



Preserving the Essence,
Adapting for Reach:

Early Lessons from Large-Scale Implementations of the Graduation Approach

ETHIOPIA Case Study
by Omar Mahmood



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FOREWORD

Inequality remains at very high levels globally, limiting prospects for overall economic growth as well as opportunities for the poor and disadvantaged to get ahead. Combatting inequality in all of its forms is central to the mission of the Ford Foundation, and reducing inequality requires addressing the incomes and assets of the poor *and* addressing the alarming gap between those at the top and bottom of the economic ladder.

In this context, reducing or eliminating extreme poverty worldwide is a critical strategy, encompassed in the United Nations' Sustainable Development Goal #1: "End poverty in all its forms everywhere." A recent World Bank report estimated that close to 900 million people, or about 13 percent of the world's population and 15 percent of the population of developing countries, live on less than \$1.90 per day – the updated international poverty line as of 2015.¹

Unfortunately, most development interventions, including microfinance and livelihood development programs, have not addressed the needs of the extreme or ultra-poor because these populations tend to be the hardest to serve: they are socially and geographically isolated, own few or no assets, have limited livelihood prospects, and often suffer from poor health.

As a striking exception, one of the most promising approaches for promoting the social and economic mobility of the extreme poor has been the "Graduation Approach," originally developed as the "Targeting the Ultra Poor" program by BRAC in Bangladesh. The Graduation Approach is a holistic livelihoods program designed to address the multi-dimensional needs of extreme poor households. The Approach consists of five core

components: time-limited consumption support; a savings component; an asset transfer; training in how to use the asset; and life skills coaching and mentoring. The theory of change underlying the model is that this mix of interventions, offered in the appropriate sequence, would help the ultra-poor to "graduate" out of extreme poverty within a defined time period.

Based on the promising results achieved by the BRAC model, the Ford Foundation partnered with the Consultative Group to Assist the Poor (CGAP), a global partnership of 34 leading development organizations housed at the World Bank that seeks to advance financial inclusion. Together, we decided to adapt and test the Graduation Approach through pilot projects implemented by nongovernmental organizations at 10 sites in eight countries in Asia, Africa, and Latin America between 2006 and 2014. The Foundation and CGAP also put in place an ambitious research and learning program to document the impacts of the pilot projects and to disseminate the results widely. I want to thank our CGAP partners as well as Frank DeGiovanni, former Director of Financial Assets here at the Ford Foundation, who played a vital role in developing this powerful work and documenting its impact.

The findings from the rigorous evaluations of the CGAP-Ford Foundation pilots, as well as from BRAC's ongoing program, have been extremely positive.² Results of the randomized experiments from the pilots show that, compared to control groups, program participants earned increased levels of income and achieved sustained gains in household consumption, assets, and food security at least one year after the two-year pilot programs

¹ See Cruz, Marcio, James Foster, Bryce Quillin, and Philip Schellekens. October 2015. *Ending Extreme Poverty and Sharing Prosperity: Progress and Policies*. World Bank Group Policy Research Note. Washington, DC: World Bank.

² See for example: Banerjee, Abhijit, Esther Duflo et al. "A multifaceted program causes lasting progress for the very poor: Evidence from six countries." *Science*. 15 May 2015. Vol. 349, Issue 6236, p. 12; Balboni, Clare, Oriana Bandiera, et al. December 2015. *Transforming the economic lives of the ultra-poor*. London: International Growth Centre.; Fahey, Alison. 2015. *Building Stable Livelihoods for the Ultra-Poor*. J-PAL and IPA Policy Bulletin. Cambridge, MA: Abdul Latif Jameel Poverty Action Lab and Innovations for Poverty Action.

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ended.³ Renowned economists have in fact characterized these results as among the most powerful and impressive ever achieved by an anti-poverty intervention.⁴

These findings suggest that the Graduation Approach is an effective and scalable intervention with impacts that are sufficiently robust to persist over time.

Based on these interim findings, the Foundation and CGAP designed an ambitious strategy to reach out to government policy makers to help them understand the potential of the Graduation Approach to serve large numbers of extremely poor people develop sustainable livelihoods and move into the market economy over time. The key is embedding the Approach in government social protection or large-scale anti-poverty programs.

The Foundation and CGAP undertook three years of systematic outreach to bilateral and multi-lateral donors and policy makers from 24 developing countries beginning in 2012. In addition, the Foundation funded technical assistance and outreach to governments in Latin America to assist them in adapting and piloting the Graduation Approach. These efforts have borne fruit. A scan conducted by CGAP in December 2015 indicated that 22 governments in Asia, Africa, and Latin America were in the process of piloting or adapting the Graduation Approach within their national social protection strategies, while 13 NGOs and one donor agency also were developing their own versions of the Graduation Approach.⁵ This level of uptake is very encouraging.

³ The evaluations of one of the pilots in India and the BRAC Targeting the Ultra Poor Program tracked the impacts of the Graduation Approach five years after the end of the interventions. In both cases, the improvements in well-being for program participants persisted.

⁴ At the CGAP-Ford Foundation convening on the Graduation Approach held in Paris in June 2014, Yale economist and founder of Innovations for Poverty Action (IPA) Dean Karlan stated: “IPA had been involved in about 500 or so randomized trials over the years. Of these, I could count on one hand those I was confident enough advising policymakers to scale up. The Graduation Program would now be on that list.”

⁵ See CGAP, “Graduation Factsheets”, www.microfinancegateway.org/sites/default/files/graduation_factsheets_overview_december_2015_pdf

We recognize that governments and NGOs will need to adapt the “classic” version of the Graduation Approach as broader integration with social policy happens around the world. Governments face different challenges than NGOs, scaling brings its own set of challenges, and programs must be tailored to address differences in regional contexts. With these factors in mind, we commissioned these case studies of three governments and one large NGO who are scaling the Graduation Approach within their ongoing programs.

The widespread prevalence of extreme poverty across the world is unacceptable. It affects both current and future generations. But beyond being unacceptable, it is unnecessary, as these powerful Graduation results underscore. We celebrate the commitment of governments, NGOs and private sector partners to helping extremely poor households develop sustainable livelihoods. And we hope that the lessons provided—by the case studies and the companion analysis which synthesizes the lessons learned—will embolden other governments and NGOs to adopt, adapt, and scale up an approach that works.

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INTRODUCTION TO THE GRADUATION APPROACH

Among the development approaches aimed at reaching the extreme poor, one of the most promising has been the “Graduation Approach,” originally developed by BRAC in Bangladesh. BRAC’s theory of change was that with the right mix of interventions, offered in the right sequence, households could “graduate” from extreme poverty into sustainable livelihoods within a defined time period.

The “classic” Graduation Approach begins with consumption support, mindful that part of what it means to be extremely poor is that the person is so overwhelmed by survival-level issues such as food security that she cannot meaningfully tackle any longer-term livelihood strategies. Once those basic needs have been met, participants receive support in saving money (a vital tool in managing risks). They are also helped to identify a sustainable livelihood that is suitable for their interests and aptitudes, and also for the local market (e.g., animal husbandry, shop-keeping, weaving or tailoring). Then they receive an asset to help launch that livelihood (e.g., goats or sheep for animal husbandry; an inventory of goods for shop-keeping) and related technical skills training. Finally, Graduation participants receive intensive personalized life-skills coaching throughout the life of the program.⁶

BRAC clients who participated in the Graduation Approach appeared to experience improved family nutrition, health, and other well-being indicators and, moreover, to sustain these improvements over time. The question then became whether the BRAC experience in Bangladesh could be replicated by other

⁶ CGAP has recently changed the terminology it uses to describe the elements of the Graduation Approach. As the case studies were written before this change, we have kept the original terms. CGAP’s new terminology for each component is: Consumption Assistance; Financial Inclusion; Training; Seed Capital; Mentoring.

providers in other geographical and cultural contexts. So from 2006 to 2014, the Ford Foundation, CGAP, and several international and local partners tested and adapted the Approach through 10 pilot programs in eight countries.

The findings from the CGAP-Ford Foundation pilots, as well as from BRAC’s ongoing program, have been extremely positive.⁷ Quantitative and qualitative studies show that, compared to peer groups, program participants were earning more income and achieving stable improvements in their well-being long after the program concluded, with sustained gains in household consumption, assets, and food security. In other words, the answer to the question about whether the successes achieved with the Graduation Approach in Bangladesh could be replicated elsewhere appeared to be a resounding “yes.”

The question remained, however, how to operate the Graduation Approach at scale. The very factors believed to make it so effective—highly personalized, wrap-around services delivered with compassionate, skilled, and individual attention—also make the “classic” Graduation Approach time- and labor-intensive and costly. So CGAP, the Ford Foundation and their partners next began exploring how best to support large-scale adaptations and implementations of the Graduation Approach, especially by governments. The results of four of those adaptations are the subject of this series of case studies commissioned by the Ford Foundation. Three of the cases (Ethiopia, Colombia and Peru) describe government-led programs; the fourth (India) covers the ongoing Graduation work of Bandhan Konnagar, one of the original 10 CGAP-Ford Foundation pilot programs.

⁷ See for example: Banerjee, Abhijit, Esther Duflos et al. “A multifaceted program causes lasting progress for the very poor: Evidence from six countries.” *Science*. 15 May 2015. Vol. 349, Issue 6236, p. 12; Balboni, Clare, Oriana Bandiera, et al. December 2015. *Transforming the economic lives of the ultra-poor*. London: International Growth Centre.; Fahey, Alison. 2015. *Building Stable Livelihoods for the Ultra-Poor*. J-PAL and IPA Policy Bulletin. Cambridge, MA: Abdul Latif Jameel Poverty Action Lab and Innovations for Poverty Action.

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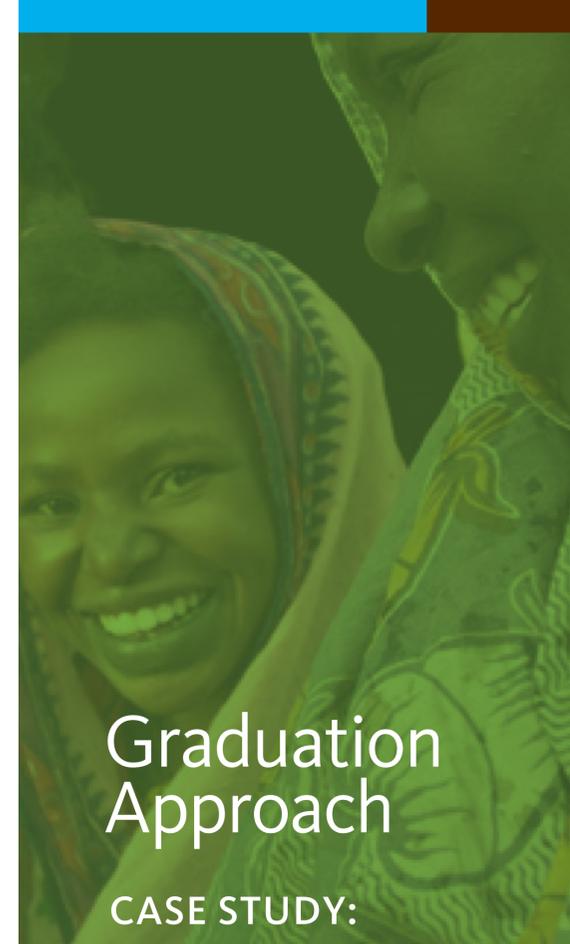
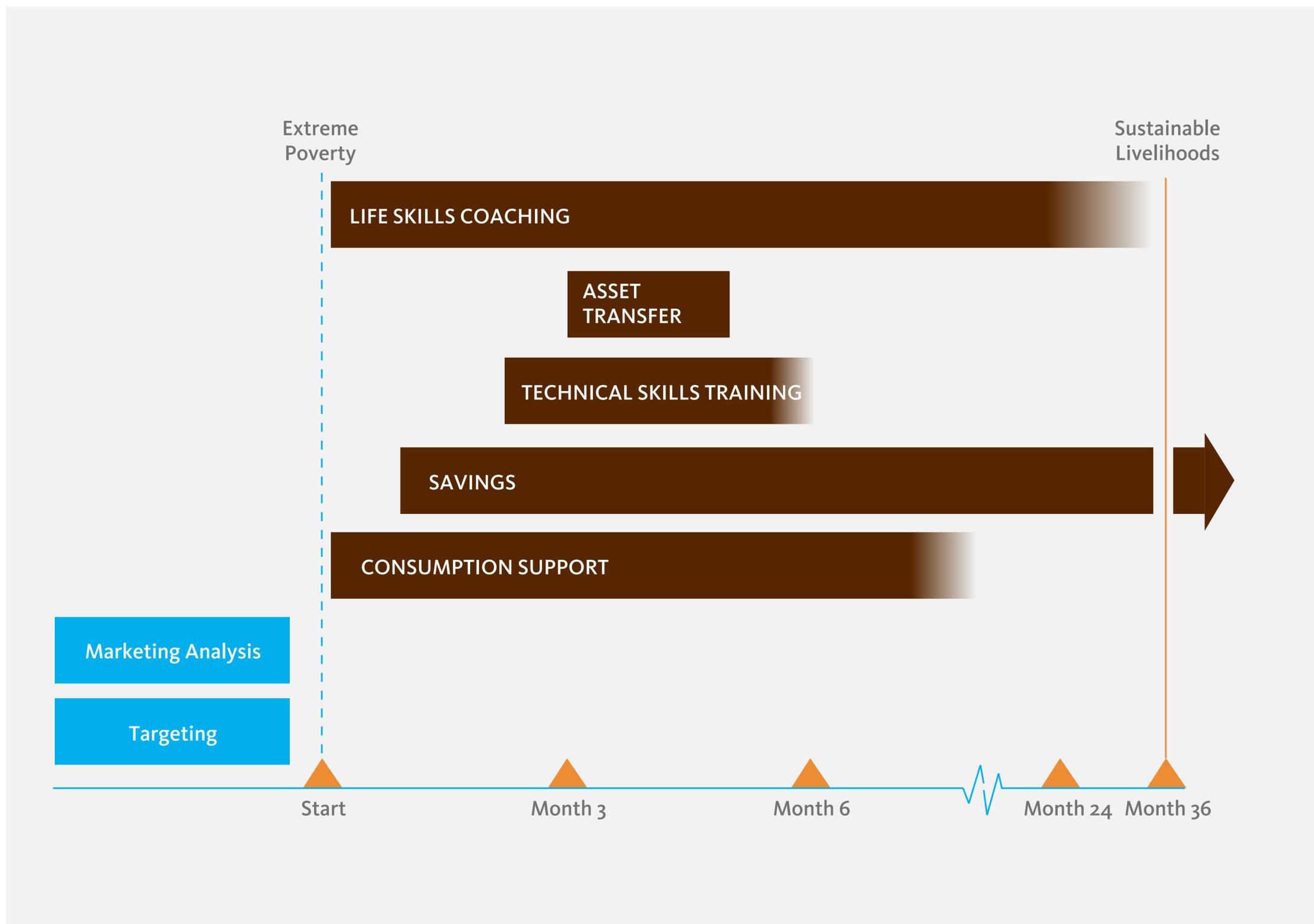
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When a government agency or other large-scale organization implements a program as complex, multi-faceted, and cross-sectoral as the Graduation Approach, inevitably some of the “standard” features will need to be adapted, often in innovative and imaginative ways, while still preserving the core elements that make the Approach effective. CGAP and the Ford Foundation originally published *From Extreme Poverty to Sustainable Livelihoods*, a technical guide on the design and implementation of the Graduation Approach, in 2014; an updated version will be released in late 2016. It is our hope that the revised technical guide, together with this series of case studies, will provide valuable insights to those looking to implement the Graduation Approach, especially at large scale.

We are also pleased that policymakers are increasingly recognizing the power of the Graduation Approach to alleviate poverty, and that the community of practice continues to grow rapidly. As of September 2016, 58 Graduation projects were in operation, an increase of 30 percent since December 2015.⁸ Among the notable features:

Growing government interest. One third of ongoing Graduation projects are implemented by governments, reflecting the trend that Graduation style programming is increasing within national social protections systems.

Less rural. Projects have shifted their focus from predominantly rural (75 percent in December 2015) to 48 percent rural, 25 percent mixed, and 7 percent purely urban.

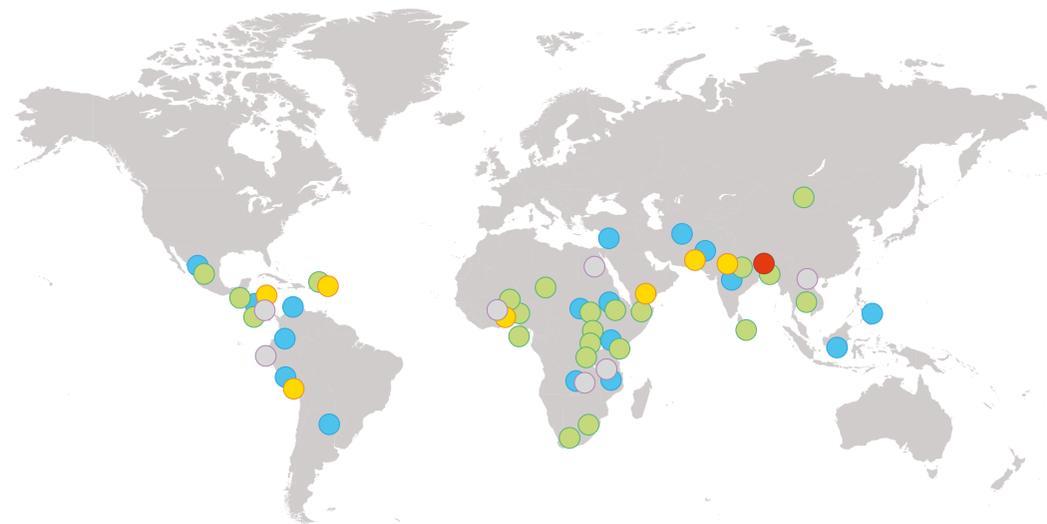
More diverse targeting. Targeting has also shifted from a predominant focus on the poorest (73 percent in 2015) to a little over half of the projects (56 percent) targeting people below USD 1.90 per day. Projects now target a broader range of excluded groups such as indigenous populations (16 projects), youth (15

projects), people with disabilities (11 projects), elderly people (11 projects), refugees and internally displaced persons (7 projects with 17 more planned by 2018). From a predominant focus on women in the past, only 30 percent of projects solely target women today.

Implementation and innovation. A vast majority of projects still offer the full Graduation package, but there is an increasing number of adaptations. A dozen programs are now offering some element of the package digitally.

Research. Nearly half the projects conduct research and 19 projects have reported ongoing or planned randomized impact assessments.

Graduation Programs as of Sept 2016 (58 programs in 36 countries)



- BRAC Bangladesh (1) – Since 2002
- CGAP- Ford Foundation Pilots (10) – 2006-2014
- NGO-implemented (30) – Since 2010
- Donor-implemented (8) – Since 2013
- Government-implemented (20) – Since 2013

⁸ Source: CGAP.

GLOSSARY

ADA – Amhara Development Association

BOLSA – Bureau of Labor and Social Affairs

CFSTF – Community Food Security Task Force

CGAP – Consultative Group to Assist the Poor

DA – Development Agent

DECSI – Dedebit Credit and Saving Institution SC

FSP – Food Security Program

GoE – Government of Ethiopia

GPS – Graduation Prediction System

GTP – Growth and Transformation Plan

HABP – Household Asset Building Program

Kebele – ward

MSE – Micro and Small Enterprise Agency

OFSP – Other Food Security Program

PSNP – Productive Safety Net Program

REMEDA – Regional Micro Credit and Small Enterprise Development Agency

REST – Relief Society of Tigray

RRM – Rapid Response Mechanism

TVET – Technical Vocational Education and Training

VSLA – Village Saving and Loan Associations

WOLSA – Woreda Office for Labor and Social Affairs

Woreda – District

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BACKGROUND ON THE “PRODUCTIVE SAFETY NETS PROGRAM,” OR PNSP

The Graduation Approach has had a complex evolution in Ethiopia. A small NGO pilot (with significant adaptations from the “classic” Graduation model) was implemented in northern Tigray province from 2010 until 2012. Based on the positive results of the pilot, in 2015 the Government of Ethiopia (GoE) undertook to expand the core principles and practices into a large-scale expansion as part of Ethiopia’s national food security. The GoE had included elements similar to the Approach in its social protection programming previously, but in 2015 shifted thinking regarding the model itself, particularly concerning the asset transfer component. Up to ten million Ethiopians will be eligible for elements of the Approach between 2016 and 2020, with the poorest 30 percent specifically designated to receive asset transfers. In this sense, the large-scale integration of the Graduation Approach into Ethiopia’s social protection programming is a major success story, but also an important test case as to how the model evolved in accordance with local conditions and needs in a large and diverse country.

Ethiopia, a land-locked nation of 96 million people in the Horn of Africa, has enjoyed one of the fastest growing economies in the world in recent years. The current government, in power since the overthrow of the Derg regime in 1991, has set ambitious development goals for a nation that historically struggled to feed its population. Ethiopia now aims to achieve lower middle-income status by the year 2025.⁹ Supporting this objective are growth rates consistently in the double-digits and Growth and Transformation Plans (GTP) outlining specific targets to achieve every five years. The 2010-2015 GTP contained a particular focus on agriculture which comprises 45 percent of gross domestic product and serves as the main livelihood for 80-85 percent of the population.¹⁰

Despite this economic progress, food security remains a major issue in Ethiopia’s rural regions, as evidenced by the nation’s status as the largest African recipient of food aid over the past two decades.¹¹ Recurrent climatic shocks have had a big impact, leading to periodic drought and food shortages. Following emergency appeals to the international community in 2002-03 after another drought, the Government of Ethiopia (GoE) formed a committee to identify actions it could undertake to disrupt this recurring cycle, in

⁹ Olingo, Allan. “Ethiopia’s Five Year Plan to Grow the Economy.” *The East African*, 28 November 2015.

¹⁰ [Productive Safety Net Project](#), landing page on WorldBank.org

¹¹ Andersson, Camilla, Alemu Mekonnen, and Jesper Stage. 2009. *Impacts of the Productive Safety Net Program in Ethiopia on Livestock and Tree Holdings of Rural Households*. Gothenburg, Sweden: Environment for Development (p 3).

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an attempt to deal decisively with the nation's chronic food insecurity.¹² It was against this backdrop that in 2005, the GoE inaugurated the Productive Safety Net Program (PSNP), a key component of its overall Food Security Program (FSP).

The PSNP is a mechanism to deliver food or cash to chronically food-insecure households in a standardized, multi-year manner, in order to provide reliable insulation from shocks. A major premise behind this approach was that if households knew their basic consumption needs were covered, they could avoid selling off productive assets just to satisfy immediate needs and would thus eventually surpass food security benchmarks in order to 'exit' from future PSNP transfers.

More a food-for-work than an entitlement program, the PSNP consists of two types of support: direct support and public works.¹³ Through a careful targeting process (more on this below), direct support recipients are those deemed unable to provide adult labor to public works activities. Direct support recipients are typically the elderly, the disabled, and pregnant or lactating women, and collectively they account for approximately 15 percent of total participants. All others who

qualify for assistance are categorized as public works participants, and they contribute labor in support of community activities for five days per household member for each transfer month (usually six months of the year). Households receive 15kg of cereal per transfer month (or the cash equivalent); as of 2016 households receive an additional 4kg of legumes per transfer month as well.

Criteria for Households to Qualify for PSNP Transfers

Live in one of 318 districts officially labeled as chronically food-insecure

Suffer a gap in food needs of three months or more during the past three years

Be a recipient of food assistance during the past three years

¹² Government of Ethiopia Ministry of Agriculture. November 2014. Productive Safety Net Program 4 Design Document. Addis Ababa: Government of Ethiopia (p.1)

¹³ Sharp, Kay, Taylor Brown and Amdissa Teshome. 2006. *Targeting Ethiopia's Productive Safety Net Program*. London: Overseas Development Institute. (p. 4)

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PSNP Impact

As noted above, the PSNP was designed to shelter households from shocks, creating a predictable cycle of consumption support transfers so that chronically food-insecure households could avoid selling off their assets. The program has been credited with significant successes in this respect. For example, in highland areas PSNP participants enjoyed an increase in the average number of months with sufficient food, from 8.4 months in 2006 to 10.1 months in 2012.¹⁴

The results regarding asset accumulation have been more mixed. A 2008 study cited definite gains in food security, but found no evidence that livestock holdings in particular remained steady,¹⁵ while another study

a year later noted that livestock holdings were not protected during times of shock.¹⁶

In addition, successful exit from the PSNP is defined as when a household can meet its food needs for the entire year without PSNP transfers and withstand moderate shocks. Under this definition nearly two million individuals “exited” from the program between 2008-2012.¹⁷ That progress did not meet the GoE’s projections, however, and in 2010, the Ministry of Agriculture specifically characterized exit rates as “slow.”^{18,19,20}

¹⁴ Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p.2)

¹⁵ Gilligan, Daniel O., John Hoddinott, and Alemayehu Seyoum Taffesse. 2008. *An Analysis of Ethiopia’s Productive Safety Net Program and its Linkages*. Washington, DC: International Food Policy Research Institute (p.23)

¹⁶ Andersson, Camilla et al. 2009 (p. 26)

¹⁷ World Bank Social Protection and Labor Global Practice/Eastern Africa Region. 2014. *Project Appraisal Document*. Washington, DC: World Bank (p.125)

¹⁸ Government of Ethiopia Ministry of Agriculture and Rural Development. 2009. *Food Security Program 2010-2014*. Addis Ababa: Government of Ethiopia. (p.15)

¹⁹ *Food Security Programme 2010-2014* (p.13)

²⁰ Kindra, Jaspreet. 2014. “Building Food Security in Ethiopia.” IRIN News, July 2014



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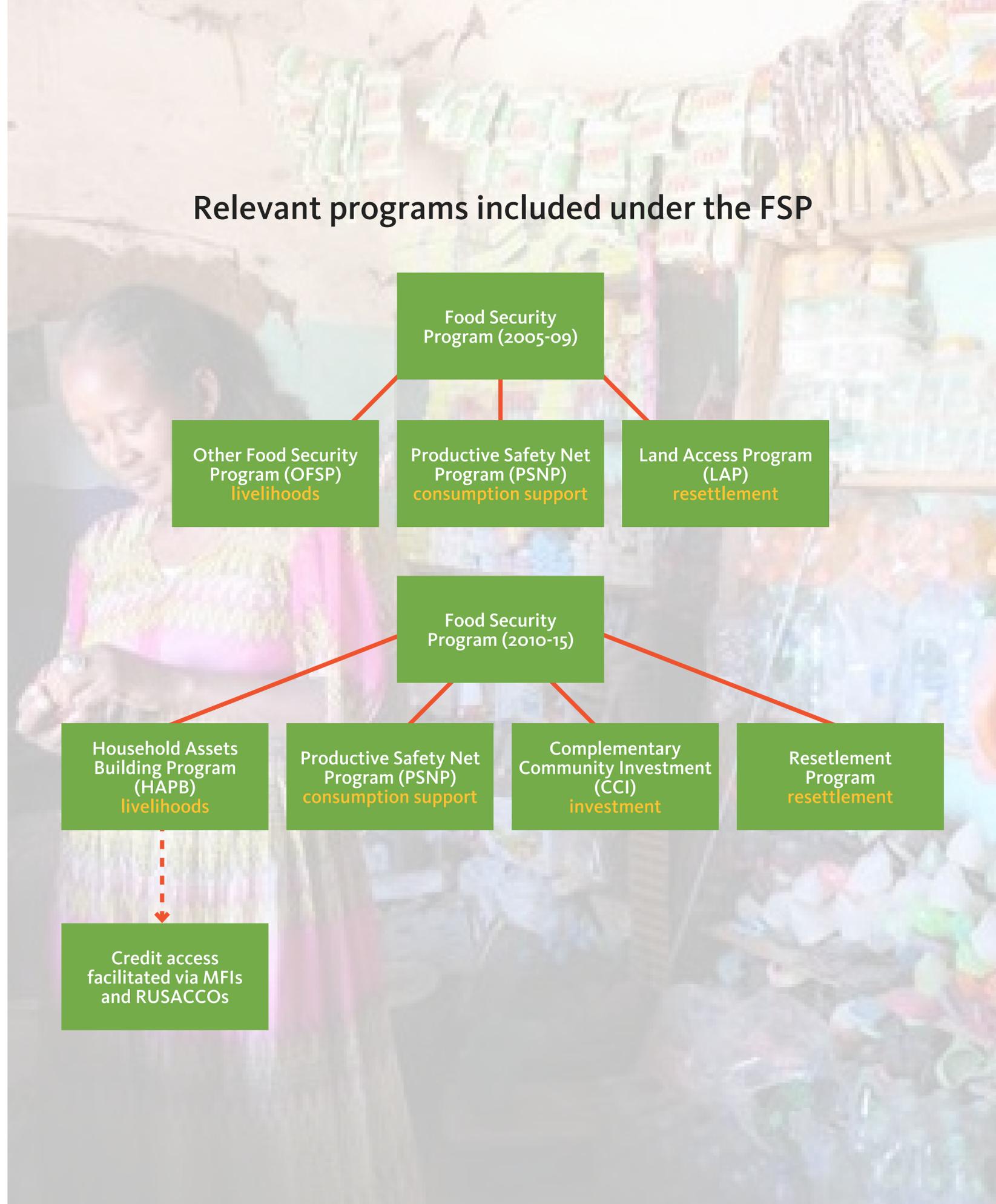
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LIVELIHOODS PROGRAMS

The Government of Ethiopia recognized that the PSNP alone would not be enough to help households *accumulate* assets and be able to exit the food support program, even if it did succeed in keeping households from being forced to sell off assets they already had. So to supplement the consumption transfers, the GoE introduced complementary livelihood programs as part of its overall food security program—distinct from the PSNP, but largely targeting the same populations.²¹ The premise behind these livelihood programs was the belief that increased access to rural credit would spur asset accumulation, breaking the poverty cycle and ultimately increasing exit rates from the PSNP.

²¹ *Household Assets Building*, Ministry of Agriculture and Rural Development, August 2009, p. 1-3



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Other Food Security Program (OFSP)

During the first and second phase of the PSNP (2005 to 2009), the livelihoods component fell under the Other Food Security Program (OFSP), which offered asset packages on credit. However, support from the OFSP still did not help achieve the desired exit rate from the PSNP.²² Access to the OFSP was low and the credit aspect of the program was poorly disseminated, with many households either not understanding they were taking out a loan or being forced to accept packages that were inappropriate for their circumstances.²³ Such households subsequently became indebted, leading to a future wariness about, or lack of access to, credit. Only 22 percent of loans were actually recovered by 2012.²⁴ These results support the CGAP/Ford Foundation view that underpins the Graduation Approach's theory of change: that the extreme poor may become overly indebted through the provision of credit, and instead require grants and other forms of sequenced support to kick-start economic activity.

²² Ministry of Agriculture. 2014. Productive Safety Net Program 4 Design Document, (p.1); *Food Security Program 2010-2014*, Ministry of Agriculture, August 2009 (p.15)

²³ Berhane, Guush, John F. Hoddinott, Neha Kumar, Alemayehu Seyoum Taffesse, et al. 2013. *Evaluation of Ethiopia's Food Security Program*. Washington, DC: International Food Policy Research Institute. (pp.177-9)

²⁴ Ministry of Agriculture. 2012. *Household Asset Building Program (HABP) Mid Term Review (MTR)*. Addis Ababa: Government of Ethiopia. (p. 8)

Household Assets Building Program (HABP)

When the next phase of the PSNP was designed for rollout in 2010, the accompanying livelihoods component was redesigned as the Household Assets Building Program (HABP), an effort to improve on the OFSP. The HABP centered on more focused livelihood support, including assistance in the formation of business plans. The HABP model also provided participants with technical training from Development Agents (DAs), frontline personnel of the GoE Agriculture Extension Department. Access to credit was not provided through government channels as had been the case with the OFSP, but rather via the development of Rural Savings and Credit Cooperatives (RUSACCOs) and where available, microfinance institutions (MFIs).²⁵ Another major change was the shift to a participant-driven approach, allowing households a greater say in livelihood choices based on a consultative process factoring in capacity and interests.²⁶ HABP also aimed to reach female heads of households and to expand beyond exclusively agricultural livelihoods.

²⁵ Ministry of Agriculture. 2014. Productive Safety Net Program 4 Design Document, (p.2)

²⁶ *Household Asset Building Program (HABP) Mid Term Review (MTR)*, 2012 (p.2)

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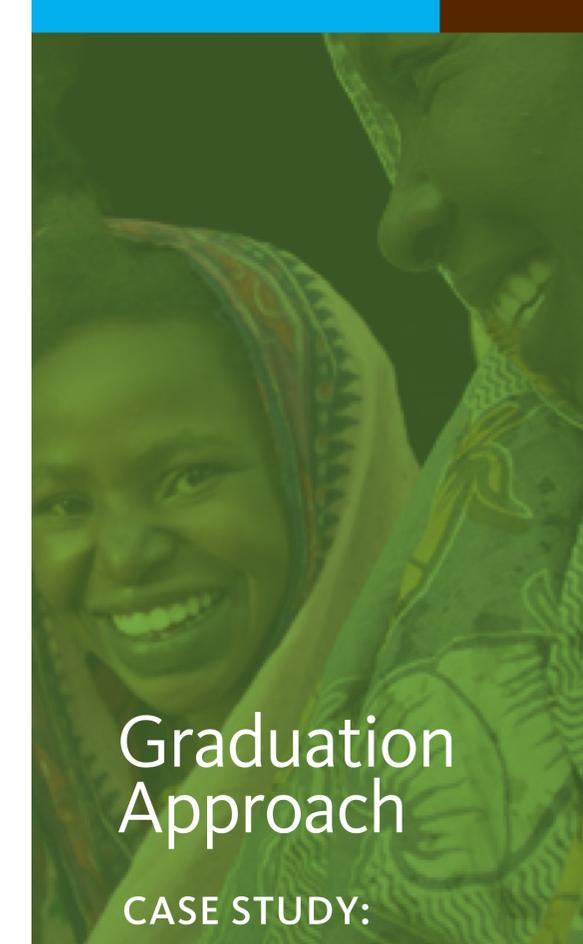


The HABP enjoyed a number of accomplishments. Many new RUSACCOs were created, the percentage of PSNP households taking out loans from MFIs and RUSACCOs increased, thousands of DAs were trained with the goal of three per *kebele* (ward),²⁷ and 680,000 households developed business plans for new livelihood activities.²⁸ Program evaluations, however, revealed that many of the business plans were reportedly generic, dominated by male household heads, and focused on on-farm activities,²⁹ and that program assistance did not always follow an effective sequencing procedure.³⁰ This resulted in some participants receiving limited technical training and lacking the confidence to take out loans, or taking on credit before they were ready. In addition, the rate of exit from the PSNP still fell below expectations, hovering around 10 percent and 12 percent in 2010 and 2011 respectively.³¹ Thus was the Ethiopian Government forced to seek still further for solutions to move chronically food-insecure populations above benchmarked poverty-related thresholds.

²⁷ *Household Assets Building*, Ministry of Agriculture and Rural Development, August 2009 (p.11)
²⁸ Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document*, (p.57)
²⁹ *Ibid* (p.58)
³⁰ *Household Asset Building Program (HABP) Mid Term Review (MTR)*, 2012 (p.6); Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p.58)
³¹ *Household Asset Building Program (HABP) Mid Term Review (MTR)*, 2012 (pp.24-25); *Berhane, Guush et al.* 2013 (p.211)

Summary of FSP Livelihood Components

Dates	PSNP Phase	Livelihood Component	Description	Summary/Results
2005-2009	I & II	Other Food Security Program (OFSP)	Asset packages on credit	Many poor who took on credit became indebted
2010-2015	III	Household Asset Building Program (HABP)	Technical and business plan support; facilitate access to credit	Many poor refused to take credit even when available
2015-2020	IV	Livelihood component integrated into PSNP IV	Livelihood training packages, similar to Graduation Approach, available to all participants	Participants linked to credit providers where available; poorest 30 percent to receive asset transfer



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ENTER THE GRADUATION PILOT

While the Government of Ethiopia was grappling with low PSNP exit rates, the idea of providing the poorest households with grants rather than credit gained traction. CGAP and the Ford Foundation were looking to implement a series of pilot projects to test the Graduation Approach around the world, and Ethiopia seemed like a natural choice since the GoE had included similar livelihood support components in its food security program since as early as 2005.

The GoE, however, expressed reservations, citing a fear of creating dependency regarding the asset transfer portion of the model. GoE's concern was that the asset transfers might further dependence on aid handouts, rather than developing sustainable livelihoods for food-insecure households. Ethiopia had worked hard over the past decade to reverse a perceived culture of dependency, a legacy of free emergency resource transfers, and was hesitant to engage in a program that might undermine these hard-fought gains.

REST and Tigray

CGAP and the Ford Foundation, however, found a willing implementation partner in REST, a nongovernmental organization based in the northern Tigray province. REST (Relief Society of Tigray) enjoys high regard for its track record on effectiveness and efficiency. Discussions around the asset transfer element and potential dependency continued to be problematic, however, until a novel solution was devised: households receiving the transfer would have to save the equivalent value of that transfer over a 24-month period. Framed more as a loan in this manner, households that reached the required savings amount would then have that loan forgiven, in effect transforming it into a grant.

With the asset transfer issue thus resolved, implementation began in 10 villages in Wukro *woreda* (district). The pilot was integrated into the local PSNP program; only public works PSNP recipients with less than 0.25 hectares of land or two oxen were eligible to participate.³² Targeting relied on the local Community Food Security Task Force (CFSTF), the same body that set targeting for the PSNP, and after initial households were identified, a community review process took place to verify each proposed participant.

³² Gupta, Anasuya. 2012. *Pathways out of the Productive Safety Net Programme: Lessons from Graduation Pilot in Ethiopia*. Dhaka: BRAC Development Institute. (p.11)

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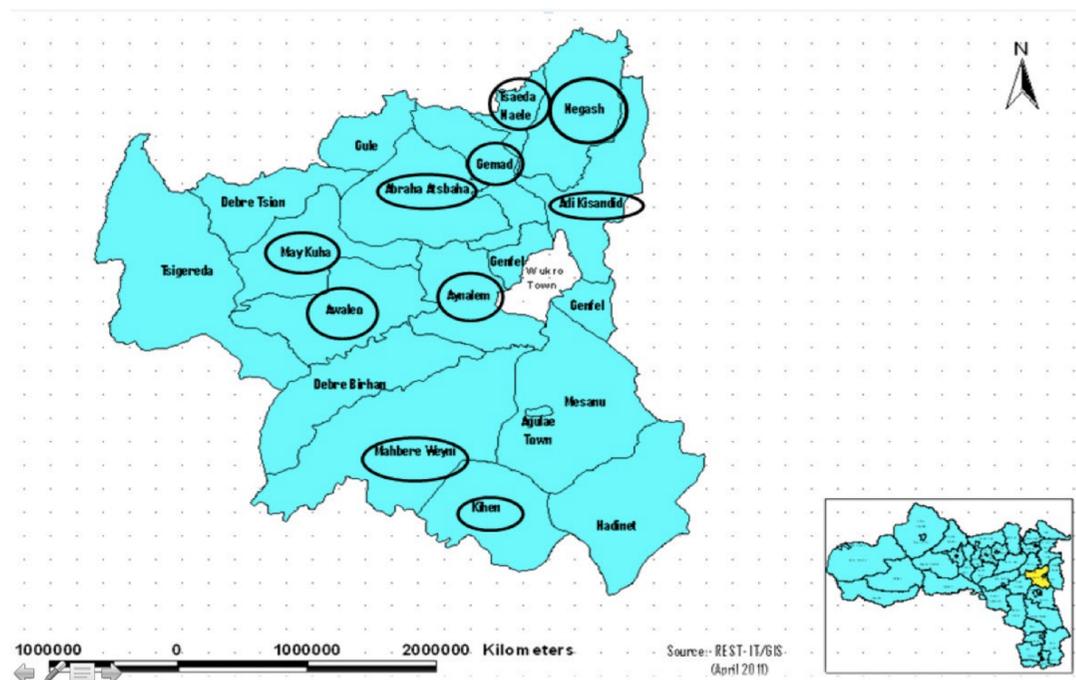
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Map of selected implementation sites in Wukro, Tigray Province^{33,34}



Tigray region of Ethiopia



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³³ Map of implementation sites taken from conference presentation by Syed M. Hashemi
³⁴ Map of of Tigray Region from <http://www.blackhistoryheroes.com/2010/05/queen-of-sheba.html>



ENTER THE GRADUATION PILOT >

A market analysis, conducted to identify appropriate livelihoods for Graduation program participants, identified cattle fattening, shoats (sheep and goats), petty trade, and bee keeping, with participants receiving technical training in the area of their choice. Community facilitators recruited by REST conducted the training and coaching, with a set ratio of one per village, or in effect one for every 50 households. The trainers visited each household weekly, providing technical knowledge but also checking up on the savings schedule and troubleshooting any other problems that arose. The biggest difference from the classic Graduation Approach was the linking of the asset transfer to the “forced” savings component, as described above. Participants’ bank accounts were frozen until the required amount had been deposited. Dedebit Credit and Saving Institution SC (DECSI), a Tigray-based MFI, worked closely with REST to closely monitor this aspect.

Evidence

Systematic data collection was a major priority during the course of the pilot. Innovations for Poverty Action (IPA) designed a randomized control trial (RCT) and conducted a baseline survey in 2010, a mid-project survey in 2011, an end-line survey in 2012, and an end-line plus one year survey in 2013. Qualitative interviews with the participants were undertaken on a regular

basis as well, to capture narratives describing the project’s impacts.

The results of the two-year pilot project (three years in the case of bee keeping) were impressive. Of the ten Graduation Approach pilots initiated by CGAP and the Ford Foundation around the world, Ethiopia showed some of the highest positive gains, with statistically significant impacts in all ten outcome areas. For example, treatment households enjoyed an increased average monthly consumption of 18.2 percent, and 68 percent higher total asset values compared to control households, while the pilot overall enjoyed an internal rate of return of 13.3 percent—the second highest of the six randomized control trial countries in the IPA research. According to project staff in Tigray, 90 percent of participants also met the exit criteria for the Graduation pilot program one year after the project ended, with a further 47 percent building up enough assets to also exit from the PSNP itself. Those rates were significantly higher than past efforts, such as, for example, the HABP which, as discussed above, had only resulted in 10-12 percent exit rates from PSNP. The full quantitative results of the RCTs were published in the May 2015 edition of *Science*,³⁵ while the narrative analysis came out in a 2013 paper entitled, *Pathways out of the Productive Safety Net Program: Lessons from Graduation Pilot in Ethiopia*.³⁶

³⁵ Banerjee, Abhijit, Esther Duflos, Nathanael Goldberg, Dean Karlan et al. “A multifaceted program causes lasting progress for the very poor: Evidence from six countries.” *Science*. 15 May 2015. Vol. 349, Issue 6236, p. 12

³⁶ Gupta, Anasuya. 2012.

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PSNP IV AND DEVELOPMENTS IN THE GOVERNMENT OF ETHIOPIA'S THINKING

Following the success of the Graduation pilot in Tigray, the design document for the fourth installment of Ethiopia's Productive Safety Net Program (PSNP IV) explained that rather than separate livelihoods programming as in the past, such components would be fully integrated into the PSNP as one program. The document also discussed the proper sequencing, tailored approaches, and intensive coaching required to move the poor from extreme poverty, while provisions for a one-time asset transfer were included for the poorest 30 percent of participants—all elements echoing central themes of the Graduation Approach. Thus despite previous hesitations, the GoE adopted the Graduation Approach into its national food security and livelihoods programming. A number of key factors explain this shift, all of which ultimately seek to address the issue of lower than expected PSNP exit rates.

Access to Credit

As noted above, the GoE had already found that simply increasing access to credit, the cornerstone of its previous livelihood programming, proved insufficient to alleviate extreme poverty. A major reason was indicated in the findings of a 2013 International Food Policy Research Institute (IFPRI) report which disclosed that the poor, especially female-headed households, were not taking credit even when it was available to them.³⁷ This was partially the result of negative previous experiences with credit during the OFSP, HABP, or other programs (described above), which led households to become wary and lack confidence.³⁸ Thus, the growing realization within the GoE that credit is simply not an option for many of these poor households led to the decision to include a pre-credit option for the very poor in PSNP IV's design.

³⁷ Berhane, Guush et al 2013 (p.180)

³⁸ Ministry of Agriculture and Rural Development. 2009. *Food Security Programme 2010-2014* (p.17)

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Results from the Tigray Pilot and Other Programs

The Government of Ethiopia carried out extensive due diligence on the Graduation Approach. Food security officials cited a formative trip they had taken to Bangladesh to see first hand the Targeting the Ultra-Poor (TUP) program run by BRAC, which had also served as the initial inspiration for the ten CGAP/Ford Foundation pilot projects.^{39,40,41} Officials also paid close attention to the results from the Tigray pilot, especially in terms of its impact on speeding up PSNP exit. While the experiences abroad demonstrated the value of the Graduation Approach in general, the Tigray pilot proved that it could work locally, targeting the very same PSNP participants that the GoE wanted to target.

³⁹ BRAC. 2013. "An End in Sight for Ultra Poverty: Scaling Up BRAC's Graduation Model for the Poorest." Briefing Note #1. Dhaka: BRAC.

⁴⁰ Hashemi, Syed M. and Aude de Montesquiou. 2011. "Reaching the Poorest: Lessons from the Graduation Model." Focus Note 69. Washington, DC: CGAP.

⁴¹ The TUP program, initiated in 2002 by the Bangladesh Rural Advancement Committee (BRAC), is aimed at meeting the needs of the ultra poor by implementing a sequence of tailored interventions, including a one-time asset transfer, weekly consumption support, savings participation, intensive training, health care, and social integration mechanisms. The program has enjoyed significant success, with a 2010 study demonstrating that 95 percent of participants no longer qualified as ultra-poor after twenty-four months, and had avoided falling back into that category four years later. CGAP and the Ford Foundation began testing the approach outside of Bangladesh in 2006, initiating ten pilot projects across eight countries.

Government of Ethiopia's Commitment

As will be seen throughout this case study, a central theme throughout the process has been the Government of Ethiopia's genuine commitment to improve the plight of the nation's extreme poor, and willingness to implement new solutions. The Ethiopian government is diligently pursuing an end goal to reduce the need for the PSNP, especially because extreme poverty can often be a multi-generational challenge. As one development worker based in Addis Ababa and familiar with the PSNP IV design remarked, "The [government] is open for evidence-based arguments, and the lessons from the Tigray experience convinced them."



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THE ONGOING ISSUE OF “DEPENDENCY”

As noted earlier, initial resistance on the part of the Ethiopian government lay in a fundamental disagreement over the role of grants versus loans. The acceptance of the asset transfer element of the Graduation Approach for the poorest PSNP IV participants reveals that dependency fears have largely been mitigated through a number of factors.

Savings Culture

The innovative solution to the asset transfer issue in the Tigray pilot, in which households were required to save the equivalent value of the transfer, helped assuage anxiety about fostering dependency in that program since it instead fostered the development of a savings culture for poor households. The specifics of the savings mechanisms in PSNP IV have yet to be detailed, but they will be highly encouraged for all livelihood participants. While government officials involved in the PSNP program explained it will not be “forced” like the Tigray model, it will be compulsory for asset transfer participants and closely supervised, a key provision put in place to guard against a dependency culture.

Strict Targeting

Government officials explained that there will also be strict controls with regards to targeting for PSNP IV and the asset transfer component. Restricting participation

to the extreme poor in each community, a process involving significant community involvement and awareness (see *Targeting* below), helps ensure that only the most needy receive the assistance package (as a grant), and that the community understands the rationale.

One-time Intervention

The asset transfer is also explicitly explained as a one-time intervention, diminishing the possibility of dependency (since it is made clear that there is no possibility of additional future asset transfer). The asset transfer is presented as a starting point to help launch livelihoods for those for whom credit is not yet appropriate. Once their livelihoods are generating income, participants are expected to be able to access credit on their own if they so desire. This one-time intervention ultimately reduces overall costs, as the asset transfer should enable participants to meet PSNP exit criteria rather than continuing indefinitely as a safety net recipient.



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Checklist

A comprehensive set of steps must take place before asset transfer. These steps include financial literacy training, business plan development, and technical skills training based on the relevant livelihood pathway. The steps emphasize the proper sequencing of events, a key component of the Graduation Approach, and one of the lessons learned from the earlier OFSP and HABP experiences. Participants will have to sign a document committing them to a savings schedule, and to putting the transfer received towards implementation of their business plan.⁴² The checklist helps ensure that participants have received adequate training prior to receiving the asset transfer, and the signed commitments alleviate some concerns regarding misuse of funds.

⁴² Ministry of Agriculture. 2015. *Livelihood Transfer Guidance Note* (unpublished draft). Addis Ababa: Government of Ethiopia (p. 8)

These factors have helped lessen the concern that the Graduation Approach, and specifically the asset transfer portion of the model, will create heightened dependency among participants. Regional and district officials emphasized that the dependency-fostering issue still remains a significant concern below the federal level. Large-scale abandonment of such convictions will likely only occur once positive nationwide results emerge, which may be many months, if not years, away. As one interviewee put it, “Dependency fears have not dissipated as many still think the free transfer of resources is not the best method. The reason the GoE changed its mind was the convincing evidence from the [Tigray] pilot that a one-time fixed grant for a carefully targeted beneficiary would make a difference.”

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The stated goal of PSNP IV is that “resilience to shocks and livelihoods [are] enhanced and food security and nutrition improved, for rural households vulnerable to food insecurity.”⁴³ The incorporation of livelihood components supports this overall objective, with additional assistance earmarked for those most in need. As noted elsewhere, the end goal is to lessen reliance on the PSNP itself, and the GoE believes that supporting livelihoods and training that helps move the rural poor into the credit system will spur asset accumulation, thereby speeding the timeline to program exit.

Path to Program Exit



Many of the specifics regarding program implementation under PSNP IV had yet to be finalized at the time of writing, but its overall aim is to scale up to a total caseload of 10 million participants across eight of Ethiopia’s 11 regional states, until the current phase terminates in 2020.⁴⁴ All PSNP IV

⁴³ Ministry of Agriculture. 2014 *Productive Safety Net Program 4 Design Document* (p.4)

⁴⁴ The ten million caseload is the total number of clients expected for PSNP IV, which includes 8.3 million chronically food-insecure clients and 1.7 million transitory clients. The transitory clients are provided support on a limited basis, and the households included may shift during each round.

participants will be eligible to opt into the voluntary livelihoods component, which mirrors elements of the Graduation Approach. The asset transfer portion, however, will be reserved for the poorest 30 percent, or up to 675,000 total households. The remainder of livelihood participants will be referred to credit providers to obtain financing to pursue their livelihoods development path.

The livelihoods component is scheduled for roll out to all PSNP regions in Year 1.⁴⁵ If household participation in the livelihoods component exceeds local implementation capacity, priority will be determined by community task forces, primarily on the basis of readiness to engage in the activities. The specific asset transfer activity will be piloted in Year 1 in eight districts, two from each of the four main regions of the country. The districts and total number of participants targeted for Year 1 had not been determined as of late 2015, but the results of this pilot phase will influence future roll-out in Years 2-5, with significant monitoring required to ensure lessons learned are captured and implemented.

⁴⁵ PSNP IV officially began in July 2015, but implementation did not get underway until late 2015, in effect reducing the overall length of “Year 1.” Year 2 began in July 2016.

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Targeting

Targeting is a crucial component to the Graduation Approach, to ensure that the most needy are in fact those who participate and benefit from the program, and to limit any potential allegations of favoritism or bias. Part of the success of the Approach lies in the determination and dissemination of clear-cut criteria that can easily be explained and understood by the entire community. Integrating the Graduation Approach into the PSNP was advantageous in many ways, but perhaps especially in the area of participant targeting—the PSNP is generally considered to have a good selection process in place, and communities possess significant experience in this regard.⁴⁶

A key step in the process to determine the poorest members in each community, as outlined below, is a community wealth ranking focused on aspects such as land ownership, livestock holdings, and other means of generating income. The livelihoods component of PSNP IV also emphasizes the focus on individuals within households. This is due to past experiences under the HABP and OFSP, which often resulted in a concentration of services around the household head. By emphasizing individuals within households, the idea is to include more women in male-dominated households and more youth in all households (aged 15-

29). The objective is not to bypass household heads but rather to ensure that all members receive support.⁴⁷ In line with this, there is an expectation that women will make up 50 percent of all asset transfer participants.

Key Partners

PSNP IV brings together a number of donors, government ministries, NGOs, and microfinance institutions in support of the livelihoods component. Many, especially some government ministries, will play new roles, while others, such as regional MFIs and NGOs, will largely continue previous practices.

There are 11 total donors for PSNP IV (see list below).⁴⁸ The GoE will continue, through the PSNP IV, to serve as the provider of consumption support, asset transfers, technical skills training, and life coaching. NGOs will play a number of roles at local levels in support of these aspects, such as providing financial literacy training, or supporting savings through VSLAs. (The specifics about which NGOs will participate and in what capacity had not been decided at the time of writing.)

⁴⁷ “Ethiopia Definition of Youth”, Youth Policy, October 14, 2014 <http://www.youthpolicy.org/factsheets/country/ethiopia/>

⁴⁸ World Bank. 2014. *Project Appraisal Document*. (p.2)

⁴⁶ Berhane, Guush et al 2013 (p.114)

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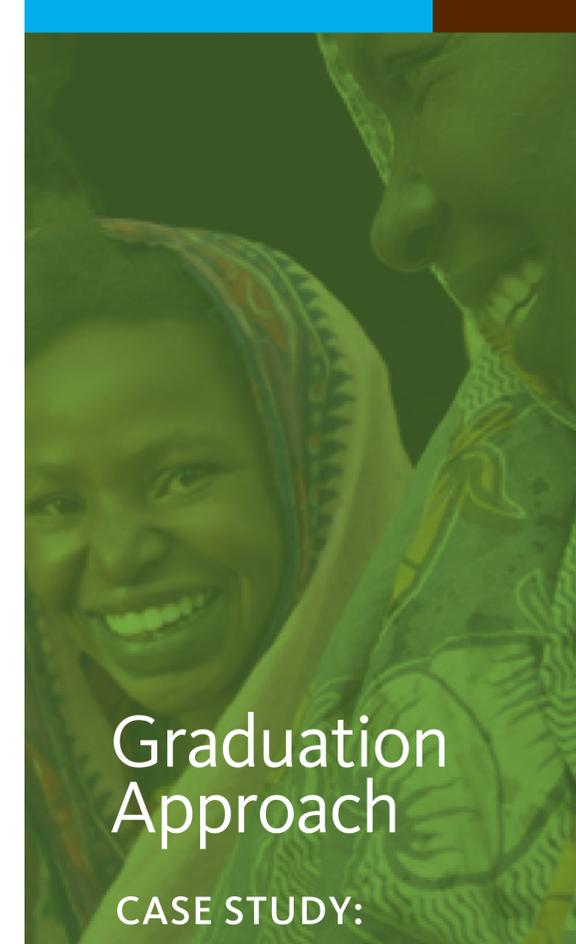
Key PSNP IV Partners
World Bank
USAID (United States Agency for International Development)
DANIDA (Danish International Development Agency)
DFID (UK Department for International Development)
DFATD-Canada (Department of Foreign Affairs, Trade and Development – Canada)
European Commission
Irish Aid
Royal Netherlands Embassy
SIDA (Swedish International Development Cooperation Agency)
UNICEF (United Nations Children’s Fund)
World Food Program (WFP)

Financial institutions are a key component of the asset transfer program, since savings programs will be established for participants. Options include MFIs or more community-level institutions, such as RUSACCOs or VSLAs. Under PSNP IV, government facilitation of MFI access to the rural poor, and the promotion of village and community savings associations, is a priority.⁴⁹

A range of Ethiopian Government ministries will also be asked to take on expanded roles in PSNP IV, especially with regards to the livelihoods components (see below). Ministries such as Women, Youth, and Children Affairs, will be tasked with ensuring those constituencies’ needs are addressed throughout the program.

A large number of partners will be involved in the process, providing great opportunity for program participants to receive specialized support from the relevant institutions and ministries, but also raising significant coordination challenges amongst all the actors.

⁴⁹ Government of Ethiopia Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual*. Addis Ababa: Government of Ethiopia. (p.9)



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Staffing

The coaching and mentoring aspect of the Graduation Approach is one of the key factors that sets it apart from other poverty interventions. Many participants in the Tigray pilot project singled out the coaching and mentoring as a decisive factor in their success. Be that as it may, given the ambitious plan to scale other key elements of the Graduation Approach in the new PSNP, the level of individualized attention compared to REST's small pilot project will inevitably decline. The question becomes how to balance the need for cost-efficiency in the face of limited resources, but still achieve success by maintaining the level of personal attention required to build the confidence of the poorest households and to provide services tailored to their needs.

Typically, the Graduation Approach calls for field staff to travel from village to village in their role as community facilitators, providing mentoring and coaching. In the Ethiopian context, however, there already exists a network of Development Agents (DAs), who work at the ward level to help carry out the functions of the PSNP. Rather than hiring an entire new cadre of community facilitators, the GoE will rely on the current DAs to take on these additional tasks, with a set ratio of 50 households per DA. DAs will support all PSNP households that opt into the livelihoods component, but those receiving the asset transfer will in turn receive more intense coaching and mentoring. For example, asset transfer recipients will meet as a

group with their DA at least once every two weeks, with a follow-up individual visit to each household once a month.⁵⁰

DAs, however, have a number of other responsibilities already, including designing and overseeing the public works component of the PSNP (as able-bodied participants are required to contribute labor to public works projects), providing technical assistance, and serving on the Community Food Security Task Forces (CFSTFs).⁵¹ Concerns abound that the DAs will be overworked. To balance the need for personalized attention with the demands of a large program, certain guidelines have been put in place, such as the grouping of livelihoods participants into cohorts of approximately 20-30 members.⁵² The focus on group learning helps mitigate the reality of lessened individual attention, though it is also understood that 'fast climbers' will generally receive less individualized attention in favor of those who may be struggling.

LESSONS LEARNED/CHALLENGES AHEAD

- Staffing is one of the most important determinants of program success.
- Group learning in place of individualized attention, along with a focus on struggling households, may help mitigate excessive demands on personnel.
- While the Government of Ethiopia is able to rely on a network of development agents already in place, a major challenge ahead will be managing the increased workload, taking into consideration the agents' other responsibilities.

⁵⁰ *Livelihood Transfer Guidance Note* (unpublished draft), 2015, p.3

⁵¹ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (pp.18-19)

⁵² Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p.59)

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Program Exit Criteria

The official criteria for exit from PSNP IV, for both livelihood transfer and other participants, is that “households achieve food self-sufficiency in the absence of external support,”⁵³ which a development worker familiar with PSNP IV design described as essentially being a level of assets sufficient to feed their families for 12 months per year. The vague wording recognizes that program exit requirements will be different across regions and livelihoods. Furthermore, PSNP IV will focus on evidence-based exit, relying on case-by-case assessments of a client’s assets and a Graduation Prediction System (GPS) that determines likely overall exit rates for each ward through the input of various data, such as crop production rates and public works project details. There is no specific timeline outlined, to prevent any premature exit by participants.

CFSTFs will develop their own specific indicators relevant to their localities, using information from the initial wealth-ranking exercise. Thus, program exit is explicitly tied to the considerations that led to program entry. Local officials stress that as there are no specific program-wide benchmarks for entry, the same will remain true for decisions regarding exit. This allows the CFSTFs a large degree of autonomy to evaluate each

⁵³ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p 3.2)

client on a case-by-case basis within their communities, part of the added emphasis on evidence-based program exit. With PSNP IV just getting underway at the time of writing, it remains to be seen how this process will play out. Potential inconsistencies in program exit across the diverse country could become an issue.

In practice, the CFSTF will be tasked with determining the exit of local recipients on an annual basis, using the Graduation Prediction System rate. Again, following a community wealth-ranking exercise similar to the targeting process, the CFSTF will then select each PSNP client for program exit beginning with the wealthiest, and continue down the list in this manner until either the GPS rate is met or the committee determines that the next client on the list isn’t ready for exit based on the guiding principle of “food self-sufficiency in the absence of external support.”⁵⁴ In other words, rather than relying on a set formula, CFSTFs have an overall principle with which to consider exit, and the opportunity to evaluate each recipient’s status on an individual basis. It allows for the localized determination of exit, adding a level of flexibility into a national program.

⁵⁴ Ibid. (p 3.16)

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Program Exit Steps

CFSTF determines which clients are eligible for exit on an annual basis

- GPS system outlines overall exit rate for each ward.
- Wealth ranking exercise ranks all PSNP clients in community.
- CFSTF evaluates each recipient for exit on case-by-case basis, either until GSP rate has been satisfied or clients are determined to be not ready for exit.

Appeals committee hears grievances

Selected clients are notified of impending program exit, but given a 12-month grace period in which they will still receive consumption support.

LESSONS LEARNED/CHALLENGES AHEAD

- Local committees are tasked with determining program exit, relying on their knowledge of the community they serve.
- There is no specific timeline for exit from PSNP IV, to reduce any anxiety households might otherwise feel about a set deadline for exiting the program.
- The shift towards evidence-based exit allows households to be evaluated on a case-by-case basis, to further reduce the risk of premature program exit.

Consumption Support

All PSNP participants, regardless of whether they choose to participate in the livelihoods component or not, receive consumption support. As noted earlier, each household receives the food or cash equivalent of 15kg of cereal and 4kg of legumes for six to 12 months of the year, depending on their classification level (permanent direct support participants [the elderly, disabled, or pregnant or nursing women] receive year-round transfers, while public works participants receive transfers for six months of the year).⁵⁵

This support is predicated on the food-for-work model described above, meaning that able-bodied adult household members will have to provide five work days per month per PSNP household recipient. This model reflects the GoE’s emphasis on avoiding dependency, while the food-for-work projects are aimed at benefiting the community as a whole through the public works component.

LESSONS LEARNED/CHALLENGES AHEAD

- Consumption support in return for participation in public works projects is an established facet of the PSNP, and helps reduce concerns regarding the potential cultivation of dependency.

⁵⁵ Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p 31).

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Savings

All PSNP participants will be encouraged to save, and will be provided trainings in this regard. The PSNP itself does not provide credit, but will facilitate links for livelihood participants to VSLAs, RUSACCOs, and MFIs, many of which will require a level of savings prior to offering credit. The HABP under PSNP III created and strengthened thousands of RUSACCOs, and the PSNP IV implementation manual continues this emphasis on savings cooperatives.

As noted earlier, asset transfer recipients will be required to accumulate savings equal to the value of the asset, and they will have to sign a document indicating their responsibilities in this regard.⁵⁶ While likely to include a high degree of variation by region and household, as of late 2015 specifics regarding the savings mechanisms had yet to be announced. Nonetheless, participants will be encouraged to begin saving before receiving the asset transfer, whenever possible.⁵⁷ The savings schedule will be determined by the financial institution, and DAs will be responsible for checking up on this component.

In the Tigray pilot, the special relationship between REST and DECSI facilitated the enforcement of the savings schedule. Many recipients expressed support

for the model as it helped develop a culture of savings. This is an aspect that will be difficult to recreate on a national level, with many regions lacking the same level of coordination between implementing agencies and financial institutions. There appears to be an awareness that given this reality, the GoE can heavily encourage participants to save but ultimately not force them to, making the savings activity across the pilot districts a key factor to closely monitor.

LESSONS LEARNED/CHALLENGES AHEAD

- Savings were ‘forced’ in the Tigray pilot, and many recipients ultimately expressed support for this mechanism.
- As with the Tigray pilot, the savings component in PSNP IV will be mandatory, but there is an awareness that this may be difficult to ensure. The relationship between the implementing agency and the financial institution during the pilot was one of a rare degree of cooperation and coordination which is unlikely to be replicable at national scale.
- The development of successful locally-specific mechanisms to ensure clients save an appropriate amount may prove a key factor in reducing concerns with regards to fostering dependency.

⁵⁶ *Livelihood Transfer Guidance Note* (unpublished draft), 2015, p.8

⁵⁷ *Ibid* (p. 7)

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Market Analysis & Asset Transfer

The livelihoods component is open to all PSNP recipients, meaning that the technical assistance provided will be program-wide. Two members of the same household could participate in different livelihoods pathways. The USD 200 asset transfer activity (detailed below), however, is restricted to the poorest, and will be limited to no more than one person per qualifying household.

There are three main livelihoods pathways in PSNP IV: crop and livestock, off-farm, and employment. The specifics of each pathway will inevitably vary by region in a nation with such diverse environments (pastoral, agro-pastoral, riverine agriculture, and ex-pastoral). Analyses at the zonal level that include specific district information will be conducted to determine appropriate ventures, followed by the development of specific technical training. These analyses will include both market and value chain assessments, and will involve district officials, regional experts, DAs, and the community itself.⁵⁸ The goal of the interventions is to combine client interest and capacity, along with market demand and resource availability, to develop viable economic pathways.⁵⁹

⁵⁸ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p 5.2)

⁵⁹ Ibid. (p 6.8)

The choice of appropriate and market-driven livelihood pathways is an extremely important aspect of the model. In the Tigray pilot, an external consulting group was hired to conduct the market study, an option that exists within the PSNP IV⁶⁰ and an indication of the resources necessary to ensure the success of this effort.

Once the specific pathways have been selected, they will be explained to the communities, so livelihoods participants can make an informed decision after consulting with their DA. This approach is aimed at helping recipients choose a livelihood that will mesh well with their circumstances and capacity.⁶¹ For example in the Tigray pilot, respondents chose pathways based on their individual situations, such as beekeeping for those who were landless, or petty trade for a mother with a house on the main road and a child to look after.

⁶⁰ Ibid. (p.5.2)

⁶¹ Gupta, A. 2012. (p.13)



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Table of Livelihood Pathways in PSNP IV

Pathway	Responsible Agency	Technical Training	Notes
Crop and Livestock	Extension Agency, via the Livelihoods Implementation Unit	10-20 hours, depending on livelihood; provided by DAs	DAs will provide technical assistance as well as training
Off-farm	Micro and Small Enterprise Agency (MSE); TVET (Technical Vocation Education and Training) provides training	Ranging from 7-12 days to up to 2-4 months depending on occupation	Following client consultations, DAs will submit list to MSE, which will decide number of trainees for each course
Employment	Bureau of Labor and Social Affairs (BOLSA); TVET provides training, WOLSA (Woreda Office for Labor and Social Affairs) covers costs	Ranging from 7-12 days to up to 2-4 months depending on occupation	No asset transfer associated with this pathway, nor is a business plan required

Asset Transfers

The asset transfer for the poorest 30 percent of participants is set at the equivalent of USD 200, currently approximately ETB 4,100—significantly lower than the USD 350 set aside in 2010 in the Tigray pilot. Some pilot participants complained this would not be enough to make significant investments. For example USD 350 in 2010 may have bought two cows for fattening, while by the time of writing, that same amount would purchase just one. Tigray pilot implementers also thought that while the reduced

amount could still result in positive change, it may take longer than the GoE wants.

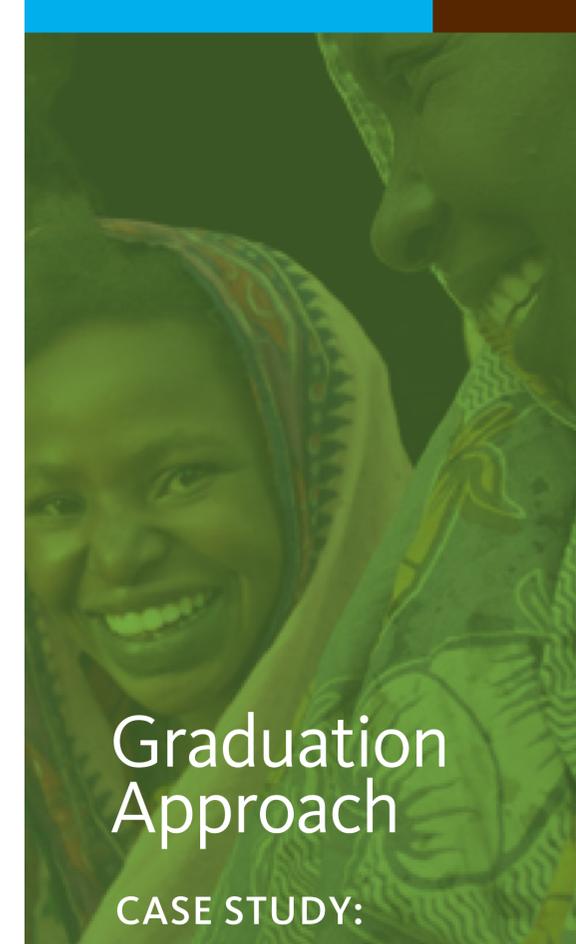
Officials in the Ethiopian Government counter that under the HABP, the lower end of credit options was set at USD 200, an appropriate amount for those with no prior experience. It will not be possible for recipients to immediately undertake a major project, but the entire process is designed to allow participants to get comfortable with investments, savings, and credit, as they incrementally move to larger projects. Nonetheless, the impact of the USD 200 amount will be another key aspect to monitor during the early years of PSNP IV.

Employment Pathway Specifics

The employment pathway will be particularly important for landless youth and ex-pastoralists.⁶² A large part of this pathway will involve seasonal migration, which will include some technical training, but also courses on topics such as money transfer and HIV/AIDS prevention. Initially, a labor market assessment will be conducted to identify employment opportunities for PSNP IV participants, which will include the list of opportunities, requirements for trainings, and commitments from employers.⁶³

⁶² Ibid. (pp 9.19-9.20)

⁶³ Ibid. (p 5.4)



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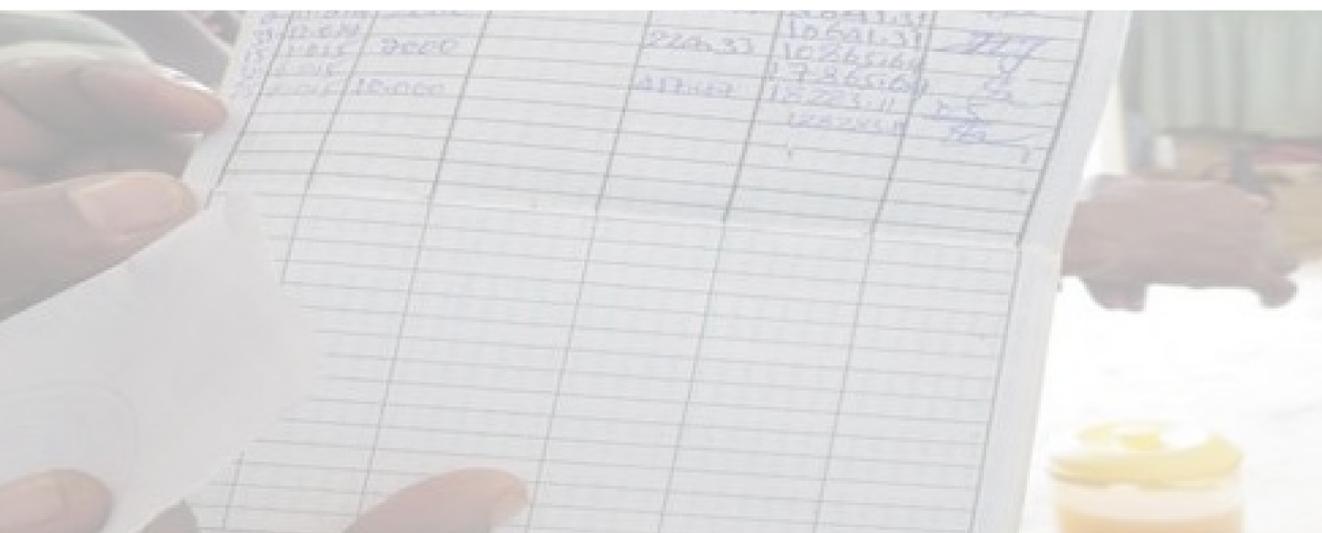
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Following this, DAs will create a list of participants who select this pathway and submit the list to the WOLSA (Woreda Office for Labor and Social Affairs) / one-stop service centers (see below). Based on market demand, the number of trainees for each course will be agreed upon by WOLSA & TVET (Technical Vocational Education and Training). At the end of training, TVET will create list of successful participants and submit them to interested employers. Ideally, trainings will also include a period of placement with the employers, for participants to gain relevant experience.

The Ministry of Labour and Social Affairs (MOLSA, or WOLSA at the district level), will ultimately be responsible for linking the supply of labor with demand for workers in the employment pathway. Potential employers include labor for large-scale government projects or private enterprises. The initial focus will be on finding opportunities for unskilled or semi-skilled labor, and local officials familiar with PSNP IV design expect that the employment pathway will continue to evolve as the program matures.



LESSONS LEARNED/CHALLENGES AHEAD

- The selection of livelihoods pathways is more effective when combining demand-driven market analyses, community-specific options, and the element of personal aptitudes and choices by participants.
- Careful explanation of each pathway brings participants into the process, making them responsible for selecting a pathway appropriate for their circumstances and skills.
- The impact of the reduced amount of the asset transfer (compared to the Tigray pilot project) will be a key area to monitor, and may require adjustments further on.

Technical Training

Technical training will of course depend on the pathway chosen. While the DAs will be the main intermediary between livelihoods participants and other program activities, other staff will be involved in service delivery; the DAs will not be responsible for all trainings. Responsibility for developing the relevant trainings falls under the agencies and organizations overseeing each pathway.

Livelihoods participants will undergo training in the cohorts they have formed, emphasizing group and peer-to-peer learning, which were both important aspects of the Tigray pilot. In addition, the expansion of one-

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stop service centers, which bring together the Regional Micro Credit and Small Enterprise Development Agency (REMSEDA), Technical Vocational Education and Training (TVET), and microfinance institutions, are a key component of the training process. Livelihoods participants engaging in the off-farm or employment pathways will be referred to these institutions to continue their training. As of late 2015, there were over 1,200 one-stop centers located in rural Ethiopian towns, with plans to add a few hundred during the next PSNP phase.⁶⁴

Checklist

Livelihoods participants will also have to complete a thorough checklist of prerequisite activities that includes financial literacy training, business plan development, and technical skills training, in order to ensure that participants are well prepared to begin the pathway. The proper sequencing of events through the completion of checklist activities is clearly emphasized in the PSNP IV implementation manual as a prerequisite to asset transfer, echoing a key component of the Graduation Approach.⁶⁵ This was also one of the

main lessons learned from the HABP and OFSP, where careful sequencing was not always followed.⁶⁶ The checklist can also serve as a monitoring tool to track that trainings are being offered and completed, and will help ensure that participants are ready to move to the next step.⁶⁷

LESSONS LEARNED/CHALLENGES AHEAD

- A range of technical experts can provide more specific advice to supplement community facilitators.
- In a large-scale implementation, group learning activities and peer-to-peer learning may be a necessary alternative to the more resource-intensive one-on-one focus.
- A checklist of required steps ensures that proper sequencing of events is followed, and that clients are adequately trained before receiving an asset transfer.
- The development of pathway-specific training involves a range of actors, and the effective coordination of all involved will be a key challenge.

⁶⁴ Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p.57)

⁶⁵ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p.9.3)

⁶⁶ Household Asset Building Program (HABP) Mid Term Review (MTR), 2012, p.6

⁶⁷ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p.9.3, 9.12)

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Life Skills Coaching

Mentoring and coaching will fall upon the DAs, a new responsibility for them. Trainings and guidelines for the DAs are in development to help develop these new skills.⁶⁸

The ratio of 50 livelihoods participant households per DA has been established as the norm, based on past experience (this includes asset transfer and non-asset transfer recipients). With an average of three DAs present per ward, the Ethiopian Government is confident that this ratio can be maintained, and still allow for high-quality support,⁶⁹ bearing in mind that participants receiving an asset transfer will receive priority attention from DAs compared to regular PSNP recipients.

In the Tigray pilot, the commitment of the community facilitators to help resolve participant problems was

⁶⁸ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p.5.6); *Livelihood Transfer Guidance Note*, 2015, (p.9)

⁶⁹ Ministry of Agriculture. 2014. *Productive Safety Net Programme Phase IV Programme Implementation Manual* (p.9.8)

consistently cited as a key factor of success, predicated on the level of individualized attention. Weekly household visits were required in that program, a level of intensity that cannot be recreated in the national program. Nonetheless, the coaching role (which will be taken on by the DAs in PSNP IV) is a major component of the Graduation Approach, one that goes beyond providing purely technical support. The ability of DAs to transition to the coaching and mentoring role on top of their other responsibilities, using motivational techniques and group facilitation as in the Tigray pilot, will be an important facet of PSNP IV, as it extends elements of the Graduation Approach nationwide.

LESSONS LEARNED/CHALLENGES AHEAD

- A ratio of 50 households per DA is viewed as ideal in terms of managing a large number of participants, while maintaining quality control.
- Ensuring the development of DA skills in terms of coaching and mentoring will be a major challenge given that it is a new role for them, and will be added to their other ongoing responsibilities.

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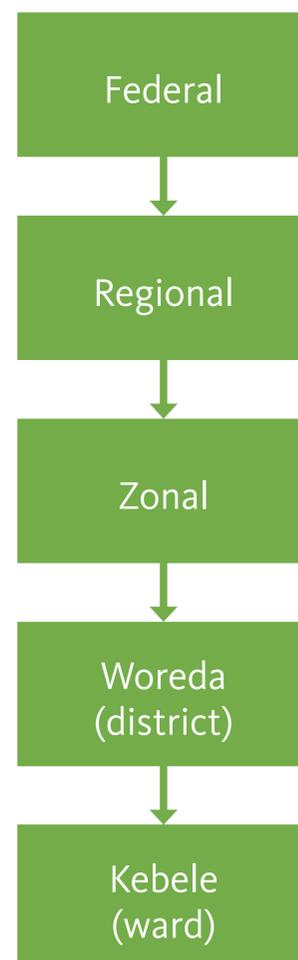


Monitoring

Monitoring will be a vital component for PSNP IV, particularly with regards to the asset transfer in Year 1 for the eight selected districts. The results will inform how the GoE addresses scaling up in the remaining four years of PSNP IV. Regular reporting at all levels is part of the design process through pre-determined forms, complemented by a regular schedule of visits from officials at both the federal and regional level. In addition, DAs will also gather on a quarterly basis at the district level to share their experiences, along with larger workshops bringing together district-level implementers.

Program activities and participant data, disaggregated by gender, will be two of the key subject areas for monitoring.⁷⁰ Both participant surveys and DA reports will inform the monitoring process, and a variety of indicators will be tracked, including the number of participants receiving

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asset transfers (with the number of female-headed households broken out), percentage of participants reporting a monthly meeting with their DA, percentage of participants who complete the training package, and the number of households each DA is working with, in addition to qualitative responses from both participants and DAs on obstacles overcome.

The Government of Ethiopia will be responsible for this monitoring and evaluation in conjunction with development partners at the federal level, but no outside institutions have yet been invited to conduct randomized control trials or similar assessments. PSNP already has a high degree of regularized reporting built in at all levels. One high priority will be to verify the effectiveness of the participant targeting process to ensure that necessary first step is working as planned prior to the future scale up.

A Rapid Response Mechanism (RRM) is included in the current guidelines for PSNP IV, which would send teams out to address immediate and critical issues in implementation.⁷¹ A joint review process with donors and the government at both the federal and regional levels is also planned that will review implementation, track progress, and identify solutions to issues that arise.⁷² These mechanisms should allow for flexible changes as problems occur, avoiding lengthy delays in

⁷⁰ Ibid. (p.17.4)

⁷¹ Ibid. (p 17.12)

⁷² Ibid. (p 17-13)

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addressing them. A workshop specifically focused on the asset transfer is planned prior to Year 2 to discuss future rollout.⁷³

The importance of good monitoring and the agility to make program adjustments promptly cannot be stressed enough in such a massive and complex program with a number of new components. A range of actors will be involved across a number of diverse environments in a highly decentralized structure—meaning that implementation is unlikely to be uniform across all sites even in the best case scenario, as evidence from previous programs like the HABP indicates.⁷⁴ The ability to capture lessons learned and apply them to make programmatic adjustments will likely be a critical factor in ensuring that the program achieves success by the end of PSNP IV in 2020.

⁷³ *Livelihood Transfer Guidance Note* (unpublished draft), 2015, p.11

⁷⁴ Berhane, Guush et al. 2013 (p.185)

Program Costs

The Government of Ethiopia commits 1.1 percent of its GDP to the PSNP. The costs of PSNP I/II and PSNP III averaged USD 300 million per year and USD 525 million per year, respectively,⁷⁵ while PSNP IV is scheduled to increase to an average of USD 720 million per year (or approximately USD 3.6 billion over five years).⁷⁶ The GoE contribution comes to about USD 125 million per year,⁷⁷ while the remainder is financed through donor funding. The goal is for the proportion of GoE funding to increase over time (from USD 58 million in Year One to USD 185 million in Year Five), while donor funding decreases.⁷⁸ For comparison purposes, the Tigray project pilot ran an estimated annual cost of USD 442 per household,⁷⁹ while the annual costs for PSNP IV will be closer to USD 360/household.⁸⁰

⁷⁵ Taffesse, Alamayehu Seyoum. 2014. *Resilience Policy – Some Lessons from Ethiopia's PSNP*. Washington, DC: International Food Policy Research Institute

⁷⁶ World Bank. 2014. *Project Appraisal Document* (p.12)

⁷⁷ Ministry of Agriculture. 2014. *Productive Safety Net Program 4 Design Document* (p.9)

⁷⁸ World Bank. 2014. *Project Appraisal Document* (p.183)

⁷⁹ Graduating the Ultra Poor in Ethiopia, landing page on Innovations for Poverty Action, <http://www.poverty-action.org/study/graduating-ultra-poor-ethiopia>

⁸⁰ The figure for household costs in PSNP IV is not official but an approximation based on program data, and should not be utilized other than for purposes of comparison in this report. In addition, this figure covers all PSNP IV participants, rather than just asset transfer clients.

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Key Lessons Learned

With this case completed shortly before implementation of Ethiopia's PSNP IV was to begin, it will be valuable to revisit many of the program's key components a year or two after they have been put into practice. The ways in which Ethiopia's program navigates the key challenges outlined below can help shed light how other government-implemented program can best grapple with similar challenges.

LESSONS LEARNED/CHALLENGES AHEAD: STAFFING

- Appropriate staffing is one of the most important determinants of program success.
- Group learning in place of individualized attention, along with a focus on struggling households, may help mitigate excessive demands on personnel.
- While the Government of Ethiopia is able to rely on a network of development agents already in place, a major challenge ahead will be managing the increased workload, taking into consideration the agents' other responsibilities.

LESSONS LEARNED/CHALLENGES AHEAD: PROGRAM EXIT CRITERIA

- Local committees are tasked with determining program exit, relying on their knowledge of the community they serve.
- There is no specific timeline for exit from PSNP IV, to reduce the pressure on households to exit before they are ready.
- The shift towards evidence-based exit allows households to be evaluated on a case-by-case basis, to further reduce the risk of premature program exit.

LESSONS LEARNED/CHALLENGES AHEAD: CONSUMPTION SUPPORT

- Consumption support in return for participation in public works projects is an established facet of the PSNP, and helps reduce concerns regarding the potential cultivation of dependency.

LESSONS LEARNED/CHALLENGES AHEAD: SAVINGS

- Savings were 'forced' in the Tigray pilot, and many recipients ultimately expressed support for this mechanism.
- The savings component in PSNP IV will be mandatory, but there is an awareness that this may be difficult to ensure, given the realities of expanding the program to scale across the nation.
- The development of successful locally-specific mechanisms to ensure clients save an appropriate amount may be a key factor in reducing concerns with regards to fostering dependency.

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LESSONS LEARNED/CHALLENGES AHEAD: MARKET ANALYSIS & ASSET TRANSFER

- The selection of livelihoods pathways is more effective when combining demand-driven market analyses, community-specific options, and the element of choice by participants.
- Careful explanation of each pathway enables clients to participate in the process, and select a pathway that is appropriate for their circumstances and skills.
- The impact of the reduced amount of the asset transfer compared to the Tigray pilot project will be a key area to monitor, and may require adjustments further on.

LESSONS LEARNED/CHALLENGES AHEAD: TECHNICAL TRAINING

- A range of technical experts can help provide more specific advice to supplement community facilitators.
- An emphasis on group and peer-to-peer learning may help lessen demands in a large-scale implementation.
- A checklist of required steps is needed to ensure that proper sequencing of events is followed, and that clients are adequately trained before receiving an asset transfer.
- The development of pathway-specific training involves a range of actors, and the effective coordination of all involved will be a key challenge.

LESSONS LEARNED/CHALLENGES AHEAD: LIFE SKILLS COACHING

- A ratio of 50 households per Development Agent is viewed as ideal in terms of managing a large number of participants, while maintaining quality control.
- Ensuring the development of DA skills in terms of coaching and mentoring will be a major challenge given that it is a new role for them and will be added to their other ongoing responsibilities.

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Adaptations and Challenges

The integration of the Graduation Approach into an already existing government program provides many natural advantages in Ethiopia. But a number of challenges remain as PSNP IV moves from the design to the implementation phase, some of which will require a flexible response. In addition, multiple adaptations have been made in order to fit the Approach to the Ethiopian context and for implementation at scale. These adaptations may or may not be suitable for future program design in other environments.

Staffing

Staffing has proven to be one of the most important aspects of the Graduation Approach, a lesson echoed in the Tigray pilot and one that will be tested early on in PSNP IV. The Development Agents supporting the livelihoods component will be asked to take on new responsibilities in addition to their current tasks. They will be required to complete fresh trainings focused on new skills, such as coaching and monitoring, a hallmark of the Graduation Approach. The ability of the DAs to incorporate these trainings and adequately discharge their newfound responsibilities, while still undertaking their other ongoing tasks, will be a major challenge and ultimately a key determinant of success for PSNP IV.

To avoid overworking the DAs and balance the need for personalized attention against the realities of large-scale implementation, PSNP IV will group participants into cohorts for training sessions that also emphasize peer-to-peer learning, while employing a range of government ministries and other partner organizations to provide structured technical training as well. Other measures, such as a set ratio of 50 households per DA, group meetings every two weeks but household visits just once a month, and stressing the coaching and mentoring for struggling participants over those doing well, are also designed to mitigate demands on the DAs. Nonetheless, given the nationwide scale-up and the expansive nature of the new duties, it remains to be seen how much the DAs will ultimately be able to handle, and what, if any, adjustments to the design of the methodology may be needed.

Community Knowledge and Participatory Processes

Another key success factor for PSNP IV will be its reliance on community knowledge. Local task forces are responsible for household targeting, which includes admission into PSNP IV, classifying the extent of consumption support, and determining the poorest to be eligible for asset transfers. These community-level institutions have significant experience in this regard



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through past PSNP programs, while the dissemination of clear criteria ensures that the communities themselves view the process as both transparent and fair.

In addition, the community task forces are charged with determining which households are ready for program exit, based on evidence and a case-by-case evaluation system rather than standardized benchmarks. That process is also not linked to specific timelines, in order to protect against premature exit. While the GoE wants to ensure greater exit from the PSNP program, it is also undertaking a pragmatic approach and employing the knowledge of local-level officials to prevent having households backslide or stop receiving support before they are ready.

The livelihoods pathways will also be highly dependent on local input to identify viable opportunities for each region. The participants themselves will be thoroughly briefed to ensure they make an informed decision, rather than entering into potentially unsustainable livelihoods activities. The combination of local knowledge with participation at all levels is one of the key lessons influencing PSNP IV design, but also a challenge to replicate across all districts throughout the diverse nation.

Guarding Against Dependency

As noted throughout this case study, the Ethiopian Government has worked strenuously to avoid fostering a culture of dependency in its social protection programming. Elements of this can be seen throughout PSNP IV design, from ensuring participants provide labor in exchange for consumption transfers, to providing a detailed and sequenced set of technical training ahead of embarking on livelihoods pathways, to instilling a strong sense of savings prior to credit financing or asset transfers. The success of the forced savings mechanism in the Tigray pilot has also led to the model of mandatory savings for asset transfer participants in PSNP IV, albeit with a recognition that this will be difficult to implement and savings mechanisms may vary locally. Regardless, these interventions are set up not only to lessen potential dependence on aid handouts, but also to ensure participants are primed for success in pursuit of their livelihoods. Such success may eventually qualify participants for exit from the PSNP, which for the GoE's purposes, would be the ultimate indicator as to the Graduation Approach's impact on lessening, rather than strengthening, dependence.



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Large Scale Implementation

The expansion of the Graduation Approach from a small pilot project in one province, to inclusion in a nationwide social protection program that involves up to 10 million total participants (and as many as 675,000 asset transfer households), will bring significant challenges. For example, implementation at scale has led to the value of the asset transfer being reduced to USD 200, an amount many consider to be too low. The impact of this asset transfer amount on the GoE's ultimate goal, a higher PSNP exit rate especially among the poorest households, will be a key factor to watch.

In addition, PSNP IV brings together a wide range of Ethiopian Government ministries and other organizations on a much more extensive level than in the past, in an effort to provide specialized assistance. The sheer scale and number of actors involved inevitably will give rise to logistical and coordination issues. Some NGO staff in Addis Ababa speculated this would be one of the major challenges in implementation, with one noting that, “the institutional arrangement and vertical and horizontal relationships among the many ministries [in PSNP IV] will be a challenge—their readiness and willingness to fully discharge their responsibilities is yet to be seen.” Combined with a shortened timeline to scale up the project, coordination at all levels and regions will be another immense implementation challenge for the GoE.

Lessons Learned

Despite the many challenges and considering the unenthusiastic initial reaction the Graduation Approach received in Ethiopia, the integration of the model into the country's hallmark national-level social protection and livelihoods development program is a remarkable achievement. A few key lessons underlie this success, and may provide insight to the expansion of the model in other contexts.

Evidence

First of all, compelling evidence on program impact carries great weight. The success of the Tigray pilot, demonstrated by the data collected in both the randomized control trials run by IPA and the qualitative narratives of changes in participants' lives, proved instrumental in the approach's reception by the GoE. These rigorous and clearly documented success stories were compelling to the GOE, and helped convinced them of the value of the Approach. The execution of productive pilot projects, backed up by intensive data collection and rigorous evaluations, is the only true measure of success, and helped translate a model that looked good on paper into an on-the-ground reality.

Positive Donor-Government Relations

Close relations between donors and the GoE allowed for continued coordination and dialogue regarding



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the Graduation Approach. Despite a lukewarm initial reception, key organizations maintained an open dialogue with the GoE, presenting encouraging results regarding the application of the Graduation Approach as they became available. While the GoE did their own investigation, the positive working relations and open dialogue ensured constructive thinking about the Approach and its applicability to the Ethiopian context. Linking the Approach to a potential increase in PSNP exit rates helped frame the Approach as a concrete response to a specific GoE priority. It may have been a long process, but the close donor-government working relations proved to be an important asset in expanding the Graduation Approach in Ethiopia.

Integration into Existing Programming

The integration of the Graduation Approach into existing government programs may be the only realistic option for a nationwide scaling up. The PSNP provides many benefits and already included similar elements. With such a system in place, the implementation of the Graduation Approach requires adding new components to an already functioning process, rather than designing and implementing a program from scratch. Aspects such as site selection, participant targeting, monitoring, the development of local partnerships, defining exit criteria, and staff recruitment were already established, while consumption support was already in place on a

large scale as part of the PSNP. The ability to integrate with existing structures also reduces the time needed to move from design to implementation.

Government of Ethiopia's Commitment

Ultimately, however, the key component in the narrative of the Graduation Approach in Ethiopia is the Ethiopian Government itself. The integration of the Graduation Approach into the fourth phase of the PSNP is a reflection of the government's commitment to improving the lives of its poorest citizens, and its determination to continue searching for innovative solutions and successful outcomes. The true results have yet to be demonstrated, as the program is just getting underway. Challenges abound and implementation will doubtless not be entirely smooth, but the GoE has shown the willingness and flexibility required to adjust the program as needed over the next five years. In the end, the Graduation Approach meshes with, and adds new promise to, the goals of the GoE's national food security and livelihoods development program.

The story is far from finished; rather it is just beginning. The launch of PSNP IV and the evolution of the program over the next five years will determine the success of the Graduation Approach in Ethiopia. Many will be closely watching as this story unfolds.



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The author and editor are also grateful to all those implementers and scholars whose published work has advanced the understanding and state of practice of the Graduation Approach. Where possible, we have provided URLs where interested readers can download the works cited in this report. Please note that URLs were valid at the time of writing. We regret that we cannot be responsible for any links that may break or decay over time, nor can we ensure that downloads are or will remain free of charge.

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APPENDIX A: SAMPLE LIVELIHOOD CHECKLIST SHEET AND LIVELIHOOD OPTIONS

Livelihoods

Client Information

Year _____

Client Name _____

Gender _____ Age _____

Livelihood Pathway

Crop and Livestock

Off-farm

Employment

Describe planned livelihood and investment in box below

--

Livelihoods Checklist		
Step 1: Financial literacy training	Completion date (whole course)	Name of training provider
Step 2: Savings participation	Savings institution <input type="checkbox"/> VSLA <input type="checkbox"/> RUSACCO <input type="checkbox"/> MFI <input type="checkbox"/> Other Name: _____	Monthly savings
Step 3: Technical training	Date	Name of training provider

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Livelihoods Checklist (continued)		
Step 3: Technical training	Date	Name of training provider
Step 4: Business/marketing skills training	Date	Name of training provider
Step 5: Checklist completion	Completion date	Signature of DA/MSE agent
Step 6: Business plan		

Step 7: Source of finance:

Credit (Source: _____ Date: _____)

Livelihoods Transfer

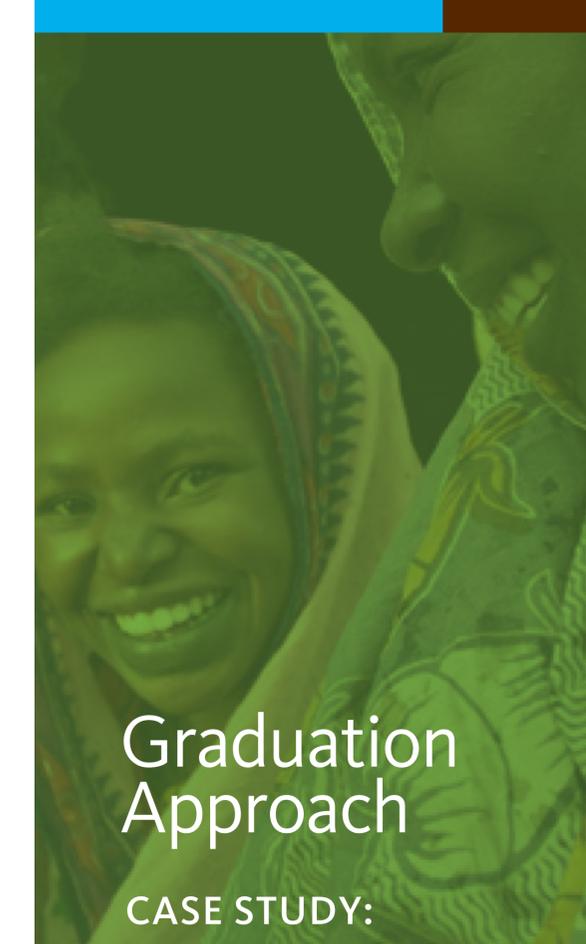
Other (Source: _____ Date: _____)

If Eligible for Livelihoods Transfer:

Date received	Client signature
---------------	------------------

Step 8: Follow-up technical support	Date	Name of DA/MSE Agent

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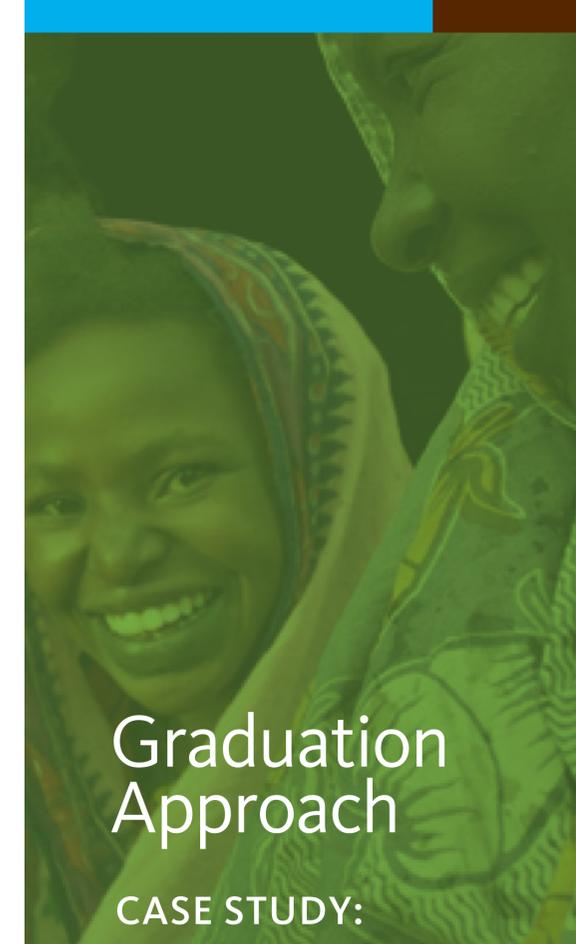
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APPENDIX A (cont'd): Illustrative List of Livelihood Options

CROP AND LIVESTOCK	OFF-FARM	EMPLOYMENT
<ul style="list-style-type: none"> • Ox fattening • Fruit seedling production • Sheep fattening • Poultry • Vegetable production • Beekeeping 	<ul style="list-style-type: none"> • Petty trading • Sand collection • Tailoring • Donkey cart transport • Carpentry • Masonry • Milling 	<ul style="list-style-type: none"> • Construction • Textiles • Cobblestone



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