



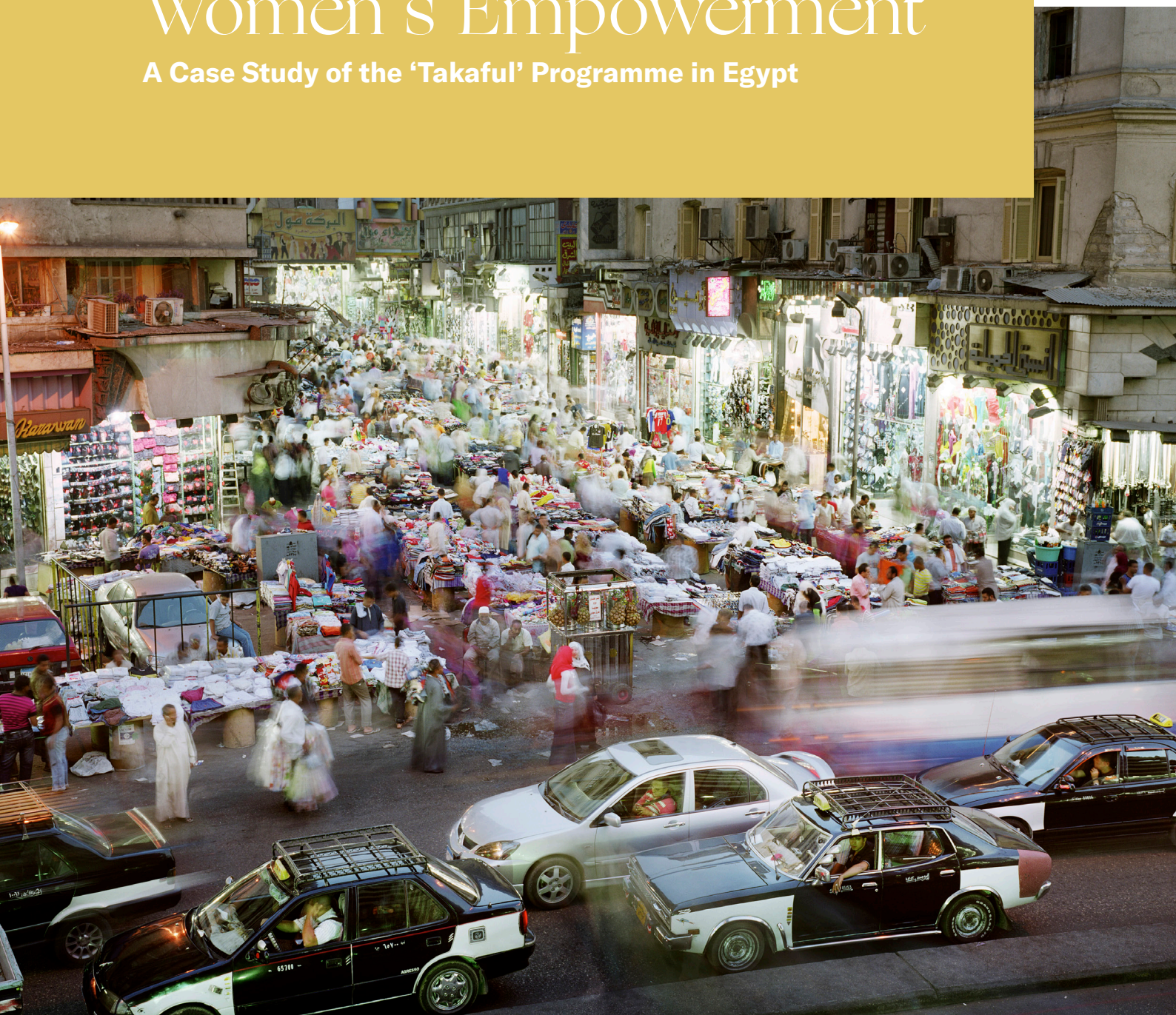
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**Policy Innovation Case Studies No. 7**

# Cash Transfers and Women's Empowerment

**A Case Study of the 'Takaful' Programme in Egypt**







## Summary

Conditional cash transfer (CCT) is a social policy tool that is used to reduce poverty and ensure the investment in human capital of poor households. Around the world, many of these programs target women and the conditions they stipulate mainly focus on the human capital of children in the household.

In 2015, Egypt implemented a new conditional cash transfer programme called “Takaful”, which targets women decision makers within poor households, using geographical targeting and Proxy Means Testing (PMT). The impact evaluation of the program conducted by the International Food Policy Research Institute (IFPRI) shows that the cash transfer improves the quality of the beneficiaries’ diets, resulting in better health conditions. Additionally, the

beneficiaries use the cash transfer to spend more on education (Breisinger et al 2018).

Cash transfer (CT) is assumed to empower women by increasing their access to financial resources and increasing their bargaining power (Tabbush 2010; Ambler and De Braw 2017). However, the impact of “Takaful” programme on women’s empowerment within the household was not conclusive. This impact depends on the methodology, the indicators used as well as the households’ characteristics (Breisinger et al 2018). These mixed results can be explained by the multidimensional nature of women’s empowerment, the complexities of its empirical measurement and the importance of the social context.

## Introduction

Conditional cash transfer is a social policy mechanism used to reduce poverty in many developing countries. In 2015, Egypt applied conditional cash transfer programme “Takaful”, an Arabic word for Solidarity, targeting women decision makers in poor households. The “Takaful” programme has a positive significant impact on expenditure, nutrition and education of the beneficiaries. However, the impact of the cash transfer on women’s empowerment was not conclusive (Breisinger et al 2018).

The impact of CT on women’s empowerment depends on the methodology and the indicator used, the households’ characteristics and the social context where women live (De Braw et al. 2013; Assaad, Nazier and Ramadan 2015; Breisinger et al

2018). These overlapping elements can be explained by the multidimensional nature of women’s empowerment, the complexities of its empirical measurement and the importance of the social context. Women’s empowerment includes different dimensions: economic, socio-cultural, familial/ interpersonal, legal, political, and psychological. Any policy measure needs to tackle each dimension separately and considers the norms and the values of the society where women live (World Bank Group 2014; Assaad, Nazier and Ramadan 2015). This PICS discusses the “Takaful” programme in Egypt and its impact on Egyptian women empowerment.

## Policy background

“Takaful” covers approximately 8,341,836 beneficiaries; 88% of them are female-headed households. It supports poor families with children

under 18 years old by paying them a monthly allowance of 350 EGP (about £18). In addition, the household receives an extra amount based on the number of children and their school level, for up to three children. The conditions of this programme are: 80% attendance of school year for children aged 6-18, medical examinations for mothers and children under the age of six and attendance at nutrition classes (World Bank 2015; 2018). The implementation of the programme is based on geographical targeting and the use of the PMT to identify the eligible poor households within the selected districts, based on socio-demographic and household's characteristics (World Bank 2015; Waly 2016).

### **Key policy actors and institutions**

The Ministry of Social Solidarity (MOSS) is the main key government institution of the conditional cash transfer programme, "Takaful". In order to implement an integrated approach to social protection, Takaful's beneficiaries may advantage from other social protection services in collaboration with other institutions. Examples of these services include food ration cards by the Ministry of Supply and Internal Trade; "Two is enough" programme with the Ministry of Health and Population; "No illiteracy with Takaful" with the Ministry of Education and Technical Education and "Sakan Kareem" with Ministry of Housing, Utilities and Urban Communities. Other key institutions include international organizations such as the World Bank and World Food Programme in addition to the civil society. MOSS collaborates with local non-governmental organizations to target poor households and ensure the delivery of the services to those who need it (World Bank 2018).

### **What is innovative about the problem-solving**

The use of smart cards to provide women decision-makers within the household with financial

resources is an innovative social policy mechanism in Egypt. This tool ensures women's financial inclusion and their control over the amount transferred, strengthening their roles as mothers and managers of the households. This is vital, given the widespread beliefs and evidence that when mothers are empowered and have access to income, they invest more in the household's welfare, especially the health and education of their children (Yoong et al 2012; World Bank Group 2014; Kabeer and Waddington 2015; Breisinger et al 2018).

### **What factors explain the innovation?**

According to the literature, CT is assumed to have positive impact on women's empowerment. As the CT would provide them with financial resources and may allow them to generate income through building assets and starting small-scale business (FAO 2015). This would yield a change in the bargaining power of women and may affect the gender relationships in the household and in the community (World Bank 2014).

Yet, the positive impact depends on how empowerment is measured, the characteristics of the household and the social context where the programme is implemented (Yoong et al 2012; World Bank Group 2014; Breisinger et al 2018). Cash transfers would allow women to take more decisions concerning the transfers, strength their self-confidence and their positions within the household. But this may increase men's sensitivity towards the fact that women possess income and have ownership of assets, as reported by one of the Takaful's beneficiaries (Breisinger et al, 2018) and this may increase women's vulnerability to domestic violence (Atkinson et al 2005).

Additionally, social context matters and should be considered when implementing any policy and when evaluating the impact on women's empowerment. For instance, De Brauw et al (2013)

observe that ‘Bolsa Familia’ significantly increases women’s power in decision-making in urban households. On the other hand, in rural households, there is no increase and possible decrease in women’s power of decision-making.

### Can lessons be learnt for the context in question or other contexts?

The impact of the “Takaful” programme on Egyptian women’s empowerment requires more research. As women’s empowerment is multidimensional phenomena; women may be empowered in some dimensions but not in others. This confirms the empirical challenges in measuring women’s empowerment. For instance; having the say in the daily purchases decisions is considered as an indicator of empowerment in the relevant literature; however, it may also be considered as an additional responsibility and does not reflect any power. Cash transfers may increase women’s say in their

households’ decisions but they may not be able to use the extra income to start small-scale businesses and generate income because of the pre-existing gender norms and values in their society. Thus, the different dimensions of empowerment require further research as do the gender roles and the wider social context. Finally, to achieve the intended objectives, such mechanisms should not rely only on cash transfers but must also include home visits from frontline social workers, capacity building and raising awareness among the beneficiaries about issues of empowerment (Berhane et al 2017).

### Brief methodology:

This paper is based on the conditional cash mechanisms literature review in addition to IFPRI’s impact evaluation study (Breisinger et al 2018) and other World Bank reports that discuss the Takaful programme in Egypt.

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