

Concern Malawi's Graduation Programme



Building Resilience to Recurrent Shocks

Introduction

Concern Worldwide's Graduation Programme is a 'big push' intervention designed to move people out of conditions of extreme poverty by simultaneously boosting livelihoods and income, and providing access to financial services. In Malawi, the programme is known by its local name *Tiwoloke* under which programme participants received:

- 12 months of Consumption Support (of MWK 15,000 per month).
- Routine (fortnightly) visits from mentors (continuing for up to six months after the consumption support ended).
- Support to establish savings and loan groups.
- A variety of training on business skills (BST), technical skills for the establishment of a specific income generating activity (IGA) and kitchen gardening.
- A capital, or asset transfer, to help participants establish an IGA.

Further, a specific gender transformative element that helped couples to reflect upon and discuss issues such as gender norms, power, decision-making, budgeting, violence, positive parenting and healthy relationships was included for a number of participants (this element was known locally as *Umodzi*).

After a brief pilot, starting in 2017, the programme was implemented in two cohorts in Nsanje and Mangochi Districts; Cohort One started on the programme in October 2018, finishing in April 2020; those in Cohort Two were enrolled in October 2019 and finished receiving support in April 2021.

Data and Methodology

Concern and their research partners, the Trinity Impact Evaluation Unit (TIME), incorporated a comprehensive research element into the programme to understand the barriers faced by women in escaping poverty and to estimate the impact graduation interventions had on gender empowerment and ultimately household welfare. The research also looked at whether including a specific gender component enhanced programme outcomes. Working with households where there was both a man and woman present, the three intervention arms varied key components of the programme; in the first, all the benefits of the graduation programme were targeted to the female. In the second, all benefits were targeted at the male in the couple. In the final treatment arm, all the benefits were targeted at the female, while the couple was exposed to a twelve month couples training.

Each intervention arm was delivered to 600 households randomly selected in Mangochi and Nsanje (1,800 programme participants in total), with 300 households in each district receiving each version of the proposed program. An additional 750 households in the two districts were included as control households. While the intervention itself is an intense 20-month multifaceted programme, the research project will be spread over five years to allow for the estimation of medium-term effects, with the final round of data collection for Cohort 2 due in 2022. For each cohort, a baseline was conducted at the start of implementation, a midline was conducted immediately after the end of direct programme implementation and an endline 12 months after that.

Table 1 Overview of Data Collection Process for Tiwoloke Research

	2018	2019	2020	2021	2022
Cohort 1	Baseline: June and July	Short Questionnaire on Cyclone Idai: June – August	Midline: August - October	Endline: August – October	
Cohort 2		Baseline: June – August	Short Questionnaire on COVID impact: August – October	Midline: August – October	Endline
Qualitative Impact Protocol (QUIP)	March		October		

The quantitative results presented here are based on data collected between August and October, 2020 amongst those included in Cohort 1 of the programme, and allows a comparison between the start and end of the programme. Unfortunately, the number of observations available at this point in time does not allow for detailed comparisons between the three intervention arms.

In addition to the comprehensive quantitative data that was collected a number of rounds of a *Qualitative Impact Protocol* (QUIP) were undertaken. The QuIP studies aim to focus on household-level impacts of an intervention, by gathering intended beneficiaries’ perceptions of what has changed in their lives across a series of predetermined domains (based on the project’s Theory of Change) and over a set period of time. This allows for a ‘deep dive’ assessment with a purposefully selected group of people in the project target area to understand whether, and if so, how different aspects or ‘domains’ of their lives have changed in recent years.

Context

Concern first piloted the Graduation programme in Malawi in 2017, reaching 200 households and subsequently enrolled two cohorts of 900 participants (one starting in 2018, the other in 2019). During this period, those engaged in the programme have been hit with two major shocks – Cyclone Idai (in 2019) and the COVID-19 pandemic and the restrictions put in place to address this (even though Malawi never went into a full lockdown).

Cyclone Idai hit the southern and central regions of Malawi in March of 2019. In the first 10 days of that month, Nsanje received over 200 mm of rainfall, while Mangochi received over 150 mm, compared with 40 - 75 mm of rainfall for Nsanje and Mangochi respectively during the first 10 days in March 2018. The Malawian Government estimated that the cyclone, and associated floods, affected over 975,600 people (5.4% of the population), displaced 86,976 people (0.5% of the population) and killed 60 people; 288,371 houses were damaged or destroyed and the effects from this disaster cost an estimated USD\$ 220 million (Government of Malawi estimates from 2019). Amongst households enrolled in Cohort One of the Graduation Programme almost all of those in Nsanje were affected by the floods (94%) and seven out of ten households in Mangochi were affected.

While Malawi has recorded a relatively low number of positive COVID-19 cases (59,741 at the end of August 2021) and deaths (2,074), the pandemic has had an effect on agriculture, preventing households getting to their land, hiring help, and selling their harvest at their usual market. Movement restrictions were particularly challenging for households that regularly went across to Mozambique for farming or business purposes. Through routine monitoring a number of Graduation Households identified challenges around decline in business, reduced opportunities to undertake casual labour and limited social interaction.

Graduation increasing Resilience

However, despite these two major shocks, it is possible to see some signs of resilience amongst *Tiwoloke* Households – in this case resilience is taken to mean being able to cope with and recover from stress and shocks, while continuing to provide livelihood opportunities.

Cyclone Idai

At the time Cyclone Idai struck, households in Cohort One were 9 months into the Graduation programme, meaning they had not yet received their capital transfer. These households suffered extensive losses for livestock (of MWK 52,673) crops (of MWK 49,834) and business (of MWK 39,748), all of which were greater than those suffered by non-Graduation households (by MWK 4,749, MWK 17,071 and MWK 21,253 respectively). This in part can be attributed to the higher asset holdings that households on the programme had acquired due to the way they had used part of the consumption support to buy poultry and livestock, invest in agricultural plots, to start businesses and buy household assets, remembering at baseline there was no statistically significant difference between the groups.

In terms of food security, amongst all households affected by the flood non-graduation households recorded a food security score¹ of 3.53 post flooding, compared to a score of 4.52 amongst treated households (these differences are statistically significant). Similarly, in terms of the Hunger Gap², non-treated household affected by the flood were estimated to be food secure for 7.95 months of the year, with a hunger gap of 4 months. Treated households reported being food secure for 8.1 months of the year. The difference between non-treated and treated households not affected by the flood is considerably larger at 9.9 for treated and 9.3. This suggests that despite their lower level of losses non-graduation households still had greater food insecurity than graduation households, providing preliminary evidence of a positive effect of the Graduation programme.

After events, like the March 2019 flooding, individuals can experience increased stress that may lead to poorer long term decisions. The survey used included four simple tests on reaction time, inhibitory control, memory, and fluid intelligence to capture what is termed as bandwidth. Amongst households that reported they had been affected by the floods, Graduation households had a statistically quicker reaction time in responding to visual stimulus than non-graduation households; treated households had a slightly higher percent of correct answers across the other three areas compared to non-treated households, even though none were statistically significant.

¹ The index is calculated by the standardised weighted average score of 9 questions answered by female respondents, which includes whether the household ever experienced any difficulty in having enough food to fulfil the needs of the family, the number of meals and days that the household did not have enough food to eat, the number of days that the household ate meat over the past week, whether any household member skipped any meal or reduced consumption due to the shortage of food and the number of days and meals skipped, whether the household borrowed food or received any help from friends or relatives, and the order in which household members are served food when food is in short supply. The total score ranges from 0 (severely food insecure) to 9 (food secure).

² This measures the number of months that the household did not struggle to feed the family from any source of food. If the household responds that they did not face any food insecurity, they get a score of 1. If they say yes, then the total number of months they were food secure are added to give them a score out of 12, the total score ranges from 0 (severely food insecure) to 12 (food secure).

COVID-19

Roughly four months after the COVID pandemic struck in Malawi (August 2020), midline data was collected amongst those included in Cohort One (meaning direct implementation had ended) and an unscheduled set of questions was administered to households in Cohort Two, who were still receiving consumption support, and had recently received their lump sum support for their IGAs, to gauge the impact of COVID-19 on them.

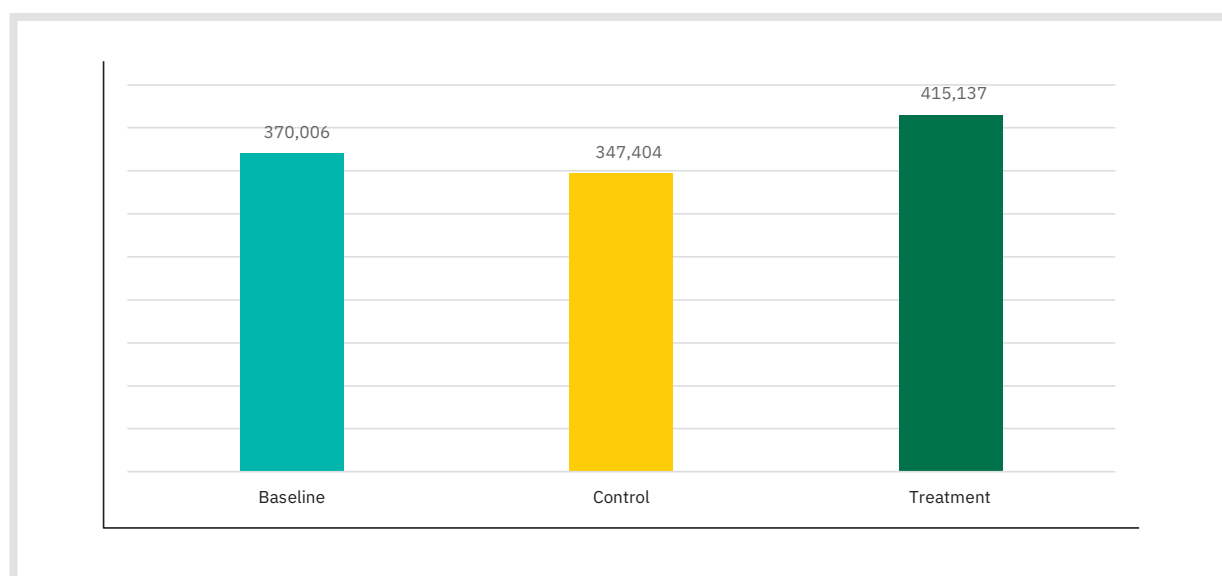
Respondents were asked if they have any financial worries as a result of COVID-19: in total 43% of those who answered said they were worried about COVID-19's impact on their financial situation. When disaggregated by treatment status the results showed a considerable degree of variation; households who had already been through the Graduation programme were the least likely to be worried about COVID-19's financial impact (mentioned by 36% of respondents), about their income or the loss of hope for the future. The higher figures recorded amongst those in Cohort Two is potentially due to these households being in the process of establishing their alternative income generating activities, an uncertain time even in a less challenging environment.

Table 2 Worried about the financial impact of COVID-19

	Completed Graduation (Cohort 1)	Control	Currently Enrolled on Graduation (Cohort 2)
COVID related financial worries	36%	41%	52 – 54%
Worried about income	28%	34%	46 – 47%
Loss of hope for the future	5%	8%	13 – 14%

More detailed analysis of consumption data amongst Cohort One households show that when adjusted to 2018 prices annual household consumption was MWK 67,733 higher than for those in the control group (MWK 415,137 against MWK 347,404) and greater than the figure recorded at baseline (MWK 370,006) – this compares to the MWK15,000 that was provided as consumption support. This is worth 19.5 per cent of the control household's total yearly consumption³.

Figure 1 Annual Household Consumption (adjusted to 2018 prices)



³ Consumption is the sum of all yearly expenditures on education, illness, food, non-food and festivals and the increase for treated households can be seen across all expenditure categories, including food and non-food expenditure

Looking at per capita consumption to account for household size, being a Graduation household results in a yearly increase of MWK 11,082 per capita, or a monthly increase of MWK 924 (1.30 USD) per capita.^{4,5} The increase for the treatment group is worth 19% of the control's per capita yearly consumption spend of MWK 58,525, adjusted to 2018 prices (This consumption result is significant at the 1 percent level.)

A similar story emerges when looking at household asset holding; to do this a simple household asset index accounting for assets in agriculture, business, and livestock was created, showing that at the end of direct implementation of the programme a *Tiwoloke* household had an average asset index 38 percent higher than control households. The biggest driver behind the improvement in the asset index is an increase in the livestock asset count.

Looking at the type of livelihood people were engaged in at the time of the survey, it is important to remember that *Tiwoloke* was designed to provide people with a more sustainable livelihood over which they have more control, and subsequently to move people away from the dependence on daily labour. The data collected in 2020 showed that households have become less reliant on *ganyu* as a source of income – while 79% of those in the control arm report doing *ganyu*; 71-72% of those in the second cohort stated they did *ganyu*, with the figure dropping to 65% for those in Cohort 1. There is also evidence that all treatment arms are more likely to have a business compared to control households. For those in Cohort One who would have started a new business activity in 2019, around 30% of these reported they had a business, a six percentage point difference from control households, where only 24% say they have a business. Amongst those in Cohort Two who had recently received their capital transfer between 46% and 53% of households said they had a business.

However, the impact of COVID-19 is being felt amongst programme participants and their livelihoods. The October round of QUIP data collection presents a nuanced position – while some respondents explained how progress made in recent years had been undermined, as businesses failed due to a down turn in economic activity, *Tiwoloke* households were still more likely to have altered the economic activities of the household and be able to deal with the shocks.

Impact on Food Security 2018 to 2020

The main household welfare measure we look at is food security and find that Graduation is correlated with being more food secure, despite the various shocks that households have experienced. Here, the results of three food security measures are presented:

1. the Food Security Index (a scale running from 0 to 9, where 0 is food insecure and 9 is food secure),
2. a shorter index for food security in the prior week (a scale running from 0 to 3, where 0 is food insecure and 3 is food secure)⁶,
3. the Hunger Gap measured in terms of total months the household is food secure

On the first of these The Graduation programme has a positive and significant impact on treated households, who had a score of 0.51 points higher than the control households; this is the equivalent of 14 percent of the value of the Food Security Index score for control households. Though, it is important to note, that while control households saw a decrease in their score from baseline, Graduation households saw an increase in this score from baseline.

⁴ We used exchange rate for USD in 2018, which was MWK 714= 1USD, <https://freecurrencyrates.com/en/exchange-rate-history/USD-MWK/2018>

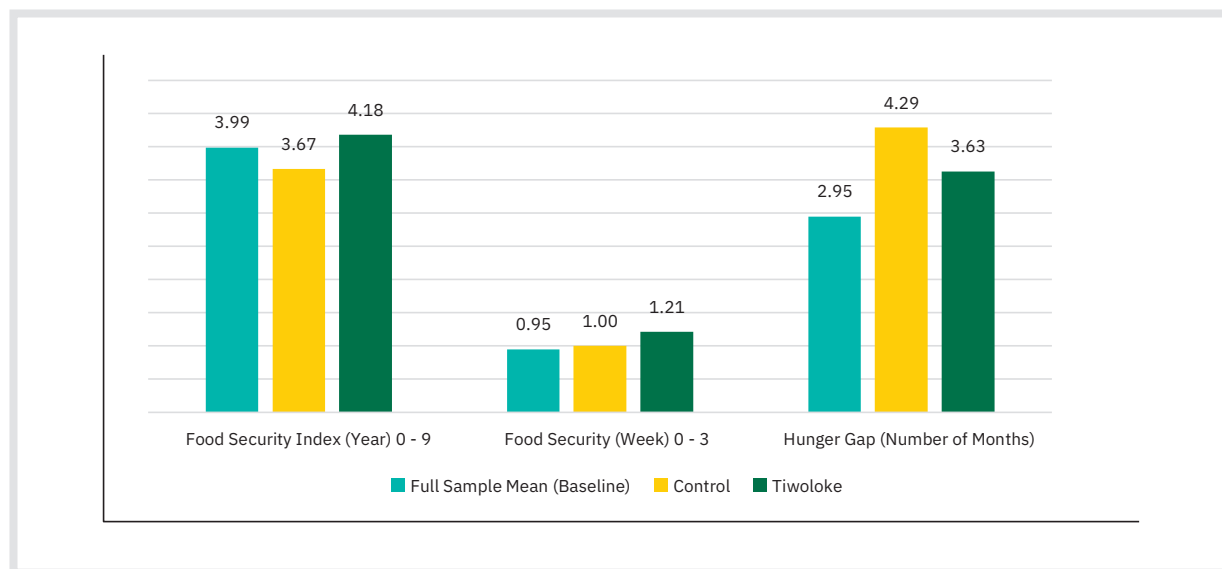
⁵ To get per capita expenditure we divide total expenditure by household size. The average household size is 5.75 at follow-up.

⁶ This recent food security includes the number of days that the household ate meat over the past week, how meals were consumed yesterday, and whether any household member skipped any meal or reduced consumption due to the shortage of food in the prior week.

The second index tells a similar story, with *Tiwo* households recording a score 22 per cent higher than the control households – in this case, both groups saw an increase from their baseline scores.

On the third, the Hunger Gap, the research found that in 2020 control households considered that they were food secure for 7.7 out of 12 months in the year, compared to 8.4 months for treated households, meaning the programme had a treatment effect of 0.7 months, which is significant at the 1 percent level. Unfortunately, for both groups of households this is a lower figure than reported at baseline (when it was 9.1 months) this is potentially due to the impact of COVID-19.

Figure 2 Food Security Indices (Scores)



While the picture shows how *Tiwo* households show an improvement over baseline on the two objective measures and over the control households, underlining an element of resilience in the face of a number of challenging shocks, the relatively low levels recorded suggest that this is an area that still requires attention.

Conclusion

Early indications from our analysis suggest that participants in the *Tiwo* programme in Malawi are more resilient to large, covariate shocks, such as Cyclone Idai and the COVID-19 pandemic, when compared to others in a similar situation in their communities. Despite these events households enrolled in the programme had an annual consumption 19.5% greater than those included in the control group, and have food security scores considerably higher than control households. However, the prevailing environment of pervasive risk and regular shocks suggests that any hard fought gains risk being lost.

The research on the Graduation Programme in Malawi will continue into 2022, when data on both cohorts will be available for one full year after the completion of programme implementation, the increase in the number of observations will allow for reporting one the different treatment arms; further briefing reports will be produced

This report is one of a series produced in November, 2021 that look at the impact of Concern's graduation programme in Malawi on (i) participant's resilience (ii) the impact of the gender transformative approach (Umodzi) being adopted (iii) employment outcomes and (iv) social impacts.

The full set is available from chris.connolly@concern.net or at Concern Insights page, using the following [link](#).