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The Impact of a Graduation Program on Livelihoods in Refugee and Host Communities in Uganda

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Motivation

- Promising earlier results of the “Graduation” approach in a number of countries on a range of outcomes
 - “Graduation” = asset transfer, coaching, other support
 - Banerjee et al (2015); Bandiera et al. (2017)
- Ultimate goal: inclusive scale
 - How to improve outcomes for a broader set of populations
 - Viability in different settings (e.g. conflict settings Chowdhury et al. 2017, Bedoya et al. 2019, Brune et al. 2022)
 - What components are necessary, at what intensity?
 - Ways to reduce cost / increase cost-effectiveness

Research questions

- How does the approach work in a refugee population (in Uganda)?
- Can group-coaching work as effectively (or better) as individual coaching?
- How important is the asset transfer for the success of the program?

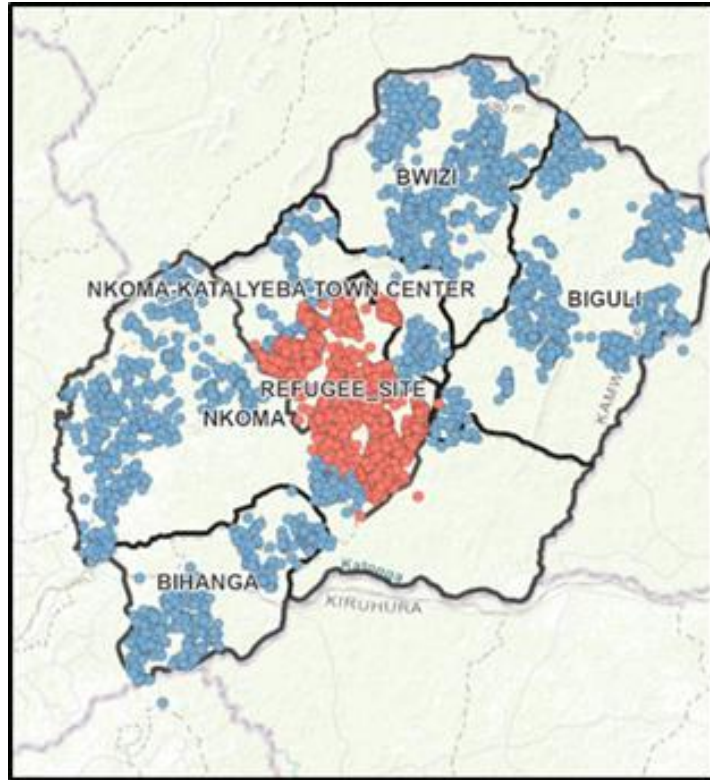
Research questions and answers

- How does the approach work in a refugee population (in Uganda)?
→ well — but note the context!
- Can group-coaching work as effectively (or better) as individual coaching?
→ yes — more cost-effective!
- How important is the asset transfer for the success of the program?
→ Cash asset transfer has high marginal impact (under certain assumptions about persistence of impact)

Context and sample

- Location: Kamwenge refugee settlement (50% of sample) and surrounding host communities
- Implementer: AVSI Foundation
- Primary target participants: economically active women
- Eligibility: 92% (refugees) / 60% (host) of all households
- Refugees are from the DRC, arrival on average 5 years prior
- Existing refugee support: in-kind transfers (UGX31K/person/month or \$8); small plot for house and garden; initial support for shelter/housing; free movement and ability to engage in commerce
- At baseline: 69% have livestock; 67% have income from paid work; 25% have biz; ~100% farming (similar rates for refugees and hosts)

Implementation in the
Rwamwanja **refugee
settlement** and in the
surrounding host
communities



Source: AVSI

Rwamwanja refugee settlement in Kamwenge



Interventions



Intervention

T1: Full program
individual
coaching
(N=2,200)

Consumption support (12 m)	•
VSLA, FFBS, more	•
Individual coaching	•
Group coaching	
Cash “Asset” Transfer	•

Participants are organized in groups of ~25 households

Value of consumption support in total over time, on average: **UGX 1M-1.2M (US\$280-320)**

Value of “asset” transfer: UGX1.1M (US\$300), ~7 months into the program

Coaching: first weekly, then two-weekly sessions (changed after 6 months, only in individual coaching arm)

Interventions and experimental design

Intervention	■	■
	T1: Full program individual coaching (N=2,200)	T2: Full program group coaching (N=2,200)
Consumption support (12 m)	•	•
VSLA, FFBS, more	•	•
Individual coaching	•	
Group coaching		•
Cash “Asset” Transfer	•	•

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Interventions and experimental design

Intervention	■	■	■
	T1: Full program individual coaching (N=2,200)	T2: Full program group coaching (N=2,200)	T3: Individual coaching, no asset (N=2,200)
Consumption support (12 m)	•	•	•
VSLA, FFBS, more	•	•	•
Individual coaching	•		•
Group coaching		•	
Cash “Asset” Transfer	•	•	

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Cluster-level and hh-level randomization

Treatment village clusters
(21 refugee / 36 in host)

First step of randomization: village clusters into Treatment and Control village clusters
Second step within treatment villages: randomization into the 4 groups at the household level

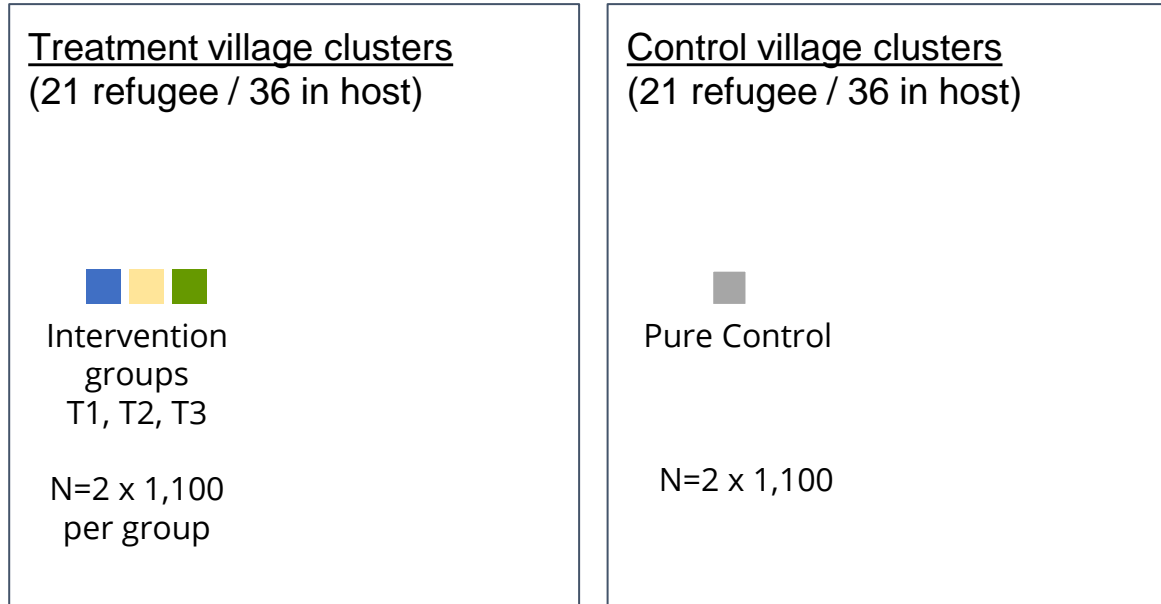
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Treatment village clusters
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Control village clusters
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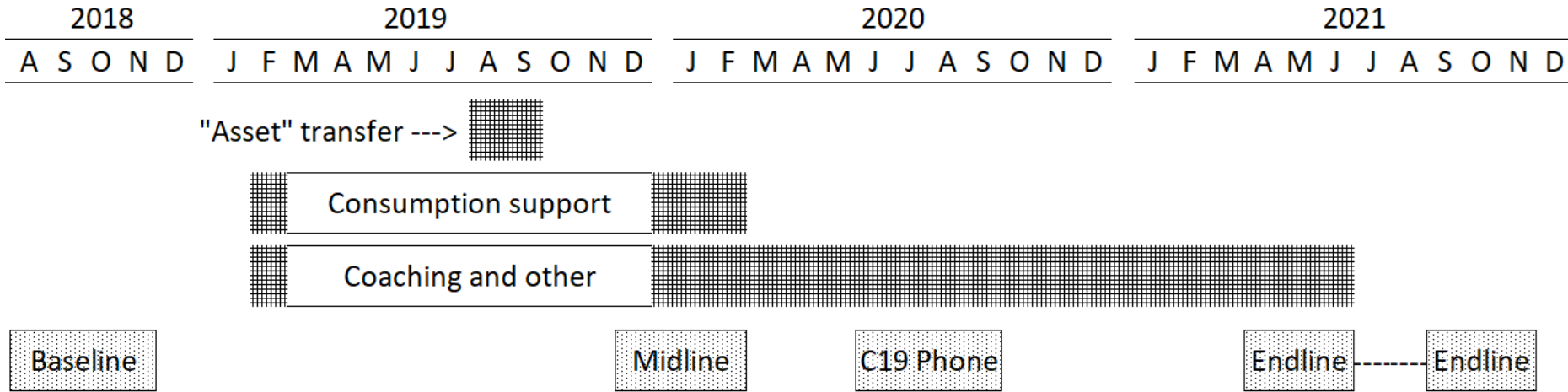
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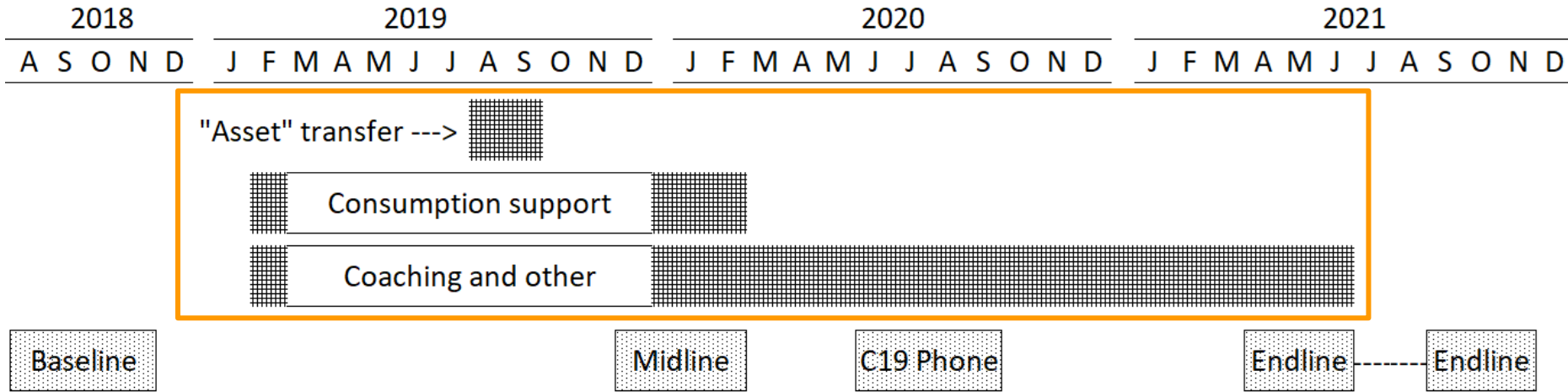


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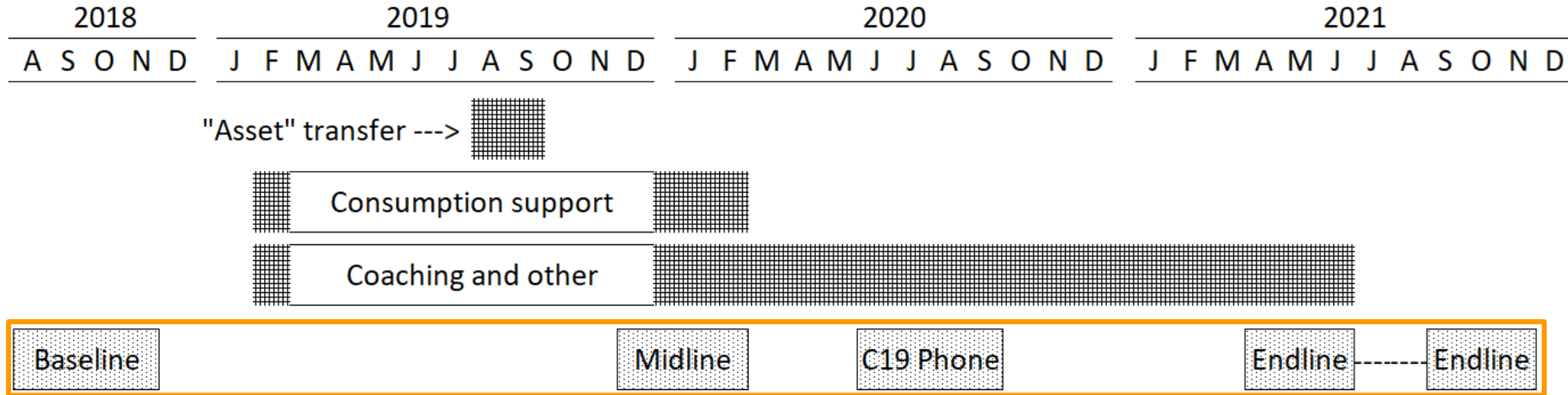
Timing of activities and data collection



Timing of activities and data collection



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Endline data collection

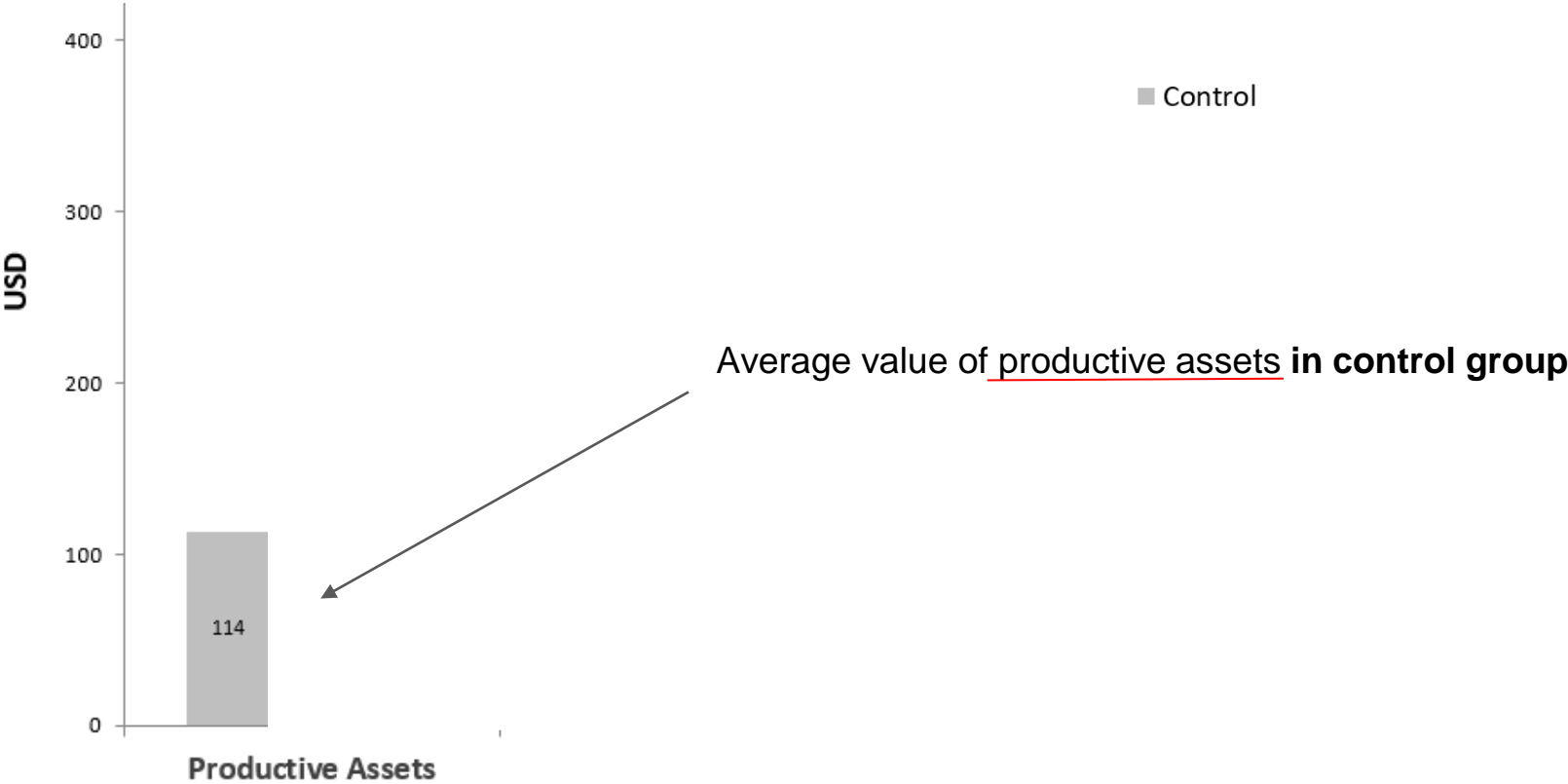
- ~10,500 households surveyed in in-person interviews covering a wide range of topics
- Response rate: 95% hosts, 94% refugees
- No differences in response rates by experimental conditions

Graphs: Bars show average in control + estimated impacts

P-value from H_0 : With asset (T1 & T2) = No asset (T3)

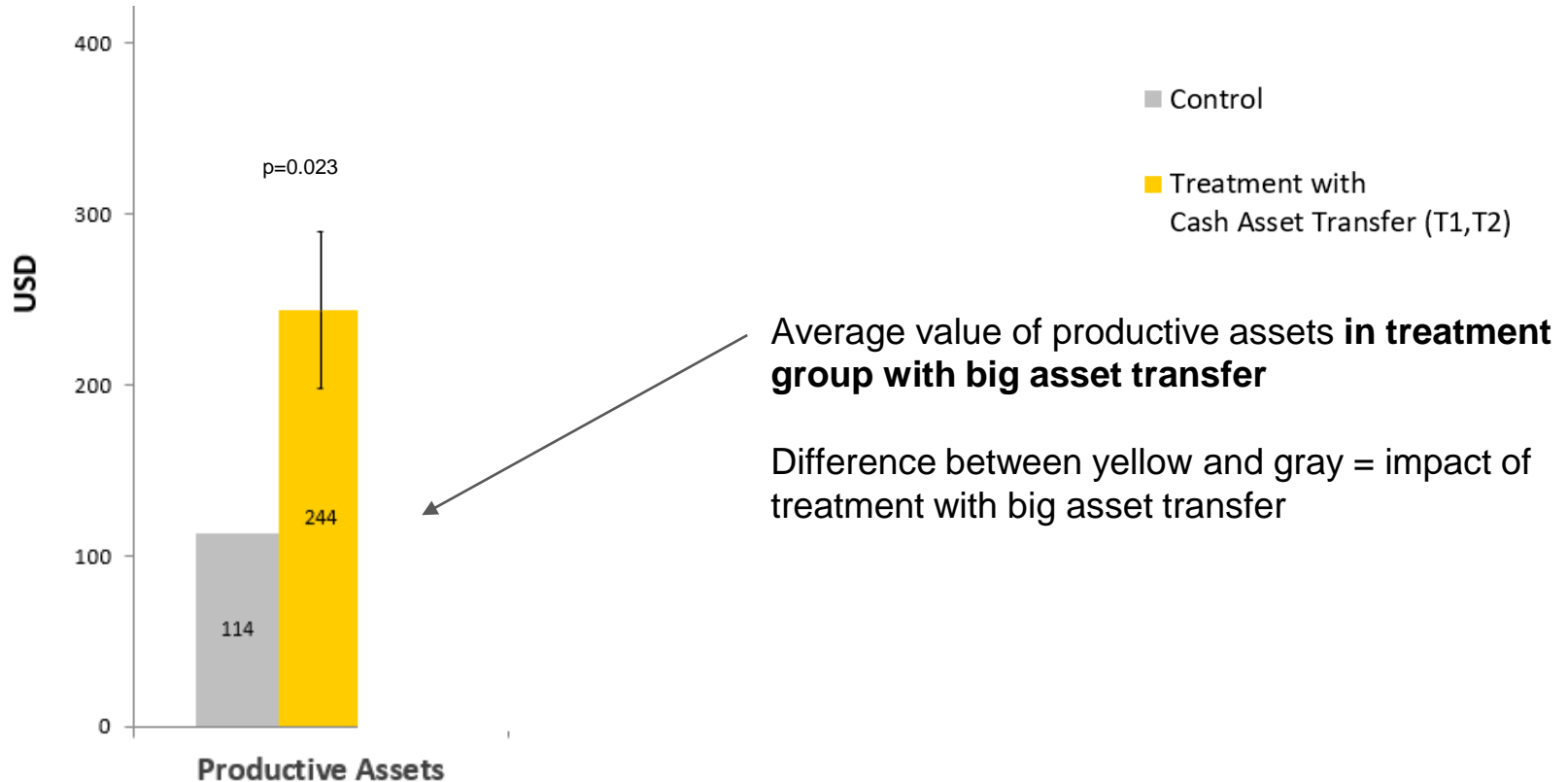
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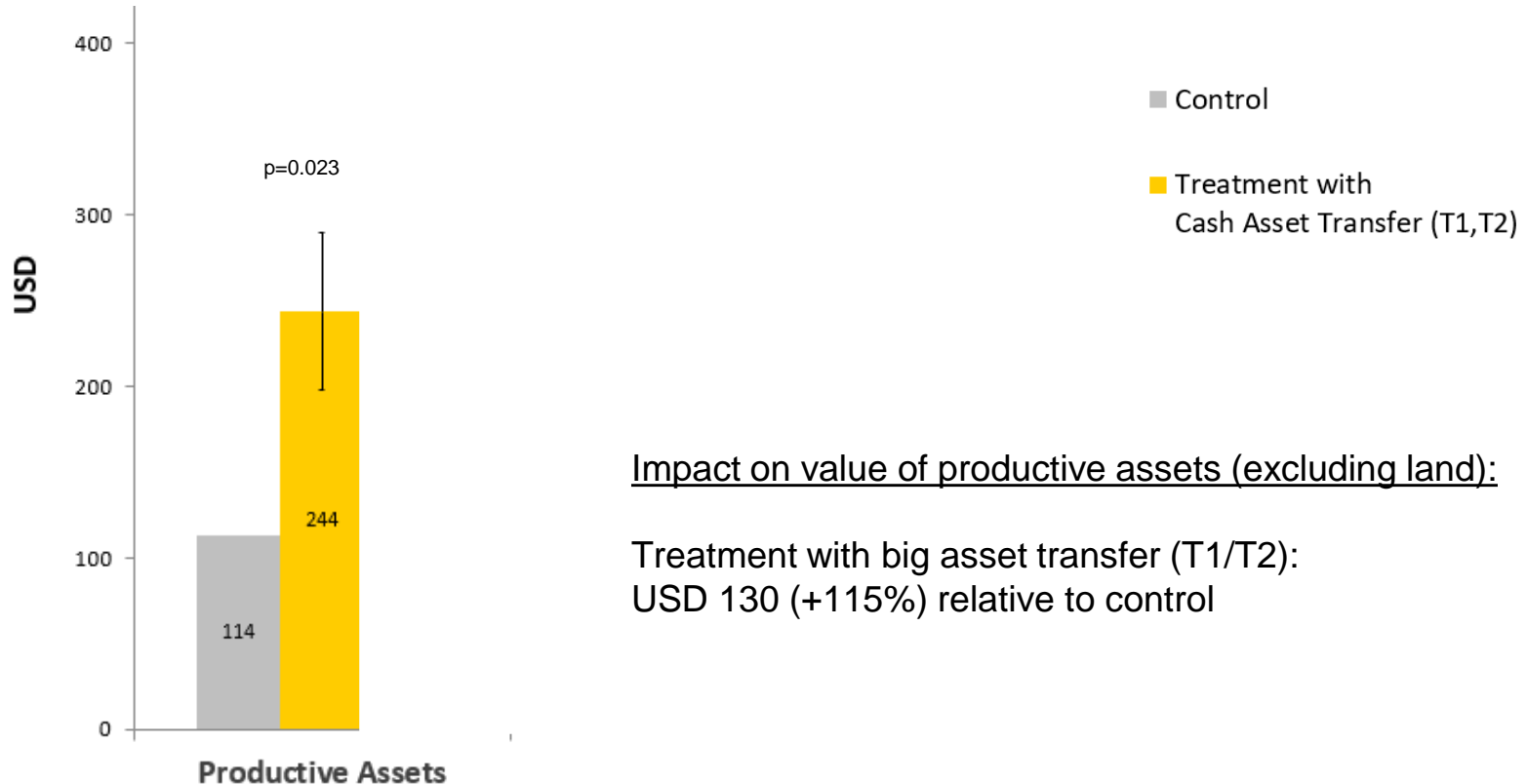
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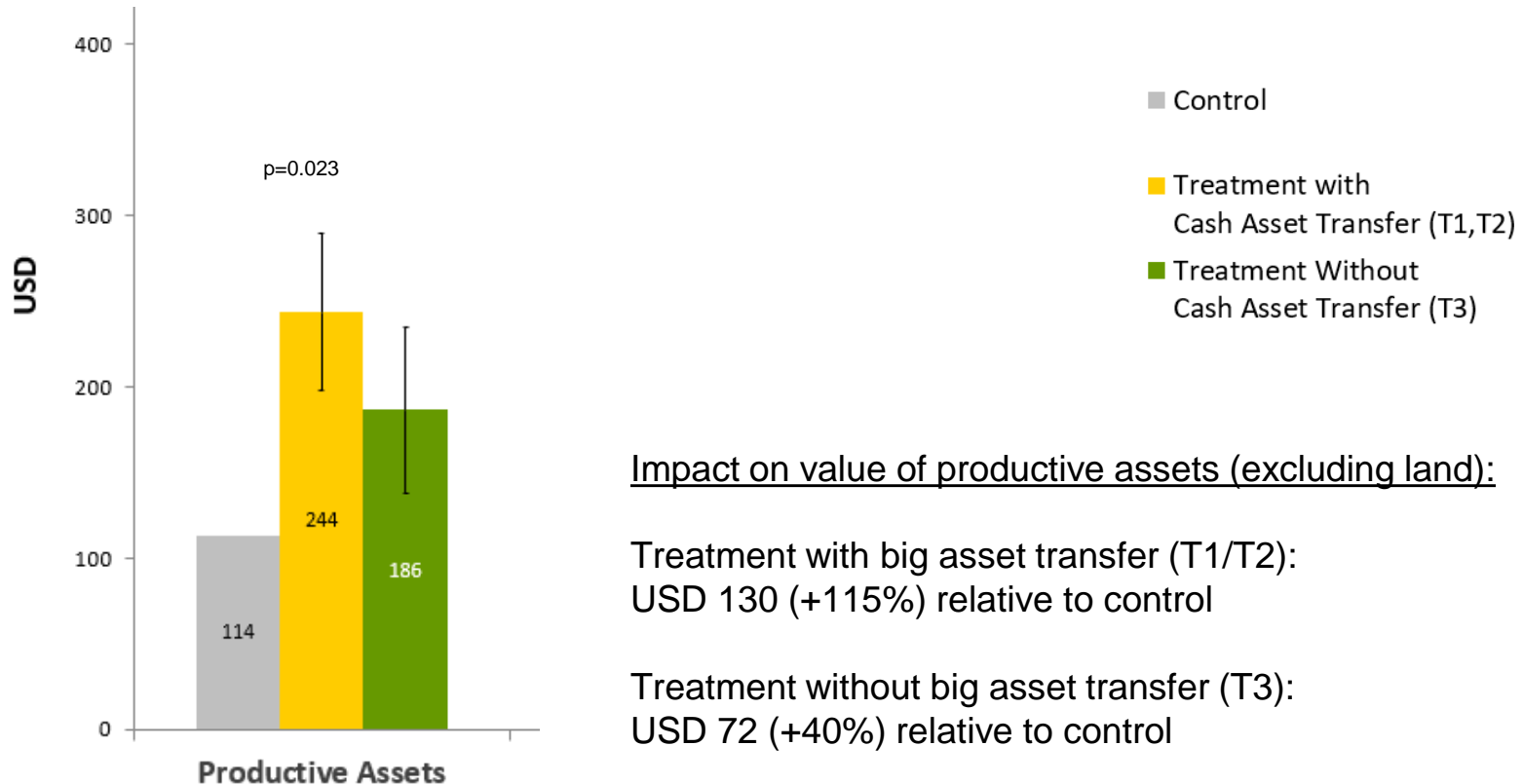
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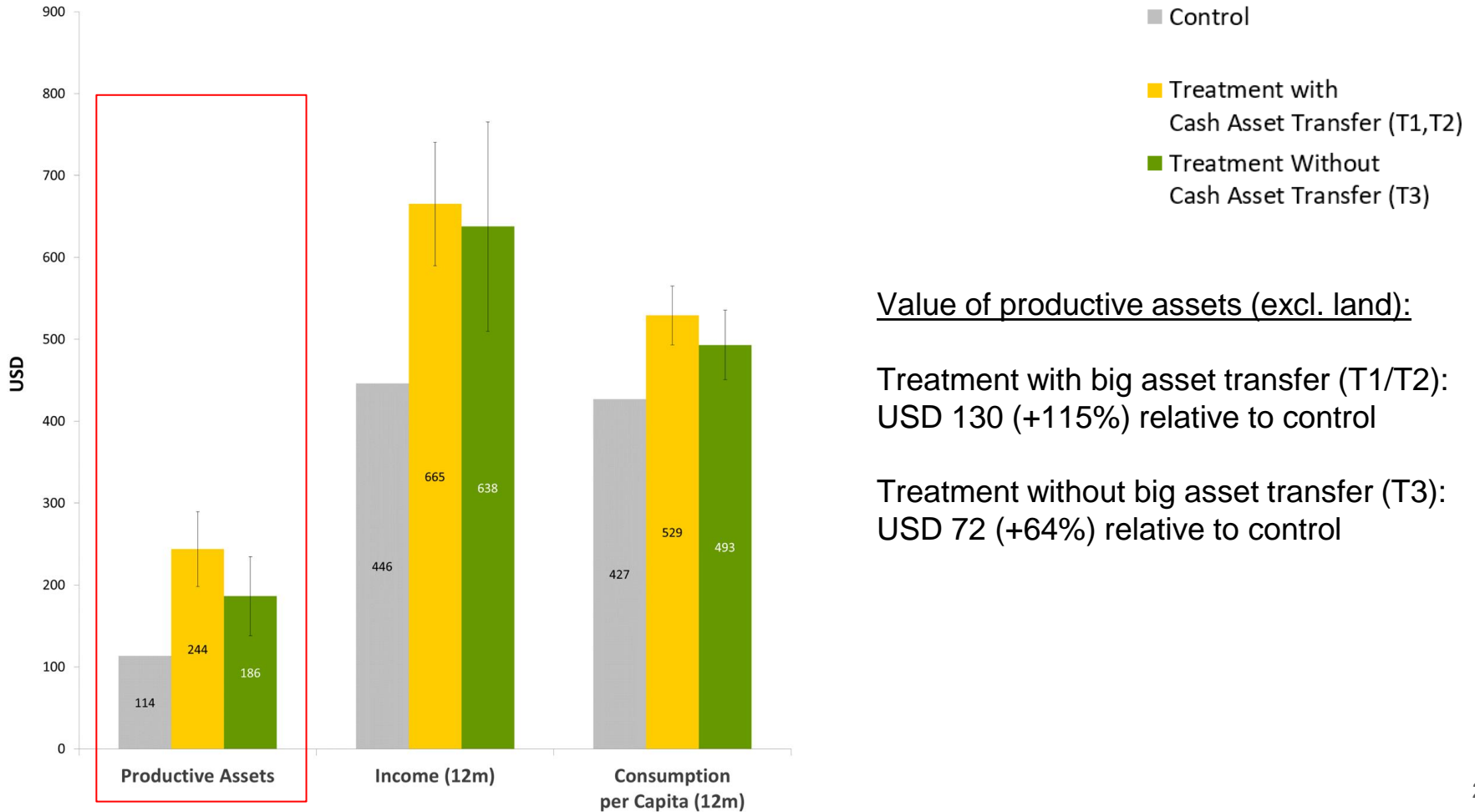
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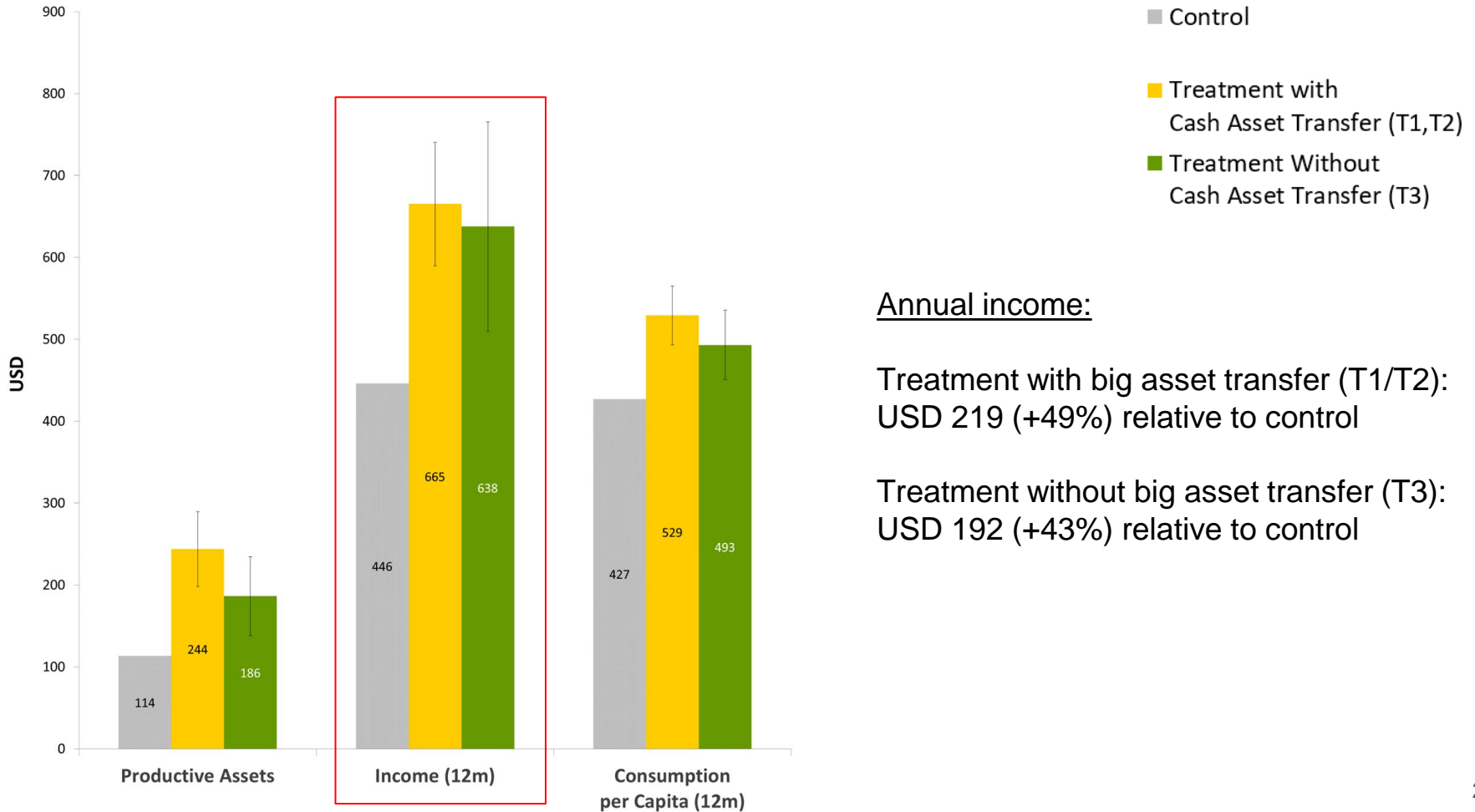


Refugees: Large, positive treatment effects on economic activity

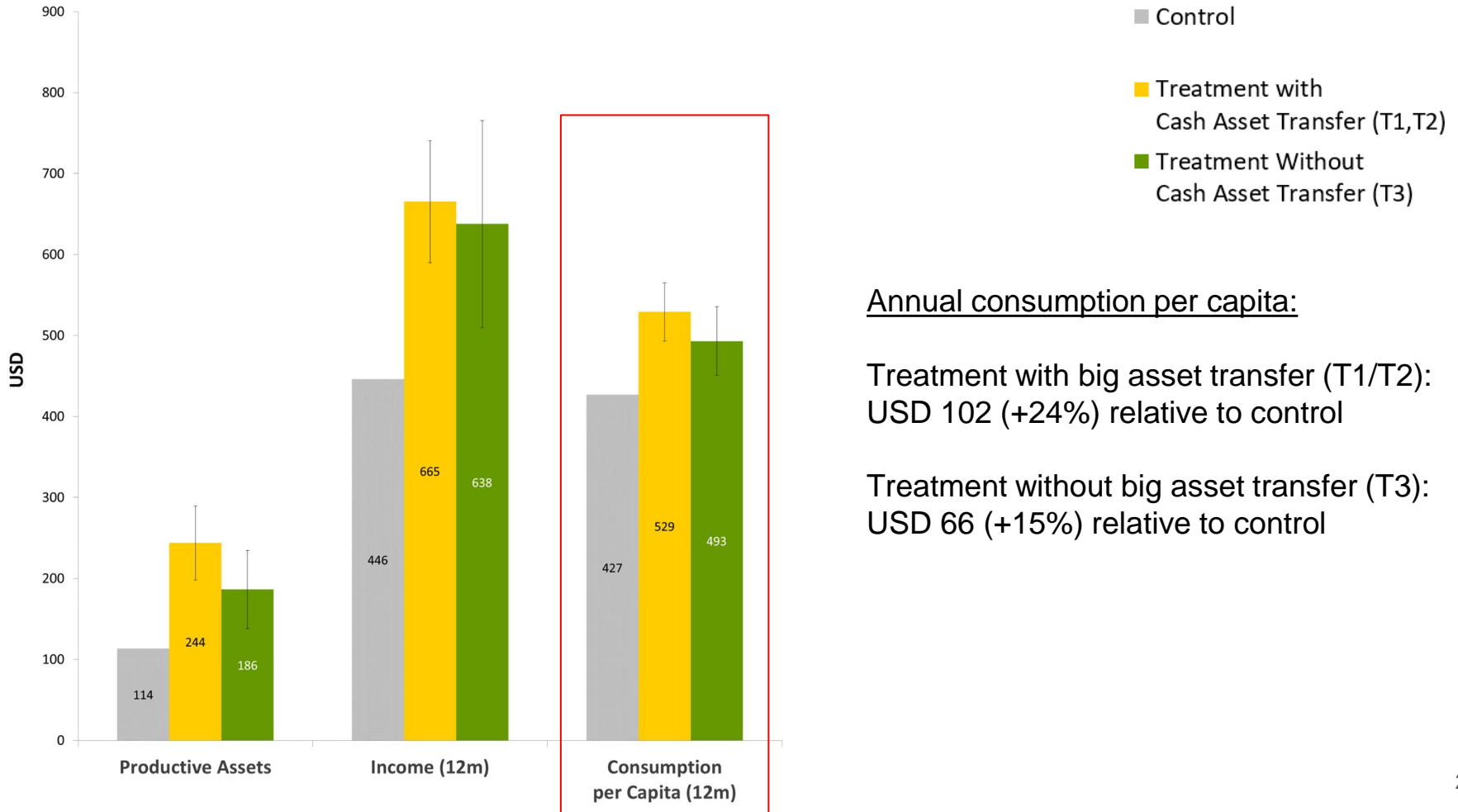
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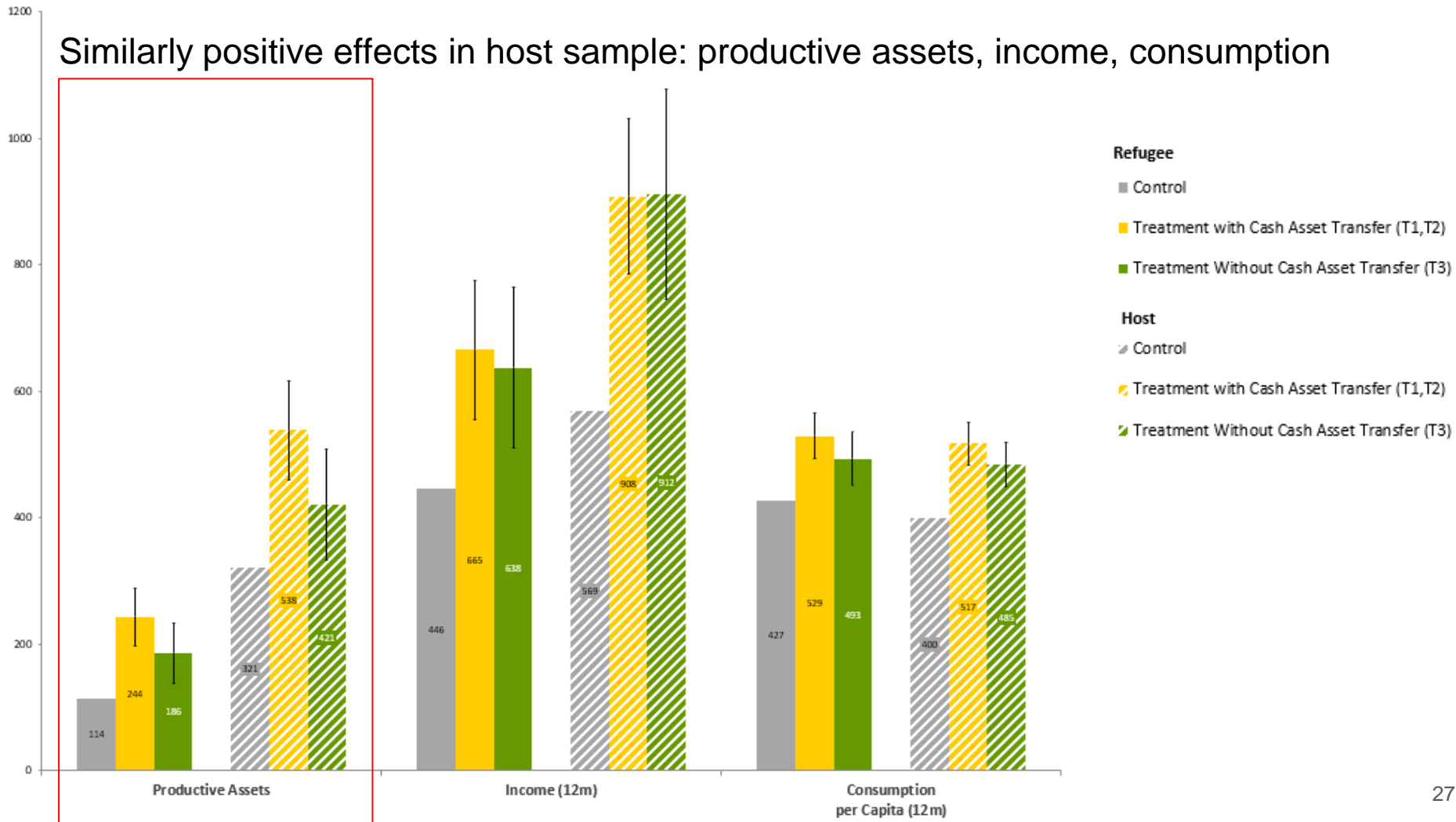
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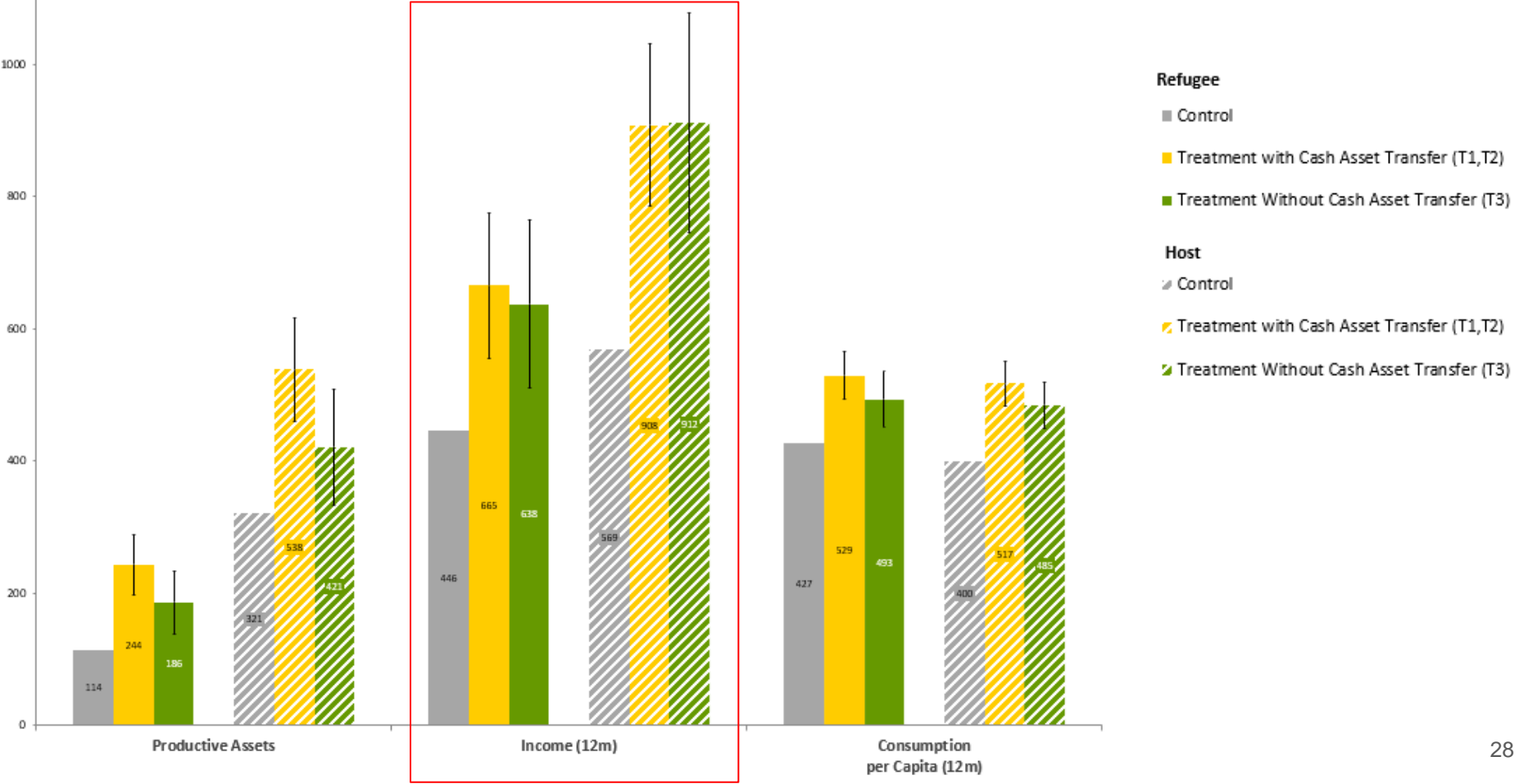
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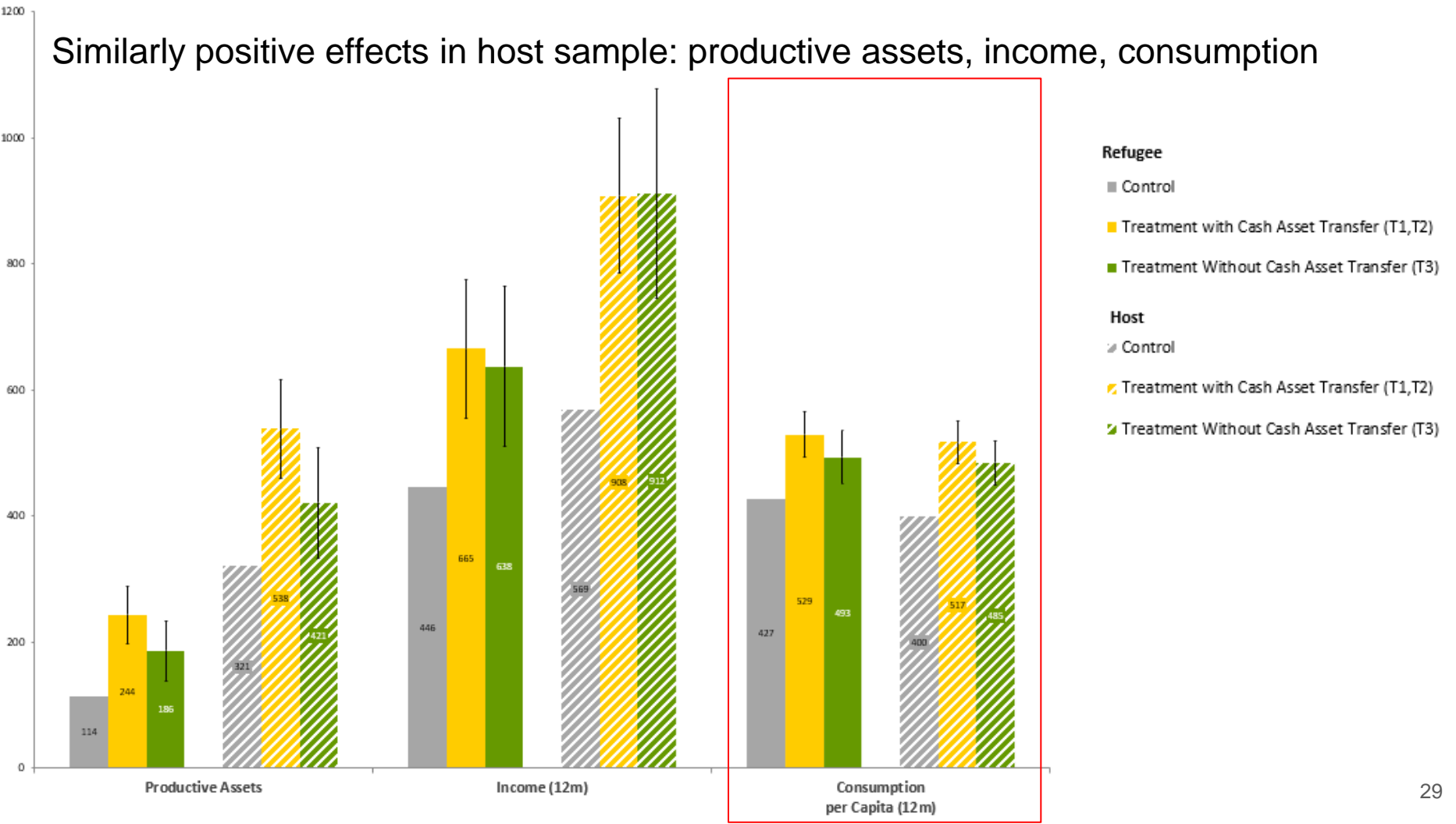
Similarly positive effects in host sample: productive assets, income, consumption



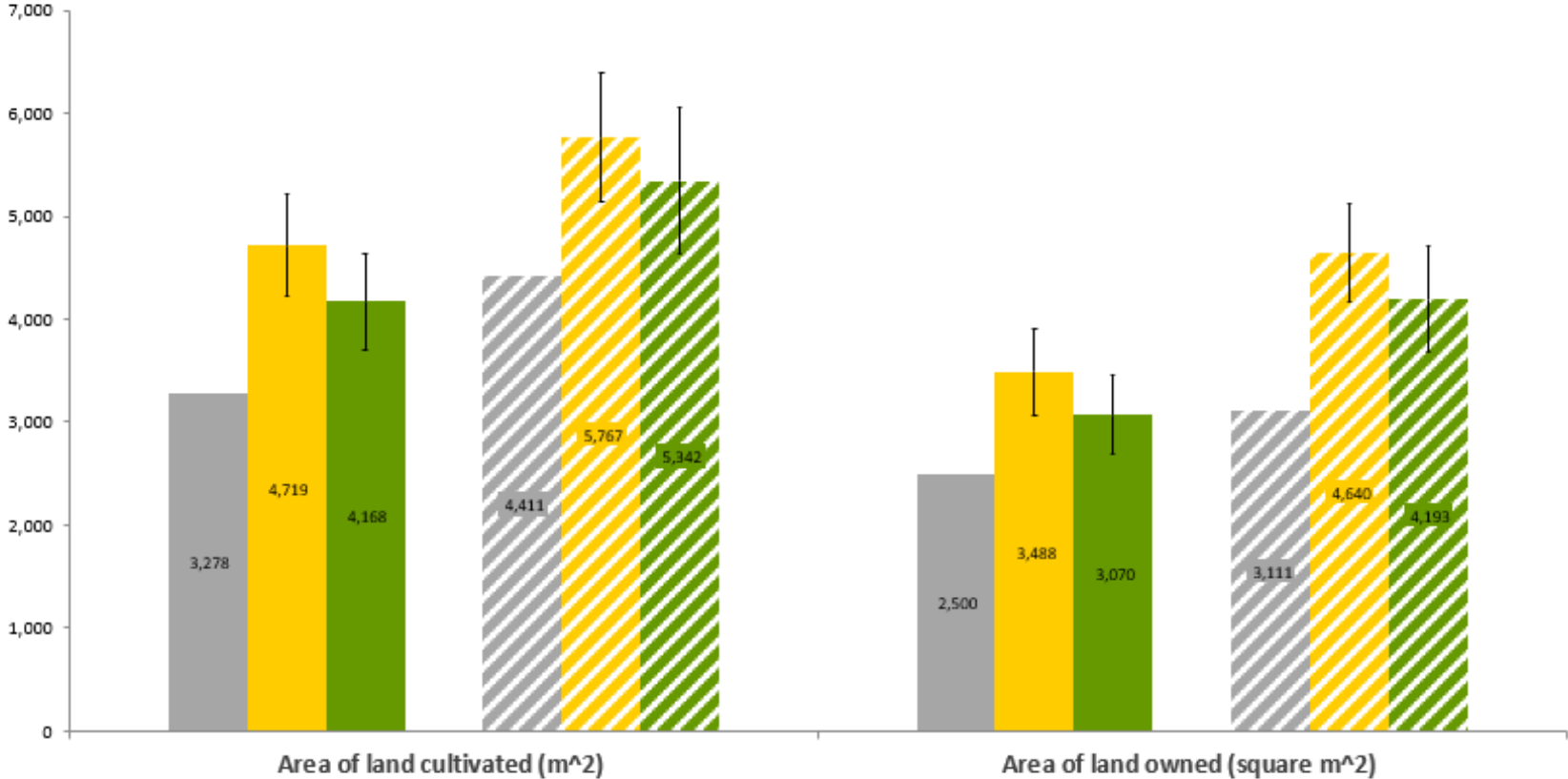
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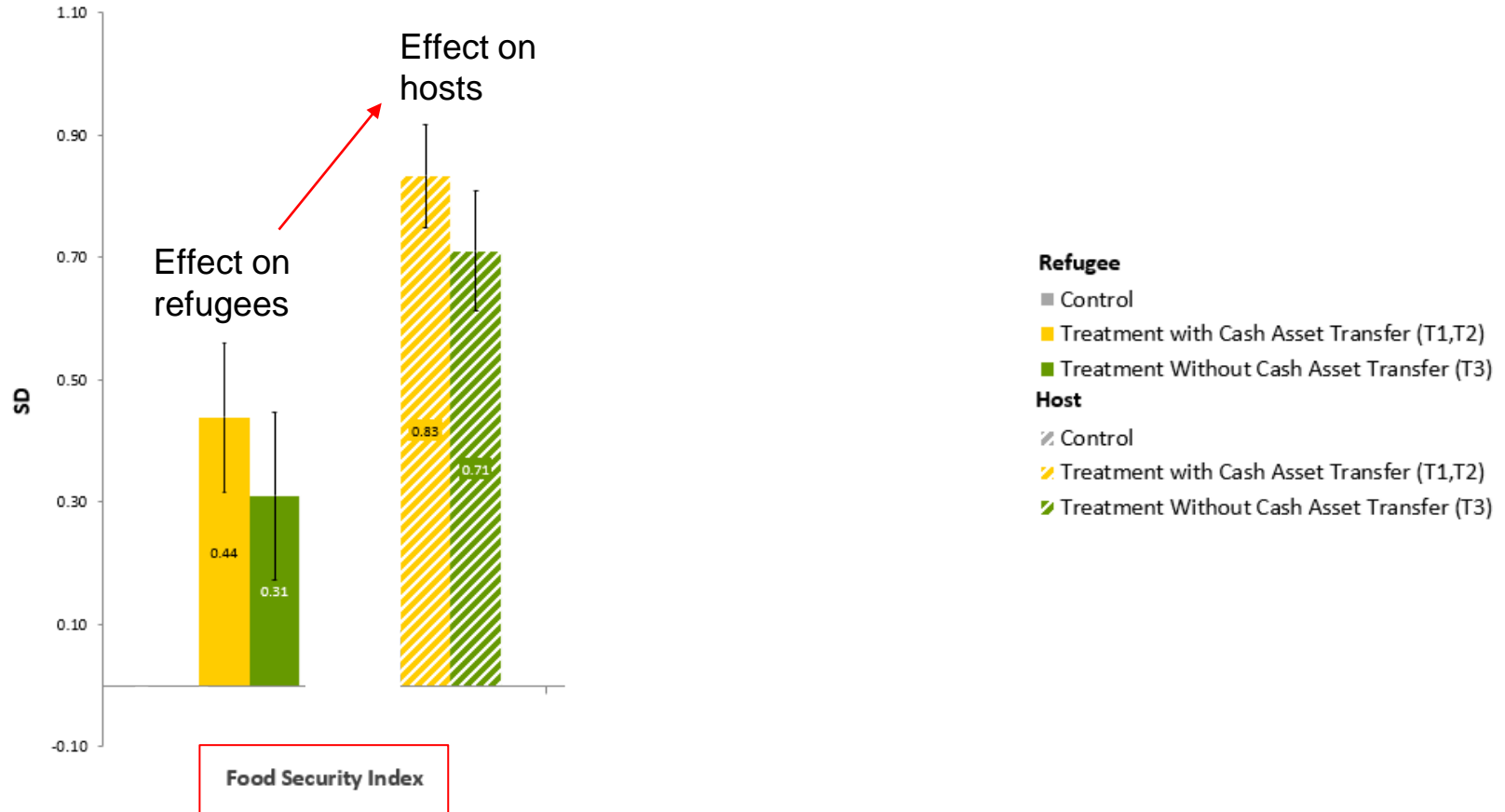


Increase in agricultural activity – and land ownership

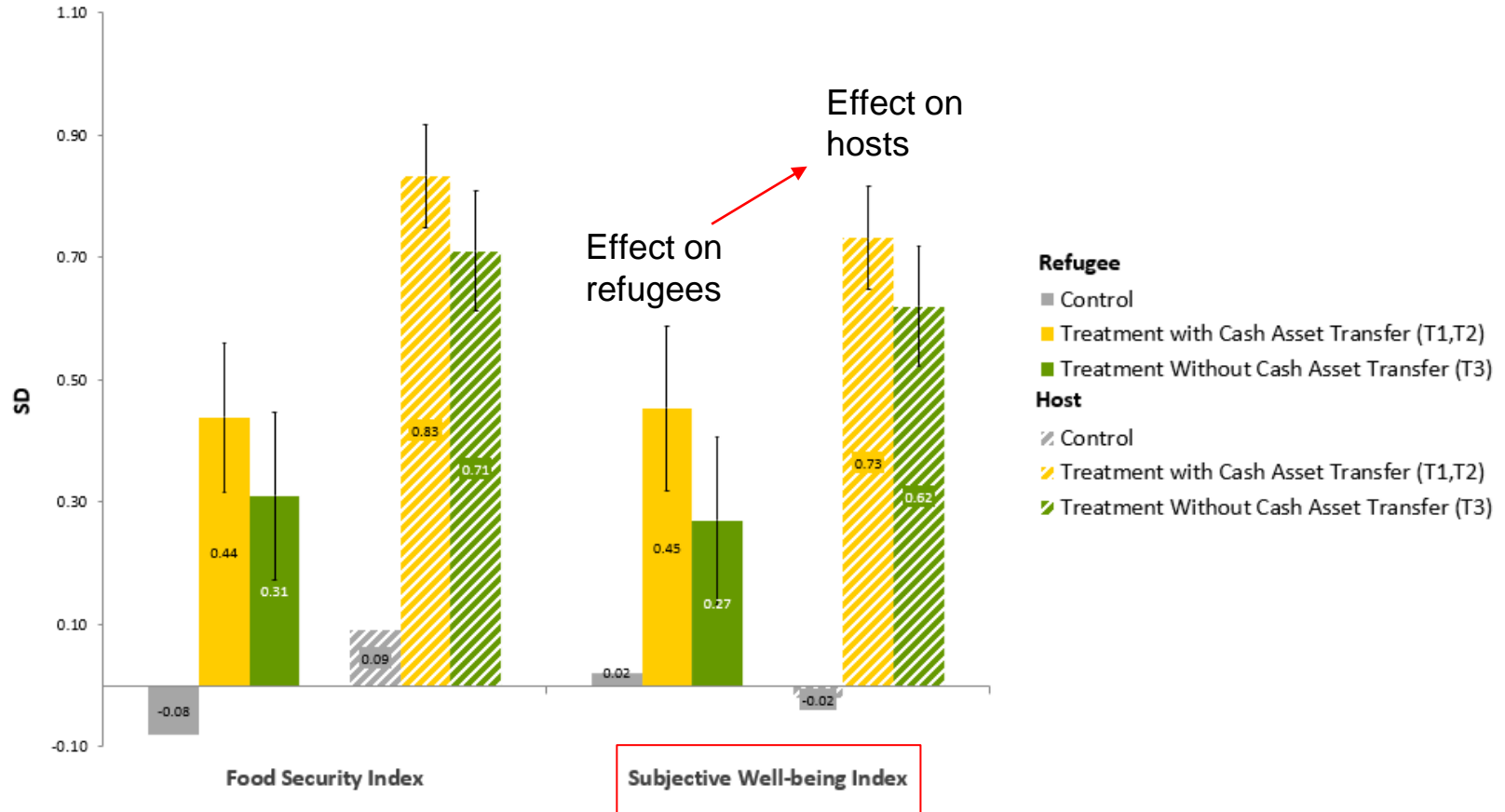


Larger effects in host sample: food security (FCS, HFIAS, HAZ), subjective well-being (Kessler-6, Cantril ladder)

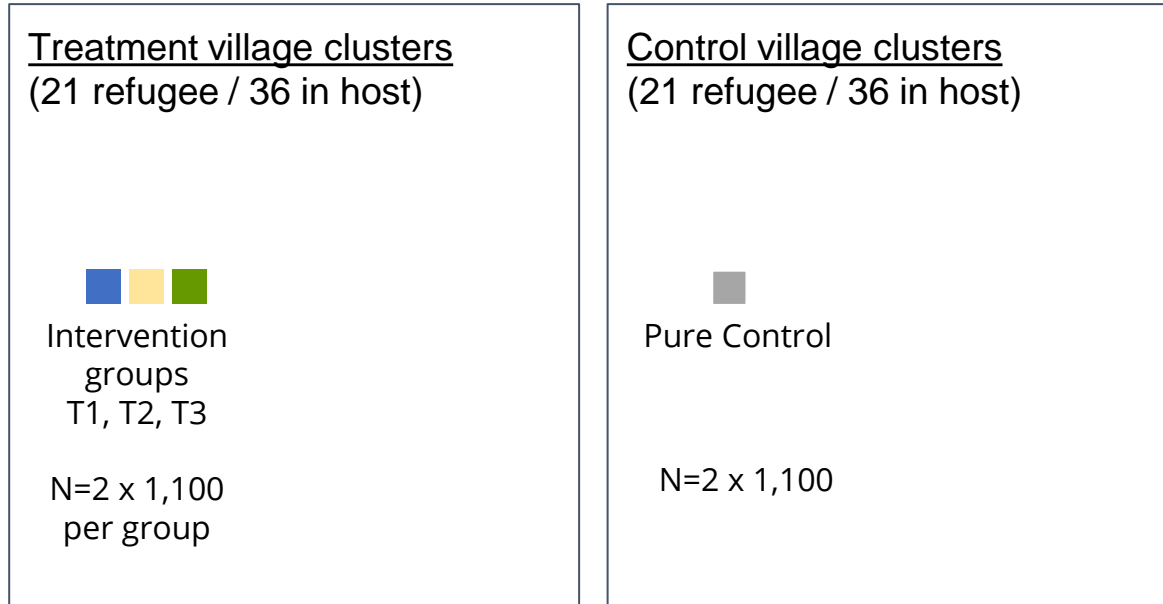
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Large effects subjective well-being impacts, and larger for hosts

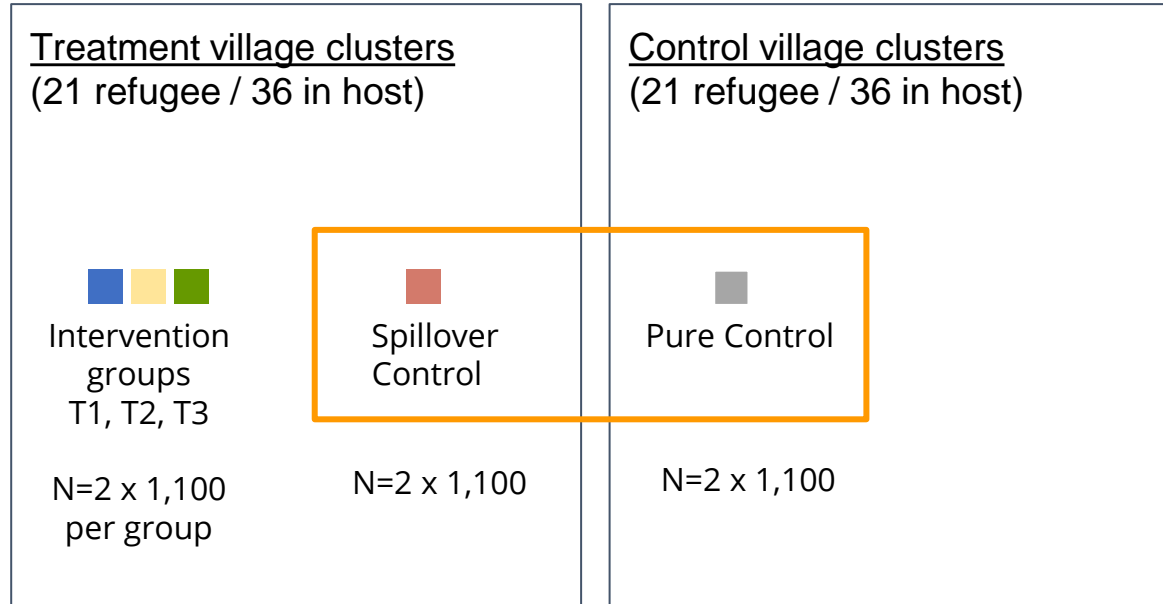


Spillover design



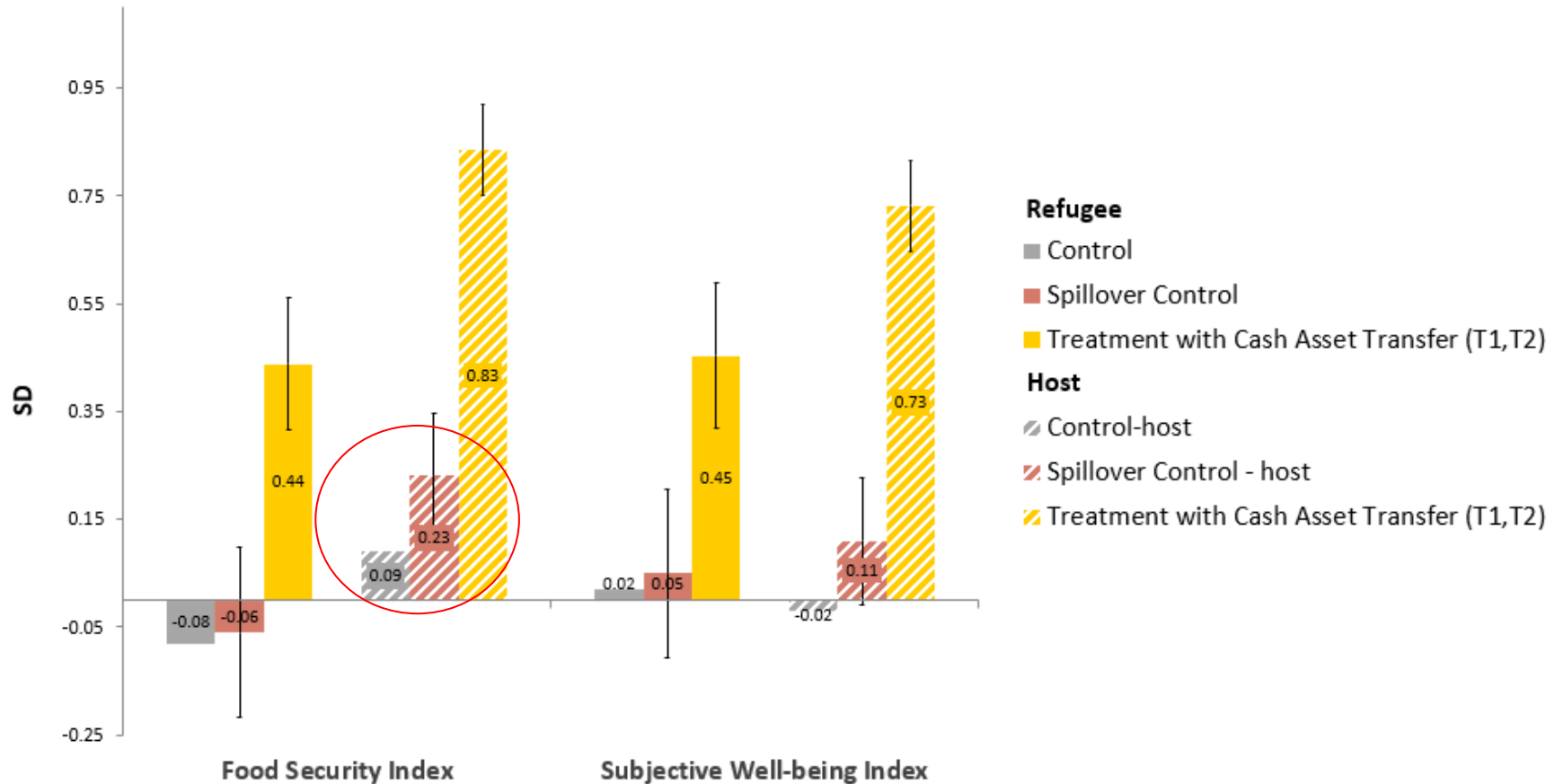
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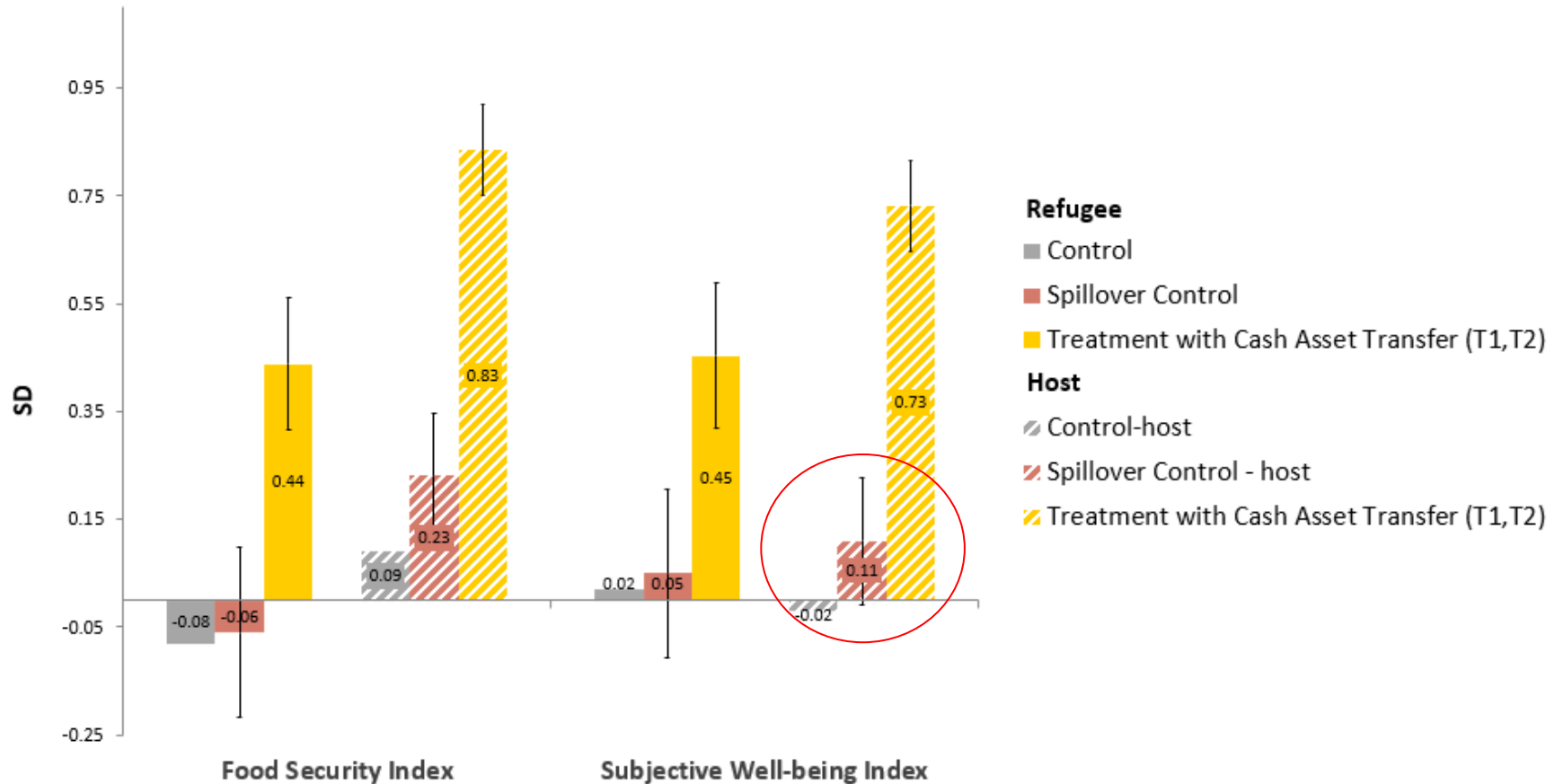


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For hosts, evidence of pos. spillovers on some aggr. measures (less on econ. activity)



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Summary of endline results

- Increases in value of productive assets, income, consumption, food security, and subjective well-being, both in refugee and host communities
 - Effects on econ activity larger in absolute terms for hosts (but refugees start from a lower base)
- All program versions have positive impact
 - Group coaching same impact as individual coaching
 - With asset transfers performs better than without
- Additional positive effects on: savings, nutrition, health, psychometrics,...
- No impacts on anthropometric measures of young children (height, weight)
- Some evidence of positive spillovers (consumption, food security, business activity); larger for hosts, at most moderate for refugees

Cost-Benefit calculations

Costs per participant household (\$)

	T1	T2	T3
	<u>Asset,</u> <u>ind. coaching</u>	<u>Asset,</u> <u>group</u> <u>coaching</u>	<u>No asset,</u> <u>ind. coaching</u>
<u>COSTS</u>			
(1) Direct cash transfers	609	609	307
(2) Consumption support	307	307	307
(3) Asset transfer	302	302	0
(4) Other direct costs during implementation	589	391	589
(5) Coaching and trainer salaries	395	198	395
(6) Sum of transfers (1) + other direct costs (5)	1,198	1,000	896
(7) Refinement year*	312	312	312
(8) All else: management, M&E etc.	1,309	1,129	1,319
(9) Total** [(6)+(7)+(8)]	2,819	2,441	2,527

Year-3 benefit per participant household (\$)

	T1	T2	T3
	<u>Asset,</u> <u>ind. coaching</u>	<u>Asset,</u> <u>group</u> <u>coaching</u>	<u>No asset,</u> <u>ind. coaching</u>
<u>BENEFITS</u>			
Year 3 direct consumption benefit per year	426	457	303
Year 3 spillover attribution	78	84	56
Year 3 direct + spillover	504	541	359

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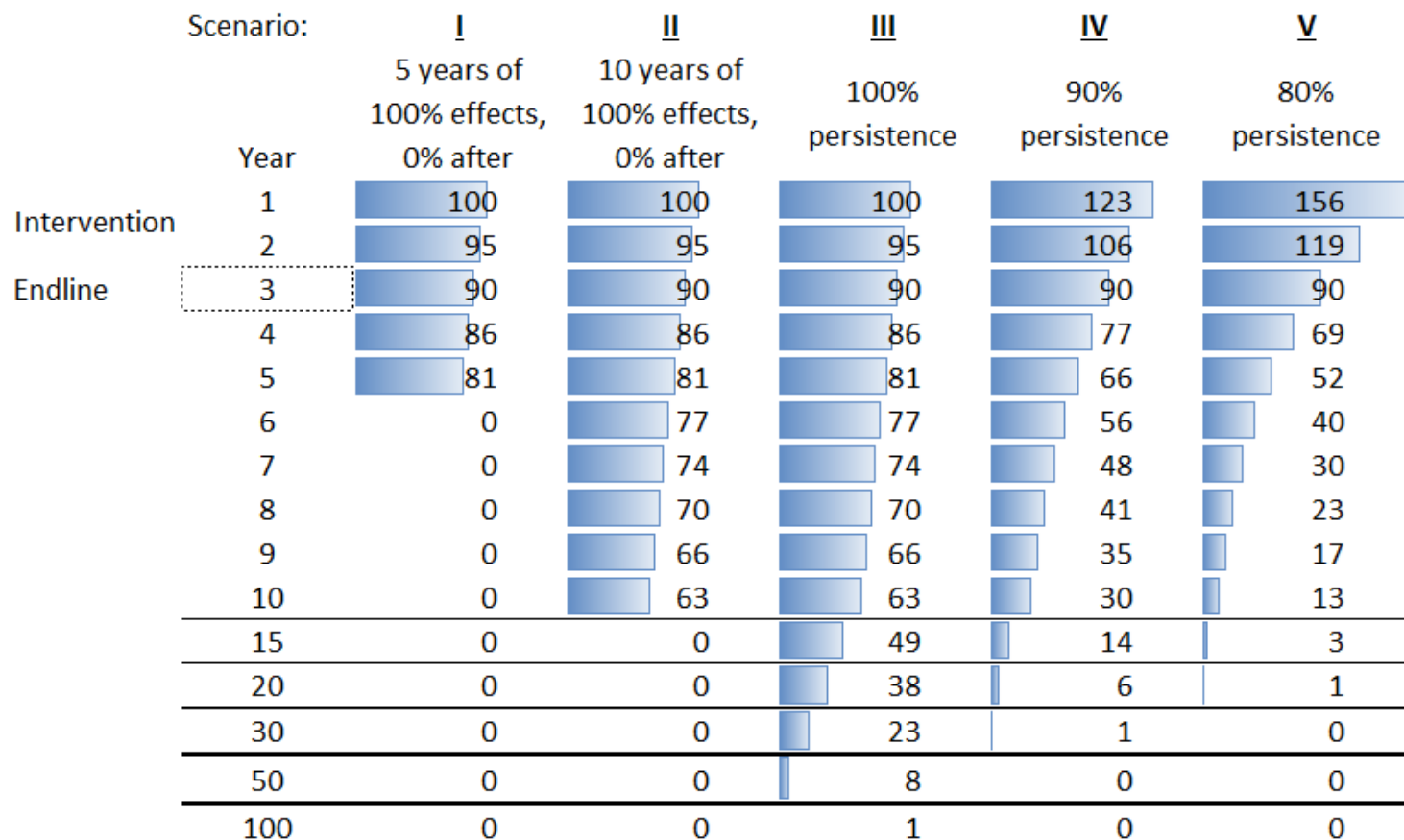
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Total consumption benefit: add up impact over time

- Participants benefited most directly in year 1 (transfers)
- Benefits measured in year 3 during endline survey
- Due to increased asset base, savings and capabilities, benefits are expected to persist over time (how much?)
- Total consumption benefit: Net present value = sum of discounted consumption stream over time

Year 3 nominal impact 100
 annual discounting 5%



BENEFITS

	T1		T2
Year 3 direct consumption benefit per year	426	457	303
Year 3 spillover attribution	78	84	56
Year 3 direct + spillover	504	541	359
Net Present Values (NPVs) for different impact time paths (5% yearly discounting)			
I 5 years of 100% impact, 0% after	2,281	2,447	1,625
II 10 years of 100% impact, 0% after	4,045	4,340	2,882
III 100% persistence	10,022	10,752	7,139
IV 90% persistence	4,292	4,605	3,057
V 80% persistence	3,282	3,521	2,338

COST-BENEFIT

Return on Investment given NPVs above

I 5 years of 100% impact, 0% after	-19%	0%	-36%
II 10 years of 100% impact, 0% after	44%	78%	14%
III 100% persistence	256%	340%	183%
IV 90% persistence	52%	89%	21%
V 80% persistence	16%	44%	-7%

COST-BENEFIT UNDER DIFFERENT COST-OF-SCALE ASSUMPTIONS

Non-direct costs increase by 50% as program scales up

Return on Investment given NPVs above		T1	T2
I	5 years of 100% impact, 0% after	14%	-5%
II	10 years of 100% impact, 0% after	101%	68%
III	100% persistence	399%	317%
IV	90% persistence	114%	79%
V	80% persistence	63%	37%

Non-direct costs increase by 25% as program scales up

Return on Investment given NPVs above		T1	T2
I	5 years of 100% impact, 0% after	42%	25%
II	10 years of 100% impact, 0% after	152%	121%
III	100% persistence	525%	448%
IV	90% persistence	168%	135%
V	80% persistence	105%	79%

Non-direct costs increase by 10% as program scales up

Return on Investment given NPVs above		T1	T2
I	5 years of 100% impact, 0% after	68%	53%
II	10 years of 100% impact, 0% after	198%	172%
III	100% persistence	637%	574%
IV	90% persistence	216%	189%
V	80% persistence	141%	121%

Conclusion

- RCT in Uganda designed to test:
 - viability of a graduation approach in a refugee settlement setting
 - effectiveness a lower coaching-intensity approach, with coaching in groups
 - effectiveness of a less resource-intensive approach, without an asset transfer
- Strong results at the end of program, 18 months after end of transfers
 - No difference between group (T2) and individual coaching (T1) \Rightarrow *group-coaching* wins
 - No-asset group (T3) has smaller per-\$ effects \Rightarrow *with-asset* wins
- Cost-Benefit: ROI depends on longer-run path but positive over a range of assumed rates of dissipation of effects over time, **under scale-up costs**

Disclaimer: This presentation is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of the Evaluative Research on Graduation Pilot Development Food Security Activity in Kamwenge, Uganda award and do not necessarily reflect the views of USAID or the United States Government.