



**GRADUATING OUT OF EXTREME POVERTY;
WHO, WHY AND HOW? EVIDENCE FROM
SAVE THE CHILDREN'S SHIREE
PROGRAMME IN BANGLADESH**



Save the Children

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BACKGROUND



WHAT IS GRADUATION

The notion of being able to sustainably ‘graduate’ poor individuals or households out of poverty has received considerable attention in recent years, with a growing number of graduation programmes being implemented and evaluated.¹ Typically led by non-governmental organisations (NGOs), graduation programmes consist of targeting poor households with a combination of layered and sequenced interventions, often over a defined period of time, in order to facilitate the achievement of strengthened and sustainable livelihoods. The ‘graduation’ component refers to the ability of these livelihood strategies to prevent the household from falling back into poverty. Interventions typically combine some form of consumption assistance, seed capital or asset transfers, the promotion of savings and skills training and mentoring.^{2,3}

Graduation programmes can trace their *recent* origins to the experience of an extreme poverty reduction programme in Bangladesh – ‘Challenging the Frontiers of Poverty- Targeting the Ultra Poor Programme’ (CFPR-TUP) – developed in the early 2000s by the Bangladeshi NGO, BRAC. The idea behind the CFPR-TUP was that existing development efforts were failing to reduce extreme poverty in rural Bangladesh because the poorest households faced multiple mutually-reinforcing

constraints. This suggested on the one hand that a more holistic, intensive and integrated form of support was needed to allow individuals or households to ‘graduate’ out of extreme-poverty and on the other that greater effort was required to accurately identify those poorest households; an endeavour that is often problematic and/or expensive in poverty reduction programming.⁴

While the evidence on the impacts of livelihood programmes that seek to achieve graduation from poverty, including CFPR-TUP, often shows that they can play an important part in strengthening the livelihoods of the very poor, numerous questions still remain.⁵ For example, despite some evaluations offering an insight into the longer-term impacts of certain programmes (five years after the programme had ended in the case of CFPR-TUP), most studies focus only on the immediate benefits of the programmes, and so the strength of evidence on sustainability remains limited. While sustainability is a concern for all development assistance, graduation programs are unique in that the removal from extreme poverty for each individual supported must be sustained or that support has failed. This in turn means that criteria for graduation must be carefully and iteratively determined for each setting and even the individual receiving support. Other important questions that remain include: the cost-effectiveness of different targeting approaches to achieve graduation and the impact for child outcomes.

Purpose of paper

This paper seeks to contribute to the ongoing dialogue around graduation approaches by drawing on the lessons of Save the Children's Economic and Food Security project, funded by the UK Department for International Development (DFID)'s EEP (Economic Empowerment of the Poorest) /SHIREE (Stimulating Household Improvements Resulting in Economic Empowerment), which was based on a graduation model. The paper draws on Save the Children's SHIREE experience of reaching the most poor and marginalised, raising them out of extreme poverty and supporting them to be self-reliant.

Key research questions:

This paper seeks to address the following questions and capture learning from the Save the Children, Bangladesh (SCiBD) SHIREE project to inform recommendations for future programming to address extreme poverty in this context.

- What did the project teach us about graduation from poverty in this context?
- What factors were associated with success or failure: What were the key common characteristics of graduation and what the overall impact of the project was for households and specifically for children?

About the SHIREE project:

EEP/SHIREE was a livelihood and poverty reduction programme implemented in Bangladesh in two phases between 2009 and 2015 and funded by the UK Department for International Development with contributions from the Swiss Agency for Development and Cooperation and the Government of Bangladesh. The overall programme was implemented as 43 separate projects implemented by NGO partners totaling 83.5 million GBP. The goal was to contribute to the achievement of Millennium Development Goal 1 (targets 1 and 2) on income poverty and hunger reduction (which was achieved by the Government of Bangladesh by 2015).

The programme was implemented in its first phase from 2009 to 2012 by six lead implementing agencies, of which Save the Children, Bangladesh (SCiBD) was one, reaching approximately 15,000 extreme poor households. SCiBD was subsequently awarded an extension for the second phase of the project from 2012 to 2015, covering an additional 27,000 households. Households that had graduated at the end of phase one exited the project at this point and received no further support. Households that had not yet graduated by the end of phase one continued to receive support during phase two to give them another chance at achieving graduation. This evaluation studies a sample of the original 15,000 households, including those who continued to receive support during phase two.

Context:

SCiBD's SHIREE intervention covered the Southwest districts of Khulna and Bagerhat. The targeted villages were isolated from reliable communication and transportation, leading to unstable markets and price escalations. Health and nutrition services as well as other public services were limited and so were market opportunities for employment and enterprises. These areas lagged behind the national averages of most demographic development indicators (HIES 2005). Located in coastal belts, project areas were prone to frequent occurrences of natural hazards (cyclones, floods, tidal surges, storms, soil erosion; almost every year), damaging lives and livelihoods. Soil salination and sand deposits limit the potential for agriculture, and fishery-based livelihoods cannot be practiced during disasters. A Household Economy Analysis (HEA)⁶ carried out in 2013 demonstrated a very high dependency on markets to access food across all wealth groups. Usually in rural contexts, better-off households with land have a higher level of food self-sufficiency, but the soil salinity in Khulna meant that paddy production was restricted to a few areas, vegetable production patchy and, households kept only limited numbers of cattle, goats and poultry, due to the absence of grazing land and limited fodder from crop residues. Commercial shrimp and fish cultivation were the key economic activities in this zone, but provided participating households with only income and not food.

Target group:

The project identified two types of extreme poor: *poorest of the poor* (living in other people's houses, female headed households, elderly headed, disabled, no earning capacity, suffering from chronic illness, no social safety net), and *vulnerable poor* (assetless or with few assets). Phase 1 largely focused on the extreme poor as beneficiaries, which formed the poorest 4-5% of the population. Phase 2 incorporated a food security and nutrition intervention and the criteria for beneficiary selection were relaxed slightly to include vulnerable poor. This study focuses on households targeted during phase 1. These household received intensive programme support as described below between 2009 and 2011. Between 2011 and 2014 these households received additional training and asset support based on need, i.e. those who were still struggling to improve their livelihoods.

Components of the project:

- **Household micro-plan:** is a visioning tool for household. With support from project staff, the household identified the income generating activity (IGA) it would like to undertake and what they would need in order to undertake it successfully. The planning process considered the cost of that IGA, the ability of the household to carry it out, and the potential market for goods or services produced.

The household micro-plan guided the IGA selection and other related processes such as procurement of inputs needed for IGAs, capacity building, market analysis and staff provided ongoing support to the households.

- **Asset transfers for Income Generating Activities (IGAs):** The SHIREE model trained beneficiaries on a given IGA and delivered three rounds of asset transfer, based on a plan agreed with the beneficiary households. These were assets agreed with and procured by the project team, chosen from a list of 39 pre-identified options, including on-farms options like livestock or aquaculture inputs and off farm options such as rickshaw or sewing machine. Two rounds of the transfer provided diversified options to the beneficiaries, and a third, additional round was considered if there was a loss of asset in the earlier rounds. Unlike some other graduation models, this transfer was not followed up with a cash transfer.
- **Access to Social Protection:** Some key government safety net programmes operating in the project location include old age allowance, allowance for widows and destitute, cash for work, food for work, Vulnerable Group Development (VGD), Vulnerable Group Feeding (VGF), 100-day employment generation programme, and school stipends. While the specific eligibility differs for each of these programmes, by and large the targeting criteria are similar to those for SHIREE and therefore most SHIREE beneficiaries should have been eligible for some of the safety nets provided by the government. Despite meeting the eligibility criteria, many SHIREE beneficiaries were not aware of their entitlements, or how to access these. Informal discussions with government staff revealed that they faced challenges in reaching all those who are eligible with the budgets available to them. As such, the project sought explicitly to facilitate access to safety nets as part of its graduation model, on the one hand by raising awareness of social protection entitlements during courtyard sessions and household micro-plans, and on the other by liaising with government officials to ensure that those meeting the eligibility criteria were included in safety net beneficiary lists.
- **Courtyard sessions:** these were run by community mentors and *Community Pusti Kormi* (CPKs), a cadre of community facilitators, for beneficiary households which provided awareness raising, skill-building and education on a variety of financial, social, health and education issues. These included health, nutrition, personal hygiene, WASH, disaster risk reduction, early marriage, immunization, savings and safety nets. Some courtyard sessions specifically aimed to address gender issues, facilitating discussions among women on child marriage, dowry, polygamy, and domestic violence, and were supported to raise and address these issues within the private family space.⁸
- **Temporary Financial Assistance (TFA):** this was specifically for dependent, destitute and extreme poor families with limited human resource. The project gave them a grant of 300 to 600 Tk. per beneficiary per month for their survival for a fixed period of time. In some cases, they also gave in kind IGA support amounting to 10000-15000 Tk equivalent in GBP or USD to their relatives or neighbours to do business and give them food, necessary medicine and monetary support.
- **Building resilience to shocks:** this was a key feature of the graduation model and was mainstreamed throughout the project design, with many activities specifically focused on increasing absorption or adaptation to household or external shocks. For example, increasing access to social protection, supporting livelihood diversification and promoting savings groups. At community level, community risk assessments and planning was done, with linkages established between beneficiary households and community-based indigenous early-warning systems and disaster response mechanisms.
- **Group Savings:** this was designed to promote the habit of saving and to periodically provide households with an amount of cash for use for IGA or consumption purposes in the case of shocks or stresses. This strategy was implemented towards the end of the project and only in some of the areas. A courtyard group would collect a decided amount each week from all members of the group and every week in rotation a lottery was drawn and one member was given the entire kitty to use as they chose to.
- **Community Support Groups:** these were formed to facilitate linkages with services and facilities of the local government. The groups were comprised of prominent members of the community such as teachers, Upazila Parishad (local level) Chairman and members, and other influential members of the community. In some villages the support groups were quite involved in assisting the beneficiaries when they needed help, though this varied considerably. The groups were also able to collaborate on action plans to tackle gender issues including child marriage, dowry, sexual harassment, teasing, and violence against women.

Graduation Model:

Save the Children's SHIREE graduation model focused on household economic security as the foundation of graduation out of poverty. It envisaged a pathway to graduation from poverty through asset and skill transfer, linkages to safety nets, improvement in health and nutrition status, and disaster risk reduction. Starting off as a family centric model, it gradually linked with community mechanisms at a later stage, for continued support and sustainability (See figure 1).

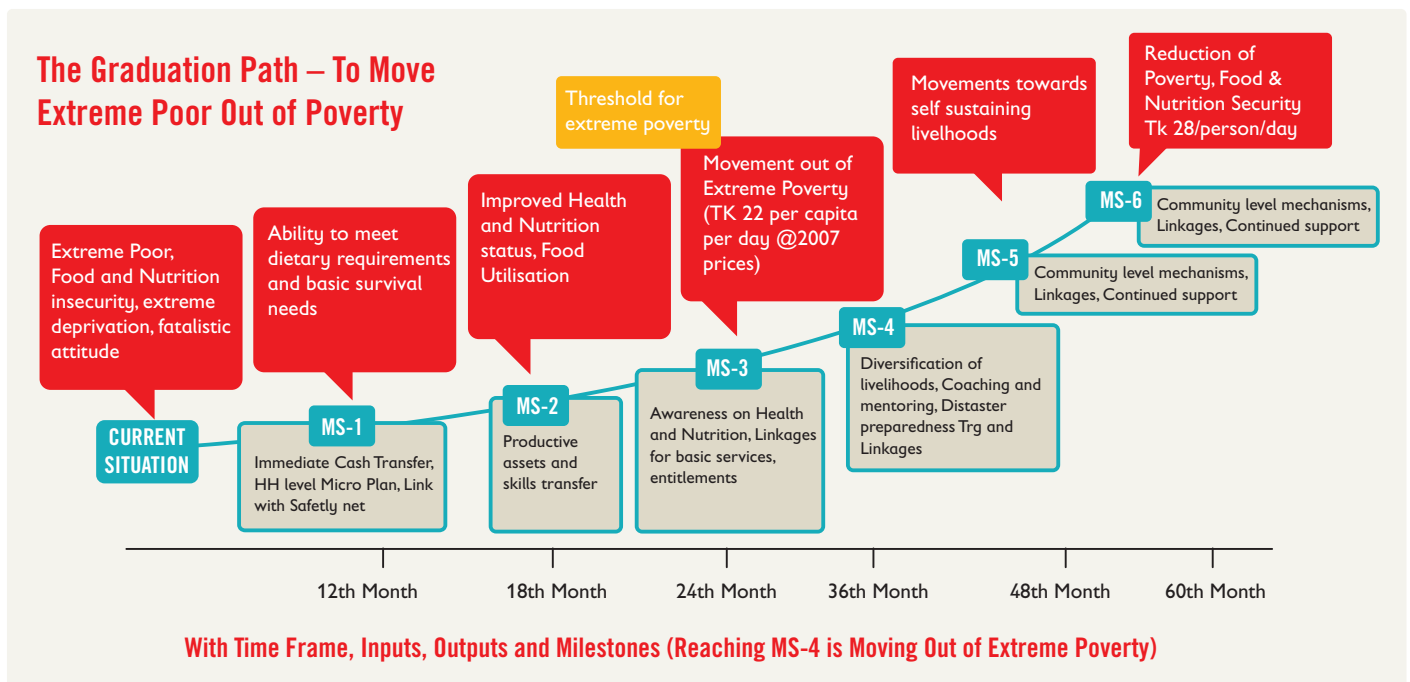


Figure 1. Save the Children's SHIREE Graduation Model

Definition of graduation:

The following criteria were used to define graduation during Phase 1 (2011):

- A reduction in the duration of food insecurity during the year;
- An increase in average energy intake per person per day;
- A greater diversity of foods groups in the diet;
- An increase in the number and value of household assets;
- More and diverse sources of income;
- An increase in expenditure per person per day;
- And attendance at school by all school-aged children

These parameters were used to calculate a graduation index⁹ and households scoring above the defined cut-off were considered to have graduated.

The measurement of graduation was modified in the second phase (2014) to include an expanded set of 14 binary criteria and household progress against these criteria was monitored using the Graduation monitoring system, which tracked the progress of households against the graduation criteria described above at regular intervals during and after the implementation of the project. These included:

- Food security (enough food all year round)
- Food diversity (at least weekly consumption of 5 main food groups)

- Income source (3 or more)
- Ability to purchase assets from income
- Productive asset value above 10,000 taka
- Ability to save money most months
- Weather proof house
- House above flood level
- HH members have a decent set of clothing
- Ability to meet health costs
- Secure access to land
- Access to safe drinking water
- Access to a latrine
- Primary school-age children are enrolled in school

The reason for this change in criteria was to broaden the definition of graduation to include additional wellbeing indicators that would a) go beyond food security indicators and b) reflect a picture of sustainability in the household livelihood strategies. Although there is significant overlap in the criteria used to define graduation in phase 1 and at follow-up, this shift in how graduation was defined does present a limitation in the interpretation of changes in graduation status. A more in-depth analysis of which criteria drove changes in graduation status between 2011 and 2014 is beyond the scope of the current paper.



EVALUATION METHODS

Four groups of beneficiaries were identified based on their classification in two successive surveys: a Save the Children endline survey in late 2011, just before the end of the first phase of SHIREE of the 13,901 beneficiaries remaining; and a graduate monitoring survey in late 2014, just before the end of phase two of the 12,063 beneficiaries remaining (note that by this point some had passed away or left the project area).

A database of 11,630 beneficiaries who were matched in the two successive surveys was created and they were then classified as graduates or not at the end of phase 1 or graduates or not at the end of phase 2, according to the criteria listed above. As there were two points at which beneficiaries were classified as either graduated or not, four groups for study were identified:

- **Double graduates:** Beneficiaries that had been classified as graduated at the endline survey in 2011 and still classified as graduated in the graduate monitoring system in late 2014. This group was able to achieve graduation within the first three years of the project (i.e. phase one). They were also able to sufficiently withstand shocks and/or make the necessary investments in order to sustain their graduation status.
- **Failed and then graduated:** Beneficiaries that had been classified as failed to graduate at the endline survey in 2011 but classified as graduated in the graduate monitoring system in 2014. For this group, graduation was achievable but not within the initial three year timeframe; they needed part or all of the additional support during the three year period of phase two of the project to either recover from a shock and/or to further strengthen their livelihoods in order to achieve the graduation status.
- **Graduated and then failed:** Beneficiaries that had been classified as graduated at the endline survey in 2011 but then classified as failed to graduate in the graduate monitoring system in 2014. For this group, graduation was not sustained in the long-term.
- **Double failed:** Beneficiaries that had been classified as failed to graduate at the endline survey in 2011 and then were also classified as failed to graduate in the graduate monitoring system in late 2014. This group never achieved graduation status despite having received support during phases one and two of the project.

There was no control group in SHIREE as all eligible households in the targeted communities were included in the intervention. Further, although baseline data was collected at the start of the project, this data could not be linked to subsequent data to allow for tracking of change over time in key variables. Given these limitations a case control design was applied where beneficiaries and near-by non-beneficiary neighbours were surveyed. Assuming that targeting had been done correctly, these control households were likely better off than SHIREE beneficiary households at the beginning of the programme since they had not been selected for inclusion in the project in 2009 based on the poverty based targeting described above, though no baseline data is available on non-beneficiary households to confirm this assumption. By comparing SHIREE households to their adjacent controls, we could assess the impact of the project.

A sample of 800 beneficiaries was randomly chosen from all registered beneficiaries; 200 from each of the four graduation groups and an additional quantitative survey was carried out for these households in 2014, which collected data on household demographics, income and expenditure, assets, livelihoods, food security, nutrition, feeding practices, education, health shocks, etc. For each of these case houses, a control household was also selected and surveyed by randomly selecting a non-beneficiary next door neighbour¹⁰. This design and the sample sizes are illustrated in figure 2 below. In total 1,600 households were surveyed. This sample size was largely dictated by the available resources and allowed for a detection of difference of $\pm 14\%$ assuming the following parameters; a percentage in the cases of 50%, a power of 80%, a statistical significance of $P = 0.05$.

By comparing SHIREE households who graduated to those who did not we were able to examine how graduated households differed from non-graduates, both in terms of outcomes of the project and pre-existing characteristics. The analysis matched each case household to their adjacent controls, and if the case households had reached a level equal or higher than the controls at the end of the project, it was assumed that this difference was because of receiving project benefits.

In addition, qualitative information was collected through 40 focus group discussions (20 in each intervention district) with project and non-project beneficiaries from the same communities across graduation groups, with male and female respondents. Qualitative information was also collected through in-depth life history studies. Six life histories of SHIREE beneficiaries were collected through interviews and documented to gain understanding of the causes of extreme poverty (through life histories from birth up to project intervention) and to track and understand key changes following the intervention (tracking studies / reflection on intervention studies). The studies focused on key material changes (diets, livelihoods and income, working capacity, productive assets, dependency ratios, house and homestead ownership, savings and liabilities) and changes in beneficiaries' positioning in economic, social and political relationships, as well as a personal sense of confidence and empowerment.

Life history interviews were carried out prior to project intervention (in 2010), following which three tracking interviews were conducted (2011, 2012 and 2013) with a final interview carried out in 2015 which all reflected on the intervention.



**2009,
BASELINE SURVEY**

**September 2011,
ENDLINE SURVEY**

**Sept - Dec 2014,
MONITORING
DATA**

**2014,
CASES**

**2014,
CONTROLS**

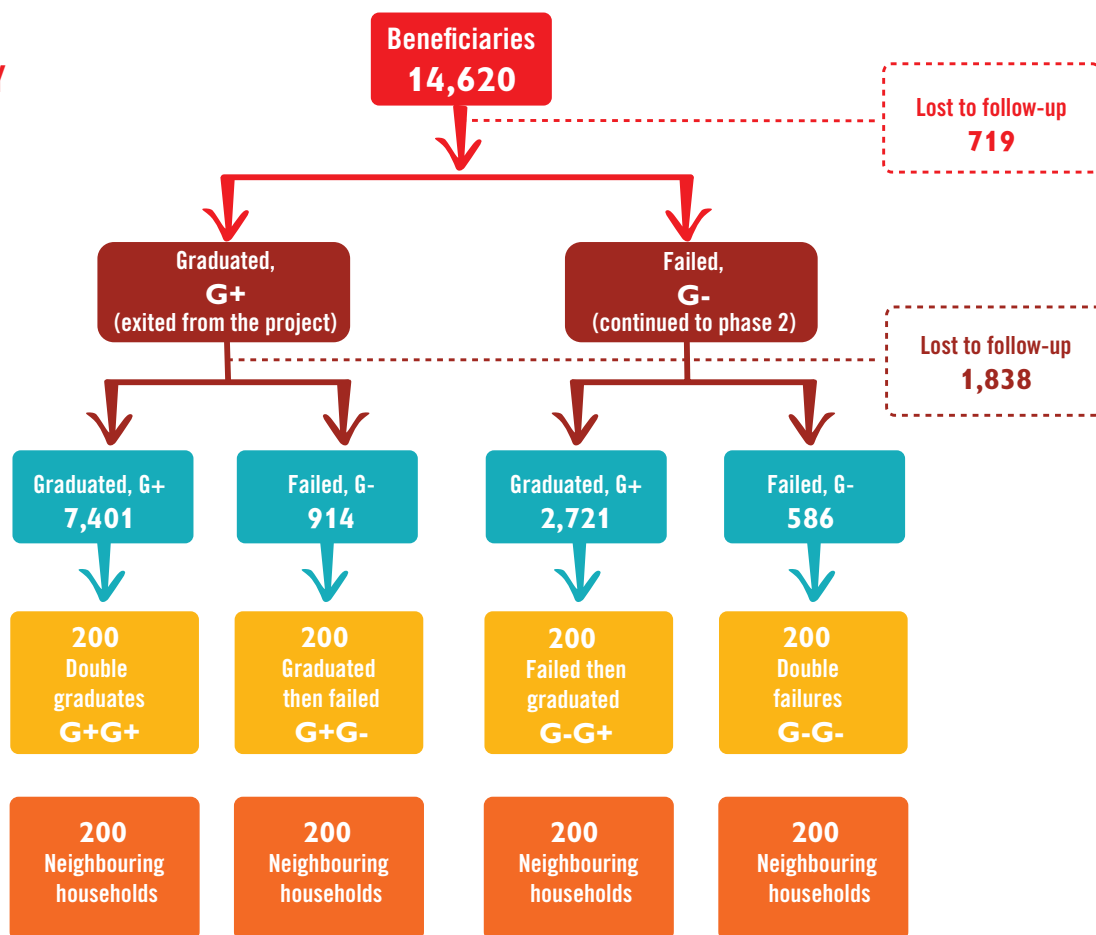


Figure 2. Evaluation design and sample sizes

Data were analysed in Stata version 13.0. Descriptive statistics for variables of interest were calculated through means with 95% confidence intervals for normally distributed variables; the median and intra-quartile range for non-normally distributed variables unless 50% or more of values were equal to zero, when a median cannot be calculated, so the arithmetic mean was calculated instead; percentages with 95% confidence intervals; and the odds ratio, calculated for binary variables.

Three main comparisons were made in the data; 1) cases across the different graduation levels with their associated controls; 2) the four different graduation levels to each other and; 3) the four levels of controls to each other. Bivariate analysis was done to test differences between means of normally distributed variables using a t-test (*t-tests* command in Stata); the difference between non-normally distributed values was tested for statistical significance using Wilcoxon's rank sum test (*ranksum* command in Stata); differences in odds were tested for statistical significance using *cc* command for epidemiologists in Stata which calculates the odds ratio and the Chi squared statistic. Means for right skewed data (incomes and expenditures) were transformed and geometric means used for between group comparisons.





FINDINGS

WHAT DID THE PROJECT TEACH US ABOUT GRADUATION FROM POVERTY IN THIS CONTEXT?

87% of the households in phase 1 that were followed up at the end of phase 2 achieved graduation in the project achieved graduation, indicating that overall the project was successful. 64% of households graduated during the first three years of the project, and a further 23% did so during the two years following. 8% met the graduation criteria during phase 1

but then lapsed back into poverty, failing to meet those criteria again two years later. 5% of households were never able to meet the graduation criteria. Furthermore, for the 64% of households who graduated during the first three years, they had managed to retain this status when monitored three years later, without additional support. This suggests that graduation was sustainable for the majority of households who attained it.

Graduation Status	Number of Beneficiaries	Percentage	Time in the programme
Double Graduates	7,401	64%	3 years (exited after phase 1)
Failed and then Graduated	2,729	23%	5 to 6 years (exited in phase 2)
Graduated and then failed	914	8%	3 years (exited after phase 1)
Double Failure	586	5%	6 years (exited after phase 2)

At the same time, it is clear that the approach has limitations as 13% of the households failed to graduate even after a period of five years. While it is important

to celebrate the project's success, more important is to understand what drove the results. To address this, the two areas of learning identified above were examined.

- **What graduation from poverty looks like in this context, and what the overall impact of the project was for households and specifically for children:** Analysis of household level outcome and well-being indicators that reflected the status of the household in 2014 gave an indication of what the benefits of programme participation and graduation have been. Child level outcomes were also examined to understand if and how household level gains translated into impacts on children's lives.
- **The factors associated with success or failure:** household characteristics which were found to be associated with households' graduation from poverty. These are a set of characteristics and practices related to households' demographics, livelihoods, food security, response to shocks, gender dynamics and participation in the project, which show an association with graduation. These may have been an outcome of graduation and/or a contributing factor and tell us about the household's graduation journey.

What factors are associated with to success or failure to graduate in SHIREE?

a) Household demographics was associated with graduation

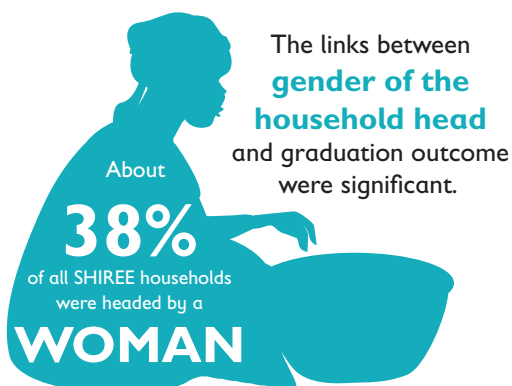
The data does not present a clear explanation for this correlation, though the focus group discussions and wider contextual analysis suggest possible reasons for poor overall performance of female headed households. These may include: limited decision-making and voice beyond the household, limited mobility (women in the area do not generally travel to markets, so have to sell any produce at a lower price to middlemen), limited literacy and education, and subsequently fewer livelihood options are available to women. These issues may have meant that IGAs were chosen and implemented less effectively in households headed by women, who lacked the experience in this area of their male counterparts. Interestingly, when women's decision-making power within the household was examined, female headed household had higher rates of full decision-making power compared to women in male headed households (49.1% vs 30.3%) but still showed that over 50% of women in female headed household did not fully control decisions, and in 21% of female headed household they had no decision-making power at all.

Linked to this, when **marital status of household head** was examined, rates of single household heads (defined as unmarried, widowed or divorced/abandoned) were higher among beneficiaries than controls across all graduation groups. The percentage of single household headship ranged between 26% and 38% for all graduate groups. With the lowest percentage in the double graduate group and the highest percentage in the double failures. This compared to a rate of 7 to 9% among control groups. The difference in single household heads between beneficiaries and controls most likely reflected that project targeting particularly focus on single female headed households given their vulnerabilities. The fact that more double failures were single household heads compared with the double graduate group (OR=1.73, p =0.012) suggests that the additional limitations of being a single household head, including less available labour and limited mobility particularly for females, made it harder to achieve graduation.

Furthermore, older household heads appeared less likely to graduate. The average age of household heads was 6.4 years older for graduated and then failed household ($t=-4.68, p<0.001$) and 8.9 years older for double failed households compared to double graduates ($t=-5.79, p<0.001$).

Literacy rates were also lower among household heads of failed groups compared to graduated groups (27.1% vs 15.2%), though they were consistently low in all groups with the highest literacy found in double graduated at only 28.7%.

Double failures were more likely to be **female-headed (47% vs. 31%)** compared with double graduate households, which were more likely to be **MALE** headed households.



CASE STUDY

Challenges faced by an elder female headed household

The wellbeing of Halima's family did not change very much during the project period and she was still living below the poverty line at the end of the project. Halima was 46 when she began receiving support from SHIREE and was living on land she inherited from her father with her son and daughter. However, due to Islamic laws, as a woman she faced obstacles in receiving an equal share of her father's land and faced lack of financial support from the local Union as current land laws discriminate against women who live in their paternal homes. Through SHIREE, Halima received a cart and poultry birds. She was unable to pull the van due to health issues, and her son who could pull the van became injured which hindered the family's ability to generate income from the van. She worked as a domestic helper and housemaid in her neighbour's house, however, people did not call her for work often as she is growing old and suffers from lower back pain. During the project period, two of her sons migrated to India but only one was able to send money home, while the other plunged into debt. Her son living at home has dropped out of Madrasa, (religious school) and worked as an irregular day labourer. Only Halima's daughter remained in school but after the end of the current school stipend she will be withdrawn from school. The family did not face any severe hazards and shocks during the project period yet their wellbeing status remained stagnant at working extreme poor due to their reliance on one family member for income.

Discussion: Female headship, low literacy, older age of household head and single headship were all associated with worse graduation outcomes. These are also overlapping characteristics as female household heads are more likely to be single and face labour shortages due to this. These findings on the links between household demographics and graduation are very similar to those found by Mascie-Taylor et al when examining data from the EEP/SHIREE change monitoring system.¹¹ Given this, future programmes should consider these characteristics in programme design and targeting, and recognize that households with these characteristics may require a longer time to graduate and/or a different set of intervention to meet their particular needs and constraints.

b) Empowered women are more likely to come from graduated households

The SHIREE theory of change understood women's empowerment as being a key milestone in achieving graduation from poverty, and particularly translating this to improvements in child wellbeing. The two criteria against which the analysis used to measure empowerment were women's involvement in IGAs, and involvement in household decision-making. These were complemented by qualitative insights into broader social and cultural factors related to their choices and power. These criteria were selected because the project was designed to improve women's ability to influence decision-making, increase their socio-economic status and reduce violence against women through two main approaches. It aimed firstly to bring about tangible increases in women's economic empowerment through IGAs that were both targeted at and designed for women. What this meant in practice was that they were IGAs that could be carried out within the boundaries of women's skills, cultural roles and acceptable level of mobility. Secondly, more intangible benefits were sought in the form of increased decision-making power and voice, both at home and in the community. This was expected to be a consequence of increased economic empowerment, but also directly encouraged through courtyard sessions and wider community support groups.

Women's Empowerment:

"Women who are associated with SHIREE have changed so rapidly. These women learn to work hard and earn money. They also create awareness for social problems and child marriage is decreasing as a result. Women can contact powerful people in the town." A common expression of women beneficiaries about themselves was- "We were in a deep cave of poverty and frustration. SHIREE has pulled us up. But we have not yet reached the high way of development."¹²

Across all graduation groups women in SHIREE beneficiary groups were more likely than their controls to report full decision-making power compared to partial or no decision-making power (between 45.5% and 36.3% in beneficiary household compared to 23.9% to 33.7% in controls). This may in part reflect the higher frequency of female headed households in the beneficiary groups, but also the impact of the programme on promoting gender equity. Participation of women in IGA activities was another measure of empowerment that was examined. Double graduates were more likely than their controls to be involved in IGA activities (82% vs 67%, OR=2.2, p=0.001).



When SHIREE graduate groups were compared to each other, **double graduate groups also had higher female participation in IGAs**

than either of the failed groups with

82%

in double graduates compared to

67%

in graduated then failed and

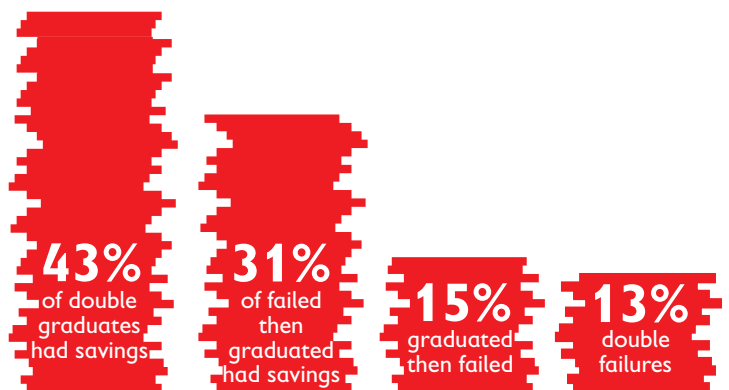
64%

in double failures

Discussion: These findings raise interesting issues for practitioners on the link between poverty reduction and women’s empowerment. Firstly, it is difficult to determine cause and effect; to know when this empowerment took place and the extent to which this was a pre-existing condition in those households, or one that came about due to the project interventions described above. It is likely that it was a gradual process and therefore there is some level of reciprocity between women’s empowerment and graduation from poverty. Secondly, it is worth noting that while higher levels of decision making and participation in IGAs was noted, women’s freedom of movement remains a significant obstacle to empowerment. While the study did not explore mobility in detail, qualitative insights suggest limited mobility for women before and during the project, with restrictions placed on them undertaking activities outside home, such as visits to market, shops, banks, etc., without prior permission either from their husbands or in-laws. Finally, when looking at the issue of women’s empowerment, it is important to ask not only the ways in which women were empowered, but also which women in particular were empowered, and which were not. For example, it has already been observed that female headed households were less likely to graduate than male headed households. This raises the question of whether the women’s empowerment interventions were sufficiently appropriate to widowed, divorced or abandoned women.

c) Beneficiary households had different savings patterns to their neighbours and graduates had and used savings differently from non-graduates

Promoting saving was a key part of the SHIREE model, through the courtyard sessions and a number of informal savings groups being set up through those sessions. The accumulation of savings was a clear benefit of the project for participants and an important practice on the pathway to graduation. The baseline surveys for both phases one and two showed negligible savings amounts by households (up to 500 BDT or 6 USD). This increased to an average amount of 8,768 BDT or 112 USD across the two phases. Not surprisingly, there is a positive correlation between this practice of saving and graduation, since an ability to save regularly was one the graduation criteria used.



Double graduates had significantly higher rates of any savings than all other graduate groups with 43% having savings compared to 31% (OR=1.69, p=0.013), 15.4% (OR=4.17, p<0.001) and 13.5% (OR=4.76, p<0.001) in failed then graduated, graduated then failed and double failures respectively. The average amount of savings for graduate households was also significantly higher than households who failed to graduate. Those who did not save, reported that this was due to the burden of recurring expenses in health or inadequate income inflow from their livelihoods.

Those who did not save, reported that this was due to the burden of recurring expenses in health or inadequate income inflow from their livelihoods.

Double graduates were also more likely to have savings than their controls (43% vs 24.3%, OR=2.4, p<0.001) and were more likely to save in institutional sources as compared to their controls (33.2% vs 19.8%, OR=2.0, p=0.003). Saving in institutions (banks, post-office) is more advantageous than non-institutional savings because they are safer and provide potentially greater access to other financial services. The extreme poor are often not able to access institutions for savings due to limited infrastructure, procedures to open and maintain accounts, and a belief that savings are not secure in institutions. The other beneficiary groups did not show a significantly different saving pattern to their controls.

The intended use of savings across all groups was similar with the most common intended use being education and health (35% to 70% of savers), followed by business investments (26 to 56% of savers) and home repairs (22 to 41% of savers).

CASE STUDY

Savings pivotal to resilience

Bithi received IGA support from SHIREE to start a vegetable business as well as 2 goats which produced 8 kids. Her income increased significantly to 5,000 taka profit per month from the vegetable business. She started saving 8 months after she began receiving support from SHIREE and had two insurance policies with formal banks. Her savings increased during the course of the project intervention. She lost her home and business due to a tidal surge and both she and her mother became ill so she needed to draw on her savings to cope with both situations. Despite this, she still managed to save 23,000 taka and has rented a plot of land. She doesn't deposit savings on a regular basis, rather when she has spare money. Her savings played a pivotal role in her resilience to the health shocks experienced and the tidal surge, and has enabled her to buy land. Bithi moved from extreme poor well-being status to low earning non-poor.

Discussion: Whether, how much, and how a household saves appear to be critical steps in their graduation journey and outcome, and in particular is key to protecting a household's graduation status once achieved. Intended use of savings in business and education pushes the households up the wealth ladder, while availability of saving for use in health crises prevent a fall-back into extreme poverty. In other words, savings are closely linked to both resilience to shocks and investment in the future. During the qualitative discussions, double graduate households who were managing to save described a strong feeling of self-sufficiency with the knowledge that the household has a "fall-back" option in case of emergency, or a launch pad for future investments.

d) The small percentage of households who invested their own money into their livelihoods were significantly more likely to be double graduate households.

A livelihood practice that appears to have an association with graduation is whether households

were able to and chose to further invest their own funds in their livelihoods beyond the grants provided by the project. Investment in this case, refers to setting up a new income generating activity, or expanding an existing one, and includes the significant costs of acquiring machinery or assets, rather than day-to-day operation of the IGA. Graduated groups were more likely to make this (re)investment than both of the failed groups and the control groups. 28% of double graduate groups re-invested in IGAs, compared with 17% of failed then graduated groups (OR=1.89, p=0.01) and only 10% and 12% of double failed and graduated than failed groups respectively (OR=3.57, p<0.001 and OR=2.86, p<0.001 respectively). Significantly more households in both graduate groups invested in IGAs than their respective controls, where only 14% and 9% invested (OR=2.3, p=0.001 and OR=2.2, p=0.012 respectively). This would suggest that the practice of investment is linked to both graduation and to participation in the project.

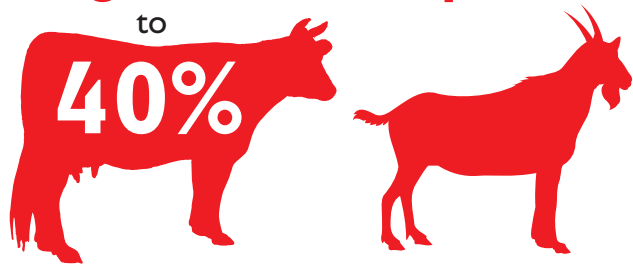
Discussion: Despite these associations, the fact that only 28% of double graduated households were able to make such investments suggests that this is not an achievable goal for the majority of extreme poor households who participated in the project, presumably because there is not sufficient income remaining after immediate consumption and basic household needs, unexpected shocks and savings and debt repayments have been met. It is therefore perhaps not realistic for development partners to expect the poorest households to invest in their livelihoods as part of a graduation model, during a 3-year programme, but should still be encouraged as a long-term aspiration.

e) While IGA choice is not a strong determinant of graduation, graduated households were less likely to have received temporary financial assistance.

The inputs provided to beneficiaries were categorised into seven groups: Temporary financial assistance (a cash transfer provided to the most destitute households, intended only for consumption needs); non-agricultural inputs such as grocery shops, cloth businesses, small businesses, handicrafts; agricultural inputs such as water pumps or land mortgage; fishery which includes inputs such as boats, hooks, nets; livestock, which includes goats, cows, sheep, poultry (ducks or hens); and transport. The largest proportion of inputs selected by and transferred to beneficiaries were non-agricultural (28%), followed by livestock (22%), fishery (15%), temporary financial assistance¹³ (13%), poultry (11%), transport (9%), and agricultural (3%).

The data was analysed to test anecdotal evidence suggesting that certain types of inputs had more risks and brought greater loss of IGA, and thereby limited the possibility of graduation.

Rates of loss ranged from **4%**
for **agricultural inputs**



to **40%**
for **livestock**
(cow, goat, or sheep rearing).

Agricultural inputs and transport inputs (loss rate 17.4%) had significantly lower rates of loss than all other categories of inputs which averaged **33%** loss across off-farm IGAs, livestock, poultry and aquaculture IGAs. Failed groups (double failures and graduated then failed groups) were more likely than graduated groups (double graduates and failed then graduated)

to have **lost** their first
asset transfer,

38% and **38%**

compared to

26% and

28% respectively.

Failed groups were also more likely to have received temporary financial assistance with double failures almost 6 times more likely to have received temporary financial assistance compared to double graduates, reflecting that those households who started off as the poorest SHIREE beneficiaries (and therefore were targeted for temporary financial assistance) were more likely to remain below graduation criteria. No clear pattern was found between type of asset transfer and graduation outcome for the other asset transfer types. The total number of IGA transfers received and the total value of IGAs received varied across graduation groups as well. The majority of double failed households (60%) received only one transfer whereas the majority of double graduates (60%) received 2 or more IGA transfers. The two failed groups (graduated and then failed and double failures) also had significantly lower

mean values for IGA assets received ($p < 0.001$). While the mean value of IGA assets received by graduated groups was 9,636 taka, failed groups had an average of only 8,003 taka and double failures alone had an average value of 7,195 taka. This trend is in part driven by the fewer number of assets received by the failed groups, but may also relate to the type of assets received.

Discussion: Rates of loss varied across IGA type and higher rates of asset loss were associated with failure to graduate. In phase two, Save the Children disallowed those IGAs that had performed poorly as they were vulnerable to climatic shocks (in particular cows, goats and buffalos) in favour of more disaster resilient IGAs (such as fish and ducks). The former Programme Director shared that a challenge was to change the mindset of households away from traditional IGAs, and it took time for the field teams to convince beneficiaries to adopt IGAs that were less risky.

Those households that were deemed unable to participate in an IGA in phase one and therefore received temporary financial assistance, performed worse over the course of the intervention than those households who did not. This is not surprising given their greater poverty and higher level of vulnerability, but does suggest that for these poorest of the poor households' further modifications of the approach may be required to attain higher graduation rates.

f) Graduated households are more likely to have participated in project training on IGAs than failed households

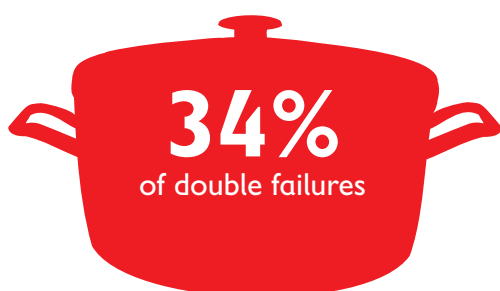
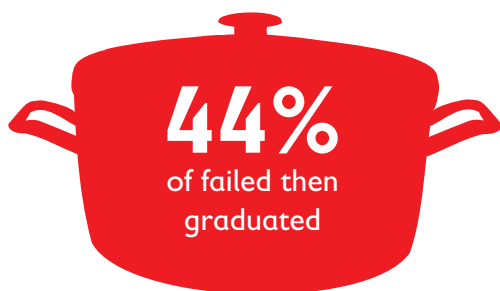
Technical training was offered to households, specific to their chosen IGA. This was coupled with basic business planning skills. Training participation was high across all graduation groups (greater than 75% in all groups). Double failures showed the lowest rate of training participation however at 78% compared to 88.6% in double graduates (OR=0.46, $p = 0.005$)

Discussion: Training can be labour intensive and therefore costly, though these findings suggest that it is a worthwhile investment in helping households to achieve their graduation goal. However, non-attendance of training may also be a proxy indicator for the household's limited productive capacity and time. The poorest households (in particular those who fell into the double failed group) may well not have attended due to a lack of time, than a lack of will. Graduation projects should be mindful of this during their design and find ways to balance building beneficiary capacity with ensuring they do not make unrealistic demands on their time. These findings also suggest that developing good training packages and ensuring adequate staff and resources to deliver them is a worthwhile investment on the part of development partners.

g) Graduated households were more likely than failed households to produce their own food

In a rural context, a household's ability to produce their own food can be an important factor in food security. Indeed, among SHIREE participants there is an association between engagement in home food production and graduation status.

The likelihood of being engaged in home food production increased with graduation type;



Discussion: It is difficult to determine cause and effect in this association; were those double graduate households able to produce more food because they had more secure livelihoods; or did the fact that they produced more food help them to be more food secure and better off? In either case, and despite the fact that fewer than half of all graduated households produced their own food, it is possible that production of food at household level is an important step towards food security and therefore graduation. However, it is important to put this finding into context. In Khulna, issues around land use and soil salinity mean that even the better off cannot produce much of their own food and reliance on markets is high. For those households with sufficient incomes and savings, this is not an issue but for the poorest households, this leaves them vulnerable to fluctuations in the local economy, such as food prices, labour wage rates, and availability of labour. Therefore, in this context, the ability to produce one's own food may be more critical than elsewhere in helping to protect households from shocks and smooth consumption.

h) A household's sense of wellbeing reflects their graduation journey

A less tangible issue that emerged from the qualitative discussions was how households felt about their graduation journey. While the graduated households reported that they aspire for a brighter future and believe they can build one for themselves, the failed households exhibited a sense of despondency and the belief that their lives cannot turn around, no matter what.

Discussion: Banerjee et al¹⁴ made similar observations in their study of BRAC graduation programmes in six countries, noting improvements in graduated households' self-reported wellbeing. However, the extent to which these psychological changes are understood, and their impact on future wellbeing, is limited. As noted by Banerjee, 'Much more detailed psychological measurement would be necessary to fully understand this result and its underlying mechanisms. Perhaps this program worked by making the beneficiaries feel that they mattered, that the rest of society cared about them, that with this initial help they now had some control over their future well-being, and therefore, the future could be better'. It seems logical that a household's confidence in their own capabilities and their ability to envisage a positive outcome from the activities in which they are engaged, would encourage vision and commitment to improving their economic situation.

CASE STUDY

Psychological impact – negative

Moni received money from SHIREE to start a chapatti business. He became ill and as a result he could not move his hand and could not stand up. It was therefore difficult to continue his chapatti business. Due to their frail economic situation, Moni's household has been split. Moni and his wife live in Dhaka, while their son and daughter live in Bagerhat with Moni's mother and mother-in-law respectively. Both Moni and his wife feel upset about their children. Earlier his wife cried for them especially when they phoned. Now she is trying to adjust. Moni was saying that due to their joblessness they could not send the money to his mother-in-law with whom his daughter lives. He expressed his pain saying, 'I could not look at my daughter's face. It seems to me that she is losing weight gradually'. He is irregular in sending money to his son. In addition to this psychological stress, job insecurity and searching for another job is often subjecting them to some challenges like non-payment of house rent and distress selling of assets.

CASE STUDY

Psychological impact – positive

Ovi received a net for fishing and training in running a small business from SHIREE. The intervention from SHIREE helped to build Ovi's confidence. Ovi said, 'Many rich families do not have enough people to take care of them. We are happy with what Allah has provided us even though our house is broken. We acknowledge the support we have received from SHIREE. The char net that was given to us has enabled us to increase our income. Before that, we had a difficult time. It is true that we have to work hard.' Ovi's ability to learn from past experiences, and his industrious attitude will help him improve his conditions. He now has a stable income throughout the year and is confident that he can cope with adverse situations.

j) Land ownership was not a contributing factor to graduation due to very small landholdings for all households

According to Household Economy Analysis studies carried out by Save the Children¹⁵, land ownership is a key determinant of which wealth group a household falls

into, with the better off owning significantly more than other wealth groups, and the poorest owning little or no land at all. But among the SHIREE beneficiaries who belong to the poorest wealth group, the small differences in land ownership do not appear to be significant in determining graduation outcomes. Owning minimal or no land was one of the key targeting criteria; less than 10% of households owned any land at all.

Discussion: It is not surprising that land ownership was not an important factor in graduation given that the extreme poor, by definition, have very little to no land. Given the limited land access of these households prior to SHIREE the programme focused on supporting entrepreneurship and self-reliance, stemming from the transfer of key assets. The fact that there is no link between land ownership and graduation suggests that the small differences in the anyway minimal landholdings of beneficiaries are not enough to allow for meaningful differences in food production or incomes.

Graduation Characteristics related to Managing Risk, Building Resilience:

During the evaluation of SHIREE, managing risk and building resilience emerged as a key theme and determinant of graduation as the project area is one of high vulnerability to cyclical and idiosyncratic shocks. The different characteristics related to managing risk and building resilience which were linked to graduation are explored below.

j) A household's ability to retain its productive asset(s) losing their productive asset reduced a HH's likelihood to graduate.

The rate of retention of the assets provided by the project was low, even among graduated households. Asset losses due to shocks were not uncommon. Eight hundred asset inputs were transferred in total during phase one, between 2009 and 2011. Of these, by the time of the evaluation in 2014, 417 assets had been 'lost' (i.e. they were no longer with the household). Of those lost assets, 35% were sold in distress and 30% were lost in a disaster. The evaluation demonstrated a correlation between this loss and graduation. At the time of the evaluation in 2014, 50% of double failed households and 40% of graduated then failed no longer had any asset inputs being used for income-generating activities compared to 27% of double graduates (OR=2.6, p<0.001 and OR=1.8, p=0.006 respectively). Relatively larger numbers of households in the graduated groups had either one or two inputs still being used for their IGA; only 28-29% of both graduated groups had no assets still in use; and more than 70% of these households still had one or even two productive assets.

CASE STUDY

Loss of productive assets

Bithi enjoyed successful rearing of goats, however, she sold two to pay for her mother's treatment costing 11,500 taka when she was thought to be suffering from a stroke. Two of her goat kids, valued at 1,000 taka, were killed while she was visiting her sister. She believes the goats were killed by being thrown into the river. Bithi fears for the security of her animals due to the resentment of her success by neighbours.

Discussion: The high level of asset loss suggests that external and household shocks pose a significant threat to the retention of productive assets. This would suggest that in the context of this population, graduation models should expect households to suffer shocks and even lose assets. The graduation pathway therefore should not be contingent on households never losing an asset, but ensure that they (a) are equipped as far as possible to protect their assets (e.g. through avoiding the need to engage in distress selling or being linked to veterinary services) and (b) have the means and skills to recover from such a shock (e.g. through access to savings). Protecting asset ownership is critical to graduation success as productive assets are often critical to economic advancement and these and other assets form an important buffer in the event of shocks. Indeed, a study on the factors enabling sustained rather than transitory poverty escapes in Bangladesh found that, 'households with greater asset value are more likely to experience a sustained escape from poverty'.¹⁶

k) Households who achieved and sustained graduation felt better able to face disaster.

Disaster risk reduction was a core topic of the courtyard sessions and community mobilisation took place around early warning systems and disaster planning. One of the graduation indicators measured during the evaluation was the extent to which households felt better prepared to face disasters. Participants were asked whether, since the beginning of the project, they believed they were more able, less able or there was no change in their ability to handle natural disasters and climatic change. Ability referred to household preparations such as storage of dry food, burying valuables and important documents in plastic bags, knowledge of shelter, understanding disaster signals and responses. It also translates to being able to withstand a shock without having to sell assets, or reducing food consumption. The correlation between a household's perception of their own preparedness and their graduation status was strong: 70% of the double graduate group reported being more able to face

disaster compared with 53% of the graduate and then failed group (OR=2.08, $p<0.001$) and 48% of the double failed group (OR=2.5, $p<0.001$).

Discussion: The difference between the double graduate and the double failed group suggests that preparedness for disasters (or at least a self-perception of preparedness) is associated with sustained graduation. More than 60% of graduated households felt better prepared for disaster while failed households reported this in approximately half of cases.

l) Health shocks can prevent, delay or disrupt graduation

Evidence from the evaluation did not suggest that either participation in the project or graduation resulted in improved health outcomes. Graduated households, it seems, are just as likely to experience a range of health problems as non-graduates or their controls. However, all of the qualitative information from beneficiaries and project staff suggests that while the occurrence of these incidents is not significantly different between groups, the way in which the household is able to deal with them is a critical factor in achieving and more importantly, sustaining graduation.

Discussion: Field observations, focus group discussions and life histories all suggest that a health shock can prevent graduation, or move a graduated household back into poverty. When asked to explain the reasons for their non-graduation, some recurring examples given by failed households during focus group discussions included:

CASE STUDIES ON HEALTH SHOCKS

Farida: suffered health shock but it didn't set her back as relatives helped pay for treatment and she had savings she could spend on treatment. However, she doesn't have enough money to pay for surgery so her situation could get worse...

Khalil: his wife had a serious illness so they spent their working capital provided by SHIREE on treatment. She recovered but they were then earning less income which meant they could not afford a quality diet or her prescription costs. They are reliant on family to help pay for healthcare costs.

Moni: could not take advantage of opportunities to increase income due to his health problem. Multiple illnesses meant he could not carry on his business and had to reduce food consumption, sell assets and rely on loans from various sources with high interest rates.

A plausible conclusion is that despite episodes of illness, the double graduate group, with better incomes and savings are able to manage these shocks. Given the potential for health shocks to knock households off their graduation trajectory, inclusion of health insurance mechanisms in future graduation programmes may be an important component to support household resilience.

m) SHIREE households accessed safety nets more than control households, but it is unclear whether social protection played a significant role in graduation

Access to any safety nets (social protection) ranged from 34% to 43% of households across the four different SHIREE graduation groups, but access did not differ significantly between these SHIREE beneficiary households. Across individual graduation groups, SHIREE beneficiaries were significantly more likely to access safety nets than their respective controls (OR=3.7, $P<0.001$, OR=3.2, $p<0.001$, OR=3.8, $P<0.001$, OR=4.5, $p<0.001$ respectively for graduate groups in descending order compared to their controls).

Overall, SHIREE participants were more likely to access any safety net (40% overall) compared to the control households (15%). However, this may be in part due to the project's efforts in securing access, and in part to the control group meeting fewer of the poverty targeting criteria for accessing safety net schemes. The number of safety net schemes accessed also differed considerably between the SHIREE and control groups: among control households the maximum number of safety nets accessed was two, whereas some SHIREE households were accessing up to six different schemes. Access to pensions and other allowances was the most common safety net accessed across all groups, with relatively fewer households accessing work-related or food and nutrition related safety nets.

A slightly higher proportion of those in the two SHIREE groups that graduated at least once had access to any safety net compared to the non-graduate SHIREE groups (41.6% compared to 38.2%), though this difference was not statistically significant. There was also no statistically significant difference in the likelihood of the double graduate group accessing any safety net compared to the other groups.

Discussion: Accessing safety nets is an important tenet of the project's sustainability at the household level as it creates a link to ongoing, predictable support beyond the life of the project. By the end of the project, a higher proportion of SHIREE beneficiaries had access to at least one safety net scheme compared to households in the control group and the number of safety net schemes accessed was also higher for some SHIREE beneficiaries than control households. Nevertheless, still only less

than half of SHIREE beneficiaries (who were among the very poorest households) had access to any safety net scheme. Although the Odds Ratios for accessing safety nets were higher for those in the double graduate group than the 'graduated then failed' group, there was no clear significant relationship between graduation and access to safety nets. However, it has not been possible to fully explore the important issues of the different schemes accessed and how long different households had access to them. Further investigation into the role of the various different schemes and their interaction over time with graduation programmes such as SHIREE would be a very worthwhile future area of study.





WHAT GRADUATION LOOKS LIKE AND WHAT THE OVERALL IMPACT OF THE PROJECT WAS FOR HOUSEHOLDS AND CHILDREN

There were positive immediate impacts resulting from the project. These are important outcomes for households and likely to contribute to longer-term wellbeing and poverty reduction. These have been divided into two main categories; those related to the whole household, and those related to children.

a) Higher household expenditure is an outcome of graduation

There is an association between graduation type and daily household expenditure. Graduated households are spending more than those who failed to graduate, and the double graduates have the highest average¹⁷ per capita daily expenditure: (41.6 taka) followed

by, graduated then failed (39.6 taka) the failed then graduated (36.4 taka) and finally the double failures (30.6 taka). The SHIREE phase one model outlined a graduation expenditure threshold of 28 taka per person per day (with 22 taka being the figure to initially exit extreme poverty and 28 to sustain graduation). In phase two the latter was increased to 40 taka in line with inflation. According to this criteria only the double graduate group met this criteria, suggesting that for most households the income achieved through the project was still relatively low. The Cost of the Diet assessment conducted in the fish cultivation livelihood zone of Khulna in 2013 found that the cost of a locally acceptable nutritious diet per person per day was 39.1 taka indicating that even this increased income target was not sufficient to meet both food and other essential household needs.

When compared with their controls, the double graduates and the failed and then graduated had comparable rates of per capita daily expenditure while the graduated and then failed and the double failures show significantly lower expenditures ($p < 0.001$), of between 2 and 8 taka per day, implying a close relationship between an inability to graduate and relatively low income.

Discussion: The inability of many households to achieve the desired expenditure threshold suggests limited earning potential of the poorest households in this context, if expenditure is taken as a proxy indicator for income. Given the level of skills, the capacity constraints, the limited land and asset holdings, there is perhaps only so much that can be expected in terms of income growth by these households through the IGAs on offer.

In terms of the types of expenditures, what households choose to spend money on gives some interesting clues around the link between poverty and broader wellbeing. While some expenditure outgoings increased with graduation, other items did not, suggesting that these are seen as essential by all households and prioritised regardless of their means. These are discussed in the points below.

b) Expenditure on debt repayment, religious ceremonies and weddings are prioritised by all households regardless of graduation type.

There was little difference in the amount that the different groups spent on religious costs, loans (debt repayment) and weddings.

Discussion: This is perhaps because not meeting these costs could pose a significant risk to a household's social capital, which is highly valued in this rural community, and so they are prioritised over other expenditures. The EEP/SHIREE change monitoring system also found that beneficiaries reported social capital as a way to manage shocks¹⁸ as they could borrow money or other resources from neighbours in the face of crisis if they had social ties with them. This may be another reason that even very poor households prioritized spending on these areas.

c) Higher expenditure on mobile phones is an outcome of graduation

Owning a mobile phone was more common in graduated groups than non-graduated groups (56.4% and 49.7% for double graduate and failed then graduated households compared to 27.9% and 21.5% in graduated then failed and double failed households). Expenditure on telephones varied significantly depending on graduate group. Of the double graduates 45% spent money on phones compared to 39% in the failed then graduated group ($\chi^2 = 1.45$, $p = 0.228$), 25% of graduated and then failed households ($\chi^2 = 17.1$, $p < 0.001$) and only 20% of double failures ($\chi^2 = 28.7$, $p < 0.001$).

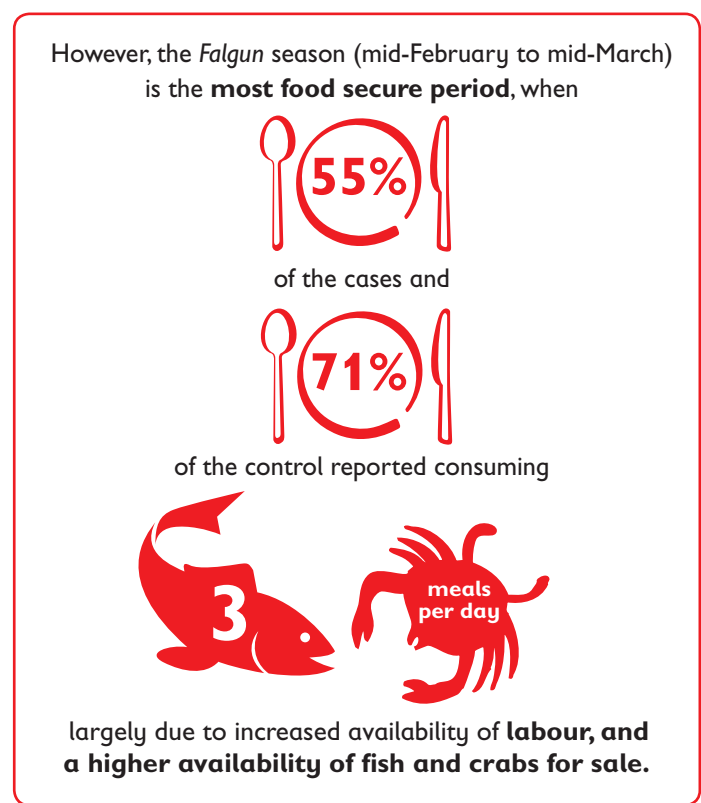
Discussion: There is no data to tell us whether mobile phones were purchased as a luxury personal item, or to support IGAs, or in fact both, nor when in the graduation journey they were purchased. It is hard therefore to say whether this is reflecting a key stepping stone in the graduation journey or simply expenditure on a luxury item as more disposable income becomes available. However, mobile phones can increase access to information and social connectedness, both of which can contribute to a person's livelihood and social standing. Mascie-Taylor and colleagues¹¹ found that the access to information afforded by having a cell phone was key to improved livelihoods for many SHIREE beneficiaries suggesting that this expenditure is reflecting a livelihood investment rather than a luxury purchase.

Save the Children recently explored possibilities for mobile cash transfers among poor households elsewhere in Bangladesh and anecdotal evidence suggested that even when households did own mobile phones, they were rarely in the name of, or controlled by women. Expenditure on and use of mobile phones could perhaps in future be considered as an aspirational step in the graduation journey, particularly for women, depending on their potential role in a given context.

d) Graduated households were less likely to face seasonal hunger

Seasonality is a significant consideration in food security, with 'hunger gaps' appearing at times when food and/or income are scarce.

This is a pre-harvest period and households often are faced with limited options for work during this time.



Households' ability to ensure three meals per day throughout the year increases with graduation type, as expected given that food security was a graduation criteria.

Double graduated households felt able to ensure three meals a day a median of 9 months of the year. Graduated then failed and double failed households could manage only 2 and 0 months respectively. Double graduate households were almost twice as likely (55% vs 28% for both failed groups) to have three meals a day for 9 or more months per year in the past year compared to both double failed and graduate then failed households ($\chi^2=30.5$, $p<0.001$). Furthermore, there is little difference between graduate groups and their controls, suggesting that despite differences in their total income/expenditure, they are equally prioritising food expenditure. Failed households on the other hand are less likely to have three meals a day for 9-12 months than their respective controls, reflecting their relative poverty.

Discussion: Food insecurity, particularly in this context, is not a static state, and movement along a graduation pathway may be hampered by seasonal factors, depending on changes in labour availability/income opportunities and the availability and affordability of food during different times of the year. Furthermore, not all members of the household will be affected equally. Qualitative discussions revealed that adult women appear to be the most vulnerable members in the family. They are the most likely to skip or reduce their meals, followed by adult males. Sometimes the whole family has to reduce their intake.

e) Higher expenditure on and consumption of nutritious food is associated with graduation. However, even among graduated households, diets in the area are still significantly below the national average and sub-optimal

Expenditure and consumption of a variety of nutritious foods were key graduation criteria. There were few differences between groups for the commonly purchased foods, which include rice, oil, spices, salt, dhal and vegetables, suggesting that demand for these items is relatively inelastic. However, significant differences in expenditure between graduation groups were observed for several nutritious foods/food groups such as sweet potato, chicken and fruit. In addition, for all groups, but particularly for both failed groups, the control group had a higher reported expenditure on almost all food items.

As one would expect, these patterns on food expenditure are mirrored in consumption. Regular consumption of diverse food groups was one of the criteria used to define graduation, with households that consumed five or more food groups on a weekly basis meeting the food diversity graduation criteria. As expected, the frequency and diversity of food consumed

was higher among graduates and seasonal food insecurity was lower compared to non-graduates. Diet quality was assessed using the food consumption score (FCS), a frequency weighted dietary diversity score for a household over the past 7 days that provides a more comprehensive measure of diet quality than the binary graduation criteria described above. This assessment found that 53% of double graduate households had an adequate food consumption score compared with 38% of recent graduates with an adequate FCS; 36% of graduated then failed and 29% of double failures ($\chi^2=27.96$, $p<0.001$). Furthermore, when individual food group consumption was analysed, it was found that graduates consume more fish (95% vs 91%, $\chi^2=5.6$, $p=0.018$), meat (57.9% vs 43.6%, $\chi^2=16.2$, $p<0.001$), dairy (10% vs 6%, $\chi^2=4.4$, $p=0.35$), fruit (23% vs 12.5%, $\chi^2=14.7$, $p<0.001$), legumes (74% vs 65.8%, $\chi^2=6.23$, $p=0.013$), and sugar (52% vs 44.4%, $\chi^2=4.8$, $p=0.028$) than failed households, with consumption of inexpensive food such as starches and some vegetables being similar across groups. Double graduates are the only group who had a comparable diet to their controls with all other groups having lower food consumption scores than their controls.

Despite the improvements in diet associated with graduation it is important to note that even among graduates, when measured against a universal standard, their diets are still extremely poor. According to FSNSP 2013¹⁹, at national level, 26% of all households and 54% of the poorest quintile consumed suboptimal diets according to a food consumption score, with Khulna division reported at 33%. Overall, 61% of SHIREE households and 46% of the control households were consuming suboptimal diets.

Discussion: The differences between the purchasing and consumption habits of the different graduation groups would suggest that affordability remains a significant factor when households decide whether or not to purchase nutritious foods, with the poorest groups being able to afford less. However, the overall poor food security scores even among the graduated groups clearly illustrates that food security is a serious issue in this area; one that cannot be addressed solely through succeeding on the SHIREE graduation pathway. A Cost of the Diet study carried out by Save the Children in 2011 found that it is possible to meet the energy and nutrition requirements of a typical household in Khulna using locally available food, but the cost is beyond the reach of most poor households with the affordability gap ranging from 27 to 53%. This raises questions around whether the income threshold in the SHIREE graduation model was set too low and a higher income is required in order to obtain an adequate diet.

f) Improved health was not an outcome of graduation

Health is a significant issue in this context, with 40-62% of SHIREE and non SHIREE household groups having

experienced illness within the last three months. Two important trends were noted among these households. Firstly, SHIREE households experienced higher rates of illness in the last 3 months than their controls (58% vs 46%, ($\chi^2 = 24.03$, $p < 0.001$)). Secondly, there is no association between improved graduation and reduced incidence of illness. In fact, the likelihood that a household faces an episode of illness within the double graduated group is higher compared to the households within the double failed group. Of the types of health complaints that people experienced, infectious disease was the highest, followed by arthritis and pains. The incidence of various types of disease doesn't affect the likelihood of being in any particular graduation group or differ between SHIREE and control households. However, there is one exception: The exception to this was infectious disease where double graduates reported a higher incidence than double failures.

(which could be caused by chronic illness in some cases) it is not surprising that cases had higher illness incidence than controls.

The types of health complaints reported likely reflect the sub-optimal sanitation situation in the area, and also the labour-intensive jobs upon which most households rely. The fact that double graduates were significantly more likely to experience illness overall and specifically infectious disease, and still achieve and sustain graduation is interesting. As suggested above in the discussion on health shocks, it is possible that despite episodes of illness, the double graduate group, with better incomes and savings are able to tide over health issues so graduation is more closely related to how a household copes with health shocks rather than whether they experience them in the first place.

What was the overall impact of the project on children in SHIREE households?

Economic strengthening and graduation programmes are often designed based on the assumption that increased household wealth will in turn result in improved child wellbeing, both in the present and in the future. It is critical to test this assumption and try to understand a) whether improvements in a household's economic situation are sufficient to fund a significant increase in child-related expenditure, and protect them from harm; and b) whether decision-makers in the household have the knowledge and/or will to make those investments.

g) Improved infant and young child feeding practices is an outcome of graduation

One of the key assumptions embedded in the SHIREE model was that the combination of increased income, improved awareness of optimal child feeding practices, and in some cases increased availability of home produced food, would translate into improved nutrition outcomes for children. This is an important objective in the Bangladesh context where about 38% of rural children are suffering from chronic malnutrition and well over half are anaemic or have other micronutrient deficiencies²⁰. While data on the nutrition status of children pre and post intervention are not available, the evaluation did highlight important changes in key feeding and caring practices that contribute to nutrition outcomes. In three key nutrition indicators (food consumption during pregnancy; exclusive breastfeeding, and dietary diversity), there were significant differences between both SHIREE households and their controls²¹. Increasing food intake during pregnancy is a crucial step to ensuring the health and well-being of both mother and baby. Unfortunately, in Bangladesh it is still a very common practice for mother to reduce food intake during pregnancy with the most recent FSNP report finding that 40% of mothers reduced food in their last trimester compared to before they were pregnant²².



Discussion: These trends suggest that the economic improvements associated with graduation have not equated to improvements in health. This could be for a number of reasons: that the main drivers of disease were not directly addressed by this project; that the courtyard sessions did not address the behavioural issues related to these health issues; or that the time taken for economic gains to translate to improved health outcomes is longer than the evaluation period. In addition, since disability was one of the targeting criteria

CASE STUDY

Ability to go to school and reduction of child labour

“Before the programme, there were a number of poor children from Rupsa Khula who could not go to school due to poverty and were working. Some used to pick papers from the street, deliver water to shops and hotels, work at tea stalls. Some worked at the fish port, some at garages and workshops which are risky jobs. Because of the programme, it increased income sources for our parents and we go to school now. At the Learning and Recreation Centre we can play. Nowadays, in our locality child labour has reduced. There are children who go for tuition for free. Our family eats three healthy meals. Our siblings wear good clothes. Our parents no longer fight. Our parents dream we children go to school and have a bright future”

SHIREE photovoice participant from Rupsa Khula

CASE STUDY

Child Labour

“A 12-year-old boy is supposed to attend school, receive affection from parents during sleeping and waking up. But poverty did not allow him to enjoy all these. He is unable to stay with his parents. He is working as a helper of a truck. He sleeps inside a truck and wakes up hearing the bad words from the truck driver. His potential bright future days are going to fall in dark.”

SHIREE photovoice participant

households with boys and girls consuming eggs at comparable rates (37.5% vs 34.4%, $\chi^2=0.14$, $p=0.705$).

Discussion: The differences in nutrition behaviors between SHIREE and control households can likely be attributed to a combination of economic and knowledge and behavior change differences resulting from the livelihood interventions and courtyard education sessions. The fact that only double graduates were more likely to practice optimal caring practices than other graduation groups suggests that even for behaviours with no direct financial outlay – such as increasing rest during pregnancy or exclusive breastfeeding – there may be economically limiting dimensions to these behaviours such as the mother’s ability to take time away from other productive activities. The reasons for the increased consumption of meat and dairy among control households are not clear. However, given that these tend to be the most expensive food groups, it may be reasonable to assume that control households had greater income or access to livestock in order to buy or purchase these items.

h) High school enrolment rates were common across all groups, but increased expenditure on education was higher in graduated groups

Children in more than 85% of households who were eligible for schooling were enrolled, with no significant differences in enrolment between SHIREE and control households and between graduation groups. Enrolment in school of primary aged children was a graduation criteria. The fact that it did not vary significantly between graduation groups indicates that this was a widely achieved criteria even in non-graduating groups. However, there were notable differences in the number of households reporting expenditure on education. 62% of both double graduate and failed then graduated households reported spending money on education, compared with only 38% of graduated then failed ($\chi^2=23.35$, $p<0.001$) and 49% of failed households ($\chi^2=7.28$, $p=0.007$).

Overall, mothers from SHIREE households were less likely to report reduced food consumption during their last pregnancy compared to controls (6.3% vs 20.4%, ($\chi^2=13.3$, $p<0.001$), but both beneficiary and control groups showed lower rates of food reduction than those reported by FSNP nationally. Within graduation groups, graduates were more likely to increase food intake during last pregnancy, 62.0% compared to 39.7% ($\chi^2=7$, $p=0.008$) in failed households.

Only 29% of SHIREE households gave children prelacteal food (i.e. any food given before the colostrum) compared with 40% of control households though differences were only significant between double graduates and controls (17% vs 42%, ($\chi^2=5.1$, $p=0.024$). Half of SHIREE households reported exclusively breastfeeding children under 6 months while only 31% of their controls reported the same ($\chi^2=13.4$, $p<0.001$). For both of these indicators as you move up the graduation groups, practices improved slightly suggesting a link between graduation and an ability to implement acquired knowledge on child nutrition, though this was not significant. Complementary feeding practices were similar across beneficiaries and controls except in consumption of dairy and meat where children from control households consumed dairy and meat at roughly double the rate of beneficiary households (7.8% vs 18.5% for dairy products, $\chi^2=7.96$, $p=0.005$ and 6.3% vs 14.1% for meat, $\chi^2=5.2$, $p=0.023$). Egg consumption in control households was gendered with boys consuming eggs more than girls (46.1% vs 31.6%, $\chi^2=4.38$, $p=0.036$). This gender difference was not seen in beneficiary

Discussion: This overall high level of school enrolment suggests that social norms and public services around education are already largely supportive of children going to school, even in poor households. The differences in expenditure however may suggest that graduated households are able to spend more money on books, stationery and uniforms. The evaluation did not measure school attendance or retention, so this increased expenditure could also potentially reflect differences in school attendance.

i) A reduction in child labour was not an outcome of graduation, though child labour is not a significant issue in the area

Reported incidences of child labour were very low; only 2% (30 children) of all SHIREE and control households, with no significant difference between graduation or control groups. In households where child labour persists, it is mostly the male child, and he is likely to have not enrolled at school or dropped out of school. The average age of children participating in child labour is 15, with a minimum of 8 years (1 child). Of the children participating in child labour, (9 of the 30 children) were of school going age (14 years and less); of these, (3) had not enrolled in school, (5) have dropped out and only (1) is enrolled in school. Their work is in a range of sectors including, domestic service, rickshaw pulling, fishing, agriculture day labour, garment work, crab fishing, and petty trading.

Discussion: While these are not a large number of children, and there is no clear association between child labour and graduation group, it is important to

acknowledge that these children are likely to be among the most vulnerable in their community, facing specific risks and rights violations.

j) Empowerment of adolescent girls may be an outcome of graduation

The SHIREE project has maintained a special focus on adolescents, especially on the adolescent girls. They have formed community groups of girls, who gather weekly and receive knowledge related to girls' health and nutrition and on life skills. The sample of households with adolescent girls was too small to cover in the quantitative study, however the qualitative analysis suggests that adolescent girls involved in the project have increased their knowledge and confidence as a result. The girls who reported attending many of the trainings were well aware of a range of issues such as women's health, good water and sanitation practices, food and nutrition requirements for young girls and women (they were also given iron folic acid pills), climate change, early marriage, dowry, etc. The girls suggested that they are able to practice what they learn, though community volunteers admitted that not all adolescent girls were able to attend the group meetings due to school schedules and support for housework.

Discussion: While there is inadequate data to draw any conclusions on the links between graduation and adolescent empowerment, the qualitative data suggests that there is value in focusing on this group in particular, in order to instil knowledge, behaviours and practices from a young age which may improve their future wellbeing.





LESSONS FOR THE SECTOR ON GRADUATION

HOW THE DESIGN OF SHIREE COMPARES TO OTHER GRADUATION PROJECTS IN BANGLADESH:

The SHIREE project is one of a number of graduation programmes that have been designed to sustainably graduate the poorest people out of poverty through a series of layered and sequenced interventions. Comparisons with the other graduation models that have been used can help to illuminate the relative strengths and weaknesses of the programme's design.

The Save the Children SHIREE design was compared with a number of other graduation projects in Bangladesh through a review of secondary research. Two other models that were most comparable and are considered below include: the DFID Chars Livelihood Model (CLP) and BRAC's CFPR-TUP model.

The CLP works with the goal of improving the livelihoods of extremely poor households living in Chars

(river islands) in north western Bangladesh. Extremely poor households living in Chars benefit from the full support of access to health services, village savings and loans groups, cash for work etc.

The BRAC CFPR-TUP programme has a target of driving 1.2 million extreme poor out of poverty in 268 Upazilas (sub-districts). A multidimensional program, CFPR-TUP incorporates both livelihood protection and livelihood advancement components. It emphasizes the development of human capital (such as health, education, and training) and physical capital (such as through asset transfers) specifically for poor women with the goal of helping them graduate from the programme.

An analysis of the secondary data on these other programmes identified a number of similarities and differences, and potential implications of these. The following are some key design considerations where the SHIREE model differs from the others reviewed:

More rigorous targeting process: All the models studied targeted the extreme poor, with context-specific indicators to help identify them. There were usually one or two levels of verification in targeting in other models, while Save the Children's SHIREE programme had three levels (local verification of wealth ranking, house to house verification by programme staff of household profiles and finally verification of selected and excluded households by local government and NGOs). From discussions with SHIREE personnel, while this did mean that targeting was very time consuming, with associated cost implications, the SHIREE targeting was extremely rigorous, ensuring minimal inclusion and exclusion errors. The rigidity and transparency of this approach also greatly reduced the risk of manipulation by external actors and increased acceptance and buy-in by communities. By contrast, in CFPR-TUP only 52% of the sample households that were classified as ultra-poor were in fact below the \$1.25 a day poverty line. This has been linked by Bandiera et al.²³ (2016) to the fact that beneficiaries were selected on the basis of locally defined criteria rather than income proxies.

- **Absence of regular cash transfers:** The core components of the different graduation models studied are similar, involving variations of: transfer of cash or productive assets, business skills, diversification of livelihoods, disaster risk reduction activities, access to social safety nets, awareness of health, nutrition and other social issues, group formation, and community level linkages. The major area where SHIREE's model differs to those of other programmes is that it did not itself provide any kind of regular cash stipend except temporarily in rare cases (as noted above. However, 40% of SHIREE beneficiaries were benefitting from some other form of social safety net). Cash transfers are a costly intervention, and the absence of follow-up cash support in SHIREE is likely to be a major contributing factor in the lower cost per beneficiary. The annual cost of the SHIREE programme per beneficiary household was 51 USD, which contrasts with an annual cost per beneficiary household in the CLP programme of approximately 262 USD. However, while the SHIREE model was considerably less costly, this does not necessarily mean that regular cash transfers do not have a role to play in graduation programmes. Indeed, one recent review of graduation programmes indicates that for the very poorest (which this study found usually did not graduate), regular cash transfers may in fact be a way to improve graduation rates for certain types of cases.²⁴ These would need to be carefully and transparently defined to ensure community acceptance of non-universality.

Additionally, in terms of value for money, if cash transfers lead to greater longer-term benefits, then costs per beneficiary may be higher, but overall value for money might be greater than cheaper programmes.

- **A greater focus on the household rather than the community:** Although all of the graduation models involve group formation, the level of emphasis placed on the groups varies, and this is another area where the SHIREE model differs from other approaches. The SHIREE model is primarily a household focused model, which works with extreme poor households, develops micro-plans for IGAs that include asset and skill transfers and safety net access. Community groups were formed through courtyard sessions for knowledge dissemination on health and life skills, and informal savings in some cases. The model, in its later stages included community linkages. By contrast, BRAC's CFPR-TUP, EU Food Security for the Ultra Poor (FSUP), and CLP models are all hybrid, focusing on asset and IGA skill transfer both at a household level and introducing community elements in the early stages of the graduation pathway. For example, CFPR-TUP focused on group formation and CLP begins with group formation and focuses on training and group meetings for three months before transfer of the first asset; the EU FSUP also first concentrated on organising women into self-help knowledge management groups. These efforts of community linkages came later in the Save the Children SHIREE pathway than other programmes. While this resulted in providing strong support at the household level, in some areas it came at the cost of relatively weaker community-based structures (due to the time-bound nature of the project), which could be important for ensuring longer-term sustainability. Linked to this, SHIREE did not have a strong focus on market linkages and market systems, which has been identified by several key informants as a weakness of the programme and may have affected the sustainability.
- **A less formal focus on saving and financial literacy:** The BRAC CFPR-TUP had compulsory savings as a part of its model. The CLP also promoted savings by mobilising groups into village savings and loan associations and promoted market linkages. Group saving was also an important element of the EU FSUP model. By contrast, in the SHIREE model, the approach to savings was more informal, consisting of awareness generation through courtyard sessions and facilitating informal group level savings.



CONCLUSIONS

Overall the SHIREE programme achieved an impressive level of success with over 80% of beneficiaries graduating from extreme poverty. Furthermore, 64% of households sustained this status for a period of three years without additional support from the project. The following summary learnings should be taken forward in future programming to ensure that the high success rates are maintained and interventions further refined to realize additional improvements for the very poorest.

1.

A few key interventions/approaches can protect graduation status:

Taking the unusual step to monitor the graduation status of households well after their exit from the programme provided useful insights on what enabled households to retain their graduation status while others lost theirs. While households' pathways to graduation will differ based on their individual choices, it would appear that the factors that made the biggest difference in households being able to sustain graduation (i.e. between double graduates and graduated then failed households) were: saving, women's empowerment, feeling prepared for shocks, and home food production. It appears that these four components are somewhat foundational to the graduation pathway, though home food production may be more context specific depending on the nature of the food system.

2.

Achieving sustainable graduation is not a linear journey:

The graduated then failed, and failed then graduated groups in SHIREE demonstrate that positive outcomes are not uniformly achieved or sustained in the long-term and that graduation is not a one-way journey – a fact already well documented in evidence generated from other graduation programmes²⁵. Some graduated participants remained vulnerable to external shocks such as serious illness, death of breadwinner, divorce and abandonment, loss in business, severe weather and climatic shocks, seasonality and eviction threats. This was often enough to erode or slow down programmatic gains for the less resilient. Indeed, Bangladesh's background paper on the seventh Five year plan, while discussing the financing of zero extreme poverty in Bangladesh, suggests that shock-prevention programmes need to be equally diligently costed as programmes to move people out of extreme poverty, going on to assume that the aggregate cost of preventing the fall of a poor person into extreme poverty due to sudden shocks would at least be half the cost of lifting an extreme poor person out of extreme poverty.

3.

Graduation models may not work for the very poorest and most marginalized

The double failed group that represent 5% of all beneficiaries tells us that we cannot expect the most vulnerable/deprived to participate in graduation-based development programmes in the same way as other households. We also know from our analysis that there are a set of pre-existing characteristics that can help us identify those households who may be more or less likely to graduate. Female, dependent or illiterate headed households were less likely to graduate from poverty through the given intervention model, compared to male headed, literate and non dependent headed households. While the SHIREE programme did have a separate measure for the very poorest households, who were old and bed-ridden, notably the 'temporary financial assistance' cash grants, they were still measured against the same graduation outcomes and as such, perhaps they were unlikely from the outset to graduate. In order for them to receive this assistance, the main criteria they had to meet was extreme labour constraint, reflecting an inability to participate in IGAs, the main intervention component of the SHIREE model. It is therefore perhaps necessary to modify interventions and graduation expectations for the most poor and vulnerable households from the design stage.

4.

Regular, predictable cash transfers may be useful for avoiding negative coping mechanisms:

On the one hand, 87% of SHIREE beneficiaries were able to reach the graduation threshold without the support of a cash transfer (beyond the IGAs provided) or stipend from the project. On the other hand, just under half of the assets transferred in 2011 were 'lost' three years later, indicating negative coping mechanisms were used or households were not sufficiently able to look after their assets. This raises the question over whether an additional cash transfer to provide consumption smoothing and protect assets in the face of shocks may have prevented such losses and enabled graduated households to graduate even further beyond the minimum graduation threshold. Moreover, by providing regular consumption support, it may well have enabled the 914 'graduated-then failed' households to maintain their position of graduation over time and assisted some of the very poorest households to achieve the graduation threshold.

5.

Graduation can lead to improved child wellbeing, if designed with these outcomes in mind:

The assumption that increased income and resilience at the household level will automatically lead to improvements for children is a risky one. The SHIREE programme to some extent relied on this assumption, and in some instances, went beyond it to actively bring about changes for children. For example, the increases in household expenditure that were observed with double graduates were an unexpected consequence that had not been encouraged or, until the final evaluation, measured. While the project actively encouraged improved infant and young child feeding practices through its Courtyard nutrition education component, it did not measure anthropometric data, or routinely collect child dietary diversity data so it is difficult to know the extent to which the project resulted in tangible nutrition outcomes. That said, the data that were available suggest that SHIREE households reported improved IYCF behaviours compared to their proximate controls. Graduated households also had higher rates of adoption of key IYCF practices than failed households suggesting that they were better placed to apply other key nutrition practices. The overall poor performance of these indicators across all groups however highlights that greater focus needs to be placed on social and behavior change communication and improving care practices in future programming to translate economic gains to better health and growth outcomes for children.





RECOMMENDATIONS

1.

Support household saving and financial literacy: Savings and group formation were seen as complementary to the main vehicle for graduation; the IGAs. Yet despite this, the saving behaviours of graduated households suggest that saving was indeed an integral component of the graduation pathway. Future graduation projects should therefore include a more explicit focus on household saving and financial literacy.

2.

Find a balance between the household and community model: The extreme poor segment of the society targeted by graduation programmes, tends to be 'invisible' and operates on the fringes of community socio-economic and political systems; are physically situated at village boundaries; and are voiceless. To this extent it is necessary to design family-centric models so that the extreme poor households are adequately identified and get included in development programmes. The efforts to vertically uplift groups towards a more sustainable household financial status, and horizontally integrate them with the community is effort intensive. Community related efforts sooner in the pathway should be considered to address this although identifying the most appropriate moment to engage the community will depend on context. Community linking may actually work better after a certain level of uplift has been achieved, thus earning them more social capital.

3.

Rethink graduation models for the very poorest and most marginalised: As the double fail households have proven, some households do not have sufficient means, skills, productive capacity, social standing, and self-belief to follow the same graduation pathway as others. That is not to say that programmes should ignore or give up on these households, but they need to be specifically targeted and supported through a different model, with a much stronger focus on social assistance.

4.

Consider whether regular cash transfers are necessary to protect assets: While SHIREE was considerably less costly than other graduation models due to the absence of regular consumption support through cash transfers, their absence may also explain the high levels of asset loss, in so far as they are linked to distress sales and negative coping mechanisms. The fact that even though a quarter of SHIREE beneficiaries were benefiting from a social protection transfer of some kind, the government also raises the question of whether the amount of these transfers is sufficient to protect consumption and prevent negative coping in the face of shocks. Some form of consumption support may therefore be needed to form an important part of the graduation package, at least for some of the beneficiaries, in such a context of frequent shocks and

stresses. The impact of health shocks undermining gains also indicates that inclusion of some form of health insurance into such projects would help to guard against graduation failure.

5.

Incorporate flexible designs and regular monitoring and evaluation to prepare for ups and downs:

Given what the graduated then failed and failed then graduated groups have demonstrated about the non-linear nature of graduation, programmes such as these must retain a level of flexibility to enable households to bounce back from shocks during the life of the project. For example, there should be provisions for what happens to households who lose their assets during the project, or support and mentoring to help households to adapt their livelihood strategies in line with changes in their circumstances or external factors. Furthermore, regular monitoring and evaluation is needed to see whether households are actually on track, not just in terms of measuring project targets but identifying shocks and stresses sufficiently early that support may be given. Increasing the duration of projects such as this should also be considered to allow for more time for households who have suffered a shock or fallen off their graduation trajectory to recover and build resilience.

6.

Gender and resilience should be central to the graduation model to sustain results:

The most significant factors which differentiated those households who retained their graduation status from those who did not were saving, women's empowerment, feeling prepared for shocks, and home food production. The first three in particular are common features of good livelihoods and resilience programming. While home food production proved important in this context, this may be a result of the specific food security situation, and the appropriateness of including this in other graduation models would need to be considered depending on a given context. At the same time, it is important to recognise that explanations as to why some households descend or backslide into poverty while other (more resilient) households reveal a nuanced, complex picture that reflects the heterogeneity within communities and belies simplistic policy prescriptions (or silver bullets). Graduation programmes must be mindful of the seasonal calendar of the context, and consider additional interventions to boost incomes, protect assets and prevent harmful coping strategies, particularly related to food consumption, during these 'lean' periods.

7.

Articulate and programme for outcomes for children:

The World Bank identify half of those living on under \$1.90 per day in low and middle-income countries as children, much higher than the percentage of children in the total population. Children living in income and multidimensional poverty experience a range of deprivations including in nutrition, learning and health. Poverty in childhood can lead to greater exposure to violence and exploitation, and is often accompanied by bullying and stigma. It undermines education and so later life chances. Graduation programmes have the potential to end child poverty in the communities which they target. But in order to do so, it is necessary for those responsible for designing and implementing them to make this an explicit goal, rather than an assumption. Context analysis into the drivers and manifestations of child deprivations in a given area are essential. This should be used to set clear, quantifiable goals related to improved child wellbeing, and monitoring systems should regularly and rigorously measure progress against these. In addition to explicit goals around child well-being, unplanned negative impacts of graduation programmes such as increase in child labour should also be monitored and mitigated.

8.

Incorporate support to self-efficacy and psychosocial well-being:

As demonstrated here and elsewhere graduation from extreme poverty is not a linear process and households often face setbacks and shocks along the way. In order to support household's ability to bounce back and preserve their self-efficacy, explicit mechanisms should be incorporated into programme planning. Mechanisms to support beneficiaries in the immediate aftermath of a shock or asset lost whether this is in the form of community support groups, staff visits etc. that go beyond replacement of lost assets to ensure that beneficiaries retain self-efficacy could have positive impacts on the speed of recovery and should be explored in future programmes.

9.

Market systems strengthening should be a core part of graduation programmes:

It is beyond the scope of the current evaluation to look at the market linkages and overall market systems of which SHIREE beneficiaries were a part. However current best practice on livelihood programming suggests that this should be an explicit consideration in the design and evaluation of future graduation programmes in order to overcome the market barriers and blockages faced by the poor (and often women in particular) which can perpetuate their poverty.

ANNEX – Summary of findings and association with graduation

Finding	Association with graduation
1. The factors the predisposed households to success or failure:	
Household demographics and chacteristics of household head were significantly associated with graduation outcomes	<ul style="list-style-type: none"> • Double graduate households were more likely to be headed by a male than female while double failures were more likely to be headed by a female. • Single household heads were more common among double failures than among double graduates • Although low across all groups, literacy of household heads was lowest among the failed households • Failed household head were older on average than the heads of graduated households
Graduated HHs had more empowered women	<ul style="list-style-type: none"> • Double graduate groups had higher female participation (82%) in IGAs than either of the failed groups (67.7% and 64%) • SHIREE HH were more likely to have women engaging in HH decisions than their controls
Positive correlation between the practice of saving and graduation	<ul style="list-style-type: none"> • Double graduates had significantly higher rates of savings (43%) than all other graduate groups as well as their controls.
HHs who re-invested their own money into their livelihoods were significantly more likely to be double graduate HHs – but this may not be feasible for extreme poor during initial years of graduation pathway.	<ul style="list-style-type: none"> • 28% of double graduate groups re-invested in IGAs, compared with 17% of failed then graduated groups and only 10% and 12% of double failed and graduated than failed groups respectively. • Significantly more households in both graduate groups invested in IGAs than their respective controls
Graduated HHs were less likely to have received temporary financial assistance	<ul style="list-style-type: none"> • Double failures were almost 6 times more likely to have received temporary financial assistance compared to double graduates.
Graduated HHs were more likely to have participated in the project training on IGAs than failed HHs	<ul style="list-style-type: none"> • Double failures showed the lowest rate of training participation at 78% compared to 88.6% in double graduates
Graduated HHs were more likely than failed households to produce their own food	<ul style="list-style-type: none"> • 54% of double graduates were producing their own food compared to 44% of failed then graduated, 39% of graduated and then failed HHs, and only 33.5% of double failures.
Graduation Characteristics related to Managing Risk, Building Resilience	
HHs ability to retain productive asset is an important determinant of whether they will achieve and retain graduation	<ul style="list-style-type: none"> • 50% of double failed households and 40% of graduated then failed no longer had any asset inputs being used for income-generating activities compared to 27% of double graduates double failures.
Certain types of inputs had more risks and brought greater loss of IGA	<ul style="list-style-type: none"> • Agricultural inputs and transport inputs (loss rate 17.4%) had significantly lower rates of loss than all other categories of inputs which averaged 33% loss across off-farm IGAs, livestock, poultry and aquaculture IGAs to 27% of double graduates double failures.

Finding	Association with graduation
HHs who achieved and sustained graduation felt better able to face disaster	<ul style="list-style-type: none"> 70% of the double graduate group reported being more able to face disaster compared with 53% of the graduated and then failed group, and 48% of the double failed group across off-farm IGAs, livestock, poultry and aquaculture IGAs to 27% of double graduates double failures.
A health shock can prevent, delay or disrupt graduation	<ul style="list-style-type: none"> Ill health was a common occurrence for all beneficiary households regardless of graduation status and beneficiaries had higher rate of illness than their controls (58% vs 46%). Qualitative data showed that health shocks were a significant barrier to graduation.
2. What graduation looks like – outcomes for households and children	
Higher HH expenditure	<ul style="list-style-type: none"> Graduated households were spending more than those who failed to graduate, and the double graduates had highest average per capita daily expenditure, though expenditure remain low across all groups compared to the per capita daily cost of a nutritious diet.
Higher expenditure on mobile phones	<ul style="list-style-type: none"> Of the double failed group, 20% spent money on phones, compared with 25% of graduated then failed households; 39% of failed then graduated; and 45% of double graduates.
Expenditure on debt repayment, religious ceremonies and weddings prioritised by all HHs regardless of graduation type	<ul style="list-style-type: none"> There was little difference in the amount that the different groups spent on religious costs, loans (debt repayment) and weddings.
Higher expenditure on and consumption of nutritious food	<ul style="list-style-type: none"> Frequency and diversity of food consumed was higher among graduates, and seasonal food insecurity was lower compared to non-graduates For all groups, but particularly for both failed groups, the control group had a higher reported expenditure on almost all food items. 53% of double graduate households had an adequate food consumption score, compared with 38% of recent graduates. Graduates consume more fish, meat and oil than failed households, and double failed households consume less fruit and milk than graduates, with consumption of inexpensive food such as starches and some vegetables being similar across groups.
Reduced hunger gap	<ul style="list-style-type: none"> Double graduated households felt able to ensure three meals a day a median of 9 months of the year. Graduated then failed and double failed households could manage only 2 and 0 months respectively. Double graduate households were almost twice as likely 55% to have three meals a day for 9 or more months per year in the past year compared to both double failed and graduate then failed households.

Finding	Association with graduation
Outcomes for Children	
<p>Improved infant and young child feeding practices</p>	<ul style="list-style-type: none"> • Mothers from SHIREE HHs were less likely to report reduced food consumption during their last pregnancy compared to controls. Graduates were more likely to increase food intake during last pregnancy (62.0%) compared to failed HHs (39.7%) • 50% of SHIREE households reported exclusively breastfeeding children under 6 months compared to 31% of their controls • Suggested link between graduation and an ability to implement acquired knowledge on child nutrition
<p>Empowerment of adolescent girls</p>	<ul style="list-style-type: none"> • Adolescent girls involved in the project reported increased knowledge on girls' health, nutrition and life skills and confidence as a result
<p>Increased school enrolment was not an outcome of graduation, but increased expenditure on education is an outcome</p>	<ul style="list-style-type: none"> • 62% of all graduate HHs reported spending money on education, compared with only 38% of graduated then failed and 49% of failed households.

ENDNOTES

- 1 Mariotti, C., Ulrichs, M. and Harman, L. (2016) 'Sustainable escapes from poverty through productive inclusion: A policy guide on the role of social protection'. Chronic Poverty Advisory Network Policy Guide No. 9.
- 2 For an overview of the CGAP-Ford Graduation Model see Hashemi, S. M. and de Montesquiou, A. (2011) 'Reaching the poorest: Lessons from the Graduation Model'. Focus Note 69. Washington, D.C.: CGAP.
- 3 The term *graduation* has also been applied within social protection programmes as a means of identifying when households should be removed from government support. Social protection programmes with a graduation component therefore share some parallels with NGO-led poverty graduation programmes, though also differ in numerous respects.
- 4 Matin, M., Sulaiman, M. and Rabbani, M. (2008) 'Crafting a graduation pathway for the ultra-poor: Lessons and evidence from BRAC'. CPRC Working Paper 109. Manchester: Chronic Poverty Research Centre.
- 5 Op. Cit. Mariotti et al. (2016).
- 6 <http://www.heawebsite.org/about-household-economy-approach>
- 7 'Pusti Kormi' is the Bengali term for 'Nutrition worker'
- 8 Nutrition interventions were expanded in phase 2 to include one to one counseling and micronutrient supplementation, but as the focus of this paper is on phase 1 households the phase 1 interventions are described above.
- 9 For each parameter, three variables were identified based on a scale of desirability to which a score of between 1 and 3 was assigned and then added up. The definition of graduation was based on the overall score of the household. The classification of graduation after the first phase was done using a Graduation Monitoring System (GMS) developed by SHIREE, the elements of which differ from the Phase 1 graduation index
- 10 When the lists of beneficiary households were generated, a number between 1 and 4 was randomly generated for each record which was then replaced with a compass direction so that 1=north, 2=west, 3=south and 4=east. After the field investigator had found and interviewed the beneficiary she walked in the specified direction until she came to the house of a non-beneficiary who was then invited to take part in the study and to be interviewed.
- 11 Mascie-Taylor, N., Ali, Z., Colacicco, A., Islam, F., Farnaz, N., Ormand, J. Factors Affecting graduation from Extreme Poverty: Lessons from EEP/Shiree. EEP/Shiree, 2016.
- 12 Evaluation of Save the Children International Bangladesh's SHIREE programme. Final Report, March 2015. eminence associates for social development and Catalyst Management Services.
- 13 Temporary financial assistance is not a productive asset transfer for income generation, however as TFA was given to the poorest and most labour deficient household in lieu of an IGA transfer in the first round it was included in this analysis as a type of IGA transfer.
- 14 Banerjee A, Duflo E, Goldberg N, Karlan D, Osei R, Parienté W, Shapiro J, Thuysbaert B, Udry C. Development economics. A multifaceted program causes lasting progress for the very poor: evidence from six countries. *Science*. 2015 May 15;348(6236):1260799.
- 15 King, A. Household Economy Assessment Baseline Training Report Fish Cultivation Livelihood Zone, Khulna, Bangladesh. Save the Children. November 2012.
- 16 Ensuring escapes from poverty are sustained in rural Bangladesh – Leveraging Economic Opportunities (LEO) report #32, July 2016
- 17 Geometric means presented
- 18 Mascie-Taylor et al. ref as above.
- 19 Hellen Keller International (HKI) and James P. Grant School of Public Health (JPGSPH). (2014). State of food security and nutrition in Bangladesh: 2013. Dhaka, BD: HKI and JPGSPH.
- 20 National Institute of Population Research and Training (NIPORT), Mitra and Associates, and ICF International. 2013. *Bangladesh Demographic and Health Survey 2011*. Dhaka, Bangladesh and Calverton, Maryland, USA: NIPORT, Mitra and Associates, and ICF International.
- 21 Because not all households had children under 2 years for which these indicators could be measured, the data presented here is based on the sub-sample of 142 cases households and 206 control households that had children under 2 year old at time of survey.
- 22 Hellen Keller International (HKI) and James P. Grant School of Public Health (JPGSPH). (2014). State of food security and nutrition in Bangladesh: 2013. Dhaka, BD: HKI and JPGSPH.
- 23 Bandiera, O., Burgess, R., Das, N., Gulesci, S., Rasul, I., and Sulaiman, M. 2016. Labor Markets and Poverty in Village Economies. *The Quarterly Journal of Economics*, Volume 132, Issue 2, 1 May 2017, Pages 811–870.
- 24 Op. Cit. Mariotti et al. (2016), p.55
- 25 The Chars Livelihoods Programme in Bangladesh: Factors that Enable, Constrain and Sustain Graduation Matthew Pritchard, Stuart Kenward and Maksudul Hannan, IDS Bulletin Volume 46 Number 2 March 2015

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