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Lesotho



Strengthening  
coherence  
between social  
protection and  
productive  
interventions  
The case of Lesotho

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# Strengthening coherence between social protection and productive interventions

## The case of Lesotho

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## Acknowledgements

This report integrates methods, analysis and findings of a set of studies that explore the impact of combining an unconditional cash transfer programme and a rural livelihood intervention in Lesotho and their institutional arrangements.

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## Abbreviations and acronyms

CBT	Community-based targeting
CGP	Child Grants Programme
CRS	Catholic Relief Services
FAO	Food and Agriculture Organization of the United Nations
LEWIE	Local Economy-Wide Impact Evaluation
LSL	Lesotho Loti
MoSD	Ministry of Social Development
NISSA	National Information System for Social Assistance
SILC	Savings and Internal Lending Communities
SPRINGS	Sustainable Poverty Reduction through Income, Nutrition and access to Government Services
UNICEF	United Nations Children's Fund



## Executive summary

This country report on coherence between social protection and productive interventions draws on various studies conducted in Lesotho, using two programmes implemented under the leadership of one single ministry as a case study: the figu (CGP) and a complementary livelihood intervention, with preferential targeting of households participating in the CGP, which was called Sustainable Poverty Reduction through Income, Nutrition and access to Government Services (SPRINGS). The Ministry of Social Development (MoSD) is directly responsible for the CGP. While SPRINGS involved many actors, MoSD retained a critical leadership role in the programme.

The report draws on an institutional analysis of the different policy actors involved in the implementation of the two programmes, and further combines impact evaluation methods to analyse direct and indirect impacts of CGP and SPRINGS on their beneficiaries and their spillovers on the local economy.

The research questions were defined across four areas of inquiry: 1) beneficiary households' income and economic security through productive activities and market engagement; 2) financial inclusion and willingness to take risk; 3) changes in dietary practices and nutrition for adults and children; 4) local economy effects. The first three domains are analysed separately for households benefitting from the CGP alone, compared to those receiving both CGP and SPRINGS, and are investigated through mixed quantitative and qualitative impact evaluation methods. The impacts on the local economy are detected through a Local Economy-Wide Impact Evaluation methodology, which allows the quantification of local income and production spillover effects in the local economy brought about by the programmes on beneficiary and non-beneficiary households. In turn, the institutional analysis included in this report provides insight into the institutional mechanisms, processes and tools that facilitated or hindered coordination between the social protection and productive dimensions of the CGP and SPRINGS programmes.

The report integrates the findings from these various studies in an effort to highlight the outcome domains that were most affected by the programmes and why, and understand which institutional mechanisms can be improved or strengthened to make the combined interventions more effective.



## 1. Objectives of the study

A growing body of evidence shows that fostering linkages between cash transfer programmes and other agricultural and rural development interventions plays a fundamental role in addressing constraints faced by households living in poverty in rural areas. Coherence between social protection and agriculture can help promote productive investments and stimulate sustainable transitions out of poverty (Davis *et al.*, 2016; FAO, 2016).

To inform current efforts aimed at strengthening coordination between programmes targeting poor and vulnerable rural households in Lesotho, at the end of 2016 the Ministry of Social Development (MoSD) and the UNICEF Lesotho country office commissioned FAO to carry out an impact evaluation of two related interventions, namely the Child Grants Programme (CGP) and the Sustainable Poverty Reduction through Income, Nutrition and access to Government Services (SPRINGS) project. The CGP is an unconditional cash transfer to poor and vulnerable households, the size of which varies with the number of children. The programme was originally funded by the European Union, but since 2014 it has been fully incorporated into Government budget. Currently it covers all rural community councils and serves 41 000 beneficiary households. The SPRINGS programme was an integrated community development package consisting of market clubs, community-based savings and internal lending groups, homestead gardening (training and vegetable seed distribution) and nutrition training. SPRINGS officially ended in September 2018, after benefitting 7 000 households in five community councils during three years of implementation.

The choice of these two interventions was deliberate. The CGP resembles a classical cash transfer programme, targeted at extremely poor households with children. As with other similar programmes elsewhere, its main goals were geared towards helping very poor households better manage risks and protect their consumption and assets, while improving the well-being of their children and allowing these households to invest in the development of their human capital. In turn, SPRINGS was purposefully designed as a complementary livelihood intervention. It arose from evidence pointing to the fact that, by itself, the CGP was insufficient to help these poor households accumulate assets, save and borrow, or change their livelihood strategies in a more self-sustaining way. Therefore, SPRINGS made an explicit effort to enrol CGP participants so as to complement the income support provided by the transfer, even if the original aim of restricting eligibility for SPRINGS to CGP households had to be relaxed in the face of community resistance.

The evidence presented in this report is based on a combination of qualitative and quantitative methods to analyse the impacts of CGP and SPRINGS on their beneficiaries and spillovers on the local economy, including an institutional assessment of the design and implementation of the two programmes. This seeks to inform the design and implementation of institutional, policy, and programmatic reforms geared towards strengthening coherence between social protection and productive inclusion interventions targeting poor smallholder farmers. Poor rural and food-insecure households are the target of most social protection programmes and depend primarily on agriculture for their livelihoods. These households face a number of constraints that cannot be addressed by either agriculture or social protection alone. Strong articulation, whether between the

different components of a programme managed by one Ministry, or across programmes managed by different Ministries, has the potential to trigger synergistic effects that can help to enhance the social, economic and productive impacts on the beneficiary households.

For the quantitative and qualitative studies, the research questions were defined across four areas of inquiry, following the main goals of the CGP and SPRINGS programmes: 1) beneficiary households' income and economic security through productive activities and market engagement; 2) financial inclusion and risk attitudes; 3) changes in dietary practices and nutrition for adults and children from beneficiary households; 4) local economy effects on both beneficiary and non-beneficiary households. For the first three areas of research, we analysed impacts separately for households benefitting from the CGP alone, compared to those receiving both CGP and SPRINGS. This is because a key objective of the evaluations is to inform policymakers of the evidence and extent to which combining social protection and rural livelihood interventions yields greater impacts than the implementation of standalone programmes, including why and how these impacts occur.

The impacts on the local economy were detected through a Local Economy-Wide Impact Evaluation (LEWIE) model, which allows to quantify local income and production spillover in the local community brought about by the programmes on beneficiary and non-beneficiary households. Indeed, market interactions shift impacts from beneficiary to non-beneficiary households. For example, CGP beneficiaries spend a large part of their cash on goods and services supplied by local farms and businesses, while SPRINGS aims to increase their production as local demand increases. As local production expands to meet the new demand, incomes in the households connected with these farms and businesses rise, together with the demand for labour and other inputs. This generates additional rounds of spending and income growth in the local economy.

This report seeks to integrate the findings from separate studies in order to highlight the outcome domains that were most affected by the programmes, and understand which institutional mechanisms can be improved or strengthened to make the combined interventions more effective.

The report is structured as follows. Section two provides a description of CGP and SPRINGS and a review of the evidence that informed the creation and expansion of the two programmes. Section three spells out the theory of change and the research hypotheses. Section four describes the analytical tools used in the research. Section five presents the findings from the impact evaluations, while Section six discusses the results of the institutional analysis. Finally, section seven concludes and provides policy and programmatic recommendations.

## 2. Background of the programmes

Social protection is one of the key priorities for the Government of Lesotho. Its importance was declared in the National Strategic Development Plan 2012–2017, in the National Policy on Social Development approved in 2014 (Government of Lesotho, 2015), and then reinforced in the National Strategic Development Plan II, 2018/19 – 2022/23. In 2017–18, Lesotho’s social assistance expenditure was 5.7 percent of its GDP. In contrast, most other developing countries spend only about one to two percent of their GDP. Further, a concerted effort has been taken to create and implement a comprehensive and coherent social protection strategy. The MoSD was created in 2012 to lead this effort. Further, the National Social Protection Strategy of 2015 aimed to operationalize a set of comprehensive social protection programmes implemented by various ministries that reduce vulnerabilities across the life course of an individual. Despite these attempts, there has been limited inter-sectoral coordination to address social protection. The bulk of social assistance expenditure and coverage sits outside the purview of the MoSD. Lesotho’s social assistance expenditure is around 12 percent of its national budget, but the MoSD’s budget is only 1.4 percent of its national budget.

The CGP is the second most important social assistance programme in Lesotho, the largest being the Old Age Pension. Originating in a four-year project funded between 2005 and 2009 by the European Commission in response to the HIV/AIDS pandemic, the CGP is an unconditional cash transfer targeted to poor and vulnerable households with children. It started in 2009 with 1 250 beneficiary households. At the time of the evaluation (end of 2017), the programme covered 40 community councils in all ten districts of the country and approximately 27 000 households. As of June 2019, 41 000 households in all rural community councils have been reached by the CGP. The MoSD runs the programme, having started with financial support from the European Union (EU) and technical support from the United Nations Children’s Fund (UNICEF). By Phase II (2012–2014), the programme was fully absorbed in the national budget by the Government (Pellerano *et al.*, 2014). The primary objective of the CGP is to improve the living standards of orphans and vulnerable children to reduce malnutrition, improve health status, and increase school enrolment among them.

The CGP provides beneficiary households with quarterly payments of between 360 and 750 Lesotho Loti (LSL), depending on the number of children living in the household.<sup>1</sup> The mode of payment is through mobile means (Mpesa, Ecocash), bank transfers and hand delivery by a security company at selected pay-points. According to FAO-UNICEF (2019), the latter modality is still the main delivery mechanism (81 percent), followed by mobile payments and bank transfers (16 and three percent respectively).

The targeting of beneficiaries consists of the following steps (Bhalla and Mphale, 2019):

1. Community-based targeting of households in four wealth classes by trained facilitators hired by the MoSD.

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<sup>1</sup> One to two children (LSL 360); three to four children (LSL 600); five + children (LSL 750). These amounts correspond to USD 25, 42, and 52 respectively.

2. Census-style interview to collect data from all households within a given community.
3. Households' registration into a National Information System for Social Assistance (NISSA) database.
4. Proxy means test (PMT), which attempts to estimate the poverty status of each household using a set of variables collected in the interview phase, to validate the community ranking of eligible households.
5. Inclusion of households in the programme.<sup>2</sup>

An impact evaluation of the first pilot phase of the CGP and other complementary studies showed that the programme generated several positive impacts on food security, school enrolment and schooling expenses, farm production and relevant income spillovers (OPM, 2014; Pellerano *et al.*, 2014; Taylor, Thome and Filipski, 2014; Tiwari *et al.*, 2016; Daidone *et al.*, 2014; Daidone *et al.*, 2019; Pace *et al.*, 2019).

Despite these achievements, the programme had very limited effect on other domains, such as accumulation of assets, and no impact on savings and borrowing behaviour. The CGP transfers also had little impact on beneficiaries' livelihood strategies, who "continued to do what they were doing before ... because the transfer amount was small, meant for a specific purpose and did not come very frequently" (OPM, 2014). Very few households relied only on the transfers as a source of livelihood, with most household livelihood strategies combining piece work, own farm and livestock activities and informal support from other community members. Furthermore, the CGP did not seem to have a significant impact on standard poverty measures (Pellerano *et al.*, 2014).

In July 2013 FAO-Lesotho began a pilot called Linking Food Security to Social Protection Programme (LFSSP). The pilot's objective was to improve the food security of poor and vulnerable households by providing vegetable seeds and training on homestead gardening to households eligible for the CGP. The decision to target these specific households was made with the idea that the two programmes, in combination, would result in stronger impacts on the food security of beneficiary households as compared to the impacts that would be obtained from each programme in isolation. LFSSP was implemented in partnership with the international non-governmental organization Catholic Relief Services (CRS) and Rural Self Help Development Association. The impact evaluation of the pilot found positive effects of the combined programmes on home gardening and productive agricultural activities (Dewbre *et al.*, 2015).

In response to these challenges, in 2015, CRS piloted another intervention, targeting households receiving CGP with complementary services, with funding from UNICEF and oversight by MoSD. This pilot, called Improving Child Wellbeing and Household Resiliency, was designed to meet households' needs for income smoothing, non-labour intensive food production, and improved access to health services in order to reduce vulnerabilities and increase household resiliency in three community councils where MoSD provided CGP transfers: Likila (Butha-Buthe district), Menkhoaneng (Leribe

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<sup>2</sup> Originally the targeting process followed a reverse order, starting with a census-type of interviews of households living in rural communities, the calculation of the poverty status via Proxy Mean Testing formula and the community validation by village assistance committees (Pellerano *et al.* 2014).

district) and Makhoarane (Maseru district). UNICEF, MoSD and CRS implemented the pilot through financial support of the European Union. It provided support to:

1. Community-based savings and internal lending groups, also known as Savings and Internal Lending Communities (SILC), with financial education to promote savings, smooth consumption, manage finances, and investment in small income generating activities;
2. Homestead gardening (keyhole gardens, vegetable seed distribution and nutrition training) to have improved and diversified sources of nutrition;
3. Wellbeing days to enhance localized access to health, nutrition, education, and protection services and to utilize improved knowledge through referrals on existing health, nutrition, education, and livelihood resources.

FAO supported this initiative with the provision of vegetable seeds packages, training materials on home gardening and nutrition and training for nutrition officers. The specific input seed package from FAO comprised a kit including 300 grams of seeds (50 grams of each of six different vegetable varieties: carrot, onion, English rape, Florida broad leaf, beetroot, and spinach). The training consisted of demonstrations and hands-on training on the construction and upkeep of keyhole and trench gardens, and included knowledge dissemination on food preservation and production practices to achieve better nutrition (Dewbre *et al.*, 2015).

By November 2015, 2 300 families had constructed keyhole gardens to improve access to diverse foods with minimal labour; 2 037 people had participated in savings groups designed to help smooth consumption and improve access to small loans; and 865 children and 609 adults had accessed key health and civil services through the project's outreach approach.

A second, revised phase of this intervention – SPRINGS – started in June 2016. The project was a 30-month intervention, expected to reach over 7 200 households and around 18 355 beneficiaries. The overall implementation of SPRINGS was led by CRS in close collaboration with UNICEF, government ministries including MoSD, the Ministry of Local Government, the Ministry of Agriculture and Food Security, and other implementing partners (Caritas Lesotho, Good Shepherds Sisters and Sisters of Charity).

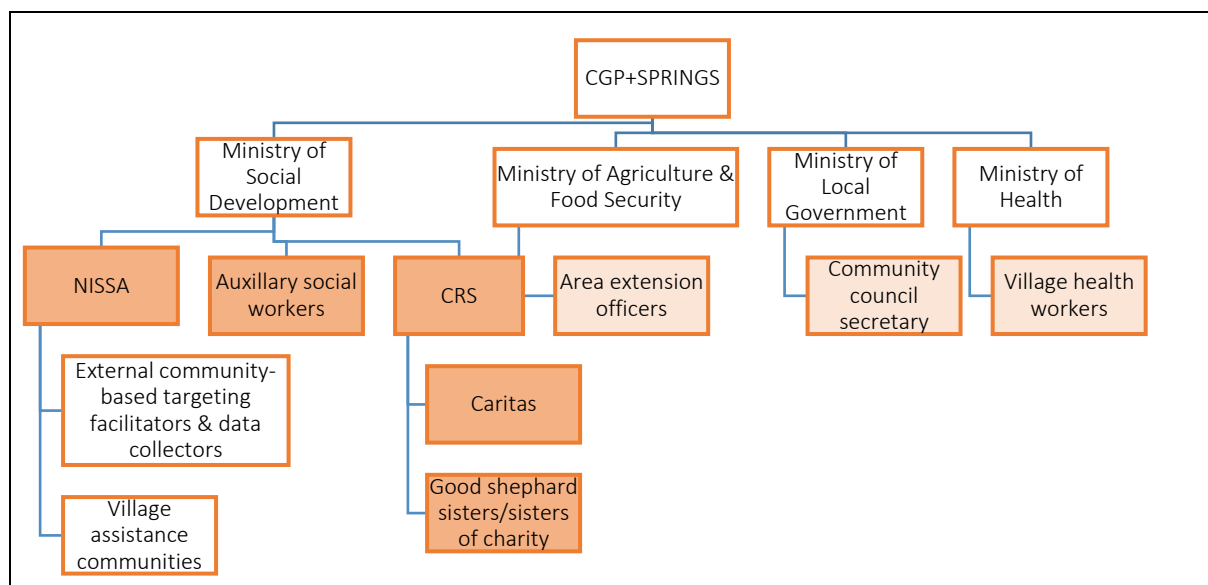
The delivery model for SPRINGS was one of cascading training by non-governmental organizations and Government staff to lead farmers, field agents and community health workers. Government representatives at the local/community council level, such as auxiliary social workers, agricultural extension workers, and village health workers played an important role. SPRINGS aimed to complement the CGP with a community development package that stems from the experience of the Improving Child Wellbeing and Household Resiliency pilot, by scaling up savings groups and keyhole gardens, and expanding geographical coverage to two additional community councils, Tebe-Tebe in Berea district and Tenosolo in Thaba-Tseka, where the Ministry of Local Government planned to implement the Citizen Service Outreach Day approach. SPRINGS included additional complementary interventions: 1) income generation, market engagement skills and formation of market clubs; 2) improving nutritional practices complemented with Community-led Complementary

Feeding and Learning Sessions; and 3) improving access to services collaborating with the Ministry of Local Government to expand the Citizen Service Outreach Days.<sup>3</sup>

SPRINGS prioritized vulnerable communities as determined by a high percentage of social assistance beneficiaries and/or high rates of poverty according to the NISSA (Catholic Relief Service, 2015). Furthermore, while the pilot only targeted CGP beneficiaries, SPRINGS allowed participation from other interested community members to ensure that those households that did not meet the eligibility criteria for the CGP were not excluded, to avoid potential negative community impacts. Consequently, only 13.2 percent of SPRINGS beneficiaries were enrolled in the CGP. By the end of SPRINGS, 316 savings groups with 5 899 members (4 895 women and 1 004 men) had been formed, 218 beneficiaries (153 women and 65 men) were engaged in training on income generating activities and 724 had joined market clubs, 6 332 keyhole gardens had been constructed by 6 001 families, 842 beneficiaries had enrolled in nutrition sessions and 85 Ministry of Local Government staff had been trained on conducting multi-sectoral meetings and organizing and executing service days (Nesbitt-Ahmed and Pozarny, 2018).

An actors' map of CGP and SPRINGS and the timeline of the two programmes are presented in Figure 1 and Figure 2 respectively.

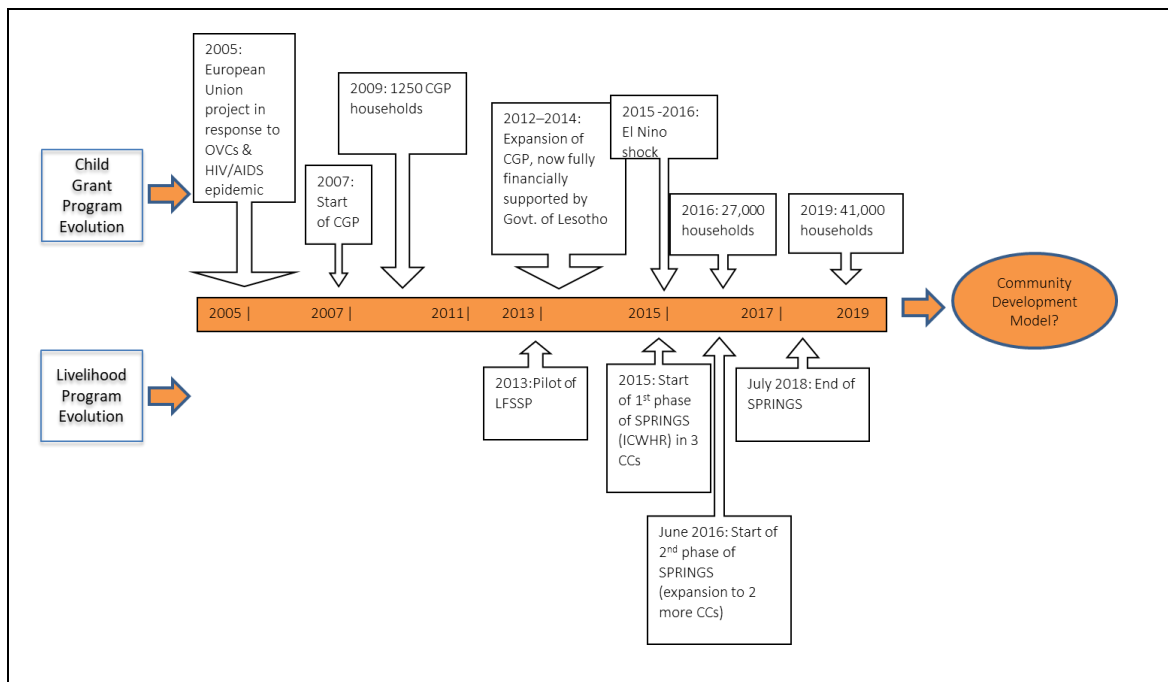
**Figure 1: Actors' map of Child Grants Programme (CGP) and Sustainable Poverty Reduction through Income, Nutrition and access to Government Services (SPRINGS) programmes**



<sup>3</sup> Implementation of SPRINGS was led by CRS at the national level. On-the-ground implementation was carried out by its partner agencies, which were local non-governmental organizations. Caritas Lesotho implemented keyhole gardens, SILC and income generation and marketing activities. Good Shepherds Sisters and Sisters of Charity implemented interventions focused on improving nutrition.



**Figure 2: CGP and SPRINGS timeline**



Note: The section above the horizontal timeline depicts the evolution of the CGP programme and the section below it traces the evolution of the SPRINGS Programme.

### 3. Theory of change and research hypotheses

The analysis of the CGP plus SPRINGS impacts originates from a theory of change that disentangles the different pathways along which the interventions could tackle poverty and vulnerability, promoting an increase of consumption and production of both beneficiary and non-beneficiary households. Figure 3 depicts the theory of change behind the combination of CGP and SPRINGS, further indicating how the various studies on which this country report is based relate to the two programmes and their discrete components. The diagram should be read from top to bottom to understand the different channels through which the two programmes can affect the expected outcomes.

By providing an injection of monetary resources into the household economy, the CGP is expected to boost consumption expenditure of goods and services that correspond to core household needs, and therefore contribute to improving the overall wellbeing of household members. In addition, the cash transfers can generate productive impacts through other channels: 1) by providing the liquidity needed to reduce credit and liquidity constraints and increase the recipient's creditworthiness; 2) by reducing farmers' degree of risk aversion; and 3) by changing incentives to work and inducing labour reallocation, thereby adjusting livelihood strategies, especially in the context of imperfect labour markets (Rosenzweig and Wolpin, 1993; Serra *et al.*, 2006).

In turn, the different components of SPRINGS (saving groups, homestead gardening, market clubs, nutrition sessions) can promote growth in the productivity of small family farmers, by addressing structural constraints that limit access to land and water resources, inputs, financial services, advisory services and markets.

For example, encouraging the participation of beneficiary households and their communities in saving groups is intended to improve household access to savings and lending services that smooth income and improve access to start-up capital. Participation in saving groups could also increase human capital, by training group members in new skills such as record keeping, accountability, savings and lending policies. An expected outcome for households participating in saving groups is investment of the financial capital in income generating activities, such as agricultural inputs.

Market development through market clubs can potentially affect beneficiary households (and the local economy) in two ways. First, by lowering transaction costs, the share of the exogenously-set price that local farmers receive increases. A reduction in transaction costs results in a larger share of the market price going to farmers instead of outside agents. Second, by giving farmers access to outside markets, participation in market clubs can help turn non-tradable crops into tradables. Instead of producing only for the local market, with the price set by local supply and demand, farmers can now produce for outside markets, selling at the price determined in those markets.

Homestead gardening support can improve the diversity of food produced, which can contribute to better diets (Dewbre *et al.*, 2015; Escobal and Ponce, 2015). Beneficiary households and their communities are expected to improve nutrition and dietary diversity, by producing diverse vegetables and adopting better infant and young children feeding practices. Improved mental

development associated with strong nutritional foundations will also contribute to reducing the intergenerational effects of poverty.

Both beneficiary and non-beneficiary households can benefit from CGP and SPRINGS, though production and consumption linkages, mediated by processes such as enhanced social networks and trust, for example through savings group activities. In fact, production and consumption linkages transmit impacts to other beneficiary households and to non-beneficiary households. Non-beneficiary households then transmit impacts through production and consumption linkages to the other household groups. In subsequent rounds of spending, households continue to transmit to each other; however, leakages, in the form of expenditures on consumption and production outside the rural economy, reduce the effect of subsequent cycles on local incomes and production. Together with direct effects on beneficiaries, these spillovers constitute the total local economy-wide impact of the programmes.

In the light of the presented theory of change, this study focused on four thematic areas. The areas covered include the impacts of CGP and SPRINGS combined and in isolation on:

1. Household welfare, economic security and market engagement;
2. Financial inclusion, risk management and risk attitudes;
3. Household nutrition, specifically examining effects on dietary knowledge and practices, particularly those affecting infants and young children;
4. Local economy effects.

These four themes were selected for several reasons:

- 1) They encompass the main goals of SPRINGS, i.e. increased incomes, improved nutrition and improved access to services;
- 2) They are central to providing evidence and informing on promising approaches towards achieving the Sustainable Development Goals, notably #1 (ending poverty) and #2 (hunger and food security);
- 3) They align with FAO's mandate in providing evidence concerning if and how social protection combined with rural development interventions can generate productive-, livelihood- or asset-building impacts, food and nutrition security and enhanced resilience among the most poor.

Based on the above, four hypotheses were formulated to guide this specific research, being "tested" in the fieldwork data collection. These include:

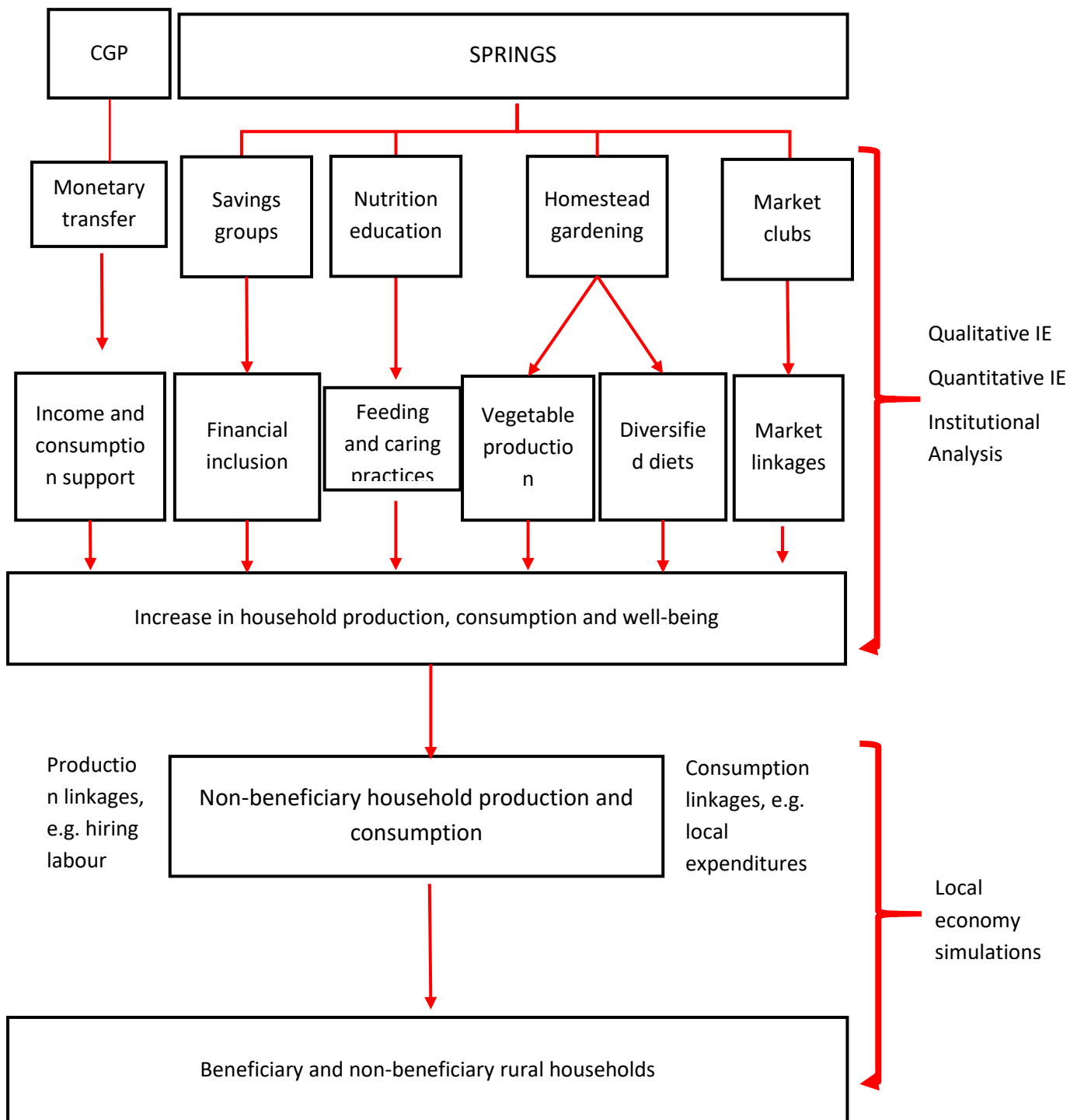
**H0 1 – Household welfare:** Combined CGP and SPRINGS interventions increase and stabilize household income, resulting in strengthened economic security, resilience and market engagement;

**H0 2 – Financial inclusion and risk attitudes:** Households benefitting from CGP and SPRINGS are relatively less liquidity-constrained, have greater access to financial instruments and are much more willing to undertake economic activities that are relatively more risky and characterized by greater returns;

**H0 3 – Nutrition:** Combining CGP and SPRINGS programmes contributes to improved dietary practices, nutritional knowledge base and consumption patterns towards healthier diets, resulting in enhanced infant and young childcare practices in particular;

**H0 4 – Local development:** Combining CGP and rural development interventions can generate greater income and production spillovers in the local economy.

Figure 3. A theory of change of CGP and SPRINGS. IE: Impact Evaluation.



## 4. Analytical methods

### 4.1. Quantitative impact evaluation

To assess the combined impacts of the CGP and SPRINGS programmes, the study team carried out a non-experimental design impact evaluation with three treatment arms: 1) households receiving both CGP and SPRINGS; 2) households receiving CGP but not SPRINGS; 3) households receiving neither the CGP nor SPRINGS, i.e. the pure comparison group (households in areas where NISSA data was available but CGP payments were not disbursed). This study design allows evaluation of the stand-alone impacts of CGP and the joint impacts of CGP and SPRINGS with respect to the comparison group.

We performed a propensity score matching analysis using household-level data from NISSA to identify the comparison group for the impact evaluation.<sup>4</sup> The propensity score matching procedure was conducted in four steps. First, we selected a list of characteristics that are thought to influence the probability of being eligible for the CGP. Second, we estimated the propensity score for each household in this reference population and excluded households out of the “common support”. Third, we matched each CGP household with a household in the potential comparison group with the closest propensity score. Finally, we randomly extracted households from the CGP and CGP-plus-SPRINGS groups and selected the matched comparison households.

Data collection was conducted between November 2017 and January 2018, surveying 2 014 households, 1 550 of which were eligible for the CGP (representing 8 212 individuals), while 464 were not (2 106 individuals). The former group was used for the impact evaluation, while the full set of 2 014 households was used for a spillover and cost-effectiveness analysis (see section 3.3). Among the eligible households interviewed, 1 343 were targeted by the propensity score matching analysis, while the remaining 207 households were on the list of potential substitutes provided to the service provider in case of non-response (13.35 percent replacement rate).

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<sup>4</sup> Not all households included in NISSA were part of the PSM analysis, and the following decisions were made: 1. Including only households having at least one household member below 18 years of age; 2. Including households residing in one of the six districts of Berea, Butha-Buthe, Leribe, Mafeteng, Maseru and Mohale’s Hoek; 3. For the comparison group they considered only households living in villages without either CGP or SPRINGS; 4. Excluding households living in community councils where CGP had been implemented for more than seven years and less than four years.

**Table 1** provides a summary of the geographical distribution of the household sample, by eligibility and treatment status.<sup>5</sup>

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<sup>5</sup> The sample size was decided on the basis of power calculations which are provided in the inception report and in the final impact evaluation report (Daidone and Prifti, 2017; FAO UNICEF, 2018).

**Table 1: Survey sample by eligibility, treatment status and districts.**

district	eligible				ineligible			
	comparison	CGP	CGP + SPRINGS	Total	comparison	CGP	CGP + SPRINGS	Total
Maseru	272	22	164	458	40	13	59	112
Butha-Buthe	1	66	123	190	0	34	60	94
Leribe	81	61	154	296	16	18	62	96
Berea	67	230	0	297	10	48	0	58
Mafeteng	130	80	0	210	20	61	0	81
Mohale's Hoek	99	0	0	99	23	0	0	23
<b>Total</b>	<b>650</b>	<b>459</b>	<b>441</b>	<b>1,550</b>	<b>109</b>	<b>174</b>	<b>181</b>	<b>464</b>

Note: Authors' own elaboration from survey data.

With respect to the empirical approach, the self-selection procedure of SPRINGS beneficiaries and the non-random nature of the study could bias the impact estimates, creating groups with very different characteristics. To deal with this potential sample selection issue, the evaluators adopted inverse probability reweighting, which combines regression analysis and generalized propensity score weighting adjustment. The scores, which capture the probability of being included in one of the three groups (comparison, CGP only, CGP plus SPRINGS), were estimated through a multinomial logit regression and are modelled as a function of a vector of control variables that trace those used in the propensity score matching analysis.<sup>6</sup>

## 4.2. Qualitative impact evaluation

The design of the qualitative study comprised a triangulation of three methods: focus group discussions, key informant interviews, and to a lesser extent, in-depth household case studies (Nesbitt-Ahmed and Pozarny, 2018).

Each focus group brought together three to ten participants to discuss the research areas. With the exception of the focus group discussions with opinion leaders, the team employed one of two participatory tools used in the study. These tools included the driving factor matrix and the programme impact analysis matrix. The purpose of the driving factor matrix tool was to understand: 1) participants' views of the importance of the different programmes as stand-alone, compared to linked programmes, in driving effects on wellbeing indicators; and 2) benefits and trade-offs for households and wider communities, by comparing the impact of stand-alone programmes, complementary programmes or no programme. The purpose of the programme impact analysis matrix was: 1) to understand the perceptions and effects of each programme as well as the combined programmes on well-being on households and in the community; 2) to elicit specific differences in impacts among the categories and reasons for how and why these differences have

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<sup>6</sup> The generalized propensity score weights are used to 'rebalance' the sample and indeed we have shown that the three groups were identical after the generalized propensity score adjustment for all variables, except one (FAO-UNICEF, 2019).



occurred; 3) to understand perceptions of the impacts on different groups of the population; and 4) to prompt broader discussion on the research hypotheses. Overall, during the fieldwork 45 focus group discussions were held: nine in the comparison areas, 12 in the CGP-only areas and 24 in the CGP plus SPRINGS areas.

Individual key informant interviews were also conducted with relevant resource persons, including community leaders, extension agents, village heads, teachers, and SPRINGS programme staff that have particular information and/or perceptions about the programme and its impacts on various stakeholders. The purpose of the individual key informant interviews was to elicit insights, information, examples of experiences, perceptions and opinions of CGP and SPRINGS impacts from a wide diversity of sources. Finally, in-depth household case studies with beneficiaries were conducted at their households, also following the question guide structure. These provided rich, deep and robust narratives about the conditions and perceived changes and experiences brought about either by CGP alone or CGP and SPRINGS combined – and why and how these results transpired. The individuals were identified by the team, following the focus group discussions, as being able to provide further and deeper insight on their experiences as beneficiaries with CGP alone or CGP and SPRINGS combined.

The qualitative study was conducted in three community councils: Maisa Phoka and Menkhoaneng in Leribe district, which were also part of the quantitative survey, and Tenesolo in Thaba Tseka. Maisa Phoka was selected as a CGP-only site that is not close to the area where SPRINGS was operating. Menkhoaneng and Tenesolo were selected as CGP and SPRINGS combined sites, respectively for phase one (part of SPRINGS in 2015) and phase two (late 2016/early 2017). Within each of the three community councils, the team selected those villages with enough available beneficiaries to conduct research: a maximum of 16 male and female beneficiaries per village. In all three community councils, a neighbouring comparison village outside of the programmes was selected to examine households not involved in either programme. The objective was to gain a “snapshot” assessment of the characteristics of communities not enrolled in either programme, to understand people’s experiences and perspectives regarding the areas of enquiry of the research.

### 4.3. Local economy-wide impact evaluation model

A Local Economy-Wide Impact Evaluation was carried out to uncover the direct and indirect impacts of the CGP and SPRINGS (Kagin, Taylor and Daidone, 201). Simulations using the LEWIE model provide estimates of impacts on the activities and incomes of target groups, as well as the indirect (spillover) effects on groups not targeted by these programmes.

LEWIE begins by estimating household-farm models for programme eligible and ineligible household groups, then “nests” these models within a general-equilibrium model of a region of interest. The household models describe each group’s productive activities, income sources, and consumption expenditure patterns. In a typical model, households participate in activities such as crop and livestock production, retail, and other business activities, as well as in the labour market. Productive activities combine various factors (e.g., hired labour, family labour, land and capital) and intermediate inputs (fertilizer, seed, and a variety of purchased inputs) to produce an output (corn, prepared meals or a service) which may be consumed by the household or sold to others.

Local trade links households within a village, and regional trade links villages to each other and to regional commercial centres. The whole region also interacts with the rest of the country, importing and exporting goods and possibly selling labour. The surveys for this project included questions about where households and businesses bought and sold goods, factors (like labour), and intermediate inputs (like seeds and the merchandise on shop shelves). This information was used to separate out local trade (within the village or with neighbouring villages) from trade with the rest of the region or outside the region. Equations in the LEWIE model ensure that prices adjust to clear markets for goods and services not traded with outside markets (non-tradables), and that trade adjusts to clear the markets for goods traded with outside markets (tradables). Non-tradables in rural Lesotho include labour, because workers cannot easily move long distances for daily work; services like prepared meals, haircuts, construction, butchers; bulky, costly-to-transport goods, and perishable goods. Tradables include most of the items that line the shelves of small stores, bought outside the local economy or from traders.

#### 4.4. Institutional analysis

The institutional analysis of the CGP and SPRINGS programmes was conducted to understand if any coordination or articulation mechanisms were present and, if such mechanisms were envisaged and created, to determine whether these were effective in achieving synergies.

The work conducted for this assessment consisted mainly of two components. First, a desk review of key documents covering social protection policy at the national level, past reviews and evaluation reports of the two programmes, and project reports and other key programme documents was carried out. The second component was a number of key informant interviews with ministry staff, development partners/donor agencies, implementing partners, as well as focus group discussions with local officials and ex-participants of CGP and SPRINGS programmes. The study sampled two community councils from the five where SPRINGS was implemented: one CGP + SPRINGS (Menkhoaneng) and one CGP-only (Maisa Phoka). Menkhoaneng was sampled due to the presence of SPRINGS interventions from the start of the programme in 2015; it therefore had an adequately long exposure to the programme. Maisa Phoka, where only the CGP programme was offered, was sampled because it was also included in the qualitative study (Nesbitt-Ahmed and Pozarny, 2018). Both community councils are part of the Leribe district, which has been also widely covered in the quantitative impact evaluation (FAO UNICEF, 2019), thus making relevant findings from these studies appropriate inputs for the proposed coherence study.

The institutional analysis considers three main dimensions: 1) policies and programmes, 2) enabling environment, and 3) programme performance. The first two dimensions require a description of the main policies and programmes in both the social and agricultural sector, with their respective objectives and strategic priorities. This is accompanied by an assessment of the coherence existing between the agriculture and social sectors. The third dimension, which is programme specific, represents the bulk of the institutional analysis. It focuses on the key processes within the CGP and SPRINGS programmes to identify what was working and what was not, where opportunities for greater alignment existed but were not being used, which processes were failing and what mechanisms and tools may be put to better use. The analysis was guided by five specific questions on CGP and SPRINGS:

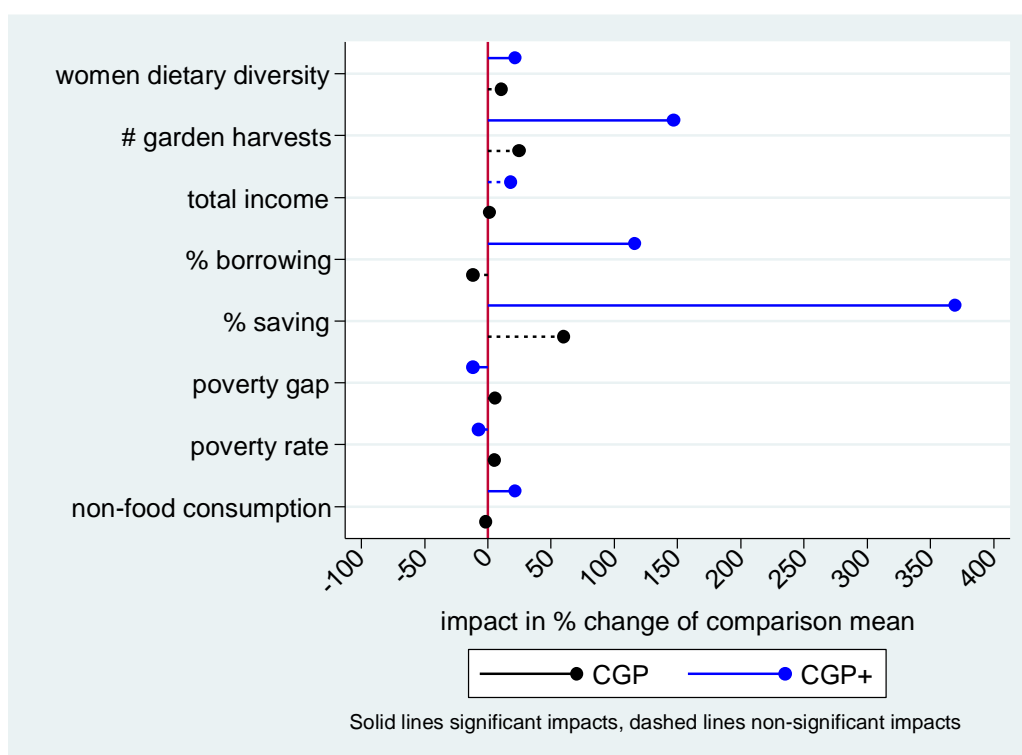
1. What was the institutional architecture of CGP and SPRINGS?
2. What are the fundamental processes and sub-processes of CGP and SPRINGS that made the articulation between the two programmes possible and effective?
3. What were the enabling factors and the barriers in the institutional mechanisms that facilitated or impeded articulation between CGP and SPRINGS, and how did these generate synergies?
4. What was the benefit of this articulation for the effectiveness of CGP and SPRINGS?
5. What are the practical lessons and insights that can inform greater coherence between social protection and agriculture interventions?

## 5. Impact evaluation results

### 5.1 Household welfare, economic security and market engagement

The research explored the impacts of CGP and SPRINGS on household economic wellbeing, specifically testing the hypothesis: “Combined CGP and SPRINGS interventions increase and stabilize household income, resulting in strengthened economic security, resilience and market engagement.” The summary of results for selected indicators on this and other outcome domains is graphically reported on Figure 4.

**Figure 4:** Summary of impact evaluation estimates



Note: Author’s elaboration from impact evaluation survey data.

#### 5.1.1 Consumption and poverty

While the programmes do not seem to significantly affect total consumption, which is defined as the total value of food and non-food items consumed (bought from the markets or own produced) the impact of CGP-plus-SPRINGS is positive and statistically significant at the margin on non-food consumption (at the ten percent level) and is negative and significant (at the five percent level) on the poverty gap. The size of the impacts is also substantial. Per capita non-food consumption

increased by LSL 21, corresponding to a 22 percent increase with respect to the comparison mean, while the poverty gap index decreases by 12 percent. The qualitative study found a similar story:

I used to struggle a lot with four children. I was only able to buy them clothes once a year, but now after CGP and SPRINGS I am able to buy them clothes a few times a year and then provide them adequate food (male beneficiary, Mahlabatheng village).

Neither the quantitative nor the qualitative study found a positive impact on consumption among households in the CGP arm. In Maisa Phoka community council (a CGP site), beneficiary households explained that the transfer amount was relatively small, received every three months, and often late. Changes in consumption patterns only occurred after beneficiaries received their transfers, and usually lasted for one or two weeks at the most, with practices going back to normal soon after – eating mostly maize meal. Households used CGP transfers to purchase basic items, such as food and toiletries, and for children’s education. Beneficiaries of both CGP and SPRINGS in Menkhoaneng and Tenesolo confirm irregularities of CGP payments, though delays in payments did not affect them as much as CGP-only beneficiaries, due to the presence of SPRINGS. Further, it is believed that poverty had decreased among households that were members of SILC groups and had keyhole gardens, as they had access to a diversity of vegetables from their keyhole gardens and were able to spend the money saved from not buying vegetables on other types of food, such as milk and eggs.

### 5.1.2 Income and market engagement

The evaluation found a strong increase in income from sales of fruits and vegetables in the group of households benefitting from both programmes. This result is likely driven by the large increases in homestead gardening, which was one of the core activities of SPRINGS. CGP plus SPRINGS households not only were much more involved in homestead gardening production (19.3 percentage points), but also produced 2.3 more types of vegetables, had eight more harvests during the course of the year and were 9.9 percentage points more likely to process these harvested vegetables. However, beneficiaries expressed concern that promoting household supply of vegetables risks saturation of local markets, thereby depressing prices and incomes. Local market prices were lower than in bigger markets in towns. Yet access to bigger and potentially more profitable markets was not supported by the SPRINGS market clubs. However, beneficiaries expressed keen interest in developing and scaling up linkages with markets in nearby towns.

The qualitative impact evaluation highlights stronger income security, even if this is not reflected in an actual real increase of household income.

Importantly, the qualitative analysis illustrates greater diversification of income streams – an increase in sources of income – for CGP plus SPRINGS beneficiaries. This leads many households to feel a greater sense of stability and economic security. The qualitative analysis also highlights that, although receipt of CGP alone increases households’ sense of income security, the impact was reduced by the inadequacy of the transfer amount and the irregularity of payments.

## 5.2 Financial inclusion and risk attitudes

The second area of inquiry sought to analyse the impact of CGP and CGP-plus-SPRINGS on financial inclusion and risk attitudes. More specifically, we tested the hypothesis that households benefitting from CGP and SPRINGS are relatively less liquidity-constrained, have greater access to financial instruments and are much more willing to undertake economic activities that are relatively more risky and characterized by greater returns.

The evaluation found that the combination of the CGP and SPRINGS resulted in a significant increase in the share of households saving and borrowing money (almost 370 and 115 percent increase, respectively, compared to the comparison mean), especially for households exposed for a longer period to participation in savings and loans groups. The qualitative study highlights that many households that previously borrowed money from private lenders at very high interest rates now have access to more affordable sources of loans, thanks to SPRINGS:

I no longer go to loan sharks with higher percentage and then become unable to pay back the money because the percentage is high (at 30 percent) (female beneficiary, Top village, Menkhoaneng Community Council).

We were never aware we could save and borrow this easily (female beneficiary, Top village, Menkhoaneng Community Council).

There was also an increase in the amount of money saved and borrowed (an approximately 100 percent increase, compared to the comparison mean), but no improvement in financial literacy as measured by a financial literacy index. However, the qualitative impact evaluation found that financial awareness increased, as evidenced in basic planning and budgeting of household expenses and income streams.

Both the quantitative and the qualitative impact evaluation found a reduction of negative coping strategies, such as cutting meals, going into debt or being forced to borrow from loan sharks in emergencies, engaging in daily piece work, or child labour. Indeed, the latter decreased significantly in the CGP-only group, suggesting that CGP alone has still a protective role.

As for risk attitudes, the impact evaluation found an increase in the willingness to take risk, especially in the CGP+SPRINGS beneficiaries, measured through survey questions and field-lab experiments. The qualitative study highlighted that risk-taking slightly increased in the old cohort of CGP-plus-SPRINGS community councils where beneficiaries were accessing loans, saving more and setting up bank accounts for security. The impact of the combined programmes over time generated a sense of confidence and self-reliance:

If CGP could be stopped anytime they would still be able to survive from what they learned from SPRINGS (male beneficiary, Top village Menkhoaneng Community Council).

However, in the new CGP-plus-SPRINGS cohort, the qualitative analysis reports little willingness to take risk due to late and irregular CGP payments, combined with a fear of being removed from the programme if households increased their returns by undertaking riskier activities.

### 5.3 Nutrition, dietary practices and knowledge

The third area of inquiry focused on the impact of CGP and CGP-plus-SPRINGS on nutrition, dietary practices and knowledge. We tested the hypothesis that combining CGP and SPRINGS programmes contributes to improved dietary practices, nutritional knowledge base and consumption patterns towards healthier diets, resulting in enhanced infant and young childcare practices in particular.

Both the qualitative and quantitative analysis show that the programmes resulted in an improved dietary diversity due to an increase in the consumption of green vegetables, fruit, organ meat, dairy and legumes. The quantitative impact evaluation estimated a strong positive and significant impact of both CGP and CGP-plus-SPRINGS on dark green leafy vegetables (12 and 28 percentage points increase for CGP and CGP-plus-SPRINGS treatment arms, respectively, compared to the comparison mean), vitamin A-rich fruits and vegetables (11 and 25 percentage point increase), and organ meat (20 and 19 percentage point increase). The impact on legumes, nuts and seeds, and on milk and dairy products, is positive but significant only for the CGP-plus-SPRINGS group (12 and 14 percentage point increase). These positive impacts for the CGP-plus-SPRINGS group are reflected in the women's dietary diversity score, which increases by 1.1 food groups (equivalent to a 22 percent increase over the comparison group mean).

The qualitative analysis found that, for CGP participants, the diets improved only for a short period: an estimated two weeks immediately following the cash payments. However, for CGP-plus-SPRINGS, participants recognized that the nutrition education sessions of the SPRINGS programme increased their knowledge of nutrition and health, including caregiver practices concerning childcare and feeding of children aged six to 24 months:

Children are able to play when they are at school because they are eating well and they are no longer getting sick easily (beneficiary in Menkhoaneng Community Council).

SPRINGS also had positive impact on food preservation, contributing to improved diets:

People are also equipped with skills on food preservation involving drying of vegetables, such as beetroot and preserving in bottles, through training provided by SPRINGS in July 2017 (Field Monitor for SPRINGS in Tenosolo Community Council).

The quantitative impact evaluation looked at various anthropometric measurements for children below 60 months of age to assess the programme impact on nutritional status. The analysis shows that nutrition improved among children living in CGP-plus-SPRINGS households, especially in relation to moderate and severe wasting (a reduction of 17 and six percentage points, respectively) and, to a lesser extent, moderate and severe underweight. While the Middle Upper Arm Circumference z-score increased, we did not observe a corresponding reduction in acute malnutrition.

## 5.4 Local economy effects

While the previous sub-sections focus on the impact of the programmes on the direct beneficiaries, the final area of inquiry investigates the impact of CGP and CGP-plus-SPRINGS on the local economy. More specifically, the following hypothesis was tested: “Combining CGP and rural development interventions can generate greater income and production spillovers in the local economy”.

The rationale for this kind of analysis consists of the impacts of the programmes on market demand and supply, i.e. consumption and production spillover on non-beneficiary households in local communities. The CGP stimulates local demand, which in turn stimulates production and has an income multiplier effect in the local economy. CGP participants spend a large part of their cash on goods or services supplied by local farms and businesses. SPRINGS, in turn, aims to increase their production as local demand increases. As local production expands to meet the new demand, household production income rises, together with the demand for labour and other inputs. This generates additional rounds of spending and income growth in the local economy. Thanks to these spillovers in consumption and production, each LSL translates into a greater value for the local economy. The responsiveness of the local supply to increased demand is critical in defining the equilibrium prices. If the local supply of goods and services is not responsive, increases in local demand may create inflationary pressures that reduce programme benefits and the real value of the multiplier. However, if the local supply of goods and services is responsive to increased demand, the level of prices will tend to remain stable.

Four main findings emerge from the LEWIE analysis. First, CGP creates both nominal and real income multipliers (



Figure 5). Each LSL transferred to poor households raises nominal income by LSL 3.11. The increase in local demand puts some upward pressure on local price, with a resulting real (inflation-adjusted) multiplier of 1.67. Second, combining CGP with keyhole gardens and savings groups, individually or in combination, leads to higher real income multipliers, although the differences between multipliers (CGP-alone versus CGP in combination with keyhole gardens and/or SILC) are not statistically significant. Third, the combination of CGP with increased access to markets, which should reduce transaction costs, increases the real income impacts of CGP and CGP-plus-SPRINGS. This result is based on the assumption that market clubs will increase crop prices for local producers and, most importantly, will increase access to markets.<sup>7</sup> The positive impact of higher crop prices on farm profits outweighs the negative impact on consumers. On the contrary, if outside markets transmit lower crop prices into the local economy, real income multipliers will decrease. This result highlights that market integration can improve the welfare of CGP beneficiaries and other households in the local economy, but also the implications of negative price shocks on the local economy.

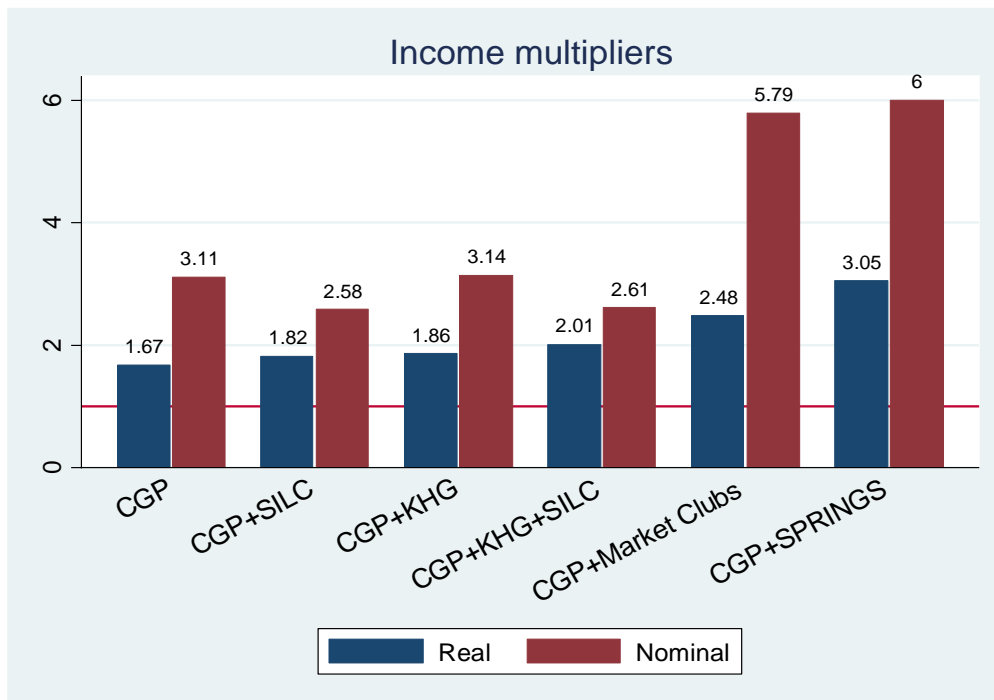
Finally, LEWIE analysis produced results on the cost effectiveness of CGP and CGP-plus-SPRINGS (

Figure 6). The findings show that CGP, alone and in combination with SPRINGS components, generates total discounted benefits that exceed discounted programme costs. Real income benefit-cost ratios, taking into account the income spillovers created in the local economy, range from 1.49 (CGP + savings groups) to 2.31 (CGP + Market Clubs). The benefit-cost ratio from combining CGP with the full array of SPRINGS components (2.22) exceeds that from CGP alone (1.63).

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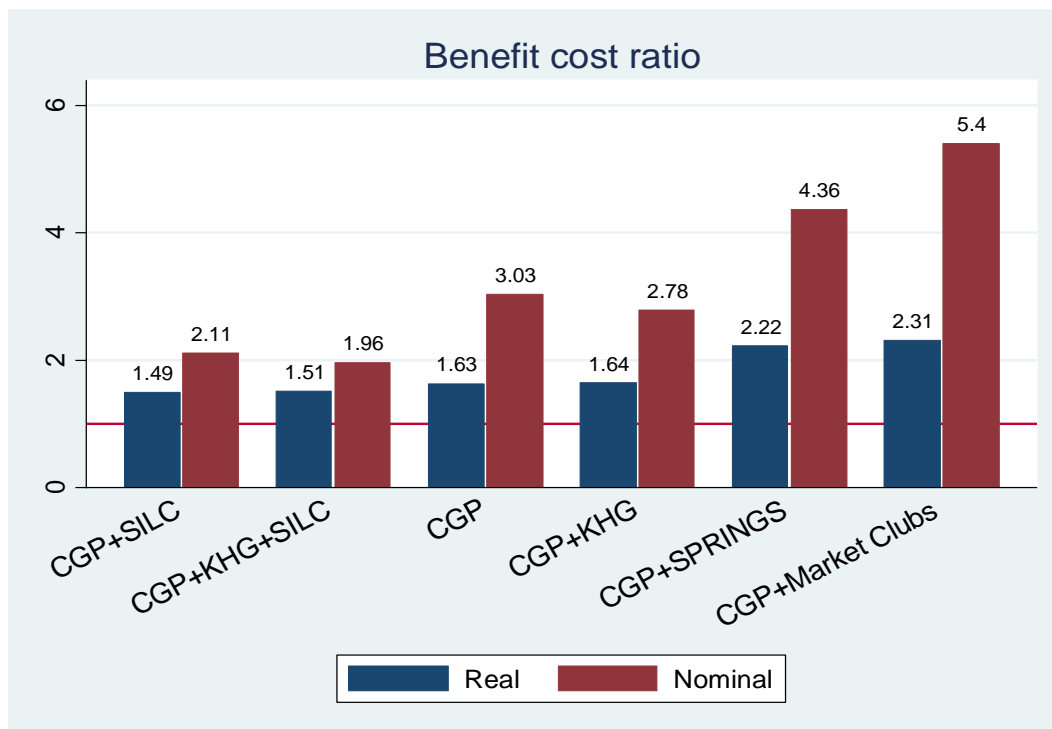
<sup>7</sup> Market clubs were not implemented consistently during SPRINGS roll-out. Therefore, while the simulations with CGP, savings groups and homestead gardening are based on realized impacts, the results of the simulations with market clubs are based on the assumptions of hypothetical increase in crop price by ten percent.

**Figure 5: Local Economy-Wide Impact Evaluation (LEWIE) real and nominal income multiplier**



Note: SILC: Savings and Internal Lending Communities, KHG: Keyhole Gardens. CGP+SPRINGS comprises all components of SPRINGS, including market clubs.

**Figure 6: LEWIE real and nominal benefit cost ratios**



Note: SILC: Savings and Internal Lending Communities, KHG: Keyhole Gardens. CGP+SPRINGS comprises all components of SPRINGS, including market clubs

## 6. Institutional assessment findings

### 6.1 Targeting as a key instrument of articulation

The study identified the evolution of the targeting methodology for both CGP and SPRINGS as a key process that made articulation between the programmes possible and effective. In line with the principle of adopting learning from challenges experienced during the implementation process, the targeting approach has evolved through the years.

Originally, village assistance communities represented the key mechanism to involve communities in the different aspects of the implementation of CGP. They consisted of the village chief, elected councillor, two other elected members, and the auxiliary officer of the MoSD. They were mainly supposed to: 1) conduct the validation process for both eligible households and the enrolment list; 2) support the enrolment event payment processes; and 3) support the community with filing updates, appeals and complaints (Pellerano *et al.*, 2012). However, village assistance communities have been criticised for not performing their functions adequately, with validation processes being dominated by leading figures in the community.

As described in section two, the role of communities in the targeting process has now changed. The community identification of households is the first step in community-based targeting, followed by a detailed survey. According to this methodology, the whole community is brought together in a gathering, then households are classified into four poverty and wellbeing categories using five characteristics: employment, food security, participation of household in agriculture/horticulture, ownership of livestock, and finally, the ability of the household to send children to school. NISSA employs trained facilitators to conduct these community-based categorization workshops. The role of village assistance communities became facilitation rather than selection of beneficiaries.

SPRINGS was designed as a complementary programme to the CGP. Initially, the CRS pilot project targeted households receiving the child grants in vulnerable communities, as determined by a high percentage of social assistance beneficiaries and/or high rates of poverty according to the NISSA. However, this would have meant excluding similar households due to quotas, or because their proxy means test score was falling slightly above the threshold. Many households in these communities expressed their concerns that providing additional services to the households that were already reaping the benefits of the cash grants was making an already unfair system more unfair. CRS therefore opted to target cash grant participants while allowing participation from other interested community members in five community councils, which were decided jointly with the MoSD (CRS 2015).

### 6.2 Intensity of coordination

In terms of the intensity of coordination between the various actors involved in planning and implementing the two interventions, there was a fair degree of collaboration on the ground (community councils and villages), but coordination was weak at the district and central levels. At no level were any formal coordinating mechanisms set up specifically to strengthen the articulation

between the CGP and SPRINGS. This would need to change should a larger livelihood development programme be rolled out.

At the central level, for implementation of SPRINGS, the MoSD and CRS collaborated in the design and planning stages. However, during the implementation phase, the relationship was characterized by regular reporting only. Interactions between MoSD and the Ministry of Agriculture and Food Security were mostly limited to emergency situations, primarily through the Disaster Management Team. A memorandum of understanding between the Ministry of Local Government and the MoSD allowed for an embedded workflow between the two ministries at the local level. Poor communication between the CRS and Caritas in Maseru posed a challenge in ensuring complementarity of SPRINGS with CGP. As SPRINGS was open to any community member, CRS did not share the CGP participant list with its on-ground partner, Caritas, which led to inefficiencies and decreased synergy as Caritas had to go from household to household to identify CGP participants and make a concerted effort to encourage them to participate in SPRINGS activities.

At the district level, existing coordination mechanisms include the district administrator's monthly meetings and other cross-sectoral coordination teams, such as the District Disaster Management Team and the District Management Health Team. These were not found to be effective for implementation of CGP and SPRINGS. However, to some extent, the Social Development and Agriculture Departments collaborated through being within similar district-level teams. For instance, the nutrition officer within the district agriculture officer's office is also part of the Child Protection Team spearheaded by MoSD. There are also opportunities for collaboration in Agricultural Resource Centres, which are close to the council offices, where MoSD auxiliaries and extension officers of the Ministry of Agriculture and Food Security often work together.

At the community council level, there was a relatively increased level of cooperation, though largely informal. Four key actors at the council level seemingly worked well together: auxiliary social workers of the MoSD, agriculture extension workers of the Ministry of Agriculture and Food Security, staff of Caritas and Sister of Charity/Good Shepherd Sisters, and finally the locally elected community council staff. A forum which enabled this informal working relationship between the frontline workers was the monthly council meetings, which include all non-governmental organizations and service providers working within the council. There were examples found in the qualitative study corroborating this fact; for example, agricultural extension workers were working with CGP-plus-SPRINGS beneficiaries in identifying entry points for further agricultural support and marketing opportunities. One agricultural extension worker explained that:

With support [from Ministry of Agriculture and Food Security Extension Agents], groups are starting to become registered and then become formal associations. Then, these groups can be a beneficiary group for an IFAD Small Agriculture Development Project – which is operating in this zone – do livestock groups, greenhouse groups, do processing machines.

### 6.3 Key enablers and barriers

The study identified four key enabling factors that have helped and have the potential for programmes similar to CGP and SPRINGS to be effective and complementary to each other: 1) an informed programme design which incorporates learning from past pilots and assessments; 2)

building local support and expertise through local recruitment; 3) recognition of the importance of inter-sectorial work by key stakeholders; and 4) a coherent approach to poverty reduction. Both the MoSD and the Ministry of Agriculture and Food Security recognize that mobilization of each Ministry's strength and expertise would contribute immensely to the improvement of programmes that link social protection with agriculture. It was voiced that the two national strategies, the National Food Security Strategy and National Social Protection Strategy, need to be linked. Further, all key stakeholders interviewed at the national and local level expressed that the SPRINGS pilot had been envisaged with the objective of testing the community development model, which aims to graduate households into sustainable livelihoods through combining social assistance with livelihoods and financial inclusion. The community development model necessitates a programmatic framework that brings together different sectors. Poor, rural, food-insecure households face a number of constraints that cannot be addressed by rural development, agriculture or social protection operating alone. It is intended to adopt an economic inclusion approach tailored to trigger synergistic effects to enhance social, economic and productive impacts.

This study highlights that limited technical capacity, inadequate financial resources of the MoSD, inadequate human resources and high staff turnover across all ministries were four key obstacles to achieving coherence. Further development and continuous monitoring of NISSA and the management information system is needed to support social protection across all programmes. This includes recertification of CGP programme participants and rectifying high exclusion errors. The MoSD is still relatively young relative to other Ministries in its ability to secure financial and human resources. This is one reason why the community development model programme is yet to take off. Lack of MoSD staff meant that it was not possible for a MoSD staff member to fully oversee CRS for the duration of the SPRINGS programme. Low numbers of staff also mean that the MoSD is forced to work without its full cadre of frontline workers, the auxiliary social workers. When the institutional assessment fieldwork was conducted, there were 56 auxiliary social workers across the 64 community councils. These workers are often overburdened and must perform not just tasks related to CGP, but all other programmes that come under the jurisdiction of the MoSD, as well as interface with the community council representatives of other ministries. They handle all case management. Operational resources, including lack of transportation, are also inadequate for these field workers. High staff turnover and outsourcing of key functions to non-governmental organizations result in loss of institutional knowledge and lack of continuity. This study found, for example, that the Ministry of Local Government had been unable to organize service days due to these capacity constraints.

## 7. Conclusion and recommendations

The findings from this country report on the analysis of the experience of the CGP and SPRINGS programmes reveal a positive story about the added benefits that can be obtained by providing complementary services and support to poor and vulnerable rural households already receiving a cash transfer. By expanding and improving their homestead gardening activities, attending nutrition sessions and participating in microfinance schemes offered by SPRINGS, CGP beneficiary households were empowered to increase their consumption and diversify their diets, broaden and stabilize their income streams, take greater risks and aspire to increased market engagement. This resulted in improved nutritional status, especially of young children, and perceptions of greater economic and food security and overall improved wellbeing.

Despite the end of the SPRINGS project in September 2018, the findings from this report are very relevant to the ongoing discussions in Lesotho on how to strengthen the links between social protection and agricultural interventions in the country. They are also relevant for informing the implementation of the CGP in a way that should enhance its impact. Policy and programmatic recommendations are, therefore, outlined below.

From an operational standpoint, several modifications to the existing programme design and implementation are recommended to increase impact:

### **Adjust the value of the CGP.**

While the real transfer value has been only partially eroded over time, households with five or more children are severely penalized and receive half the amount per child of households with only one or two children. It is therefore important to adjust the transfer periodically, both to mitigate the impact of inflation on household budgets and to account for the number of children included in the family.

### **Adopt adequate cash disbursement modalities.**

Hand delivery at paypoint is still overwhelmingly the main form of payment. This has an economic implication, as on average between five and ten percent of the grant is spent by the beneficiaries on transport to reach the paypoint, instead of being invested in children's needs or on household income-generating activities. Currently, only 16 percent of beneficiaries are reached by mobile payments such as M-Pesa. This form of delivery can be improved, as more than 80 percent of the sample households own a cell phone, despite the widespread poverty levels. However, the institutional assessment found that mobile payments led to difficulties at times as these interfaces are often hard for elderly to navigate. They also led to loss of payment days as a forum for communication between participants and various public and private service providers. Solutions to help the elderly navigate the new interface need to be adopted.

### **Strengthen support to the savings and loans component.**

The implementation of the savings and loans groups is well rooted but suffers from several issues preventing greater impact, including high turnover of field agents due to unsatisfactory remunerations, delays in trainings of savings group members on income generation and marketing

skills; insufficient messaging and needed clarifications on modalities and conditions; gaps in promoting linkages with other programmes and activities that the groups can also benefit from for growth and further scale up.

### **Reduce the length of the nutrition education sessions.**

The sessions lasted an average of 12 days, too long a period for households engaged in any economic activity. Moreover, some of the feeding practices promoted by SPRINGS were unaffordable and therefore not implemented.

### **Improve access to markets.**

Programme beneficiaries were producing and selling similar vegetables within a small local community, causing market saturation. This problem can be solved by establishing and supporting greater linkages to wider markets, while also promoting diversification of produce to serve local market demand.

From a policy and institutional point of view, three major recommendations can be drawn from this study:

1. Re-engage on implementing a rural livelihood programme, such as SPRINGS, in partnership with the CGP. Initial groundwork was carried out by BRAC in 2018/19 when the design of a Graduation community development model was presented to MoSD and its partners. The proposed model should be reviewed in order to strengthen inter-institutional collaboration from the onset. Engagement with the Ministry of Agriculture and Food Security needs to begin when discussions regarding the community development model are reinitiated. This programme could be integrated or multisectoral, with a strong emphasis on access to social protection. Roles and responsibilities of each sector, from the central to local level, will need to be clearly spelled out in a cross-institutional coordination framework, with appropriate resources dedicated to increasing delivery capacity. This should also be accompanied by an increase in capacities and resources necessary for coordination.
2. Ensure basic government services are available to the population in remote areas. One-stop centres and citizen outreach days are instrumental in achieving this. Initiate a community outreach model, such as the outreach week organized by the Leribe District administrator.
3. Strengthen the technical capacity of MoSD and NISSA:
  - Increase the number of auxiliary social workers on the staff of the MoSD, not just to cover the current vacancies but also with a view to reducing the workload of its existing cadre. This is especially important as the role of the MoSD expands to other programmes.
  - Strengthen the institutional capacity within MoSD to advocate for increased resource allocations in a regular and systematic manner, which is not contingent upon changes at the helm of the Ministry. This can enable the MoSD to approach inter-sectoral coordination more effectively.



- Develop cost effective mechanisms for regularly updating NISSA data. It is important that recertification of participants is conducted periodically at agreed-upon intervals. It is also important to develop a protocol that incorporates updating of NISSA data through community case management conducted by auxiliary social workers. This will help in lowering inclusion and exclusion errors.
- Ensuring confidentiality of citizen data will be key, as NISSA is increasingly used by other stakeholders.

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FAO, together with its partners, is generating evidence on the impacts of coordinated agricultural and social protection interventions and is using this to provide related policy, programming and capacity development support to governments and other actors.

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