

**CONDITIONAL CASH TRANSFERS**

**AN ANNOTATED BIBLIOGRAPHY**

*Annamaria Milazzo*

January 2009

INDEX

GENERAL REFERENCES ON CONDITIONAL CASH TRANSFERS ..... 3

INTERNATIONAL EXPERIENCE ..... 12

    AFRICA ..... 13

        GENERAL REFERENCES..... 13

        KENYA ..... 14

EAST ASIA AND PACIFIC ..... 15

    CAMBODIA ..... 15

    INDONESIA ..... 15

    MONGOLIA ..... 17

EUROPE AND CENTRAL ASIA ..... 19

    TURKEY ..... 19

LATIN AMERICAN AND THE CARIBBEAN ..... 21

    GENERAL REFERENCES..... 21

    ARGENTINA..... 24

    BRAZIL ..... 25

    CHILE..... 27

    COLOMBIA ..... 27

    COSTA RICA..... 30

    DOMINICAN REPUBLIC ..... 30

    ECUADOR ..... 31

    HONDURAS..... 33

    JAMAICA ..... 34

    MEXICO ..... 36

    NICARAGUA ..... 48

    PANAMA ..... 50

    PERU ..... 50

SOUTH ASIA ..... 51

    BANGLADESH..... 51

    PAKISTAN..... 54

## **General References on Conditional Cash Transfers**

1. **Adato, Michelle. 2008. Integrating Survey and Ethnographic Methods to Evaluate Conditional Cash Transfer Programs. IFPRI Discussion Paper No. 00810, Food Consumption and Nutrition Division, October 2008.**

<http://www.ifpri.org/pubs/dp/IFPRIDP00810.pdf>

Survey and ethnographic methods have been combined in the evaluations of conditional cash transfer (CCT) programs for the governments of Nicaragua and Turkey. This paper describes the quantitative and qualitative research designs for these evaluations, discusses the relative benefits of quantitative and qualitative approaches for studying CCTs, and provides examples of how findings of these different approaches complemented, explained, illuminated, or contradicted each other. While the surveys provided reliable measures of program impacts on human capital, the qualitative research provided explanations of why we do or do not find these impacts, and explored how social processes and social relations were affected by, and in turn shaped responses to, the programs. While many official evaluations now require mixed methods, and these have demonstrated policy relevance and impacts, there is still considerable progress to be made with respect to how methods are integrated in practice and how mixed approaches are appreciated in social program evaluation.

2. **Ayala Consulting. 2003. “Workshop on Conditional Cash Transfer Programs: Operational Experiences.” World Bank Social Protection Network. Washington, D.C.**

<http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/281945-1131468287118/1876750-1140107387177/1stCCTWkshpReport.pdf>

The objective of this report is to collect the information obtained during the workshop so that it can serve as a basis for decision-making in the future. The sections included in this report include a description of the CCTs that participated in the workshop, positive operational experiences of the programs, challenges, and final conclusions.

3. **Ayala Consulting. 2006. Country Program Profiles. (prepared for the Third ICCT in Istanbul, Turkey, Istanbul, Turkey, June 26-30, 2006)**

[http://info.worldbank.org/etools/icct06/DOCS/TemplateCCT\\_EN.pdf](http://info.worldbank.org/etools/icct06/DOCS/TemplateCCT_EN.pdf)

4. **Barrientos, Armando and Jocelyn DeJong. 2004. Child Poverty and Cash Transfers. Childhood Poverty Research and Policy Centre. Report No. 4.**

<http://www.childhoodpoverty.org/index.php?action=documentfeed/doctype=pdf/id=84>

This report discusses the role of cash transfers in the reduction of child poverty in developing and transition countries. Recently, there has been an increasing emphasis on targeted cash transfers as a key instrument in reducing poverty, deprivation and vulnerability among children and their households. For example:

- In South Africa, a Child Support Grant introduced in 1998, has been relatively successful in reaching poor children.
- In transition countries, child and family allowances have proved to be effective in ameliorating the impact of structural change on households with children, and have been reformed to act as a safety net.
- In Latin America, a new generation of targeted cash transfers has been introduced in a number of countries, with the aim of interrupting the ‘vicious circle of poverty’ by focusing investment in the human development of children, especially in education and health.

Cash transfers, together with redistributive tax policies, have a strong record in reducing childhood poverty in northern countries. Lessons from this experience are also of increasing interest in policy to tackle childhood poverty.

5. **Barrientos, Armando and Rebecca Holmes. 2007. Social Assistance in Developing Countries Database. Brooks World Poverty Institute, The University of Manchester, Overseas**

**Development Institute.**

<http://www.chronicpoverty.org/pdfs/SocialAssistanceDatabase%20Version3%20July%202007.pdf>

The database aims to:

- provide a summary of the evidence available on the effectiveness of social assistance interventions in developing countries;
- focus on programs seeking to combine the reduction and mitigation of poverty, with strengthening and facilitating household investments capable of preventing poverty and securing development in the longer term;
- select programs for inclusion in the database on the basis of the availability of information on design features, evaluation, size, scope, or significance;
- provide summary information on each program in a way that can be easily referenced by DFID staff and others with only a basic level of technical expertise.

6. **Caldés, Natalia and John A. Maluccio. 2005. The Cost of Conditional Cash Transfers. *Journal of International Development*, 17, 151–168.**

<http://www3.interscience.wiley.com/cgi-bin/fulltext/109931321/PDFSTART>

A common criticism of antipoverty programs is that a large proportion of their budgets never reaches the intended beneficiaries but is absorbed by administration costs. Yet, there is little empirical evidence on the costs, and even less on the cost structures, of such programs. This paper outlines and implements a replicable methodology for a disaggregated cost analysis of a pilot conditional cash transfer program in Nicaragua, examining the administration and private costs associated with a one-unit transfer to a beneficiary— referred to as the cost–transfer ratio. We find that for a meaningful assessment of cost efficiency, it is misleading to make calculations using only the typically available raw accounting data. Rather, one must delve into the details and specific activities of the program. This is particularly important for pilot programs, which typically have many upfront fixed costs associated with design and setting up operations. It is also important for conditional cash transfer programs, which have additional costs associated with their specific design features and require changes in beneficiary behavior that may engender substantial private costs.

7. **Chapman, Katie. 2006. Social Transfers and Equitable Access to Education and Health Services. Background Paper Scaling up Services team, DFID Policy Division. January 2006.**

<http://www.dfid.gov.uk/pubs/files/socialtransfers-back.pdf>

This paper focuses on the impact of one form of demand-side policy option – social transfers, particularly cash transfers and vouchers - on access to health and education services by the extreme poor. It also touches upon the broader contribution that social transfers make to human development outcomes.

8. **Das Jishnu, Quy-Toan Do, Berk Özler. 2005. Reassessing Conditional Cash Transfer Programs. *The World Bank Research Observer*, 2005 20(1):57-80.**

<http://wbpro.oxfordjournals.org/cgi/reprint/20/1/57>

During the past decade, the use of conditional cash transfer programs to increase investment in human capital has generated considerable excitement in both research and policy forums. This article surveys the existing literature, which suggests that most conditional cash transfer programs are used for essentially one of two purposes: restoring efficiency when externalities exist or improving equity by targeting resources to poor households. The programs often meet their stated objectives, but in some instances there is tension between the efficiency and equity objectives. The overall impact of a program depends on the gains and losses associated with each objective.

9. **De la Brière, Bénédicte and Laura B. Rawlings. 2006. Examining Conditional Cash Transfer Programs: A Role for Increased Social Inclusion? *World Bank Social Protection Discussion Paper n. 0603*, June 2006.**

<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Safety-Nets-DP/0603.pdf>

Conditional Cash Transfer programs (CCTs) provide money to poor families contingent upon certain verifiable actions, generally minimum investments in children's human capital such as regular school attendance or basic preventative health care. They therefore hold promise for addressing the inter-generational transmission of poverty and fostering social inclusion by explicitly targeting the poor, focusing on children, delivering transfers to women, and changing social accountability relationships between beneficiaries, service providers and governments. CCT programs are at the forefront of applying new social policy theories and program administration practices. They address demand-side barriers, have a synergistic focus on investments in health, education and nutrition, and combine short-term transfers for income support with incentives for long-run investments in human capital. They also are public sector leaders in program administration, using modern targeting, registering, and monitoring systems along with strategic evaluations. Their impact depends on the supply of quality, accessible health and education services and may increase with strengthened links to the labor market, and a greater focus on early childhood and transient support to households facing shocks. CCT programs are facing a number of challenges as they evolve, from reaching vulnerable groups to fostering transparency and accountability, especially at the community level. Centralized programs have been criticized for limiting the engagement of local governments and civil society and it is clear that in limited capacity environments, a greater reliance on communities is warranted. In sum, though promising, these programs are not a panacea against social exclusion and should form part of comprehensive social and economic policy strategies and be applied carefully in different policy contexts.

- 10. De Janvry, Alain and Elisabeth Sadoulet. 2006. Making Conditional Cash Transfer Programs More Efficient: Designing for Maximum Effect of the Conditionality. The World Bank Economic Review, Vol. 20, No. 1, pp. 1–29.**

<http://wber.oxfordjournals.org/cgi/reprint/lhj002v1>

Conditional cash transfer programs are now used extensively to encourage poor parents to increase investments in their children's human capital. These programs can be large and expensive, motivating a quest for greater efficiency through increased impact of the programs' imposed conditions on human capital formation. This requires designing the programs' targeting and calibration rules specifically to achieve this result. Using data from the Progresa randomized experiment in Mexico, this article shows that large efficiency gains can be achieved by taking into account how much the probability of child's enrollment is affected by a conditional transfer. Rules for targeting and calibration can be made easy to implement by selecting indicators that are simple, observable, and verifiable and that cannot be manipulated by beneficiaries. The Mexico case shows that these efficiency gains can be achieved without increasing inequality among poor households.

- 11. De Janvry, Alain and Elisabeth Sadoulet. 2006. When to use a CCT versus a CT approach? University of California at Berkeley and DECRG World Bank, July 4, 2006.**

<http://are.berkeley.edu/~sadoulet/papers/CCTvsCT4.pdf>

Following initiation of Progresa in Mexico in 1997, there has been an extraordinary proliferation of conditional cash transfers (CCT) programs oriented at social protection across the world. At the Third International Conference on CCT, the World Bank identified programs in progress in 20 countries, with a total annual budget of US\$8.25 billion (World Bank, 2006). Many other countries are showing interest in using the approach, as adapted to their particular objectives and circumstances. In spite of this, there remains considerable debate, and some confusion, over when the approach should best be used over competing methodologies. Most particularly, a key aspect of the debate is whether cash transfers (CT) to poor households with children should be made conditional upon a pre-specified behavior by beneficiaries, thus becoming a conditional cash transfer (CCT). To derive maximum benefit from a transfer program, while avoiding disillusion with misplaced expectations about what

it can achieve, it is important to clarify what is the true objective of the transfers, and to assess what are the benefits and costs of each approach.

- 12. De Janvry, Alain, Elisabeth Sadoulet, Pantelis Solomon, and Renos Vakis. 2006. Uninsured risk and asset protection: Can conditional cash transfer programs serve as safety nets? The World Bank Social Protection Discussion Paper n. 0604.**

[http://are.berkeley.edu/~ferre/uninsured\\_risk\\_and\\_asset\\_protection.pdf](http://are.berkeley.edu/~ferre/uninsured_risk_and_asset_protection.pdf)

Conditional cash transfer (CCT) programs have proved to be effective in inducing chronic poor households to invest in the human capital of their children while helping reduce poverty. They have also protected child human capital from the shocks that affect these households. In this paper, we argue that many non-poor households exposed to uninsured shocks have to use children as risk coping instruments, creating long term irreversibilities in child human capital development. We explore how CCT programs can be designed to serve as safety nets for the vulnerable non-poor when hit by a shock. This would help them not use children as risk coping instruments, thus avoiding long term irreversibilities in child human capital development and creation of a source of new poor.

- 13. De Janvry Alain, Frederico Finan, and Elisabeth Sadoulet, and Renos Vakis. 2006. Can conditional cash transfer programs serve as safety nets in keeping children at school and from working when exposed to shocks? Journal of Development Economics 79 (2006) 349– 373.**

<http://www.sciencedirect.com/science/article/B6VBV-4JG5FNX-2/2/b3e1e917196526266c250a9a9c498411>

Income shocks on poor households are known to induce parents to take their children out of school and send them to work when other risk-coping instruments are insufficient. State dependence in school attendance further implies that these responses to short-run shocks have long-term consequences on children's human capital development. Conditional cash transfer (CCT) programs, where the condition is on school attendance, have been shown to be effective in increasing educational achievements and reducing child work. We ask the question here of whether or not children who benefit from conditional transfers are protected from the impacts of shocks on school enrollment and work. We develop a model of a household's decision regarding child school and work under conditions of a school re-entry cost, conditional transfers, and exposure to shocks. We take model predictions to the data using a panel from Mexico's Progresa experience with randomized treatment. Results show that there is strong state dependence in school enrollment. We find that the conditional transfers helped protect enrollment, but did not refrain parents from increasing child work in response to shocks. These results reveal that CCT programs can provide an additional benefit to recipients in acting as safety nets for the schooling of the poor.

- 14. De Janvry, Alain, and Elisabeth Sadoulet. 2005. Conditional Cash Transfer Programs for Child Human Capital Development: Lessons derived from Experience in Mexico and Brazil. Paper for presentation at the GRADE 25th anniversary Conference, "Investigación, Políticas y Desarrollo", Lima, November 15-17, 2005.**

<http://siteresources.worldbank.org/INTISPMA/Resources/Training-Events-and-Materials/PRMPR-CCT.pdf>

This paper addresses three questions commonly raised about conditional cash transfer (CCT) programs for child human capital development: (1) When to use the CCT approach? (2) How to increase the efficiency of the approach? (3) How to learn more from implementation of the approach to improve its use in alternative contexts? We use lessons derived from the Oportunidades experience in Mexico and the Bolsa Escola program in Brazil to propose answers to these questions. Answers suggest that the approach is highly efficient in inducing a change in behavior among parents toward child human capital development when the objective is not extreme poverty reduction. They also show that considerable efficiency gains can be achieved through better targeting and calibration of transfers toward children at risk of not going to school without a CCT, better understanding of

heterogeneity of responses to design complementary supplyside interventions in particular according to parents' educational levels and distance to school, use of the approach as a safety net to reduce vulnerability of child human capital to shocks, and introduction of more effective social accountability mechanisms between providers and stakeholders. There exists, however, a huge deficit in learning from past experiences and in experimenting with alternative ways of implementing CCT programs while the approach is being extended to new country contexts quite different from the ones where experience has been derived.

- 15. Fiszbein, Ariel and Norbert Schady with Francisco H.G. Ferreira, Margaret Grosh, Nial Kelleher, Pedro Olinto, and Emmanuel Skoufias. 2009. Conditional Cash Transfers: Reducing Present and Future Poverty. The World Bank.**

- 16. Legovini, Arianna, and Ferdinando Regalia. 2001. "Targeted Human Development Programs: Investing in the Next Generation." Inter-American Development Bank.**

<http://www.iadb.org/sds/doc/POVTHDP.pdf>

Targeted Human Development Programs (THDPs) are integrated poverty reduction programs designed to increase the capacity of the poor to accumulate human capital. The programs are directed primarily to poor and vulnerable families with pre-school and school-age children. Their main long-term objective is to eradicate the structural causes of poverty by fostering investment in the next generation's human capital. A secondary objective is to alleviate poverty in the short term, mainly through monetary transfers. This report sets out the motivation for implementing THDPs and step-by-step instructions for design and implementation. It describes the implementation of impact evaluation mechanisms and results that can be expected and offers a list of appropriate country conditions for a THDP. A model logical framework for a THDP operation is presented in the Annex.

- 17. Lindert, Kathy, Emmanuel Skoufias, and Joseph Shapiro. 2006. Redistributing Income to the Poor and the Rich: Public Transfers in Latin America and the Caribbean. The World Bank Social Protection Discussion Paper n. 0605.**

<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Safety-Nets-DP/0605.pdf>

This study measures the extent to which publicly-subsidized transfers in Latin America and the Caribbean (LAC) redistribute income. The redistributive power of 56 transfers in eight countries is measured by their coverage, size, absolute incidence, simulated impacts on poverty and inequality, and by their distributional characteristic, a statistic derived from taxation literature. Our findings suggest that public transfers can be effective instruments to redistribute income to the poor. Yet frequently they have not managed to do so. Indeed, Robin Hood works in both directions in LAC, with public transfers redistributing income to both the rich and the poor. The redistributive impacts from social insurance are limited – and even regressive in some countries. This regressivity derives from two main design factors: a truncation in coverage due to requirements of membership in formal labor markets which exclude the majority of the poor, and highly generous unit benefits for those in the upper quintiles. Moreover, this regressivity applies to net social insurance transfers, which are subsidized by government budgets at the expense of all taxpayers. The more recent emergence of social assistance only partially offsets this historical "truncation" of public transfers in LAC. Despite coverage and distributional patterns that favor the poor, small unit subsidies limit the redistributive, poverty and inequality impacts of even the most targeted social assistance programs. We also find considerable variation among social assistance programs, with many food-based programs and scholarships being regressive. Governments should reconsider these programs – or at least strengthen their design. They could look to the targeting mechanisms used by conditional cash transfers – with impressive rewards for progressivity.

- 18. Morley, Samuel, David Coady. 2003. From Social Assistance to Social Development: Targeted Education Subsidies in Developing Countries. Center for Global Development and the International Food Policy Research Institute.**

<http://www.ifpri.org/pubs/cp/socialassist/socialassist.pdf>

The authors demonstrate how a promising new alternative to standard donor-financed education programs—the conditioned transfer for education (CTE) program—can advance both poverty reduction and education goals at the same time. CTE programs meet the immediate needs of the poorest families by providing cash or food but only on the condition that they keep their children in school. These transfers reduce poverty in the short run, and the additional education of the children of poor families breaks the long-run cycle of poverty by increasing their earning potential. The book compiles a vast amount of unpublished and published material on existing CTE programs and their impact on poverty. Groundbreaking case studies and detailed evaluations of programs in Mexico, Brazil, Bangladesh, Nicaragua, Honduras, and Chile add up to an unusual and surprising success story for skeptics of development and foreign aid."

- 19. Das, Jishnu, Ozler, Berk and Quy-Toan Do. 2004. Conditional cash transfers and the equity-efficiency debate. World Bank Policy Research Working Paper no. WPS 3280.**

[http://www-](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/05/20/000009486_20040520150423/Rendered/PDF/wps3280transfers.pdf)

[wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/05/20/000009486\\_20040520150423/Rendered/PDF/wps3280transfers.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/05/20/000009486_20040520150423/Rendered/PDF/wps3280transfers.pdf)

During the past decade, the use of conditional cash transfers to increase investment in human capital has generated considerable excitement in both research and policy forums. Such schemes are being increasingly adopted in a number of contexts and countries to improve outcomes in health, education, and child labor as they aim to balance the goals of current and future poverty reduction. In this paper, the authors define any scheme requiring a specified course of action in order to receive a benefit as a conditional cash transfer. This definition includes cash transfers based on human capital investments, but is sufficiently broad to encompass other schemes such as work-fare programs or consumption transfers. The authors examine the rationales behind, the problems with, and the tradeoffs inherent to conditional cash transfer programs. They discuss two main concerns: low participation and fungibility. Low participation refers to the problem of program uptake. If individuals do not participate in the program, whether it was designed to increase human capital investment or to target resources, the program will not be successful. The problem of fungibility, however, depends on the rationale for the particular conditional cash transfer program. When used to increase efficiency, even when program uptake is high, program effects may be less than envisioned due to behavioral responses of households that lead to changes in the consumption of close substitutes. While researchers have typically addressed these issues separately, the authors emphasize the need for policymakers to incorporate a number of different factors in a comprehensive framework to design optimal conditional cash transfer schemes.

- 20. Patrinos, Harry Anthony. 2002. A Review of Demand-Side Financing Initiatives in Education. Paper was prepared as a background reference for "The World Development Report 2004: Making Services Work for Poor People."**

[http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2003/11/03/000112742\\_20031103154746/Rendered/PDF/269590Patrinos0Review1of1Demandside.pdf](http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2003/11/03/000112742_20031103154746/Rendered/PDF/269590Patrinos0Review1of1Demandside.pdf)

In the last few years, some very important demand-side financing initiatives in education have been implemented in a number of countries, including Progresia in Mexico and Bolsa Escola in Brazil, resulting in a number of evaluation reports. There has been considerable attention devoted to demand-side financing in the literature and the popular press. Approaches that allocate financial incentives to families in order for their families to attend school and programs that channel public funds for education through the beneficiary and their family are seen by many as more efficient uses of resources and far more effective at improving education outcomes than most supply-side

interventions. The available evidence on the impact of – and/or experience implementing – demand-side financing interventions is reviewed. It is tentatively concluded that demand-side financing programs have improved educational indicators and outcomes. In most cases, they led to higher school attendance rates and lower school dropout rates. Evaluation results indicate that these programs have led to significant reduction in both school dropout and repetition rates.

**21. Rawlings, Laura B., and Gloria M. Rubio. 2005. Evaluating the Impact of Conditional Cash Transfer Programs. *The World Bank Research Observer* 20(1):29-55.**

<http://wbro.oxfordjournals.org/cgi/reprint/20/1/29>

Several developing economies have recently introduced conditional cash transfer programs, which provide money to poor families contingent on certain behavior, usually investments in human capital, such as sending children to school or bringing them to health centers. The approach is both an alternative to more traditional social assistance programs and a demand-side complement to the supply of health and education services. Unlike most development initiatives, conditional cash transfer programs have been subject to rigorous evaluations of their effectiveness using experimental or quasi-experimental methods. Evaluation results for programs launched in Colombia, Honduras, Jamaica, Mexico, Nicaragua, and Turkey reveal successes in addressing many of the failures in delivering social assistance, such as weak poverty targeting, disincentive effects, and limited welfare impacts. There is clear evidence of success from the first generation of programs in Colombia, Mexico, and Nicaragua in increasing enrollment rates, improving preventive health care, and raising household consumption. Many questions remain unanswered, however, including the potential of conditional cash transfer programs to function well under different conditions, to address a broader range of challenges among poor and vulnerable populations, and to prevent the intergenerational transmission of poverty.

**22. Sadoulet, Elisabeth, Frederico Finan, Alain de Janvry, Renos Vakis. 2004. Can Conditional Cash Transfer Programs Improve Social Risk Management? *World Bank Social Protection Discussion Paper no. 0420*, World Bank, Washington D.C.**

<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Social-Protection-General-DP/0420.pdf>

This paper explores the role of Conditional Cash Transfer (CCT) programs in serving as a risk management instrument for the poor. Using various rounds of panel data from the successful CCT Progreso program in Mexico, the impact analysis indicates a number of interesting patterns. First, strong state dependence indicates that children taken out of school (partly due to shocks) are less likely to subsequently return, implying long-term consequences from short-term decisions. Nonetheless, the CCT program seems to mitigate this state dependence. Second, a number of shocks - such as unemployment or illness of the household head or younger children, droughts, natural disasters in the community and loss of land, harvest, or animals - have strong effects on children's schooling attainment, indicating that children are used as risk coping instruments. While this creates short run consumption smoothing gains for the household, such coping strategy implies long-term losses in human capital for children that are accentuated by state dependence. Again, the impact evaluation analysis shows that the Progreso transfers compensate for these shocks, protecting child schooling from a range of shocks. Finally, while the shocks reported also seem to induce children to work - particularly girls and children of farm workers when their parents are affected by unemployment - the impact evaluation suggests that Progreso transfers and the conditionality on school attendance serve to deter using child labor as a risk coping strategy. Despite the fact that CCT are not designed to deal directly with shocks or serve as "insurance" instruments per se, these results clearly indicate that they can provide an important safety net role by protecting child education from a range of idiosyncratic and covariate shocks. Such findings also imply that incorporating risk exposure and shock incidence criteria in the design of such programs' eligibility rules, or allowing additional

flexibility in terms of scaling up or down such interventions to address large covariate or idiosyncratic shocks is a potentially worthwhile direction and use of such programs.

- 23. Skoufias, Emmanuel, and Vincenzo di Maro. 2006. Conditional Cash Transfers, Adult Work Incentives, and Poverty. World Bank Policy Research Working Paper 3973, August 2006.**

[http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2006/07/21/000016406\\_20060721161649/Rendered/PDF/wps3973.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2006/07/21/000016406_20060721161649/Rendered/PDF/wps3973.pdf)

Conditional cash transfer (CCT) programs aim to alleviate poverty through monetary and in-kind benefits, as well as reduce future incidence of poverty by encouraging investments in education, health and nutrition. The success of CCT programs at reducing poverty depends on whether, and the extent to which, cash transfers affect adult work incentives. In this paper we examine whether the PROGRESA program of Mexico affects adult participation in the labor market and overall adult leisure time, and we link these effects to the impact of the program on poverty. Utilizing the experimental design of PROGRESA's evaluation sample, we find that the program does not have any significant effect on adult labor force participation and leisure time. Our findings on adult work incentives are reinforced further by the result that PROGRESA leads to a substantial reduction in poverty. The poverty reduction effects are stronger for the poverty gap and severity of poverty measures.

## **International Experience**

## AFRICA

### **General References**

- 24. Kakwani, Nanak, Fabio Soares, Hyun H. Son. 2005. Conditional Cash Transfers in African Countries. Working Paper number 9, International Poverty Centre, United Nations Development Programme.**

<http://www.undp-povertycentre.org/pub/IPCWorkingPaper9.pdf>

Poverty affects a large proportion of the population in Sub-Saharan Africa and, far from decreasing, the proportion and numbers of poor people in Sub-Saharan Africa have actually increased over the last ten years. Policies to reduce poverty in Sub-Saharan Africa (SSA) and elsewhere are defying conventional wisdom. Single-focus solutions have proved ineffective. There is an urgent need to learn from both successful and failed experiences that have been tried elsewhere. This study provides an ex-ante assessment of the implementation of a cash transfer programme conditional on school attendance in 15 Sub-Saharan African countries. Conditional cash transfer (CCT) programmes have been tried in other regions, notably Latin America, with relative success. The two key characteristics of CCT programmes are that they simultaneously act upon the short and long term dimensions of poverty. Therefore we investigate here both the impact of a cash transfer on current poverty and the impact of conditioning the transfer upon school attendance.

- 25. Schubert, Bernd and Rachel Slater. 2006. Social Cash Transfers in Low-Income African Countries: Conditional or Unconditional? *Development Policy Review*, 2006, 24 (5): 571-578.**

<http://www.blackwell-synergy.com/doi/pdf/10.1111/j.1467-7679.2006.00348.x>

Conventional wisdom hails Latin American experience with conditional cash transfers (CCTs) as successful, but, to the authors' knowledge, there have been no rigorous analyses of the respective costs and benefits of conditional versus unconditional transfers. The impact of conditionality itself is therefore not known. This article argues that the important contextual differences between Africa and Latin America, in quality and quantity of service provision, capacity to implement conditionality, socio-cultural, ethnic and political contexts, and, potentially, the benefit: cost ratio of conditionality, may well make the introduction of CCTs in Africa inappropriate. It sets out a number of questions and points to a new case in Chipata, Zambia, which will be rigorously monitored from the outset.

## **Kenya**

- 26. Kenya National Workshop on Cash Transfer program for Orphans and Vulnerable Children. Mombasa, Kenya, March 1-2, 2007.**

<http://web.worldbank.org/WBSITE/EXTERNAL/WBI/WBIPROGRAMS/SPLP/0,,contentMDK:21270846~menuPK:461671~pagePK:64156158~piPK:64152884~theSitePK:461654,00.html>

This workshop was held as a follow-up to the successful capacity building workshop on OVC CCT held in February 2006, which pulled together all the different parties in the program; donors, ministries, and children's officers at the provincial and district levels. This national workshop in Mombasa (1-2 March, 2007) was held after the Africa Regional workshop on cash transfer programs (26-28 February, 2007), and incorporated the learning from other countries in Africa, and provided the opportunity for the Kenya OVC CCT program stakeholders to update each other on the progress and challenges.

- 27. Pearson, R. and Alviar C. The Evolution of the Government of Kenya Cash Transfer Programme for Vulnerable Children between 2002 to 2006 and prospects for nationwide scale-up. UNICEF Kenya.**

[http://www.unicef.org/policyanalysis/files/The\\_Evolution\\_of\\_the\\_Government\\_of\\_Kenya\\_Cash\\_Transfer\\_Programme\\_for\\_Vulnerable\\_Children.pdf](http://www.unicef.org/policyanalysis/files/The_Evolution_of_the_Government_of_Kenya_Cash_Transfer_Programme_for_Vulnerable_Children.pdf)

This paper tells the story of how the Children's Department in the Ministry of Home Affairs of the Government of Kenya came to be managing by 2006 a cash transfer programme in 17 districts with the aim of scaling the programme up to touch 300,000 of the most vulnerable children in Kenya by 2011.

## EAST ASIA AND PACIFIC

### Cambodia

28. **Filmer, Deon, and Norbert Schady. 2008. “Getting Girls into School: Evidence from a Scholarship Program in Cambodia.” *Economic Development and Cultural Change* 56(3):581-617.**

<http://www.journals.uchicago.edu/doi/abs/10.1086/533548>

Increasing the schooling attainment of girls is a challenge in much of the developing world. In this study we evaluate the impact of a program that gives scholarships to girls making the transition between the last year of primary school and the first year of secondary school in Cambodia. We show that the scholarship program increased the enrollment and attendance of recipients at program schools by about 30 percentage points. Larger impacts are found among girls with the lowest socioeconomic status at baseline. The results are robust to a variety of controls for observable differences between scholarship recipients and nonrecipients, to unobserved heterogeneity across girls, and to selective transfers between program schools and other schools. We conclude that there is substantial potential

for demand-side interventions in lower-income countries like Cambodia.

29. **Filmer, Deon, and Norbert Schady. 2006. *Getting Girls into School: Evidence from a Scholarship Program in Cambodia*. Presentation, World Bank.**

[http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/281945-1131468287118/1876750-1138215095450/JFPR\\_Evaluation\\_Jan242006.pdf](http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/281945-1131468287118/1876750-1138215095450/JFPR_Evaluation_Jan242006.pdf)

### Indonesia

30. **Cameron, Lisa. 2002. *Can a Public Scholarship Program Successfully Reduce School Drop-Outs in a Time of Economic Crisis? Evidence from Indonesia*. World Bank Policy Research Working Paper WPS2800.**

<http://www->

[wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2002/04/05/000094946\\_0203220527387/Rendered/PDF/multi0page.pdf](http://wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2002/04/05/000094946_0203220527387/Rendered/PDF/multi0page.pdf)

This paper uses regression and matching techniques to evaluate Indonesia’s Social Safety Net Scholarships Program. The scholarships program was developed to try and prevent large numbers of children from dropping out of school as a result of the Asian crisis. The expectation was that many families would find it difficult to keep their children in school and drop out rates would be high like they were during the 1980’s recession. Drop-outs however have not increased markedly and enrolment rates have remained relatively steady. This paper examines the role played by the scholarship program in producing this result. The scholarships were found to have been effective in reducing dropouts at the lower secondary school level by about 3 percentage points but had no discernible impact at the primary and upper secondary school levels. We also examine how well the program adhered to its documented targeting design and how effective this design was in reaching the poor. The targeting criteria appear to have been followed quite closely but this did not prevent some households with high reported per capita expenditures receiving the scholarship.

- 31. Perdana, Ari A., and John Maxwell. 2004. Poverty Targeting in Indonesia: Programs, Problems and Lessons Learned. Centre for Strategic and International Studies (CSIS), Economics Working Paper Series No. 083.**

[http://www.csis.or.id/working\\_paper\\_file/43/wpe083.pdf](http://www.csis.or.id/working_paper_file/43/wpe083.pdf)

This paper presents a discussion on some poverty alleviation programs that are specifically targeted to the poor. The programs covered in this paper are: Inpres Desa Tertinggal (IDT), Padat Karya (Employment), Food Security, Education and Health component of the post-crisis Social Safety Net package. Brief assessments of the programs show that the targeting of poverty alleviation programs in Indonesia has been a difficult and frustrating process for central government planners attempting to allocate scarce budgetary resources as efficiently and effectively as possible. Although poor families did benefit to a certain degree, all the programs that we have considered have suffered from two common problems: under-coverage and leakage. The paper concludes that the effectiveness of various poverty-targeted program in Indonesia are determined by, among other things, the type of targeting, administrative capacity, program design and publicity, and the quality of monitoring.

- 32. Pritchett, Lant, Sudarno Sumarto, Asep Suryahadi. 2003. Targeted Programs in an Economic Crisis: Empirical Findings from Indonesia's Experience. BREAD Working Paper No. 030, June 2003.**

<http://www.cid.harvard.edu/cidwp/pdf/095.pdf>

In response to the economic, natural, and political crisis that enveloped Indonesia from August 1997 (beginning of depreciation) to May 1998 (resignation of Soeharto), the new government announced support for a set of “safety net” (JPS) programs in July 1998 budget. These included: (a) targeted sales of subsidized rice, (b) work creation programs, (c) scholarships to students and block grants to schools, (d) targeted health care subsidies, (e) community block grants. We used cross sectional and panel data to examine the targeting of these programs. First, “static participation incidence” (the relationship between program participation and household consumption expenditures) was substantially better than a uniform transfer, but substantially worse than perfect targeting --and remarkably similar for all of the JPS programs. Second, unlike standard static incidence measures, what we define as dynamic participation incidence — the relationship between changes in consumption expenditures and program participation — was very different between the JPS programs. The employment creation programs which relied on self-selection targeting was much more likely to reach those households with large shocks to their expenditures than programs based on administrative targeting such as subsidized rice sales, scholarships, and health subsidies. Third, larger coverage does not lead to either better or worse targeting: there is no general tendency across the programs for marginal incidence to be above, or below, average incidence. Fourth, the targeting design of many of the programs was not followed strictly in implementation in all of the programs. Community and individual characteristics that were de jure irrelevant played a role in targeting in practice. In the rice program, community influence led to the program going to many more than the eligible individuals. In other programs, individual characteristics appear to have influenced targeting.

- 33. Sparrow, Robert. 2007. Protecting Education for the Poor in Times of Crisis: An Evaluation of a Scholarship Programme in Indonesia. Oxford Bulletin of Economics and Statistics, Volume 69 Issue 1, Pages 99 – 122.**

<http://www3.interscience.wiley.com/journal/118533373/abstract>

This paper analyses the impact of an Indonesian scholarship programme, which was implemented in 1998 to preserve access to education for the poor during the economic crisis. Scholarships were targeted pro-poor and the allocation process followed a decentralized design, involving both geographic and individual targeting. The identification strategy exploits this decentralized structure, relying on instrumental variables constructed from regional mistargeting at the initial phase of

allocation. The programme has increased enrolment, especially for primary school-aged children from poor rural households. Moreover, the scholarships seem to have assisted households in smoothing consumption during the crisis, relieving pressure on households' investments in education and utilization of child labour.

## **Mongolia**

- 34. Araujo, Maria Caridad. 2006. MONGOLIA ASSESSMENT OF THE CHILD MONEY PROGRAM AND PROPERTIES OF ITS TARGETING METHODOLOGY. Working Paper Series No. 2006-1, The World Bank.**

<http://siteresources.worldbank.org/INTMONGOLIA/Resources/Mongolia-child-money-report.pdf>

The Mongolian system of social assistance is undergoing a process of transformation. The 2003 sector Master Plan identified the need to improve the targeting of benefits and to rationalize them. As part of this initiative, the Child Money Program (CMP) was launched in 2005. This program incorporated in its design elements that were very innovative, such as the use of proxy means testing for targeting. The CMP was implemented nationally and, within a year, it became the largest social assistance program in the country. The absence of piloting of the program and its operation makes it very relevant to assess its qualities and evaluate those aspects where — both from a design as well as from an implementation perspective — this program could be refined. The main purpose of this document is to contribute to the policy discussion around the CMP. Many have raised concerns that the rapid growth and large coverage of the CMP have implications in terms of its fiscal sustainability. This note explores the targeting of the CMP to assess its potential and actual effectiveness in reaching the poor. This exercise serves multiple objectives: (a) to understand the implications of the design of the current targeting formula in terms of program size and their profile; (b) to open a discussion on how this instrument can be refined to simplify its implementation; and (c) to examine some of the operational aspects of the CMP that could be improved and aligned with the program's objectives.

- 35. Batjargal, Uranbileg. 2006. The Newest Poverty Targeting Program in Mongolia – Child Money Program – Evaluation and Assessment of its Targeting Methodology. Graduate School of Economics, University of Tokio.**

<http://www.e.u-tokyo.ac.jp/cirje/research/workshops/micro/documents/TheNewestPovertyTargetingProgramInMongolia-ChildMoneyProgram-EvaluationandAssessmentofItsTar.pdf>

this paper assesses implementation and targeting methodology of the newest poverty targeting program in Mongolia – Child Money Program. Using a household survey data and national and international poverty lines, the paper computes rates of undercoverage and leakage of the program. The Child Money Program uses a proxy-means testing method – Poverty Risk Ratio (PRR) method – to identify eligibility of applicants. Alternative methods such as: OLS regression on consumption (income) and Probit and Logit estimation of households' likelihood of being poor are assessed and their targeting performances are compared to the targeting accuracy of the PRR method. I find that the current targeting method has large inclusion and exclusion errors that could be improved through usage of alternative targeting tools that are proposed here.

- 36. Hodges, Anthony, Khurelmaa Dashdorj, Kang Yun Jong, Anneclaire Dufay, Uranchimeg Budragchaa, Tuya Mungun. 2007. Child Benefits and Poverty Reduction: Evidence from Mongolia's Child Money Program. Working Paper, Division of Policy Planning, UNICEF.**

[http://www.unicef.org/eapro/Child\\_benefits\\_in\\_Mongolia.pdf](http://www.unicef.org/eapro/Child_benefits_in_Mongolia.pdf)

This paper analyses the extent to which Mongolia's Child Money Programme (CMP), a conditional cash transfer programme for families with children, contributes to poverty reduction and the improved well-being of children (with particular reference to MDGs 1 and 2) and does so in an efficient, affordable and sustainable manner. Applying the concepts and performance indicators

developed in the international literature on social transfers, it compares the actual performance of the CMP in its initial targeted phase (January 2005 to June 2006) with the simulated expected performance of the CMP in its more recent ‘universal’ phase, under two different assumptions (the initial benefit level of \$31 per child per year and an increase to \$117 as approved in the 2007 budget). The paper finds that the targeted programme resulted in very high leakage to non-poor households and substantial exclusion of poor households, due to flaws in the programme’s proxy means test and implementation problems. Arguing that it is possible to improve only marginally the methodology and implementation of a proxy means test, and that reversion to a targeted programme would be politically costly, the paper advocates retaining the new universal benefit, which resolves most of the exclusion error, further reduces the child poverty headcount and is progressive along the entire household expenditure distribution due to the heavier concentration of children in the lower deciles. However, the paper identifies some barriers that still hinder access to child benefits by the most severely disadvantaged families and children. It finds little evidence regarding the effects of the programme on the non- monetary dimensions of poverty, in particular regarding the condition on school attendance. The analysis of fiscal costs concludes that the universal benefit is affordable and sustainable at its initial level (about 1.0% of GDP), but cautions that the approved increase in the benefit level in the 2007 budget is fiscally and politically risky given the country’s external vulnerability to sharp fluctuations in metal prices and adverse weather.

**37. World Bank. 2006. Mongolia Poverty Assessment. World Bank Report No. 35660-MN.**

[http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2006/04/25/000160016\\_20060425083709/Rendered/PDF/35660.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2006/04/25/000160016_20060425083709/Rendered/PDF/35660.pdf)

## EUROPE AND CENTRAL ASIA

### Turkey

- 38. Adato, Michelle, Terence Roopnaraine, Natalia Smith, Elif Altinok, Nurfer Çelebioğlu, and Sema Cemal. 2007. An Evaluation of the Conditional Cash Transfer Program in Turkey: Second Qualitative and Anthropological Study.** With contributions from Tugba Atalar, Refik Çolasan, Selahattin Erhan, and Wahid Quabili. Report submitted to the General Directorate of Social Assistance and Solidarity Prime Ministry, Republic of Turkey. Prepared by the International Food Policy Research Institute.

This report presents the results of the Second Qualitative Assessment of the Conditional Cash Transfer program in Turkey. This study focused on six communities in three provinces in Turkey: Diyarbakir, Samsun and Van. It concentrated on key issues related to program communications, targeting, education, health, pregnancy, gender relations and other household impacts, and work.

- 39. Ahmed, Akhter U., Michelle Adato, Ayse Kudat, Daniel Gilligan, and Refik Colasan. 2007. IMPACT EVALUATION OF THE CONDITIONAL CASH TRANSFER PROGRAM IN TURKEY: FINAL REPORT.** With contributions from Terence Roopnaraine, Natalia Smith, Elif Altinok, Nurfer Çelebioğlu, Sema Cemal, Wahid Quabili, Huseyin Tatlidil, Bulent Ozbilgin, Dogu Karakaya, Suzulay Hazar, Tugba Atalar, Ozlem Agaoglu, Cigdem Baykal, and Selahattin Erhan. Submitted to the General Directorate of Social Assistance and Solidarity Prime Ministry, Republic of Turkey, Prepared by the International Food Policy Research Institute.

The Conditional Cash Transfer program in Turkey is a targeted social assistance program that is designed to provide support to the poorest 6 percent of the Turkish population. CCT is a sub-component of the Social Risk Mitigation Project (SRMP) of the General Directorate of Social Assistance and Solidarity (SYDGM). The specific objectives of the CCT in Turkey are to increase school attendance rates for the poor, decrease dropout rates, increase immunization coverage, and enhance the utilization of health facilities for the 1.1 million target beneficiaries. The program uses an indicator-based administrative targeting method to identify ultra-poor households with children aged 0-6 years, school-aged children 6-17 years, and child-bearing-age women. This final evaluation report on the impact of the CCT program is a synthesis of three studies: The First Qualitative Assessment (Kudat et al. 2006), completed in early 2006; the Quantitative Assessment (Ahmed et al 2006), completed in late 2006; and the Second Qualitative Assessment (Adato et al. 2007), completed in early 2007. We request readers to go to these original sources for more information. At the outset, it is important to note that the evaluation study encountered several methodological, technical, and physical constraints. Further, some institutional factors limit the potential impacts of the CCT program. These factors and constraints are reported in relevant sections of the report. Main institutional issues and constraints are summarized below.

- 40. Gokalp, Yadigar. 2006. CONDITIONAL CASH TRANSFERS IN TURKEY: Motivation, Design, Achievements, Challenges, and the Way Forward. Presentation at the Third International Conference on Conditional Cash Transfers Istanbul, Turkey, June 26-30, 2006.**

<http://info.worldbank.org/etools/icct06/DOCS/English/Day1/Yadigar%20Gokalp-eng.pdf>

- 41. Kudat, Ayse. 2006. EVALUATING THE CONDITIONAL CASH TRANSFER PROGRAM IN TURKEY: A QUALITATIVE ASSESSMENT.** With contributions from Huseyin Tatlidil, Bulent Ozbilgin, Cigdem Baykal, Michelle Adato, and Akhter Ahmed. International Food Policy Research Institute.

The key objectives of the first phase of impact evaluation include: (a) assessing whether the CCT program has reached the intended population and achieved the objective of alleviating current poverty, including through encouraging school attendance, use of preventative health service and increasing the human capital of poor households; and (b) identifying secondary as well as unintended impacts of the program. While the comprehensive impact evaluation process will assess whether the CCT program has reached the intended population and has achieved the objective of alleviating poverty, improving household welfare, and increasing the human capital of poor households as measured by schooling outcomes and health practices, this first assessment report aims to provide rapid feedback on program implementation and preliminary impacts.

**42. World Bank. 2003. Turkey- Poverty and Coping After Crises (Volume I: Main Report). Report No. 24185-TR.**

[http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2003/08/20/000160016\\_20030820130639/Rendered/PDF/241850TR0SR.pdf](http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2003/08/20/000160016_20030820130639/Rendered/PDF/241850TR0SR.pdf)

## LATIN AMERICAN AND THE CARIBBEAN

### General References

43. **Bouillon César Patricio, Luis Tejerina. Do We Know What Works? A Systematic Review of Impact Evaluations of Social Programs in Latin America and the Caribbean. Inter-American Development Bank, Sustainable Development Department, Poverty and Inequality Unit.**

[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=996502](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=996502)

Poverty is a multidimensional phenomenon closely related to the low accumulation of human capital and scant economic opportunities for the poor. Government efforts to help households overcome poverty require actions on multiple fronts. The governments of Latin-America and the Caribbean are making important efforts to scale up innovative programs to increase the capabilities and economic opportunities of the poor. Increasingly, the implementation of these programs has been accompanied by significant efforts and resources to evaluate their impact and effectiveness. These evaluations have produced many useful lessons. This study reviews a set of rigorous impact evaluations, placing emphasis on extracting lessons to assess the development effectiveness and cost-effectiveness of these interventions. The results presented in this review show a mostly positive picture of the impact of the programs evaluated. Results of the evaluations have also proven to be useful for identifying program weaknesses, such as problems with targeting mechanisms or groups that are not reaping the full benefits of the program, and inducing the adjustments necessary to increase program effectiveness. The evaluation results and the experience in implementing these programs also raise various issues for the reform of social and fiscal policies in order to make public social expenditure more effective, pro-poor, and fiscally sustainable. Scaling up well-targeted programs is key to improving the distributive impact of spending.

44. **Britto, T. 2005. Recent trends in the development agenda of Latin America: an analysis of conditional cash transfers. Are conditional cash transfers (CCTs) effective as a social protection measure? Institute for Development Policy and Management (IDPM), Manchester.**

<http://www.eldis.org/go/display/?id=18459&type=Document>

This paper analyses the characteristics, design and implementation factors contributing to the popularity of conditional cash transfers (CCT) in Latin America. It is based on an analysis of the Mexican Program of Education, Health and Nutrition (Progresa) and the Brazilian Bolsa Escola. The author examines the political economy contributing to their visibility among governments and multilateral donors. From this assessment, it is found that that: (1) some of the key factors shaping policy processes were political stability, bureaucratic implications, international pressure and leverage, as well as technical advice; (2) CCTs ranked fairly well with political feasibility, but still had a number of unresolved administrative and operational issues; (3) some of the targeting methods were seriously flawed; (4) while they have contributed to empowering women and generating multiplier effects in local economies, they also entailed significant private and social costs at the household and community levels; (5) CCTs were not perceived as effective safety nets for emergency situations; (6) these cash transfers were able to tackle several problems in a single policy response - through combining income transfers with demand-side incentives for long-run human capital accumulation. In conclusion, the author recommends that governments ought to consider their own country specificities carefully before adopting CCTs indiscriminately; in that if a country's macroeconomic model perpetuates inequality, limits productive investment, restricts employment and generates poverty, CCTs end up functioning as a mere relief measure with localised impacts.

45. **Caldés Natàlia, David Coady and John A. Maluccio. 2006. The cost of poverty alleviation transfer programs: A comparative analysis of three programs in Latin America. Pages 818-837**

**World Development Vol. 34, No. 5, pp. 818–837, 2006.**

[http://www.sciencedirect.com/science?\\_ob=MIimg&\\_imagekey=B6VC6-4JGJGVJ-3-1&\\_cdi=5946&\\_user=1916569&\\_orig=browse&\\_coverDate=05%2F31%2F2006&\\_sk=999659994&\\_view=c&\\_wchp=dGLbVzb-zSkWW&\\_md5=f5502f1df7078c1415323f39dd0bb672&\\_ie=/sdarticle.pdf](http://www.sciencedirect.com/science?_ob=MIimg&_imagekey=B6VC6-4JGJGVJ-3-1&_cdi=5946&_user=1916569&_orig=browse&_coverDate=05%2F31%2F2006&_sk=999659994&_view=c&_wchp=dGLbVzb-zSkWW&_md5=f5502f1df7078c1415323f39dd0bb672&_ie=/sdarticle.pdf)

A common criticism of antipoverty programs is that the high share of administrative (nontransfer) costs substantially reduces their effectiveness. Yet, there is surprisingly little rigorous empirical evidence on program costs. Improved information and a better understanding of the costs of such programs are crucial for effective policymaking. This study proposes and implements a replicable methodology for a comparative cost analysis of three similar poverty alleviation programs in Latin America, and assesses their cost efficiency. The findings underscore that any credible assessment of cost efficiency requires a detailed analysis of program cost structures that goes well beyond simply providing aggregate cost information.

**46. De Andraca, Ana Maria. 2006. Programas de Becas Estudiantiles: experiencias latinoamericanas. Cuaderno de investigación del IPE. UNESCO.**

<http://unesdoc.unesco.org/images/0015/001502/150249s.pdf>

**47. Glassman, Amanda, Jessica Todd and Marie Gaarder. 2007. Performance-Based Incentives for Health: Conditional Cash Transfer Programs in Latin America and the Caribbean. Center for Global Development Working Paper 120.**

<http://www.cgdev.org/content/publications/detail/13542>

Poor families in the developing world often lack the resources to take advantage of healthcare. Distance to health facilities, lost wages due to illness, the costs of care-taking and care-seeking, facility fees and other out-of-pocket costs limit access and can threaten to drive poor families deeper into poverty. Conditional Cash Transfer (CCT) programs--which transfer cash to poor mothers for use of health services and education--are one of the strategies to create incentives for the poor to use preventive health care services. Evaluations show that CCT programs work, and their use is spreading rapidly throughout the developing world. Since 1997, seven countries in Latin America and the Caribbean have implemented and evaluated CCT programs with health and nutrition components, and other countries are in the process of developing programs. This paper analyzes key features of CCT programs and offers practical advice for the design of future CCT programs.

**48. Handa, Sudhanshu and Benjamin Davis. 2006. “The Experience of Conditional Cash Transfers in Latin America and the Caribbean.” *Development Policy Review*, 2006, 24 (5): 513-536.**

<http://www.blackwell-synergy.com/doi/abs/10.1111/j.1467-7679.2006.00345.x#search=%22The%20Experience%20of%20Conditional%20Cash%20Transfers%20in%20Latin%20America%20and%20the%20Caribbean%22>

This article discusses the experience of six conditional cash transfer programmes in Latin America, a model of social safety-nets which has grown to dominate the social protection sector in the region during the past decade. While they have been generally successful in terms of achieving their core objective, it is still not clear whether these programmes constitute the most cost-efficient or sustainable solution to the development bottleneck they seek to address. Furthermore, the almost exclusive focus on the human capital accumulation of children leads to missed opportunities in terms of impact on household welfare and the broader rural development context.

**49. Lindert, Kathy. 2005. Reducing Poverty and Inequality in Latin America: The Promise of Conditional Cash Transfers. Presentation for the International Training Centre of the ILO November 25, 2005.**

[http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/281945-1131738167860/Lindert\\_LAC\\_Promise\\_of\\_CCTs.pdf](http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/281945-1131738167860/Lindert_LAC_Promise_of_CCTs.pdf)

- 50. Nigenda Gustavo, Luz María González-Robledo. 2005. Lessons offered by Latin American cash transfer programmes, Mexico's Oportunidades and Nicaragua's SPN. Implications for African countries. DFID Health Systems Resource Centre.**

[http://www.eldis.org/fulltext/verypoor/5\\_nigenda.pdf](http://www.eldis.org/fulltext/verypoor/5_nigenda.pdf)

Cash transfer programmes in Latin America have been intensively studied and evaluated. This makes it possible to undertake a thorough systematization of the generated information in order to identify useful lessons for other developing countries starting their own programmes. This paper describes the cases of Mexico–Oportunidades and Nicaragua Social Protection Network as well as cash transfer programmes in Malawi and Zambia. In its final section the paper discusses the possible implications of the Latin American experiences on the development of these kinds of programmes in African countries.

- 51. Rawlings, Laura B. 2005. A new approach to social assistance: Latin America's experience with conditional cash transfer programmes. International Social Security Review, Vol. 58, 2-3/2005.**

<http://www.blackwell-synergy.com/doi/abs/10.1111/j.1468-246X.2005.00220.x>

Conditional cash transfers are a departure from more traditional approaches to social assistance that represents an innovative and increasingly popular channel for the delivery of social services. Conditional cash transfers provide money to poor families contingent upon certain behaviour, usually investments in human capital such as sending children to school or bringing them to health centres on a regular basis. They seek both to address traditional short-term income support objectives and promote the longer-term accumulation of human capital by serving as a demand-side complement to the supply of health and education services. Evaluation results reveal that this innovative design has been quite successful in addressing many of the failures in delivering social assistance such as poor poverty targeting, disincentive effects and limited welfare impacts. There is clear evidence of success from the first generation of programmes in Brazil, Colombia, Mexico and Nicaragua in increasing enrolment rates, improving preventive healthcare and raising household consumption. Despite this promising evidence, many questions remain unanswered about conditional cash transfer programmes, including the replicability of their success under different conditions, their ability to address a broader range of challenges posed by poor and vulnerable populations, their role within a broader social protection system, and their long-term effectiveness in preventing the intergenerational transmission of poverty.

- 52. Stecklov, Guy, Paul Winters, Jessica Todd and Ferdinando Regalia. 2006. Demographic Externalities from Poverty Programs in Developing Countries: Experimental Evidence from Latin America. Working Paper No. 2006-1, American University, Washington, D.C.**

<http://www.american.edu/academic.depts/cas/econ/workingpapers/2006-01.pdf>

Conditional cash transfer programs have been shown to be effective development strategies for raising human capital investments in children in many LDCs. In this paper, we use experimental data from cash transfer programs in three Latin America countries to assess the potential, unintended impact of conditional cash transfers programs on childbearing. Because cash transfer programs both affect household resource levels as well as possibly shape parental preferences for quality versus quantity of children, they may prove to have unintended demographic externalities. Our findings show that the program in Honduras, which may have inadvertently been designed to create incentives to have children, may have in fact raised fertility by somewhere between 2-4 percentage points – a non-negligible impact in a country where fertility is relatively high. In the two other countries where the programs did not include the same unintentional incentives, Mexico and Nicaragua, we found no net impact of the programs on fertility. Our analysis also explored the potential mechanisms through which fertility in Honduras may have risen and we find that marriage rates may have increased. Furthermore, there is some indication in the other two countries that contraceptive use rose but this might be simply to counteract the impact of reduced spousal separation – another possible unintentional impact of the poverty programs.

53. Villatoro Pablo. 2005. **Conditional cash transfer programmes: experiences from Latin America.** CEPAL Review N° 86.

<http://www.eclac.cl/publicaciones/SecretariaEjecutiva/2/LCG2282PI/g2282iVillatoro.pdf>

This article analyses the experience of five conditional cash transfer programmes established in Latin America to reduce poverty and increase human capital in the form of education, health and nutrition. These innovative programmes should help towards the Millennium Development Goals, and some have become pillars of their countries' anti-poverty efforts. The article begins by presenting some of the concepts that underline conditional transfer programmes. It then goes on to examine the following experiences: the Bolsa Escola programme and the Programme for the Eradication of Child Labour (Brazil), Families in Action (Colombia), the Social Protection Network (Nicaragua) and the Oportunidades programme (Mexico), analysing their goals, components, targeting mechanisms, impact and efficiency. The article concludes by offering some policy recommendations and identifying design components that might serve as good practice when programmes of this kind are implemented.

## **Argentina**

### ***Programa Familias***

Ministerio desarrollo social. Plan Familias por la inclusión social.

Website: <http://www.desarrollosocial.gov.ar/planes/pf/default.asp>

### ***Programa Nacional de Becas Estudiantiles***

54. Heinrich Carolyn J. 2007. **Demand and Supply-Side Determinants of Conditional Cash Transfer Program Effectiveness.** *World Development* Vol. 35, No. 1, pp. 121–143, 2007.

[http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6VC6-4MBT2C1-1&\\_user=1916569&\\_rdoc=1&\\_fmt=&\\_orig=search&\\_sort=d&\\_view=c&\\_acct=C000055300&\\_version=1&\\_urlVersion=0&\\_userid=1916569&md5=54c72c88453489aafaa82755671efe3f](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6VC6-4MBT2C1-1&_user=1916569&_rdoc=1&_fmt=&_orig=search&_sort=d&_view=c&_acct=C000055300&_version=1&_urlVersion=0&_userid=1916569&md5=54c72c88453489aafaa82755671efe3f)

The Programa Nacional de Becas Estudiantiles is a conditional cash transfer program designed to promote human capital accumulation and reduce poverty among Argentine youth. This study follows a 1999 cohort of students for five years and uses matching methods with a comparison group of students excluded due to quotas to estimate average and marginal program impacts. Multilevel methods are used to explore the role of program management and execution in explaining variation between schools in student outcomes. The results suggest that the Becas program improved students' attendance and performance, in part through program conditions requiring good attendance and academic progress for continued scholarship receipt.

55. Heinrich, Carolyn J. and Marcelo Cabrol. 2005. **Programa Nacional de Becas Estudiantiles Impact Evaluation Findings.** Working Paper, OVE/WP-06/July 27, 2005.

<http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=599401>

This nonexperimental evaluation of the *Programa Nacional de Becas Estudiantiles* in Argentina examines the program's impact on students' attendance (retention) in school, completion of the third cycle of *Educación General Básica*, their academic performance and work outside the home. In addition, students' perceptions of the effects of receiving the scholarship on their behavior were also reported.

## **Brazil**

Ministério do Desenvolvimento Social e Combate à Fome. Bolsa Família website:  
[www.mds.gov.br/bolsafamilia](http://www.mds.gov.br/bolsafamilia)

- 56. Bourguignon, Francois, Francisco Ferreira, and Phillippe Leite. 2003. “Conditional Cash Transfers, Schooling, and Child Labor: Micro-Simulation Brazil’s Bolsa Escola Program.” *World Bank Economic Review* 17(2): 229-254.**

<http://wber.oxfordjournals.org/cgi/reprint/17/2/229>

Cash transfers targeted to poor people, but conditional on some behavior on their part, such as school attendance or regular visits to health care facilities, are being adopted in a growing number of developing countries. Even where ex-post impact evaluations have been conducted, a number of policy-relevant counterfactual questions have remained unanswered. These are questions about the potential impact of changes in program design, such as benefit levels or the choice of the means-test, on both the current welfare and the behavioral response of household members. This paper proposes a method to simulate the effects of those alternative program designs on welfare and behavior, based on microeconometrically estimated models of household behavior. In an application to Brazil’s recently introduced federal Bolsa Escola program, we find a surprisingly strong effect of the conditionality on school attendance, but a muted impact of the transfers on the reduction of current poverty and inequality levels.

- 57. Cardoso Eliana, André Portela Souza. 2004. *The Impact of Cash Transfers on Child Labor and School Attendance in Brazil*. Department of Economics Vanderbilt University. Working Paper No. 04-W07.**

<http://www.vanderbilt.edu/Econ/wparchive/workpaper/vu04-w07.pdf>

The paper estimates the impact on school attendance and child labor of conditional cash payments to poor families in Brazil. It describes Brazil’s transfer programs and presents statistics on school attendance and child labor. In the second half of the 1990s, many municipalities had adopted the "Bolsa Escola" (a cash transfer conditional on school attendance) and/or the federal minimum income program (in place during 1999 and 2000 and replaced by the "Bolsa Escola Federal" in 2001). Although conditional cash transfer programs in Brazil have been in place since 1996, studies on their ex-post impact are very few. Micro household level data from the 2000 Census allows the use of propensity score methods to estimate the impact of income transfers on child labor and school attendance. The paper finds that income transfer programs had no significant effect on child labor but a positive and significant impact on school attendance. These preliminary results suggest that these programs have not been effective in fighting child labor in Brazil. They increase the chance of a poor child going to school but do not reduce her labor activity perhaps because she prefers to combine school and labor, considering that the transfers are too small to provide an incentive to forgo the labor income.

- 58. De la Brière Bénédicte, Kathy Lindert. 2005. *Reforming Brazil’s Cadastro Único to Improve the Targeting of the Bolsa Família Program*. Social Protection Discussion Paper Series.**

[http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2005/06/28/000011823\\_20050628134041/Rendered/PDF/327570SP0527.pdf](http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2005/06/28/000011823_20050628134041/Rendered/PDF/327570SP0527.pdf)

While targeting can effectively channel resources to the poor, implementation details matter tremendously to distributive outcomes. Several key factors affect performance, including: data collection processes; information management; household assessment mechanisms; institutional arrangements; and monitoring and oversight mechanisms. This report conducts an in-depth assessment of key design and implementation factors and their potential impact on outcomes for the

household targeting system Cadastro Único used in Brazil to target social programs to the poor and vulnerable.

- 59. De Janvry Alain, Frederico Finan, and Elisabeth Sadoulet, Donald Nelson and Kathy Lindert, Bénédicte de la Brière, and Peter Lanjouw. 2005. Brazil's Bolsa Escola Program: The Role of Local Governance in Decentralized Implementation. World Bank Social Protection Discussion Paper No. 0542.**

<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Safety-Nets-DP/0542.pdf>

This study analyzes the role of local governance in the implementation of Bolsa Escola, a decentralized conditional cash transfer program for child education in Brazil. It is based on a survey of 260 municipalities in four states of the Northeast. The analysis focuses on program implementation. Results show that there was considerable confusion over the municipality's role in beneficiary selection and consequently much heterogeneity in implementation across municipalities. Social Control Councils as direct accountability mechanisms were often not in place and poorly informed, weakening their role. However, electoral support for incumbent mayors rewarded larger program coverage, presence of Councils, and low leakages of benefits to the non-poor.

- 60. Lindert, Kathy, Linder, Anja, Hobbs, Jason, and de la Brière, Bénédicte. 2007. The Nuts and Bolts of Brazil's Bolsa Familia Program: Implementing Conditional Cash Transfers in a Decentralized Context. World Bank Social Protection Discussion Paper No. 0709. The World Bank.**

<http://siteresources.worldbank.org/INTLACREGTOPLABSOCPRO/Resources/BRBolsaFamiliaDiscussionPaper.pdf>

This paper is one in a series of World Bank Working Papers that seeks to document the experience of Brazil's Bolsa Família Program. It highlights the key "nuts and bolts" of designing and implementing the BFP in Brazil's decentralized context. Like other conditional cash transfers (CCTs), the BFP seeks to help (a) reduce current poverty and inequality, by providing a minimum level of income for extremely poor families; and (b) break the intergenerational transmission of poverty by conditioning these transfers on beneficiary compliance with human capital requirements (school attendance, vaccines, pre-natal visits). The program also seeks to help empower BFP beneficiaries by linking them to other complementary services.

- 61. World Bank. 2001. BRAZIL An Assessment of the Bolsa Escola Programs. Report No. 20208-BR, March 15, 2001.**

[http://imagebank.worldbank.org/servlet/WDS\\_IBank\\_Servlet?pcont=details&menuPK=64154159&searchMenuPK=64154240&theSitePK=501889&eid=000094946\\_01041107221120&siteName=IMAGEBANK](http://imagebank.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&menuPK=64154159&searchMenuPK=64154240&theSitePK=501889&eid=000094946_01041107221120&siteName=IMAGEBANK)

The report assesses the "Bolsa Escola" programs in Brazil, which are poverty-targeted social assistance programs, that provide cash grants to poor families with school-age children between the ages of seven to fourteen. These programs aim at increasing educational attainment, to reduce current, and future poverty, as well as child labor, and, implicitly, to act as a partial safety net. The rationale for these programs should be considered in the context of the current picture of poverty in the country, where the strongest correlates of current poverty is low education. The programs under discussion have widespread support, and fit well into Brazil's larger social protection, and poverty reduction strategies, because they explicitly target the poor, with sound criteria for beneficiary selection, based on a score system, comprising living standards indicators. Preliminary evidence suggests the programs have been reasonably successful in targeting, and points to improvements in education, and poverty outcomes, although evidence on child labor reduction, is inconclusive. The need to reach the "non-covered" population is suggested, as well as the level of cash transfers needs to be determined carefully, while the "Bolsa Escola" programs should not be seen by local

governments, as substitutes for investments in schools. Probably the biggest consideration in the successful expansion of these programs, is their fiscal affordability, bearing in mind the programs protect the structurally poor during crisis, equipping the next generation with risk reducing human capital.

## **Chile**

Gobierno de Chile. Ministerio de Planificacion. Chile Solidario website:

<http://www.chilesolidario.gov.cl/>

Programa Puente (Chile): [www.programapuente.cl](http://www.programapuente.cl)

**62. Galasso, Emanuela. 2006. "With their effort and one opportunity": Alleviating extreme poverty in Chile. Development Research Group, World Bank.**

<http://www.iadb.org/res/publications/pubfiles/pubS-001.pdf>

This paper evaluates the effect of an anti-poverty program, Chile Solidario, during its first two years of operation. We exploit the exogenous geographic variation in the assignment of the program to estimate the impact of the program on a large array of socio-economic outcomes. Program impact is estimated under different empirical methods. We find that the program tends to improve education and health outcomes of the participating households, increases significantly their take-up of cash assistance programs and of social programs for housing and employment. There is no evidence that the participation to employment program translates into improved employment or income outcomes in the short term. Finally, we provide suggestive evidence of the key role that the psycho-social support had in enabling this change, by increasing awareness of social services in the community as well as households' orientation towards the future.

**63. Palma, Julieta and Raúl Urzúa. 2005. Anti-poverty Policies and Citizenry: the Chile Solidario Experience. Policy Papers / 12, UNESCO.**

<http://unesdoc.unesco.org/images/0014/001402/140240e.pdf>

In this paper, and based on the results of the research programme, we summarize the development of Chile's social and anti-poverty policies, then look at the way the *Chile Solidario* programme was designed, describe its components and some of its findings, and examine some consequences for intra and extra institutional relationships. In the concluding section we include some suggestions on how to improve citizen participation in the programme.

## **Colombia**

Republica de Colombia, Familias en Acción website:

<http://www.accionsocial.gov.co/contenido/contenido.aspx?catID=204&conID=157>

**64. Attanasio, Orazio, Emla Fitzsimons, Ana Gomez, Diana Lopez, Costas Meghir, and Alice Mesnard. 2006. "Child Education and Work Choices in the Presence of a Conditional Cash Transfer Programme in Rural Colombia." WP06/01, Institute for Fiscal Studies, London.**

<http://www.ifs.org.uk/wps/wp0601.pdf>

Our analysis of the effect of the programme on school enrolment differs from most existing evaluations, in that we can disentangle anticipation effects from "true" effects of the programme. This is because we observe school enrolment rates in around half of the treated areas for each of two years before the programme started. Whilst there is always the concern that enrolment just before a programme is implemented is already affected by individuals anticipating the subsidy, this is much

less of a concern for enrolment two years before the programme starts. It turns out that anticipation effects are significant but not very large. Whilst of course this cannot be generalised to similar evaluations, it is nonetheless the case that evidence of strong anticipation effects would not bode well for studies that do not have the data to separately identify them.

- 65. Attanasio, Orazio, Emla Fitzsimons, and Ana Gomez. 2005. “The Impact of a Conditional Education Subsidy on School Enrolment in Colombia.” REPORT SUMMARY FAMILIAS 01, Institute for Fiscal Studies, London.**

[http://www.ifs.org.uk/edepo/rs\\_fam01.pdf](http://www.ifs.org.uk/edepo/rs_fam01.pdf)

Familias en Acción (FA) is a welfare programme that was designed to enrich a number of constituents of human capital. The targeted components include health, nutrition and education, and the targeted population comprises individuals living in the poorest 20% of households in selected areas in rural Colombia. The implementation of the programme began in 2001, and it was fully in operation in all targeted (treatment) communities – 57 in total – by 2003. In this report, we assess the short-term impact of the programme on enrolment in education.

- 66. Attanasio, Orazio, Luis Carlos Gomez, Patricia Heredia, and Marcos Vera-Herneandez. 2005. “The Short-Term Impact of a Conditional Cash Subsidy on Child Health and Nutrition in Colombia.” REPORT SUMMARY: FAMILIAS 03, Institute for Fiscal Studies, London.**

[http://www.ifs.org.uk/edepo/rs\\_fam03.pdf](http://www.ifs.org.uk/edepo/rs_fam03.pdf)

In this report, we will focus on the programme Familias en Acción (FA), the large-scale CCT implemented by the Colombian government since 2001–02. In particular, we will provide estimates of how the programme has influenced nutrition and health-related indicators for children in the short term, roughly one year after its implementation. See Attanasio, Fitzsimons and Gómez (2005) and Attanasio and Mesnard (2005) for summaries of how the programme influenced education and consumption indicators.

- 67. Attanasio, Orazio, and Alice Mesnard. 2005. “The Impact of a Conditional Cash Transfer Programme on Consumption in Colombia.” REPORT SUMMARY FAMILIAS 02, Institute for Fiscal Studies, London.**

[http://www.ifs.org.uk/edepo/rs\\_fam02.pdf](http://www.ifs.org.uk/edepo/rs_fam02.pdf)

In this report, we assess the short-term impact of the Colombian welfare programme Familias en Acción on consumption and its components. Familias en Acción (FA) is a conditional cash programme run by the Colombian government with the purpose of fostering the accumulation of human capital. The programme, inspired by the Mexican PROGRESA, has three main components: health, nutrition and education, and is targeted at the poorest 20% of households in selected areas in rural Colombia. The implementation of the programme began in 2002, and it was fully in operation in all targeted (treatment) communities, 627 in total, by 2003. In 2004, around 340,000 households were benefiting from the programme.

- 68. Attanasio Orazio, Erich Battistin, Emla Fitzsimons, Alice Mesnard, and Marcos Vera-Hernández. 2005. How effective are conditional cash transfers? Evidence from Colombia. Briefing Note No. 54, Institute for Fiscal Studies.**

<http://www.ifs.org.uk/bns/bn54.pdf>

In this Briefing Note, we will focus on the programme Familias en Acción (FA), the CCT implemented by the Colombian government from 2001/02. In particular, we will provide estimates of how the programme has influenced key welfare indicators such as school attendance, child nutrition and health status, as well as household consumption. In this respect, we will update the preliminary results that were reported in Attanasio et al. (2003 and 2004).

- 69. Attanasio, Orazio, et al. 2004. “Baseline Report on the Evaluation of Familias en Accion.” Institute for Fiscal Studies, London.**

[http://www.ifs.org.uk/e depo/wps/familias\\_accion.pdf](http://www.ifs.org.uk/e depo/wps/familias_accion.pdf)

This report describes the survey that was carried out in 122 communities in rural Colombia by the consortium formed by the Institute for Fiscal Studies, Econometria and SEI as the baseline for the impact evaluation of Familias en Acción, a programme to foster the accumulation of human capital in rural Colombia, run by the Colombian government. In this report, we will not describe in detail the programme or the methodology of the proposed evaluation, as this was done in IFS-Econometria-SEI (2003a). The main aim of the document is to discuss the first, baseline survey that was collected for this evaluation. While the baseline survey cannot, by definition, be used to perform impact evaluation, towards the end of the report we exploit the slightly peculiar way in which the programme was started and have a first very preliminary glance at some of the impacts that the programme might have. The methodological caveats on interpreting these results should be taken very seriously.

- 70. Barrera-Osorio, Felipe, Bertrand, Marianne, L. Linden, Leigh and Perez-Calle, Francisco. 2008. Conditional cash transfers in education : design features, peer and sibling effects evidence from a randomized experiment in Colombia. Policy Research working paper ; no. WPS 4580.**

[http://econ.worldbank.org/external/default/main?pagePK=64165259&theSitePK=469372&piPK=64165421&menuPK=64166093&entityID=000158349\\_20080416114515](http://econ.worldbank.org/external/default/main?pagePK=64165259&theSitePK=469372&piPK=64165421&menuPK=64166093&entityID=000158349_20080416114515)

This paper presents an evaluation of multiple variants of a commonly used intervention to boost education in developing countries - the conditional cash transfer - with a student level randomization that allows the authors to generate intra-family and peer-network variation. The analysis tests three treatments: a basic conditional cash transfer treatment based on school attendance, a savings treatment that postpones a bulk of the cash transfer due to good attendance to just before children have to re-enroll, and a tertiary treatment where some of the transfers are conditional on students' graduation and tertiary enrollment rather than attendance. On average, the combined incentives increase attendance, pass rates, enrollment, graduation rates, and matriculation to tertiary institutions. Changing the timing of the payments does not change attendance rates relative to the basic treatment but does significantly increase enrollment rates at both the secondary and tertiary levels. Incentives for graduation and matriculation are particularly effective, increasing attendance and enrollment at secondary and tertiary levels more than the basic treatment. There is some evidence that the subsidies can cause a reallocation of responsibilities within the household. Siblings (particularly sisters) of treated students work more and attend school less than students in families that received no treatment. In addition, indirect peer influences are relatively strong in attendance decisions with the average magnitude similar to that of the direct effect.

- 71. Departamento Nacional de Planeación. 2004. Programa Familias en Accion. Condiciones Iniciales de los beneficiarios e impactos preliminares.**

[http://www.dnp.gov.co/archivos/documentos/DEPP\\_Evaluacion\\_Impacto\\_RAS/Familias\\_en\\_accion\\_web.pdf](http://www.dnp.gov.co/archivos/documentos/DEPP_Evaluacion_Impacto_RAS/Familias_en_accion_web.pdf)

Este documento presenta los fundamentos de la evaluación de impacto del programa Familias en Acción. Además de los aspectos metodológicos, describe los resultados de la encuesta de línea de base que caracteriza las condiciones iniciales de los beneficiarios al inicio del Programa. Igualmente, analiza los impactos preliminares del mismo.

- 72. Departamento Nacional de Planeación. 2006. Programa Familias en Acción Impacto del Programa a un año y medio de su ejecución, 2006.**

[http://www.dnp.gov.co/archivos/documentos/DEPP\\_Evaluacion\\_Impacto\\_RAS/Eval\\_Polits\\_Publicas\\_4\\_familias\\_accion.pdf](http://www.dnp.gov.co/archivos/documentos/DEPP_Evaluacion_Impacto_RAS/Eval_Polits_Publicas_4_familias_accion.pdf)

Desde finales de la década de los 90, Colombia experimentó una grave crisis económica que se vio reflejada en la pérdida de bienestar de la población. En particular las altas tasas de desempleo

generaron un menor ingreso en la población pobre y por tanto menor consumo de los hogares, así como menores niveles de asistencia escolar y de atención a la niñez. Para contrarrestar estos efectos, el Estado colombiano diseñó y puso en marcha la Red de Apoyo Social (RAS) como una estrategia integral para atender, en el ámbito nacional, a las principales poblaciones afectadas por la crisis. Desde 2001 Familias en Acción, como parte de esta estrategia, y con una inversión anual de US\$116 millones anuales, se propuso mitigar los efectos de la crisis económica en la población más pobre, a través de un nuevo esquema de subsidios de salud, educación y nutrición. Por lo anterior, la presidencia de la República y el Departamento Nacional de Planeación, con el apoyo del Banco Mundial y el Banco Interamericano de Desarrollo, pusieron en marcha una evaluación de impacto del programa para identificar sus efectos en la población beneficiaria. Esta publicación es el cuarto volumen de la serie “Evaluación de Políticas Públicas”, forma parte del esfuerzo del Estado a través del Sistema Nacional de Evaluación (Sinergia) por consolidar la evaluación como una práctica permanente de la función pública. En este volumen se corroboran los impactos en el capital social de la población beneficiaria y se examina la relación con otro programa de asistencia social altamente reconocido, los Hogares Comunitarios de Bienestar (HCB) del ICBF.

## **Costa Rica**

- 73. Duryea Suzanne, and Andrew Morrison. 2004. The Effect of Conditional Transfers on School Performance and Child Labor: Evidence from an Ex-Post Impact Evaluation in Costa Rica. Inter-American Development Bank, World Bank, February 2004.**

<http://www.iadb.org/res/publications/pubfiles/pubWP-505.pdf>

Conditional transfer programs are becoming a common approach to influence household decisions. The evidence to date is that these programs are good at promoting certain outcomes such as school attendance, but that other outcomes such as reducing child labor are more difficult to achieve. This study examines the impact of Superémonos, a conditional transfer program in Costa Rica, which provides poor families with a subsidy for the purchase of food conditional upon children regularly attending school. Using three different empirical techniques— simple comparison of mean outcomes, regression analysis and propensity score matching—we examine the program’s impact on school attendance, performance in school and child labor. We find strong evidence that the program achieves its goal of improving school attendance and much weaker evidence regarding school performance. The program does not reduce the likelihood that youth will work. These findings are discussed in the context of the results from impact evaluations of other conditional transfer programs.

## **Dominican Republic**

- 74. Regalia, Ferdinando and Marcos Robles. 2005. SOCIAL ASSISTANCE, POVERTY AND EQUITY IN THE DOMINICAN REPUBLIC. Inter-American Development Bank December 15, 2005.**

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=720793>

Given that the accumulation of productive assets (human and physical capital) takes time, redistributive transfers can play an important role in the short-term in addition to their longer term poverty and inequality reducing impacts. The Dominican Republic invests a considerable amount of public resources in transfer and subsidy programs with the main objective of redistributing income to (and subsidizing consumption of) the poor. This study measures the effectiveness with which publicly-financed transfers redistribute income. This study also assesses the potential of the Unified System of Beneficiary Identification (Sistema de Identificación de Beneficiarios - Índice de Condiciones de Vida, SIUBEN-ICV) to improve the targeting performance of social assistance programs against other Proxy Means Test (PMT) instruments. Finally, this study examines the

redistributive potential of Comer es Primero and ILAE, two Conditional Cash Transfer programs recently launched by the Government, and of the possible changes in the rules of operation of the LPG gas subsidy.

## **Ecuador**

Bono de Desarrollo Humano website: <http://www.pps.gov.ec/>

**75. Armas, Amparo. 2005. Redes e institucionalización en Ecuador. Bono de Desarrollo Humano Santiago de Chile, noviembre del 2005, United Nations, CEPAL.**

<http://www.cepal.org/publicaciones/UnidadMujer/5/LCL2405/lcl2405e.pdf>

El Programa del Bono de Desarrollo Humano (BDH) es uno de los ejes de la Agenda de Desarrollo Humano en el Ecuador. Iniciado en 1998 como Bono Solidario, el BDH es actualmente un Programa de transferencia de recursos económicos, condicionada a la inversión en educación y salud, dirigido a los hogares más pobres. Desde su inicio, la transferencia fue dirigida a las madres de los hogares seleccionados - alrededor de un millón de mujeres ecuatorianas son parte de este Programa. El Estudio tiene como objetivo evaluar el Bono de Desarrollo Humano desde la perspectiva de género y establecer una propuesta para mejorar el Programa desde la perspectiva de los derechos de las mujeres, así como para garantizar su acceso a los servicios básicos. El documento introduce elementos del contexto de la pobreza en el país y, en tanto el Programa BDH ha sido implementado por cuatro gobiernos consecutivos, se hace referencia a su ubicación en las distintas instancias públicas de acuerdo a los cambios de concepción y sentido atribuido a la transferencia, así como su participación en el gasto social del país. El Estudio combina los resultados de nivel macro social presentados por las evaluaciones de impacto del Programa sobre la pobreza, con una evaluación cualitativa desarrollada con grupos de mujeres y actores locales en tres cantones del país.

**76. Carrillo, Paul E. and Juan Ponce Jarrín. 2008. Efficient delivery of subsidies to the poor: Improving the design of a cash transfer program in Ecuador. Forthcoming, Journal of Development Economics.**

[http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6VBV-4TK47GP-1&\\_user=1916569&\\_rdoc=1&\\_fmt=&\\_orig=search&\\_sort=d&\\_view=c&\\_acct=C000055300&\\_version=1&\\_urlVersion=0&\\_userid=1916569&md5=25ceac7fcb7b24ecc0af209fbfe01d18](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6VBV-4TK47GP-1&_user=1916569&_rdoc=1&_fmt=&_orig=search&_sort=d&_view=c&_acct=C000055300&_version=1&_urlVersion=0&_userid=1916569&md5=25ceac7fcb7b24ecc0af209fbfe01d18)

Many governments provide monetary transfers to low-income families. The mechanism through which these subsidies are distributed may contain several inefficiencies that diminish the net-value obtained by the recipients. In this paper, we build and estimate a behavioral dynamic model that allows us to evaluate the efficiency of current and alternative distribution mechanisms. The proposed model is simple and resembles the individual's decision to collect the transfer. To estimate it, we use data from a cash transfer program in Ecuador where recipients incur high transaction costs each time they collect their benefits. Despite its simplicity, our model is able to replicate the observed data remarkably well. We use it to simulate alternative payment mechanisms and show that an adequate design of the delivery of payments can substantially increase the value of cash transfer programs.

**77. Schady, Norbert R., and Maria Caridad Araujo. 2006. “Cash, Conditions, School Enrollment, and Child Work: Evidence from a Randomized Experiment in Ecuador.” World Bank Policy Research Working Paper 3930, June 2006.**

[http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2006/05/30/000016406\\_20060530155839/Rendered/PDF/wps3930.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2006/05/30/000016406_20060530155839/Rendered/PDF/wps3930.pdf)

The impact of cash transfer programs on the accumulation of human capital is a topic of great policy importance. An attendant question is whether program effects are larger when transfers are

“conditioned” on certain behaviors, such as a requirement that households enroll their children in school. This paper uses a randomized study design to analyze the impact of the *Bono de Desarrollo Humano* (BDH), a cash transfer program, on enrollment and child work among poor children in Ecuador. The main results in the paper are two. First, the BDH program had a large, positive impact on school enrollment, about 10 percentage points, and a large, negative impact on child work, about 17 percentage points. Second, the fact that some households believed that there was a school enrollment requirement attached to the transfers, even though such a requirement was never enforced or monitored in Ecuador, helps explain the magnitude of program effects.

- 78. Ponce, Juan. 2006. The Impact of a Conditional Cash Transfer Program on Students’ Cognitive Achievements: The Case of the “Bono de Desarrollo Humano” in Ecuador. Documento de Trabajo 06/301. Facultad Latinoamericana de Ciencias Sociales – Sede Ecuador.**

[http://www.flacso.org.ec/docs/desa\\_humano.pdf](http://www.flacso.org.ec/docs/desa_humano.pdf)

- 79. Ponce, Juan and Arjun S. Bedi. 2008. The Impact of a Cash Transfer Program on Cognitive Achievement: The Bono de Desarrollo Humano of Ecuador. IZA Discussion Paper No. 3658. Institute for the Study of Labor, August 2008. <http://ftp.iza.org/dp3658.pdf>**

Throughout Latin America, conditional cash transfer (CCT) programs play an important role in social policy. These programs aim to influence the accumulation of human capital, as well as reduce poverty. In terms of educational outcomes, a number of impact evaluation studies have shown that such programs have led to an increase in school enrollment, ensured regular school attendance and led to a reduction in child labor. Theoretically, such cash transfer programs may also be expected to exert a positive impact on students’ test scores, but related empirical evidence is scarce. Accordingly, this paper evaluates the impact of a cash transfer program, the Bono de Desarrollo Humano of Ecuador, on students’ cognitive achievements. The paper uses a regression discontinuity strategy to identify the impact of the program on second grade cognitive achievement. Regardless of the specification and the sample used, we find that there is no impact of the program on test scores, suggesting that attempts at building human capital, as measured by cognitive achievement, require additional and alternative interventions.

- 80. Velásquez- Pinto, Mario D. 2004. The Bono Solidario in Ecuador: an exercise in targeting, ESS paper 17, Social Security Policy and Development Branch, International Labour Office. <http://www-ilo-mirror.cornell.edu/public/english/protection/socsec/download/esspaper17.pdf>**

This report has sought to identify the main problems presented by the Bono Solidario and some possible areas for its redesign. The results obtained, although preliminary and subject to empirical comparison, suggest that it is possible to improve efficiency by developing mechanisms to target those persons whom the Programme itself has defined as eligible. In effect, optimal targeting would bring current costs down by one-third. It would also be possible to link the payment of this cash transfer to complementary programmes specifically designed to assist current beneficiaries in developing productive activities. Through job training and the establishment of a microcredit arrangement, the idea would be to link short-term needs to the challenge of creating the necessary conditions for overcoming poverty in the medium term. In short, the exercise proposed in this report suggests that the foregoing may be possible, and that greater efficiency in targeting goes hand-in-hand with the implementation, over time, of measures aimed at supporting beneficiaries in efforts to overcome their current status of poverty. The possibility exists that both prongs of the proposal could imply costs no higher than the current ones, since ultimately they would involve reallocating existing resources.

## **Honduras**

- 81. Glewwe Paul, Pedro Olinto, Priscila Z. de Souza. 2003. Evaluating the Impact of Conditional Cash Transfers on Schooling in Honduras: An experimental approach. First Draft (Incomplete), February, 2003.**

The Programa de Asignación Familiar (PRAF) is one of the largest government social welfare programs in Honduras, the third poorest country in Latin America and the Caribbean (in terms of per capita GNP). PRAF was initiated in 1990 as a social safety net to compensate the poor for lost purchasing power brought about by macroeconomic adjustment. It was restructured in 1998, and now includes a reformulated project known as PRAF/IDB - Phase II (henceforth referred to as PRAF II). The objective of this project is to encourage poor households to invest in their family's education and health by providing incentives to increase primary school enrollment, the use of preventive health care services, and the quality of both education and health-care services. An unusual and important feature of the PRAF II project is that it includes a monitoring and evaluation component managed by the International Food Policy Research Institute (IFPRI) to assess the program's impact over time. This paper is the first draft of a study that will evaluate the impact of PRAF II on education outcomes in poor communities in Honduras. This paper has the following outline. The next section explains the PRAF II program and the data that have been collected so far. Section III provides some descriptive statistics from data collected in 2000 from 70 poor municipalities in Honduras. An analysis of the impact of the program on school attainment is presented in Section IV. Finally, Section V provides brief concluding remarks.

- 82. IFPRI. 2001. Fourth Report of the PRAF Series PRAF/ IDB Phase II: Analysis of the Situation Before the Beginning of Distribution of Vouchers and Project Implementation. Washington, D.C. September 2001.**

[http://www.ifpri.org/themes/praf/praf\\_4eng.pdf](http://www.ifpri.org/themes/praf/praf_4eng.pdf)

The Family Allowance Program (Programa de Asignación Familia, PRAF) is a government effort that is at the forefront of projects to improve the conditions of the poorest in the country. In 1998, the project known as PRAF/BID Phase II began operations, with the objective of accelerating the accumulation of human capital in the poorest sectors of the nation. The project is characterized by a monitoring and evaluation system that is much stronger than that of any governmental program in Honduras and is administered in collaboration with the International Food Policy Research Institute (IFPRI) and a number of national collaborators. This document represents the first step in the evaluation process and describes the situation found in the area of influence of the project at the beginning of the program intervention. The report presents data generated from interviews with a representative sample of beneficiary and non-beneficiary families, and data collected from health and education institutions. Research methods have been previously described in the third IFPRI report of this series. This report is dedicated to the people of western Honduras.

- 83. IFPRI. 2000. SECOND REPORT: Implementation Proposal for the PRAF/ IDB Project – Phase II PROJECT COORDINATING UNIT (UCP). March 27, 2000.**

[http://www.ifpri.org/themes/praf/praf\\_2eng.pdf](http://www.ifpri.org/themes/praf/praf_2eng.pdf)

- 84. Moore, Charity. 2008. Assessing Honduras' CCT Programme PRAF, Programa de Asignación Familiar: Expected and Unexpected Realities. Country Study no. 15, International Poverty Center, Brasilia, Brazil.**

<http://www.undp-povertycentre.org/pub/IPCCountryStudy15.pdf>

This Country Study investigates the evolution and current state of Honduras' conditional cash transfer programme, known as PRAF, the Programa de Asignación Familiar. The details of the past and current programmes are examined closely, with special attention paid to what can be

learned from the experiences. While the programme was originally intended to compensate poor households for the hardships imposed by structural adjustment, it has evolved into a programme focused on human capital development. In this respect, it is similar to other conditional cash transfer programmes. However, its history and the dual nature of the programme (one part based on an external loan and the other domestically driven) have hindered institutional transformation. Although there have been attempts to make the domestic programme more closely resemble the externally financed version of PRAF, this process has been hindered on several occasions. In fact, domestic programme co-responsibilities have been neither emphasized nor enforced in the past. While the current alignment of political and economic forces, both inside and outside the country, has given the programme the opportunity to positively transform itself, other factors run counter to this goal. Although the outcome of this transformation is yet to be fully determined, several important lessons can be learned from the experience of PRAF in Honduras. These relate to topics that include organizational alignment, targeting methodology, administration of transfers, programme evaluation, enforcement of co-responsibilities and supply-side complements to the programme. These issues are investigated so that other similar programmes can learn both the strengths and weaknesses of the Honduran experience.

85. **Morris, Saul, Rafael Flores, Pedro Olinto, Juan Manuel Medina. 2004. “Monetary Incentives in Primary Health Care and Effects on use and Coverage of Preventive Health Care Interventions in Rural Honduras: Cluster Randomised Trial” *The Lancet* 364: 2030-2037.**

[http://www.sciencedirect.com/science?\\_ob=MIimg&\\_imagekey=B6T1B-4DY0Y8M-12-3&\\_cdi=4886&\\_user=1916569&\\_orig=search&\\_coverDate=12%2F10%2F2004&\\_qd=1&\\_sk=996350549&view=c&wchp=dGLbVtb-zSkzS&md5=fa60550b955922a2fd2ea4faa9d7d4fc&ie=/sdarticle.pdf](http://www.sciencedirect.com/science?_ob=MIimg&_imagekey=B6T1B-4DY0Y8M-12-3&_cdi=4886&_user=1916569&_orig=search&_coverDate=12%2F10%2F2004&_qd=1&_sk=996350549&view=c&wchp=dGLbVtb-zSkzS&md5=fa60550b955922a2fd2ea4faa9d7d4fc&ie=/sdarticle.pdf)

Background Scaling-up of effective preventive interventions in child and maternal health is constrained in many developing countries by lack of demand. In Latin America, some governments have been trying to increase demand for health interventions by making direct payments to poor households contingent on them keeping up-to-date with preventive health services. We undertook a public health programme effectiveness trial in Honduras to assess this approach, contrasting it with a direct transfer of resources to local health teams. Methods 70 municipalities were selected because they had the country’s highest prevalence of malnutrition. They were allocated at random to four groups: money to households; resources to local health teams combined with a community-based nutrition intervention; both packages; and neither. Evaluation surveys of about 5600 households were undertaken at baseline and roughly 2 years later. Pregnant women and mothers of children younger than 3 years old were asked about use of health services (primary outcome) and coverage of interventions such as immunisation and growth monitoring (secondary outcome). Reports were supplemented with data from children’s health cards and government service utilisation data. Analysis was by mixed effects regression, accounting for the municipality-level randomisation. Findings The household-level intervention had a large impact (15–20 percentage points;  $p < 0.01$ ) on the reported coverage of antenatal care and well-child check-ups. Childhood immunisation series could thus be started more opportunely, and the coverage of growth monitoring was markedly increased (15–21 percentage points;  $p < 0.01$ ). Measles and tetanus toxoid immunisation were not affected. The transfer of resources to local health teams could not be implemented properly because of legal complications. Interpretation Conditional payments to households increase the use and coverage of preventive health care interventions.

## **Jamaica**

Ministry of Labor and Social Security. Program for Advancement through Health and Education (PATH) website: <http://www.mlss.gov.jm/pub/index.php?artid=23>

- 86. Ayala, Francisco with Cristina Endara. 2005. Policy Case Study *Cash Transfers Lessons Learnt from the Design and Implementation of a Conditional Cash Transfer Programme Jamaican case Programme for advancement through health and education. draft July 2005.***

[http://www.odi.org.uk/inter-regional\\_inequality/papers/Cash\\_transfers\(Jamaica\).pdf](http://www.odi.org.uk/inter-regional_inequality/papers/Cash_transfers(Jamaica).pdf)

Between 1999 and early 2000, several studies were ordered and financed by the World Bank and the Government of Jamaica, all of them oriented toward developing an integrated social safety net strategy. To date, one of its objectives, to rationalize and unify the three existing income transfer programmes (Food Stamps, Outdoor Poor Relief and Public Assistance) into one has not been achieved totally, notwithstanding the fact that the design implementation of the Conditional Cash Transfer Programme called Programme for Advancement through Health and Education (PATH) had been completed, proved successful, in replacement of the three that had been operating during a long time. The PATH was created to provide cash transfers to poor households who are subject to compliance with education and health conditions that promote the development of human capital of their members. The closing of the three programmes proved to be a difficult process, no political will on the part of the Parliament and Government and particular interests by the institutions holding those programmes, slowed down the reform process, not having achieved the reform policies in a period of four years. On the other hand, the implementation of PATH was easier, in April 2001, the WB and the GOJ decided to first implement the programme in one parish and later expanded into the remaining parishes. This approach would help fine-tune the overall programme design and implementation strategy, and thereby reduce the risk of committing costly mistakes at a large scale

- 87. Levy, Dan, Jim Ohls. 2007. Evaluation of Jamaica's PATH Program: Final Report. Mathematica Policy Research Inc.**

<http://www.mathematica.org/publications/PDFs/JamaicaPATH.pdf>

This report summarizes the findings of an evaluation of a social safety net initiative, the Programme Advancement Through Health and Education (PATH), which was undertaken by the Government of Jamaica, beginning in 2001. The main objectives of the initiative, which is operated by the Ministry of Labour and Social Security (MLSS), are to achieve better targeting of welfare benefits to the poor and to increase human capital by conditioning receipt of the benefits on participants meeting certain requirements for school attendance and health care visits. Under the programme, PATH eligibility is determined using a scoring formula which draws on detailed information about household circumstances. Benefits to eligible households are disbursed through the postal system. The conditioning requirements to increase human capital are enforced, based on information which is obtained through schools and health care centres.

- 88. Levy, Dan, and Jim Ohls. 2003. Evaluation of Jamaica's PATH Program: Methodology Report. Mathematica Policy Research, Inc. Washington DC.**

<http://www.mathematica-mpr.com/publications/PDFs/evaljamaica.pdf>

In response to concerns about poverty in Jamaica, the Government of Jamaica (GOJ) has developed the Programme Advancement Through Health and Education (PATH) program as a means to restructure several important social safety net programs, improve the targeting of program services, and link individuals to the assistance most appropriate for them. To assess the expected impacts of such program reforms, the government of Jamaica is conducting a rigorous, comprehensive evaluation of the PATH program. More specifically, the evaluation is structured around a quasi-experimental design that will use household survey data to determine whether PATH is reaching its intended population, alleviating poverty, and increasing the human capital of poor households as measured by school outcomes and health practices. This methodology report describes the plans that have been developed for the evaluation.

- 89. Overseas Development Institute. 2006. The Programme for Advancement through Health and Education (PATH), Policy Brief.**

[http://www.odi.org.uk/inter-regional\\_inequality/papers/Policy%20Brief%204%20-%20Jamaica.pdf](http://www.odi.org.uk/inter-regional_inequality/papers/Policy%20Brief%204%20-%20Jamaica.pdf)

## **Mexico**

SEDESOL, Programa de Desarrollo Humano Oportunidades website: <http://www.oportunidades.gob.mx/>

- 90. SEDESOL, Oportunidades External Evaluation website:**

<http://evaluacion.oportunidades.gob.mx:8010/en/index.php>

Since the Program began to operate, an evaluation component has been planned to quantify the Program's impact through rigorous methodologies using both quantitative and qualitative approaches. Following the Program's Operation Rules, the impact evaluation of Oportunidades was assigned to nationally and internationally prestigious academic and research institutions, such as the INSP (National Institute of Public Health), CIESAS, IFPRI, and CIDE, which warranted objective and reliable evaluations. The Evaluation of Oportunidades is a continuous process focused on analyzing the outcomes and impacts of the program. Moreover, this evaluation serves as the basis of a comprehensive valuation system that also allows for adjusting the program's design and execution and promotes the achievement of its objectives and goals. In brief, the evaluation of Oportunidades focuses on: - Measuring the outcomes and impacts on a short, medium, and long-term scale ; - Identifying the outcomes and impacts attributable to the Program, discerning effects associated with other factors, on individual, family, and community levels. - Analyzing indirect effects associated with the operation of the Program. - Providing new elements for continued improvement of the Program. In the past few years, evaluation efforts have been based on the relationship between the strategies and actions of the Program and their effects on the target population, both in rural and urban areas. The evaluation of the impact of Oportunidades has been internationally renowned for its academic solidity, its reliability, and its consistency. It is considered a model worthy of replication. Quantitative and qualitative evaluations have yielded a collection of information, including databases (quantitative and qualitative), questionnaires, technical and methodological notes, household studies, and review documents. All this information is available on this website.

- 91. Álvarez, Carola, Florencia Devoto, and Paul Winters. 2006. Why do the poor leave the safety net in Mexico? A study of the effects of conditionality on dropouts. No. 2006-10, May 2006.**

<http://www.american.edu/cas/econ/workingpapers/2006-10.pdf>

This paper analyzes the characteristics of beneficiaries that drop out of the Mexican conditional cash transfer program Oportunidades to determine if dropping out of the program is a result of selftargeting by the non-poor, the exclusion of the target poor population or a combination of both. The analysis, which uses a duration model, indicates that it is the wealthier beneficiaries that have greater odds of dropping out suggesting that conditionality acts as a screening device. Results also indicate that administrative factors and the particular provider of health services to beneficiaries have an important influence on dropouts.

- 92. Attanasio, Orazio, Costas Meghir, and Ana Santiago. 2005. "Education Choices in Mexico: Using a Structural Model and a Randomized Experiment to evaluate Progresas." , Working Paper EWP05/01 Institute for Fiscal Studies, London.**

<http://www.ifs.org.uk/e depo/wps/ewp0501.pdf>

In this paper we evaluate the effect of a large welfare program in rural Mexico. For such a purpose we use an evaluation sample that includes a number of villages where the program was not implemented for evaluation purposes. We estimate a structural model of education choices and argue that without such a framework it is impossible to evaluate the effect of the program and, especially, possible

changes to its structure. We also argue that the randomized component of the data allows us to identify a more flexible model that is better suited to evaluate the program. We find that the program has a positive effect on the enrollment of children, especially after primary school. We also find that an approximately revenue neutral change in the program that would increase the grant for secondary school children while eliminating for the primary school children would have a substantially larger effect on enrollment of the latter, while having minor effects on the former.

**93. Barham Tania. 2005. Providing a Healthier Start to Life: The Impact of Conditional Cash Transfers on Infant Mortality. University of Berkeley, Preliminary Draft.**

<http://are.berkeley.edu/~barham/IMR.pdf>

In this paper, I evaluate the impact of Mexico's conditional cash transfer program, Progresa, on infant mortality. While studies on other aspects of Progresa make use of a randomized treatment and control evaluation database performed in 506 communities, this database lacks sufficient sample size to measure the effect on infant mortality. Instead, I use vital statistics data to determine municipality-level, rural infant mortality rates and create a panel dataset covering the period 1992-2001. I take advantage of the phasing-in of the program over time both between and within municipalities to identify the impact of the program. I find that Progresa led to an 11 percent decline in rural infant mortality among households treated in Progresa municipalities. Reductions are as high as 36 percent in those communities where, prior to program interventions, the population all spoke some Spanish and had better access to piped water.

**94. Barham, Tania. 2005. The Impact of the Mexican Conditional Cash Transfer on Immunization Rates. UC-Berkeley, CA.**

<http://are.berkeley.edu/~barham/vaccination.pdf>

(...) Conditional cash transfers (CCT) are a policy tool that has recently been used to reduce poverty by building the human capital of children. They are a departure from pure income transfer programs since cash transfers are provided conditional on the beneficiary household engaging in a set of behaviors designed to improve their health, nutrition and education status. While improving vaccination coverage is not an explicit goal of CCT programs, meeting a regular schedule of vaccinations may be part of the conditionalities. For this reason they may prove to be an effective way to improve immunization rates. Our analysis takes advantage of a randomized experiment designed to investigate the impact of Progresa on vaccination coverage of measles and TB for children under the age of 36 months.<sup>1</sup> As a way to rigorously evaluate the program, the Mexican government randomized 506 Progresa villages into treatment and control villages. Eligible households in treatment communities received the conditional transfers starting in the spring of 1998, and control villages were brought on approximately a year and a half later. We utilize data from the May 1998, October 1998 and May 1999 evaluation surveys to determine the impact of the program 6 and 12 months post baseline (PBL) using a double difference estimator. (...)

**95. Behrman, Jere R., and Emmanuel Skoufias. 2006. Mitigating Myths about Policy Effectiveness: Evaluation of Mexico's Antipoverty and Human Resource Investment Program. The ANNALS of the American Academy of Political and Social Science, Vol. 606, No. 1, 244-275 (2006).**

<http://ann.sagepub.com/cgi/content/refs/606/1/244>

What is known about the effectiveness of many policies is dominated by prior beliefs or myths rather than by careful analyses. This article discusses an important exception to this generalization in which, in sharp contrast to most previous and much concurrent and subsequent practice, serious efforts at evaluation were implemented from the start: the Mexican PROGRESA/Oportunidades antipoverty and human resource investment program, initiated in 1997. The article begins by introducing the program and providing relevant background material and then summarizes initial evaluation results in rural areas, where both of the authors were extensively involved in the evaluation, and then turns more briefly to the current evaluation of Oportunidades in urban areas and the longer-run evaluation

of PROGRESA/Oportunidades in rural areas. This program has been an important model not only in terms of using conditional cash transfers to induce human resource investments but also in being serious about policy evaluation.

**96. Behrman, Jere, Piyali Sengupta and Petra Todd. 2000. The Impact of PROGRESA on Achievement Test Scores in the First Year. Final Report, IFPRI, Washington, D.C.**

[http://www.ifpri.org/themes/progresa/pdf/Behrman\\_achieve.pdf](http://www.ifpri.org/themes/progresa/pdf/Behrman_achieve.pdf)

Increasing human capital investments in children is considered to be among the most effective ways of alleviating poverty and encouraging growth in developing countries. One possibly important channel through which such investments may have such impacts is through increasing cognitive achievement of children. Previous literature suggests that improved cognitive achievement has payoffs in terms of greater wages and perhaps productivities in labor markets in developing countries. This paper evaluates the short-run effects on children's cognitive achievements of PROGRESA. One major component of PROGRESA is transfer payments to poor families with children enrolled in grades 3-6 of primary school and grades 1-3 of secondary school. Other components of PROGRESA include general transfers to such families and explicit nutrition supplements and health support for infants and small children. PROGRESA might have impact on children's cognitive achievement through a number of channels, some of which are relatively short run and others are relatively longer run. Previous IFPRI/PROGRESA Evaluation Project papers have considered some aspects of possible changes induced by PROGRESA that may have led or may eventually lead to improved cognitive achievement. But none of these studies consider the effects on child achievement test scores.

**97. Behrman, Jere and John Hoddinott. 2000. An Evaluation of the Impact of PROGRESA on Pre-School Child Height, Final Report, IFPRI, Washington, D.C.**

<http://www.ifpri.org/divs/fcnd/dp/papers/fcndp104.pdf>

The nutrition of preschool children is of considerable interest not only because of concern over their immediate welfare, but also because their nutrition in this formative stage of life is widely perceived to have substantial persistent impact on their physical and mental development and on their health status as adults. Children's physical and mental development shapes their later lives by affecting their schooling success and postschooling productivity. Improving the nutritional status of currently malnourished preschoolers may, therefore, have important payoffs over the long term. Within rural Mexico, stunting, or short height relative to standards established for healthy populations, is the major form of protein-energy malnutrition (PEM). Low weight for height, or wasting, is much less of a problem. But stunting is symptomatic of longer-term effects of early childhood malnutrition. One of the major components of the PROGRESA program has been directed toward improving the nutritional status of children in poor rural communities in Mexico. Cross-sectional comparisons of height for children who received PROGRESA treatment versus others who were in PROGRESA-eligible households but who did not receive treatment suggest no positive effect of PROGRESA, either on average child height or on the proportion of children who are stunted, i.e., more than two standard deviations below recognized norms. But these comparisons may be misleading because of the failure to control for unobserved child, parental and household, and market and community characteristics that may be correlated with children receiving the PROGRESA treatment, iii or because of the failure to control for systematic initial differences. For example, on average, the children in the control sample tended to have better anthropometric status than children in the treatment sample. The preferred estimates used in this study control for these factors. PROGRESA treatment is represented by those who reportedly received nutritional supplements in the treatment group (less than 60 percent of children in the treatment group) for children in the critical age range of 12 to 36 months. These estimates find significant effects of receiving PROGRESA treatment in increasing child growth and reducing the probability of child stunting. These estimates imply an increase of about one-sixth in mean growth per year for these children, and perhaps somewhat greater for children from poorer households and poorer communities but whose household heads are more

educated. This is a potentially important effect: under the assumptions that (1) there is strong persistence of changes in small children's anthropometric development so that the percentage changes for adults equal those (are half of those) that we estimate for children and (2) that adult anthropometric-earnings relations from elsewhere in Latin America apply to the labor markets in which these children will be working as adults, the impact from this effect alone would be a 2.9 percent (1.4 percent) increase in lifetime earnings. In addition, there are likely to be other effects through increased cognitive development, increased schooling, and lowered age of completing given levels of schooling through starting when younger and passing successfully grades at a higher rate. While these estimates remain fairly speculative, they suggest that PROGRESA may have substantial effects on lifetime productivity and earnings of preschool children in poor households.

**98. Behrman, Jere, Susan Parker and Petra Todd. 2004. "Medium-Term Effects of the Oportunidades Program Package, including Nutrition, on Education of Rural Children Age 0-8 in 1997." Technical Document No.9, Evaluation of Oportunidades.**

[http://www.sarpn.org.za/documents/d0001264/P1499-9\\_Behrman\\_ed\\_rural\\_23nov04.pdf](http://www.sarpn.org.za/documents/d0001264/P1499-9_Behrman_ed_rural_23nov04.pdf)

The Program *Oportunidades* (formerly *PROGRESA*) has been operating in small rural communities since 1997, providing cash grants to families in exchange for regular school attendance of children and youth as well as regular health clinic attendance and nutritional supplements for infants and very young children and for pregnant and lactating women. This paper provides estimates of the medium-term impacts on education for rural children aged 0 to 8 in 1997 just prior to the initial rural intervention, or those aged 6 to 14 in the 2003 Rural Evaluation Survey. The education of the oldest children within this age range would have been expected to have been affected primarily by the scholarship component of the program. The education of the youngest children within this age range, in contrast, would not have been affected directly by the scholarship component of the program by 2003 because they were too young to have advanced by then to the third grade at which the scholarships begin (though there may have been indirect effects through expectations about scholarships in the future). But on the other hand, these children were beneficiaries of the infant nutritional supplements, which may have improved their educational performance when they became of school age. The results in this paper extend those of previous evaluations based on the Rural Evaluation Surveys between 1998 and 2000 and are complementary to the concurrent evaluation for rural children aged 15-21 in 2003. Our analysis is based on new information provided in the 2003 Rural Evaluation Survey (ENCEL), which is linked with earlier data, in particular the 1997 pre-program Survey of Household Socio-economic Characteristics (ENCASEH) data. The ENCEL2003 provides another round of information on the original evaluation treatment and control households who began receiving *Oportunidades* benefits in 1998 and 2000 respectively. The original program evaluation was characterized by a random experiment with households from 320 communities with less than 2,500 inhabitants being assigned to receive benefits (T1998) and households from 186 being assigned to receive benefits approximately 18 months later (T2000). Given the incorporation of the original control group to receive benefits in 2000, the ENCEL2003 also included a new comparison group (C2003), constructed through the matching of communities to the communities of the original ENCEL evaluation. (...)

**99. Behrman, Jere and John Hoddinott. 2005. Programme Evaluation with Unobserved Heterogeneity and Selective Implementation: The Mexican PROGRESA Impact on Child Nutrition. *Oxford Bulletin of Economics and Statistics* 67(4):547-569.**

<http://www.blackwell-synergy.com/doi/full/10.1111/j.1468-0084.2005.00131.x>

This paper considers the impact of Programa de Educació'n, Salud y Alimentació'n (PROGRESA), a large Mexican rural anti-poverty programme that had an evaluation sample in which overall treatment was randomly assigned to some communities but not others, on child nutrition. When we examine the impact of PROGRESA based on the presumption of randomized allocations, we find that PROGRESA had no or even a negative impact on child nutrition. However, not all children

designated to receive nutritional supplements actually did so. Our preferred estimates – child fixed-effects estimates that control for unobserved heterogeneity that is correlated with access to the supplement – indicate a significantly positive and fairly substantial programme effect of the nutritional supplements on children 12–36 months. They imply an increase of about a sixth in mean growth per year for these children and a lower probability of stunting. Effects are somewhat larger for children from poorer communities but whose mothers are functionally literate. The long-term consequences of these improvements are non-trivial; its impact working through adult height alone could result in a 2.9% increase in lifetime earnings.

- 100. de Brauw, Alan and John Hoddinott. 2008. Must Conditional Cash Transfer Programs Be Conditioned to Be Effective? The Impact of Conditioning Transfers on School Enrollment in Mexico. Food Consumption and Nutrition Division, IFPRI Discussion Paper 00757, March 2008.**

<http://www.ifpri.org/pubs/dp/IFPRIDP00757.pdf>

A growing body of evidence suggests that conditional cash transfer (CCT) programs can have strong, positive effects on a range of welfare indicators for poor households in developing countries. However, the contribution of individual program components toward achieving these outcomes is not well understood. This paper contributes to filling this gap by explicitly testing the importance of conditionality on one specific outcome related to human capital formation (namely school enrollment), using data collected during the evaluation of Mexico's Programa de Educación, Salud, y Alimentación (PROGRESA) CCT program. We exploit the fact that some PROGRESA beneficiaries who received transfers did not receive the forms needed to monitor their children's attendance at school. We use a variety of techniques, including nearest neighbor matching and household fixed effects regressions, to show that the lack of these forms reduced the likelihood of children attending school, with this effect being most pronounced among children who were transitioning to lower secondary school. We provide substantial evidence that these findings are not driven by unobservable characteristics related to households or localities.

- 101. De Janvry, Alain, Frederico Finan, and Elisabeth Sadoulet, and Renos Vakis. 2006. Can conditional cash transfer programs serve as safety nets in keeping children at school and from working when exposed to shocks?. *Journal of Development Economics* 79 (2006) 349–373.**

<http://www.sciencedirect.com/science/article/B6VBV-4JG5FNX-2/2/b3e1e917196526266c250a9a9c498411>

Income shocks on poor households are known to induce parents to take their children out of school and send them to work when other risk-coping instruments are insufficient. State dependence in school attendance further implies that these responses to short-run shocks have long-term consequences on children's human capital development. Conditional cash transfer (CCT) programs, where the condition is on school attendance, have been shown to be effective in increasing educational achievements and reducing child work. We ask the question here of whether or not children who benefit from conditional transfers are protected from the impacts of shocks on school enrollment and work. We develop a model of a household's decision regarding child school and work under conditions of a school re-entry cost, conditional transfers, and exposure to shocks. We take model predictions to the data using a panel from Mexico's ProgresA experience with randomized treatment. Results show that there is strong state dependence in school enrollment. We find that the conditional transfers helped protect enrollment, but did not refrain parents from increasing child work in response to shocks. These results reveal that CCT programs can provide an additional benefit to recipients in acting as safety nets for the schooling of the poor.

- 102. Gertler, Paul. 2004. "Do Conditional Cash Transfers Improve Child Health? Evidence from**

**PROGRESA’s Control randomized Experiment.” *The American Economic Review*, Volume 94, Number 2, 1 May 2004 , pp. 336-341(6).**

<http://www.econ.duke.edu/aeasp/Sloan/Health/Gertler.pdf>

One of the greatest tragedies of extreme poverty is its intergenerational transmission. Children who grow up in poor families tend to be in poorer health and have lower levels of education. They thus enter adulthood without “the basic capabilities” necessary to take advantage of labor-market opportunities to pull themselves out of poverty and to enjoy an acceptable quality of life (Amartya Sen, 1999). As a result, children from poor families begin life at a distinct disadvantage. In an effort to improve the circumstances in which children from poor families start out life, the Mexican government has spent considerable resources developing an anti-poverty program called PROGRESA. This program combines a traditional cash-transfer program with financial incentives for positive behavior in health, education, and nutrition. Specifically, cash transfers are disbursed conditional on the household engaging in a set of behaviors designed to improve health and nutrition, including prenatal care, well-baby care and immunization, nutrition monitoring and supplementation, preventive checkups, and participation in educational programs regarding health, hygiene, and nutrition. An additional cash transfer is given to households with school-age children if the children are enrolled and attend school. While financial incentives to encourage good health behavior have been used in Finland and France, PROGRESA is, at least to my knowledge, the first such program in a developing country. In this paper, I investigate the impact of PROGRESA on child health outcomes including morbidity, height, and anemia. The analysis takes advantage of a controlled randomized design.

**103. Gertler, Paul. 2000. *The Impact of PROGRESA on Health, Final Report, IFPRI.***

[http://www.ifpri.org/themes/progresapdf/Gertler\\_health.pdf](http://www.ifpri.org/themes/progresapdf/Gertler_health.pdf)

In this paper, we investigate the impact of a unique anti-poverty program in Mexico on health. The program, PROGRESA, combines a traditional cash transfer program with financial incentives for families to invest in the human capital (health, education and nutrition). Program benefits include cash transfers that are disbursed conditional on the household engaging in a set of behaviors designed to improve health and nutrition. The family only receives the cash transfer if: (i) every family member accepts preventive health services; (ii) children age 0-5 and lactating mothers attend nutrition monitoring clinics where their growth is measured, they obtain nutrition supplements, and they receive education on nutrition and hygiene; and (iii) pregnant women visit clinics to obtain prenatal care, nutritional supplements, and health education. Our analysis takes advantage of a controlled randomized design. In 1998, 506 of the 50,000 PROGRESA villages were randomly assigned to control and treatment groups. Eligible households in treatment villages received benefits immediately, while benefits for eligible households in control villages were postponed until after the year 2000. A pre-intervention baseline survey of approximately 19,000 households with over 95,000 individuals and four follow-up surveys (at six month intervals) of the same households were conducted over the two year experimental period. We find that the program significantly increased utilization of public health clinics for preventive care including prenatal care, child nutrition monitoring, and adult checkups. The program also lowered the number of inpatient hospitalizations, which is consistent with the hypothesis that PROGRESA lowered the incidence of severe illness. Moreover, there was no reduction in the utilization of private providers, suggesting that the increase in utilization at public clinics was not substituting public care for private care. More importantly we find a significant improvement in the health of both children and adults. Specifically, we find that PROGRESA children 0-5 have a 12 percent lower incidence of illness than non-PROGRESA children. We also found that PROGRESA adults were significantly healthier. Prime age PROGRESA adults (18-50) had a significant reduction in the number of days of difficulty with daily activities due to illness and a significant increase in the number of kilometers able to walk without getting tired. Specially, PROGRESA beneficiaries have 19 percent fewer days of difficulty due to illness than non-PROGRESA

individuals, and are able to walk about 7.5 percent more without getting tired. For those over 50, PROGRESA beneficiaries have significantly fewer days of difficulty with daily activities, days incapacitated, and days in bed due to illness than do non-beneficiaries. Moreover, they are able to walk more kilometers without getting tired. Specifically, PROGRESA beneficiaries have 19 percent fewer days of difficulty with daily activities, 17 percent fewer days incapacitated, 22 percent fewer days in bed, and are able to walk about 7 percent more than non-beneficiaries.

- 104. Gertler, Paul and Simone Boyce. 2001. “An Experiment in Incentive-Based Welfare: The Impact of PROGRESA on Health in Mexico.” UC-Berkeley, CA.**

[http://faculty.haas.berkeley.edu/gertler/working\\_papers/PROGRESA%204-01.pdf](http://faculty.haas.berkeley.edu/gertler/working_papers/PROGRESA%204-01.pdf)

We investigate the impact of a unique anti-poverty program in Mexico on health outcomes. The program, *PROGRESA*, combines a traditional cash transfer program with financial incentives for families to invest in human capital of children (health, education and nutrition). In order to receive the cash transfer, families must obtain preventive health care, participate in growth monitoring and nutrition supplements programs, and attend education programs about health and hygiene. Incentive-based welfare programs like *PROGRESA* are being implemented throughout Latin America including Argentina, Brazil, Colombia, Honduras and Nicaragua. Our analysis takes advantage of a controlled randomized study design with household panel data. We find that the program significantly increased utilization of public health clinics for preventive care. The program also lowered the number of inpatient hospitalizations and visits to private providers, which is consistent with the hypothesis that *PROGRESA* lowered the incidence of severe illness. We found a significant improvement in the health of both children and adults. Specifically, children had about a 23 percent reduction in the incidence of illness, a 1 to 4 percent increase in height, and an 18 percent reduction in anemia. Adults experienced a significant reduction in the number of days of difficulty with daily activities due to illness and in the number of days in bed due to illness. Adults also reported a significant increase in the number of kilometers able to walk without getting tired.

- 105. Gertler, P., B. Barungi, I. Woolard. 2005. The impact of conditional cash transfers on human development outcomes. A review of evidence from PROGRESA in Mexico and some implications for policy debates in South and Southern Africa. Southern African Regional Poverty Network (SARPAN).**

<http://www.eldis.org/static/DOC10038.htm>

This paper reflects on assessments of Mexico's Conditional Cash Transfer scheme (called *PROGRESA*) and draws comparisons with South Africa's Child Support Grant (CSG). It captures key highlights of a discussion on the impact of incentive based programmes in Latin America and in Southern Africa.

- 106. Gertler Paul, Sebastian Martinez, Marta Rubio. 2006. Investing Cash Transfers to Raise Long Term Living Standards. World Bank Policy Research Working Paper 3994, August 2006.**

[http://econ.worldbank.org/external/default/main?pagePK=64165259&theSitePK=469372&piPK=64165421&menuPK=64166093&entityID=000016406\\_20060810124348](http://econ.worldbank.org/external/default/main?pagePK=64165259&theSitePK=469372&piPK=64165421&menuPK=64166093&entityID=000016406_20060810124348)

The authors test whether poor households use cash transfers to invest in income generating activities that they otherwise would not have been able to do. Using data from a controlled randomized experiment, they find that transfers from the *Oportunidades* program to households in rural Mexico resulted in increased investment in micro-enterprise and agricultural activities. For each peso transferred, beneficiary households used 88 cents to purchase consumption goods and services, and invested the rest. The investments improved the household's ability to generate income with an estimated rate of return of 17.55 percent, suggesting that these households were both liquidity and credit constrained. By investing transfers to raise income, beneficiary

households were able to increase their consumption by 34 percent after five and a half years in the program. The results suggest that cash transfers to the poor may raise long-term living standards, which are maintained after program benefits end.

107. **Hoddinott, John, Emmanuel Skoufias and Ryan Washburn. 2000. *The Impact of PROGRESA on Consumption: A Final Report*, IFPRI, Washington, D.C.**

[http://www.ifpri.org/themes/progresa/pdf/hoddinott\\_consumption.pdf](http://www.ifpri.org/themes/progresa/pdf/hoddinott_consumption.pdf)

This report presents an examination of the impact of PROGRESA on household expenditures. In particular, we focus on how participation in PROGRESA affects the acquisition of food by poor households. This analysis has been based largely on the ENCEL 98O, ENCEL99J and ENCEL99N surveys, although we also draw on the Seguimiento surveys, administrative data and ENCEL 98M. Two themes underlie this work. One is the importance of understanding how PROGRESA actually operated on the ground in the period March 1998 to November 1999. The second is the need to understand behavioral parameters, in particular households' marginal propensity to purchase calories out of additional income.

108. **Hoddinott, John and Emmanuel Skoufias. 2003. "The Impact of PROGRESA on Food Consumption." FCND Discussion Paper No. 150, IFPRI.**

<http://www.ifpri.org/divs/fcnd/dp/papers/fcndp150.pdf>

As exemplified by the Millennium Declaration of the United Nations—a resolution signed by 189 countries—the reduction of poverty and hunger is now seen as the central objective of international development (United Nations 2000). Together with 16 other Millennium Development Goals (MDGs), the global community has committed itself to halving by 2015 the proportion of the world's population who live in poverty and suffer from hunger. One might think that these goals are intertwined. That is to say, interventions that alleviate poverty should automatically reduce hunger. However, the existing literature, as reviewed in Strauss and Thomas (1995) and Hoddinott, Skoufias, and Washburn (2000) suggests this may not be the case. For example, estimates of income-calorie elasticities (measuring the responsiveness of caloric acquisition given changes in income) range from a high of 0.54 (Chernichovsky and Meesook 1984) to a low of 0.01 (Wolfe and Behrman 1983). Further, as Ravallion (1990) stresses, it is also important to consider where within a given distribution such changes occur. This article contributes to this debate but differs significantly in terms of methodology. Our analysis is based on the impact of an antipoverty program in Mexico called PROGRESA (the Programa de Educacio'n, Salud y Alimentacio'n). Started in 1997, PROGRESA (now called Oportunidades) is the centerpiece of Mexican efforts to fight rural poverty. It provides cash transfers linked to children's enrollment and regular school attendance and to clinic attendance. The program also includes in-kind health benefits and nutritional supplements for children up to age five and for pregnant and lactating women, as well as instructional meetings (called *platicas*) on health and nutrition issues. In contrast to earlier programs in Mexico, a unique feature of PROGRESA is the targeting of transfers to the mother of the family. By 2000, PROGRESA reached approximately 2.6 million families, about 40% of all rural families and about one-ninth of all families in Mexico. The program operated in almost 50,000 localities, more than 2,000 municipalities in 31 states, with a budget of approximately \$777 million for 1999, equivalent to 0.2% of GDP. We use a longitudinal sample of approximately 24,000 households from 506 communities located in the first states receiving PROGRESA benefits. Because it was not administratively feasible to provide benefits to all households simultaneously, and because of the importance of correctly assessing program impact, a distinguishing characteristic of this sample was that some communities were randomly selected for participation in PROGRESA (treatment localities), while the rest were introduced into the program at later phases (control localities). We exploit this

random allocation to explore whether PROGRESA improved the diet of poor rural Mexicans—a major objective of the program. As such, this evaluation provides insights into whether interventions designed to alleviate poverty also succeed in reducing hunger. Our core finding is that eligible households in the villages receiving PROGRESA benefits increased caloric acquisition compared to eligible households not receiving these benefits. By November 1999, beneficiary households in treatment localities obtained 6.4% more calories than did comparable households in control localities. Perhaps more significant, given recent work summarized by Ruel (2001) that stresses the importance of dietary quality in ensuring adequate intake of essential nutrients, we find that the impact is greatest on the acquisition of calories from vegetable and animal products—a finding consistent with the view of respondents themselves that PROGRESA was enabling them to “eat better.”

**109. Levy Santiago. 2006. Progress Against Poverty Sustaining Mexico’s Progresas-Oportunidades Program. Brookings Institution Press, Washington, D.C.**

<http://www.brookings.edu/press/Books/2006/progressagainstpoverty.aspx>

Scholarly evaluations of Progresas-Oportunidades have been overwhelmingly positive, and it has inspired similar strategies in numerous developing nations. In addition to discussing micro- and macroeconomic dimensions of the program, Levy reveals the factors that have contributed to its sustainability, as well as the public information mechanisms supporting its implementation and the role of the evaluation process. He identifies the future challenges the program faces, such as making its incentives compatible with those of other social programs, and discusses its transferability to other countries.

**110. Levy Santiago and Evelyn Rodríguez. 2004. Economic Crisis, Political Transition and Poverty Policy Reform: Mexico’s PROGRESA – OPORTUNIDADES Program. Inter-American Development Bank, Washington, DC (2004).**

In this paper we provide a general overview of the motivation, design, implementation, operation, scope, and results obtained thus far with this program. The paper is divided into 14 sections. Section II outlines general social policy to identify poverty alleviation policy and, within it, the role played by PROGRESA. The point here is that *PROGRESA is just one of a set of programs of a poverty alleviation strategy, and cannot be understood or evaluated in isolation*. Section III presents a brief profile of extreme poverty in Mexico, emphasizing the human capital aspects that motivate PROGRESA; hence, other considerations that would be of central importance from other perspectives of poverty are not addressed. Section IV briefly describes food assistance programs and pro-poor efforts made in health and education until 1994. We do not conduct a full evaluation of all poverty alleviation programs; the focus is only on those relating to PROGRESA. The findings of sections III and IV are brought together in section V, where the reasons for proposing a new approach are put forth. In section VI we describe the analytical, budgetary and operational reasons for targeting PROGRESA solely on those living in extreme poverty. The discussion here seeks to separate two conceptually distinct issues that are sometimes confused: the motivation for providing demand subsidies for educational and health services conditional on some behavior, on the one hand; and concentrating these efforts only on a subset of the population, on the other. Sections VII and VIII discuss work done prior to the start of PROGRESA; and the program’s objectives, components, operations and scope, respectively. The discussion outlines the major underpinnings of the program’s design. Included also is a discussion of the political-economy aspects of the program, and a description of how coverage and budget conditions have evolved in order to show that, as of this writing (September 2003), *the program still does not cover all the targeted population, and that the budgetary effort still needs to be expanded.* (...)

111. **Rubalcava, Luis, Graciela Teruel and Duncan Thomas. 2004. *Spending, Saving and Public Transfers Paid to Women*, Working Paper 024-04, CCPR, University of California – Los Angeles, CA.**  
<http://repositories.cdlib.org/cgi/viewcontent.cgi?article=1077&context=ccpr>  
The literature suggests men and women have different preferences. This paper exploits a random assignment social experiment in which women in treatment households were given a large public cash transfer (PROGRESA) and women in control households were given nothing. In an effort to disentangle the effect of additional income in the household from the effect of changing the distribution of income within the household, the impact of PROGRESA income is compared with all other income sources. In addition to spending on food, clothing and education, savings and investment decisions are examined. Additional money in the hands of women is spent on child goods (particularly clothing), improved nutrition (better quality diets) and investments in small livestock (which are traditionally managed and cared for by women). Among single headed households, PROGRESA income is not treated differently from other income. We conclude that not only do preferences of men and women differ but, among poor, rural Mexican households, resources under the control of women are more likely to be spent on investments for the future than resources that men control.
112. **Schultz, T. Paul. 2004. “School Subsidies for the Poor: Evaluating the Mexican Progresa Poverty Program.” *Journal of Development Economics* 74(1) (Special Issue June 2004): 199-250.**  
[http://www.sciencedirect.com/science?\\_ob=MIimg&\\_imagekey=B6VBV-4BT1V2X-2-N&\\_cdi=5936&\\_user=1916569&\\_orig=na&\\_coverDate=06%2F30%2F2004&\\_sk=999259998&\\_view=c&\\_wchp=dGLbVtb-zSkzS&\\_md5=93d88ca4ffed7f6238d175805a4d5776&\\_ie=/sdarticle.pdf](http://www.sciencedirect.com/science?_ob=MIimg&_imagekey=B6VBV-4BT1V2X-2-N&_cdi=5936&_user=1916569&_orig=na&_coverDate=06%2F30%2F2004&_sk=999259998&_view=c&_wchp=dGLbVtb-zSkzS&_md5=93d88ca4ffed7f6238d175805a4d5776&_ie=/sdarticle.pdf)  
This paper evaluates how the Progresa program, which provides poor mothers in rural Mexico with education grants, has affected enrollment. Poor children who reside in communities randomly selected to participate in the initial phase of the Progresa are compared to those who reside in other (control) communities. Pre-program comparisons check the randomized design, and double-difference estimators of the program’s effect on the treated are calculated by grade and sex. Probit models are also estimated for the probability that a child is enrolled, controlling for additional characteristics of the child, their parents, local schools, and community, and for sample attrition, to evaluate the sensitivity of the program estimates. These estimates of program short-run effects on enrollment are extrapolated to the lifetime schooling and the earnings of adults to approximate the internal rate of return on the public schooling subsidies as they increase expected private wages.
113. **Skoufias Emmanuel. 2005. *PROGRESA and Its Impacts on the Welfare of Rural Households in Mexico*. RESEARCH REPORT 139, International Food Policy Research Institute. Washington, D.C.**  
<http://www.ifpri.org/pubs/abstract/139/rr139.pdf>  
In early 1998, the International Food Policy Research Institute (IFPRI) was asked to assist the PROGRESA administration to “determine if PROGRESA is functioning in practice as it is intended to be by design.” This document synthesizes the findings contained in a series of reports prepared by IFPRI for PROGRESA between November 1998 and November 2000. A more detailed description of the research, rationale, and methods appears in the original IFPRI reports, which are provided in English and in Spanish on the CD enclosed with this publication. PROGRESA is one of the major programs of the Mexican government aimed at developing the human capital of poor households. Targeting its benefits directly to the population in extreme poverty in rural areas, PROGRESA aims to alleviate current and future poverty levels through cash transfers to mothers in households. The cash transfers provided are conditioned on regular school attendance and visits to health care centers. At the end of 1999, PROGRESA covered

approximately 2.6 million families, representing one ninth of all families in Mexico; the beneficiaries comprised about 40 percent of all rural families. At that time, the program operated in almost 50,000 localities in more than 2,000 municipalities and 31 states. PROGRESA's budget of approximately US\$777 million in 1999 was equivalent to 0.2 percent of Mexico's gross domestic product (GDP). For Mexico, the design of PROGRESA represents a significant change in the provision of social programs. First, in contrast to previous poverty alleviation programs in Mexico, PROGRESA applies targeting at the household level to ensure that the resources of the program are directed and delivered to households in extreme poverty, that is, the households that can most benefit from the program. General food subsidies, such as the tortilla price subsidy [Subsidio a la Tortilla (TORTIBONO)], are widely acknowledged to have had a high cost in the government budget and a negligible effect on poverty because of the leakage of benefits to non-poor households. In addition, more decentralized, community-based, demand-driven programs such as the earlier anti-poverty program PRONASOL, in place during 1988 and 1994, were thought to be susceptible to local political influences and not very effective at reaching those in extreme poverty. Under PROGRESA, communities are first selected using a marginality index based on census data. Then, within the selected communities, households are chosen using socioeconomic data collected for all households in the community. (...)

- 114. Skoufias, Emmanuel. 2007. Poverty alleviation and consumption insurance: Evidence from PROGRESA in Mexico. Journal of Socio-Economics, Volume 36, Issue 4, August 2007, Pages 630-649.**

[http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6W5H-4MS9JYD-1&\\_user=1916569&\\_rdoc=1&\\_fmt=&\\_orig=search&\\_sort=d&\\_view=c&\\_acct=C000055300&\\_version=1&\\_urlVersion=0&\\_userid=1916569&md5=4cca7ea0ec10029bc27af598f55f4d09](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6W5H-4MS9JYD-1&_user=1916569&_rdoc=1&_fmt=&_orig=search&_sort=d&_view=c&_acct=C000055300&_version=1&_urlVersion=0&_userid=1916569&md5=4cca7ea0ec10029bc27af598f55f4d09)

This study uses three rounds of panel data between October 1998 and November 1999 and covering 506 villages and 24,000 households in rural Mexico, to examine how the replacement of pre-existing subsidy programs by a conditional cash transfer program such as PROGRESA (the Health, Education and Nutrition Program) affects the consumption insurance of households. The results obtained are consistent with the prevalence of formal or informal insurance arrangements aimed at protecting household consumption from fluctuations in income. Yet, total consumption, as well as food and nonfood consumption, are significantly correlated with idiosyncratic changes in income suggesting that insurance is incomplete. A comparison of the results between villages covered and not yet covered by PROGRESA (treatment versus control villages) suggests that PROGRESA did not replace or reinforce any pre-existing risk sharing among households within villages or lead to any substantial changes in how households cope with shocks. The analysis also revealed that households eligible for the PROGRESA benefits in the treatment villages were able to insulate their consumption from fluctuations in income better than their counterparts in control villages. Thus, a poverty alleviation program providing cash transfers conditioned on households investing in their human capital is associated with a reduction of household vulnerability to risk.

- 115. Skoufias Emmanuel and Susan Parker. 2001. Conditional Cash Transfers And Their Impact On Child Work And Schooling: Evidence From The PROGRESA Program in Mexico FCND Discussion Paper No.123. International Food Policy Research Institute. Washington, D.C.**

<http://www.ifpri.org/divs/fcnd/dp/papers/fcndp123.pdf>

In this paper we investigate whether a conditional cash transfer program such as the Programa Nacional de Educacion, Salud y Alimmentacion (PROGRESA) can simultaneous combat the problems of low school attendance and child work. PROGRESA is a new program of the Mexican government aimed at alleviating extreme poverty in rural areas. It combats the different causes of poverty by providing cash benefits that are targeted directly to households on the condition of children attending school and visiting health clinics on a regular basis. Some of the

questions addressed are as follows: Does the program reduce child labor? Does it increase participation in school activities? Does the latter occur at the expense of children's leisure time? And how do the effects of the program vary by age group and gender? Our empirical analysis relies on data from a quasi-experimental design used to evaluate the impact of the program involving a sample of communities that receive PROGRESA benefits (treatment) and comparable communities that receive benefits at a later time (control). We estimate the effect of "treatment on the treated" using both double difference and cross sectional difference estimators. Our estimates show significant increases in the school attendance of boys and girls that are accompanied by significant reductions in the participation of boys and girls in work activities. We also find that the program has a lower impact on the incidence of work for girls relative to boys.

116. **Skoufias, Emmanuel, Benjamin Davis, and Sergio de la Vega. 2001. Targeting the Poor in Mexico : An Evaluation of the Selection of Households into PROGRESA. World Development 29 (10) 1769-1784.**  
[http://www.sciencedirect.com/science?\\_ob=MIImg&\\_imagekey=B6VC6-43TP77N-8-1B&\\_cdi=5946&\\_orig=browse&\\_coverDate=10%2F31%2F2001&\\_sk=999709989&\\_view=c&\\_wchp=dGLbVlz-1SzBA&\\_acct=C000055300&\\_version=1&\\_userid=1916569&md5=03969a317acd5ae0229a01a8b5620627&ie=f.pdf](http://www.sciencedirect.com/science?_ob=MIImg&_imagekey=B6VC6-43TP77N-8-1B&_cdi=5946&_orig=browse&_coverDate=10%2F31%2F2001&_sk=999709989&_view=c&_wchp=dGLbVlz-1SzBA&_acct=C000055300&_version=1&_userid=1916569&md5=03969a317acd5ae0229a01a8b5620627&ie=f.pdf)

In this paper, we conduct an evaluation of the targeting method used by Health Education and Nutrition Program (PROGRESA) of Mexico to identify beneficiary households. We address two key questions: (a) How well does PROGRESA's targeting perform; and (b) How does the program perform in terms of its impact on poverty alleviation relative to other feasible methods and transfer schemes. The first question is accomplished by comparing PROGRESA's method to an alternative selection method based on household consumption, which is our preferred measure of welfare. We employ the concepts of undercoverage and leakage and find that PROGRESA selection method is more effective in identifying the extremely poor localities or households but less so when it comes to distinguishing among localities or households in the middle of the scale. To address the second question, we compare the potential impact of PROGRESA on poverty alleviation against uniform transfers that involve no targeting at all, targeting based on consumption, and geographic targeting (i.e., targeting at the locality level rather than at the household level). We find that PROGRESA's method of targeting households outperforms uniform coverage and targeting at the locality level in terms of reducing the poverty gap and severity of poverty indices, even after taking into account the economic costs of targeting. But, the closeness of PROGRESA's performance to what could be achieved by geographic targeting alone raises some serious questions about the costs and benefits associated with the practice of household targeting within poor localities.

117. **Steckloy, Guy, Paul Winters, Marco Stampini and Benjamin Davis. 2005. "Do Conditional Cash Transfers Influence Migration? A Study Using Experimental Data from the Mexican PROGRESA Program."Demography 42(4): 769-790.**

<http://www.ncbi.nlm.nih.gov/pubmed/16463921?dopt=Abstract>

Prior research on Mexican migration has shown that social networks and economic incentives play an important role in determining migration outcomes. We use experimental data from PROGRESA, Mexico's primary poverty-reduction program, to evaluate the effects of conditional cash transfers on migration both domestically and to the United States. Our study complements a growing body of literature aimed at overcoming longstanding hurdles to the establishment of causal validity in empirical studies of migration. Analysis based on the data collected before and after the program's onset shows that conditional transfers reduce U.S. migration but not domestic migration. The data also enable us to explore the role of existing family and community migration networks. The results show that migration networks strongly influence migration, but that the

effect of conditional transfers on migration is apparently not mediated by existing migration network structures. Our results suggest that conditional transfers may be helpful in managing rural out-migration, particularly to the United States.

118. **Stecklov, Guy, Paul Winters, Jessica Todd and Ferdinando Regalia. 2006. *Demographic Externalities from Poverty Programs in Developing Countries: Experimental Evidence from Latin America*, Working Paper No. 2006-1, American University, Washington, D.C.** <http://www.american.edu/academic.depts/cas/econ/workingpapers/2006-01.pdf>  
Conditional cash transfer programs have been shown to be effective development strategies for raising human capital investments in children in many LDCs. In this paper, we use experimental data from cash transfer programs in three Latin America countries to assess the potential, unintended impact of conditional cash transfers programs on childbearing. Because cash transfer programs both affect household resource levels as well as possibly shape parental preferences for quality versus quantity of children, they may prove to have unintended demographic externalities. Our findings show that the program in Honduras, which may have inadvertently been designed to create incentives to have children, may have in fact raised fertility by somewhere between 2-4 percentage points – a non-negligible impact in a country where fertility is relatively high. In the two other countries where the programs did not include the same unintentional incentives, Mexico and Nicaragua, we found no net impact of the programs on fertility. Our analysis also explored the potential mechanisms through which fertility in Honduras may have risen and we find that marriage rates may have increased. Furthermore, there is some indication in the other two countries that contraceptive use rose but this might be simply to counteract the impact of reduced spousal separation – another possible unintentional impact of the poverty programs.

## **Nicaragua**

119. **Maluccio, John and Rafael Flores. 2004. *Impact Evaluation of a Conditional Cash Transfer Program: The Nicaraguan Red de Proteccion Social.*, Discussion Paper 184. IFPRI, Washington, D.C.** <http://www.ifpri.org/divs/fcnd/dp/papers/fcndp184.pdf>  
This paper presents the main findings of a quantitative evaluation of the Red de Protección Social (RPS), a conditional cash transfer program in Nicaragua, against its primary objectives. These included supplementing income to increase household expenditures on food, reducing primary school desertion, and improving the health care and nutritional status of children under age 5. The evaluation design is based on a randomized, community-based intervention with measurements before and after the intervention in both treatment and control communities. Where possible, we erred on the side of assessing effects in conservative manners, for example, in the calculation of standard errors and the treatment of possible control group contamination. Overall, we find that RPS had positive (or favorable) and significant double-difference estimated average effects on a broad range of indicators and outcomes. Where it did not, it was often due to similar, smaller improvements in the control group that appear to have been stimulated indirectly by the program. Most of the estimated effects were larger for the extreme poor. The findings presented here played an important role in the decision to continue this effective program.
120. **Maluccio, John A., Michelle Adato, Rafael Flores, and Terry Roopnaraine. 2005. *Nicaragua Red de Proteccion Social. Brief*, IFPRI.** <http://www.ifpri.org/pubs/ib/ib34.pdf>

In its first two years, 2000–02, the *Red de Protección Social—Ministry of the Family* (RPS) improved the nutrition and education of approximately 10,000 of Nicaragua’s poorest families. Operating as a pilot project in six municipalities in Matagalpa and Madriz, RPS could claim:

- Substantial increases in family purchasing power—up to 40 percent for the extremely poor—with most of the spending going toward more and better food;
- A one-third reduction in the extreme-poverty rate;
- A reduction of 5 percentage points in the incidence of children under five who are stunted (few programs in the world have seen this level of improvement in only two years);
- A nearly 20 percentage point rise in enrollment rates for primary school children; and
- The child-labor rate cut in half in program areas.

In addition, the poorest benefited the most under the program—reducing many inequalities across socioeconomic classes. Overall, the program was well targeted to poor areas and poor households, though there was some confusion at the local level about beneficiary selection. An area for improvement is program communications.

121. **Maluccio, John A.. 2005. Coping with the “Coffee Crisis” in Central America: The Role of The Nicaraguan Red de Protección Social. FOOD CONSUMPTION AND NUTRITION DIVISION, Discussion Paper 188.**

<http://www.ifpri.org/divs/fcnd/dp/papers/fcndp188.pdf>

The international and local Nicaraguan media have widely reported on the “coffee crisis” in Latin America and there is substantial evidence that there has been a downturn and that this has been more severe in the coffee-growing regions. Using household panel data from a randomized community-based intervention carried out in both coffee- and noncoffee-growing areas, I examine the role of a conditional cash transfer program, the *Red de Protección Social* (RPS), during this downturn. While not designed as a traditional safety net program in the sense of reacting or adjusting to crises or shocks, RPS has performed like one, with larger estimated program effects for those who were more severely affected by the downturn. For example, it protected households against declines in per capita expenditures and, while not significantly depressing labor supply relative to before the program, muted additional labor supply for beneficiaries in coffee-growing areas, relative to their counterparts without the program. Beneficiaries who participated in the coffee industry as laborers before the program were more likely to have exited the coffee industry, whereas those who participated as producers were less likely to have exited. The findings are consistent with the existence of credit constraints inhibiting such transitions in the absence of the program. Overall, then, RPS appears to be playing an important part in the risk-coping strategies of households.

122. **Moore, Charity. 2009. Nicaragua’s Red de Protección Social: an exemplary but short-lived conditional cash transfer program. International Policy Centre for Inclusive Growth, Country Study number 17 January, 2009.**

<http://www.ipc-undp.org/pub/IPCCountryStudy17.pdf>

This country study investigates the history and eventual conclusion of Nicaragua’s conditional cash transfer programme, the *Red de Protección Social* (RPS). Specific features of the programme, in both its first and second phase, are described thoroughly to provide readers with an appropriate understanding and appreciation of the details of RPS. A brief overview of the current state of social protection in Nicaragua is also included to enhance understanding of the current environment in the country. In particular, this study discusses the elements that contributed to the programme’s successes and eventual discontinuation. Although RPS achieved most of its goals, it was unable to garner enough domestic support to ensure its continuation. While the programme was known internationally for the positive effects it quickly had on children’s health and education, its purpose and performance were misunderstood at the domestic level. This lack of appreciation heightened criticisms of RPS and hindered support for the

programme within its institutional base. RPS is an example of a efficient and effective conditional cash transfer programme, but it also serves as a warning to officials operating in similar contexts. RPS officials had to balance the demands of domestic and international stakeholders, meeting short-term goals while ensuring the initiative's longterm viability. The Nicaraguan experience usefully illustrates the challenges involved in creating an exemplary programme and ensuring its long-term sustainability.

## **Panama**

MIDES. Ministerio de Desarrollo Social, Red de Oportunidades website:

[http://www.mides.gob.pa/index.php?option=com\\_content&task=blogcategory&id=48&Itemid=75](http://www.mides.gob.pa/index.php?option=com_content&task=blogcategory&id=48&Itemid=75)

123. **MIDES. 2008. Ministerio de Desarrollo Social, Red de Oportunidades: Informe de Avances.**  
[http://www.mides.gob.pa/red\\_oportunidades/avance\\_agosto\\_2008.pdf](http://www.mides.gob.pa/red_oportunidades/avance_agosto_2008.pdf)

## **Peru**

Gobierno del Perú, Juntos website: <http://www.juntos.gob.pe/intro.php>

124. **Nicola Jones, Rosana Vargas and Eliana Villar. Conditional Cash Transfers In Peru: Tackling The Multi-Dimensionality Of Poverty And Vulnerability**  
[http://www.unicef.org/policyanalysis/files/Conditional\\_Cash\\_Transfers\\_In\\_Peru\\_-\\_Tackling\\_The\\_Multi-Dimensionality\\_Of\\_Poverty\\_And\\_Vulnerability.pdf](http://www.unicef.org/policyanalysis/files/Conditional_Cash_Transfers_In_Peru_-_Tackling_The_Multi-Dimensionality_Of_Poverty_And_Vulnerability.pdf)

## SOUTH ASIA

### **Bangladesh**

The Government of the People's Republic of Bangladesh, Directorate of Secondary and Higher Education website: [http://www.dshe.gov.bd/female\\_stipend.html](http://www.dshe.gov.bd/female_stipend.html)

125. **Ahmed Shaikh S.. 2005. Delivery Mechanisms of Cash Transfer Programs to the Poor in Bangladesh. World Bank Social Protection Discussion Paper Series No. 0520.**  
<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/0520web.pdf>  
This study carries out an analysis of the practical issues and the financial costs relative to the transfer of cash benefits from source to recipients and the cost effective way of transferring funds to the beneficiaries. The study analyzes and compares three alternative delivery mechanisms: The Income Generation Vulnerable Group Development (IGVGD), the Primary Education Stipend Program (PESP) and the Rural Maintenance Program (RMP). This study also looks into targeting and leakage issues that affect delivery mechanism. A field level survey has been conducted to assess beneficiaries view on the existing delivery mechanism and on the prospect of using technologically advanced alternative delivery mechanisms in the rural setup. This study reveals that the potential of using rural bank branches to deliver cash benefits is not fully utilized. Introducing advanced technology to rural banks for improving the efficiency of delivery of benefits is viable, subject to cost and capacity constraints. At the same time, reducing targeting failure and leakages can further enhance delivery efficiency. This study also shows that there are too many unnecessary agents at various levels of delivery and points to the need for appropriate delivery supervision.
126. **World Bank. 2006. Social safety nets in Bangladesh : an assessment. Bangladesh Development Series Paper No. 9, The World Bank Office, Dhaka.**  
[http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2006/12/27/000310607\\_20061227120919/Rendered/PDF/382900BD0Socia10also03341101PUBLIC1.pdf](http://imagebank.worldbank.org/servlet/WDSContentServer/IW3P/IB/2006/12/27/000310607_20061227120919/Rendered/PDF/382900BD0Socia10also03341101PUBLIC1.pdf)

### ***Food for Education***

127. **Ravallion, Martin and Quentin Wodon. 1999. Does Child Labor Displace Schooling? Evidence on Behavioral Responses to an Enrollment Subsidy. World Bank Policy Research Working Paper No. 2116.**  
[http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&theSitePK=523679&entityID=000094946\\_99060201584595&searchMenuPK=64187283&theSitePK=523679](http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&theSitePK=523679&entityID=000094946_99060201584595&searchMenuPK=64187283&theSitePK=523679)  
The authors try to determine whether children sent to work in rural Bangladesh are caught in a poverty trap, with the extra income to poor families from child labor coming at the expense of the children's longer-term prospects of escaping poverty through education. The poverty trap argument depends on children's work being substitutable for schooling. Casual observations and the descriptive statistics available from surveys seem to offer little support for the argument. To explore the question more deeply, the authors use a targeted school stipend to identify how much child labor substitutes for schooling. They find that Bangladesh's Food-for-Education program is a strong incentive for school attendance. A stipend with a value considerable less than the mean

child wage was enough to ensure nearly full school attendance among participants. The enrollment also reduced the incidence of child labor, an effect accounted for only a small proportion of the increase in school enrollment. The reduction in the incidence of child labor among boys (girls) represents about one-quarter (one-eighth) of the increase in their school enrollment rate. Parents are clearly substituting other uses of their children's time to secure income gain from access to the program, with modest impact on earnings from their children's work. The authors' tests were limited. Work may well displace time for doing homework or attending after-school tutorials, for example. The authors were unable to identify such effects from the data available. There may also be other welfare losses to children from work (such as exposure to an unsafe working environment) as well as welfare gains (such as skills learned from working that enhance returns to schooling). But their results do lead them to question the seemingly common view that child labor is a major factor perpetuating poverty in Bangladesh by keeping children from poor families out of school.

128. **Ahmed, A., C. del Ninno, 2002. "Food For Education Program in Bangladesh: an Evaluation of its Impact on Educational Attainment and Food Security". FCND-IFPRI Discussion Paper 138, September 2002, Washington D.C.**  
<http://www.ifpri.org/divs/fcnd/dp/papers/fcndp138.pdf>

The Government of Bangladesh launched the innovative Food for Education (FFE) program in 1993. The FFE program provides a free monthly ration of rice or wheat to poor families if their children attend primary school. The goals of this program are to increase primary school enrollment, promote attendance, reduce dropout rates, and enhance the quality of education. This paper presents the findings of a recent International Food Policy Research Institute (IFPRI) evaluation of the FFE program that demonstrates the extent to which these goals were met. This evaluation uses primary data collected from multiple surveys covering schools, households, communities, and foodgrain dealers. The authors first examine the performance of the FFE program, showing that it has largely fulfilled its objectives of increasing school enrollment, promoting school attendance, and preventing dropouts. The enrollment increase was greater for girls than for boys. The quality of education, however, remains a problem. Next, they analyze the targeting effectiveness of the program, its impact on food security, and its efficiency in distributing rations. In general, the FFE program targets low-income households. However, there is considerable scope for improving targeting, as a sizable number of poor households remain excluded from the program even while many nonpoor households are included. Furthermore, the evaluation results indicate that the functioning of the current private-dealer-based foodgrain distribution system of the FFE program is not satisfactory.

129. **Akhter U. Ahmed and Mary Arends-Kuenning, 2006. Do crowded classrooms crowd out learning? Evidence from the food for education program in Bangladesh. World Development Vol. 34, No. 4, pp. 665–684, 2006.**  
[http://www.sciencedirect.com/science?\\_ob=MIImg&\\_imagekey=B6VC6-4JCBPJ0-2-2&\\_cdi=5946&\\_user=1916569&\\_orig=browse&\\_coverDate=04%2F30%2F2006&\\_sk=999659995&\\_view=c&\\_wchp=dGLbVtz-zSkWA&\\_md5=01dcd0df8478826d37f2bbd5256fa96e&\\_ie=/sdarticle.pdf](http://www.sciencedirect.com/science?_ob=MIImg&_imagekey=B6VC6-4JCBPJ0-2-2&_cdi=5946&_user=1916569&_orig=browse&_coverDate=04%2F30%2F2006&_sk=999659995&_view=c&_wchp=dGLbVtz-zSkWA&_md5=01dcd0df8478826d37f2bbd5256fa96e&_ie=/sdarticle.pdf)

Bangladesh's Food for Education Program (FFE), which provided free food to poor families if their children attended primary school, was successful in increasing children's school enrollment, especially for girls. However, this success came at a price as class sizes increased. This paper uses a rich data set that includes school achievement test scores, information on schools, and household data to explore the impact of FFE on the quality of education. The analysis focuses on the impact of FFE on the achievement test scores of students who did not receive benefits. We

find evidence for a negative impact of FFE on the test scores of non-beneficiary students through peer effects rather than through classroom crowding effects.

### ***Primary Education Stipend Project***

130. **Tietjen, Karen. 2003. The Bangladesh Primary Education Stipend Project: A Descriptive Analysis. Prepared by: November 2003.**

<http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1099080014368/BangladeshStipend.pdf>

The Primary Education Stipend Project (PESP) aims to increase the educational participation—enrollment, attendance, persistence, and performance--of primary school-aged children from poor families throughout Bangladesh by providing cash payments to targeted households. Initiated by the Government of Bangladesh (GOB) in July 2002, the Primary Education Stipend Project began its first official year of operation in January 2003, with the goal of supporting more than 5 million pupils. This report primarily provides descriptive and anecdotal information about the PESP, as well as raises some issues that will require further investigation and analysis once the program has experienced an annual cycle and data become available. Originally, the intent of this study was to examine the impact and results of the PESP. However, at the time of the review, the PESP was still in the early formative stage, specifically in the process of identifying beneficiaries according to new criteria and establishing procedures/guidelines for stipend distribution and management. Little data had been collected or processed; no progress reports had been prepared. Moreover, interviews with beneficiaries, stakeholders, and managers at the school and thana/upazilla levels were prevented due to field travel restrictions in effect in March-April 2003. Consequently, data for this report were collected mainly through a series of interviews with the national PESP director and headquarters staff and review of existing documentation.<sup>1</sup> The analysis also draws on several studies that have assessed similar programs or examined related issues as references. Additional perspective was gained through discussion with various Dhaka-based actors in the education sector in Bangladesh.

### ***Female Secondary Scholarship Program***

131. **Khandker Shahidur R. Mark M. Pitt Nobuhiko Fuwa. 2003. Subsidy to Promote Girls' Secondary Education: The Female Stipend Program in Bangladesh.**

<http://www.h.chiba-u.jp/mkt/revise%20fssap%20paper9b.pdf>

Secondary school enrollment rates in the developing countries are usually lower for girls than boys, especially in rural areas. In the mid 1990's a female school stipend program was introduced to subsidize girls' secondary education in rural Bangladesh. Although all of rural Bangladesh was eventually covered by this program, it was not introduced at the same time in all areas and to all class cohorts. This variation in timing is the source of parameter identification in the analysis. Using two different datasets and school/village-level fixed effects, we estimate the effects of this stipend program on school enrollments. The analysis based upon two cross-sectional household surveys covering a common set of villages finds that the female stipend program increased girls' secondary education substantially, but had no discernable effect on the schooling of boys. The analysis performed with an annual panel of school-level data also finds a significant effect of the stipend program on girl's enrollment and reduced the enrollment of boys in coeducational secondary schools.

## **Pakistan**

Government of Pakistan, Child Support Programme (CSP) website:

<http://www.pbm.gov.pk/new/Projects/Ongoing/CSP/Introduction.html>

132. **Chaudhury, Nazmul and Dilip Parajuli. 2006. Conditional Cash Transfers and Female Schooling: The Impact of the Female School Stipend Program on Public School Enrollments in Punjab, Pakistan. World Bank Policy Research Working Paper 4102, December 2006.**

<http://www->

[wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2006/12/22/000016406\\_20061222113833/Rendered/PDF/wps4102.pdf](http://wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2006/12/22/000016406_20061222113833/Rendered/PDF/wps4102.pdf)

Instead of mean-tested conditional cash transfer (CCT) programs, some countries have implemented gender-targeted CCTs to explicitly address intra-household disparities in human capital investments. This study focuses on addressing the direct impact of a female school stipend program in Punjab, Pakistan: Did the intervention increase female enrollment in public schools? To address this question, the authors draw on data from the provincial school censuses of 2003 and 2005. They estimate the net growth in female enrollments in grades 6-8 in stipend eligible schools. Impact evaluation analysis, including difference-and-difference (DD), triple differencing (DDD), and regression-discontinuity design (RDD) indicate a modest but statistically significant impact of the intervention. The preferred estimator derived from a combination of DDD and RDD empirical strategies suggests that the average program impact between 2003 and 2005 was an increase of six female students per school in terms of absolute change and an increase of 9 percent in female enrollment in terms of relative change. A triangulation effort is also undertaken using two rounds of a nationally representative household survey before and after the intervention. Even though the surveys are not representative at the subprovincial level, the results corroborate evidence of the impact using school census data.