Department for International Development

Graduation learning event

UKaid from the British people

21st April, Nairobi

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DFID Kenya

Department for International Development

What does graduation mean?

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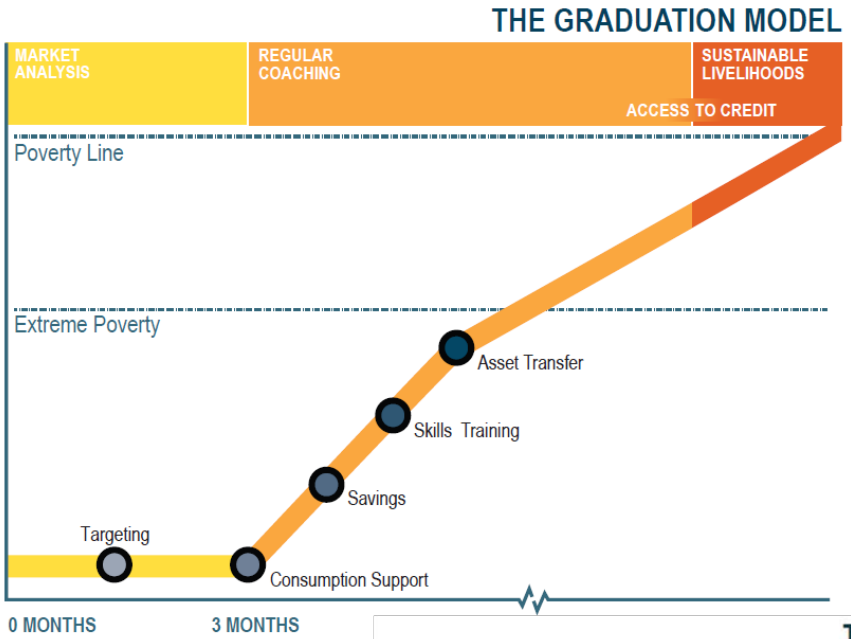
1. Crossing an asset threshold?

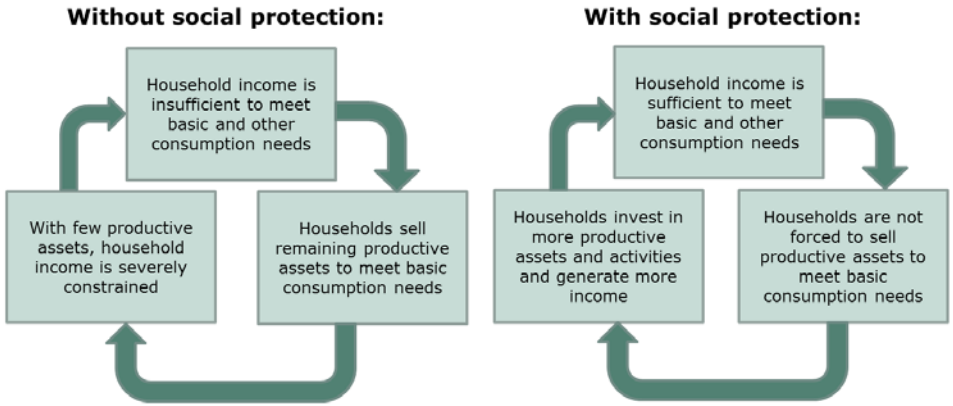
2. Exit from social programme support?

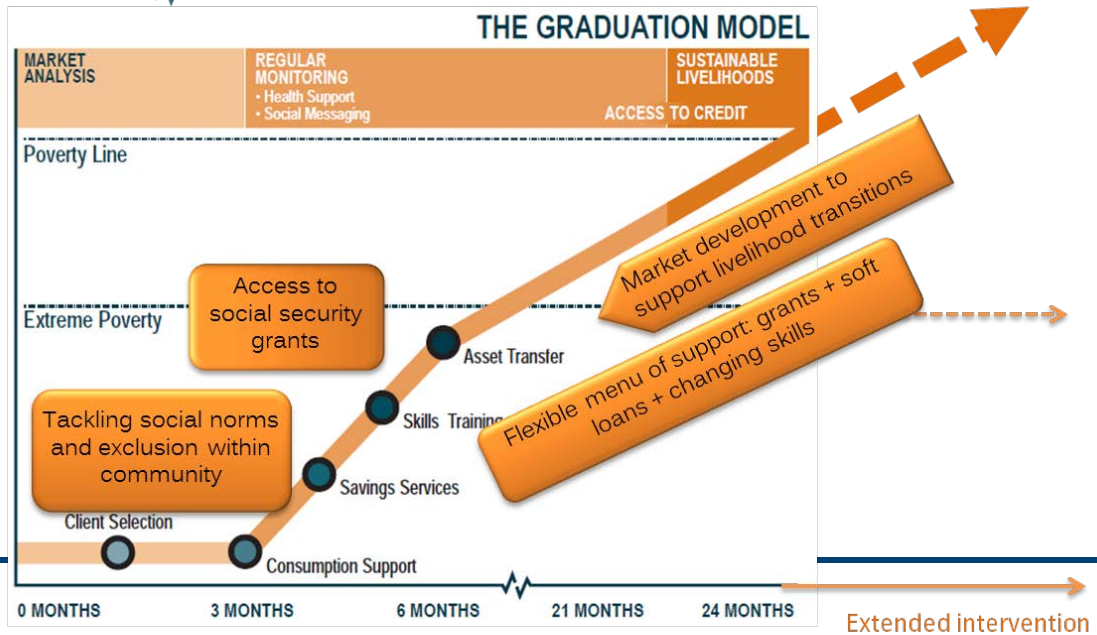
3. Overcoming extreme poverty?

Maintaining an independent, sustainable livelihood and being able to withstand a certain level of shocks.

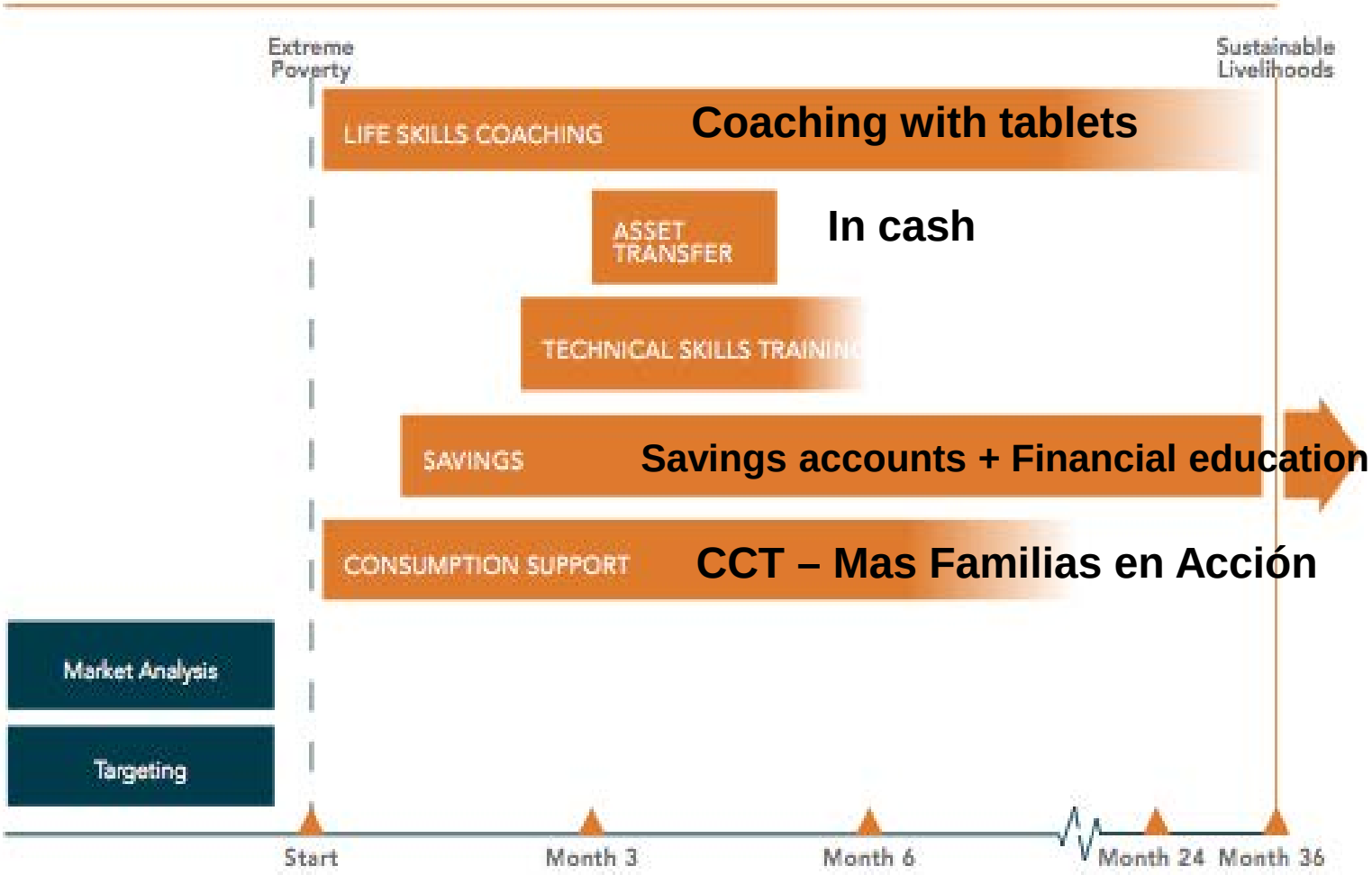
A range of models and approaches







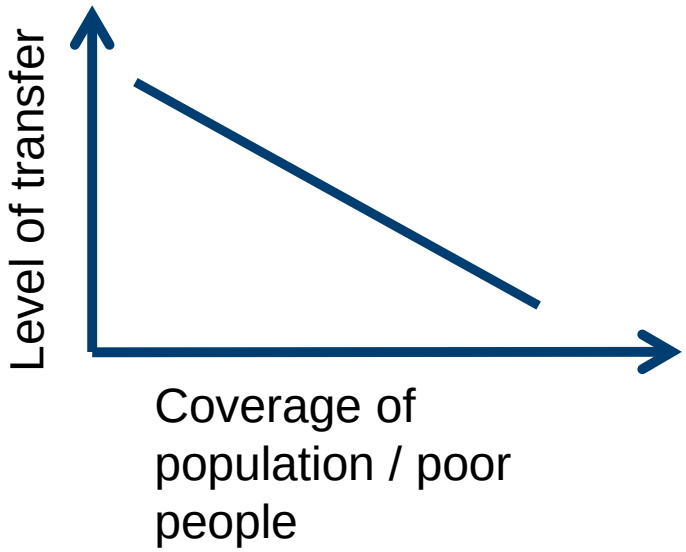
BRAC – CGAP – FF Fundación Capital



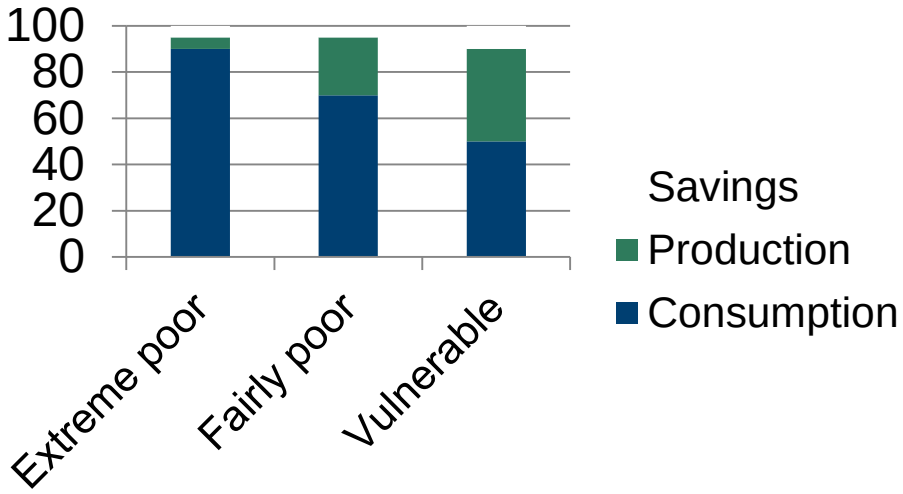
Government Database

http://fundacioncapital.org/economic-citizenship/graduation-program/?lang=en

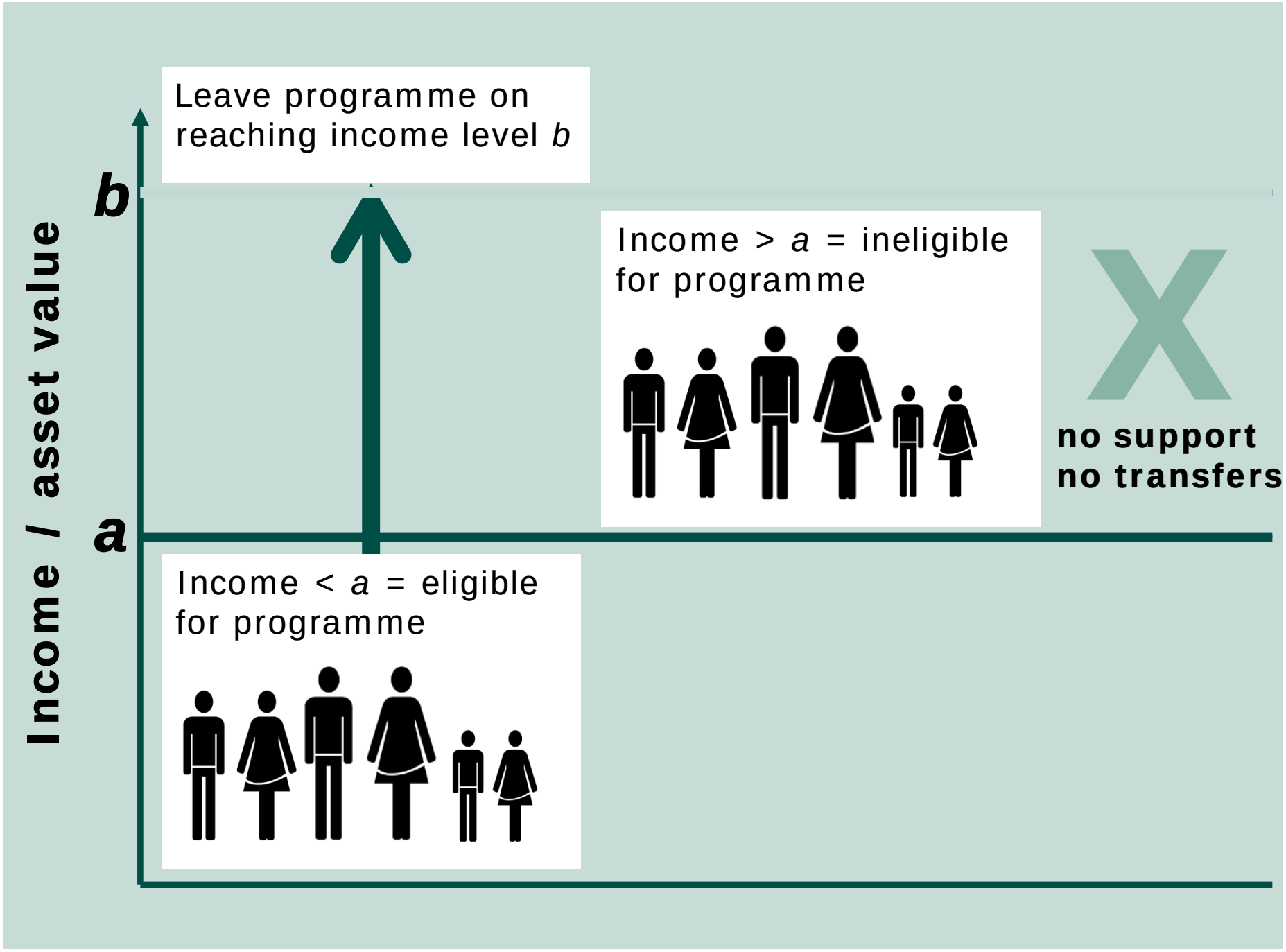
Be clear on the trade offs…



1. **Level of transfer vs coverage**
2. **Who to target?**
3. **Mind the Gap! Arbitrary thresholds….**



Distribution of transfer use by wealth category


Leave programme on reaching income level *b*
b
a
Income / asset value
Income > *a* = ineligible for programme
X
no support
no transfers
Income < *a* = eligible for programme

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Some DFID supported interventions

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- **B'desh porfolio: large 'graduation' progs; package inputs to enable the extreme poor 'graduate' out of extreme poverty.**
  - BRAC Challenging the Frontiers of Poverty Reduction-Targeting the Ultra Poor
  - Chars Livelihoods Programme
  - Economic Empowerment of the Poorest
  - Programme Initiatives for Monga Eradication (PRIME)
- **Rwanda: Vision 2020 Umurenge Programme (Rwanda)**
- **Productive Safety Net Programme (Ethiopia)**

BOMA
PROJECT
www.bomaproject.org

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What does the evidence (DFID +) say?

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Where	What	Results	Qs ?
Bangladesh since 04	**Evaluations RCTs Panel surveys (some unpublibshed) Micro simulations**	• Large and sustained av impacts on: earnings; consumption; assets; occ. Choices for eligible poor • 4yrs later womens annual earnings +se av 38% • 7yrs sig* +se ppt income, primary enrolment, self employment, consumption, dietary diversity • +sed HH income 2.5yrs later • Change income source (< wage labour) • 'Graduation index' +se • Incidence of extreme poverty –sed • BCR 4.1	• **Size of effect? BRAC now at around 400K HHs but others in the RCT are NGO's at around 10K max HHs.** • **20:60:20** • **Vulnerability to shocks** • **Labour constrained HHs** • **Asset/ IGA traps** • **? Skills development** • **Costs of the model** • **Microfinance? Poverty reduction?** • **LH viable? =Strategy?** • **Women –economic empowerment = social empowerment**
6 country case studies	**RCT Banerjee et al (2015)**	***To be talked about today***	

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Questions

http://www.ids.ac.uk/publication/graduating-from-social-protection)

1. **What does 'graduation' mean for Kenya?** Exit?/ Threshold/ Sustainable pathway out of extreme poverty?
2. **What is our model/ approach? Implications?**
3. **What trade offs are we prepared to make? Why?**
4. **Who really benefits? Labour constrained?**
5. **Costs and scale?** Is it scalable by Govts, particularly in the ASALs? How to reduce costs?
6. **How to avoid asset/ IGA 'traps'? Saturation, particularly in thin markets like the ASALs?**
7. **How to build a consolidated, quality evidence base of what works in Kenya?**

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How to avoid this?!

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