

Girls'  
Education  
Challenge



# **Thematic Review**

# **Economic Empowerment Interventions**

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# GEC Thematic Reviews

This paper is one of a series of thematic reviews produced by the Fund Manager of the Girls' Education Challenge, an alliance led by PwC, working with organisations including FHI 360, Nathan Associates and Social Development Direct.

The full series of papers is listed below:

- Understanding and Addressing Educational Marginalisation  
Part 1: A new conceptual framework for educational marginalisation
- Understanding and Addressing Educational Marginalisation  
Part 2: Educational marginalisation in the GEC
- Economic Empowerment Interventions
- Community based Awareness, Attitudes and Behaviour
- Addressing School Violence
- Girls' Self-Esteem
- Extra and Co-Curricular Interventions
- Educational Technology
- Teaching, Learning and Assessment
- School Governance

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## Executive summary

This paper summarises results and emerging lessons from Girls' Education Challenge (GEC) projects that used economic interventions, targeted primarily at families, to improve educational outcomes for girls. Across the GEC portfolio at baseline, almost all GEC projects found some form of financial or poverty related barrier to girls' education. This paper presents and discusses two broad types of intervention designed to address this barrier: 'direct payments' such as scholarships and the provision of scholastic material and 'income generating support' interventions such as income generating activities (IGAs), village savings and loans (VSL) for caregivers and small enterprises.

The research and literature on economic interventions presents mixed conclusions regarding direct payments and income generating support, however there are indications that they can support improved attendance and, in some cases, improved learning outcomes. In terms of direct payments, there is debate in the literature on the relative merits of unconditional cash transfers and conditional cash transfers.

A range of economic interventions was implemented during the first phase of the GEC. In most cases, projects supported the school or family directly by supplementing or increasing available funds to cover educational costs. Several key findings emerged from these interventions:

1. There is a link between direct payments and attendance, absenteeism and drop-out rates
2. There is a link between direct payments and learning outcomes, particularly in literacy
3. There is a link between income generation support and attendance, enrolment and learning

Drawing from research findings and learning from projects' implementation, three key lessons have emerged from GEC economic empowerment interventions:

1. Activities to support economic strengthening of families and schools are costly and can take a long time to demonstrate impact and become sustainable.
2. While income generating activities appear to have led to increased incomes for families and schools, it is difficult to track how these funds have been invested in girls' education.
3. Interventions which are designed to address financial barriers to education must be carefully designed and monitored to limit any potential backlash on recipients.

In light of these findings, there are several considerations for practitioners and policy makers. Firstly, it is recommended that economic empowerment interventions are underpinned by strong gender analysis in order to reduce the risk of community backlash. Secondly, income generating support interventions require significant training and support to get them started and may require long time frames to become sustainable. Finally, strategic and policy level change are necessary in order for progress to be sustainable.

# 1. Introduction

This paper summarises results and emerging lessons from Girls' Education Challenge (GEC) interventions that used economic interventions, targeted primarily at families, to improve education outcomes for girls. It presents and discusses two broad types of intervention: 'direct payments' such as scholarships and provision of scholastic material and 'income generating support' interventions such as income generating activities (IGAs) and village savings and loans (VSL) for caregivers.

Across the GEC portfolio, almost all projects found some form of financial or poverty related barrier to girls' education. Project interventions that addressed these barriers included meeting direct costs of education, provision of learning materials and other resources, family income support, and increasing school incomes to undertake improvement activities. While qualitative data overwhelmingly highlights how much these types of interventions are valued by participants, their impact on girls' education is more complex and there are limitations to the causality which can be established with regard to girls' learning outcomes (Coffey, 2017).

School fees and other costs associated with education, such as books, uniforms and transportation, are some of the main barriers to accessing education, especially for marginalised girls. At the primary school level, 15 out of the 18 countries where GEC projects were implemented have abolished school fees, while at lower secondary only six have. Constitutional or policy commitments to make sure education is compulsory lag even further behind. The UNESCO Global Monitoring Report (2015) examined government capitation (per student) grants and other school level financing mechanisms introduced to fill the funding gap resulting from a removal of school fees. The report found that these payments were often inadequate, late or subject to 'leakage.' Additionally, other non-fee costs (for example uniforms, transport and other levies) have continued, and in some cases even increased, posing a major cost burden, especially for the poorest families.

GEC project baselines confirmed that poverty and the costs associated with education were a major barrier to girls' enrolment, attendance and retention in education. As a result, 19 of the 37 projects included a significant component to support families or schools to meet these costs. This was done through direct interventions such as scholarships, provision of learning materials including education kits, and increasing family income and school budgets through savings, loan and income generating activities.

These interventions fell into two broad categories: direct payments and income generating support<sup>1</sup>. These categories are helpful in considering two very different kinds of interventions with similar aims. The first includes conditional cash transfers (CCTs), bursaries and in-kind or material support directly given to girls, their families or their schools. Key issues reported in endline evaluations included difficulties with selection and delivery of the support, backlash and jealousy from children who were not selected, and other design issues. At the same time, these interventions were shown to have direct and quick impacts on enrolment and retention and to some extent on attendance. There were also concerns around the sustainability of

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<sup>1</sup> GEC (2016) 'GEC Thematic Synthesis Papers: Economic interventions and school outcomes'

these interventions or of the financial support, which was in most cases too expensive for governments or other agencies to pick up after the project ended.

The second category, income generating support, includes efforts to increase capacity, knowledge and support for families, girls and schools to earn greater or more secure incomes and use this income to secure girls' educational access. GEC midline and endline results clearly showed that these types of interventions were well received and valued highly by participants. However, emerging evidence showed that they were expensive to set up and took a long time to generate sufficient income to make a difference to children's enrolment or attendance rates. This led to concerns about projects' ability to support these interventions adequately and for long enough to ensure they were sustainable and effective.

Building on midline analysis, endline evaluations were reviewed to assess how successful projects were at addressing family poverty and financial barriers to education. Initial analysis suggests that projects which used direct payments appear to have contributed to improved enrolment, attendance and learning outcomes (Coffey, 2017). However, findings also suggest that these must be targeted following careful gender analysis to limit potential backlash, especially boys. Income generation type of interventions appear to have been less successful at impacting on girls' education within the GEC timeframe but indications suggest they would be more sustainable in the long term.

## 2. Overview of the economic empowerment discourse

Research shows that interventions aimed at reducing the economic barriers to education can increase access and attainment in a number of ways. These interventions include various forms of cash transfer or income supplementing direct payments: unconditional cash transfers (UCTs); CCTs; labelled cash transfers; gender specific income supplementation; distribution of educational and other materials; and merit scholarships. Another set of interventions focuses on increasing family or household income, including savings and loans interventions and business skills.

### **Direct payments: Cash transfers and non-cash inputs**

There are multiple ways of reducing the various direct, indirect, and opportunity costs of education. For example, paying for school fees improves access for both girls and boys who are living in poverty. Scholarship programmes have been shown to improve test scores and have positive spill-over effects on girls' learning and attainment (Kremer et al, 2009). While there are equity concerns given that scholarship winners often come from more educated households, the positive, albeit small spill-over effects on the achievement of all pupils in the school, may off-set some of these concerns.

One of the most common forms of cash transfers is conditional cash transfers (CCTs). Mexico's CCT programme, PROGRESA, was a means-tested cash transfer programme in which payments were conditional on children's enrolment in school and an attendance rate of at least 85%. Girls were given higher stipends than boys and impact was greater: enrolment

rate of girls and boys increased by 14.8 and 6.5 percentage points respectively (Schultz, 2001). Despite the large increases in enrolment that are attributed to many CCT programmes, there is little evidence to suggest that they lead to an increase in learning (Filmer & Schady, 2009).

Baird et al (2012) argue that CCTs encourage education through a price effect<sup>2</sup>, incentivising households to invest in education and go beyond the pure income effect UCTs offer. Baird et al found no statistically significant difference in the size of the impact on school enrolment between those who received conditional and unconditional cash transfers. Kidd (2016) argues that 'conditions' can create several risks which may undermine the effectiveness of cash transfers. Firstly, they are susceptible to the policy paradox: excluding people who are in need of these transfers because they just miss out on meeting the condition or by sending the message that, for example, 85% attendance is acceptable. Secondly, CCTs can place a substantial burden on administrative and financial resources. Lastly, conditionality may discourage households who do not receive the transfers, further weakening their incentives to send children to school. Kidd (2016), therefore, suggests that 'nudges' may be a more effective policy option than conditionality in achieving improved enrolment and learning. The provision of small cash transfers linked loosely to education may increase the demand for universal education, without the associated complications conditionality brings.

A large-scale CCT programme targeted at secondary school girls in Bangladesh was seen to have increased girls' enrolment significantly. To incentivise girls to keep their promise not to marry before the final year of secondary school, scholarship amounts increased with the girls' grade level. Liang (1996) found that there was a sharp increase in female enrolment, growing at almost twice that of males at the secondary level in the CCT schools. That said, the programme was criticised for poor targeting of girls, as all girls were eligible regardless of family income. There are also some concerns about the attribution of the enrolment increase, as two major policy changes, formalisation and feminisation of Islamic schools<sup>3</sup> and a change in the marriage age law, also contributed to driving up enrolment (Unterhalter et al, 2013).

Duflo et al (2014) estimated the effects of both a labelled (unconditional but with an explicit focus on education) cash transfer program (LCT) and a CCT in Morocco. The LCT was for fathers of school age children in 600 poor rural communities, offering randomly assigned unconditional cash transfers explicitly labelled as an education support program. During the two year project, school drop-out rates decreased by 76 per cent and the number of school-aged children who had never been to school fell by 31%. The CCT, on the other hand, had significantly lower impacts on re-enrolment than the LCT.

Another way of off-setting the costs of education is by supplying some of the educational and other materials that parents would otherwise have to buy. Reducing the financial burden on families by funding inputs such as food, uniforms, books and menstrual supplies can reduce drop-out rates, increase attendance and improve girls' sense of safety and self-confidence. A further major cost associated with education, especially for poor and rural households, is transportation, which is often cited as a barrier to education in developing countries.

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<sup>2</sup> The price effect is the effect due only to the price change of schooling relative to all other goods, controlling for the change in real income. The income effect is the effect due to the change in real income driven by the increase in income generated from an unconditional cash transfer for schooling. The net effect of both these price and income effects is the total effect.

<sup>3</sup> This involved both an updating of the curriculum in madrasas and changes to the admission policy which enabled female students to also enrol.

Muralidharan and Prakash (2013) found that the provision of bicycles for girls in Bihar, India increased girls' age-appropriate enrolment in secondary school by 30%. This burden is especially high for disabled children, and GEC projects found transport provision to be effective in increasing the enrolment and attendance of disabled children.

An aspect that appears to be less studied is the link between the transfer amount and educational outcomes. Bastaglia et al's (2016) rigorous review found that only four out of 42 studies looked at specifically tested this link. They noted limited conclusive evidence that larger transfer size led to greater impacts on educational outcomes.

Overall, the literature on cash transfers remains largely divided. In some instances, unconditional cash transfers have been proven to drive improvements in learning outcomes as found in Baird et al (2013); whilst in others, conditionality brings incentives and drives enrolment and retention in schools, for example, through the monitoring and enforcement of conditionality (Bastaglia et al, 2016). However, there is consensus that conditionality brings with it greater design complications, such as ensuring that no allocation bias occurs when individuals are chosen to receive cash transfers. When bias does occur, it can discourage those who are not selected and result in reduced enrolment, attendance and learning.

### **Income generating support**

Previous literature has suggested mixed effects on educational participation from microfinance interventions. Holvoet (2004) found that direct credit through a microfinance institution did not have significant impacts on educational participation. Other studies, however, found positive effects. For example, Maldonado and Gonzalez-Vega (2008) found a positive relationship between participation in Bolivian microfinance programmes and reduced education gaps: children in households served by microfinance programmes missed less school and were less likely to drop out of school. The Bolivian study also noted a risk when households starting or investing in a business that children drop out of school in order to participate in the new or expanded family business. The study found a negative relationship between farm acreage and education participation. Augsburg et al (2012) also found similar results in Bosnia where they noticed a large decline in school participation and an increase in labour supply of children between the age of 16 and 19 for households receiving microfinance loans. Martinez (2016) found positive effects of microfinance penetration on secondary education rates, especially for female education. This suggests that microfinance may have a stronger effect on female education than on male education.

Increasing family income, with or without conditions, has been shown to improve children's educational outcomes. Microfinance programs can serve to ease the financial burden on those households that cannot afford to send their children to school. Positive impacts of microfinance are accentuated when women are engaged in the projects. Holvoet (2005) found that in an Indian programme when credit was introduced to the household through women's groups, there was a considerable weakening of the gender gap in educational outcomes. Girls benefited from 2.4 to 3.3 additional years of schooling while boys did not benefit from a statistically significant increase in years of schooling. This suggests that in order to stimulate girls' enrolment, policy should be aimed at mothers' participation and engagement.

A large body of literature is focuses on assessing whether the sex of the income recipient affects learning outcomes. Qian et al (2008) find that the post-Mao reforms in China caused

an increase in agricultural income. Where this increase in income was felt more by men, educational attainment for girls decreased and there was no effect on boys' educational attainment. In contrast, where female income increased, whilst holding male income constant, there was an increase in educational attainment for both boys and girls equivalent to six months of additional education.

These findings suggest that increased educational attainment can be achieved by increasing the relative earnings and engagement in income generation activities, particularly of mothers. When cash or credits are given to households to incentivise school enrolment and attendance, it should be noted that inequalities and power differentials exist, and decisions about spending may differ depending on whether they are made by the mother or father.

### 3. Economic empowerment interventions in the GEC

Almost all GEC projects found some form of financial or poverty related barrier to girls' education. In most cases, projects supported the school or family directly by supplementing or increasing available funds to cover educational costs. The interventions that projects used to address financial constraints include:

- **Meeting the direct costs of education:** cash transfers, stipends, scholarships and bursaries were the most common interventions; in some cases, funds were paid to schools but more often they were paid directly to families with some combination of conditions attached (for example, International Rescue Committee (IRC), Camfed, Cheshire Services Uganda and World Vision).
- **Providing learning and other resources:** learning materials including books, uniforms, pens, etc. were distributed to girls as part of their bursaries or 'school kits', or directly to schools. Additionally, materials such as sanitary wear, sports equipment, transportation aids and other supplies were also distributed, usually to schools but sometimes as part of a 'school kit' to girls directly (for example Link Community Development, Save the Children and Camfed).
- **Providing family income support:** Increasing family income through income generation activities and/or savings and loan schemes, or teaching vocational and income generation skills to girls themselves were components of a number of programmes. In some cases, conditions were put in place stipulating that part of the income must be used to support girls' education (for example Eco-Fuel Africa and IRC).
- **Increasing school budgets:** In one instance, school businesses were used to increase funds available to schools to support children at risk (Health Poverty Action). This project also supported schools to make links with potential corporate donors. Another project provided low cost loans to affordable private schools to upgrade facilities including classrooms, sanitary facilities and dormitories (Opportunity International).

Despite their effectiveness, at least in the short term, these approaches require careful management in order to mitigate the risks that come with activities involving cash transfers and careful targeting in order to reach the most appropriate beneficiaries.

GEC projects implemented these types of intervention within the broader context of government policy towards financing school operations (for example through school grants), providing support to the most marginalised, and addressing a range of other costs to families associated with schooling (for example exam fees, fees for materials, costs of upkeep of the school, parent teacher association (PTA) levies, and other 'required' levies at the school level). There is an important opportunity through the GEC to capture and disseminate evidence from interventions that could inform implementation of existing policies and influence future policy change. For example, in many instances parents face multiple, confusing and (arguably) inappropriate levies or charges, and challenging these may be an important way to reduce the costs of education for poor families. Using evidence about what these costs are, what their impact is on girls and the positive impact of reducing such costs, was a key aspect of project leverage and advocacy.

There is an opportunity to make a stronger link between this work and broader support to school governance; supporting the work of school management committees and PTAs to make the best use of the funds they have, and to ensure marginalised children are not excluded (see the *GEC thematic paper on School Governance* for more on this).

## 4. Key findings

### **What have we learned about addressing financial barriers in relation to attendance and learning?**

Results from the GEC generally mirror the wider literature on the links between economic interventions and children's attendance, retention and learning. As the GEC Evaluation Manager's (Coffey, 2017) endline reports signal, the most prominent and more robustly evidenced finding is the link between financial assistance and increased attendance at school. Drawing firm causal links from the endline data is difficult due to the largely holistic nature of most projects, and in some cases, the absence of a control group, but the indications are clear. This section outlines the gains made in relation to attendance and learning.

#### **There is a link between direct payments and attendance, absenteeism and drop-out rates**

Providing direct payments in order to address financial barriers in the family can contribute to girls' improved attendance, reduced absenteeism and reductions in drop out. GEC projects found the following links between direct payments, girls' attendance and drop-out rates:

- Small direct payments to girls can be particularly impactful when targeted at pupils with low attendance levels. The iMlango project in Kenya found that those pupils who were attending less than 60% of the time before they received a stipend made the biggest attendance improvements.

- Camfed noted that their Step-Up Fund was found to be significantly associated with lower levels of drop-out in Tanzania and Zimbabwe, with marginalised girls in project schools significantly more likely to stay in school to the end of lower secondary education than their counterparts. Results showed that project schools had much lower drop-out rates (2.2% in Tanzania and 16.4% in Zimbabwe) than control schools (6.1% in Tanzania and 26% in Zimbabwe).
- Direct payments are not always sufficient to keep marginalised girls in school. Camfed, for example, found that the funds could not diminish the effect of other key barriers such as pregnancy, death of a parent or distance to school. These barriers continued to be key reasons for drop-out for marginalised girls despite financial support. Save the Children, Mozambique noted only 65.8% of girls receiving bursaries and education kits remained in school for the life of the project, and their average attendance was only 74.3%, lower in fact than girls who did not receive kits or bursaries.

### **There is a link between direct payments and learning outcomes, particularly in literacy**

GEC endline data suggests that interventions which provide direct payments to address families' financial barriers to education can contribute to improved learning for marginalised girls. For example, BRAC Afghanistan found that while girls who received stipends at the beginning of the projects had lower literacy and numeracy scores than girls without, by endline, girls with stipends outperformed those without in both numeracy and literacy.

Whilst there is a correlation between projects who combined direct payments with teaching and learning support, and good literacy outcomes, the impact on numeracy outcomes is less clear. This appears to also be the case for financial literacy related interventions, which might have been expected to have a positive knock on effect on numeracy skills. For more information on this please refer to the *Thematic Paper on Teaching and Learning*.

Economic support (stipends, textbooks, uniforms, sanitary wear and solar lamps) was frequently credited as contributing to improvements in learning outcomes. In addition, direct payments were often identified by girls themselves as having an impact on their learning. For example, WUSC Kenya found that direct beneficiary girls reported the three most important interventions for improving their academic performance and learning gains were remedial classes, followed by scholarships and (distantly) textbooks.

The causal pathways between economic support and learning outcomes appear to be numerous and complicated. For example, Camfed in Tanzania and Zimbabwe included a life skills curriculum to help build girls' self-esteem and self-confidence to improve academic performance. They noted that, although they did not expect financial support to girls to impact on learning directly, the evaluation still found a statistical association between bursary recipients and higher attainment in maths. The evaluation report suggested that while the causal mechanism was not clear, it was probably that simply being in school, with fees paid, or necessary items purchased, enabled girls to focus more effectively on their studies. Qualitative data also suggested that girls in Tanzania felt that both their interest in school and their academic performance had improved since receiving support. Similarly, LINK in Ethiopia found that school attendance was the one factor that predicted improvement in literacy and numeracy in all the assessments they carried out. Data also showed that attendance, including

arriving on time, attending more classes per day and days per month, and staying at school longer played a significant role in increased performance.

WUSC in Kenya found that scholarships were a powerful motivating factor for girls to attend remedial classes and stay in school to complete primary education. Save the Children, Mozambique also found that the education kits they distributed increased girls' sense of school belonging and academic self-efficacy, suggesting that they contribute to girls' perceived ability to complete academic tasks successfully. The evaluation also found that academic self-efficacy was a strong predictor of both attendance and literacy outcomes and that self-efficacy was a key predictor of numeracy outcomes.

### **Case study 1: How effective were interventions that addressed menstrual hygiene management?**

A number of projects provided sanitary kits to support girls' school attendance. Many families cannot afford to buy sanitary pads for their daughters and as a result, girls frequently miss school. Ten projects in the GEC offered these supplies to girls, some of whom have observed links with improved attendance and academic performance. Many projects have focused on providing reusable sanitary materials or teaching girls how to make their own reusable pads. This option offers a more sustainable approach to the intervention, although some projects reported mixed reception to this approach (for example Relief International). Projects that provided disposable sanitary provisions are less likely to see the intervention sustained due to the expense of providing them.

Girls themselves reported provision of sanitary wear as one of the most effective interventions in increasing their attendance and performance (for example Link Ethiopia), with high percentages of project girls reporting being able to attend school during menstruation, compared to significantly lower percentages of non-project girls. Some issues arose for projects in the distribution of sanitary pads with not all girls receiving access to sanitary kits (Relief International) and girls reportedly taking sanitary wear home and distributing to female family members. Girls thus requested sanitary pads to be kept at school so they would not be used by others (WUSC).

Some projects reported that the number of sanitary towels distributed were insufficient for the need, and others reported a weak link between sanitary towel provision and attendance (I Choose Life in Kenya). Some projects constructed sanitary blocks when inadequate facilities discouraged girls from attending school (for example, WUSC). Although girls reported their appreciation of the new facilities, there is no evidence that these were the principal factor in increased attendance rates.

School attendance was strongly linked to improvements in literacy and numeracy in some projects (Link Ethiopia), meaning girls who increased their attendance as a result of the provision of sanitary pads, were also likely to experience improvements in learning outcomes.

### **Link between income generation support and attendance, enrolment and learning**

Qualitative research findings at both midline and endline often highlight the value attached to GEC income generating support interventions.

Of the seven projects<sup>4</sup> that focused on family income support such as income generating activities (IGAs) or village savings and loans (VSLs), two showed a link between these interventions and girls' attendance and learning. In particular, this impact related to reductions in absenteeism and improvements in numeracy. Opportunity International in Uganda found that caregivers who accessed school fee loans were able to manage their cash flow better and pay school fees on time. This resulted in a reduction of absenteeism amongst GEC girls whose parents benefitted from the loans. World Vision, Zimbabwe found that while there was no correlation between VSLs and literacy, there was a clear positive correlation to numeracy. It is likely that girls whose caregivers' were involved in VSL had the opportunity to practice numeracy skills in the household, thus reinforcing addition and subtraction skills. In a number of projects, beneficiaries highlighted how income generated through these types of activities was frequently used to pay school fees on time, thus reducing instances of children being sent away from school for lack of fee payment.

The relatively short duration of GEC projects is likely to have affected the impact of these results. For example, at endline Viva-Crane in Uganda found that the amounts being saved through VSL activities were still small, and concluded that it was unlikely that this was enough to overcome the financial barriers faced by families, especially when they had several children. However, they note the number of indirect benefits that might come out of VSL such as enabling access to credit and increased time to pay for school fees, as well as wider benefits such as change in habits, improved skills in managing money and better financial planning (See Lesson 4 below).

## 5. Key lessons

This section highlights lessons from the GEC portfolio in relation to design, implementation and monitoring and evaluation of economic empowerment activities.

### **Lesson one: Activities to support economic strengthening of families and schools are costly and can take a long time to demonstrate impact and become sustainable**

GEC projects invested heavily in establishing and strengthening income generating activities primarily at the family level, and in one case also at the school level (HPA, Rwanda, though Opportunity International in Uganda also supported schools' access to loans to cover school improvements). While these types of activities have shown some impact in relation to girls' education, they are yet to show conclusive longer-term impact.

Income generating activities are complicated and resource intensive to set up. For example, HPA Rwanda supported the establishment of school businesses to generate income to support marginalised girls' education. School stakeholders received business skills training and were supported with market research and the development of business plans based on this information. They were also provided with start-up capital to cover initial operational costs. At the end of the project 27 out of the initial 28 school businesses were still operating in areas such as poultry businesses, honey harvesting and manufacturing. Around half of these school

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<sup>4</sup> CSU in Uganda, ICL in Kenya, IRC in DRC, HPA in Rwanda, Opportunity International in Uganda, VIVA/CRANE in Uganda, World Vision in Zimbabwe

businesses generated a profit (42% generated a profit consistently). In total, 41% of school businesses operated at a loss, however, this should be seen in the context of high failure rates generally across new businesses. World Vision in Zimbabwe also found start-up and on-going support for VSL groups to be challenging. See case study 2 below.

### **Case study 2: World Vision in Zimbabwe's experience of setting up VSL groups**

The IGATE project aimed to help men and women to establish VSL groups to support group savings and generate capital for small businesses, which could then be invested in girls' education and household consumption. The groups received training on developing small businesses, budgeting, and managing finances. The project found that monitoring and supporting the groups initially required a significant amount of project staff time. In order to cope with this, the project recruited and trained local community coordinators who supported their VSL groups on a voluntary basis. This has been very effective and added to the potential sustainability of the groups. The community coordinators have continued supporting the groups, even after the project concluded.

External factors can also impact significantly on income generating activities. For example, World Vision Zimbabwe found that the drought in Southern Africa in 2015/16 had a major impact on households' ability to contribute seed money to the VSL scheme. In targeted communities, food insecurity increased from 6% at baseline to 30% at endline, making it hard for families that struggled to put food on the table to contribute to the scheme. Despite this, VSL monitoring data gathered from 572 groups indicates that 91% of groups met regularly and 61% were engaged in IGAs.

### **Case study 3: Opportunity International Uganda's experience of using loans to support girls' education**

Opportunity International was one of the few GEC projects that was able to show that their economic model was sustainable. The project's school fee loans were set up to help caregivers manage their cash flow in order to pay school fees and also to help them grow their businesses. These loans were paid back in weekly instalments at a low interest rate of 2.5%. Data from endline shows that 96.6% of all the loans were paid back on time and the portfolio at risk figure averaged 4% over the duration of the project timeframe, which was below the industry wide standard of 5%. It also found that a reduction in absenteeism amongst girls whose parents benefitted from the loans, however there was little observable impact on learning outcomes.

This situation highlights the fragile sustainability of this type of intervention and the uncertainty of them becoming self-sustaining and being able to weather external shocks. This is particularly pertinent considering the intensive training and support needed to initiate them. At the start of the GEC, few projects that proposed these strategies had clearly articulated how long and how much support they expected these groups to require to become sustainable. IGATE in Zimbabwe was one of the few projects to attempt to put a time estimate on the duration of the support VSL groups would require at the beginning of the project. The project

estimated that groups would typically be able to graduate within 12-18 months of establishment, an estimate which appears to have been very optimistic in hindsight.

#### **Case study 4: Disability and economic empowerment**

There is a well-established link between economic poverty and disability, with households that include disabled people being much more likely to be found in the poorest quintiles of society in GEC type contexts. There are significant direct and indirect costs to households relating to disability, which makes households highly vulnerable to income poverty. In addition to general living costs, they may have increased direct costs such as transport, ongoing medical treatment, assistive technology, household adaptations or human support<sup>2</sup>. There may also be significant indirect costs associated with the loss of opportunities such as: loss of income due to time taken to follow up on rehabilitation, treatment (including loss of income to those acting as carers) and reduced earning capacity as a result of fewer choices due to lower levels of education, inaccessible transport and workplaces, and negative social attitudes.

Eight GEC projects had significant numbers of girls with disabilities in their cohorts, with LCD Kenya, CSU Uganda, Plan Sierra Leone and Viva-Crane Uganda directly targeting such girls. In terms of economic assistance, Plan and CSU both used bursaries to cover the costs of uniforms, school materials and other local levies in an attempt to offset the indirect costs of schooling to households. LCD Kenya adopted a different approach by informing households of their entitlement to government social assistance schemes relating to disability and putting them in contact with local projects that could support economic empowerment. Families appreciated the economic support which led to girls feeling more motivated and incentivised to staying in school (Plan Sierra Leone). It was also evident that families were using the bursaries to fund school related expenses (Plan and CSU). However, as yet there is no analysis available on whether bursaries offered to households with disabled girls are at a sufficient level to offset the impairment related costs of education. LCD Kenya reported that families whose disabled girls were given assistive technology struggled with the costs of maintaining, repairing and replacing them. An unintended outcome was that expectations of ongoing support were raised, for example that medical costs would be paid.

Only CSU reported implemented a specific intervention designed to support families with disabled girls to generate additional income. Parents were supported with business training and start-up capital to set up small income generating schemes, ranging from livestock rearing to retail. Whilst 69% of the businesses were reportedly making a profit by endline, only 8% of them were using the money on education related expenses. Most were being used to fund food and other basic household needs. The review suggests this is because the project was already covering school expenses through the bursaries, and that this was a way for households to be able to continue supporting the girl's education expenses once the project (and the bursaries) stopped. Finally, supporting a disabled girl to be in school means families are able to take on work outside of the home.

## **Lesson two: While income generating activities appear to have led to increased incomes for families and schools, it is difficult to track how these funds have been invested in girls' education**

Few GEC endline evaluations attempted to measure the extent to which different types of IGAs actually translated into increased spending on girls' education. HPA Rwanda did try to triangulate their data by tracking expenditure on marginalised children's education, assessing how school businesses used money and parents' perception of the cost of education. Their evaluation found that 46% of the profits from school businesses was spent supporting vulnerable girls and boys by providing school uniforms, materials, school meals, and sanitary pads. Other uses of the profits included 42% spent on school desks and 6% on additional business investments.

Anecdotal information from some projects suggests that the income generated was used to support girls' education. For example, in DRC 81% of parents who were members of the VSL scheme reported that they spent more on their children's education. I Choose Life (ICL) Kenya found similar rates across their two targeted sites, where over 70% of parents receiving economic empowerment training cited increased spending on girls' education, resulting from increased income. However, this reported increase in spending does not appear to have translated into improvements in attendance and learning gains for girls. It poses further questions not only about how much additional income was spent on education, but how much needs to be spent to impact on attendance and learning.

In comparison to ICL and IRC, only 8% of caregivers that participated in Cheshire Service Uganda's (CSU) IGAs reported that they used the money on school requirements. However, the external evaluator noted that this is understandable since most of the school requirements were being met by the project already (fees, assistive devices, transportation etc.).

## **Lesson three: Interventions that aim to address financial barriers to education must be carefully designed and monitored to limit potential backlash on recipients**

At both midline and endline, a number of evaluation reports picked up on issues of backlash against beneficiary girls in projects implementing direct payment approaches. This appears to have been particularly problematic where material or other financial resources were introduced into areas of high poverty and targeted exclusively at girls. IRC in DRC used two different approaches: scholarships handed out to girls only, while other interventions such as additional tutoring and accelerated learning programmes 'prioritised' girls but allowed some boys to participate. Reports highlighted instances of girls being threatened by boys, being called names, beaten and having their material from the project stolen. Activities that prioritised girls, rather than those that were exclusively for girls, were perceived to be much less controversial by boys and the community generally. This led to the external evaluator's recommendation "to prioritise girls, but not provide girls-only services, as they may be disruptive and lead to adverse effects for both boys and girls. For example, school supplies could be provided to all (boys and girls), but the 'kit' for girls could be more substantial".

Other projects including ChildHope, VSO Nepal and WUSC also found that their approaches to work primarily with girls caused jealousy amongst boys. This manifested in the form of boys trying to assert dominance over girls and targeting them with verbal and physical violence. One of the projects that identified this problem very early on was ChildHope in Ethiopia.

Following reports of jealousy at midline, the project decided to introduce clubs just for boys – Good Brother clubs. These have not only helped curb the reported jealousy from boys, but has also provided the project an opportunity to discuss girls’ education with boys and to engage them around gender equality. This highlights the need for all projects to understand gender and power relations in the communities they work in, and to carefully monitor any adverse impact that may result from efforts to reduce gender inequalities.

## 6. Considerations for practitioners and policy makers

This paper has highlighted some of the emerging lessons from the GEC portfolio. The findings suggest that economic empowerment interventions can address poverty-related barriers to girls’ education within a considerably short timeframe if designed as direct payments. However, GEC evaluations were not set up to determine whether these types of interventions, in isolation, would be able to improve attendance, retention and learning outcomes. It would be useful, in future, for evaluations to identify what combinations of interventions and what ‘dosage’ is most effective in different contexts.

There are a number of considerations which might be of use to practitioners and policy makers:

### **1. Economic empowerment interventions should be underpinned by strong gender analysis**

The experience of the GEC shows how important it is that economic empowerment interventions are underpinned by a strong gender analysis. Where targeting strategies have not been well designed and supported by community stakeholders, there is an increased risk of project participants facing backlash, including threats of or actual violence.

### **2. Income generating support interventions require significant training and support to get them started and may require long timeframes to become sustainable**

While the income generating type of intervention looks more likely to be sustainable in the long term, the experience of GEC projects show that these interventions require significant training and support to get them started. It is also unclear how long a timeframe they would need in order to become sustainable enough to generate sufficient income, weather future shocks, and ultimately be able to translate into educational gains for marginalised girls. The GEC experience suggests that 3-4 years of implementation is not long enough.

### **3. Whilst most GEC projects operated at a school and family level, strategic policy level change should also be considered to support sustainable change**

Most GEC projects worked at the school and family level to help increase incomes or offset costs through cash and materials. As a result there was very limited evidence which emerged about economic interventions at the policy or system level to help alleviate the costs of

education. It is important that policy makers and practitioners reflect on this gap in the future, as the current focus on direct payments is unsustainable in the long-term.

As we move towards strengthening evidence about how to most effectively overcome poverty-related barriers to education, it is crucial that we do not lose sight of the fact that, in many cases, it is the hidden and remaining costs of 'free' basic education that projects are offsetting. To that end, donors and practitioners should continue to generate, collate and analyse data from projects, so that they can effectively advocate for truly eliminating the educational costs that poor families face. This will be achieved by ensuring adequate financing of all schools, so they can deliver quality basic education, including to the most marginalised.

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