



IMPACTS OF THE LEAP PROGRAMME ON COMMUNITY DYNAMICS IN GHANA

BACKGROUND

The **Livelihood Empowerment Against Poverty (LEAP)** Programme provides cash transfers to extremely poor households with the goal of alleviating short-term poverty and encouraging long-term human capital development. LEAP eligibility is based on poverty and having a household member in at least one of three demographic categories: having orphans or vulnerable children, elderly poor, or person with extreme disability unable to work. A unique feature of LEAP is that beneficiaries are also provided free health insurance through the National Health Insurance Scheme (NHIS).

Funded from both general revenues of the Government of Ghana and the U.K. Department of International Development (DFID), LEAP is managed by the Ministry of Gender, Children and Social Protection and implemented by the Department of Social Welfare. As of June 2013, the LEAP programme reached over 70 000 households and provided benefits to 177 500 beneficiaries across the 10 regions of Ghana. At the time of data collection for this study in 2012, households received GHS 8-15 per month (paid bimonthly), depending on the number of eligible beneficiaries per household, which represented on average of 11 percent of beneficiary household consumption. The transfer value was subsequently tripled in 2012. Payments to beneficiaries have been irregular and LEAP households did not receive a steady flow of predictable cash with which to smooth their consumption. Over the 24-month evaluation period between May 2010 and May 2012 households received only 20 months' worth of payments. A long gap in cash payments to households in 2011 was followed by a triple payment in February 2012 to settle arrears.

THE EVALUATION

This brief is based on data collected during qualitative fieldwork in April 2012, which was part of a two-year quasi experimental evaluation of the LEAP programme. A sampling strategy based on regional characteristics and community market integration followed a four stage process, including selection of provinces, districts, locations and sub-locations. The sampled districts were Komenda in Central Region and Tolon Kumbungu in Northern Region. The study was carried out with focus groups and in-depth key informant interviews using participatory methods. A range of selected tools was employed, including social mapping and livelihood analysis, institutional

analysis (Venn diagrams) and household income and expenditure analysis. Household case studies were also conducted. All researchers were trained in a five-day workshop held in Accra prior to community entry.

RESEARCH AREAS AND KEY FINDINGS

The study examined the impact of the cash transfer in three broad, interrelated areas: household economy, local economy and social networks.

The LEAP transfer functioned primarily as a safety net,

supplementing meagre household incomes and enabling resource-poor households to cope better, eat better (more diverse and nutritious foods) and spend more on education and health without disinvesting in assets or getting into debt. The transfer also provided working capital for income earning activities. Depending on the asset base of the household, this activity ranged from small-scale trading to increasing on-farm productivity, such as hiring labour, purchasing farm assets and inputs, and in a few instances to more ambitious livelihood diversification strategies. Shifting labour patterns towards more own farm work and away from casual labour – the latter



being seen as a 'last resort' – were reported, as well as reduced child labour. The programme increased access to and control over resources among female-headed beneficiary households, boosting their economic empowerment within the household, but did not challenge patriarchal household norms, particularly in the Northern Region.

Local economy impacts. The LEAP transfer contributed marginally to increased economic exchanges in the local economy, particularly in smaller community contexts where the aggregate injection of demand was more evident, and to increased diversity of products being bought and sold. The transfer also contributed to increased labour market hiring among beneficiary and non-beneficiary households, again with greater evidence of impact in smaller communities. Beneficiaries gained greater creditworthiness through increased trust to repay loans and more opportunities for financial advances from others in the community, but they still typically remained risk averse and avoided taking credit for fear of debt.

Social networks. The LEAP transfer did not significantly increase overall risk sharing and economic collaboration in communities

but did appear to impact positively beneficiary inclusion in existing social networks (e.g. *susu* groups), through greater self esteem, visibility and raised social status. The programme also enabled beneficiaries to 're-enter' contribution-based social networks including extended family risk-sharing arrangements, livelihood/labour farming groups and savings groups – "*now we are able to mingle*" – strengthening the potential of these networks as agencies for change. As a result, LEAP beneficiaries were gradually being seen as less of a 'drain' on other family members.

OPERATIONAL RECOMMENDATIONS

The operational arrangements for the implementation of the LEAP programme affected beneficiary decision-making and economic impacts at both household and community levels. The study generated the following suggestions for improving programme operations.

The programme would benefit from increasing the transparency and communication of the targeting process. The LEAP transfer contributed to mistrust and

tension where non-beneficiaries did not understand, or perceived a bias, in the selection process. This tension worsened in the absence of effective grievance mechanisms and where the local beneficiary forum mechanism did not function.

The District and Community Implementation Committees need to be strengthened. The functionality of the implementation committee appeared patchy at best, effective for the initial targeting process but not subsequently in terms of sensitisation, monitoring and support roles. The committees could benefit from continuous training, time protection and resources for monitoring and support activities. The committees could also be more active in supporting beneficiaries to move from protection to production by providing technical support for group formation, network building and savings and investment decisions.

The programme needs to ensure regular and timely payments. As underscored in the overall impact evaluation results for the LEAP programme, delays and irregularities in payments have challenged consumption smoothing for many households and limited the potential for investment and expenditure planning.

REFERENCES

Oxford Policy Management. 2013. Qualitative Research and Analyses of the Economic Impact of Cash Transfer Programmes in sub-Saharan Africa. Ghana Country Case Study Report, PtoP project report, FAO.

FOR MORE INFORMATION

Please visit: www.fao.org/economic/ptop/programmes/ghana/en **or write to:** ptop-team@fao.org



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