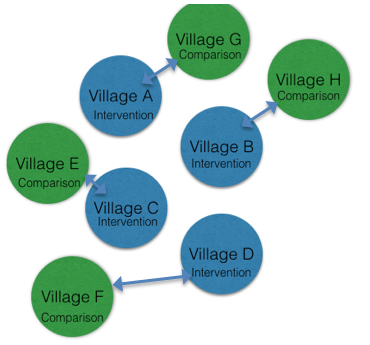
# Identifying a Comparison Group for a Forecast-Based Financing Programme/Project

When selecting a comparison group, we **need to find households to survey that have not received the interventions (EAP actions) but are otherwise similar** in terms of their flood vulnerability and socio-economic status.

If the vulnerability or income levels of the households are on average different between the comparison and intervention groups, the observed differences between the groups after forecast-based actions have been implemented and a disaster has occured will not reflect the impact of the FbF programme/project.



The level of analysis is at the household level and not the community level. As such it might not make a lot of intuitive sense to be identifying comparisons at community level. However, it is helpful to try and **match villages/ communities to each other to ensure a balance**. Essentially, by finding nearby communities that are very similar to the intervention communities, we will greatly improve our ability to make rigorous comparisons at household level.

For example, if one village of the intervention group is experiencing high levels of erosion which is affecting the productivity of farm land, and the other villages are not, it would be helpful to include a village in the comparison group that is also struggling with this level of erosion. Similarly, if one village of the intervention group has access to a very good evacuation shelter, it would be appropriate to include a village that also has access to a good evacuation shelter in the comparison group, if possible. In doing so, there is a greater balance at household level of these characteristics, which could affect the outcomes of the program.

**The following steps are recommended to identify comparison communities:**

1. Consult a map to identify the neighbouring communities that appear to have similar risk (altitude, proximity to rivers etc.).
2. Using experiential knowledge of the region or consulting others who have worked extensively in the region (e.g. government extension workers), write down your impressions of each of these neighbouring villages. The following questions may be helpful, as compared to each intervention community.
   1. What is the size/population of the neighbouring villages?
   2. Has there been substantial migration in or out of the neighbouring villages?
   3. Do residents of the neighbouring villages appear to have more or less income, farm productivity, land, animals, educational attainment or employment?
   4. Do residents of the neighbouring communities appear to be of the same ethnic group and religion?
   5. Do residents of the neighbouring communities appear to have the same balance of livelihoods options? (farming, herding, fishing, trade, etc.).
   6. Are there any major NGO projects or private sector enterprises in the neighbouring villages that make them different?
   7. Have neighbouring communities experienced more or less climate-related disasters?
3. If historical information on climate-related disasters exists, check to see if the intensity has differed between the communities in the last 15 years.
4. During a community meeting with the intervention group, ask them to think about each of their neighbouring villages. Ask them what is different and the same about each of these neighbouring villages. Using scenario/narrative prompts may be helpful.

Example question: “*If I went to village x, what would I see that was different from this community when I’m walking outside and spending time in homes?*” Then ask the same about what would be seen that is similar. Alternatively you could ask “*Are there any communities near here which are poorer or richer than this community?*” If feeling adventurous you could ask “*If I [a female] was thinking of getting married near here and was considering settling in the neighbouring villages, what should I take into consideration to decide which village to settle in?*” These types of questions at community level should begin to bring out some of the small micro differences between the neighbouring communities. These micro differences are used to exclude potential comparison group communities.

**In summary:**

The comparison communities selected should be the neighbouring villages (or as geographically close as possible) that (1) have the most similar risk to each intervention community and (2) have the least amount of known socio/cultural/economic differences as compared to each intervention community.

If possible, try to pair the communities (1 intervention village with 1 comparison village) as demonstrated in the diagram on page 1.

**Household-level sampling:** Once the comparison villages have been identified it is time to produce a household list of all households within the comparison villages. From this household list, a randomized sample of households should be generated to be surveyed. Their responses will produce the counterfactual of our impact assessment – what would have happened in the absence of our interventions.

**Gender balance:** Although the questions are asked at a household level, it is still important to get a gender balance of respondents. This is because male and female adults within the household may have a difference of opinion about the losses experienced during the flood. To create a gender balance, the enumerator should first ask for a male adult of the household if the assigned household number (used to sample) is an odd number. An adult woman should be asked first to respond of the household number is an even number. You may substitute genders if there is no adult of that gender within the household or if they are not available to respond.

**Demographic background information:** Our ability to do propensity score matching properly rests on having enough demographic information about the households. The demographic information (age, number of household members, income, assets, gender of household head, level of education etc.) is used to match households in the intervention group with counterparts in the comparison group that are the same in each of the demographic points but differ in that one has received the intervention and the other has not.