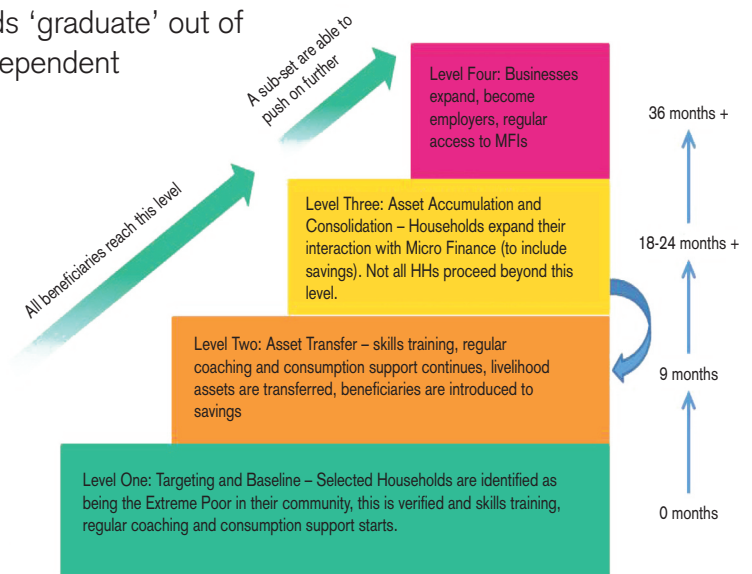


# Unleashing the capacities of vulnerable households: Concern Worldwide's Graduation Programme in Rwanda

## INTRODUCTION

Programmes that support the livelihoods of poor people in developing countries are increasingly focused on 'graduating' participants out of extreme poverty, by providing an integrated and intensive package of support over a defined time period, usually 2-3 years. As the Figure below illustrates, the package of support is often sequenced, starting with targeting extremely poor households who receive regular coaching and consumption support (cash transfers), followed by livelihood assets accompanied by skills training, then access to microcredit and savings, until finally many of these households 'graduate' out of extreme poverty and into sustainable and independent livelihoods.

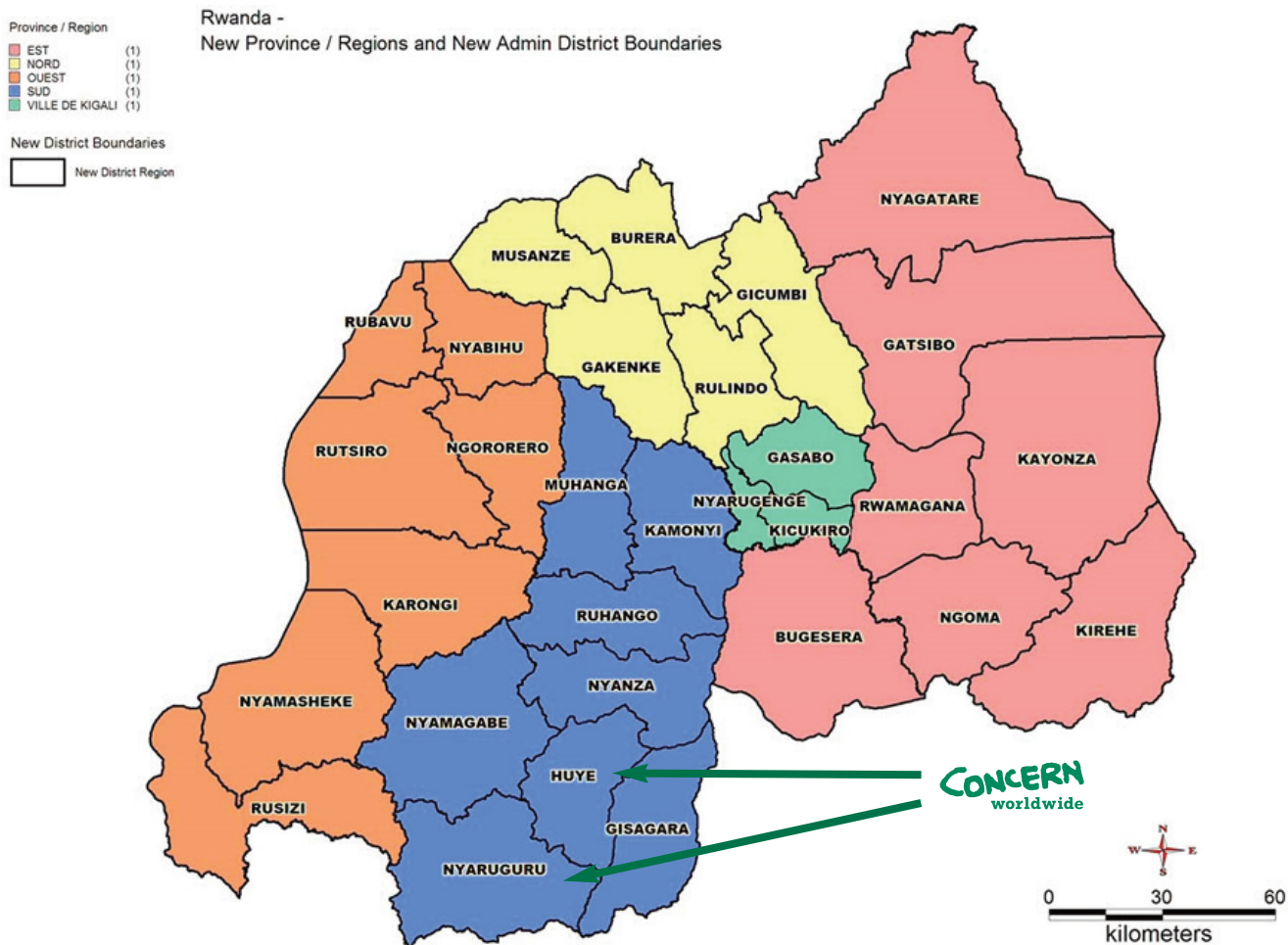
This is the basic 'graduation model' that was pioneered in Bangladesh and is now being piloted in other countries. Concern Worldwide is running a version of this model in Rwanda. With poverty reduction being high on the Government of Rwanda's policy priorities, lessons from the Graduation Programme are expected to support this effort, and to influence policy debates on graduation, in Rwanda and beyond.



## The Rwanda Graduation Programme

Concern Worldwide launched a programme called 'Enhancing the Productive Capacity of Extremely Poor People', also known as the 'Graduation Programme', in two districts of southern Rwanda – Huye and Nyaruguru – in May 2011 (see map on page 2). The Programme supports extremely poor households with a sequenced package that includes: cash transfers to meet basic needs, skills development and asset transfers to improve livelihood options, and savings facilities to buffer risk and fund investments in productive activities, with the goal of facilitating sustainable exits from extreme poverty. The monitoring and evaluation (M&E) component aims to generate useful learning in support of the Government of Rwanda's Vision 2020 Umurenge Programme and the National Social Protection Strategy.

The Graduation Programme targets 1,200 extremely poor households in two cohorts, with 400 in the 1<sup>st</sup> cohort and 800 in the 2<sup>nd</sup>. The 1<sup>st</sup> cohort receives cash transfers for 18 months (average RwF.18,000/month = US\$27 [at US\$1 = RwF.660] depending



on household size). Households also receive coaching by volunteer Community Development Animators (CDAs), on prioritising cash transfer spending and savings plans and on other programme-related activities.

Households were targeted for the Graduation Programme if they are classified in the bottom two 'Ubudehe' categories (a community-based wealth mapping) and the community confirms that they meet the other eligibility criteria: at least one adult member is able to work, landless or near-landless and homeless, have no cattle, no income-generating activity, no high school or technical diploma, and are not supported by any other project.

Following the targeting and registration phase, 12 months of cash transfers were delivered that was extended to 18 months because of challenges faced by cash-constrained households. The research component started with a baseline survey at the time the targeting was done. A follow-up survey was done after 12 months of implementation, to assess changes in participant households due to their regular receipt of cash transfers.

This Briefing Paper summarises findings and lessons learned from this first 12 months of Graduation Programme implementation in Rwanda. Further survey rounds are scheduled for 18 months and 32 months after the final cash transfer (see timeline below), to assess the impacts of the asset transfer (which was made after the cash transfers ended) and the training and coaching activities, and whether any improvements observed in the first follow-up survey are sustained after the cash transfers end. These sustained improvements in household wellbeing indicators will provide a measure of whether these households have 'graduated' out of extreme poverty.



Chantal showing off health insurance cards for all members of her family (Photo/Donna A. Akaliza)

## Timeline of Programme and Research Activities

May 11	Aug 11	Sep 12	Jan 13	May/June 13	Dec 13	Jan –Aug 14	Aug 15
<b>Programme activities</b>							
<b>Targeting</b>	<b>Cash transfers</b> (12 months)	Cash transfer ends <i>(additional 6 months cash transfer (total 18 months))</i>	<b>Asset transfer</b> (USD\$61) Training in enterprise development	Additional asset transfer (USD\$60) <b>Training</b> and coaching continues	<b>Coaching</b> in enterprise development  Phase-out of HH doing well	Further coaching in enterprise development for households lagging behind	
<b>Research activities</b>							
Baseline survey	'After first 12 months' survey		Qualitative field work		'18 months after final cash transfer' survey	'32 months after final cash transfer' survey	

## Research Methodology

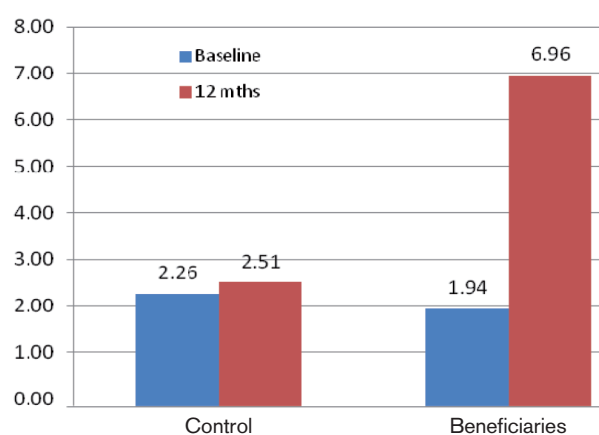
Households that participate in the Graduation Programme are expected to record sustainable improvements in several dimensions of wellbeing, including: levels of deprivation, including food security, ownership of productive assets and consumption assets, savings capacity and ability to borrow, investment in children's primary and secondary education, access to health care and hygiene practices, and inclusion in social activities. The research (M&E) component is designed to monitor changes in these 'key impact indicators' in participating households, relative to their situation at baseline and in comparison to control group households.

The baseline and follow-up surveys both consisted of a 100% census of all 1<sup>st</sup> cohort programme participants (400 households) plus a 50% control group (200 households) of extremely poor households living in adjacent sectors. The baseline survey questionnaire was designed to collect information before the Graduation Programme started on the 'key impact indicators' that the Programme is expected to influence. The first follow-up survey was designed to assess whether these indicators have changed after 12 months of programme implementation. Any change observed in participating households between the baseline and follow-up surveys that exceeds changes in the same indicators in the control group households is the attributable impact of the Graduation Programme.

Qualitative fieldwork was also undertaken. A small sample of households was purposively selected as case studies, representing those who are 'progressing' (three participants) or 'facing challenges' (three participants) on the programme, as well as one participant who has dropped out and two non-participating households from the local communities. These households were interviewed in depth about their lives and livelihoods, as well as their experiences and perceptions of the Graduation Programme.

## Findings

A **deprivation index** was constructed, compiled from three 'basic needs' indicators related to food security and access to health services: individuals' ability (or inability) to afford food, their ability to afford to pay for membership of the government subsidised Mutual Health Insurance Scheme, and their ability to purchase medicines. The scale ranges from 0 (only eats a few times a week, can never afford health care or essential medicines), to 8 (eats three times a day, can always afford health care and basic medicines). Programme participants scored below 'control' households on this index at baseline, but their average index value leaped from under 2 to close to 7 after receiving cash transfers for 12 months, while control households saw only a marginal rise from 2.3 to 2.5. This highly significant improvement in the wellbeing of participants can be attributed to the Graduation Programme.



Specific improvements were recorded for indicators of **food security**. The proportion of participating households who eat meat and drink milk regularly increased fivefold between the baseline survey and after receiving cash transfers for 12 months (from 8% to 41% and 4% to 20% respectively). More participants are growing vegetables and fruit for consumption at home than when the programme started.

A **productive asset index** was also constructed, based on 8 indicators: whether households live on their own land, whether and how much land is used for farming; if improved seed is used; and whether they own a hoe, a bicycle, a cow and other animals. On this scale (where 0 means no ownership and 8 means ownership of all these assets), we observe a similar 'leapfrog' effect. Programme participants owned fewer assets at baseline, but significantly more assets after 12 months of cash transfers (from 2.4 to 4.6), than control group households, who experienced only a marginal increase (from 3.1 to 3.3).

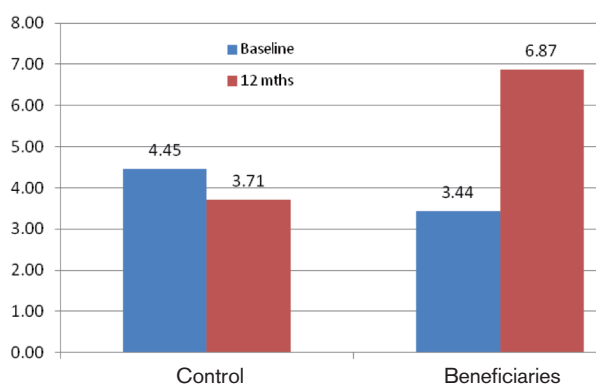
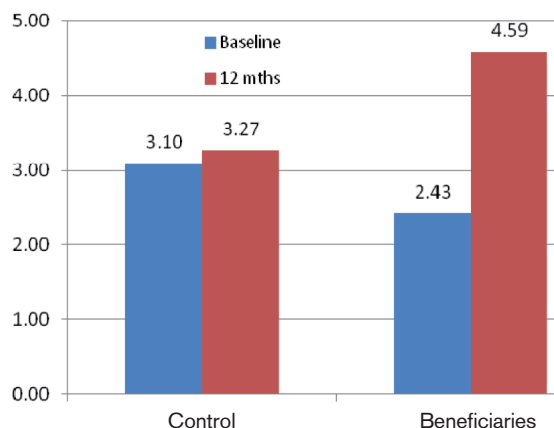
A simple **consumption asset index** was compiled by asking respondents if they owned their house, a saucepan, spoon or fork, plate, basin, jerry-can, chair, radio, and mobile phone. Again, participants started worse off than control households (3.4 vs. 4.5) but used cash transfers to purchase consumer goods and were significantly better off than control group households by the second survey (6.9 vs. 3.7). Interestingly, control households are significantly worse off after 12 months on this indicator than they were at baseline.

A major programme impact was on **home ownership**. Because of poverty, land pressure and the government's villagisation and anti-thatched roofing campaigns, more than half of programme families were homeless at baseline, but this fell to less than one in five (from 55% to 17%) thanks to cash transfers financing house construction and the distribution of iron sheets for roofing by Concern Worldwide. This had positive spill-over effects on other community members who had provided housing and assistance to these households before the programme started. Protais Kanyandikwe, who was accommodating a poor relative until she built a house with the cash she received from the Graduation Programme, explained that: *"They have got their own homes now, and they no longer have to beg people for food all the time."*

The Graduation Programme also impacts positively on children's access to **education**. Cash transfers alleviate income constraints, allowing poor families to buy school uniforms, books and stationery so that more children from participating households are attending both primary and secondary school. As Martin Ntawukuriryayo – a landless, homeless, unemployed programme participant with a wife and 3 young daughters – explained: *"My children will study without a problem because they have all school materials and won't be hungry"*. This effect is more concentrated among relatively wealthier households, confirming that poverty is driving children's non-enrolment and non-attendance at school and that cash transfers are an appropriate intervention to address this.

Programme participants registered significant increases in terms of their participation in **social activities**, including church and voluntary community work ('Umuganda'), and also in their membership of community institutions such as women's groups and cooperatives. These effects relate to the programme's impacts on intangible dimensions of wellbeing, such as self-esteem and dignity. Martin Ntawukuriryayo gave a poignant example of the relationship between economic poverty and social exclusion: *"How could I attend meetings when I had no clothes to wear?"*

Not all indicators recorded positive impacts. The number of participating households using mosquito nets actually fell over the period covered by the two surveys, for reasons that are unclear but are probably unrelated to the Graduation Programme. Also, some improvements were not statistically significant. For instance, the proportion of household heads who are literate increased only marginally (from 53% to 56%).



**"Before joining the programme I was despised and looked down on. I was not confident enough to engage with other community members. I always felt embarrassed because I lacked almost everything. Now there's respect for me and my family because of the change they have seen in our lives."**

(Margarita Mukamana, a widow on the programme with 7 children under 18)

However, since literacy is not directly addressed by the Graduation Programme, no significant change was expected on this indicator, especially not within 12 months.

Even when a statistically significant change is seen in an indicator, this cannot be attributed to the programme if similar changes are seen among control households. For instance, perceived levels of malnutrition halved among participants (from 25% to 12%), but also fell among non-participants (from 42% to 31%), leaving a statistically insignificant 'difference in differences' (13%–11% =2%). This demonstrates the importance of having a control group as a benchmark for evaluations, to prevent inaccurate conclusions being drawn about a programme's impacts.

Finally, although the overall picture is positive, statistical averages conceal a wide range of individual outcomes. Most households are thriving thanks to their participation in the Graduation Programme, but some households are struggling, while a small number (10 =2.5%) have dropped out. Often the reasons relate to personal circumstances, with chronic illness being an especially severe constraint. It is important to recognise that each household faces a unique set of 'enablers' and 'constrainers' on its individual pathway to improved livelihoods and wellbeing. Households that are struggling or have dropped out might need to be transferred to social assistance programmes, rather than continuing on the Graduation Programme

## DISCUSSION

Initial findings on the impacts of the Rwanda Graduation Programme after 12 months of cash transfers are impressive. On all the main key impact indicators, and on our composite indicators of deprivation and asset ownership, most participating households were demonstrably better off after receiving cash transfers and coaching for 12 months than they were at baseline. These improvements are statistically significant both over time and with respect to control group households, most of whom recorded no significant change in these indicators over this period.

The quantitative survey as well as qualitative in-depth interviews found that most households have used the cash transfers to improve their family's wellbeing directly (spending more on food, housing, clothing), and to access basic services (education, health). Importantly, they have also invested more in livelihoods (farming, micro-enterprises) and have accumulated productive assets (livestock, land). The investment and asset accumulation effects are especially important as they represent a move towards achieving self-reliance by generating autonomous income, which is one robust indicator of graduation.

On the other hand, the qualitative research reveals that individual households have differential potential for graduation, and that shocks such as illness can undermine households that were on a positive trajectory. It must also be recognised that working with households who were effectively assetless, homeless and had no income-generating activity when the programme started is very challenging, and it would be unrealistic to expect a 100% success rate in terms of graduation out of extreme poverty by all of these highly resource-constrained households. Some households might need to be transferred onto conventional social assistance programmes, rather than continuing on the Graduation Programme.

Although the cash transfers have stopped, other components of the Graduation Programme – asset transfers, training and coaching – are now being implemented, with the expectation that this integrated and sequenced package of support will lift most participating households out of extreme poverty. The extent to which these positive early outcomes are carried forward into significant impacts that are sustained in the long term will be investigated and reported in further rounds of research, that will continue even after programme support ends.

Finally, the initial signs of success in Rwanda resonate with other applications of the 'graduation model' in projects across the world, from Bangladesh to Ethiopia to Haiti. The key to success (often called the 'X-factor') seems to be the intensive and regular coaching and mentoring interactions between participating households and programme staff. One reason this is important is because it supports the abilities of individual households to use their cash transfers creatively, to invest in activities that contribute to achieving progress. In this respect the role of the volunteer Community Development Animators (CDAs) in the Rwanda Graduation Programme cannot be overstated.

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## Acknowledgements

This Briefing paper was written by Stephen Devereux (Institute of Development Studies (IDS), UK), drawing from the 'Baseline Report' for Concern Rwanda's **Enhancing the Productive Capacity of Extremely Poor People in Rwanda** programme, which was written by Pamela Abbott (Institute of Policy and Research (IPAR), Rwanda) and Ricardo Sabates (University of Sussex, UK), and the 'Consolidated Analysis Cohort 1: 12 Months Report', written by Ricardo Sabates, Stephen Devereux and Pamela Abbott. Both reports are available from Concern Worldwide on request: contact [jenny.morgan@concern.net](mailto:jenny.morgan@concern.net). Financial support for this research was provided by Irish Aid, Concern Worldwide and the Future Agricultures Consortium. We also acknowledge the invaluable support in programme implementation of Iriba Services au Developpement des Associations (SDA-IRIBA) and the teams of Community Development Animators (CDAs).

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