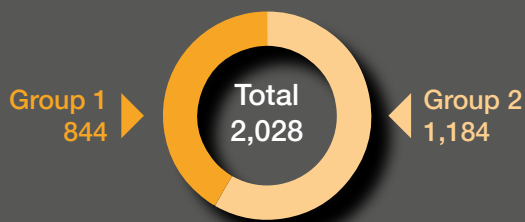# IMPACT EVALUATION
BRAC'S ULTRA-POOR GRADUATION PROGRAMME FOR HOST COMMUNITY IN COX'S BAZAR

BACKGROUND

In the context of the Rohingya refugee crisis in Cox's Bazar, Bangladesh, BRAC—the largest NGO in the world, decided to work actively for the vulnerable ultra-poor households of the host community. In collaboration with the UNHCR, BRAC rolled out its flagship "Ultra-Poor Graduation (UPG)" programme in the Ukhiya and Teknaf upazilas of Cox's Bazar in 2018. The programme participants were divided into two groups based on level of vulnerability. The more vulnerable Group 1 received a grant-based intervention, while the slightly better-off Group 2 received a credit plus grant-based intervention. This impact evaluation of the programme is based on two rounds of data - baseline in 2018 and follow-up in 2020.

INTERVENTION DESIGN

PARTICIPANT TYPE

Group 1
844

Total
2,028

Group 2
1,184

INTERVENTION COMPONENTS

Asset transfer in form of productive assets

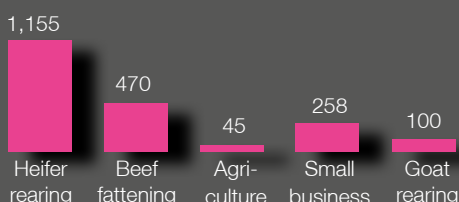Enterprise development training

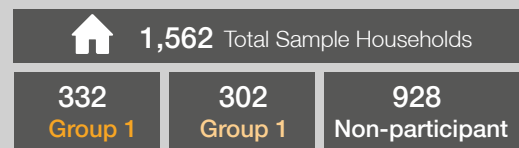Hands-on coaching

Matched savings

Healthcare service

Community mobilization

PARTICIPANTS BY ENTERPRISE OPTIONS

1,155 — Heifer rearing
470 — Beef fattening
45 — Agri-culture
258 — Small business
100 — Goat rearing

EVALUATION AND DATA COLLECTION

SAMPLE SIZE

🏠 1,562 Total Sample Households

| 332 Group 1 | 302 Group 1 | 928 Non-participant |

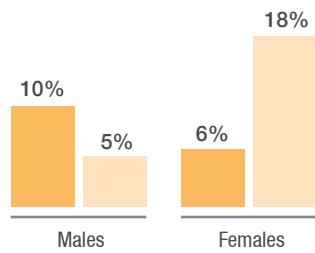### IMPACT EVALUATION METHOD
Difference in Difference with fixed effects estimation

KEY FINDINGS

- Intervention increases the total labor supply of working-age males in Group 1 and females in both Group 1 and Group 2.
- The programme increases per capita monthly household income by 29% and 27% among Group 1 and Group 2 participants, respectively.
- The programme increases land ownership by 30% and 25% for Groups 1 and 2 respectively.
- Ownership of productive assets also increases particularly among the women supported by the programme, which is likely to economically empower women in both Groups 1 and 2.
- The intervention has positive effects on savings for both Groups 1 and 2 about two years after programme implementation. In terms of likelihood of having savings, the programme impact is 167% and 176% for Groups 1 and 2, respectively. Concerning the amount of savings, the magnitude of the effects for Group 1 and 2 are 157% and 127%.
- Estimated effects on expenditure (food and non-food) is also positive and statistically significant for both groups of participants. Magnitudes of the impact on Groups 1 and 2 are about 18% and 6%, respectively.
- Consequently, we see a remarkable improvement in food security situation among the beneficiaries.
- Combining these findings with a reported graduation rate of 96%, the UPG programme was found to be quite effective in lifting the programme participants out of extreme poverty and leading towards an improved livelihood trajectory.

IMPACT OF INTERVENTION

Impact on total labour supply of working-age males & females (hours worked per day)*

Males: Group 1 10%, Group 2 5%
Females: Group 1 6%, Group 2 18%

The impact on total labour supply working age males is not significant for Group 2
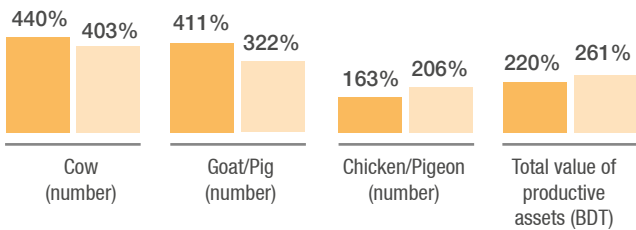
Impact on income

↑ 28.9% Group 1

↑ 27.1% Group 2
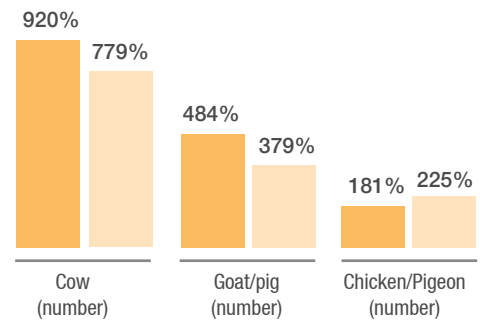
Per capita monthly income (BDT, at 2018 constant prices)

■ Group 1 ■ Group 2

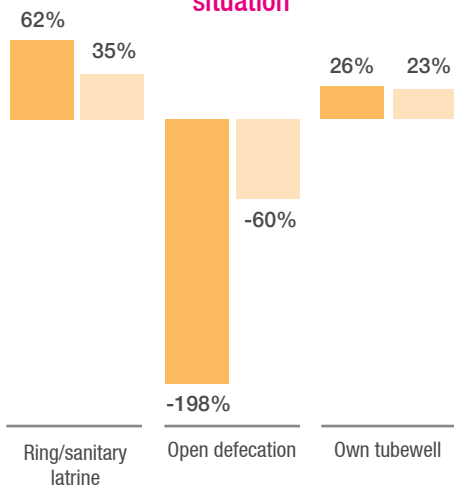## Impact on productive asset ownership (At household level)

Cow (number): Group 1 440%, Group 2 403%
Goat/Pig (number): Group 1 411%, Group 2 322%
Chicken/Pigeon (number): Group 1 163%, Group 2 206%
Total value of productive assets (BDT): Group 1 220%, Group 2 261%

Impact on women empowerment due to ownership of productive asset*

Cow (number): Group 1 920%, Group 2 779%
Goat/pig (number): Group 1 484%, Group 2 379%
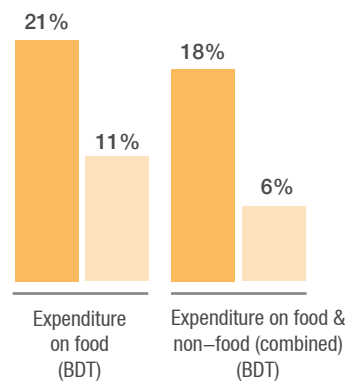Chicken/Pigeon (number): Group 1 181%, Group 2 225%

Ownership of productive assets is one of the indicators of women's economic empowerment.

■ Group 1 ■ Group 2

Impact on water and sanitation situation

Ring/sanitary latrine: Group 1 62%, Group 2 35%
Open defecation: Group 1 -198%, Group 2 -60%
Own tubewell: Group 1 26%, Group 2 23%

Impact on monthly expenditure

Expenditure on food (BDT): Group 1 21%, Group 2 11%
Expenditure on food & non–food (combined) (BDT): Group 1 18%, Group 2 6%

Impact on financial assets

Total savings (BDT): Group 1 157%, Group 2 127%

All values reported here are statistically significant unless stated otherwise.

COST-BENEFIT ANALYSIS

An investment of BDT 1 yields a return of BDT 2.72 for Group 1 and BDT 2.76 for Group 2, indicating that both interventions are almost equally efficient for the respective groups.