

Seven principles for inclusive development policy-making

Overarching principle: Development is not automatically inclusive, but requires additional and different investments

Principle	In practice: do's and don'ts	Concrete examples
<p>1. Assess policies, programmes and interventions for their distributional consequences (i.e. inequality reduction), not merely their absolute outcomes (i.e. poverty reduction)</p>	<p>a) Make an 'inequality assessment' a mandatory part of frameworks for programme identification</p> <p>b) Acknowledge that interventions that result in positive outcomes for some may increase inequality for others</p> <p>c) If interventions enhance inequality, redesign them in such a way that more people can reap the benefits or design additional interventions to increase inclusion</p>	<p>While cash transfers and national health insurance in Ghana have had positive economic and social impact (i.e. on food security, health), for the extreme poor these impacts have been limited. Yet, in Uganda, a cash transfer programme that seemed to have a negative long-term return on investment, appeared positive when additional value was given to redistribution and the development of the extreme poor. Hence, when adding inequality reduction and inclusion of marginalized groups as objectives to programmes, different or altered interventions may be chosen.</p> <p>Integrated targeting can be beneficial for universal interventions. For instance, while universal free maternal health care is considered more cost-effective than vouchers for maternal health care, the latter can complement the former for poor women unable to access free care without incurring additional costs.</p>
<p>2. Invest in areas and sectors where poor and marginalized people live and work, including in the informal sector</p>	<p>a) Avoid spatial and sectoral blindness</p> <p>b) Do not neglect to invest in agriculture and informal household enterprises, as these are the main sectors that the poor and marginalized (will) work in</p> <p>c) Also improve infrastructure and markets in rural areas and secondary cities</p> <p>d) To ensure the effectiveness of a), b), and c), local and regional institutions need to be strengthened</p>	<p>Innovation platforms in Ghana that focused on a low remunerative food crop (cassava) were able to increase the agricultural production of the poor and the organization and processing capacity of women, while investment in high value cash crops (cocoa) mostly benefited richer, autochthone farmers with cash-crop trees.</p> <p>Cash transfers can have large multiplier effects, thereby promoting growth in local economies. Yet, in Uganda, for example, these effects were small in remote areas, compared to high multipliers in urban areas. Additional investments in rural areas can increase the return on investment of cash transfers.</p> <p>Within the context of the decentralization of Kenya, social protection programmes are increasingly being implemented at the county and municipal level. Lack of capacity and political will at these levels hinders programme implementation. Strengthening institutions at these levels is, therefore, essential for effective implementation.</p>
<p>3. Acknowledge the diverse constraints of various subgroups of marginalized people and tailor policies to their specific needs</p>	<p>a) Avoid one-size-fits-all approaches, or approaches that tackle one constraint only</p> <p>b) Do not assume that equal opportunity and access are sufficient; relieve the constraints that prevent the poor and marginalized from taking advantage of these opportunities and enhance their capabilities to do so</p> <p>c) Include marginalized (sub)groups in programme design by tailoring implementation to their specific needs and constraints</p> <p>d) Understand, and adapt to, self-exclusion</p>	<p>While the Productive Safety Net Programme (PSNP) in Ethiopia has successfully covered millions of households, the programme should adapt to the needs of pastoralists in the Afar, whose seasonal agricultural practices are not in line with the planning of the PSNP.</p> <p>Weather index insurance can benefit farmers who face climate risks (particularly drought). Yet, if the primary constraint is not risk, but cash/credit (due to severe poverty), uptake of the insurance will be low. Alleviating farmers of this constraint through conditional (or unconditional) support can help to promote uptake and increase productivity.</p> <p>Young IT entrepreneurs from the slums can only participate in training programmes and develop a business plan that caters to their direct cash needs (i.e. food on the table), while IT entrepreneurs from a middle-class background can take more time to develop their business.</p> <p>Although 'free maternal care' appears to be a pro-poor policy, poor women, and especially poor women in remote areas, often incur additional expenses to access health care. These hidden costs can mean having to sell assets.</p> <p>Basic literacy and numeracy courses for uneducated women in rural areas increased their independence in operating a mobile phone for payments and information gathering. This 'freed' them from requiring services from intermediaries, either within or outside their household.</p>

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<p>4. Maximize the impact and efficiency of existing policies by integrating and upscaling interventions that work and by improving currently imperfect, yet potentially inclusive, interventions rather than installing new programmes</p>	<p>a) Acknowledge that only integrated interventions dealing with multiple constraints can lift the most marginalized out of poverty</p> <p>b) Look for opportunities to link, scale up and merge existing programmes before starting new ones</p> <p>c) Do not implement single interventions that are not aligned with existing programmes and institutions</p> <p>d) Acknowledge that programmes can have complementary effects on each other and, therefore, invest in joint interventions to improve effectiveness and impact.</p>	<p>While cash transfers have a large potential for economic empowerment, they are not a silver bullet. For instance, traumatized women in post-conflict areas need a combination of transfers and trauma support for empowerment.</p> <p>Aligning different health programmes (private or public, universal or targeted, contributory or non-contributory, etc.) makes them more efficient and prevents one programme from interfering with another. For instance, in Kenya, the uptake of health insurance decreased when free universal maternal health care was introduced.</p> <p>Integrating water harvesting methods and road-side tree planting to diversify economic activities can increase the impact of feeder roads. Economic activities can be further enhanced for a larger group of people, including the poor, when increased connectivity is combined with the availability of cheap modes of transport.</p> <p>Cash transfers have high potential, but need to be aligned with other social policies to be most cost-effective. These include programmes to increase agricultural productivity, financial access to healthcare, infrastructure development and informal social protection.</p> <p>Interventions often have interaction effects (substitutive, complementary, hindering). One example is in Ghana, where cash transfers and national health insurance were found to have separate positive effects, but with little complementarity. Strengthening their integration can thus help.</p>
<p>5. Design investments in such a way that they maximize spill-over effects in the local economy</p>	<p>a) Do not look at direct impacts only (e.g. how many jobs are created in a company), without giving weight to local and national spill overs</p> <p>b) Investors need to prioritize local job generation and the promotion of local economic spillovers. This requires raising local incomes to increase the demand for products and jobs in the local economy</p>	<p>The local employment effect of multinational investments is significantly larger when raw materials are not imported, but produced in the country of operation (local content).</p> <p>For cash transfers to have economic spill overs, adequate infrastructure (e.g. mobile phone networks, access to markets and quality roads) needs to be in place.</p> <p>Employment impacts of investments often materialize over time, through indirect pathways (e.g. as result of investment in health or food security). For example, returns on investment to a senior citizen grant in Uganda are positive after 10 years.</p>
<p>6. Include strategic actors at national and local levels in the design and implementation of policies and interventions</p>	<p>a) Analyse power imbalances and incentives for stakeholders to participate at all levels (including street-level bureaucrats and traditional authorities)</p> <p>b) Do not only invite usual actors to the design and decision-making table, as they may not really represent vulnerable groups</p> <p>c) Make sure that street-level bureaucrats are well informed about programme aims and modalities and have sufficient means and resources for implementation</p> <p>d) Focus on the socio-cultural and psychosocial factors contributing to self-exclusion</p>	<p>Within the context of decentralization, local bureaucrats and leaders are essential in the implementation of social protection programmes. Traditional authorities can perform multiple roles in relation to formal institutions: they can interfere (e.g. through corruption), but also provide support (e.g. include otherwise excluded groups) and substitute (when formal institutions lack capacity). Therefore, context-specific actor analyses are required to optimize implementation.</p> <p>In Ghana, the extreme poor do not equally benefit from cash transfers and health insurance, due to various factors including self-exclusion. Going the extra mile to include the (self)-excluded is required not only to make programmes effective, but inclusive as well.</p>
<p>7. Ensure real representation of diverse actors, including providing the necessary conditions for actors' participation</p>	<p>a) Do not assume that multi-stakeholder dialogues ensure the inclusion of all and diverse representation at the decision-making table, or that they provide mechanisms to hold representatives accountable</p> <p>b) Provide the basic conditions for participation: ensure equality in opportunity and access</p> <p>c) Link strategic actors who can (and want to) make a difference with marginalized groups by forming strategic alliances</p> <p>d) Critically assess the extent to which these alliances truly or sufficiently represent marginalized groups</p>	<p>Community participation in social protection programmes is essential to improve implementation of, and participation in, programmes. Non-inclusion (such as pastoralists in the Afar) not only hinders programme objectives, but can also induce conflict between excluded communities and beneficiary communities or the state. It needs to occur in the planning, implementation and evaluation of the programme, with equal representation of actors in each stage of the programme.</p> <p>Farmer-based organizations in Ghana are not automatically gender and poor sensitive, as large commercial farmers tend to take the lead in the organization. It is, therefore, essential that the diversity of positions, resources and interests are discussed and explicitly catered for at partnership and organization levels.</p> <p>The recognition of exclusion as a result of stigma, of sex workers for example, requires trained cadre who can facilitate the inclusion of marginalized groups and promote a mutually-beneficial collaboration that equally values diverse sets of knowledge and approaches.</p> <p>In contexts with several trade unions and (informal sector workers) organizations that have politically-driven constituencies, organizations can stimulate collective action if they function as 'hubs', rather than as membership or representative organizations.</p> <p>In Rwanda, Batwa priorities seemed different from those of international NGOs claiming to represent Batwa. While the latter prioritize identity recognition in advocacy, the Batwa prioritize economic empowerment and inclusion.</p>