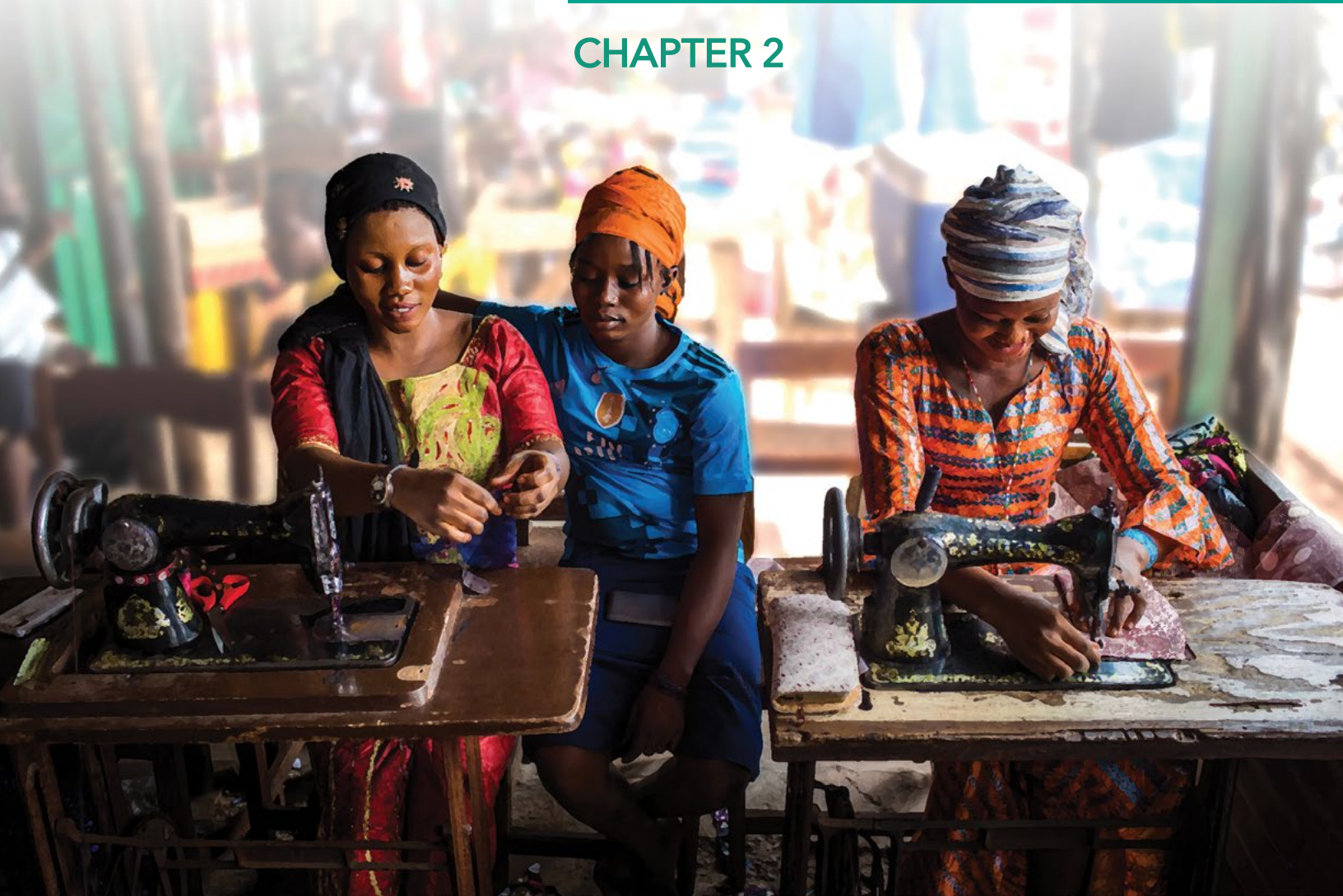


The State of Economic Inclusion Report 2024

Pathways to Scale

CHAPTER 2



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The State of Economic Inclusion Report 2024

Pathways to Scale

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CHAPTER 2

A Growing Global Footprint—Economic Inclusion Is Expanding

KEY MESSAGES

- More than 70 million people in 88 countries benefited either directly or indirectly from economic inclusion programs in 2023—over 50 percent more than in 2020. Those numbers are likely to increase exponentially as government-led programs mature and programs now in the pipeline begin serving participants. However, millions more poor and vulnerable people remain economically and socially excluded.
- The landscape reveals a greater diversity of programs, with programs in more countries and in more-diverse contexts, serving more population groups and implemented by a wider range of institutions. Meanwhile, programs strive to maximize the quality of impact while optimizing costs.
- This report identifies two complementary programs reflected in the landscape: (1) *household-focused programs*, which are targeted to offer comprehensive support to households in extreme poverty to build assets and market links while preparing participants to access broader systems and services, and (2) *area-focused programs*, which are targeted to offer support to a broader community in a geographic area or a system to improve access to markets or services, while also providing extensive assistance to households in extreme poverty.

The Global Footprint of Economic Inclusion Programs Is Growing

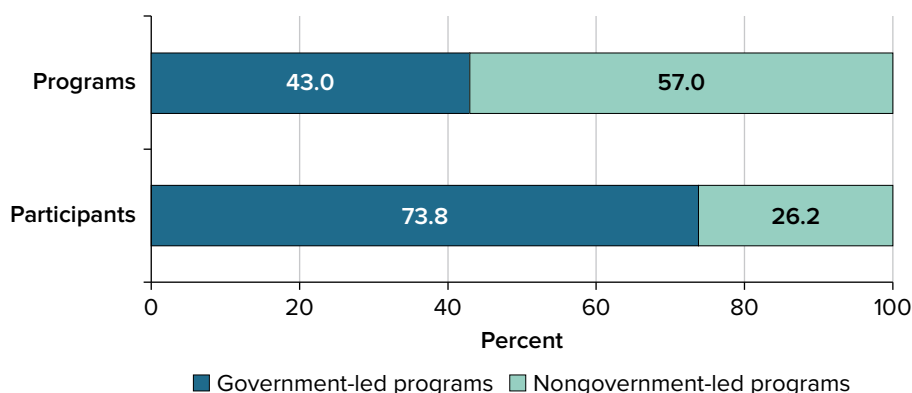
Despite the global economic slowdown that began in 2020, a renewed surge in the number of economic inclusion programs is under way globally. The Landscape Survey 2023 covers 405 programs in 88 countries, whereas the 2020 survey covered 219 programs in 75 countries. Many ongoing programs have expanded despite, or in some cases in response to, the current overlapping crises. Programs currently operating support more than 15 million households and benefit more than 70 million individuals, directly or indirectly,¹ for an increase of more than 50 percent in the reach of economic inclusion programs. *The State of Economic Inclusion Report 2021* (SEI 2021; Andrews et al., 2021) reported that programs surveyed by the Partnership for Economic Inclusion were supporting 9.8 million households and benefiting more than 45.8 million individuals, directly or indirectly.²

Current estimates of the number of people engaged in and benefiting from these programs are probably conservative because of the robust pipeline of economic inclusion programs. These estimates also mask the impressive outreach of these programs over time. Since starting operations, 338 programs report having served nearly 25 million households, thereby benefiting more than 111 million people worldwide cumulatively and over time.³ They include not only programs squarely targeting extreme-poor and ultra-poor individuals but also many programs supporting economic inclusion for people from a wider range of economic groups.

The 96 ongoing programs that target only extreme-poor and ultra-poor individuals and that reported beneficiary data support more than 2.3 million households and benefit more than 11 million people. Over time, these programs have supported more than 6.6 million households and benefited more than 29 million extreme-poor and ultra-poor individuals. However, this number represents a fraction of the total coverage of these poverty groups because these numbers do not include the coverage of extreme-poor and ultra-poor households by programs that are targeted more widely.⁴

Governments Lead the Effort to Scale Up

The 43 percent of all surveyed programs (and 35 percent of surveyed programs with participant data) that are government-led account for approximately 74 percent of all participants (refer to figure 2.1). These government-led programs often build on existing programs in social assistance, agriculture, environment, and other sectors that provide an entry point for organizations to build a multifaceted economic inclusion intervention. Many government-led programs build their economic inclusion efforts on an existing safety net, such as a cash transfer or a public works program (refer to box 2.1).

FIGURE 2.1 Percentage of Economic Inclusion Programs and Participants, by Lead Institution

Source: Partnership for Economic Inclusion, World Bank.

Note: Data on the number of participants are missing for 72 programs (16 nongovernment-led and 56 government-led programs), most of which were in the last phases of preparation before actual delivery of support for participants began. Overall, 405 programs were surveyed (231 nongovernment-led and 174 government-led programs). The total number of participants is 15,323,059, and the total number of beneficiaries, which includes direct participants and indirect beneficiaries, is 70,043,913.

BOX 2.1 Social Assistance Programs Provide a Solid Foundation for Scaling Up

Many government-led programs build their economic inclusion efforts on existing social assistance programs. *The State of Economic Inclusion Report 2024* reports data from 91 government-led programs in 54 countries that layer additional economic inclusion measures on existing social protection programs, including social assistance and labor market programs. These programs currently serve more than 5 million households directly and 24.3 million individuals directly or indirectly. Most of these programs layer on safety nets supporting self-employment opportunities, diversifying income sources, and boosting productivity. Most programs layer four or more components on top of cash transfers or in-kind support to address the multiple constraints faced by poor and vulnerable groups.

Some economic inclusion programs layered on social assistance programs are already operating at scale. These existing programs offer a robust institutional framework and delivery mechanism to effectively integrate and scale-up economic inclusion interventions. The Productive Social Safety Net Project in Tanzania reaches about 100,000 households, providing economic inclusion measures in addition to public works and cash transfers. Similarly, the Social Support for Resilient Livelihoods Project in Malawi enhances the productive capacity of 357,359 households in the Social Cash Transfer and Climate Smart Public Works Programs. This capacity building focuses on savings and income-generating skills, enabling these households to sustainably improve their livelihoods, become resilient to shocks, and transition out of poverty through a graduation pathway.

Nongovernment organizations, mostly nongovernmental organizations (NGOs), lead 57 percent of economic inclusion programs and serve 26 percent of participants. New programs have emerged, but some nongovernment-led programs have also been sustained and scaled up since 2021, which explains why in 2023 these programs

represent a higher proportion of total participants than in SEI 2021. NGOs play a critical role by piloting economic inclusion approaches in new geographic areas or with different population groups or by testing new methods or approaches. These organizations also play a key role in government-led programs as service providers and technical assistance providers, helping to increase the capacity of government agencies to implement and scale-up economic inclusion programs (refer to chapter 4).

Both government-led and nongovernment-led programs will likely continue to scale up—a necessity in view of the overlapping crises and the growing number of people living in extreme poverty. The strongest potential for scaling up economic inclusion programs continues to rest with governments because of the many government-led programs in the pipeline and the potential to build on existing and strengthened government systems. Some nongovernment-led programs will also continue to scale up with significant capital investments from a range of donors. Others may continue to operate on a smaller scale but play a critical role in reaching vulnerable populations not served by other means and by innovating in new contexts and with new approaches. Whatever lies ahead, all varieties of economic inclusion programs must ensure they are delivering quality programs using evidence-backed strategies or those tested over multiple rounds of economic inclusion implementation.

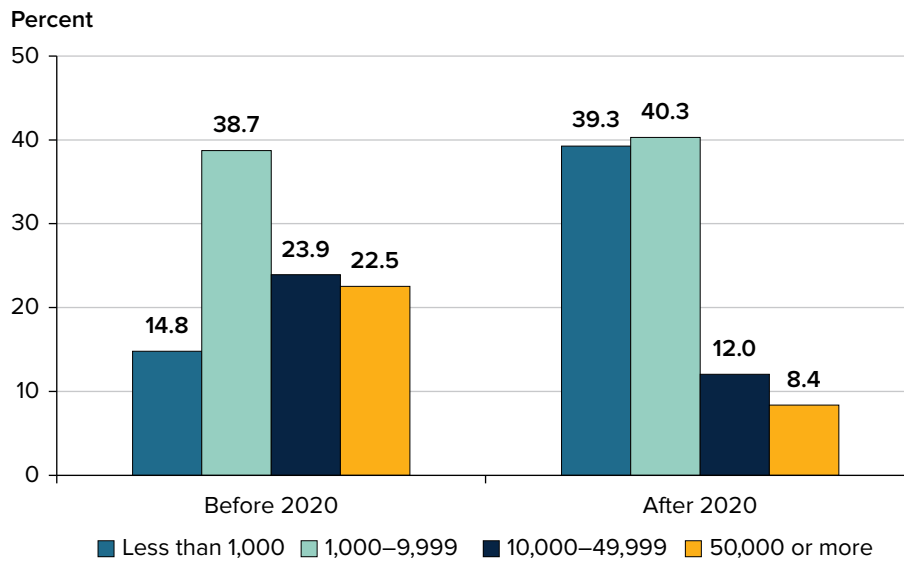
Scale-Up Is Under Way but Falling Significantly Short of Needs

The scale of a program is most often defined by the number of participants.⁵ Fifty-eight percent of government-led programs serve at least 10,000 households, compared with 17 percent of nongovernment-led programs. Also, as shown in figure 2.2, older programs are larger than newer ones. The fact that economic inclusion programs are reaching ever more people is important, but the quality of impact and sustainability of coverage, as well as the processes of change and adaptation, are equally important (chapters 3 and 4 explore some of the challenges associated with scaling up).

Despite a notable increase in coverage, the current scale does not meet the need. Although the number of individuals participating in these programs has increased by more than 50 percent, this number remains small when compared with the overall population living in poverty. Today, about 700 million people live in extreme poverty, a figure that could rise due to ongoing economic shocks, conflicts, and the effects of climate change (World Bank 2023c). While economic growth is essential for poverty reduction and addressing structural challenges, economic inclusion programs focus specifically on reaching and empowering those who may be left behind or excluded from the benefits of growth.

Another way of looking at the scale of economic inclusion programs is by analyzing the number of participants relative to the population. Figure 2.3 shows the distribution of programs by their coverage of participants as a share of the population living below the national poverty line. Because of the emergence of new programs, a larger proportion of programs than in 2020 are reaching less than 1 percent of poor people. Although the absolute number of people engaged in these programs has increased by more than 50 percent, it continues to be small relative to the number of people living in poverty.

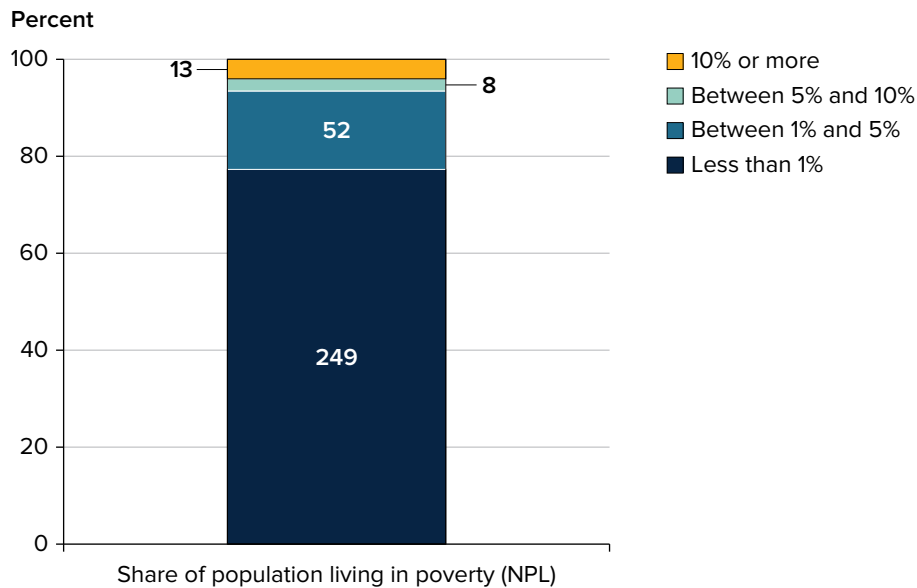
FIGURE 2.2 Percentage of Economic Inclusion Programs, by Number of Current Direct Participants



Source: Partnership for Economic Inclusion, World Bank.

Note: Figure shows the percentage of programs with participant data that were under way before the Landscape Survey 2020 underpinning SEI 2021 was completed in January 2020 (142 programs) and those that began after the 2020 survey was completed (191 programs). SEI 2021 = *The State of Economic Inclusion Report 2021*.

FIGURE 2.3 Distribution of Program Coverage Rates, by Share of Population Living in Poverty



Source: Partnership for Economic Inclusion, World Bank.

Note: The analysis is based on 322 programs (those providing data on the number of beneficiaries in countries where data on poverty headcount is available), representing 69 countries. Data are presented by program. The poverty headcount is missing for nine countries. This figure assumes perfect targeting. NPL = national poverty line.

The Greater Diversity of Programs Is Evident

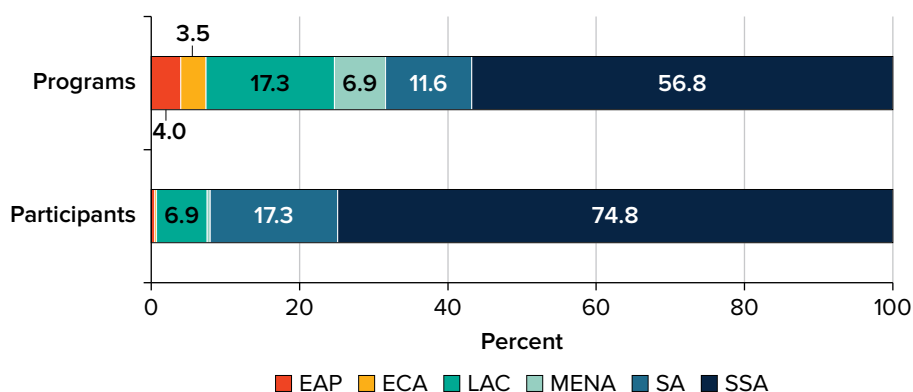
With a range of objectives, economic inclusion programs are widely implemented globally serving poor and vulnerable populations. These programs, traditionally rural focused, are increasingly expanding to urban and peri-urban areas. They target various vulnerable groups, including the ultra-poor, extreme-poor, and poor populations, with some programs also addressing the needs of the “missing middle” affected by economic shocks like COVID-19. In addition, there is a growing emphasis on supporting groups such as women, youth, forcibly displaced populations, and people with disabilities, reflecting responses to global demographic shifts and the unique barriers these groups face in achieving economic inclusion.

Programs Operate in Diverse Contexts in 88 Countries

Economic inclusion programs are used in many regions and contexts to build resilience and create jobs for poor and vulnerable people, but most programs are in low-income and lower-middle-income countries (79 percent of surveyed programs), in line with what was reported in SEI 2021. As in SEI 2021, most programs (and participants) are in Sub-Saharan Africa (refer to figure 2.4), although in 2023 a higher proportion of participants are in that region. The increase in the proportion of beneficiaries in Sub-Saharan Africa is driven by a relative (as well as an absolute) increase in the number of programs in the region, as well as by the expansion of existing programs.

Most programs continue to operate in rural areas (84 percent of surveyed programs and 43 percent are exclusively rural), where most of the world’s extreme-poor population live (World Bank 2022). However, economic inclusion programs, particularly more recent ones, are increasingly operating in urban areas, and 38 percent of surveyed programs serve urban

FIGURE 2.4 Percentage of Economic Inclusion Programs and Participants, by Region



Source: Partnership for Economic Inclusion, World Bank.

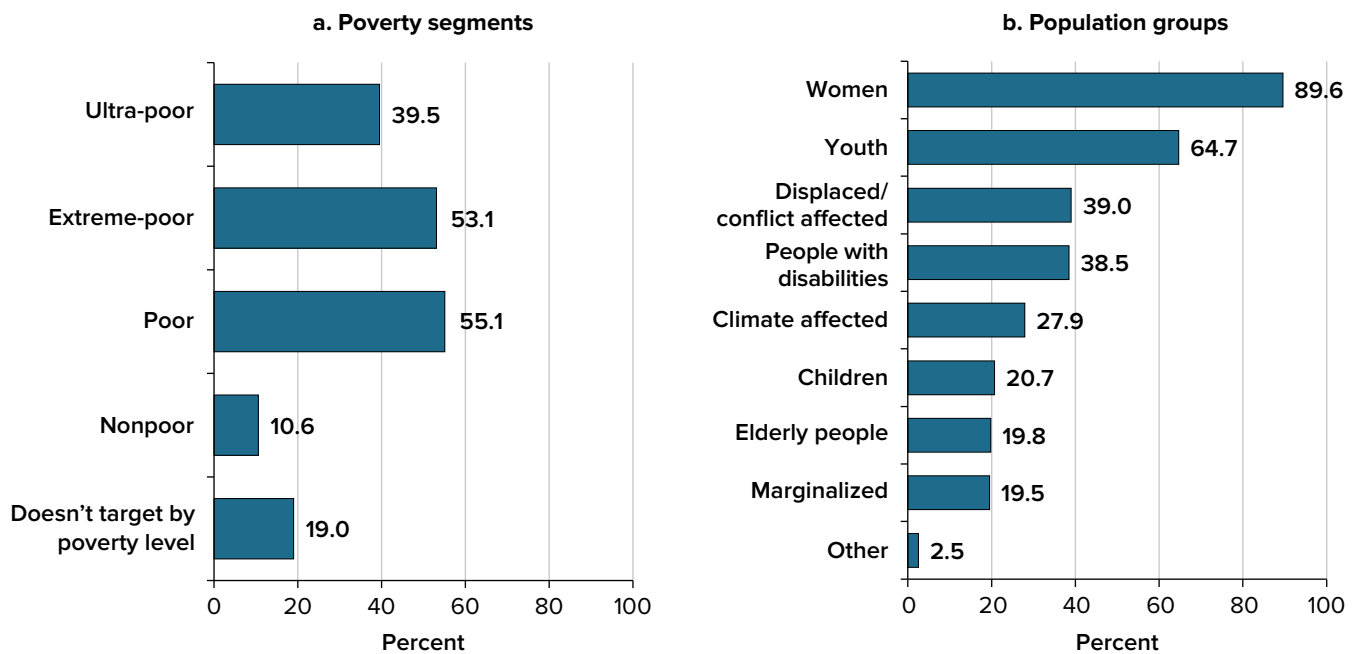
Note: The figure is based on survey data for 405 programs: 16, EAP; 14, ECA; 70, LAC; 28, MENA; 47, SA; and 230, SSA. The total number of participants is 15,323,059 and beneficiaries is 70,043,913, which includes direct participants and indirect beneficiaries. Data on number of participants are missing for 72 programs, most of which were in the last phases of preparation before actual delivery of support for participants began. EAP = East Asia and Pacific; ECA = Europe and Central Asia; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SA = South Asia; SSA = Sub-Saharan Africa.

or peri-urban populations. This figure includes programs that have national coverage or were designed to serve both urban and rural areas of the country, as well as programs that started in rural areas and have expanded to serve urban and peri-urban populations. It also includes several government-led economic inclusion programs that build on social safety nets, such as Ethiopia’s Productive Safety Net Program, which began by serving exclusively rural areas of the country and is now covering urban settings as well.

Targeted Groups Include a Range of Vulnerable Populations

Economic inclusion programs typically target vulnerable populations at the lower end of the income distribution, including the ultra-poor (40 percent of surveyed programs), extreme-poor (53 percent), and poor (55 percent) populations (refer to figure 2.5, panel a, as well as box 2.2 for key definitions).⁶ Some programs have a strong mandate to focus on the extreme-poor and ultra-poor populations, and 26 percent of programs target extreme-poor and ultra-poor people exclusively, particularly nongovernment-led programs (34 percent versus 14 percent of government-led programs). In some contexts, policy makers and organizations with other institutional mandates may face demands for targeting poor people more broadly. Some programs are also expanding across the income distribution to achieve greater scale and support segments of the population that may have been previously excluded from government support. This population includes the so-called “missing middle”—that is, workers in the informal economy who were particularly vulnerable to the economic impacts of COVID-19 due to a lack of social protection coverage.

FIGURE 2.5 Poverty Segments and Population Groups Targeted: Percentage of Programs



Source: Partnership for Economic Inclusion, World Bank.

Note: Both panels provide the percentage of all programs ($N = 405$). Programs may target more than one poverty segment or population group.

BOX 2.2 Definitions of Poverty and Vulnerability Segments from the Landscape Survey 2023

The following are definitions of poverty and vulnerability segments from the Landscape Survey 2023:

- **Poor population.** People whose consumption is below the national poverty line, as defined by the government.
- **Extreme-poor population.** People whose consumption is below US\$2.15 per day (at 2017 US\$ purchasing power parity [PPP]) and who can work on a sustained basis. Also defined as the bottom 50 percent of the poor population in a country or those unable to meet basic needs.
- **Ultra-poor population.** People whose consumption is below \$1.08 per day (at 2017 US\$, PPP). Also defined as those experiencing the severest forms of deprivation, such as being persistently hungry or lacking sources of income.
- **Vulnerable populations.** People who, because of their personal or community characteristics, face barriers in accessing opportunities to earn sustainable livelihoods and have elevated risks of being or staying in poverty or being socially marginalized.

Source: PEI Landscape Survey 2023.

Almost 11 percent of programs target nonpoor households, whereas 19 percent of programs do not target by poverty level (refer to figure 2.5, panel a), which may reflect a program's focus on supporting the development of a given geographical area or work at the community or system level, especially programs that build on agricultural and environmental interventions.⁷

Many programs have an additional focus on specific population groups such as women (90 percent of programs), youth (65 percent), displaced and conflict-affected populations (39 percent), and people with disabilities (39 percent) (refer to figure 2.5, panel b). At the regional level, programs in the Middle East and North Africa (MENA) and the Sub-Saharan Africa (SSA) regions, which are experiencing a youth bulge, have a stronger focus on supporting the access of youth to better economic opportunities than those in other regions (86 percent of MENA programs and 70 percent of SSA programs, compared with 51 percent of Latin America and the Caribbean programs and 55 percent of South Asia programs).

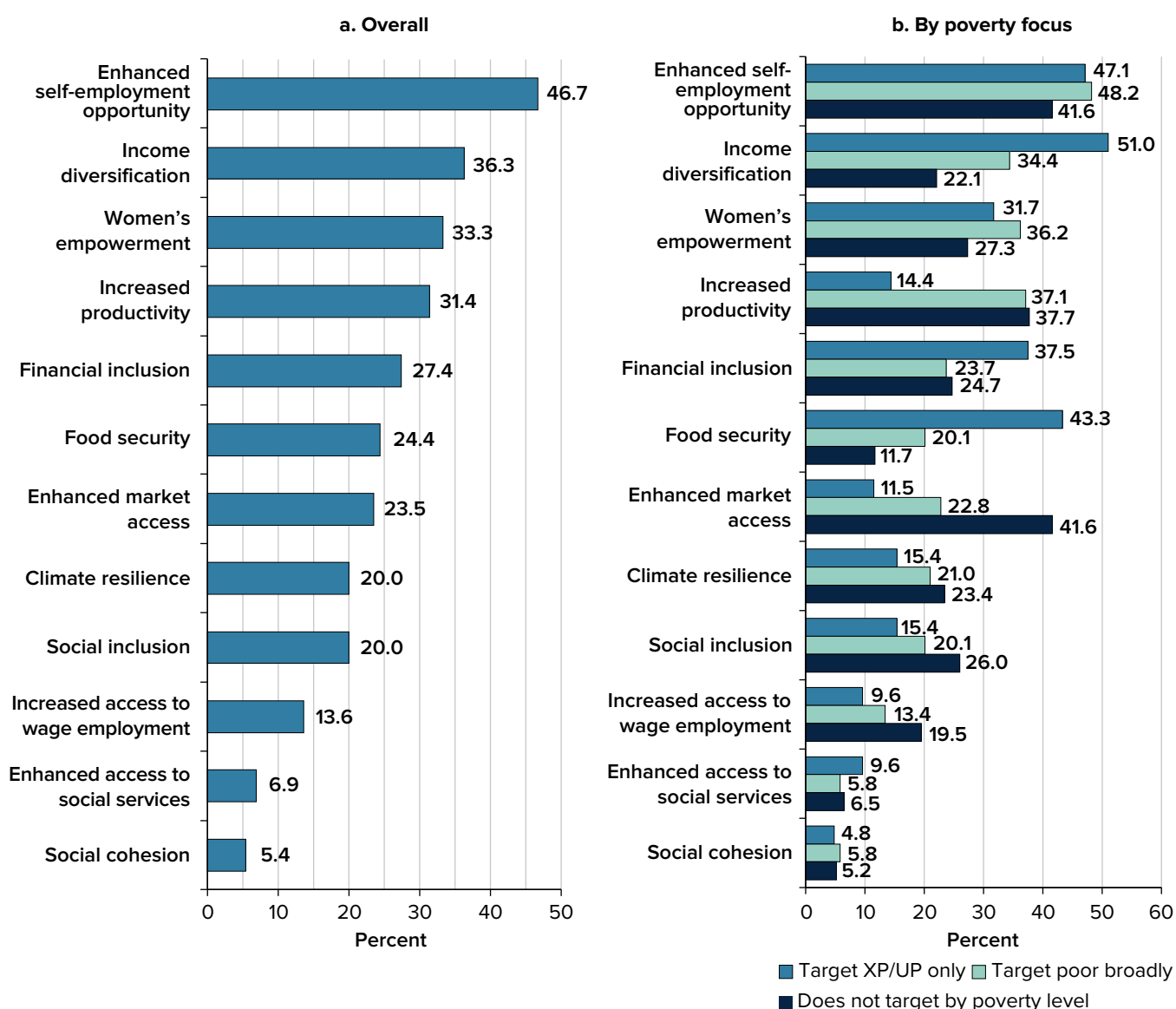
Overall, more programs target youth and older populations today than in SEI 2021, which is likely a response to global demographic shifts (refer to box 1.1). Meanwhile, a higher proportion of programs than in SEI 2021 target people with disabilities (39 percent versus 26 percent) and those affected by forced displacement (38 percent versus 32 percent). Although these vulnerable groups share some of the same constraints to economic inclusion, understanding specific barriers to engaging in income-generating activities is key to supporting them effectively (refer to chapter 3).

Program Objectives Vary Across Context and Target Groups

With the overall goal of transforming the lives of poor and vulnerable people—by building resilience and creating job opportunities—economic inclusion programs are

driven by a range of objectives (refer to figure 2.6, panel a). Programs continue to focus on supporting self-employment opportunities, including through enhancing self-employment opportunities (47 percent of all programs), diversifying income sources (36 percent), and increasing productivity (31 percent). Increasing financial inclusion and food security also continue to be features, and about one-fourth of all economic inclusion programs have these as core objectives, similar to what was observed in SEI 2021. In response to increased recognition of the need to deliberately address specific barriers to women’s economic empowerment, there is a substantial increase in the percentage of programs that seek to empower women (33 percent in 2023 versus 17 percent in SEI 2021). Similarly, a higher percentage of programs seek to enhance market access (24 percent in 2023 versus 10 percent in SEI 2021; refer to appendix B in this report).

FIGURE 2.6 Main Program Objectives Overall and by Poverty Focus



Source: Partnership for Economic Inclusion, World Bank.

Note: Panel a provides the percentage of all programs ($N = 405$) and panel b the percentage of programs targeting only extreme-poor and ultra-poor groups ($N = 104$), targeting the poor population broadly ($N = 224$), and not targeting by poverty level ($N = 77$). Respondents were asked to report a maximum of three main objectives. XP/UP = extreme-poor/ultra-poor.

The Landscape Survey 2023 reveals heterogeneity in program design, driven partly by the objectives, targeted groups, or the context in which they operate. Interesting differences emerge, for example, when analyzing target groups and core objectives together. Programs focusing exclusively on the extreme-poor and ultra-poor populations focus more strongly on income diversification, food security, and financial inclusion, suggesting that building resilience is a core driver. However, increasing productivity and enhancing market access are often the core objectives of programs that do not target by poverty level or that target the poor population more broadly (refer to figure 2.6, panel b).

Similarly, program objectives vary across countries in different income categories: programs in low-income countries focus more on food security and income diversification than those in middle-income countries as a response to greater food insecurity and more unstable income streams for poor people in low-income settings. To illustrate this finding, table 2.1 shows some notable differences in the core objectives and target groups of four countries in four income settings.

TABLE 2.1 Examples of Economic Inclusion in Four Country Income Groups

Key indicators	Bangladesh	Colombia	Ethiopia	Panama
Income category	Lower middle income	Upper middle income	Low income	High income
Fragile and conflict-affected situation	No	No	Yes (conflict)	No
Poverty rate at US\$2.15 (2017 PPP)	13.5%	9.4%	27.0%	1.1%
Poverty rate at US\$3.65 (2017 PPP)	42.3%	16.0%	65.0%	4.3%
Poverty rate at US\$6.85 (2017 PPP)	83.1%	39.2%	90.9%	12.9%
Population size	169.4 million	51.5 million	120.3 million	4.4 million
Number of programs (number of government-led)	15 (6)	12 (2)	21 (7)	6 (3)
Number of participants (direct and indirect) ^a	4,872,657	249,402	21,168,051	12,977
Top objectives	Women's empowerment Self-employment Increased productivity Food security	Self-employment Wage employment Food security Women's empowerment Social inclusion	Income diversification Increased productivity Food security Self-employment Climate resilience	Self-employment Wage employment Increased productivity Social cohesion
Rural (number of programs of total)	11/15	6/12	17/21	3/6
Urban/peri-urban (number of programs of total)	8/15	9/12	11/21	4/6
Top three targeted vulnerable groups	1. Women 2. People with disabilities 3. Climate affected	1. Women 2. Displacement affected 3. Children	1. Women 2. Youth 3. Displacement affected	1. Women 2. Displacement affected 3. Youth

Sources: World Bank 2023a, 2023b; World Bank Development Indicators; and Partnership for Economic Inclusion.

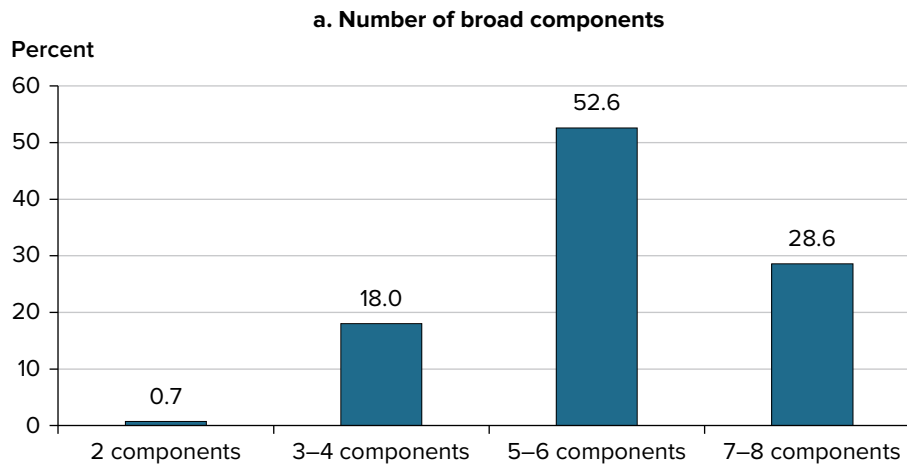
Note: Data on participants and programs summarize results for all programs in a country based on individual program responses to the Landscape Survey 2023. Top core objectives and targeted vulnerable groups are ranked based on the total number of programs.

Most Programs Have at Least Five Components, Delivering Them In Sequence for Up to 3 Years

Economic inclusion programs often consist of five or six components (refer to figure 2.7, panel a),⁸ including training (96 percent), coaching (89 percent), business capital (77 percent), and market links (74 percent) (refer to figure 2.7, panel b). There is little change from SEI 2021, except that a lower percentage of programs provide a transfer to smooth consumption (54 percent versus 68 percent), and a higher percentage of programs help participants build their climate resilience (66 versus 57 percent).²

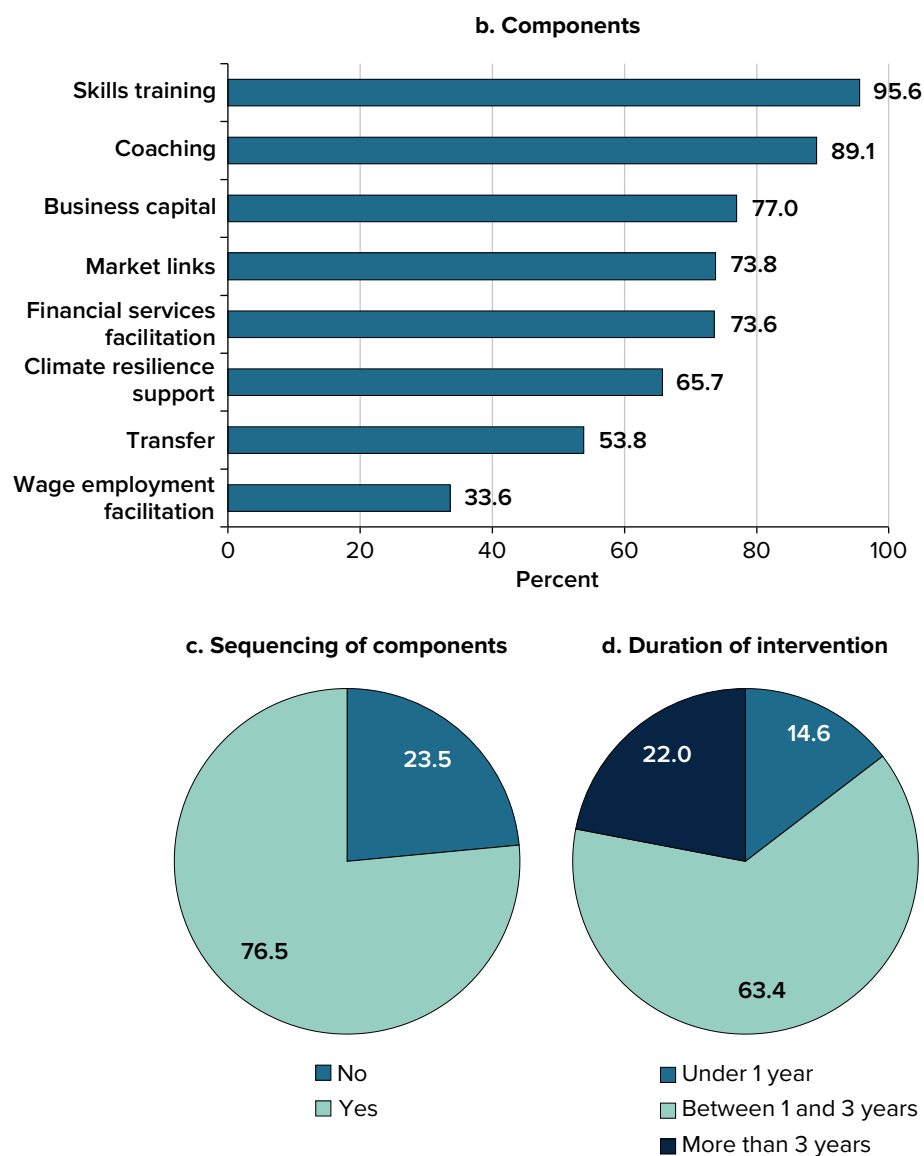
The components of economic inclusion programs are most frequently provided in sequence to ensure that participants receive support when they can benefit most from it. For example, programs often provide skills training before transferring business capital so that participants can apply recently acquired skills when they invest in their productive activities through the capital delivered by the program. Avoiding delays in the delivery of components, while ensuring other aspects of quality, is critical if participants are to make the most of program interventions (chapter 3). In 63 percent of programs, economic inclusion interventions are provided over a period of between 12 and 36 months. A higher proportion of programs than in SEI 2021 support participants for more than three years, perhaps a reflection that a larger number of programs build on agricultural and environmental interventions, which tend to be of longer duration than other programs.

FIGURE 2.7 Distribution of Programs, by Number and Type of Components, Sequencing, and Duration



(Figure continues next page)

FIGURE 2.7 Distribution of Programs, by Number and Type of Components, Sequencing, and Duration (*continued*)



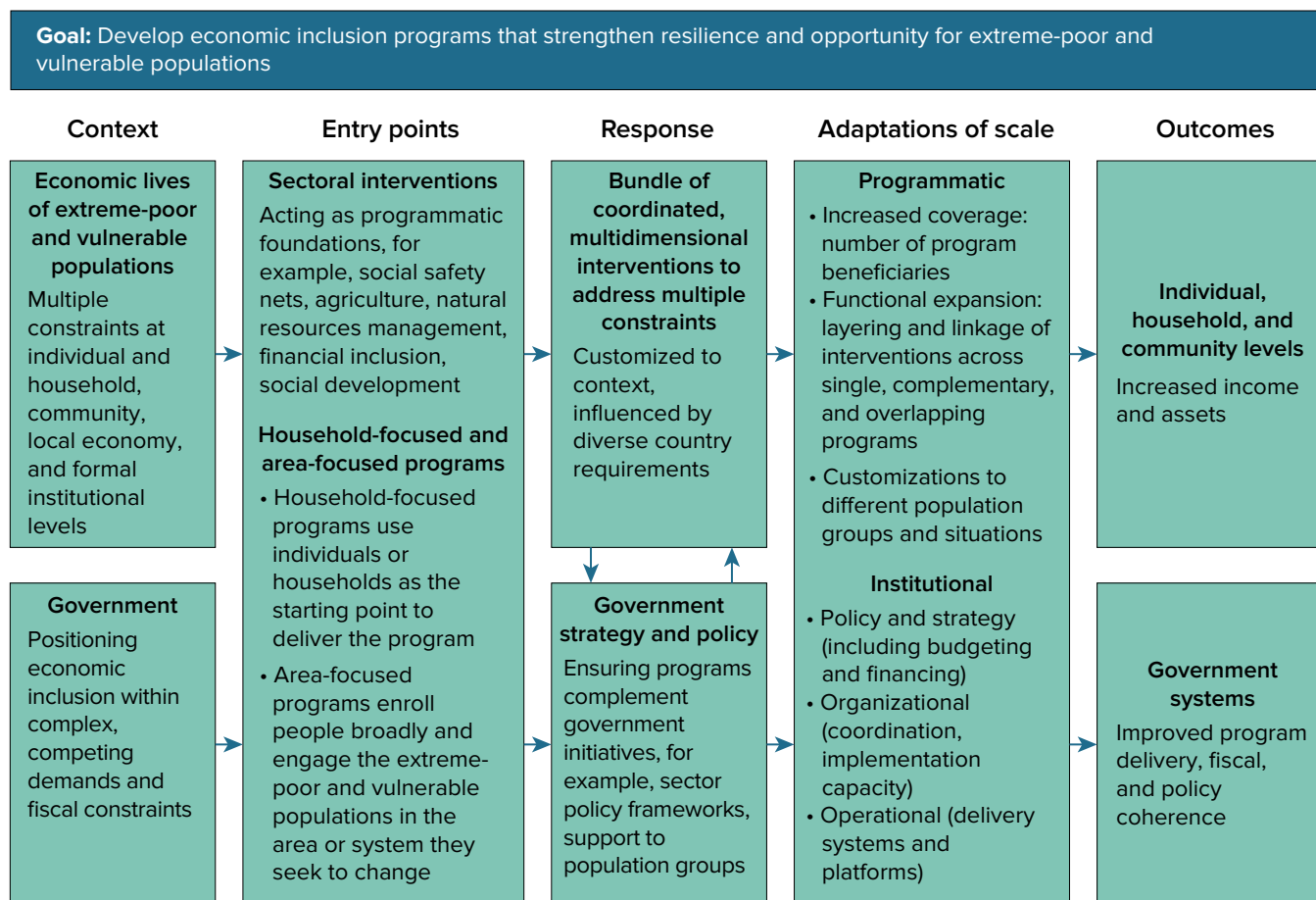
Source: Partnership for Economic Inclusion, World Bank.

Note: Figure shows the percentage of all programs ($N = 405$).

The Surge in Programs Has Prompted an Update of the Economic Inclusion Framework

As reflected in the surge and scale-up of programs, economic inclusion has become a popular strategy for engaging people living in extreme poverty. Therefore, this report reintroduces the Pathways to Economic Inclusion at Scale framework (refer to figure 2.8) from SEI 2021, which has been revised slightly to acknowledge the changing landscape. The framework outlines the pathways to scale for economic inclusion programs (refer to box I.1 for key definitions).

Economic inclusion programs are designed to respond to national or regional contexts and the populations served, and each develops in its own institutional structures.

FIGURE 2.8 Pathways to Economic Inclusion at Scale: A Framework

Source: Partnership for Economic Inclusion, World Bank.

They are also shaped by policy, political economy, institutional arrangements, and other factors. Program designers and policy makers often face trade-offs between program quality—what level of services is optimal to enable people living in extreme poverty to seize opportunities and become resilient—versus what is financially feasible given the many competing priorities. Programs must also balance the desire to maximize the number of people served with capacity constraints and the limitations of operating systems and financing. This framework underpins the detailed analysis in chapters 3 and 4 on the design and delivery of programs as they move to scale.

Household- and Area-Focused Programs Provide Insight into the Diverse Approaches to Economic Inclusion

The design of an economic inclusion program is shaped by the goal of the institution launching the program. For example, a social safety net program will design an economic inclusion component with different features than, say, a watershed development program or a community-driven development program. Each economic inclusion program generally includes a core intervention, such as cash transfers in a social safety net or agriculture extension services in an agricultural development

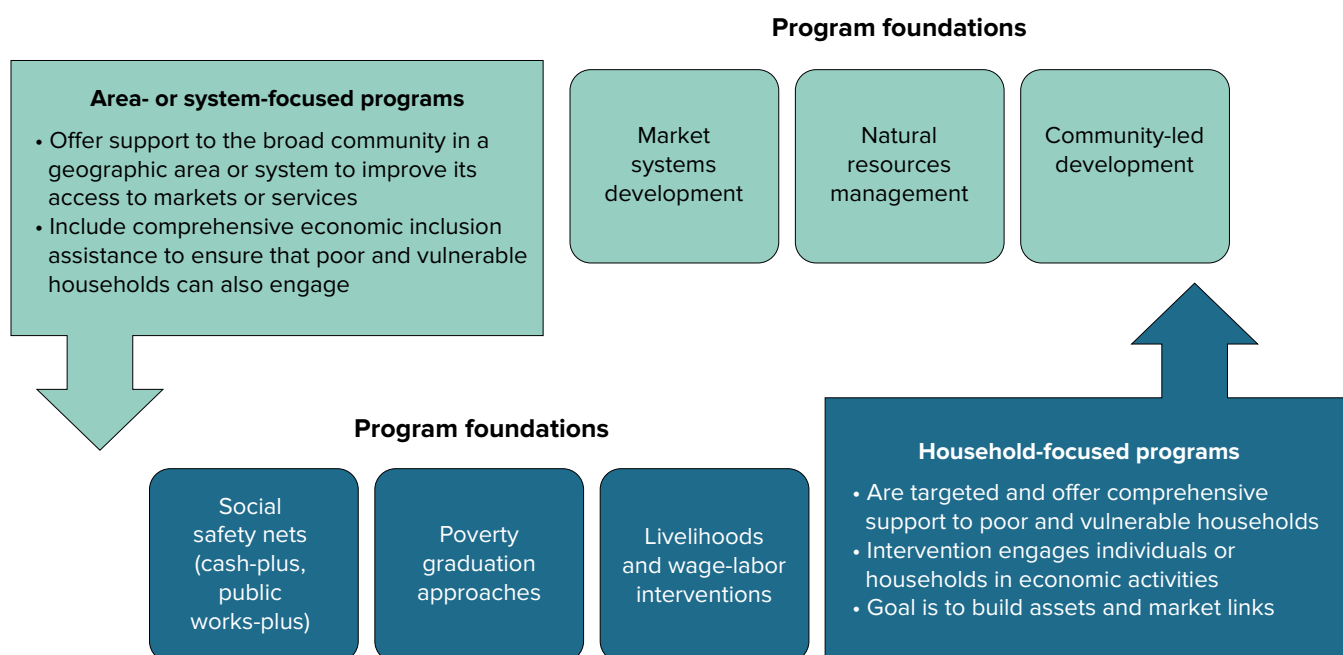
intervention (refer to figure 2.9). Layers of economic inclusion components or services are then added and refined to address the constraints faced by the extreme-poor and vulnerable populations.

The core interventions are more wide-ranging than in the past.¹⁰ For example, more agrifood systems development and the sustainable management of ecosystems and landscapes programs are integrating economic inclusion interventions. This surge reflects, in part, the growing emphasis on building climate resilience.¹¹

The most common type of program targets the households. A “push” strategy enables a household, by the time it completes the program, to build the assets, income, knowledge, and confidence it needs to access services and engage in broader systems, including market systems, not accessible to them before. Many household-focused programs include graduation features that combine sequenced inputs to give a household a “big push,” thereby improving its overall economic and social well-being. Research suggests that providing an initial amount of capital above a critical threshold ultimately determines whether households can capture higher productivity opportunities and move out of poverty (Parry, Burgess, and Bandiera 2020).

Area-focused programs have broader objectives associated with community-, region-, market-, or system-level interventions. These programs, typically including people living in one or more of the poverty categories and delivering two or more components, use a “pull” strategy. They enroll people broadly and, for those living in extreme poverty, try to engage them in the community, region, market, or other systems that the program seeks to change (refer to figure 2.9).

FIGURE 2.9 Complementary Approaches to Economic Inclusion at the Household and Area (System) Levels



Source: Partnership for Economic Inclusion, World Bank.

Household-focused programs are more likely to target people living in ultra-poverty or extreme poverty and help them increase their income and assets, but they may serve people at other poverty levels as well. Area-focused programs typically target a larger population group and use economic inclusion strategies to reach people living in extreme poverty (refer to table 2.2 for a comparison of the two types of programs and boxes 2.3 and 2.4 for examples of each program). Both types of interventions are affected by and work to transform macro-level policies to improve outcomes for people in extreme poverty.

TABLE 2.2 Household- and Area-Focused Programs: A Comparison

Type	Household-focused program	Area-focused program
Focus	Household	Geography or systems
Goal	Build the assets, income, knowledge, and confidence to access services and engage in broader systems, including market systems. Objectives may also be associated with poverty alleviation such as food security or resilience.	Pursue community-, region-, market-, or system-level interventions to create sustainable economic opportunities; build resilience; and foster long-term poverty reduction.
Target	Often a specific poverty group, such as the ultra-poor or extreme-poor populations. Target may also be specific populations such as youth, displaced people, or people with disabilities.	Poorest geographic areas; a particular system such as markets; or traditionally vulnerable populations such as women, refugees, people with disabilities, or others, across wealth categories.
Example	Programs building on social safety nets (cash plus, public works plus) and graduation programs.	Community-led development projects, watershed development projects, market systems development projects, and agrifood system development projects.

Source: Original table for this publication.

BOX 2.3 Examples of Household-Focused Economic Inclusion Programs

Ethiopia's Urban Productive Safety Net and Jobs Project features a public works and livelihood program targeting the ultra-poor, extreme-poor, and poor urban households whose members have the capacity to work. The households are selected using a combination of geographic and proxy means test targeting and community validation. The program unfolds over three years: year 1—employment in public works, training in life skills and financial skills, and savings; year 2—business planning, technical training as needed, and job search support; and year 3—based on the training and business plan, a livelihood grant and coaching to ease the transition as participants work less time in public works (Ethiopia Ministry of Urban Development and Housing 2020).

BRAC's Ultra-Poor Graduation program targets the ultra-poor population using poverty maps, a climate vulnerability index, participatory rural appraisals, focus group discussions, and verification processes. It offers a transfer to smooth consumption, life and skills training, business capital, market and government service links, coaching, and savings, together with other components. The program is a combination of holistic, climate-sensitive, context-specific, time-bound, and sequenced sets of interventions that provide a "big push" to overcome poverty traps and establish sustainable economic inclusion and social empowerment.

Source: PEI's Landscape Survey 2023.

BOX 2.4 Examples of Area-Focused Economic Inclusion Programs

The Kenya Development Response to Displacement Impacts Project, which supports more than 230,000 participants, seeks to improve access to basic social services, expand economic opportunities, and enhance environmental management for communities hosting refugees for a protracted period of time. The project targets the poor population broadly and focuses on women, female-headed households, and youth who are disproportionately affected by displacement. The objectives are to improve social cohesion, to restore environmental and natural resources that suffered from the inflow of refugees, to offer economic support to host communities, and to balance the support provided to refugees by the United Nations High Commissioner for Refugees with comparable support to host communities—all of this while building a collective understanding that both hosts and refugees have ownership over, and the right to access, natural resources (Partnership for Economic Inclusion 2021). This desire to foster cohesion results in a focus on whole communities. All participants receive coaching, while a subset of participants receive cash transfers, training, access to financial services, business transfers, integration into markets, and support for building climate resilience.

The Lao Landscape and Livelihoods Project promotes sustainable forest management and seeks to improve protected area management and enhance livelihood opportunities in eight provinces in the Lao People’s Democratic Republic. It works with partners and villagers living in and around forests to invest in the natural wealth and resilience of landscapes while creating jobs that benefit both village communities and protect forests.

Among other project activities, livelihood development grants are provided to more than 500 villages (about 72,000 households) that receive grants of US\$10,000. Vulnerable households, including the elderly population, widows, people with disabilities, single mothers, and disaster-affected households, are prioritized with 20 percent of the grant allocated to these approximately 5,000 households. The remaining 80 percent of the grants operate as a revolving fund in the village using the existing government Village Development Fund architecture. This fund supports farm and nonfarm forest-smart livelihood activities, including agroforestry and small-scale tree plantations.

The grants to villages act as incentives for diversifying away from activities that negatively affect forests. The project also offers agricultural and forest extension support and vocational training to help villagers take advantage of new job opportunities.

Source: PEI’s Landscape Survey 2023.

As governments, in particular, consider scaling up, a strategic approach will involve understanding the interplay between household- and area-focused interventions to catalyze sector-wide transformation. This approach could result in the inclusion of the poorest and most vulnerable individuals in national jobs policies and interventions that foster informal micro and small enterprises. Using both household- and area-focused interventions could drive comprehensive transformation in sectors and enhance economic inclusion for poor and vulnerable people.

Large-Scale Programs Bring to Light Diverse Approaches

A review of the top 20 economic inclusion programs serving the most participants cumulatively demonstrates the growing diversity in programs since 2021 (refer to table 2.3). Eleven programs are in Africa, four in Asia, four in Latin America, and one in Europe. In this mixture of household- and area-focused programs, the newest were launched in 2021 and the oldest in 2002. The smallest program has served 320,000 people and the largest 2.5 million people directly. Together, these 20 programs have served 15.8 million people with economic inclusion services since they began operations.

A closer look at the programs reveals important differences. Fifteen are government-led and five are nongovernment-led. Some government-led programs appear to be achieving scale by establishing large programs serving participants from several poverty segments.

Only four programs have reached more than 1 million participants, and each of these programs must be considered in relation to the size of their country's poor or ultra-poor populations. The government-led initiative that tops the list (Ethiopia's Second Agricultural Growth Program) is led by the Ministry of Agriculture. This area-focused program seeks to increase the agricultural productivity of smallholder farmers by providing household- and small-scale irrigation, training, coaching, and links to value chains. It does not target by poverty level and includes multiple wealth categories in its program, from subsistence smallholder farmers with a half to a 1.5-hectare landholding to people living in extreme poverty, including subsistence farmers.

By contrast, Haku Wiñay is a household-focused program embedded in the government's social protection system. It provides a specific segment of the population with multidimensional services, complementing the work of other programs serving other poverty segments in communities across Peru.

Among the nongovernment-led programs, four of five target only the extreme-poor or ultra-poor populations, whereas one program does not target by poverty. Two programs that target the extreme-poor and ultra-poor groups take distinct approaches. International Care Ministries (ICM) in the Philippines has served 320,000 participants cumulatively, while BRAC in Bangladesh has served more than 2.2 million people cumulatively. Both have achieved these numbers by gradually increasing the number of participants over time, with ICM currently serving more than 41,000 participants and BRAC serving 70,000 with its context-specific and targeted population-centric interventions. While BRAC uses the graduation approach, ICM uses a more streamlined approach to reducing poverty. Key to its model is the use of savings groups to reach more people, with a cascade training approach in which the program trains a savings group leader who then trains other members.

Notably, only a few programs among these top 20 have a strong evidence base with BRAC's Ultra-Poor Graduation program in Bangladesh standing out with the most robust evidence. This underscores the need to develop a strong research and learning agenda to gain a deeper understanding of the impact at scale on the economic lives of poor and vulnerable people. Programs on this list and those at earlier stages of implementation must also balance the desire for quality of impact with the need to optimize costs. As more programs progress in scale-up and as the evidence base continues to evolve, much can be learned from operational experience, in particular from more mature programs that have improved over time. What follows in chapters 3 and 4 is a summary of the Landscape Survey 2023 data, available evidence, and program learning for each dimension of scale.¹²

TABLE 2.3 Top 20 Programs, by Cumulative Participants

No.	Program name	Country	Lead implementer	Lead type	Start year	Cumulative participants	Current participants	Targeting strategy	Area / HH
1	Second Agricultural Growth Project	Ethiopia	Ministry of Agriculture	Government	2015	2,500,000	2,348,576	Does not target by poverty level	Area
2	Ultra Poor Graduation Program	Bangladesh	BRAC	Nongovernment	2002	2,312,477	70,000	Targets XP/UP only	HH
3	Urban Productive Safety Net and Jobs Project	Ethiopia	The Ministry of Urban Development and Infrastructure	Government	2020	1,440,472	1,440,472	Targets poor broadly	HH
4	AgriFin Digital Farmer 2	Kenya	Mercy Corps Kenya	Nongovernment	2021	1,356,089	1,356,089	Does not target by poverty level	Area
5	Resilience, Entrepreneurship, and Livelihood Improvement Project	Bangladesh	Social Development Foundation	Government	2021	804,000	804,000	Targets poor broadly	HH
6	Nigeria COVID-19 Action Recovery and Economic Stimulus Program	Nigeria	Federal CARES Support Unit, created under the Federal Ministry of Finance, Budget and National Planning	Government	2021	739,461	173,415	Targets poor broadly	Area
7	Productive Social Safety Net Program	Tanzania	Tanzania Social Action Fund	Government	2012	716,327	313,411	Targets XP/UP only	HH
8	Human Development Credit	Ecuador	Ministry of Economic and Social Inclusion	Government	2007	681,722	36,015	Targets poor broadly	HH
9	National Agricultural and Rural Inclusive Growth Project	Kenya	Ministry of Agriculture and Livestock Development	Government	2017	528,000	528,000	Targets poor broadly	Area
10	Forest and Village Relations (ORKOY) Program	Türkiye	General Directorate of Forest	Government	1974	526,797	11,127	Does not target by poverty level	Area
11	Youth Employment and Social Support Operations Project	Nigeria	Ministry of Humanitarian Affairs, Disaster Management and Social Development	Government	2013	486,904	486,904	Targets XP/UP only	HH

(Table continues next page)

TABLE 2.3 Top 20 Programs, by Cumulative Participants (continued)

No.	Program name	Country	Lead implementer	Lead type	Start year	Cumulative participants	Current participants	Targeting strategy	Area / HH
12	VenEsperanza	Colombia	Mercy Corps	Nongovernment	2019	477,425	60,798	Targets XP/UP only	HH
13	Climate Resilient Agriculture and Productivity Enhancement Project	Chad	Ministry of Agriculture, Irrigation and Agricultural Equipment	Government	2018	476,000	476,000	Targets poor broadly	HH
14	Sowing Life Program	Mexico	Secretary of Welfare	Government	2019	450,038	450,038	Targets poor broadly	HH
15	The Sustainable Livelihoods Enhancement Scheme	Rwanda	Local Administrative Entities Development Agency	Government	2017	447,247	141,539	Targets poor broadly	HH
16	Tamil Nadu Rural Transformation Project	India	Tamil Nadu Rural Transformation Society	Government	2017	432,191	432,191	Targets poor broadly	Area
17	Nigeria for Women Project	Nigeria	Federal and State Ministries of Women Affairs	Government	2018	406,805	406,805	Targets poor broadly	HH
18	Haku Wiñay Program	Peru	Ministry of Development and Social Inclusion	Government	2014	353,566	148,800	Targets poor broadly	HH
19	Social Support for Resilient Livelihoods Project	Malawi	Community Savings and Investment Promotion Cooperative Union Limited	Nongovernment	2020	345,742	345,742	Targets XP/UP only	HH
20	Transform	Philippines	International Care Ministries	Nongovernment	2009	320,000	41,456	Targets XP/UP only	HH

Source: Partnership for Economic Inclusion, World Bank.

Note: Cumulative participants refer to the cumulative number of direct participant households that have received the economic inclusion package to date. Current participants refer to the number of direct participant households currently participating in the program and that are receiving the economic inclusion package. Area = area-focused programs; HH = household-focused programs; XP/UP = extreme-poor/ultra-poor.

Notes

1. Data on program participants are available for 333 programs (215 nongovernment- and 118 government-led programs) and are missing for 72 programs (16 nongovernment- and 56 government-led programs). The current number of participants in the missing programs is unavailable because they were in the process of finalizing preparatory work.
2. SEI 2021 reports a significantly higher number of economic inclusion participants (nearly 92 million people, including indirect beneficiaries) than what is reported here (nearly 46 million people, including indirect beneficiaries). Data checks performed as part of the Landscape Survey 2023 revealed that the data reported in 2020 on the Satat Jeevikoparjan Yojana program, led by India's Bihar Rural Livelihoods Promotion Society (BRLPS), included beneficiaries of various programs implemented by BRLPS.
3. Fifty-two percent of these programs were launched in 2020 or earlier, and some have been under way for more than 20 years, mostly nongovernment-led programs, including BRAC's Ultra-Poor Graduation program and several of Women for Women International's Stronger Women, Stronger Nations programs: <https://www.womenforwomen.org/stronger-women-stronger-nations-program>. Some recent programs build on previous programs or earlier phases of the same program. For example, Argentina's Promoting Better Jobs through Integrated Labor and Skills Program (FOMENTAR Program) started in 2022, but it builds on the implementation of the More and Better Work for Young People, which launched in 2008. It is likely, then, that the cumulative number of participant households reported in the Landscape Survey 2023 does not fully capture participants in previous programs or earlier phases of the same program.
4. The 128 ongoing programs that support the poor population more broadly do include extreme-poor or ultra-poor households. Their coverage of these households could not be disentangled from the total coverage figures because the survey was designed to capture the total number of direct participants and indirect beneficiaries of each program and did not ask for the breakdown of coverage figures by target group.
5. Establishing an absolute threshold of participants above which a program is considered to be operating at scale is somewhat arbitrary. Such a threshold is unlikely to reflect program priorities or the needs in its context. Instead, the PEI team looked at size ranges of economic inclusion programs to provide an overview of their scale of current participants.
6. While poverty definitions provide a broad understanding of economic deprivation, they may not always align with the targeting criteria used in economic inclusion programs. Eighty-one percent of programs targeting poor people combine more than one targeting methodology, which may include geographical, categorical, community bases, and proxy means-tests for effectively identifying and reaching the most poor and vulnerable populations.
7. PEI's Landscape Survey 2023 was designed to capture more granularity on the profile of target participants, based on their poverty level, than the Landscape Survey 2020. The question on poverty groups targeted by programs was changed slightly from how it was posed in the Landscape Survey 2020 (where the question did not ask programs whether they target nonpoor and do not by poverty level), and thus comparisons across the two survey rounds are not possible for this question.
8. This is in line with what was reported in the SEI 2021, where 56 percent of programs included five or six components, 27 percent included seven or eight, and the rest four or fewer components.
9. This comparison should be regarded with caution, as the question varied slightly in the two survey rounds: "Does the program support beneficiaries to build climate resilience?" (2023 survey) versus "Does the program seek to support sustainable natural resources management and/or climate change adaptation?" (2020 survey).
10. The three entry points in the SEI 2021 framework are (1) social safety net interventions such as cash transfer and public works programs, (2) single (or limited) intervention livelihoods

and job programs such as training or labor intermediation services, and (3) financial inclusion programs such as micro saving schemes or financial literacy programs. The past 3 years have seen a renewed surge in economic inclusion programs that build on additional sectoral interventions. Thus, a slightly revised version of the framework accounts for the wider range of sectoral interventions that act as an entry point to multifaceted economic inclusion programs.

11. SEI 2021 identified 17 World Bank–supported environmental projects, while this report mapped 41.
12. Since the SEI 2021 report, there has been an effort to collect policy and program documents, share emerging good practices, and assess what works in different contexts. The sheer number of economic inclusion programs has made tracking and analyzing this documentation and learning a challenge. Inevitably, programmatic lessons are better documented than policy or institutional lessons, and both country and political context are important to understand to interpret these lessons and consider their applicability elsewhere.

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The journey of economic inclusion programs has been remarkable, marked by significant strides in creating job opportunities and building resilience for poor and vulnerable populations. *The State of Economic Inclusion Report 2024: Pathways to Scale* highlights the progress and challenges of scaling up government-led programs, as well as the vital interplay with nongovernment actors and the private sector. The report draws on the 2023 Landscape Survey of Economic Inclusion Programs and on the operational insights garnered through the Partnership for Economic Inclusion's (PEI's) collaboration with its partners, summarizing emerging evidence from government-led programs, highlighting significant knowledge gaps, and offering insights for future programmatic approaches.

This report offers a comprehensive overview of the evolving landscape, global footprint, and key design features of economic inclusion programs. Comparisons with *The State of Economic Inclusion Report 2021* provide valuable insights into shifts and trends over the past 3 years, including those for the economic empowerment of women and youth, for collaborative efforts across different stakeholders, and for resilience to climate change. The current report complements the earlier report by exploring efforts to scale up policy and programming, including progress and challenges around government-led programs and the interplay with nongovernment actors and the private sector. This report analyzes shifts in the global landscape, including the degree to which economic inclusion programs are being customized in vastly different contexts and the growing role of economic inclusion in building resilience and providing job opportunities to the poor population in the context of overlapping crises.

Scaling up programs that empower poor and vulnerable populations to access economic opportunities, enhance food security, and build both short- and long-term resilience can contribute to more-inclusive and more-sustainable growth that leaves no one behind. This report provides policy makers with key recommendations for expanding coverage, strengthening outcomes for women and youth, maintaining program quality, continuing to build an evidence base, and designing programs for sustainable impacts.

Data from the report are available on the PEI Data Portal, www.peiglobal.org, where users can explore and submit data.



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