Evidence on Graduation in Practice: Concern Worldwide’s Graduation Programme in Rwanda

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**Abstract**

Concern Worldwide Rwanda is implementing a Graduation Programme called ‘Enhancing the Productive Capacity of Extremely Poor People’ in the Southern Province of Rwanda. Attached to this programme is a research component which seeks to fill the gap in evidence on graduation impacts of social protection programmes in an African context. The programme is building on the principles of the Government of Rwanda (GoR) national social protection scheme: the Vision 2020 Umurenge Programme (VUP 2020), as well as adapting the ‘Graduation Model’ which is based on an innovative approach that was developed by the CGAP-Ford Foundation, itself drawing on the successes of BRAC’s well-known work in Bangladesh, to the Rwandan context. This paper provides evidence on programme impacts after the second sequence of activities (consumption support), based on the relative difference on a number of indicators between participants and control group households over time. Our results show key information about the impact of the cash transfer on economic and social outcomes. In particular, we demonstrate relative improvements in consumption, reductions in deprivation, increased social participation, better health and education for children in participating households relative to control group households. Our research so far sets the ground for continuing the investigation into the sustainability of the results over time.

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Introduction

Despite being one of the poorest countries in the world, Rwanda has achieved sustained economic growth and poverty reduction over the last 10 years. Nevertheless, 45% of the population remains in poverty and a quarter of the population remains in extreme poverty, unable to afford even the basic necessities of life (NISR 2012). Households that are in extreme poverty are unable to reduce their exposure to risk, to mitigate the effects of risk, or to cope with shocks once they occur. They generally exist in a poverty trap, knocked deeper into poverty with each small setback, unable to accumulate even the meagre assets necessary to begin to make any movement out of poverty. The extremely poor lack the human, physical and financial assets to enable them to diversify their income-generating activities. They are often trapped in subsistence-oriented agriculture with very small land-holdings, or are dependent on agriculture wage labour, which makes make asset accumulation and coping with risk very difficult (Ahmed, et al. 2007; Lawson, et al. 2010). Households with children under 16 years and especially female-headed lone parent families are those most at risk of extreme poverty (Abbott forthcoming; NISR 2012; Vinck et al 2009).

The government’s flagship programme to enable the extremely poor to exit poverty sustainably is the ‘Vision 2020 Umurenge Programme’ (VUP). Extremely poor households where no-one is able to work are entitled to a cash transfer, while households with adults who can work are eligible to participate in paid public works projects. The third strand of the VUP is access to credit for investment in income-generating activities. Participants are expected to save some of the income they receive so that they can invest in income-generating activities (Ministry of Local Government 2011).

Concern Worldwide launched a programme called ‘Enhancing the Productive Capacity of Extremely Poor People’ – known as the ‘Graduation Programme’ in this paper – in two districts of southern Rwanda in May 2011. The Graduation Programme is designed to support extremely poor households through cash transfers to meet their basic needs, skills development to enable them to improve their livelihood options, and savings to increase their resilience to shocks, thereby enabling sustainable exits from poverty. The programme is closely aligned with the VUP, because a primary objective of both interventions is to enable extremely poor households to exit poverty sustainably. The programme has also adopted and adapted the approach to graduation championed in Bangladesh by BRAC’s ‘Challenging the Frontiers of Poverty Reduction’ (CFPR) and the ‘Chars Livelihood Programme’. In particular the Graduation Programme combines cash transfers to the poorest households with productive asset transfers, microfinance, specifically the promotion of savings and access to credit, training in income-generating activities, and strengthened community support mechanisms. It is expected that participants in this programme can move from a position of dependence on external assistance to a state where they no longer need such support and can leave the programme.

The aim of this paper is to provide evidence from quantitative surveys conducted at baseline and 12 months after 1st and 2nd cohort of participants on Graduation Programme received their first cash transfer, as well as qualitative research conducted a few months later on changes in indicators during the first year of implementation. The quantitative evidence is also complemented with evidence from case study households for in depth understanding of the potential enables and constrainers of future graduation. Two specific research questions addressed by this paper are: (i) What are the changes in human, social and economic indicators that can be attributed to the programme? (ii) What lessons can be learned so far in terms of programme support, with particular emphasis on future graduation of programme participants?

1 Poverty is measured by consumption levels. An extremely poor household is defined as one that is unable to provide basic food to meet the needs of all its members, assuming that no resources are used for anything other than providing food.

2 Concern defines the extremely poor as those who lack the means for basic survival and are unable to meet their own or their household’s basic needs for food, health care, shelter, and education.
Concern Worldwide’s ‘Graduation Programme’ in Rwanda

The Graduation Programme is designed to support extremely poor households to meet their basic needs. However, it also has more ambitious objectives. Concern Worldwide has adapted the ‘graduation model’ to the Rwandan context, by combining several ‘social protection’ and ‘livelihood promotion’ aspects, including:

1. cash transfers to meet basic needs;
2. sensitisation and reinforcement of savings promotion activities for risk mitigation and potential investment in productive activities;
3. skills development and the provision of resources to enable the development of productive income generating activities (IGAs);
4. reinforce community-based support mechanisms to enhance non-farm employment;
5. capacity development to graduate into access to credit.

The specific outcomes aimed for by Concern’s Graduation Programme are:

1. increased income to meet basic needs including access to food, shelter, education and health services;
2. increased skills and access to productive assets to sustainably generate income;
3. engagement in formal and informal financial services;
4. equality of outcome in male and female headed households;
5. reduced isolation of the extreme poor and improved social cohesion;
6. improved diversity of effective livelihoods options to reduce risk and vulnerability to shocks.

Key activities of the Graduation Programme include reinforcing community-based support mechanisms, in order to enhance income-generating opportunities and support for vulnerable and resource-poor groups in the informal economy and through social protection schemes. The programme also provide training for community and local government leaders in implementation of social protection schemes that are designed to focus on enhancing the productive capacity of vulnerable and resource poor households. Skills development and resource transfers to develop productive assets with an emphasis on entrepreneurship are important components of the Graduation Programme, as well as marketing and income generation activities, savings promotion activities and asset transfers. Finally, the programme promotes documentation and dissemination of best practice in community-level social protection interventions and the graduation approach at local, national and international levels. These activities are sequenced, starting with consumption support, followed by savings promotion, then skills training, and finally asset transfers.

The Graduation Programme targets 1,200 extremely poor households in two cohorts, with 400 in the first cohort and 800 in the second. The first cohort received cash transfers for 18 months while the second cohort received cash for 12 months. The average value of cash transfers was RwF.18,000 per month, based on the number of dependents in the household. Coaching of households is done by volunteer Community Development Animators (CDAs). Each CDA has approximately 15 households whom they visit at least twice a month. They work with households on planning and prioritising their problems and needs to be addressed using cash transfers; spending and savings plans; shared household decision-making and other programme-related activities.

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3 See CGAP – Ford Foundation Graduation Program (www.cgap.org/graduation).
4 Exchange rate Rwandan Francs to US Dollars is RwF.680 per USD (April 2014).
Methods

Understanding the impact of interventions is about more than measuring changes in indicators, it is about understanding the impact on participants’ lives, and how they make sense of the changes. The methodological approach is therefore based on realist evaluation, which recognises the complexity of interventions in the social world and the difficulty of isolating the impact of a single intervention (Pawson and Tilley 2004). Realist evaluation has an explanatory quest. It sets out to provide findings for the purpose of refining the intervention, improving it and indicating how it might be transferred to other contexts. It does not assume that there will be a simple answer to the question about whether or not outcomes have been achieved. Instead the realist approach seeks to explore what works, for whom, in what circumstances and why. Realist evaluation seeks to understand how observed changes in participants lives come about in a dynamic system. In this sense the evaluation can only hope to show that the Graduation Programme contributed to improved outcomes, as opposed to demonstrating a causal link.

The evaluation uses a quasi-experimental research design – the research is designed to share the logic of an experiment but recognises that we cannot control for all the interventions and changes in people’s lives. Nor can we find a control group who are identical to the participants and who live exactly the same lives as the participants apart from the Concern intervention. Nor can we control the lives of the control group to ensure that they do not benefit from any programmes or projects that might improve their lives in the ways aimed for by the Concern programme. The ‘before and after’ survey design enables us to measure changes in the lives of the participants as aimed for by the programme, as well as measuring changes in the lives of the control group, but it does not enable us to attribute any changes unambiguously to the Graduation Programme. The control group does enable us to control to some extent for confounding factors (factors other than the programme that may have led to the observed changes). To the extent that the participant group’s lives have improved more than those of the members of the control group we can conclude that the Graduation Programme has, on the balance of probability, contributed to the positive outcomes.

Sample

A 100% census of the first cohort of participant households was included in both the baseline and end-line surveys, making 400 households (200 per Sector) in the baseline and 390 households during the end-line (the reduction is due to 10 participants dropping out of the programme). For the second cohort the baseline information included a census of 800 participants but during end-line a 50% random sample of 400 participants was included for follow up analysis. In addition, 200 households (100 per Sector) were selected to be the control group by Concern. A Sector not in receipt of VUP and not adjacent to the intervention Sectors was identified and 200 households who were in the bottom two Ubudehe (participatory poverty) categories were sampled. The same control group was used for both first and second cohort of participants.

In terms of timeline, the Graduation Programme started in August 2011 with baseline information for the first cohort. In December 2011 baseline information was collected for the control group. In August 2012 endline information was collected for the first cohort of participants and the control group. Also in August 2012 baseline information was collected for the second cohort (and additional information was collected as baseline for the control group). In August 2013 baseline and endline information was collected for the second cohort and for the control group. The control group was given incentives to avoid survey fatigue and to contribute towards the time that they have been spending supporting the project with data collection.
Quantitative Analysis

A questionnaire was designed to measure the socio-economic situation of households by collecting information for indicators which are typically highly correlated with income or consumption poverty. These indicators are easier to collect than income and provide a good tool for measuring multiple deprivations and for targeting purposes. The questionnaire contained different sections, starting with a comprehensive household roster where information on the gender, age, marital status, relationship to the head of the household and occupation of each member of the household was recorded. Then, the questionnaire collected information on the living conditions of the household, including: assets – productive and non-productive – family income; financial management, saving and loans; housing conditions; diet/ food security; child education; health; social inclusion and social capital; management of shocks/ coping strategies; and household decision-making processes.

For each of the outcome indicators we estimate ‘difference in differences’, which is obtained when the outcome of interest is compared between participants and the control group over time. This difference in difference indicator is an unbiased estimate of the impact of a programme under strong assumptions.\(^5\) Since there was no random selection of households into treatment (participant) and non-treatment (control) groups, there are some initial differences in outcome indicators, which could be the result of regional effects, household composition, among many other factors. In order to overcome the problems of lack of random selection and initial differences in outcome indicators, we can introduce controls in the estimation of the difference in differences indicator. Since we have information about the region in which Concern is working, to some extent we believe that both participating and control group households have been exposed to similar external factors. Finally, due to the similarities of the region and of the households’ backgrounds, we can assume that both groups will react in the same way to the incentive provided by the programme. In addition, having information about the region enables the introduction of a control for regional differences, hence the need to use multivariate analyses.

Qualitative Fieldwork

In May 2013, qualitative fieldwork was undertaken by Concern Worldwide staff on a small sample of Graduation Programme households and non-participants in the same communities. The method used was face-to-face interviews with case study households. The qualitative information complements the quantitative survey-based evaluation methods. Nine respondents were purposively selected as household case studies, to display the following characteristics:

- ‘Progressing’: households that have successfully utilised programme support to improve their situation and are in a pathway to graduate out of poverty (3 interviews)
- ‘Facing Challenges’: households that are continuing to struggle despite receiving programme support (3 interviews)
- ‘Dropouts’: households that have dropped out of the programme (1 interview)
- ‘Community members’: non-participating households from the target community (2 interviews)

Although it is rewarding to report on ‘success stories’, some of the most important learning comes from understanding the challenges that people face and reflecting on how programme interventions can be adapted to better meet the needs of participants and help them overcome these challenges.

The purpose of adding qualitative case study data is to provide context, texture and explanatory depth to the quantitative findings. Specifically, the qualitative research highlights changes in the lives and

\(^5\) The assumptions are that: (i) selection into and out of the programme was done at random, (ii) there are no initial differences in outcomes, (iii) there will be no other influencing factors on the outcomes of interest during the period of the intervention, and (iv) both groups are assumed to react in the same way to the intervention.
livelihoods of programme participants over time; focusing on the enabling factors and challenges for change as expressed by the participants themselves as well as key stakeholders. Furthermore, one-on-one discussions with participants generate information that enables programme implementers to understand participants’ perceptions about the changes taking place in their lives, particularly those that are attributable to the programme, and how these perceptions influence the choices they make.

**Results**

Given the broad nature of the human, social and economic information contained in the surveys, we are only able to provide an overview of the results obtained. Detailed results from each of the outcomes can be found in the research reports for the first and second cohorts (Sabates and Abbott 2013; Sabates, Devereux and Abbott 2013; Sabates Kyanga and Devereux 2013).

Our first key result shows that the Graduation Programme has enabled a significant reduction in deprivation for programme participants over time. During both the baseline and the ‘first 12 months’ surveys, information was collected on several indicators of deprivation, including individuals’ ability (or inability) to afford food, their (in)ability to afford to pay for membership of the government subsidised Mutual Health Insurance Scheme, and their (in)ability to purchase medicines. The responses to these questions were combined to construct a simple index to measure changes in deprivation between participants and the control group over time. 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). For the first cohort, during the one-year period after the first cash transfer control group households recorded a small but statistically insignificant improvement in their average deprivation index value, from 2.3 to 2.5, while participants recorded a substantial and highly significant improvement, from 1.9 to 7.0 (see Figure 1). The difference over time, the ‘difference in differences’, indicates an average reduction in the deprivation index of 4.8. For the second cohort, there was also a difference over time in favour of participants in terms of a reduction in deprivation index. The ‘difference in differences’ indicates an average reduction in the deprivation index of 1.5.

![Figure 1. Changes in deprivation index over time](image)

Secondly, the Graduation Programme has enabled programme participants to increase their ownership of productive assets and livestock. Productive assets are defined as assets that have the potential to generate future streams of income. There are several indicators of productive assets that were investigated, including ownership and usage of the land and number of different productive assets owned. Our key finding shows that for productive assets there were important increases in the ownership of mobile phones or radios for both cohorts of participants relative to control group. However, for ownership of bicycles and hoes, we find only relative changes over time for the first cohort, but not for the second cohort. Take for instance ownership of a mobile phone, which is an important means of communication and is also used for commercial purposes. For the first cohort, the proportion of participants who owned a mobile phone increased from 1% to 12%. For the second
for control group households, the proportion of households who owned a mobile phone remained around 2 to 5% with no significant changes over time. For ownership of hoes, on the other hand, we find that for the first cohort, more than 80% of control households and more than 90% of programme participant households owned at least one hoe during the baseline survey. One year after the first cash transfer, hoe ownership had fallen slightly but not significantly among control households, to 78%, but had risen to 98% among participating households. For the second cohort, with nearly universal ownership of hoes, we find that ownership of a second hoe was not seen as an additional productive asset, as we find that for control and participants for the second cohort the average number of hoes increased from 1 to 2 from baseline to after 12 months into the programme.

The situation for livestock is different, as for the first and second cohorts we find significant increases in the number of livestock owned over time as a result of the Graduation Programme. In general, very few households in the survey owned a cow at baseline. One year after the first cash transfer 7% and 10% of participants from the first and second cohorts had acquired a cow, respectively. There were no changes for the control group over time. The trend in terms of other domesticated animals (e.g. goats) was even more dramatic. For the first cohort, while control group households owning animals other than cows doubled (from 9% to 19%), the proportion of participating households owning other domesticated animals increased more than 10 times, from a small minority to a large majority (7% to 81%). This means that more than four times as many participants as control group households owned other domesticated animals one year after the first cash transfer (81% versus 19%). Information from the second cohort enables us to measure the specific domesticated animals for which a change is measured (Table 1). We find a significant investment on goats, pigs and chickens, and interestingly, a reduction in rabbits over time.

Table 1: Average ownership of livestock before and after the programme, second cohort

<table>
<thead>
<tr>
<th>Average Number of</th>
<th>Time</th>
<th></th>
<th></th>
<th>Difference</th>
<th>Sign.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Baseline</td>
<td>12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Avg</td>
<td>Avg</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control</td>
<td>Cows</td>
<td>0.016</td>
<td>0.025</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Goats</td>
<td>0.089</td>
<td>0.075</td>
<td>-0.01</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sheep</td>
<td>0.000</td>
<td>0.000</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pigs</td>
<td>0.053</td>
<td>0.056</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chickens</td>
<td>0.063</td>
<td>0.037</td>
<td>-0.03</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rabbits</td>
<td>0.032</td>
<td>0.068</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>Participants</td>
<td>Cows</td>
<td>0.024</td>
<td>0.106</td>
<td>0.08</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td>Goats</td>
<td>0.079</td>
<td>1.030</td>
<td>0.95</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>Sheep</td>
<td>0.005</td>
<td>0.061</td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pigs</td>
<td>0.071</td>
<td>0.646</td>
<td>0.57</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>Chickens</td>
<td>0.113</td>
<td>0.646</td>
<td>0.53</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>Rabbits</td>
<td>1.388</td>
<td>0.448</td>
<td>-0.94</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>D-in-D Cows</td>
<td></td>
<td></td>
<td>0.07</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td>D-in-D Goats</td>
<td></td>
<td></td>
<td>0.97</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>D-in-D Sheep</td>
<td></td>
<td></td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D-in-D Pigs</td>
<td></td>
<td></td>
<td>0.57</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>D-in-D Chickens</td>
<td></td>
<td></td>
<td>0.56</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>D-in-D Rabbits</td>
<td></td>
<td></td>
<td>-0.98</td>
<td>**</td>
</tr>
</tbody>
</table>
Thirdly, we focused on whether the Graduation Programme improved consumption assets owned among participants. Respondents were asked if they owned their house, kitchen utensils (plates, saucepans, spoons and forks), furniture and household equipment (chairs, basins, jerry-cans) and electronic goods (radio, mobile phone). For both the first and second cohorts we find sustained increases in the ownership of consumption assets. To synthesise the data on consumption assets, a simple index was constructed for the first cohort, being the sum of the following assets owned by households: house, saucepan, spoon or fork, plate, basin, jerry-can, chair, radio, mobile phone. For each household, the value of the index ranges from 0 (indicating extremely asset poor – no consumption assets owned) to 9 (indicating asset rich – ownership of at least one of each of these assets). For the second cohort, we used the number of consumption assets owned by each household and a set of prices for these goods collected in the local market during baseline to estimate the monetary value of livestock. For the first cohort, participants actually doubled their average level of consumption asset ownership, from 3.4 to 6.9 points (equivalent to an increase of 3.4 distinct assets). Conversely, control group households experienced a reduction in their ownership of consumption assets, from 4.5 to 3.7 points, though this was not statistically significant (Figure 2, Panel A). The difference in differences between control group and participants is more than 4 assets and is statistically significant. The same pattern is shown for the second cohort using the value of consumption assets owned (Figure 2, Panel B). While the value of assets remained unchanged for the control group, at around 10 USD, for the participants of the second cohort, one year after the programme, the value nearly doubled (from 13 to 24 USD).

**Figure 2. Changes in consumption assets over time**

**Panel A. Cohort 1: asset index**

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>3.44</td>
<td>4.45</td>
</tr>
<tr>
<td>12 Months</td>
<td>3.71</td>
<td>6.87</td>
</tr>
</tbody>
</table>

**Panel B. Cohort 2: value of assets (in USD)**

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Beneficiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>12 Months</td>
<td>13</td>
<td>24</td>
</tr>
</tbody>
</table>

Fourthly, the Graduation Programme promoted savings among participants, a result for which we find strong evidence for the first and second cohorts. For the first cohort, the proportion of participants who reported that they had saved money increased from 12% to 96% one year after the first cash transfer. In contrast, only 8% of the control group interviewed had managed to save any money. For the second cohort a higher proportion of households were saving during baseline (36% of the participants, 20% from the control group). One year into the programme, the proportion of participants who save relative to non-participants saw a 5-fold increase over the first 12 month period.

A fifth area of interest focuses on the human capital investments of the household. In particular, it is hypothesised that the Graduation Programme will improve investment in education and health for the household. In terms of education, our main finding is that the Graduation Programme is enabling more sustained investment in secondary schooling, but relatively no changes in primary education (which is partly expected due to the improved access to primary school achieved by the Government of Rwanda). For the first cohort and second cohorts, the proportion of families sending their children

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6 As with other assets, we did not update market prices, these were held constant over time.
to secondary school remained unchanged or showed small increases one year after the programme. However, the proportion of families sending their children to secondary school decreased for the control group. One reason behind the increase in children's participation in education has to do with the Graduation Programme supporting the affordability of school uniforms as well as books and materials. One 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").

We also find impressive increases in consumption of meat and milk by participating households for the first and second cohorts during the first 12 months of cash transfer disbursement on the Graduation Programme. The most likely explanation is that this is due to the income effect: cash transfers allowed the purchase of meat and milk, or the acquisition of livestock that produced meat and milk. By contrast, fewer control group households reported consuming meat and milk after 12 months than at baseline.

In terms of hygiene and preventive measures, households reported on whether their members sleep under mosquito nets (all do, some do, few do, none do), the frequency of using soap (always, often, sometimes, rarely, never), and the frequency of changing clothes (every 2 days, every 3 days, every 4 to 5 days, once every 2 week, once every month). Results show that participants were more likely than non-participants to use mosquito nets for their household members during baseline. However, there is no difference in the relative change over time (the difference in difference estimate) for the first of second cohorts relative to the control group. For using soap and change of clothes we do find a relative change over time in favour of the participants. For example, the proportion of households from the control group who reported changing clothes everyday doubled, from 7.4% in baseline to 15.5% one year after initial transfer. For participants in the second cohort, the proportion who reported change of clothes daily increased from 11% to 54% during the same time period. Similar results were found for the first cohort.

The last area investigated in this paper is social inclusion. Poor and vulnerable individuals often withdraw from social activities or else are excluded from communal activities, either because poverty reduces the time and money they have available for social events and commitments – all of their resources have to be allocated to securing their basic needs – or because they have feelings of shame (for example if they do not have good enough clothes to attend meetings). We test whether the programme has impacted on individuals' likelihood of participating in different social activities, using the hypothesis that more households that participate in the Graduation Programme will be socially included after receiving cash transfers for 12 months than at baseline, in comparison to control group households. For the first and second cohorts we found significant increases in the proportion of households who attended church weekly and those who were members of a cooperative. We did not find changes in the proportion of participants who participated in Umuganda (voluntary community work) or community meetings.

As an example of the importance of social participation, households from the second cohort were asked to respond if they felt well respected by the community. Responses were coded from 1 for 'not very well respected' to 5 'highly respected', therefore a higher value of this indicator reflects the household’s subjective feelings of being more respected by their community. Our data shows that during baseline the average value of the indicator was higher for households from the control group (2.5) than for participants (2.0). Over time, the subjective feelings of being respected by members of their community increased to 2.9 for participants, but remained unchanged for the control group. The relative increase over time is statistically significant. A widow on the Graduation Programme gave a poignant insight into how her social status has improved. “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.”
Conclusions and Lessons for Graduation

The focus of this paper is on the outcomes that the Graduation Programme has had on participants who have been receiving a cash transfer for at least 12 months. In many cases changes in the circumstances of participants are expected, as the cash transfer increases the purchasing power of individuals and enables investment in income generating activities. Increase in income also reduces the burden placed by the lack of resources and allows households to invest in health and education, both for them and for their children. For many indicators, control group households were better off than participating households at the time of the baseline survey, but a year later this situation had reversed, and participating households were better off than control group households. It can be assumed that this ‘leapfrog’ effect is largely attributable to the Graduation Programme, which just completed the stage of cash transfer support.

One of the most impressive signs of improvement is in the ‘deprivation index’, a composite measure of a household’s ability to meet its most basic needs for food security and health care. Before joining the programme, most participants could not afford to buy enough food, medicine or health insurance, but after one year most participating households could afford to pay for all these essentials. Similar, but less dramatic, positive trends were observed for ownership of some productive assets and livestock. The Graduation Programme supported children’s education by making uniforms, school books and materials affordable, and this was reflected in higher proportions of participating households sending their children to primary and secondary school after 12 months of cash transfers than at baseline. There is some evidence that members of participating households invested in the human capital of the family members. Finally, programme participants significantly increased their participation in social and communal activities, including church and cooperatives, and this had an impact on how well respected individuals felt by their communities.

These early results are very encouraging, but can largely be attributed to the income effect of cash transfers – higher income translates, almost by definition, into improved wellbeing. After the cash transfers stop, other components of the integrated ‘graduation model’ approach are being introduced, especially asset transfers, training and coaching. The real test of the Graduation Programme’s impact will be whether the positive outcomes recorded after 12 months of cash transfers are sustained during the next phase of the programme, and even after the programme ends and all support is terminated. While cash transfers are important for protecting food security and basic consumption needs, graduation requires generating self-reliant livelihoods, and this is the expected impact of the asset transfers, training and coaching components. Whether this ambition is achieved, and for how many participating households, will be investigated in further rounds of research that will continue even after programme support ends.


