



About PEP

The Partnership for Economic Policy (PEP) is a global network of researchers, international experts and Southern research institutes, devoted to ensuring greater participation of local expertise in the analysis of policy issues related to poverty, and economic and social development in developing countries.



With nearly ten years of experience, and the continued support of world-renowned experts in development economics, PEP has become a unique source of expertise in building local capacities for economic and policy analyses. Indeed, PEP relies on an efficient and unique mechanism of scientific, technical and financial support that it has developed over the years to help Southern-based researchers overcome the usual impediments to the conduct of state-of-the-art research from their home countries.

To this day, more than 500 researchers based in 49 developing countries in Africa, Asia and Latin America have benefited from PEP support package, resulting in the completion of 172 projects of locally-based analysis – each of which has been appraised in accordance with the highest international standards of scientific rigor and quality. The resources and training provided allowed these local researchers to not only build their scientific expertise and international reputation as field specialists, but also to produce reliable evidence for governments and organizations to rely on in the design and/or reform of actual pro-poor policies and programs in their home countries.

PEP impact evaluations

One crucial and peerless feature of PEP is the breadth of analytical perspectives, tools and techniques – usually referred to as the “PEP toolbox”¹ – that researchers can choose to be trained in via PEP support. The present document describes the uses and outcomes of PEP’s expertise in the conduct of “policy or program impact evaluations”,² and more specifically in the **context of developing countries**.

Through the global infrastructure of the PEP network, the PIERI initiative provides financial, scientific and technical support to teams of southern-based researchers, for the conduct of rigorous evaluations that aim to **assess the impact of various social policies/programs on targeted populations in their home countries**.³

¹ Some of these tools have emerged directly from PEP research. They are based on extensive experience in the analysis of policy issues related to poverty and economic development in the specific context of developing countries.

² Please refer to section 4.1 (page 6-7) for a detailed description of the specific techniques applied in the context of this particular methodological approach.

³ Find the complete list of PEP-supported impact evaluation projects in section 4.2 (page 7-8) below

Moreover, the **thematic coverage** of PEP impact evaluations is quite extensive - from conditional cash transfers to education and health programs, microfinance, training, environment and infrastructure development⁴ – as it reflects, on the one hand, country-specific needs and contexts, and on the other hand, the variety of potential applications of such techniques⁵ to the analysis of development efforts and pro-poor policy issues.

Examples of thematic applications in the context of PEP-supported impact evaluations

YOUTH - Egypt

Assessing the Impact of Ishraq Intervention: A Second-Chance Program for Out-of-School Rural Adolescent Girls in Egypt

The project aims to assess whether this particular program intervention (*Ishraq*) is successful in leading "out-of-school" rural teenage girls to make better-informed decisions when entering adulthood – in terms of schooling, marriage and livelihood opportunities.

HEALTH - Senegal

Impact Evaluation of School Canteen and Deworming Programs in Rural Elementary Schools in Senegal

This project is an impact evaluation, based on an experimental approach, to assess whether health-related school interventions can in fact contribute to improve both school attendance and achievements for young children in rural Senegal.

ENVIRONMENT - China

Assessing the Impacts of China's "Land of Love, Water Cellar for Mothers"

This particular national government program aims to address the issue of water scarcity by building water cellars in Western China. The evaluation team aims to assess the program's specific impact on women's empowerment, income, labor and health conditions in poverty- and drought-stricken areas of the region, where the male workers' migration often leave them as the main local workforce.

LABOR - Vietnam

Does Training Voucher Help Increase Income of Redundant Workers from State's Owned Enterprises in Vietnam?

This study attempts to evaluate the actual contribution of the government's training vouchers (vs other potential contributive factors) in improving income and labor conditions of workers who were left redundant following the restructuring of State-owned enterprises in Vietnam since 1992. The training vouchers were allocated in the context of a national support program that aimed to help these workers reintegrate the labor market.

EDUCATION - Argentina

Assessing the Impact of *Ley Federal de Educación* (LFE) on Educational and Labor Outcomes in Argentina

The 1994 LFE reform entailed an increase in the number of years of compulsory education in Argentina. This evaluation aimed to assess whether the extension has had an effective impact on the improvement of the schooling and labor outcomes/perspectives of those poor youths educated under the LFE.

INFRASTRUCTURE - Peru

Connecting Rural Communities for Development: An Impact Evaluation of a Rural Roads Program in Peru

Based on a quasi-experimental approach, this study aimed to assess whether a rural infrastructure program has contributed to improve the welfare of rural households and increased human capital investments in Peru, as well as to identify the conditions that are required for such programs to positively affect the most vulnerable and isolated groups.

⁴ Again, please refer to the complete list of PEP-supported impact evaluations in section 4.2 (p.7-8)

⁵ See section 4.1. for a description of the said techniques

Through the ongoing support, resources, training and international mentoring program systematically provided to all PEP grantees, the PIERI initiative **contributes to building capacity and experience of local experts** in the conduct of scientifically-sound impact evaluations in developing countries.



In addition, the international networking experience offered through PEP presents a unique opportunity for developing country researchers to share knowledge and learn from each other's experience.



Especially in the case of impact evaluations for social policies and programs, the network makes it possible for researchers from different countries to compare findings and methodological applications, to draw general conclusions or identify country specificities, as well as to contribute to the accumulation of knowledge on the behavioural responses to incentives embedded in such programs.

But more importantly, the empirical evidence produced in the context of such rigorous impact evaluations **provide policymakers and program managers with reliable data and recommendations to inform decisions** related to the design or implementation of their interventions.

In most cases, such evidence is either meant or can be used to:

- inform decision-makers, donors and taxpayers on the realization of a policy/program's expected benefits
- help improve and assist in policy/program design and implementation
- foster accountability of implementation processes
- generate political support for continuation or expansion of policies/programs, both within and beyond national boundaries (public good value)

Indeed, the conduct of rigorous evaluations is essential to identify effective program design elements and to generate political support for the continuation or expansion of those programs that are most effective. A program that works in one country may not work in another, so replication of impact evaluation studies is key to assessing their external validity. However, comparing evaluation findings may also inform the design of programs in neighboring and other countries. Their public good value thus justifies funding evaluations with resources beyond those available domestically.

Finally, channeling these resources through PEP not only ensures that the research outcomes will meet the highest international standards in terms of scientific rigor and quality, but also contributes to fostering such high-quality research capacities and expertise in beneficiary countries.⁶

The involvement of local researchers in impact evaluation projects also presents a list of considerable advantages, such as:

- better understanding of the local environment, program objectives and constraints

⁶ Please refer to the latest [\(2011\) PEP Annual Report](#) for more information on the PEP support and mentoring program that guarantees the quality of projects' outputs and methodological applications.

- continuing on-site presence and supervision that guarantees timely observations and adjustments
- ongoing engagement with local/national stakeholders and policymakers
- promotion of a “culture of evaluation” and improvement of accountability for quality social spending in beneficiary countries

When appropriately trained and given financial and technical resources to conduct the evaluations, they are likely to generate a valuable input into decision-making and to become actors of development in their own countries.

Policy engagement and influence of PEP impact evaluation projects

As impact assessment projects require ongoing consultation and close collaboration of researchers with the institutions and individuals in charge of implementing the policies or programs under evaluation – all throughout project execution - their engagement tends to result in direct take up of findings into the related decision-making process.



Moreover, since all PEP research teams are strongly encouraged and supported in the undertaking of initiatives that aim to communicate findings to all relevant stakeholders, both at the national and international levels, the influence of a project’s outcomes often goes beyond the specific policy/program or local/national context it pertains to.

This section presents a series of excerpts from reports of researchers involved in PEP-supported impact evaluation projects that testify to the actual impact and influence of their project outcomes on policy or program design, implementation and expansion, both within and beyond the related countries. Refer to the projects listed in section 4.2 (p. 7-8).

Teaching Entrepreneurship: Impact of Business Training for Microfinance Clients and Institutions⁷ (Peru)

Project leader: Martin Valdivia

“Based on the encouraging results of the study, FINCA (the microfinance institution implementing the program under evaluation) confidently expanded the business training program to other groups and it has since then become a regular feature of the services they offer to their clients. But the implications have started gone way beyond that sole institution, as the researchers’ findings have been presented at several academic and policy meetings within Peru and around the world. It has been reported that many Peruvian microfinance institutions and national NGOs (such as PRISMA, ADRA and Manuela Ramos in collaboration with FFH) have since started to insert a business training component into their services. MIBANCO, a large regulated microfinance bank associated to Acción International, and Banco de Crédito, the largest commercial bank in the country, are also now offering business training to their clients in Peru.

At the international level, the authors have been contacted by researchers that are partnering with microfinance institutions in Mexico and India who are also involved in trying to combine business training with the regular microfinance services they offer to their clients. These new cases will be important to see if the results replicate in other contexts, considering that these projects’ design also include an (experimental) impact evaluation component. “

⁷ For a brief review of this project’s results, please refer to [PEP policy brief 67](#)

Improving School Quality in East Africa: Randomized Evaluation of Policies to Create Local Accountability under Free Primary Education in Uganda⁸

Project leader: Madina Guloba



“This (ongoing) experimental project is being conducted in close collaboration with the Ministry of Education and Sports, the National Planning Authority, as well as the Board of National Assessment for Progress in Education (NAPE).

Consultations at the Ministerial level were mainly done for the Ministry of Education and Sports to own the results generated from the project. It created an entry point for the researchers into the Ministry, whose officials provided inputs for the design of the survey and intervention instruments used throughout the project implementation period.

More consultations were held with the Netherlands Development Organization (SNV) and World Vision, as advocacy organizations whose contribution was for the project to reach grass roots when dissemination of results starts. Also, as both organizations are based at district and community levels, their collaboration should facilitate with training activities, as well as monitoring and evaluation of project activities.”

School Attendance, Labor Supply and Household Income: An Impact Evaluation of PANES (Uruguay) ⁹

Project leader: Veronica Amarante

“This project is an impact evaluation of an anti-poverty program, the *Plan Nacional de Atención a la Emergencia Social* (PANES), implemented in Uruguay from 2005 to 2007. The Plan included a conditional cash transfer program that was to be reformed and substituted by a new transfer program, “*Asignaciones Familiares*”. In 2007, following wide public dissemination of results from their previous PEP research project “**Family Allowances and Child School Attendance: An Ex-ante Evaluation of Alternative Schemes in Uruguay**”,¹⁰ the team members were invited to participate in a committee that was created to discuss the main design and implementation issues in regard to the removal of PANES and its substitution by the new *Asignaciones Familiares*.

The creation of this committee aimed at integrating the different actors involved in the renewal of the social protection system in Uruguay – Ministry of Social Development, *Banco de Previsión Social* (BPS), Ministry of Economy and Finance, Ministry of Labor and Social Security, as well as researchers from the *Instituto de Economía, Facultad de Ciencias Económicas*. The committee activities basically consisted in providing information about other experiences undertaken in Latin America, estimating a proxy means index to determine the beneficiaries of the new *Asignaciones Familiares* regime and sharing some results from previous work and from the researchers' impact evaluation of PANES.

The project was thus conducted in direct consultation with decision-makers involved in the reforming process; results from the PEP impact evaluation of PANES were systematically acknowledged by the Ministry of Social Development and taken up for the design of new and improved interventions that aim to foster school attendance and reduce poverty at the national level in Uruguay. Outside the country, the findings were also acknowledged by the UNDP International Poverty Center for Inclusive Growth (IPC-IG) of Brazil.”

⁸ For a brief review of this project's results, please refer to [PEP policy brief 98](#)

⁹ For a brief review of this project's results, please refer to [PEP policy brief 85](#)

¹⁰ For a brief review of this project's results, please refer to [PEP policy brief 60](#)

PEP researchers Veronica Amarante and Andrea Vigorito received, in 2009, the first of PEGNet Best Practise Award, for their success in effective cooperation between research and policy in the context of their PEP projects.

The Rural Household Income and Poverty Reduction Effects of Priority Forestry Programs in China

Project leader: Can Liu

“The project has been carried out in consultation with the Priority Forestry Program Management Officers from the State Forestry Administration, as well as Officers from the Ministry of Finance and Department of Agriculture.



The researchers' findings and recommendations have been taken up by the State Forestry Administration, in preparation of the 12th Five-Year National Forestry Development Plan (2011-2015).”

Assessing the Impact of Argentina’s “Ley Federal de Educación” on Educational and Labor Outcomes¹¹

Project leader: Leonardo Gasparini

“There is an important debate in Argentina regarding the effective impact of *Ley Federal de Educación* (LFE), in which the members of this particular PEP research project team have been fully engaged. The outcomes of this impact assessment were extensively discussed with policymakers and civil society representatives in the context of several conferences, policy seminars and personal meetings.



Discussions around educational reform at the national level frequently mention their results to stress out that increasing the number of mandatory years of education (what was the core of LFE) is enough to improve the labor situation of poor youths, if not complemented with other specific measures.

The findings have also been widely disseminated by national media and, as a result, acknowledged by the concerned institutions. In particular, the project's findings have been used to inform policy decisions related to the design and implementation of a new conditional cash transfer program (*Asignaciones Universales por Hijo*) in the country.”

The PEP-PIERI initiative: origins, methodology and projects

Initially, the PEP network was composed of three distinct research programs that promoted different methodologies of economic poverty and policy analysis: [CBMS](#), [MPIA](#) and [PMMA](#).

In time, it appeared that an increasing number of both submitted proposals and supported projects aimed to assess the impacts of policies or programs implemented by government and other organizations in the researchers' home countries, especially in regard to effective benefits for development and/or poverty alleviation. These projects used a combination of approaches from the **PEP toolbox** to assess whether, for instance, the interventions had been effective in reaching target beneficiaries and/or whether the policy/program had had unintended effects or consequences. The outcomes were found particularly useful in terms of evidence base to assist in related policymaking – i.e. program design, targeting, implementation, budget allocation, etc. – and thus came the will to develop an

¹¹ For a brief review of this project's results, please refer to [PEP policy brief 88](#)

independent and innovative research program based on the most updated techniques and cutting-edge approaches known to the field for the conduct of rigorous impact evaluations.

In 2007, the Australian Agency for International Development (AusAID) agreed to support a series of evaluations for policies/programs that seek to foster human capital investment in rural areas of developing countries. The PEP Network launched a call for proposals, out of which nine (9) project teams – all based in developing countries (4 in Africa, 2 in Asia and 3 in Latin America) – were selected as grant recipients; and thus emerged the Policy Impact Evaluation Research Initiative (PIERI) as a new PEP research program. For the complete list of PEP-supported impact evaluation projects, see section 3.2 below (page 4).

Methodologies

PEP impact evaluation projects can either be based on **experimental or non-experimental approaches**. In either case, a good **institutional knowledge of the program** is required, especially in regard to:

- the **eligibility** rules and target population
- the **objectives** of the intervention and its potential unintended effects
- the **outcomes** that may potentially be affected by the program
- the intervention's calendar and the **timing** of effects (short-term, medium-term, long-term)

The experimental approach:

The experimental approach, through the conduct of field experiments, is a robust approach for assessing the effectiveness of interventions, but an approach that is only possible to apply when the evaluation is set out to start before the actual implementation of the policy or program.

The project is then structured around the following steps:

- **Identify eligible population** (depending on the program's targets and intended effect) and randomly assign them to treatment & control groups BEFORE the intervention
- **Collect baseline data** on relevant characteristics and behaviours of households/individuals in both groups
- **Conduct intervention** for the treatment group ONLY
- **Follow-up**: collect the (same) data again for both groups
- **Contrast changes** in outcomes between treatment and control groups.



Indeed, the conduct of experimental evaluations requires extensive resources, especially in terms of data collection in the field, and coordination with policy/program implementers.

The non-experimental approach:

The non-experimental approach to impact evaluations is usually helpful if the intervention has already started. In such cases, “ex-post” evaluations are faced with the problem of identifying a valid **counterfactual**: What would have happened to the population without the intervention?

The non-experimental approach provides the following solution:

- Compare the beneficiaries' situation with that of a **similar population** that has not experienced the intervention, e.g.:
 - Individuals just outside of the eligibility "cut-off" (method of "Regression Discontinuity")
 - Individuals with similar observed characteristics (method of "Propensity Score Matching")
- Also, if general baseline data (from before the intervention) is available, **compare changes** in outcomes between beneficiaries and counterfactual populations.

List and themes of PEP-supported impact evaluation projects

To this day, 18 impact evaluation projects have been supported by the PEP network, involving a total of 82 granted researchers in developing countries, who have now been trained to design and conduct high-quality impact evaluation projects.

The following table presents the list of projects that were selected for support under the PEP standard grant program, both prior to and in the context of the PIERI initiative:

Type	Project title	Country	Project leader	Link
Non-exp	Connecting Rural Communities for Development: An Impact Evaluation of a Rural Roads Program in Peru	Peru	Martin Valdivia	11052
Non-exp	Family Allowances and Child School Attendance. An Ex-ante Evaluation of Alternative Schemes in Uruguay	Uruguay	Andrea Vigorito	11083
Non-exp	School Attendance, Labor Supply and Household Income: An Impact Evaluation of PANES (Conditional Cash Transfer Program in Uruguay)	Uruguay	Veronica Amarante	11239
Non-exp	Estimating Participation and Spill-over Effects of a Conditional Cash Transfer Program: the case of Tekoporã in Paraguay in Paraguay	Paraguay	Fabio Soares	11242
Non-exp	Assessing the Impact of Argentina's Ley Federal de Educación on Educational and Labor Outcomes	Argentina	Leonardo Gasparini	11243
Non-exp	Evaluating Policies to Reduce Teenage Childbearing: Policies Reducing Education Costs of Households	Colombia	Dario Maldonado	11887
Non-exp	Teenage Pregnancy and Educational Expectations	Chile	Claudia Martínez	11888
Non-exp	Impact Evaluation of the Brazilian Pension Program Benefício de Prestação Continuada (BPC) on Family Welfare	Brazil	Ana Lucia Kassouf	12000
Non-exp	The Impacts of "Land of Love, Water Cellar for Mothers"	China	Liguo Lin	12213
Non-exp	The Rural Household Income and Poverty Reduction Effects of Priority Forestry Programs in China	China	Can Liu	12095
Non-exp	The Impact Evaluation of Tuition Relief Program in Senior High School on Poor Students in Rural China	China	Xinxin Chen	11984
Seed ¹	Does Training Voucher Help Increase Income of Redundant Workers of Restructured State's Owned Enterprises in Vietnam?	Vietnam	Lan Anh Vu	11213

Seed	Effect of Sexuality and Procreation Education on Health and Poverty Reduction of Girls in Rural China - The Case of Gansu Province, China	China	Wei Qu	11204
Exp	Improving School Quality in East Africa: Randomized Evaluation of Policies to Create Local Accountability under Free Primary Education in Uganda	Uganda	Madina Guloba	11857
Exp	Teaching Entrepreneurship: Impact of Business Training for Microfinance Clients and Institutions	Peru	Martin Valdivia	10422
Exp	Improving School Quality in East Africa: Randomized Evaluation of Policies to Create Local Accountability under Free Primary Education in Kenya	Kenya	Germano Mwabu	11283
Exp	Improving School Quality in East Africa: Randomized Evaluation of Policies to Create Local Accountability under Free Primary Education in Uganda	Uganda	Madina Guloba	11857
Exp	Impact Evaluation of School Canteen and Deworming Programs in Rural Elementary Schools in Senegal	Senegal	Abdoulaye Diagne	11229
Exp	Assessing the Impact of Ishraq Intervention, A Second-Chance Program for Out-of-School Rural Adolescent Girls in Egypt	Egypt	Asmaa Elbadawy	11200

1. "Seed" projects are selected to receive PEP support and mentoring for the development of a high-quality impact evaluation project proposal, but not for the conduct of the evaluation per se.

Follow the links in the right column to find each project's abstract and related publications - research reports, working papers and policy briefs (the latter are available only in the case of completed projects).

Several of the projects listed above were funded by the Australian Agency for International Development (AusAID), but other donors have funded special initiatives that required PEP's renowned scientific expertise and mentoring experience in impact evaluations. For instance,

- The Inter-American Development Bank (IADB) has funded two (2) research projects to assess the impact of different public interventions to reduce teenage childbearing in Latin America¹² (from a non-experimental approach)
- The Bill & Melinda Gates Foundation is funding a new collaboration – led by the Argentine-based Centro de Estudios Distributivos Laborales y Sociales (CEDLAS) at the Universidad Nacional de La Plata to evaluate the impacts and efficiency of a new program to improve sanitation practices in rural Mali¹³ (using an experimental approach)

¹² See: <http://www.pep-net.org/programs/pieri/special-initiatives/evaluating-the-effectiveness-of-alternative-interventions-to-reduce-teenage-childbearing-in-latin-america/>

¹³ Referring to the new "Community-Led Total Sanitation (CLTS)" program, increasingly promoted around the world, especially by UNICEF, to improve sanitation practices in developing countries. This project, based at the Centro de Estudios Distributivos, Laborales y Sociales (CEDLAS) at the Universidad Nacional de La Plata, is led by former PEP-grantee and CEDLAS researcher Maria Laura Alzua, in collaboration with PEP-PIERI research program director Habiba Djebbari. Find more information here: <http://www.pep-net.org/programs/pieri/special-initiatives/impact-evaluation-of-an-innovative-program-to-improve-sanitation-practices-in-rural-mali/>