Targeting for national economic inclusion programmes

Six lessons from Kenya

Photo caption
Photo: ©credit

Jana Bischler,
Alexandra Doyle,
Stephanie Brockerhoff
and Anita Ntale

September 2023

ePact
Strengthening evaluation effectiveness and impact

UKaid
from the British people

e-Pact is a consortium led by Oxford Policy Management and co-managed with Itad

Oxford Policy Management

itad

Acknowledgements

The authors would like to thank all the individuals who contributed to the study reported on here, and to producing the main report and this summary. These include representatives of the following organisations: the Directorate of Social Development (DSD) at the Government of Kenya's Ministry of Labour and Social Protection for their guidance and committed engagement throughout the process, including during the learning workshop; the Economic Inclusion Programme (EIP) technical assistance teams from Global Development Incubator (GDI), Village Enterprise, and BOMA, for their support and cooperation throughout the study design and implementation phases; the UK Foreign, Commonwealth and Development Office and the World Bank in Kenya, especially Anthony Njage, Jaqueline Owigo, Dorothy Shihemi, Sophie Tanner, David Kinyua, Yulia Smolyar, Sarang Chaudhary, and Iftikhar Malik, for their support and comments; everyone who attended the remote and in-person workshops held as part of the inception phase of the research and the reflection on its results; and our fieldwork partner, Research Guide Africa, for their rigour and diligence. The study's full report and this summary benefited from an internal peer review by Fred Merttens, Patrick Ward, Tim Conway, and Michele Binci.

Last, but definitely not least, we thank all of the respondents, who generously gave their time and opinions during interviews for this research.

All opinions expressed, and any mistakes, remain the responsibility of the authors.

Suggested citation

Bischler, J., Doyle, A., Brockerhoff, S., and Ntale, A. (2023) 'Targeting for national economic inclusion programmes: Six lessons from Kenya', Oxford Policy Management

Study background

Oxford Policy Management (OPM) is delivering the Monitoring, Evaluation and Knowledge component of the Kenya Social Economic Inclusion Programme (KSEIP), which aims to support KSEIP's implementation.[1] A core activity of KSEIP is the piloting and implementation of the **Economic Inclusion Programme (EIP)** by the Government of Kenya (GoK), with support from a consortium led by non-governmental organisations (NGOs). The OPM evaluation of the EIP consists of both an impact evaluation and a process review. It is the latter which is reported on in this summary.

The purpose of the process review is to provide timely insights into what has worked and what has not worked in terms of two selected core EIP implementation processes (targeting and mentorship), to assess the extent to which the EIP's design is compatible with the GoK's systems, and to explore whether the GoK has the capacity required to deliver and scale up the EIP.

This brief summarises the findings of the first round of the process review, which answered **questions related to the relevance, coherence, effectiveness, efficiency, and sustainability of the EIP's targeting process**. The review was conducted between April and September 2022 and involved the following activities: a desk review of programme and policy documentation; analysis of programme monitoring data; primary qualitative research comprising key informant interviews at the national, county, and sub-county levels; and analysis of quantitative and qualitative data from the baseline round of the impact evaluation. The results of the review were discussed and validated with key stakeholders at a workshop in Nairobi in December 2022 and are documented in a full report.

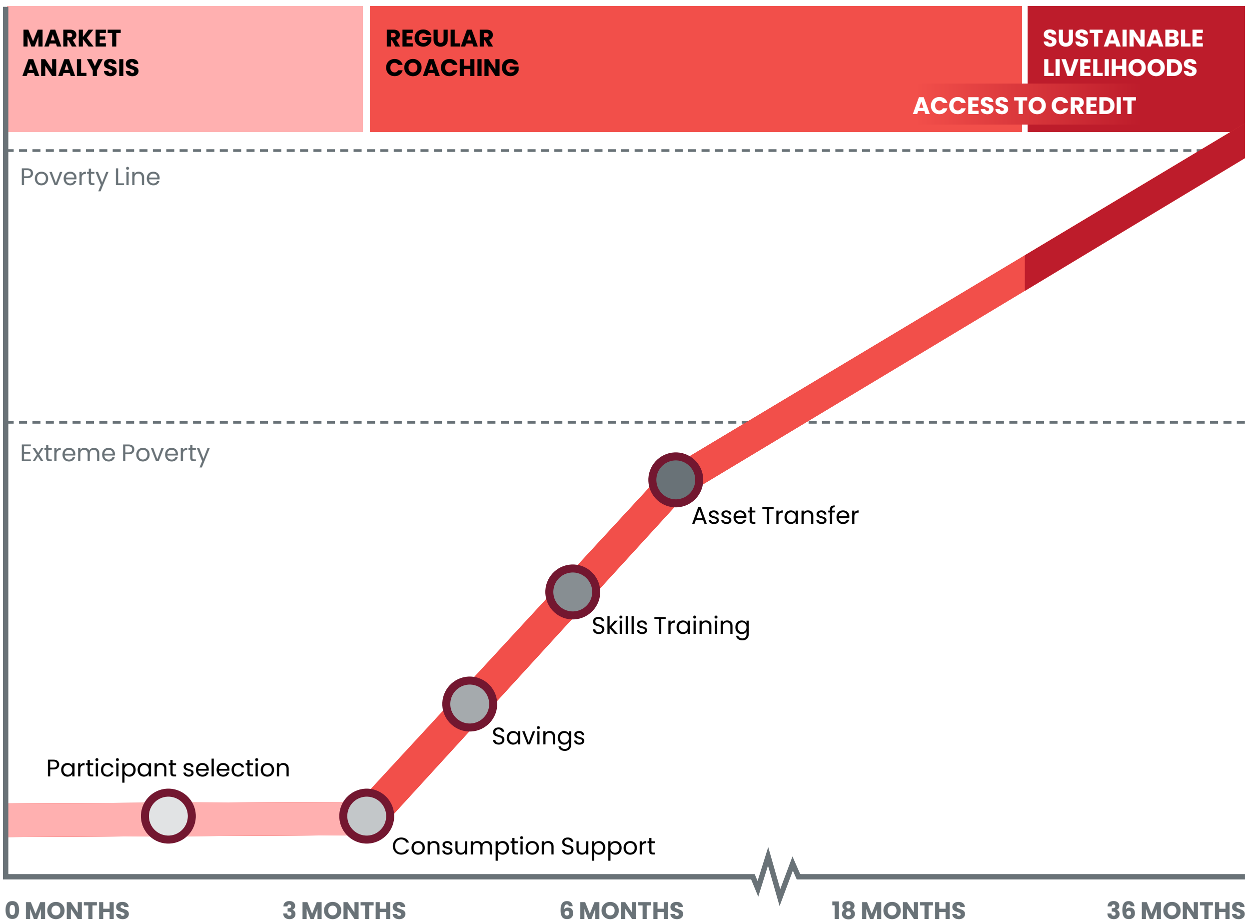
This brief summarises the key lessons from the first process review report, with a focus on lessons that may be relevant for other countries seeking to implement economic inclusion programmes using national systems.

1 KSEIP (2019–2024) has been designed by the GoK, the World Bank, and the UK's Foreign, Commonwealth and Development Office to support the advancement of Kenya's social protection sector.

Bringing economic inclusion to scale

Economic inclusion programmes aim to lift households out of poverty by addressing the multiple barriers they face through a bundle of coordinated interventions (see Figure 1). The intervention bundle may vary slightly from programme to programme, depending on the context, but usually involves a combination of the following: cash or in-kind transfers (both small regular transfers to support consumption smoothing and a later, larger transfer to build the household's productive asset base); skills training and/or mentoring; access to finance and savings support; and linkages to services. This 'big push' approach intends to help poor households build sustainable livelihoods and increase their resilience to shocks over time (Andrews *et al.*, 2021).

Figure 1: The economic inclusion (or 'graduation') approach



Source: Adapted from The Consultative Group to Assist the Poor (CGAP) (2013).

Many economic inclusion programmes lean on a poverty graduation approach which was first piloted by BRAC in Bangladesh over 20 years ago. Since then, a robust global evidence base has been built with the help of an increasing number of rigorous impact evaluations of graduation programmes, most of which have been implemented by NGOs (Banerjee, et al., 2015; Devereux and Sabates, 2016). Most of these evaluations have found that graduation programmes lead to significant increases in the income, assets, and savings of programme participants, and that this positive impact is mainly driven by their multifaceted design (Banerjee, et al., 2022; Chowdhury, *et al.*, 2017).

Against the backdrop of this promising evidence base, there has been a proliferation of government-led programmes which aim to bring the economic inclusion approach to scale. The Partnership for Economic Inclusion (PEI), hosted by the World Bank, works to help governments design, adapt, and manage scalable economic inclusion programmes. The PEI estimated that in 2020 economic inclusion programmes were implemented in over 75 countries, and that about half of all such programmes are government-led. Government-led programmes cover about 93% of all economic inclusion participants worldwide, highlighting the important role of governments in bringing economic inclusion initiatives to scale (Andrews *et al.*, 2021).

Despite this trend, important questions remain regarding the feasibility of scaling economic inclusion programmes through government systems, particularly in low-income countries with limited government capacity and resources. The implementation of economic inclusion programmes is complex and resource intensive as their multidimensional nature often involves providing personalised support to participants. Support is usually delivered in the form of a mentorship/coaching component which aims to help participants develop a range of hard and soft business skills, boost self-confidence, identify viable livelihoods or business opportunities, and provide advice on additional topics that may improve participants' wellbeing (e.g. health, nutrition, legal rights, etc.). As the mentorship/coaching component is often a key element driving impact, more research is required on whether government-led economic inclusion programmes can achieve levels of impact similar to those found in NGO-led programmes, especially where capacity constraints may affect their ability to deliver mentoring in the same way. To avoid building parallel or duplicate systems, operational research is also needed to assess the extent to which processes and systems designed by NGOs can be – or have been – successfully adapted to be compatible with government systems and capacities.

The EIP and economic inclusion in Kenya

Over the last decade, Kenya has made considerable progress in building its National Safety Net Programme (NSNP).[2] Building on this foundation, the GoK is committed to developing an integrated social protection system, moving beyond stand-alone cash transfer programmes and towards enhancing the social and economic inclusion of poor and vulnerable households and individuals.

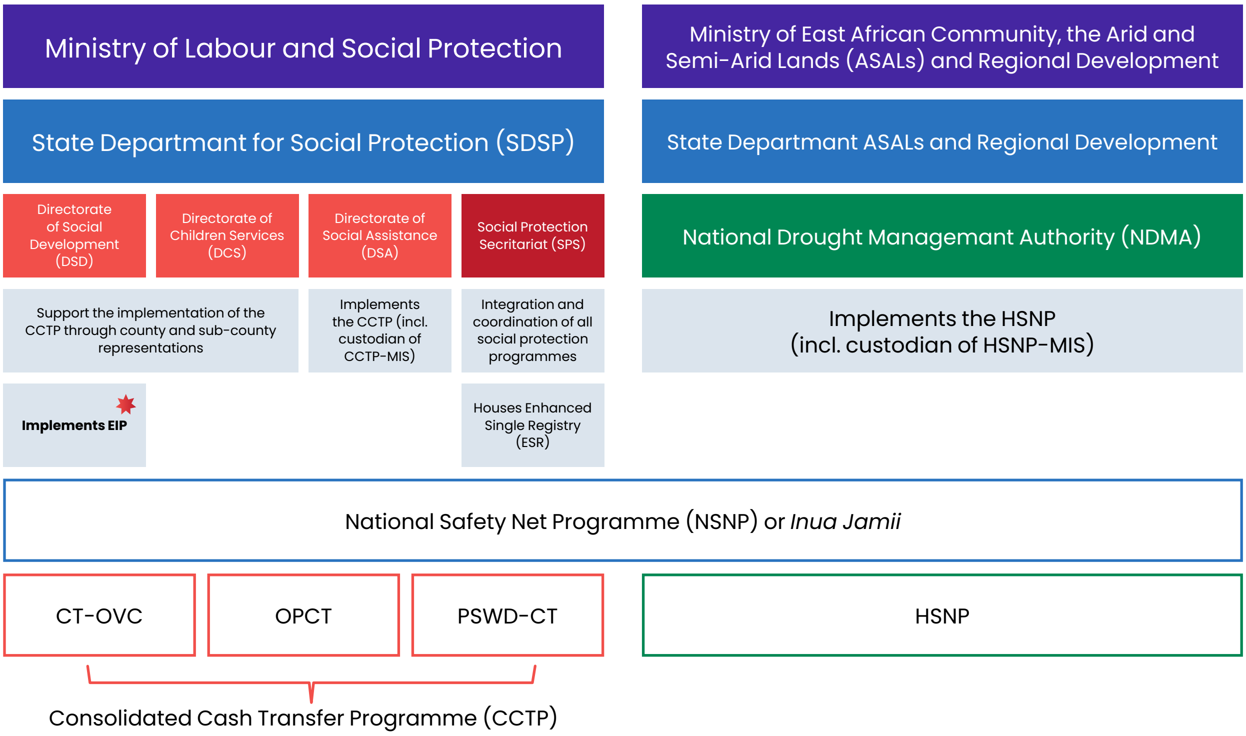
Evaluations of economic inclusion programmes implemented by NGOs in Kenya have shown promising results in terms of poverty reduction (Jiminez Gallardo, et al., 2021; Gobin and Santos, 2015; BOMA, 2019; OPM, 2016). However, NGOs have not had the reach or budget to implement these programmes sustainably and at scale. To move towards scaling up economic inclusion approaches in Kenya, in line with the GoK's objectives, the Directorate of Social Development (DSD) of the Ministry of Labour and Social Protection is implementing a pilot programme (the EIP), with technical assistance provided by an NGO consortium led by Global Development Incubator (GDI), together with BOMA and Village Enterprise.

The consortium has been tasked with adapting their economic inclusion approaches so that they can be implemented by the GoK, through the GoK's systems. For its first cohort, the EIP aimed to reach 7,500 households across five counties (Marsabit, Kisumu, Taita Taveta, Makueni, and Murang'a). Two separate models of the EIP are being piloted: Model A, led by BOMA, and Model B, led by Village Enterprise. Both models provide a sequenced and time-bound set of interventions to selected households, comprising regular consumption support, skills training, a lump-sum transfer of seed capital (the asset transfer), participation in savings groups, and mentoring. However, the two models differ in terms of their duration and targeting approach.

In parallel, GDI is delivering a capacity-building component, with the aim of preparing DSD to implement the activities for a second cohort of the EIP (with back-end support from the consortium), and subsequent scale-up of the EIP to additional households and counties across Kenya.

2 The NSNP comprises Kenya's four main cash transfer programmes. Three of these – the Cash Transfer for Orphans and Vulnerable Children (CT-OVC), the Older Persons Cash Transfer (OP-CT), and the Persons with Severe Disabilities Cash Transfer (PSWD-CT) – are national in scope and are referred to collectively as the Consolidated Cash Transfer Programme (CCTP). The fourth – the Hunger Safety Net Programme (HSNP) – is implemented in eight poor counties in Kenya's northern Arid and Semi-Arid Lands. All four programmes are poverty-targeted.

Figure 2. Relevant institutions, functions, and programmes engaged in Kenya's NSNP and the EIP



Source: authors' own.

Targeting for economic inclusion programmes

Most economic inclusion programmes target poor and extremely poor households that are deemed able to participate in economic activities. As such, the key target populations of economic inclusion programmes often overlap partially with those of other social assistance programmes, such as cash transfer programmes. However, the full set of eligibility criteria usually differ in the sense that many cash transfer programmes are targeted at households which are both poor and labour-constrained (such as households with people with disabilities or older people), while eligibility for a (poor) household's participation in an economic inclusion programme is linked to the availability of surplus labour and the ability to work (Andrews et al., 2021).

To identify and select poor households, economic inclusion programmes usually rely on similar targeting mechanisms to those used by other poverty-targeted social assistance programmes (BRAC, 2020). Most economic inclusion programmes target their participants through survey-based proxy means tests (PMTs), community-based targeting (CBT), or a combination of the two. In NGO-led economic inclusion programmes around the world, PMTs are often applied through the administration of poverty scorecards, such as the Poverty Probability Index (PPI).[3] In many contexts and programmes, CBT takes the form of participatory wealth ranking, which seek to incorporate the knowledge and opinions of community members in selecting participants.[4] It is worth noting that no targeting approach is perfect and the use of PMT, CBT, or a combination of the two will have different costs and may result in different levels of targeting errors, depending on the context and how well the approach is implemented.

3 The PPI is a global approach to poverty measurement managed by Innovations in Poverty Action. In each country, it uses regression analysis of the latest available national household survey to select 10 questions about a household's characteristics and asset ownership which best predict the likelihood that the household is living below a given poverty line.

4 Wealth ranking is a technique that is often used as part of rapid rural appraisal or participatory rural appraisal.

The targeting approach for Kenya's EIP

The EIP's targeting strategy for cohort 1 was designed to identify 7,500 households to participate in the EIP across the five pilot counties. The strategy stipulated that of these 7,500 households, 25% should currently be enrolled in one of the four cash transfer programmes of Kenya's NSNP. The EIP targeting strategy sought to identify households living in poverty, and extreme poverty, *'with at least one household member who can engage in productive and sustainable economic opportunities as an individual or as part of a business group'* (GDI, 2021), i.e. households with the 'ability to participate'. Priority was also given to households with members from particularly vulnerable groups (e.g. women or people with disabilities). However, neither the 'ability to participate' nor the categorical vulnerability criteria were clearly or uniformly defined.

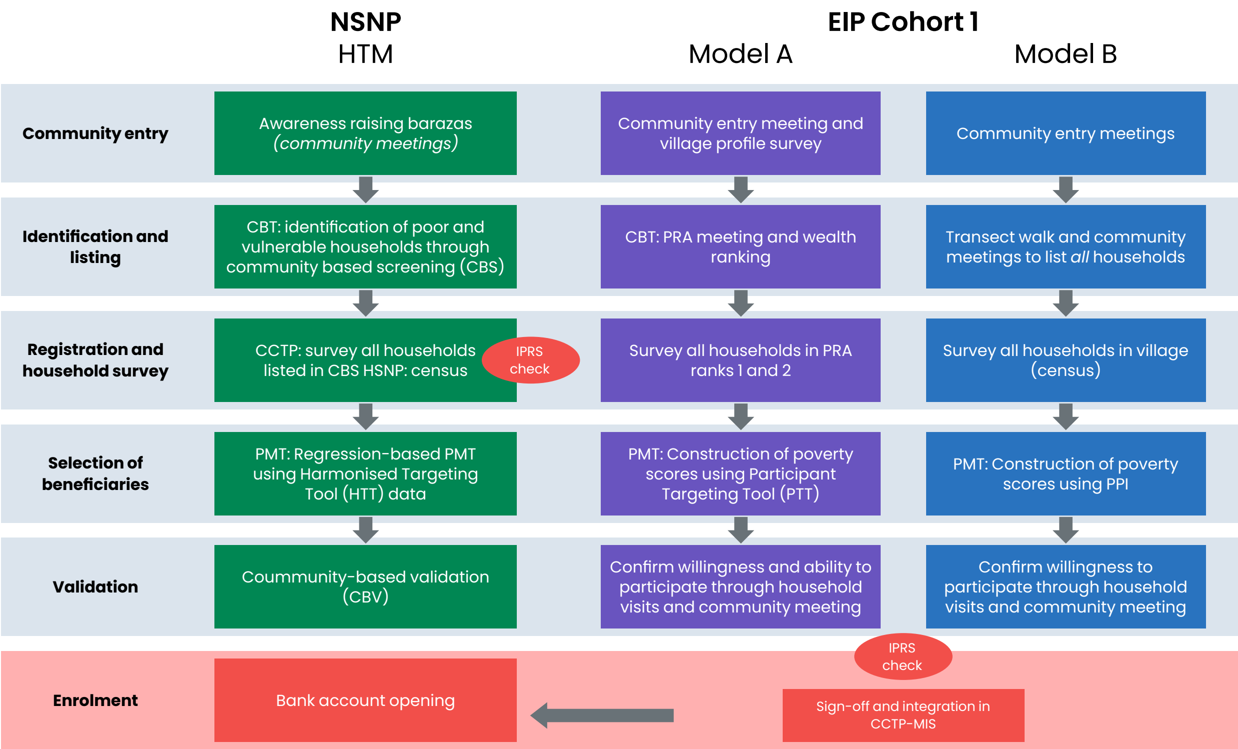
Each of the two EIP models employed a different targeting approach. Figure 3 compares these to each other, and to the Harmonised Targeting Mechanism (HTM) that is used to identify beneficiaries for the existing cash transfer programmes of the GoK's NSNP (a process which includes cross-checking for citizenship eligibility using Kenya's Integrated Population Registration System (IPRS)). Model A used CBT (using an approach that draws on participatory rural appraisal) to identify the poorest households and then confirmed their eligibility using a survey-based PMT. Model B conducted a census using a survey-based PMT (using the PPI tool) to identify the poorest households, without employing a CBT element. In both models, once selected, households then chose one member who would be registered as the participant in the EIP on behalf of the household. These names were then submitted for inclusion in the Consolidated Cash Transfer Management Information System (CCTP-MIS).

Targeting outcomes of Kenya's EIP

The implementation of the targeting activities for the first EIP cohort required significantly more time and resources than expected and resulted in programme implementation delays of over one year. By September 2022, the EIP had moved 7,162 households to the bank account opening stage. Of these households, only 20% (1,441) were households that were already enrolled in NSNP cash transfer programmes. Among those households selected, survey results[5] indicate that the EIP targeting approach managed to identify households that meet the EIP's eligibility criteria in terms of poverty status, with 86% of selected EIP households estimated to live below the national consumption poverty line.[6]

Community leaders perceived the targeting processes under both models to be legitimate, with most expressing satisfaction with the targeting process and agreeing that the programme selected the *'right people'*. Community leaders in Model A villages appreciated the *'bottom-up approach'* to targeting using CBT and concluded that this resulted in selecting households that *'really need help'*. In Model B areas, while community leaders appreciated that the census approach covered all households and thought that the process was *'free of bias'*, interviews indicated less buy-in from some community leaders who were not included in the selection of the households ('the selection was done by a machine').

Figure 3. Overview of targeting and enrolment steps (simplified) for the NSNP HTM compared to those for EIP cohort 1 Models A and B



Source: Authors, based on MLSP (2019) and EIP Operations Manual (SDSP, 2022).

Note: The HTT, Participant Targeting Tool (PTT), and PPI are different types of questionnaires, but all have the objective of collecting data to apply a PMT to help verify the poverty status of potential participant households, and their questions overlap significantly.

The implementation and outcomes of the targeting approach for the EIP yield several global lessons that are relevant for other attempts at scaling up economic inclusion approaches through government systems in other countries. These are set out in the remainder of this brief.

Lesson 1: Align targeting to national processes and systems

Findings

The review of the EIP targeting process found that a lack of alignment with the NSNP targeting approach reduced the efficiency, coherence, and sustainability of the EIP targeting approach. Both the EIP and the GoK's NSNP have similar targeting objectives – in terms of identifying poor households – and follow similar targeting approaches to achieve this (i.e. combining PMT and CBT components: see Figure 3). However, the two targeting

5 A baseline survey was conducted as part of the EIP impact evaluation and covered Marsabit, Kisumu, and Taita Taveta.

6 It was not possible to conduct an estimation of inclusion and exclusion errors, and therefore these findings only reveal that most selected households are poor, but not whether they are in fact the poorest households.

approaches implemented in the context of the EIP were not aligned with the NSNP's existing targeting approach (the HTM). Instead, parallel processes and systems were developed.

→ **Parallel processes:** The GoK has invested significantly in designing the HTM, including the processes and tools needed for its implementation. Using these available resources could have reduced the cost of implementing the targeting for the EIP significantly. Further, the HTM is already institutionalised within the GoK's ways of working at national and county levels, making it a more sustainable approach for EIP targeting.

→ **Parallel systems:** The GoK has developed management information systems (MISs) to facilitate targeting, enrolment, and payment of NSNP cash transfers to households.[7] A decision was taken to develop another, bespoke MIS to support the EIP's processes. However, the new MIS for the EIP was not completed in time for implementation of support to cohort 1 and the existing CCTP-MIS could not be used since the EIP targeting process was different from the HTM that is commonly used for the targeting of the other cash transfers in Kenya. Thus, the targeting of the first cohort of the EIP was supported by yet another external system. However, linking this system and the system used for cash transfer payments – the CCTP-MIS – proved challenging and data transfers had to be done manually as part of the enrolment stage (see Figure 3). This introduced further delays and errors into the process.

Lesson

Align the targeting approaches of economic inclusion programmes to existing targeting approaches of government-administered poverty-targeted programmes.

Introducing parallel approaches to poverty targeting, in addition to those already in use in a country, risks adding additional workload and complexity in contexts that are already challenged by constrained capacity. While the efficacy of different targeting methods is a subject of heated debate and there are advantages and disadvantages to both CBT, PMT-based, and other methods, research has also shown that there is no universally superior approach to targeting: the 'best' option depends on the context and on the quality of implementation of the chosen targeting method (Coady, Grosh and Hoddinott, 2004; Devereux *et al.*, 2015). Thus, considerations of simplicity and coherence should be given priority during the piloting and scaling up phases, while later stages should be used to fine-tune the targeting approach to improve its efficacy. An alignment with prevailing government approaches also facilitates compatibility with other government systems in use, including MISs, which negates the need to develop additional systems.

7 There are two MISs, one for the administration of the CCTP (CCTP-MIS) and another for the administration of the HSNP (HSNP MIS). The CCTP-MIS is housed in DSA, while the National Drought Management Authority (NDMA) is the custodian of the HSNP MIS (see Figure 2).

Lesson 2: Make use of existing data and registries

Findings

The GoK is in the process of rolling out a social registry (known as the Enhanced Single Registry (ESR)). The ESR is intended to provide a database of actual and potential social protection beneficiaries by collecting data from at least 50% of households in Kenya. These data can be used to target future beneficiaries, thereby reducing community fatigue, inefficient use of resources, and the lack of standardised data resulting from often overlapping data collection and registration processes (MLSP, 2020). The ESR applies an adapted version of the HTM, which also involves collecting information from households to apply a PMT that helps verify the poverty status of potential beneficiaries in addition to collecting other demographic and socio-economic data.

Despite initial plans, the EIP did not draw on ESR data to select its cohort 1 participants. The ESR contains the information that is required to identify whether a household is eligible for the EIP (e.g. poverty level, NSNP status, and demographic household data to verify 'ability to participate'). These data were available for two out of the five EIP counties when data collection for targeting of cohort 1 started. Given that the ESR builds on the HTM, an adaptation of the HTM for the EIP during the pilot stage could have been a strategic opportunity to facilitate coherence and improve conditions for scale-up of the EIP. The long-term vision of the GoK is that all programmes to support poor households, such as the EIP, target their beneficiaries through the ESR, to improve the coherence and the efficiency of the social protection system. Drawing on the ESR for targeting has the potential to free up time and resources for other key processes under the EIP, such as mentoring.

Lesson

Make use of social registries where these are available.

Social registries have the potential to reduce programme-specific costs for targeting and many countries are currently investing in their development. It is important to keep in mind concerns around the currency and inclusiveness of social registries, but layering verification exercises and additional community validation and sensitisation can help to reduce inclusion and exclusion errors when targeting participants through social registries.

Lesson 3: Plan for statutory government requirements

Findings

The challenge that caused the most significant delay in finalising the targeting process for the EIP was the verification of potential participants' identification data against Kenya's population register, the IPRS. This verification step is intended to ensure that programme participants are Kenyan citizens: it is a statutory requirement for all social protection programmes run by the GoK. In the context of NSNP targeting, the GoK has streamlined this process by automatically verifying households' identification information against the IPRS during data collection (see Figure 3). This has the potential to correct any errors in capturing ID numbers or names straight away, while data collection in a community is still ongoing.

However, the EIP conducted the verification step manually only after data collection was completed. The lists of potential EIP participants were submitted to the Directorate of Social Assistance (DSA), which in turn submitted the lists to the population register. The returned lists showed a high level of data mismatches between the lists of selected participants and the population register. These mismatches had to be corrected manually and in some cases data collectors had to return to the programme villages to verify the information that was collected. As a result of the high number of mismatches, verification and subsequent enrolment took place in several iterative batches over a period of eight months. Reports indicate that these delays contributed to higher-than-expected participant dropout, with some identified EIP households citing disinterest in the programme.

Findings suggest that the difficulties experienced during verification were caused by a lack of clarity around the verification requirements prior to designing and implementing the targeting process. NGO programmes are not required to verify their participants against the population register. As a result, this step was not built into the targeting approach designed by BOMA and Village Enterprise. Furthermore, while DSD has the mandate to implement the EIP, DSA is the custodian of the CCTP-MIS, which underpins the operations of three of Kenya's four cash transfer programmes and which directly links to the IPRS (see Figure 2). Key informants felt that the DSA had not been sufficiently involved during the planning, designing, and implementing of the targeting process, and therefore had not been given the opportunity to share operational lessons with the consortium and DSD. As a result, the process of verification, as well the challenges associated with this process, were not fully understood by the EIP implementers and could not be properly factored into the workplan for implementation, nor into the procedures to be followed during household data collection.

Lesson

Identify and plan for government-specific requirements for the registration and enrolment of participants.

In contrast to NGO-led programmes, government-led programmes often have specific legal requirements for the registration and enrolment of participants, especially when they involve the transfer of resources such as cash. It is crucial that these requirements are mapped, understood, and considered when adapting targeting processes designed by NGO programmes to be applied at scale through government systems. Again, an alignment with prevailing systems and processes already in use by the government can help to ensure that all legal requirements are met.

Lesson 4: Involve all stakeholders through partnership

Findings

While all stakeholders were consulted during the inception and design stages for EIP's cohort 1, the chosen approach did not allow DSD or the implementing consortium to fully benefit from the operational expertise and experience of some key stakeholders. In the case of Kenya, DSD is mandated to deliver the EIP on behalf of the State Department for Social Protection (SDSP) and has been closely involved in all phases of the design and implementation of the EIP. However, DSD does not have operational experience in all aspects of the delivery of the various social assistance programmes. Delivery of the HSNP, including its targeting, is led by the National Drought Management Authority (NDMA), while the DSA oversees the operational delivery of the other three cash transfer programmes and is custodian of the MIS that underpins them. The Social Protection Secretariat oversees the ESR and is mandated to work with other programmes that intend to use its data (see Figure 2).

The process review found that consultations, particularly involving DSA and NDMA, often took place in large, multi-stakeholder workshops, which was not sufficiently effective at identifying all details of key operational processes. As a result, the implementing consortium were not fully aware of the GoK's processes and requirements for targeting and enrolment when they were designing and implementing these processes (see Lesson 3).

Going forward, all stakeholders should be brought into the implementing partnership to ensure that operational lessons and requirements are shared with the implementing consortium at the outset. Had this been the case during the implementation of cohort 1, some (but not all) of the challenges faced with the verification step might have been avoided.

Lesson

Map and fully involve all key stakeholders during the design of key processes.

Many economic inclusion programmes that are scaled through government systems build on existing social protection programmes. While these sometimes have the same lead agency as the economic inclusion programme, this is not always the case. Given the multidimensional nature of economic inclusion programmes, it is often the case that a larger range of agencies and/or ministries are involved in their implementation. Thus, it is crucial to involve the right set of stakeholders from inception through design to implementation, to gain a complete understanding of the government processes and requirements for all aspects of programme delivery. Engagement should go beyond consultation through multi-stakeholder workshops, and instead should actively develop close and consistent working relationships.

Lesson 5: Clearly define eligibility criteria

Findings

The process review could not identify a clear definition of one of the EIP's key eligibility criteria: the 'ability to participate'. Key informant interviews and a documentation review indicated that, in practice, several factors were considered to determine the 'ability to participate': for example, excluding those with severe disability, mental illness, or drug or alcohol addiction, and excluding the elderly. At the same time, the review highlighted that the EIP aims to give preference to marginalised groups, such as women or people with moderate disabilities. However, these criteria and their application were neither clearly nor uniformly defined.

This ambiguity poses a risk to the transparency and scalability of the implementation of the EIP targeting strategy, as well as to the equity of targeting outcomes. The EIP eligibility criteria, including the 'ability to participate' and categorical inclusion criteria, should be the same for the whole programme and should be applied uniformly across Models A and B, and across all areas in which the EIP is implemented.

Lesson

Develop specific eligibility criteria for economic inclusion programmes, based on clear, measurable, and objective characteristics that can be uniformly understood and applied.

Economic inclusion programmes usually target poor households with surplus labour or untapped economic potential, which is sometimes referred to as 'the ability to participate'. Many organisations define the 'ability to participate' through a combination of demographic and socio-economic characteristics. However, when left undefined, there is a significant risk that this aspect of eligibility is determined subjectively. Care should also be taken that the criteria that define the ability to participate are clearly measurable and observable, and are not based on discrimination, assumptions, or stigma.

Lesson 6: Consider the suitability of including existing cash transfer beneficiaries in economic inclusion programmes

Findings

It was challenging to identify the desired number of NSNP beneficiaries for enrolment in the EIP. As part of the programme's design, it was agreed that 25% of targeted households should be households that are already enrolled in the NSNP. However, across the five EIP counties, this target was only met in Marsabit, where there is a large presence of HSNP households. In the other countries, repeated attempts at meeting the quota through additional targeting exercises contributed to the delays experienced in finalising enrolment.

Those designing economic inclusion programmes should consider the logic for linking them to existing social assistance programmes which are based on categorical targeting. Economic inclusion programmes are designed to support households with surplus labour that can engage in productive economic activities. By contrast, apart from the HSNP, the other NSNP cash transfers (CT-OVC, PWSD-CT, and OP-CT) are designed to address lifecycle risks that drive poverty among the target groups (orphans and vulnerable children, people with severe disabilities, and older people). These groups have lower productive capacity and often require a caregiver in the household to act on their behalf. As a result, the EIP struggled to identify NSNP households that met the programme's eligibility criteria or that had a caregiver who could run a business on their behalf.

Initially, the EIP sought to target all households (including NSNP households) using the same criteria and processes, but given the challenges, additional strategies were to reach NSNP beneficiaries. To bolster the number of NSNP households enrolled in the programme, both BOMA and Village Enterprise relaxed the eligibility criteria for enrolling NSNP households by increasing the maximum age for participants and lowering the poverty score cut-off for EIP participation. A supplementary targeting exercise for NSNP households was also conducted, where existing lists of NSNP beneficiaries were used to directly approach NSNP households and assess their eligibility to participate in the EIP. However, up to 30% of households on the NSNP list provided by DSA were deceased, had migrated, or were no longer eligible for the NSNP. As a result, the effort invested in strategies to identify additional NSNP households only increased the proportion of NSNP households enrolled in the EIP from 18% to 20%.

Lesson

Careful consideration should be given to the eligibility criteria and targeting processes when including existing social assistance beneficiaries in economic inclusion programmes. Customised processes for identifying such beneficiaries must be developed and successful implementation relies on frequent recertification.

The beneficiaries of cash transfers targeted at labour-constrained household members may not always be best suited for participation in economic inclusion programmes. While some households may have other able-bodied household members who can participate in the programme on their behalf, it is not clear that the programme will have the same impact on such households, or whether inter-household dynamics will guarantee that the labour-constrained member ultimately benefits. More research is needed to assess the impact of economic inclusion programmes on such households. This will be one of the aims of the forthcoming EIP impact evaluation.

To avoid delays and other complications, it may be best to avoid setting quotas for how many of these types of households should be included, especially when it is not clear to what extent such sub-categories of eligible participants are distributed evenly across geographic locations. Instead, programme implementers may consider giving priority to such households in selection rules, rather than determining a fixed proportion.

Finally, if economic inclusion programmes are to piggyback on existing social protection programmes to deliver complementary support, governments need to ensure that accurate, complete, and reliable data on these households can be easily obtained.

References

Andrews, C., de Montesquiou, A., Arevalo Sanchez, I., Dutta, P., Paul, B. Samaranayake, S., Heisey, J. Clay, T. and Chaudhary, S. (2021) 'The State of Economic Inclusion Report 2021: The Potential to Scale', World Bank, Washington, DC.

Banerjee, A., Duflo, E., Goldberg, N., Karlan, D., Osei, R., Parienté, W., Shapiro, J., Thuysbaert, B., Udry, C. (2015) 'A Multifaceted Program Causes Lasting Progress for the Very Poor: Evidence from Six Countries', *Science 348* (6236), 1260799. https://www.science.org/doi/10.1126/science.1260799

Banerjee, A., Karlan, D., Osei, R., Trachtman, H., Udry, C. (2022) 'Unpacking a Multi-faceted Program to Build Sustainable Income for the Very Poor', *Journal of Development Economics* 155, 102781. https://www.sciencedirect.com/science/article/abs/pii/S0304387821001401

BOMA (2019) 'Key Findings of the Endline Evaluation on BOMA's Poverty Graduation Pilot with the Government of Kenya's Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT)', BOMA Project. https://bomaproject.org/wp-content/uploads/2019/09/BOMA-Project-PROFIT-Endline-Report-Key-Findings-Summary.pdf

BRAC (2020) 'Targeting Methods in the Graduation Approach'. BRAC. https://bracupgi.org/wp-content/uploads/2021/06/Targeting-Methods-in-the-Graduation-Approach.pdf

CGAP (2013) 'Graduation programs creating ladders out of extreme poverty'. https://www.slideshare.net/Microcredit/graduation-programs-creating-ladders-out-of-extreme-poverty-syed-hashemi

Chowdhury, R., Collins, E., Ligon, E., and Sulaiman. M. (2017) 'Valuing Assets Provided to Low-Income Households in South Sudan', discussion paper, BRAC University, Dhaka, Bangladesh.

Coady, D, Grosh, M., Hoddinott, J. (2004) 'Targeting of Transfers in Developing Countries: Review of Lessons and Experience', World Bank, Washington, DC.

Devereux, S., Masset, E., Sabates-Wheeler, R., Samson, M., Rivas, A. and Lintelo D. (2015) 'Evaluating the Targeting Effectiveness of Social Transfers: A Literature Review', *IDS Working Paper* 2015(460). https://www.ids.ac.uk/publications/evaluating-the-targeting-effectiveness-of-social-transfers-a-literature-review/

Devereux, S., and Sabates, R. (2016) 'Final evaluation report: Enhancing the Productive Capacity of Extremely Poor People in Rwanda', Concern Worldwide and IDS, Dublin. https://www.peiglobal.org/final-evaluation-report-enhancing-productive-capacity-extremely-poor-people-rwanda

GDI (2021) 'Implementation of Economic Inclusion (EI) Program under Kenya Social and Economic Inclusion Project (KSEIP): Targeting', EIP Design Workshop, Nairobi, Kenya.

Gobin, V. J. and Santos, P. (2015) 'All together now: the impact of a multifaceted approach to poverty alleviation', BOMA Project. https://bomaproject.org/wp-content/uploads/2019/01/Gobin-and-Santos-Dec-2015-All-together-now-the-impact-of-a-multifaceted-approach-to-poverty-graduation.pdf

Jimenez Gallardo, M., Kananu, W., Lazicky, C., McManus, J. and Njou-Ndongwe, F. (2021) 'Village Enterprise Development Impact Bond Evaluation Findings', IDInsight.

MLSP (2019) *Revised Operations Manual for Consolidated Cash Transfer Programme*, Republic of Kenya.

MLSP (2020) *Strategy for the Enhancement of the Single Registry*, State Department of Social Protection, Republic of Kenya.

OPM (2016) 'Evaluation of the Kenya Hunger Safety Net Programme Phase 2: Special Study on the Arid Lands Support Programme', OPM.

SDSP (2022) *Economic Inclusion Programme Operations Manual*, State Department for Social Protection, Senior Citizen Affairs and Special Programmes, DSD.

This evaluation is being carried out by e-pact. The Project Manager is Juliet Odindo. The Process Evaluation Lead for this policy brief is Jana Bischler and the Evaluation lead is Patrick Ward. This report was co-authored by Jana Bischler, Alexandra Doyle, Stephanie Brockerhoff and Anita Ntale. All opinions expressed, and any mistakes, remain the responsibility of the authors.

For further information contact Juliet Odindo juliet.odindo@opml.co.uk.

The contact point for the client is David Kinyua david.kinyua@fcdo.gov.uk.

The client reference number for the project is PO8603.

e-Pact
Level 3, Clarendon House
52 Cornmarket Street
Oxford OX1 3HJ
United Kingdom

Tel +44 (0) 1865 207300
Fax +44 (0) 1865 207301
Email admin@opml.co.uk
Website www.opml.co.uk

ePact
Strengthening evaluation effectiveness and impact

UKaid
from the British people

e-Pact is a consortium led by Oxford Policy Management and co-managed with Itad

Oxford Policy Management

itad