Public Disclosure Authorized

Republic of Zambia

GENDER INNOVATION LAB

GEWEL

Girls' Education and Women's Empowerment and Livelihoods Project

Supporting Women's Livelihoods at Scale

Evidence from a multi-faceted women's economic inclusion intervention in Zambia

Key Messages

The government-implemented Supporting Women's Livelihoods (SWL) intervention yielded large and lasting improvements in welfare outcomes for extremely poor women in Zambia.

» **The SWL intervention aims to enhance women's livelihoods and economic resilience by providing poor rural women** with a 21-session life and business skills training, six months of group mentoring, a productivity grant of US$225 equivalent, and support to form savings groups. In addition to examining the impacts of the full package of support, the impact evaluation also assessed the relative contribution of the different program components, testing a human capital-focused bundle, comprising training and mentorship; and a financial capital-focused bundle, comprising a productivity grant and support to form savings groups.

» **The full package of SWL support decreased extreme poverty by 30% and led to improvements across a range of other critical welfare domains.** The program delivered near-immediate benefits: one year after the program, the full package increased total consumption by 19% and total household income by 28%. These impacts not only persisted but also grew over the longer-term. Three years after the program, the full package increased overall consumption (including both food and non-food items) by 38%, food consumption by 35%, and non-food consumption by 52%, under-scoring its effectiveness in enhancing household welfare. These consumption impacts corresponded with a 30% reduction in extreme poverty. Beyond consumption, the full package also boosted household income by 62%, driven by higher business and agricultural profits, and improved food security, evidenced by a 23% reduction in months of insufficient food.

» **The financial capital bundle also yielded large and sustained impacts, while the human capital bundle had no measurable impact.** Across most outcomes, the full SWL package and financial capital bundle had equivalent impacts in the short term, though the full SWL package yielded bigger longer term impacts on consumption and reductions in extreme poverty than the financial capital bundle alone, demonstrating the added value of combining financial and human capital support. The human capital bundle showed no significant effects in either the short run or long run.

» **The SWL intervention is cost effective**. For each dollar spent, the full package already yielded $1.33 in benefits and could yield total benefits as high as $10.98, with the exact amount depending on the longer-term persistence of impacts, proving that it is an efficient and impactful way to improve household welfare.

The full SWL intervention achieved a 30% reduction in extreme poverty, boosting household income and food security for poor rural women in Zambia.

GEWEL is the Government of the Republic of Zambia's flagship cash 'plus' social assistance project.

Context

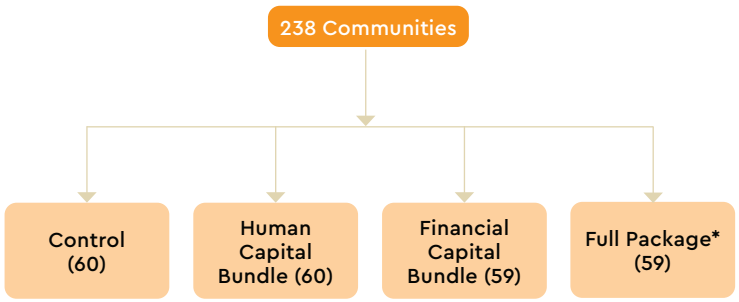
Almost 50 percent of Zambians live in extreme poverty according to the 2022 Living Cost and Monitoring Survey. Multi-faceted, graduation-style interventions have shown promise in lifting households out of extreme poverty by enabling them to diversify their income-generating activities. There is growing evidence that the positive impacts on income, consumption, and assets resulting from these programs can persist and potentially increase long after the intervention.

Building on this promise, the Government of Republic of Zambia launched SWL under the Girls' Education and Women's Empowerment and Livelihoods (GEWEL) Project in 2015 to boost livelihoods outcomes for vulnerable women. SWL targets poor, rural women with a bundled "big push" package comprising: (i) a 21-session life and business skills training; (ii) a productivity grant equivalent to US$225; (iii) support to form savings groups; and (iv) six months of group mentoring. While complex, SWL is more limited than other multi-faceted packages: at the time of the study, it was not layered on top of regular cash transfers, lasted 8–10 months, focused on grants rather than livestock and asset distribution, and included group mentoring rather than one-on-one mentoring.

What we did

The Project partnered with the Africa Gender Innovation Lab to conduct an impact evaluation (IE) to understand how SWL activities affected vulnerable women's livelihoods. The IE compared the impacts and cost-effectiveness of three SWL variants: a "full" SWL package with all four activities; a "human capital" bundle with only skills training and mentorship; and a "financial capital" bundle with only grants and savings groups.

Figure 1: Randomization of communities



Communities were stratified at a sub-district, geographic block level

* An additional 60 communities received the full package plus three consumption support payments of approximately US$16 equivalent. Results for this group are presented in the accompanying research paper.

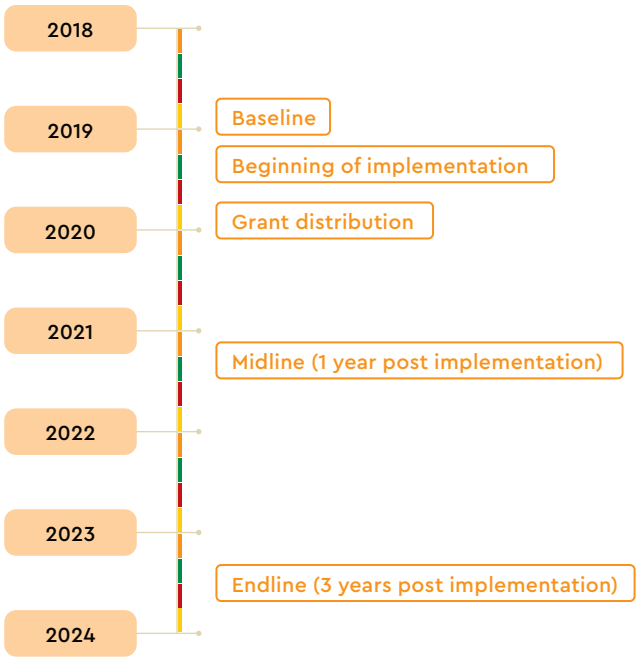
The evaluation was embedded in the rollout of the SWL, targeting 75,000 beneficiaries across 51 districts in all 10 Zambian provinces. It measured the SWL's impact at two stages: one year and three and a half years after implementation. The research team randomized 298 SWL communities across 10 districts to either receive one of the three SWL bundle variations or to serve as a control group representing business-as-usual outcomes of what would have happened without the program. We conducted three rounds of data collection from women in these 298 communities to measure program impacts and observe changes over time.

Promoting strength and resilience: An SWL beneficiary stands proudly.

SWL business profits increased by 80%

Household income enhanced by 62%

Figure 2: Evaluation timeline



Note: Grant was distributed after training but before savings groups/mentoring.

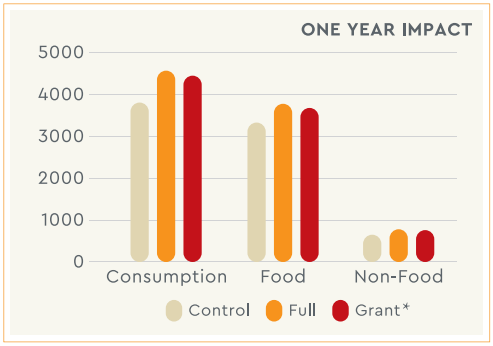
What we found

The SWL intervention demonstrated substantial and lasting improvements across various welfare domains for program beneficiaries. The full SWL intervention notably increased overall consumption by 38% (Figure 3), food consumption by 35%, and non-food consumption by 52%, thereby enhancing living standards.[1] Households experienced better food security, with a 23% reduction in months of insufficient food and a 22% decrease in the likelihood of skipping meals or borrowing food. Additionally, the intervention successfully reduced both extreme and moderate poverty levels by 30% and 19%, respectively, showcasing its effectiveness in alleviating poverty and enhancing economic resilience. Beneficiaries also saw substantial growth in household assets and savings, with overall savings increasing by 234% for the full package.

The SWL program significantly boosted employment and business activities among beneficiaries, resulting in increased household income. Participation in the full SWL package led to a 9-percentage point increase in self-employment, an 8-percentage point increase in agricultural work, and a 19-percentage point increase in market-oriented agricultural activities (Figure 4). This diversification resulted in more household businesses. Additionally, aggregate household income grew by 62%, driven by higher business profits and agricultural sales, with the full SWL package showing the greatest impact.

1. The full SWL package in Zambia demonstrated a larger long-term impact compared to similar graduation programs in Niger and Ethiopia. While the financial capital bundle produced comparable short-term effects, the full SWL package's sustained long- term benefits were notably superior. Other programs, like the comprehensive package in Niger and Ethiopia, showed less pronounced long-term impacts.

Figure 3: Short-term and long-term impacts of SWL on consumption



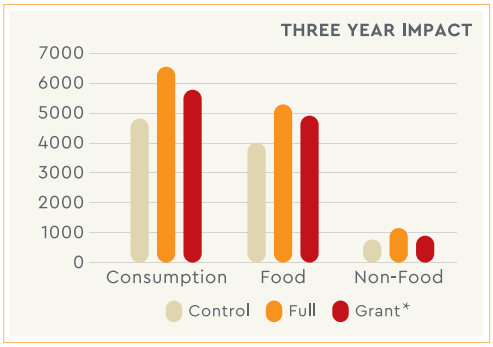
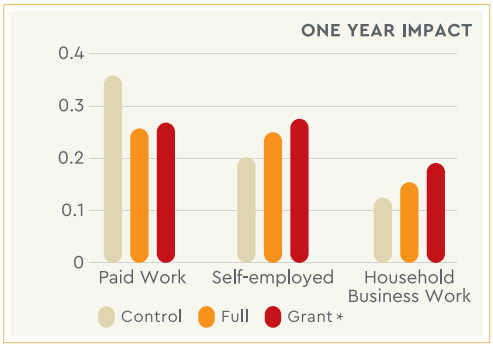
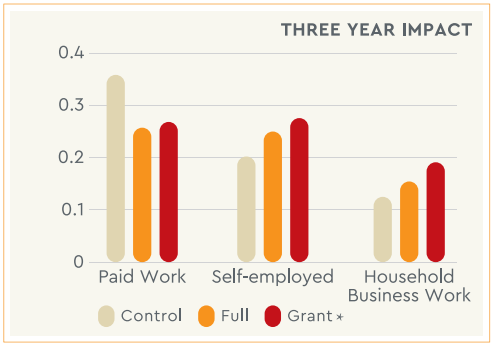


Figure 4: Short-term and long-term impacts of SWL on income generating activities





All Full Package and Financial Capital impacts are significantly different from the control group at the 1% significance level.

*Grant distribution refers to the financial capital bundle that combined the grant and support to form savings groups.

Package variants yielded mixed results: The financial capital bundle yielded similar large and sustained impacts as the full SWL package, while the human capital bundle had no impacts. The full SWL package and financial capital bundle had equivalent impacts in the short term and largely equivalent in the long run. Consumption impacts from the full SWL package grew from 19% after one year to 38% after three years. In contrast, the short-run financial capital bundle impacts persisted but did not grow, with a 23% increase in overall consumption, a 24% rise in food consumption, and a 26% boost in non-food consumption. The demonstrated larger sustained impacts of the full SWL package highlight the promise of a comprehensive approach for driving significant and lasting economic improvements, while the large impacts from the financial capital bundle highlight the potential of more limited grant-focused interventions in resource-constrained settings. Conversely, the human capital bundle alone showed no significant effects, indicating that easing financial constraints is crucial for improving outcomes for vulnerable women.

The SWL program demonstrated a high rate of return on investment for the full package. For each dollar spent, the benefits were substantial and sustained, with a 3-year benefit-cost ratio of 133% and a total benefit-cost ratio of up to 1098%, depending on the extent to which impacts persist. This indicates that the full SWL package is a highly efficient and impactful investment, providing significant economic returns and lasting improvements in household welfare. In comparison, the financial capital bundle also showed positive returns, with a benefit-cost ratio ranging from 123% to 798%. However, the full SWL package consistently outperformed the financial capital bundle in terms of both the magnitude and sustainability of benefits, underscoring its superior cost-effectiveness.

Overall, the results highlight the substantial and sustained positive impacts of the SWL intervention on welfare outcomes, emphasizing the importance of combining financial and human capital support to achieve long-term economic improvements for vulnerable households.

Policy implications

The findings from the SWL intervention underscore the effectiveness of comprehensive, multi-faceted interventions in improving welfare outcomes for extremely poor women in Zambia. These results offer several key policy implications:

- **Promote Integrated Support Packages:** The significant impacts of the full SWL package, which combines financial capital and human capital components, highlight the value of integrated approaches. Policymakers should consider scaling up such comprehensive programs to maximize long-term welfare improvements and economic resilience.
- **Prioritize Financial Capital in Resource-Constrained Settings:** The financial capital bundle alone produced notable gains in the short term almost equivalent to those from the full package, suggesting it as a viable alternative in settings with limited resources. In emergencies or where funding is limited, prioritizing financial capital can still yield substantial welfare benefits in the immediate term for quick wins.
- **Enhance Human Capital Development:** While the human capital bundle alone did not show significant impacts, it increased consumption impacts when combined with financial support within the full package. Life and business skill training programs can boost long-term economic gains and improve beneficiaries' risk management. However, large-scale implementation can strain training delivery capacities and structures, so delivery modalities—including field officer identification and training—should be adapted to ensure quality at scale.
- **Sustained Impacts with Minimal Fadeout:** Both the full SWL package and the financial capital bundle showed strong short-term impacts with very low fadeout over time. This highlights the importance of implementing interventions that enable beneficiaries to develop income-generating activities and accumulate assets, leading to more sustainable impacts. Such approaches not only produce immediate benefits but also maintain their effectiveness in the long term, ensuring enduring improvements in welfare outcomes.
- **Ensure Sustainable Poverty Reduction Strategies:** The SWL's success in reducing poverty highlights the effectiveness of big push, time-bound interventions as powerful poverty reduction strategies. Policymakers should integrate these initiatives with existing social protection frameworks to enhance effectiveness and sustainability.

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Together, we are shaping a more empowered and inclusive Zambia