



Impact Evaluation of the Graduation Program



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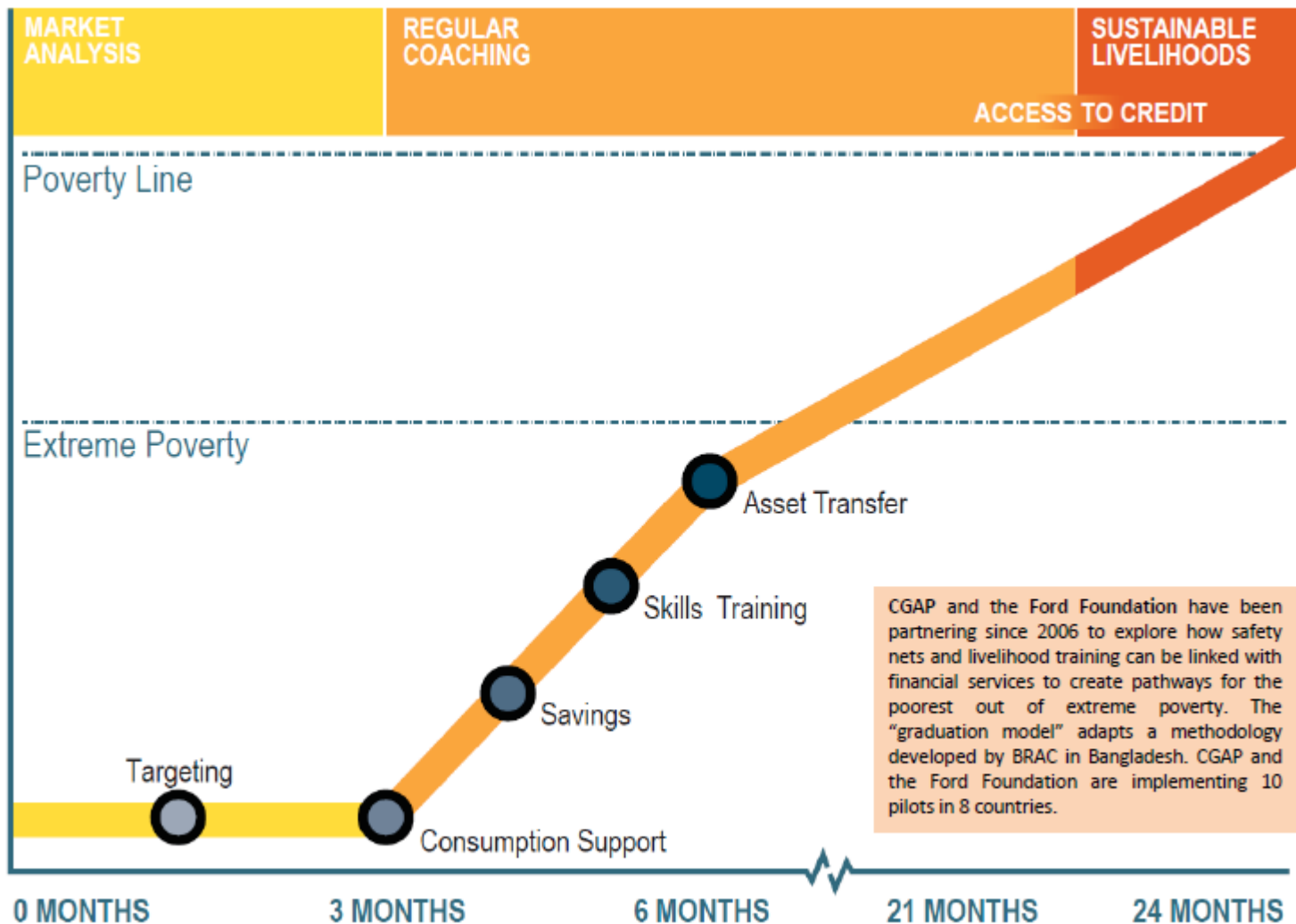
TRANSLATING RESEARCH INTO ACTION



The Program



The graduation model



Program background



- Targeting ultra-poor
 - Program by BRAC in Bangladesh (since 2002)
 - Ultra-poor too poor to benefit from microfinance
 - Intensive grant support needed
 - For limited period
- Program in Bangladesh has reached hundred thousands of people

Evaluation study in 6 countries

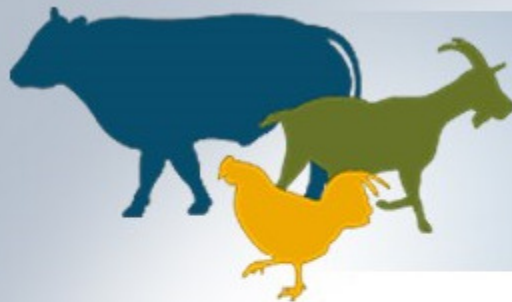


Why multiple countries?



- Critique of any one-country study:
 - One place, one implementer, one point in time
- Replicate in different settings:
 - Understand why things work
 - Political/policy persuasion

The six program components



ASSET TRANSFERS:

Participants choose an asset as a sustainable income generator. These included shea butter processing in Ghana, guinea pigs in Peru, and beekeeping in Ethiopia.



COACHING:

Field officers regularly visit households to encourage and monitor participants and reinforce skills and accountability.



SKILLS TRAINING:

Participants receive guidance on running a business and caring for assets.

The six program components



FOOD AND CASH STIPENDS:

Stipends are provided to immediately improve and stabilize consumption.



SAVINGS PROMOTION:

Households are encouraged to open and maintain savings accounts with a microfinance institution or a community-based savings group.

ACCESS TO HEALTH SERVICES

Nutrition and hygiene training is provided.





The evaluation question

What is the **impact** of the Graduation model on the ultra poor?

Impact evaluation measures:

- How have the lives of clients changed **compared to how they would have changed in the absence of the program**
- Note this is **different** from “How have their lives changed”

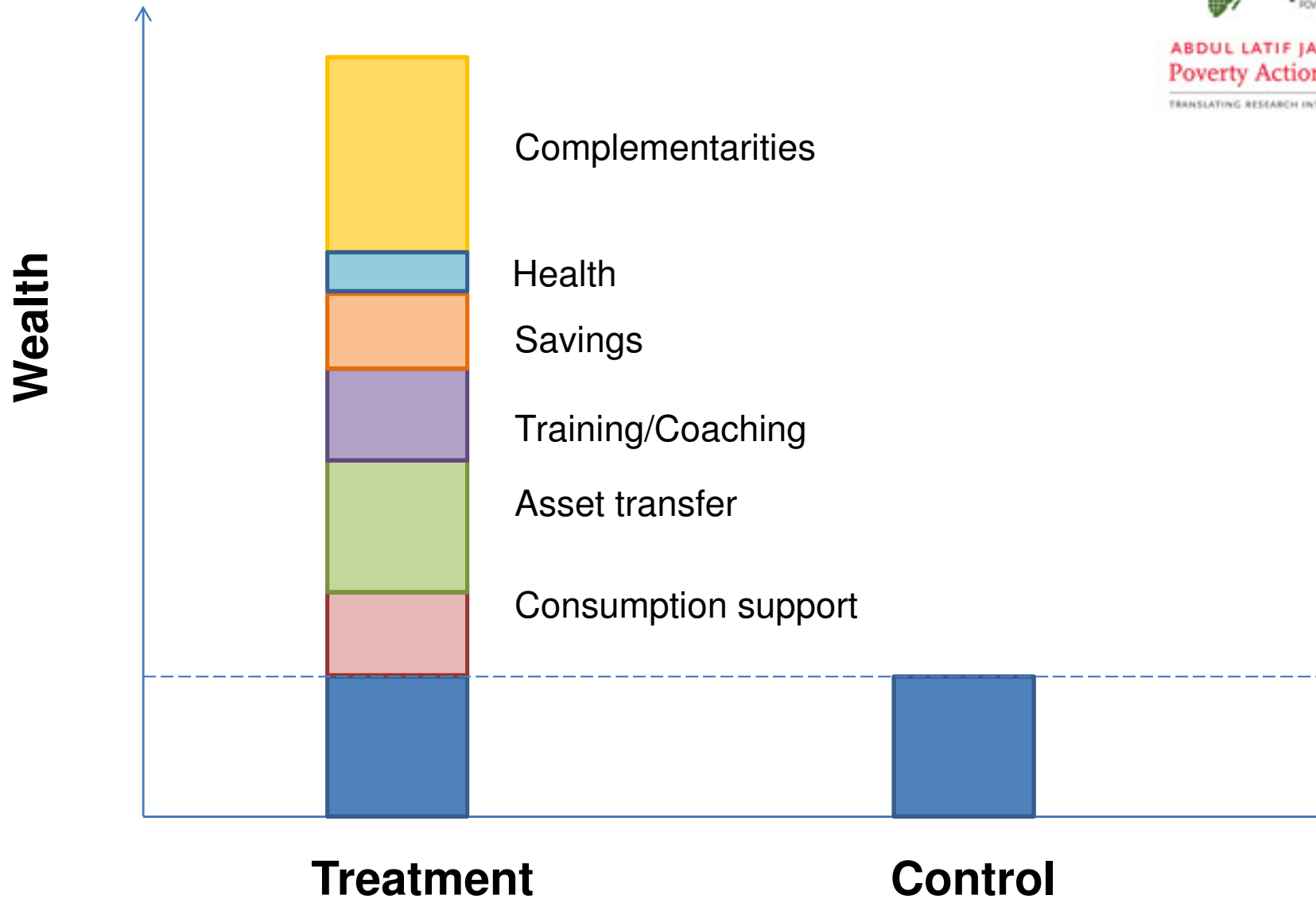


Methodology



- RCT: randomized controlled trial
- Randomly assign villages (or households) to either treatment or control group
- Randomization ensures that treatment and control group are very similar
- Control is used to figure out what would have happened to the treated households, *had they not been treated*

The Graduation Approach



Selection of beneficiaries



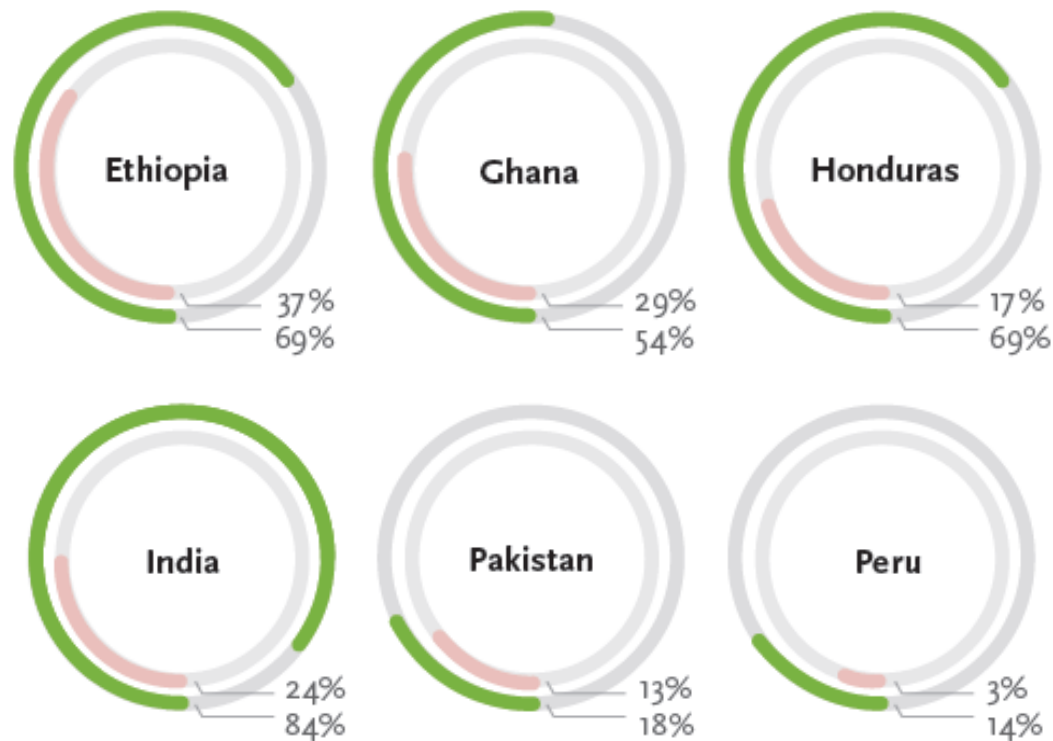
Multi-step:

1. Geographic targeting to select villages
2. Participatory wealth ranking to identify poorest within villages
3. Verification by implementing organisation



Who are the beneficiaries?

- Proportion of households in the program living below PPP US\$1.25 per day⁵
- Proportion of population in country below PPP US\$1.25 per day⁶



Data collection



- Important data collection efforts
- Sample:
 - Between 900 and 3000 households per country
 - Total of more than 10,000 households
- Purpose-specific panel household surveys
 - Baseline (before intervention)
 - Endline 1 (end of intervention)
 - Endline 2 (one year later)
- Large number of outcomes covered:
 - Assets, income, consumption, food security, health, education, community involvement, mental well-being, etc.



Results



Summary

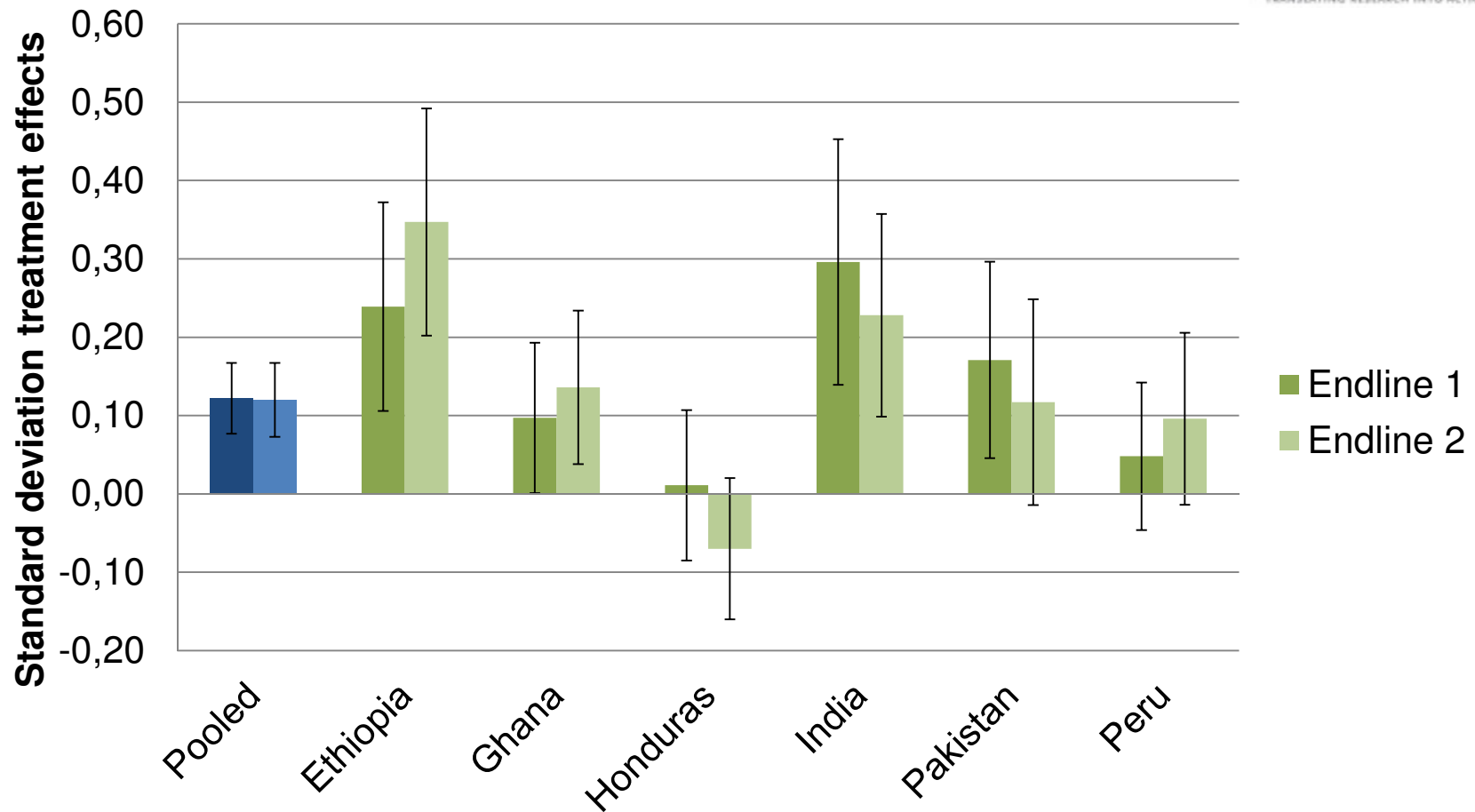
1. Statistically and economically significant impacts on most outcomes after the end of the intervention
2. Effects seem sustainable (a measured one year later)
3. Similar findings in most countries (with some exceptions)

Next, in more detail...

Per Capita Consumption

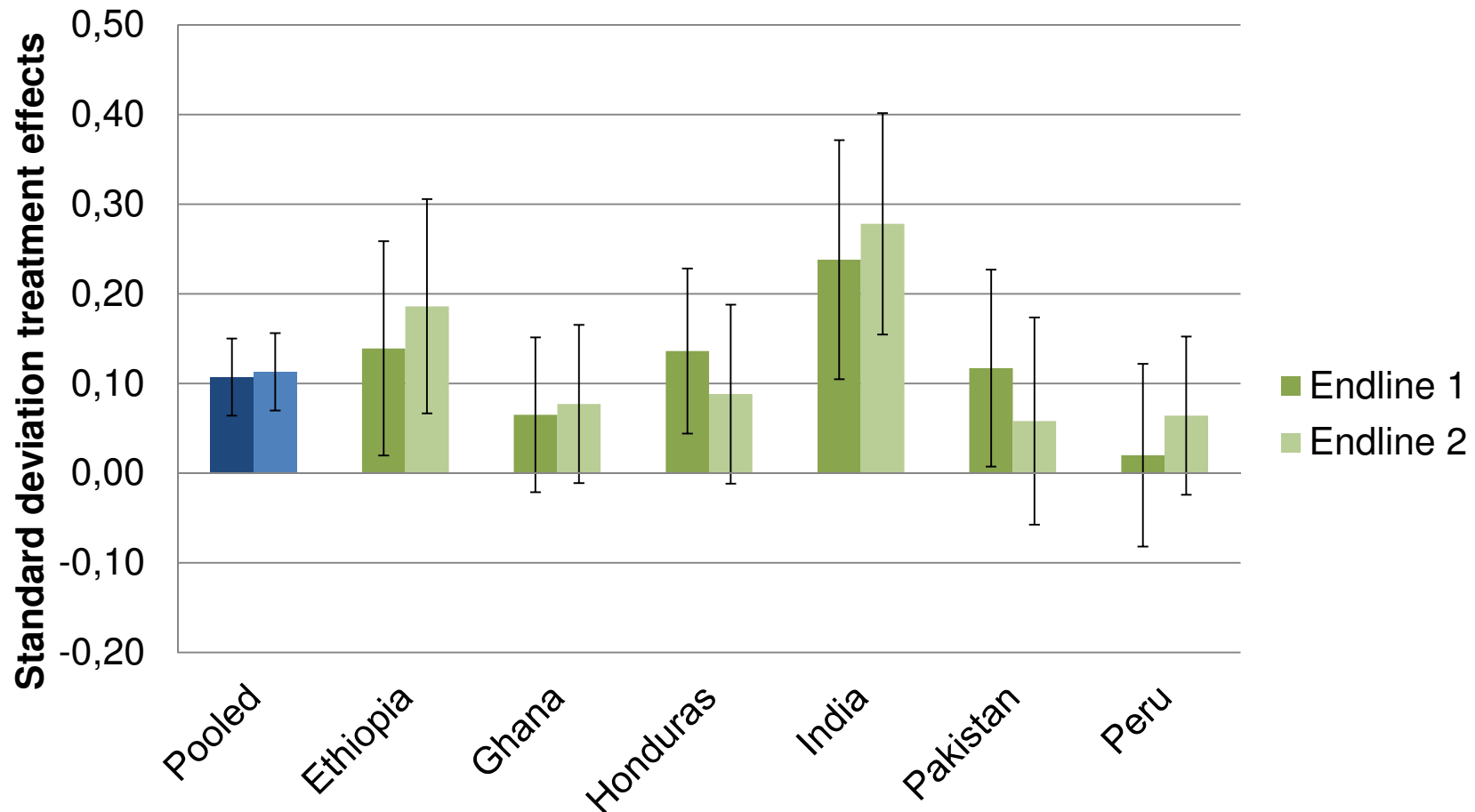


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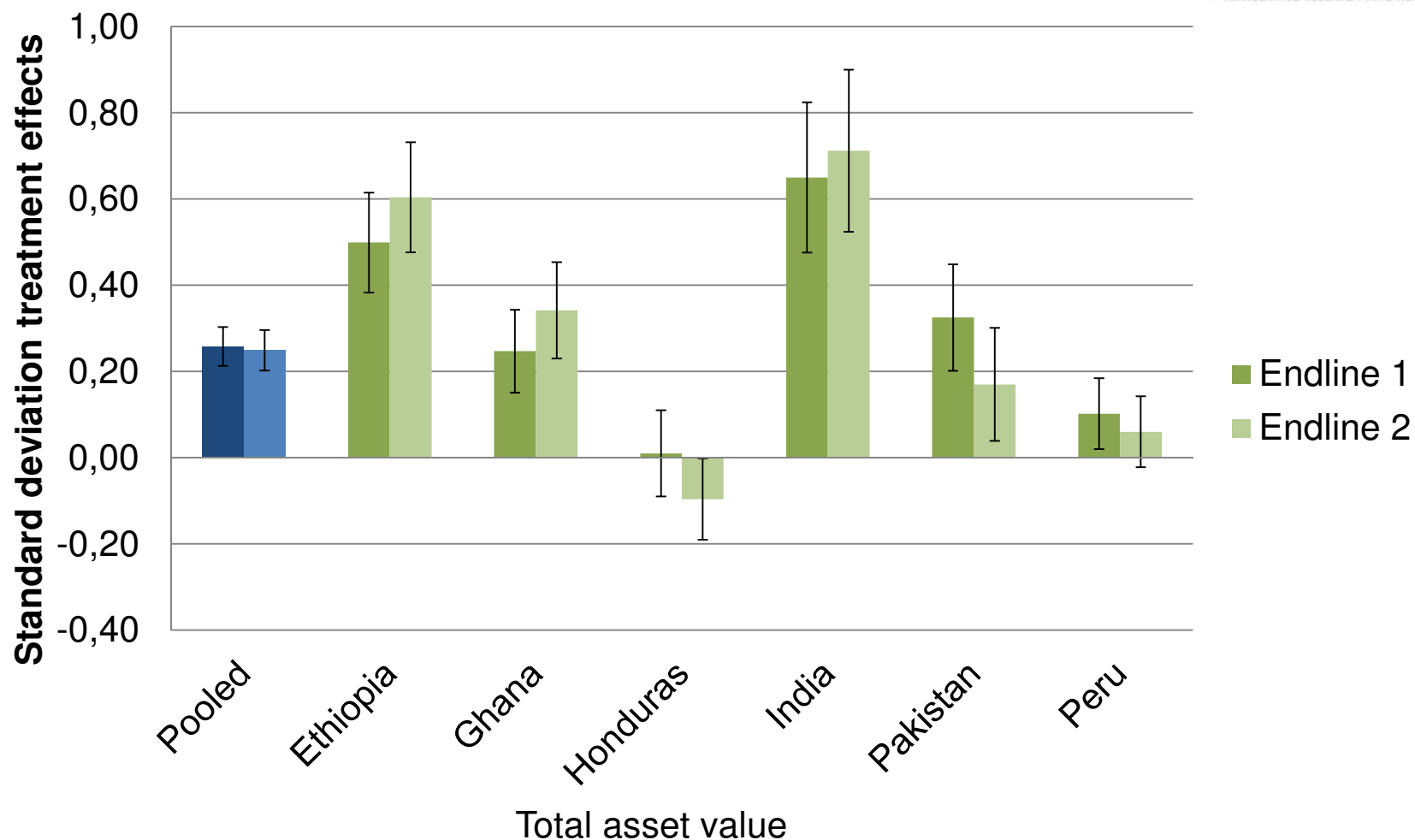
Per capita consumption, month
Pooled endline 1: \$4.55 (control mean \$78.80)
Pooled endline 2: \$3.36 (control mean \$68.80)

Food Security



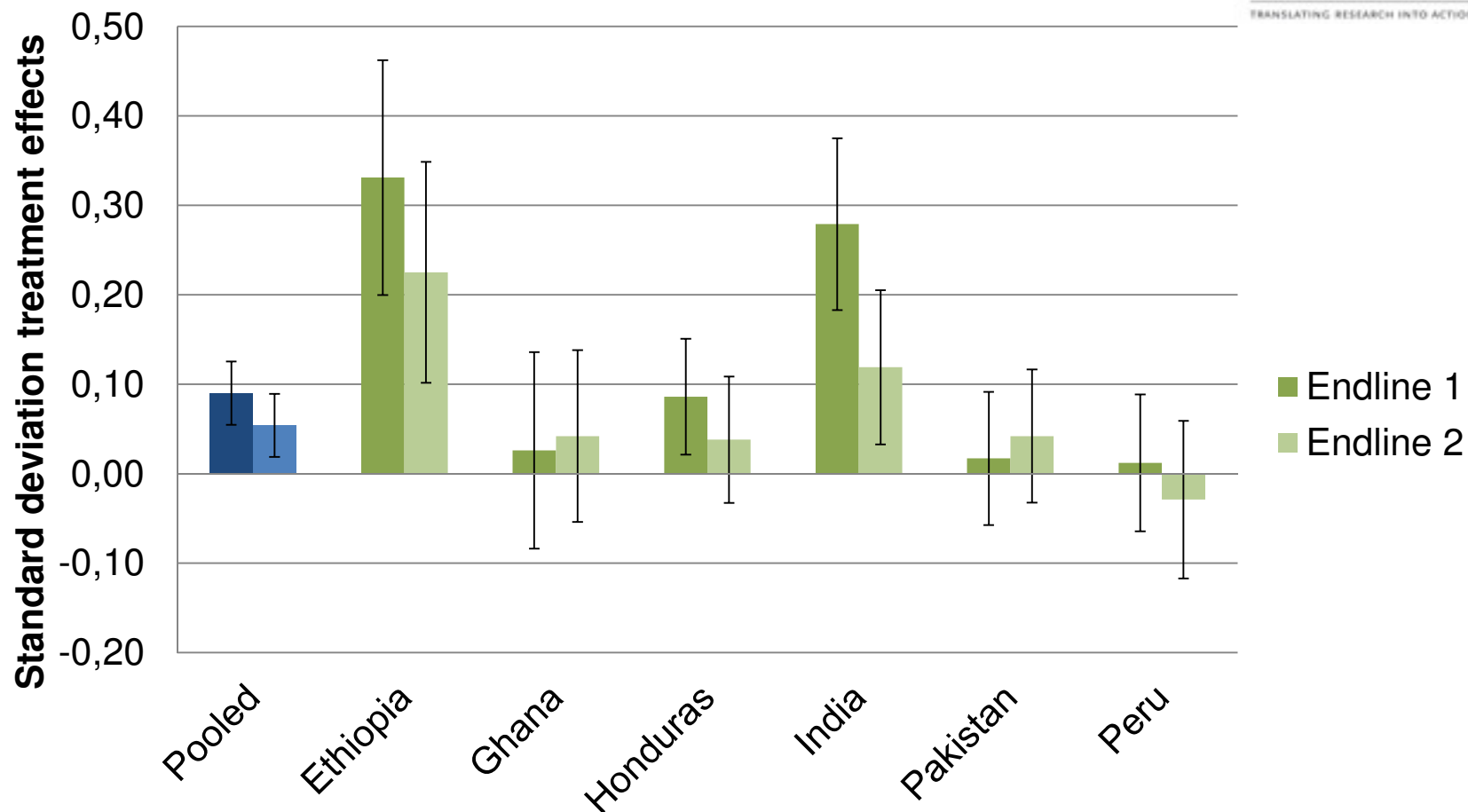
Everyone gets enough to eat each day
Pooled endline 1: treatment 47%, control 42%
Pooled endline 2: treatment 45%, control 40%

Asset Index



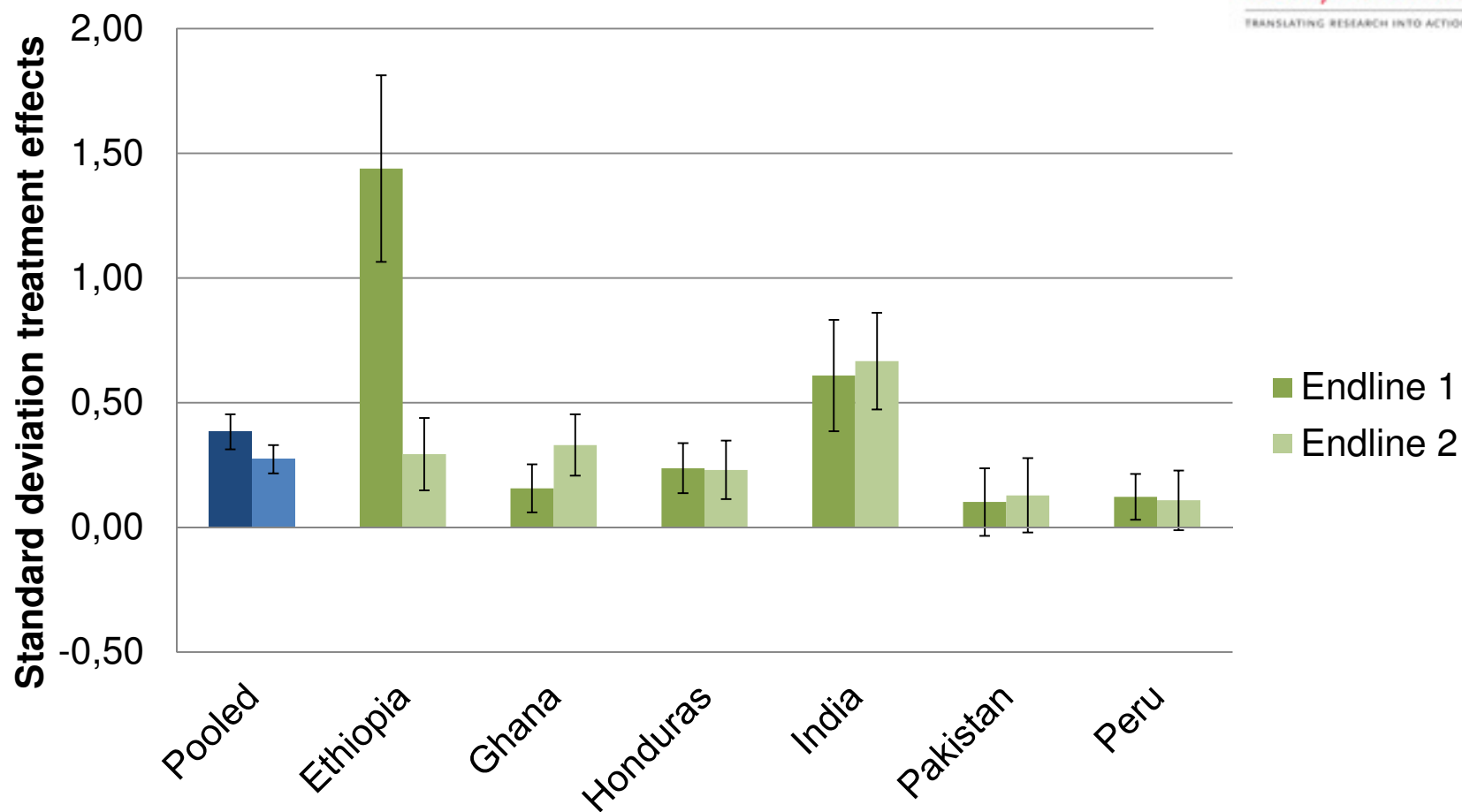
Total asset value
Pooled endline 1: \$599 (control mean \$2619)
Pooled endline 2: \$533 (control mean \$2300)

Time Use



Minutes spent on productive activities
 Pooled endline 1: 17.5 (control mean 169)
 Pooled endline 2: 11.2 (control mean 185)

Income and Revenues

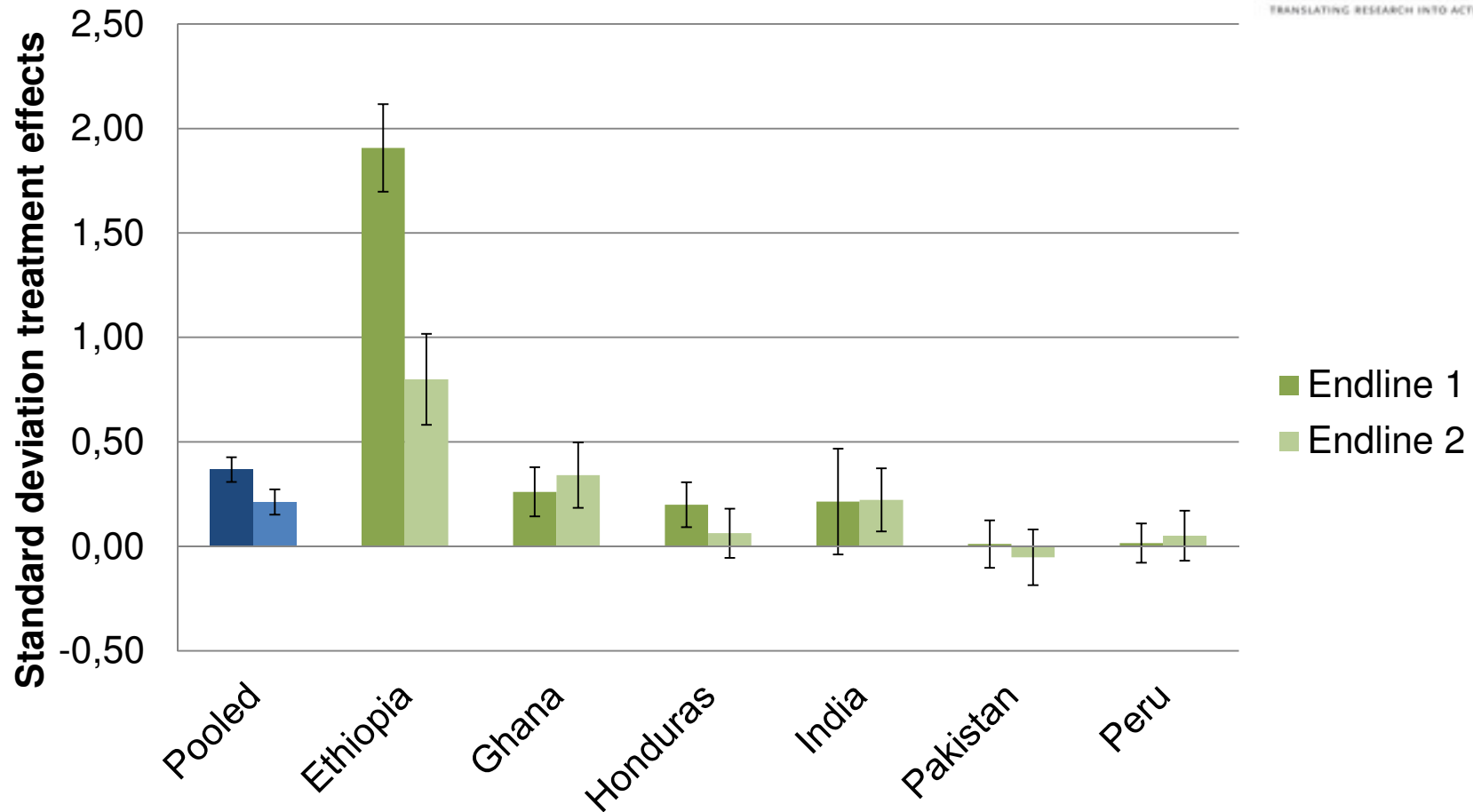


Monthly livestock revenues

Pooled endline 1: \$85.81 (control mean \$73.52)

Pooled endline 2: \$55.50 (control mean \$80.62)

Financial Inclusion



Total savings balance

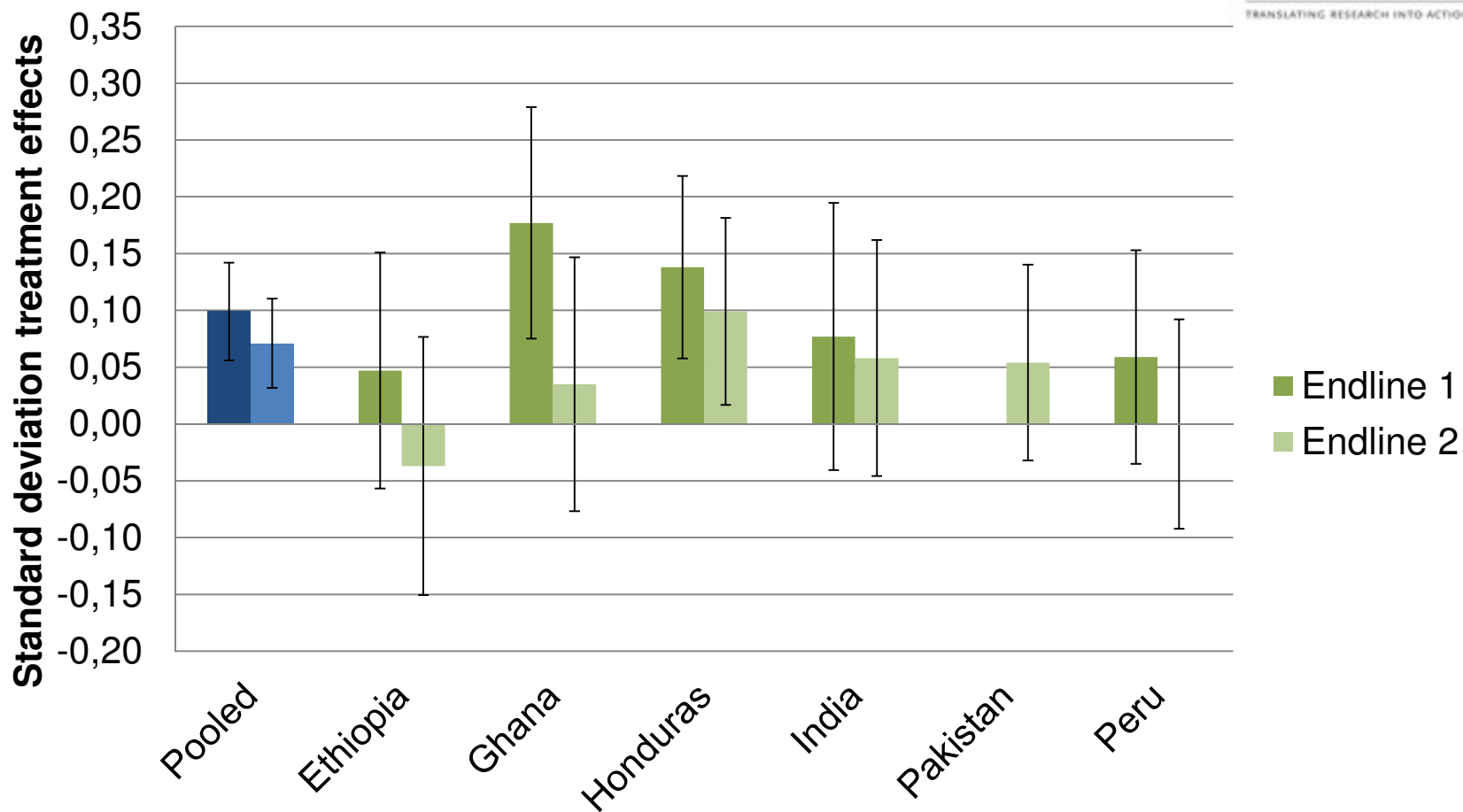
Pooled endline 1: \$159.41 (control mean \$97.07)

Pooled endline 2: \$58.38 (control mean \$78.38)

Mental Health



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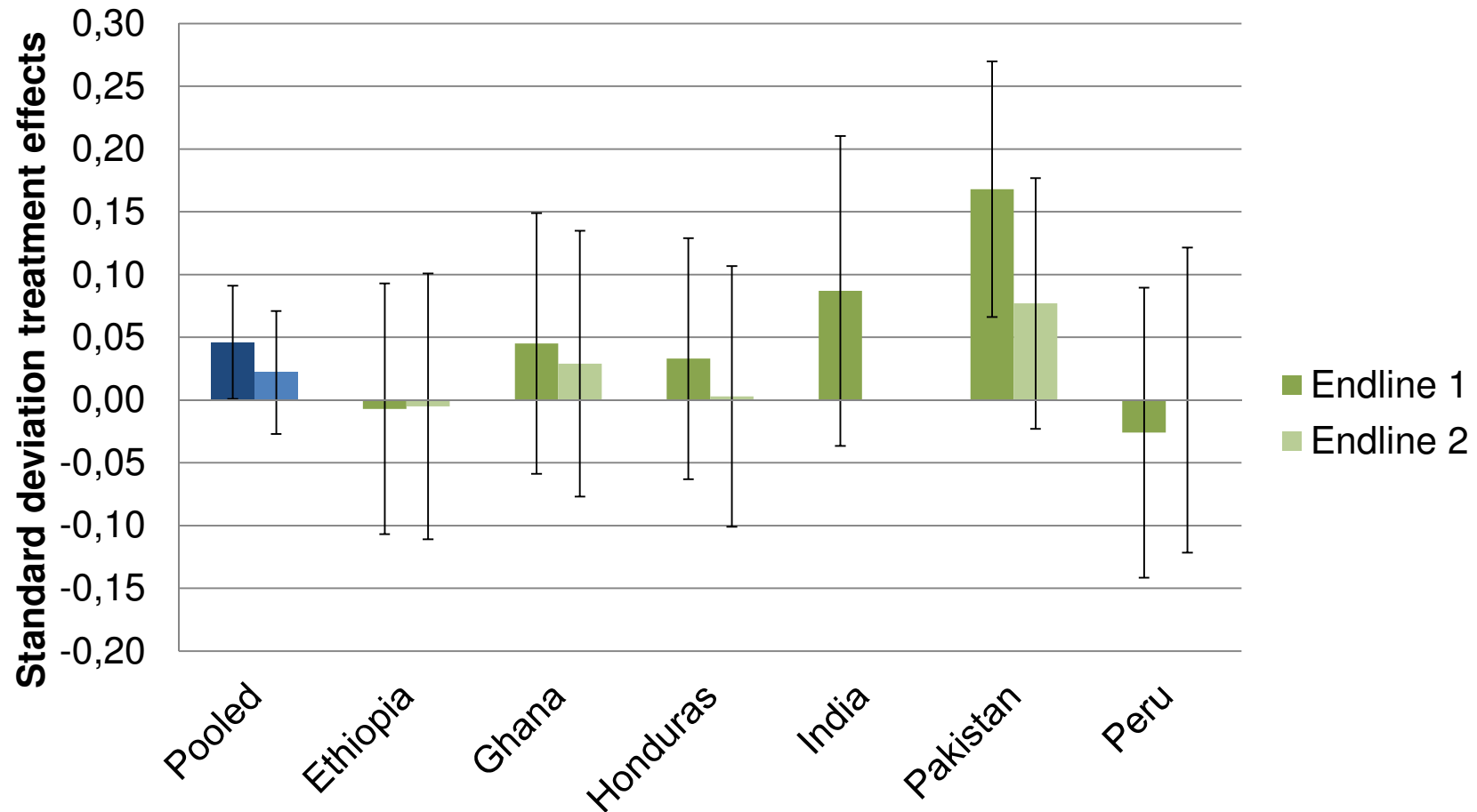


Self-reported life satisfaction (1-5 scale)

Pooled endline 1: 0.11 points (control mean 2.99)

Pooled endline 2: 0.08 points (control mean 3.13)

Women's Empowerment

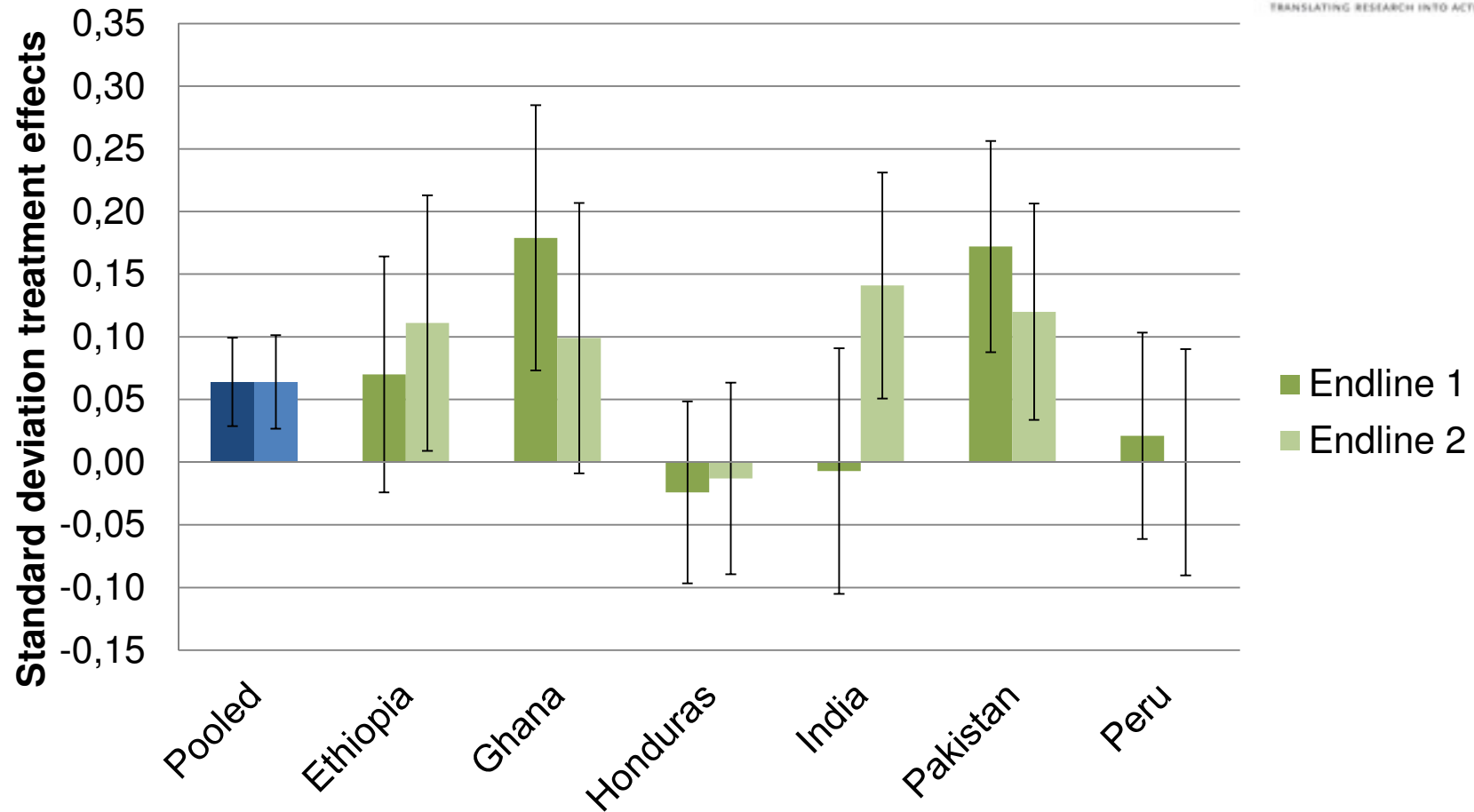


Female major decision-maker, food decisions
Pooled endline 1: treatment 57%, control 55%
Pooled endline 2: treatment 64%, control 63%

Political Involvement



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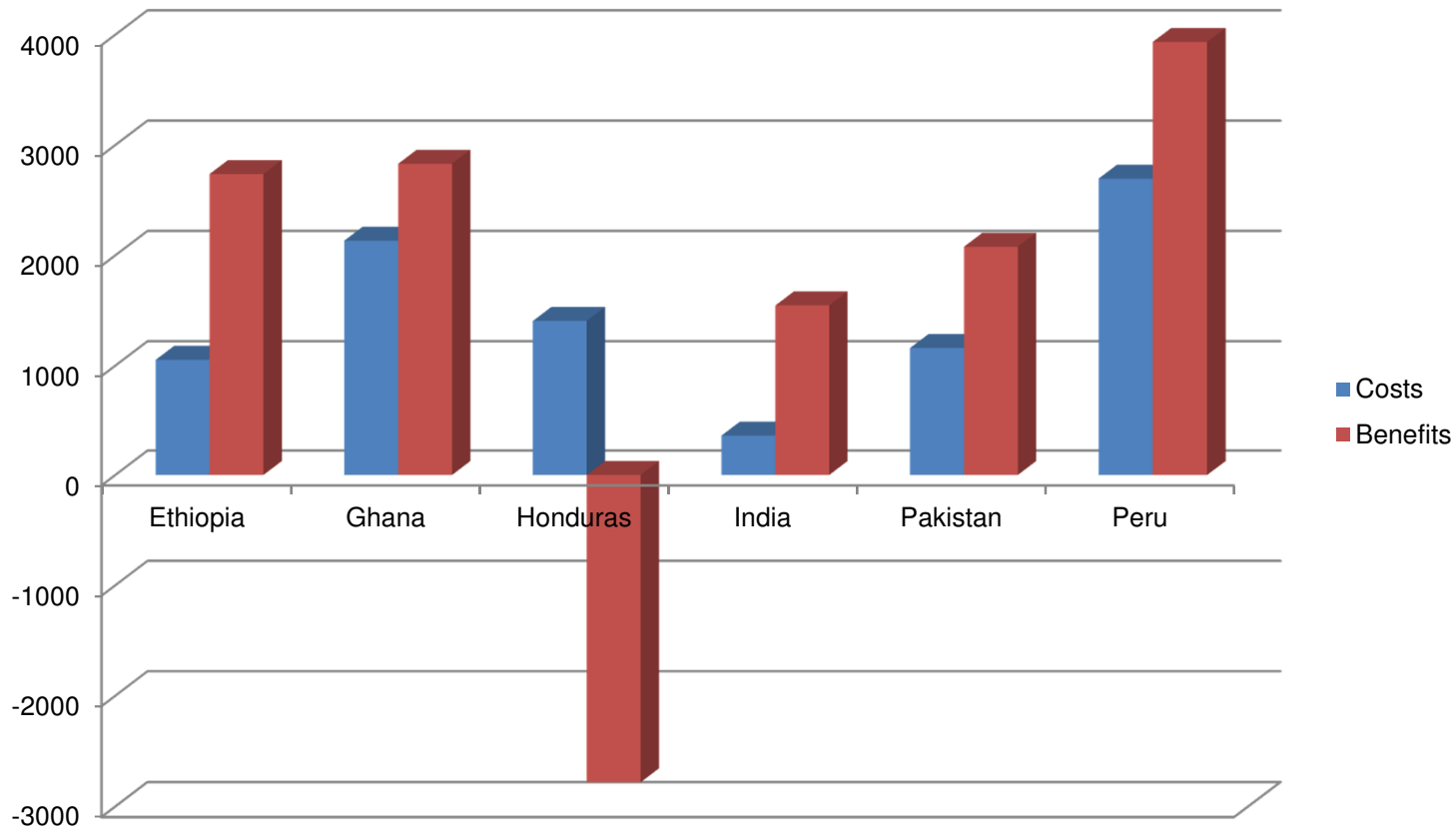
Member has attended village meeting, last year
Pooled endline 1: treatment 45%, control 42%
Pooled endline 2: treatment 39%, control 36%

Choice of assets matters...



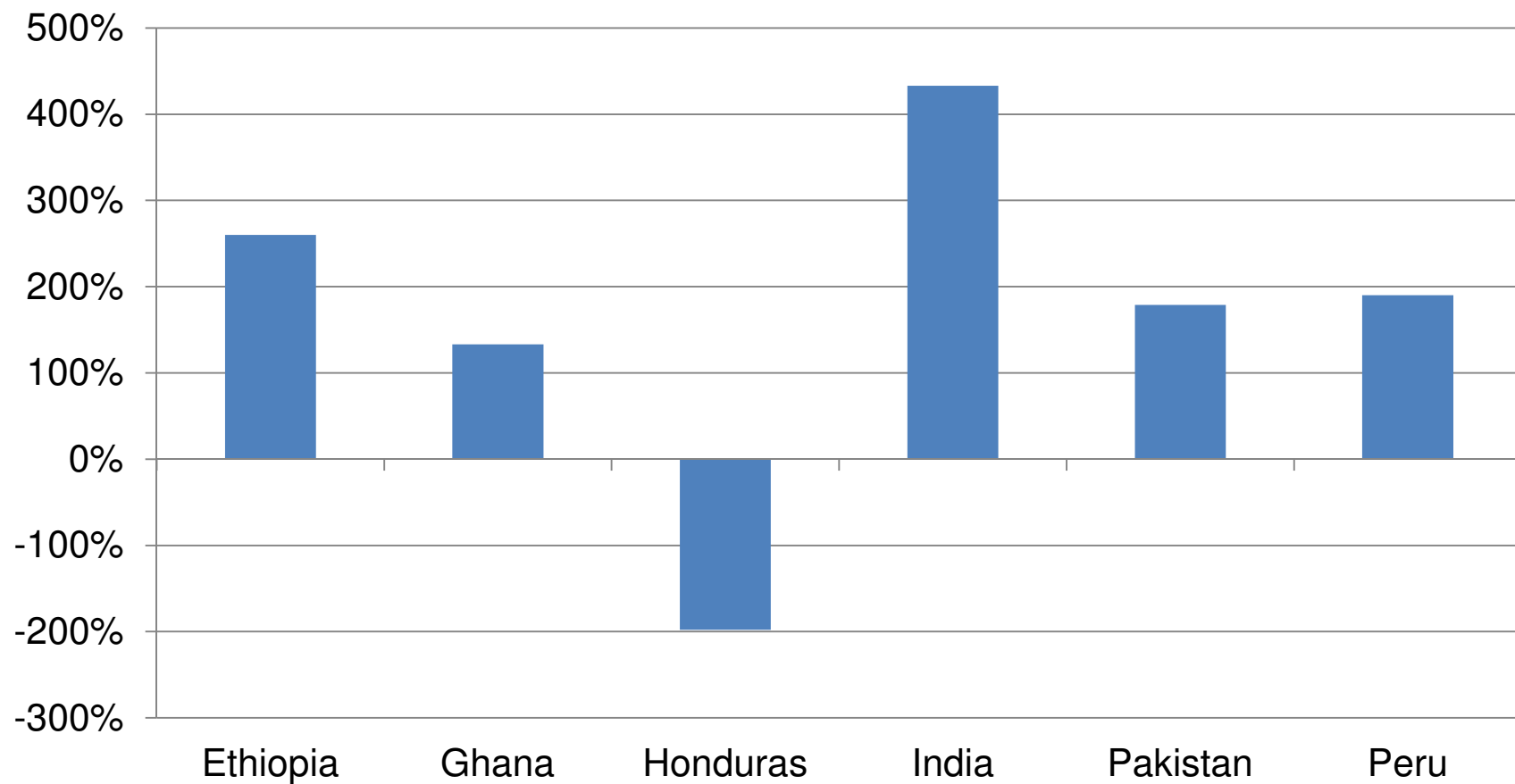
Cost-effective?

Total program costs and benefits
(USD; per household)



Cost-benefit ratio

Total Benefits / Total Costs by Country



Scaling Up



Conclusion



1. Holistic program consisting of carefully structured and sequenced set of interventions
2. Large-scale, very rigorous impact evaluation covering very different regions
3. Consistent and sustainable impacts on beneficiaries
4. In spite of important costs, program seem cost-efficient

Next Steps: Learning as we Scale

- Who benefits the most?
What to do for those who benefit less?
- Do we need all the components?
- Can it be cheaper?
- Community impacts?
- Longer run?



Thanks!



- Funders

- Ford Foundation
- CGAP
- 3ie (Ghana)
- USAID (Ethiopia)

- Implementers

- Bandhan, Pakistan Poverty Alleviation Fund, Aga Khan Planning and Building Services Pakistan, Badin Rural Development Society, Indus Earth Trust, Sindh Agricultural and Forestry Workers Coordinating Organization, PLAN International Honduras, Organización de Desarrollo Empresarial Feminino Social, Relief Society of Tigray, Presbyterian Agricultural Services (PAS), Asociación Arariwa and PLAN International Peru