the family. Any new information templates and indicators developed during the M&E plan should also be incorporated in e-Gov to facilitate monitoring activities. Further details are available in Annex 1, section 2.3.1.

## **6.9 Grievance System**

### ***Issues***

**A review on the DSW grievance system<sup>33</sup> has found that the country does not have a clearly defined grievance system, especially for social assistance programs.** DSW has a general complaints and appeals system in place, but it requires further development. Reforming the system can begin with establishing measures to reduce or prevent the number of inquiries for information from becoming formal complaints as well as establishing a formal appeal process with

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<sup>33</sup> For a complete review please see (The World Bank, 2011g).

recourse to an outside third party as a final step. The development of the system should take into account best practices and international experiences.

**Well designed social assistance programs are in need of good grievance systems to promote transparency and fairness.** A well-functioning grievance mechanism provides a predictable, transparent, and credible process to all parties involved, resulting in outcomes that are seen as fair, effective, and lasting; it builds trust as an integral component of broader community and government relations; and, it enables more systematic identification of emerging issues and trends, facilitating corrective action. International best practice grievance systems separate appeals and complaints. A best practice grievance system involves: 1. proper assessment of the grievance; 2. opportunity and access for any individual to file a grievance; 3. decisions free from bias, nepotism, patronage; 4. fair and consistent decisions; and 5. decisions that are impartial, transparent and capable of review.

The appeal is usually filed by an individual due to not being accepted into the program, or having exited without a clear explanation. The appeal mechanism includes independent re-assessment by an individual or body removed from the original decision, allowing a third neutral party to revisit the grounds for the appeal and to rule on the findings. The complaint is filed usually with respect to a complaint about the program, such as payment or service issues.

**DSW's appeal and complaint system conforms partially to international good practice, but the system still has substantial room for improvement to effectively or efficiently serve its client base.** In particular, DSW has a dedicated staff person assigned to channel complaints and track their resolution; complaints from multiple sources appropriately logged at the HQ level; and a complaints and appeals Committee of three people was established to provide oversight for appeals and complaints channelled through HQ. However, a coherent grievance system at the district and divisional level is absent, resulting in many complaints and appeals being ignored and unresolved. This is due not only to the absence of process tools (forms, log-in procedures, proper filing), but also due to the absence of proper guidelines placing emphasis on answering inquiries and responding to complaints/appeals.

**The Prime Minister's Office (PMO) is currently acting as a neutral third party for DSW complainants.** The Government has delegated further responsibilities to the provinces and it would be advisable for DSW to establish a third-party appeal mechanism at the provincial level rather than channelling appeals to the PMO for practical as well as process reasons. This independent third-party mechanism could be identified with the assistance of district officers and provincial administrators.

### ***Recommendations***

***Re-design DSW grievance system with participation of the district and divisional staff*** that are familiar with their client group as well as recognizing the constraints and opportunities inherent in managing and maintaining the

service quality of DSW offices. Staff training for all levels from front line to management in the use, management and maintenance of an effective and efficient complaints and appeals process would be required to perform these new functions. Further details are available in Annex 1, section 2.2.3.

***Establish mechanisms to decrease the number of inquiries and complaints at the front end***, which in turn will reduce the cost in time and money spent for DSW management, staff DSW and clients. This reduction can be accomplished through: 1. better FAP/C&P application process information; 2. improved FAP and C&P eligibility information to all stakeholders; and 3. establishment and dissemination of clear and simple forms, procedures and guidelines to all parties involved including local authorities, staff, applicants, and beneficiaries. Further details are available in Annex 1, section 2.2.3.

***Develop clear roles, responsibilities and guidelines to the A&C Committee to provide an effective oversight function*** by tracking the roll-out of a new complaints and appeals processes at the district and division levels and assessing A&C trends and recurring issues to identify existing or emerging problems within the DSW system. To accomplish this oversight task effectively, the E-GOV system will need to be coded accordingly to consolidate and report on complaints and appeals data. Further details are available in Annex 1, section 2.2.3.

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## Annex 1: Fiji Social Protection Technical Assistance (TA) Program

### Key areas of Support, Suggested Project Activities, and Proposed Timing for the Implementation Phase

Area of support	Main Issues to be addressed	Recommendations/actions required	Inputs required for implementing those actions <sup>i</sup>	Proposed Timeline <sup>34</sup>
<b>1. Development and refinement of the Social Protection (SP) strategy</b>				
1.1. Analytical work for informed policy making	As the SP systems keeps to evolve (new programs, designs, etc.) further analysis would be needed to support policy choices	Simulations on the impacts and costs of various policy options	Data analysis	Year 2012-2013
1.2. Policy dialogue with the Government on the options for SP system	The development of the SP system requires continuous dialogue and the mapping of policy directions based on the international best practices and country-specific circumstances	Engagement with the Government on the policy options	Advisory services	Y 12-13
<b>2. Development of policies, operational tools, and processes</b>				
2.1. <u>Targeting:</u>				
2.1.1. Defining target group/eligibi	Now there is a lack of systematization in applying eligibility criteria and assessing	Developing “indicator based” approach to targeting (i.e.,	Advisory services	Y 12 (1 <sup>st</sup> half)

<sup>34</sup> The proposed program is intended to be implemented over the period of 2 years.

lity rules <sup>ii</sup> /target ing mechanism	targeting errors	scorecard) that would allow SWOs to collect consistent socio- economic information about the household; validation process		
2.1.2. Formalizing the targeting mechanism	Currently DSW officers are de jure supposed to assess the household based on gathering income and expenditure data, but de facto look at a set of various characteristics capturing household living conditions; formalization of the targeting process is required that results in the collection of the consistent information and “trace record” which can be monitored/verified and re-certified	Development of the forms for application, household visit (assessment), etc.	Advisory services, pre- testing	1 <sup>st</sup> half of Y 12
2.1.3. Implementin g a new targeting mechanism	Before the new system can be implemented it needs to be tested and piloted	Testing/piloting of the targeting mechanism; training of the Social Welfare Officers (SWOs) on the administration of the new form; revisions of the operational manual (OM); roll-out of the new mechanism	Pilot survey; training; revisions of the OM;	1 <sup>st</sup> half of Y 12

2.1.4. Evaluating a new targeting mechanism	The accuracy of the new targeting mechanism would need to be evaluated with a view of proposing adjustments, if necessary	Implementing the survey of the “new” beneficiaries to evaluate how the actual targeting performance compares to the desired (“baseline”) performance	Developing and implementing the survey instrument	Y 13
2.1.5. Revising the system of assessment of chronic illness and disability	1. Clarification of the categories of CI and PD	<ul style="list-style-type: none"> <li>• Selecting relevant definitions</li> <li>• Developing guidelines</li> <li>• Review of all recipient files for CI and PD</li> <li>• Rectifying data in E-welfare and E-GOV</li> </ul>	DSW staff with assistance (advisory services) from people knowledgeable in the field of disability assessment and chronic illness	Y 12 –Y 13 (1 <sup>st</sup> half)
	2. Revision of the assessment/medical form	<ul style="list-style-type: none"> <li>• Identifying key changes required</li> <li>• Making changes</li> <li>• Providing training and guidelines on use of the medical assessment forms</li> </ul>	Advisory services, training	Y 12 –Y 13 (1 <sup>st</sup> half)

	3. Introduction of the functional status assessment	<ul style="list-style-type: none"> <li>• Selecting a functional assessment tool</li> <li>• Pilot testing of instrument and revising it if required</li> <li>• Training on administration and scoring of the assessment tool</li> <li>• Apply the tool in the decision making process</li> </ul>	Advisory services, survey (pilot) implementation, training	Y 12 –Y 13 (1 <sup>st</sup> half)
	4. Working closely with the Ministry of Health, medical doctors and Disability Council on ensuring the provision of services and medicine to chronically ill and disabled	<ul style="list-style-type: none"> <li>• Develop the framework and MOUs for inter-agency cooperation</li> </ul>	Advisory services	Y 12 –Y 13 (1 <sup>st</sup> half)
	5. Reviewing the disability data collection platforms within Fiji as a whole	<ul style="list-style-type: none"> <li>• Selection of suitable standard measure (set of questions)</li> <li>• Applying to all</li> </ul>	Advisory services, data collection, data analysis	Y 12 –Y 13 (1 <sup>st</sup> half)

		<p>national data collection platforms'</p> <ul style="list-style-type: none"> <li>• Ongoing analysis of the impact of disability on vulnerability and poverty and impact of FAP on lives of disabled people and their households.</li> </ul>		
2.2. <u>Operational process/ procedures/ efficiency:</u>				
2.2.1. Develop communications strategy to improve communication with applicants and the public in	The current process is based on applicants returning to the DSW Office periodically to find out if their application has been approved. Applicants typically return to the DSW office repeatedly to find out about the outcome of their application, which distracts staff from their primary role.	Most applicants own or have access to a mobile phone. Use of SMS to communicate the outcome of the application to the applicant or the Turanga-ni-koro/ Advisory Counselor could significantly increase efficiency and	Advisory services; Making the provision of the mobile phone number by the applicant a standard requirement for the completeness of the application form;	Y 12

general		reduce the number of beneficiaries repeatedly returning to the DSW office.	Providing SWOs with business mobile phones and certain allocation of credit per month, so they could communicate on the outcome of the application.	
2.2.2. Develop communications strategy to promote the outreach/information about social assistance programs	Not enough public information available for applicants or public in general about initiating an application and documents required	The consideration should be given to setting up program material so information about the program and supporting documents can be received from Turanga-ni-koro/ Advisory Counsellor or downloaded from internet;	Advisory services; development of the information brochures; training to local authorities on distribution of information	Y 12-13
2.2.3. Streamlining the complaint & appeal (C&A) process	No effective C&A process at the district and division level currently exist	Development of clear guidelines on C&A( at the district, division & HQ level), which will include formats/templates, processes and clear	Advisory support for design and SOP revisions; Workshop on the C&A design for the DSW staff ; Consultant to	Y 12 (2 <sup>nd</sup> half)

		responsibilities for each actor involved in the process; training on handling of complaints and appeals	develop and deliver training on C&A processes	
2.2.4. Developing exit & graduation (E&G) policies	There is a need for a clear exit and graduation (E&G) framework, with identification of the cases suitable for graduation	Complete a system-wide review of FAP and C&P cases (to determine non-eligible cases and enhance exit); Develop a comprehensive graduation strategy; sign MOUs with external agencies (that can work with graduation cases over a long period of time); Design and deliver training on graduation to DSW and stakeholder staff;	Developing TORs, hiring and training teams for review of FAP and C&P cases;  Graduation strategy development consultant; Graduation system training;	Y 12-13
2.2.5. Undertaking regular re-certification of program recipients	According to the current guidelines, the program recipients need to be re-certified every 2 years; however, this is not done in practice due to the lack of the respective mechanism and capacity constraints	(i) Develop the plan for re-certification practices; (ii) develop linkages between the FAP database and other databases (such as birth, death and	Advisory services; systems' development;	Y 12 (2 <sup>nd</sup> half) –Y 13

		marriage (BDM); (iii) design a system of automatic “red flags” <sup>iii</sup>		
2.2.6. Merging the manual food voucher with the FA direct deposit to Bank Account	Most of the FAP beneficiaries are receiving the benefit into bank accounts; however, the food voucher (to the same recipients) continues to be distributed in a paper format, which leads to substantial administrative costs for the DSW staff	Extending the system of electronic payments to include the food voucher	Advisory services on the integration of the food voucher into electronic payments	Y 12
2.3. <u>Information Management Systems:</u>				
2.3.1. Developing information systems (such as E-GOV)	Most offices appear to be using both E-Welfare and E-GOV. Transition between the systems has been limited by incompleteness of the database, different structure of the information in the two databases, and slow process of receiving birth certificate (BC) numbers, which are required to activate entries in E-GOV. While the DSW is on the way of resolving those constraints, it may benefit from	Facilitating the transition from E-Welfare to E-Government; Improving the quality of the beneficiary data Working with ITC on linking DSW database with other agency databases to automate receipt of information (such as birth certificate numbers)	(i) Assessment of the IT systems with a view of identifying key bottlenecks and providing solutions; (ii) improving the quality and completeness of data on new entrants (beneficiaries);	Y 12

	further support in this area.	and cross-checking data	(iii) review of the existing records	
2.3.2. Improve systems for data management, monitoring and evaluation (M&E), and decision making	1. Monitoring reports are currently overloaded with detailed information and are not customized to a specific audience.	Develop the monitoring framework that types of reports, their frequency and a set of standard indicators; ensuring that the IT systems are suitable for provision of a given set of information; Improve monitoring reports customized to corresponding audience (SFCCO, management, stakeholders, public)	Advisory services	Y 12-13
	2. Lack of adequate filing systems and inconsistent filing methodology is a constraint to effective and efficient service delivery	Developing standardized approaches for filing and storage of files; purchase of the filing systems	Advisory services; purchase of goods	Y 12
2.3.3. Improving the human resource			Training, seminars, study tours	Y 12-13

capacity in IT				
2.3.4. Enhancing the material base of the DSW	Systems limitations are a constraint to effective and efficient service delivery; there appears to be a lack of PCs in the district offices, and internet connection is slow.	Improve the material base at all levels of DSW.	Procurement of various IT services (e.g., internet connection) and goods (copiers, telephone lines, etc.)	Y 12-13
<b>3. Developing capacity for data analysis and evidence-based policy making</b>				
3.1. Making the household survey data more suitable for the analysis of the social welfare programs and their impacts	In the most recent 2008 Household Income and Expenditure Survey (HIES) in the module on government transfers the question is asked about total government transfers – the revised module would need to disaggregate by type of program and who within the household receives transfer	The task will involve working closely with the Fiji Bureau of Statistics (FIBOS) on designing the SP module for the 2013 HIES	Advisory services	Y 12
3.2. Providing training to FIBOS and DSW on the modern techniques (such as ADEPT SP) for	Currently the capacity to use HIES data for analysis of the SP programs is lacking	Hands-on training on the use of household survey data to analyze the key performance indicators of the SP programs (coverage, targeting, benefit	Training on the use of household survey data for SP analysis	Y 12 (2 <sup>nd</sup> half)

	analysis of social welfare programs		adequacy, costs, poverty impact)		
3.3.	Building capacity of the DSW staff on various conceptual and operational issues related to social welfare programs	The DSW staff is very dedicated and has a good grasp of the operational issues related to current programs; however, any policy changes down the road will require accumulation of the new knowledge so that the staff will be able to carry out the changes	Training on various aspects of the social welfare systems	Training, knowledge exchange, seminars, study tours	Y 12-13

## Annex 2: Family Assistance Program (FAP) Scorecard: Assessment of Household Poverty Status

BLOCK 1: General information					INSTRUCTIONS/ CODE
<b>Location Details</b>					
1.1	District				-
1.2	Province				-
1.3	Tikina				-
1.4	Location				1 - Urban, 2 - Peri-urban, 3 - Rural
1.5	Type of population point				1 - Urban, 2 - Village, 3 - Settlement
1.6	Name of the population point				Name of city/ town/ village/ settlement
<b>Residential Address</b>					
1.7	Address 1				If formal address house number, street, town (etc). If informal address include sufficient detail to be able to re-locate house at a future date
	Address 2				
	Address 3				
	Address 4				
<b>Applicant Details</b>					
1.8	Given name				-
	Family name				-
1.9	Phone number (land-line)				Note if no land-line
	Phone number (mobile)				Note if no access to mobile phone
	Postal Address				If different to residential address
1.10	Date of birth				Day/month/year
1.11	Gender				1 - Male, 2 - Female
1.12	Marital status				1 - Never married; 2 - married; 3 - widowed; 4- separated; 5 - divorced
1.13	Ethnicity				1 - Fijian, 2 - Indian, 3 - Other
1.14	Birth Certificate Number				-
<b>Contact details of a person who can be reached if applicant is not available</b>					
1.15	Given name				-
	Family name				-
1.16	Relation to applicant				-
1.17	Phone number (mobile)				Note if no access to mobile phone
1.18	Address 1				If formal address house number, street, town (etc). If informal address include sufficient detail to be able to re-locate house at a future date
	Address 2				
	Address 3				
	Address 4				
<b>Welfare Office Details</b>					
1.19	Name of the Welfare Officer conducting assessment				Given name/ Family Name
1.20	Name/location of Welfare Office				-
1.21	Date the application received				Day/month/year
1.22	Date of interview/assessment				Day/month/year
1.23	Date decision made on applicants' eligibility				Day/month/year

BLOCK 2: Applicant's household roster/ work status*				INSTRUCTIONS/ CODE
<b>Household Roster -Write Number</b>				
2.1	Total number of people living in the household			People who live in the same dwelling for more than 3 months a year
2.2	Number of adults (age 16+)			-
2.3	Number of children under age 7			-
2.4	Number of children age 8-15			-
2.5	Number of <u>working</u> adults			Engaged in income earning/ generating activity
<b>Main source of <u>household</u> livelihood - Circle One</b>				
2.6	Wage/salary employment	1		-
	Self-employment - business	2		Include handicrafts
	Self-employment - agriculture	3		Include sugar cane
	Self-subsistence	4		Gardening, fishing, etc. <u>primarily for household consumption</u>
	Financial assistance from relatives, extended family	5		-
	Pension/ FNPF	6		-
	Social assistance	7		-
	Lease/ Royalty Payments	8		-
	Other	9		Specify:
<b>Highest level of education attained by <u>any</u> household member - Circle One</b>				
2.7	No formal schooling	1		-
	Primary	2		-
	Secondary	3		-
	TAFE/ Polytechnic	5		-
	University	6		-
<b>Household Remittances/ Bank Account</b>				
2.8	Does the household receive international remittances			1 - yes, 2 - no
2.9	Does any household member has a bank account			1 - yes, 2 - no

BLOCK 3: House/dwelling				INSTRUCTIONS/ CODE
<b>Type of ownership - Circle One</b>				
3.1	Household owns these living quarters	1		-
	Renting them from a private landlord	2		-
	Renting from the Housing Authority/ HART	3		-
	Government or institutional housing	4		-
	Other Specify:	5		-
<b>Type of land - Circle One</b>				
3.2	Freehold	1		-
	Communal (village/ mataqali)	2		-
	Residential Settlement (formal)	3		-
	Squatter Settlement (informal)	4		-
	Rural lease	5		-
	Other Specify:	6		-
<b>Household land resources ( land which can be cultivated to grow food for the household)</b>				
3.3	Farm, access to communal land			1 - yes, 2 - no
	Backyard			1 - yes, 2 - no
	Garden			1 - yes, 2 - no
	Other land for cultivation			1 - yes, 2 - no
<b>Construction materials of outer walls - Circle One</b>				
3.4	Concrete, brick or cement	1		-
	Wood	2		-
	Tin or corrugated iron	3		-
	Traditional <i>bure</i> materials	4		-
	Makeshift or improvised materials	5		-
	Other materials	6		Specify:
3.5	Overall condition of the structure			1 - not weatherproof/poor materials, 2 - weatherproof/ durable materials, 3 - formal dwelling, very well maintained

BLOCK 4: Living conditions				INSTRUCTIONS/ CODE
<b>Dwelling size</b>				
4.1	Number of buildings used by household for living			-
	Total number of rooms			-
<b>Electricity - Circle One</b>				
4.2	Mains	1		-
	Permanent generator (individual or shared)	2		-
	Intermittent generator (individual or shared)	3		-
	No electricity available	4		-
<b>Lighting - Circle One</b>				
4.3	Electricity	1		-
	Kerosene lamp	2		-
	Benzine lamp	3		-
	Solar power unit	4		-
	Other	5		Specify:
<b>Principal form of cooking - Circle One</b>				
4.4	wood	1		-
	kerosene	2		-
	LPG	3		-
	electricity	4		-
<b>Toilet Facilities - Circle One</b>				
4.5	Flush for exclusive use	1		-
	Water sealed for exclusive use	2		-
	Shared with other	3		-
	Pit latrine	4		-
	Other	5		Specify:
	None	6		-
4.6	Assessment of toilet facilities			1 - unhygienic, 2 - acceptable, 3 - hygienic

BLOCK 5: Assets, durable goods, livestock & public services					INSTRUCTIONS/ CODE	
Household Durables available for use by members of the household						
		Circle if available	Age (years)	Useable		
5.1	Car	1			Useable: 1 - yes, 2 - no	
	Carrier/track	2			Useable: 1 - yes, 2 - no	
	Generator	2			Useable: 1 - yes, 2 - no	
	Refrigerator	3			Useable: 1 - yes, 2 - no	
	Computer	4			Useable: 1 - yes, 2 - no	
	TV/Video	5			Useable: 1 - yes, 2 - no	
	Washing machine	6			Useable: 1 - yes, 2 - no	
	Gas/Electric stove	7			Useable: 1 - yes, 2 - no	
	Telephone (land line)	8			Useable: 1 - yes, 2 - no	
	Boat	9			Useable: 1 - yes, 2 - no	
	Outboard motor	10			Useable: 1 - yes, 2 - no	
	Brush cutter	11			Useable: 1 - yes, 2 - no	
Livestock owned by the household						
		Circle if owned	Number			
5.3	Horses	1		-		
	Cattle	2		-		
	Goats	2		-		
	Pigs	3		-		
	Ducks	4		-		
	Chicken	5		-		
	Bee hives	6		-		

Applicant: I hereby certify that the information provided on this form is true and correct to the best of my knowledge. I am aware that provision of incorrect information may result in me not being able to apply for social assistance in the next 5 years.					
Signature:		Date (d/m/y):			

BLOCK 6: Overall assessment by <u>Welfare Officer (WO)</u>				INSTRUCTIONS/ CODE
6.1	What is your assessment of how accurate the applicant was in providing the information?			1 - very, 2 - somewhat, 3 - not accurate 4 - not sure
6.2	Based on your experience of assessing other households, and comparing to a household in which the principal income earners have an average salary income and live in a formal dwelling, where would you place the applicant's household			1 - very poor, 2 - somewhat poor, 3 - same/similar, 4 - slightly better-off, 5 - much better-off
6.3	In the space below, please write any other observations about applicant's life circumstances, living conditions, interview process, etc.			<i>Please also comment on food security and relationships within the household</i>

Please complete the part below after the full assessment of the application was done				INSTRUCTIONS/ CODE
6.4	Decision taken on the application after assessment			1 - Approved, 2 - Declined
6.5	Date decision on the application was taken			Day/month/year
6.6	Date decision on the application was communicated to applicant			Day/month/year

Note: \* - this block can be replaced with a household roster similar to that administered in Schedule 1 of the HIES (questions 1.2-1.7).

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<sup>i</sup> Those may include further assessments, surveys, data analysis, advisory/consulting services, training, etc.

<sup>ii</sup> For instance, the FAP program may target the most destitute (bottom 10% of the population).

<sup>iii</sup> For example, the system would automatically provide alerts in case of an individual reaching a certain age, death, etc.).

