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3ie evidence gap map reports

3ie evidence gap maps are thematic collections of information about impact evaluations or systematic reviews that measure the effects of international development policies and programmes. The maps provide a visual display of completed and ongoing systematic reviews and impact evaluations in a sector or subsector, structured around a framework of interventions and outcomes.

The evidence gap map reports provide all the supporting documentation for the maps, including the background information for the theme of the map, the methods and results, protocols, and the analysis of results.

About this evidence gap map report

This report provides the supporting documentation for the 3ie evidence gap map on improving and sustaining livelihoods through group-based interventions, developed as part of a project funded by an anonymous donor. All of the content of this report is the sole responsibility of the authors and does not represent the opinions of 3ie, its donors or its Board of Commissioners. Any errors and omissions are also the sole responsibility of the authors. Some figures could not be edited and are included as received. Please direct any comments or queries to the corresponding author Bidisha Barooah, bbarooah@3ieimpact.org.


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Improving and sustaining livelihoods through group-based interventions: mapping the evidence

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Summary

Development strategies that mobilise marginalised poor people in groups and use those groups as platforms for reforms at the grassroots level are considered by some to be at the frontier of development practice. Proponents claim that enabling poor people to organise and participate meaningfully in the development process improves targeting and outcomes.

Several developing country governments have initiated this approach in sustainable livelihoods interventions. Such programmes generally encompass a range of interventions, such as promoting access to finance through group savings and microfinance, developing microenterprises and employability through training and skills formation, and facilitating public service delivery. Academics and practitioners have hypothesised that such a multipronged approach can help reach the desired economic, social and empowerment outcomes of these group-based livelihood programmes. In practice, the impact of these programmes in the livelihoods sector remains ambiguous.

This report describes an evidence gap map on the economic, social and empowerment effects of livelihoods interventions provided through groups between January 1996 and April 2018. We include impact evaluations and systematic reviews that examine the effects of interventions providing financial, human or social capital directly or access them. We include only studies where interventions were through groups of individuals located in rural areas. Our evidence gap map framework maps interventions to 19 final outcomes and 5 intermediate outcomes, drawing from the programme theory of change and consultations with stakeholders.

Mapped outcomes can be broadly categorised as economic outcomes, such as income, expenditure and consumption; human development outcomes, such as education and health; and social cohesion and empowerment outcomes. For all studies, we identified intermediate outcomes that lead to economic, social and empowerment outcomes, including changes in financial literacy, productivity, diversification of livelihoods sources, participation in economic activities and interest rates. We also assessed whether studies reported on programme participation, targeting and loan repayments (where credit was provided), with the intention of informing programme implementation.

We conducted a systematic electronic search and a manual search for evidence in this field. This initially yielded 30,085 citations. After removing duplicates and screening studies for inclusion, we included 129 impact evaluations and 8 systematic reviews. We systematically extracted metadata from included studies using a standardised data extraction tool. We critically appraised the methods adopted in the included systematic reviews and summarised four systematic reviews of the eight that met our confidence standards.

Our main results indicate that the number of impact evaluations has increased threefold between 2006 and 2014 to a total of 129. The majority of impact evaluations appear to be geographically concentrated in South Asia (84), with Bangladesh and India accounting for nearly half of the evidence base (55). Evidence from Africa and East Asia, where a number of livelihoods programmes are being initiated, remains relatively low (30).
Another finding is that the distribution of evidence is uneven across different types of interventions. Financial interventions – such as provision of credit, savings and financial training – have been evaluated more than other livelihoods interventions (93). Our map shows that programmes for human capital development – such as skills training and health and nutrition services, which are essential components of livelihoods strategies – have not been assessed as much (26). Few interventions (4) provide access to social capital by linking groups to social support programmes.

Likewise, impacts on economic outcomes – such as income (50), consumption (48), expenditure (51) and assets (47) – have been studied more than migration (5), vulnerability to shocks (11) and means of savings (10) and loans (15). Human development outcomes such as health (35) and education (25) have been studied by some impact evaluations, whereas social cohesion (4) has been studied in relatively few impact evaluations.

Quite a few impact evaluations on empowerment outcomes exist. Among these, the most commonly examined outcome is nonfinancial decision-making by women (30). The least studied empowerment outcome is experience of physical, sexual and mental abuse (7). Studies on self-help groups and microfinance groups form more than half of our evidence base.

Women play an important role in livelihoods strategies adopted by households. Our study does not explore whether studies involve detailed analysis of gender roles. We do, however, code whether a study has undertaken any gender-disaggregated analysis of impacts. We find that although more than half of the studies examine programmes targeted at women, less than a quarter of them have endeavoured to disentangle differential impacts for their prime participants, instead focusing mostly at household-level outcomes.

Quasi-experimental studies comprise a substantial part of our evidence base. Fifty-nine studies use difference-in-difference methods, propensity score matching, regression discontinuity design or instrumental variable methods. Thirty-six use fixed effects or selection models to establish causality. Following the growing trend towards experimental methods, 34 studies use randomised designs.

Our reading of existing systematic reviews suggests that the design of impact evaluations in this field needs improvement. Several of the systematic reviews we include highlight that impact evaluations in this field suffer from high risk of bias and inadequate data. However, the systematic reviews we summarise are dated, with the latest search being as of 2013. As we have not assessed the risk of bias of impact evaluations, we are unable to comment on whether the quality of evidence has improved or not.

Existing impact evaluations do not adequately address why, how and for whom impacts occur or not. A few studies report on programme implementation, uptake by participants and programme quality indicators, such as effective participation in groups, group inclusiveness and group sustainability. We find that comparatively fewer studies provide evidence on the intermediate outcomes that lead to socio-economic impacts. For example, less than a third of impact evaluations analyse household or individual
responses to such interventions in the form of livelihoods diversification (12), engagement in economic activities (33) and changes in productivity (21).

There are gaps in synthesis of evidence about the effectiveness of programmes by type of group as well as outcomes studied. Four systematic reviews study financial interventions and four study a combination of financial and human capital interventions, such as health interventions and training. Economic outcomes such as income, consumption and assets have been synthesised, but there are no syntheses on the impact of similar programmes on indebtedness, source of debts or social outcomes, despite a range of impact evaluations reporting results in these areas (31, 15 and 14, respectively). Diversification of livelihoods does not figure in systematic reviews, even though 12 impact evaluations examine this intermediate outcome.

Of the four systematic reviews we summarise, three focus on microfinance groups that primarily provide financial support; the fourth studies self-help groups that provide financial as well as human and social support. Apart from the gaps where synthesis is required, our analysis of the findings reported in the existing systematic reviews highlights that methodological weaknesses in impact evaluations hinder such syntheses from supporting firm conclusions.

We conclude that some clear gaps remain, despite the increased number of impact evaluations on this topic, particularly those that use experimental methods. We see gaps in intermediate outcomes where the evidence is much more limited compared to final outcomes. This means that most studies that examine final outcomes are not able to answer why and how impacts occur or not. The evidence is also concentrated on economic outcomes and financial interventions. Complex livelihoods interventions that provide combinations of financial, human and social interventions have less evidence. The existing evidence comes mainly from only two countries – Bangladesh and India. Evidence from similar programmes in different contexts, such as Sub-Saharan Africa, is limited.

Synthesis gaps remain in understanding the impact of livelihoods interventions on debt, sources of debt and social outcomes, where some amount of evidence exists. Even where there is synthesis, some important policy questions remain unanswered, such as implications of group type and context. Existing reviews are outdated, and several new papers have not been incorporated, which could guide decision makers. This evidence gap map calls for impact evaluations that examine intermediate outcomes more deeply and for an updating of high-quality systematic reviews to address policy questions.
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<td>NGO</td>
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<td>PICOS</td>
<td>Population, intervention, control, outcome and study design</td>
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1. Introduction

One in 10 people globally subsist on less than US$1.90 per day, according to the most recent estimates by the World Bank (2013). The majority live in rural areas and are primarily engaged in low-productivity, high-risk subsistence farming and related activities (Olinto et al. 2013). Livelihoods, defined as a household's means of earning a living, includes activities to meet basic human needs in good and bad times, as well as acquiring capabilities, resources and assets to carry out these activities (Chambers and Conway 1992). To increase income and reduce vulnerability, poor people seek to diversify their sources of livelihoods, rather than depending on a single source of income. Improving, promoting and creating sustainable livelihoods strategies is, therefore, a critical component of poverty alleviation.

A popular approach to improving the lives of the people living in poverty is to use groups of individuals who have come together – for economic or non-economic purposes. Such groups are platforms for rolling out interventions to generate and sustain livelihoods. Examples of such groups, often with long histories, include farmers’ collectives and producers’ organisations. Perhaps the most of well-known and examined groups are the microfinance models, in which a group of individuals come together to lend to each other and access finance through group liability loans. Such approaches fall within the larger realm of community-driven development, in which communities are mobilised for development activities. Governments and development agencies are increasingly adopting and promoting such approaches.1

A group-based approach for livelihoods promotion has multiple advantages: improved targeting of projects and participants, economies of scale, risk-sharing, accountability and monitoring (Wong and Guggenheim 2018). Detractors, on the other hand, contend that such programmes are not inclusive – increasing the threat of elite capture – and do not take the poor capacity of local institutions into account (Mansuri and Rao 2012; White et al. 2018).2 Further, the debate on the impact of microfinance programmes has been contentious, and evidence of their effectiveness remains inconclusive (Duvendack et al. 2011; Banerjee et al. 2015a, 2015c).

Global investments in group-based development solutions have been increasing. The World Bank remains a champion of community-driven development, with 199 projects in 78 countries valued at US$19.7 billion. Governments, too, have adopted similar models for poverty alleviation. Several other developing nations have initiated and scaled up group-based livelihoods programmes, the most famous being the Grameen Bank and

1 Community-driven development refers to community-based development projects in which communities have direct control over key project decisions, including management of funds. They are not exclusively livelihoods programmes.

2 Mansuri and Rao (2004) review more than 500 programmes that incorporate local participation and find that ‘community-based development efforts have had a limited impact on income poverty’. However, this review includes a wide range of community-driven development programmes and does not focus exclusively on livelihoods programmes delivered through groups. White and colleagues (2018) review community-driven development programmes for infrastructure building and find improvement in facilities for education, health and water but limited impacts on social cohesion and inclusion. Wong and Guggenheim (2018) argue that community-driven development programmes have given the poor voice in governance.
BRAC initiatives in Bangladesh. The Indian government has initiated one of the largest group-based livelihoods programmes, the National Rural Livelihood Mission, with a budget of approximately US$4 billion. Targeted at rural women, this programme mobilises participants into self-help groups (SHGs), through which interventions are rolled out (Ministry of Rural Development, Government of India).3

Typical group-based livelihoods promotion and support programmes include interventions for income generation and diversification by providing access to human, social, financial and physical capital. This is done through group savings and credit, financial and market linkages, training for productivity enhancement, self-employment and wage-based employment, and access to social protection and public services. Despite growing investments in group-based livelihoods promotion, there is little consensus on how impactful these programmes have been, and why or why not (Mansuri and Rao 2004; Banerjee et al. 2015c).

Our evidence gap map (EGM) addresses this knowledge gap by taking stock of the available evidence regarding the impact of group-based livelihoods programmes in low- and middle-income countries (L&MICs). The EGM catalogues evidence within a cross-tabular framework of interventions and outcomes (see the box for a definition). This helps us identify key areas in need of evidence and highlight areas where more impact evaluations and systematic research could add value.

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3 Self-help groups are voluntary groups of 10–20 members with a common affinity – social, structural, livelihood or gender. They originated in India in the 1980s, when cooperatives organized by an NGO, MYRADA, started breaking up into smaller ‘self-help’ groups (IFAD 2006). Self-help groups generally have a social cause or change as their motivating factor, with financial credit as a secondary goal or instrument.
What are evidence gap maps?

EGMs produced by the International Initiative for Impact Evaluations (3ie) are collections of evidence on the effects of development policies and programmes in a particular sector or thematic area (Snilstveit et al. 2017). They provide a graphical display of existing and ongoing systematic reviews and impact evaluations in a sector or subsector, structured around a framework of interventions and outcomes. These maps highlight the availability and characteristics of the existing evidence base in an accessible way. 3ie EGMs are presented using an interactive online platform that allows users to explore the evidence base and findings of relevant studies. A defining feature is that they are structured around a framework that reflects the relevant interventions and outcomes associated with a particular area. The framework is informed by a theory (or theories) of change, relevant academic literature and consultation with key stakeholders, including research funders, implementing agencies, experts and researchers.

Visually, an EGM is presented as a matrix, with rows listing the interventions and column headings covering the most relevant outcomes, organised along the theory of change – from intermediate to final outcomes. The framework is designed to capture the universe of important interventions and outcomes in the sector or subsector covered by the map. Populated cells that lie at the intersection of rows and columns inform the viewer of the evidence available for each intervention and outcome combination. Each study is placed in every cell for which the study provides evidence, providing the user with an easy way to visualise the full evidence base in a sector.

3ie has produced this EGM as a tool for policymakers, researchers and donors to examine the evidence base on group-based livelihoods interventions in L&MICs. We had these specific objectives in assessing patterns of evidence generation in this field:

- Identify, map and describe existing empirical evidence on the effects of group-based livelihoods interventions that aim to provide access to and use of financial, human and/or social capital on economic and human development outcomes, as well as broader social and empowerment impacts;
• Identify existing gaps in terms of methodology, interventions, outcomes, geography and subgroup analysis to guide donors, researchers and policymakers to better direct research and funding;
• Inform discussions to orient further research and promote the use of impact evaluations in underevaluated areas in the field of livelihoods generation; and
• Inform the National Rural Livelihoods Mission of evidence on similar group-based programmes that have been evaluated in India and other developing countries.

The rest of the report is structured as follows: Section 2 explains how we set the scope of our EGM and the methods we used; Section 3 elaborates the scope of the EGM and the interventions and outcomes it maps; Section 4 reports the findings from examining the stock of impact evaluations and systematic reviews; and Section 5 concludes.

2. Methodology

Our first step was to decide the scope of the EGM. Specifically, we had to identify the type of interventions and outcomes to map. We started by developing a theory of change, based on a desk review of the existing literature, that examined the causal links between group-based livelihoods interventions, intermediate outcomes and final outcomes. We adapted our theory of change for how livelihoods programmes could be expected to work from the Indian SHG model, which supports the map’s relevance for the National Rural Livelihoods Mission and comparable programmes.

We presented an initial theory of change and an intervention and outcome framework based on it at the African Evaluation Association International Conference in Kampala in March 2017. We also presented the theory of change at a stakeholder consultation workshop held 18 August 2017 in Delhi. The workshop was attended by practitioners working at different levels of programme management, from design to ground-level implementation.

Workshop participants discussed the theory of change and helped refine it, identifying outcomes that are typically less studied or missing in the literature. For example, we were advised to include reduction in vulnerability and migration, and to assess studies for programme indicators such as programme participation, targeting and loan repayment. Feedback from this workshop helped us further define the types of interventions for our EGM. For example, although natural resources are considered important livelihoods assets, we did not include interventions related to these in our scope.

To lay out the scope and inclusion and exclusion criteria, we developed a population, intervention, control, outcome and study design (PICOS) tool, which enables examination of a quantitative study based on these parameters. An information specialist developed and conducted a systematic search strategy that captured studies (published and unpublished) from 15 databases. We manually searched 10 websites using the keywords from our systematic search. We used snowball search methods to finalise our full data set of studies to screen.

We followed a step-by-step screening process, starting with removal of duplicates. This was followed by title and abstract screening and finally full text. To ensure quality, we
trained all screeners on the same set of studies. Contentious studies were discussed in team meetings and a unanimous decision was taken on whether to include or exclude them. Apart from interventions and outcomes, we also extracted data on study design, geography, group type, implementing agency, gender of members, whether a study used heterogeneity or subgroup analysis, type of subgroup, and indicators of programme participation, targeting and loan repayment.

While reading the full texts, we also extracted qualitative data on programme implementation and quality. To ensure intercoder reliability, the four team members engaged in data extraction worked in pairs and independently extracted and compared results for 20 per cent of the included studies. Discrepancies on EGM inclusion and study design were rare, but there were differences in interpretations of a few outcome variables. These were resolved and all studies were reviewed to ensure uniform coding of outcome variables. Appendix A presents the detailed methodology we used for screening and coding. Appendix B provides our coding tools.

3ie’s Systematic Reviews Office assessed the quality of all included systematic reviews using a standardised critical appraisal tool. The confidence ratings do not assess the quality of the studies included in a systematic review, but instead assess the methods and reporting followed by the review. Accordingly, each review was rated as high, medium or low confidence. We then summarised findings of the high- and medium-confidence systematic reviews to draw implications for policy.

2.1 Limitations

Our EGM has the following limitations. First, in restricting ourselves to rural group-based livelihoods interventions, we are aware that the scope of our EGM is narrow. A number of livelihoods programmes might not be operated through groups, such as the Graduation Model (Banerjee et al. 2015b), or set in a rural context (for instance, we came across a number of studies on microcredit, vocational skills and microenterprises, but these were set in urban areas). These have not been included in our EGM. Second, we are able to include only studies published in English. Third, we could not obtain full papers for some studies that should have been included. We made all efforts to obtain them, but we did not succeed.

Fourth, 3ie EGMs do not assess the quality of impact evaluations. We used PICOS to screen studies on population, interventions, comparison groups, outcomes and study design. If an impact evaluation met our inclusion criteria, we added it to the EGM. We did not appraise studies for their internal and external validity. Nevertheless, where the systematic reviews included in the map have drawn conclusions about the quality of the impact evaluations that they cover, we have noted these findings. Thus, our comments on the quality of impact evaluations summarise the assessments made by four systematic reviews that were judged to be of high confidence. These systematic reviews have used different tools and methods to conduct the risk of bias analysis and may not always be comparable.
3. Scope

This EGM examines group-based interventions for livelihoods promotion and support in rural or peri-urban areas of all L&MICs from 1996 to 2017. By group-based programmes, we mean those that organise households or individuals into groups and use these groups as an institutional platform for the rollout of, primarily, income-generating activities and support for economic activities. These groups may be mobilised by the groups themselves (such as informal savings groups) or through the government, financial institutions and non-government development agencies (such as SHGs and microcredit groups). See Appendix D for the typology of groups.

The general scope of the EGM was guided by our twin research objective of (1) scanning the evidence on group-based approaches for livelihood generation and promotion in L&MICs and (2) informing the National Rural Livelihoods Programme of similar programmes across developing countries. The scope of the EGM is laid out in the intervention and outcome categories, informed by the theory of change.

3.1 Theory of change

A theory of change describes the theory, evidence or assumptions explaining the causal links along intermediate to final outcomes (Rogers 2014). Our starting point for this hypothesised theory of change is the design of a typical National Rural Livelihoods Mission programme. Figure 1 presents a simple theory of change of how group-based livelihoods programmes are assumed to reach their intended outcomes.

Figure 1: Theory of change

We start with a set of assumptions that iron out the associated complexities in examining a programme’s theory of change. We have three main assumptions:

- groups are inclusive, and poor and marginalised households are effectively organised into groups;

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4 Community-driven development programmes may also be aimed at participatory governance, monitoring and accountability measures and public works but we exclude these from our scope.

5 We acknowledge that group-based and community-driven development programmes could vary. What we propose here is the basic model within the scope of this paper.
• enabling institutional arrangements are in place for groups to function; and
• there is sustained institutional strengthening through training and building of the
groups’ organisational capacity to make them self-sufficient.

This is a dynamic process that occurs through the groups’ life cycles. By effective
organisation, we mean that poor and marginalised households are successfully
mobilised into groups. On the ground realities may be different. There is evidence that
microfinance groups in Bangladesh systematically excluded the poorest households. In
India, Baland and colleagues (2008) find that members of lower castes in mixed-caste
groups are more likely to exit SHGs. Similarly, institutional support is essential for groups
to be successful. This includes financial support (for example, banks might not be willing
to lend to such groups, interest rates might be very high and loans associated with
hidden costs) and administrative capacity (for example, groups might not be able to
manage their activities).

For the ease of depiction, we categorise livelihoods interventions in three broad groups
that provide, expand, improve and strengthen access to and use of (1) financial capital,
(2) human capital and (3) social capital:
• The first broad set of interventions, access to and use of financial capital,
includes steps taken to link groups with various sources of financial capital (such
as banks and group lending), providing them with saving products, investment
and insurance products, and so on. This set of interventions also includes
financial training to group members.
• The second type of interventions, access to and use of human capital,
includes training and skills development programmes related to improving the productivity
of current activities, as well as promoting diversification of livelihood sources.
• The third type of interventions are those that build or provide access to social
capital either within groups or the wider community. This includes many aspects,
such as community bonding, social connectedness (especially with leaders and
institutions) and inclusion in governance. Further, an important role of groups is
to link groups to governmental or non-governmental programmes.

These interventions lead to some intermediate outcomes that are directly attributable to
the interventions and that, in turn, lead to other outcomes. Intermediate outcomes of
interventions are diversification of livelihood sources and increased participation in
economic activities as new opportunities open up with access to credit, skills and self-
employment. Similarly, there is likely to be an increase in productivity of existing
livelihoods due to access to credit and training. These outcomes also include increased
financial literacy through the group’s financial inclusion activities and reduced interest
rates, as the loans received from the group are presumably at a lower interest rate than
those received from a moneylender.

The linkage between interventions and outcomes is based on the assumption that the
group-based interventions are timely, relevant and respond to the needs of the groups.
For example, if livelihoods training is provided to groups that are credit-constrained, then
we should not expect to see improvements in productivity.

These intermediate outcomes lead to outcomes in four broad categories – economic,
human development, social and empowerment. The theory underlying the majority of
economic outcomes is that livelihoods support stimulates investment in a livelihood activity, which is profitable, leading to higher income, assets and savings. This pathway is supported by much of the standard, accepted theoretical work citing capital constraints as curtailing investments amongst people living in poverty (Banerjee and Duflo 2010; de Mel et al. 2008, 2012). Access to many livelihoods sources, as well as group and social support, can lead to less vulnerability to shocks. Correspondingly, distress coping behaviour, such as seasonal migration, may be reduced.

Greater financial literacy and improved economic outcomes can lead to greater access to formal financial markets, which feeds into a chain of higher investments, productivity and incomes. Group functioning is dynamic; with time and more access to capital, groups are likely to be more effective. Outcomes that manifest in the medium run will lead to improved human development, social and empowerment outcomes in the long run. The assumption here is that social norms and power structures can and will change positively towards more equity and inclusion.

Health and education outcomes, classified as human development, may be affected directly, through human capital interventions, and indirectly, through improved economic outcomes, provided participants invest in them. The theoretical literature relating group participation and support to social cohesion outcomes is scant. Empirically, there is some evidence that interventions to form groups and provide support can foster social capital in the groups.

Feigenberg and colleagues (2010, 2014) conducted a randomised experiment in a peri-urban setting in India to demonstrate that more frequent group meetings amongst members of microfinance institutions (MFIs) could increase networks and social capital among first-time users. Blattman (2015) finds that a post-war intervention to encourage savings group formation can foster social cohesion in the group. On the other hand, White and colleagues (2018), in their synthesis of community-driven development programmes for infrastructure building, find no impacts on community-level social capital. Group support can lead to increased empowerment in two ways: (1) through the increased autonomy, confidence and support that women gain from their group interactions and (2) through improvements in economic status (Fouillet and Augsberg 2007).

3.2 Interventions

Our theory of change identifies three groups of livelihoods interventions that could lead to improvement in the lives of people living in poverty – namely, interventions provide and improve the use of and access to (1) financial capital, (2) human capital and (3) social capital. We excluded interventions that fit the above categories but were not conducted through groups.

Needless to say, a large number of interventions fall under these broad categories. We selected specific interventions (Table 1) based on feedback received from the stakeholder workshops (Section 2). These are also consistent with the type of livelihoods support provided under the National Rural Livelihoods Mission.
Table 1: Description of intervention categories

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<th>Specific interventions for each group</th>
<th>Description</th>
<th>Examples</th>
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<td>A. Financial capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.1 Credit</td>
<td>Interventions that provide joint-liability group credit from formal or informal sources</td>
<td>Group/joint-liability loans from banks, loans by group members</td>
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<td>A.2 Non-credit financial products</td>
<td>Interventions that provide financial products other than credit</td>
<td>Savings products, insurance, investment options</td>
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<tr>
<td>A.3 Financial inclusion services</td>
<td>Interventions that provide access to financial products and services</td>
<td>Opening of bank accounts, updating of passbooks, information on financial products</td>
</tr>
<tr>
<td>A.4 Financial training</td>
<td>Interventions that provide training on financial management</td>
<td>Managing personal and group finances, book-keeping for groups, understanding passbooks</td>
</tr>
<tr>
<td>B. Human capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B.1 Training</td>
<td>Interventions that provide training to groups for livelihoods promotion and enhancement</td>
<td>Trainings on technology, training for wage employment, entrepreneurship training such as bargaining or market information</td>
</tr>
<tr>
<td>B.2 Health, nutrition and sanitation</td>
<td>Interventions on health, nutrition and sanitation for adults and children; included only if combined with training or financial capital</td>
<td>Reproductive health and contraception information, deworming, immunisation</td>
</tr>
<tr>
<td>C. Social capital</td>
<td>Interventions that help the group build, access and make use of social capital</td>
<td>Access to public distribution systems, public works, legal aid, other social welfare programmes</td>
</tr>
</tbody>
</table>

The first group of interventions relate to financial capital. In this category, we include provision of credit. This includes joint-liability or group loans from formal sources, such as banks, non-bank financial institutions and intergroup loans. We include provision of other financial products not related to credit, such as savings products, insurance and mutual funds to group members. Interventions that provide access to financial products and services, such as opening of bank accounts for groups and members and financial training for individual and group capacity development, are important roles that can be channelled through groups.

The second group of interventions aim to improve human capital formation to support livelihoods. In this category, we include training to enhance productivity in current livelihoods, such as agricultural training or providing market information, as well as interventions meant to enable new income sources. Important types of interventions are skills training for wage or self-employment that help poor people diversify out of agriculture. We also include health and nutrition services, but only if they are combined with financial capital interventions or training. We exclude adult literacy programmes, which, although important for human capital, do not aim to promote livelihoods.

Interventions that help groups build, access and use social capital form the third intervention type. Social capital is a complex concept, encompassing social bonding,
social bridging and participation (White et al. 2018). We restrict our EGM to interventions that explicitly aim to link groups to vulnerability support or other livelihoods support programmes. For example, SHGs in some Indian states distribute foodgrains under the public distribution system; we would include such an intervention. We exclude programmes exclusively meant to improve group and community ties that do not include a livelihoods component; for example, women’s empowerment groups that bring together members for mutual support against domestic violence but do not provide financial or human capital that can be used for livelihoods enhancement. Similarly, interventions exclusively to improve group socialisation, such as exposure visits for group office bearers, are excluded.

Many livelihoods programmes provide a bundle of interventions. For our EGM, we reclassify the interventions reported in Table 1 into the following categories, reported in Table 2.

### Table 2: Intervention categories

<table>
<thead>
<tr>
<th>EGM intervention categories</th>
<th>Description (refer to intervention in Table 1)</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Financial</td>
<td>A.1, A.2, A.3, A.4, any combination of these</td>
<td>Provision of group credit; provision of group credit with savings</td>
</tr>
<tr>
<td>B. Human</td>
<td>B.1, B.2, any combination of these</td>
<td>Skills trainings; skills training with nutrition information</td>
</tr>
<tr>
<td>C. Social</td>
<td>C</td>
<td>Linkages with government welfare programmes</td>
</tr>
<tr>
<td>D. Financial plus human</td>
<td>Any combination of A and B</td>
<td>Financial and skills training; savings product with HIV information</td>
</tr>
<tr>
<td>E. Financial plus social</td>
<td>Any combination of A and C</td>
<td>Provision of group credit and linkages to government welfare programmes</td>
</tr>
<tr>
<td>F. Human plus social</td>
<td>Any combination of B and C</td>
<td>Enterprise training and linkages to existing government placement program</td>
</tr>
<tr>
<td>G. Financial plus human plus social</td>
<td>Any combination of A, B and C</td>
<td>Provision of credit with maternal and child health services delivered through existing programmes</td>
</tr>
</tbody>
</table>

The following types of interventions are excluded from our EGM:

- livelihoods interventions not through groups, such as individual business training, vocational training;
- access to credit interventions that are not group/joint liability;
- interventions solely in urban areas;
- interventions where groups are mobilised purely for political and social empowerment, with no explicit reference to livelihoods; and
- community health and nutrition interventions, if these are not combined with a livelihood component, as defined in Table 1.

### 3.3 Outcomes

We include studies reporting on a range of economic and non-economic outcomes. For all studies that assessed at least one of these outcomes, we also mapped intermediate
outcomes of the interventions that lead to final outcomes. Table 3 presents the outcomes we map in this EGM.

We exclude studies that solely examine implementation, with no assessment of outcomes. This excludes an important set of studies that provide evidence on aspects of programme design and delivery mechanisms to improve performance of such programmes.

Table 3: Outcomes

<table>
<thead>
<tr>
<th>Subcategories</th>
<th>Description</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Economic outcomes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>Household or individual income; also includes income disaggregated by livelihoods source</td>
<td>Total income of household, household per capita income; income of men and women; income from agriculture and non-agriculture</td>
</tr>
<tr>
<td>Consumption</td>
<td>Consumption reported at household or individual level</td>
<td>Total consumption in calories or monetary terms; consumption by men and women; consumption per capita; food and non-food consumption</td>
</tr>
<tr>
<td>Expenditure</td>
<td>Expenditure incurred by household or individual</td>
<td>Expenditure on food, material inputs, education; total expenditure of household</td>
</tr>
<tr>
<td>Savings</td>
<td>Savings by household or individual with formal or informal sources</td>
<td>Amount saved; amount saved in banks, with group, as cash in hand by women; frequency of savings</td>
</tr>
<tr>
<td>Debt</td>
<td>Debt from formal and informal sources</td>
<td>Amount of loans outstanding; current loans; from bank, from group, from moneylender</td>
</tr>
<tr>
<td>Means of savings</td>
<td>Means of savings (formal or informal means, cash or assets)</td>
<td>Increase in savings with formal sources or group</td>
</tr>
<tr>
<td>Source of loans</td>
<td>Source of loans</td>
<td>Reduction in loans from moneylenders</td>
</tr>
<tr>
<td>Financial assets excluding savings</td>
<td>Other financial assets, such as insurance, bonds</td>
<td>In monetary terms, asset index</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td>Non-financial assets including productive assets, durable consumer goods</td>
<td>In monetary terms or asset index</td>
</tr>
<tr>
<td>Migration</td>
<td>Short- and long-term migration by household or members</td>
<td>Seasonal migration, change of location by household</td>
</tr>
<tr>
<td>Vulnerability</td>
<td>Responses to shocks by households</td>
<td>Reduction in food consumption after shock, distress sales of assets</td>
</tr>
<tr>
<td>Poverty levels</td>
<td>Poverty status of household or community</td>
<td>Head count ratio, transition out of poverty</td>
</tr>
<tr>
<td>Subcategories</td>
<td>Description</td>
<td>Examples</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>B. Human development outcomes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>Health status, practices and investments</td>
<td>Anthropometric measures, assisted births, use of health services</td>
</tr>
<tr>
<td>Education</td>
<td>Education status, practices and investments</td>
<td>Enrolment of boys and girls, school choice, education expenses</td>
</tr>
<tr>
<td><strong>C. Social outcomes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Social network of individual or within the</td>
<td>Social support measure of women, trust in institutions, access to</td>
</tr>
<tr>
<td></td>
<td>community</td>
<td>social programmes, peace and harmony in community</td>
</tr>
<tr>
<td><strong>D. Empowerment outcomes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial decision-making</td>
<td>Participation in financial decisions by women</td>
<td>Inputs on spending for children’s education, household expenses;</td>
</tr>
<tr>
<td></td>
<td>within households</td>
<td>indices of participation</td>
</tr>
<tr>
<td>Non-financial decision-making</td>
<td>Participation in non-financial decisions by</td>
<td>Use of contraception; say in child’s schooling; indices of participation;</td>
</tr>
<tr>
<td></td>
<td>women within households</td>
<td>mobility</td>
</tr>
<tr>
<td>Experience of physical, mental,</td>
<td>Experience of physical, mental, sexual abuse by</td>
<td>Experience of domestic violence by husband/partner or others</td>
</tr>
<tr>
<td>sexual abuse</td>
<td>women</td>
<td></td>
</tr>
<tr>
<td>Political empowerment</td>
<td>Group or members’ access to political institutions and increased participation and awareness</td>
<td>Knowledge of political leaders, participation in elections, collective action by group</td>
</tr>
<tr>
<td><strong>E. Intermediate outcomes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in economic</td>
<td>Participation in economic activities by households and members</td>
<td>Hours spent in productive activities, change in employment status, hours in paid work</td>
</tr>
<tr>
<td>activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversification of income</td>
<td>Sources of income for households and individuals</td>
<td>Contribution of non-traditional sector, starting new income-generating activities</td>
</tr>
<tr>
<td>sources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial literacy</td>
<td>Financial literacy of households and individuals</td>
<td>Knowledge of personal finances and financial management</td>
</tr>
<tr>
<td>Interest rates</td>
<td>Interest rates on loans to be paid or received on savings</td>
<td>Average interest rates on loans paid by households, interest rates in village</td>
</tr>
<tr>
<td>Productivity</td>
<td>Productivity in existing and new livelihoods</td>
<td>Agricultural output, sales in business, investments</td>
</tr>
</tbody>
</table>

### 3.4 Study types

We include quantitative impact evaluations that use experimental or quasi-experimental techniques to measure the causal effect of a programme. This requires a counterfactual analysis, which allows understanding and measuring what would have happened in the absence of the programme (Angrist and Pischke 2008). Table 4 summarises the types of impact evaluation studies in our EGM.
Table 4: Detailed description of study design

<table>
<thead>
<tr>
<th>Study design</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difference-in-difference (DID)</td>
<td>DID, also known as the ‘double difference’ method, compares the changes in outcome over time between treatment and comparison groups to estimate impact. Applying the DID method removes the difference in the outcome between treatment and comparison groups at the baseline. Nonetheless, this method is best used in conjunction with other matching methods, such as PSM or RDD.</td>
</tr>
<tr>
<td>Instrumental variable (IV) estimation</td>
<td>A statistical technique for estimating causal relationships when an RCT is not feasible or when an intervention does not reach every participant or unit in an RCT.</td>
</tr>
<tr>
<td>Propensity score matching (PSM)</td>
<td>In PSM, an individual is not matched on every observable characteristic, but on their propensity score – that is, the likelihood that the individual will participate in the intervention (predicted likelihood of participation), given their observable characteristics. PSM thus matches treatment individuals and households with similar comparison individuals/households and subsequently calculates the average difference in the indicators of interest. In other words, PSM ensures that the average characteristics of the treatment and comparison groups are similar, and this is deemed sufficient to obtain an unbiased impact estimate.</td>
</tr>
<tr>
<td>Randomised controlled trial (RCT)</td>
<td>A research or evaluation design with two or more randomly selected groups (an experimental group and control group), in which the researcher controls or introduces an intervention (such as a new programme or policy) and measures its impact on the dependent variable at least two times (pre- and post-test measurements).</td>
</tr>
<tr>
<td>Regression discontinuity design (RDD)</td>
<td>This approach can be used when there is some kind of criterion that must be met before people can participate in the intervention being evaluated – known as a threshold. A threshold rule determines eligibility for participation in the programme or policy and is usually based on a continuous variable assessed for all potentially eligible individuals.</td>
</tr>
<tr>
<td>Others</td>
<td>This includes ordinary least squares with fixed effects to control for time-invariant unobservable characteristics that could influence programme participation and outcomes. Also included are selection models that model participation using exogenous variables.</td>
</tr>
</tbody>
</table>

Note: Adapted from White and Sabarwal (2014).

We include systematic reviews that fell within the scope of our EGM (those that assess group-based rural livelihoods programmes in L&MICs). We include studies regardless of publication status, including unpublished manuscripts, working papers, journal articles and policy and evaluation reports. We exclude programme reports or progress reports, conference proceedings, conference papers, dissertations, books, book reviews and news and magazine articles. We exclude all non-English studies.
4. Findings

Figure 2 shows our PRISMA\(^6\) diagram. Our initial systematic and manual search resulted in 30,085 relevant titles. After removing duplicates and screening titles and abstracts, 497 made it to full-text screening. Of them, we included 129 impact evaluations and 8 systematic reviews based on the inclusion and exclusion criteria. Of the included reviews, 3ie’s confidence rating is high or medium for four of the eight systematic reviews.

**Figure 2: PRISMA flow diagram**

\(^6\) PRISMA is the abbreviation for Preferred Reporting Items for Systematic Reviews and Meta-Analyses.
4.1 Characteristics and trends in impact evaluations

We now analyse the stock and time trends in evidence from impact evaluations. In Section 4.3, we present a heat map depicting the number of studies by interventions and outcomes.

4.1.1 Interventions

Figure 3 shows the distribution of studies by the type of interventions they assess. Interventions that provide access to financial capital are the most studied. Amongst the included studies, 93 focus on provision of credit, financial inclusion services or financial literacy. Even amongst these, the overwhelming majority (69) examine programmes that offer credit alone (not combined with other financial services).

Twelve studies evaluate interventions that combine credit with other financial products, financial inclusion services or financial literacy. The remaining 12 look at financial interventions not related to the provision of credit. A distant second (23) examine interventions that combine financial and human capital. Of these, 14 combine credit with livelihoods training.

Access to social capital – a critical component of livelihoods strategies – has not been studied much. Six studies look at interventions related to social capital, alone or combined with other livelihoods interventions. Three studies, which we categorise as ‘Others’, do not adequately describe the type of intervention, although some form of livelihoods support is provided to groups.

Figure 3: Number of studies by intervention (N = 129)

Figure 4 charts the time trend for publications of impact evaluations in this area, highlighting that studies of group-based livelihoods increased from the late 2000s, peaking in 2014. Recent years appear to suggest a declining trend, although the lower numbers since 2014 could at least partially reflect delays in new studies’ being indexed in databases.

Evaluations of financial interventions form the bulk of the evidence base, although the number of studies that analyse human and social capital programmes, with or without financial interventions, has been steadily increasing.
4.1.2 Group profiles

Figure 5 shows the distribution of impact evaluations by the type of organisational group. Of the 129 included studies, the majority evaluate interventions through SHGs (37) and MFIs (35). Together, these groups account for more than half of the studies. One quarter of the studies evaluate interventions with multiple group types.

The ‘Others’ category encompasses a wide range of community-based groups. For instance, one programme consists of 5–30 members who meet regularly for individual and group savings and loans. Another programme organises participants into group-based partner organisations that may be non-governmental or governmental in nature. Youth groups and informal revolving savings and credit groups are also part of the ‘Others’ category.

Less-represented groups include producers’ groups and cooperatives. This could be partly due to a limitation in our scope, which excludes individual liability credit programmes that are ubiquitous among producer groups.
Figure 5: Number of studies by type of group and intervention (N = 129)

In examining the type of intervention for each group type, we see some interesting patterns. Compared to MFIs, SHGs provide a more diverse profile of interventions. Twenty-one of the 36 SHG studies provide only financial interventions, compared to 31 of the 35 MFI studies. The share of human and social capital interventions (although combined with financial capital) is higher in SHG studies.

Next, we look at the members’ profiles. As Figure 6 shows, nearly half of most studies examine groups that are exclusively female (62 of 129 impact evaluations). This is primarily driven by the SHG studies. The remaining studies look at groups that include men and women or entirely male groups, or do not specify the sex of members.
4.1.3 Outcomes
We map 19 specific outcomes, which fall into four broad groups. Figure 7 shows the detailed distribution of outcomes for each of these broad categories. Economic outcomes form the majority of outcomes that impact evaluations have studied – 66 per cent of outcome measures, when we combine all economic outcomes across all studies.

Of the listed economic outcomes, the most frequently measured is expenditure (51), followed by income (50), non-financial assets (47), consumption (48), indebtedness (29) and savings (31). Ten studies examine impacts on financial assets other than savings. Strikingly, not many studies focus on vulnerability to shocks (11) and migration (5), even though resilience is a primary goals of livelihoods support programmes. Health and education outcomes have been studied frequently; we identify 38 studies that examine health outcomes and 27 that examine education outcomes. The evidence on social cohesion is relatively lower (19).

The most studied empowerment outcome is change in control over non-financial decision-making (30) and financial decision-making (25). Indicators of political empowerment receive relatively less attention (20). A small proportion of studies look at experiences of violence (7).
Intermediate outcomes

The theory of change underlying livelihoods programmes is that they affect final outcomes via intermediate outcomes, such as diversification of livelihoods, increased participation in economic activities, and productivity. However, a limitation of a sizeable proportion of the included studies is that they do not measure whether the interventions do indeed lead to changes in intermediate outcomes.

Figure 8 shows the number of studies that examine the intermediate outcomes that lead to final outcomes. Thirty-five of the 129 impact evaluations explore whether and how engagement in economic activities changes due to a livelihoods programme, 22 study productivity gains, and 12 examine diversification of income sources to explain impacts. A basic premise of most financial capital interventions in livelihood programmes is that they provide access to low-cost credit, yet only three studies scrutinise how interest rates respond to such interventions. Two studies examine financial literacy.
Programme indicators
Twenty-nine studies have reported on programme participation. While some studies have scrutinised the extensive margin of programme participation by focussing on the number of members who are part of the group and the number who have adopted an intervention, others have looked at the intensive margin of programme participation, such as number of days the group met and feedback on interventions. Six studies have reported on the amount or frequency of loan repayment. Three studies have commented on the success or failure of targeting in the program.

Figure 8: Number of studies by intermediate outcomes reported (N = 129)

Subgroup analysis
Forty-seven studies examine heterogenous impacts on at least some outcomes by sex, demographic characteristics such as education and caste, or economic characteristics such as land holdings and household wealth. Differences by participants' sex is reported in 14 studies, including those that study differential impacts by sex within and across households.

Most economic outcomes, such as income, are examined at the household level. Where income is studied at the individual level, few studies analyse how groups influence women's income. Six studies examine changes to women's income, even though 68 document interventions aimed exclusively at women, suggesting an important knowledge gap. The current body of impact evaluations do not assess whether livelihoods interventions targeted at women benefit them economically.

4.1.4 Geography
As Figure 9 shows, we see much geographical clustering of the evidence. Bangladesh has most studies (38), followed by India (35). Even though Bangladesh has the most studies, most of these have focused on evaluations of two programmes – the Grameen Bank and BRAC interventions. On the other hand, the studies in India have examined varied programmes implemented by different agencies.
There is less evidence from Africa. Of the 29 studies from Sub-Saharan Africa, 11 use data from multiple countries. The difference in available evidence between South Asia and Sub-Saharan Africa is curious, given that both regions have a long history of community-driven development (Mansuri and Rao 2004).7

Figure 9: Number of studies by geography

Analyzing the data by type of interventions shows that most studies in South Asia have focused on financial interventions (Figure 10). Fewer than half of the South Asian evaluations study interventions that combine credit with other livelihoods support or provide human or social capital (24 of 84). These interventions form a comparatively higher proportion in Sub-Saharan studies (11 of 30. One explanation could be that livelihoods programmes have begun focusing beyond provision of credit. The African studies are more recent programmes (the average year of study being 2011–2012) compared to the South Asian studies, driven primarily by Bangladesh (the average year being 2007–2008).

7 The World Bank, for example, has invested in 209 community-driven projects in Africa, compared to 58 in South Asia. The total number of community-driven development projects may be quite different, as this does not include programmes funded by the regional governments.
4.1.5 Study design
Table 5 shows the number of studies by primary methods used to establish causality. Most studies use quasi-experimental methods for identification of causal effects. Of these, 31 use PSM methods, 15 use DIDs, 11 use IVs and 2 use RDDs. A substantial number of studies (36) are those that we categorise as ‘Others’, which include selection models or multivariate regressions with fixed effects to control for time-invariant factors influencing programme placement. Thirty-four studies use randomised designs.

**Table 5: Studies by design**

<table>
<thead>
<tr>
<th>Primary study design</th>
<th>Number of studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>RDD</td>
<td>2</td>
</tr>
<tr>
<td>IV</td>
<td>11</td>
</tr>
<tr>
<td>DID</td>
<td>15</td>
</tr>
<tr>
<td>PSM</td>
<td>31</td>
</tr>
<tr>
<td>RCT</td>
<td>34</td>
</tr>
<tr>
<td>Others</td>
<td>36</td>
</tr>
</tbody>
</table>

Looking closely at the year-wise distribution of study designs, we see that most of the studies categorised as using ‘Others’ are older. Since the late 2000s, there has been an increase in the proportion of studies that use experimental or quasi-experimental methods of identification, with quasi-experimental methods forming the majority of studies (Figure 11).
In Table 6, we explore further whether the choice of impact evaluation methodology is correlated with the implementing agency of a programme. We find that RCTs seem to be the preferred methodology where non-governmental organisations (NGOs) are the implementing agencies, whereas government programmes appear to prefer PSM. In programmes where groups have been mobilised by the government, six of 27 studies use RCTs. A possible factor facilitating the use of experimental methods by NGOs could be that research teams are able to work closely with NGOs to plan an RCT before the rollout of the programme.

Table 6: Study design by implementing agency

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Government</th>
<th>NGOs</th>
<th>MFIs</th>
<th>Others</th>
<th>Multiple</th>
<th>Unclear</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DID</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td>PSM</td>
<td>9</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>9</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>IV</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>RCT</td>
<td>6</td>
<td>16</td>
<td>8</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>34</td>
</tr>
<tr>
<td>RDD</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>12</td>
<td>4</td>
<td>2</td>
<td>10</td>
<td>5</td>
<td>36</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27</strong></td>
<td><strong>36</strong></td>
<td><strong>21</strong></td>
<td><strong>5</strong></td>
<td><strong>27</strong></td>
<td><strong>13</strong></td>
<td><strong>129</strong></td>
</tr>
</tbody>
</table>

4.2 Characteristics and trends of systematic reviews

Of the eight systematic reviews we included, four study financial interventions, mostly access to credit (Madhani et al. 2015; Stewart et al. 2012; Vaessen et al. 2013; Maitrot and Niño-Zarazúa 2017). Two studies review financial interventions and human capital interventions in the form of health interventions (Orton et al. 2016; Lorenzetti et al. 2017), and one includes training for livelihood generation (Duvendack et al. 2011). Brody and colleagues (2016) conduct a review of SHGs that provide access to credit as well as group support and other livelihoods support.
Three systematic reviews study income, expenditure, non-financial assets, health and empowerment outcomes. We could not identify any systematic reviews that synthesised findings on outcomes such as indebtedness, sources of debt and social cohesion, even though we identified multiple impact evaluations for these outcomes (31, 15 and 14, respectively). Of the five intermediate outcomes, productivity (1 systematic review) and participation in economic activities (2 systematic reviews) have been synthesised; diversification of income sources has not, even though 12 impact evaluations have examined this important outcome.

4.2.1 Results from critical appraisal of systematic reviews
Critical appraisal of their methods suggest that four of the eight systematic reviews were conducted using methods that contribute to high or medium confidence in their findings. The main reasons a study may be rated as low confidence are (1) unclear inclusion and exclusion criteria; (2) absence of description of the process followed to maintain independence and objectivity during screening and coding; and (3) vote counting.

4.2.2 Summary of high- and medium-confidence systematic reviews
Duvendack and colleagues (2011) review interventions in microcredit via individual and group lending in L&MICs. The review focuses on economic, social and empowerment outcomes on poor, excluded and marginalised populations. Interventions include ‘credit plus’ (microcredit plus savings) or ‘credit plus plus’ (savings, insurance and other financial services that also combine financial services with complementary non-financial services, such as business advice). Based on two RCTs, this systematic review finds no impacts on economic outcomes and no conclusive impacts on social and empowerment outcomes. Quasi-experimental studies suggest ‘little or no statistically significant effect on well-being outcomes measured, even when there are positive and significant effects on [input] variables such as borrowing and business activities’.

The authors conclude that impact evaluations of microfinance in general suffer from poor research design (such as non-random selection of locations and clients), weak analysis methodologies (such as problematic use of IVs that do not stand up to scrutiny) and inadequate data (such as use of single-period ex post data or recall data). They recommend that before increasing investments in microfinance that could divert attention from more pro-poor interventions, research should focus on strengthening evaluation in this area.

Stewart and colleagues (2012) study interventions related to microcredit and microsavings in L&MICs. They review whether microfinance (micro-leasing, microcredit or microsavings) results in engagement in economic opportunities (outputs such as setting up a microenterprise) and the outcomes of this engagement on clients’ income, expenditure and assets in L&MICs. Overall, this review finds inconclusive evidence of microsavings and microcredit on savings, income and expenditure. The authors state that they find ‘no evidence that micro-savings enables engagement in economic opportunities, although in some cases, but not all, it increases income, savings, expenditure and the accumulation of non-financial assets’. Similarly, they claim, ‘microcredit sometimes increases engagement in economic opportunities, but not always’. They are cautious of microcredit, arguing that credit is likely to increase indebtedness amongst the poorest of poor people. It could be less risky for those who have some form
of collateral, such as savings or assets. They attribute their non-conclusive findings to limited high-quality evidence in this field.

Vaessen and colleagues (2015) review evidence on microcredit interventions in L&MICs and their impact on poor women’s control over household expenditures. The authors synthesise their findings using a rigorous meta-analysis, finding no evidence for an effect of microcredit on women’s control over household spending. The authors specifically limit their outcomes to one indicator of women’s empowerment, so as to be able to comment on this indicator with confidence. Like previous studies, they note the dearth of well-designed impact evaluations on microfinance. They report that most impact evaluations were of high risk due to confounding, spillovers and contamination, and reporting biases.

Brody and colleagues (2016) look at urban and rural SHGs that carry out collective finance and/or livelihoods development. This mixed-methods systematic review examines the impact of women’s economic SHGs on women’s individual empowerment in L&MICs, and looks qualitatively at the perspectives of female participants on factors determining their participation in and benefits from economic SHGs in L&MICs. Their quantitative synthesis of experimental and quasi-experimental studies yields the finding that women’s economic SHGs have positive, statistically significant effects on various dimensions of women’s empowerment.

However, the authors note that existing quantitative studies suffer from high risk of selection bias. Summarising studies that are medium risk of bias, they find that SHGs lead to higher economic empowerment, as measured by economic decision-making for households. Social empowerment is measured by a number of indicators, such as a woman’s mobility and fertility decisions. The authors find a significant improvement in social empowerment of 0.18 SD when they limit the meta-analysis to medium risk studies. The study finds improvement in some indicators of political empowerment, but none on mental health and psychosocial empowerment.

To summarise, our review of systematic reviews suggests that the impact of microfinance groups on economic outcomes remains unclear. Two reviews examine microfinance interventions and find no impact on economic outcomes, such as income and expenditure (Duvendack et al. 2011; Stewart et al. 2012). Although both studies find some modest positive impacts on economic activities, they do not appear to have led to improvements in economic outcomes. Both reviews note that the current evidence base is primarily focused on interventions related to financial access, which in itself may be insufficient to have the expected outcomes. Stewart and colleagues (2012) note that microcredit has the potential to cause indebtedness amongst the poorest people, unless options for loan repayment are simultaneously provided.

We could not identify any high-quality systematic review on the effectiveness of SHGs on household and individual economic outcomes. Given that investments in SHGs have increased over time, there is a clear need for robust evidence on their impact. However, SHGs have shown some success in improving women’s empowerment. The systematic reviews by Brody and colleagues (2016) and Vaessen and colleagues (2015) both report significant although small improvements in the economic empowerment of women due to
provision of credit. In analysing social and political empowerment, Brody and colleagues (2016) find increases in women’s empowerment in these dimensions.

The caveat in interpreting the results from these reviews is that empowerment has been measured using a variety of indicators and the comparability of these may be questioned. For example, Vaessen and colleagues (2015) use one indicator of economic empowerment – women’s control over household expenditure – while Brody and colleagues (2016) combine studies that report a number of such indicators, such as women’s decision-making in food expenditures, children’s education and women’s labour supply.

One probable reason for this divergence in impacts between SHGs and MFIs could be due to the greater focus on empowerment by SHGs. Unlike MFIs, empowerment and access to group support is an integral part of SHG interventions, together with financial inclusion. This echoes the previous finding that mere access to financial capital is a limited approach for behaviour and attitudinal change.

It is important to note, however, that these systematic reviews are outdated. The most recent one, by Brody and colleagues, although published in 2016, includes studies available only until 2013. New studies produced since then could have rendered their findings outdated. Second, all the systematic reviews pointed out that the poor quality of the included impact evaluations limited their ability to draw firm conclusions.

4.3 Major evidence gaps

We now summarise the important evidence gaps, based on our examination of the evidence base of impact evaluations and systematic reviews. Figure 12 presents a heat map showing the number of studies across each intervention and outcome.

We highlight two types of gaps – evidence gaps where there are few or no primary studies and synthesis gaps where there is a lack of updated and high-quality systematic reviews. We find that the number of impact evaluations of group-based livelihoods interventions grew steadily in the late 2000s. Between 2008 and 2014, the number of impact evaluations increased by almost three times. Since 2014, however, there might have been a decline in the number of impact evaluations.
Figure 12: Heat map of impact evaluations and systematic reviews

<table>
<thead>
<tr>
<th>Key</th>
<th>Impact evaluations</th>
<th>Economic outcomes</th>
<th>Social and human development outcomes</th>
<th>Empowerment outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Intermediate outcomes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial literacy</td>
<td>Diversification of income sources</td>
<td>Consumption</td>
<td>Means of savings</td>
</tr>
<tr>
<td></td>
<td>Financial</td>
<td>Interest rates</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Financial and human</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Financial, human and social</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Financial and social</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Human</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Human and social</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>Social</td>
<td>Productivity</td>
<td>Participation in economic activities</td>
<td>Income</td>
</tr>
</tbody>
</table>

**Key:**
- Impact evaluations: 30-39, 20-29, 10-19, 0-9
- Systematic reviews: High- and medium-confidence, Low-confidence
- Financial outcomes: Financial literacy, Diversification of income sources, Consumption, Means of savings, Source of debt, Financial assets, Non-financial assets, Migration, Poverty levels
- Economic outcomes: Productivity, Participation in economic activities, Income, Expenditure, Savings, Debt, Non-financial assets
- Social and human development outcomes: Health, Education, Financial decision-making, Non-financial decision-making, Experience of physical, mental, sexual abuse, Political empowerment
4.3.1 Interventions and outcomes
Although the evidence base, as measured by the number of impact evaluations, has grown, the distribution of evidence is far from uniform. We were able to find impact evaluations on financial interventions that examine at least one of our mapped intermediate or primary outcomes. The next most frequently studied interventions are those that provide some form of financial and human capital. However, compared to the number of impact evaluations on financial interventions, the number of impact evaluations in this sector is low. Impact evaluations on non-financial livelihoods interventions and those that provide the full package of financial, human and social capital are limited with one or two studies.

Following the same pattern, certain outcomes have received more attention than others in the literature. Economic outcomes certainly form the bulk of outcomes studied, but gaps exist even within this group. Impacts on economic outcomes such as expenditure, income, consumption and assets have been studied more than others, such as savings, loans and their source of savings. Additionally, these outcomes have been studied at the household level; few analyses of individual impacts are available. Thus, we are unable to comment on intra-household effects.

An important role of livelihoods programmes is building the resilience of poor households, yet there is limited evidence regarding the impact on vulnerability and migration. Empowerment outcomes have received attention, but even within this broad category, experience of abuse has been studied less. Health and education outcomes have been examined more often. Social cohesion outcomes need more examination.

Significant gaps exist in the assessment of intermediate outcomes that could explain the link between interventions and final outcomes. A quarter of the impact evaluations assess impacts on engagement in economic activities, sources of livelihood and productivity. There are absolute gaps in impact evaluations mapping financial and human livelihoods interventions to financial literacy, interest rates, productivity, sources of debt, migration and poverty levels.

4.3.2 Geographical spread
Impact evaluations are concentrated in South Asia, with Bangladesh and India accounting for 50 per cent of the evidence base. Sub-Saharan and North and West Africa are comparatively less represented (11 studies, or 9%).

4.3.3 Study design
Studies that use quasi-experimental methods still form the substantial proportion of the evidence, although the number of experimental studies has increased. Quasi-experimental methods require strong identifying assumptions that are often difficult to verify and may not hold under usual conditions.

Over the years, the number of RCTs has increased; their share is almost equal to quasi-experimental studies. RCTs are based on weaker assumptions, but their success depends heavily on proper implementation and adherence to the evaluation design throughout the full evaluation period.
4.3.4 Synthesis gaps

We identified eight systematic reviews on group-based livelihoods interventions. The organisational groups included in current systematic reviews are primarily microfinance groups, savings groups and SHGs. Producers’ groups have not been synthesised, despite the existence of impact evaluations on these groups.

Quite a few impact evaluations examine the impact of group-based livelihoods interventions on diversification of income, indebtedness, source of loans and social cohesion outcomes. However, these have not yet been synthesised, representing a synthesis gap. Consumption, vulnerability and poverty levels have each been synthesised by one systematic review, but these were assessed as having low confidence. Hence, this is yet another absolute gap, rather than a synthesis gap.

Another important gap exists with respect to the age of studies included in the systematic reviews. Our most recent systematic review (Maïtrot and Niño-Zarazúa 2017) draws from studies between 1995 and 2015. Furthermore, the four systematic reviews we deemed of high or medium confidence and have summarised here are dated, including studies only until 2013. As we note in our earlier analysis, quite a few studies since then have yet to be synthesised. This means that updating the existing systematic reviews should be a priority.

5. Conclusions and implications

This EGM examines the evidence on the impacts of rural group-based livelihoods promotion programmes in L&MICs. Following pre-determined inclusion and exclusion criteria, we identify 129 impact evaluations and 8 systematic reviews. We map the interventions and outcomes reported in the studies to a matrix of 7 specific interventions, 5 intermediate outcomes and 19 final outcomes. We extract information on study location, year, group type, implementing agency, gender of clients and heterogeneous impacts. We assess the methods of all systematic reviews using a standardised tool and consolidate findings from four we deemed of high or medium confidence.

5.1 Implications for policy

The available high- and medium-confidence systematic reviews suggest some implications for policy (noting that new research, published since their searches were conducted, could change these findings).

Microfinance and access to credit alone may not be sufficient to improve economic outcomes of people living in poverty. The two systematic reviews on MFIs find no impact on income and inconclusive impacts on economic activities.⁸ There is a lack of high-quality evidence on the impact of MFIs on women’s non-financial decision-making, experience of abuse and political empowerment. Similarly, whether SHGs can improve economic outcomes of poor people remains unclear. The only systematic review on

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⁸ More recent evidence upholds this finding. In a review of reviews of financial inclusion programmes that include MFIs, Duvendack and colleagues (2019) conclude that such interventions have been largely unsuccessful in improving economic outcomes such as income, assets and expenditure, health and social outcomes.
SHGs focuses on empowerment outcomes, not economic outcomes, so we are unable to draw conclusions on these outcomes.

Further investments in this sector must be informed by rigorous, updated and context-adjusted evidence. Given the relative lack of rigorous evidence in this intervention area, programme managers and decision makers need to ensure new programmes and investments build on any existing evidence in their designs, and contribute to the evidence base where clear evidence gaps have been identified. One suggestion is to ensure evaluations are integrated with programmes. It is important to identify treatment and control groups, collect high-quality baseline data at the start of new programmes, and follow the implementation protocol throughout the evaluation cycle.

The bulk of the evidence is from Southeast Asia, particularly from Bangladesh and India. Evidence from Africa and East Asia remains limited, although an increasing number of group-based livelihoods programmes are being rolled out in these regions. Yet, each presents its own unique set of challenges to programme success. Contextual and programmatic factors and social norms that influence the impacts of such interventions are likely to differ across countries. Replicating interventions should be informed by a comparison of evidence from different regions.

5.2 Implications for research

There is a clear need for more high-quality impact evaluations and systematic reviews in this sector. The four systematic reviews that meet 3ie’s confidence standards are dated. Moreover, these systematic reviews note that they are limited by the high risk of bias in impact evaluations that could drive their findings. In all four systematic reviews, the number of studies from which conclusions can be drawn is only a small proportion of those included in the reviews. For example, Duvendack and colleagues (2015) base their findings on two RCTs. Better impact evaluations can be achieved through careful choice of study design and by ensuring the quality of data.

There is a need to diversify the evidence on what interventions matter for the success of livelihoods support programmes. Our EGM shows that interventions aimed at improving access to human capital – such as skills development, health and nutrition services and vulnerability support programmes, which are essential components of livelihoods promotion – have not been assessed rigorously. With governments in India and several other developing countries rolling out complex livelihoods programmes that go beyond the provision of credit and financial linkages, better understanding of the potential of such programmes is essential.

Impact evaluations that pay closer attention to understanding mechanisms that lead to impacts will be useful. Very few impact evaluations have attempted to examine intermediate outcomes that could explain why and how impacts occur, or not. These do not always explore heterogeneity of treatment effects by sex, caste and ethnicity, and are therefore unable to explain who is affected, and how, by such programmes.

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9 A recent systematic review on savings interventions in Sub-Saharan Africa finds increases in household expenditures and incomes, higher returns from family businesses, and improved food security (Steinart et al. 2018).
We find that household outcomes have been studied more than individual impacts. Heterogeneous impacts by sex, age, gender and demographic characteristics and intra-household variance need more explicit exploration. Furthermore, we find a few studies that have attempted to examine the quality of participation in groups. Such evidence on the causal mechanisms that affect or lead to impacts needs careful examination to inform programme design.

There is a need for more rigorous impact evaluations and syntheses that compare different groups in a given context. For example, studies that compare microcredit groups and women’s SHGs can help inform the relative advantage of each type of group. This is particularly important to help practitioners adopt and incorporate best practices for group formation.

Impact evaluations will be more useful if they focus on a more diverse set of outcomes. Most studies have focused on economic outcomes, such as income and consumption. However, in keeping with the theory of change, we have identified a number of other outcomes that matter, but that have not been studied as much. There is little evidence on changes in welfare-based indicators, such as poverty incidence, migration, resilience to shocks and social cohesion.

Although we argue for a wider range of outcomes to be studied, findings from our review of systematic reviews suggest a need for clarity on the choice of indicators for a specific outcome. Not all studies that are included in the systematic reviews measure the same outcomes comparably, and it is often not clear what drove the choice of indicators. For example, women’s empowerment can be measured across different dimensions. A study that measures empowerment using women’s control over household spending might not be comparable to one that does so by using women’s access to household assets. This makes it hard to synthesise findings and draw firm conclusions.

The geographical base of evidence needs to be expanded to inform how group-based development experiences may be designed to respond to different contexts. Synthesis comparing evidence from different regions is additionally required to generate learning for decision makers.

In summary, this EGM shows that although there is a large number of impact evaluations of group-based livelihoods programmes, significant evidence gaps exist. There are enough impact evaluations that updating the existing systematic reviews would be worthwhile. However, the value of additional primary research will increase if they use gender-responsive and equity-focused mixed methods to better understand for whom the interventions work, and how.
Appendix A: Detailed methodology

An EGM displays interventions and outcomes in a matrix form. Our first step was to decide the scope of the EGM. Specifically, we had to identify the type of interventions and outcomes to map. We started by developing a theory of change, based on a desk review of the existing literature, that examined the causal links between group-based livelihoods interventions, intermediate outcomes and final outcomes. We adapted our theory of change of how livelihoods programmes can be expected to work from the Indian SHG model, which supports the map’s relevance for the National Rural Livelihoods Mission and comparable programmes.

We presented an initial theory of change and an intervention and outcome framework based on it at the African Evaluation Association International Conference in Kampala in March 2017. We also presented the theory of change at a stakeholder consultation workshop, held 18 August 2017 in Delhi. The workshop was attended by practitioners working at different levels of programme management, from design to ground-level implementation.

Workshop participants discussed the theory of change and helped refine it, identifying outcomes that are typically less studied or missing in the literature. Participants identified the main types of livelihoods interventions that are being tried in the field and mapped these to all possible outcomes. This helped us to firm the intervention-outcome matrix that would eventually be used in our EGM. For example, we were advised to include reduction in vulnerability and migration, and to assess studies for programme indicators such as programme participation, targeting and loan repayment. Feedback from this workshop helped us further define the types of interventions for our EGM. For example, although natural resources are considered important livelihoods assets, we did not include interventions related to these in our scope.

To lay out the scope and inclusion and exclusion criteria, we developed a population, intervention, control, outcome and study design (PICOS) tool, which enables examination of a quantitative study based on these parameters. Table A1 depicts our PICOS.

We developed a systematic search strategy that captured published and unpublished studies from 15 databases (Table A2). We manually searched 10 websites using the keywords used in our systematic search. We additionally used snowball search methods to finalise our full data set of studies to be screened.

We followed a step-by-step screening process, starting with removal of duplicates. This was followed by title and abstract screening and finally full text. At this stage, we also closely examined studies by the same set of authors that use the same methods on the same primary data sets but have multiple publications with different outcomes. In these cases, we treated the studies as one publication.

To ensure quality, we trained all screeners on the same set of studies. Contentious studies were discussed in team meetings and a unanimous decision was taken on whether to include or exclude them. Apart from interventions and outcomes, we also extracted data on study design, geography, group type, implementing agency, gender of members, whether a study carried out heterogeneity or subgroup analysis, type of
subgroup, and indicators of programme participation, targeting and loan repayment. While reading the full texts, we also extracted qualitative data on programme implementation and quality.

We blindly coded 20 per cent of the total included studies twice across four team members. Discrepancies on EGM inclusion and study design were very rare, but there were differences in interpretations of a few outcome variables. These were resolved and all studies reviewed by another member who had not done the original coding. All contradictions were discussed in team meetings and resolved to ensure coding consistency.

3ie’s Systematic Reviews Office assessed the quality of all included systematic reviews using a standardised critical appraisal tool. Every study was coded for heterogenous effects reported by gender. We did not appraise evaluations for gender-responsiveness.

The systematic search was conducted twice – first in 2015 and again in 2018. The same screening and quality control protocol were used both times.

**Table A1: PICOS**

<table>
<thead>
<tr>
<th>Include</th>
<th>Exclude</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td></td>
</tr>
<tr>
<td>- Rural population in L&amp;MICs</td>
<td>- Rural populations in high-income countries</td>
</tr>
<tr>
<td>- Studies which include rural, peri-urban population and mixed populations</td>
<td>- Studies with only urban populations</td>
</tr>
<tr>
<td><strong>Intervention</strong></td>
<td></td>
</tr>
<tr>
<td>- Programmes that provide, through groups, access to and use of</td>
<td>- Interventions unrelated to groups</td>
</tr>
<tr>
<td>- Financial capital</td>
<td>- Interventions that do not include a livelihoods component such as</td>
</tr>
<tr>
<td>- Human capital</td>
<td>community immunisation, sanitation and children’s education and welfare, governance</td>
</tr>
<tr>
<td>- Social capital</td>
<td></td>
</tr>
<tr>
<td><strong>Comparisons</strong></td>
<td></td>
</tr>
<tr>
<td>- Regions with no program</td>
<td></td>
</tr>
<tr>
<td>- Non-participants</td>
<td></td>
</tr>
<tr>
<td>- Non-group programmes</td>
<td></td>
</tr>
<tr>
<td>- Factorial designs</td>
<td></td>
</tr>
<tr>
<td>- Phased programmes</td>
<td></td>
</tr>
<tr>
<td><strong>Outputs/Outcomes</strong></td>
<td></td>
</tr>
<tr>
<td>- Economic</td>
<td>- Studies with only intermediate outcomes</td>
</tr>
<tr>
<td>- Human development</td>
<td></td>
</tr>
<tr>
<td>- Social</td>
<td></td>
</tr>
<tr>
<td>- Empowerment</td>
<td></td>
</tr>
<tr>
<td>- Intermediate outcomes, where final outcomes are reported</td>
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<tr>
<td><strong>Study design</strong></td>
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<tr>
<td>- Randomised controlled trials</td>
<td>- Qualitative studies</td>
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<td>- Propensity score matching</td>
<td>- Before-after comparisons</td>
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<td>- Regression discontinuity design</td>
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<td>- Difference-in-difference</td>
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<tr>
<td>- Instrumental variables</td>
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<tr>
<td>- Others that provide a valid control group</td>
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**Systematic reviews/meta analyses**

Date restriction: 1996-2018
### Table A2: Databases and websites searched

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<th>Name of source</th>
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<th>No. of hits January 2016–April 2018</th>
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<tbody>
<tr>
<td>IBSS (Proquest)</td>
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<td>106</td>
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<tr>
<td>Proquest – Socio Abst</td>
<td>929</td>
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<tr>
<td>Proquest – PAIS</td>
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<td>Proquest – WPSA</td>
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<td>ASSIA</td>
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<td>CAB Abst (OVID)</td>
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<td>Cochrane Library</td>
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<td>IDEAS/REPEC</td>
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<td>IFPRI</td>
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<td>JOLIS</td>
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<td>CGD</td>
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<td>MF Gateway</td>
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<td>DFID R4D</td>
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<td>11</td>
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<td>3ie</td>
<td>349</td>
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<tr>
<td>Social Observatory</td>
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<td><strong>Total</strong></td>
<td><strong>26,604</strong></td>
<td><strong>3,949</strong></td>
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## Appendix B: Coding tool

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<th>Description</th>
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<tbody>
<tr>
<td>Unique study ID</td>
<td>Unique ID for all studies</td>
</tr>
<tr>
<td>3ie reviewer</td>
<td>Abbreviations of reviewer</td>
</tr>
<tr>
<td>EGM in/out</td>
<td>$1 = EGM in / 0 = EGM out</td>
</tr>
<tr>
<td>Authors</td>
<td>Name of all authors</td>
</tr>
<tr>
<td>Type of paper</td>
<td>Choose from (i) peer-reviewed journal article (ii) report (iii) working paper (iv) unpublished</td>
</tr>
<tr>
<td>Year of paper</td>
<td>Year as reported in document</td>
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<tr>
<td>Title</td>
<td>Full title of the paper</td>
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<td>Region</td>
<td>East Asia, Latin America and the Caribbean, Middle East and North Africa, South Asia, sub-Saharan Africa, Europe</td>
</tr>
<tr>
<td>Country</td>
<td>Write the name of the country of the intervention</td>
</tr>
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<td>If India, state</td>
<td>If the country is India, write the name of states</td>
</tr>
<tr>
<td>Type of intervention</td>
<td>Choose all applicable: (i) credit (ii) non-credit financial products (iii) financial inclusion services (iv) financial training (v) livelihoods training (vi) health, nutrition and sanitation services (vii) social capital</td>
</tr>
<tr>
<td>Multicomponent</td>
<td>Does the intervention combine interventions</td>
</tr>
<tr>
<td>Description of intervention</td>
<td>Qualitative description of intervention</td>
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<tr>
<td>Population</td>
<td>Rural, peri-urban, rural and urban</td>
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<tr>
<td>Type of group</td>
<td>Choose from (i) MFIs (ii) SHGs (iii) village banks and savings (iv) cooperatives (v) producer groups (vi) multiple groups (vii) others</td>
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<tr>
<td>Group implementing agency</td>
<td>Choose from (i) government (ii) NGOs (iii) for-profit MFIs (iv) multiple (v) others (vi) unclear</td>
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<tr>
<td>Members’ gender</td>
<td>Choose from (i) women (ii) both men and women</td>
</tr>
<tr>
<td>Study design</td>
<td>Choose the main primary study design (i) DID (ii) IV (iii) PSM (iv) RCT (v) RDD (vi) others (vii) systematic reviews</td>
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<tr>
<td>Intermediate outcomes</td>
<td>Code 1 if any of the outcomes are reported in the paper (i) diversification of income sources (ii) productivity (iii) participation in economic activities (iv) interest rates (v) financial literacy</td>
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<td>Final outcomes</td>
<td>Code 1 if the outcomes are reported in the paper</td>
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<td>Means of savings</td>
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<td>Vulnerability</td>
<td>Financial assets</td>
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<td>Source of debt</td>
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<td>Savings</td>
<td>Debt</td>
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<td>Debt</td>
<td>Consumption</td>
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<td>Non-financial assets</td>
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<td>Expenditure</td>
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<td>Expenditure</td>
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<td>Education</td>
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<td>Education</td>
<td>Health</td>
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<td>Health</td>
<td>Experience of physical, mental, sexual abuse</td>
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<td>Code</td>
<td>Description</td>
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<td>Political empowerment</td>
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<td>Financial decision-making</td>
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<td>Non-financial decision-making</td>
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<td>Loan repayment</td>
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<th>Heterogenous effects reported</th>
<th>1 = Yes 0 = No</th>
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| If yes, type of heterogenous effects | Qualitative description |
Appendix C: Included impact evaluations and systematic reviews


Second Impact Assessment Study of BRAC’s Rural Development Programme. BRAC Research and Evaluation Division.


Appendix D: Typology of groups

Community-driven institutions operating through a group platform can be classified and defined in different ways. Although no single classification would succeed in defining every livelihood group, Figure D1 illustrates one such attempt at classification that draws from Ledgerwood (1998) and others to divide them into semi-formal and informal institutions. Semi-formal institutions can be further subdivided into three categories: community-based, solidarity-based and livelihood-based groups.

Figure D1: Typology of group-based institutions

1. Semi-formal institutions

Community-based groups

In community-based groups, ‘promoters’ teach communities how to organize themselves so community members can offer financial services to each other.10 Their primary function is to develop the internal financial management capacity of the group in order to create a mini-bank, independent of the lending institution, owned and managed entirely by the poor.

There are generally three types of community-based groups:

- Self-help groups are voluntary groups of 10–20 members with a common affinity – social, structural, livelihood or gender. They originated in India in the 1980s, when cooperatives organized by an NGO, MYRADA, started breaking up into smaller ‘self-help’ groups (IFAD 2006). SHGs generally have a social cause or

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10 Rutherford (2001) distinguishes between the ‘provider’ and ‘promoter’ approaches for financial services.
change as their motivating factor, with financial credit as a secondary goal or instrument. Their emphasis is on poor people building their own financial services rather than having a ‘big bank for the poor’. Thanks to priority-sector lending rules in India, this model has proliferated. Initially they collect and lend their own savings and eventually secure external loans from banks. Their funding is mixed – both self-funded and externally funded.

- **Village banking groups**: Developed by FINCA in 1983, a village bank consists of its membership of about 30–50 villagers and a management committee that takes a block loan from an outside agency, such as any sponsoring MFI, and then lends the money to its members. All members sign the loan agreement. Regular weekly or monthly meetings are held to collect savings, disburse loans and receive training from the sponsoring MFI. FINCA, CARE and Save the Children are some of the examples operating in Costa Rica, Guatemala and El Salvador, respectively. The funding is external.

- **Village savings and loan associations**: These eschew outside finance and are self-reliant, catering to the needs of the village as a whole. A supporting organisation organises groups, usually 10–25 villagers, but has no permanent presence. The villagers determine the organisation and rules. They mobilise savings and extend short-term loans on an individual basis, mainly with members’ deposits. After a year or two, they build an association, which negotiates lines of credit with local banks, generally agricultural development banks. Examples are Pays Dogon and VISACA in West Africa and CARE village savings and loan associations in Africa. These groups are self-funded.

**Solidarity-based groups**

Solidarity-based groups consist of around four or five people. An MFI ‘provider’ delivers loans, deposit facilities and other retail financial services to these microfinance groups.

Solidarity group lending generally has two subtypes:

- In the Grameen system, peer groups of five unrelated members are self-formed and incorporated into village centres of up to eight peer groups. Members attend regular meetings and make regular savings mandatorily. Loans are made to individual group members by the local credit officer at the weekly meetings, after a certain period.

- In the Latin American solidarity-based group model, loans are made to individual members in groups of four to seven. Credit officers typically work with between 200 and 400 clients and do not get to know their clients well. Savings are usually required, but are often deducted from the loan amount at the time of disbursement, rather than requiring the clients to save before receiving a loan. Loan disbursements are made at the branch office to the group leader, who immediately distributes the funds to each individual member. Developed by Accion International, this model has been adopted by many MFIs, including PRODEM, BancoSol Bolivia and others in Latin America.

**Livelihood-based groups**

Livelihood-based groups include cooperatives and producers’ groups. In rural areas, cooperatives are generally agricultural and allow members to collectively improve their bargaining power and achieve economies of scale by pooling expensive costs, such as
for inputs and marketing. Savings and credit are other important functions of cooperatives, with members owning shares and having voting rights. Members typically share a 'common bond', based on a geographic area, employer, community or other affiliation.

Similarly, producers' groups are an important livelihood-based group, into which farmers, agriculturalists or any other type of producer organise themselves for livelihoods promotion and/or for access to financial products or services.

2. Informal institutions

Finally, rotating and accumulating savings and credit associations operate in the informal space and are both self-funded.

- A rotating savings and credit association, known as a ROSCA, is a self-selected, informal group of people who contribute equal amounts of money on a regular basis. At each meeting, after the contributions have been made, the money is allocated to a single member, either through drawing lots or according to a schedule, agreed at the start of the cycle. The money is not repaid. There are many variations of ROSCAs worldwide, with different names, amongst them chit funds in India, tandas in Latin America, susu in West Africa, and tontine in many Francophone countries.

- In an accumulating savings and credit association, known as an ASCA or ASCrA, all members regularly save the same fixed amount, while some participants borrow from the group. Interest is usually charged on the loans. ASCAs require bookkeeping, because the members do not all transact in the same way. Some members borrow, while others are savers only, and borrowers may borrow different amounts on different dates for different periods. If members pay interest on their loans, then the return to savings has to be individually calculated and fairly shared amongst the group members.
References


Olinto, P, Beegle, K, Sobrado, C and Uematsu, H, 2013. The state of the poor: where are the poor, where is extreme poverty harder to end, and what is the current profile of the world’s poor? Economic Premise, 125(2), pp.1–8.


Other publications in the 3ie Evidence Gap Map Report Series

The following papers are available from http://www.3ieimpact.org/evidence-hub/evidence-gap-maps


This evidence gap map by Barooah and colleagues consolidates evidence on the economic, social and empowerment effects of livelihoods interventions provided through groups between January 1996 and April 2018. The number of impact evaluations has increased threefold, with the majority being geographically concentrated in South Asia. The distribution of evidence is uneven across different types of interventions. Financial interventions – such as provision of credit, savings and financial training – have been evaluated more than other livelihoods interventions. The map highlights that programmes for human capital development – such as skills training, and health and nutrition services, which are essential components of livelihoods strategies – have not been assessed as much. Impacts on economics outcomes – such as income, consumption, expenditure and assets – have been studied more than migration, vulnerability to shocks, and means of savings and loans.