Enforcing conditions makes cash transfers more effective in increasing enrolments

Cash transfers – conditional or not – improve school enrolment and attendance, but there is limited evidence of effects on learning outcomes. If conditions are monitored and enforced the effect on enrolment is greater.

What is the review about?
In many countries, primary school enrolment is still not universal. More than 20 per cent of children do not attend school in many countries in sub-Saharan Africa, and around a third of those who do enrol drop out before completing sixth grade. Secondary school enrolments are far lower. In many countries, fewer than half of all children attend secondary school. And the quality of education is low, with many students having low literacy and maths skills after several years of schooling.

Cash transfer programmes, targeted at poor families, have become a popular means of tackling low enrolment. Conditional cash transfers (CCTs) for schooling are provided to poor households provided that children of school age enrol and attend school. Unconditional cash transfers (UCTs) are provided without conditions.

What were the main findings of the review?

What studies are included?
Eligible studies evaluate either conditional or unconditional cash transfer programmes, the conditional programmes having at least one condition explicitly related to schooling. Reported outcomes must include at least one quantifiable measure of enrolment, attendance or test scores.

Thirty-five studies are included in the review: five UCTs, 26 CCTs, and four studies that directly compare CCTs to UCTs.

Do cash transfers improve education outcomes?
Both conditional and unconditional cash transfer programmes increase enrolment compared to no program. But they have at best a small effect on
learning outcomes, although the evidence base on learning is small.

Do conditions matter?
Cash transfers have a larger effect on enrolment if there are conditions that are strictly monitored and enforced. Programs that are explicitly conditional, monitor compliance and penalize non-compliance have substantively larger effects—increasing the odds of enrolment by 60% compared to less than 20% for programs with no conditions (see Figure).

The stricter the conditions the larger the impact of cash transfers on enrolments (increase in odds ratio)

<table>
<thead>
<tr>
<th>Conditions</th>
<th>Increase in odds of enrolment</th>
</tr>
</thead>
<tbody>
<tr>
<td>No conditions</td>
<td>0</td>
</tr>
<tr>
<td>Some conditions</td>
<td>10</td>
</tr>
<tr>
<td>Strict conditions</td>
<td>20</td>
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What do the results mean?
To enhance effectiveness cash transfer programmes should have education-related conditions, and those conditions should be strictly monitored and enforced. In situations in which the quality of education is poor, different interventions are required to ensure adequate learning outcomes.