

Evaluation of the BOTA Foundation's programmes, Kazakhstan

Summary note 1:

Findings from the baseline survey of the Conditional Cash Transfer Programme

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FURTHER INFORMATION

This briefing note is issued by Oxford Policy Management as part of its independent evaluation of the BOTA Foundation's programmes. The findings are not attributable to BOTA.

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THE SERIES

This is the first in a series of summary notes covering the evaluation of BOTA's programmes. Subsequent notes will cover the evaluation of BOTA's operations and targeting performance, as well as the qualitative evaluations of the CCT, SSP and TAP programmes.

Introduction¹

The BOTA Foundation has been running a Conditional Cash Transfer (CCT) programme in Kazakhstan since 2009, providing regular monthly cash transfers to support low-income households that contain any of four categories of beneficiary:

- children aged 4+, until they start school;
- children with disabilities;
- pregnant women or women with infants under six months old;
- school-leavers aged 16–19 who are starting work.

Households receive the transfer provided that they meet conditions relevant to the beneficiary group such as attendance at antenatal appointments, pre-school or training courses.

The programme is managed from BOTA's head office in Almaty, supported by local teams in each province (*oblast*) and volunteers in every community where the CCT operates.

In 2011 BOTA introduced the programme to Almaty *oblast* and commissioned Oxford Policy Management (OPM) to conduct a baseline survey of the living conditions of households there that are eligible for the CCT. The focus was on those eligible for the benefit for children of pre-school age, though information was also collected in relation to other categories of beneficiary if they were also present in the household.

The purpose of the baseline survey was to obtain a detailed picture of household welfare—including levels of consumption, adequacy of food, sources of income, patterns of saving and remittances—as well as understanding of attitudes to child care and pre-school education, before the CCT programme began.

A year later, in 2012, a second round of the same survey was carried out to see how living standards have changed since the introduction of the CCT.

This note summarises findings from the baseline survey. The results from the follow-up survey will be available later in 2013.

¹ For the full details of the baseline survey see OPM(2012), 'Conditional Cash Transfer (CCT) Programme Baseline Report of Quantitative Evaluation. Vol I: Impact'.

Methodology

The research team began by selecting communities in Almaty *oblast* to participate in the study. The unit for selection was the *okrug*, the smallest unit of local government administration which consists of a small group of villages headed by a mayor or *akim*. The team randomly selected 108 *okrugs* for the research, out of the 226 rural *okrugs* in the *oblast*². The *okrugs* were divided into 54 pairs, with each pair consisting of two communities that were as similar as possible to one another.

One member of each pair was randomly assigned to the 'treatment' group that would receive the CCT programme during the survey period; the other was assigned to the 'control' group that would not receive the CCT. So there were 54 treatment and 54 control *okrugs*. This is termed a clustered randomised control trial.

At baseline the characteristics of the treatment and control groups are expected to be the same; the baseline survey itself serves as a useful check that this holds true and it can highlight any chance differences. After the CCT has operated for a year in treatment areas, any differences that are identified between the treatment and control groups may be attributed to BOTA, once any external factors have been taken into account.

Having selected the communities, the team then identified the households for interview. This entailed finding households in each *okrug* that, first, contained children of pre-school age, and second, were classified as poor according to BOTA's criteria.

The local government office of each *okrug* provided a list of children of the right age from its own administrative records that it maintains as part of its regular process of ensuring that all children are in school. In each *okrug* 72 of these

households were randomly selected to be tested as to whether they met BOTA's eligibility criteria³.

An interview team then went to each household and administered BOTA's proxy means test, the short 10–15 minute test that BOTA uses to estimate whether a household is poor or not. This test determines whether a household can join the CCT. In total 6,899 households were interviewed and 5,388 of them passed the test.

Finally, of all households that passed the test, approximately 10 per *okrug* were randomly selected for the detailed baseline interview. A total of 1,173 households were interviewed, evenly split between treatment and control locations, and between boys and girls. In two-thirds of cases the child eligible for the CCT benefit (referred to below as the 'eligible child') was 4 years old; in the remaining cases the respondents had a 5-year-old child. This age group was targeted for the baseline survey in order to be sure that all interviewed households would still be eligible for the CCT a year later at the time of the follow-up survey. Households of six-year-olds were not interviewed at baseline because the children would soon be entering school and would cease to be eligible for the benefit.

Where possible, if the eligible child already attended pre-school the team also interviewed the director of the pre-school facility to find out about its amenities and activities.

The random assignment of communities to the treatment and control groups, and the random selection of households for interview within those communities, means that the results of the survey are statistically representative of all households in Almaty *oblast* that are eligible for BOTA's CCT benefit for children of pre-school age for at least a year.

² There are 262 *okrugs* in Almaty *oblast*; the remaining 36 were excluded as they are classified as urban or contain large towns or dense populations. BOTA does not work in these areas.

³ In some locations fewer households were interviewed because there were not 72 children of pre-school age in the *okrug*, or because there were insufficient extra households to replace any that were found to be unavailable.

Household characteristics

We find that the average eligible household consists of about six people of whom just over three are adults and three are children under 18, of which at least one is the child eligible for the BOTA benefit. About one in every three households includes a member of pension age.

Almost all eligible children have both parents still alive, and nearly nine out of every 10—some 86%—still live with both of them.

In most cases (82%) the head of the household, i.e. the person whom the respondent considers to have the main responsibility for making decisions on behalf of the family, is male. A similar proportion are of working age rather than pensioners. Household heads are generally well educated: three-quarters of them have completed more than nine years of schooling.

While 99% of members of eligible households are Kazakh by citizenship, the range of nationalities (ethnicities) represented is more diverse. Alongside the 82% of household members who consider themselves Kazakh other significant nationality groups include, for instance, people of Uyghur, Russian, Turkish and Azeri origin. This diversity is typical of Almaty oblast.

The predominant language spoken by households at home closely reflects the nationality of its members. By far the main language spoken among eligible households is Kazakh, with Russian, Uyghur and Turkish again the main alternatives.

Child care arrangements

The team asked respondents about the care and education arrangements made for the pre-school age child, the target of BOTA's CCT.

The arrangements that families make for looking after the pre-school age child are generally very constant from one day to another: almost all

eligible children—about 94%—are looked after by just one or two carers during a typical week. The main carer is nearly always female (97%) and is most commonly a parent (84%) or grandparent (14%) of the child. For children who had spent time with their main carer on the day preceding the survey the mean time spent with that person was 11 hours, out of an average of 14 hours awake. About two-thirds of main carers are looking after another child under the age of seven at the same time as the eligible child.

Only one-third of main carers consider themselves to be in the workforce; and of those, nearly half would like to work but are unemployed. The remaining two-thirds are not in the workforce at all: a few are pensioners but most are of working age but not looking for a job, such as housewives. This means that few households—less than one in every five (18%)—have a main carer who combines caring duties with paid work outside the home.

Support for early learning

Eligible children usually have a supportive environment at home. Almost all engage in a wide range of activities that promote learning and school readiness. Some 97% had taken part in at least four learning activities at home over the previous week, from a list including reading and writing, story-telling, counting and naming objects, singing and physical exercise. However, only a minority of children were reported to have done so with the support of an adult: more often they did these activities with the help of younger household members such as a brother or sister, or else alone.

Almost every child—over 99%—has access to playthings at home. Most have at least one shop-bought toy; some also have home-made toys, and many play with everyday household objects. In contrast the proportion who have books at home is much lower: just under half of eligible children have at least three books suitable for their age group at home, while one in three has none at all.

Experiences of pre-school

Enrolment and attendance

At baseline some 44% of eligible children were reported to have ever been enrolled in a pre-school facility. This proportion is very similar among girls and boys.

The most common type of pre-school attended is the mini-centre. This is the flexible form of pre-school facility that has been set up over the last six years by the government, offering care and education for children under the age of seven for between two and 10 hours per day, and for two to seven days per week, either as part of a school or as a standalone facility. Over half (56%) of children who have ever been to pre-school have attended this type of facility. About 29% have been to the more traditional kindergarten, and 17% to a 'zero class', the part-time preparatory class that provides an introduction to school for children who have not attended kindergarten.

Of those who had ever enrolled, 80% were said to be still enrolled at the time of the survey. This may be under-reported because some households considered that their child was no longer enrolled if the facility had closed for the school holidays. This contrasts with BOTAs definition, whereby children who usually attend a facility are still considered to be enrolled—and therefore eligible for receipt of benefits—if the school closes temporarily over the summer.

The data for pre-school enrolment were the only figures in the survey where the team found that there were already very highly significant differences at baseline between treatment and control groups: nearly 48% of eligible children in treatment areas had ever been enrolled, compared with 39% in control areas. This suggested that, even though households in treatment areas had not yet started to receive cash from BOTAs at baseline, they had already begun to alter their behaviour in anticipation of

the imminent need to comply with BOTAs conditions.

OPM carried out further analysis of possible factors driving this effect in treatment areas. The team found that the longer the gap between BOTAs registration of beneficiaries and the date of the survey, the more likely households were to have enrolled their child in pre-school by the time of their interview. Those households would have had more time to prepare themselves by arranging a pre-school place for their child. When one controls for differences in time elapsed between enrolment and data collection, the statistically significant difference between treatment and control groups turns insignificant. This means that the anticipation effect is credible and real: BOTAs beneficiaries are really changing their behaviour in anticipation of receiving the transfer. It also means that the team has a way of controlling for the effects when measuring BOTAs effect on enrolment at follow-up.

On average children who attend a pre-school facility go for just under five days per week, attending around six hours per day.

Dropout and non-enrolment

For children who have dropped out of pre-school the two main reasons by far are the cost of pre-school education and the fact that there are people at home who can look after the child. Other reasons put forward by much smaller numbers of people, none of which were very widespread, included the difficulty of reaching the facility, the poor quality of the teaching and the preference for keeping the child at home. The fact that a high number of people said that cost was a factor in removing their child from pre-school is an indication that a programme that aims to remove financial barriers to access, such as the CCT, may be able to address one of the main concerns of some households who no longer send their child to pre-school.

For households that have *never* enrolled their child the two demand-side issues of cost and the availability of carers at home again predominate,

with cost the most widely cited reason, affecting 45% of households whose child is not enrolled. But after these the next most common reason by far is that there is no pre-school facility within reach (cited by 34% of respondents).

This is a supply-side problem which will not be resolved by a demand-side programme such as the CCT. It is therefore timely that the Government of Kazakhstan introduced a Programme for the Provision of Pre-School Care and Education, 'Balapan', for 2010–14, with the aim of increasing the number and range of pre-school facilities and the number of qualified staff in Kazakhstan.

Conditions at pre-school

The survey team interviewed 196 pre-school facilities attended by children that were identified as eligible for the BOTA CCT. The results are not statistically representative but the large sample size gives a very useful picture of the kind of conditions that children experience when they go to pre-school.

More than half had been established within the last five years, in 2007 or more recently, which provides an indication of the effect of the government's recent policy of expansion of pre-school provision, coinciding with its introduction of new regulations on mini-centres in 2006.

Over half the facilities interviewed said that enrolment of new pupils could officially only take place once per year. This is important for BOTA because the CCT enrolment process may take place at any time and requires beneficiaries to be at pre-school within the first few weeks after acceptance onto the programme, not just at the start of the new school year in September. A child that lives in a community where the local pre-school is full and there is no space to start mid-year will have to find alternative ways to fulfil the CCT conditionality. These challenges with mid-year enrolment may be a contributory factor to the establishment of new informal facilities designed especially to accommodate 'BOTA children'. We will find out more about these facilities in the follow-up survey.

However, in practice facilities seem to be able to take a more flexible approach to enrolment than the formal arrangements might suggest. Quite often facilities reported that if a child aged four or five wished to begin pre-school straightaway a place could be found.

Children's experience of pre-school will vary enormously depending on what type of facility they attend. State-run kindergartens tend to be large establishments with a wide range of amenities. Of those interviewed the average kindergarten had about 100 pupils and 25 staff; almost all had heating, hot water, indoor toilets and an outdoor play area, as well as toys, books, a television and computer. Nearly every interviewed kindergarten required pupils to attend for at least eight hours a day, with meals being offered on site. Almost all interviewed kindergartens charged an attendance fee, with the average sum being KZT 6,660 per month, i.e. about double the value of the CCT payment.

In contrast the zero class facilities that were interviewed had an average of just over 30 pupils and eight staff. Pupils mostly attend for less than four hours per day and are very unlikely to receive a meal. Their focus is on academic preparation for school: the interviewed facilities were more likely to have held classes in reading and writing on the day preceding the survey than was the case for kindergartens and mini-centres, and less likely to have engaged in music, singing, watching television or playtime. The zero classes are almost always free. This suggests that a household whose child attends a zero class may be more likely to spend the CCT benefit on other aspects of their well-being than pre-school attendance. The hypothesis will be tested in the impact evaluation.

Mini-centres vary greatly in their amenities, which reflects the fact that they are designed to be flexible in their operating arrangements. In size they tend to resemble zero classes. They are as likely as other facility types to have library books, toys and a television, but less often report having infrastructure and large equipment such as hot water, a playground and a gym or hall.

About three-quarters of the mini-centres interviewed charged an attendance fee, with an average of just under KZT 4,800.

The variability in facility types means that BOTA's requirement for participating children to attend for 85% of the time that it is open will result in very different educational experiences.

Household consumption

More than half (59%) of individuals in households eligible for the CCT live below the level of consumption defined by the government as the 'subsistence minimum', the amount that is considered to be the minimum necessary to eat a sufficient quantity and variety of food and to cover basic non-food needs. The average eligible household has a monthly consumption of about KZT 100,000 (about \$680), of which almost two-thirds (62%) is spent on food.

Using the measure of 'per adult equivalent consumption', which accounts for the fact that adults generally consume more than children and that some consumption items can be shared and do not vary with the number of people in a household, this equates to KZT 33,596 (\$226) per adult equivalent. These figures indicate that a transfer of KZT 3,300, the monthly value of the benefit for pre-school age children in 2011, represents about 10% of monthly consumption of an adult in the household.

Food security

Even though the average level of consumption among households eligible for the CCT is rather low—and considerably lower than that for Kazakhstan as a whole—this does not manifest itself in high levels of food insecurity. In fact, more than nine in every 10 households consider that they have a full and varied diet. Only 9% of households reported experiencing at least one month in the last year when they felt that they ate less than they wished, or ate food of a lesser quality.

The low rate of reported food insecurity among surveyed households may indicate that poverty in Kazakhstan is not strongly associated with

food insecurity. This is supported by findings from other studies that suggest that, uniquely among the five Central Asian states, 'only Kazakhstan is able to meet its own food requirements'⁴.

Children eat regularly: on average, respondents reported that eligible children ate three meals and three snacks on the day before the survey. These findings support the observation above that almost all households eat as much as they wish to during the day.

Children also have a varied diet. On average we find that children had consumed foods from eight out of 12 listed categories on the day before the survey. The categories are modelled on the Household Dietary Diversity Score used by the Food and Agriculture Organisation and comprise: cereals, including bread and pasta; roots and tubers such as potatoes; vegetables; fruit; meat and meat products; eggs; fish and seafood; pulses / legumes / nuts; milk and milk products; oil / fats; sugar / honey; and any other foods. This diversity is important as studies have shown evidence that a varied diet is associated with a number of positive outcomes such as improved birthweight and height and a reduced risk of cardiovascular disease.

Sources of income

Just under half of all households—44%—get their main source of income from a family member with a salaried job. A further 30% of households rely mostly on informal employment, either casual labour or self-employment. The remaining quarter rely mainly on transfers, especially state benefits such as a pension or child allowance.

Most households are heavily or exclusively dependent on their main source of income, a fact that can make them particularly vulnerable to

⁴ Sedik, D. Kurbanova, G. and Szentpali, G. (2011), 'The status and challenges of food security in Central Asia'. Background paper for the Food and Agriculture Organisation.

poverty in the event of a shock in the industry or sector where they work.

Employment

The dependence on few sources of income within the household is symptomatic of the fact that more than half of adults—and over 70% of women—are outside the labour force entirely, neither working nor looking for work. This includes, for example, people who classify themselves as housewives or pensioners. Among those household members who do consider themselves to be part of the labour force a small proportion are unemployed. Some have a job on a seasonal basis, often in agriculture.

The effect of cash transfers like the CCT on employment may be positive or negative. They can increase employment if the conditionality of a transfer on an activity such as pre-school attendance frees up time for household members to look for a job. However, they can also induce a reduction in employment if the income that households get from them causes household members to work less.

The combination of the low participation in the labour force by the main carer, and the fact that there is often another young child being cared for at home at the same time, suggests that it may be difficult for the CCT to have an impact on take-up of work opportunities by parents whose time is freed up by the enrolment of their child at pre-school⁵. The extent to which this has proven possible will be explored in the follow-up survey.

Transfers and remittances

The range of state benefits and allowances in Kazakhstan is quite wide, as is typical of countries that inherited a comprehensive social welfare system after the end of the Soviet Union. It includes both benefits targeted at categories of individuals such as children, the elderly and

⁵ Enrolment of the child at pre-school is one of the conditions for receipt of the CCT benefit.

people with disabilities, and benefits targeted at households such as the targeted social assistance for destitute households. Almost two-thirds of eligible households receive some kind of state transfer.

Fewer than 1% of households at this baseline stage received any cash or in-kind support from non-state organisations. This indicates that prior to the start of BOTA's operations there was little tradition of non-governmental social assistance.

Nor is there a strong tradition of giving and receiving goods or money among extended family, friends or the wider community: around one-quarter of households said they were involved in such transfers. Most commonly these households were either a giver or a receiver but not both.

Savings and credit

Savings can be an important determinant of households' wellbeing since they allow households to spread their consumption throughout the year, or even to smooth consumption between one year and another. This is particularly important for those that rely on seasonal work for their income. However, only around 5% of eligible households report having any savings; and for the few that do, it is rare that they keep them in a bank or other formal institution.

In contrast, over half of households report having debts. Buying on credit from shops or from the market seems to be the most common form of borrowing for households in the sample with around 40% of households indebted to shops or the market. The prevalence of this type of debt is also supported by qualitative research undertaken by the evaluation team that highlighted taking food on credit as a strategy to deal with the lack of cash in winter.

Next steps in the evaluation

Oxford Policy Management will compare these findings against those for the 2012 survey to identify the impact of BOTA's CCT programme on eligible households in treatment areas.