

Assignment – Education and Development course:

1. A large international foundation would like to donate part of its funds for a Conditional Cash Transfer (CCT) program to prevent student dropouts from primary and secondary schools in Madagascar. However, before donating it wants to be sure that the money is spent well, i.e., that the program is effective and, to do so, it hires you for an assessment of the program it wants to invest in. Before the assessment, it asks you to provide a review of the findings from other programs assessing the effects of CCTs in education. Were these programs effective at improving school participation?
2. After an overview of the literature, the foundation decides to look at the impact evaluation of the program, which is run by UNICEF. You look at the program report starting from the context of your study:

Context. *In Madagascar, severe economic constraints and high school fees reduce a child's chances of completing basic education. According to World Bank data (World Bank, 2019), three quarters of the Malagasy population live below the international poverty line of US\$1.90 a day. Meanwhile, households pay about 40 per cent of recurrent education costs in Madagascar (Ministère de l'Éducation Nationale, 2017). School dropout is common at the transition from primary to secondary, when one in four students ends up leaving school (INSTAT and UNICEF, 2019).*

LUL [Let Us Learn, the UNICEF's program] supports a conditional cash transfer (CCT) to ease these economic constraints for learners who are at risk of dropping out near the completion of primary school and while moving to or completing secondary school. The LUL transfer is a supplement or "top-up" for which families enrolled in an existing cash transfer programme for younger children are eligible if they also have an older sibling aged 11–18. The LUL supplement is linked to the older sibling's enrolment and attendance in the final year of primary school or all years of lower secondary school. Households with an eligible sibling in the final year of primary school receive a lump sum of MGA10,000 (US\$2.50) payment per child at the beginning and end of the school year. Households with an eligible sibling attending lower secondary school receive monthly transfers of MGA10,000 per child. The lump sum and the monthly transfers are equivalent to approximately 2 per cent of the monthly income per capita. In the 2019–2020 school year, the LUL supplemental transfer reached almost 9,000 children, of which 70 per cent were in secondary school and 30 per cent were in the last grade of primary (UNICEF Madagascar, 2020).

- What type of evaluation does this program imply? What type of data would you use? (Please note that this report is post-evaluation, so you cannot change the framework)
 - What is the counterfactual?
 - What are the potential problems that might arise from this evaluation?
3. The report includes some evidence on the program effectiveness.

Lessons learned. *Uptake of the LUL CCT was slightly below expectations, not exceeding 73 per cent of eligible households in target areas (Dias et al., 2021). Although these districts were identified based on the prevalence of food insecurity and community-based assessments, an evaluation (Dias et al., 2021) found that the households who registered for the LUL top-up would probably have enrolled their children in school without it. At baseline, eligible families who applied had already shown higher enrolment rates, grade-completion and education-spending compared with eligible families who did not sign up. This means that households who could have benefited the most from CCT did not participate in the programme, making it more difficult to detect the scheme's full benefits. The lower-than-expected uptake of the CCT has been attributed to limited awareness of the programme and its*

eligibility criteria. Additionally, parents considered the amount of the transfer to be too small to cover the costs of education. This finding is reflected in the quantitative analysis: no significant impact of the transfer was detected on additional socioeconomic indicators such as education expenditure, consumption, food security, health and female empowerment. Other process-related challenges limited the programme's uptake, including weaknesses in the case management of eligible households' queries, and frequent delays in paying the transfer (although eventually all eligible households received it). Besides natural disasters and the COVID-19 outbreak, delays were also caused by the administrative work that teachers took on to track students' attendance.

- What is the problem the report highlights in the "Lessons learned" section?
- In your opinion, how would this problem affect the final results from the evaluation?

What worked. Despite the gaps in its uptake, the CCT increased enrolment rates by 7 percentage points for children aged 11-14, although the impact of the transfer was found to be statistically significant only for girls (whose enrolment improved by 13 percentage points). In the 15-18 age cohort, the CCT resulted in a 9 percentage-point increase in enrolment, this time with the impact accruing only for boys. Moreover, the CCT seemed to substitute income from children's remunerated work, following differentiated patterns across genders and age cohorts. For those aged 11-14, receiving the transfer reduced the chance of engaging in remunerated work only for boys, while the total time spent working over the previous 15 days diminished by 8 hours for girls. In the 15 to 18 age cohort, girls receiving the CCT were less likely to engage in remunerated work (by 16 percentage points) and the overall time spent working fell by 8 hours for both girls and boys. Nonetheless, domestic work such as household chores increased for both age groups, especially for girls aged 11-14.

- How would you comment on these results?
- Would you suggest the foundation to donate for this program?
- Is there anything you would change to increase program's effectiveness?

4. Write a 2-page (Times New Roman, 11 points) proposal on an education policy or program type you would recommend the foundation to invest in. The report should be structured as follows:
 - Brief discussion of the **relevance** of the issue the policy would help solving (e.g., why is it important?)
 - Reporting the **existing evidence from the literature** on similar policies
 - How you would **evaluate the impact of the policy** (data and potential identification strategy)

[Note: you shall combine both resources from the course and external resources, just be sure to use high-quality papers and reports]