

POLICY BRIEF: EVALUATION OF A GRADUATION BUNDLE FOR HOUSEHOLDS EXPERIENCING ULTRA-POVERTY IN EGYPT

Ragui Assaad, Adam Osman, William Pariente, Christine Valente
July 2026

In 2019, nearly one in every three Egyptians lived below the poverty line, with more than four million people experiencing extreme poverty.¹ Poverty is concentrated in rural areas, particularly in Upper Egypt. Assiut and Sohag governorates have the highest poverty rates, at 66.7 percent and 59.6 percent, respectively (HEICS 2017/2018).²

J-PAL MENA has been evaluating a promising program that is focused on improving the lives of those experiencing poverty. The “graduation approach”, initially developed by the Bangladeshi Rural Advancement Committee (BRAC) in 2002, has emerged as an effective strategy for addressing poverty on a large scale. Known as a “big push” intervention, it is designed to provide comprehensive support to individuals and households to help them escape the cycle of poverty. The key idea behind the BRAC graduation approach is to provide a holistic package of services that includes a combination of several components: access to productive assets, technical skills training, financial/consumption support, participation in a savings group, coaching/home visits, health education, and social support. Earlier international evaluations have shown this approach to be a cost-effective solution for improving the standard of living of households experiencing ultra-poverty in the short and long term.

In 2019, the Sawiris Foundation for Social Development (SFSD), in collaboration with two local NGOs—Giving Without Limit Association (GWLA) in Assiut and the Human Development Egyptian Association (HDEA) in Sohag—began implementing this program with technical support from BRAC. A team of researchers at J-PAL MENA conducted a randomized experiment to evaluate the program and to test different adaptations. The program is named “Bab Amal”, which translates to “A Door of Hope”.

The Bab Amal experiment tests three versions of the program, targeting 3,465 households experiencing ultra-poverty in the villages of Assiut and Sohag, where poverty is concentrated. The first treatment arm tests the standard version of BRAC’s graduation approach. This version includes key components like transferring productive assets worth EGP 11,000 (~\$660 at the exchange rate at the time of the asset transfer), financial and technical training, 8-month consumption support (EGP 400) for non-recipients of the Takaful or Karama cash transfer program, regular savings and counseling group meetings, connections to government services and community solidarity committees, and 18 months of home coaching visits.



Photo credit: Sawiris Foundation for Social Development

We tested a second version where the households that were allocated the support had to choose a woman as the recipient of the asset and training associated with the program (in the first version the household could have chosen a male). In the third version, we test a lower-cost variant of the first treatment which halves the value of productive assets, frequency of coaching visits, and savings group meetings. We call these three treatments (i) full-cost unrestricted, (ii) full-cost restricted, and (iii) half-cost, and compare them to a fourth group that receives no support and serves as control.

We found that 88% of households chose a woman as the recipient of the asset in the full-cost unrestricted version, showing that in most cases the restriction imposed by the second treatment arm was not binding. We also found that approximately 80% of households chose medium-sized livestock (sheep and goats) as their asset. This seems to indicate a preference for activities that align with the typical types of activities carried out by women in rural areas of Upper Egypt.

¹ CAPMAS. 2020. Most important indicators. Survey of Income, Expenditures and Consumption 2019/2020. December 2020 (in Arabic). The national per capita poverty line was estimated at EGP 857 per month and the national extreme poverty line was estimated at EGP 550 per month.

² Survey of Income, Expenditure and Consumption 2017/2018, CAPMAS.

KEY FINDINGS



Photo credit: Sawiris Foundation for Social Development

We collected follow-up data around 20 months after the transfer of the asset and again around 40 months after. Preliminary results show significant positive impacts on key outcomes, with households able to sustain these benefits over time. There are large effects in household consumption, food security, livestock ownership, livestock value, female employment, as well as more modest effects on female empowerment.

There are three key lessons from the follow-ups:

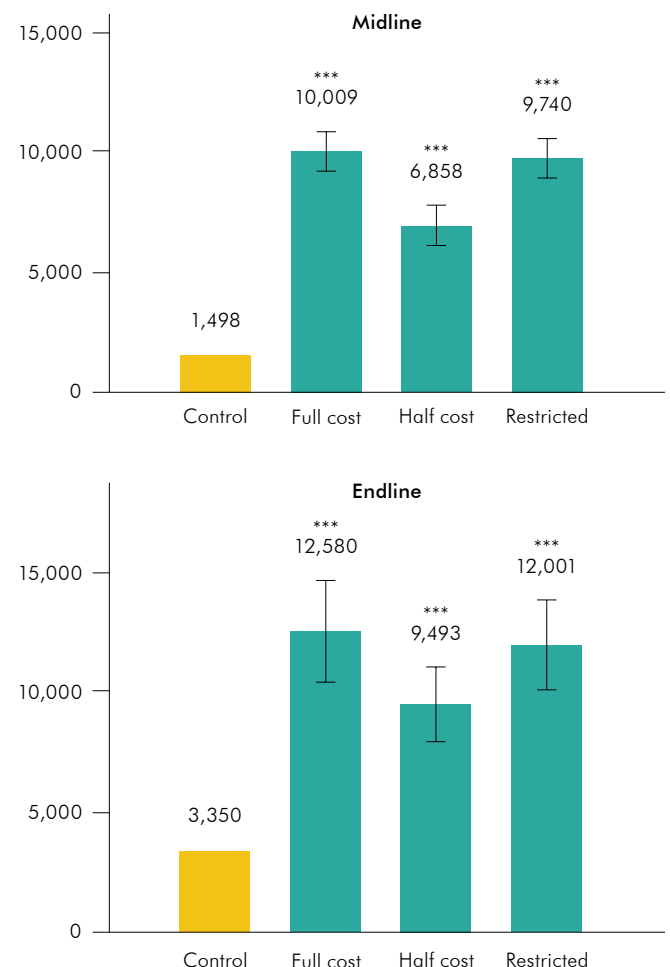
- Differences between the two full-cost scenarios (restricted to female beneficiaries or not) are limited. Thus, restricting the receipt of assets, particularly in the case of livestock, to women, appears to be unnecessary either to ensure female participation or to optimize impacts on outcomes such as food security.
- When comparing the half-cost and full-cost interventions, it appears that the half-cost intervention is about half as effective as the full-cost intervention.
- For many of the outcomes, the positive impacts are sustained over time and remain large at the 40-month mark. This is particularly noteworthy given that the program was implemented (and evaluated) at a time of exceptional hardship, first due to the COVID pandemic and then to high inflation.

RESULTS

The great majority of households opted for livestock as their asset of choice. Hence, we begin our more detailed discussion of results by focusing on how livestock ownership differs across groups and across time. In the medium term (20 months), we see an increase in the number of livestock owned by treatment households relative to control. We see this across several different types of livestock, which we categorize into small (e.g. chickens), medium (e.g. goats), and large (e.g. cows). Treatment households have more of each kind of animal. This is striking since we did not provide any households with large livestock, and so it is clear that households are able to translate the support into buying new large productive assets for themselves.

In discussions with households, many expressed how they prefer large livestock primarily due to the potential for cows to produce milk which provides a regular source of nutrition and income, relative to small and medium livestock which primarily only provide income at sale. In the longer term, we see a sustained increase in the number of large livestock owned by the treatment groups relative to control, with larger increases for the full-cost arms relative to the half-cost arm. When we aggregate the data on livestock holdings to estimate the value of total livestock holdings, we see a near tripling of wealth in the half cost arm and a quadrupling in the full cost arms (Figure 1).

Figure 1. Value of all livestock ownership winsorized at 1 percent³



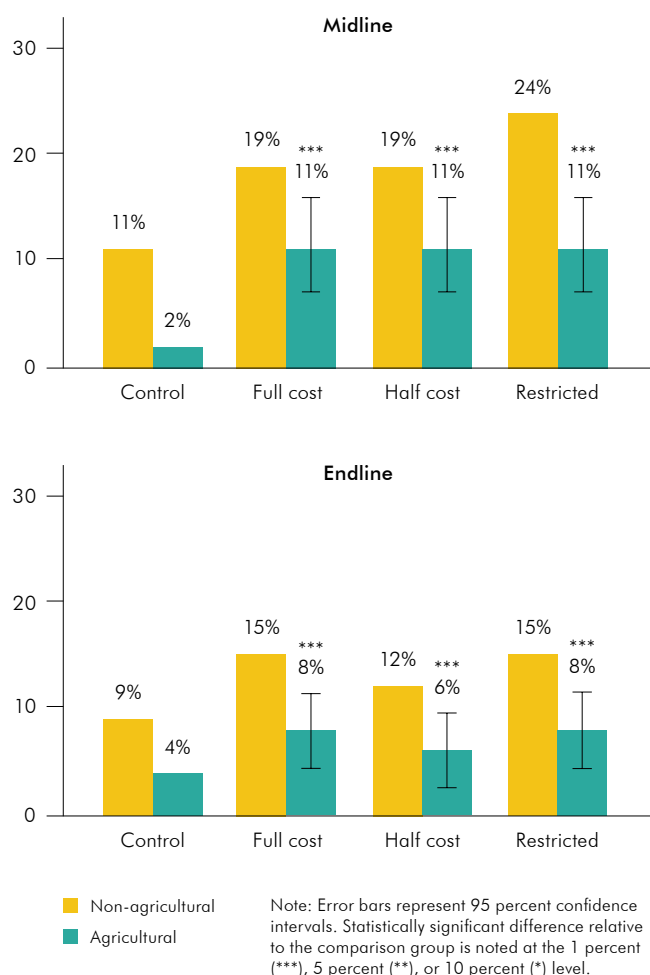
Note: Error bars represent 95 percent confidence intervals. Statistically significant difference relative to the comparison group is noted at the 1 percent (***), 5 percent (**), or 10 percent (*) level.

³ Livestock value is calculated using prices on the district level from the respondents' estimation of their current livestock. It includes all livestock types.

In this context, female employment is often very low. In the control group during both the follow-up surveys we find that only 13% of women are economically active. This jumps to an average of 32% after 20 months, with the increase coming from both additional agricultural work and non-agricultural work. After 40 months we continue to see women being much more likely to work, with average employment at 21%, again with sizeable increases in both agricultural and non-agricultural work (Figure 2).

This increase in asset wealth and employment leads to increases in income and consumption. We find positive impacts at 20 and 40 months for all treatment groups relative to control. Estimated impacts for the half-cost arm are generally not as large as those for the full-cost arms for both income and consumption (Figures 3 and 4).

Figure 2. Employment effects on female designees (in the last 30 days)⁴

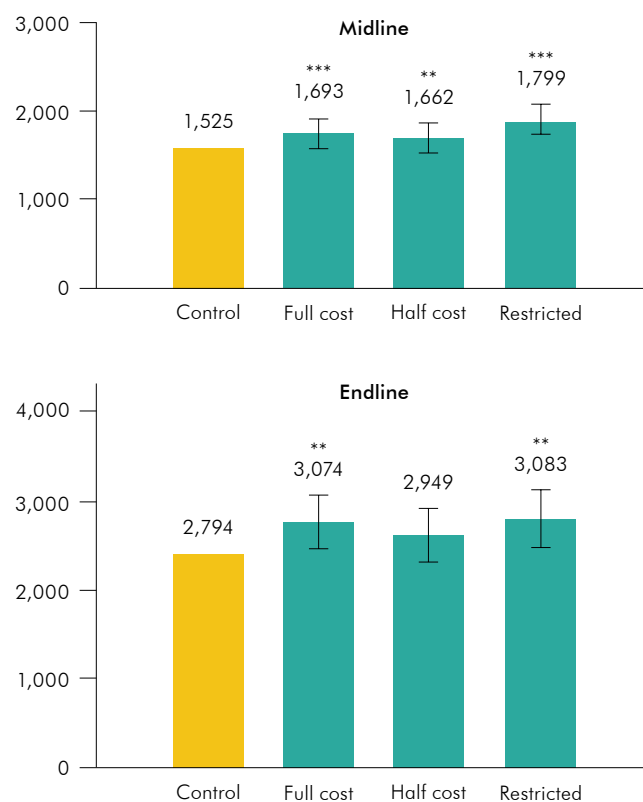


⁴ Female employment refers to the standard definition of employment (or market definition) including economic activities for the purpose of market exchange and excluding economic activities for the purpose of the household's own consumption.

⁵ Income consists of wage work, livestock revenues, crops yields, non-agricultural activities profits, government assistance, pension, remittances, NGO assistance, irregular assistance, and rent-out land.

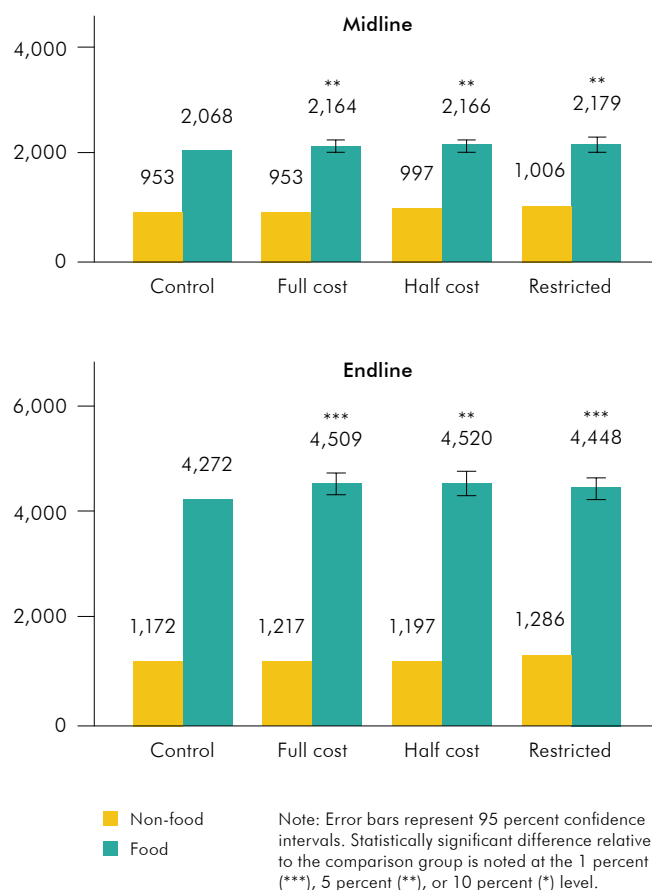
⁶ Total monthly household expenditures comprise food and non-food expenditures.

Figure 3. Monthly total income winsorized at 5 percent⁵



Note: Error bars represent 95 percent confidence intervals. Statistically significant difference relative to the comparison group is noted at the 1 percent (***), 5 percent (**), or 10 percent (*) level.

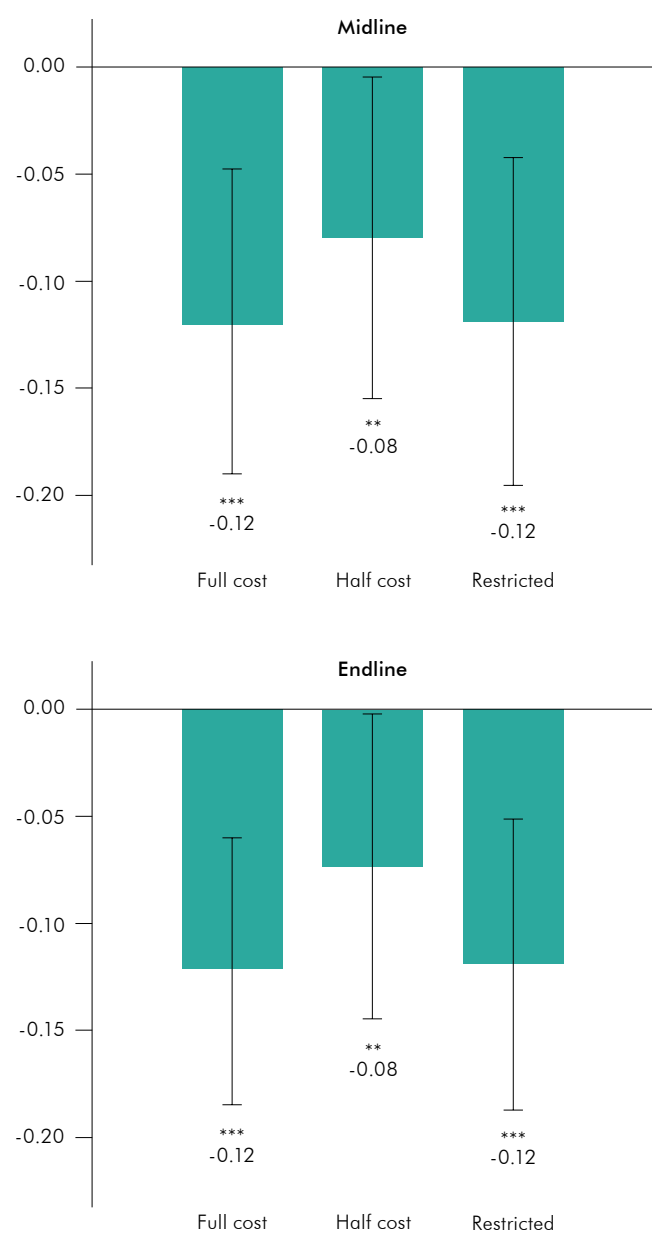
Figure 4. Monthly total expenditure winsorized at 5 percent⁶



We also collect data on food (in)security. We ask the households several questions, including if they haven't had sufficient food to eat recently, or if they've had to limit the kinds and amount of food they could eat. We find that households in the treatment arms are less likely to report difficulties associated with food security. These impacts are almost perfectly sustained over the longer 40-month time period (Figure 5).

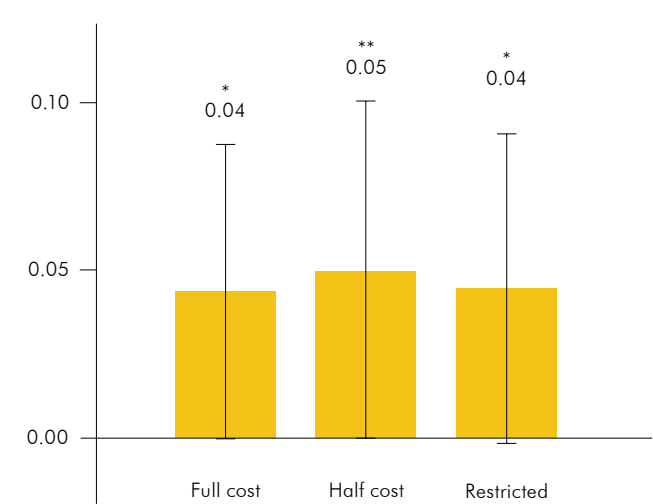
We asked women about their attitudes regarding gender roles (regarding education, work, childcare); their opinions regarding whether they can go to the market, visit others, buy something for themselves without permission, about their role in deciding on large purchases for the household; and elicited their subjective probability of having a say in decisions regarding large expenditures and fertility decisions. We combine their responses to these questions into an index which we present below. We find that across the three treatment arms, the intervention leads to a modest increase in women's empowerment (Figure 6).

Figure 5. Food security (control versus treatment effects)⁷



Note: Error bars represent 95 percent confidence intervals. Statistically significant difference relative to the comparison group is noted at the 1 percent (***), 5 percent (**), or 10 percent (*) level.

Figure 6. Women empowerment index⁸



Note: Error bars represent 95 percent confidence intervals. Statistically significant difference relative to the comparison group is noted at the 1 percent (***), 5 percent (**), or 10 percent (*) level.

CONCLUSION

The randomized evaluation of the Bab Amal program provides another example of the remarkable success of the BRAC graduation approach. Implemented on thousands of households experiencing poverty in Egypt we find the program is successful at increasing assets, income, consumption, and other important outcomes. While we are continuing the analysis of the data, it is clear that this bundle of services is able to make a lasting positive impact on recipient households.⁹

We also provide evidence that a less intensive program can still help households but, intuitively, it has a smaller impact. This is important because some worry that providing less support might be ineffective. This might limit the ability to scale up programs like these that have been shown to effectively help those experiencing poverty but are considered expensive. If, as the results of our experiment show, it is possible to provide a less intense program and still help households, this could provide confidence to governments and other entities that their investments in these programs will not go to waste, even if they can't provide the full priced bundle to all.

⁷ The food insecurity index combines five indicators of food insecurity frequency related to having insufficient food, not being able to eat favorite food, being forced to eat limited variety of food, smaller meals, lack of any type of food.

⁸ Women's Empowerment Index consists of women's attitudes about gender roles, their opinions regarding their role in decisions regarding the purchase of expensive items, going to the market without permission, visiting others, buying something for herself without permission, and subjective probabilities of having a say about large expenditures and fertility decisions.

⁹ Ongoing data analysis means that these results will continue to be updated. It's also worth noting that in several of the outcomes we cannot statistically reject equality of the coefficients of the different treatment arms.