

CLM Midterm Evaluation – Summary of Results

Introduction

Extreme poverty in Haiti

Fonkoze's Chemin Lavi Miyo (CLM) project is designed as an intervention to tackle extreme poverty in Haiti. A web of interlocking constraints such as political instability, extreme isolation, degradation of natural capital, poor infrastructure, unemployment, rising population, etc create a situation where 75 per cent of Haiti's population live below the US\$2 per day poverty line, and 49% living in extreme poverty (below US\$1 per day). In other words, 4 million people out of Haiti's population of 8 million can be categorised as extremely poor, with the vast majority living in rural areas (World Bank, 2006).

In the face of little to no existing social safety nets, the rural communities in Haiti are resilient and adapting coping mechanisms to the myriad of constraints that plague them. However, these coping mechanisms are often not sustainable as they lead to household and environmental asset depletion¹. As in most fragile states, the extreme poor in Haiti's provinces continue to face widening gaps in equality, increasing social marginalisation, and no sustainable livelihood options. This is now reinforced by a tremendous global increase in food prices.

Concept of CLM

In response to this complex set of deprivations, Fonkoze (with the technical assistance of Concern Worldwide and financing from Concern Worldwide and CGAP) initiated a multi-pronged livelihoods protection and promotion scheme designed to provide extremely poor women in rural Haiti with assets for entrepreneurial use, enterprise training, health services, housing support, a consumption stipend, social links with village elites, facilitated by the close support of a CLM case-manager.

Following the example of BRAC's Challenging the Frontiers of Poverty Reduction/ Targeting Ultra Poor (CFPR/TUP) program, Fonkoze's CLM project incorporates a combination of 'pushing down' (reaching the poorest sectors of the population that traditional development schemes bypass) and 'pushing out' (providing services that go beyond income generation to tackle destitution, hunger, and vulnerability.)

CLM is now in a pilot phase, and has been implemented in the communes of Boukan Kare, Twoudino, and La Gonave².

The package of inputs has been extended to 150 families among the three regions over an 18 month period (May 2007 – November 2008).

¹ Concern Worldwide – Haiti, Rapid Food Security Assessment, April-May 2008, unpublished

² Concern Worldwide and Fonkoze are focusing upon Boukan Kare for the scale-up for CLM for the following reasons:

- 1) Healthcare is an essential component for the success of this program, and Boukan Kare have the strongest health partners for CLM members (as will be discussed later on in this report);
- 2) For cost-effectiveness and measuring impact, they would like to penetrate one area rather than scale-up in multiple places. They have also determined a strong need there for CLM scale-up.

The objectives of CLM can be summarized as follows:

- Equipping all targeted households with productive assets, market linkages, enterprise training, and skills development for successful income generation
- Facilitate access to healthcare for all targeted families
- Improving the condition of CLM members' homes
- Improving access to education for CLM children
- Ensuring that CLM households are food secure, even after cash stipends are disbanded from the input package
- Creating social networks for CLM members that they can rely upon even after the program has ended

The purpose of CLM is to strengthen the productive assets and asset management skills of the extreme poor so they can graduate into one of two paths which will assure continuing and sustainable progress out of poverty:

- join TiKredi, the small loan program that is the next step up from CLM in Fonkoze's tiered strategy
- use their savings and existing assets to grow and diversify their capital base

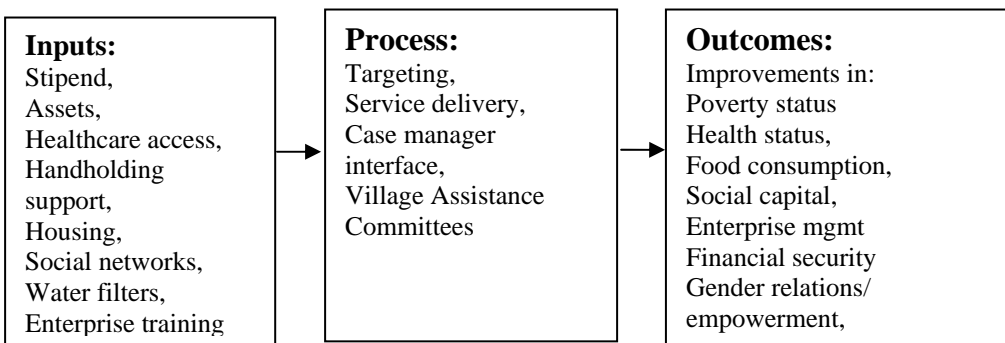
The aim, therefore, is not to move CLM members out of poverty in 18 months, but bring them to the stage that they can successfully graduate.

Evaluation Methodology

This 9 month evaluation (from asset transfer in June 2007 to March 2008) was led by Karishma Huda (Consultant with Concern Worldwide), with support from Anton Simanowitz (Institute of Development Studies, Sussex University).

It focuses on understanding the **process** of project implementation from the perspectives of CLM members, other community members and staff; measuring the **outcomes** achieved on a range of indicators relating to project objectives; and attempting to relate the outcomes achieved to the project processes. Rather than presenting two snapshots of change (at the beginning and end of the pilot), through triangulation of quantitative and qualitative data sources, the evaluation team sought to analyse patterns & trends, segmentations and correlations, and develop an understanding of processes and reasons.

CLM Pathway



The **quantitative information** (managed by Julie Hubble, Director of Fonkoze's Social Performance Monitoring Unit) consisted of:

- administering at base-line and 9-month point four survey tools: a project-specific baseline survey, Fonkoze's poverty scorecard - Kat Evaluation, the Grameen Foundation poverty scorecard – PPI (which is benchmarked to international poverty measures), and the Freedom from Hunger Food Security Index

- child nutrition and health surveys/measurements conducted independently at baseline and the 9-month point by a Fonkoze intern
- project savings data

The **qualitative information** was collected on an ongoing basis through

- In-depth case studies (45 at baseline, 15 at 9-month follow up)
- Focus group discussions and informal interviews with members and Village Assistance committees (9 FGDs with members, 3 with VACs)
- Attendance at monthly project staff meetings, focus group discussions with case-managers, discussions with the program director and case managers
- Program and MIS data (case manager meeting minutes, Village Assistance Committee notebooks, member notebook, program manuals, concept notes, etc.)

Evaluation Structure

The purpose of this paper is to provide a summary of the main results from the CLM evaluation, and to relate these to our understanding of the processes through which these have occurred. It is not possible, therefore, to provide extensive detail regarding the various components of the program and nuances of the evaluation findings. For a more complete explanation on each of the indicators, please refer to the complete CLM 9-Month Evaluation report.

Section 1 examines poverty status, as it is the biggest outcome that the program sought to influence

Section 2 discusses the following other outcome indicators:

- Healthcare
- Food Consumption
- Enterprise Activities
- Savings/Financial Management
- Empowerment/Gender Relations
- Unintended Consequences

Section 3 presents a brief analysis on the following process indicators:

- Targeting
- Case Manager Interface
- Village Assistance Committees
- Service Delivery

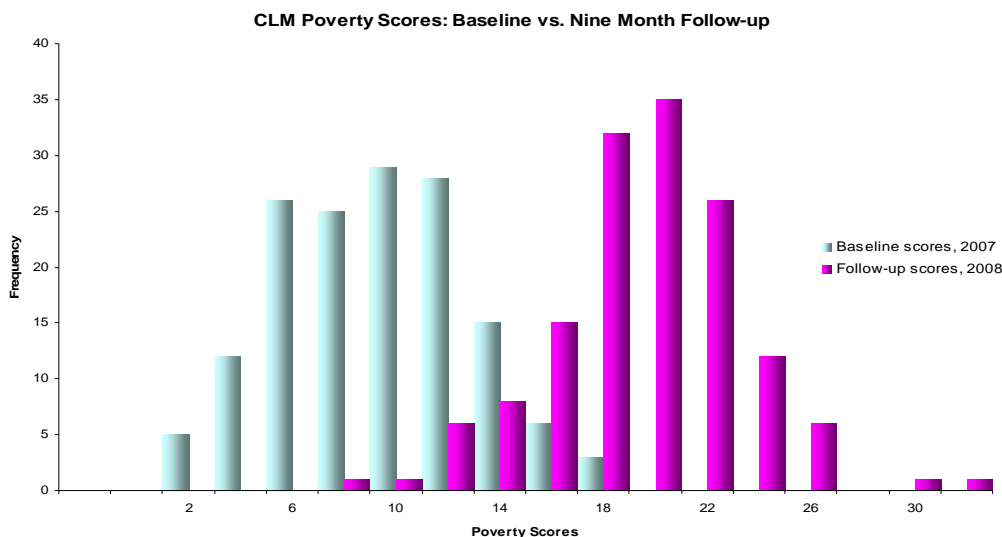
Section 4 discusses the overall progress of CLM in protecting and promoting the livelihoods of extremely poor women in Haiti, highlights key issues for consideration in the remaining period of program implementation, and presents some key recommendations.

Section 1: Poverty Status

One of the most striking results to date is a striking shift in poverty status as measured by the Kat Evalyasyon score card (Fonkoze’s internal scorecard used to measure the poverty levels of their clients, based on a composite of 22 indicators selected based on Fonkoze’s understanding of Haitian poverty).

Graph 1 shows significant improvements in poverty scores of CLM members comparing base-line to follow-up. A lower score indicates fewer assets, lower household income, more children not attending school, etc. Therefore, an increase in poverty scores signifies a decrease in overall poverty level.

Graph 1: Kat Evalyasyon scores of CLM members at baseline and 9 months



A caveat to bear in mind is that the CLM program provides inputs that are designed specifically to tackle many of the poverty indicators in the Kat Evalyasyon (i.e. total number of productive assets, what the house is made of, land use, etc.). A positive shift in overall poverty scores would therefore be expected (an injection of resources into CLM households would naturally cause their poverty scores to go up). The positive shift seen is therefore an indicator of successful delivery of key inputs to CLM members, and the methodology is achieving its desired impact on multiple dimensions of poverty.

Areas with the greatest changes all relate directly to program inputs and include;

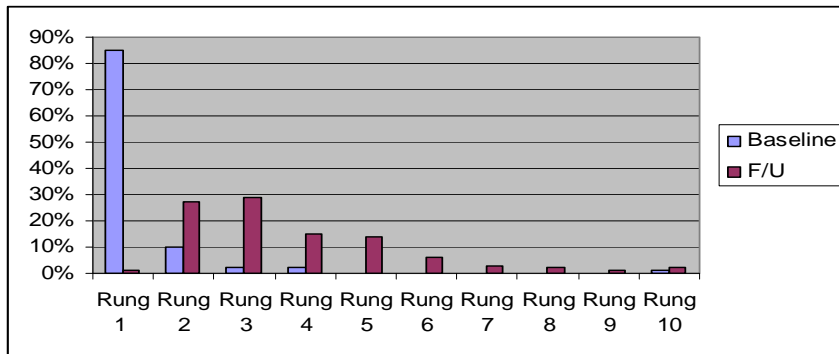
- *Increased expenditure:* at baseline, no CLM beneficiaries reported spending over 3,000 gourdes when making purchases; at follow-up, 77% spent under 3,000 gourdes and 22% spent up to 10,000 gourdes when making purchases (related to cash stipend)
- *Ownership of livestock:* In addition to poultry and goats (provided by CLM), 59% of CLM beneficiaries owned two large animals or more at follow-up compared to 20% at baseline. Those owning over six large animals increased from 2% to 8%. Increased ownership of large animals is an important indicator of asset growth and attainment
- *Housing:* Overall, housing condition improved significantly over the nine-month period as a direct result of programme inputs. At baseline, 81% of clients homes were made with earth and sticks compared to 49% at follow-up.

- *Child attendance at school:* At baseline, approximately 66% of members did not send any or most of their children to school. The follow-up showed a significant improvement with 64% of members sending at least half of their kids to school, with 39% sending most of their kids to school.
- *Land use:* At baseline, 63% of members were not doing anything with their land; at follow-up, 68% are using their land to garden and 16% are using their land for animal husbandry. Again this is a direct impact of programme livestock inputs and encouragement to develop vegetable gardens.

At this stage relating these changes to the \$1/day or \$2/day poverty lines is a fairly weak indicator as it fails to capture movements of poverty that do not lead to a crossing of the poverty line. However, even at this early stage shifts in poverty status using this measure can be seen, with a change in those living with less than \$1 USD/day from 90% at baseline to 84% at follow-up.

The qualitative self-perception ladder (below) also shows a significant reduction in poverty, but shows much greater variation, reflecting the multiple factors that affect the experience and perception of poverty. As part of the baseline survey, members were asked where they would place themselves on this ladder compared to others in their community (Rung 1 is the bottom and Rung 10 is the top). We can see that at baseline, the overwhelming majority placed themselves on Rung 1. At follow-up, however, hardly anyone placed themselves on Rung 1 and placed themselves on various higher rungs.

Graph 2: Self – perception ladder



Section 2: Other Outcome Indicators

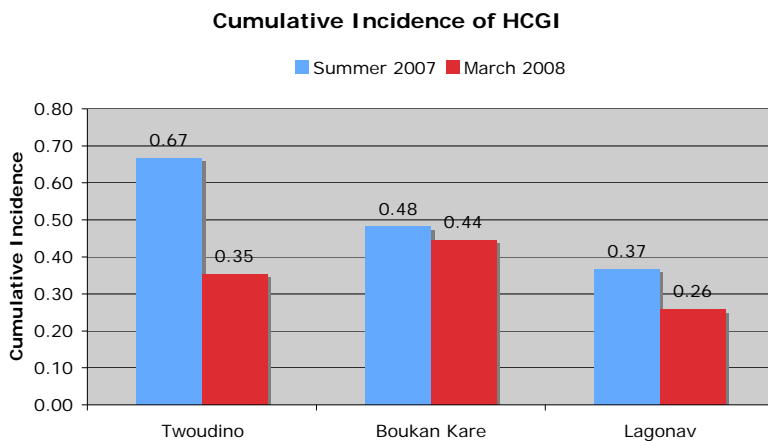
Healthcare:

Illness is one of the greatest contributors to poverty. In the case-studies conducted with CLM members it was striking how many people had fallen into extreme poverty as the result of illness or death.

The CLM program was designed with a clear understanding of the necessity of addressing health as something essential to achieving any sustainable improvement in members' lives. This was addressed by:

- tackling the factors affecting disease (poor nutrition, water-borne diseases, poor sanitation, damp/cold housing conditions, behavior) through provision of water filters, latrines and home repairs, and changing the behavior of CLM members and their families through ten messages delivered by the CLM case managers.
- facilitating access to free primary health services through partnerships with organized based in the three pilot areas: Partners in Health (Boukan Kare), Plan International (Twoudino), Worldvision (Lagonav)

Survey results show a significant reduction in gastro-intestinal disease in two of the three areas. This is particularly promising as this is a disease of poverty and frequently a cause of infant mortality. The graph below presents data from the three areas comparing base-line to follow up.



It is possible that having filtered water and having learned about how to boil and disinfect water and properly wash hands contributed to this decrease. However, without a control group, it is not possible to attribute the decrease to the CLM program itself. The reasons for differences between the three areas may be related to environmental factors as there does not seem to be a clear rationale based on programmatic differences at this stage.

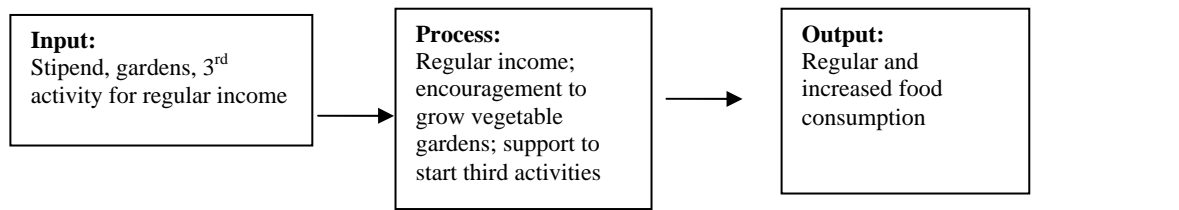
Outcomes achieved to date reflect the differing levels of service provided by the three partners, with only one area, Boukan Kare successfully implementing the partnership arrangement early in the program. The proportion of symptoms treated by visiting a clinic or hospital was higher in Boukan Kare, where the percent increased from 21% in the summer

of 2007 to 31% in March 2008. This percentage is almost three times that in Twoudino and Lagonav³.

Although health records show that 39 out of 50 CLM members have utilized Partners in Health’s services, qualitative interviews illustrate that many members still consult a Vodou priest in conjunction with program offered health services. When asked why, one member responded “a medical doctor can cure an illness, but the illness will come back unless the Vodou priest cures the curse.” Therefore, for dialogue with traditional health providers is very much needed.

Food Consumption and Nutrition:

Fonkoze has attempted to regulate and increase food consumption for its members through the following pathway:



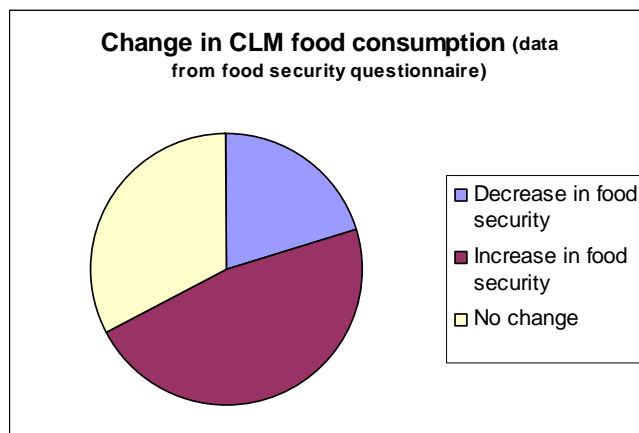
Baseline case studies, anthropometric⁴ and food security surveys demonstrated the following:

- all CLM members were food insecure with hunger at the outset
- there were high levels of child malnutrition
- CLM members were begging for food and experiencing days of hunger

Follow-up results demonstrated the following outcomes:

- Severe child malnutrition⁵ was completely eradicated in Boukan Kare (15% to 0%) and Lagonav (6% to 0%), and decreased 6% in Twoudino (15% to 9%). There was also a significant decrease in moderate child under nutrition in Boukan Kare (from 27% to 9%), but a marginal increase in Lagonav (from 6% to 12%) and Twoudino (9% to 12%)
- According to the graph below, there is variation in overall food security changes

Graph 4: CLM Food Consumption



³ We do not have exact percentages for Twoudino and Lagonav – although a descriptive analysis of the results stated that Boukan Kare’s increase was three times higher than in Twoudino and Lagonav (this equates to about a 3% increase for Twoudino and Lagonav)

⁴ height/length, weight, mid-upper arm circumference, and head circumference of 149 CLM children

⁵ Determined by percentage of wasting, which is an indicator of severe malnutrition. Wasting is measured by mid-arm circumference

- This variation in food security was highlighted strongly, as the individual case studies illustrate:
 - “The children used to go two days without eating anything, and then go beg food from next door. Now, since the program, I cook every single day for the children.” **(9-month)**
 - “Since the stipend stopped, my children have been feeding me. I have no business now because I’ve been too sick to walk to the market. So I have no income. If my children did not bring me something to eat everyday, I would starve.” **(9-month)**
- Food security is a byproduct of enterprise success, planning for stipend termination, and economic security at the 9-month point

The food security index (FSI) showed an increase in overall food security:

- Between baseline and follow-up, overall food security marginally increased. The mean food security index (FSI) score for all CLM members decreased from 8.343 to 7.441 (the lower the score, the lower the food insecurity). A score range from 6-9 indicates food security with hunger, which means that members have not made a huge leap in their overall food consumption. However, as this evaluation was done at a 9 month point, it does not take seasonality into consideration. The 24 month evaluation will be more accurate in terms of food consumption changes.

Table 6. Descriptive Statistics for FSI by CLM Zone

	Mean FSI	Std. Dev.	Minimum	Maximum	Percent change	Std. Dev.
Boukan Kare (N=48)						
Baseline	8.542	0.771	6	9	-16.195%	27.394
Follow-up	7.104	2.281	0	9		
Lagonav (N=47)						
Baseline	8.723	0.452	8	9	-12.766%	20.555
Follow-up	7.596	1.740	1	9		
Twoudino (N=48)						
Baseline	7.771	1.016	5	9	0.016%	24.554
Follow-up	7.625	1.593	2	9		

Enterprise activities:

Building of productive assets is one of the most important aims for CLM. Assets are intended to provide a regular and reliable daily income (to overcome the insecurity of daily living) as well as grow in the longer term to increase income and provide security in times of hardship

Fonkoze promoted asset development through the following strategies:

- Selecting two out of the three enterprises – chickens, goats, or merchandise (a total investment of around 5,400 gourdes per person)
- Intensive business training upon receiving the assets and refresher courses
- Constant case manager support and business advice

The table below shows the asset allocation in each area:

Asset allocation by area

	Boukan Kare	TdN	La Gonave
Goats	49	49	49
Chickens	21	40	49
Commerce	30	11	1 (also given a donkey)

Fonkoze intended to provide members a source of reliable income through the provision of chickens or small trade, and an asset for future income by providing members with goats. Chickens, however, were scarcely laying eggs (which were meant to be sold and provide daily income) and members faced an unexpected crisis with the majority of chickens dying due to disease. Despite these severe constraints to their short-term assets, members overall made good progress in terms of maintaining and growing the assets given. The following table illustrates that members in Lagonav and Boukan Kare have either maintained or grown their small trades and goat stock. Twoudino experienced a large decrease in goats (due to a local epidemic) and small trades, but many members have added new small trades after the evaluation period. Everyone experienced a shock with the chickens, although Lagonav fared the best out of the three areas.

Growth of assets

	BoukanKare	TdN	LaGonave
Commerce:			
Decrease	13%	45%	n/a
Same or small increase	40%	45%	n/a
Significant increase	33%	10%	n/a
No. adding business	10%	0%	66%
Chickens			
Decrease	68%	50%	34%
Same or small increase	22%	50%	52%
Significant increase	8%	0%	16%
Goats			
Decrease	10%	46%	20%
Same or small increase (5- 7)	90%	44%	64%
Significant increase (>7)	0%	10%	16%

Through unintended events (i.e. large numbers of chickens dying), and the experiences of members and case managers, Fonkoze learned several lessons in enterprise development:

- The importance of having a short – term asset (i.e. a business) to meet everyday needs and a long term asset (i.e. a goat) to act as savings for the future. Had the chicken enterprise been more reliable, this combination would have been achieved.
- Members should start a third enterprise activity through their own savings or investing in rotating savings groups (RoSCAs) as a means of diversifying their assets. In Lagonav, 12 members invested 100 gourdes each for 12 weeks and withdrew the lump-sum for enterprise activities – a strategy that proved to be very successful in the area.
- Goats have the potential of being a very profitable business, while chickens are an expensive and volatile enterprise

CLM members all enter the program with different levels of business experience and motivation. As in other areas results vary greatly between clients, particularly in relation to commerce. In Boukan Kare 60% of members took small trade as an initial asset and 73% of members maintained or increased the value of their business. In Twoudino, nearly 50% of

members lost their small trade completely. In Lagonav only one member took commerce as an initial asset but 66% started as a third activity and 40% of these have grown their businesses to a level of 1,500 gourdes (the starting level for those who took commerce as an asset). While 12% of businesses failed, 16% of CLM members have grown their commerce values to 2500 gourdes or more. This illustrates the heterogeneity of CLM members and the need for as much individual business attention and skill development as possible.

Over the course of 9 months, the importance of commerce for regular income became more important in all the three areas. In Lagonav, for instance, only one person selected commerce as an enterprise, but 31 started businesses with their own money.

Savings/Financial Management

The CLM program has put considerable emphasis on developing the financial management skills of CLM members. A key part of this is to build savings so that members can deal with shocks and grow their asset bases.

Savings accumulated

The following table provides the savings range and average savings balance of each area at the 9 month point:

Area	Savings range in gourdes at 9 months	Average savings balance at 9 months
Boukan Kare	0-1955	222
Twoudino	58-3624	1542
Lagonav	Range not available	489

Savings strategies

The three pilot areas distributed assets and implemented the stipend sequentially (a month apart from one another). The program was implemented in Boukan Kare first, and Lagonav last. This enabled case managers to learn sequentially from one another and be innovative in their approaches. The case managers thus used different savings strategies for each area:

- In Twoudino, most members started off saving 25-50 gourdes a week. To offset the chickens dying and members not having a daily source of income, Twoudino case managers strongly encouraged members to significantly increase their deposits as they were edging towards stipend⁶ termination (average savings in January was 200 gourdes, and in March was 360 gourdes). The idea was to develop significant balances that members could invest into small trades, which would bring in daily income for members post-stipend.

As the stipend ended in Twoudino, members had not yet invested their savings in small trades. Twoudino case managers decided it was imperative for them all to attend the training for small trade before investing, as a high percentage of program provided small trades had failed. In the interim, members' food security and purchasing power had considerably decreased, as they could not touch their savings and did not yet have a regular source of income.

⁶ Members were given stipends of 210 gourdes (approx. \$8 US) on a weekly basis for a period of 6 months. The idea is that as members move from day laboring to becoming more home based/market based to manage their assets, they must forego some of the daily income they previously earned. The stipend is meant to offset some of this cost (although members still continue to do some day labor work whilst in the program.)

- In Lagonav, majority of members were investing about 10 gourdes a week into their Fonkoze savings account. They also started savings RoSCAS, using the proceeds to start business enterprises through the consortium. They have diversified their assets through this strategy (goats for long-term and small trade for short term) and are well prepared for stipend termination
- Boukan Kare did not have a clear savings strategy and post-stipend plan as the other two areas (reflected in their low average savings balance). This is due to the fact that Boukan Kare was the first to implement the program, and therefore was the first to experience stipend termination and the chicken deaths. The other two areas, learning from Boukan Kare's experiences, had a chance to prepare members for stipend termination.

Following the opening deposit only 20% of members made a second savings deposit the first month, and had a declining savings rate after that. In the absence of clear case manager strategies in Boukan Kare, individuals determined their own strategies and post-stipend situation. A few individuals saved regularly on their own initiative, invested into a small trade, and managed to support themselves post-stipend. Eight individuals had no savings and resorted back to begging and food insecurity after the stipend ended.

Financial Management

The role of case managers is the most crucial component of good financial management. In the first few months of the program, case managers were all focused upon hand-holding and changing CLM behavior through messaging. Starting from the 4th-5th month, successful case managers shifted their roles to focusing upon post-stipend strategies, savings, diversifying CLM assets, and upon setting clear objectives for the future with their members.

Outstanding debt incurred prior to the start of the program remains a problem for CLM members. Some case managers encouraged members to invest their small stipend amounts in other things rather than to repay debt. Other case managers encouraged members to repay debt first and save minimally, as members were experiencing harassment by creditors.

Gender Relations/Empowerment

Empowerment and gender relations are challenging things for a program to influence, and even more difficult for an evaluation to capture – particularly given the linguistic and cultural constraints of the team.

CLM addresses acute needs amongst some of the poorest women in Haiti. In this context the dominant findings in the evaluation relate to material changes and the impact of these on members' sense of well being, confidence and self-worth. Case studies illustrate that women themselves feel that their sense of self-worth has increased as a result of their newfound economic security. Several members commented that when they first joined the program, they could not buy food for their children as local market sellers refused to sell "even a piece of bread on credit". Now, not only can they purchase goods on credit, but others come to them to borrow! As one member said, "they ask to buy on credit from me because, now, I have animals, a new house, and people to protect me. People around here respect me because I am somebody." This statement illustrates the social transformation brought about by the project - not only do women feel more self confident but they are also more respected within their respective communities.

Members also have demonstrated greater autonomy towards the latter half of the 9-month period. While in the beginning case managers provided a lot of handholding support, they successfully weaned members off of this dependency and encouraged them to pay for their children's school fees, supplies/uniforms, contribute to the building of new homes and latrines for themselves, pay for their own third business activities, etc. Case managers are well aware that the support they provide their members can dangerously turn into relationships of dependency unless they are empowered to start managing vulnerabilities themselves.

According to one case manager, empowerment is not an individual phenomenon, but a household and community level phenomenon. Case managers have begun to realise that the most successful CLM members have the unequivocal support and participation of their husbands. In Lagonav, case managers have attempted to tackle this by inviting husbands/partners to VAC meetings and allowing them a chance to express their concerns about the program. They are also encouraged by the VAC and case managers to help the CLM members take care of their assets, contribute financially to the household and to their savings, and play a more active role in the program.

Similarly, case managers need to work with the broader community and family regarding family planning and dangers of sexually transmitted diseases. These are societal issues where men must be engaged if *their* behaviour is to change and these problems are to be dealt with. As members are surrounded predominantly by men within CLM, the program needs to consider their dynamics with men in their household, program staff, Village Assistance Committee members and developing organisational strategies/policies around this.

As the program moves from its initial intensive intervention to fostering greater autonomy and control by members there may be space to engage with members and ask them about their own perceptions and priorities, and to work in response to these.

Unintended Consequences:

Several unintended outcomes have come about within the program that need to be considered prior to scale-up:

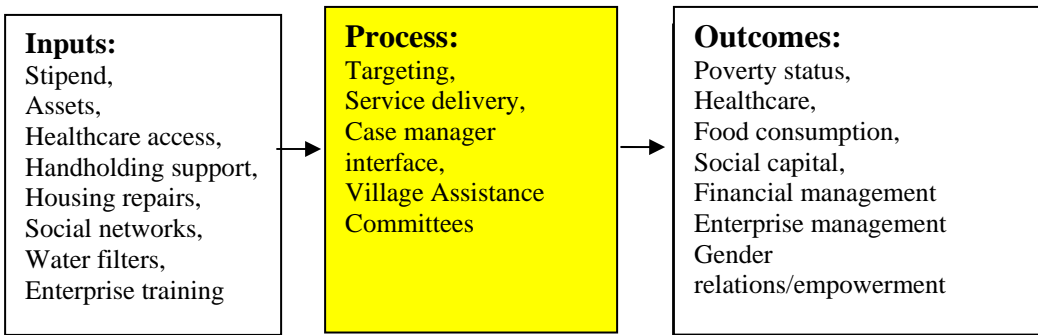
- Several landowners are increasing the rent on members' homestead land as a result of them now having additional income through the program. In Lagonav alone, twelve households have faced increased rent prices. In some cases, members have had to evacuate their land and re-build their homes elsewhere. Village Assistance Committees and case managers have tried to offset this problem by negotiating a lower rent increase with landlords, offering pieces of their land to CLM members, and helping members re-build their homes elsewhere.
- While members have been experiencing more respect by community members on one level, instances around tension and jealousy have been occurring as well. There are several occurrences of non CLM members beheading CLM goats, insulting CLM members, etc. VAC members and case managers have attempted to mediate such conflicts. In Twoudino, VAC members organized a meeting with the local government and community members threatening legal action on anyone who harms CLM assets.
- CLM members have proved to be very enterprising with their stipends, which were initially envisaged as a means of consumption smoothing. Rather than consuming their entire stipend, members have been investing it into their existing enterprises, starting new business activities with it, investing it into savings accounts,

consortiums, repaying outstanding debt, etc. In Lagonav, members typically invest parts of their stipend into food items which they could consume and sell (i.e. ingredients to make cassava bread, a gallon of cooking oil, etc.) This has challenged the initial notion that CLM members, upon joining the program, did not have knowledge of how to run a business and need to develop enterprising skills

- Through providing new houses for CLM members, the program intends to improve the overall health and dignity of all member households. However, the opportunity to expand their initial one bedroom house at their own expense has been decapitalizing CLM members. A few members, seizing the opportunity to build 2, even 3 or 4 room houses, have depleted their savings and taken on debt to pay for the additional material and construction.

Section 3: Process Indicator Analysis

This section aims to discuss the processes by which the various inputs are delivered and the above outcomes are achieved.

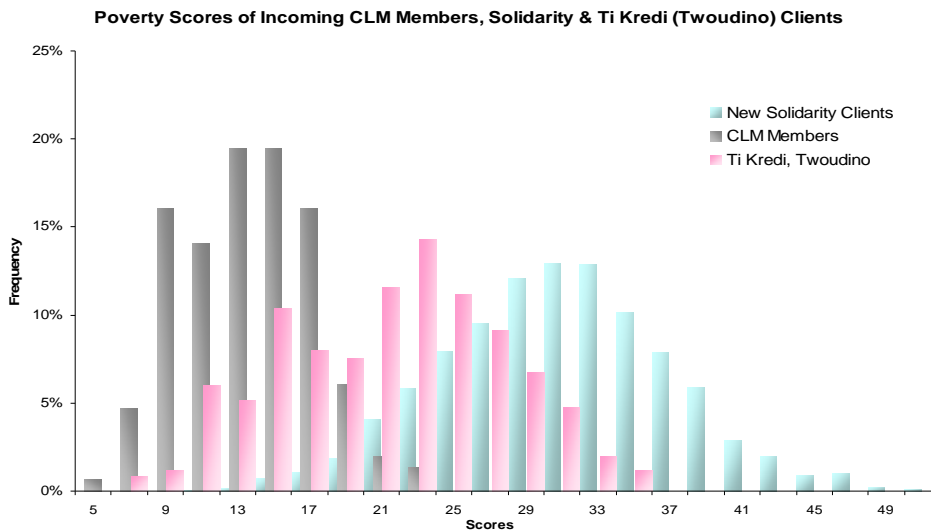


Through understanding the process component of the pathway, we can build a plausible case for change. The processes are the essence of the program and the foundation for success.

1. Targeting

Analysis of the targeting data suggests that CLM is successful in reaching their extreme poor target group and that this is indeed a distinct group compared to clients of other Fonkoze programs – Ti Kredi and Credit Solidaire.

The graph below depicts the range of Kat Evelyason scores for the three Fonkoze programs⁷. We can see from the bell curves that there are three, clearly demarcated groups, suggesting that the three products are successfully targeting distinct poverty levels. Notably the CLM range is the most tightly clustered, suggesting clear targeting in the program



Whilst the targeting is robust, for future scale up it will be important to further systematize the methodology, documenting the criteria used for subjective case-manager assessment, and increasing the level of transparency of the process.

2. Case manager interface

Case-managers work with CLM members to provide support and guidance that is responsive and tailored to an understanding of the specific needs of each CLM member. This involves a combination of encouragement, pressure, education, and network building and requires both technical skills and the *capacity to empathize* and respond at a personal level.

In the context of the pilot, case managers developed their own approaches according to local circumstances and consequent effects upon their members. Therefore, in addition to the roles above, they also had to be reactive, creative, and 'think on their feet.' Through monthly internal learning meetings, case managers had the chance to share the strategies that have worked for them so that other case managers may learn and implement.

The following are some strategies that case managers developed and utilised:

- ***Dependency at first, then encourage self-autonomy:*** There definitely seems to be a strategy of gradually weaning members of support over time. A good example of this is changing the use of stipend to food consumption/savings to investing in enterprises. This does mostly seem to be a response to CLM chickens dying and unpreparedness on behalf of CLM members to prosper day-to-day post stipend, but the ethos appears to be one of encouraging greater autonomy over time.
- ***Asset protection:*** In several cases where members have been pleading to sell their assets to start businesses post-stipend, case managers have been adamant about them not decapitalizing their asset base. Case managers feel strongly that until they can properly manage cash and build a proper savings base, they are in no position to start a business and sell off their assets.
- ***Protecting CLM members from male exploitation:*** Due to members' new economic security and stability, they have become a 'catch' to prospective suitors who want to share in their prosperity. Case managers have taken on the role of guardian in protecting these women against potential male exploitation.
- ***Ad-hoc assistance due to gaps in provision:*** Case managers have shown responsiveness and commitment in filling gaps where the program is lacking. They requested and subsequently received medical training supplied from a highly skilled pediatric nurse practitioner. They have been taking it upon themselves to provide medical advice, procure medicines, and accompany members to further away hospitals in areas where medical treatment is inadequate. In cases where members are struggling to survive post-stipend, case managers are giving some of their own money and trying to collect resources to help them sustain.

While such reactivity and passion on behalf of case managers is admirable, too much ad-hoc support can be a potential risk in scale-up. The program has realized the constraints that members face and have provided case managers with adequate training on certain issues to be able to fill programmatic gaps (i.e. medical training.) However, there is still the danger of case managers taking on too much (i.e. mediating conflicts, collecting resources on behalf of CLM members, providing medical support, negotiating with creditors to reduce CLM debt, etc.) In a pilot that is small and where the program is learning, it is feasible and also necessary for case managers to wear so many different hats. In scale-up, however, this kind of intensive support will prove difficult. It is encouraged for case managers to provide the support needed for members to graduate, and perhaps hand over conflict mediation/other issues involving the community to the Village Assistance Committees.

3. Village Assistance Committees:

One of the starkest attributes of extreme poverty is not just being economically poor, but being “poor in people.” CLM members are characterized as being socially marginalized and having very few social networks that they can count on. This includes both horizontal social networks (i.e. with peers) and vertical networks (i.e. with those who are of a higher socio-economic status, such as local elites). Through classroom trainings and slow transition into weekly group meetings, Fonkoze has attempted to create horizontal social capital for CLM members. But how does an organisation create social linkages between the poorest and the elite within a community?

Modeled after BRAC’s Gram Shahayak Committee (GSC), the idea behind the VAC is to:

- support in managing assets
- support in coping with problems relating to assets, family and community
- provide moral support

Fonkoze formed Village Assistance Committees (VACs) in each of the CLM villages. CLM members are asked to suggest possible committee members based on those who have been most active in helping the poor within the community. Staff then invite three to six influential people in the local area, a member from the Kredi Solidaire (mainstream microfinance) program, and a CLM member to form a Village Assistance Committee (VAC).

Modeled after BRAC’s Gram Shahayak Committee (GSC), the idea behind the VAC is to:

- support members in managing CLM assets
- support members in coping with problems relating to assets, family and community
- provide moral support to CLM members

The VAC have been a tremendous social network for CLM members who previously had very individuals whom they could rely on. VAC achievements include helping CLM children to enroll in local schools, providing transport and financial assistance for CLM medical needs, attaining birth certificates for CLM members, paying for funerals of CLM household members, and donating materials for CLM home repairs.

The following were some lessons drawn on the success of the VACs:

- Those VACs that use CLM member insight and build on existing systems of assistance seem to be most effective
- VAC effectiveness is a direct result of case managers’ ability to think through solutions with VAC members and motivate them

Most importantly, VACs act as an extension of case managers. As case managers are bombarded by various day-to-day problems of CLM members, they are able to

- hand over community level issues over to VACs (i.e. conflict mediation)
- ask VACs to reinforce their program messages (i.e. VACs pay home visits to CLM members and reinforce case managers’ social messages)
- ask VACs to help them with providing support to CLM members, as case managers are not always available (i.e. care for and look after CLM assets, provide transport for CLM members to the hospital, provide them with materials to rebuild their houses, etc.)

Such support is particularly crucial in scale-up, where case managers will have a heavier load of members and problems to tackle.

Regardless of the overall success of VACs, there are problems that can arise from the unequal power balance between extremely poor women and the elite that may relate to social status and gender. The VACs are theoretically accessible to all CLM members equally, and lots of CLM members do approach VAC members directly. But in reality, there are several CLM members who claimed to never receive VAC assistance. In attempting to uncover the reasons behind this, we discovered that these CLM members never approached the VAC for help. There is a strong issue of pride, and several CLM members stated that as the vulnerable ones, they should never have to ask for assistance. Such power dynamics must be acknowledged and dealt with in scale-up.

4. Service Delivery:

In discussing program design we need to understand how to balance a desire to be responsive to members' needs with what is practical for CLM to provide, particularly when thinking about scaling up. Whilst the pilot has tried to respond to needs as they arise, in moving forward with scale-up there is a need to be more systematic about identifying elements that are essential to be included in the program, and determining how these should be delivered (by CLM staff, the VACs or through partnerships) and what skills or expertise need to be developed to do so. Providing only essential inputs is also the most cost-effective means of operating in scale-up.

During the pilot implementation a number of issues arose which led to modifications in the implementation. These included:

- Access to education for CLM children (negotiating entrance into local schools, collecting school uniforms, supplies, etc.)
- Water filtration (as poor drinking water proved to be a huge health obstacle for members)
- Housing repairs
- Latrines (poor sanitation was a serious health challenge for members)
- Failure of partners in two areas to deliver on promised free health care, resulting in case-managers providing ad-hoc health advice and inputs, and a decision to hire an internal health director.

Each of these changes was made in response to a perceived barrier to the success of CLM implementation, and can also be understood in terms of our understanding of the pathways to achieving intended program outcomes. These changes are seen as necessary for the CLM members to succeed.

Section 4: Overall Progress

Through the CLM program, there is incredible potential for the extreme poor to reach higher rungs on their ascent out of poverty. Through multiple interventions, a successful program will:

- create reliable daily income that sustains members in the short-run
- provide more substantial future income, savings and security in the long-run
- help members manage risk in the face of disasters (particularly health) and other emergencies
- provide protection against environmental dangers
- improve self-confidence, future vision, life skills, and social networks

If we can see at the 18 and 24 month points that all prongs of the CLM strategy have holistically brought about the above outcomes, we can ascertain the success and sustainability of the intervention.

While the 9 month point is too soon to make such conclusions, at this point we can clearly see that the right inputs are being delivered without substantial gaps in the design. There are possibilities for fine tuning and increasing efficiency (i.e. in terms of healthcare provision and maintaining food security). The need is also there to be more focused regarding inputs, intended outputs, and how/if these pathways coincide with Fonkoze's programmatic objectives. Regardless, as a pilot project, Fonkoze provided more rather than less, pushed the envelope in terms of experimentation, and leveraged commitment/responsiveness of program staff in an effort to ensure that their members succeed.

CLM members have impressive results in regards to certain indicators (i.e. poverty status, malnutrition, asset accumulation, etc.). When taken into context of increasing food prices, such results are especially outstanding. Other indicators show incredible variation in results (stipend termination, savings/financial management, food security, etc.). Members' own responses reinforce this variation. As part of the case studies, members placed themselves on staircase – where they were at baseline, and where they are now (in other words, how far do they feel they've progressed?). Out of the 15 case studies done, the following table shows the results of the 'stairway of progress':

Stairway of progress:

Baseline step	Follow-up Step	Total change	Number of members
1	0	-1	3
0	1	+1	5
0	2	+2	1
0	3	+3	3
0	4	+4	1
0	5	+5	1
0	7	+7	1

The table illustrates that one person progressed all the way to the top of the staircase (step 7), where as two people climbed *down* – inferring that they are in a worse place now than when they started. When members explained their answers, we saw that some are indeed 'fast climbers' – building their savings, paying off debt and children's fees, expanding their businesses, accumulating assets. Others, due to a death in the family, poor business management, ill management of their stipend, etc. felt more vulnerable now than when they first joined:

Before, I at least had a husband. Now he died, and I have to support a family on my own with no money. Who cares if I have goats if I can't sell them? I feel worse than before I joined CLM" (Boukan Kare CLM member)

A major challenge for the program will be to find strategies that ensure the maximum number of members succeed. A huge learning from this evaluation is the fact that even the extreme poor are a heterogeneous group, and those who do well have a different set of characteristics from those who are struggling, such as:

- differences in level of household support
- differences in household size
- faced an unexpected disaster while in the program?
- fell into recent poverty or experienced chronic poverty?
- level of business experience

Possible key indicators of success to measure in future evaluations are:

- reliable source of daily income
- total asset value
- total savings value
- diversification of assets (3rd and 4th activities)
- access (and use) of health services
- effective Village Assistance Committee
- sustainability in housing, sanitation, and water
- vision and self-confidence

Key Recommendations:

Pre-stipend evaluation of members: While in the pilot there has been good responsive thinking by the program, going forward there needs to be a better way to monitor progress in months before the stipend ends. A brief evaluation of each member before the stipend ends could help achieve this in order to identify people who are weak and may need continued support. The program also needs to develop strategies to help support those who have not reached their set milestones by the time stipend ends. For instance, a member in Boukan Kare is struggling now that the stipend has ended and she has no third activity. If this had been realized before the stipend ended, than perhaps a programmatic decision could have been made to continue her stipend for longer, or to allow her to sell one of her goats in order to start a small trade (with very close supervision.) Strategies such as this are needed so members do not slowly decline post-stipend termination.

Developing pathways for members: This evaluation has highlighted the importance of pathways - not just for the program, but for individual members. Every individual needs a pathway in order to stay on course and ensure success, and it will not be the same for everyone. A case manager has a critical and complex role of establishing this pathway for each member at the beginning, and tailoring inputs, trainings, social messages and support to help her stay along it.

As the program moves into scale-up it makes sense to suss out 'success determining' characteristics at baseline: how much small trade experience do they have, how much debt, whom do they rely on in emergencies, etc. Based on this information, case managers can create a pathway for each member and encourage asset choices, savings amounts/frequency, and set milestones. Let's take savings/amount frequency as an example: a person with a significant amount of debt and lots of dependents, for instance, will not have the same savings capacity as someone without debt and few children. Helping a member along her pathway involves more than just encouraging savings - based on what members want to do in the future (i.e. buy a donkey or a cow), and their financial commitments (i.e. repaying debt and sending 5 children to school), how much can members

afford to save on a weekly basis? Pathways are specific, tailored, and should involve interim goals.

Providing risk management strategies for members: We need to be aware that most members are still very vulnerable after 9 months, and therefore a strategy needs to be in place if they do suffer serious set backs (i.e. family death, serious illness, small trade failure, etc.) CLM should offer an insurance mechanism for major family crises/vulnerabilities – for instance an emergency fund managed by the Program Director. Members would have to meet strict conditions to access it, making it cost effective as it would not be accessed regularly. There is also an important role of VAC as an insurance mechanism and to provide increasing support to members after the 9 months. This strategy needs to be made more effective so that there is a gradual move from dependency on the case manager to greater individual autonomy of the members, backed by the social networks with the VAC. If members moving forward, are able to provide for their households with the profits from their small trade or third activity, then in the case of an emergency, members have various safety nets they can turn to: to their own savings source, to the VACs for assistance, or to the emergency fund in extreme cases. Such mechanisms will help to ensure that members can economically thrive and prepare for graduation without any crises dropping them back to the foot of the staircase.

Strengthen the targeting transparency: While targeting decisions seem to be effective, *how* these decisions are made need to be more transparent. Using a household survey designed for CLM would make targeting decisions clearer and require less subjectivity from CLM program staff. Also, the richness of local knowledge can be leveraged for more. The reference group at the end of the Participatory Wealth Ranking (PWR) can inform whether the individuals actually meet programmatic inclusion/exclusion criteria (as a way of triangulating with the household survey and case managers' decisions). Adding an extra reference group (using 2 rather than just one) is strongly encouraged. It is a way of increasing the accuracy and transparency of the targeting without significantly adding resources.

Gradually weaning community issues solely to VACs: A main purpose for the VAC is to pass ownership of certain issues (i.e. conflict mediation) from case managers on to the community. While in the beginning it makes sense for case managers to take control and resolve issues of conflicts between members, not repaying credit, etc., there is a need for a gradual handing over of responsibilities as the VAC develops. The concept is similar to case-management of CLM members, where case managers hand hold and help develop skills and confidence for members to develop their own autonomy. As is the case with BRAC and examples we've seen with Fonkoze, division of labor helps VACs to be effective: while they use their local clout to resolve members' community issues, case managers can concentrate on building skills, assets, helping members along the CLM pathway and towards graduation.

Coupling short-term and long-term enterprises: An important lesson learnt is the need to give members both a short-term asset (i.e. a business or chickens) that can bring day to day income after the stipend ends, and a long-term asset (i.e. a goat) that can act as savings against future expenses. A ti-commerce (small trade) seems to be the most effective and reliable means for short-term income among CLM members. A possible idea is to stagger the assets. For instance, provide a long-term asset in the beginning, and after members have had significant training, developed self-confidence, and money management skills, provide a short-term asset in the second half of the program so it can start bring in regular income for after the stipend ends. A strategy needs to be developed so every member earns a daily income from an asset post-stipend so as not to resort back to begging and food insecurity

Earlier group formation: Evidence from the ultra-poor pilot in other countries, where members formed groups from the onset of the program, suggests that they use their social solidarity productively (watch over each other's assets in cases of emergency, lend money to one another in times of difficulty), emotionally (for moral support), and to progress within the program (members have collectively organized to get stolen assets back from members, etc.) Social solidarity should be maximized in the course of the program, and perhaps Fonkoze is being too cautious in fostering group integration so late in the process.

Providing differing types of support as the programme moves into second stage: It makes sense for the first half to provide uniform inputs, but the program now has identified those who need more support. Based on this, there is a need to alter levels of support to members (i.e. provide additional supervision, extended stipends, etc. to struggling members so as to gear them up for graduation). BRAC, based on similar experiences, redesigned the Ultra Poor program to have differing tracks and support from the onset. An important lesson learnt is that the extreme poor are a heterogeneous group – they all enter the program with different traits, abilities, and progress at different levels.

Ensure that savings behaviour is instilled: Members' savings are clearly declining significantly immediately post stipend. While this is expected, there is a greater need to encourage them to save from their third activities and small trades. Saving only from the stipend does not necessarily indicate a change in savings behaviour if members stop savings once the stipend finishes. As of now, it is difficult to ascertain if savings are coerced (by the case manager or programmatic expectations), or if members generally have developed a sustainable savings habit. The sharp decline in savings suggests that it may be the former. According to a member, "we can no longer save now that the stipend has stopped. When you have a baby, you should not stop feeding it." But there is a need to track savings and withdrawals in the next evaluation phase to better understand this behaviour.

Ensure that members are not saving at the expense of maintaining food consumption: There is a possibility that members are saving at the expense of maintaining food consumption. In Twoudino this may have been the case, which could explain the decrease in food consumption but significant increase in savings. Case managers ensure that members have other sources of income since most continue their day labour jobs and have a household member who also financial contributes. The program must seek to ascertain that there is not a trade-off happening, and that members are not feeling the pressure to save at a risk of maintaining food insecurity with hunger. It is difficult to make the correlation in a 9 month evaluation as the stipends have just ended and the decreased food consumption could just be a temporary dip. However, the risk and red flag is there, and must be followed up on closely at the 17 and/or 24 month points.

Gender training for program staff: It is advised that a Haitian gender expert who understands the issues in a local context provide formalised gender training for all program staff and VAC members. If CLM seeks to impact empowerment, it needs to always ensure that members are empowered in their interactions with program staff. From a socio-economic and gender perspective, case managers and VAC members will always be in a position of power over CLM members – awareness and sensitization around these dynamics are crucial for programmatic success and from an ethical standpoint. Such training would also help case managers/ VAC members more effectively deal with some of the more complex and sensitive issues of intra-household and community relations.

Understanding household dynamics in the next evaluation: Relations between members and their husbands/partners have changed in varying ways. While some members claim that they now have more respect from their husbands as income earners, others have claimed that their husbands resent the program and their increased confidence. Financial changes within the household have naturally affected household dynamics as well. A local

researcher in the next evaluation needs to skillfully probe these dynamics in order to know if members feel empowered or disempowered within their home as a result of the program. As the program moves from its initial intensive intervention to fostering greater autonomy and control by members there may be space to engage with members and ask them about their own perceptions and priorities, and to work in response to these.

Harness VACs to offset deteriorating horizontal social networks: In the absence of some deteriorating horizontal social networks due to local tensions, VACs have the potential to mediate conflict and replace some of these old relationships. The VAC are doing this on an informal basis, but it would be worthwhile to provide them with conflict management training so they can try and solve these issues more systematically and effectively.