Tackling Ultra-poverty through the Graduation Approach: 
Situating Sustainable Livelihoods in the Landscape of 
Social Protection and Safety Nets

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# Contents

1. Executive Summary 3
2. Introduction and Purpose 4
3. Situating the Targeting the Ultra-poor Program and Graduation approach in the Social Protection Landscape 6
4. The Main Actors in Social Assistance and Some Challenges for BRAC 7
5. A Growing Component of Social Protection - Cash Transfer Programs 8
   - Conditional versus unconditional cash transfers 10
   - Selected data points and regional examples 11
   - Examples from Asia – Governments 12
   - NGO programs in Asia 15
   - Examples from Africa – Governments 17
   - NGO programs in Africa 19
   - Urban versus rural dimensions 20
   - Expanding reach through innovations in electronic cash transfers 21
   - Linking cash transfers with education 23
6. Public Works and Employment Guarantee Programs 24
   - Examples from Asia – Governments 25
   - NGO programs in Asia 27
   - Examples from Africa – Governments 27
   - NGO programs in Africa 29
7. Productive Input Programs 29
8. Potential Areas for Expanded Leadership on the Graduation Approach 31
9. Conclusion 33
1. Executive Summary

BRAC was founded in Bangladesh in 1972 and now works in nine other countries with very impoverished populations: Afghanistan, Pakistan, Myanmar, Philippines, Uganda, Tanzania, South Sudan, Sierra Leone and Liberia. From its years of experience designing and implementing microfinance and other programs, BRAC gained the insight that a unique set of interventions is required to bring out of extreme poverty those who they, and now others, call the “ultra-poor”: people living on half or less of a US $1.25-a-day poverty threshold. BRAC pioneered the approach in 2002 by combining social safety nets with support for income-generating, and named it the Graduation approach, or Targeting the Ultra Poor (TUP) program. Graduation programs complement small cash stipends and in-kind asset transfers with several other sequenced interventions including savings, training, social integration and health care services. Over the last decade the Consultative Group to Assist the Poor (CGAP), the Ford Foundation, and other donors have supported ten pilots across different continents which have been carefully analyzed, and in which over 75% of participants have met Graduation requirements. This paper summarizes the landscape and institutional context within which the Targeting the Ultra-poor program sits, in order to help BRAC and other organizations to expand its scale and encourage others to support and adopt this approach, thereby helping an additional one million families graduate from ultra-poverty by 2020.

Providing direct assistance to the ultra-poor makes BRAC’s TUP and Graduation approach of particular interest at this time for at least three reasons. First, the organizations which have formed a community of practice on Graduation are ready to expand. Second, there is a renewed interest within the international aid community to focus on the ultra-poor target group, as they have often been left behind as governments and others have pursued the Millenium Development Goals (MDGs). And third, market-based solutions have only marginally affected the lives of the poorest communities who are without capacity, assets to engage with, or access to, markets. Nevertheless, others will want to understand whether the Graduation approach can offer sustainable routes out of poverty on a large scale – do BRAC and other NGOs reach sizable target populations? Is there added-value from intensive community involvement, and practices that increase transparency and accountability, compared to government programs? And are strong monitoring and evaluation approaches paying back in terms of improving results? To answer these questions, BRAC and other implementers must understand how the ultra-poor graduation strategy fits in the social protection landscape.

Social protection generally encompasses social and economic transfers, access to services, social support and care services, and equity and non-discrimination legislation and policies. This paper focuses on areas most relevant to BRAC’s programs: cash transfers, public works and employment guarantee programs, and productive input programs. It reviews relevant experiences and research for countries where BRAC already works and includes other notable geographies (e.g. Ethiopia and India).

These types of social protection programs are most often implemented by governments (including Brazil, India, Bangladesh, the Philippines, Ethiopia and Uganda); by multilateral agencies (including the World Food Program and UNICEF); and NGOs (including Trickle Up, Save the Children and Mercy Corps). Much of the funding is provided by the governments of the UK, US and Australia, though there are a variety of sources. Key research institutions include the Overseas Development Institute (ODI) and the Chronic Poverty Action Network.

Of the social protection measures examined, cash transfers are becoming noticeably more common and are at the center of a paradigm shift in providing social assistance. Non-conditional cash transfers appear to be in greater favor because of scant evidence that conditions improve outcomes – yet BRAC’s meaningful engagement with recipients in their own conditional cash transfer programs is undoubtedly making a difference. Public works and employment guarantee programs continue to be used in both
relief and development contexts, but have been less successful in Africa than Asia, and appear to have a much more limited application than other social protection methods, particularly by non-governmental organizations. Productive input programs seem to be on the wane in favor of cash transfers though, again, BRAC’s use of productive inputs as part of its empowerment approach will have appeal in some contexts and with some donors.

BRAC’s Graduation approach can both inform the work of others and absorb lessons from them. Ideally, graduation as a social assistance approach takes place in conjunction with other social assistance programs, and complementary to an overall national social protection agenda that 1) addresses the protection of those ineligible for Graduation programs, and 2) promotes sound macroeconomic and labor policies that benefit the poor.

This study ends with recommendations of specific steps on this path, including:

- Creating a more robust rationale and stronger communications strategy around the achievements, challenges and lessons learned of BRAC and other TUP and Graduation programs - not least on issues related to tackling inequality, the empowerment of beneficiaries, greater accountability, and addressing intergenerational poverty;
- Developing a stronger government training capability to address ‘local ownership’ issues;
- Considering an expansion of urban work;
- Moving more assertively into digital inclusion and electronic payment systems; and
- Engaging with organizations promoting a resilience agenda and offering Graduation programs for piloting and evaluating new methods to bridge the development-humanitarian divide, potentially increasing the focus on communities compromised by climate change impacts and/or experimenting with micro-insurance products.

2. Introduction and Purpose

Founded in Bangladesh several decades ago, BRAC has expanded to a set of countries across Asia, Africa and Haiti that include significantly impoverished communities who are traditionally hard to reach: Afghanistan, Bangladesh, Pakistan, Myanmar, Philippines, Uganda, Tanzania, South Sudan, Sierra Leone and Liberia. This paper contains much of the material (useful for the wider public) in a longer study commissioned by BRAC USA for the BRAC family of organizations (BRAC, BRAC International, BRAC University, BRAC USA, and BRAC UK) as a briefing for the BRAC leadership team and its core partners. It summarizes the social protection field and institutional context, and situates BRAC’s TUP and the Graduation approach within that context with a view toward reaching its goal of sustainably improving the lives of the ultra-poor in a set of BRAC focus countries.

BRAC has been at the forefront of poverty alleviation in Bangladesh and the countries listed above, and recognized for creating opportunities at scale for those living in poverty using a combination of tools and approaches that include microfinance, education, healthcare, legal rights and community empowerment. Yet after about 40 years of poverty alleviation impact at growing scale, BRAC found that their interventions often fail to reach the ultra-poor and effectively address the worst forms of poverty. Trapped in destitution, the ultra-poor do not generally benefit from market-based interventions like microfinance, despite their own efforts.

BRAC’s key insight was that those living below the US $1.25-a-day threshold are not a homogenous pool, and that a unique set of interventions is required for those in the lower half of that group, the ultra-poor, who live on less than half that. Building on this insight, in 2002 BRAC pioneered an
approach to improve the well-being of these groups. This was called the Graduation Program, or more formally, *Challenging the Frontiers of Poverty Reduction - Targeting the Ultra-poor (TUP)*.¹

TUP and the Graduation approach are an innovative development initiative that combines social safety nets with income-generating livelihoods to “graduate” households out of extreme poverty. The TUP program originally grew out of a food-for-work program of the World Food Programme (WFP). The target group is key – while international efforts supporting those living in extreme poverty generally include anyone living on less than US $1.25 per day, BRAC in this program targets interventions at the bottom half of populations living below this line (typically US $.70 or less, though the exact income threshold varies based on the country).² The Director of the Chronic Poverty Advisory Network noted that BRAC has a strong analytical and evaluative base and has been ahead of the curve in recognizing microfinance is not a solution for all poor people – and then developing a ‘ladder’ approach to address the ultra-poor.³

In Bangladesh, the number of program participants reached between the 2002 inception of the Graduation Program and 2012 was over 1.4 million.⁴ Breaking it down by program component, 405,973 women received a productive asset; more than 914,000 women received a subsistence allowance (a stipend); 1 million women received a soft loan; and 1.42 million received training.

Adapting the methodology developed by BRAC in Bangladesh, between 2006 and 2013 the Graduation approach has been pilot-tested in ten sites in eight countries with the help of technical assistance provided by BRAC and the Consultative Group to Assist the Poor (CGAP), under the coordination of CGAP and the Ford Foundation. These pilots span South Asia, Africa, the Caribbean and the Middle East. They are still in the process of assessing graduation results, but according to the most recent reports, the total population reached by pilots by January 2014, excluding Ghana (in process at the time of writing), was reported as 4,776 individuals.⁵ CGAP reports that in these pilots, after 18-36 months, 75 to 98% of participants met graduation criteria with regards to nutrition, assets and social capital, as specified by each program.⁶

Other organizations, governments and funders are interested in replicating or scaling up BRAC’s results and proven impact. At the same time, the field of development is evolving in ways that require individual organizations like BRAC to 1) demonstrate their particular value-addition; 2) acknowledge the lessons learned across geography and time; and 3) situate themselves within today’s development assistance framework (principally the final period of the MDGs and the planning for Post-2015 Sustainable Development Goals, or SDGs).

This study illustrates how characteristics of approaches like BRAC’s can augment those of others. BRAC works on a very large scale, has very intensive community involvement compared to many government

¹ BRAC’s website has various documents describing this work.
³ Andrew Shepherd, in discussion with the authors, January 2014.
⁴ According to Rabeya Yasmin in *BRAC at a Glance* (Dec 2012).
programs, and institutional practices that increase transparency and accountability. BRAC’s strong monitoring and evaluation approaches, if they can be replicated or adapted at low cost, will be of tremendous benefit to the programs of others. How the Graduation approach to sustainable livelihoods relates to the broader field of efforts targeted at the ultra-poor is illuminated the sections below.

3. Situating the Targeting the Ultra-poor Program and Graduation approach in the Social Protection Landscape

The Graduation approach can be, and has been, used in communities that have not yet benefitted from broader social protection and safety net programs, though ideally these could be mutually reinforcing supports for the same target group – the ultra-poor. The field of social protection at its most broad definition generally encompasses four areas: social and economic transfers, programs that ensure access to services, social support and care services, and legislation and policies to ensure equity and non-discrimination in access to services and employment/livelihoods. Institutions such as ODI and UNICEF break social protection into three categories roughly defined as 1) social insurance, 2) social assistance, and 3) legislation and policy that sets minimum standards and enforcement.

The UN Special Rapporteur (UN SR) on Extreme Poverty and Human Rights, Magdalena Sepulveda, describes social protection as those policies and programs that enable people to respond to various contingencies and manage levels of risk or deprivation that are deemed unacceptable by society, aiming to offset the absence or substantial reduction of income from work, provide assistance for families with children, and provide people with services. She further notes the relevance of cash transfer schemes, public work programs, school stipends, social pensions, food vouchers and food transfers, and user fee exemptions for services.7

These programmatic approaches have each existed for decades, but at this point in time the ultra-poor approach may be particularly important for several reasons. First, there is a strategy aimed at expanding ultra-poor graduation programs amongst the community of practice that includes BRAC and the Ford/CGAP pilot institutions. Second, there is a general renewed interest amongst donors in focusing on this target group (or at least the extreme poor, or poorest of the poor), who were often left behind in the MDGs effort because of proportional rather than universal or absolute targets (e.g., a goal to halve poverty rather than eliminate poverty). From either an aid effectiveness or a human rights perspective, “experience shows that issues left out of the universal agreed agenda are not effectively monitored and reported on, and easily become blind spots when priorities are set, policies defined or budgets allocated. This is one key reason why the overall Post-2015 development framework must explicitly aim to focus on and target those who are currently invisible: the poorest of the poor.”8

Donors who appear most interested in this target group include USAID, Britain’s Department for International Development (DFID), the Government of Finland, AUSAID, and the MasterCard Foundation. The World Bank is also in this group, with their redoubled commitment to targeting extreme poverty – and their influence on Ministers of Finance, and developing countries’ budgets and fiscal policies, is an extra lever for change.

A related third reason why the timing is right is a reaction to the fact that a great deal of recent development assistance by official and private donors and investors has focused on market-based solutions that assume poor households have a modicum of market access, capacity, and resources for

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8 Ibid.
entering markets and waged employment. In fact, there is increasing recognition that while market-based solutions hold promise for developing economic activity in sustainable ways, their reach is limited, and only marginally affect the lives of the poorest communities who are without capacity, access to, or assets to engage with markets. So providing direct assistance to the ultra-poor, in addition to focusing on market-return ‘investible’ programs to deliver impact, potentially makes the TUP and Graduation approach of particular interest at this time.

This study focuses primarily on social assistance. This appears to be the space within which BRAC and colleague organizations have previously operated, and are most likely to continue to do so, given the focus on the poorest socio-economic stratum within which people do not participate in the formal economy or join unions or other workers’ schemes. Our study found that the most predominant social assistance programs are 1) conditional and unconditional cash transfers, 2) public works programs, and 3) voucher programs for productive input, generally individual labor contributions to public works. So these are described here in greatest detail. The paper also very briefly touches on insurance schemes for the poorest as this is an area that is growing.

4. The Main Actors in Social Assistance

Social protection and social security concepts were included in the original vision at the founding of the International Labor Organization (ILO) in 1919, but it is only in the last decade that there has been real momentum behind a minimum level of non-contributory social protection. Some experts believe the speed with which social protection has gained predominance and political support in the development and poverty reduction discourse is “almost without precedent.”9 When the ILO launched its decent work agenda about a decade ago, it incorporated social protection as a key plank, and has been a standard-bearer amongst UN organizations in promoting social protection, particularly linking it to concepts of formal or informal work. The ILO and its members are increasingly acknowledging the importance of informal work (though still officially pushing for formalization), making them an ally in the social protection field.

In 2009 the heads of UN agencies launched the Social Protection Floor Initiative, which sets out nationally-defined sets of basic social security guarantees that should ensure as a minimum that, throughout the life cycle, all people in need have access to essential health care and to basic income security, which together secure effective access to goods and services defined as necessary at the national level. And in November 2011, an advisory group chaired by the head of UN Women, Michelle Bachelet, launched a report to consolidate global advocacy activities around social protection.10

As mentioned above, The World Bank is a key player in this area for a few reasons – its broad reach, its massive data base, and increasingly important, its renewed emphasis on ending extreme poverty under President Dr. Jim Yong Kim. The World Bank identifies social safety nets or social assistance as “mechanisms that mitigate the effects of poverty and other risks on vulnerable households.” Using their standard categorization, formal social assistance programs provide additional income or in-kind transfer programs, subsidies, and labor-intensive public works programs, while other safety nets focus on ensuring access to public services. While not all would agree, The World Bank distinguishes this concept of social assistance from social security and social insurance programs – the latter two are most often found in developed countries, within the formal employment sector, and/or amongst employed people more generally.

9 Magdalena Sepulveda and Carly Nyst, The Human Rights Approach to Social Protection (Erweko Oy: Ministry for Foreign Affairs of Finland, 2012). This paper, commissioned by the Ministry for Foreign Affairs of Finland, incorporates a range of recommendations for taking forward social protection programs.
Generally it is governments, bilateral aid agencies, and multilateral organizations that implement social assistance programs, given the size of the budget needed, as well as the international reach and institutional requirements for payment and monitoring systems (generally located in Ministries). However, governments and donors alike have regularly partnered with NGOs in programs such as cash transfers to help identify target populations, and less often to help with implementation. Additionally, some NGOs have undertaken social assistance programs in specific countries where they work, albeit on a limited basis and at a significantly smaller scale. Many of these programs have specifically been linked to responding to natural disasters or political upheaval, and are implemented through humanitarian assistance or through programs targeted at nutrition and education for poor children. These programs are described in more detail in the sections below.11

5. A Growing Component of Social Protection - Cash Transfer Programs

Cash transfers are gaining traction and are at the center of a paradigm shift in providing social assistance. According to DFID, the shift toward cash transfers is largely driven by developing country governments, and notably by middle-income country governments, who now have the fiscal resources to take on substantial poverty-alleviation programs. These governments have been increasingly willing to put development and social protection resources directly in the hands of poor people with dramatic expansions of cash transfer programs.12 The 2010 social assistance database lists such programs in several countries including: Pakistan, Sierra Leone, Bangladesh and the Philippines.

Multilateral agencies and donors have also joined the ranks of supporters of cash transfers. The UN Refugee Agency Office of the High Commissioner for Refugees (UNHCR), WFP, United Nations Children’s Fund (UNICEF) and United Nations Development Program (UNDP) are the multilateral agencies with the longest experience in cash programs. Agencies like UNICEF assert that cash transfers allow for more efficient and effective short and long-term response to volatility and chronic poverty. They also believe that cash transfers can provide a tool for placing the poorest of the poor at the center of a social policy agenda.13 This is supported by mounting evidence, principally from internal assessments or external evaluations of programs (and less often through randomized control trials). With evidence like this in hand, wide-reaching multilateral agencies like WFP are increasingly shifting to cash transfer programs. From 2010 to 2011 alone, WFP doubled the cash assistance it provides to USD 300 million.14 This includes cash and voucher programs in 25 countries, including Afghanistan, Myanmar, Pakistan, and the Philippines as well as several African countries.15

A big part of the rationale is the belief that these reduce the costs associated with transporting and storing food, inject money into the local economy, and enhance the sustainability of projects. The increasing use of technology to assist cash transfers and vouchers is also believed to reduce corruption

11 A useful database for this work was created by one of the academic institutions supported in part by DFID and focusing on BRAC’s target group – the Brooks World Poverty Institute at the University of Manchester, and the Chronic Poverty Research Centre. Their 2010 database (this appears to be the last available) includes an index by type of program and country. http://www.chronicpoverty.org/publications/details/social-assistance-in-developing-countries-database. Accessed January 8, 2014. The network’s latest report is available at http://www.odi.org.uk/events/3901-road-zero-chronic-poverty-report-launch-2014
15 See WFP Website.
or leakage and get assistance into the hands of targeted recipients. WFP is not only in the lead, but the Norwegian Agency for Development Cooperation (NORAD) has noted that it is also the only multilateral agency with published guidelines for cash and voucher programs.

Recent research in rural Mexico showed that cash transfers had equal benefits to in-kind transfers even though in-kind programs had approximately 20% higher administrative costs. Specifically, in-kind transfers were seen as paternalistic and dictated which items households would consume to some extent. They also had a marginal impact because they made up a small portion of overall household consumption. Cash transfers were used by households to purchase foods different to, but as nutritious as, those provided by in-kind transfers. The cash transfer programs had lower administration costs and they also gave rural households agency to make choices about their own consumption.

Development NGOs also have been placing increasing emphasis on cash transfers and have undertaken research and advocacy to support their use. A handful of them are increasingly engaging in the design and implementation of such programs. Those who have piloted and implemented cash transfer programs most widely include Oxfam, the British Red Cross, Concern, the Danish Refugee Council, Save the Children UK, Action against Hunger (ACF), Mercy Corps, CARE, Catholic Relief Services (CRS) and World Vision. A few of these organizations have published guidelines for developing cash transfer programs, including ACF, the British Red Cross, CARE and OXFAM.

This is not surprising given the focus of many of these NGOs on empowering the poor. The British think tank ODI carried out research on cash transfer beneficiaries which found that, in the five study countries, most recipients felt that cash transfers had increased their self-esteem, confidence, and assertiveness. The findings also showed that they allowed people a sense of agency and freedom to make spending and life choices and set their own priorities – a proven contributor to making a sustained difference in the lives of poor people. At the same time, and not surprisingly, some of those surveyed raised concerns about dependency, and the need for livelihoods alternatives and an exit strategy for people.

There is also an increasing global trend to use cash transfer programs to ensure that poor children receive the education, nutrition and health care they need to help them avoid intergenerational poverty.

DFID commissioned ODI to carry out research in 5 of 12 countries where DFID is currently supporting cash transfer programs to provide robust evidence from the perspective of beneficiaries and their communities that will improve program quality and effectiveness. They concluded that evidence is strong on how such programs reduce poverty and hunger, and help people to access health and

education services. But it is weaker on more transformational effects—for example, there is little evidence of the effects of cash transfers on citizens’ voice, empowerment, gender equality, social cohesion and state-building. ODI recommended that beneficiaries and their communities should be included more systematically in monitoring and evaluation of the programs, improving effectiveness in at least three ways. First it would improve the value for money, since participatory methods can help capture benefits and costs (particularly social) and effects (particularly transformational) which are harder to measure, and sometimes unintended. Second, feedback loops created by gathering evidence from beneficiaries and communities on program design, implementation, and effects offer a different perspective. Third, beneficiaries and communities’ participation in monitoring and evaluation increases accountability of governments and development partners.22

In sum, the role of cash transfers in helping people ‘stuck’ in poverty is an increasing area of interest. Most of the existing programs and research on notions of graduation relate to cash transfer programs for those who are able to work. However, as demonstrated by BRAC’s own efforts as well as broader research, for graduation to take place, cash transfer programs are best complemented with other social assistance programs.23 Indeed, given the momentum and interest from various organizations on the role of cash transfers in poverty alleviation, it would be easy for some audiences to conflate graduation with providing cash transfers, one of its core components. In practice, graduation programs complement small cash stipends and in-kind asset transfers with several other sequenced interventions including savings, training, social integration and health care services. Ideally, graduation as a social assistance approach happens in conjunction with other social assistance programs, and complementary to an overall national social protection agenda that addresses the protection of those ineligible for graduation programs, while instituting macroeconomic and labor policies that further reinforce the progress made by graduating ultra-poor households.

**Conditional versus unconditional cash transfers**

The basis for the use of conditional cash transfers is the belief that poor households lack sufficient information about long term benefits of factors like education and nutrition to make well-informed decisions. Alternatively, unconditional (sometimes called non-conditional) cash transfers operate on the premise that the poor have agency and the ability to make rational decisions for themselves. Furthermore, it is believed that providing cash will increase the use of public services without the conditions attached to cash transfers.24

This is a highly debated area. Research has been inconclusive thus far as to whether conditional cash transfers perform any better than unconditional cash transfers. There is strong evidence that conditional cash transfers such as Mexico’s *Oportunidades* program have had important impacts. However, the specific outcomes of the conditions themselves have been unclear.25 The same goes for an extensive evaluation of the very large Philippines *Pantawid Pamilyang Pilipino* program (described in more detail below), which did not focus on the question of conditional versus non-conditional.

Two specialists consulted agreed on the overriding reason for placing conditions on cash transfers, which mirrors some of the literature: for political reasons, so that the funding for these programs is palatable to the elite. They believe overall there is no difference in outcomes. UNSR Magdalena Sepulveda goes further and describes the often negative effects of conditional cash transfers, for two main reasons. First is the disproportionate burden they place on women, and the fact that they do not take into account the unpaid care work of women. The other main problem is that they impose

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22 *Transforming Cash Transfers*, http://transformingcashtransfers.org/.
24 Ibid.
25 Ibid.
sanctions if someone does not meet the conditions (although this varies by country). It is often impossible for the extreme poor to consistently comply with conditions, and in some programs they are immediately expelled, and/or cannot apply to get back in. There may be cases where children are unable to attend school due to work obligations, or women lack the time for a medical checkup.26

Within BRAC’s graduation approach, the in-kind asset transfer is conditional in the sense that it is intended to be used for income generation, and training and support is provided around that. The small cash stipends in some programs have been conditional - BRAC mandates saving a portion of this in some parts of Bangladesh - and in other pilots, it is unconditional and meant for general household consumption. As BRAC’s programs and other pilots move forward, it will be important to gain some understanding of the relative merits of conditionality in the cash and in-kind asset transfers for their beneficiaries. Assessing the differences would be useful, whether to identify unanticipated consequences for the whole household (e.g. cash for nutrition improvement that is saved rather than used for food purchases), or for negative consequences on women and girls in particular (because of the undue burden of care that falls on them). Illustrations of the potential trade-offs are provided in the sections below.

**Selected data points and regional examples**

Much of the knowledge about the long-term impacts of cash transfer and other social assistance programs comes from Latin America, primarily Mexico and Brazil. These programs have been the most heavily evaluated and therefore have the most reliable information related to results. Mexico’s *Progresa Program* (later called *Oportunidades*) provides conditional cash transfers in exchange for poor families sending children to school and checkups at health clinics. It reduced the poverty gap by 30% among beneficiaries after two years of operation, increased height through better nutrition in child beneficiaries, and is projected to raise the number of years of schooling of children by a year.27

Brazil’s *Bolsa Família* is the world’s largest conditional cash transfer program, and about 90% of its beneficiaries are women. It focuses on immediate poverty alleviation as well as ending the intergenerational transmission of poverty. The program now reaches about 14 million families across Brazil, a quarter of the country’s population. It provides an unconditional transfer to some extremely poor families, and more often a conditional cash transfer based on factors like attendance of children in school, immunization and prenatal checkups. UN SR Sepulveda noted that this program’s conditionalities are not onerous, as those expelled for non-compliance are very few in number, and occurs only for those who have made no effort at all to participate in the mandated activities.

According to Brazil’s Ministry of Social Development and Fight against Hunger, and the Institute for Applied Economic Research, between 2002 and 2012 the proportion of Brazilians living on less than R$70 (about US$29) per day fell from 8.8% to 3.6%. Those not participating in the program had poverty rates 36% higher than those in the program. Equally important have been changes in Human Development Index (HDI) measures: in 2000 41% of Brazilian municipalities had very low HDI and by 2010 this level was reduced to 0.6%. Impact evaluations demonstrated increased school attendance and grade progression; positive impacts on the number of prenatal care visits, immunization coverage and child mortality; and crime reduction. Yet the BFP costs less than 1% of Brazil’s GDP, including all costs.

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The decline in the number of Brazilians living in poverty declined principally from this and three other government programs.28

An additional benefit of this explicit pro-poor targeting in Brazil has been a tackling of inequality. According to The World Bank, the income of the poorest 10% grew 120.11%, while for the richest tenth the gain was 26.4%. Social transfers and cash transfers account for 23% of the income growth and 13% of the inequality decline. As a stepping-stone approach not unlike BRAC’s Graduation approach, a Brasil Sem Miseria Plan launched in 2011 focuses on productive inclusion and access to public services and an Active Search (Busca Ativa) for poor citizens not yet reached by Bolsa Familia. This includes acquisition of training and qualifications and family farming purchase programs.29

In terms of targeting, The World Bank in a 2007 paper described how it was done at the program’s creation.30 Bolsa Familia was designed to target poor and extreme poor families throughout the country, even in the absence of an official poverty line. The income ceilings for eligibility were instead set to mimic the most generous of those of the pre-reform programs with the principle of ensuring that families did not lose from the reforms. They were initially set at a monthly per capita income of R$100 (US$48) for moderately poor families and R$50 (US$25) for extremely poor families. Eligibility thresholds were increased in 2006, in order to account for increases in the cost of living, to R$120 (US$57) for moderately poor families and R$60 (US$29) for extremely poor families. Interestingly, the government of Brazil is aware that many extreme poor are still left out of Bolsa Familia. According to a Reuters report on a February 2013 press conference, President Rousseff acknowledged that there are still extremely poor Brazilians, but the government does not know who or where they are because they have not signed onto Brazil’s national register of social programs. They could be as many as 700,000 families, or 2.5 million people, based on census data. "The state will have to go and find them to include them before they come knocking on our door," Rousseff said. "But the most difficult part has been done. Soon there will be no Brazilians steeped in extreme poverty."31 This example highlights the need to tackle the absolute versus relative poverty question, the need for universal targets, as well as what really constitutes a beneficiary designation of extreme poverty.

While there is a longer history of cash transfer programs in Latin America, there are also a number of programs in the countries where BRAC works in Asia and Africa.

**Examples from Asia - Governments**

Compared to other Asian countries, the Philippines has a wide range of social protection programs. One of the most widely known cash transfer programs is the Pantawid Pamilyang Pilipino mentioned above, implemented by the Philippines government and funded by the Asian Development Bank (ADB), The World Bank, USAID, and the Japan Fund for Poverty Reduction. Started as a small pilot in 2008, it now covers over 3 million households across all regions of the country. By the end of 2013, it will have

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28 This information comes from the Brazilian Research Institute for Applied Economics’ 2013 report Bolsa-Família: A Decade of Inclusion and Citizenship, as well as an unpublished January 2014 document from the Brazil team at The World Bank.

29 Ibid.


received funding of approximately 120 billion pesos (US $2.79 billion), making it the largest social development program in the country.\textsuperscript{32}

This conditional cash transfer program provides transfers to poor households in exchange for meeting government conditions related to health and education goals for children. It has been part of the renewed effort to achieve the MDGs. An in-depth 2012 evaluation of the program comparing results with non-program areas showed that it is largely meeting its goals, and has outcomes on par with similar programs in Latin America. There was a 10\% increase in schooling for 3-5 year olds and 4.5\% higher enrollment for 6-11 year olds. The program did not have an impact on children 12-17 years old, principally because coverage was limited to younger children and there is a time limit of five years for participation. The program helped improve the long-term nutritional status of children 6-36 months old, with a 10\% point reduction in severe stunting and a range of attendant benefits. It increased healthcare-seeking behavior in families when children were ill. Beneficiary households spent more on health and education and less on adult goods like alcohol. The study concluded the program may have contributed to increased savings rates.\textsuperscript{33}

The study did not find amongst the beneficiaries an overall increase in per capita consumption, which the authors noted was not unusual as usually there is only an increase in mean consumption as conditional cash transfer programs mature. This is despite the fact that beneficiaries in this program are eligible for an estimated 23\% of income, described as relatively generous. Internationally the largest transfer amount has been in Nicaragua (about 30\% of consumption), Mexico (about 20\%) and Brazil (about 8\%). The report’s authors believe that the wide gap between the benefit amounts beneficiaries are eligible for of 23\%, and amounts they actually receive, could be minimized by improving beneficiaries’ compliance rates to program conditionalities; updating the program database for attendance, to link meeting of conditionalities to payments; and ensuring that all schools and health facilities report on compliance verification to the program. Citing the alternative view of UN SR Sepulveda and others, government efforts might rather be focused on the governments improving the quality of, and access to, services.

In recent decades Bangladesh has also had significant experience with cash transfer programs as part of the social protection programs predominantly run by the government and key multilaterals. The WFP has had a long-standing and very important presence in Bangladesh. The Vulnerable Group Development (VGD) program is one of the largest safety net programs of the WFP and has been running in Bangladesh since 1970. It targets poor women with the goal of improving the living standards of ultra-poor households. In 2007, there were 750,000 women participants and approximately 3.75 million beneficiaries overall. Much like the multi-faceted approach that BRAC has taken in the TUP pilot, likely because of early links between the two, the VGD program combines cash and food assistance with skills training, personal savings programs, and access to micro-credit and NGO programs. The program is divided into Income Generating Vulnerable Group Development (IGVGD) with women receiving food support, and Food Security Vulnerable Group Development (FSVGD), through which women receive cash transfers and food.\textsuperscript{34}

FSVGD participants receive monthly payments of Tk100 and 15 kilograms of flour. As part of the program they are required to save some of the payment and can start income generating activities without taking out loans to get started. An evaluation of the program found that the VGD made a significant difference in the food and livelihood security of the poorest households. The percentage of households consuming three meals a day tripled for FSVGD beneficiaries. Additionally, in 2005-2006, 75% of FSVGD participants were involved in income generating activities compared to a baseline of 31% and 60% of those who only received food aid. Despite these efforts, almost all the households still have an income of less than $1 per day. Many of the FSVGD participants have, nevertheless, been able to acquire productive assets even though their food expenditure remains roughly the same.

It appears that some or most of the current program is implemented by the Rural Reconstruction Foundation through an agreement with WFP from March 2009 for training and savings collection activities in 16 upazila in Bagerhat and Satkhira districts, covering a reported 28,636 women.35 In January 2014 a micronutrient program for half a million people, implemented by the WFP, was announced, funded by the government of the Netherlands.36

One of the most important government programs in Bangladesh is the Primary Education Stipend Program. It provides conditional cash transfers of Tk100 (about US$1.30) per month to families with a single child in primary school and Tk125 for those with two or more in primary school who maintain set standards of attendance.

The government is in the process of drafting a National Social Protection Strategy (NSPS) to lay the foundation for a multi-donor funding platform to support an advanced social protection system in Bangladesh – the Social Protection Policy and Innovations (SPPI) Fund.37 This provides for next steps after years of supporting programs such as stipends for girls' education and primary education. It appears that BRAC has not been formally involved with this program, but according to UNDP colleagues interviewed for this study BRAC will be consulted along with other organizations as the program develops in the coming months.38 This is important since it is laying the foundation for social protection efforts by the government and donors for years to come.

WFP also has various projects across the region. For instance, in the Philippines WFP began an innovative pilot project in October 2010 that uses SMS messages to distribute payments earned on cash-for-work projects. While food is the main source of assistance in WFP’s asset creation programs in Myanmar, WFP also uses cash transfers where appropriate.

There are some other government-funded programs in South Asian countries where BRAC works, but they have had a more mixed track record. In Pakistan, cash transfers are made through two primary social assistance programs: Zakat and Bait-ul-Mal. Zakat is based on donations made as part of social commitments in the Muslim community. The Zakat Disbursement provides income and social support

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38 Communication with Palash Dal, UNDP Bangladesh, January 2014.
to poor, vulnerable, and disabled Muslims. A recurring monthly transfer of Rs500 (about US$5) per household is made, or one-time rehabilitation grants of Rs10,000 to 30,000 per household.\textsuperscript{39}

Pakistan’s \textit{Bait-ul-Maal} program mobilizes government funds and combines cash transfers and food subsidies. The Child Support Program component provides subsidies and cash transfers for families sending children aged 5-16 year to get primary education. A conditional cash transfer is paid of Rs300 per month to the families with one child and Rs600 per month to the families with two or more children. There are concerns about the effectiveness of these programs. While they have differing sources of financing, the goals of these two programs significantly overlap. And the cash transfers are very small and can be significantly delayed in reaching recipients. They make up just 10-15\% of average household income of program beneficiaries, and payments often fall short of expected levels. As a result, these payments have a very limited impact on receiving households.\textsuperscript{40}

The biggest issue is coverage, with only about 240,000 individuals receiving benefits in a country of over 183 million with a significant population living in poverty. Approximately 2 million out of 8 million vulnerable households receive assistance. This level of coverage is low compared to other countries such as Mexico or India. Approximately 46\% of \textit{Bait-ul-Mal} benefits reach the poorest 40\% of the population, and 43\% of \textit{Zakat} benefits reach the same population. World Bank assessments have concluded that these figures could be improved with better targeting.\textsuperscript{41} And given the numbers, they are only able to make a small contribution to tackling poverty in Pakistan.\textsuperscript{42}

Within Asia at least one new country is aiming to learn more from those who have experience with cash transfers - the Philippines has offered to mentor Myanmar and share lessons on cash transfers as the country takes increasing interest in the issue and begins to put social assistance programs in place.\textsuperscript{43}

\textbf{NGO programs in Asia}

NGOs are beginning to engage more in cash transfer programs but fewer are working on program design and implementation rather than policy analysis. In this context, BRAC’s TUP graduation approach stands out due to its goals of addressing extreme poverty in an ongoing, sustainable way, and BRAC’s ability to reach scale, which remains fairly unique amongst NGOs. Additionally, randomized control trial results from Bangladesh showing increased income of 36\% for the poorest women set BRAC apart as a highly effective institution.\textsuperscript{44}

A review of the handful of others who have been engaged in providing assistance in countries where BRAC works is illustrative of the wider shift. Much of this assistance appears to focus on time-bound disaster and humanitarian response or post-conflict reconstruction. Another common entry point is small conditional cash transfers to encourage education, often focused on girls.

\begin{footnotes}
41 Ibid.
\end{footnotes}
In Afghanistan, a group of NGOs have created a platform to coordinate cash transfer program practitioners under the umbrella of emergency response. The forum is led by a Cash/Voucher Technical working group that is chaired by Oxfam GB and Afghanaid.\(^\text{45}\) In response to the severe drought in Afghanistan in 2011, Save the Children UK mounted unconditional cash transfer programs, work for cash, and cash for training programs in the highlands and in the north of Afghanistan.\(^\text{46}\)

Following severe floods in 2010 in Pakistan, Save the Children implemented a focused and time bound cash transfer and voucher program. The program was designed to address food security and livelihoods issues to meet immediate food needs of children and their families. The conditional cash transfers and vouchers were tied to children’s schooling. These children often suffer from a long-term lack of physical security, sometimes exacerbated by family separation. Due to the floods children were at greater risk of exploitation and abuse, being removed from school or forced into early marriages as a result of livelihood pressures and displacement. Save the Children identified several forms of harmful child labor during the emergency assessment including growing numbers of children working in agriculture, as domestic labor, and in mechanics workshops, hotels and restaurants.\(^\text{47}\)

Save the Children implemented a food security and livelihoods program focused on cash transfers that incorporated vouchers to meet the immediate food needs of children and their families. It integrated child protection with livelihoods and cash transfer initiatives, included community mobilization, child protection committee strengthening, and work in child friendly spaces, and monitored the children’s wellbeing and school enrolment.

An independent review found that it was cost-effective and had a positive impact, citing integration of activities, especially in the DFID-funded Education program, meeting demand and supply side needs, and addressing education, protection, livelihoods and WASH (water, sanitation and hygiene) needs all in one program. The assessment noted, though, that there was no control study, and some research limitations meant there could be bias in reporting results. They praised program design as agile and fast learning. For example, based on lessons learnt from the protection project, the education grant used a wider range of cash transfer modalities, such as enterprise grants, enabling greater sustainability of the program. One team established a comprehensive accountability mechanism with hotlines, regular field monitoring visits, focus groups with children and adults, and separate forms and systems for children to submit feedback. Initial problems with beneficiary selection, stemming from the protection team lacking adequate skills in assessing the wealth of households, were quickly identified and addressed. There were challenges as well. The inability of female staff to go to remote locations raised questions about the ability to implement a program if risk mitigation factors cannot be put in place (often the teams in remote and dangerous locations are disproportionately male). Age was a major factor in dropping out of school as older children could not adjust to being in school with younger ones. Cash grants were insufficient to fill the income gap of children’s earnings, particularly for children who had attained more work skills and higher incomes. Targeting children was more challenging for those who are the primary income earner in the household, particularly when the grant does not match their previous income (for example, a female domestic worker had been the primary income earner in her family, and when she received a cash grant and returned to education, her younger sister started working in people’s homes in her place). Some children pulled out of school after a short time to return to supporting their parents or relative’s small business. Baseline data on physical violence was available,


but not monitored during the project, and the possible impact of the cash transfer on this form of child abuse was not captured.

Overall, children who took part in the focus group discussions for this study pointed to an increased feeling of wellbeing and more time to play with friends, and teachers indicated an increase in attentiveness in classes, though changes in psychosocial wellbeing were not monitored over time. Staff also reported that they felt there was the possibility that there had been an impact on child marriage rates, but these were also not measured. Crucially, no funding was provided by donors to continue to monitor the program at intervals after the cash disbursements had been completed, making it hard to ascertain the long term outcomes or sustainability of these activities.

**Examples from Africa - Governments**

Long-standing cash transfer programs are fewer in Africa than in Asia. However, the approach is garnering increasing support from African governments, multilateral organizations, and civil society. The African Union has set an agenda in support of social protection and the use of instruments like cash transfers. This is within the context of an increasing sense of urgency to design programs that target the approximately 314 million African people living on less than US$1 a day.48 Africa’s lower concentration of the poor in urban areas (slums are growing but are less significant than in Latin America and Asia) means that approaches may evolve differently.

Ethiopia’s Productive Safety Net Program (PSNP), which primarily provides cash transfers and some food assistance (approximately 30%), is the largest of its kind in Africa. It is also among the world’s largest social assistance programs. It is run by the Ministry of Finance and Economic Development, and has been funded by the government, The World Bank, and DFID. It benefits 8.4 million food-insecure people. But there have been concerns about the program, including the fact that it leaves out large numbers of vulnerable people in areas not designated as food insecure, a lack of clear criteria for targeting beneficiaries, and reported low institutional capacity.49 The vast majority of the resources have been channeled through programs that provide cash transfers for work. More details on this are included in the public works section below.

Uganda has a Northern Uganda Social Action Fund (NUSAF) that was started in 2003. Within this, communities and groups can apply for government transfers for infrastructure construction or income support and livestock for the extreme poor. Increasing the number, size, and productivity of informal enterprises was also a priority, and to address this, in 2006 the government announced a new component: the Youth Opportunities Program (YOP), to raise youth incomes and promote stability through self-employment in a trade. Related NGO-run programs are described in the NGO section below.

Civil society has raised concerns about anti-poverty programs targeting the ‘working poor’ rather than the poorest and most vulnerable.50 Cash transfer programs run by the government are increasingly seen as one way to address this within Uganda. There was a five-year program initiated in March 2011 called SAGE - Social Assistance Grants for Empowerment – which will provide regular cash transfers to over

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49 Ibid.
95,000 vulnerable households to reduce chronic poverty and improve life chances for poor men, women and children.\textsuperscript{51} One pilot there, unusually, focuses on reducing old age poverty by providing a minimum level of income security to all older people age 60 or 65 years above. The unconditional cash transfer is UGX24,000 (about US$8.70) per month. An ODI case study reported that the transfers helped beneficiaries meet basic needs for themselves and their families as well as facilitate productive investments, savings and access to credit; enhanced beneficiaries’ feelings of self-worth and dignity while strengthening their sense of social connectedness and their sense of value within their family and community; and that beneficiaries particularly appreciated the transparency of the targeting system and eligibility criteria. The challenges included the problem of long travel distances to pay points, an obvious challenge for many older people; names sometimes missing from beneficiary lists; and a shortage of field staff at district level – problems not unlike those in other cash transfer programs. Civil society has emphasized that given that the program is a pilot, it will be critical to find options to enable the government to scale-up these efforts. And given the strong voice of civil society since the 1990s when it was involved in national Poverty Reduction Strategy planning, BRAC will need to consider how to position itself to be seen facilitating, not absolving, government responsibility and accountability through BRAC’s efforts.\textsuperscript{52}

Sierra Leone also has a small number of cash transfer programs operated by the government and various international actors. This includes a cash transfer pilot for the elderly and most vulnerable implemented by the Ministry of Labor, Social Security and Industrial Relations. The National Commission for Social Action (NaCSA) is also planning a conditional cash transfer program, and a number of the others are cash-for-work programs described in the public works section below.\textsuperscript{53}

Multilateral agencies such as UNICEF have supported governments in launching pilot cash transfer programs in the region. For example, the government of Liberia is operating a pilot Social Cash Transfer scheme with support from UNICEF and funding from the European Commission and the Government of Japan. Beneficiary households in Bomi, a particularly vulnerable part of the country, receive monthly cash transfers according to the size of their households, and receive additional payments for each child enrolled in school. Transfers are unconditional, but the program provides additional incentives for education. Roughly 1,900 families are receiving benefits of LD $1,750 (about US $25) per month for a four-person household. Sixty-three percent of those benefitting from the program are children.\textsuperscript{54}

The design of this program posed a number of challenges that required adjustments and a change of course partway through the program. Such learnings related to program design are important for BRAC and others to understand, as they may apply more widely in other contexts. In this program the criteria initially focused on families who were labor constrained and extremely poor, while limiting participation to 10% of the total population. This meant that a number of very poor people were unable to access the program due to the country context, so this criterion was revised. The program has also relied on volunteers to run it. This initially worked, but not surprisingly, the volunteers began to want payment after some time - and as of this writing, it appears a solution has not been found. One

dimension of the program that has worked well, however, is partnership with a local bank that took on the role of processing and disbursing payments.  

In South Sudan there is little information on social protection programs, though the government included social protection under the Social Development pillar of the National Development Plan, with a stated aim of at least 20% of households receiving cash transfers within the first three years of statehood. Perhaps the most extensively planned social protection intervention was that detailed in the 2005 World Bank/UN mission to Sudan, including a Livelihoods and Social Protection cluster, which may be a useful reference point for programming. To what extent the programs of the current government and aid agencies follow that original plan is difficult to determine, but it is clear that the extremely volatile political situation in the country requires on-site discussions and program planning.

**NGO programs in Africa**

In some countries like South Sudan where there has been little evidence of social protection interventions or government policy, NGOs have played an important role in small, short-term projects. BRAC has been one of the largest NGO actors and has also worked in conjunction with the WFP in South Sudan. At the same time, Save the Children implemented a European Union-funded pilot between April 2009 and June 2010 to increase food security and build household assets in conflict-affected areas. The project provided cash-for-work on community based projects and unconditional transfers were given to the particularly vulnerable and those unable to work. Overall, 1,400 beneficiaries received monthly payments of SDG80 (about US$13), which accounted for 35% of their income. Mercy Corps is providing vouchers to 1,000 of the most vulnerable households to buy food. This is parallel to food-for-work and other programs.

An evaluation found that these types of programs can be implemented successfully in conflict-affected areas. It also showed that most of the income was spent on food, education, and increasing assets. Beneficiaries nearly doubled their livestock assets, for instance. At the same time, there were challenges in targeting of beneficiaries, overcome in part with the help of community leaders. Disaster risk reduction and nutrition aspects of the project were noted as not properly integrated, and the relationship between these, and the public works and cash transfers, was unclear.

The increasingly unstable political situation in South Sudan will require BRAC to assess carefully how such programs fare under these circumstances, and whether there can be a ‘resilience’ dimension to programs that enable them to withstand such stresses and shocks, while at the same time enabling participating households to do so as well (for more on this see the resilience section below).

In Liberia, Save the Children implemented an unconditional cash transfer program in response to violence and migration following elections in neighboring Cote d’Ivoire. The program was targeted at refugees who had migrated into Liberia and were placing strains on host communities along the

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55 Ibid.
56 Daniel Maxwell, Kirsten Gelsdorf and Martina Santschi, *Livelihoods, Basic Services and Social Protection in South Sudan* (London: ODI/Secure Livelihoods Research Consortium, 2012), [http://www.odi.org.uk/resources/docs/7716.pdf](http://www.odi.org.uk/resources/docs/7716.pdf). This report and this consortium (including ODI and the Feinstein International Center at Tufts) is an extremely useful reference for South Sudan, but was completed in mid-2012. No significant more recent reports were found.
57 Ibid.
58 Ibid.
60 Ibid.
Children and youth reported a lack of livelihoods opportunities, and girls not registered with UNHCR were not given food rations, forcing many of them to enter into unwanted and risky sexual behavior. In response, Save the Children provided unconditional cash transfers to 1000 beneficiaries. They also created a work for cash program for an additional 1000 beneficiaries. The program had mixed results, in part because many of the NGO program staff had at most 2 days of training, if any at all, with cash transfer programs.  

In Sierra Leone, Save the Children has reported that they are considering a cash transfer program linked to their livelihoods work which would also be paired with livelihoods training for girls. One of the factors being considered is whether the girls will be able to self-organize to help facilitate the program.

In Uganda, three NGOs are implementing a cash transfer program for internally displaced people funded by the Norwegian Embassy. This was launched in 2008. The Agency for Technical Cooperation and Development (ACTED), Food for the Hungry (FH) and Action against Hunger (ACF) will be carrying out the program. According to the government, donors and the NGOs themselves, the program has proven the usefulness of cash transfers rather than in kind donations because the cash is more flexible, cost effective, and contributes to the local economy.

A new and relatively robust study in Uganda on the economic and social returns to cash transfers, summarized in an April 2013 report, starts with testing the common assumption that young, poor, and underemployed youth have high returns to investment but are credit constrained – so that assistance in the form of capital or credit can expand occupational choice, self-employment and earnings. They viewed the evidence from credit or highly conditional transfers of capital to the poorest as ambiguous or pessimistic. They therefore did a randomized trial of a large cash transfer program in northern Uganda, following thousands of largely unemployed youth two and four years after receiving grants worth twice their annual income. Most invested the transfers in vocations, and earnings rose by at least 40%, especially among the more credit-constrained, patient, and risk-averse individuals. A male control group caught up over time, but female controls did not, suggesting the credit constraints facing Ugandan women are more severe. Assumptions about the social returns to cash transfers for poor, unemployed men, who are associated with social fragmentation and unrest, are predicated on programs’ potential to reduce these negative social externalities. But despite impressive economic gains, they found almost no impact on cohesion, aggression, peaceful collective action, or violent protest – which they interpret as challenging ‘a large body of theory and a common policy rationale for enhanced public spending on jobs and poverty relief’.

**Urban versus rural dimensions**

It is also important to consider the rural-urban differences in distributing cash transfers. By default, many of the social assistance programs focus on rural areas, which then shape the evaluations carried out and the literature available on social assistance. Overall there is a very limited number of articles or evaluations that take into account the differences in social assistance and cash transfers in rural and

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62 Holmes and Jackson, op. cit.


urban areas. For example, in an extensive literature review on cash transfers and social assistance carried out by DFID, there was almost no mention of urban residents’ issues, or rural-urban differences. The same is true of a significant study carried out by NORAD.

The Cash Learning Partnership (CalP) has drawn attention to the fact that historically humanitarian response programs, and therefore related cash transfers, have focused on rural areas. However, a number of recent emergencies in countries like Pakistan have drawn growing attention to the need for a focus on urban areas as well. As a result, CalP has developed a manual for implementing cash programs in urban emergencies. The research highlights challenges with beneficiary targeting in urban areas and also points out that it is easier to cover a larger portion of the population in rural areas. Both of these factors require adaptations within humanitarian response and social assistance programs such as cash transfers.65

Looking at specific program examples, an evaluation of particular interest looks at the expansion of Mexico’s Oportunidades program to incorporate urban areas. The evaluation found that overall Oportunidades continued to have consistent and positive impacts on education during the period in which it expanded into urban areas. This is encouraging given that a period of significant geographic expansion would be a time when one would expect challenges to arise.66

In this case there were challenges for urban as opposed to rural participants. In rural areas a census of target areas was conducted to identify program beneficiaries. However, in urban areas such a survey was not carried out due to cost. As a result, families had to sign themselves up for the program at a central office, and 40% of urban households that were eligible did not apply. Many more did not know about the program.67 This may challenge notions that denser populations are easier to reach with social assistance, unless programs are adapted accordingly.

Some NGOs have included urban areas in their cash transfer programs. For example, Oxfam and Concern Worldwide have designed a joint program to address poverty and gender inequity in Kenya’s slums following extended drought, global food price increases, and political upheaval. The NGOs argue that the cash transfer program has been particularly important for urban residents given the reliance of the urban poor on the market, and the fact that they buy (rather than grow) 90% of the goods consumed by the household.68 The first part of the program was designed to provide cash transfers to 5,000 households for 8 months. In the second phase, cash transfers were provided along with skills training for livelihoods. Both phases have been completed, and the NGOs are now working with the government to build capacity to sustain the work.

UN SR Sepulveda believes that cash transfers in urban areas can be important, and included this in her investigation in Bangladesh, in part because poor people living in urban areas are more dependent on money – the rural poor may have more access to non-cash based opportunities. ODI’s Shepherd highlighted the ongoing debate about the relative prioritizing of urban versus rural poverty, given that many feel urban poverty has been much neglected and not well-measured. He nevertheless believes that

67 Ibid.
evidence points to chronic poverty being longer-lasting in rural areas more so than urban areas, and if
programs are developed in urban areas they must be highly context-specific.

**Expanding reach through innovations in electronic cash transfers**

A growing area of attention is the use of mobile or electronic-based cash transfers for poor populations.
While this may appear impossible due to the paucity of phones or electronic access amongst the ultra-
poor, the basic premise that it saves on transport costs (though perhaps not time) holds for the ultra-
poor as it does for the poor. Moreover, BRAC’s pilot and new development on provision of SIM cards to
their beneficiaries (less expensive and therefore able to expand compared to distributing phones) is an
innovation that is quite appealing and amenable for scaling up support to the ultra-poor.

According to The World Bank, only 25% of low-income countries process cash transfers and social
benefits electronically. This means that many countries are spending more of their limited resources
than they should on burdensome processes of distributing benefits. As an example of the potential
impact, in Brazil, *Bolsa Familia* saved 75% of their administrative costs by changing to electronic
benefits payments.69

The government of the Philippines was one of the first to use electronic payment in social assistance
and cash transfer programs, which allowed it to scale up its efforts and make them significantly more
efficient. Within the first year of a Philippines-based Land Bank program pilot it was significantly
scaled up, making it very difficult for the Land Bank to distribute timely payments. As a result, in 2011
the government began making electronic payments through a partnership with a telecommunications
company, and in this way expanded the program budget by 2013 to about Ps 44 billion (about US $987
million) for conditional cash transfers.70

These shifts, facilitated by cell phone technology, have allowed the government to reach a broader
number of beneficiaries, expand to harder to reach areas, cut down on administrative costs, and make
more timely payments. In some cases recipients had previously waited for payments for up to nine
months. The use of electronic payments was also very important given that 73% of adults in the country
don’t have bank accounts, and many areas don’t have bank machines. In this case, though, the
program’s recipients who do not have cell phones were not able to access electronic payments.71

Multilaterals have also increasingly begun to use electronic payments to cut down on costs and create
better modes of benefit delivery. WFP in particular appears to have a number of electronic payment
pilots. In 2010, WFP was already using electronic vouchers in seven projects, debit or smart cards in
four, and e-money in two.72 They have reported that the use of these programs in Palestine, Syria, Zambian, and Zimbabwe has resulted in better management of operations, and better and quicker
reporting and disbursement. And it has also helped stimulate local economies.73 WFP has also had
successful electronic payment pilots in the Philippines, with flood victims receiving payment codes via

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69 “Governments Can Save Up to 75% with Electronic Payment Programs” Press Release, *World Bank*
can-save-up-seventy-five-percent-with-electronic-payment-programs.
70 “Leveraging Public-Private Partnership in the Philippines for Digital Financial Inclusion,” *Better than Cash
in-the-philippines-for-digital-financial-inclusion/
71 Ibid.
72 *Update on Implementation of WFP’s Policy on Vouchers and Cash Transfers: Informal Consultation* (Rome:
73 Ibid.
mobile phones to be used in stores as cash payments. Finally, WFP reports teaming up with the company MasterCard to expand and improve the use of electronic payments and vouchers.

The World Bank found that the use of electronic payments is contributing to expansion of financial inclusion. They report that by providing beneficiaries with a payments account, social assistance programs can help expand financial exclusion and access to other financial services to poor people who otherwise would not have them.

BRAC’s own experience validates the growing interest of others. bKash is a mobile money system in Bangladesh operating under the jurisdiction of Bangladesh Central Bank as a subsidiary of BRAC Bank. The service aims to serve users at the base of the economic pyramid with a broader range of financial services that are available across Bangladesh’s population as a whole. The service uses a USSD interface, accessible via a basic handset, has no cashing-in fee and low cashing-out and person-to-person transfer fees. In this way poor people can send money in a way that is fast, secure, and affordable. Launched in July 2011, the service now has 2.2 million registered customers.

Sepulveda and Shepherd highlighted important issues to consider. On the positive side, electronic systems facilitate management, can raise efficiency and effectiveness, and reduce costs. They also can eliminate intermediaries who garner portions of the funds meant for the ultra-poor and minimize security risks from theft in transport. They did however cite cautions, principally that some people will lack access to the right technology, and data privacy issues. For example, when there is a means test to receive a cash transfer in a government program, will that data be shared with other government departments posing negative implications or risks? And there could be different theft risks relevant to electronic transfers just as there are with actual money.

**Linking cash transfers with education**

It is also worth underscoring that many cash transfer programs, like *Oportunidades* in Mexico and Brazil’s *Bolsa Familia*, incorporate conditions related to education. At least two of the Bangladesh government programs have cash transfer-stipend programs related to education. Malawi is reported to have an unconditional cash transfer to bolster girls’ education. And the Philippines *Pantawid Pamilyang Pilipino* Program has education as a condition for at least a portion of its program.

Many of Save the Children’s cash transfer programs focus on education, and often nutrition. UNICEF also appears to be working with a number of governments, especially in Africa, on cash transfer and other social assistance programs which have education as a component. In Kenya alone UNICEF is providing 300,000 families with resources for school and proper nutrition. The World Bank’s website has a page that is devoted to the education cash transfer programs it is involved in in various countries.

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75 Ibid.
6. Public Works Programs and Employment Guarantee Programs

Public works programs have been a popular social protection instrument for addressing chronic and extreme poverty. They have been seen as a ‘win-win’ by providing employment, creating assets, and providing a welfare transfer. A review of 37 programs around the world found that most were initiated for two reasons - 40% were initiated to address shocks such as financial crises, and one fourth were targeted at addressing poverty. But there are enduring questions about whether the underlying assumptions have delivered the anticipated benefits.

Public works can serve as an effective bridge to employment for the poor, and ideally include training to build skills for further employment or self-employment in addition to the income transfer. However, to be truly transformational, such efforts have to be combined with other safety net programs that address labor-constrained households and extremely poor households who may not necessarily be able to participate in public works. Additionally, these programs can only be effective if timed properly and carried out for a sustained period of time, given that short-term public works projects are unable to alleviate chronic poverty because they do not address the underlying structural factors that cause such poverty in the first place. Program goals must also be made clear as to whether the program will focus on addressing unemployment from shocks, or addressing chronic unemployment.

Another critical factor is setting the wage level in public works programs to ensure that it meets poverty goals and household needs, while also remaining low enough that it can serve as a self-selection mechanism for individuals who are impoverished and genuinely lack access to other types of work.

Many public works projects have not performed well, particularly in Sub-Saharan Africa. Some of the greatest challenges have been the fact that short-term interventions have been too unreliable and have provided too few resources to address extreme and chronic poverty. Many of the programs have been donor reliant without a dependable funding stream. In addition, a number of projects undertaken by public works programs have been poorly designed and not well built or maintained.

In South Asia more so than elsewhere, many more public works programs have been domestically funded and sustained over time. As a result they have been able to have a greater and more lasting impact. This raises important questions for organizations to think about with respect to how they engage with public works programs, which have their own efficiency and sustainability issues. For example, the challenges that have dogged such programs in Africa may steer them away from expanding in this direction there as it is unlikely to be worth the effort.

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81 Ibid.
82 Ibid.
84 Del Ninno et al. op. cit.
Examples from Asia – Governments

Countries like India and Bangladesh have a long history and deep experience with public workfare programs to tackle chronic poverty. India’s National Rural Employment Guarantee Program (NREGP) is one of the most well-known public works programs. The NREGP has placed significant emphasis on increasing productivity in the agricultural sector while creating employment. In 2007-08, 70% of NREGP activities were focused on agriculture.\textsuperscript{86}

Bangladesh’s 100-Day Employment Generation Program (EGP) is the largest employment generation social assistance program in the country, and focuses on the extreme poor and unemployed poor. It was launched in 2008 by the government in response to the price hike of essential commodities, and the resulting impact on poor and extreme poor households. A review of the first phase illustrates the challenges facing the program. Two of the most important: there were problems with selection of beneficiaries, and the projects selected for the public works were ad hoc and not in line with local development plans. They also only reached 5% of the extreme poor in each district, which is significantly below their targets.\textsuperscript{87}

Bangladesh also has a Food-for-work Program (FFW), jointly run by the WFP and CARE, which is implemented by several ministries, government departments and NGOs. In the early 1990s this program made up approximately 11% of development expenditure in the country, in part due to increased need from the effects of natural disasters. The FFW Program creates over 100 million workdays of employment each year in earthworks, which directly benefits approximately 4 million people. Participation in the program is self-selecting, and payment varies according to the type of project undertaken and whether workers are male or female. Payment is made in rice or wheat.\textsuperscript{88} For road and embankment projects, the wage rate for 1,000 cubic feet of earth is 47 kg of wheat for men and 65 kg for women. Women are paid more to encourage higher female participation in the project.

There is also a post-monsoon rehabilitation component of the FFW program, designed for women’s participation, through which about 1.73 million workdays are generated for rural women from October to December. The post-monsoon rehabilitation primarily covers social forestry and fisheries development schemes. In some regions, women work together with male laborers in dry-season FFW activities as well. Moreover, FFW project implementation committees are encouraged to include women, and in principle at least, these committees for post-monsoon rehabilitation include at least one woman.\textsuperscript{89}

The reality, not surprisingly, is that such work projects are often not very efficient. Evaluations have shown that there is over-reporting of work undertaken, the projects are undertaken in a way that makes it difficult to measure the amount of earthworks carried out, and workers are underpaid at times. As a result it is estimated that up to a third of the program’s resources are wasted.\textsuperscript{90}

DFID has funded the Chars Livelihood Project (CLP) in Bangladesh (chars are inhabited sandbanks). This program combines cash-for-work payments with other complementary interventions. Cash-for-
work is used to ensure that in the early stages, the extremely poor are able to avoid taking on debt and have their health needs met. This provides a basis for other more long-term livelihoods approaches. Evaluations have shown that when implemented at critical times of the year, the cash-for-work program led to nutritional gains in women and children under 5. It is also expected to help build household assets in the long-term.91

One of BRAC's own assessment reports notes that its Challenging the Frontiers of Poverty Program, with its concept of significant asset grants supported by a temporary stipend, was in the view of DFID and the Management Agency the most promising of the various ideas considered. The Chars Livelihood Project has adapted BRAC concepts and is applying them to meet the specific needs of char areas. This approach will transfer assets and small stipends to larger sections of the community, in some places the majority of households in target communities, rather than a small minority of households as practiced by BRAC on the mainland. The Chars Livelihood Project is also ascertaining whether an asset transfer program needs the high-level management and planning skills of BRAC, or whether this method can be successfully used by good local and regional NGOs in Bangladesh.92

Both the Chars and TUP programs have elements of climate change resilience programming, in other words, building poor communities' adaptive capacity to the increasing impacts of climate change. The Chars program, for example, targets people based on their poverty and environmental vulnerability. Both the Chars and the TUP program are seen as highly effective due to their ability to tackle poverty directly by increasing household assets and “raising homesteads on plinths to reduce flood risk.”93

In Afghanistan, the National Emergency Employment Program for Rural Access (NEEPRA) was launched in 2002 to provide work for particularly vulnerable groups. The cash-for-work program was a pilot run by the Ministry of Public Works and Ministry of Rural Rehabilitation and Development. It focused on road improvements and building of new roads to increase public infrastructure while providing employment. It then became a full-fledged program, and according to The World Bank has generated 10 million labor days through a cash-for-work rural infrastructure program nationwide.94

Neighboring Pakistan has also had temporary cash-for-work programs for Afghan refugees. However no major programs currently exist in the country to target the poor and provide wages and employment more broadly.95

Evaluations of WFP food-for-work programs in Pakistan following the 2005 earthquake have concluded that they were particularly appropriate given the need for infrastructure repair at that time, and in addition to providing needed food supplies for poor households.96 The challenge would be to improve

the quality and effectiveness of ongoing food-for-work programs so that their impact is as significant in non-emergency situations compared to other interventions.

**NGO Programs in Asia**

In Bangladesh, CARE manages the Rural Maintenance Program (RMP) with local government departments. The program provides employment opportunities for poor rural women and requires participants to take part in income generating and skills training. The women are also required to save part of the Tk51 they are paid for a day’s work. The aim is to create entrepreneurship and seed capital as well as skills for women. The program has been very successful. While not all participants go on to form their own businesses and micro-enterprises, 63% of them remain affiliated with the NGO for three years on average after graduating from the program.\(^97\) Whether a medium-term attachment to NGOs through this kind of activity is positive engagement, or indicates continuing dependency, is something BRAC can consider further.

NGOs have also mounted crisis response short-term cash-for-work programs. In response to floods in Pakistan and Afghanistan, in December 2010 the global advocacy organization ONE launched a cash-for-work food security program. In a self-reported assessment, over 4,500 households affected by the floods in Afghanistan benefitted from the cash-for-work program, and 278 primarily female-headed vulnerable households received unconditional cash transfers. Participants worked for 55 days each and received cash payments directly from ONE.\(^98\)

Mercy Corps has also created cash-for-work programs in Pakistan and Afghanistan, among other countries, in response to natural disasters and conflict. Following a large earthquake in Pakistan, a Mercy Corps program focused on rebuilding shelter while providing work. In Afghanistan, they primarily focused on internally displaced people. The programs provided cash for repayment of debts as well as providing temporary, much needed income while building important community infrastructure.\(^99\)

Very recently, NGOs have responded to Typhoon Haiyan in the Philippines with small-scale temporary cash-for-work programs. The Tzu Chi Foundation, a Taiwanese NGO, paid residents most impacted by the typhoon to be paid for five hours of work at a time to help clean up the destruction left by the natural disaster. The Department of Social Welfare and Development prepared to launch its cash-for-work program for Hurricane Yolanda survivors in other parts of the country.\(^100\)

**Examples from Africa - Governments**

As mentioned above, Ethiopia’s PSNP program is among the world’s largest social assistance programs. Since its inception in 2007, 85% of its resources have been channeled through public works programs.

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\(^97\) del Ninno, et al. op. cit.


that provide cash or food-for-work. Approximately 57% has been paid to recipients in cash with the remainder paid in food.\textsuperscript{101}

The PSNP has been referred to as a good example of clearly identifying program objectives and setting up good monitoring and evaluation systems. It is therefore not surprising that evaluations show that the program has had a positive impact. Sixty percent of beneficiaries were less likely to sell assets to purchase food in 2005, and 30% of households had improved school enrollment. They were also much more likely to visit health care centers. Many of the participants in the program attributed this to the PSNP. In addition, many of the projects are focused on water conservation and agricultural productivity, which has had an additional positive impact on households and communities.\textsuperscript{102} The PSNP is also seen as a good example of government working with donors to raise funds, and to coordinate donors within the country. The fact that the program is administered by several bodies has also reduced costs.\textsuperscript{103}

The CGAP Pilot in Ethiopia implemented by the NGO REST is integrated with the PSNP through several key dimensions. REST uses the PSNP’s food-for-work transfer as consumption support. The transfer is comprised of a mix of cash and in-kind support extending for a period of 6 months annually.\textsuperscript{104} The pilot plans to evaluate each participant along the PSNP graduation criteria and some additional criteria. PSNP deems that a household can graduate when it is able to cover its annual food needs plus secure an additional three months of stock (food or cash) in case of shocks. The pilot will also measure changes in household income level (whether a household has developed an additional income generating capacity sufficient enough to fill the household’s food gaps in the absence of PSNP transfers).\textsuperscript{105}

Sierra Leone has three cash-for-work programs. One is run by the Ministry of Youth and Sports, another is run by the National Commission for Social Action (NaCSA), and an NGO runs one small pilot. The Cash-for-work Program was designed by the Government of Sierra Leone and The World Bank as a response to rising food prices. By early 2010 the program had met its goals and had reached 16,000 beneficiaries, and so the project was renewed for an additional US $4 million. Given the success of this program the Youth Employment Support Project was added to the Cash-for-work Program and has run through 2013 with World Bank support. These programs have relied heavily on self-targeting of beneficiaries based on wages set below the market rate. However, this was only partially successful as the program seemed to attract many better off participants who had few other options for income. Evaluations have found that these earnings primarily contributed to increased purchasing of food in households.\textsuperscript{106}


\textsuperscript{102} del Ninno, op. cit.


\textsuperscript{104} Equivalent to 15kg of wheat, oils and pulses per month per person and/or 60 ETB (US$3.4) a month in cash.


In Uganda, the WFP has been piloting a cash-for-work program under the Second Northern Uganda Social Action Fund (NUSAF2). Roughly 8,000 households have been targeted for assistance. They are paid with mobile phones using an Easy SIM card, which is being distributed through one of the country’s biggest mobile phone providers.107 A WFP evaluation of the program and cash-for-work more broadly highlighted specific challenges in Uganda where the work was spread too thinly. As a result, communities had devised systems to share the work that was available on a rotation system. While this addressed concerns about equity and access to opportunities in the community, it meant that the employment benefits were spread across a larger than expected number of people, and therefore did not have the full expected impact.108

**NGO Programs in Africa**

In Northern Uganda, NGOs such as the Agency for Technical Cooperation and Development (ACTED) and ACF have created cash-for-work programs to support internally displaced people and post-conflict recovery. Due to the post conflict context and limitations, these have been implemented on a small scale and over a limited period of time.109

In South Sudan, Mercy Corps has been running a program called Food for Assets. In an area in Northern Bahr el Ghazal, community members work on projects that benefit their community in exchange for food. The residents chose work from a range of projects, from clearing roads to improving irrigation on small farms. In exchange they receive food assistance provided by the WFP.110 To what extent this program has been interrupted by the increase in conflict is unknown.

Finally, in Sierra Leone the Irish NGO GOAL launched a pilot cash for feeder-road program to build feeder roads that aimed at improving local communities’ socioeconomic conditions and building social cohesion. It paid workers only about US $1.20 per day, and ran for 3-4 months. Its results and sustainability could not be determined.

7. **Productive Input Programs**

Productive input programs based on vouchers rather than government subsidies are much rarer than social assistance programs like cash transfers and food/cash-for-work. But they are increasingly seen as a more effective means of supporting inputs to production (e.g., seeds or fertilizer) than the more common subsidies approach. Many of the existing examples of such programs appear to be NGO efforts that may or may not be backed by donor funding.

The FAO highlights that subsidy programs have often been expensive and unsuccessful, particularly in Sub-Saharan Africa, and benefits have often accrued to larger farmers. As an alternative, vouchers for productive and agricultural inputs can provide resources for those who are not already using inputs like fertilizers. The benefits of such programs are that vouchers can be used to target specific groups of farmers based on geography or growing of certain crops. They have low liquidity compared to cash, and

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107 *Cash and Voucher for Work in Food Security Programmes - Lessons Learned from Karamoja, Uganda* (GIZ, 2012).
108 Harvey, Proudlock, et al. op. cit.
109 *Cash and Voucher for Work in Food Security Programmes - Lessons Learned from Karamoja, Uganda* (GIZ, 2012).
yet they can allow farmers access to inputs while also supporting local small businesses that sell inputs. Self-targeting can also be used for work for voucher programs.

There are drawbacks. Administrative costs can be high, and vouchers can create a secondary market where they are traded like cash or other commodities, rather than being used for their intended purpose. In most cases, vouchers have been restricted to crops and soils that are responsive to fertilizers, and this presents another challenge for poor farmers who may lack the ongoing purchasing power or demand for external inputs. While there is interest in this area, it is not one in which donors have committed sufficient resources for the type of long-term programs needed to have a lasting impact.

In countries like Sierra Leone, in-kind transfers such as productive inputs have been viewed as a more reliable form of providing assistance than cash. It may be for this reason that seed distributions continue to be the main form of productive assistance provided in emergency and reconstruction contexts. At the same time, there is increasing interest in different forms of insurance as a part of social assistance packages and programs.

In Afghanistan in 2008, the NGO International Relief and Development began implementing the Afghanistan Vouchers for Increased Production in Agriculture (AVIPA) program. The program is funded by USAID and distributed over 10,000 tons of wheat seed and 33,000 tons of fertilizer at a reduced cost to roughly 300,000 vulnerable farmers affected by drought. In 2009, it was expanded to stimulate local economies and assist farmers affected by conflict in Afghanistan. The approach developed under the AVIPA program has now been integrated into USAID’s Southern Regional Agricultural Development (S-RAD) program. This includes a combination of in-kind transfers, cash-for-work, and training. S-RAD is working with 25,000 farm families to help create jobs. Under another USAID funded program in Afghanistan, IFDC has used vouchers as an emergency tool for almost 200,000 small farmers affected by conflict. Phosphate and seeds were provided on credit, with voluntary post-harvest repayments to village administrations for infrastructure investment.

In South Sudan, IFDC is implementing an input voucher program to ensure small-scale farmers can access seed and fertilizer. They are also training farmers and input dealers in how to use vouchers. Based on earlier successful IFDC projects in Africa, USAID’s Seeds for Development (S4D) is using vouchers to introduce inputs into traditional agricultural systems. The program was launched in 2012 and was renewed for a further year based on initial positive results. In the first year, 3,855 farmers received vouchers and nearly 2,900 farmers redeemed them. In the second year, 15,374 farmers signed up for the program and vouchers were distributed to 14,351 farmers.

In Uganda, ACTED began holding ‘voucher fairs’ in 2013. ACTED provided vouchers worth 40,000 Ugandan Shillings (US$15) to each of the 5,250 farmers supported through the Northern Uganda Agricultural Livelihoods Program (ALREP). The fairs are set up to allow farmers to use the vouchers that they receive through the program. In 2013 ACTED planned to organize 20 of these fairs, and is

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112 Harvey, Proudlock, et al. op. cit.
116 “USAID S4D Program: Transforming Agriculture in South Sudan,” IFDC 38, no. 2 (2013).
providing a total of 210,000,000 Ugandan Shillings (USD$82,350) worth of inputs for farmers. The fairs have been organized with support from the Ugandan government and the European Commission.117

In Sierra Leone, an Agricultural Inputs Program was designed to increase agricultural production, improve food security, and create sustainable livelihoods through asset building. The Ministry of Agriculture and Food Security targeting used data from a Vulnerability Assessment Matrix and community-based methods to target groups, with inputs disbursed on a rotational basis. Early assessments found that free grants were perceived as creating dependence – a 10% return was expected, but the implementers experienced challenges in achieving this.118 Again, BRAC’s experience in distributing to the poor in ways that do not create dependency, and do foster empowerment, could be of enormous benefit to such programmatic efforts.

8. Potential Areas for Expanded Leadership on the Graduation Approach

This landscaping report highlights the many programs that BRAC can learn from, adapt, or distinguish itself from. Some thought should be given to that category of NGOs who explicitly focus on the ultra-poor, as BRAC does, and who have implemented programs supported by the CGAP, Ford Foundation and MasterCard Foundation consortium. BRAC and others can enhance their advocacy and potentially catalyze a paradigm shift in how the development assistance field endorses targeting the ultra-poor by joining efforts at appropriate junctures. One notable example is Trickle Up, whose messages generally align with BRAC, but who work in different geographies (focusing on Guatemala, Nicaragua, Mali, Burkina Faso, India, and more recent with displaced and refugee communities in Egypt). Trickle Up agrees that creating a more concerted effort amongst the organizations which comprise the community of practice on graduation for the ultra-poor is a sound way to move the agenda for graduation forward.119 Another potential alliance is with those NGOs who substantially support ultra-poor communities (albeit as just one part of their programming) while garnering significant profile and resources, such as Oxfam or Mercy Corps. Mercy Corps, for example, also has significant resources and scale, works in both development and humanitarian contexts, and has incorporated a resilience framing that is both a bridge between their humanitarian and development work as well as a new conceptual base for them. This is described more fully in the concluding section.

BRAC and others sharing the aim to target the ultra-poor can consider the routes described below to scale up impact and help millions of additional families graduate from ultra-poverty through direct implementation and as partners and technical assistance providers.

The first is joining the final push to achieve the MDGs. The UN Development Group has identified a set of MDG Accelerator Framework countries that will make a final big push with development assistance through 2015.120 Countries in this group where BRAC works are Tanzania, Uganda, Pakistan, Bangladesh and the Philippines. BRAC might do a rapid assessment of fit, exploring whether a targeting of the ultra-poor is or could be a component of the plan for these countries.

A second route is to get more involved in influencing and participating more directly in the Post-2015 Sustainable Development Goals framework. As mentioned earlier, these will follow on from the MDGs,

119 Personal communication with William Abrams, January 2014.
120 For more information see: http://www.undp.org/content/undp/en/home/mdgovewview/mdg_goals/acceleration_framework/.
and civil society is emphasizing a set of concerns that fit into BRAC’s work more generally, not least tackling inequality; addressing those left out the first time through universal, absolute targets rather than proportional targets; strengthening gender dimensions; and focusing more on social protection. Though it remains to be seen how much the latter receives endorsement from Member States through the UN’s processes, there have been calls for tackling poverty and inequality through social protection and even establishing a Global Fund for Social Protection.\textsuperscript{121}

And the third is tapping into the increasing focus on a resilience agenda, including using this as a bridge for the humanitarian-development assistance nexus. While the first two are relatively well documented, the third is explained below.

There is a growing recognition, and practices based on it, that those who live in chronic poverty could be provided with a different type of assistance that can, at least in some circumstances, break the constant and inevitable impoverishment that they face. The underlying concept is building the adaptive capacity of resilience. As USAID explains it, resilience is the ability of people, households, communities, countries and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth.\textsuperscript{122} Their programmatic guidance issued in late 2012 highlights the importance of efforts to reduce risk like social safety nets, financial protection and disaster risk reduction; and efforts to build adaptive capacity such as nutrition and health services and economic opportunities. Their target group in these efforts is very poor communities in poor countries mostly in Africa and Asia.

USAID developed this in part in recognition of the fact that they and other donors were spending enormous amounts of development funds on humanitarian crises rather than supporting very poor communities to build their resilience. They drew from their own program experiences as well as the work of others like the Rockefeller Foundation, Oxfam and Mercy Corps, who have developed or supported innovative programs in micro insurance\textsuperscript{123}, livelihoods support\textsuperscript{124}, and other areas. The Rockefeller Foundation has taken their seminal resilience work a step further and is exploring the concept of a ‘resilience dividend’ – reducing the depth of the ‘fall’ that poor households experience from chronic stresses or acute shocks, and shortening the period in which they rebound and recover, by providing assistance that serves as a buffer and otherwise improving their adaptive capacity.

The European Union has led amongst donors in work on resilience in the Sahel, while USAID has more of a leadership role in the Horn of Africa. The UN Office for Disaster Risk Reduction (UNISDR) launched a Resilient Cities campaign a few years ago, and both the UN Office for the Coordination of Humanitarian Affairs (UNOCHA) and the WFP have efforts focusing on resilience. As USAID, the EU, governments like Canada and Japan, and the Rockefeller Foundation (RF) expand and deepen their work in this area, they will want to expand their partnerships and support work on the ground to test and scale emergent programmatic and policy approaches.

Any of these three approaches – integrating more into MDG Acceleration efforts, the planning of the Sustainable Development Goals, or the resilience agenda – would afford an opportunity to embrace,


\textsuperscript{123} Information about Oxfam’s HARITA Program in Africa can be found at: http://www.rockefellerfoundation.org/newsroom/largest-weather-index-insurance-payout.

\textsuperscript{124} Information about Mercy Corps’ livelihoods in Niger, for example, can be found at: http://www.mercycorps.org/research-resources/tracking-resilience-niger.
and more explicitly communicate, the systems approach that is taken on the ground within countries. Successful ‘models’ often appear to outsiders to be formulaic, replicating one successful approach across different national boundaries, and proceeding as one (scale-ready) organization directly supporting a set of beneficiaries. The scope of this paper does not allow for a lengthy discussion of how the BRAC community represents an evolving innovation system with flows of resources and information, nor how BRAC and its colleague organizations develop programs that respond to the political and social systems within which they operate. But it will be important to better articulate this aspect of the ultra-poor and Graduation approach to external audiences in the period ahead.125

9. Conclusion

This paper has reviewed and summarized several types of social protection relevant to sustainably improving the lives of the ultra-poor in a set of BRAC focus countries. An initial scoping indicated that the programs that BRAC and similar organizations can learn from are principally cash transfers, rural employment schemes and productive input programs. The ability to reach large numbers of people, proximity to communities, and highly experienced leadership are examples of how BRAC and peer organizations can provide added value to efforts in this field.

This study aimed to uncover new sources of analysis and evidence, including whether there are additional randomized control trials to learn from. The authors did not uncover the latter, but note in particular the work of the Chronic Poverty Advisory Network, which keeps abreast of research on the ultra-poor and uses a reasonable alternative of combining quantitative longitudinal or point-in-time household surveys with qualitative surveys focuses on life histories.126

This study offers some guideposts about how to get governments, foundations and civil society organizations more focused on improving the well-being of the ultra-poor, in sum:

- Develop a stronger rationale and communications strategy around the TUP and Graduation approach, focusing in part on how providing conditional cash transfers and in-kind assets can be impactful and cost-effective in eradicating poverty.
- Establish the relationship between the Graduation approach and the kind of results that matter to the international development and human rights community, including tackling inequality, the empowerment of beneficiaries, tackling intergenerational poverty, and greater accountability.
- Link more intentionally to influence global development assistance frameworks and governments (both donor and recipient governments) in the 2014-2015 period.
- Develop a stronger government training capability to enhance local ownership.
- Consider an expansion of urban work that draws on past experience but garners resources to test approaches and innovations that are well-suited to urban contexts.
- Pilot more and different electronic payments efforts as a method for reaching the ultra-poor, serving as a laboratory for learning.
- Engage with organizations promoting a resilience agenda and use Graduation programs for piloting and evaluating new methods to bridge the development-humanitarian divide, potentially increasing the focus on communities compromised by climate change impacts and/or experimenting with micro-insurance products.

125 One helpful older text on this is "What do complex adaptive systems look like and what are the implications for innovation policy?" Andy Hall and Norman Clark, 2010. Journal of International Development, John Wiley & Sons, Ltd., vol. 22(3), pages 308-324.
126 A specific methodological challenge identified was the inability to maintain a control group amongst the ultra-poor over enough time for an RCT to work, as they received other assistance during the study period.