

Promoting Productive Inclusion and Resilience in National Safety Nets: A Four-Country Evaluation in the Sahel



Households living in extreme poverty face a wide range of challenges that limit their ability to make productive investments or cope with unpredictable shocks such as droughts or disease. Productive inclusion programs combine cash transfers with trainings and other support to increase household earnings while also helping households withstand and recover from shocks. However, little is known about the impact of productive interventions when implemented at scale within national safety net systems, or about the optimal combination of interventions. In partnership with country governments and the World Bank, the research team will evaluate how different productive packages impact the wellbeing and economic stability of safety net beneficiaries in Burkina Faso, Mauritania, Niger, and Senegal.

Policy Issue

Households living in extreme poverty face many challenges that constrain their ability to earn a living. These constraints can range from lack of capital and skills to pervasive social norms, exposure to various types of shocks, or being disconnected from local markets. Although the combination of different interventions appears to be critical for sustained impact on productive inclusion,¹ large-scale public programs tend to remain fragmented and poorly coordinated.

Social safety nets establish mechanisms to reach and provide consumption support to the poorest and most vulnerable households. A growing number of countries are seeking to implement packages of productive inclusion measures for safety net beneficiaries, including training programs, asset transfers, psycho-social support or facilitated access to markets. However, little is known about the impact of multifaceted programs implemented through government systems, or about the optimal combination of productive measures to effectively lift households out of poverty.

Evaluation Context

More than forty percent of people in Sub-Saharan Africa live on less than \$1.90 dollar per day, the international benchmark for extreme poverty, making it the poorest region in the world.² Countries in the Sahel region of West Africa are among the poorest in Sub-Saharan Africa, with poverty rates as high as 45 percent in Niger. The Sahel region is particularly exposed to climate shocks, making it especially difficult for poorer households to escape poverty.³

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COUNTRIES

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PROGRAM AREAS

Financial Inclusion, Social Protection

TOPICS

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Cash transfers are a core component of many social protection systems in the Sahel – traditional cash transfer programs currently aim to reach more than 600,000 households across the region. However, policymakers in the region are interested in complementing cash transfer programs with additional interventions that can improve the ability of recipient households to improve resilience and cope with climatic shocks. To support these efforts, the World Bank and partner countries launched the Sahel Adaptive Social Protection Program in 2014. The program’s objective is to increase access to effective adaptive social protection systems for poor and vulnerable households across the region. As part of the program, country governments, the World Bank, IPA and partner researchers are collaborating to evaluate complementary interventions that, combined with traditional cash transfer programs, have the potential to promote productive economic inclusion and resilience among poor households in the region.

Details of the Intervention

Country governments, the World Bank, IPA and partner researchers are collaborating to evaluate the impact of different packages of productive interventions on the economic wellbeing and resilience of safety net beneficiaries in Burkina Faso, Mauritania, Niger, and Senegal.

The programs in this evaluation include combinations of the following set of seven interventions:

1. **Basic consumption support:** Participants receive consumption support in the form of periodic cash transfers of about \$15 per month.
2. **Coaching and group formation:** Participants form groups to meet with coaches on an ongoing basis. Coaches provide support and guidance to the groups, ensure that program components are being implemented effectively, and promote group access to local markets. They also provide individualized follow-up when participants need additional support.
3. **Savings groups:** Groups of participants are trained to establish Village Savings and Loans Associations, which allow members to pool their savings in order to have a source of lending funds, and are supervised as they establish and manage these groups.
4. **Workshop on aspirations and social norms:** Participants and the wider community attend a screening and engage in a facilitated discussion of a video that aims to lift aspirations and address community norms that prevent participants from making productive investments.
5. **Life-skills training:** Participants are offered a week-long training program designed to promote socio-emotional skills such as self-esteem, effective decision-making, conflict resolution and future orientation.
6. **Micro-entrepreneurship training:** Participants receive a week-long training program covering basic business skills for both agricultural and non-agricultural activities.
7. **Large, lump-sum cash grant:** Participants receive a one-time grant of US \$100-200 meant to promote investment in productive activities. This grant is significantly larger than the periodic cash transfers.

In each of the four countries, public lotteries were used to randomly assign villages or neighborhoods to one of the following four groups:

- **Full package:** Participating households in this group of villages will receive all program components listed above (components 1-7).
- **Capital arm:** Participating households will receive all program components listed above except

the trainings related to life skills and social norms (components 2 and 4). By testing the program with and without these trainings, the evaluation will be able to determine whether addressing participants' aspirations and social norms improves the program's overall effectiveness.

- **Social arm:** Participating households will receive all program components listed above except the large, lump-sum cash grant (component 7). Because the large cash transfer is one of the most expensive components of the package, researchers and policymakers are interested in identifying the cost-effectiveness of the transfer itself.
- **Comparison group:** This group will receive only the basic consumption support (component 1).

The evaluation team will gather information on household income, assets, consumption and food security, and on individual-level health and women's empowerment, to evaluate the impact of the different program packages on participants' wellbeing.

Results and Policy Lessons

Research is ongoing; results forthcoming.

Sources

[1] See, for example, Bandiera, Oriana, Robin Burgess, Narayan Das, Selim Gulesci, Imran Rasul, and Munshi Sulaiman. 2017. "Labor Markets and Poverty in Village Economies." *The Quarterly Journal of Economics*, 811-870; Banerjee, Abhijit, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei, William Parienté, Jeremy Shapiro, Bram Thuysbaert, and Christopher Udry. 2015. "A Multifaceted Program Causes Lasting Progress for the Very Poor: Evidence from Six Countries." *Science* 348 (6236): 1260799; or Banerjee, Abhijit, Dean Karlan, Robert Darko Osei, Hannah Trachtman, and Christopher Udry. 2018. "Unpacking a Multi-Faceted Program to Build Sustainable Income for the Very Poor," *NBER Working Papers 24271*, National Bureau of Economic Research, Inc.

[2] World Bank. 2016. *Poverty and Shared Prosperity 2016: Taking on Inequality*. Washington, DC: World Bank. doi:10.1596/978-1-4648-0958-3.

[3] World Bank. 2017. *Sahel Adaptive Social Protection Program: Addressing the Challenges of Climate Change and Disaster Risk for the Poor and Vulnerable*. Washington, DC: World Bank. <http://documents.worldbank.org/curated/en/973501518153667496/Sahel-adaptive-social-protection-program-addressing-the-challenges-of-climate-change-and-disaster-risk-for-the-poor-and-vulnerable>

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