Graduating from Ultra Poverty: Evaluating the Effect of Services in Ghana

Data Collection Summary

Researcher: Abhijit Banerjee
Country: Ghana

Summary: The Ghana Microfinance Graduation Program (MGP), launched by Innovations for Poverty Action (IPA) in northern Ghana, presents a unique opportunity to study savings behavior of the poor and to learn how to promote higher savings among them. MGP follows the model of the Challenging the Frontiers of Poverty Reduction: Targeting the Ultra Poor (TUP) program created by BRAC in Bangladesh. This program provides the ‘ultra poor’ (the poorest 15% of a nation’s population) with consumption support, livelihood training, transfer of productive assets, health education, and financial education with savings options over 24 months.

The objective of a TUP program is to help the ultra poor escape extreme poverty and graduate into sustainable livelihood and economic stability with which they can become disciplined clients of micro finance institutions. Using rigorous techniques involving a randomized controlled design and qualitative evaluation, this study will disentangle the comparative impacts of components of the TUP program including the separation of the effects of asset transfers from the savings requirement. IPA will evaluate each step of the intervention, from whether the ultra poor have been successfully identified, to whether the targeted interventions have been effective at preparing the ultra poor for micro-credit, and to whether the whole program is effective at boosting income and overall social welfare. The study will follow participants for three years with a baseline survey, midline survey, and endline survey supplemented by frequent mini household surveys and qualitative assessments. The impact evaluation will allow IPA to collect detailed data on the life trajectory of the ultra poor out of extreme poverty and how their savings behavior changes over a long period of time.

Survey Time Frame and Rounds:
- Round 1: Baseline Survey March 2011
- Round 2: Follow-up Survey July 2013
- Round 3: Endline Survey July 2014

Modules:
- Households
- Field Agents
- Household Surveys

Sample: Households in extreme poverty in Ghana’s Northern Region and the Upper East Region.
Survey size: 150 villages in Ghana (2,250 households)
Intervention: 50 treatment villages receive the TUP program, including assets training, savings accounts, consumption support, livelihood options awareness training, and health services.