



## Providing the Most Impact for the Money: Randomized Evaluations Help the MCC Measure Aid Effectiveness

Representatives of eleven villages from southern Benin's Kpomasse commune gathered at the town hall in mid-March to participate in a land tenure lottery sponsored by the Millennium Challenge Account (MCA)-Benin. The festive occasion brought together a diverse mix of villagers, community leaders, MCA-Benin staff and even the Minister of Agriculture and the U.S. Ambassador to Benin. Everybody watched expectantly as each village representative lined up in an order based on random numbers. Tension heightened as each lottery participant chose a plastic ball from an urn and then opened it to see if the card in the ball contained a color-coded "yes" or a "no". The six villages that pulled a "yes" won the opportunity to participate in MCA-Benin's rural land tenure program, which aims to increase rural incomes by securing land tenure rights in 300 villages in 40 communes across the country, as part of a \$36 million national access to land project.

The lottery, featured in the Beninese press, was praised by the public because it ensured transparency of the beneficiary selection process. In a country where per capita income remains below the sub-Saharan Africa average



*Village representatives show the cards they drew during the Kpomasse land tenure lottery, sponsored by MCA-Benin.*

and where rural poverty is on the rise, there are many who could benefit from MCA-Benin's poverty reduction programs. It is therefore important to implement a fair process to determine which villages will participate in the program during the initial phase as not all villages can be covered with limited funds. Nevertheless, the lottery's purpose was not exclusively to ensure fairness in providing access to limited resources. It also set in motion a randomized program evaluation, a method that allows the Benin government, MCA-Benin and MCC monitoring and evaluation experts to measure how offering secure land tenure to villagers contributes to rural income growth and poverty reduction.

According to Sophia van der Bijl, MCC's Associate Director for Monitoring and Evaluation, measuring effectiveness of aid programs, and particularly land projects, is a difficult task. When a program is introduced in a community and results point to a change in people's incomes, spending and investment patterns, and living conditions, experts cannot immediately assume these changes are a direct consequence of the program as they could be due to outside factors instead.

“For example,” adds Delia Welsh, MCC’s Director for Impact Evaluation, “increasing food costs or other shocks in an economy might make households feel worse off and could lead observers to the wrong conclusion about program effectiveness.”

In light of these issues, a good way to determine whether a program works and whether the results were truly caused by the program is to conduct a randomized evaluation. Experts choose a set of villages with common characteristics and then separate them randomly in two groups – one of the groups receives the program while the other group does not (in Benin’s case, the public lottery served this purpose). Any differences recorded between the two groups after the beginning of the program can then be more precisely attributed to the aid-funded program.

In the case of Benin’s land tenure project, villages eligible to participate in the lottery displayed high poverty rates, were located in a rural area offering potential short-term economic opportunities, and showed a willingness to promote women’s land rights.

MCA-Benin’s land tenure program will be implemented in the villages that won the public lotteries. The National Opinion Research Center (NORC) at the University of Chicago helped run the lottery and will conduct an independent evaluation of the program. Comparing the “yes” and “no” villages will allow experts to determine whether more secure land rights resulted in increased incomes, willingness to invest in higher yielding crops or the use of more expensive farming inputs such as fertilizers. Initial results for the Benin land project will be available in approximately one year, as results cannot be expected until land rights have been secured and a farming season has passed.



*The festive occasion brought together villagers and community leaders, MCA-Benin local staff, the Minister of Agriculture and the U.S. Ambassador to Benin.*

This type of scientific evaluation method is becoming more common among development aid donors and developing country governments wanting to measure what works and what doesn’t. The studies are used to inform decisions about extending a program, modifying it, ramping it up or suspending it.

Since its creation, the MCC has been among the leaders of this movement and is currently integrating randomized evaluations into program design and implementation in Nicaragua, Honduras, Ghana, Mozambique, Mali, Armenia and Georgia for projects ranging from land tenure rights to farmer trainings, credits and grants. These studies will contribute to a growing body of evidence allowing development experts to understand aid effectiveness and the efficacy of agricultural and land projects.

The government of Benin, which plans to replicate the land tenure program across the country, has been working in close collaboration with MCA-Benin to learn how this type of project and impact evaluation is conducted, building capacity to continue taking ownership of these poverty reduction efforts.