

Promising Results

Concern Worldwide's Graduation Programme in Rwanda

April 2015

INTRODUCTION

Concern Worldwide is focused on tackling extreme poverty - understood as a **lack of basic assets and/or the low return to these assets** and the key causes, maintainers or obstacles that prevent people escaping extreme poverty including **inequality, risk and vulnerability**.

Our graduation programmes¹ are designed not only to move an individual or household above a specific income threshold but rather bring about improved returns on new and existing assets. The term 'graduation' is used to refer to the move of individuals or households out of extreme poverty and into food security and sustainable livelihoods, and can be summarised by the following theory of change:

'By accurately targeting extremely poor households and delivering a comprehensive package of support including income and assets; facilitating access to savings and credit systems and delivering skills training and mentoring, beneficiaries will have diversified livelihood options and increased resilience to shocks and stresses'.

Concern's Graduation Model has five essential components:

1. **Comprehensive targeting** that makes sure extreme poor households are identified as programme participants;
2. **Consumption/income support** provided in the form of a regular cash transfer to help participants meet their basic needs whilst they engage in expanding and diversifying livelihood strategies;
3. **Provision of skills training and regular coaching** focusing on human capital and includes providing access to practical, short, trainings as well as routine coaching and mentoring visits;
4. **Facilitating access to savings facilities** (and where feasible credit);
5. **An asset transfer** to jump-start economic activity; supporting participants to establish themselves in a small business or to seek more formal employment.



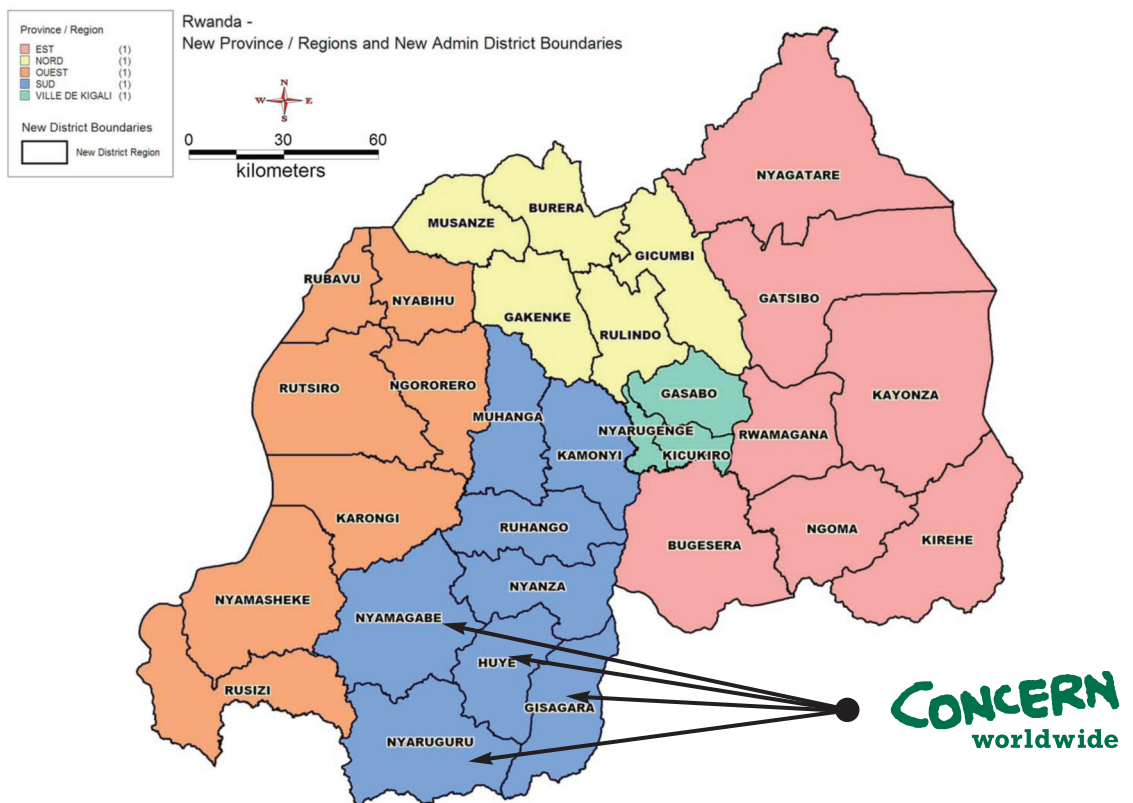
¹ The Graduation Approach was first developed by BRAC in Bangladesh and subsequently adapted and piloted by CGAP (the Consultative Group to Assist the Poor) and Ford Foundation in an effort to understand how safety nets, livelihoods and access to finance can be sequenced to create sustainable pathways out of extreme and chronic poverty.

‘Enhancing the productive capacity of extremely poor people’

‘Enhancing the productive capacity of extremely poor people’ is a graduation programme being implemented in the Southern Province of Rwanda since May 2011. The programme was initially implemented in two districts, Huye and Nyaruguru, and has since been scaled up to two additional districts, Nyamagabe and Gisagara. The programme currently reaches over 11,000 direct beneficiaries in 2,600 households over the four districts².

To be eligible for the programme households must be in the bottom two (poorest) ‘Ubudehe’ categories (a community-based wealth mapping system) and meet the following criteria, as verified by the community: at least one member of the household is able to work; landless or near-landless (with less than 0.25 acres) and homeless; have no cattle (or less than 3 goats); no income generating activity; no high school or technical qualifications, and are not supported by other programmes.

Following targeting and registration participants received an average of 18,000 Rwandan Francs (equiv. to US\$25), depending on the number of people living in the household, each month for a maximum of 18 months to support their basic needs and provide them with the opportunity to concentrate on developing sustainable income generating activities. Consumption/income support was originally planned for 12 months but was extended for a further six months as the majority of participants were using income for house construction (over half were homeless at the start of the programme), as encouraged through the government villagisation programme³.



² Implementation has been rolled out in stages; four cohorts across the four districts. The 1st cohort consisted of 400 households, 2nd: 800 households, 3rd: 800 households and 4th: 600 households. The 1st and 2nd cohorts are in Huye and Nyaruguru, and the 3rd and 4th are in Nyamagabe and Gisagara.

³ A development programme establishing that all households living in scattered rural homesteads – the typical settlement pattern in Rwanda – should be regrouped into organised village settlements.

Participants also received an asset transfer, in the form of cash income, of RWF 65,000 (equiv. to US \$90) in two instalments, to facilitate the engagement in economic/livelihood activities. For the most part, these activities have been focused on the development of small businesses such as trade of animals; setting up kiosks and small shops; providing services like bicycle and motor-cycle transport and making manure. The first asset transfer was made six months after the end of the consumption/income support phase, and upon the completion of enterprise development training, whilst the second was made six months later. The staggered approach ensures careful investment and minimising investment risks. In addition, households received coaching by volunteer Community Development Animators⁴ who visit households twice a month to work with families on setting priorities; problem solving; spending and saving plans; household decision-making and other programme-related activities including promotion of nutrition and hygiene, education and family planning.

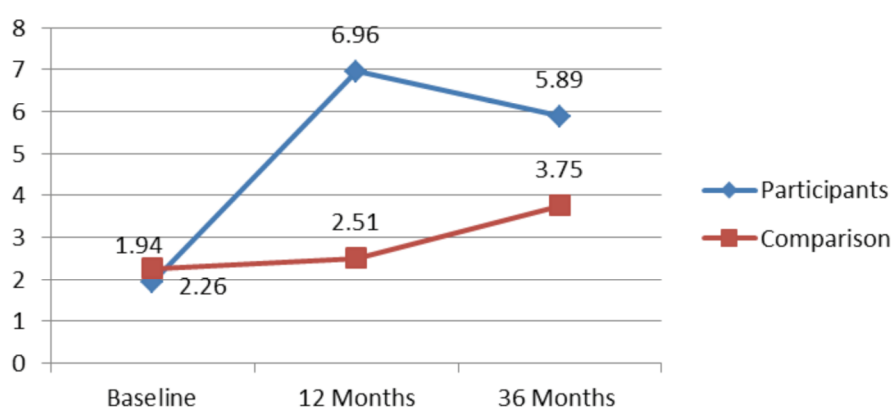
What this shows

Programme monitoring and evaluation has been specifically designed to produce learning about sustainable graduation including: pathways to graduation for different participating households (such as different livelihood activities); human and social indicators of graduation as well as income - or asset-based indicators; indicators of resilience and sustainability over time that go beyond reaching benchmarks or crossing thresholds at one point in time; enablers and constraints to graduation beyond the household or programme level.

This briefing paper summarises findings from three quantitative surveys undertaken at the start of the programme (baseline); one year (12 months) after the start of programme, when participants were receiving consumption/income support and three years (36 months) after the start of the programme (i.e. 18 months since participants last received consumption/income support). It isolates the impact of activities that have taken place since the consumption/income support phase including skills development and regular coaching, asset transfers and economic activity⁵ and highlights whether improvements seen at the 12-month survey (during consumption/income support phase) have been 'sustained' or 'declined'. It also identifies factors that have enabled certain households to sustain improvements over this period of time.

Data analysis has shown that the positive trajectory of results seen during the consumption/income support phase, as well as relative difference between participants and comparison households, has largely been sustained. The findings below highlight trends based on what improvements we expected participating households to see over time relative to a comparison group who have similar characteristics but are not participants of the programme⁶.

▶ **Figure 1:**
Deprivation Index



⁴ Each Community Development Animators provides mentoring to 15 households.

⁵ The report does not manage to disaggregate the impact of other activities.

⁶ The comparison group was selected using the same criteria as participants and although they are not participants of the programme they receive a stipend for their participation. In return for participation in the 12-month survey comparison group households were given one hoe, worth 2,500 RWF (equiv. USD \$3.5) though for later surveys larger incentives (small solar lamps worth 10,000 RWF or equiv. \$14) were planned for.

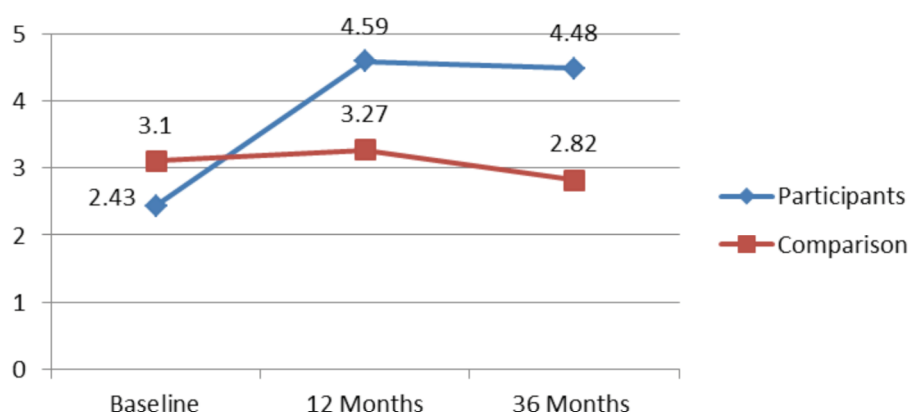
Deprivation Index

Deprivation is measured by an index which combines the measurement of a person's ability/inability to i) afford food; ii) pay for membership of the government subsidised Mutual Health Insurance Scheme, and iii) purchase medicines. The value of the index ranges from 0 (high deprivation) to 8 (low deprivation).

Hypothesis: Participants will register lower levels of deprivation

Over time, levels of deprivation remain significantly lower than at the start of the programme, however, participants reported a slight increase in deprivation since the 12-month survey. This is perhaps unsurprising given that at 12 months participants were receiving consumption/income, and would continue to do so for 6 months, and potentially had higher incomes. Though it requires further examination.

▶ **Figure 2:**
Productive Asset
Index



Productive Asset Index

The index combines information from eight different indicators: lives on own land; land used for agriculture; amount of land used for agriculture; uses improved seeds; owns bicycle; owns a cow; owns other animals; owns at least one hoe. The value of the index ranges from 0 (extremely asset poor) to 8 (asset rich).

Hypothesis: Participants will register higher levels of productive asset ownership

Over time, participants report higher levels of productive asset ownership than at the start of the programme and although there is a slight decline in ownership since the end of the consumption/income support phase the difference is small. The relative difference in ownership between participants and comparison households is significantly different – at nearly 2 assets.

Significant findings include:

- Participants living on registered land more than doubled their ownership of productive assets after one year (from 25% to 62%) and this has remained stable a year and a half after the end of the consumption/income support phase.
- The proportion of participants farming on more than one plot of land almost trebled (from 23% at the start of the programme to 76% at after three years).
- 16% of participants had acquired a cow from 0% at the start of the programme.
- The proportion of participants owning other domestic animals (e.g. goats and pigs) increased more than 10 times (7% at the start of the programme to 74% after three years).

► Mukankaka Seraphine, 38, with her youngest child, Nshimiyimana Olivier, the family's home in southern Rwanda. They are a part of Concern's graduation programme, receiving 27,000 Rwandan francs (\$40) per month from July 2011 to January 2013 and approximately \$60 in seed money to start a small business. This support allowed them to not only meet basic needs like food and clothing, but also acquire a cow, two pigs, and two goats and sorghum, which they ferment to make beer. Photo taken by Crystal Wells / Concern Worldwide



Consumption Asset Index

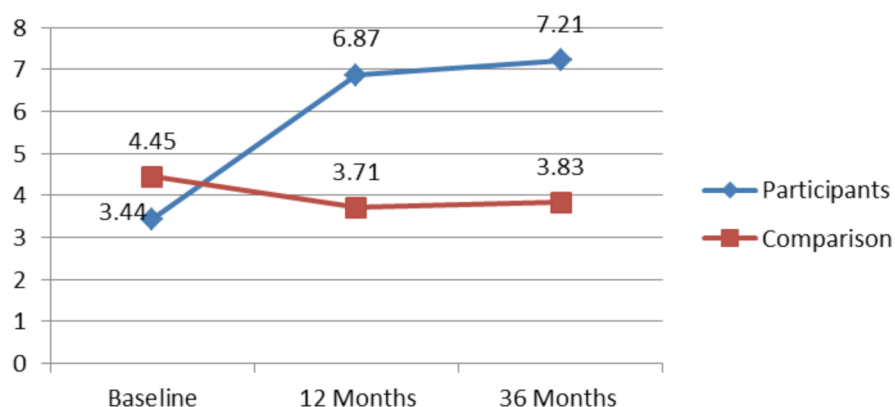
This index combines the sum of the following assets owned by households: house, saucepan, spoon or fork, plate, basin, jerry-can, chair, radio, mobile phone. The value of the index ranges from 0 (extremely asset poor) to 9 (asset rich).

Hypothesis: Participants will register higher levels of consumption asset ownership

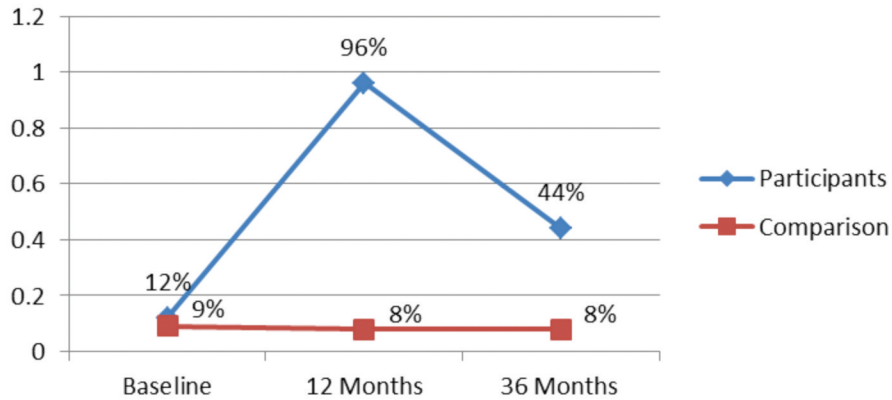
Over time, participants report higher levels of consumption asset ownership than at the start of the programme. In fact, participant households have further increased their ownership of consumption assets over the past year and a half since the end of the consumption/income support phase; almost doubling ownership levels compared to the start of the programme and relative to comparative households. Specific findings include:

- Almost all participants now own their own house (95%) compared with 45% at the start of the programme.
- 23% of participants now own a mobile phone, compared with 1% at baseline.
- Over half (55%) of participants now own a radio compared with 15% at baseline.

► **Figure 3:**
Consumption
Asset Index



► **Figure 4:**
Propensity to Save



Propensity to save

Hypothesis: Participants will have increased savings

Findings show a negative trend from 96% of participants reportedly saving money after one year of the programme, to 44% two years later. This is perhaps unsurprising as at the 12-month survey participants were receiving consumption/income support and potentially had higher income levels, though it will be necessary to explore the declining trend further. Participants are however, still saving more over time compared to the start of the programme and relative to comparative households. In addition, 39% of participants reported taking loans and on average, the amounts borrowed by participants were much higher than loans taken by comparison households.

Education

Hypothesis 1: More households will send some or all of their primary school-age children to primary school

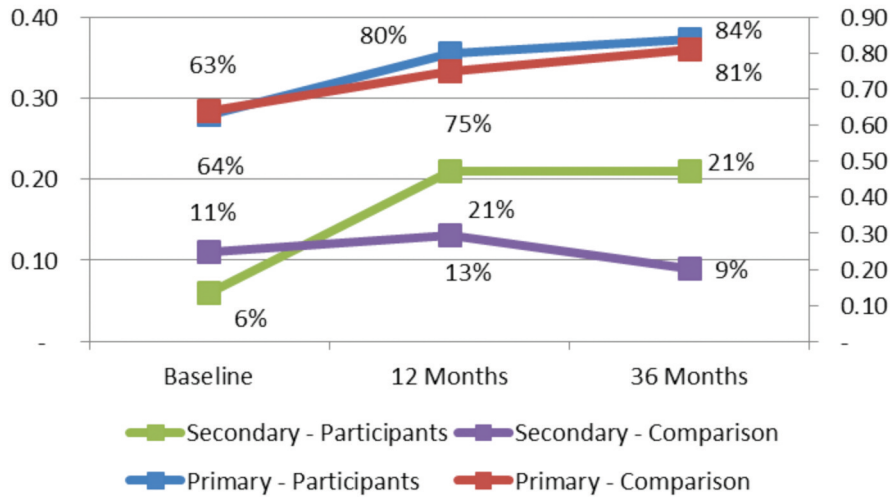
Hypothesis 2: More households will send some or all of their secondary school-age children to secondary school

Both participant and comparison households reported higher levels of primary school enrolment over time since the start of the programme and there is no significant difference between groups. We believe this to be a reflection of government policy.

► In the village of Gafumba, Rwanda, Concern has established a graduation programme that seeks to build sustainable livelihoods one by one, based on each individual family's skills and passions. It focuses particularly on southern Rwanda, where 54 percent of the population lives in poverty and 32.5 percent live in extreme poverty—the highest levels in the country. Photo taken by Cheney Orr/Concern Worldwide



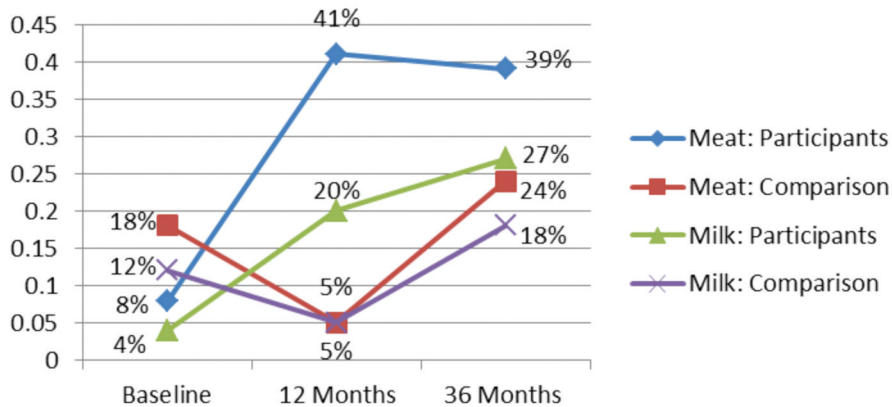
▶ **Figure 5:**
Education
enrolment levels



Over time however, participant households have more children enrolled in secondary school, from 6% at the start of the programme to 21% after one year and these rates have remained consistent, whereas comparison households have reported a decline in secondary school enrolment over the past two years.

In addition, the proportion of participants who can afford uniforms for most or all children has increased over time, from 7% at the start of the programme to 74% after three years. A positive trend was also seen for comparison households: 14% at the start of the programme compared to 46% after three years.

▶ **Figure 6:**
Levels of meat
and milk
consumption



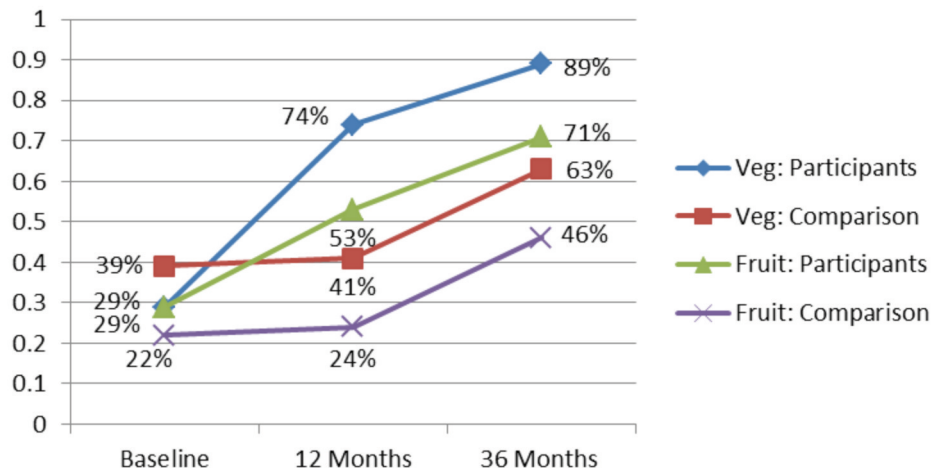
Nutrition, hygiene and health care

Hypothesis: Participants will register improved nutrition, and health and hygiene practices

Participants have increased their consumption of meat and milk over time with 39% and 27% consuming meat and milk respectively after three years compared with 8% and 4% at the start of the programme. Therefore despite a slight decline in consumption of meat by participants since the end of the consumption/income support phase the trend remains positive. The relative difference however between participants and comparison households is less now than it was two years previously, due to a significant decline in the consumption of meat and milk reported by comparison households during at the 12-month survey.

Both participants and comparison households are showing positive trends over time in terms for growing vegetables and fruit: 89% of participants and 63% of comparison households are growing vegetables after three years compared to 29% and 39% respectively at the start of the programme. Similarly, 76% of participants and 46% of comparison households are growing fruit compared to 29% and 22% respectively at the start of the programme.

▶ **Figure 7:**
Vegetable and
fruit production
levels



Other findings include:

- The proportion of participants sleeping under a mosquito net has increased to 90% compared to 76% at the start of the programme.
- The proportion of participants using laundry soap (always or often) was significantly different after three years (76%) compared to 34% at the start of the programme.
- The proportion of participants who changed their clothes regularly (every two or three days) was also significantly higher after three years (60%) compared to 11% at the start of the programme.
- Both participant and comparison households reported lower levels of perceived malnutrition within the households after three years compared to the start of the programme: 2% of participants and 8% of comparison households after three years compared to 25% and 42% respectively at the start of the programme.

Social activities⁷

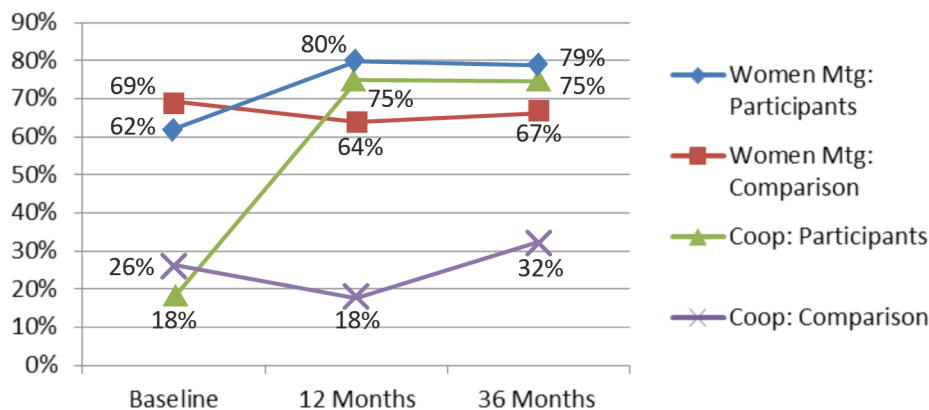
Poverty can reduce the time and money people have available for social activities and can also be associated with feelings of shame and stigma, leading to poor and vulnerable groups withdrawing or being excluded from society. The graduation programme is expected to help individuals engage more in social activities and surveys collected information on four indicators of participation in social and community activities: church attendance; engagement in community work or 'Umuganda'; attendance at women's meetings and membership of a cooperative.

Over time, the proportion of participants attending social activities has improved. 93% of participants now attend church 'once in a while' compared to 75% at the start of the programme; 79% of women attend women's meetings compared to 62% at the start of the programme and 75% of participants were members of cooperatives compared with 18% at the start of the programme. The only indicator where there has been a decline in participation is in *Umuganda*⁸, where the proportion of participants taking part has fallen to 87% compared to 92% after one year. At 87%, participation has fallen to the level reported at the start of the programme whereas participation of comparison households continues to rise.

⁷ Surveys collected information on four indicators of participation in social and community activities: church attendance (many times a week, once week, once in a while, not at all); engagement in community work or 'Umuganda' (every month, once in a while, never); attendance at women's workshops (every day, once in a while, never); membership of cooperatives (yes or no).

⁸ Community collective work followed by community meetings, occurring once a month.

► **Figure 8:**
Participation in social activities



Enabling factors

To try to understand the reasons for the observed trends and produce learning about what enables or potentially constrains sustainable graduation, further analysis was undertaken to investigate whether participants with certain characteristics have 1) improved over time, 2) improved more than other participants and 3) improved relative to comparison households against three indicators: deprivation, and ownership of consumption and productive assets. Households' characteristics have been sorted by whether they have been seen, based on the analysis alone, to: 1) enable graduation, 2) be a potential enabler of graduation or 3) be insignificant, as shown in the diagram below.

► Jean-Claude Minani, 22, stands outside his home with his motorcycle in Gafumba village in southern Rwanda. Minani bought the motorcycle through Concern's graduation program, which helps the poorest Rwandans establish sustainable livelihoods to escape poverty. He uses his motorcycle as a taxi, and the money he has earned has enabled him to build a home, where he also supports his younger sister. Photo taken by Cheney Orr / Concern Worldwide.



Enables graduation

- **Labour capacity:** Participants with two or more adults living in the households do better than beneficiaries with only one adult in terms of productive assets over time.
- **Household size:** Over time larger families manage to reduce their deprivation and accumulate more productive assets than smaller households. *(Please note that the value of consumption/income support was related to the number of dependents living in a households and for the 1st cohort the total value was not capped).*
- **Home ownership:** Households who lived in their own dwelling showed greater reductions in deprivation over time compared with beneficiaries who rented or who were hosted for free.

Potential enabler

- **Land tenure:** Over time, participants whose land is registered reduced their deprivation at a higher rate than participants whose land is not registered.
- **Plot size:** Participants with larger land holdings are better-off in terms of lower levels of deprivation and more consumption assets than households with smaller land holdings. Over time however, the deprivation index of beneficiaries with larger land holdings at the start of the programme deteriorated relative to beneficiaries with smaller land holdings or no land.
- **Membership of a cooperative:** Over time participants who are members of a cooperative benefitted more in terms of productive assets than participants who were not members of cooperatives.
- **Outside support:** Overtime, participants who recieved additional financial support were more likely to improve their consumption assets compared with participants who only received support from the programme.
- **Access to credit:** Over time, participants who had access to credit managed to accumulate more productive assets than beneficiaries who did not have access to credit.

Not significant

- **Gender of the head of household:** Female headed households benefitted at the same rate as male households across all three outcome indicators
- **Household decisions:** Households who use selected (improved) seeds do not reduce their levels of deprivation or accumulate more consumption and productive assets that households who do not.
- **Human capital/literacy:** Over time, participants who were able to read and write did not benefit from an improved change over time compared with participants who were not able to read or write.

CONCLUSION

We see strong trends in terms of improvements in wellbeing over time and widening differences between participants and comparison households. Data highlights the **positive impact of the graduation programme on human and social indicators, as well as income- and asset- based indicators** and shows that the **impacts of the graduation programme can be sustained over time**. In a number of areas participants have reported further improvements in wellbeing since the end of the consumption/income support phase, including: ownership of productive and consumption assets; enrolment of primary school-aged children in primary school; milk/meat consumption, and households growing vegetables and fruit. Improvement has also been sustained at the same level in terms of secondary school enrolment; membership of cooperatives and attendance at church. These findings suggest that activities undertaken following consumption/income support – skills development and regular coaching, and asset transfers – are facilitating the graduation of people out of extreme poverty in the medium-term.

Although progress towards a number of indicators (deprivation index; ownership of productive assets; propensity to save; meat consumption; participation in women's meetings) has seen a downward turn since the end of the consumption/income support phase, improvements have been sustained since the start of the programme. Given that a number of these indicators are directly impacted by income levels and that participants are no longer receiving consumption/income support, this is perhaps unsurprising; we also know that the majority of beneficiaries used consumption/income support to invest in assets and it may be that a year and half later they no longer own these assets. We will continue to monitor these indicators and a follow-up survey has been planned for the end of the programme; in a further 12 months which will mark four years since the start of the programme. The following table summarises whether the relative difference in indicators have been 'sustained' or 'declined' since the start of the consumption/income support phase.

Relative difference between participants and comparison group has been ‘sustained’

- Lower levels of deprivation
- Productive asset ownership
- Consumption asset ownership
- Propensity to save (although declining)
- Secondary school enrolment
- Meat and milk consumption
- Vegetable and fruit production
- Social activities: attending church; attendance at women’s meetings; membership in cooperatives

‘No relative difference’ between participants and comparison group

- Primary school enrolment
- Perceived level of malnutrition

Relative difference between participants and comparison group has ‘declined’

- Participation in Umuganda

Propensity to save is an area we plan to investigate further, due to the sharp downward turn since the end of the consumption/income support phase. This is likely to be because participants were strongly encouraged to save some of the cash transfer, leaving some money in the account instead of withdrawing it all immediately; now that the consumption/income support has stopped there is no longer a direct link to savings. However, it may also be because income accruing from economic activities is lower than two years previously. As one of the five steps in the graduation model is support to save and access to financial services we want to ensure that this support is being delivered effectively. Likewise, where there has been convergence between the improvements reported by beneficiary and control group households (deprivation index; participation in Umuganda) there is value for us in understanding why, and we will examine this further in forthcoming qualitative research.

Survey findings have also identified a number of factors which have, and potentially could, **enable sustainable graduation** including: labour capacity; household income; home ownership; land tenure; land plot size; membership of a cooperative; outside support and access to credit. We will look at these factors again in the end of programme survey to see if these characteristics continue to show improvement over time. We will also look more closely at some of the characteristics to understand ‘why’ they show improvement over time, bearing in mind what we will and will not be able to influence. We will also be able to compare this against a survey undertaken in 2014 which looked at low performing households and **constraints to graduation**. Finally, a number of characteristics which might be expected to enable sustainable graduation (human capital, household decision making) did not show improvements in outcomes over time and we will further investigate why this is, particularly as the graduation programme intends to increase human capital. This will allow us to better understand the different **pathways of graduation**.

Finally, although not captured in the previous surveys, Concern is committed to ensuring value for money to our donors and programme participants. Programmes are designed to be both cost-efficient and effective and we will appraise this as part of our final evaluation.

ACKNOWLEDGEMENTS

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