



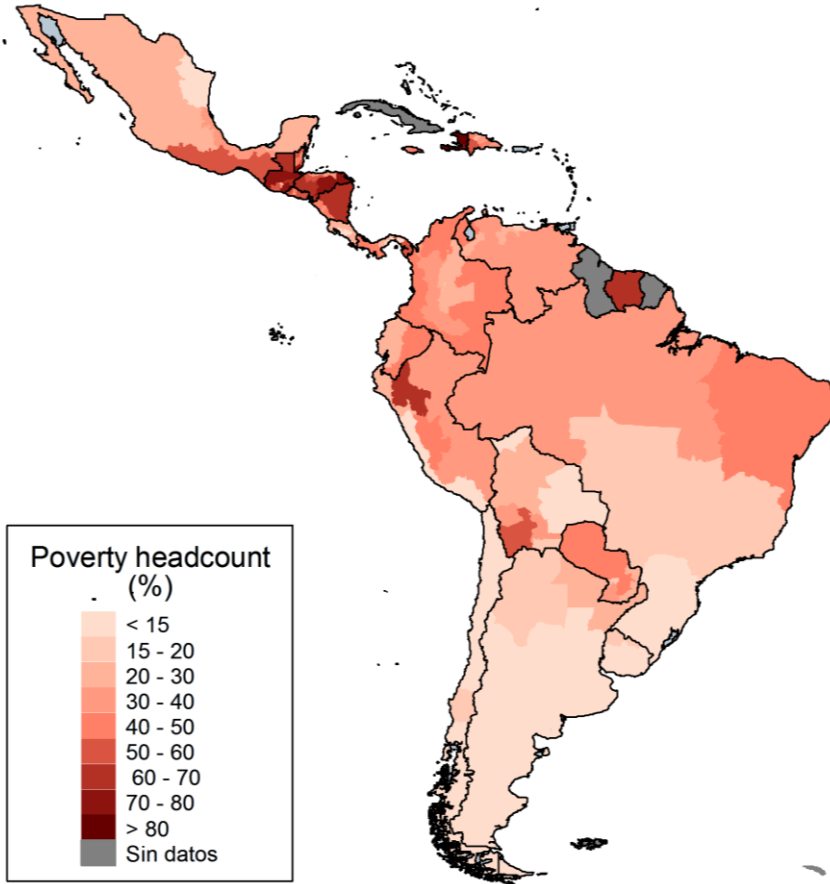
Synergies between Conditional Cash Transfers and Rural Development in Latin America: What Have we Learned?

GDN's 16th Annual Global Development Conference - 2015



Context

Poverty in Latin America and the Caribbean



Source: SEDLAC (CEDLAS and The World Bank)

- Near 27 million of Latin American poor households.
- They might be receiving social protection, perhaps from the conditional cash transfer (CCT) programs.
- A significant part of these families are located in rural areas... and potentially receiving rural-development (RD) interventions.
- Rural families may be beneficiaries of CCT's, RD, or both.
- Those receiving both interventions may be complementing their achievements: synergies or positive externalities.

Previous evidence

- Sadoulet et al. (2001) start the discussion - multiplier effects of CCTs on agricultural sector.
- Farrington et al. (2004) show that there is room for synergies between programs for employment, CCTs and financial-services, and productive interventions. Perspectives of SP can be included into design and implementation of RD, and vice versa.
- Holmes et al. (2007) discuss that SP has the potential to reduce shocks and stresses and farmers perceptions, potentially encouraging new productive activities.
- Sabates-Wheeler et al. (2009) explore both synergies and conflicts between social protection and agricultural policies.
- Tirivayi et al. (2013) –PtoP- show that social protection and agriculture support the fulfilment of each other's objectives, making evident synergies and complementarities.

Research question

Are rural households receiving both social-protection programs (as CCT) and rural-development projects (as funded by IFAD) making better off than those receiving isolated interventions?

Goal

The goal of this project is to enhance the impact of IFAD's operations in LAC by building synergies with CCT programs reaching tens of millions of rural poor throughout the region.

Hypotheses about channels and synergistic effects

Channels

- Risk management
- Social capital strengthening
- Increased contact with the government
- Formal education and training
- Information and working capital
- Production behavior and practices
- Institutional coordination

Effects

- Income and poverty reduction
- Food security
- Child work
- Empowerment
- Expectations & Aspirations
- Management of environmental issues
- Fiscal savings and more efficient institutional logistics

The Working Group



Scientific committee:

- Michael Carter
- Karen Macours
- Graciela Teruel
- Nora Lustig

- Tomás Rosada (IFAD)
- Jorge Maldonado (UA)

Methodological approach

Two types of approximations:

- Countries with emerging programs (Colombia, El Salvador and Peru):
 - Evaluations based on quasi-experimental designs and data collection.
 - Primary information: quantitative and qualitative.
 - Institutional analysis.
- Countries with consolidated programs (Brazil, Chile and Mexico)
 - Impact evaluations based on quasi-experimental designs but secondary information (except Chile).
 - Institutional analysis.

	Emerging Programs		
	Colombia	El Salvador	Peru
RDP	Oportunidades Rurales (OR)	Plan de Agricultura Familiar (PAF)	Sierra Sur (SS)
Type RDP	Technical assistance, asset financing and savings promotion	Technical and non-technical assistance, personal and social skills workshops	Technical assistance, asset financing and savings promotion
In-charge Institution	Ministerio de Agricultura y Desarrollo Social	Ministerio de Agricultura y Ganadería	Ministerio de Agricultura
CCT	Familias en Acción (FeA)	Comunidades Solidarias Rurales (CSR)	Juntos
In-charge Institution	Departamento para la Prosperidad Social	Fondo de Inversión Social para el Desarrollo Local	Ministerio de Desarrollo e Inclusión Social

	Consolidated Programs		
	Brazil	Chile	Mexico
RDP	PRONAF	FOSIS entrepreneurship line	PROCAMPO
Type RDP	Credit subsidies	Entrepreneurship promotion, formal credit promotion	Cash transfer
In-charge Institution	Ministerio de Desarrollo Agrícola	Fondo de Solidaridad e Inversión Social	Apoyos y Servicios a la Comercialización Agropecuaria
CCT	Bolsa Família (BF)	Ingreso Ético Familiar (IEF)	Progresá – Oportunidades – Prospera
In-charge Institution	Ministerio de Desarrollo Social	Ministerio de Desarrollo Social	Secretaría de Desarrollo Social

	Emerging Programs		
	Colombia	El Salvador	Peru
Quantitat. Strategy / Method.	Synergies identification by an Intensity Analysis of CCT programs over RD execution	Identification by PSM and a Regression Discontinuity design	Construction of a control group by simulating program's filter, hypothetical questions and regional PSM, refined by households' PSM
Data base	Carried out cross section survey	Carried out cross section survey	Carried out cross section survey
Period	2014	2014	2013-14
Observat. Unit	Households	Households	Households
Qualitative Strategy / Method.	Institutional agents interviews and beneficiaries interviews and focus groups	Institutional agents interviews and beneficiaries interviews and focus groups	Institutional agents interviews and beneficiaries interviews and focus groups
Complementary analyses	Impact Evaluation of the RD program by an Intensity Analysis	Identify if RD programs might work as a graduation strategy	Indirect effects of the technical training of the RD program over non-beneficiaries.

	Consolidated Programs		
	Brazil	Chile	Mexico
Quantitat. Strategy / Method.	Identification by using panel data and DiD estimations with FE and covariates	A double-robust methodology, combining PSM, FE and covariates	Identification by a Generalized PSM (for multiple treatments) and a regional equilibrium model
Data base	Brazil's Agriculture Census panel	UniAndes – FONDECYT Households panel	ENHRUM households pool
Period	1995-96 & 2006	2012 & 2014	2002 & 2007
Observat. Unit	Municipalities (Minimum Comparable Areas)	Households	Households
Qualitative Strategy / Method.	Institutional agents interviews	Institutional agents interviews	Institutional agents interviews
Complementary analyses	Social Protection and Rural Development programs impacts over municipalities.	Evaluated the impacts of the CCT and the RD program.	A General Equilibrium and Agents Model (MAEGA) for Mexican rural households

Results

Evidence of Synergies

Evidence of
Complementarities

Wellbeing measures

Emerging Programs			Consolidated Programs		
Colombia	El Salvador	Peru	Brazil	Chile	Mexico
<p>Total consumption ST: +** MT: -</p> <p>Food consumption ST - MT +</p> <p>Food security ST + MT -</p> <p>Asset index ST +* MT +*</p>	<p>Gross income, agricultural income, asset index +</p> <p>New crops or animals +**</p>	<p>Gross and net income +*** (for more educated or better endowed before the RDP)</p>	<p>Agricultural income + ***</p>	<p>Autonomous income +</p>	<p>Food, capacity and patrimony poverty; vulnerability -</p>

ST = Short term

MT = mid term

*** significant at 99%

** significant at 95%

* significant at 90%

Changes in production practices and behavior

Emerging Programs			Consolidated Programs
Colombia	El Salvador	Peru	Brazil
Production and total productive assets ST – MT – Land use and workers (off-farm and family) ST +** MT - ** Working hours ST -** MT + *	Land productivity and basic-grain crops -	Use of more productive practices +*** Total productive assets + *** Working-capital value + **	Land productivity + *

ST = Short term

MT = mid term

*** significant at 99%

** significant at 95%

* significant at 90%

Other effects

	Emerging Programs			Consolidated Programs
	Colombia	El Salvador	Peru	Chile
Children work	School attendance ST + MT – Time working, prob. of school lag and time studying ST – MT +			School attendance and time working 0
Social capital		Participation in producer org. + **	Participation in producer org. - ***	
Empowerment		Empowerment index -		Women labor participation +

ST = Short term

MT = mid term

*** significant at 99%

** significant at 95%

* significant at 90%

Other effects

Emerging Programs			
	Colombia	El Salvador	Peru
Environmental issues			Environmentally -friendly practices +***
Financial inclusion	Micro-insurance ST + ** MT - **	Deposits – Credit +*** Bank access + **	

ST = Short term

MT = mid term

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* significant at 90%

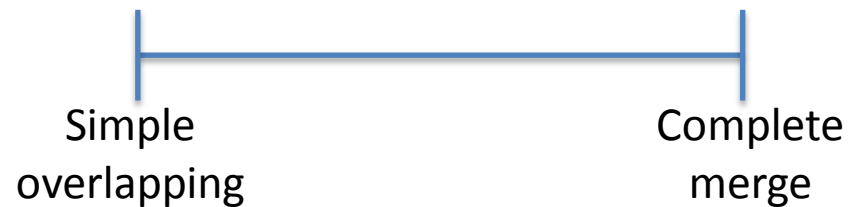
Discussion

- Do exist synergies between Rural Development and Conditional Cash Transfers programs?
 - Positive results were obtained in some aspects, but they are not fully conclusive.
 - Is it due to design? Implementation?
 - Main observed obstacle is focalization. Overlapping is not as common as was thought.
 - Institutional synergies seem to be evident but not measurable. There are several strengths and weaknesses in implementation, focalization and evaluation, that could be improved.

Policy implications

- Should we promote interaction between SP and RD?
 - Interaction between policies might be expected.
 - Already several intentions in LAC for running articulated interventions (the “new era” of social interventions).
 - How research could support these initiatives?

Institutional design:



Intervention temporality:



Policy Implications

- Articulations have a cost
- Policy needs of research as research will need of policy
 - Stronger evidence can be obtained if evaluations are considered since design
 - The evidence obtained should work for improving interventions and preparing scaling-up interventions
- Scaling-up the articulation might have trade offs
 - RD might have good performance locally, that can be used to regionalize part of the intervention



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minutos

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segundos

VER EVENTOS



Grupo de trabajo



Los países



El Proyecto

Últimas Noticias



El Taller de Avances. El inicio de la recta final.
 Publicado el 10 de julio, 2014

El pasado mes de abril se realizó en las instalaciones del

Video

FEB 14, 2014
TALLER BOGOTÁ

<http://www.sinergiasrurales.info>

Acknowledgments



Enabling poor rural people
to overcome poverty



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