

BOMA
PROJECT

A Longitudinal Assessment of REAP

A Follow-Up on Program
Participants 3-5 Years
After Graduation

June 2018

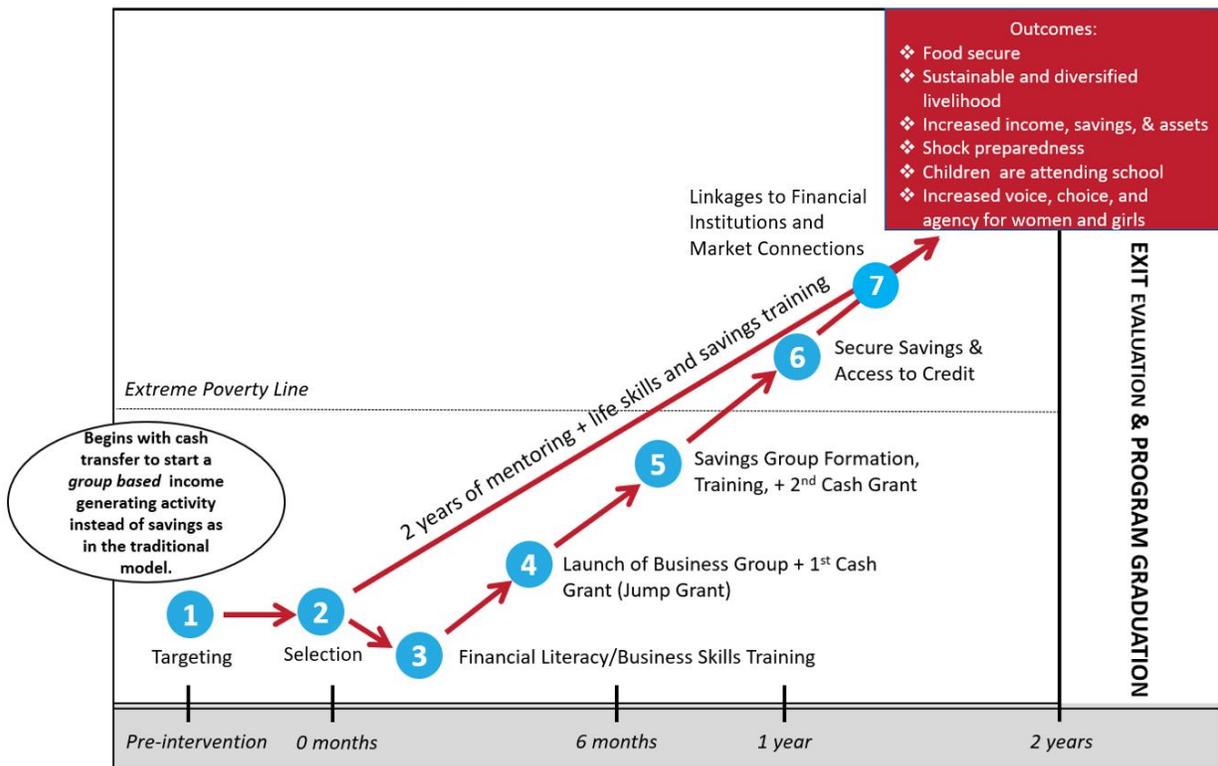
Acknowledgments

This research was conducted by The BOMA Project and the undertaking was a multi-year effort. We acknowledge the detailed technical support of two fellows from the Princeton in Africa Program, who made significant contributions to the design, collection of data, analysis and report-writing: Neena Aggarwal and Alex Domash. Fellow Katharine Eger was involved in the qualitative assessment. Many thanks to BOMA Data Analyst Paul Bolo for finalizing the survey, coordinating the data collection and leading on the analysis. We also acknowledge the efforts of the field team for collecting the data, as well as the contributions made by Nancy Stroupe and David Boyer. Finally, we thank the participants for their time in participating in this study.

Executive Summary

The BOMA Project (BOMA) is a U.S. nonprofit and Kenyan non-governmental organization (NGO) with a proven track record, measurable results, and a transformative approach to alleviating poverty and building economic resilience in the arid and semi-arid lands (ASALs or drylands) of East Africa. The Rural Entrepreneur Access Program (REAP) helps ultra-poor women build a pathway out of extreme poverty by providing them with seed capital, business and life-skills training, a savings program and two years of mentoring.

Figure 1. The BOMA Model



By helping groups of women start small businesses and establish savings, BOMA's earlier research has established that women in BOMA's poverty graduation program are better able to feed their families, pay for school fees and medical care, accumulate savings, sustain themselves during drought and adapt to a changing climate. REAP businesses provide a new and diversified income, personal and business savings help women manage cash flow (for daily needs) and BOMA savings groups help women to plan for future expenses.

While exit studies, over the past 10 years, and a longevity study in 2012, show women's increased income and gains in savings and social equity, BOMA's model and approach has been significantly refined as a holistic graduation model with a defined exit strategy and measures of success. New learning and innovations have been embedded into the program. In February 2018, for this new longevity study, BOMA revisited past REAP participants who were enrolled in the program between 2011, and 2013 and graduated between 2013 and 2015, to ascertain the impact of REAP 3-5-years after completion of the program.

Key Questions

The study aims to answer the following six questions:

- 1) Are the impacts of REAP increased, decreased, or sustained 3-5 years after graduation? Specifically, are there impacts in the following main areas of interest for BOMA?
- 2) What percentage of REAP participants are still operating a business of some form?
- 3) How do measures of empowerment compare between women who graduated from REAP in 2013-15 and women entering REAP in early 2017?
- 4) How long do BOMA savings groups sustain themselves after participants graduate from REAP?
- 5) What are the challenges faced by REAP participants, who have graduated, that could be addressed with subsequent programming?
- 6) Are there any factors that predict success in key outcomes (presence of a sustainable livelihood, shock preparedness, food security, household expenditures, and asset ownership)?

The study population consists of 1,076 businesses and 3,228 participants. Twelve locations are included in the study: Archers Post, Illaut, Kargi, Karare, Korr, Laisamis, Lengima Namarey, Loglogo, Loiyangalani, Merille, Ngurunit and South Horr in Marsabit County, Kenya.

To measure the long-term impact of REAP, both quantitative and qualitative methods were utilized. For the quantitative component a survey was administered that combines selected questions from prior baseline and endline surveys as well as additional questions of interest to determine changes in household economic status and women's empowerment over time. For qualitative, facilitated focus group discussions (FGDs) were conducted with graduated REAP participants to look into the long-term impact of REAP and changes in empowerment that are more challenging to capture in a quantitative questionnaire. The findings from the FGDs supplement the quantitative component and the focus of this paper, to more fully depict the long-term changes in participants' lives.

Highlights of Study findings

A majority of REAP participants have a sustainable livelihood at exit. Specifically: Presence of a sustainable livelihood (ownership of a business, household income) **Households have a diversified income with an average of three sources of income. At follow-up, 81% of follow-up respondents (operate and) receive at least one source of income from a business.**

- Overall average household total income is 13% greater than the endline with the difference proving to be statistically significant at the 1% level ($p \leq 0.01$).
- The total business income at follow-up is 20% greater than the total business income at endline.
- The increase in selling livestock from 51% at endline to 86% at follow-up is significant

Shock preparedness (savings, confidence about ability to overcome shocks)

Part of the intention of providing the REAP program is to build the resiliency of participants and their households, **60% report that they are “very confident” that they could repay a loan if they had to take one. The majority felt they were fully able to provide food (79%) for their family and clothing for children (72%).** When asked what the primary payment method they would use to pay for a medical or other types emergency, **the most common answers were selling an animal (36%), a loan from a BOMA business group (21%), and personal savings (19%).**

Food security (food consumption by former participant’s household and their children)

The average number of times children ate increased by 6% from 2.10 at endline to 2.23 at follow-up. **Another notable change, and even more striking, is the change in the frequency that children have gone to bed without an evening meal in the last 7 days: rates of 40% at baseline dropped to 28% at endline and then to 13% at follow-up.** Going to bed without an evening meal in the past 30 days also dropped from baseline at 70% to follow-up at 28%, although the endline result was even lower at 16%

Livestock Assets

Expenditure for livestock and livestock-related expenses increased dramatically by 66% reflecting the increase and importance of the livestock business for income and as a saving asset. The changes in the percent of household livestock assets is quite striking. The data shows large increases in the average number of livestock the household owns. The 51% increase from 8.2 to 12.4 TLU for the household from endline to follow-up proved to be statistically significant at the 5% level ($p \leq 0.05$), and the 49% decrease for women from 7.2 to 3.7 TLU proved to be statistically significant at the 1% level ($p \leq 0.01$). This is notable considering the survey was undertaken when the region was facing ongoing drought cycles.

School and medical expenditures both increased over time. School fees are being paid for members of considerably more households, increasing from 42% at baseline to 49% at endline, then jumping to 93% at follow-up. In Kenya, primary education is free, but expenses increase dramatically once a child enters secondary school This results in many children not being able to continue their education after graduating from primary school.

At endline, 58% of primary school-aged children were enrolled in school and 60% of primary school-aged girls were enrolled. **At follow-up on average, in a given household, 66% of primary school-aged children (boys and girls) are enrolled in school. Follow-up shows 71% of primary school-aged girls enrolled in school.** While BOMA cannot claim REAP solely increased school enrollment, the access to business income, savings and credit as well as positive mentoring messages on education has enabled better access to education opportunities for the children of REAP participants.

Savings

A majority of BOMA Saving Groups (SGs) are active several years after exiting REAP. At follow-up, 73% of 387 respondents report that their BOMA SG is still active, and 71% are still a member. Among those whose BOMA SGs are active, 98% are still a member of the SG, and

among those who are members of a BOMA SG, 96% have savings in the SG. In a given SG, approximately 87% of the average 12.8 members are from the original group , **92% of those owning a livestock business are still members of a BOMA savings group, compared to 80% of those who own a non-livestock business. ($p \leq .01$)**

Among the women who have savings in a bank, the amount of savings increased by 78% from KES 17,900 at endline to KES 31,777, and illustrates a shift towards formal banking. At follow-up, 86% reported having some form of savings, compared to 92% at endline. It is impressive that most women still had savings at follow-up, especially compared to the 40% who had savings at baseline.

Women's Empowerment

For all the questions, the number of women who report making decisions jointly is significantly higher in the follow-up cohort 3-5 years after graduation than in the March 2017 cohort at baseline. This includes differences for purchasing food ($p \leq 0.01$), paying for children's medical expenses ($p \leq 0.01$), paying school fees ($p \leq 0.01$), purchasing livestock for herself ($p \leq 0.01$), purchasing household items ($p \leq .05$) and deciding which children to send to school ($p \leq 0.01$). **Decisions are more likely to be made jointly, mostly, or fully for participants who graduated 5 years ago versus 3 years ago suggests that empowerment outcomes may improve over time for REAP participants.**

Social standing of BOMA participants in the community has changed as a result of participants' success with BOMA. **Fifty-eight percent provide business advice to others, with 77% sharing information with current and past REAP participants, and 64% sharing business information with women not in REAP.** These women feel like mentors in the community. Whereas before they were a burden to society, participants are now contributing in meaningful ways, which has positively affected their social status. **Fifty-seven percent report attending public meetings, and 68% are either completely or somewhat comfortable with speaking up at public meetings. Most (89%) donate to fundraisers in the community, with almost half (47%) donating either a few times a year or every month.**

The audience for this study includes BOMA staff, donors, funders, partners, member of the global graduation community, and others interested in studying the long-term effect of livelihoods programming. It is anticipated that this study will significantly add to the existing, yet limited, knowledge on the long-term impact of BOMA's poverty graduation model and will provide a more comprehensive picture of the long-term benefits women accrue from BOMA's REAP program and shed light on the sustainability of graduation programming. Thus, the study can potentially support the scaling of the graduation approach through donor funding, government adoption and strategic partnerships and can also be used to increase the REAP model impacts, ultimately improving the resilience of future REAP participants.