



INSIDE KENYA'S CASH TRANSFER LANDSCAPE

INTRODUCTION

Cash transfers are a form of social assistance in which governments or development partners provide direct financial support to vulnerable individuals or households to help them meet basic needs, protect livelihoods, and cope with shocks.

As a key component of the broader social protection systems, which also include social insurance and public works, cash transfers are a flexible and efficient tool that gives households the purchasing power to prioritize urgent needs such as food, health, education, and shelter, while also contributing to resilience, inclusion, and long-term poverty reduction.

They involve the direct provision of money to vulnerable individuals or households and are commonly delivered as either

1 unconditional cash transfers, where support is provided without specific requirements, or

2 conditional cash transfers, where beneficiaries are expected to meet certain conditions such as ensuring school attendance, attending health check-ups, or participating in nutrition-related activities.

Cash transfers matter now because households in Kenya's ASAL regions are facing increasingly frequent and overlapping shocks (drought, floods, displacement, rising food prices, and fragile livelihoods), which require support that is fast, flexible, and dignified.

In this edition, we take a closer look at Kenya's landscape, spotlight key publications and podcasts, and unpack how cash transfers are emerging as a gateway to dignity, resilience, and opportunity in modern social protection systems.



RE MORE THAN MONEY

Key Cash Transfer Programmes in Kenya

Kenya's social protection system has undergone significant transformation over the past two decades, emerging as one of the more structured and integrated systems in Sub-Saharan Africa. At the center of this evolution is the National Safety Net Programme (NSNP), implemented by the Ministry of Labour and Social Protection. The NSNP serves as an umbrella framework that consolidates key government-led cash transfer programmes, aligning them under a unified policy, operational, and financing structure.

This consolidation has been critical in addressing historical fragmentation in social assistance delivery. By harmonizing targeting, registration, payment systems, and monitoring processes, the NSNP reduces duplication of efforts, enhances accountability, and improves efficiency in reaching vulnerable populations. More importantly, it positions cash transfers not merely as welfare support but as a strategic instrument for poverty

Older Persons Cash Transfer (OP-CT)

The Older Persons Cash Transfer (OP-CT) programme, introduced in 2007, targets elderly individuals (typically aged 70 years and above) who are living in extreme poverty and lack access to pensions or reliable income. Eligibility is based on age, citizenship, and vulnerability status as determined through community-based targeting and national registry systems, with priority given to those without consistent family or social support.

The programme is implemented by the State Department for Social Protection and Senior Citizen Affairs under the Ministry of Labour and Social Protection. Beneficiaries receive a monthly transfer of KES 2,000, which supports basic needs such as food, healthcare, and shelter. The programme has played a key role in enhancing dignity, reducing dependency, and improving overall well-being among older persons.

Cash Transfer for Orphans and Vulnerable Children (CT-OVC)

The Cash Transfer for Orphans and Vulnerable Children (CT-OVC), established in 2004, supports households caring for children who are orphaned or otherwise vulnerable due to factors such as HIV/AIDS, neglect, or extreme poverty. Eligibility is determined through proxy means testing and community validation, with priority given to households facing the highest levels of socio-economic vulnerability.

The programme is implemented by the State Department for Social Protection and Senior Citizen Affairs in collaboration with the Department of Children Services, under the Ministry of Labour and Social Protection. Beneficiary households receive a monthly transfer of KES 2,000, which supports children's access to education, nutrition, and healthcare.

The programme also reinforces child well-being through linkages with education and child protection services, contributing to improved long-term developmental outcomes.

Persons with Severe Disabilities Cash Transfer (PwSD-CT)

The Persons with Severe Disabilities Cash Transfer (PwSD-CT), launched in 2013, targets households with individuals who have severe physical or mental disabilities and face significant barriers to economic participation. Eligibility requires certification of severe disability, confirmation of household poverty status, and registration within national social protection systems.

The programme is managed by the State Department for Social Protection and Senior Citizen Affairs in coordination with the National Council for Persons with Disabilities, under the Ministry of Labour and Social Protection. Beneficiaries receive a monthly transfer of KES 2,000, which supports access to healthcare, assistive devices, and daily living needs. The programme contributes to reducing socio-economic exclusion and promoting inclusion and participation of persons with disabilities in community life.

Hunger Safety Net Programme (HSNP)

The Hunger Safety Net Programme (HSNP), introduced in 2008, targets chronically vulnerable households in Kenya's arid and semi-arid lands (ASALs), where livelihoods are highly exposed to climate variability and recurrent shocks such as drought. Eligibility is based on poverty and vulnerability assessments derived from national registries and validated through community processes.

HSNP is implemented by the National Drought Management Authority in collaboration with the State Department for Social Protection and Senior Citizen Affairs under the Ministry of Labour and Social Protection. Each beneficiary household receives a monthly stipend of Ksh 2,700 through the HSNP, which is implemented by NDMA in the eight arid counties. The cash transfer initiative is part of the Kenya Social and Economic Inclusion Project (KSEIP) under the Government's broader Inua Jamii social protection programme.

A distinguishing feature of HSNP is its structured categorization of beneficiaries, which enables both routine support and rapid scale-up during crises:

Regular (Core) Beneficiaries:

Chronically poor households receive consistent, predictable transfers.

Group 1 (Routine Beneficiaries):

Households continuously enrolled and paid under normal programme operations.

Group 2 (Scale-Up Beneficiaries):

Pre-identified vulnerable households that receive support during shocks such as drought.

Group 3 (Emergency Beneficiaries):

Additional households temporarily enrolled during severe crises to expand coverage.

This layered approach allows HSNP to function as both a social assistance programme and a **shock-responsive mechanism**, strengthening resilience by enabling timely support before and during crises.

We contributed to the review of the Hunger Safety Net Programme (HSNP) Operations Manual, **focusing on strengthening the integration of shock-responsive and anticipatory social protection measures, including clearer trigger mechanisms, scalable response procedures, and alignment with early warning systems.**

Complementary Cash Transfer Programmes in Kenya

Additionally, there are complementary cash transfer programmes where beneficiaries receive social services beyond regular cash transfers. An example is the NICHE Programme that was implemented by UNICEF in collaboration with the Directorate of Children Services under the Ministry of Gender, Culture and Children Services, aiming at reducing child malnutrition for children below the age of three years in 5 counties. We supported the registration of over 23000 beneficiaries into the NICHE MIS across the target counties through mass registration and ODR.

Ultra Poor Graduation Approach has also been adopted by the GoK as it strives to alleviate poverty through the provision of consumption and livelihood support.

The Ministry of Labour and Social Protection, through the Directorate of Social Development, has been able to support participants using the approach through KSEIP. The five-year World Bank-funded initiative aims to strengthen delivery systems to enhance access to social and economic inclusion services, as well as shock-responsive safety nets for poor and vulnerable households.

A defining feature of Kenya's cash transfer landscape is the institutionalization of the Enhanced Single Registry (ESR) in 2016. This digital infrastructure has redefined targeting for social assistance programmes in Kenya.

The MIS enables:

Targeting and Registration:

Integration with national registries to allow for more accurate identification of vulnerable households using proxy means testing and community validation.

Payments and Reconciliation:

Digitized payment systems are often linked to financial service providers and mobile money platforms to ensure timely, transparent, and traceable disbursements.

Monitoring and Reporting:

Real-time dashboards support programme managers in tracking performance, identifying bottlenecks, and making evidence-based decisions.

Interoperability:

The MIS facilitates linkages with other information systems to prevent duplication of beneficiaries.



OUR ENGAGEMENTS FOR THE MONTH

Finalization of Kuza Jamii II Programme



We continued to advance our outcome 3 activities of the Kuza Jamii II Programme, which focused on strengthening the Government of Kenya's capacity to deliver sustainable social and economic inclusion services.

We supported Economic Inclusion Programme (EIP) participants' identification; established EIP coordination structures across all administrative levels, enhancing government ownership and joint programme monitoring, and finalized key programme frameworks (ODR for EIP Guidelines, Shock Response in EIP Guidelines, and National Mentors' Training Curriculum).

We also supported the development and refinement of M&E tools for the Community Development MIS (CDMIS). Conducted orientation sessions for government officers on newly developed programme tools and frameworks, strengthening readiness for the rollout of KSEIP II.

We held the program close-out meetings across the 8 counties to celebrate the achievements, note the challenges and provide recommendations experienced through the six-month project implementation period (October 2025 – March 2026). Some of the updates provided on our activities can be accessed through the following links:

[CLICK HERE](#)

AND

[CLICK HERE](#)

Kaduna State UPG MIS

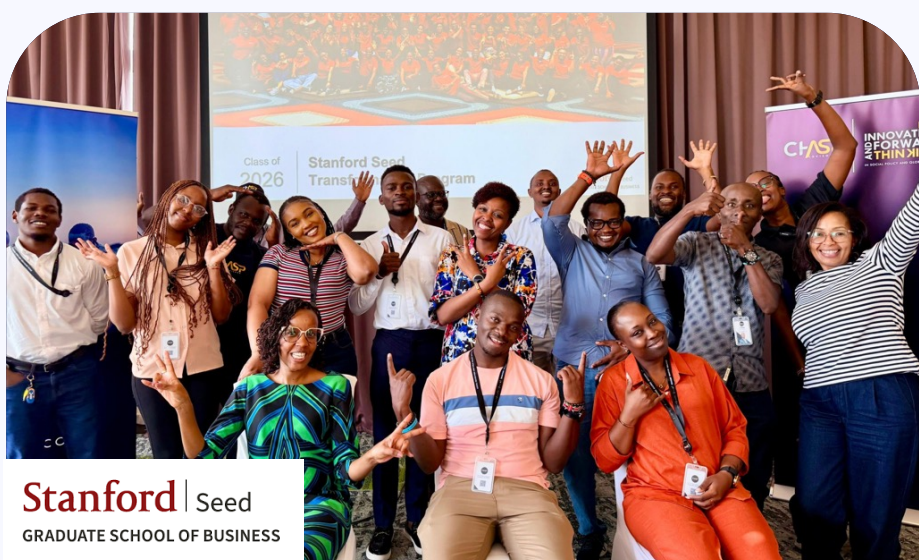


We continued with the Kaduna State Ultra Poor Graduation (UPG) Management Information System (MIS) workstream, a programme that is strengthening digital infrastructure for social protection and economic inclusion.

Commissioned by Kaduna State Social Investment Programme Agency (KADSIPA) in partnership with Village Enterprise, with technical support from CHASP Advisory, the programme is delivering a user-centered MIS to improve data management, beneficiary tracking, service delivery monitoring, and evaluation.

As part of advancing the system's adoption, we led targeted user onboarding and capacity strengthening efforts. This included hands-on guidance through key system modules with a strong focus on role-based use and real-world application. The process went beyond system familiarization, building user confidence and positioning the MIS as a practical tool for day-to-day programme implementation and results delivery.

Stanford University - Business Transformation Program



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GRADUATE SCHOOL OF BUSINESS

We are part of the Stanford Transformation Program, a journey that has challenged us to deeply reflect on who we are as an organization and how we create impact.

We recently went through a transformation studio, where we examined our strategy, leadership, business model, and value proposition, reframing our work through the lens of our clients and the problems we aim to solve.

This experience has been incredibly valuable for us, strengthening our clarity, sharpening our direction, and reinforcing our commitment to continuous learning as we strive to deliver meaningful and lasting impact.



PUBLICATIONS

Post-Distribution Monitoring for Cash Transfer Programmes

This publication explains how UNICEF designs and implements Post-Distribution Monitoring (PDM) for both social assistance and humanitarian cash transfer programmes. It outlines methods, indicators, sampling, and how PDM is used to assess effectiveness, accountability, and areas of improvement in cash transfer delivery.

[READ MORE:](#)

Contested Visions for Social Protection in Kenya: The Older Persons Cash Transfer and the Social Registry

This article analyzes Kenya's Older Persons Cash Transfer and national social registry, highlighting political tensions between universal and poverty-targeted approaches. It shows how institutional politics and donor priorities shape the evolution of social protection systems.

[READ MORE:](#)

Developing Saving Behaviors Among Cash Transfer Recipients in Ghana

This brief by ideas42 shows how pairing cash transfers with behavioral tools such as goal-setting, planning, and savings trackers helps CLASS beneficiaries in Ghana use their grants more effectively to grow their businesses. With these supports added to existing training and coaching, recipients were 3.6 times more likely to save than those who only received cash.

[READ MORE:](#)

Dependency Syndrome or Empowerment?

This qualitative study by the African Journal of Governance and Development examines unconditional cash transfer recipients in rural Zimbabwe examining empowerment versus dependency outcomes. It highlights improvements in welfare, autonomy, and mental health alongside challenges like social stigma and limited complementary services.

[READ MORE:](#)

Conditioning Out the Poor? Consumption Inequality and the Design of Cash Transfer Programs

This paper by Santosh Anagol, Thomas Fujiwara & Martin Navarrete shows that conditionality can unintentionally exclude poorer households and deepen inequality among eligible beneficiaries. It assesses trade-offs between conditional and unconditional transfers. It provides critical insight into design features that influence equity and system effectiveness.

[READ MORE:](#)

GiveDirectly Uganda Endline Report

This impact evaluation report by IDinsight showcases an unconditional cash transfers (USD 1,000) programme in Kiryandongo refugee settlement, Uganda. The results show increases in consumption, assets, business income, and psychological well-being despite external shocks like COVID-19 and aid cuts. It's a strong evidence of cash transfers strengthening resilience, livelihoods, and well-being.

[READ MORE:](#)

The Earlier the Better? Cash Transfers for Drought Response in Niger

A Policy Research Working Paper by the World Bank evaluating the timing of emergency cash transfers. Using a Randomized Controlled Trial (RCT), it finds that early, large transfers ahead of the lean season significantly improve welfare outcomes compared to conventional humanitarian timing. It highlights how design choices (timing, size) can strengthen shock-responsive social protection.

[READ MORE:](#)



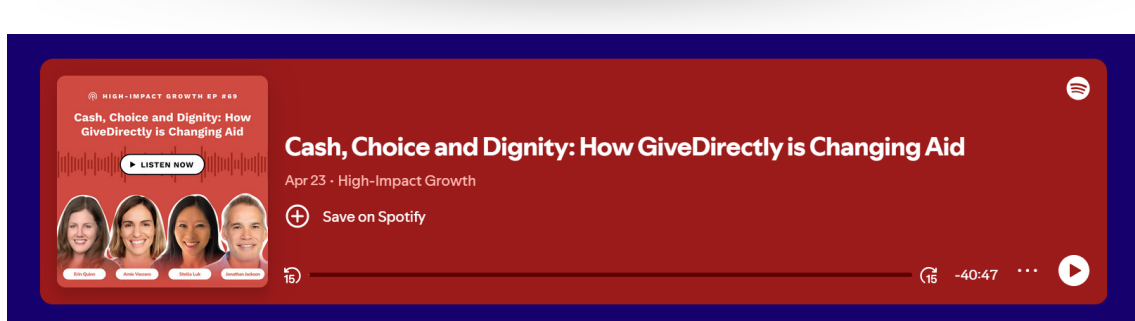
PODCASTS



Social Protection Myths & Misperceptions

This episode unpacks common misconceptions about social protection, particularly cash transfers, by examining their economic impact. It explores whether these programmes drive inflation, strain public finances, or instead serve as long-term investments in inclusive growth. Drawing on global evidence, the discussion highlights how programme design and context shape outcomes, positioning social protection as a key pillar for resilient and equitable societies.

LISTEN HERE:



Cash, Choice and Dignity: How GiveDirectly is Changing Aid

This episode explores the transformative potential of unconditional cash transfers through insights from GiveDirectly. It challenges traditional aid models by emphasizing trust, dignity, and recipient choice, while addressing skepticism around cash-based assistance. Through real-world experiences and evidence, the conversation highlights how direct cash transfers supported by technology are reshaping humanitarian and development approaches.

LISTEN HERE:



FREE ONLINE COURSES

CVA & Social Protection – Part 1 & 2

This course explains how Cash and Voucher Assistance (CVA) links with and strengthens national social protection systems. They cover delivery mechanisms, targeting, risk management, market assessments, and integration with government systems to improve long-term impact. Humanitarian practitioners, government partners, social protection actors, and programme staff seeking to understand how cash assistance can align with or reinforce formal social protection systems can benefit from it.

LEARN MORE:

Cash and Voucher Assistance – The Fundamentals

This course by the CALP Network via Kaya will introduce you to the fundamentals of Cash and Voucher Assistance (CVA) and will help you to begin understanding it. Perfect for communication professionals needing grounding in humanitarian cash.

LEARN MORE:

Social Protection: A Primer

A short, self-paced course that explains the basics of social protection, including definitions, systems design, policy approaches, and how social protection supports poverty reduction and resilience globally. It provides a certificate upon completion.

LEARN MORE:

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