Adjusting the Peruvian Household Targeting System

Nuts and Bolts of SPL systems in Urban Areas: from Strategy to Delivery

Claudia Benavides and Javier Loza
Ministry of Social Development and Inclusion, Peru
Rationale & Context

Social Policy

Targeting system

Towards

Outcomes on people

Identity
- Newborn and birth certificates
- National ID

Elegibility
- SEC (SISFOH)
- Poverty maps
- Categorical criteria

Enrollment
- Central level social protection programs
- Regional and local level social protection programs

Graduation
- Central level social protection programs
- Regional and local level social protection programs

Intergovermenternal and intersectorial system

Social Protection and Labor

SOUTH 2015

Learning Forum
Rationale & Context

• Methodology and parameters update requirements
  – Peru steady economic growth in the last decade, having an effect on explanatory variables of poverty
  – Monitoring and evaluation requirements- National Household Record (PGH) listed current results of socioeconomic evaluation, structure was inadequate for longitudinal observation
  – Geography is a main source of diversity, influencing variables like main income sources, building materials, access to markets and services
Geography is a main source of diversity… Monetary spending patterns
Geography is a main source of diversity... Year of education of head of hh

North Urban Coast

Centre Rural Coast

Expenditure by deciles

Expenditure by deciles

Source ENAHO 2007-2014
Prepared by DGGU - DO
The first step is to ensure **reliable IDs** for potential users

- **Different levels of person identification** are used, according to current legislation
  - Newborn: birth certificate and/or register
  - Children and teenagers less than 18 yrs old: National ID, and birth certificate and/or register
  - Adults: National ID
- **Validation criteria are applied**: Full name, birthday and sex are compared to National Registry of ID and Civil Status Database
We create unique **household IDs**
Household IDs are then linked to other levels of ID associated to specific attributes.
Once IDs are created information is included in the General Registry & socio economic classification (SEC) process start
The Peruvian Household Targeting System works differently by geographical area.

### Flowchart:

- **Start**
  - **Area**:
    - **Rural area**
      - **Threshold**: S/. 320
      - **Electricity**: S/. 9,2
    - **Urban areas except metropolitan Lima**
      - **Threshold**: S/. 337
      - **Electricity**: S/. 10,1
    - **Metropolitan Lima area**
      - **Threshold**: S/. 383
      - **Electricity**: S/. 18
  - **Targeting index**
  - **Index Calculation**
    - **Less**
      - **Extreme poor**
      - **Poor**
      - **No Poor**
    - **Higher**
      - **End**

### Key Points:
- **Household income**
- **Electricity expenditure**
- **Targeting index**
The SEC process has different routes

Particularly relevant for urban areas
Most of the SEC process is currently automatized.

In urban areas, automatized process works faster and validation is easier - more info available.
For the automatization of the SEC we created the platform SIGOF

http://sigof.midis.gob.pe/login.php
Challenges & Opportunities

- Applicants mainly interact with Local Governments, making these governments key actors of SISFOH, multiple mechanisms for data collection and assistance to applicants has been implemented.

- Steady economic growth in the last decade produces an ever-changing scenario, mainly in urban areas, making access to up-to-date data most important. Administrative records are helpful in this context for evaluation and follow-up.
Challenges & Opportunities

• Demand for Social Protection Programs has driven implementation of **automated processes for analysis and execution**, improving industrial and analytical expertise applied to Social Policy.

• Data from administrative records are collected from diverse sources without an unified model or standard. Because of this, **MIDIS has summoned a working group at National government level for information exchange mechanisms between these sectors**.