

# PMT, CBT, CATEGORICAL HANDOUT (GROUP 1 – PROXY MEANS TEST)



STRENGTHS	WEAKNESSES	WHERE IT MAY WORK BEST
<ul style="list-style-type: none"> <li>• Theoretically superior precision in identifying the poor as defined (e.g. often consumption poor)</li> <li>• 'Verifiable and objective approach'</li> <li>• In some contexts it can give an extra control over budget agreed.</li> </ul>	<ul style="list-style-type: none"> <li>• Often not understood/ accepted by community</li> <li>• Could lower accountability to citizens, if not over-ridable</li> <li>• Different definition of poverty than community</li> <li>• Relatively large data requirements and administrative costs (and data quality essential)</li> <li>• Standard PMT nation-wide may not reflect local poverty context</li> <li>• May bias against certain groups (e.g. elderly with more assets accumulated over time)</li> <li>• Can 'reward' dishonesty and requires monitoring</li> <li>• Requires updating as circumstances change</li> <li>• Predictive power not that good</li> </ul>	<ul style="list-style-type: none"> <li>• Limited poverty alleviation budget (helps to address trade-off between the number of beneficiaries covered by the intervention and the level of transfers)</li> <li>• Higher capacity for implementation: presence of continuous/ regular household survey, administrative capacity</li> <li>• Poverty and vulnerability profile: chronic poverty (problematic if 'all poor')</li> <li>• Where policy objective is poverty alleviation: tool to use after protection floor</li> </ul>

# PMT, CBT, CATEGORICAL HANDOUT (GROUP 2 – COMMUNITY BASED TARGETING)



STRENGTHS	WEAKNESSES	WHERE IT MAY WORK BEST
<ul style="list-style-type: none"> <li>Community members are more likely to understand the real situation of each member/ reflect their understanding of poverty</li> <li>Lower administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>Risk of inter-community disparities</li> <li>Can require arbitrary quotas</li> <li>Can require extensive facilitation to be perceived as "fair" by community members: independent and transparent process.</li> <li>Risks: social exclusion/ power relations/ elite capture/'unknown' community member</li> <li>Potential hidden costs on administration (delicate trade-off) between voluntary and paid support by community leaders)</li> <li>Potentially complex re-registration process</li> <li>Potentially complex process for redress/ grievance and accountability</li> <li>Difficult in urban areas</li> </ul>	<ul style="list-style-type: none"> <li>Low formal administration presence</li> <li>Existing informal structures</li> <li>Relatively socially uniform and 'knitted' community</li> </ul>

# PMT, CBT, CATEGORICAL HANDOUT (GROUP 3 – CATEGORICAL TARGETING)



STRENGTHS	WEAKNESSES	WHERE IT MAY WORK BEST
<ul style="list-style-type: none"> <li>• Easy to implement (e.g low data requirements)</li> <li>• Lower administrative costs</li> <li>• Lower risk of people 'playing the system'</li> <li>• Entitlement (clear, understood)</li> </ul>	<ul style="list-style-type: none"> <li>• Will include people who are not 'poorest of the poor'</li> <li>• May cost too much if coverage is high</li> </ul>	<ul style="list-style-type: none"> <li>• Strong political will and commitment</li> </ul>