

Learning Brief

Promoting Household Graduation in Rwanda through Conditional Grants



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Introduction

The **Integrated Services for Vulnerable Populations (ISVP)** program—known as Twiyubake locally—was funded by the United States Agency for International Development (USAID) and PEPFAR in 2015 to improve the resiliency of 50,000 vulnerable households in Rwanda by reducing economic vulnerability and empowering parents to make the best investments to meet the unique needs of young children and adolescents. Global Communities utilized an integrated approach to address the needs of households including nutrition and growth monitoring; education in WASH, HIV prevention, parenting and gender equality; and economic strengthening support.

ISVP's Graduation Model

The ultimate goal of ISVP's support was to graduate households from extremely vulnerable status to nearly secure. Graduation in orphans and vulnerable children (OVC) programs refers to “a household's successful completion of all program elements, which includes achievement of minimum outcomes related to health, education, economic stability, and child protection.”¹ The ISVP program applied the Global Communities household vulnerability and graduation assessment (HVGA) framework to measure vulnerability in program-supported households in order to determine the household's capacity to develop graduation plans and ultimately graduate.

1 Whitney Moret and Lara Lorenzetti, “Challenges in OVC Graduation Programs: Benchmarks, Sequencing, and Backsliding,” FHI 360, USAID, June 13, 2019 from Marketlinks: https://www.marketlinks.org/sites/marketlinks.org/files/resources/challenges_in_ovc_graduation_programs_-_benchmarks_sequencing_and_backsliding_ovc_graduation_brief_series_-_1_of_4_.pdf



Figure 1: ISVP Program Enrolled Children Receiving Growth and Nutrition Monitoring

A household reaches graduation when it has enough capacity to manage its needs. Global Communities' HVGA tool comprises multi-dimensional indicators across a series of thematic domains relevant to the program's intervention areas that reflect the different facets (health, economic and social conditions, etc.) that affect vulnerability. HVGA analysis includes classification of households across three categories, based on overall household and child scores that are aggregated separately. The three household categories are extremely vulnerable, moderately vulnerable, and nearly secure. "Nearly secure" indicates a household that is ready to graduate.

Figure 2: ISVP's Household Graduation Categories

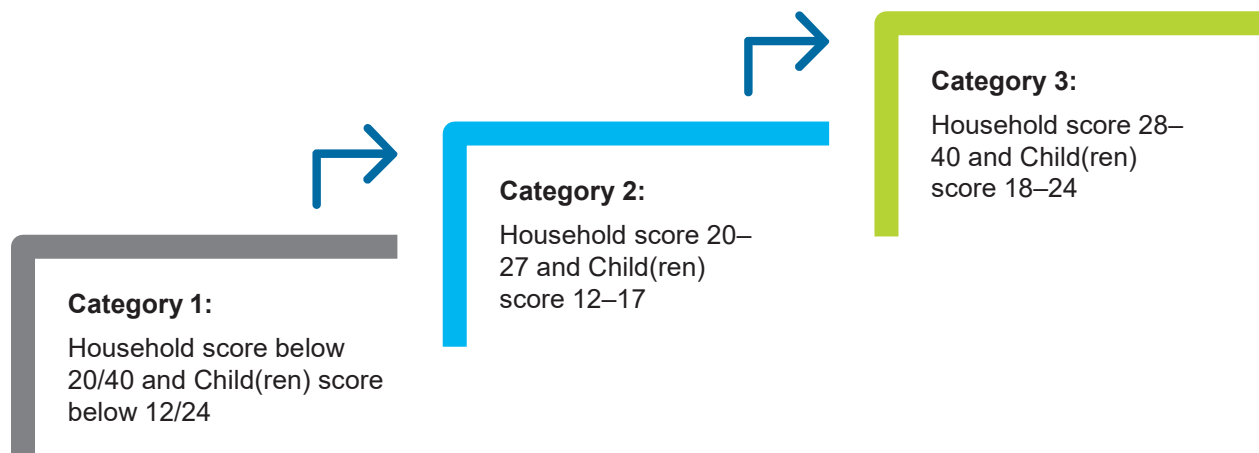




Figure 3: Growth Monitoring Carried Out by Community Health Workers in Kamonyi District

Household Economic Strengthening: Conditional Household Grants

ISVP's economic strengthening activities were designed to stabilize and empower families by protecting and growing household assets, strengthening income generating activities and improving capacity to participate in economic development activities.

Providing consumption support was critical to improve the capacity of vulnerable families to meet their basic economic needs and stabilize their income streams to transition toward self-sufficiency. In late 2016, the ISVP program introduced conditional household grants (CHGs) through mobile cash transfers where qualified beneficiary families received 120 USD in addition to education on responsible investing. Beneficiaries committed to meet certain conditions by signing a family performance contract prior to receiving their cash disbursement which included (1) ensuring enrollment for their children in school; (2) maintaining health insurance; (3) participating in a savings group; (4) maintaining a kitchen garden; and (5) following established water, sanitation, and hygiene (WASH) recommendations. While the beneficiaries of the CHGs were not restricted on how to use the grant, the program encouraged them to use it to meet the performance contract stipulations noted above.

Out of 12,872 households that were eligible to receive the conditional grants, 6,870 households qualified during the time of an assessment conducted by the ISVP program². It is important to note that the conditional grants were an additional program component to complement other services and support provided by the ISVP program to households.

² Grant qualification criteria included: (1) being a beneficiary of the ISVP program; (2) being an active member in a savings group; and, (3) having a National ID Card.

What Did We Want to Learn?

Learning Agenda

The ISVP program built learning into its program culture and was committed to supporting learning for improved program delivery and increased knowledge around OVC interventions. While experts agree that financial inclusion and services are important to establishing resilience at the household level, there is still a need for further evidence around which interventions have the greatest short and long-term impacts³. Furthermore, while many different household graduation models exist, there is still limited evidence on which ones work best in different contexts.

To address this knowledge gap, the ISVP program developed a learning agenda comprised of four questions in 2018. The ISVP program finalized their learning questions through a consultative process with program staff and USAID. Learning questions were chosen based on their ability to address innovative and promising approaches, respond to identified program challenges, and contribute learning to inform the broader OVC programming community. One of the questions selected by the ISVP program was:

Does provision of conditional household grants to vulnerable households result in better capacity and faster transition of beneficiaries towards graduation?

Methodology

In order to answer the learning question, the ISVP Monitoring, Evaluation, Research and Learning (MERL) team analyzed data gathered from the program's HVGA tool during the period of October 2016 to September 2017. The program's MERL team analyzed data from the households who were qualified to receive the conditional grants and compared it with households who were located in areas that were not qualified to receive the grants⁴. The team analyzed the frequency with which households moved from one HVGA category to the next between fiscal years 2016 and 2017 as well as how they scored on individual HVGA indicators.

During this analysis, the MERL team also looked for significant variation in movement patterns between the groups that had received grants versus the ones that had not. With this analysis, the ISVP program hoped to see whether conditional grants were an effective or even critical component for vulnerable households to transition from extreme and moderate vulnerability to a nearly secure status after receipt of a standard set of services, support and behavior change messaging.

3 USAID Resilience Evidence Forum Report, April 2018, https://www.usaid.gov/sites/default/files/documents/1867/0717118_Resilience.pdf

4 The households who were not considered for the conditional grants activity were part of an external impact evaluation-taking place during this time and precluded them from receiving grants.

Findings and Results

Finding 1: Grants were Critical to Graduation Rates

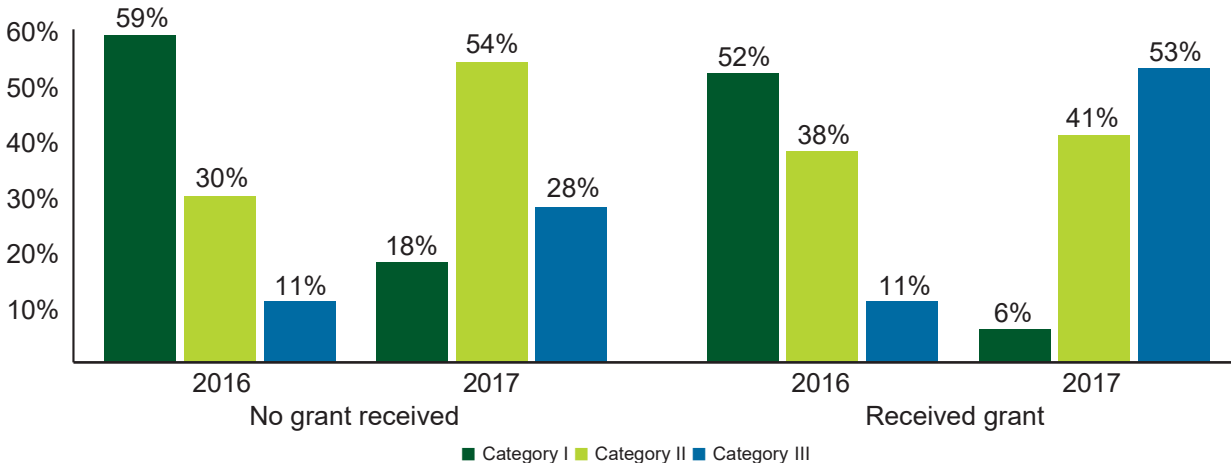
By the end of September 2017 (one year prior to anticipated graduation), 53% of households that received CHGs scored in the (Category III) “ready to graduate” category compared to only 28% of households that did not receive CHGs. While the ISVP program did not start to graduate households until the following year, this difference indicates that CHGs were a critical component of the program’s success in moving households more rapidly toward graduation.

A closer look at the differences between households that received and did not receive CHGs revealed that the conditional grants helped more households move forward one or even two categories within the same period. Sixty-nine percent of CHG-recipient households moved forward, compared to only 56% of non-recipient households. Additional analysis showed that more non-recipient households stayed stagnant (34%) or even moved backward (10%) as compared with recipient households.

Furthermore, a remarkable 24% of CHG recipient households moved forward two steps, compared to only 14% of non-recipient households. Therefore, ISVP’s evidence shows that CHGs not only helped households move further away from vulnerability but that they also helped households move forward faster.⁵ Bearing in mind that the majority of non-recipient households also progressed, the ISVP program concluded that CHGs operated as a catalyst for the full package of ISVP program support, services and messaging. In other words, while ISVP program interventions worked well in the absence of grants, the grants made them even more successful.

Figure 4: Percentage of Households by Household Graduation Category

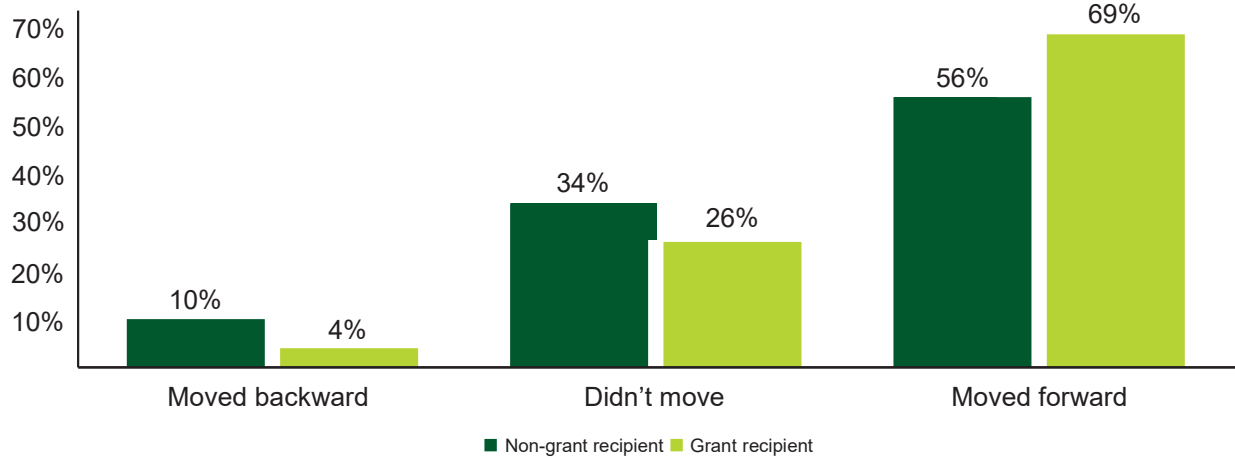
Percentage of Households by Household Graduation Category



⁵ Results of using an ordered logit model showed that household recipients of conditional household grants have 5% greater chance to be in category 3 of HVGA compared to households that did not receive the grants (margin effects=5.2%, p=0.000).

Figure 5: Change in HGVA Status

Percentage of households by FY16–FY17 change in HVGA status non-grant recipient vs. grant recipient



Finding 2: Conditional Grants Positively Impacted Key Household Indicators

An analysis of the HVGA results from October 2016 to September 2017 also showed positive movement in critical household indicators related to economic and food stability. Household performance indicators that significantly improved included the acquisition of income and assets, capacity to meet basic needs, food availability and the ability to plan and ensure access for children to education, healthcare and support. To understand how CHGs helped households graduate—and graduate more quickly—the ISVP MERL team looked more closely at differences between grant and non-grant recipient households on indicators that showed the most change.

Results showed a strong association between receipt of CHGs and stronger improvement on the following indicators:⁶

Indicator 1: Acquisition of diverse and reliable income and productive assets

Conditional grants had a clear impact on household asset acquisition and income generating activities that went beyond the activities of the regular ISVP interventions. ISVP's analysis showed that improvement was stronger on this indicator for grant recipient households. Fifty-four percent of grant recipient households moved one or two levels on this indicator compared to only 51% of non-grant recipient households and approximately 4% fewer grant recipient households fell backwards on this indicator.

⁶ P-value for each indicator is strong, ranging from 0.000 to 0.001.

Indicator 2: Household capacity to meet basic needs

While conditional grants did not significantly increase the ability of recipient households to meet basic needs, data analysis did show that fewer grant recipients fell backwards and 3% moved forward.

However, the grants had an additional mitigating effect on household vulnerability. By the end of fiscal year 2017, fewer grant recipients scored as “struggling to meet minimum expenses” (17% of grant recipients vs. 28% of non-grant recipients).

Figure 6: Change in Household Income and Asset Acquisition

Percentage of households by FY16–17 change in income and asset acquisition

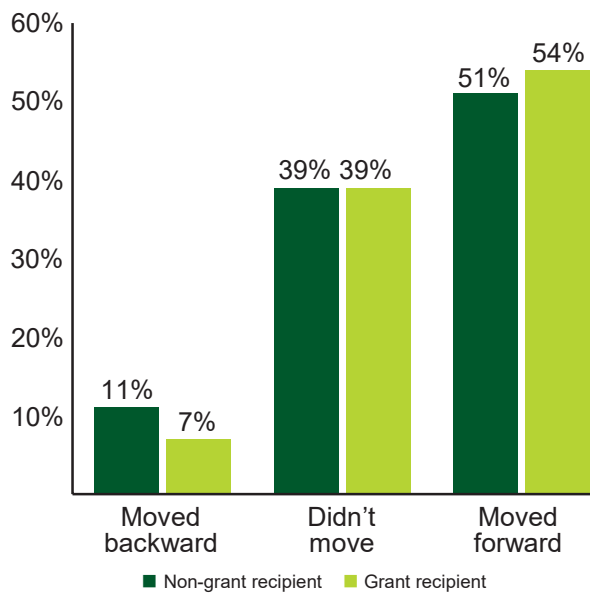
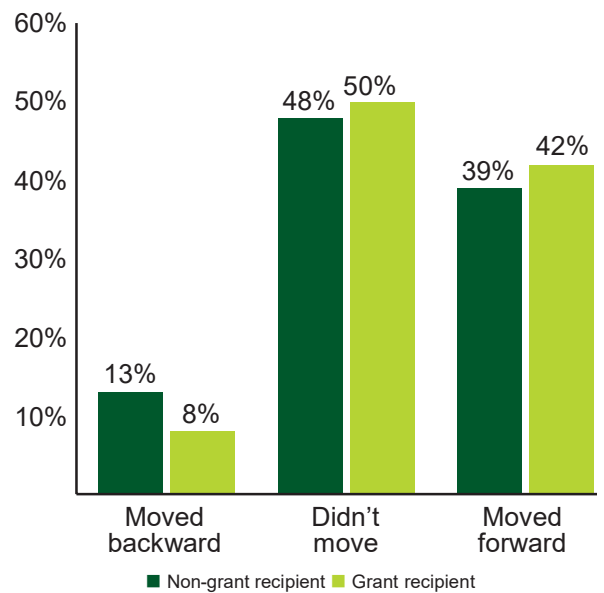


Figure 7: Change in Household Capacity to Meet Basic Needs

Percentage of households by FY16–17 change in capacity to meet basic needs



Indicator 3: Household food availability

The provision of conditional grants showed a remarkable impact on household food availability, most likely due to the fact that a condition attached to the grants was that households also maintain a kitchen garden. Not only did 61% of grant-recipient households move forward on this indicator, but also fewer grant recipients remained stagnant. In addition, fewer grant recipients moved backwards on this indicator as compared to non-grant recipients.

Indicator 4: Capacity to plan for the future

Conditional grants were important in helping households plan for the future by developing plans and achieving set goals. Following analysis of this indicator, significantly more grant recipient households improved their capacity to plan for the future. In addition, 6% fewer grant recipient households moved backward, and only 34% stayed stagnant (compared to 47% of non-recipient households). Whether through reducing vulnerability or through increased engagement with ISVP program partner staff through the grant-making process, conditional grants were more effective for increasing household planning capacity than ISVP program interventions without the grants.

Figure 8: Change in Household Food Availability Scores

Percentage of households by FY16–17 change in food availability scores

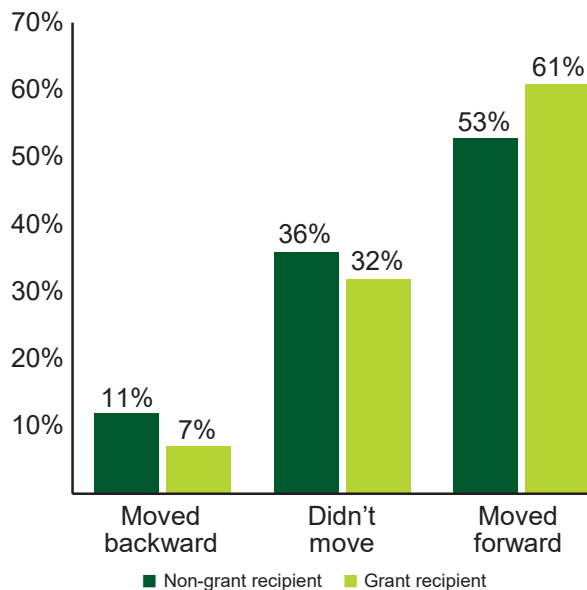
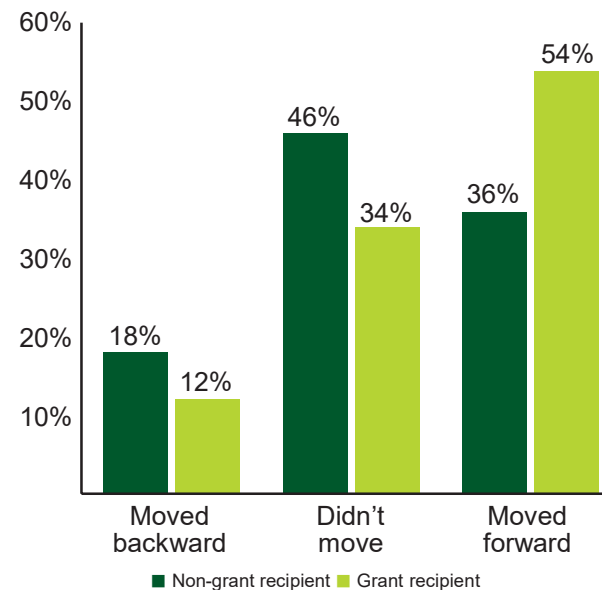


Figure 9: Change in Household Ability to Plan

Percentage of households by FY16–17 change in planning ability scores



Finding 3: Conditional Grants Positively Impacted Children’s Access to Education, Healthcare and Support

The ISVP MERL team’s analysis showed positive movement in critical child-level indicators following receipt of conditional grants. Similarly, to household level indicators, the program examined the difference between grant and non-grant recipient households on child-level indicators that showed the most change.

In order to account for the possibility that some children may be excluded from project-related gains, even within the same household, the MERL team took an average of the scores assigned to each child in a given household. Results indicate a strongly significant difference in grants vs. non-grant households from October 2016 to September 2017.⁷



Figure 10: Children singing at home-based early childhood development center

⁷ We compared average FY2017 household scores on 1) children’s access to education (dif= 0.13, p<0.0001), 2) children’s access to health (dif=0.41, p<0.0001), and 3) care and support provided to children (dif=0.18, p<0.0001).

Results showed a strong association between receipt of CHGs and stronger improvement on the following indicators:

Indicator 1: Children’s access to education

Conditional grants were important to improve children’s access to education beyond what the ISVP program achieved by regular program interventions. By the end of fiscal year 2017, the average score for children’s access to education was 3.41 for grant recipient households, compared to 3.29 for non-recipient households⁸. Grant recipient households started out with lower scores than non-recipient households, so this figure reflects a 7% change compared to a change of only 2% for non-recipient households. One possible reason that the provision of conditional grants positively impacted this indicator was that sending children to school was a specified condition to receive the grant.

Indicator 2: Children’s access to health

Although access to healthcare was not a condition of the conditional grants, households who received conditional grants provided their children with better access to health care. The average score for children’s access to health care in by the end of fiscal year 2017 was 3.56 for grant recipient households, compared to only 3.14 for non-recipient households. Grant recipient households saw a dramatic improvement of 9%, compared to a slight decline for non-recipient households. One possibility for these results is that conditional grants reduced the pressure on households to meet basic needs.

Indicator 3: Care and support provided to children

Conditional grants were also helpful in enabling caregivers to devote more time and attention to their children. Grant recipient households were able to achieve a score of 3.46 on an indicator measuring caregiver attention and support to children, compared to only 3.27 for non-grant recipient households. The grants catalyzed change in care and support provided to children likely also resulting from other ISVP program messaging.

⁸ The indicators were scored on a range of 0 to 4 with the average of the score being on a 5-point scale.

Figure 11: Change in Household Levels of Children’s Access to Education

Change in household levels of children’s access to education—impact of grants versus no grants

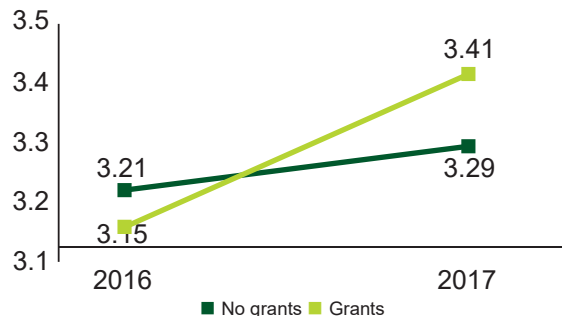


Figure 12: Change in Household Levels of Children’s Access to Healthcare

Change in household levels of children’s access to healthcare—impact of grants versus no grants

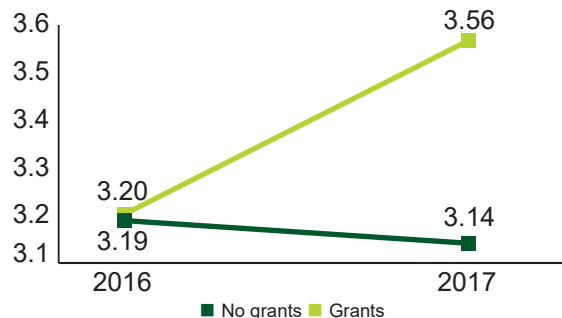


Figure 13: Change in Household Levels of Care and Support for Children

Change in household levels of care and support for children—impact of grants versus no grants

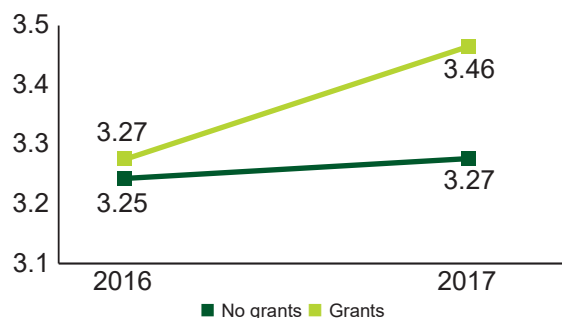




Figure 14. Community Health Work and CBV conducting PDH in Burera District

Key Takeaways and Future Learning

The ISVP program’s analysis of program data revealed that the provision of conditional household grants had significant outcomes in a household’s ability to move more quickly out of vulnerable conditions by positively influencing their ability to increase and diversify income and productive assets, meet basic needs, maintain savings, improve food availability, plan for the future and take care of their children. While the impact on each of the indicators that registered substantial progress between October 2016 and September 2017 is statistically significant, the change in some is more dramatic than for others.

Specifically, conditional grants were effective at improving households’ food availability, a possible key driver of progress on other indicators. Households that received grants were also much more likely to plan effectively for the future than non-recipient households. Children in households that received conditional grants fared better than children in households that received all other ISVP program services, support and messaging, but not the grants. In particular, we see significant impacts on children’s access to education and health care. While access to education was a condition of the grant, the grants also helped families prioritize preventative and curative health care for children.

Current standards of practice “suggest that intensive multi-faceted programming can be effective by addressing multiple challenges at once,” but recent research suggests that “providing cash grants to the poor, without conditions on how the money can be spent, can have important welfare benefits for recipients.”⁹ However, more research is needed to assess the impact and cost-effectiveness of cash transfers—including both conditional and unconditional household grants—to the current standard approach of providing integrated service delivery interventions for improving health and nutrition outcomes.

⁹ Craig McIntosh and Andrew Zeitlin, “Benchmarking a WASH and Nutrition Program to Cash in Rwanda,” *Innovations for Poverty Action*, 2018, from: <https://www.poverty-action.org/printpdf/34301>

PEPFAR guidance is clear that “economic strengthening (ES) is a key component of OVC programs. Less clear, however, is how PEPFAR OVC programs should define sustainable economic strengthening outcomes and optimally sequence interventions to achieve those outcomes.”¹⁰ The results of this assessment in the ISVP program, however, aligns with evidence collected by PEPFAR that cash transfers are an effective economic strengthening activity for enhancing the lives of children. They also suggest that conditionality results in greater impacts for health, education, and nutrition.

For future programming targeting vulnerable households, the inclusion of conditional household grants should be strongly considered. Implementers must address the urgency of basic needs and mitigate the uncertainty of daily survival in order to effectively strengthen the ability of households to achieve and maintain well-being and stability. In particular, the provision of financial resources to improve food availability (alongside sustainable practices such as kitchen gardens) can encourage planning for the future, acquisition of diversified and reliable source of income and assets, and help parents prioritize children’s health and education. Conditional grants can also have a positive effect on households’ income and savings practices, a critical component of the graduation framework to move households toward resiliency and self-reliance.

10 Whitney Moret and Lara Lorenzetti, “Challenges in OVC Graduation Programs: Benchmarks, Sequencing, and Backsliding,” FHI 360, USAID, June 13, 2019 from Marketlinks: https://www.marketlinks.org/sites/marketlinks.org/files/resources/challenges_in_ovc_graduation_programs_-_benchmarks_sequencing_and_backsliding_ovc_graduation_brief_series_-_1_of_4_.pdf