

## **Study Title: An Evaluation of Primary Education Stipend Project-II**

### **Client: Primary Education Stipend Project (Phase-II)**

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In this study, attempts were made to assess the final outcomes of major indicators of educational attainment, economic and social development among the households of the students who received stipends under PESP-II vis-à-vis that among the control households. The study was conducted in 125 schools and madrasas in 25 districts, with 1250 student households that received PESP-II stipends and comparable 1250 households that did not receive PESP-II stipends. Thus the aggregate sample stood at a total of 2500 households. In addition, heads of the 125 schools and madrasas were interviewed about attendance, promotion, repetition and dropout rates across grades. The survey employed a mixed-method approach, combining collection and analysis of both quantitative and qualitative data. For the qualitative assessment 380 KIIs were conducted with 8 different categories of implementers in order to understand the implementation procedure.

Qualitative analysis reveals that the head teachers and SMCs are free to devise their own criteria and procedures for student selection because the PESP-II has not yet developed an operations manual. No ground level checking or scrutinizing takes place while preparing the list of beneficiaries. However, due to geographic targeting exclusion and inclusion error have lessened over time. Both implementer and recipients have complained about the transaction burdens of the program. When asked about the quality of education almost all of the head teachers indicated that quality of education has improved due to PESP but yet probability of rigging the required statistics to ensure continuous flow of stipend was not completely ruled out. The PESP-II provides Tk.100 per month to households with one qualifying student and Tk.125 per month to households with more than one qualifying student, for all twelve months. As the marginal increase of stipend amount is nominal the poor families attempt to send children to different schools in order to collect a total of Tk. 200/month rather than Tk. 125/month. Besides, as a child ages both the direct and opportunity costs increase, and the stipend may not be sufficient to meet these costs.

Quantitative findings imply that household size, number of primary school going students, demographic ratio, and economic dependency ratio of the PESP students are significantly lower than that of the non-PESP students. The PESP households are also lagging behind the control households in most of the economic wellbeing indicators. Still, there is 33 percent probability of inclusion error of non-eligible student as PESP beneficiaries according to occupational criterion of the father. Significant difference is found between participants and control households with regard to subjective assessment of food security and poverty.

Considering the nature of data, propensity score matching (PSM) technique was applied to accurately capture and predict outcomes PESP interventions. The estimates of the logit model revealed that PESP participation decision is positively affected by electricity connection to the household, if the occupation of the father student falls within the PESP set of occupational category, and educational attainment of mother. In contrast, students in households with better house quality, access to sanitary latrine, more homestead/agricultural land, high demographic

dependency rate, higher per capita household income, high educational attainment of father, and time taken to reach school are less likely to get selected for the PESP intervention.

The PSM results of the impacts of PESP on school attendance and performance show that PESP participants attended about 11 days more than the non-PESP students and also performed better than the non-PESP students in the final examinations (get 7 percent more marks). However, the impact estimates suggest that the program failed to make it possible for its beneficiaries to increase their expenditures on food, and non-food items. The PSM impacts of PESP on women empowerment reveal that in all indicators considered, women in households enjoy equal levels of empowerment irrespective of the PESP status. In case of school level impact indicators (attendance rate, promotion rate, repetition rate and dropout rate) estimates exhibit that there is statistically significant difference in favor of PESP recipient students.