



SOCIAL PROTECTION SERIES

# CAN POVERTY GRADUATION PROGRAMS TRULY FREE THE POOR FROM POVERTY? REFLECTIONS ON INTERNATIONAL AND REGIONAL EXPERIENCES

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Cover photo: Yemeni families displaced by conflict struggle under harsh living conditions at Darwan refugee camp, Amran, April 2018. (C) Mohammed Hamoud/Anadolu

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## Introduction

Poverty is an intractable structural issue, which raises a question that has been perplexing for many years: Why have multiple efforts to combat poverty not liberated the poor from its bond and captivity, allowing them the freedom of sufficiency and human dignity? Does the reason lie in the inadequacy of these efforts, or because the efforts did not address the issue of poverty from its structural causes, instead only dealing with its symptoms? The reasons for questioning this issue are varied. This uncertainty has led to the emergence of a new type of intervention that has been tested initially on limited populations, known as the “graduation out of poverty” approach. This approach was motivated by the recognition in the late 1990s that traditional poverty reduction and microfinance programs could not reach the poorest because, in addition to the barrier of income marginalization, the poor face multidimensional social, economic, and political poverty, as well as psychological and cultural barriers.<sup>1</sup>

Poverty graduation programs offer an integrated package of interventions aimed at lifting the poor out of their situation and ensuring the sustainability of their emancipation over a specific time, ranging from 24 to 36 months. In 2002, the Bangladesh Rural Advancement Committee (BRAC) developed a program to target the poorest of the poor to free them from their situation and ensure sustainable livelihoods.<sup>2</sup> BRAC is a non-governmental organization founded in 1972; its work continued until 2001 when it expanded to include many other countries in the global south, applying its experience in poverty alleviation and establishing branches in many other countries.<sup>3</sup> The interventions of these programs seek to combine addressing the immediate needs of those targeted with long-term investment in technical skills, life skills, asset transfer, entrepreneurial development, promoting savings opportunities, and planning for the future to ensure a sustainable exit from poverty and a stable life for these social groups.<sup>4</sup>

This paper aims to examine poverty exit programs that have been implemented in diverse social, economic, and cultural contexts around the world to draw key conclusions about the ability of these programs to deal with the root causes of poverty and vulnerability. The paper also seeks to investigate the extent to which these programs are scalable, meaning that they can be applied to larger populations; their sustainability; and the guarantee that the poor will not fall back into poverty. The paper focuses on analyzing three experiences from the Arab region, two from Egypt and one from Yemen. Yemen’s program, which is the earliest in the region, dates back to 2006 when the Consultative Group to Assist the Poor (CGAP) and the Ford Foundation decided to expand the approaches to graduation out of poverty through various contexts. In Egypt, the Bab Amal program was implemented by a group of NGOs, while the Forsa program was a government program for graduating beneficiaries of conditional cash transfers (CCT) – the Takaful program – that was implemented in partnership between the Ministry of Social Solidarity and NGOs. Bab Amal was started earlier and has undergone preliminary evaluations, while Forsa is still in its infancy. Research into global poverty graduation programs may help these two experiments avoid making similar mistakes, especially in the context of scaling up.

Based on the above, this paper will shed light on what poverty graduation programs are, how they emerged and for what reasons, what role NGOs played, how governments began to adopt these programs and apply them and later expand them, and what the challenges and issues of expansion are. The paper concludes by analyzing a number of challenges facing these programs – chief among them of course the challenge of sustainability – and finally, the lessons learned.

1 Julie Kedroske, *Creating Pathways out of Extreme Poverty in Egypt, the Graduation Approach and the Bab Amal Program*, March 2022, <https://sawirisfoundation.org/media/Egypt%20Bab%20Amal%20Workshop%20-%20UPGI%20Presentation.pdf>

2 Anna Aleksanyan, “How the Graduation Approach Can Help People Break Out of Poverty”, *Development Asia*, December 2019, <https://development.asia/explainer/how-graduation-approach-can-help-people-break-out-poverty>

3 For more details, see [www.bracusa.org](http://www.bracusa.org)

4 UN, *BRAC’s Ultra-poor Graduation Program: An End to Extreme*

*Poverty in our Lifetime*, <https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2017/04/Lamia-Rashid-BRAC-Ultrapoore-Graduation-Paper-for-UN-Expert-Group-Meeting-May-2017-25Apr17.pdf>



## Poverty Graduation Programs: The BRAC's Experiences

Poverty graduation programs have undergone successive evolutions. BRAC, an NGO, was the first, with a theory of change based on providing interventions to families living in extreme poverty. These interventions were delivered in a phased manner, over 24 to 36 months, enabling families to move out of extreme poverty and into a decent and sustainable livelihood. BRAC's experience as an NGO has inspired a large number of NGOs around the world to engage in poverty alleviation experiments. In many countries, the limited number of pilot programs that exist have been carried out by NGOs.

The standard package of interventions started with access to food; the most urgent needs of the poor centered on survival, and consumption subsidies were the first step in addressing the immediate and most pressing needs of this group. It is difficult to talk about a sustainable life and escape from poverty without ensuring food security. The consumption support took the form of cash for the selected households in most cases. The second intervention encouraged savings, allowing the targeted households to insure themselves against risks and increase their resilience to shocks by encouraging them to form so-called savings groups.

In the next stages, these households were assisted in identifying sustainable careers that fit their abilities, interests, and concerns, while at the same time aligning with the needs of local markets. Based on this, the targeted households were given the required assets and the necessary technical skills to manage them. Finally, participants received intensive training and personalized advice throughout the duration of the program.<sup>5</sup> According to this approach, this graduation program uses a number of interventions: Targeting, consumption subsidies, savings, skills training, regular counseling, and asset transfer. Poverty graduation programs seek to combine addressing the immediate needs of those targeted with long-term investment in technical and life skills, asset transfer, entrepreneurial development, savings

opportunities, and future planning to ensure a sustainable exit from poverty and a stable life for these social groups.<sup>6</sup> BRAC was motivated to create this program by the realization that the poor do not benefit from the microfinance programs it offers due to their very low-income levels.<sup>7</sup>

Although many of the experiments relied on government poverty databases as a first step for targeting beneficiaries, whether geographic or categorical, they adopted some qualitative methods to validate targeting and understand the dynamics of the target community. Visits to target communities and households were conducted as well as interviews, situations were investigated, and verification was achieved through interviews with community members. Throughout the program, NGOs involved in the implementation made regular field visits to the targeted households.<sup>8</sup>

Globally, poverty graduation programs have gone through multiple phases and have been subjected to ongoing independent evaluations to improve them. The first phase, from 2002-2006, focused on marginalized women in rural communities and offering them the aforementioned packages of interventions. The evaluation of this phase yielded positive results in terms of increased income, consumption, and savings, while the impact on children's school attendance and family health care was unclear. This evaluation was criticized mainly because it was non-experimentally designed: there were no control groups<sup>9</sup> for comparison, and it was not applied to diverse social and cultural contexts.<sup>10</sup>

6 UN, *BRAC's Ultra-poor Graduation Program*.

7 Fábio Veras Soares and Ian Orton, *Debating Graduation*, International Policy Center for Inclusive Growth, Vol 14, Issue No.2, July 2017, p.7, [https://ipicg.org/sites/default/files/pub/en/PIF39\\_Debating\\_Graduation.pdf](https://ipicg.org/sites/default/files/pub/en/PIF39_Debating_Graduation.pdf)

8 Aude de Montesquiou, et al., *From Extreme Poverty to Sustainable Livelihoods: A Technical Guide to Graduation Approach*, Partnership for Economic Inclusion, April 2018, [https://www.pei-global.org/sites/pei/files/2020-05/PEI%20Graduation%20Technical%20Guide\\_%202018%20Edition\\_0.pdf](https://www.pei-global.org/sites/pei/files/2020-05/PEI%20Graduation%20Technical%20Guide_%202018%20Edition_0.pdf)

9 Control groups are used to monitor the change in the experimental groups as a result of a development intervention. The control group is not exposed to the intervention, while the experimental group is exposed to the intervention. The two groups are assumed to be similar in all demographic and contextual variables, so that a comparison on the effects of the intervention on the experimental sample can be revealed. Selecting probability samples from the population targeted by the intervention ensures that every individual in the population has a chance of appearing in the sample. The probability sample should be able to represent all demographic variables.

10 Aude de Montesquiou, et al., *From Extreme Poverty to Sustainable Livelihoods*.

5 Ford Foundation, *Early Lessons from Large-Scale Implementation of the Graduation Approach, Four Case Studies and Synthesis Analysis*, 2016, <https://www.fordfoundation.org/wp-content/uploads/2016/11/pdf1-english-final-24-oct-14h30.pdf>

The second phase began in 2007 and lasted until 2011. To avoid the criticisms that surrounded the first phase, this intervention package was implemented with a control group and was expanded to cover 1,309 Bangladeshi villages. The results of the pilot evaluation validated most of the results of the first phase: income increased by 21% per capita, spending power increased by 11%, and there was an increase in the ability to save. These results also indicated that some health indicators for children under the age of five improved, especially those related to malnutrition; no effects were observed for education.<sup>11</sup>

To address one of the major concerns of poverty graduation programs – namely their applicability in different social and cultural contexts – the CGAP and the Ford Foundation agreed in 2006 to apply the program in diverse contexts to test its validity in different countries and conditions. Ten pilot programs were implemented in eight countries, representing a diversity of regions and geographic areas: Haiti, Pakistan, Honduras, Peru, Ethiopia, Yemen, Ghana, and three locations in India.<sup>12</sup> NGOs were the main actors in these pilots: the CGAP and the Ford Foundation partnered with 34 NGOs to implement the program in diverse regions of the world.<sup>13</sup>

The BRAC has defined several criteria for extreme poverty: A daily per capita income of less than \$1.90 per day; spending more than 80% of income on food; being geographically remote or deprived of access to social protection services, community resources, and markets. Other criteria include high dependency ratios, exposure to health shocks and natural disasters, living in a geographically isolated location, and having a female head of household.<sup>14</sup> The criteria sought to combine monetary poverty with multidimensional poverty but did so in an incomplete way.

Indeed, a number of universities, and think tanks have

conducted a series of evaluations to discover the program's impact on improving living standards by measuring the increase in consumption. According to a Yale University evaluation, total annual per capita consumption in India increased by 15% at the end of the second year of the program and by 11% in the third year. The situation in Ethiopia was similar: consumption of food and other goods was 15% higher in the target group compared to the control group in the second year and rose to 18% in the third year. In Honduras, the situation was different. The annual consumption decreased because the poultry breed provided as assets required special feeding from 4 to 6 weeks, leaving the target households with the dilemma of either investing in feeding the poultry or slaughtering them for food. The evaluation found that context and asset choices are critical in determining whether a program can succeed.<sup>15</sup>

The Honduras experience showed that relying on a single source of assets is risky. In the same vein, the failure of the Andhra Pradesh experiment in south India was a worrying indication of the impact of the state of the economic market on the program. The main reason for the failure of the experiment was market constraints in terms of weak purchasing power and the difficulty of selling livestock.<sup>16</sup> On the other hand, the London School of Economics conducted a survey of 26,960 households in over 1,000 rural clusters in Bangladesh and found that the income of the targeted groups of poor people increased by 40% more than the control group two years after the end of the program, and was accompanied by diversification in the sources of income in the family.<sup>17</sup>

11 Wameq A. Raza, "(Accidentally) Harvesting Higher Hanging Fruits: addressing Under-5 Malnutrition Using the Graduation Approach, International Policy Center for Inclusive Growth", Fábio Veras Soares and Ian Orton, *Debating Graduation*, [https://www.researchgate.net/publication/318338851\\_Accidentally\\_Harvesting\\_higher\\_hanging\\_fruits\\_addressing\\_under-5\\_malnutrition\\_using\\_the\\_Graduation\\_Approach](https://www.researchgate.net/publication/318338851_Accidentally_Harvesting_higher_hanging_fruits_addressing_under-5_malnutrition_using_the_Graduation_Approach)

12 CGAP, *Reaching the Poorest: Lessons from the Graduation Model*, Focus Note, No.69, March 2011, <https://www.cgap.org/sites/default/files/CGAP-Focus-Note-Reaching-the-Poorest-Lessons-from-the-Graduation-Model-Mar-2011.pdf>

13 Ford Foundation, *Early Lessons from Large-Scale Implementation of the Graduation Approach*.

14 Julie Kedroske, *Creating Pathways out of Extreme Poverty in Egypt*.

15 Frank DeGiovanni and Syed Hashemi, "Graduation Model: Ready to Scale Up", February 25, 2014, <https://www.cgap.org/blog/graduation-model-ready-to-scale>

16 Fábio Veras Soares and Ian Orton, *Debating Graduation*.

17 Frank DeGiovanni and Syed Hashemi, "Graduation Model".

## Government Implementation of Poverty Graduation Programs and the Challenge of Expansion

After the overall success of the NGO-led poverty alleviation experiments, many governments, especially since 2015 have begun to implement poverty alleviation programs on a larger scale and within the framework of their own social protection systems. The focus has largely been on the groups targeted by CCT to graduate them out of the programs. Undoubtedly, there are significant differences between applying poverty graduation programs to limited groups and scaling them up nationally. Perhaps the most important challenges have been how to address different cultural and social contexts, and how to design programs that fit the specificities of the target groups while at the same time targeting large numbers. By 2016, there were 58 poverty exit programs in 36 countries.<sup>18</sup> Among the most prominent programs were those in Colombia, which targeted 35,000 households at the end of 2018, and in Peru, which targeted 90,000 households at the end of 2015.<sup>19</sup> The expansions had somewhat different characteristics from the previous programs, as the focus was no longer limited to rural poverty but extended to urban poverty as well. Self-employment through the asset transfer was no longer the only option but was expanded to include paid work for others.<sup>20</sup>

There have been several reservations about these experiments, including the accuracy of targeting the poor. For example, more than 80% of those targeted in Peru and Pakistan and 45% in Bangladesh were above the poverty line of \$1.25 per person per day when they entered the program, revealing significant targeting and inclusion errors.<sup>21</sup> Some argued that the results of the programs were modest and unable to lift the poor out of poverty, as the results achieved

were not significantly different from those achieved by targeted cash transfer programs. This may be because poverty graduation programs are adopted only by those benefiting from these targeted transfers.<sup>22</sup> Poverty exit programs also face the challenge of transitioning their chosen beneficiaries from CCT into their programs without resistance. Finally, the success of these experiments depends on providing an enabling environment in which quality health and education services and complementary and supportive programs are available, especially in the field of job creation.

## Arab Experiences of Poverty Graduation Programs

The Yemeni program was implemented in 2006 as part of an initiative by the CGAP and the Ford Foundation to test the approach to poverty alleviation in various contexts. Two more recent experiences are from Egypt: Bab Amal, implemented by a group of NGOs, and Forsa, a governmental experiment to graduate beneficiaries out of CCT programs implemented in partnership between the Ministry of Social Solidarity and NGOs. The Bab Amal program, one of the first experiments in poverty alleviation in Egypt, is still in its infancy (it has undergone preliminary evaluations) while Forsa is still being developed and began its pilot phases in 2023.

## Yemen

The program's actual implementation began in 2009. It is an all-government experiment implemented in cooperation between the Social Welfare Fund and the Social Fund for Development, both governmental institutions, with the participation of the CGAP and the Ford Foundation. Three regions were identified for its implementation, divided between urban and rural areas: Aden, Taizz, and Lahij. Participants, designated as extremely poor, were selected from the Social Welfare Fund's database of unconditional cash transfers, but the reality was otherwise. Most were connected to social networks, and some were receiving cash transfers from relatives abroad. While it is difficult to say they were not poor, they did not meet the criteria for "extremely

18 Ford Foundation, *Early Lessons from Large-Scale Implementation of the Graduation Approach*, p.7

19 Ibid.

20 Ibid.

21 Kidd, S. and Baily-Athias, D., "The Effectiveness of the Graduation Approach: What Does the Evidence Tell Us?" In Fábio Veras Soares and Ian Orton, *Debating Graduation*, p 23

22 Ibid.

poor”.<sup>23</sup> The second challenge facing the experiment was the political crisis that hit Yemen in 2011 as part of the Arab Spring uprisings, which strongly impacted the program’s performance, raising an important question of how to strengthen the program’s resilience to shocks and crises. The crisis caused the prices of basic commodities to skyrocket and security to deteriorate, making regular technical support and follow-up visits difficult. This experiment lasted from 2009 to 2013 and had many successes and failures. The percentage of participants graduating out of poverty was 68% in Lahij, 92% in Taizz 92%, and 69% in Aden; the rest of those targeted tampered with assets given to them as part of the program, went bankrupt or defaulted. However, the experiment achieved clear success in delivering health-related messages. The savings experience was slightly different, as beneficiaries preferred to save at home rather than through savings groups or opening bank accounts due to the lack of trust.<sup>24</sup>

## Egypt’s Bab Amal Program

In July 2018, BRAC partnered with the Sawiris Foundation for Social Development, the Jameel Abdellatif Poverty Action Lab at the American University in Cairo, the Egyptian Human Development Association, and the Giving Without Borders Association to combat extreme poverty in Upper Egypt.

This alliance aimed to implement programs to move people out of poverty. The survey was conducted on 2,400 rural families living in extreme poverty in Assiut and Sohag, two of Egypt’s poorest governorates. The same interventions adopted by BRAC were applied. They start by addressing the most pressing needs – food shortages and food insecurity – before moving to address other emerging challenges such as poor health behaviors and practices, limited access to government services (especially financial services), low levels of education, limited participation of women in employment, lack of self-esteem, and a lack of future prospects or outlook.

The intervention methodology was based on geographic targeting to select the poorest villages, targeting the poorest households, by applying the poverty formula (or proxy means test) and validating the data by closely studying the local communities. The targeted individuals had incomes of less than \$1.25 per day and were deprived of most basic services: 7% did not have a drinking water connection, 8% did not have a private toilet, 19% lived in dilapidated homes, 43% were unemployed, 55% were underemployed, and 66% were illiterate.

The primary intervention was to provide financial support for food to households that did not receive any cash transfers from the Ministry of Solidarity, estimated at 400 pounds (about US\$8.25) per month for 6 months. The next intervention was geared toward providing a livelihood, generating income, and improving the economic status of these households by providing one-time transfers of assets such as livestock, poultry, sewing supplies, and materials, or cash transfers to start a small business. This was accompanied by training in business management skills including technical, managerial, and financial skills to ensure sustainability. As for the rest of the intervention package, financial measures were present in the form of financial literacy programs, building the capacity of targeted families to save through the formation of savings groups, which are managed periodically and include the distribution of microcredit and financial training.

The interventions also aimed at promoting social empowerment through life skills training, family counseling, and the establishment of solidarity committees at the village level to promote social cohesion and support the values of equality between men and women. In terms of follow-up, bi-weekly visits were scheduled with the targeted families to directly monitor their living situation. During implementation, extra measures were taken to sustain progress for beneficiaries experiencing a crisis, such as helping them access social safety nets and community support when faced with a health or economic shock or helping them to access government services in health or education. The formalization of savings groups was also prioritized to enhance the ability of those targeted to access formal or government financial services.<sup>25</sup>

23 Nazia Moqueet, “Graduation Out of Poverty in Yemen: Impact of the Political Crisis on the Extreme Poor”, CGAP-Ford Foundation Graduation Pilot, June 2013, pp. 7-9, [https://www.findevgateway.org/sites/default/files/publications/files/graduation\\_out\\_of\\_poverty\\_in\\_yemen-impact\\_of\\_the\\_political\\_crisis\\_on\\_the\\_extreme\\_poor\\_0.pdf](https://www.findevgateway.org/sites/default/files/publications/files/graduation_out_of_poverty_in_yemen-impact_of_the_political_crisis_on_the_extreme_poor_0.pdf)

24 Shahra, Ahmed Yahya, “Project to graduate beneficiaries of the Social Welfare Fund services out of poverty and link them to microfinance programs and services”, September 2013, pp. 28-30, <https://smed.sfd-yemen.org/media/attachments/2018/09/10/pdf.pdf>

The initial evaluation in 2021 after three years of implementation showed various results, including a decrease in the number of households without a drinking water connection from 7% to 3%; a decrease in the percentage of those without a private toilet from 8% to 6%; a decrease in the

25 Abdelrahman Nagy, *Bab Amal - Door of Hope: Graduating the Ultra Poor*, <https://www.unescwa.org/sites/default/files/event/materials/Bab-Amal-Graduating-the-ultra-poor.pdf>



percentage of people living in dilapidated houses from 19% to 13%; and a decrease in the percentage of illiteracy from 66% to 54%. In terms of the income outcomes resulting from the transfer of assets – the vast majority of which were livestock – the benefits were as follows: assets grew by 50%, income was diversified (up to three sources of income), and savings were accumulated sufficient for a period of three to four months. Indeed, as a result, 83% graduated out of poverty from Bab Amal by the end of 2021.<sup>26</sup> However, it is still too early to judge the sustainability of the program, especially in light of Egypt's extremely high inflation rates.

## Egypt's Forsa Program

Forsa is another government program for economic inclusion, which the Egyptian government started to implement in 2023 in cooperation with a number of NGOs that will play an executive role in the program. Forsa has the aim of graduating beneficiaries out of the Takaful CCT program by empowering them economically, whether through finding them paid jobs or working on small productive projects. The program is currently being implemented in eight governorates as a first phase: Beni Suef, al-Sharqia, al-Qalyubia, Luxor, Faiyum, Minya, Sohag, and Assiut. According to the Ministry of Social Solidarity, over the second half of 2023, the number of households that received productive assets increased from 3,000 to 10,302, from 9% of the targeted 53,000 households to 29%. The number of people with paid jobs increased from 3,324 (23%) in August 2023 to 5,392 (38%) at the end of November 2023, out of a total target of 14,314 households.

However, the International Food Policy Research Institute's report showed that the appetite for participation in the Forsa program has declined, with only one-third of eligible households enrolled in Takaful or eligible non-Takaful beneficiaries joining the program. The vast majority of Takaful beneficiaries are completely opposed to moving to Forsa from Takaful: when a hypothetical question asked the sample whether they would prefer to stay in Takaful or join Forsa, 35% of respondents indicated a willingness to join Forsa, while 58% preferred to stay in Takaful, and the remainder vacillated.<sup>27</sup> This situation is rooted in historical factors associated with the inception of Takaful. There was a lack of transparency at the time, and beneficiaries were not informed at the inception that the Takaful pension was time-bound, and that they had to exit it and join the Forsa

program. The lack of trust also made them more inclined to stay in Takaful, as they were not informed whether they could return to the Takaful program if they failed in Forsa. Accordingly, one of the report's recommendations was that cash transfers should not be interrupted for a transitional period to encourage families to enroll and stay in Forsa. For the majority of families to whom assets were transferred, the report also indicated that there was no profit or loss. This threatens the Forsa program's efficacy and stability and requires the continuation of financial support for Forsa beneficiaries through Takaful for a period of time until they can reach financial stability from Forsa's projects alone.<sup>28</sup>

## The Challenge of Sustainability: Building an Indicator to Measure the Graduate out of Poverty

In light of some evidence of the difficulty of achieving sustainability and the risk of relapsing into poverty, some research efforts have sought to propose a poverty exit index developed based on the results of previously applied external poverty exit experiments. Perhaps the most notable of these attempts is the index developed by Save the Children as a result of its implementation of the SHIREE (Stimulating Household Improvements Resulting in Economic Empowerment) graduation model in Bangladesh in 2011 and again in 2014.<sup>29</sup>

Based on the results of the first phase of the experiment in 2011, the following indicators were developed:

1. Reduce year-round food insecurity.
2. Increase per capita energy-generating foods per day.
3. Ensure greater dietary diversity.

<sup>28</sup> Ibid.

<sup>29</sup> Save the Children, *Graduating out of Extreme Poverty: Who, Why and How? Evidence from Save the Children's SHIREE Program in Bangladesh*, 2018. p.8, [www.resourcecentre.savethechildren.net](http://www.resourcecentre.savethechildren.net)

<sup>26</sup> Ibid.

<sup>27</sup> Egyptian Ministry of Social Solidarity, International Food Policy Research Institute (IFPRI) et al., *Impact Evaluation Report of Egypt's Forsa Graduation Program*, Midline Report, Dec. 2023.

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4. Increase the number and value of assets owned by the household.
5. Diversify sources of income.
6. Increase in daily per capita spending within the household.
7. School-age children attending school.

These indicators were revised in 2014 to add more detailed dimensions to measure the progress of the targeted households:

1. Food security (sufficient food throughout the year).
2. Dietary diversity (at least weekly consumption of five food groups).
3. Three or more sources of income.
4. Ability to purchase assets from income.
5. A productive asset with a specific monetary value.
6. Ability to save money in most months.
7. A climate-safe home, able to withstand the vagaries of the weather.
8. A home that is above the flood level, should one occur.
9. Access to decent clothing for family members.
10. Ability to cover health expenses.
11. Access to land.
12. Access to clean drinking water.
13. Having toilets connected to sanitation.
14. Enrolling children in primary school.

In fact, behind the development of more criteria to measure poverty exit is the desire to ensure a greater number of determinants of well-being, ensuring sustainability.<sup>30</sup>

However, although the index was reformulated to ensure greater sustainability, it did not consider the impact of the inflation rate on the erosion of real incomes.

## Preconditions and Lessons Learned

Perhaps the first priority in the analysis is the conditions or requirements for a successful program. Without them, the fate of poverty graduation programs will be the fate of all anti-poverty programs, which is to succeed in alleviating the symptoms of poverty without dealing with its causes. Therefore, it is necessary to reconsider what poverty is. It is not just a lack of monetary income. Poverty is multidimensional – increasing its own burden and severity – from family poverty to community poverty; it is a lack of resources and opportunities and the deterioration of basic services. It is difficult to imagine such a complex situation without accompanying psychological symptoms such as feelings of helplessness, powerlessness, fear of expressing opinions or claiming rights, and low self-esteem. This points to the need for poverty alleviation programs to go hand-in-hand with improving the state of the local community by providing basic services in health and education, quality infrastructure, stimulating markets, opportunities, and resources, and redistributing public and social spending toward disadvantaged and poorer areas. Therefore, when setting criteria for households targeted by poverty alleviation programs, it is necessary to expand beyond material poverty to multidimensional poverty.

There must also be a radical reconsideration of structural policies, especially economic ones, that produce poverty and social marginalization and turn millions of people into victims of poverty who in turn must be helped by poverty alleviation mechanisms. Getting out of poverty does not mean getting out of the umbrella of social protection, which is a human right throughout one's life and is not limited to the poor. This conceptualization is completely at odds with the global trend that calls for inclusiveness. It must be recognized that moving out of poverty is an integral part of social protection policies and should be designed effectively and equitably. Improved living standards may take people out of one social protection program while at the same time creating the conditions for them to join another program based on their new circumstances.

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30 Ibid.

## 11 Can Poverty Graduation Programs Truly Free the Poor from Poverty? Reflections on International and Regional Experiences

In terms of lessons learned from a review of poverty exit experiences in the global south, the following points are important:

- Consider poverty exit programs as an integral part of social policy and integrate them with cash transfers – whether conditional or unconditional – especially since many governments are moving toward adopting this type of program. The cycle begins with cash transfers to alleviate the burden of poverty on the one hand and contribute to building human capital on the other. It ends with poverty exit programs as a pathway to a sustainable livelihood. It should be recalled that, just as the success of CCT programs was contingent on improving the quality of public services and providing complementary and supportive services, the same applies to poverty exit programs.
- Despite the application of a more inclusive targeting methodology by combining quantitative methods such as questionnaires (based on which the poverty line is determined) with qualitative methods (based on individual interviews with targeted households and community verification), there continue to be targeting errors that must be addressed: excluding the qualified due to inaccurate data or community biases or including the unqualified due to the power of the community elite in selection. Adopting an inclusive approach to a poor community may be a solution, while also considering the development of the program in line with targeting the community as a whole.
- Consider NGOs as essential partners for governments in designing programs, given: their proximity to the local community, their regular contact with vulnerable groups in their communities, their ability to help build trust between governments and targets, their resources in verifying eligibility to join these programs, and their geographic diversity to ensure that these interventions are geographically decentralized. Many successful experiments have taken this approach to qualify local communities to engage in and implement such programs. For example, the Colombian government relied on data validation with the help of local communities, and the Peruvian government took a decentralized approach to implementation and follow-up through local coordinators. However, there are programs where NGOs were only involved in implementation and not in design, such as the Forsa program.
- Adopt a different methodology than the usual government approach to managing these experiments. The cornerstone of the success of poverty graduation experiments implemented by NGOs is the great attention paid to the component of periodic and regular guidance, advice, and follow-up for the targeted families, as well as providing technical support and psychological counseling. This is something that may be easy to implement in small-scale experiments, but it is extremely difficult when expanded to larger scales: it requires trained administrative staff to provide psychological and technical support on the one hand and effective time management on the other to achieve regular periodic follow-up. There is no doubt that investing in the human resources already in place in local communities will be one of the keys to success.
- Large-scale poverty alleviation programs must be accompanied by community development in terms of infrastructure, public services, and communications, taking into account geographically isolated locations that require the construction of roads and transportation lines. It is also important to analyze local and centralized markets, understand the comparative advantages of products, and determine the best type of assets to be provided to beneficiaries.
- Address the challenge of how to turn the jobs created by poverty graduation programs into decent jobs, especially in terms of social protection standards such as access to social insurance and universal health insurance. This may require considering social insurance packages that are more closely aligned with the working conditions of people coming out of poverty.
- Consider savings as an integral part of poverty alleviation programs and seek to organize beneficiaries into savings groups. Financial inclusion is one of the manifestations of the solidarity economy, which means the need to have a vision of strengthening the solidarity economy through cooperatives and other forms that promote and formalize collective action while reducing potential risks.

## About the Arab Region Hub for Social Protection

We are a space in and through which professionals dedicated to exploring, understanding and advocating for better social protection in the Arab region exchange ideas and explore and initiate collaborative action. We envision an Arab region in which all people, regardless of their identities, are guaranteed social protections that secure their access to the essential goods and services needed to ensure their well-being and decent standards of living, which in turn gives them the opportunity to prosper and contribute as active members of society. We aim to facilitate the development of equitable and sustainable social protection systems in the region by: executing, encouraging and facilitating the production, analysis, collation, and dissemination of interdisciplinary knowledge about the topic; facilitating dialogue within professional spheres and awareness raising among the wider public; and enhancing collective action that amplifies advocacy efforts with the different stakeholders and decisionmakers.

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## About the Social Protection Program

The Arab Reform Initiative's Social Protection Program, which gave birth to the Arab Region Hub for Social Protection, aims to place social policy and its impact on the socio-economic rights of citizens and residents in Arab countries center stage in the research and advocacy efforts seeking to achieve social justice and social equality. By mobilizing and coordinating a community of practice and knowledge on social protection, the program aims to create a safe space for regular and systematic dialogue between the different stakeholders, in order to help addressing the problem of fragmented, non-inclusive, ineffective, and unsustainable social protection systems in the region. While doing so, the program adopts different perspectives – from addressing the necessary policy, programmatic, institutional, financial, legal and legislative reforms; to the political economy involved in the feasibility of these reforms; passing by social activism around welfare policies.



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## About the Arab Reform Initiative

The Arab Reform Initiative is an independent Arab think tank working with expert partners in the Middle East and North Africa and beyond to articulate a home-grown agenda for democratic change and social justice. It conducts research and policy analysis and provides a platform for inspirational voices based on the principles of diversity, impartiality, and gender equality.