LOCAL ECONOMIC DEVELOPMENT SERIES

Inclusive and Sustainable Recovery

How can we support community/women groups for longer-term local economic recovery and resilience?

08:30am ET | September 9, 2020

Louise Cord
WORLD BANK

Martien Van Nieuwkoop
WORLD BANK

Parmesh Shah
WORLD BANK

Alka Upadhyaya
Government of India

Sybil Chidiac
BILL & MELINDA GATES FOUNDATION

Thomas de Hoop
AMERICAN INSTITUTES FOR RESEARCH

Vinay Kumar Vutukuru
WORLD BANK

Susan Wong
WORLD BANK
Today’s Structure

Opening remarks:
• Louise Cord, Global Director, Social Sustainability and Inclusion Global Practice, World Bank
• Martien Van Nieuwkoop, Global Director, Agriculture, and Food Global Practice, World Bank

Fireside chat
Moderator:
• Parmesh Shah, Global Lead, Rural Livelihoods, and Agriculture Employment Global Solutions Group, World Bank

Speakers:
• Alka Upadhyaya, Additional Secretary, Ministry of Rural Development, Government of India
• Sybil Chidiac, Senior Program Officer, Gender Equality, Bill and Melinda Gates Foundation
• Thomas de Hoop, Principal Economist at American Institutes for Research, Evidence Consortium on Women’s Groups
• Vinay Kumar Vutukuru, Senior Agriculture Specialist, World Bank

Closing remarks:
• Susan Wong, Global Lead, Community Driven Development Global Solution Group, World Bank
Welcome to the Local Economic Development Resource Page!

Government clients and the World Bank task teams have expressed growing interest in enhancing livelihoods, income generation, and job creation through Community-Driven Development (CDD) and Local Economic Development (LED) approaches. Given this, we have developed this resource page as a one-stop-shop on CDD and livelihoods/LED materials. We encourage you to check out all of the resources and documents on the page.

Local Economic Development and COVID Recovery Webinar Series

Join us for an engaging LED webinar series providing structured learning with thought leaders, policy makers and practitioners to explore pathways for rebuilding local economies and communities better for resilient and inclusive sustainable recovery.
Inclusive and Sustainable Recovery

Alka Upadhyaya

Additional Secretary, Ministry of Rural Development, Government of India
DAY-NRLM
**DAY-NRLM: An overview**  
(Cumulative Progress up to July’20)

- 69.7 million HHs mobilized
- 6.4 million SHGs promoted
- USD 1.5 billion of capitalization support extended by Mission
- USD 40 billion of Bank Credit accessed by SHGs
- 11189 SHG Members deployed as BCAs
- 2 million + SHG members covered under insurance schemes
- 9 million + Women Farmers supported
- 98336 enterprises supported
SHG – Bank Credit Linkage Program

Bank Credit Accessed by SHGs (in USD Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (USD Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>3059.2</td>
</tr>
<tr>
<td>2014-15</td>
<td>3194.2</td>
</tr>
<tr>
<td>2015-16</td>
<td>4058.7</td>
</tr>
<tr>
<td>2016-17</td>
<td>5678.2</td>
</tr>
<tr>
<td>2017-18</td>
<td>5905.5</td>
</tr>
<tr>
<td>2018-19</td>
<td>8195.6</td>
</tr>
<tr>
<td>2019-20</td>
<td>9373.1</td>
</tr>
</tbody>
</table>
DAY-NRLM during the lockdown

- Awareness Campaign - 51 million SHG members trained
- 230 million masks manufactured
- Community Kitchen - 57.2 million persons served
- USD 2.7 billion transferred to accounts of 206 million women under PMGKY
- SHG-BCA conducted 10 million transactions amounting to USD 310 million
DAY-NRLM: Post Covid Strategy

**Intensive Capitalization**
- Spurring consumption and investment
- Generating new opportunities for incoming migrants

**Revitalizing Value Chains**
- Local aggregation and value addition capacity
- New job opportunities in agri-services

**Convergence for synergy**
- Maximizing efficiency in resource channeling
- Harnessing institutions for inclusion

**Behaviour Change**
- Transforming community behaviour
- Institutional capacity for health monitoring and action
TO ACHIEVE GREATER IMPACT, WE ARE WORKING WITH PARTNERS TO TRANSFORM WOMEN’S GROUPS

We believe that when women’s groups incorporate five core elements, they can significantly increase their impact.

- **POOLING SAVINGS AND SHARING RISKS**: Provide opportunities for saving, lending, and connecting women to financial institutions.
- **GROUP SOLIDARITY AND NETWORKS**: Build on and expand women’s existing social networks, and foster trust and social cohesion.
- **PARTICIPATORY LEARNING AND LIFE SKILLS**: Allow members to engage in practical, relevant trainings in health and agricultural practices and services.
- **CRITICAL CONSCIOUSNESS OF GENDER**: Empower women by discussing rights, inequalities, and gender norms.
- **ACCESS TO MARKETS AND SERVICES**: Enable members to participate in market activity by reducing transaction costs.
EVIDENCE SHOWS THAT ADDING THESE ELEMENTS CAN LEAD TO PRIORITY OUTCOMES FOR MORE WOMEN

**FINANCIAL INCLUSION**
through increased savings, generated income from microfinance, and reduced informal debt and credit, leading to **financial security and resilience**

In East Africa, participation in savings groups has led to increased business-related spending, resilience, and food security.¹

**HEALTH**
through improved maternal and child health practices, better access to health services and nutrition, and increased contraceptive use, leading to **lower maternal, newborn, and infant mortality rates**

Studies in Bangladesh, India, Malawi, and Nepal found that women participating in self-help groups had improved maternal and newborn health in low-resource settings.²

**LIVELIHOODS**
through enhanced access to and better use of technology, increased crop diversification, and improved business performance, leading to **increased income and productivity**

In South Asia and East Africa, studies have shown that market involvement, technology adoption, and income diversification increased.³

**EMPOWERMENT**
through increased mobility, heightened decision-making, and control over money and family size, leading to **increased collective action and political participation**

Self-help groups can positively impact control over family size and decision-making, money, mobility, and political participation.⁴

---

We are working with countries at different stages in the evolution of their WECs platforms.

**Platform required along the journey of WECs**

**Saturation**

Africa: Requires building an at-scale and defragmented platform where groups can be more efficiently and effectively targeted and reached to layer additional elements.

India: Requires strengthening existing platform to deepen existing work to layer elements and in particular to build market linkages.

To deliver all 5 elements cost-effectively, groups need to be on a single platform.

This reduces the cost of having to ‘find’ groups to layer and link by creating a single channel.

India already has such a platform; in Africa, this needs to be built.

---

1 Represents the % of women in groups in the country as per Findex and SAVIX data (2011 – 2018) – note that this data only tracks groups with a savings element.
Inclusive and Sustainable Recovery

Thomas de Hoop
Principal Economist at American Institutes for Research, Evidence Consortium on Women’s Groups
Supporting women’s groups for longer-term local economic recovery and resilience
Women’s Groups show promise in improving economic outcomes, but evidence is mixed after programs move to scale.

- **Uganda: NGO supported programs**
  - Positive impacts of *savings groups* on financial inclusion; mixed evidence for positive impacts on economic outcomes.
  - Positive impacts of *livelihoods groups* on economic outcomes; evidence base is very small though.
  - Very limited evidence on cost-effectiveness

- **Bihar, India: Jeevika**
  - Small or nonsignificant impacts on *productive assets* and income (Hoffman et al., 2018).
  - Large reductions in *informal interest rates* in Jeevika villages (Hoffman et al., 2018).
  - Larger impacts on *consumption assets* for landless households, as well as positive impacts on *productive assets* (Hoffman et al., 2018).
  - Some first evidence on cost-effectiveness emerging (Siwach et al., 2020)
How Group Functioning May Change in Response to COVID-19:

✓ Providing social protection and support to mitigate consequences of lockdown
✓ Fewer or no meetings and use of digital technology
✓ Partnering with governments and civil society in health responses

Using Savings to Cope with Shocks in Nigeria

% Of Households Relying On Savings to Cope With COVID-Related Shocks

Source: Nigerian General Household Survey Panel (LSMS-ISA)
Self-help groups in India experience reduced mobilization in red zones but increased mobilization in green zones; savings reduced across all districts, particularly in red zones:

Compared to Jan 2019 to Feb 2020:

• Average monthly household mobilization in March-July 2020 decreased by 71 households. Average decline in red zones was ~120 households.

• Monthly savings per block declined by almost Rs. 240,000. Decline in red zones was approximately Rs. 544,000.
Upcoming Events

Webinar #2

Wednesday, September 23, 2020: How can social innovators and entrepreneurs support inclusive local economic recovery?

8:00am ET | 1:00pm GMT | 5:30pm IST

Webinar #3

Wednesday, October 7, 2020: How can we support the employment of vulnerable youth during and after COVID-19?

8:30am ET | 1:30pm GMT | 6:00pm IST