The Chars Livelihoods Programme

The CLP's Approach to Defining Graduation

Innovation, Monitoring & Learning Division

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List of Acronyms Used

AR	Annual Review
CLP	Chars Livelihoods Programme
CLP-2	CLP Second Phase
DFID	UK Department for International Development,
DFID, B	DFID, Bangladesh section
EP	Extreme poor
HH	Household

Executive Summary

The 2011 Annual Review recommended that the CLP develop a set of graduation criteria that could "assess changes in economic, human and social capital"[2]. The CLP responded to this by conducting a poverty assessment on the *chars* during June and August 2011, to identify community definitions of poverty that could inform the development of these criteria. In September 2011 the CLP presented a proposed methodology for assessing graduation to stakeholders, including DFID,B. The two-stage methodology received broad approval, but some feedback was received regarding the criteria used to assess whether a household passed each stage.

Working with the feedback received from stakeholders, the CLP has now revised these criteria to include measures of food security and income. The revised criteria are summarised in the table below.

Stage	How assessed
Stage 1 (Has the household moved out of extreme poverty?)	• The HH must <u>not</u> meet the CLP's selection criteria; AND • The HH must report income of greater than Tk 19 pppd, on average over 12 months; AND • The HH must report food security[3] for at least 9 months of the year
Stage 2 (Is the move out of extreme poverty sustainable?)	The HH must score at least 50 on the poverty scorecard.

The proposed system for graduation reflects the LogFrame vision of programme impact, taking into account household access to capital (social, physical, financial, natural, human) and the *char* vulnerability context.

The CLP is in a position to adopt the revised criteria, and could begin reporting on graduation of cohort 2.1 in January 2013 (12 months after the cohort stops receiving support). Current monitoring systems already in place are collecting the information required, and therefore no major changes in systems or resources would be required. It would be possible to begin reporting on graduation of CLP-1 households immediately. However, some caution would be required when analysing the results, as the scorecard has been developed based on the CLP-2 LogFrame.

The current system does not collect data on a census basis and is only conducted annually. Systems could be established to produce more frequent surveys or to assess graduation on a census basis, but this would require additional time and resources. With this in mind, the CLP strongly recommends that graduation be assessed using a representative sample of households, rather than a census survey.

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[2] Premchander, S., Toufique, K.A., and Wyler, B. (2011), *Annual Review 2011 Chars Livelihoods Programme II*: page 39

[3] Defined as having "access to adequate food for your HH needs". 9 months is the average number of months food security of those HHs above the Tk19 pppd income line, according to 2011 IML survey data. The methodology of defining food security in this way is drawn from Billinsky P., and Swindale, A., (2007) *Months of Adequate Household Food Provisioning (MAHFP) for Measurement of Household Food Access: Indicator Guide* USAID.

1.   Introduction

The second phase of the Chars Livelihoods Programme or CLP-2 (2010-2016), aims to improve the livelihoods, incomes and food security of up to one million extremely poor people living on island *chars* in the north west of Bangladesh.

From the *chars* population, CLP-2 will target 67,000 of the poorest households (termed core participant households or CPHHs), the extreme poor, who will receive an integrated package of support including a grant of Tk 16,000 to purchase an income generating asset of their choice, stipends, livelihoods and social development training, access to a raised plinth, water and sanitation. They also receive access to the CLP's health project.

The 2010 annual review of the CLP recommended that a comprehensive set of graduation criteria be developed. The CLP responded to this, and in September 2010 presented proposals for graduation to various stakeholders including DFID Bangladesh (DFID,B). On the whole the proposals put forward by the CLP were well received, however suggestions were made on how to improve the proposed criteria. The purpose of this paper is to explain the CLP's approach to graduation, including the methodology behind developing these criteria. The initial criteria proposed by the CLP are explained, followed by a discussion on the feedback received.

In order to move forward, the CLP requires endorsement from DFID,B on a revised set of criteria presented.

2.   Background

In March 2010 the first annual review of CLP-2 recommended that the CLP develop graduation criteria. The review indicated that graduation should be defined as moving beyond dependence on external assistance such as cash transfers[4]. The CLP has interpreted this to mean that a household can be considered graduated when the household has moved out of extreme poverty, on a sustainable basis.

Graduation criteria will allow the CLP to identify how many households have escaped from extreme poverty each year, and over the programme lifetime as a whole.

For the CLP, DFID,B uses the rural Rajshahi extreme poverty line to define extreme poverty. This line is set as an income of lower than Tk 19 per person per day[5]. However, the annual review recommended that graduation criteria be "comprehensive and holistic... [and] assess changes in economic, human and social capital"[6], and that a measure of sustainability should be built in.

During development, the CLP (acting on guidance from DFID,B) focused on generating criteria that were:
- objectively verifiable
- applicable on a census basis (i.e. could be collected with relative ease and speed)
- realistic
- easy to use, understand and apply in the field.

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[4] Premchander, S., Toufique, K.A., and Wyler, B. (2011) *Annual Review 2011, Chars Livelihoods Programme II,* page 39.
[5] Rural Rajshahi extreme poverty line, adjusted for inflation to 2009/10, as calculated by Premchander, Toufique and Wyler (2011) page 19
[6] Premchander, Toufique and Wyler (2011) page 39.

3.   Graduation Criteria in Other Programmes

Graduation criteria are a relatively new concept, and few extreme poor (EP) programmes in Bangladesh have graduation criteria in place (see Table 1).

Table 1: Graduation criteria applied by other EP Programmes

Programme	Description of Graduation Criteria
Economic Empowerment of the Poorest (EEP/ shiree)	No graduation criteria in place at the time of drafting this report.
CARE SHOUHARDO	No specific graduation criteria, but have plans to use a household's progression to higher well-being groups (WBG) as evidence of graduation. Evidence of improvement will also be confirmed by measuring household changes in key indicators such as access to loans and food security.
Urban Partnerships for Poverty Reduction (UPPR)	No graduation criteria at present, but have plans to use a household's progression to higher WBG as evidence of graduation.
Challenging the Frontiers of Poverty Reduction (CFPR)	The household is evaluated on the following nine characteristics: 1: Has livestock or poultry 2: School-age children are enrolled 3: Has house with tin roof, 4: Has adopted family planning (eligible couples only), 5: Has sanitary latrine, 6: Drinks tube well water, 7: Has three or more income sources, 8: All household members wear sandals 9: Has cash savings, A household has graduated if it achieves more than 50% of the appropriate characteristics.

4.   The CLP's Proposed Methodology to Assessing Graduation

The CLP is proposing a two-stage process to defining sustainable graduation, which will examine poverty and sustainability separately. A household will be considered graduated if:

Stage 1: The household is no longer in extreme poverty;

AND

Stage 2. The household is considered resistant to *chars* specific shocks (i.e. the move out of extreme poverty is sustainable).

The evaluation will take place 12 months after the household stops receiving CLP support, and the household must pass **<u>BOTH</u>** stages to be considered graduated.

The two-stage process is proposed because it allows the CLP to identify where any failures in graduation occur (are households failing to move out of extreme poverty, or is it that there are issues with the sustainability of the move?) It is also potentially more resource efficient. Households that fail stage 1 do not necessarily need to be assessed further, which reduces the time needed. This may be an important consideration where participant numbers are large (e.g. if the criteria were applied on a census basis).

The assessment will be made 12 months after the household (HH) stops receiving CLP support. This is because true sustainability requires long-term changes in household behaviour. These changes cannot therefore be measured immediately after CLP support ends. For example, the hand washing and hygiene behaviour taught by the CLP is likely to persist in the months immediately following the end of support, but the true test of the efficacy of the education will be whether that change is sustained in the long-term. It is felt that 12 months is a sufficiently long period to measure these changes. This will mean that the number of households graduated in each cohort can only be reported 12 months after the end of CLP support, with the first report on CLP-2 households published in early 2013 (12 months after cohort 2.1 stop receiving support).

4.1 The Initial set of proposed graduation criteria explained

The CLP developed an initial set of graduation criteria, based on research and input from stakeholders such as DFID,B. These criteria were presented to stakeholders, who then provided feedback (see next section). The original criteria, including a brief explanation of the justification behind the criteria, are set out below.

Table 2: Initial graduation criteria

Stage	How assessed
Stage 1 (Has the household moved out of extreme poverty?)	The HH must <u>not</u> be eligible for CLP selection to pass this stage. This means it must not meet the key selection criteria (see Annex 2).
Stage 2 (Is the move out of extreme poverty sustainable?)	The HH must score at least 50 on the poverty scorecard (figure 2).

The use of selection criteria at Stage 1 gives an indication of HH progress since joining the programme. As the selection criteria are used as proxies to define extreme poverty during selection, it is logical that these should be applied at graduation. It would be difficult to argue that a household had moved out of extreme poverty (according to some other measure), if the household were still eligible for CLP selection.

The criteria used on the scorecard are drawn from LogFrame indicator targets. They reflect how vulnerable the household is to *char*-specific shocks[7]. The value of the score reflects the impact weighting of those indicators in the LogFrame, and the minimum graduation score of 50 is designed to ensure that households have some flexibility, but must nevertheless meet

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[7] This draws on the concept of vulnerability context from the DFID Sustainable Livelihoods Framework. Key *chars* specific shocks identified are: Flood, *monga*, illness, erosion, eviction and dowry. The CLP's interventions seek to mitigate these.

some indicators considered high impact in the LogFrame. A more detailed explanation of how and why the scorecard has been developed in this way can be found in Annex 1
The process to defining graduation initially proposed by the CLP is summarised in Figure 1.

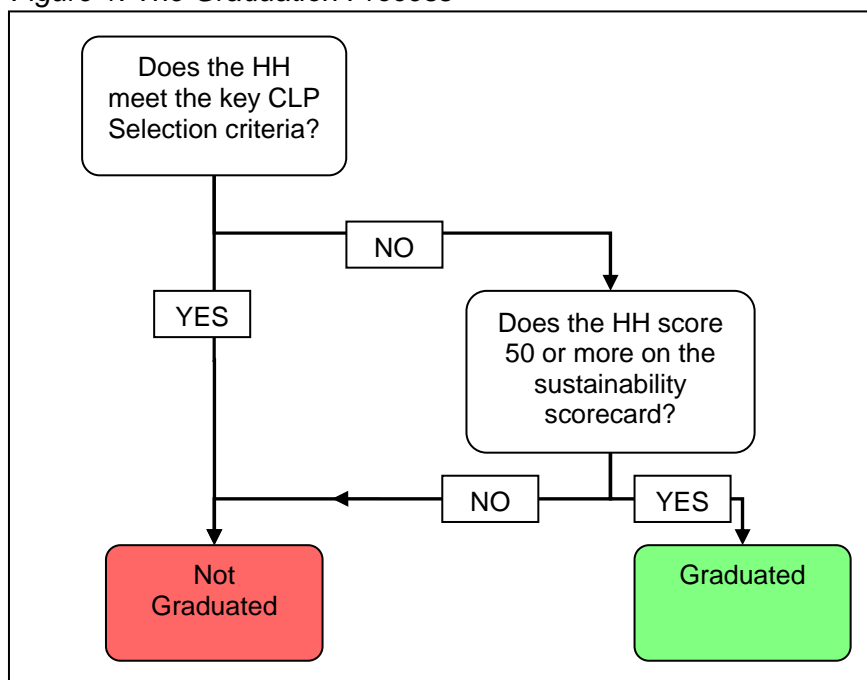*Figure 1: The Graduation Process*

Figure 2: Sustainability scorecard

Definition	Score if met[8]
HH on raised plinth 60cm above highest known flood level	14
HH has access to a clean water source that meets CLP standards	13
HH has access to a sanitary latrine that meets CLP standards	13
HH has productive assets worth at least Tk30,000 (land, livestock, machinery etc)	20
At least 1 HH member is a member of VSL or other social group	5
HH has cash savings of Tk 3,000 or more	5
HH has knowledge of dowry law	5
Ash or soap visible at latrine	5
Maximum score available: 80 points	

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[8] There is no scale of "in-between" points. The HH either scores the points indicated (if the criterion is fully met), or it scores 0.

5. Feedback on the graduation criteria initially proposed by the CLP

While there has been broad agreement over the 2-stage methodology, the CLP has received a variety of feedback as to what the criteria used to evaluate stages 1 and 2 should be. This section outlines the possible changes based on feedback received. The advantages and disadvantages of each are discussed.

The main options, based on feedback are:
   a: Use income as the only measure of extreme poverty at stage one.
   b: Include income as an additional criterion to those proposed (selection criteria) at stage one.
   c: Include food security as an additional criterion to those proposed (selection criteria) at stage one.
   d: Include child education as an additional criterion to those proposed (selection criteria) at stage one.
   e: Introduce "non-negotiable" sustainability criteria that <u>must</u> be met at stage two.
   f: Use "household has paid dowry" or similar indicator of actual practice, to replace "knowledge of dowry law" indicator at stage two.

These points are discussed separately in Table 3 below.

Table 3: Advantages and disadvantages of feedback points received

	Option for change (based on feedback)	Discussion	Conclusion
a	**Use income as the only measure of extreme poverty at stage one**	<u>Advantages</u> • Straightforward • Unambiguous • Income is part of Logframe <u>Disadvantages</u> • Income is an inadequate measure of poverty, especially on the *chars,* and does not reflect community definitions of poverty • Current CLP selection criteria correlate with community definitions of extreme poverty[9] • Income is not objectively verifiable • Time consuming & costly to collect	Do not adopt
b	**Include income as an additional criterion to those proposed (current selection criteria) at stage one**	<u>Advantages</u> • As above, but provides more balanced assessment of poverty. <u>Disadvantages</u> • As above • Risk that income becomes a more important criterion than the others. • Time consuming & costly to collect	Adopt
c	**Include food security as an**	<u>Advantages</u>	Adopt

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[9] See *Review of the CLP's Selection and Graduation Criteria* (2011)

	Option for change (based on feedback)	Discussion	Conclusion
	additional criterion to those proposed (current selection criteria) at stage one	• *Food security is part of LogFrame.* • *Char* communities use household food security to define extreme poverty. • Relatively easy & straightforward to collect. Disadvantages • Not objectively verifiable.	
d	Include child education as an additional criterion to those proposed (current selection criteria) at stage one.	Advantages • Education is an important factor in inter-generational poverty. Disadvantages • Access to education is not included in the CLP LogFrame. • Educational coverage on the *chars* is poor, and access to education is unlikely to change regardless of household poverty[10].	Do not adopt
e	Introduce "non-negotiable" sustainability criteria that <u>must</u> be met at stage two.	Advantages • Ensures that HHs satisfy criteria related to programme objectives. Disadvantages • Not flexible enough to take into account HH choices post-programme. • Would in effect repeat Stage 1. Stage 1 confirms that households have a certain minimum level of assets, land or a regular source of income.	Do not adopt
f	Use "household has paid dowry" or similar indicator of actual practice to replace "knowledge of dowry law" indicator at stage two.	Advantages • Arguably a better indicator of actual practice*. Disadvantages • Does not reflect LogFrame • Remains non-objectively verifiable. • HHs that know the law are unlikely admit paying dowry, regardless of actual behaviour. *In fact, the scorecard uses LogFrame indicators to assess progress against stated targets. Criticism of the quality/relevance of LogFrame indicators and targets should therefore be directed at programme*	Do not adopt

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[10] CLP Survey data indicate that at least 1,137 primary schools exist within the CLP's working area, but 47% of children between 5 and 7 years of age have no access to a primary school. There are only 55 high schools in the area. This suggests that many students fail to attend school due to lack of access, rather than other reasons (such as economic reasons). Therefore, improved HH income will not necessarily improve school attendance. Furthermore, education systems require larger-scale changes at a higher level than the CLP interventions. This falls under the Policies, Institutions and Processes section of the DFID Sustainable Livelihoods Framework, and the programme has limited ability to influence these.

	Option for change (based on feedback)	Discussion	Conclusion
		design. This is the wrong place for this kind of adjustment to be made.	

6.   Revised Graduation Criteria

The 2011 Annual Review of the CLP (AR) stated that income as a measure of poverty was "narrow" and recommended that graduation criteria should "assess changes in economic, human and social capital". The CLP responded to this with a system for graduation that assesses such changes, taking into account household access to capital (social, physical, financial, natural, human) and the *char* vulnerability context. The proposed system for graduation reflects the LogFrame vision of programme impact.

In response to feedback from stakeholders, the CLP has now revised the initial graduation criteria to include measures of income and food security. The revised criteria are set out in table 4.

Table 4: Revised graduation criteria

Stage	How assessed
Stage 1 (Has the household moved out of extreme poverty?)	- The HH must <u>not</u> meet the CLP's selection criteria; AND - The HH must report income of greater than Tk 19 pppd, on average over 12 months; AND - The HH must report food security[11] for at least 9 months of the year
Stage 2 (Is the move out of extreme poverty sustainable?)	The HH must score at least 50 on the poverty scorecard (figure 2).

The CLP is in a position to adopt the revised criteria, and could begin reporting on graduation of cohort 2.1 in January 2013 (12 months after the cohort stops receiving support). Current monitoring systems already in place are collecting the information required, and therefore no major changes in systems or resources would be required. It would be possible to begin reporting on graduation of CLP-1 households immediately. However, some caution would be required when analysing the results, as the scorecard has been developed based on the CLP-2 LogFrame.

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[11] Defined as having "access to adequate food for your HH needs". 9 months is the average number of months food security of those HHs above the Tk19 pppd income line, according to 2011 survey data. The methodology of defining food security in this way is drawn from Billinsky P., and Swindale, A., (2007) *Months of Adequate Household Food Provisioning (MAHFP) for Measurement of Household Food Access: Indicator Guide* USAID.

Annex 1: The 'sustainability scorecard' explained

The scorecard was developed based on the DFID sustainable livelihoods framework. Using LogFrame targets for purpose-level indicators, the scorecard aims to evaluate how the CLP has contributed to reducing household vulnerability by improving the household capital base.

How were the sustainability criteria developed?
Household vulnerability context was developed by identifying key *char*-specific shocks, the relevant CLP interventions and the corresponding capital type (Figure 3). For example, flooding was identified as a key shock. The relevant purpose level outputs, indicators and targets were identified from the LogFrame. With flooding, for example, the number of households raised on plinths is the measure of success, as explained the relevant section of the LogFrame below. Therefore "is the household raised on a plinth?" was selected as a criterion.

Table 2: Extract from CLP-2 Logframe

OUTPUT 1	Indicator	Target
1. Reduced environmental and economic risks for families and communities	1.1. Community risk preparedness & household plinths raised 60 cm above highest recorded flood	By March 2016, 70% of communities report overall reduction in environmental vulnerability with 85,000 households raised on plinths

Figure 3: Linking Shocks, Interventions & Capitals
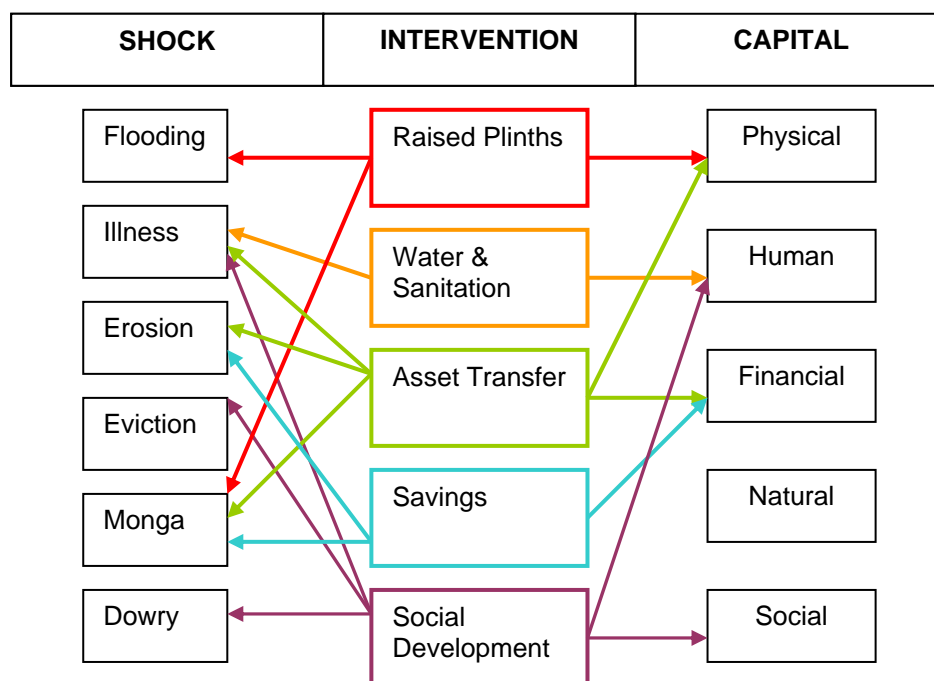
How were the point weightings decided?

In the LogFrame, each output has an impact weighting which reflects the contribution of that output to the programme purpose. For example, Output 1 (see table 2) has an impact weighting of 40%. Therefore 40 points were available, and these were divided amongst the indicators for that output (in this example, plinths, sanitation and water – see figure 4). The scorecard weighting therefore directly reflects the weighting within the LogFrame. A maximum of 80 points are available, because in the LogFrame 80% of the total impact is related to direct interventions (20% is reserved for developing partnerships, disseminating findings etc).

Why was the cutoff set at 50 points?

It was felt that to ensure sustainability, households will have to have access to at least two of the interventions that carry a high impact weighting in the LogFrame. Setting the graduation score at 50 ensures that households must have access to at least two of these interventions (e.g. plinths, water, sanitation or assets), but does not specify which interventions. This creates a flexible graduation system that is able to take into account the variety of life choices households may make post-programme.

Figure 4: Sustainability Scorecard

LF Impact Weighting	Sustainability Indicator	Definition	Score if met
40%	Plinths	HH on raised plinth above highest known flood level	14
	Water	Access to clean water to CLP standards	13
	Sanitation	Access to a sanitary latrine to CLP standards	13
30%	Productive Assets	Has productive assets worth at least Tk30,000 (land, livestock, machinery etc)	20
	Membership of VSL or other social group/committee	At least 1 HH member is a member of VSL or other social group	5
	Savings	Savings in line with max available relocation grant (Tk3,000)	5
10%	Knowledge of dowry	Has knowledge of dowry law	5
	Ash/soap in evidence	Ash or soap visible at latrine	5
Proposed cutoff: 50			
Total available: 80			

Annex 2: CLP Selection Criteria

Table 1: CLP's selection criteria[1]

Criterion	Definition
1. Char Household*	Resident for at least 6 months in a village which has been classified by CLP as an island *char*.
2. Landless	Absolutely zero decimals of land ownership including homestead land, and having no access to agricultural including share cropped land and land to be inherited under Bangladesh law. Households renting homestead land are still eligible.
3. Livestock-less	Selected households may not own more than 2 goats/sheep, 10 fowl & 1 shared cattle
4. Credit-less*	Have no loan outstanding from *any* microfinance or credit programme
5. Asset-less & Income-less	No regular source of income, less than Tk 5,000 worth of productive assets. Not receiving cash or asset grants from *any* other asset transfer programme

[1]Households must meet all criteria to be eligible for selection.

* These criteria are not used at graduation Stage 1. Criterion 4 is included at selection to avoid selecting HHs that may immediately sell the CLP asset to finance repayments. Criterion 1 is intended to avoid encouraging in-migration to the CLP working area. Neither of these concerns is relevant at graduation.