# More poor households receive increased cash in hand in Ghana

### **About 3ie evidence impact summaries**

Read how 3ie verifies and classifies evidence impact

# **Highlights**

#### **Evidence impact**

- The 3ie-supported evaluation's findings contributed to the government acknowledging the need to increase the Livelihood Empowerment Against Poverty (LEAP) cash transfer size and subsequently amending it.
- The positive impact of the LEAP programme resulted in the government, supported by the World Bank, scaling the programme and expanding its coverage.

#### **Factors that contributed to impact**

- Close engagement between the researchers, donors and the Ministry of Gender,
   Children and Social Protection throughout the study period kept key actors involved and allowed them to draw on study findings to make decisions.
- Evaluation findings were available in time for the government of Ghana to consider the study team's recommendation to revise the cash transfer amount in the second phase (2015–2017) of the scheme.
- Sharing findings through briefs and media reports helped the key decision makers to overcome the initial scepticism surrounding LEAP.

## Impact evaluation details

Title: Livelihood empowerment against poverty program impact evaluation

Authors: Sudhanshu Handa, Michael Park, Robert Darko Osei, Isaac Osei-Akoto, Benjamin Davis



## Context

In 2008, the government of Ghana launched the Livelihood Empowerment Against Poverty (LEAP) programme to provide cash transfers to extremely poor households with children orphaned or made vulnerable because of HIV/AIDS, or with elderly or disabled members who are unable to work. The bimonthly cash transfers were conditional on households sending children to school, not allowing child labour, enrolling family members on the National Health Insurance Scheme and registering the births of all children. While LEAP started with alleviating short-term poverty and promoting long-term human development as its goals, there was significant scepticism surrounding the use of the transfers.

In 2010, 3ie supported researchers from University of North Carolina, University of Ghana and the Food and Agriculture Organization of the United Nations to study the impact of LEAP on a range of household outcomes. Apart from the consumption and non-consumption expenditure of households and their enrolment in the National Health Insurance Scheme, the researchers were also keen to understand if participation in the programme improved children's access to school and health.

The research team used a longitudinal propensity score matching design as well as a local economy-wide impact evaluation model. They also used participatory research methods and indepth case studies to gather perceptions of LEAP's impact on household decision-making, community dynamics and social networks. A total of 1,398 households formed the study sample, divided equally between treatment and control groups.

## **Evidence**

The study found that the bimonthly scheduled direct cash payments to the participating households were inconsistent and irregular, preventing an increase in consumption or consumption smoothing. Because the cash payments were irregular under the scheme, the participating households often received double and triple payment amounts together. Large parts of these 'lumpy' payments were used to pay down loans, a point reiterated in the qualitative interactions.

The study also found that LEAP had positive impacts on children's schooling. The evaluation showed increased access to schooling at the secondary level among the LEAP households. The children also missed school less, and there were fewer instances of grade repetition in both primary and secondary school.

## **Evidence impacts**

#### The Ghana government increased the LEAP transfer size

Evaluation findings that LEAP households received irregular and incomplete payments that prevented increases in consumption highlighted the need to regularise the payments for the LEAP programme to meet its objectives. The government of Ghana took these findings into consideration and increased the cash transfer value to the beneficiary households to improve expenditure on consumption.

6 The report highlighted what was not working. One of [the issues] was the irregularity of transfer, and they pushed this information. From 2014, payments have always been regular. The report was part of this but not the only factor. Buy-in from key people in the Ministry of Finance was vital in bringing about the change and pushing the results of the evaluation.'

**Dr Peter Ragno**Chief, Social Policy
UNICEF Ghana

#### LEAP scales up to reach maximum beneficiaries

The positive findings from the LEAP evaluation prompted the government to expand the programme from 1,645 to 150,000 beneficiaries by the end of December 2015, as highlighted in the 2014 state of nation address by the then president, John Dramani Mahama. In 2014, the World Bank increased its funding support for all safety net programmes in Ghana, including LEAP. The World Bank cited positive evaluation findings as contributing to this decision.

# Suggested citation

International Initiative for Impact Evaluation (3ie), 2020. More poor households receive increased cash in hand in Ghana [online summary], Evidence Impact Summaries. New Delhi: 3ie.

Evidence impact summaries aim to demonstrate and encourage the use of evidence to inform programming and policymaking. These reflect the information available to 3ie at the time of

posting. Since several factors influence policymaking, the summaries highlight contributions of evidence rather than endorsing a policy or decision or claiming that it can be attributed solely to evidence. If you have any suggestions or updates to improve this summary, please write to influence@3ieimpact.org

Last updated on 13th November 2020