



Partnership for Economic Inclusion

IE Collaborative

Technical Workshop

June 14-15, 2023



The impact of livelihood packages on household resilience

Country: Malawi

Name of Project: Social Support for Resilient Livelihoods Project

Research Team:

Benedetta Lerva

Emily Beam

Martin Mwale

Bryan Mthiko

Sebastian Insfran

Daisy Reboul

Operational Team: Massimo Sinchinga, Chipo Msowoya, Hugo Brousset Chaman

Government agencies involved:

- National Local Government Finance Committee
- Ministry of Gender, social welfare and Community Development
- Ministry of Finance, Poverty Reduction and Social Protection Division

Implementer of the main livelihood activities:
Community Savings and Investment Promotion (COMSIP)

Malawi: The impact of different livelihood packages on household resilience

Background and context

70% of Malawians live below US\$1.90 per day—95% of whom live in rural areas and 20.5% live in extreme poverty.

Malawi has been experiencing persistent negative climate shocks (droughts + floods)

SSRLP aims to contribute towards reducing poverty and protecting poor and vulnerable households from the effects of shocks.

SSRLP objectives are to improve the poor's resilience and to strengthen the national platform for safety nets in Malawi

Project innovations and scale

The **livelihood support** component of the SSRLP complements **consumption support** provided through both social cash transfers and climate smart public works wages through a **'cash plus' model**

The basic livelihood:

- Empowering Social Cash Transfers Program (SCTP) and Climate Smart Enhanced Public Works Program (CSEPWP) beneficiaries with economic knowledge
- Knowledge about savings and investment, asset, and income diversification, both through farm and off farm IGAs training, basic financial, group management and entrepreneurial skills.
- Savings through savings and loans groups (SLGs), accumulation of assets and group entrepreneurial activities: build resilience of the households against shocks.

Project innovation and scale

The enhanced package

- A comprehensive SLG-based follow up to the basic: linkages to financial institutions, joint skills group trainings; group livelihood value chain grants, cooperative development, and management; and water supply, sanitation, and hygiene, and nutrition

The graduation package

- Household level focus that builds on both basic and enhanced livelihood package (includes asset transfers). Provides household level focused market linkages, livelihood grants (asset transfers), coaching and mentoring with closer support provided by caseworkers.

Project innovation and scale

The Youth Skills Challenge (YSC)

- A subcomponent of the enhanced package
- Provides mentorship and training to selected youth groups in business development services, technical, vocational, and entrepreneurial skills, and start-up equipment.
 - Aims at empowering youth groups to become cooperatives

Motivation for the impact evaluation

- Poverty and vulnerability remains high for women and youths in Malawi

Unknowns:

- What is the marginal contribution of constituent interventions (including cash) to overall impact and overall cost? What is the minimum appropriate bundle or optimal bundle for a given context? What elements of economic inclusion package are essential? Is it necessary to build on regular cash transfer (layering)?
- Targeting: 25% and 60% of the total enhanced livelihoods beneficiaries are youth and women respectively

Main Policy Research Questions

What is the impact of livelihood packages on:

Household resilience (food security, consumption, assets/savings, and income diversification?)

- Enhanced package (bundled group skills training);
- Graduation (coaching/household assets & trainings);
- Pooling graduation with enhanced package, what is the optimum bundle.

Household resilience in the event of climate shocks (drought and floods)?

Women's empowerment? (Control over earnings/revenues (Share); Control over economic decisions (Index); Restrictive norms (Index))

The sampling frame

Experiment 1

- The frame includes 3,227 beneficiaries of SCTP and 14,058 CSEPWP beneficiaries (from 2 districts)
- For the IE, 104 clusters of SCTP participants (26 per treatment arm) and 208 clusters of CSEPWP participants (52 per treatment arm) will be included in the final experiment 1's sample.
 - The sample size for experiment 1 will total 3,300 enhanced-eligible SLGs beneficiaries.
- **MDE (80% power), between arms**
 - All: 0.17 s.d. Δ in consumption; 0.15 s.d. Δ change in asset values
 - SCTP: 0.29 s.d. Δ in consumption; 0.27 s.d. Δ change in asset values
 - CSEPWP: 0.21 s.d. Δ in consumption; 0.19 s.d. Δ change in asset values

The sampling frame

Experiment 2

- The frame includes clusters from Experiment 1 receiving enhanced livelihood support , plus additional clusters from the three additional districts.
 - A total of 328 slots are available in the 5 districts, sample of $328*2 = 656$
 - MDE (80% power): 0.20 s.d. Δ in outcomes like consumption, income, etc.

Experiment 1: Overall impact

Cash support beneficiaries
Frame: 11 TAs across 2 districts.
Members of enhanced-eligible SLGs
3,000 CSPWP, 3,000 SCT beneficiaries

cluster-level
randomization

T1
Control (Basic only)

26 clusters SCT
52 clusters CSEPWP

750 CSPWP
750 SCT
25%

T2
Basic + Enhanced

26 clusters SCT
52 clusters CSEPWP

750 CSPWP
750 SCT
25%

T3
Basic + Graduation

26 clusters SCT
52 clusters CSEPWP

750 CSPWP
750 SCT
25%

T4
Basic + Enhanced + Graduation
26 clusters SCT
52 clusters CSEPWP

750 CSPWP
750 SCT
25%

Sample 30 SCT beneficiaries per cluster, 15 CSEPWP beneficiaries per cluster

Experiment 2

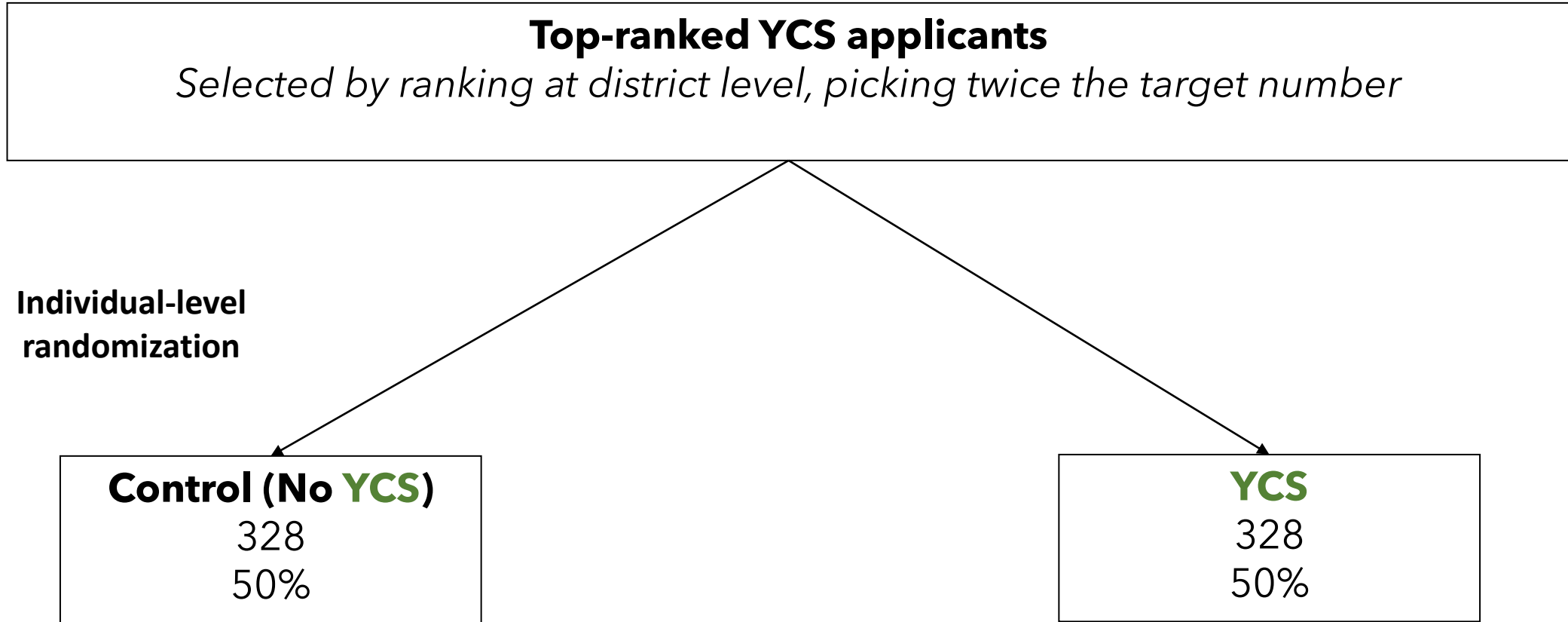
Impact evaluation questions

What is the impact of the Youth Skills Challenge on:

- Youth skills,
- IGA and earnings,
- Employment and entrepreneurship,
- Empowerment?

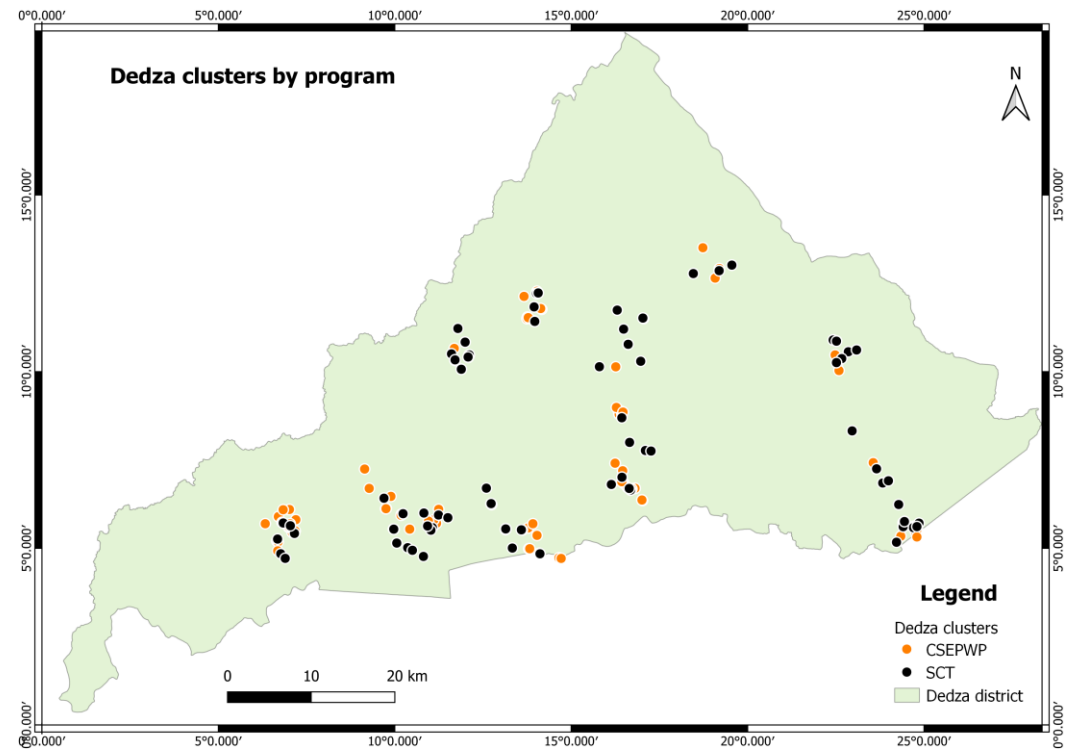
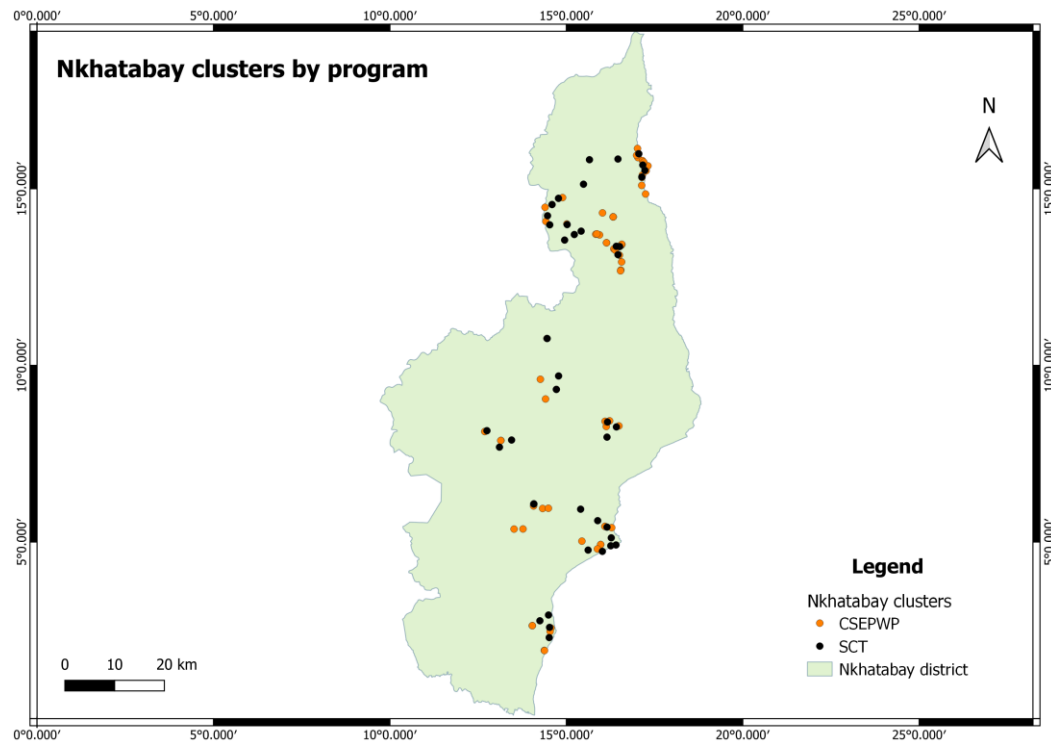
What is the cost-effectiveness of the YSC program?

Experiment 2: YCS design



Cluster maps

Program distribution by the two districts



Malawi: The impact of different livelihood packages on household resilience

Key Outcomes

Outcome Domain	Level	Source
food security, consumption, assets/savings, and income diversification	household	Data collection rounds-baseline, midline and endline surveys.
earnings, employment and entrepreneurship, and empowerment	Individual	Data collection rounds-baseline, midline and endline surveys.

Open questions on impact evaluation design or implementation

Describe potential challenges and open questions:

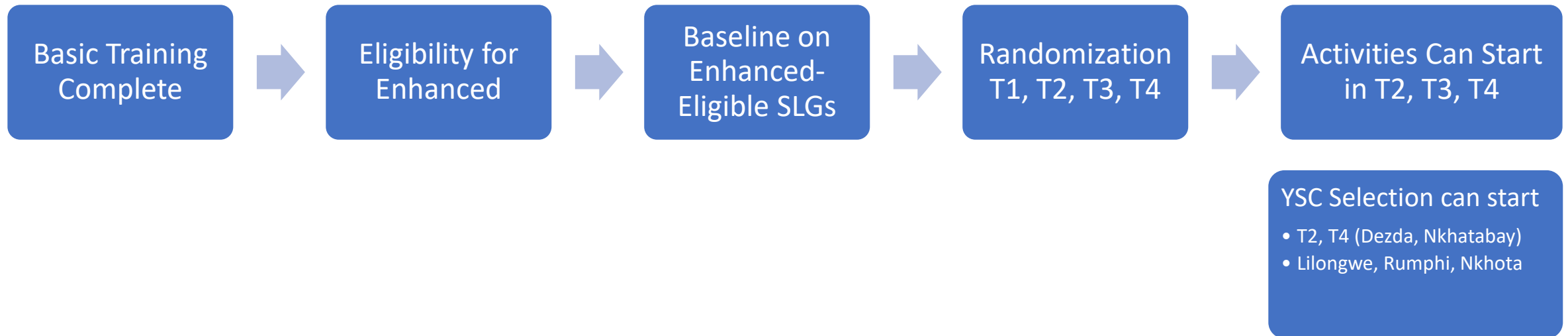
- Proximity of clusters and risk of contamination

Implementation challenges

Potential operational challenge:

- Tight timelines for the baseline, to ensure we match the seasonality of legumes growing (a key aspect of the SSRLP livelihoods).
- Tight timelines in procurement of the data collection firm.

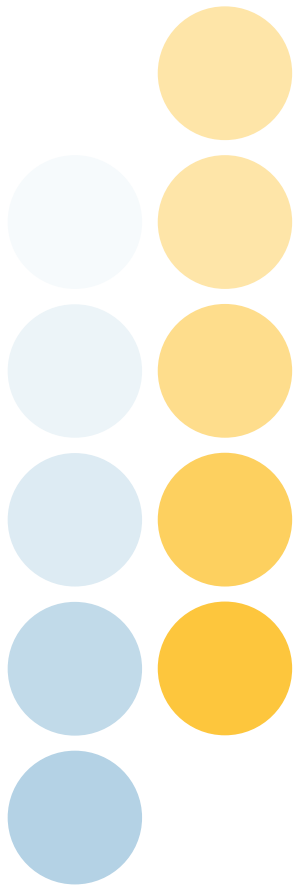
Timeline and next steps



Country: Title of IE study

Timeline and next steps

	Sample size	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<i>Baseline Survey Exp 1</i>	3300							■	■	■	■			
<i>Randomization Exp 1</i>											■			
<i>Baseline Survey Exp 2</i>	700												■	
<i>Randomization Exp 2</i>														■



Martin Limbikani Mwale
martinresearch4@gmail.com

Thank you!



PEI FUNDING PARTNERS



Implemented by

