



**EXPANDING
SOCIAL
PROTECTION**

better life chances for all

Evaluation of the Uganda Social Assistance Grants for Empowerment (SAGE) Programme

Impact after two years of programme
operations 2012-2014

Final report

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Executive Summary

Introduction

This report presents the impact evaluation of the Uganda Social Assistance Grants for Empowerment (SAGE) programme. Its purpose is to provide an evaluation of the impact of the SAGE programme in the 24 months since the baseline study. A separate report provides an assessment of the operational performance of the SAGE programme.¹

The SAGE programme

In light of its recognition of the importance of social protection for the achievement of the country's development objectives the Government of Uganda is implementing the Expanding Social Protection programme (ESPP), with the goal of reducing chronic poverty and improving the life chances of poor men, women and children. One key element of the ESPP is the pilot SAGE programme. The aim of the SAGE pilot is to test a range of implementation modalities for an efficient, cost-effective and scalable social transfer, to generate evidence for national policy-making, and to provide a reference point for relevant stakeholders regarding the government's acceptance of, and commitment to, social protection.

The expectation was that the SAGE pilot would reach around 560,000 people in 124,547 households over a period of four years (April 2011 – February 2015), covering approximately 15% of households in 14 pilot districts: Kiboga and Kyankwanzi in Central region, Katwaki and Kaberamaido in Eastern region, Kyenjojo and Kyegewa in Western region, and Nebbi, Zombo, Kole and Apac in Northern region, and Moroto, Amudat, Napak and Nakapiripirit in Karamoja.

SAGE applies two targeting methodologies for its social transfers: the Vulnerable Family Support Grant (VFSG) (which employs a composite index based on demographic indicators of vulnerability to determine eligibility) and the Senior Citizens Grant (SCG) (which uses age to determine eligibility).² Under the VFSG, adult women (if they are present in a beneficiary household) are selected by the programme to be the physical recipient of transfers (men are selected if women are not present). Under the SCG, the transfer is given to the specific older person enrolled.

In both cases (VFSG and SCG) the transfer is currently worth 25,000 Ugandan shillings (UGX) per month and is paid every two months. The amount is reviewed and updated once a year.³

Responsibility for implementation of SAGE rests with the SAGE Implementation Unit, based within the Social Protection Secretariat in the MoGLSD. An ESPP Steering Committee oversees the work of the Social Protection Secretariat, including implementation of the SAGE programme. The ESPP Steering Committee reports to the MoGLSD, which in turn reports to Cabinet and Parliament.

Within the pilot districts SAGE is administered by local government officials, including district chairpersons, Community Development Officers (CDOs), sub-county chairpersons, parish chairpersons and village chairpersons (LC1s). Payments are administered by agents supplied by the payments provider (MTN) and are overseen by relevant local government staff (sub-county and parish chairpersons) at the paypoint.

¹ Merttens *et al* (2016).

² Over 65 years; over 60 years in Karamoja region.

³ The transfer was increased to UGX 24,000 in July 2012 and to UGX 25,000 in July 2013.

The impact evaluation

The SAGE pilot includes an independent evaluation component. The purpose of the evaluation is to assess the impact of the SAGE pilot programme, to compare the relative performance of the two targeting methodologies used by the pilot (VFSG and SCG), and to ensure that evaluation findings are disseminated nationally.

The evaluation assesses SAGE against its main objective of empowering recipient households through having an impact across the following four areas:

- reducing material deprivation;
- increasing economic security;
- reducing social exclusion; and
- increasing access to services.

In order to assess these impacts, the evaluation adopts a mixed methods approach that combines quantitative and qualitative research. Quantitative and qualitative information were collected over three years on a range of key indicators and supporting data.

Evaluation methodology

Evaluation theory of change

The evaluation assesses SAGE's impact using the framework of an evaluation theory of change. Via this theory of change, the evaluation identifies and tracks specific indicators and research questions for each of SAGE's main objectives. The theory of change hypothesises that SAGE's social cash transfers will be effective in tackling poverty and vulnerability, while promoting broader developmental impacts.

SAGE transfers have had a positive impact on families' experiences of their welfare situation, and thus on their subjective wellbeing.



Quantitative impact evaluation

In order to assess SAGE's impact, the quantitative component of the evaluation compares information gathered from households receiving the SAGE cash transfer (*treatment households*) with information gathered from households that do not receive the transfer (*comparison households*) to measure a range of quantitative indicators across the four broad impact areas related to the theory of change (material deprivation; economic security; access to services; and community cohesion and social exclusion). The difference in the indicators between the treatment and comparison households represents the quantitative measure of the impact of the programme.

The quantitative impact information was collected from treatment and comparison households using a three-round longitudinal household panel survey, implemented in 398 clusters across 48 sub-counties in eight of the programme districts. A sample of 100 control communities was also surveyed in order to measure impact on a selection of community-level outcomes.

Approach taken to compare treatment with comparison households

The main challenge in the identification of a suitable counterfactual for the evaluation (i.e. the comparison households) is selection bias. A regression discontinuity design (RDD) was originally chosen by the evaluation Steering Committee to overcome this challenge. However, since it became apparent that the RDD was not viable in the context SAGE, the evaluation team proposed a back-up methodology based on propensity score matching (PSM), combined with difference-in-differences (DID). PSM works by matching treatment households with comparison households such that their observable characteristics are as similar as possible at baseline prior to the programme. DID works by comparing the difference over time in a given indicator for the treatment group, to the difference over time in that same indicator for the control group. DID allows one to control for differences in unobservable, time-invariant characteristics between treatment and comparison groups (such as 'motivation' or social connections, which are not necessarily captured by conditioning on observables in a standard PSM) This PSM-DID approach was successful in establishing a valid counterfactual – the comparison households – in reference to which SAGE's impact on the treatment households can be estimated.

Qualitative impact evaluation

The qualitative component of the evaluation aims to complement the quantitative research by capturing impacts and exploring contextual factors that are less easy to quantify. This research explores the following potential impacts of SAGE:

- reduced poverty within recipient households;
- reduced poverty within the wider community;
- reduced vulnerability to the effects of seasonal stresses, longer term trends and shocks;
- improved livelihood choices and options;
- increased informal employment opportunities; and
- reduced social exclusion of marginalised individuals, groups or households.

The qualitative research was conducted through focus group discussions (FGDs), key informant interviews (KIIs) and household case studies with SAGE beneficiaries and non-beneficiaries. 101 FGDs and 123 KIIs, as well as 81 household case studies, were facilitated. To broaden the range of the quantitative data, FGDs were carried out with alternative identity groups to provide different perspectives (such as businesswomen or fishermen, or youth in SCG areas), while KIIs were undertaken with local opinion leaders who have everyday contact with their communities (teachers, health workers, religious leaders, women's leaders, local officials, businesswomen, and youth leaders.). We also facilitated KIIs with district and sub-county level officials, programme implementers and pay agents. This breadth in regard to respondents allows for an in-depth understanding of the impact of SAGE on entire households and communities, rather than just the named recipients.

Findings regarding receipt and use of the SAGE transfers

According to the SAGE programme management information system (MIS), beneficiary households across the eight evaluation districts received on average a total of UGX 521,303 in cash transfers during the evaluation period: very close to their full entitlement.

The mean monthly value of the transfers for beneficiary households per adult equivalent is UGX 11,000 (\$4.20), which is close to around 18% of the average poverty line in evaluation areas, and around 12% of total household consumption on average for both beneficiary groups. Evidence from elsewhere suggests that this may be too low to have a transformative effect. However, it should be noted that the per-person value of the transfers depends on the size of the household concerned, with large differences in per-person value between small and large households.

The SAGE cash transfers are paid directly to elderly individuals in the case of the SCG, while women are the named recipients of the transfers in VFSG households, if they are present. The proportion of beneficiaries who are female is high overall, at 65% over the two targeting mechanisms. The figure is much higher for VFSG households than SCG households (81% vs. 56% respectively). SCG recipients are older on average than VFSG recipients (72, compared to 56).

In regard to costs for beneficiaries of receiving the transfers, on average beneficiaries spend approximately 3% of the bi-monthly transfer value (UGX 1,500) on costs associated with collecting the transfer.

In the vast majority of cases (98%) the main person who decides how the cash transfer is spent is the named beneficiary, but these decisions are often made in discussion with other family members.

The main use of the SAGE transfer as reported by beneficiaries is expenditure on food and basic needs (reported by 75% and 54% of SCG and VFSG beneficiaries, respectively). This is followed by productive investments and expenditure in health and education. VFSG beneficiaries were significantly more likely to report using the transfer for investment in productive assets and education than SCG beneficiaries.

7% of beneficiary households reported sharing some of their most recent transfer in the form of a gift or loan to other households (6% sharing; less than 1% loaning).

In regard to the time-scale of expenditure, beneficiaries reported that by the end of the second week after payday the transfer is invariably completely spent, after which time households resort to credit from shops or neighbours, and/or living off the proceeds of their own enterprises until the next payment day.

Findings regarding the impact of the SAGE cash transfers

Economic and material welfare

The consumption expenditure data obtained in the quantitative research suggests that SAGE has had an impact on welfare: an increase in welfare occurred over the programme period for both VFSG and SCG households. This trend was marginally pro-poor, meaning that poorer households increased their welfare proportionally more than wealthier households. The improvement in treatment households was found to be larger than that in comparison households.

SAGE has had a positive impact on poverty measures, using a monetary definition of welfare based on consumption expenditure. Poverty headcounts for both SCG and VFSG households declined during the programme period. For VFSG there was also a significant impact on other poverty measures (poverty gap and severity of poverty).

There has been a significant increase in consumption expenditure for SCG households and a significant increase in food consumption for both SCG and VFSG households. For the SCG treatment group, the impact on food consumption was driven by their increased expenditures. For the VFSG beneficiary group the impact was driven by falling food consumption amongst the comparison group, suggesting that SAGE has been acting like a safety net for VFSG recipients, protecting them from falling consumption.

The increases in food expenditure for the SCG group are matched by a reduction in the proportion of households suffering hunger. For the VFSG group we found an improvement in quality of diet, with fewer households with poor food consumption, as measured by the Food Consumption Score.

SAGE has not had an impact on child malnutrition.

SAGE has not had an overall effect on the levels of education expenditure for beneficiary households, in either SCG or VFSG households. However, SAGE has had a positive impact on health expenditure – but for SCG beneficiaries only.

SAGE transfers have had a positive impact on families' experiences of their welfare situation, and thus on their subjective wellbeing. This was especially reflected in the qualitative data for SCG households. The transfers are seen to help reduce elderly beneficiaries' dependence on others, which has resulted in a widely perceived improvement in dignity and respect for elderly beneficiaries.

VFSG households also reported an improvement in their experience of poverty, with a significant decrease in the proportion of households reporting themselves as 'struggling' and a significant increase in the proportion reporting 'doing ok' or 'doing well'.

The evaluation established that SAGE has not had an effect on labour supply or livelihood activities in general, and it has not had an impact on rates of child labour.

There are indications that SAGE may have increased the amount of land owned or cultivated. However, the data here are not fully conclusive.

The SAGE programme has had a positive impact on the proportion of both VFSG and SCG households owning livestock (particularly cattle and goats). For VFSG beneficiaries, it has also increased the proportion of households that have both purchased and sold livestock in the last 12 months, and increased the value of those purchases. SAGE has also helped VFSG households purchase other productive assets.

In regard to households' abilities to cope with shocks, the SAGE programme has positively impacted one of the key risk-coping mechanisms: both SCG and VFSG households reported being better able to borrow a large amount of money in an emergency, which is a common way of coping with shocks.

Access to education, health and finance services

Despite that respondents often reported education as an area of use of cash transfer resources, the quantitative research found that SAGE has not increased overall education expenditure. Nor has it had any impact on education attendance or attainment for children in either SCG or VFSG households. In addition, no distinct results were noted in this regard, with respect to primary school aged children or secondary-school-aged children, or for boys and girls distinctly within those two age groups. These results were corroborated by the qualitative research.

The quantitative research suggested that SAGE has not had a strong impact on health and health outcomes (although for SCG recipients it has had an effect on the mean expenditure on health care per household member, as mentioned above). The qualitative findings were more encouraging, suggesting that the SAGE transfer has tended to positively impact SCG households' health-seeking behaviour, by increasing the ability of beneficiaries to buy medication and even, in some cases, to access private health care.

It appears that the SAGE transfers enabled VFSG households to save more, but in the case of both SCG and VFSG households it did not have any impact on rates of borrowing or buying on credit. In regard to credit the findings at midline contradicts this result, and, in addition, the qualitative data are inconclusive. Many respondents reported that, between SAGE payment dates, beneficiaries do obtain goods on credit in local shops and pharmacies, as well as loans from friends and family, which they pay back once they receive their transfer. The precise relationship between SAGE and access to credit has thus not been fully explained by either the quantitative or qualitative data.

The evaluation established that the SAGE transfer has not displaced other support from formal sources.

Local markets and infrastructure

The quantitative data did not show any significant impact by SAGE on the development of local market infrastructure, although qualitative data suggested the stimulating effect of SAGE on local markets, particularly on payment days.

The evaluation found that SAGE has not had any impact on local food price inflation, or on agricultural or non-agricultural wages.

In regard to communities' financial infrastructure, the evaluation found that SAGE has not had a significant positive impact on the proportion of communities with an operating Rotating Savings and Credit Association (ROSCA) or Savings and Credit Cooperative (SACCO).

Social relations and cohesion, including household relations

The evaluation found that while SAGE has not significantly affected perceptions of social norms around gender or gender inequality, it has contributed to women's empowerment by marginally improving female beneficiaries' control of assets. However, SAGE has not significantly influenced female control over household decision-making, which remains dominated by men.

At the household level, the cash transfer has helped to reduce the dependence of the elderly, and in some cases promoted a new dependence on the elderly as a source of support. This latter development is welcomed by the elderly themselves, as it increases their status and dignity. The qualitative evidence suggests that SAGE has increased the autonomy of elderly household members.

In most communities, SAGE has played a significant role in improving relations between family members in beneficiary households, and in particular in SCG households. However, it has also exacerbated marital tensions in some VFSG households due to the named beneficiary being female. For SCG recipients the positive improvement in relations has often been characterised by beneficiaries being able to contribute to the wider family welfare, rather than being a dependent.

In regard to SCG communities, the qualitative research produced lots of testimony indicating that SAGE has contributed to existing systems of sharing and mutual support. However, these findings were not reflected in the quantitative data, where no impact was observed regarding the likelihood of SCG households either giving or receiving informal support. In VFSG areas, in contrast, the evaluation found that SAGE has had a positive impact on the likelihood of beneficiaries providing support to other households.

SAGE is broadly perceived to have contributed to general social cohesion, through its positive impacts on intra- and inter-household relations. This is particularly the case in SCG areas, with one reason given for this being the belief that everyone will one day benefit from SAGE when they reach the eligible age.

Both the quantitative and qualitative research found a notable increase in the social status and voice in community meetings of elderly SAGE beneficiaries, which is seen to be the result of SAGE's impact on beneficiaries' self-esteem.

SAGE and the social contract

The evaluation found that SAGE has not produced a change in people's perceptions of the social contract, or their ideas about the duties of citizens and the responsibilities of the state. However, SAGE is seen by some to have influenced the social contract indirectly, by reinforcing or raising expectations of the state as the provider of long-term safety nets.

Generally speaking, the provision of poor quality services is considered to be a breach of the social contract. In this regard, the quality of services delivered by the state is not deemed to have been affected by SAGE.

The evaluation identified some isolated perceptions that receipt of SAGE had excluded some beneficiaries from benefiting from National Agricultural Advisory Services (NAADS). It is perceived that this exclusion reflects an attempt by district officials to level the playing field in the distribution of state benefits.

Conclusion: summary of findings, policy implications and next steps

Summary of findings

The SAGE programme has achieved its core objective of supporting beneficiary households' basic consumption and assuaging poverty. It has helped households to retain and build their productive assets, and it has reduced their vulnerability by supplementing their natural coping strategies in the face of shocks. In the case of the SCG it has increased health expenditure, and even appears to have improved health outcomes for some households. It has not caused dependency and it has reduced the burden of labour on the elderly. Finally, the SAGE programme may have had positive spill-over effects in the local economy, in the form of increased demand for labour and stimulation of local commodity markets.

Looking beyond these core areas, SAGE does not seem to have had an impact on education, either positively or negatively, and it has had only very minimal impacts on access to financial services. It has not affected perceptions of the social contract. On the other hand, it does seem to have contributed positively to both intra- and inter-household relationships within communities.

The fact that the SAGE transfer has not significantly impacted areas beyond basic consumption implies that it is unlikely to prove transformative. It has made an often vital difference to beneficiaries' lives, but due to the relatively low value of the transfer its potential to alter the welfare trajectories of households over the longer term is somewhat curtailed.

Policy implications

The findings of the impact evaluation of SAGE indicate that cash transfers should not be considered as a silver bullet, and that they do not necessarily impact every dimension of wellbeing.

The evaluation has also shown that SAGE has had slightly different impacts depending on the target group, whether SCG or VFSG. This implies that separate programme theories of change should be developed for each targeting mechanism. This would enable the ESPP to tweak the programme's objectives and design according to an explicit rationale, as well as focusing questions for future monitoring and evaluation purposes.

During the evaluation period the Government of Uganda made the decision to discontinue the VFSG and to scale-up the SCG nationally. It is welcome news that the SCG is making a qualitative difference and improving the lives of the elderly in their communities. However, the elderly are not the only vulnerable group in the population. Thus, to continue building momentum for social protection in Uganda, consideration should now be given to other initiatives to reach non-elderly vulnerable populations, such as children and the working poor.

Finally, and importantly, a major finding of the evaluation is that the relatively low value of the SAGE transfers (around 12% of total household consumption expenditure) reduced their potential to affect livelihoods and local markets, as well as potentially transformative investments in education. If it is sought to increase the value of the transfers, simulating the trade-off between costs and benefits of different transfer values and coverage scenarios might help in budget negotiations, as might linking such simulation work to further research on the impact of the transfers on the local economy.

Next steps

The findings of this evaluation will be presented to a group of national stakeholders in May 2016, in an event organised by the Social Protection Secretariat in the MoGLSD. All the reports and other outputs from the evaluation will be made publically available via the ESPP and Oxford Policy Management (OPM) websites. In addition, the quantitative datasets will be made available to researchers and policy-makers internationally via the World Bank microdata library.⁴

⁴ See <http://microdata.worldbank.org/index.php/home>.

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Abbreviations

ATT	Average treatment effect on the treated	ODI	Overseas Development Institute
BI	Baseline (used in tables only)	OLS	Ordinary least squares
CDOs	Community Development Officers	OPM	Oxford Policy Management
CIA	Conditional independence assumption	PPS	Probability proportional to size
CGP	Child Grants Programme (Lesotho)	PSM	Propensity score matching
CPI	Consumer Price Index	PSU	Primary sampling unit
DFID	UK Department for International Development	RCT	Randomised controlled trial
DHS	Demographic and Health Survey	RDD	Regression discontinuity design
DID	Difference-in-differences	ROSCA	Rotating Savings and Credit Association
EI	Endline (used in tables only)	SACCO	Savings and Credit Cooperative
ESPP	Expanding Social Protection Programme	SAGE	Social Assistance Grants for Empowerment
FANTA	Food and Nutrition Technical Assistance Project	SCG	Senior Citizens Grant
FCS	Food Consumption Score	TLU	Tropical livestock unit
FGD	Focus group discussion	UBOS	Uganda Bureau of Statistics
HHS	Household Hunger Scale	UGX	Ugandan shilling
KII	Key informant interview	UNHS	Uganda National Household Survey
LC1	Village chairperson	UNICEF	UN Children's Fund
LCD	Labour capacity and dependency	USAID	US Agency for International Development
MIS	Management information system	VFSG	Vulnerable Family Support Grant
MGRS	WHO Multicentre Growth Reference Study	VSLAs	Village Savings and Loans Associations
MoFPED	Ministry of Finance, Planning and Economic Development	WHO	World Health Organization
MoGLSD	Ministry of Gender, Labour and Social Development		
NAADS	National Agricultural Advisory Services		
NGO	Non-governmental organisation		

Part A: Background and method

The aim of the SAGE pilot is to test a range of implementation modalities for an efficient, cost-effective and scalable social transfer, to generate evidence for national policy-making.



1 | Introduction

This report presents the findings from the quantitative and qualitative research conducted for the independent impact evaluation of the Uganda SAGE programme. Its purpose is to provide an analysis of the impact of the SAGE programme in the study locations in the 24 months since the baseline study.

The impact evaluation has both qualitative and quantitative components, which have been conducted over three rounds: baseline, midline and endline, between 2012 and 2014.

Quantitative and qualitative results are integrated in this report to provide a broader understanding of the context in which the programme is operating and to enable an assessment of impacts that are difficult to cover completely and sensitively using only a quantitative survey. The qualitative study is also used to provide nuanced data to help explain the quantitative findings. An additional report (Merttens and Jones 2015) provides an assessment of programme operational performance using a combination of both qualitative and quantitative data.

The SAGE theory of change (see Section 2.1.1 and Annex A) identifies the core impact areas that underpin the qualitative evaluation questions and links these with the quantitative indicators.

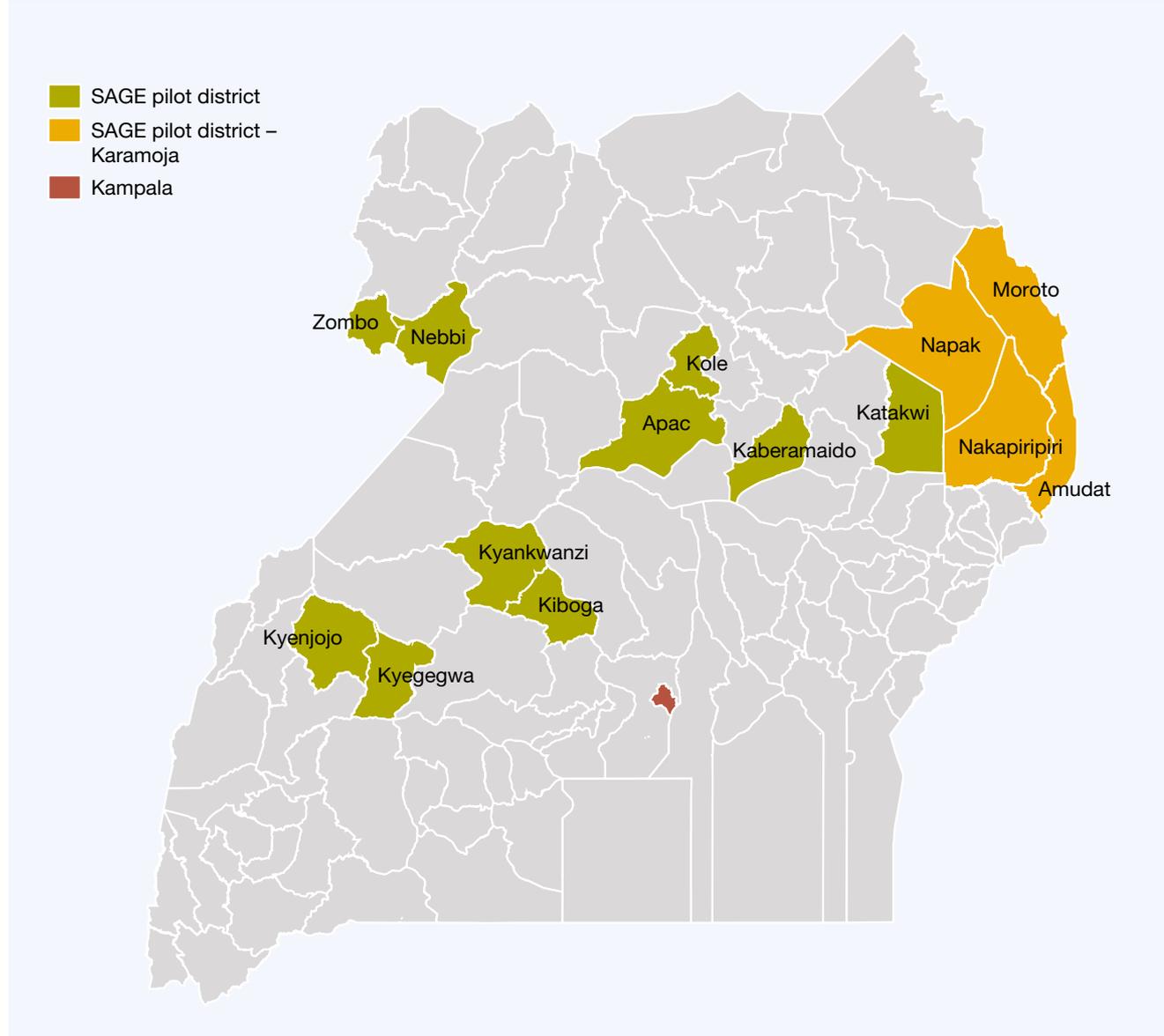
1.1 Overview of the SAGE programme

The Uganda National Development Plan 2010-2015 (Republic of Uganda 2010) recognised the importance of social protection for the achievement of the country's development objectives and recommended the formulation of a comprehensive policy on social protection, including the testing of direct income transfers. The Government of Uganda is thus implementing the ESPP (see MoGLSD 2010), with the goal of reducing chronic poverty and improving life chances for poor men, women and children in Uganda. The purpose of the ESPP is to embed a national social protection system that benefits the poorest as a core element of Uganda's national planning and budgeting processes. The intended outputs are:

1. skills, structures and systems strengthened for effective cross-government leadership and implementation on social protection;
2. a coherent and viable policy and fiscal framework for social protection developed and implemented;
3. delivery of regular and predictable social grants to poor households to generate evidence regarding impact and delivery mechanisms; and
4. improved information and knowledge of social protection among policy-makers and the public.

A key element of the ESPP is thus the pilot SAGE programme. The aim of the SAGE pilot is to test a range of implementation modalities for an efficient, cost-effective and scalable social transfer, to generate evidence for national policy-making, and to provide a reference point for relevant stakeholders regarding the government's acceptance of, and commitment to, social protection. The SAGE pilot reached around 560,000⁵ people in 124,547 households over a period of four years (April 2011–February 2015), covering approximately 15% of households in 14 pilot districts (see Figure 1 below).

Figure 1: SAGE programme pilot districts



The SAGE pilot districts were selected according to an index developed by the MoGLSD (see Ssewanyana 2007) Using data from the 2002 Uganda Population and Housing Census, the index ranked all districts by region (Central, Northern, Eastern and Western), according to their share of specific demographic groups, as well as based on health and education criteria.⁶

⁵ Based on average of 4.5 people per household; data provided by SAGE MIS.

⁶ The characteristics included in the index are: share of children in the entire population; share of elderly persons in the entire population; share of orphans and vulnerable children in the child population; share of risky births; proportion of households living more than 5 km from health facilities; and share of children (6-12 years) not attending school. The index comprises a composite score by summing these various indicators, with final scores ranging from 125 to 277.7. The probability of a district being a pilot district increases with the score.

Six districts were then selected for the pilot, taking the districts with the highest index scores. These were Kiboga in Central region, Katwaki and Kaberamaido in Eastern region, Kyenjojo in Western region, and Nebbi and Apac in Northern region (two districts from both Northern and Eastern regions were selected due to the higher incidence of poverty in those areas). In 2010, the MoGLSD then took the decision to add two districts in Karamoja, Moroto and Nakapiripirit, which had previously been left out of the original design due to challenges in that area. This brought the total number of districts to eight.

In 2010 the Government of Uganda re-drew some of the administrative boundaries in the country, which resulted in some of the original eight SAGE pilot districts being sub-divided. The MoGLSD subsequently decided to include those newly created districts, which lay within the original geographic boundaries of the original eight SAGE districts. Therefore the districts of Kole, Zombo, Amudat, Napak, Kyegegwa and Kyankwanzi were added to the SAGE pilot roll-out plan, bringing the total number of districts to 14.

Two targeting methodologies are being implemented in separate sub-counties of the 14 pilot districts. One – known as the Vulnerable Family Support Grant (VFSG) – employs a composite index based on demographic indicators of vulnerability to determine eligibility.⁷ The other – the Senior Citizens Grant (SCG) – uses age to determine eligibility. The SAGE programme is being implemented in all sub-counties across the pilot districts. However, only the SCG is being implemented in the Karamoja region as the SAGE programme felt the additional data collection burden associated with implementing the VFSG was not feasible there.

Under the VFSG, if they are present in a beneficiary household, adult women are selected by the programme to be the physical recipient of transfers. In the case of the SCG, the transfer is given to the specific older person enrolled. The SAGE programme makes provision for an alternate recipient to be able to collect the transfer on behalf of the beneficiary in cases where the named beneficiary is sick, infirm, or where it is simply physically more convenient for another person to collect the money. The alternate recipient does not have to be a member of the beneficiary household.

The transfer is currently worth UGX 25,000 per month and is paid every two months. This amount represents a slight increase on the original value of the transfer when it was set in 2011 (UGX 23,000). The amount is reviewed and updated once a year.⁸

The telecoms provider MTN is contracted to transfer cash to beneficiaries using electronic transfers. A management information system (MIS) has been developed to facilitate monitoring of programme implementation. Households were registered for the programme via a census-style registration exercise, in which details were gathered from all households and entered into the programme MIS. The registration exercise was carried out by local government, with the support of the Uganda Registration Services Bureau, UNICEF and the SAGE programme. In evaluation areas registration took place between April and June 2012.⁹

Responsibility for implementation of SAGE rests with the SAGE Implementation Unit, based within the Social Protection Secretariat in the MoGLSD. An ESPP Steering Committee oversees the work of the Social Protection Secretariat, including implementation of the SAGE programme. The ESPP Steering Committee reports to the MoGLSD, which in turn reports to Cabinet and Parliament.

⁷ Over 65 years; over 60 years in Karamoja region.

⁸ The transfer was increased to UGX 24,000 in July 2012 and to UGX 25,000 in July 2013.

⁹ For more detail on the SAGE programme, including on enrolment and eligibility procedures, see Merttens and Jones (2014).

Within the pilot districts SAGE is administered by local government officials, including district chairpersons, Community Development Officers (CDOs), sub-county chairpersons, parish chairpersons and village chairpersons (LC1s). Payments are administered by agents supplied by the payments provider and are overseen by relevant local government staff (sub-county and parish chairpersons) at the paypoint.

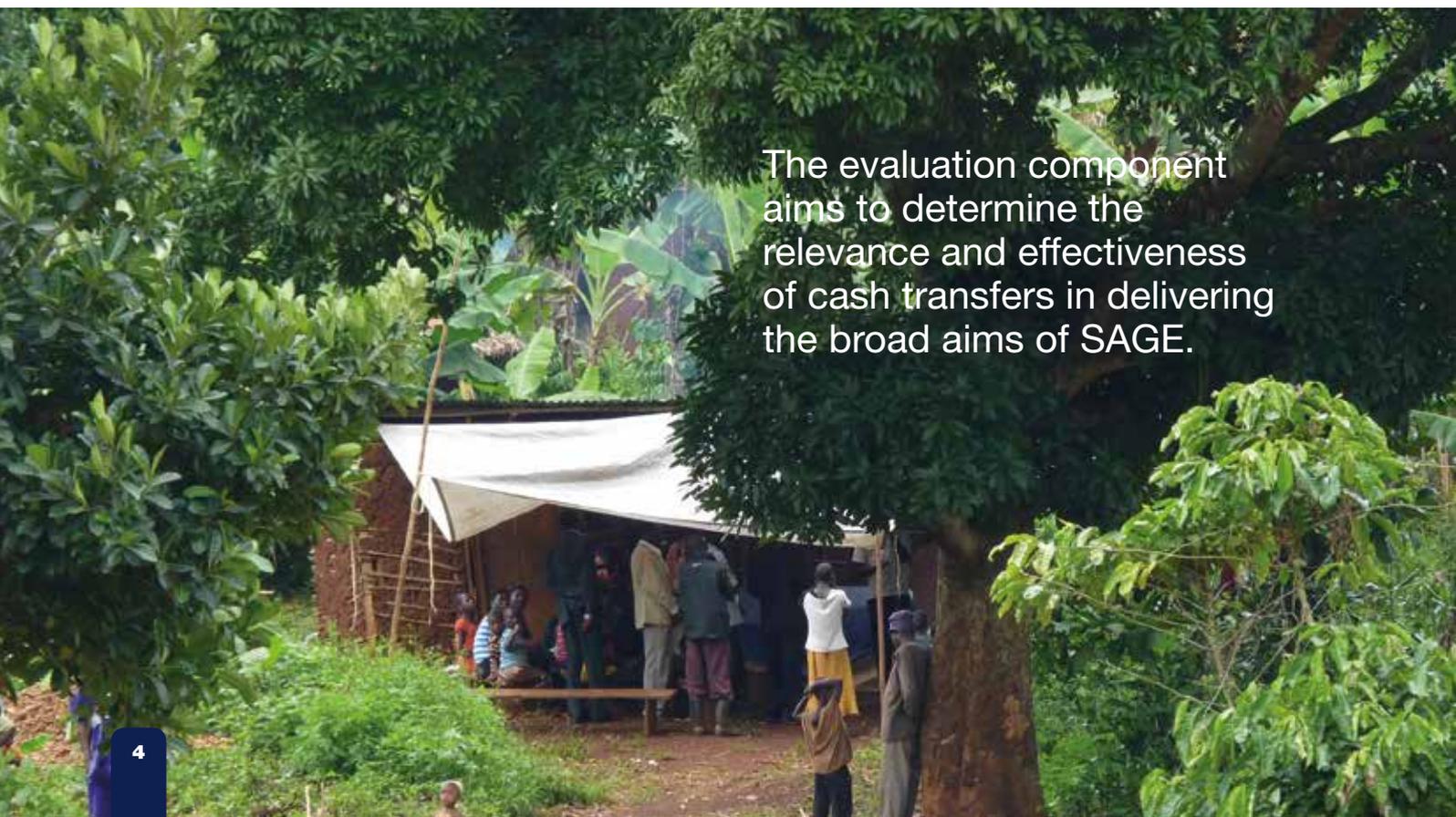
1.2 Overview of the impact evaluation

The SAGE programme includes an independent evaluation component. The purpose of the evaluation component is to assess the impact and operational effectiveness of the SAGE pilot programme, to compare the relative performance of the two targeting methodologies used by the pilot, and to ensure that evaluation findings are disseminated nationally.

The evaluation component aims to determine the relevance and effectiveness of cash transfers in delivering the broad aims of SAGE, with a view to informing stakeholders of the programme's performance and to enable lessons to be drawn in order to improve future practice and policy. An internal operational monitoring exercise is being conducted that, together with results from the impact evaluation, feeds into the SAGE programme learning framework.

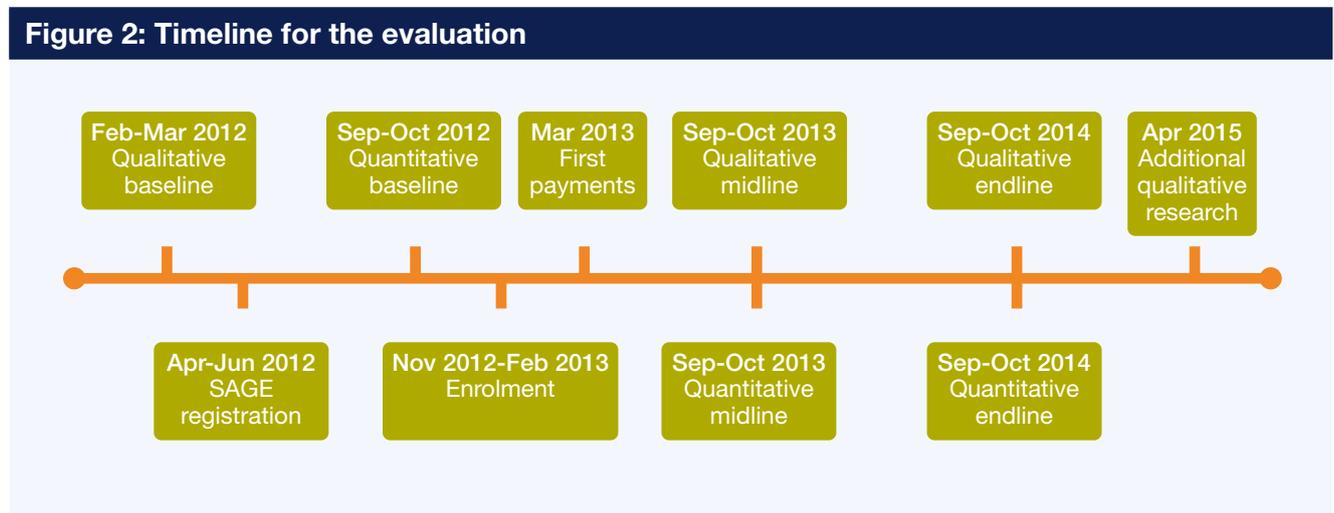
The evaluation assesses SAGE against its main objective of empowering recipient households through:

- reducing material deprivation;
- increasing economic security;
- reducing social exclusion; and
- increasing access to services.



The evaluation component aims to determine the relevance and effectiveness of cash transfers in delivering the broad aims of SAGE.

In order to assess these impacts, the evaluation collected quantitative and qualitative information over three years on a range of key indicators and supporting data. The impact analysis was conducted using a mixed methods approach, combining qualitative research with a quasi-experimental quantitative survey design. The evaluation methodology is described in detail in Section 2 below. Figure 2 presents the timeline, showing all the various activities undertaken for this evaluation, alongside key dates for the SAGE programme itself.

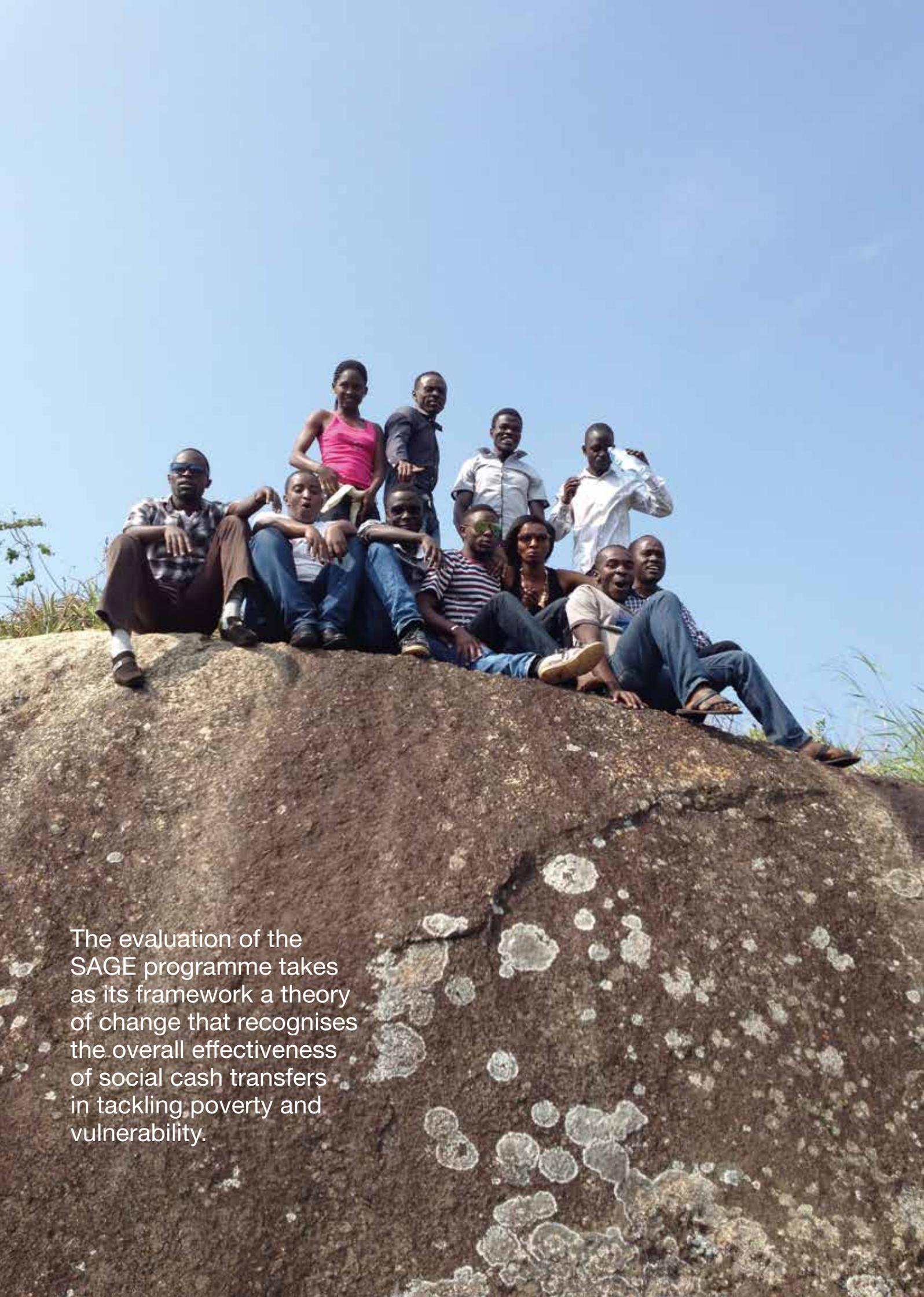


1.3 Structure of the report

The remainder of this report is structured as follows. Section 2 provides details on the evaluation design and methodology. Section 3 describes the SAGE cash transfer and its receipt and use by the households. Section 4 analyses the impact of the SAGE cash transfer on households' economic and material wellbeing, including consumption, food security and nutrition, livelihoods, and child labour. Section 5 considers the programme's impact on households' access to education, health and financial services, as well as other formal transfers. Section 6 discusses the interaction of the SAGE cash transfer with the local economy and markets. Sections 7 and 8 analyse the relationship of SAGE to informal institutions, social relations and notions of citizenship. Section 9 summarises the findings and suggests the implications for policy.

A separate volume provides supporting technical information detailing the various methodologies used for the analysis in this report.¹⁰ In this volume the evaluation theory of change is given in Annex A. The annexes that follow provide details regarding: the sampling methodology (Annex B); the quantitative approach and econometric methods used (Annex C); robustness checks on internal validity (Annex D); analysis of the demographic characteristics of the sample (Annex E); Key research questions for the endline qualitative research (Annex F); research locations for the endline qualitative research (Annex G); the method for construction of consumption aggregates (Annex H); consumption data robustness checks (Annex I); food security and malnutrition indicators (Annex J); supplementary tables (Annex K); and standard errors and design effects for all reported indicators (Annex L).

¹⁰ Evaluation of the Uganda Social Assistance Grants for Empowerment (SAGE) Programme: Impact after two years of programme operations 2012-2014 – Technical Annexes.



The evaluation of the SAGE programme takes as its framework a theory of change that recognises the overall effectiveness of social cash transfers in tackling poverty and vulnerability.

2 Evaluation design and methodology

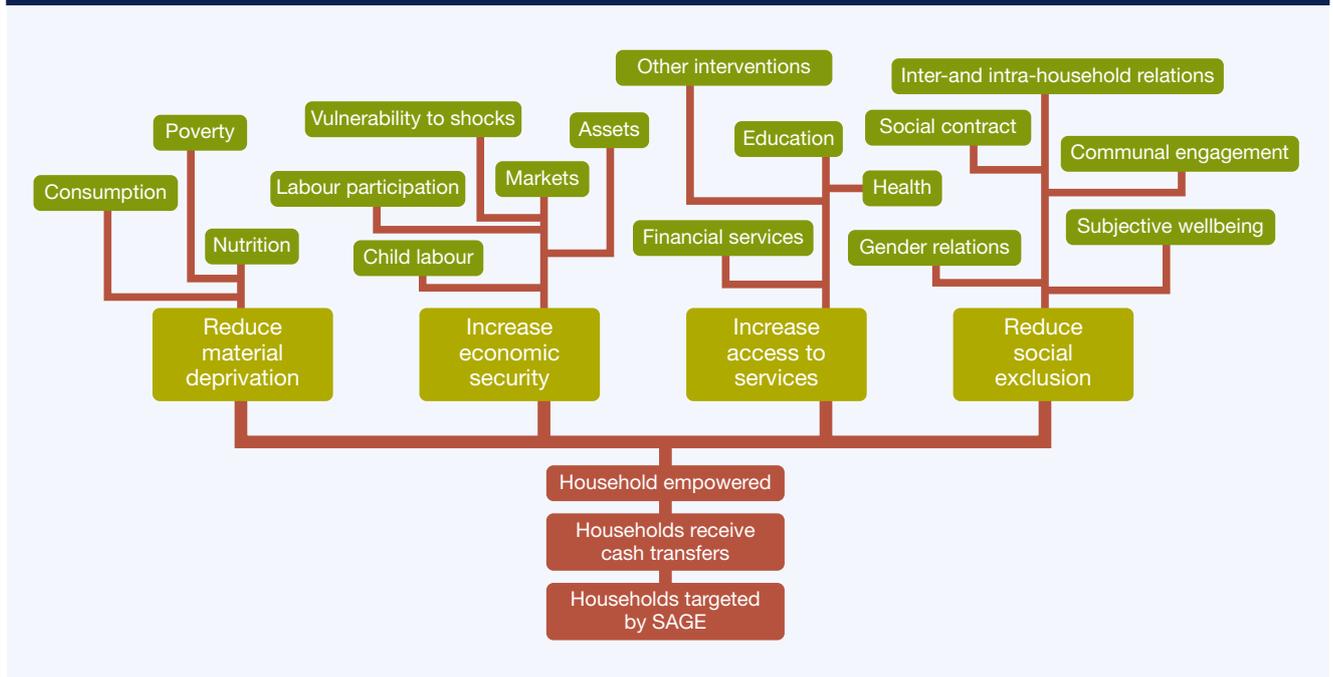
2.1 How impact is assessed

2.1.1 Theory of change

The evaluation of the SAGE programme takes as its framework a theory of change that recognises the overall effectiveness of social cash transfers in tackling poverty and vulnerability, while promoting broader developmental impacts (see Figure 3 and Annex A). This theory of change is summarised in the following paragraphs.

Cash transfers should directly reduce material deprivation as the payment of cash to the poor and vulnerable will improve their living standard and increase consumption levels. An increase in food consumption is expected to improve the overall food security and nutrition within the household. Moreover, the increase in welfare of the poor may even reduce the likelihood of households falling beneath the national poverty line.

Figure 3: SAGE cash transfer evaluation theory of change impact tree



Cash transfers may also increase economic security via other positive effects, such as allowing households to make more productive expenditures (for example, on productive assets, such as livestock), to participate in or diversify their economic activities, and to invest in physical, social, and human capital (such as housing, reciprocal support networks, education, health and nutrition). Such impacts should reduce the vulnerability of households to shocks, as well as ensuring future income streams. Additionally, cash transfers may have spill-over effects on to local markets, either positive or negative, for instance by increasing demand for goods and services or causing inflation.

Providing households with regular cash transfers may help remove barriers to access to social and other services, such as education, health and financial services. Cash transfers may also either increase receipt of other social interventions (for example, if cash transfer beneficiaries are explicitly targeted for complementary interventions), or crowd out other programmes (for example, if beneficiaries or whole areas are de-selected from other programmes in a bid to increase total coverage or reduce duplication).

Increased material wellbeing and access to services may thus translate into reduced social exclusion and may even alter conceptions of the social contract. Households and individuals in receipt of cash transfers who are experiencing or feel like they are experiencing increases in the quality of their daily existence, and the number and types of choices they are able to make, may feel more empowered, have an increased sense of dignity and self-worth, have improved relations within and between households (including between men and women), increase their engagement with the community, and feel more social cohesion.

The aim of the evaluation is to assess SAGE against its main objectives via this theory of change, by identifying and tracking specific indicators and research questions for each objective using a combination of quantitative and qualitative research methods. For more detail on the evaluation theory of change see Annex A.

2.1.2 Key research questions and areas of impact

The evaluation measures a range of quantitative indicators across four broad impact areas, following the theory of change and correlating to the four main objectives of the programme (see Section 2.1.1 above and Annex A for more detail on the individual indicators and how these are linked to each programme objective and area of impact):

- material deprivation;
- economic security;
- access to services; and
- community cohesion and social exclusion.

These indicators and areas of impact were identified in coordination with the programme and its stakeholders during the inception phase of the evaluation (see OPM, 2012c).

A series of qualitative research questions are also investigated. The qualitative research is not intended to mirror or exactly duplicate the quantitative survey. Whilst it does provide some qualitative information on indicators covered by the quantitative survey, its primary aim is to capture impacts and explore contextual factors that are less easy to quantify. Moreover, the qualitative research was designed to be flexible, shifting its focus a little at each round of research in order to investigate specific or emerging issues identified by the findings from the previous round. At the same time, a number of key potential impacts are explored consistently throughout the qualitative research:

- reduced poverty within recipient households;
- reduced poverty within the wider community;
- reduced vulnerability to the effects of seasonal stresses, longer term trends and shocks;
- improved livelihood choices and options;
- increased informal employment opportunities; and
- reduced social exclusion of marginalised individuals, groups or households

These impact areas are concentrated around three of the four main objectives of the programme: reducing material deprivation, increasing economic security, and reducing social exclusion. The fourth objective of increasing access to services is covered tangentially, via the research's exploration of notions of poverty, vulnerability, and respondents' perceptions of formal institutions and the social contract.

In order to both understand the broad contextual issues and to gather data on particular indicators, information has been collected across a range of inter-related areas and grouped under five key research areas:

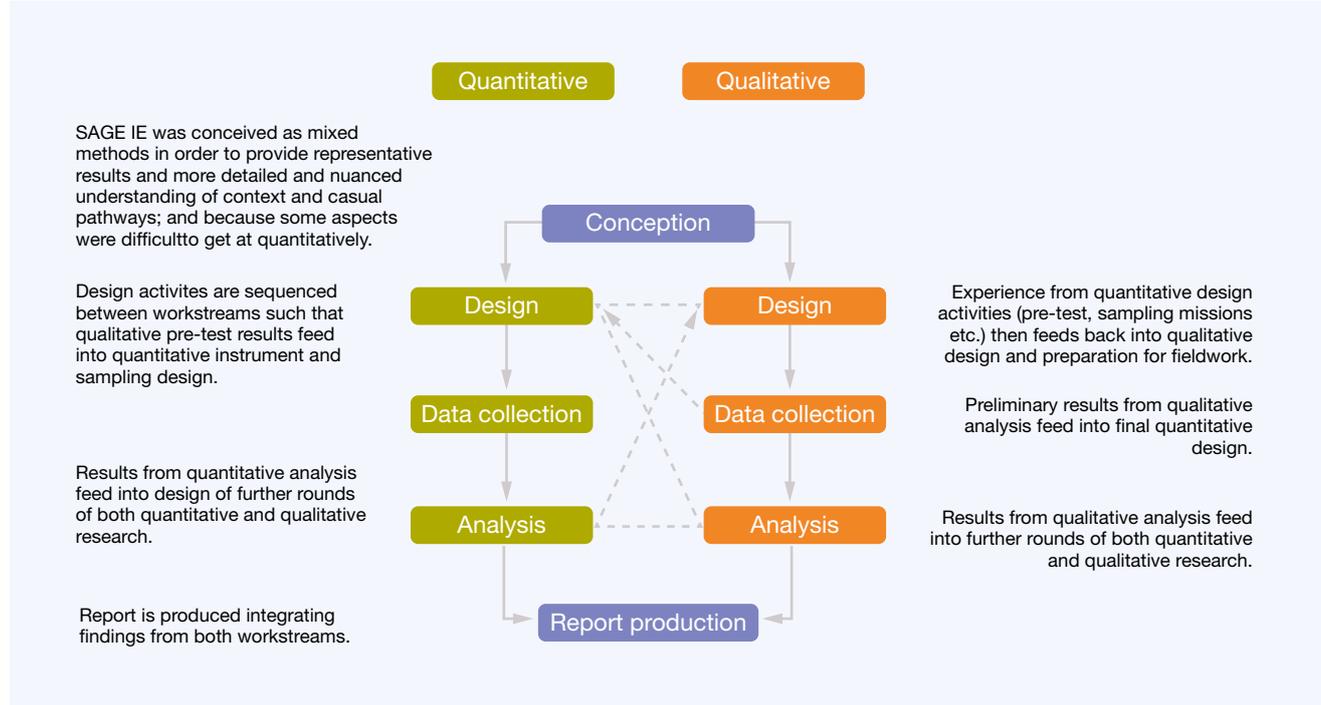
- dimensions and definitions of poverty;
- risk and vulnerability;
- livelihoods;
- informal institutions, social relations and cohesion; and
- formal institutions and the social contract.

A full list of the detailed questions asked under each of these research areas is presented and linked to the four main programme objectives by the evaluation theory of change, reproduced in Annex A.

2.1.3 Integration of qualitative and quantitative methods

The evaluation adopts a mixed methods approach in order to provide an assessment of the impact of the SAGE programme across a range of indicators and impact areas. A detailed description of how the mixed methods approach is delivered is provided by the evaluation baseline report (OPM *et al.* 2013), and summarised in Figure 4, which indicates how the qualitative and quantitative evidence has been integrated in an iterative fashion.

Figure 4: Mixing quantitative and qualitative methods



The quantitative and qualitative data presented in this report have been analysed using a variety of techniques. The quantitative data were analysed using a number of statistical methods (details are provided in Section 2.2 and the technical annexes to this report). Where relevant these data were triangulated with data from the SAGE programme MIS, the Uganda National Household Survey (UNHS) and the Uganda Demographic and Health Survey (DHS); for instance when assessing trends in poverty or analysing anthropometry results. The qualitative data were analysed first via preliminary in-field daily debriefings during the research data collection, and then using NVIVO qualitative data analysis software (further details are provided in Section 2.3).

A systematic literature review was not conducted, but a variety of literature has been drawn upon. This includes ESPP and DFID programme documents, as well as relevant evaluation literature, including both academic publications and project reports. All studies and reports consulted are referenced in the footnotes and the bibliography.

Below we describe the methodologies for the quantitative and qualitative assessment of impact.

2.2 Quantitative assessment of impact

The quantitative component of this evaluation seeks to construct an estimate of programme impact by comparing information gathered from households receiving the SAGE cash transfer with information from households that do not receive the transfer, with the difference between these two groups representing the impact of the programme.

For this approach to provide a reliable estimate of programme impact the households that do not receive the transfer need to be as similar as possible to those that do receive it, in order to rule out the influence of factors that would otherwise confound the identification of impact. Households that do not receive the transfer (the comparison group) are supposed to provide a counterfactual, they are used to represent the hypothetical situation of beneficiaries had they not received the SAGE cash transfer.

Below we describe the method adopted to construct a viable comparison group for this evaluation.

The main challenge in the identification of a suitable counterfactual is selection bias. Selection bias will occur if households that receive the SAGE cash transfer (the treatment group) differ in some systematic way from households that do not receive the SAGE transfer (the comparison group) prior to programme implementation. Selection bias would be problematic for the impact evaluation if there are observable or unobservable characteristics that both increase the likelihood of a particular type of household becoming a SAGE beneficiary and influence their outcomes against the key impact indicators. In short, if one does not control for selection bias it is impossible to separate out the true impact of the SAGE transfer from other variables affecting the outcome indicator of interest.¹¹

The ‘gold standard’ approach for solving the problem of selection bias is the use of a randomised control trial (RCT). In an RCT treatment status is randomly assigned, thus producing treatment and comparison groups that by design do not differ in any systematic way. This approach was not viable in the case of the SAGE evaluation due to the fact that it was not politically or operationally feasible to randomly assign treatment of the SAGE programme either at the individual/household level or at the community level.

As an alternative the evaluation was set up on the basis of a regression discontinuity design (RDD). This design was selected by the SAGE Steering Committee after a multi-stakeholder consultation process. Under a RDD a valid counterfactual is identified by taking advantage of the eligibility rules of the programme. Comparison group households are identified by taking a random sample of households who are not actually eligible for the programme but are in some small neighbourhood around the eligibility threshold, on the assumption that eligible households with scores just above the cut-off are likely to be very similar to ineligible households with scores just below the cut-off. This methodology has implications for the sample because the sample is thus restricted to those households just above and below the eligibility threshold, and so is not representative of the whole population.

While offering a number of advantages in the context of the SAGE evaluation, the RDD approach also had a number of risks. RDD relies on a series of key assumptions that are not testable prior to data collection. If any of these assumptions do not hold the estimate of programme impact produced by the RDD would be compromised. Unfortunately, this turned out to be the case for the SAGE pilot impact evaluation data. The RD approach to modelling impact did not produce consistent results across different indicators and between targeting mechanisms. In addition, the results obtained were not robust across different specifications of the estimation model, or to the testing of discontinuities at alternative points away from the eligibility threshold. These results indicated that the RD approach to modelling impact was not viable in this context.¹²

In response to this situation, the evaluation team proposed a back-up methodology based on propensity score matching (PSM), combined with difference-in-differences (DID).

¹¹ To understand how selection bias may affect the SAGE impact evaluation it is useful to consider some differences between treatment and comparison households. At baseline, for example, both the SCG and VFSG treatment households were more likely than comparison households to be female headed – a statistically significant difference. It is reasonable to expect that female-headed households may in general show higher levels of vulnerability in a number of key outcomes compared to male-headed households. Thus, without controlling for selection bias we cannot separate out the difference in outcomes directly caused by the SAGE transfer (impact) and the difference caused by more treatment households being headed by females (confounder). The same applies to non-observable characteristics (e.g. motivation or effort) that may be associated with programme participation and cannot be controlled for when estimating the programme's effects.

¹² For more information on the development of the evaluation methodology see OPM (2011), OPM (2012c), OPM *et al.* (2013) and Binci *et al.* (2014).

2.2.1 PSM combined with DID

The measure of impact provided by the quantitative component of the evaluation was estimated using a PSM approach, combined with DID. Under a PSM a valid counterfactual is constructed on the basis of observable characteristics by matching treatment households with comparison households such that their observable characteristics are as similar as possible at baseline prior to the programme. The assumption is that if observable characteristics are similar across treatment and comparison groups, unobservable characteristics are also likely to be similar.

PSM works by matching each treatment household with a small number of households from the comparison group on the basis of the similarity of their 'propensity score'. The propensity score captures observable characteristics that explain participation in SAGE (i.e. the propensity score represents the probability that the household will be a beneficiary of SAGE, based on its characteristics). The average difference between matched treatment and comparison households thus constitutes the impact of the programme on the outcome indicator of interest.

As mentioned above, one limitation of the standard PSM approach is that it rests on the untestable assumption that selection happens on the basis of observable characteristics only (i.e. that selection is not influenced by unobservable characteristics). However, the application of PSM in combination with DID, as compared to a cross-section PSM impact evaluation, further protects the impact estimates from selection bias due to time invariant unobservable characteristics. DID estimators can be used with panelled datasets, in which the same households are surveyed at different points in time. With the DID estimator, selection bias generated by differences in unobservable, time invariant characteristics between treatment and comparison groups (such as 'motivation' or social connections, which are not necessarily captured by conditioning on observables in a standard PSM) is controlled for and does not affect the consistency of the estimator (Gilligan and Hoddinott 2007). This is a major advantage of panel data when implementing PSM evaluation methods (Todd 1999).

In other words, although the sample comprising the treatment and comparison groups was originally constructed for, and using, an RDD, PSM-DID was added to ensure a robust estimation of impact. Through inclusion of observable characteristics in the PSM-DID model and the panel structure of our data, we demonstrate that PSM-DID can be used to establish a viable counterfactual for the treatment group. Our specification allowed for a balanced sample at baseline for a large set of key indicators. This is shown by insignificant statistical differences across a range of characteristics at baseline between the treatment households and their matched comparisons, conditional on the propensity score (see Annex C). Any statistically significant change observed between baseline and endline values can therefore be interpreted as a direct causal effect of the SAGE cash transfers.

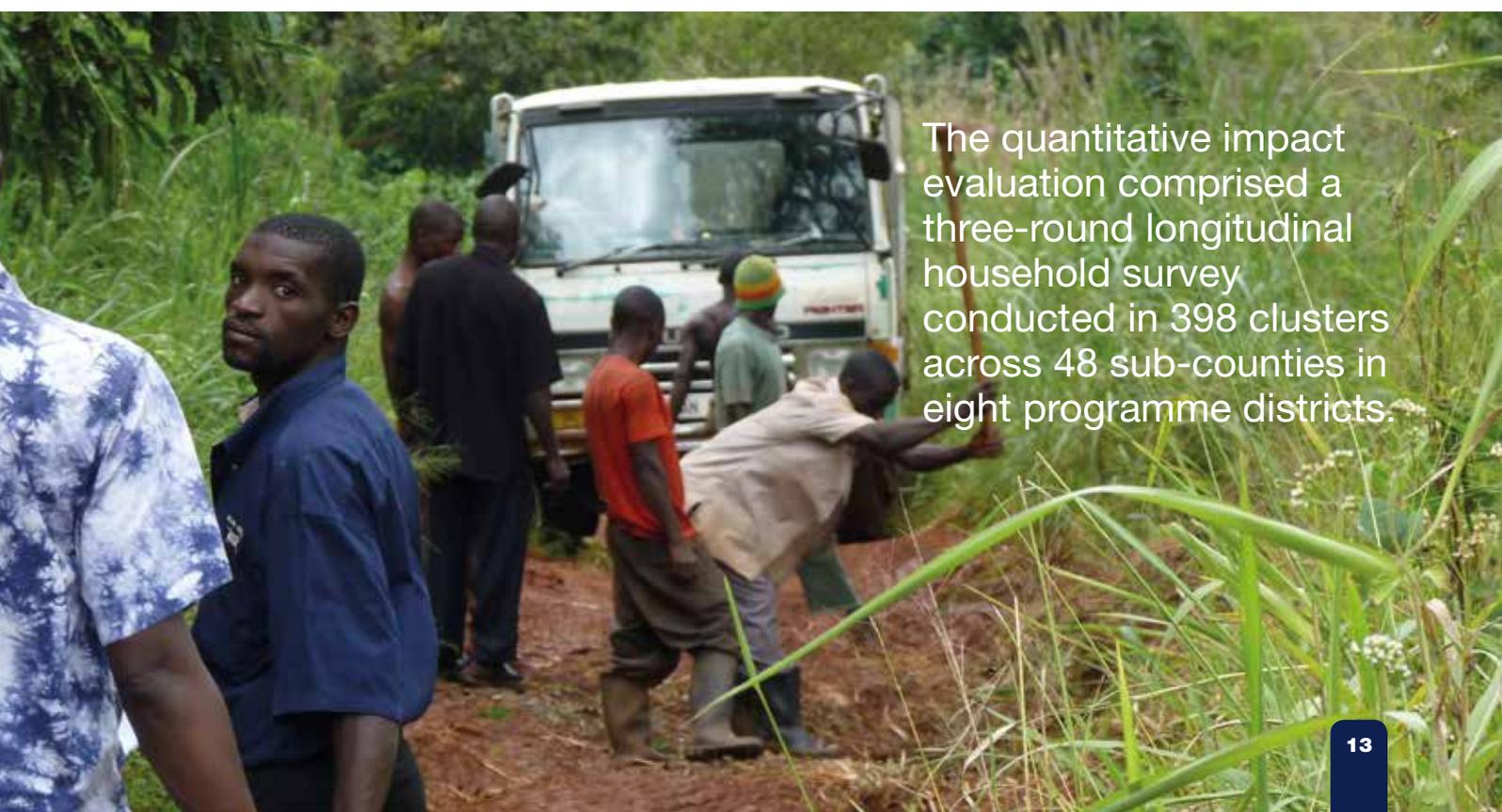
For a general introduction to the PSM methodology, as well as further detail on the specification of the matching models used and testing of assumptions, see Annex C.

2.2.2 Sample design and fieldwork

In order to deliver the quantitative impact evaluation study design described above, a three-round longitudinal household panel survey was conducted. The quantitative survey was implemented in 398 clusters across 48 sub-counties in eight programme districts (see Figure 5 below). The evaluation was conducted in eight of the 14 districts, in agreement with the programme. This was in order to minimise the operational burden of the evaluation on the programme, due to the requirement that the evaluation randomly assign targeting mechanisms between sub-counties within evaluation districts. Consequently, it was agreed to exclude from the evaluation the six ‘new’ districts that were created from the original districts when the administrative boundaries were redrawn in 2010 (see Section 1.1 above).

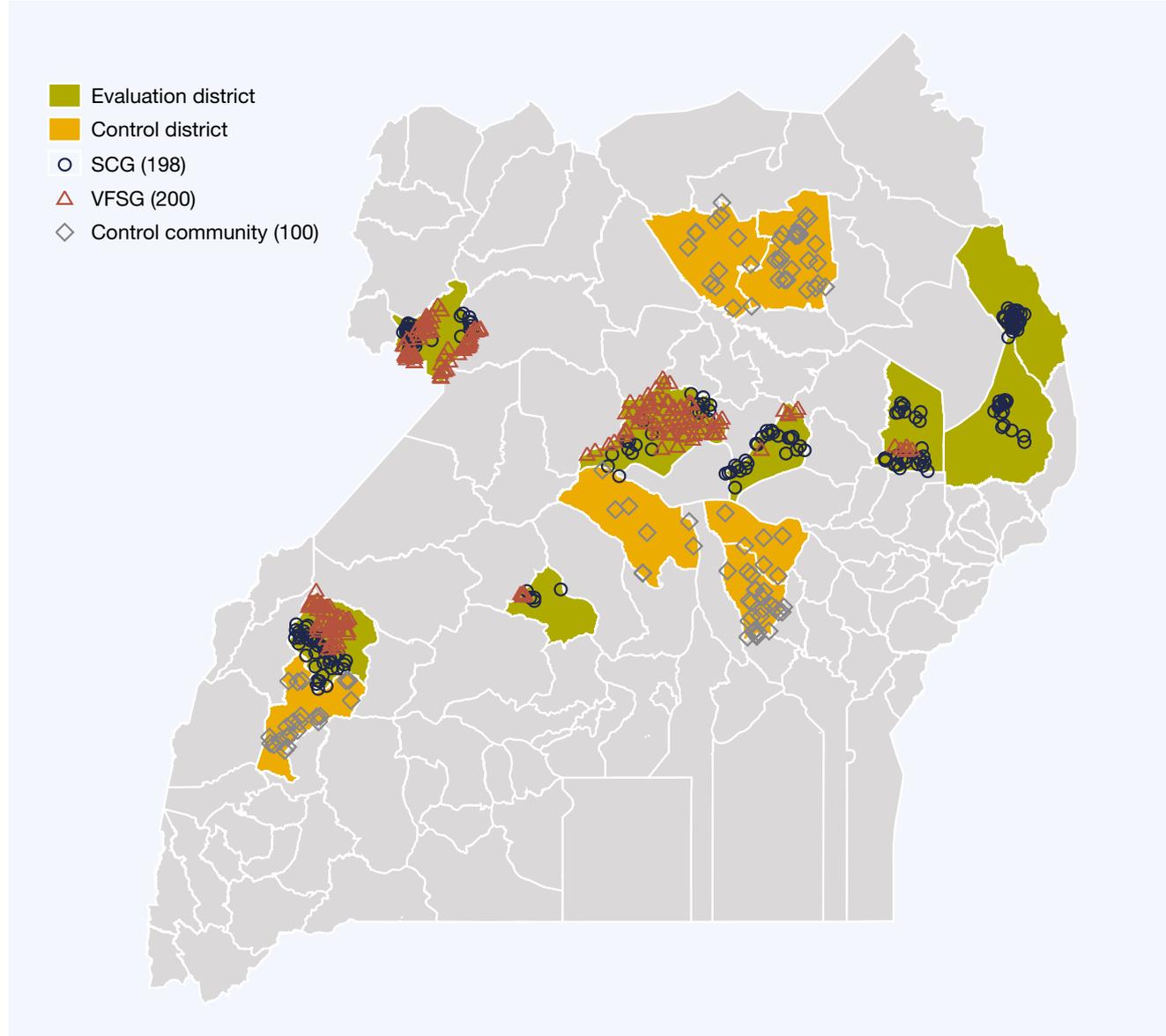
The two targeting mechanisms (SCG and VFSG) were randomly assigned evenly between the 48 evaluation sub-counties, with the exception of the Karamoja region, in which the programme was only implementing the SCG targeting mechanism. The SAGE programme implemented the enrolment process in evaluation areas where selected recipients receive the transfer, but only after they were surveyed at baseline in 2012. A panel of these households was then interviewed on an annual basis for two rounds of follow-up surveys, the midline survey (described in OPM 2014a) and the endline survey described in this report. There was a gap of 12 months between each round of survey, with data collection taking place between September and November each year (see Figure 2 above). For more detail on the sampling strategy, see Annex B.

A sample of 100 control communities was also surveyed in order to measure impact on a selection of community-level outcomes. The control communities survey did not include a household survey. The control communities were identified using matching techniques, which match treatment and control communities using characteristics drawn from the 2002 Uganda Census. The control communities are located across six control districts, chosen using the same rationale as was used to select the 14 pilot programme districts, to obtain maximum comparability. The six control districts selected were: Nakasongola in the Central region; Kamuli and Buyende in the Eastern region; Pader and Agago in the Northern region; and Kamwenge in the Western region (see Figure 5 below). For details on the matching techniques used for the selection of control communities and estimation of community-level impacts see Annex B.



The quantitative impact evaluation comprised a three-round longitudinal household survey conducted in 398 clusters across 48 sub-counties in eight programme districts.

Figure 5: Evaluation and control communities



Source: SAGE Impact Evaluation Baseline Survey Sep-Oct 2012.

2.2.3 Limitations of the quantitative evaluation design

There are three sets of limitations to the PSM-DID approach that it is important to take into account in the interpretation of the results; these partly result from the fact that the evaluation was originally designed for an RDD approach. The following sections discuss the limitations of the evaluation design in regard to internal and external validity, and ‘contamination’ or ‘spill-over’ effects.

2.2.3.1 Internal validity and the age profile of the sample

Internal validity refers to the degree to which the comparison between the treatment and counterfactual groups is valid. In the case of this evaluation, the original RDD methodology imposed a sample design that was characterised by individuals with eligibility scores falling within a small bandwidth around the eligibility threshold.

The sample was thereby restricted to those households just above and below the eligibility threshold and so was not representative of the whole population. For SCG households, the eligibility threshold is age-based (being 65 years of age) and therefore, by construction, the age profile of the treatment and comparison groups is significantly different.

Table 1 shows significant differences in the age profile of the treatment and comparison households for each age variable considered. Differences are found in the mean age of household members, as well as in the mean age of the household head and eldest member of the household. **Treatment households are therefore on average older and have older heads/members than comparison households.**

Indicator	Treatment	Comparison
Mean age of all household members	39.3	25.5
Mean age of household head	66.4	52.5
Mean age of oldest household member	70.0	53.9

Source: SAGE Impact Evaluation Survey September 2012-October 2014.

The fact that households differ in demographic characteristics at baseline may imply that the ‘common trends’ assumption underlying DID does not hold. As they are different at baseline, households outcomes could evolve differently even in the absence of the SAGE programme, and what we capture as programme effects may be a simple reflection of the original differences. Moreover, the demographic structure of the sampled households significantly changed over time, raising concerns about the strengths of the evaluation design.

Extensive work was conducted to investigate further the robustness of the results and to which extent age and other demographic differences are biasing the results. Two different strategies were adopted:

- robustness testing using a balanced sub-sample of households; and
- robustness testing using an RDD approach.

Two different sub-samples were identified using two different methodologies (pre- and post-match trimming), for which the age profiles of treatment and comparison households for both sub-samples are very similar and the balance diagnostic positive; in other words, for which overall balance is achieved and the relevant age variables are also balanced. By comparing results with the original sample, we found consistent results overall. The magnitude or statistical significance of impact estimates were not always identical, as expected by running the analysis on different smaller samples, but the general directions and magnitude were broadly confirmed.

This analysis increases confidence that the comparison group does provide a viable counterfactual and the impact estimates obtained were robust to changes in sample composition that make treatment and comparison households more similar in terms of age profile (a difference which cannot be eliminated altogether due to the original design).

In addition to investigating concerns over internal validity we carried out in-depth sensitivity checks on the PSM results. Alongside 12 different specifications of the PSM estimator model, we looked into the consistency between the PSM and RDD results. Although previous analysis showed that the RDD was not sufficiently robust to be used as the main methodology,¹³ the RDD was used at midline as a reference to assess the credibility of the PSM results.¹⁴ The results reported in Annex D.2 show a good level of consistency between the main RDD model and the PSM results, in terms of both direction and significance.

These analyses provide sufficient evidence to maintain confidence in the findings derived from the PSM. In other words, the results from the additional analysis indicate that, in light of an intrinsic second best sample design, internal validity holds and there are grounds to support the main findings of the endline report. Annex D and Annex E present in detail the issues of age profile and demographic changes in the sample and the robustness checks conducted to test the validity of the sample and overall methodology.

2.2.3.2 External validity

The other set of limitations that it is important to acknowledge here regard external validity. **External validity refers to the extent to which evaluation results can be generalised beyond the particular study sample.** External validity is conventionally seen as a function of how representative a sample is of the entire population. In this case, **the study sample is not representative of the entire population or even of the entire programme beneficiary population.** It represents a sub-population that has eligibility scores falling within some bandwidth around the eligibility threshold. **However, although the study sample for the two targeting methodologies are not fully representative, they do represent a significant portion of the two treatment groups (79% in the case of SCG; 71% for VFSG).**

Without strong assumptions (such as homogeneity of the treatment effect) that justify the generalisation of estimates to other sub-populations, our sample does not allow for the estimation of the average effect of the treatment across all households that are eligible for the SAGE programme (Imbens and Lemieux 2008). The impact results are also only representative of the programme *as implemented in the evaluation areas*, which may be different to how it is implemented in non-evaluation areas. Moreover, the 14 programme districts themselves are by no means typical of Uganda, having been specifically chosen on the basis of a bespoke vulnerability index.¹⁵ These issues represent some constraints to the external validity of the results.

However, as stated in the literature on evaluations and external validity (see Deaton 2009), there is never a guarantee that a programme, tested on a sample, will produce the same effects as in the evaluation sample.¹⁶ Therefore, while it is important to report and acknowledge properly all the concerns about external validity, **the limitations do not compromise the validity of the results.** In particular, evaluations are relevant when they identify generable mechanisms, which can explain why and in what context an effect can be expected. The evaluation still shows the overall messages and the direction of the impact by helping to identify the mechanisms through which the impact operates. There is little reason to believe that similar mechanisms will not apply to different group categories as well. For example, if the evaluation finds that the cash transfer has an impact on food security by making beneficiaries less exposed to severe shocks, and that SAGE functions as a safety net the beneficiaries can rely on when things get tough, why should this mechanism be expected to be different in households whose heads are one, five or 10 years older or younger?

¹³ See Binci *et al.* (2014).

¹⁴ We ran different specifications of the RDD (quadratic, quadratic with controls, quadratic collapsed at the mean and quartic) for different indicators, using the assumptions of fuzzy RDD for SCG and sharp for VFSG, and tested discontinuities at alternative points away from the eligibility threshold.

¹⁵ The external validity of the study is further undermined by the fact that villages (clusters) with a very low density around the eligibility threshold were screened out of the study before the sample of villages to be covered by the evaluation was drawn (see Annex B).

¹⁶ From Deaton (2009): 'Actual policy is always likely to be different from the experiment, for example because there are general equilibrium effects that operate on a large scale that are absent in a pilot, or because the outcomes are different when everyone is covered by the treatment rather than just a selected groups of experimental subjects. Small development projects that help a few villages or a few villagers may not attract the attention of corrupt public officials because it is not worth their while to undermine to exploit them, yet they would do so as soon as any attempt were made to scale up.'

The evaluation reveals mechanisms through which the cash transfer operates and manifests its effects on household socio-economic decisions and it is reasonable to expect those mechanisms to similarly apply to slightly different household types. Overall, while the report fully acknowledges the limitations to external validity due to the non-optimal design,¹⁷ **the evaluation provides robust results which can confidently show the overall messages and the direction of the impact beyond the specific sample.**

2.2.3.3 Contamination and spill-over effects.

A third limitation to the evaluation arises due to possible spill-over effects. **Spill-over effects are defined as benefits (or negative effects) deriving from the programme for non-programme beneficiaries.** These can occur because households, and especially poor households, operate in an inter-connected social and economic context, sharing money and other resources, and purchasing goods and services from one another. Generally, spill-over effects on non-recipients are a positive phenomenon, since they imply that the programme is having an indirect impact that goes beyond the direct effect on beneficiaries; for example when the beneficiaries use the cash transfer to buy goods and services provided by non-beneficiaries. Spill-over effects can be problematic from an evaluation perspective as what we observe in the treatment and comparison groups will be a mix of direct effects on the beneficiaries and indirect effects on the non-beneficiaries. Therefore, if spill-over effects are not systematically accounted for by the design, they can lead to over or under-estimating programme impact depending on the direction of the spill-over effect.¹⁸ The so called ‘contamination’ of the comparison group is a potential source of concern for any study design, but is potentially more marked in this case because both the treatment and comparison households reside in the same communities.¹⁹

Unfortunately, the evaluation design simply does not allow us to quantify the magnitude of the spill-over effects. However, the literature suggests that spill-over effects – i.e. indirect effects of the cash transfer on the rest of the community – exist and they are likely to result in positive social and economic externalities affecting the communities in which the beneficiaries live. The likely existence of spill-over effects suggests that, if anything, the present evaluation underestimates the direct impact of SAGE as it cannot disentangle the indirect effects of SAGE on the rest of the community. Therefore the evaluation is likely to be providing a conservative estimate of the programme’s impact.

Box 1: Modelling spill-over effect

Modelling the transmission mechanisms through which a programme can have local indirect effects can be extremely complicated. As beneficiary households do not live in isolation, they are involved in a series of transmission mechanisms that have repercussions for non-beneficiary households, through their social and economic interactions. The beneficiaries are likely to become less dependent on the community and more able to contribute and support it. The literature on cash transfers shows that very often the cash transfer result in increases in exchanges, mutual support, and social networks within the community. This suggests that non-beneficiaries end up indirectly benefiting from the cash transfer as well. Also, due to the injection of cash into the local economy, SAGE beneficiaries will be stimulating the demand for food or goods, or an increase in production, sales, income and wellbeing of local producers. Empirical evidence shows that local economic and social transmission mechanisms can significantly affect the local economy. In Lesotho, for example, a recent study has simulated the effects of a similar cash transfer, the Child Grants Programme (CGP), on the local economy using a local economy-wide impact evaluation model. This study concluded that for every dollar spent on the CGP, between 1 and 1.2 additional dollars would be generated in the local economy.

¹⁷ Note that some of the limitations discussed in regard to the sampling design and empirical steps are standard procedural components of any evaluation. Any evaluation is exposed to a sample selection, to the use of a minimum cluster size to justify logistical costs of fieldwork operations, and to the need to trim if employing PSM. These procedures are unavoidable and have been conducted using internationally recognised best practices.

¹⁸ See, for example, Angelucci and De Giorgi (2009) and Lehmann (2010).

¹⁹ This is opposed to other potential design choices, such as clustered RCTs, in which treatment and control households are located in different communities.

2.2.4 How to interpret the impact estimates

The impact estimates presented in this report are derived from an assessment of 12 distinct impact estimator models that were run to test the robustness of the PSM-DID results across alternative specifications.²⁰ Based on the results from these 12 models, we applied the following criteria to assess whether the results we observed were significant and robust, not significant and robust, or not robust:

- 0 or 1 significant estimate (out of 12 models) leads to a conclusion of no impact, but a robust result – this is reported as the numerical value given by the mean of all insignificant estimates;
- 2-5 significant estimates (out of 12 models) leads to a conclusion of no clarity on impact, in effect a non-robust result – this is reported as ‘not robust’;
- 6-10 significant estimates (out of 12) leads to a conclusion of likely impact, a relatively robust result – reported as the numerical value given by the mean of all significant estimates, with asterisks (*) to indicate the level of significance; and
- 11-12 significant estimates (out of 12) leads to a conclusion of a robust impact – reported as the numerical value given by the mean of all significant estimates, with asterisks (*) to indicate the level of significance.

In other words:

- **if an impact estimate is given as ‘not robust’ it means that we do not obtain a robust insight into the impact of the programme on that indicator;**
- **if the impact estimate is given as a value with no asterisks, this indicates that the impact estimate is robust but not statistically significant (i.e. we interpret that the programme has not had an impact on that indicator);** and
- **if the impact estimate is a value with asterisks it means that the estimate is robust and statistically significant (i.e. the programme has had an impact on that indicator).** Asterisks (*) next to the impact estimate show the level at which the impact is statistically significant.

The value of robust significant estimates is presented as the mean of all significant models. This is because there is no strong rationale for arbitrarily picking one single model to represent the preferred estimate of impact. In this report we interpret the data based on the robustness of the observed results (as categorised above) and the direction of any impact observed. We do not emphasise the magnitude of the results observed because the modelled approach to estimating impact used here can be misleading in terms of the magnitudes it produces.²¹ Results from all the estimator models, standard errors, intra-cluster and inter-temporal correlations are given in Annex L.

²⁰ See details in Annex C. The different model specifications primarily reflect variations in bandwidth selection and trimming.

²¹ Further robustness checks of the results are carried out by triangulating relevant impact estimates with the RDD results reported in Annex D.2.

Box 2: How to read the tables in this report

The majority of tables in this report follow a standard format. The first set of columns presents estimates for the SCG treatment sample. The second set of columns presents estimates for the VFSG treatment sample. Under each targeting mechanism, the first two columns show point estimates depicting the trend for each indicator between baseline and endline. The trend estimates are constructed over a cross-section of the relevant population group at each point in time. Asterisks (*) in the midline or endline column show whether the change between the two rounds is statistically significant. If no asterisks are shown, it means that the estimates are statistically similar. The third column presents the estimate of impact. The fourth column shows the number of observations over which the point estimate at endline is derived, in order to provide an idea of the sample size for each indicator.

If the impact estimate in column three is followed by '(NR)', this means that we did not obtain a robust insight into programme impact for that indicator. If the impact estimate is given as a value with no asterisks, this indicates that the impact estimate is robust but not statistically significant (i.e. our interpretation is that the programme has not had an impact on that indicator). If the impact estimate is given as a value with asterisks, this means that the estimate is robust and statistically significant (i.e. our interpretation is that the programme has had an impact on that indicator). Asterisks (*) in the impact column show the level at which the impact is statistically significant.

The level of significance is given as the mode level of significance across all significant models. The level of significance is denoted as follows: three asterisks (***) indicates the difference is significant at the 99% level of confidence; two asterisks (**) indicates a 95% level of confidence; and one asterisk (*) indicates a 90% level of confidence. All significance tests are based on standard errors, taking into account the survey design and clustering by village.

The specific population under consideration, e.g. 'households' or 'individuals', is specified in the descriptive text for each indicator. Trend point estimates (i.e. at baseline and endline) are calculated as the mean across all households in each treatment group, which may differ from the treatment groups constructed by the matching model for the impact estimates. Trends for the comparison groups are presented in Annex L.

Monetary values are given in UGX, at 2012 prices.

All estimates are weighted to represent the population from which the samples are drawn. Detail on survey weights is given in Annex B.

2.3 Qualitative assessment of impact

Alongside a quantitative estimate of programme impact across a range of indicators and impact areas, **the evaluation uses qualitative data both to provide contextual information and triangulation for the quantitative data, and to capture impacts and explore factors that are not easily quantifiable.**

The qualitative research is designed to be flexible in order to respond to any unexpected areas of impact discovered, and to further investigate particular areas of interest that emerge from an analysis of both the quantitative and qualitative data from previous rounds.

In order to understand both the broad contextual issues and to gather data on particular indicators, qualitative information was collected across a range of inter-related areas and is grouped together under five key research areas, as described above in Section 2.1.2.

Box 3: 'Recipient' or 'beneficiary'? 'Individual' or 'household'?

In the report we use the terms 'beneficiaries' and 'recipients' mostly unchangeably. One thing to bear in mind is that a 'recipient' can also refer to the 'named recipient' – i.e. the person in whose name the transfer is registered. For the SCG, as stated above, the recipient is always the individual, but for VFSG there is a possible distinction between the beneficiary household and the recipient who is named on behalf of that household. When it is important to do so we distinguish between the beneficiary household and the named recipient individual.

Depending on the type of indicator being studied, the beneficiary can be the household or the individual. The indicator label will always specify whether it is a household- or individual-level indicator.

During the evaluation inception phase it was agreed by the programme stakeholders and the evaluation team that the qualitative research should not exactly mirror or duplicate all areas of the quantitative survey. Rather, it was decided that it would build on the relative strengths of participatory research and qualitative data to analyse themes that are less easily addressed through quantitative survey data.

A number of key impact areas were thus identified, to be explored by the qualitative research. The key impact areas for the qualitative research are:

- dimensions and definitions of poverty;
- risk and vulnerability;
- livelihoods;
- informal institutions, social relations and cohesion;
- formal institutions and the social contract

The qualitative research was also designed to focus on specific themes in each successive round, based on findings from the previous round. This allows the research to investigate areas of particular interest that emerge, or areas in which in-depth investigation is required in order to better understand the quantitative data.

The baseline qualitative research provided some analyses on the broader context within which SAGE transfers are being provided. In particular, this research highlighted 'social relations' as an area of special interest for in-depth exploration. This corroborated evidence in the existing cash transfer literature which points to the fact that the link between social relations and cash transfer impacts on poverty and wellbeing is often either not examined or unclear. The midline research thus expanded the baseline research questions, to provide an increased focus on understanding the impacts of the SAGE transfer and operational processes on social relations, and how these affect poverty and wellbeing. **In the endline research, the emphasis on the impact of SAGE on social relations was continued, in order to understand the dynamic in this impact area over time. The endline research also explored in greater depth the impact of the SAGE transfer on livelihoods and the local economy, and on subjective or 'psychosocial' wellbeing.** Key research questions for the endline qualitative research are given in Annex F.

2.3.1 Selection of research locations

The endline research took place in all eight evaluation districts in which SAGE is operating. A list of sub-counties in which the qualitative research was undertaken is provided in Annex G. A comparative analysis of impact was provided by facilitating the research with both SAGE beneficiaries and non-beneficiaries at each research site.

Within each SAGE intervention district, two sub-counties were purposefully selected. In districts in which both the SCG and VFSG are operational, the two selected sub-counties covered both targeting methods. In Moroto and Nakapiripit only the SCG is operational so only SCG sub-counties were selected. The other exception is Katakwi, in which both sub-counties selected at baseline were SCG targeting areas.²² In four districts (Apac, Katakwi, Kiboga, Kyenjojo) the research was facilitated in the same sub-counties covered by the baseline research.

Figure 6: Summary of location sampling for qualitative evaluation



In both the districts covered by the baseline and the additional four districts covered in the midline and endline research, sub-counties were purposively selected in order to cover a range of socio-economic settings, taking into account livelihood profile, vulnerability context, and urban/rural distinctions. This selection was done through analysis of secondary data for each sub-county, in discussion with the team leaders from each district. Sub-counties were thus selected to provide diverse contexts within the districts.

Within each sub-county, the research was undertaken in one parish, focusing on a cluster of between two and four villages.²³ The sampling of parishes was based on the ‘remoteness’ of the locations in relation to the SAGE paypoints, such that:

- one parish is close to the SAGE paypoint (not remote); and
- one parish is far from the SAGE paypoint (remote).

²² The decision to sample two SCG areas in Katakwi, rather than one SCG and one VFSG area, was taken based on discussions with local stakeholders on the basis of a range of criteria (see OPM 2012d).

²³ To avoid community fatigue we selected parishes that were not in the quantitative study cluster sample.

Based on these criteria, the selection of parishes was made (at midline) in conjunction with the field research teams, utilising their local knowledge. The selection of parishes was discussed with district and sub-county CDOs during courtesy visits and interviews, in order to: (a) identify the location of SAGE paypoints; and (b) to ascertain their views on whether the identified parishes were typical or unusual in terms of their context and the operations of the SAGE programme. This provided a check against biasing the selection of the research locations (for instance, only selecting sub-counties with positive programme implementation records).

Within the two parishes per district, a cluster of two to four villages was selected based on the livelihood and social characteristics of the beneficiaries, as well as the number of beneficiaries per community. This information was gleaned from the list of beneficiaries provided by the SAGE programme MIS. The number of villages per cluster varies due to the need to sample at least 16 male and 16 female beneficiaries per parish. In the parishes selected for the qualitative research, many of the villages had less than this required number, with the number of male beneficiaries being particularly low in both VFSG and SCG areas.

2.3.2 Sampling of respondents

Although the endline research took place in the same villages as in the baseline, the research team did not aim to interview the same respondents due to the approach of group-based analysis.

Individual respondents were sampled to enable analysis of different social groups in each community. This included research with an equal number of beneficiaries and non-beneficiaries, and an equal number of women and men. The sampled beneficiaries have been in the programme for approximately the same length of time: there has not been a second registration of beneficiaries since the programme started.

The analysis was conducted through focus group discussions (FGDs) and key informant interviews (KIIs). In the endline research, household case studies were also undertaken with beneficiaries and non-beneficiaries, to allow for an in-depth understanding of the impact of SAGE on entire households, rather than just named recipients. **101 FGDs, 123 KIIs and 81 household case studies were facilitated in the endline data collection.**²⁴

Six FGDs were facilitated in each parish/sub-county: three with beneficiary groups and three with non-beneficiary groups. Separate FGDs were held for male and female respondents. Each discussion consisted of around 8-10 participants.

The participants of the FGDs with SAGE beneficiaries were purposively selected through analysis of the SAGE beneficiary list. In each FGD with beneficiaries (male and female), wherever possible the selected participants had similar characteristics, such as 'elderly widows', 'elderly non-widows', 'male farmers', 'males with disabilities', and so on. The same broad social categories of respondents as in the midline (e.g. elderly women, male farmers) were targeted for the endline.

There were two kinds of non-beneficiary FGDs: (a) FGDs with non-beneficiaries that had the same defining identity as the beneficiary groups (widows, livelihood groups, disabled, etc.) to enable comparison; (b) FGDs with alternative identity groups that would provide different perspectives (such as FGDs with businesswomen or fishermen, or youth in SCG areas).

²⁴ These numbers include the additional round of endline research that was conducted to further investigate some of the findings from the quantitative endline data. See Section 2.3.4 below.

At the village level, KIIs were undertaken with local opinion leaders who have everyday contact with their communities (teachers, health workers, religious leaders, women's leaders, local officials, businesswomen, youth leaders, etc.). Key informants shared their knowledge and views on local contexts, changes over time, and the processes and impacts of the SAGE programme. We also facilitated KIIs with district and sub-county level officials, programme implementers and pay agents.

Household case studies were introduced only in the endline research. Discussions were held with two beneficiaries and two non-beneficiaries households who had not been part the FGDs in each research location. Discussions were held with entire households (rather than just named SAGE beneficiaries) on programme impacts and operations. The households were purposively selected from the beneficiaries list provided to the research team. In a few isolated places, a snow ball sampling process was used, where individuals who had participated in the FGDs introduced the research team to other beneficiaries or non-beneficiaries following criteria provided by the researchers.

2.3.3 Timing of, and approach used in, the research

The endline research took place in October 2014, over a two-week period. The fieldwork was facilitated by 24 Ugandan field-researchers. The majority of the researchers were involved in the midline research. Researchers attended a six-day training session in Kampala. The training included the facilitation of a pilot study in Kiboga district.

The field-researchers were organised into six teams, with appropriate language skills and contextual knowledge to cover the eight districts. In each district, the research was facilitated by a team of four field-researchers (two male and two female), and one staff member from Oxford Policy Management (OPM) or Makerere University, who played a quality assurance and oversight role in the first week of the research. The research teams spent six full days in each district (three days in each sub-county).

Each FGD was facilitated by two researchers – one facilitator and one note taker – and lasted for approximately 1.5 hours. The discussions were also recorded on an MP3 recorder, subject to participants giving prior consent. The KII questions covered broadly the same key areas as the FGDs, but were tailored to the particular respondent. Interviews were also recorded, with prior consent. KIIs generally lasted approximately 30 minutes to one hour, depending on the topics discussed and the availability of the respondent.

During the FGDs, two main participatory tools were used to help people explain and debate their views, and to enable local stakeholder analysis of themes:

First, **household income and expenditure analysis**, to analyse:

- the sources, size and frequency of household income for individual beneficiaries and non-beneficiaries;
- the distribution of household expenditures for individual beneficiaries; and
- the contribution of SAGE to changing income and expenditure distributions.

Second, **wellbeing ranking**, to analyse:

- the characteristics of different categories of wellbeing (e.g. very poor, poor, better off, rich), as defined in local terms;
- identification of particularly vulnerable social groups in the community and within households,
- the distribution of poverty categories within the community, and the poverty categories of SAGE beneficiaries; and
- shifts and changes in poverty categories in the last three years and the reasons for these changes.

All the research was conducted in local languages relevant to the selected areas.²⁵ FGDs and KIIs were then translated and simultaneously transcribed by the qualitative researchers who undertook the data collection. The translation of questions and key words and concepts were discussed and agreed on in the training, to ensure consistency.

2.3.4 An additional round of qualitative research

An additional round of qualitative research was undertaken to investigate a few particular issues that emerged from the findings of the endline quantitative data. These included an indication that SAGE may be changing the composition of beneficiary households, the question of whether SAGE was impacting beneficiaries' access to credit, and an implication that SAGE may be having an impact on land ownership. The additional research was conducted in April 2015 in four districts (Apac, Katakwi, Kyenjojo, and Nebbi). Within those, one sub-county and at least two parishes were purposefully sampled to give a range of contexts. In total, 16 FGDs were conducted with both male and female beneficiaries and non-beneficiaries, as well as 20 KIIs with local traders, shopkeepers, local councillors and parish chiefs. In addition, 15 household visits were conducted with specific beneficiaries. These households were selected using the sample of respondents from the endline quantitative survey, and included only households receiving SAGE reporting a change in composition between baseline and endline. See Annex F for the question guide used in this research.

2.3.5 Analysis of the qualitative data

Data analysis commenced during the daily debriefing sessions, in which common and unusual themes were identified and analysed, alongside difference between social groups. The daily debriefings also enabled the researchers to clarify issues and strengthen understanding by incorporating additional key questions into the next day of research. Each research team produced a district-level research report, which provided a summary of the research process and an analysis of key findings and contextual issues.

The data from each FGD and KII were then translated and transcribed simultaneously. Then, after a process of review and clarifications, the data were imported into NVIVO. A data coding framework was then developed, focusing on the key impact areas and associated questions, as well as emerging themes, either common or unusual.

²⁵ Alur, Karamajong, Kumam, Langi, Luganda and Teso.

An assessment of SAGE's impact was made by eliciting from respondents their experiences of changes over the 30-month period between baseline and endline in each of the key research areas, as well as analysing community members' perceptions of change over the past 30 months. The different seasons in which the various rounds (baseline, midline, endline) of research were facilitated thus does not affect the findings because the approach of the qualitative research was to identify, first, any changes within that period, and, second, where the SAGE transfers are reported to have contributed to that change, over and above other factors.

Using NVIVO, data under each research theme were disaggregated and analysed by gender, district, sub-county and respondent type (beneficiary, non-beneficiary, government official etc.), in order to identify differences in experiences and perceptions.

2.4 Assessing operational effectiveness

The evaluation also reports on SAGE's operational effectiveness. The objective is to provide an overall assessment of the programme's operational performance on a range of indicators, including the functional effectiveness of the payments system, beneficiary satisfaction with the programme, and cost to beneficiaries of participating in the programme. Data on operational effectiveness were gathered using both qualitative and quantitative methods, and analysed using a mixed methods approach in the same way as for programme impact. These data and analyses fed into the programme's learning framework and are presented in Merttens *et al* (2016).

2.5 Dissemination of evaluation results

Dissemination of findings from the impact evaluation is coordinated with the ESPP evaluation component's broader communications strategy. Results from the impact evaluation at each round are presented by the evaluation team to a group of national and international stakeholders at an appropriate time and in events organised by the ESPP. The findings at baseline were presented to a group of government and donor-partner stakeholders in Kampala in August of 2013. The findings at midline were presented at a similar event in March 2015. Results at endline will be presented at a forthcoming event to be agreed with the ESPP.

All of the relevant outputs produced by the evaluation will feed into the relevant formal mechanisms to update and improve the performance of the SAGE programme and the ESPP more generally. They will also be made publically available and disseminated more broadly via the ESPP and OPM websites, to help build the evidence base for social protection both in Uganda and internationally. An anonymised version of the data underpinning this evaluation will also be made available via an appropriate public repository (such as the World Bank microdata library) at the completion of the evaluation contract and on agreement with the ESPP and evaluation funders.

Part B: Findings and analysis



By far the main use of the SAGE transfer as reported by beneficiaries is expenditure on food and basic needs.



3 | The SAGE cash transfer

This section describes receipt of the SAGE cash transfer by households and explores differing levels of exposure to the programme. It considers who controls the cash transfer within households and how it is spent.

- According to the SAGE programme MIS, beneficiary households across the eight evaluation districts received on average a total of UGX 521,303 during the evaluation period, very close to their full entitlement. However, according to their own accounts, beneficiaries have received 7.3 payments on average since baseline, worth a total of UGX 376,750. The discrepancy between beneficiary perceptions and the MIS data likely results from a combination of factors. MIS data are aggregated and so may elide some households' experiences of any fraud or other transactions that result in a beneficiary not receiving their full entitlement. At the same time, beneficiary recollection of payment receipts is subject to recall error (especially for the very elderly).
- On average, the mean **monthly value** of the transfer for beneficiary households per adult equivalent is **UGX 11,000** (\$4.20), which is close to around 18% of the average poverty line in evaluation areas, and around **12% of total household consumption** on average for both beneficiary groups. However the value of the transfer is also worth more or less to households depending on their size, with large differences in per person value between small and large households.
- On average, beneficiaries spend approximately **3% of the bi-monthly transfer value (UGX 1,500) on costs associated with collecting the transfer.**
- The SAGE cash transfer is paid directly to elderly individuals in the case of the SCG. Women are selected to be the named recipients in VFSG households, if they are present. The **proportion of beneficiaries who are female is high overall, at 65%**, and much higher for VFSG households than SCG households (81% vs. 56% respectively). SCG recipients are older on average than VFSG recipients (72 years old compared to 56 years old).
- In the vast majority of cases (98%) **the main person who decides how the cash transfers are spent is the named beneficiary**, but these decisions are often made in discussion with other family members.
- By far the main use of the SAGE transfer as reported by beneficiaries is expenditure **on food and basic needs** (75% and 54% reported spending the transfer on these items among SCG and VFSG beneficiaries, respectively). This is followed by **productive investments and expenditure in health and education**. VFSG beneficiaries were significantly more likely to report using the transfer for investment in productive assets and education than SCG beneficiaries.
- 7% of beneficiary households reported **sharing some of their most recent transfer** in the form of a gift or loan to other households (6% sharing; less than 1% loaning).
- Beneficiaries reported that **by the end of the second week after payday the transfer is invariably completely spent**, after which time households resort to credit from shops or neighbours or living off the proceeds of their own enterprises until the next payday.

The evaluation theory of change posits that households are empowered through being targeted by the SAGE programme and thereafter receiving cash transfers. As a prelude to consideration of the impacts of the SAGE programme, this section describes receipt of the cash transfer by households and explores differing levels of exposure to the programme. It considers who controls the cash transfer within households and how it is spent. Information on the targeting and enrolment process for SAGE, as well as other facets of programme operations, such as complaints and grievances, are provided by the evaluation midline and endline reports on programme operations (see Merttens *et al*, 2016 and Merttens and Jones, 2014).

3.1 SAGE payments

SAGE cash transfers are delivered to beneficiaries via an electronic payments system. Each beneficiary is given a SAGE programme card that contains a SIM. The beneficiary takes the card to a designated paypoint, along with the necessary documentation to prove they are the transfer title holder or nominated recipient, whereupon they are able to withdraw their payment. Payments are made on a bi-monthly basis. Paypoints are located at one or two central points in each sub-county, such as the sub-county centre. The value of the bi-monthly payment is currently set at UGX 50,000 (i.e. UGX 25,000 per month). This value increased from UGX 48,000 in July 2013.²⁶ The SAGE transfer is paid to individuals in the case of the SCG, and at a flat rate to VFSG beneficiary households.

For a variety of reasons households can have different levels of exposure to the programme. This can be because:

- households can contain more than one SCG registered beneficiary;
- households may have received different numbers of transfers over the evaluation period; or
- the per capita value of the transfers differs because households are of varying sizes.

In fact, just over 14% of beneficiary households contain more than one beneficiary (that is, a named SAGE recipient), and these are almost always SCG households. **One-fifth of SCG beneficiary households contain two or more beneficiaries – mostly just two (21%) – while 98% of VFSG households contain just a single beneficiary.**²⁷

The baseline and endline quantitative evaluation surveys were undertaken 24 months apart. Had payments started immediately after baseline, as per the original roll-out plan, we would expect the majority of households to have received up to 11 bi-monthly transfers between the two rounds, totalling UGX 544,000 (c. \$212).²⁸

According to the SAGE programme MIS, a total of just over UGX 33.4 million has been disbursed to almost 64,113 beneficiary households across the eight evaluation districts between the months of December 2012 and October 2014.²⁹ This implies that on average households received a total of UGX 521,303, equating to an average payment amount of UGX 47,391 over 11 payments, or 10.4 payments on average based on the current payment value (UGX 50,000). This is very close to the beneficiaries' full entitlement.³⁰

²⁶ For more detail on the SAGE payments system and how it has performed see Merttens *et al* (2016).

²⁷ VFSG households might contain more than one individual beneficiary in cases where the registration was done incorrectly (for example, counting one household as two), or in cases where formerly separate households have combined.

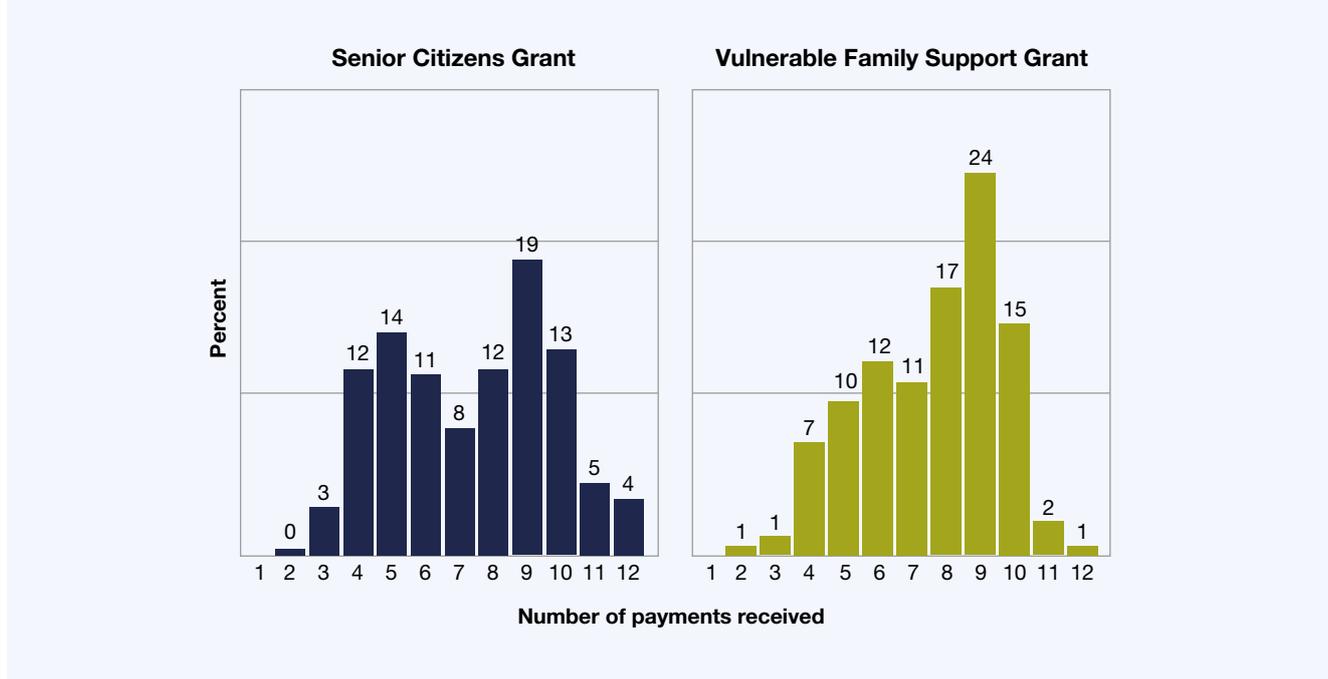
²⁸ According to the original enrolment plan for evaluation areas, enrolment was due to occur immediately (within around one month) after the evaluation baseline survey was conducted in September-October 2012. First payments would then be made around one month after that. This implies that the aim was to make first payments around January 2013 (for the months of December and January) in evaluation sub-counties. With payments made on a bi-monthly basis, most beneficiary households would be expected to have received 11 payments by the time the endline survey was conducted in September-October 2014, totalling UGX 544,000 (the total value of the 11 SAGE transfers is equal to three payments of UGX 48,000 plus eight payments of UGX 50,000; the value of the transfer increased in the June-July 2013 payment cycle). In fact, first payments were not made until some time after January in most evaluation areas.

²⁹ Data provided by the SAGE Programme Management Team.

³⁰ For a comprehensive discussion of the performance of the programme vis-à-vis payments, see Merttens *et al* (2016).

However, Figure 7 shows that, according to beneficiary accounts, **there was a large variation in the total number of transfers received by both SCG and VFSG beneficiary households**. Only 9% of SCG households and 3% of VFSG households reported receiving the full target complement of 11 payments or more, and just 63% of SCG households and 59% of VFSG households reported receiving eight or more payments. **On average, SCG recipients reported receiving 7.2 payments, totalling UGX 367,000 (c. \$143), while VFSG households reported receiving 7.4 payments totalling UGX 395,000 (c. \$154)**. This implies that both SCG and VFSG households received an additional 4.5 payments on average since the midline survey – or an additional UGX 239,000 in the case of SCG households and UGX 256,500 in the case of VFSG households – against an expected target of six further payments totalling UGX 300,000 (OPM 2014a).

Figure 7: Number of SAGE transfers received by households, by targeting mechanism



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

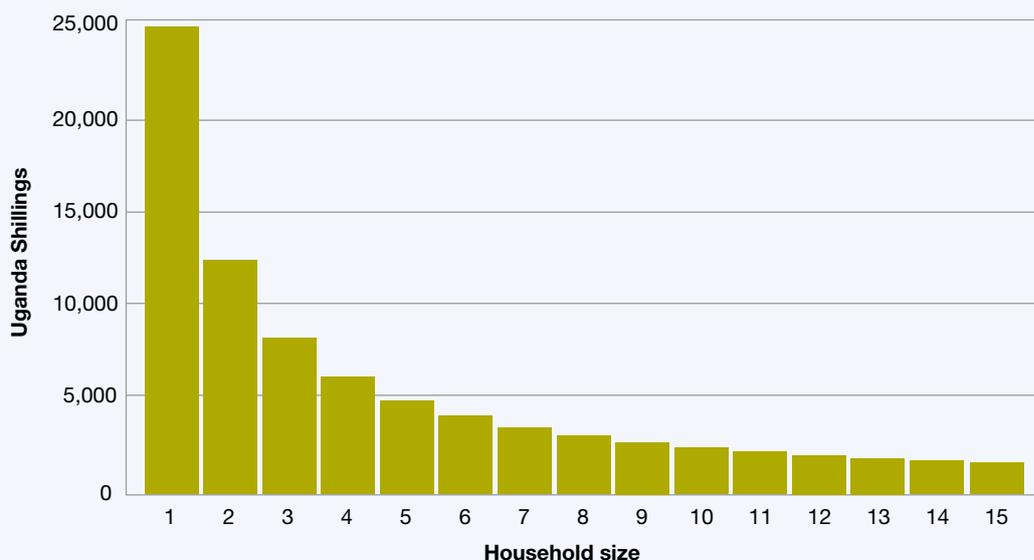
The discrepancy between beneficiary perceptions and MIS data could result from a combination of factors. MIS data are aggregated and so may elide some disparities in regard to households’ experiences of receipt of the SAGE transfers. Equally, these data may not reveal any fraud or other transactions that result in a beneficiary not receiving their full entitlement. At the same time, beneficiaries’ recollections of precise payment receipts are subject to error (perhaps especially in the case of very elderly beneficiaries). Beneficiaries’ recollections of the number and value of payments received are likely to have been affected by the initial delays in payments suffered by the programme, and the consequent ‘lumps’ in the payment cycle (these are discussed in more detail in the midline operations and impact reports).³¹

The value of the transfer is also worth more or less to households relative to their size and total consumption. On average, **the mean monthly value of the transfer for beneficiary households at current rates per adult equivalent is UGX 11,000 (\$4.30)**. This is close to around 18% of the average poverty line in evaluation areas. Because VFSG households tend to contain more children on average, and thus have fewer adult equivalents than SCG households, the per adult equivalent monthly value of the transfer is slightly larger for the former than for the latter (UGX 11,500 (\$4.5) compared to UGX 10,800 (\$4.2)).

31 See OPM (2014a) and Merttens and Jones (2014).

The transfer represents around 12% of total household consumption for beneficiary households (for both SCG and VFSG recipients). This relatively small value in comparison to consumption levels is aligned with some other cash transfer programmes in the region (Livelihood Empowerment Against Poverty in Ghana, the Hunger Safety Net Programme in Kenya, and the Basic Social Subsidy Programme in Mozambique). However, comparative research suggests that stronger impacts are highly correlated with transfer value, and are more likely to be achieved when programmes provide at least 20% of per capita value.³²

Figure 8: Nominal per capita monthly transfer value by household size



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

The SAGE transfer is paid to individuals in the case of the SCG, and at a flat rate to VFSG beneficiary households regardless of household size. **Because the transfer is paid at a flat rate irrespective of household size, the per person value of the SAGE payment declines as household size increases.** Figure 8 above illustrates this characteristic of the SAGE transfer.

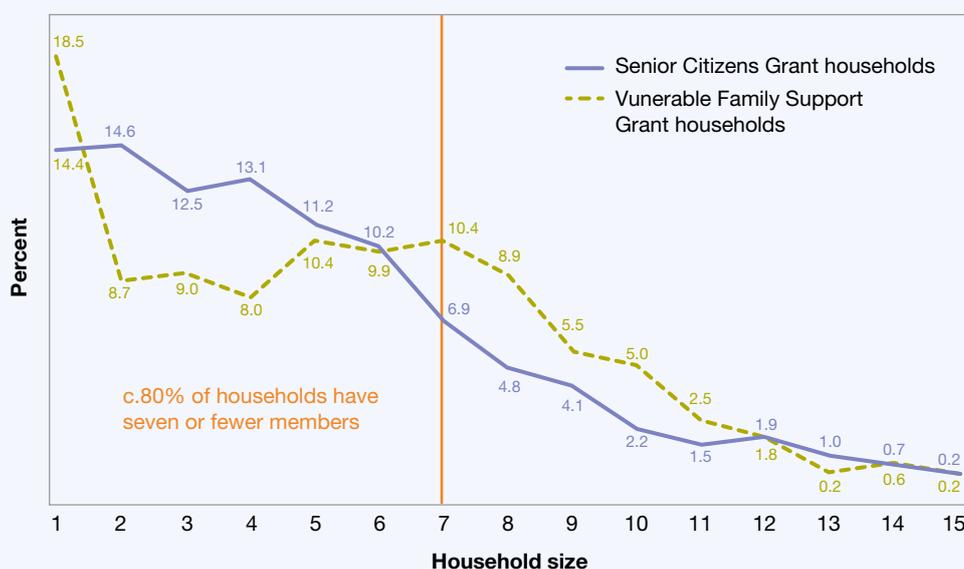
Figure 9 depicts the distribution of households in the study population across different household sizes. It shows that the majority of households (around 80%, taking SCG and VFSG sub-samples together) have seven or fewer members (all data points up to the yellow line). For this group, the monthly value of the transfer per capita is somewhere between UGX 25,000 (\$9.7) for a one-member household, and UGX 3,600 (\$1.4) for a seven-member household; UGX 10,400 (\$3.9) on average. The average per capita value of the transfer differs between the two treatment groups: across all households, the average per capita value of the transfer for SCG households is smaller, at UGX 8,700 (\$3.4), compared to UGX 9,200 (\$3.6) for VFSG households. This results from the different types of households the two targeting mechanisms appear to be reaching: VFSG households are larger on average (by both mean and median measures) than SCG households.

The figures above do not account for the cost to households of collecting the transfer. On average, **the cost of collecting the transfer is UGX 1,500 per household for each payment collected** (UGX 1,300 for the SCG group, UGX 1,900 for the VFSG group), representing 3% of the bi-monthly transfer value.³³

32 See for example: Davis, B. (2014) 'The Impact of Social cash transfers on Labour Market Outcomes: The Evidence from Sub-Saharan Africa.' International Seminar and Policy Forum, IPEA Headquarters, Brasilia, September 2014; Davis, B and Handa, S (2015) 'How much do programmes pay? Transfer size in selected national cash transfer programmes in sub-Saharan Africa.' The Transfer Project; Daidone, S. et al. *Is Graduation from Social Safety Nets Possible? Evidence from Sub-Saharan Africa*, IDS Bulletin Volume 46: Number 2, March 2015 © 2015 Food and Agriculture Organization of the United Nations.

33 See Merttens and Jones (2014) for a more detailed analysis of costs to households collecting the transfer, as well as other aspects relating to the performance of the SAGE payments system.

Figure 9: Proportion of SAGE beneficiary households by household size



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

3.2 Control over the SAGE cash transfer

The SAGE cash transfer is paid to individuals in the case of the SCG, and to households in the case of the VFSG. For the latter, adult women are selected by the programme to be the physical recipients of transfers, if they are present in the household.

For each beneficiary household there is a nominal recipient. There are provisions for those households or individuals who, for whatever reason, are not able to physically collect the transfer and wish to nominate an alternative recipient to do so on their behalf. This alternate recipient does not have to be a member of the household. However, although each individual transfer is nominally received by a specific individual, it is important to consider who actually controls the cash transferred and who makes decisions on how it is used.

Table 2 below details the characteristics of the nominated SAGE beneficiaries. It shows that SCG recipients are older on average than VFSG recipients (72 years compared to 56 years). It also shows that the majority of SCG recipients are heads of their households (in four out of every five cases), but that this is less the case for VFSG recipients (two out of every three cases) than for SCG recipients (close to nine out of every 10). This is likely due to the selection of women by the VFSG programme as nominated recipients, given that women are less likely to be household heads overall (and despite there being more female household members than male household members overall). The proportion of beneficiaries that are female is high generally, at 65%, and much higher for VFSG households than SCG households (81% vs. 56% respectively), for the same reasons mentioned above. A sizeable portion of beneficiaries are also recorded as being disabled or chronically ill (close to one-fifth).

Indicator	Senior Citizens Grant		Vulnerable Family Support Grant		All programme	
	Estimate	N	Estimate	N	Estimate	N
Mean age	71.9	989	56.0***	809	66.3	1,798
Proportion of beneficiaries that are head of household	85.7	989	67.7***	809	79.4	1,798
Proportion of beneficiaries that are female	56.3	989	81.0***	809	65.0	1,798
Proportion of beneficiaries that are elderly ¹	92.1	989	43.8***	809	75.2	1,798
Proportion of beneficiaries that are disabled or chronically ill	17.6	989	16.2	809	17.1	1,798

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.
 Notes: Asterisks (*) indicate that an estimate is significantly different to the relevant treatment comparator: *** = 99%; ** = 95%; * = 90%.
 (1) 'elderly' = 65+ or 60+ in Karamoja region.

The named recipient tends to be the main person in charge of making decisions about how the SAGE cash transfer is used (98% of cases). Also in 98% of cases the main person making decisions about how the transfer is spent is a member of the household, showing that very few alternate recipients are not members of the household. In the rare instances where this is not the case (1%) the main person is normally an extended family member or friend. This is the case for both SCG households and VFSG households.

In six out of 10 cases (61%) the main decision-maker is the sole decision-maker vis-à-vis how the SAGE transfer is spent. This proportion rises to two-thirds (67%) in the case of the SCG, which is overwhelmingly perceived as an individual rather than a household benefit, and falls to half (50%) for VFSG beneficiaries. **Where others are involved in the decision as to how the cash transfer is spent these tend to be household members (26% of all SCG households; 36% of all VFSG households) or extended family members or friends** (5% for SCG, 12% for VFSG). Other people not connected to the household, including local authority figures such as LC1s (village chair persons) and paypoint agents, were reported to be involved in, or somehow influence in a secondary way, cash transfer spending decisions in 5% of cases (3% for SCG, 7% for VFSG).³⁴

These quantitative results simplify somewhat the complex lived reality of how household spending decisions are taken and who controls the SAGE cash transfer. The qualitative data provide an insight into this complexity. For instance, in female headed households, women usually have decision-making responsibilities over how to spend the SAGE money. But this is sometimes complicated in these households if adult men are also present. At both baseline and midline, testimony as to the ultimate authority of males over females when it came to household spending decisions was prevalent. However, collective decision-making was mentioned more often at endline compared to midline, so though it is likely to be rare that women are the sole decision-makers regarding the use of SAGE money, there are signs of encouragement in that collective decision-making could be becoming more common for some households.

³⁴ These proportions do not necessarily total 100% as the question allowed for multiple responses.

Overall, the endline data confirm the findings from the midline in that there are more harmonious intra-household relations (particularly in the SCG areas covered by the qualitative research, but also in some VFSG areas) since the start of the programme (see Section 7). However, isolated incidences of tension have been reported (especially in VFSG households), although these appear less frequently in the data compared to at midline. The increased propensity for disputes in VFSG households as compared to SCG households may be explained by the fact that the SCG is clearly targeted at the elderly individual, whereas the VFSG is targeted at the entire household. This can thus result in disagreements among members as to how the transfer is spent. Where disagreements were reported, they tended to be between the female head of the household and another male member of the household, with each one claiming control over the transfer. There was some testimony that such arguments can even escalate to violence when the transfer has been spent on alcohol.

3.3 Use of the transfer

Proportion of beneficiary households reporting spending the transfer on (%)	Senior Citizens Grant			Vulnerable Family Support Grant		
	First transfer	Most recent transfer at midline	Most recent transfer at endline	First transfer	Most recent transfer at midline	Most recent transfer at endline
Food and other basic goods	72.8	72.0	74.5	58.7***	56.2***	53.9****
Shoes and clothing	5.7	6.8	9.8 [†]	5.8	4.5*	5.4*
Household items	5.4	4.9	4.5	6.1	5.5	6.5*
Payment of debts	3.2	3.9	4.9	1.4***	2.9	3.7 [†]
Savings	2.1	2.8	6.3 [†]	2.9	5.5**	8.5 [†]
Health	16.3	17.6	20.4 [†]	17.7	18.5	17.8
Education	11.6	10.7	14.2 [†]	19.7***	20.9***	30.3****
Productive investments¹	32.4	32.6	28.4	40.9***	46.4***	39.4**

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2013.

Notes: Asterisks (*) indicate that an estimate is significantly different to the relevant treatment comparator: *** = 99%; ** = 95%; * = 90%. [†]Denotes significant change over time (all changes are significant at 99% confidence level). (1) Productive investments include expenditures on livestock, agricultural tools and inputs and investments in household business.

Table 3 presents information on the goods and services SAGE beneficiaries reported purchasing with their transfers. It is important to note that there may be some discrepancy between what households report spending the transfer on and what they actually spend it on, partly because cash is fungible and partly because answers may be biased by what respondents believe the interviewer wants to hear. Nevertheless, it is informative to understand what recipients report. The data show **that the kinds of items the transfer was reported to be spent on has not changed fundamentally between the first transfer received and the most recent**, including at midline. This is the case both for SCG beneficiaries and VFSG. However, there remain some differences between the two targeted populations on how they report spending the transfer.

SCG beneficiaries largely spend the SAGE benefit on food and other basic goods, with productive investments, health and education being three other significant expenditures. VFSG households also reported spending the transfer more on food and basic needs, but less so than SCG recipients (around 54%, compared to 75% for the most recent transfer).

Instead, VFSG reported spending proportionally more on productive investments and education than did SCG recipients. After these, health was the next most frequent expenditure item reported by VFSG households. For SCG households, the positions of health and education expenditures are reversed in terms of priority order, after productive investments. The stronger emphasis on expenditure on education for VFSG households likely reflects the higher prevalence of school-aged children in those households (though SCG recipients did sometimes report ‘topping up’ school fees for their grandchildren), whereas the stronger emphasis on health spending by the SCG group likely reflects the greater health care needs of the elderly.

Although the basic expenditure patterns reported above have not changed fundamentally, there have been some small changes. For the SCG group, we see small but statistically significant increases (denoted in the table using †) over time in the proportion of recipients reporting using the transfer for shoes and clothing, saving, and health and education expenditures. For the VFSG group, we see similar small increases for payment of debts, saving and education expenditure, and a slight decrease in use of the transfer for food and basic needs. Though marginal, these results indicate that **the way beneficiaries are utilising the transfer may be changing moderately over time, with households increasing their propensity to make savings and invest in human capital.**

As the main use of the transfer is on food and basic needs, it is important to enquire as to what kind of items are being purchased under this heading. The qualitative research showed that **beneficiaries often purchased protein-rich foods** (like meat, fish and milk), especially on payment days, which they were previously unable to afford (see Box 4 and Section 4.3 below). In addition (and as referred to above), **many respondents reported purchasing personal hygiene and clothing items with the SAGE transfer.** These include soap, clothes and shoes for both beneficiaries and their children. Particularly for elderly recipients, **SAGE has made an important contribution to beneficiaries’ self-esteem and psychosocial wellbeing, often enhancing the respect they receive from others.** This is contextualised by the lack of priority given to elderly beneficiaries’ hygiene and clothing in contexts of widespread poverty (see OPM *et al.* 2013).

Productive investments were frequently mentioned at endline, both by men and women. Usually this was **livestock, such as goats and chickens.** Products from these animals are used, and animals are bred and ‘matured’, later being sold if a household is in need of money. Often households buy cheaper animals before trading up to more expensive livestock such as cattle. Investments in arable farming were mentioned less than livestock rearing, but there were some beneficiaries who mentioned purchasing seeds and agricultural equipment. Others had set up brewing, tobacco and basket weaving businesses.

Expenditures on education were reported to focus on fees (including ‘topping up’ children’s school fees) and purchase of schooling materials, such as books, pencils, and uniforms, while spending on health care is concentrated on medication. This is likely influenced by the larger number of elderly people with ailments, or with ailments for which free drugs are not available, but also the difficulties that elderly people experience in accessing free medications in some districts.

Around 7% of beneficiary households reported sharing some of the SAGE cash transfer in the form of gifts or loans to other households (6% reported sharing some of their most recent transfer as a gift, 1% reported sharing it as a loan, with the two modes of sharing not being mutually exclusive). For households sharing the transfer in this way, the average value of the amount shared is UGX 13,200. The proportions sharing some of the transfer are practically identical for SCG and VFSG households. However, the value of what is shared tends to be higher for VFSG households (UGX 22,700) than SCG households (UGX 8,900). Such a redistribution of the transfer by beneficiaries has contributed both to an improvement in psychosocial wellbeing and social status for beneficiaries, and increased their participation in reciprocal support networks (see Section 7).

Box 4: Use of the SAGE transfer

When asked what uses they make of the extra resources provided them through the SAGE transfer, beneficiaries implicitly incorporated the consumption-smoothing function of cash into their answers: they reported that they use the resources for health and education, productive investments, as well as food and other basic needs (see Table 3 above). But what happens to the physical cash they receive each pay day, how do they use it?

Investigating how beneficiary households utilise the actual SAGE money they receive on pay days we found very consistent results across districts. Households overwhelmingly reported that the cash from the transfer lasts for about two weeks. For many, the majority of spending takes place on payment day. This seems to be both a cause and a consequence of the increased market activities which spring up around paypoints. As one female beneficiary in Katakwi remarked, *'You should see the market on a pay day. It's beautiful!'*

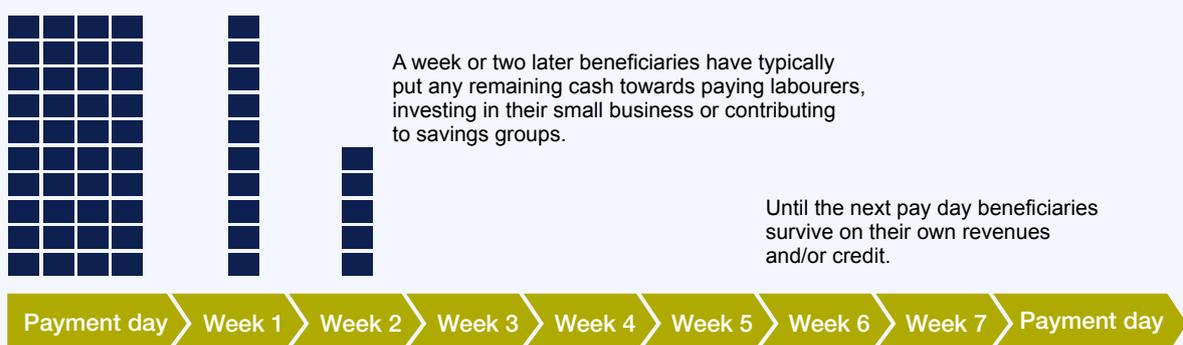
Indeed, outside traders as well as shopkeepers from within the community temporarily relocated to the paypoint, and recipients make immediate purchases of basic needs such as soap, beans, oil, sugar, salt, and clothing. They also purchase 'luxury' items that would normally be prohibitively expensive. These include meat and fish, as well as soft or alcoholic drinks, which are consumed immediately. Pay day also involves the payment of debts. In Kyenjojo respondents mentioned how *'Those who we owe money come with us to the paypoint and we pay them there.'* Thus by the end of pay day, beneficiaries have generally spent between UGX 20,000 and UGX 40,000 of their bi-monthly UGX 50,000.

Within one week of receiving the transfer, around UGX 10,000 may then be put towards paying casual labourers who work on the farms of beneficiaries, investing in small businesses and contributing to savings groups. In the second week any remaining balance may be used to purchase food, or again put aside in a savings group. Across districts, nearly all respondents reported that there is no money left by the end of the second week. One non-beneficiary in Kyenjojo noted the short-lived distinction between those receiving the transfer and those who do not: *'After two weeks, they are just like us.'*

Once the SAGE money has run out beneficiaries typically turn to shopkeepers and neighbours from whom they can purchase goods on credit, and/or use revenue from small businesses or their normal productive activities to maintain themselves until the next pay day.

Figure 10: Timeline for use of the SAGE cash

On pay day beneficiaries spend the majority of their UGX 50,000 paying off debts, purchasing basic and luxury items, or perhaps investing it, for instance in small livestock.



SAGE seeks to directly improve the living standard of beneficiary households and increase their consumption levels.



4 Economic and material welfare

This section looks at the programme's impact on poverty and consumption, food security and nutrition, livelihoods and child labour. The findings are as follows:

- The analysis of the consumption expenditure data suggests that an increase in **welfare** occurred over time for both VFSG and SCG households. This trend was marginally **pro-poor**, meaning that poorer households increased their welfare proportionally more than wealthier households. The improvement in treatment households was found to be larger than in comparison households.
- SAGE has had a positive impact on **poverty** measures using a monetary definition of welfare based on consumption expenditure. Poverty headcounts for both SCG and VFSG households declined. For VFSG there was also a significant impact on other poverty measures (poverty gap and severity of poverty).
- SAGE is associated with a significant increase in **consumption expenditure** for SCG households and in food consumption for both SCG and VFSG households. For the SCG treatment group, the impact on food consumption is driven by increased expenditures for the treatment group. For the VFSG beneficiary group the impact is driven by falling food consumption among the comparison group, suggesting that SAGE has been acting like a safety net for VFSG recipients, protecting them from falling consumption.
- The increases in food expenditure for the SCG group are matched by a reduction in the proportion of households suffering **hunger**. For the VFSG group we found an improvement in **quality of diet**, with fewer households with poor food consumption, as measured by the Food Consumption Score (FCS). SAGE has not had an impact on **child malnutrition**.
- SAGE has not had an overall effect on the levels of **education expenditure** for beneficiary households, in either SCG or VFSG households. However, SAGE is having a positive impact on **health expenditure**, but for SCG beneficiaries only.
- SAGE transfer has had a positive impact on families' experiences of their welfare situation and thus their **subjective wellbeing**. This was especially reflected in the qualitative data for SCG households. SAGE money is seen to help reduce elderly beneficiaries' dependence on others and increase their ability to cope with shocks. This has resulted in a widely perceived improvement in **dignity and respect** for elderly beneficiaries.
- VFSG households also reported an **improvement in their experience of poverty**, with a significant decrease in the proportion of households reporting themselves as 'struggling' and a significant increase in the proportion reporting 'doing ok' or 'doing well'.

- SAGE is not having an effect on **labour supply or livelihood activities** in general. It has not had an impact on the rates of child labour.
- There are indications that SAGE may have increased the amount of **land** owned or cultivated. However, the data here are not fully conclusive.
- The SAGE programme is positively impacting the proportion of both VFSG and SCG households owning **livestock** (particularly cattle and goats). For VFSG beneficiaries, it has also increased the proportion of households that have both purchased and sold livestock in the last 12 months, and increased the value of those purchases. SAGE is also helping VFSG households purchase **other productive assets**.
- The types of **shocks** households face are very similar across SCG and VFSG areas and across time. These commonly include illness/injury or loss of a household member, loss of productive assets or income, or increased expenditures. The SAGE programme has positively impacted one of the key risk-coping mechanisms. Both SCG and VFSG households reported being better able to **borrow a large amount of money in an emergency** (UGX 60,000 or more).

Cash transfers seek to reduce material deprivation through payments of cash to poor and vulnerable households. By providing extra finances, SAGE seeks to directly improve the living standard of beneficiary households and increase their consumption levels. Increased consumption is likely to include an increase in food consumption, which is expected to improve food security and nutrition within the household. Increases in welfare may also reduce the likelihood of households falling beneath the national poverty line, as well as reducing the depth of poverty for poor households. Cash transfers can also produce other positive effects, for instance by allowing households to consume items that enable them to be more productive, increase participation in or diversification of their economic activities, and invest in physical, social, and human capital (i.e. assets, education, health, nutrition), thereby increasing economic security and reducing vulnerability.

This section focuses on the programme's impact on material dimensions of poverty and economic security, and how these relate to welfare, as perceived by the individuals and households themselves. Here we consider the programme impact on consumption, food security and livelihoods, and the degree to which SAGE has enabled households to build and sustain assets such as land, livestock and other productive assets. We close by considering the degree to which SAGE has had an impact on households' vulnerabilities to shocks, and the coping strategies they use to cope with such shocks, including child labour. This section is thus focused on the first two impact areas posited by the evaluation theory of change (see Figure 3 above: material deprivation and economic security), whilst also considering the issue of subjective wellbeing which relates to these impact areas as well as to notions of social exclusion.

4.1 Household consumption and poverty

The evaluation theory of change hypothesises that receipt of SAGE cash transfers will directly raise household consumption expenditure levels: the cash transfer will be used to increase consumption of a range of different items (such as food, clothing, assets, water, housing, health care and transport). Some of the cash will also be devoted to non-consumption transactions – such as repaying debts, saving, or providing informal support to vulnerable relatives. The latter of these non-consumption transactions are considered in Section 7, while spending on health and education, as well as savings and paying down on debts, are discussed in Section 5.

The impact on consumption expenditure is important because of the potential direct effect on expenditure (being able to afford more food or other things). However, it is probably even more important when analysed as a proxy for measuring welfare. Consumption expenditure is the preferred indicator to measure monetary poverty as it represents a good proxy for the goods and services a household is able to obtain.³⁵

It is also expected that the overall increase in consumption levels will reduce the incidence of poverty among beneficiary households. Over the longer term, if the additional resources supplied by the cash transfer are productively invested or used to build assets or savings, the fall in poverty among SAGE recipients would be expected to be sustained, and possibly even become more marked for some recipients. For some households the increase in consumption may not be sufficient to increase their consumption level above the poverty line. However, for these households one might expect to see a reduction in the depth and severity of poverty.

4.1.1 Household consumption expenditure

Poverty in Uganda is measured through the collection of household consumption expenditure. The SAGE evaluation survey replicated the way in which the Uganda Bureau of Statistics (UBOS) constructs national poverty and consumption estimates, including how it collects households' consumption expenditure data, on both food and non-food items over recall periods relevant to each specific item.³⁶ Total household consumption is then normalised across households by representing each household member as some portion of a full 'adult equivalent', under the assumption that individuals of different ages consume different quantities. This yields the mean household consumption expenditure per adult equivalent as reported in Table 4 below. Annex H details the methodology for the construction of the consumption aggregates.

Before discussing the evaluation's findings on SAGE's impact on poverty and consumption, it is important to briefly discuss the **general poverty context and trends observed in the evaluation districts**. Here one must note that the trend, as depicted by the difference between baseline and endline point estimates, is not the same as the measure of programme impact, which is provided by the PSM impact estimate.

The impact evaluation data show an unusually high increase in welfare for both the treatment and comparison groups between baseline and endline. We found a reduction in poverty of about 9.5% after two years across the whole sample, including both SCG and VFSG and treatment and comparison groups.³⁷ The poverty headcount declined from 49% to 33% for SCG households and from 44 to 31% for VFSG households and consumption per capita increased over time. However, we know from the midline findings that this reduction in poverty rate is likely to be overstated due to under-reporting of consumption across a few non-food items at baseline.³⁸ This is confirmed by analysis of trends in poverty and consumption between midline and endline, which show much slighter decrease (see Table K.27 and Table K.28). For a more detailed analysis of this issue see Section 4.1 and Annex E in the midline report.³⁹

35 Consumption expenditure represents a proxy for welfare as it quantifies the amount and type/quality of food and non-food items/assets the household enjoys. Consumption expenditure is a different concept from 'expenditure', which quantifies what the household spends in a certain period. What we are really interested in is not expenditure per se, but consumption as a proxy for welfare, i.e. how the cash transfer affects the long-term wellbeing of the household and household members. Expenditure is volatile (it goes up and down according to cash availability, distance to pay day) but consumption is the preferred indicator because it is a more 'stable' proxy for welfare. If the cash transfer has an impact on the long-term welfare of the households, consumption will reflect this no matter when the information has been collected or how long the recall period is. For a more in depth discussion of measuring consumption expenditure as a proxy for welfare see Deaton and Zaidi (2002).

36 For example, the recall period for food consumption expenditure is the last seven days.

37 The national trend between 2009 and 2013 shows not a small but certainly not as large a decrease in rural poverty as we see in the evaluation data, from 27.2% in 2009/10 to 23.8% in 2012/13.

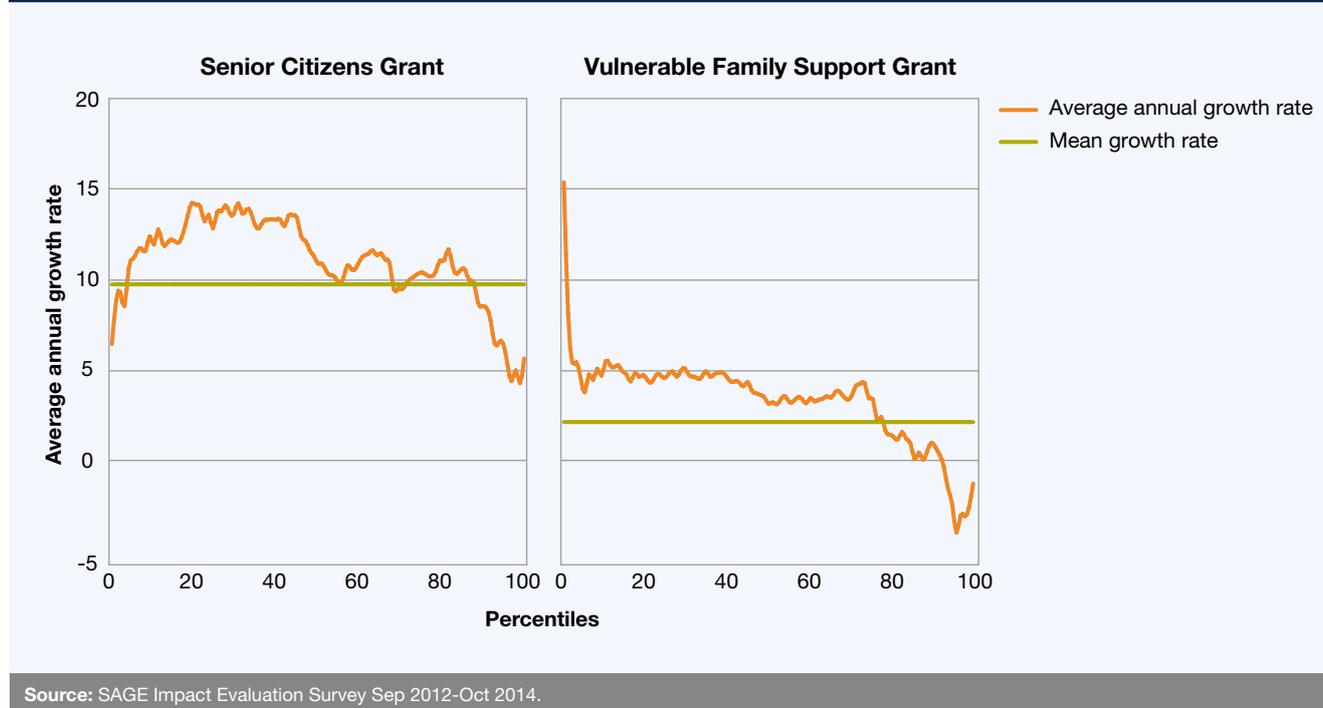
38 These include some items commonly received for free, such as water and health care, that households were asked to impute values for according to the UNHS consumption module methodology.

39 See OPM (2014a).

Acknowledging the underestimation of consumption data at baseline, and having analysed the trends looking at average consumption indicators, it is interesting to consider the whole consumption distribution. Below we investigate how change in consumption affected different household groups and test robustness of the results to the choice of poverty line. To do this, we plot the annual growth rate of consumption expenditure between baseline and endline for different welfare percentiles of the sample. The resulting graph is known as a growth incidence curve.

The growth incidence curves given in Figure 11 below provide a visual representation of the level of pro-poor growth experienced in our sample over time. They show that poorer households at the bottom of the distribution (those to the left side of each graph) experienced a higher improvement in welfare than the average household (green line) and, in fact, higher than the households at the top end of the distribution. This is an example of relative pro-poor growth.⁴⁰

Figure 11: Growth incidence curves by targeting mechanism



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Additionally, when we compare curves between treatment and comparison groups (Annex I) it is also apparent that the consumption growth rate is generally higher for treatment groups across the distribution.

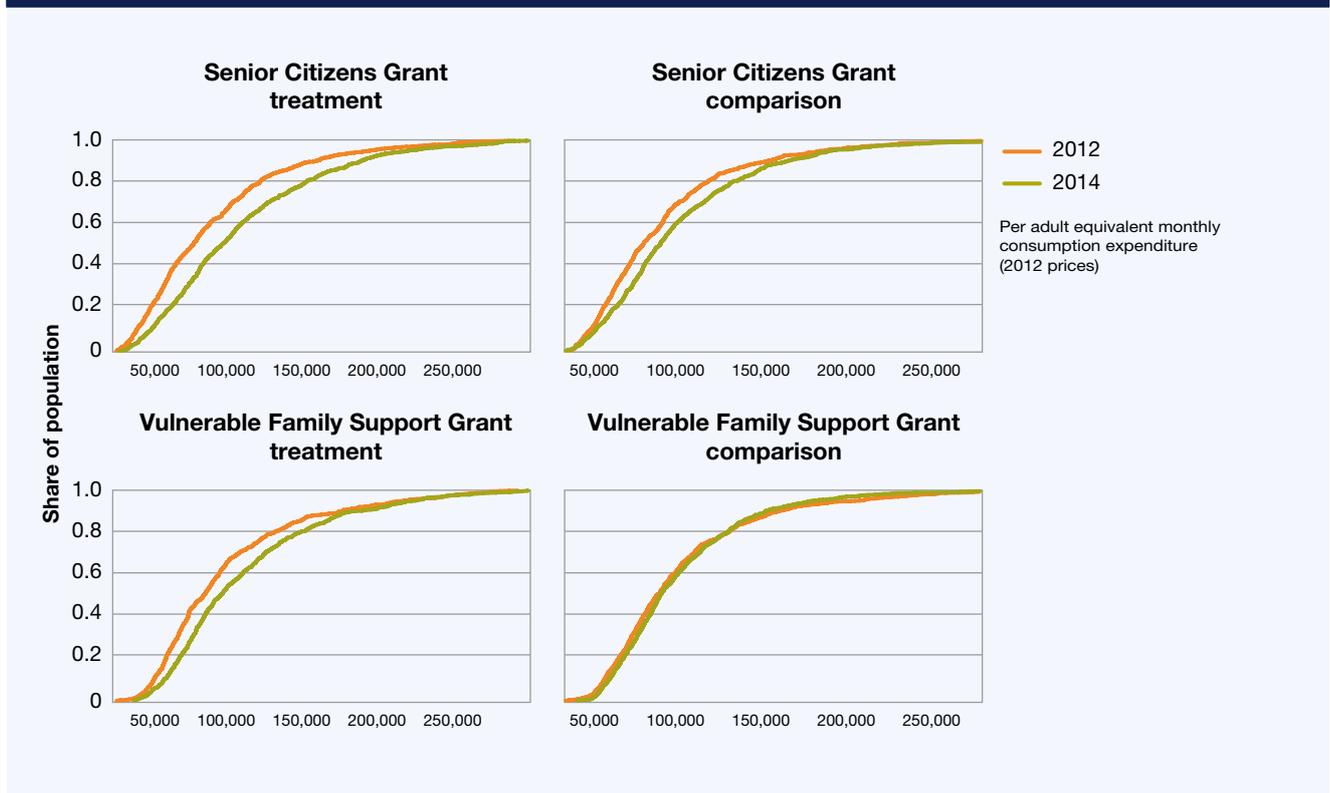
In order to check that the trends experienced in poverty headcount are not driven by the choice of poverty line, we generate poverty incidence curves which plot the cumulative distributions of consumption expenditure at baseline and endline. Figure 12 below shows a shift towards the right for the whole distribution, suggesting that welfare has improved no matter where a household is in the distribution.

When we plot the poverty incidence curves for VFSG and SCG treatment and comparison groups separately, we note that the shift to the right is larger for treatment groups, demonstrating a larger positive improvement in welfare compared to the comparison groups. Moreover, while the improvement affects households at any point of the consumption distribution in the treatment group, households at the top end of the distribution within the comparison group appear to experience a slight welfare reduction.

⁴⁰ The relative definition of pro-poor growth compares changes in the incomes of the poor with respect to changes in the incomes of the non-poor. Using this definition, growth is pro-poor when the distributional shifts accompanying growth favour the poor. See Klasen (2004), Kakwani and Pernia (2000), McCulloch and Baulch (1999) and Kakwani and Son (2003).

This analysis suggests that, despite a slight overestimation in magnitude, an increase in welfare occurred over time within both VFSG and SCG households, with the improvement for treatment households being larger than that for comparison households. Furthermore, the results are robust to changes in poverty lines. Overall, the welfare improvement had a pro-poor effect, with poorer households benefiting proportionally more than households at the top end of the distribution.

Figure 12: Poverty incidence curves by targeting mechanism and treatment status



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

When looking at the impact estimate, which represents the impact of SAGE on the trends observed above, the story is consistent. Table 4 below shows that the **SAGE programme did have a positive impact on total household consumption and poverty headcount for the SCG group**. These impacts represent a development from the situation observed at midline, when SAGE was shown to be having an impact on total household consumption but not yet on poverty rates. At that time, households had received on average just under three bi-monthly transfers and it was expected that programme impact on poverty might become more pronounced once the programme had been running for a longer duration and household consumption patterns had evolved to accommodate the transfers in a more routine way.

For VFSG beneficiaries, SAGE has had a positive impact on all the three poverty measures, but the increase in household total consumption was not statistically significant. Poverty headcount, poverty gap and severity of poverty all declined as a result of the programme, albeit with a low level of significance.⁴¹ As with the SCG group, these results show an evolution of the situation found at midline in the expected direction. The lack of a significant impact on the per capita consumption level can be partly explained by the negative consumption growth rate experienced by households at the top end of the distribution (which thus cancels out the positive growth in the lower part of the distribution; see Figure 11 above).

41 Robustness checks conducted using RDD methodology found a significant impact on the per capita consumption level among SCG households. Details of the robustness analysis and results are reported in Annex D.

This finding of a positive impact on poverty rates emerging over time is consistent with findings for similar programmes elsewhere. For example, in Kenya, an evaluation of the Hunger Safety Net Programme pilot found that, at midline, after just 12 months of programme operations, impacts on consumption and poverty were encouraging, in terms of direction and magnitude, but not yet statistically significant. However, after two years of programme operations these positive indications of impact around consumption, poverty rate, poverty gap and severity of poverty had been consolidated and were statistically significant (Merttens *et al.* 2013).

Table 4: Household consumption expenditure and poverty rates³⁹

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Monthly total household consumption expenditure per adult equivalent (2012 prices, UGX) ¹	77,600	100,200***	12,400**	1,811	88,000	99,000***	5,500 (NR)	1,864
Poverty head count (2012 prices, UGX)	49.3	33.3***	-7.6*	1,811	44.0	31.0***	-8.3*	1,864
Poverty gap (2012 prices, UGX)	16.0	9.2***	-1.4	1,811	9.6	6.0***	-2.2*	1,864
Poverty severity (2012 prices, UGX)	6.7	3.6***	-0.73	1,811	3.0	1.7***	-0.83*	1,864

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for the comparison group are presented in Table K.1. (1) To the nearest UGX 100.

4.1.2 Spending on food

In addition to increasing overall household consumption, it is postulated that SAGE cash transfers will impact the budget share of various consumption items. This is because the poor tend to devote a larger share of their consumption to food in comparison to wealthier households. So, while an increase in food expenditure is expected for SAGE beneficiaries, at the same time the budget share of food consumption in relation to total household consumption may decrease as more resources are available for other spending purposes.

Table 5 reports the trends for the levels of mean food consumption expenditure per adult equivalent in both SCG and VFSG beneficiary households. It shows that **SAGE had a positive impact on food consumption for both SCG and VFSG households**. For the SCG treatment group, the trend in food consumption was positive in the period between baseline and endline surveys, whereas for the SCG comparison group expenditures on food remained constant. This has resulted in a large positive programme effect on food consumption. For the VFSG beneficiary group we also observed a positive programme impact on food consumption, but in this case the impact was driven by falling food consumption among the comparison group (Table K.2).⁴³ This suggests that SAGE has been acting more like a safety net for VFSG recipients, protecting them from falling consumption.

⁴² Definitions of all poverty measures are given in full in Annex H.

⁴³ It should be recalled that the food consumption component of the consumption aggregate is not affected by the concern over under-reporting at baseline discussed in Section 4.1.1, which revolves around a small sub-set of particular non-food expenditure items.

The share of food consumption in total household expenditure remains high when compared to the national average of 45%.⁴⁴ Such high food shares are indicative of households facing difficulties to meet their basic consumption needs. After expenditure on food, there is little room left in the household budget for other expenditures, including those that may help to propel households out of poverty. This hypothesis is supported by comparatively high rates of poverty reported in Table 4, as well as the significant proportion of both SCG and VFSG households that reported incidence of hunger (see Section 4.3 below on food security). Although we do observe a significant trend in the reduction of the share of food consumption in total expenditure, this is not associated with the SAGE programme; in addition, the trend is overstated due to the improvements in consumption data for non-food items after baseline (see Section 4.1.1 above).⁴⁵

Table 5: Food consumption expenditure

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Monthly food expenditure per adult equivalent (2012 prices, UGX)¹	50,400	59,400***	8,900**	1,811	60,000	60,500	9,100***	1,864
Mean share of food consumption in total household expenditure	67.5	59.0***	0.62	1,811	69.2	60.5***	0.91	1,864

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for the comparison groups are presented in Table K.2. (1) To nearest UGX 100.

4.1.3 Consumption in health and education

As we describe in detail in Section 5 below, the quantitative analysis indicates that SAGE **did not have an overall effect on the levels of education expenditure for beneficiary households** in either the SCG or VFSG groups. This matches the findings at midline. More discussion of this result and SAGE's impact on access to education more generally is given in Section 5.1.

However, **SAGE had a positive impact on health expenditure for SCG beneficiaries** (see Section 5.2). This represents an evolution since midline when, though we did not obtain a robust result of impact, the magnitude was positive and there was some evidence from the qualitative research indicating that SAGE was likely to produce an effect in this direction. This is further corroborated by the fact that health expenditure was commonly and increasingly indicated as an area of use of cash transfer when reported directly by SCG beneficiaries.

⁴⁴ UNHS 2009/10.

⁴⁵ An additional measure of food security – number of meals per day – is presented in Table K.10 and Table K.11.

4.1.4 Consumption by other areas of expenditure

Table 6 shows data for programme impact on spending on shoes and clothing, as well as ownership of blankets for different age groups. At midline we found that SAGE was having an impact on expenditure on shoes and clothing for both SCG and VFSG groups. This was supported by much qualitative testimony around the transfer's ability to enable SCG recipients, especially, to purchase clothing and hygiene products, which had greatly raised their self-esteem (see Section 4.2 below). At endline this result has disappeared for the SCG group.

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Mean expenditure on clothes and shoes (excluding school ware) (2012 prices, UGX)¹	4,300	6,100***	-300	1,811	4,000	5,600***	2,900***	1,864
Proportion of individuals owning a blanket (shared or own)								
Children 0-5 years old	39.4	46.2*	14.7*	1,184	41.3	40.0	5.6	2,042
Boys	39.7	48.1*	16.0	600	40.4	42.0	14.7**	986
Girls	39.0	44.2	10.0	584	42.1	37.8	0.62	1,055
Children 6-17 years old	40.1	38.0	5.8	3,542	37.9	34.8	-1.7	4,736
Boys	39.8	35.2	6.3	1,784	39.1	35.3*	-3.8	2,385
Girls	40.4	41.0	7.4	1,758	36.5	34.2	3.0	2,351
Individuals aged 50+	50.4	51.4	3.6	2,284	49.4	51.5	17.9***	1,161
Male	54.6	57.0	-4.2	964	59.7	59.0	6.0	393
Female	47.7	48.1	10.1*	1,320	45.0	48.4	16.2**	768

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for the comparison groups are presented in Table K.3. (1) To nearest UGX 100.

While the SCG treatment group increased its expenditure on this item between baseline and endline, expenditure for the comparison group remained static. However, this difference does not translate into a statistically significant measure of impact at endline. Data from the qualitative research suggests that while expenditure on new clothes items took place in the first year of the transfer, expenditure priorities for SCG recipients have since changed.⁴⁶

⁴⁶ The recall period for expenditure on clothes is 12 months.

“During the very first payments, they would come around and the whole place would be stinking. We would wonder if we would be able to get through with the payments. But now when they come they are smart and clean.” Pay agent, SCG and VFSG areas, Kaberamaido and Katakwi districts

For the VFSG beneficiary group expenditure on shoes and clothing has also increased, reflected in a positive estimate of programme impact and continuing the trend observed at midline.

Section 3.3 above corroborates this thesis: it shows that SAGE beneficiaries reported spending the transfer on a variety of items (see Table 3). A large number of beneficiaries, especially elder beneficiaries, mentioned spending the transfer on soap and clothing in particular, as well as on mattresses and bedding, and small repairs to their homes. These items are in the realm of affordability for the transfer and carry a relatively large benefit in terms of improving recipients’ self-esteem and sense of dignity (see Section 4.2).

In addition, **for the VFSG group ownership of blankets has also increased as a result of the programme for both boys aged zero to five, and those over the age of 50** (driven by women). We did not see a similar impact on children aged 6-17. **For the SCG group ownership of blankets has also increased as a result of the programme for children aged zero to five and for women over the age of 50.** However, these results are significant at lower levels of confidence. The qualitative data also produced specific references to blankets and bed sheets as a particular preference of beneficiaries.

“They normally purchase these commodities and we traders are happy once we sell our items faster. We know what items they like and we stock those particular ones, like blankets.” Trader, Kyenjojo, SCG area

4.2 Subjective wellbeing

The qualitative research provides insights into the effect of SAGE on beneficiary households’ own assessments of their welfare and wellbeing. This provides information on non-material dimensions of poverty, such as dignity, that are hard to measure quantitatively, but which are considered important by people themselves.

Qualitative data and subjective measures of poverty in the quantitative data show that, while living conditions remain challenging, **the SAGE transfer has had a positive impact on families’ experiences of their welfare situation.** This is especially reflected in the qualitative data for SCG households. Among the SCG communities surveyed by the qualitative research team, the SAGE cash transfer is perceived to have had a marked impact on the subjective wellbeing of beneficiaries. **SAGE money is seen to help reduce elderly beneficiaries’ dependence on others and to increase their ability to cope with shocks** (see also Section 4.5 below). It has also allowed many to purchase assets, such as small animals (Section 4.4), which is one of the defining characteristics distinguishing the ‘very poor’ from the ‘fairly poor’ in the eyes of local communities.

A major indication that the wellbeing of SCG beneficiaries has improved is the frequency with which beneficiary respondents referenced a significant decrease in dependence on others. This trend, already noted during midline, has continued in the endline.

“SAGE has reduced dependency because beneficiaries themselves can afford basic needs and they live independent from their former provider.” Parish chief, Kaberamaido, SCG area

“This programme is of very great importance in the lives of old people. It has reduced the level of dependency by the old people on others. It is also good in that the wellbeing of the old people has improved slightly. They can now dress well, can afford soap and also buy food, and as a result, their health has also improved.” Teacher, Nakapiripirit, SCG area

In the qualitative research, SCG recipients were more likely than VFSG recipients to report that they had joined savings groups. These included official Savings and Credit Cooperative Organisations (SACCOs) as well as informal savings groups. These qualitative findings were not replicated in the quantitative measure of programme impact on the propensity for beneficiaries to report having cash savings – in this measure the programme was not shown to have had an impact on aggregate – but they may indicate one of the possible causal pathways of impact for some households. Having access to savings not only allows those beneficiaries to make more investments into their livelihoods and/or dwellings, but also enables them to invest in social capital by contributing more generously towards festive celebrations and religious events. SCG beneficiaries also mentioned that they were more likely to hire agricultural labour as a result of the programme.

In addition, SCG beneficiaries perceive that the transfer has allowed them to invest in the future. Across districts, SCG recipients often viewed the small investments they were able to make, in livestock for example, as a way to cope with future risks, or to build up what would hopefully become a strong asset base in the future. In addition, many expressed that the investments made in the education of children carried the expectation that having educated members of the household will improve the family’s wellbeing in the future. The SCG is thus perceived to facilitate a move upward between poverty categories, as understood by the local population.

SAGE is perceived to have restored dignity for the elderly in many cases. While the word ‘dignity’ was not always used as such, beneficiaries themselves, family members, and community members more generally, reported that the transfers have positively affected their appearance (elderly people are now able to afford soap and clothes), allowed them to build their social capital (contributions to social functions or church gatherings) and to increase their voice in community decision-making arenas, while previously they were often forced to beg (see Section 7).

“Because of SAGE transfer we now can meet our basic needs. We have some dignity now.” Male beneficiary, Kiboga, SCG area

“Yes, there is change because you find that some old men those days never had clothes and could not even socialise with others in the community but now with this SAGE you find that someone now has good clothes and are not rejected by others.” Male beneficiary, Kaberamaido, VFSG area

“The elderly are now able to buy clothes, and soap. They are able to keep clean and because of this, they are more accepted in the community.” Key informant, Katakwi, SCG area

Somewhat curiously, the positive impacts on subjective welfare and self-esteem that are so predominant in the findings of the qualitative research on SCG recipients are not reflected in the two quantitative measures of subjective welfare. We asked households to assess their own level of welfare on a subjective basis according to five categories⁴⁷ (see Table 7 below). While the trends are generally in a positive direction, showing improving subjective welfare overall, these trends are not shown to be the result of the programme on aggregate, as measured by the impact estimate.

⁴⁷ Unable to meet household needs – Highly dependent on support from community or government; Struggling – Managing to meet household needs, but only by depleting productive assets and/or receiving support from community or government; Doing just ok – Able to meet household needs, but with nothing extra to save or invest; Doing well – Able to meet households needs by own efforts, and making some extra saving and investment (e.g. by buying livestock or improving housing); Doing very well.

Table 7: Subjective welfare

Proportion of households...	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Doing very well	0.24	0.59	0.31	1,815	0.23	0.66	-0.24	1,866
Doing well	4.1	11.8***	-3.7 (NR)	1,815	1.8	9.6***	5.4***	1,866
Doing ok	26.1	33.4**	3.1	1,815	17.7	41.4***	10.1**	1,866
Struggling	46.2	46.0	4.5	1,815	60.5	42.1***	-16.4***	1,866
Unable to cope	22.8	8.3***	-3.6	1,815	19.6	6.2***	1.1	1,866
Can't say	0.62	0.00**	-0.56	1,815	0.16	0.00	0.08	1,866
Average step	5.6	6.0***	-0.29 (NR)	1,815	5.7	6.6***	0.04	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for the comparison groups are presented in Table K.4 and Table K.30.

In VFSG areas, research at midline found that beneficiaries' experience of poverty and vulnerability had not really changed, and that they continued to struggle against harsh contexts. This was largely attributed to the fact that the VFSG money was considered short-lived and was used for immediate needs, and that the programme was too new to have affected changes in their experience.

At endline **VFSG beneficiaries did report an improvement in their experience of poverty**. This is clearly reflected in Table 7, which shows a significant decrease in the proportion of households reporting themselves as struggling and a significant increase in the proportion reporting doing ok or doing well. Unlike for the SCG group, for the VFSG group these trends are reflected in a statistically significant positive estimate of aggregate programme impact.⁴⁸

VFSG recipients described improvements in their subjective welfare mainly in terms of the transfer's ability to provide stability and enable recipients to meet their basic needs and make investments in small livestock. Respondents mentioned the reliability and regularity of the transfer as a factor in its ability to change their experience of poverty (*'I have been empowered to have something every month'*), indicating a shift in perception from the midline study, when the payments were much more 'lumpy' due to teething problems in the programme's early phase operations.

As at midline, the VFSG was perceived to create less of an improvement in the wellbeing of the very poor, compared to the changes in the experiences of the 'fairly poor', who were able to use the transfer to invest in farm inputs, small business and productive assets. Meanwhile households categorised as 'very poor', often those with large numbers of dependents (including the elderly), continued to state that the transfer did not create a significant change in wellbeing. Respondents in this category tended to maintain that although SAGE had enabled them to meet some basic needs in the present, it had not enabled them to transform the conditions necessary to improve their situation in the future.

48 A further measure of a household's sense of wellbeing is provided in relation to people's perceptions of agency. In order to gauge respondents' sense of autonomy and power over their own lives and destinies, households were asked to position themselves and their neighbours on an imaginary 10-step ladder. On the bottom step are people who are completely without free choice or control over the way their lives turn out. On the highest step are those with the most control over their lives. At baseline, both SCG and VFSG positioned themselves on average on step five (5.6). However, while at midline households in both groups positioned themselves slightly higher, this was the same across treatment and comparison groups, resulting in no significant impact on households' sense of agency and autonomy for either SCG or VFSG beneficiaries at endline. These results are provided in Table K.29.

“Actually I can say we are very poor, just like you can see ... Me I have lost all my sons and even my husband died a long time ago, and yet now I have grandchildren that I am looking after. For me I see no improvement because we don't have anyone educated who we could hope that with time this man can also get a job that will be helpful to our family.” Elderly female beneficiary, Kaberamaido, VFSG area

Box 5: Household perceptions of the determinants of wellbeing

The qualitative study reports as the perceived main causes of hardship climate conditions (for example, droughts in Kiboga and Kyenjojo), crop and livestock diseases, and poor market conditions (such as terms of trade for farmers). Respondents also listed shocks, such as illnesses and death of family members, as events explaining their experience of poverty (see also Section 4.5 for a discussion of the types of shocks commonly faced by households).

Constraints to further social mobility and improvements in their life conditions were found to be related to the old age of the beneficiaries. Being too old or too ill to perform manual labour, as well as the risks associated with being widowed, were mentioned as characteristics limiting the potential impact of the transfer.

However, respondents across districts also reported factors that generally contributed to an upward move in welfare and that presented opportunities for positive change at endline. These can be summarised as a better ability to meet their basic needs, to send children to school, to purchase small livestock, and to have improved social standing in the community.

To different degrees across households and districts, households and communities mentioned positive impacts on their wellbeing due to their ability to invest in education and labour or inputs used to increase agricultural production. Savings were also frequently mentioned as a source of advancement in welfare, and more activity around savings groups was highlighted in the endline qualitative research compared to previous rounds.

4.3 Food security and nutrition

According to the evaluation theory of change the improvements in material welfare created by the cash transfer might translate into increased food consumption, increased food security, and therefore reduced episodes of hunger. In addition, or alternatively, they may lead to improvements in the quality of the food consumed, enabling households to substitute away from low-nutrient staples and sugars towards more nutritious meals. Since the nutritional status of mothers can be a good predictor of children's health outcomes, better nourished mothers may pass on benefits to their young children. In this section we present estimates of impact on multiple measures of household food security and nutrition, including hunger indicators, diet quality, and child nutrition.

4.3.1 Food security and dietary diversity

To provide a comprehensive picture of the level of food security within households we present two indicators: the Household Hunger Scale (HHS)⁴⁹ and the FCS.

⁴⁹ The HHS was developed by the Food and Nutrition Technical Assistance Project (FANTA), which works to improve and strengthen nutrition and food security policies, strategies, programs and systems through technical support to the United States Agency for International Development (USAID) and its partners, including host country governments, international organisations, and non-governmental organisation (NGO) implementing partners.

The two indicators are complementary and measure different aspects of food security. The HHS focuses on reported incidences of hunger experienced by the household in the last 30 days, to understand if households are experiencing a shortfall of food. The FCS is a composite score measuring dietary diversity and frequency of food consumption of different food groups in the previous seven days and is a good measure of the quality of diet in a household. Different food groups are assigned different weights to contribute to the final score, to reflect the fact that certain food groups have a higher overall nutritional quality than others. Full details on the construction of these indicators are provided in Annex J.

Table 8: Household hunger scale

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Mean HHS	1.5	1.1***	-0.30***	1,816	1.3	0.83***	-0.11	1,866
% households by HHS categories								
Little or no hunger in the household	45.0	61.6***	7.4**	1,816	55.0	73.4***	5.6	1,866
Moderate hunger in the household	51.1	36.4***	-4.6	1,816	39.8	25.2***	-4.2	1,866
Severe hunger in the household	3.9	2.1**	-2.4	1,816	5.2	1.4***	-1.4	1,866

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.5.

The results observed across the two measures give some indication of positive trends in food security. Table 8 shows that trends have been generally positive overall, with fewer households experiencing episodes of hunger between baseline and endline. This is the case for both treatment and comparison groups across targeting mechanisms (see also Table K.5). We also observe that the mean HHS has declined for all households (a positive direction in terms of household food security). These trends are shown to result in a positive programme impact estimate for SCG recipients, but not for the VFSG group. **As a result of SAGE, we see an increase in the proportion of SCG households reporting little or no hunger**, a finding that is supported by testimony in the qualitative research:

“SAGE has given me hope to wish for tomorrow because the situation is no longer hopeless. I know I will wake up and eat. I will not beg people for food anymore.” Female beneficiary, Kyenjojo, SCG area

These findings are in contrast with those observed at midline, when the mean HHS had declined for both groups, and we observed some positive results for VFSG households reporting little or no hunger in the household, but not for SCG recipients. It thus appears that the impact has been augmented for SCG households, but has somehow disappeared for VFSG households. This is also in contrast to the findings on food consumption expenditure discussed above (Section 4.1.2), which increased for both groups, and the findings on the FCS discussed below. It is thus difficult to fully reconcile this finding.

The FCS enables understanding of the quality and diversity of diets within households. Table 9 presents some encouraging results for the VFSG group. In spite of modest changes to the HHS reported above, the proportion of VFSG households with poor food consumption has significantly declined. In addition, there is a significant increase in the proportion of households with acceptable food consumption for this group. These results are consistent with those observed at midline, where we observed a positive (though not as strong) impact of the SAGE programme on the quality and diversity of diet for VFSG households. At midline, this impact was restricted to a portion of the beneficiary population transitioning to acceptable food consumption, whereas now we also observe a significant decrease in poor food consumption.

Table 9: Food consumption score

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Mean FCS	40.9	45.5***	1.6	1,795	39.5	42.9***	3.8***	1,846
% of households with								
Poor food consumption	14.8	8.4***	1.4	1,795	9.3	6.8*	-9.1***	1,846
Borderline food consumption	28.0	20.7***	-3.6	1,795	35.1	26.0***	-1.2	1,846
Acceptable food consumption	57.2	70.9***	2.3	1,795	55.5	67.2***	10.3**	1,846

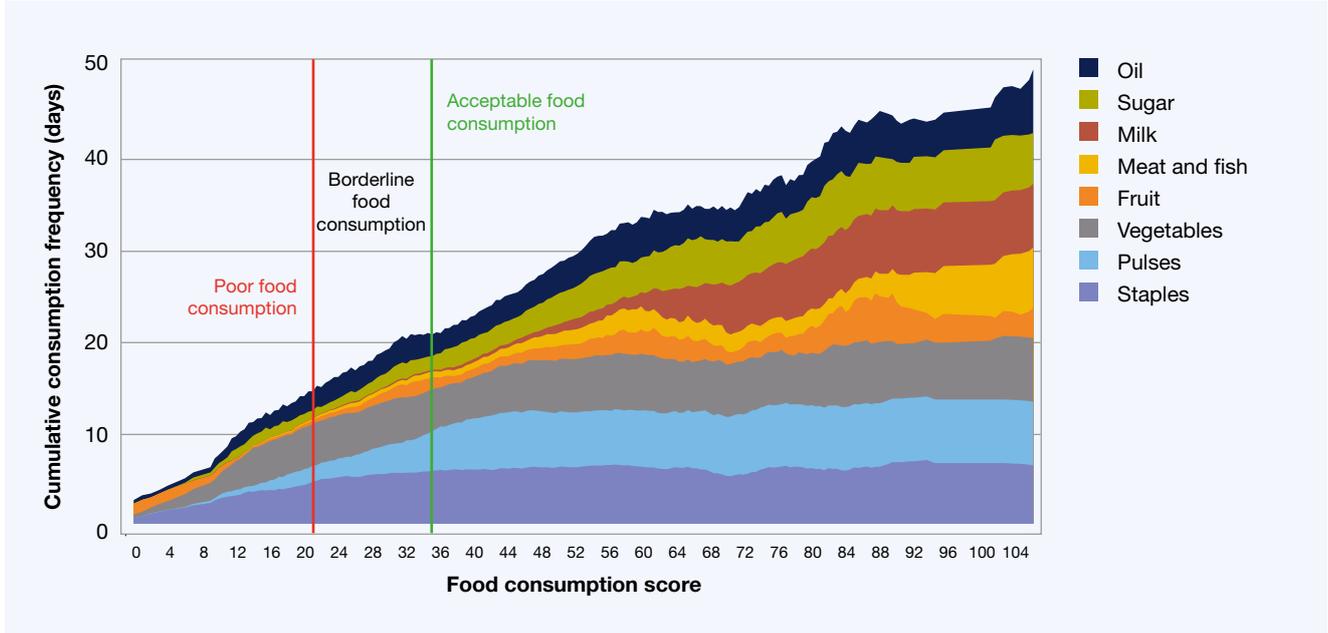
Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.6.

To illustrate the differences in the nutritional value of diets, Figure 13 presents a picture of the level of dietary diversity and the quality of diet as we move from households with a low FCS to households with a high FCS. The transition from households with poor food consumption to households with borderline food consumption (the first threshold in red at FCS of 20 in Figure 13) shows a marked increase in the consumption of staples, but also, and more importantly, of pulses, which have a higher protein efficiency ratio than staples.

When we cross the next threshold into acceptable food consumption (given by the green line at a FCS of 35) we begin to see households consuming foods with the highest quality protein, such as meat and fish and milk. 29% of SCG beneficiary households (in contrast to 41% at midline) and 35% (in contrast to 45% at midline) of VFSG beneficiary households have a FCS below this threshold, indicating that there is a clear positive trend in SAGE beneficiaries' consumption of these high-nutrient foods. **For the VFSG group, this improvement in diet can be attributed to the SAGE cash transfer. But we do not find an impact of the programme on quality of diet, as measured by the FCS, for SCG beneficiary households.**

Figure 13: Food consumption score against frequency of consumption



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

In the qualitative research, beneficiaries identified an improved diet as one of the positive effects that SAGE has had on their wellbeing. One beneficiary stated that a more balanced diet had made life ‘more enjoyable than in the past’ (Female beneficiary, VFSG area, Apac district).

“It makes us as a family feel good.” Female beneficiary, VFSG area, Kiboga district

“We can eat good food. We no longer wish for small things. We can afford once in a while a kilo of meat.”
Female beneficiary, Kyenjojo, SCG area

4.3.2 Early child malnutrition

Under-nutrition in Uganda remains a serious concern, with more than 2 million children under the age of five affected.⁵⁰ Children are particularly vulnerable to malnutrition due to low dietary intakes, infectious diseases and lack of appropriate care. Box 6 below provides short definitions of the three key anthropometry indicators reported on in this study. These are more fully described in Annex J.

As can be seen in Table 10 below, **we found no change as a result of the SAGE programme between baseline and endline in the levels of wasting, stunting or children underweight** for children aged 0-72 months in VFSG households, despite food consumption expenditure per adult equivalent increasing and the FCS increasing. Similarly, we did not find significant changes for the children in SCG households.

⁵⁰ Uganda DHS 2011 reported that 33% of children under five years were stunted at the time of the survey. With 19% of the total population aged under five in 2011 and a population of around 34.5 million, that amounted to over 2 million children affected by chronic malnutrition. See UBOS and ICF International Inc. (2012).

Table 10: Child malnutrition rates

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Stunted	21.5	21.2	-2.3	869	23.0	26.2	-2.6	1,622
Moderate	14.6	13.6	-1.6	869	14.0	16.2	-2.1	1,622
Severe	6.9	7.6	-0.69	869	9.1	10.0	-0.51	1,622
Wasted	2.7	4.4	-0.34	869	5.1	1.9***	-0.44	1,622
Moderate	2.2	3.5	-1.5	869	4.4	1.6**	0.14	1,622
Severe	0.49	0.93	1.1	869	0.71	0.21	-0.59	1,622
Underweight	8.5	8.4	-2.0	869	10.5	11.4	-2.0	1,622
Moderate	6.8	7.0	-1.2	869	8.6	9.4	-0.83	1,622
Severe	1.7	1.4	-2.0	869	1.9	2.0	-2.0	1,622

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. The calculation and a definition of each measure can be found in Annex I. Estimates for the comparison group are presented in Table K.7.

That we found no impact on rates of stunting, wasting or children being underweight is not surprising given the multidimensional causes of child malnutrition beyond simple food availability. These include:

- poor sanitation conditions (Table K.8 and Table K.9 show a low proportion of households with a good quality toilet);
- low adult literacy rates, particularly for females – a useful proxy for a mother's ability to access nutritional and health information (the baseline report indicated female literacy rates were below 30%); and
- high dependency ratios, which can increase intra-household competition for resources among dependents (the baseline report showed dependency ratios higher than 70%; see Table E.1).

Box 6: Definitions of anthropometric measures

Stunting (length/height-for-age): identifies past or present chronic under-nutrition, but does not measure short-term changes in under-nutrition. Causes include a number of long-term factors, including chronically insufficient protein, energy and micro-nutrient intake, frequent infections and/or diseases, and sustained inappropriate feeding practices.

Wasting (weight-for-height/length): identifies children suffering from current or acute under-nutrition. Causes include inadequate current food intake, incorrect feeding practices, disease and infection. Wasting can change rapidly and shows marked seasonal patterns.

Underweight (weight-for-age): is a composite measure of stunting and wasting. As such it measures both chronic and acute under-nutrition, although it cannot distinguish between the two.

4.4 Livelihoods

A concern in policy debates surrounding safety nets is whether the additional income provided constitutes a disincentive to engage in income-generating activities. Conversely, if the programme is successful in encouraging households to engage in production and investment, or in facilitating access to labour markets, the number of adults working within recipient households may increase. Below we analyse SAGE's impact on employment, livelihoods sources and remittances.

4.4.1 Labour participation and time use

The primary forms of livelihood activity that individuals are engaged in across the evaluation areas are subsistence agriculture on their own farms, casual employment, and self-employment. This is the case for both beneficiary households and non-beneficiaries, and for SCG and VFSG households, with subsistence agriculture overwhelmingly the most prevalent form of employment. This livelihood context has not changed fundamentally between baseline and endline, though we did observe some interesting developments and trends, as well as indications of how SAGE is interacting with livelihoods.



Increased consumption is likely to include an increase in food consumption, which is expected to improve food security and nutrition within the household.

Table 11: Labour participation rates and time use in productive activities

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of working age adults (18-64) engaged in economically productive activities¹	74.1	81.2***	3.1	3,697	82.1	87.3***	-2.5	3,292
Male	71.2	80.7***	3.7	1,747	80.6	84.1	-3.1	1,429
Female	76.3	81.6**	1.6	1,950	83.2	89.7***	-0.27	1,863
Mean number of hours spent working per week²	17.7	20.6***	2.6*	3,697	20.5	19.4	-0.59	3,292
Male	17.7	21.3***	0.28	1,747	20.5	19.3	-1.8	1,429
Female	17.6	20.0**	0.98	1,950	20.4	19.4	-1.7	1,863
Mean number of months spent working in main occupation in last year	7.9	7.8	-0.21	2,899	9.7	8.8***	-0.81	2,810
Male	7.9	7.7	-1.2	1,334	9.9	8.7***	-0.62	1,198
Female	7.8	7.8	-0.40	1,565	9.6	8.9***	-0.48	1,612
Proportion of working age adults engaged in subsidiary occupations in addition to their main occupation	24.7	31.0**	-3.9	3,051	24.5	38.7***	0.89	2,908
Male	27.6	31.7	-9.9	1,429	29.4	36.9**	-5.8	1,255
Female	22.6	30.5***	-2.5	1,622	21.4	39.9***	-0.35	1,653
Proportion of economically active individuals engaged in casual labour as primary or secondary activity	14.2	27.6***	2.3	3,697	12.8	31.7***	-2.6	3,292
Male	14.9	30.2***	0.13	1,747	15.1	31.5***	-1.7	1,429
Female	13.6	25.5***	0.02	1,950	11.2	31.9***	-2.5	1,863

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.10. (1) An adult is classified as engaged in economically productive activities if during the last seven days they have: worked for payment in cash/in-kind outside the household; worked on household owned land or with household owned livestock or fished; worked in his/her own business or business owned by another member of the household; or even if not worked in last 7 days does have a permanent job or enterprise such as a retail shop, a factory, farm or service establishment that they will return to. (2) In all occupations.

At endline, we found that the majority of working age adults are engaged in some form of income-generating activity, and that the labour participation rate has increased significantly since baseline (Table 11). The proportion of individuals engaging in subsidiary occupations, additional to their main employment activity, has also increased significantly between baseline and endline across the whole population. However, **the trend of an increase in labour participation is not seen to be the result of the SAGE programme** for either SCG or VFSG households.

Similarly, **for VFSG beneficiaries we found no impact of the programme on hours spent working in the last week by those engaged in economic activity, or, for both groups, the number of months spent working over the last 12-month period.** We did see a positive impact on the SCG group for number of hours spent working in the last week (albeit at a low level of significance), and this may have to do with the increased propensity for SCG beneficiaries to hire labour (see below).

4.4.2 Casual labour

Findings from the quantitative household survey show that **the transfer did not have an impact on engagement in casual labour** (Table 11).

Box 7: Livelihood case study: Casual labour

Participation in casual labour continued to be an important livelihood activity at endline in all eight evaluation areas, especially for many youths. Casual labour involves activities such as digging other people's farms, laying bricks, gathering grass for thatching, and collecting firewood. It is generally precarious, low paid, and in some cases even dangerous. As such it is often pursued due to distress, for example as a strategy to cope with shocks.

Many elderly beneficiaries had, because of their age and ill health, withdrawn from undertaking casual labour, although there were a few instances (for example, when coping with shocks) where they were necessitated to continue to do so well into their seventies, for instance foraging for firewood and wild fruits.

During the household case study interviews it was noted that a number of children within both beneficiary and non-beneficiary households engage in casual labour to supplement household income. School-aged girls were seen to be especially vulnerable to being removed from school to engage in various casual activities, including burning and selling charcoal, working in other people's homes, selling goods at nearby markets, and engaging in agricultural labour (see Sections 4.5 and 4.6 below).

This said, testimony from **the qualitative research indicates that the programme is provoking an increase in the demand for casual labour**, as many beneficiaries (especially elderly VFSG and SCG recipients) now hire labour. Many of the non-beneficiaries interviewed corroborated that they had been hired by beneficiaries at some point, to work on their farms (see Section 4.4.3 below).

Several key informants noted that this spill-over effect had a positive impact on community relations as community members felt that they were indirectly benefiting from SAGE. In some cases, causal labourers even agreed to supply services on credit due to beneficiaries' enhanced credit worthiness (see Section 7.2):

"In the past it was impossible to take on a labourer because there was no guarantee of payment. But now a worker doesn't mind working when you don't have money yet they know you will pay."
Male beneficiary, Kyenjojo, SCG area

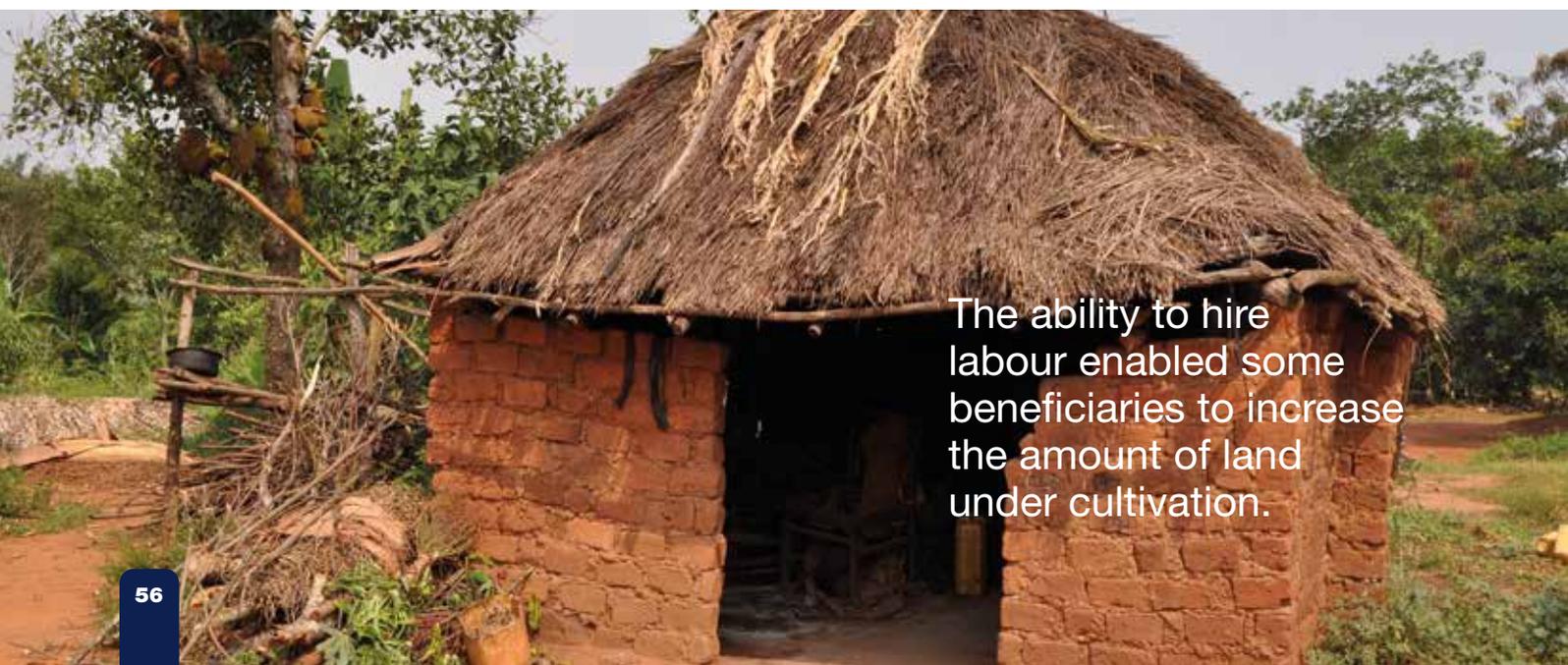
Despite evidence that prices and wages have been rising over time as a result of general inflation, there is no evidence that SAGE is influencing this trend (see Section 6). In this context, SAGE recipients were considered to be particularly enabled to hire labourers, in spite of rising prices and wage rates, and some thus described SAGE as providing an advantage to beneficiaries over non-beneficiaries, who are often less able to afford hired labour.

4.4.3 Livelihood sources

Below we examine the predominant livelihood sources in more detail, specifically looking at potential impacts of SAGE, differences between SCG and VFSG households, and any other general points of interest.

4.4.3.1 Crop farming and land ownership

There is some evidence of the impact of SAGE on crop farming overall. No programme impact was identified in regard to the proportion of households owning land for either treatment group (Table 12), but **we did find a statistically significant positive impact on mean acres of land owned** for both SCG and VFSG households (to the tune of 1.2 and 0.5 acres, respectively), **and a similar positive result in regard to mean acres cultivated for SCG beneficiaries** (0.7 acres), though these results are at relatively low levels of significance. The data on size of land holdings were self-reported by respondents and were not measured objectively, so we do not wish to over-emphasise this result. However, there is much testimony in the qualitative research acknowledging that SAGE has enabled some households to cultivate more land, either through hiring of labour, hiring of land, increased inputs, or diversification from other less desirable livelihood sources (Section 4.4.3.4 below).



The ability to hire labour enabled some beneficiaries to increase the amount of land under cultivation.

Table 12: Land ownership

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households owning land	93.7	95.4	1.4	1,816	89.7	96.3***	1.1	1,867
Mean acres owned	4.9	4.9	1.2*	1,715	3.0	2.9	0.53**	1,756
Mean acres cultivated	2.3	2.5	0.70*	1,715	1.6	1.6	0.16	1,756
Proportion of households renting out land owned	6.4	5.6	0.11	1,816	6.8	5.5	5.1**	1,867
Mean acres rented	0.19	0.13	-0.18 (NR)	1,715	0.16	0.15	0.18**	1,756
Proportion of households cultivating on land not owned	11.7	16.7***	3.2	1,816	24.3	29.0**	3.7	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.11.

In fact, mention of how the transfers are used to support agricultural livelihoods was very widespread in the qualitative data. Most commonly mentioned was the use of SAGE to hire labour, but respondents also mentioned using their transfers to buy seeds, agro chemicals, and rent land. For many respondents these types of investments were difficult prior to SAGE, at least in the quantities they now purchased them in. In SCG areas, beneficiaries were often too infirm to labour on their farms themselves. By hiring labour, elderly cultivators could prepare their farm lands more efficiently. The ability to hire labour thereby allowed some beneficiaries to increase the amount of land under cultivation, so that they could now not only eat better, but also sell surpluses to meet other household needs:

"I feel good when I use casual workers. I get a bigger quantity in the form of harvest and I have more food for the home, and a little for sale." Female beneficiary, Kiboga, SCG area

"Some of the very poor practice small-scale farming with the money. They are able to hire labour, so they produce more. They sell part of the food items when harvested and feed on the rest, giving them the needed impacts." Male non-beneficiary, Nebbi, SCG area

"At least now, I don't think much about what to eat because I know I have food in the garden and I know that I will also get some money after every two months." Female beneficiary, Kaberamaido, VFSG area

Given the complexity of the process of selling land, the potential social costs and the relatively high prices (Box 8), we conclude that SAGE is unlikely to have had a huge impact on the ownership of land. However, the study did confirm that the transfer has increased recipients' ability to hire land, which is a much simpler and more financially accessible transaction. These findings are aligned with the quantitative data, which show that VFSG and SCG households are not more likely to own land as a result of the programme.

The quantitative data do indicate that, among those owning land, **VFSG recipients were more likely to rent that land out as a result of the SAGE programme** – a result that is not observed for SCG beneficiaries.

Box 8: Farming, purchasing, selling and hiring agricultural land

Crop farming continues to be a major livelihood strategy in evaluation areas. 'People are still doing the same things – nothing has changed' was a consistent response given by respondents in describing the changes in their livelihood activities in the last three years. Significantly crop farming is still constrained by the high cost of inputs, soil degradation, harsh climatic conditions, and pests and diseases, which all reduce crop yield. Where surpluses are made, produce is sold at very low prices, reflecting the poor terms of trade accessible to subsistence farmers.

Land is typically communally owned by the clan, with individuals having ownership rights to particular plots. Traditionally, land ownership extends only to men. A woman may have ancestral lands in her name, but in practice she would not be permitted to use or sell this land. Her brothers or sons control the land and make decisions regarding how it is to be used.

The process of buying and selling land is similar across study districts. First, a potential buyer approaches the owner of the land he is interested in purchasing. If the owner agrees to begin negotiations, both sides convene the clan leaders and elders in their respective families to negotiate the price. At this stage, the seller's clan will demand a strong justification for selling the land, and will often try to discourage him from selling. For example, if it is a distress sale, the clan may offer financial support to the seller, or look for an alternative solution. Failing this, the two clans will come together to agree an appropriate price, and include as witnesses the local councillor and any neighbours who may be affected by the sale.⁴⁸ Once a price is agreed, the local councillor approves the sale in writing (official titles and deeds are usually only provided in the sale of commercial land within town centres), receives signatures from the buyer and seller and their clans leaders, and stamps the agreement with the village seal.

Typically, the hiring of land involves a preliminary agreement between the owner and renter, with the clans brought in only to bear witness to the fact that the land is being hired and not sold. The price of the land to be hired depends on what is to be grown, as well as size. Average plots for fast-growing crops, such as groundnuts, millet and beans, range between UGX 30,000 to UGX 50,000 (\$11-19) per season. Hiring land for slower-growing crops, such as cassava, generally costs UGX 100,000 per season (\$39).

Across districts, respondents reported that the cost of land for both sale and hire has been steadily increasing for a number of years. This was widely attributed to land scarcity caused by a growing population. In addition, recent Government of Uganda initiatives have required daughters to be given land rights, meaning that the same amount of land must be shared among a larger number of children. In Katakwi, respondents also reported that wealthy businessmen from outside the community have purchased land within the community, and are driving up land costs as they are able to afford much higher prices than local residents.

51 To give an idea of the price of land in the study areas at the time of the research we found that 'average sized' plots of land for gardens far from a town centre or paved road were anywhere between UGX 400,000 and UGX 1.3 million per acre (roughly between \$150 and \$500), depending on the district. Residential land was slightly more expensive, usually over UGX 2 million (\$780) per acre. Costs for commercial land, usually starting at 25x30 metres, begin at about UGX 5 million (\$1,900) or three to four heads of cattle per acre.

4.4.3.2 Livestock ownership

SAGE has increased the proportion of households owning any type of livestock for both VFSG and SCG beneficiaries. For both SCG and VFSG households the increase in investments was in goats and cattle in particular. For VFSG households an impact was also observed in the case of ownership of pigs (though this latter result was only relatively robust and driven by falling rates of ownership of pigs in the comparison group).

These findings represent a consolidation and evolution of the results observed at midline. At that time, the programme was seen to be having a positive impact on the propensity of both SCG and VFSG households to have purchased livestock in the last 12 months, but was seen to only have impacted VFSG households in terms of increasing the likelihood of ownership of livestock. At endline we have seen that this result has translated into an increase in ownership of livestock for both beneficiary groups.

Table 13: Livestock ownership and sales

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households owning livestock	68.7	75.2***	7.8***	1,816	69.4	78.8***	16.7***	1,867
Proportion of households purchasing livestock in last 12 months	24.9	45.9***	4.1 (NR)	1,816	24.8	59.9***	33.7***	1,867
Mean total value of livestock purchased (2012 prices, UGX)¹	34,000	48,200*	-15,600	1,816	27,100	62,300***	49,300***	1,867
Proportion of households selling livestock in last 12 months	25.8	23.9	0.07	1,816	27.0	24.8	8.3**	1,867
Mean total value of livestock sold (2012 prices, UGX)¹	96,700	72,500	-15,800	1,816	55,100	35,400**	-4,400	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.12. (1) Mean total values are rounded to nearest UGX 100.

For VFSG recipients, the endline results show further positive impacts of the programme around livestock. These include **increases in the proportion of VFSG households to have both purchased and sold livestock in the last 12 months, and in the mean value of livestock purchased.**

This evolution in results around livestock can be better understood with the help of the qualitative research findings. These show that households purchase livestock for a variety of reasons. Livestock are both an investment for profit, a source of savings, and a protection against shocks, to be sold when need arises. Households often buy small or young animals, let them grow or mature, then sell at a profit. In this way they are able to save or trade up to larger and more profitable livestock, such as cattle.

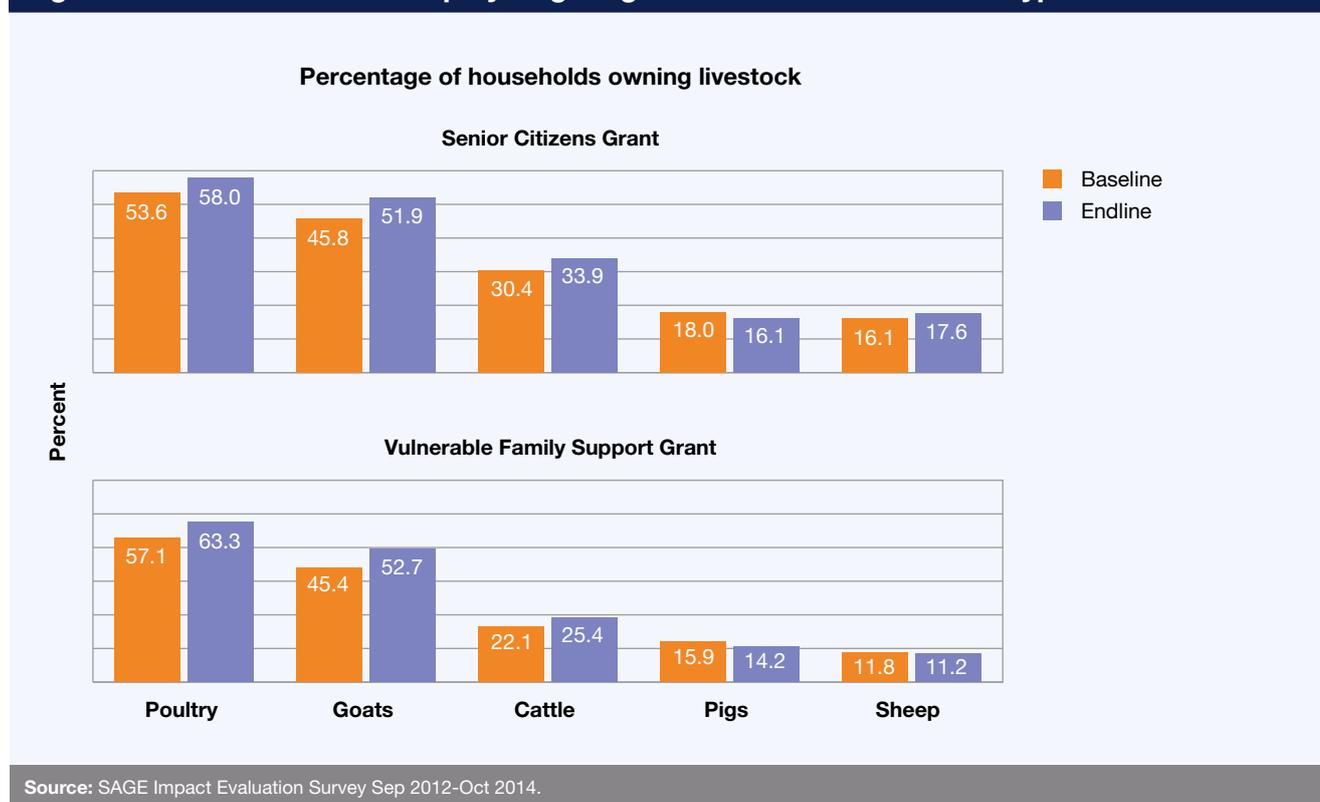
“SAGE money, when I get it, I use it to buy animals and keep it in that form. This helps me to avoid consuming it all.” Female beneficiary, Kiboga, SCG area

“Since I started getting this money I bought a hen, then it kept multiplying. Then I bought a goat, which produced twins twice. So now I have five goats.” Female beneficiary, Kaberamaido, VFSG area

“Some of us who could not afford to keep pigs, goats or sheep and poultry have started doing so. We have used SAGE money to purchase these animals and it has improved our incomes because we have diversified the sources of income. We no longer depend on crops alone.” Female beneficiary, Kiboga, VFSG area

“I managed to buy one sheep and they are multiplying steadily. I have also managed to save UGX 400,000 and now I am planning to top it up and also buy a calf.” Beneficiary, Kaberamaido, SCG area

Figure 14: Livestock ownership by targeting mechanism and livestock type



4.4.3.3 Small businesses and petty trade

Petty trade is a common livelihood strategy, perceived to be more reliable than crop farming, where incomes are seasonal. Petty trade is largely undertaken by women, mostly running small-scale businesses selling farm produce, processed food, dried fish or brew. It is reported that brewing has received a boost through SAGE, both via increasing demand and by enabling women to start up or expand their brewing businesses in response to that increase in demand (see Box 9).

Petty trade, however, is viewed as an activity that is undertaken by the ‘fairly poor’, as opposed to the ‘very poor’, as it requires capital. In these contexts, access to capital is a major constraint for many, as most people have limited assets to act as collateral.

As shown by the qualitative research, however (both at endline and midline), the **SAGE transfer has sometimes functioned to provide the necessary capital**. In addition, it has **enhanced beneficiaries' credit worthiness**, thus allowing them to access small loans, for example through Village Savings and Loans Associations (VSLAs). In this way SAGE is seen to have allowed some of those with existing business to expand, and some others to start new businesses:

"Yes there are some who have joined. For example, some elders have started selling ropes, which they were not doing before. Other old women have also started selling silver fish. And even young women have joined in that they sell dry cassava; others, cabbages. Yes, they have joined because of the SAGE money." KII with trader, Kaberamaido, VFSG area

Box 9: Livelihood case study: Brewing

Whilst respondents at midline, particularly in Moroto and Nakapiripirit, reported that the SAGE transfer had enabled some women to move into brewing as an alternative to dangerous work in the bush (such as gathering firewood or wood to burn as charcoal, and gathering grass to sell for thatching), there were many reports of the uptake of brewing at endline, including in Nebbi. The transfer reportedly provided start-up capital to those who had not previously engaged in this business, and allowed those already brewing to expand their businesses.

SCG recipients tended to perceive brewing as particularly profitable, while VFSG beneficiaries were more likely to report that the money from brewing was not enough to fully supplement household income from farming or other sources (e.g. not enough to cover school fees or pay for emergency medical treatment). In discussions in SCG areas, the increase in profitability was frequently linked directly to the fact that demand was higher than it had been in the past because other beneficiaries were spending more on alcohol. However, whilst the quantitative data show an increase in alcohol consumption among SCG households since baseline, the estimate of the programme impact on this expenditure is not robust. No similar trend was observed among VFSG recipients.

"A few women are also practising or doing brewing of local drinks, which are highly consumed by the locals, and more so during the time SAGE beneficiaries get their cash transfers. A lot of local brew is taken that day, thus boosting the women who do the business." Female beneficiary, Nakapiripirit, SCG area

As observed at baseline and midline, brewing appears to be a livelihood strategy exclusively practised by women. Thus, whilst alcohol consumption clearly has some negative consequences and is recognised as one of the drivers of chronic poverty in parts of the country, brewing as a livelihood strategy has given some women, particularly SCG recipients, both increased income and control over the scale of their business and its revenue. Of course, this business is not entirely without risk: across districts, both SCG and VFSG beneficiaries reported that there are problems with people buying alcohol on credit and not making payments.

4.4.3.4 Livelihood diversification

We found **ample testimony from beneficiaries regarding investing their SAGE transfers in existing livelihoods**, with many reporting spending their transfers on hiring labour, renting land, and renting agricultural equipment, such as ploughs. We also found from the qualitative research **indications that SAGE allows beneficiaries to diversify or improve the livelihood activities they engage in** and thereby improve their livelihood security: for example by investing in livestock or starting up petty trading businesses. At the community level, we found much testimony indicating that **beneficiaries' increased purchasing power has enhanced the vibrancy of local markets** (see Section 6 below).

Diversification enhances livelihood security as it mitigates the risk from any one source of livelihood activity. Having increased resources to put towards inputs, such as labour and seeds, means that beneficiaries are able to diversify the types of produce they grow. Alternately, they are sometimes even enabled to cease livelihood activities considered to be undesirable, such as collecting firewood or brewing, in order to take up more desirable ones, such as farming.

“With the introduction of this SAGE money it has made it very easy for me to buy alternative seeds like millet and sunflower, so that I do not rely on only cassava.” Male beneficiary, Kaberamaido, VFSG area

“My livelihood has changed because I used not to engage in agriculture, but now I can afford to hire someone to plough for me some portion of land, which I use to survive on. And this is because of this SAGE money. ...I used to brew alcohol but now, because of this SAGE money, I have left brewing and I just engage only in agriculture.” Female beneficiary, Kaberamaido, VFSG area

4.4.4 Investment in productive assets and income-generating activities

Many of the livelihood strategies discussed above require some form of investment in productive assets, namely agricultural or non-agricultural tools or machines (e.g. hoe, thresher, chisel, sewing machine or welding equipment).

Table 14: Purchase and sale of productive assets¹

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households purchasing productive assets in last 12 months ¹	20.1	28.6***	-3.6	1,816	25.7	32.1***	9.3**	1,867
Mean total value of productive assets purchased (2012 prices, UGX) ²	3,400	4,200	300	1,816	3,300	5,300*	3,900**	1,867
Proportion of households selling productive assets in last 12 months	0.73	0.09**	-1.1	1,816	0.41	0.00*	-0.43	1,867
Mean total value of productive assets sold (2012 prices, UGX)	300	3.5*	-98.1	1,816	1,200	0.00	-1,300	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.13. (1) Productive assets are assets used for any economic activity. (2) Expressed in values rounded to closest UGX 500.

The quantitative data show that **SAGE increased the proportion of VFSG households purchasing productive assets in the 12 months preceding the survey**. Moreover, we also found a statistically significant increase in the mean total value of productive assets purchased for VFSG recipients, also as a result of the programme. In contrast, SAGE has not had a significant impact on the purchase or sale of productive assets for SCG households, nor on the value of assets bought or sold.

While the transfer has a positive impact on the value of productive assets purchased by VFSG recipients, qualitative research reveals that the VFSG is perceived to create less improvement in the wellbeing of the ‘very poor’, compared to improvements experienced by the ‘fairly poor’, who are able to use the transfer to invest in farm inputs, small businesses and productive assets. Beneficiaries with small businesses (even those with a large number of dependents) often testified to seeing more significant improvements—saving money or buying land, as opposed to just being able to meet basic needs.

“There is a change compared to three years ago, especially after SAGE. For example: in my household I have bought 12 goats; I have managed to complete my house; and expanded my business. My business has been boosted up unlike before when I could earn 400,000-500,000 Ugandan Shillings monthly, but these days due to saving which I inject in my bakery I can get 700,000-800,000 shillings monthly. Business has expanded. I can now employ labour to work in my bakery.” Male beneficiary, Kaberamaido, VFSG area

4.4.5 Remittances

At baseline, there were many stories of young people migrating to urban centres to seek employment. Beneficiaries mentioned receiving remittances from these young people, although they were stated to be small in value as migrants’ jobs were often informal and poorly paid. At midline, we observed an increase in the proportion of households receiving remittances, a trend that has continued at endline, but only for the VFSG group (Table 15). For the SCG beneficiary group, the trend observed at midline disappeared at endline, though at endline we do see an increase in the proportion of migrants sending remittances for the SCG comparison group. The sample for this indicator is too small to provide an impact estimate so we cannot tell to what degree the programme has influenced the likelihood of migrants from SCG recipient households to send back remittances.

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate ¹	N	Baseline	Endline	Impact estimate ¹	N
Proportion migrants sending remittances	7.9	11.7		1,918	2.3	7.3**		1,286

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. Estimates for comparison groups are presented in Table K.14. (1) Impact estimates are not applicable due to the small sub-sample over which it is not possible to build a successful matching model.

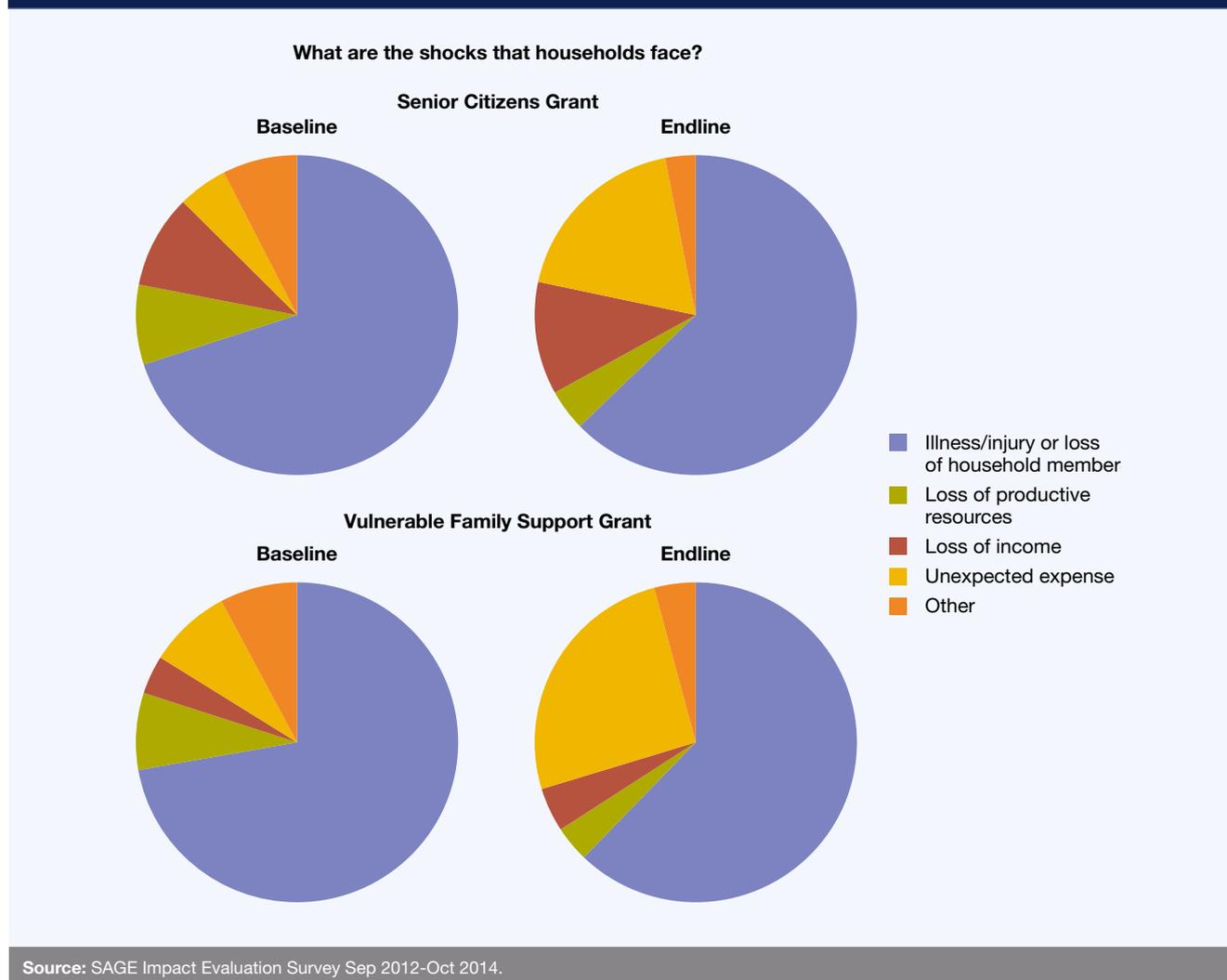
More detailed discussions of migration and the impact of SAGE on household composition are provided in Section 7 and Annex E.

4.5 Vulnerability to shocks and coping strategies

Households with the kinds of profiles described above are vulnerable to suffering from exogenous shocks that they are unable to cope with using their normal resources. An exogenous shock can be understood as a traumatic event, such as a flood or drought or death in the family, that has the potential to negatively impact a household's wellbeing.

As shown in Figure 15, the most commonly occurring shocks that households interviewed for the evaluation experience are illness, injury or loss of a household member due to death or other causes. This is the case for both SCG and VFSG groups and across time, although it has proportionally decreased in prevalence since baseline. In Apac, respondents attributed this improvement to drugs and insecticide-treated mosquito nets distributed by village health teams.

Figure 15: Shocks experienced by households by time and by targeting mechanism



Another common shock, albeit slightly decreasing in relative importance for both SCG and VFSG households since baseline, includes loss of productive resources, which can lead to food shortages. This category encompasses wilt (fungal or bacterial diseases of plants), pests and unfavourable weather conditions, such as excessive rain or unpredictable and prolonged drought. Livestock disease is a major source of vulnerability for pastoralists or those engaged in animal keeping, as is lack of access to veterinary care. In Kiboga, respondents often reported drought as a major risk, stating that it leads to the loss of many herds.

In contrast, at midline it was reported that unexpected expenses are a shock that has become much more common for both SCG and VFSG households compared with baseline. This trend has continued until endline. This may be due to an increased number of dependents in the household, changing expenditures due to ageing of household members (e.g. increased education expenditures), social obligation expenditures, such as weddings and funerals, or the need to repay debts. It could also partially be due to the rising prices of staple goods, such as maize and firewood, which respondents complained about in the qualitative study. This is particularly the case in Apac and Kaberamaido districts:

“Prices of produce like maize is not stable and it affected prices of produce in general which fluctuates anytime. Maize is now sold at UGX 350, which can make us not pay school fees.” Male non-beneficiary, Apac, SCG area

“We get firewood from very far places and when buying you spend UGX 2,000 for very little that cannot even take three days. And now when you don’t have firewood, you resort to charcoal which costs UGX 20,000 a bag. Yet we even don’t have money. So it affects our income so much instead of using the money for something else.” Female beneficiary, Kaberamaido, VFSG area

There has been less change in regard to the percentage of households reporting loss of income—which might be caused by loss of productive household members or productive assets—as a shock that they face. Cases of a loss of income are more numerous for SCG than VFSG households. Other idiosyncratic shocks that specific households may encounter also feature in Figure 15 – these seem to be decreasing in prevalence in relation to the other types of shocks already mentioned.

Table 16: Shocks and coping strategies

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households reporting suffering a problem in last 12 months that they could not cope with using normal household resources	44.0	22.8***	5.5	1,814	41.6	27.9***	2.3	1,864
Proportion of households reporting being able to borrow a large amount of cash in an emergency	44.4	54.7***	9.3*	1,814	43.5	58.5***	15.3***	1,865

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.15.

As reported at midline, the proportion of households reporting experiencing a shock that they were unable to deal with in the last 12 months using normal household resources has declined for both treatment groups, but this is not attributable to the SAGE programme (see Table 16). In fact, this result is likely explained by generally improved conditions for agriculture at the time of the endline survey; the baseline year, 2012, was not a good year in terms of agricultural production nationwide, according to official sources.

Table 16 also shows that the SAGE programme has had an impact on SCG and VFSG households who reported having an enhanced ability to borrow a large amount of money (UGX 60,000 or more) in the case of an emergency. This impact was similarly reported at midline, and the positive trend has been further consolidated since then.

Figure 16: Coping strategies by targeting mechanism

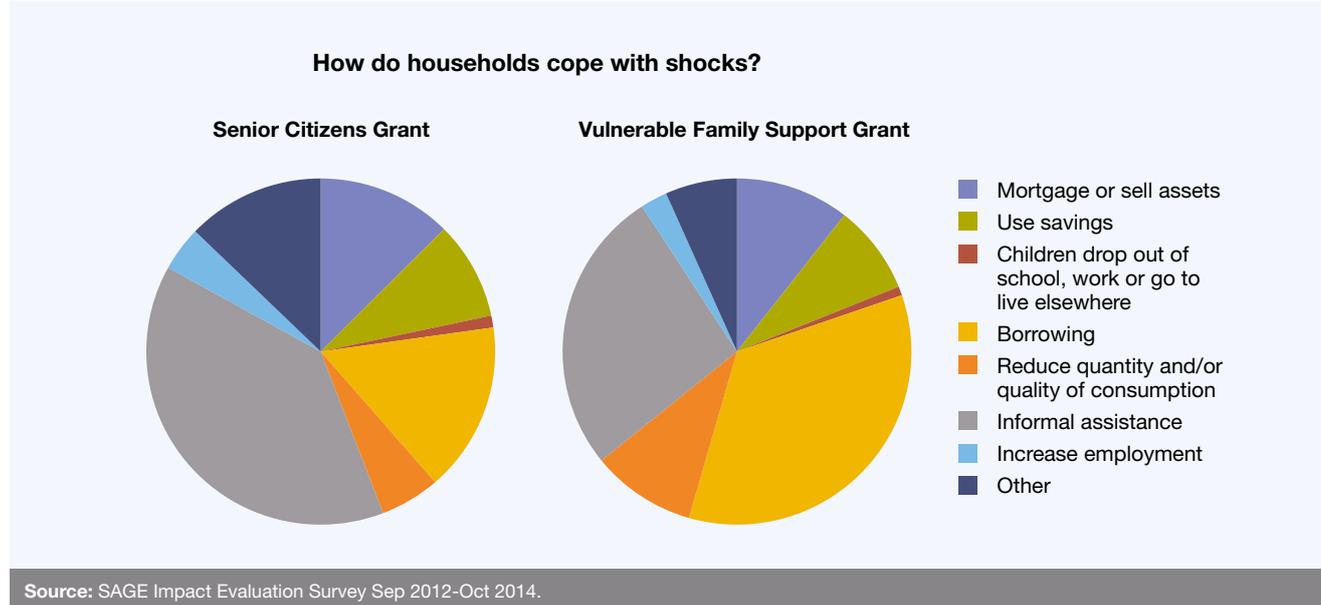


Figure 16 shows that for both SCG and VFSG households, informal assistance and borrowing are the two most common methods of coping with shocks. Compared with midline, VFSG households are increasingly borrowing as a strategy to mitigate shocks. Beneficiaries typically borrow small amounts of money or food from nearby households, but in some cases also borrow farm inputs from less-poor households such as oxen to plough a field. Knowing that SAGE beneficiaries get access to the transfer every two months has augmented their creditworthiness in this regard, and has increased their access to emergency borrowing.

SAGE therefore appears to be supporting households’ natural coping strategies:

“In the community, people like us and trust us. They easily help us with loans because they know we are going to get the money (SAGE) and pay them back.” Male beneficiary, Kyenjojo, SCG area

“Most of the households now do share most of the basic things, like salt, soap, match boxes etc. because they know for sure that they can be paid back when she or he gets the SAGE transfer every month.”
Male non-beneficiary, Nakapiripirit, SCG area

In comparison, for VFSG households informal assistance – through the church, relatives, friends and neighbours – has proportionally decreased in prevalence since midline. It was explained by many comments that beneficiaries no longer have to beg since they have access to the SAGE cash transfer, which helps them to meet their everyday household needs. Now, beneficiaries tend to borrow rather than ‘take’, as expressed by a male beneficiary in Kiboga district:

“Yes, our families no longer go to better off neighbours to seek the help of small items like soap, salt and food to eat. Somehow SAGE money takes care of these items. Now we can go to borrow from them and pay later with SAGE money.” Male beneficiary, Kiboga, VFSG area

Community members say they are less frequently offering assistance to beneficiaries, as they deem them less worthy and deserving than before the introduction of SAGE. For instance, a female beneficiary stated:

“Those who were looking after me have stopped doing so because they think this money is enough for me. Yet when you buy essentials for the home, the money gets finished.” Female beneficiary, Kyenjojo, SCG area

The types of reaction beneficiaries occasionally get when they ask for something from another community member was evidenced by a comment from a CDO from Kyenjojo district (VFSG area): ‘*Aha, don’t you get UGX 50,000 every month? Don’t bother me again with those child’s books!*’ This type of reaction suggests there is some bitterness towards and annoyance with regard to beneficiaries on the part of some individuals, although these cases are few and far between. The quantitative data show that VFSG beneficiaries are in fact more likely to provide informal support to other households as a result of the transfer, rather than to receive it. This is discussed in more detail in Section 7 below.

For SCG households, a smaller proportion are mortgaging or selling assets than at baseline. This latter is a negative coping strategy, and one that corresponds to the finding in Figure 15 that less people in the treatment group reported the loss of productive resources at endline compared with baseline. Children dropping out of school, working, or going to live elsewhere is a rare coping mechanism for both transfer groups.

4.6 Child labour

Table 17: Child labour participation rates

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of children aged 5-17 engaged in child labour (UN definition)¹	23.1	20.6	-0.32	3,778	22.9	20.1	-0.68	5,119
Boys	21.1	21.7	4.9	1,897	20.2	20.5	2.4	2,570
Girls	25.5	19.3**	-3.6	1,881	25.9	19.6***	-2.6	2,549
Proportion of children aged 5-17 engaged in child labour (Uganda definition)¹	22.2	19.1*	-4.2	3,778	22.6	20.8	2.5	5,119
Boys	21.1	19.6	1.7	1,897	21.1	20.9	4.7	2,570
Girls	23.5	18.6*	-6.4 (NR)	1,881	24.3	20.7*	2.4	2,549

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.16. (1) Children aged 6-17 at endline are considered to be a child.

Households with large numbers of dependents often have to adopt child labour as a livelihood strategy. For comparability purposes we report both the Uganda and UNICEF definitions of child labour.⁵²

Results show that **the programme is not having an impact on child labour on aggregate**. This is true for both boys and girls in the SCG group (Table 17).

Table 17 also suggests that, overall, about 20% of children aged 6-17 in SAGE beneficiary households engage in child labour and the proportion between boys and girls is fairly similar. The average proportion of children engaged in child labour did not vary significantly over time or across targeting mechanisms, except for among girls, for whom the proportion in child labour did significantly reduce between baseline and endline (by about six percentage points in both SCG and VFSG beneficiary households). However, this reduction is not shown to be attributable to the SAGE programme.

The qualitative research reveals that some beneficiaries and non-beneficiaries remove children from school as a means of reducing household costs and increasing the availability of labour in the household when in need. Children can engage in various activities, including burning and selling charcoal, working in other people's homes, selling goods at markets in nearby towns, and agricultural labour.

"The problem is that children's parents lack sensitisation of bringing children to study. They are taken to cultivate the farm, stopped from coming to school to harvest beans, and also during market days. That has made the children to slide back." Teacher, Kiboga, VFSG area

The relationship between education and child labour was particularly commented on for girls. In the SCG areas of Moroto and Nakapiripirit visited by the qualitative research teams there were reports that girls are withdrawn from school at a much higher rate than boys to engage in child labour. The transfer has not facilitated the return of girls to school, potentially due to cultural beliefs in these areas:

"Most of the pupils from beneficiary households can now afford school materials, such as pens, books, etc. There is an increase in the number of boys in school and class compared to girls, with the local belief of not allowing most girls at school." Teacher, Nakapiripirit, SCG area

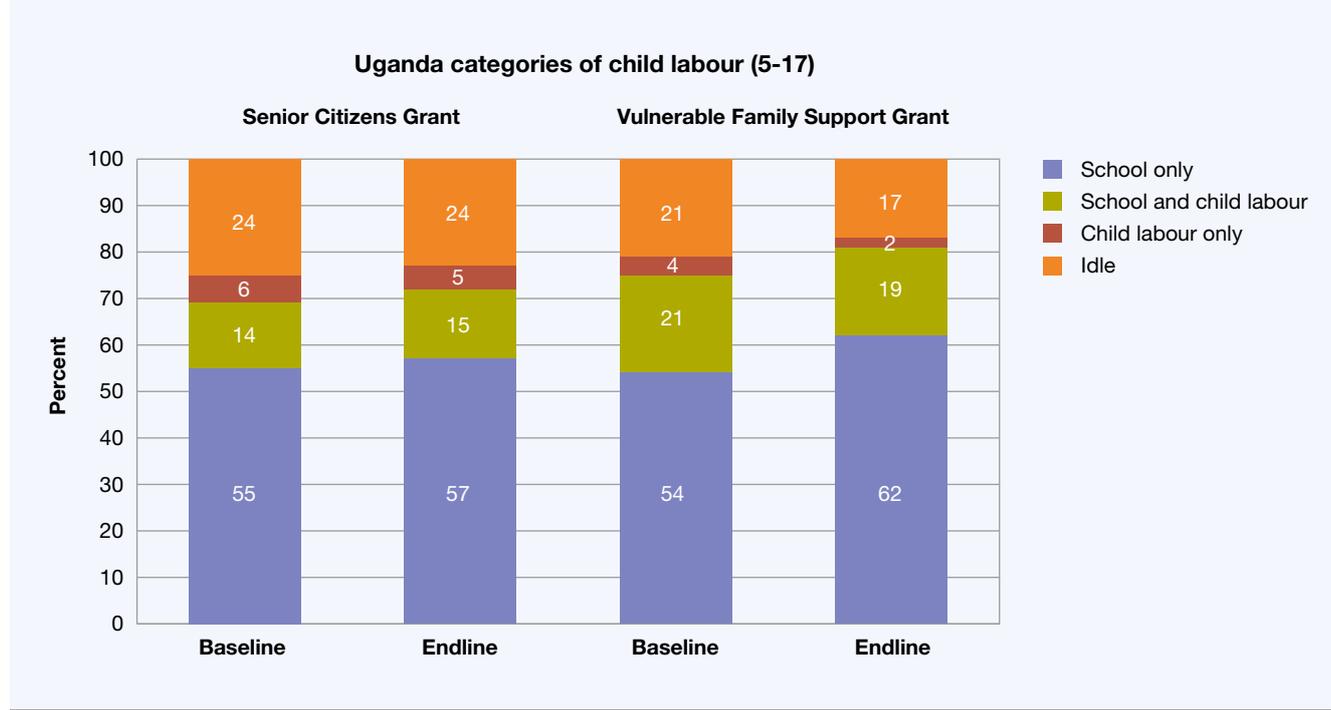
"Most of the pupils from the SAGE households can afford basic school materials. Although there are girls at school, boys still make up the highest number, because this community still believe that girls are to be shaped for marriage." Teacher, Moroto, SCG area

In some cases care-givers are faced with a stark choice: whether to send children in their care to school or whether to engage them in child labour. The opportunity cost of sending a girl or a boy to school is equal to the foregone earnings of the child. This opportunity cost can be particularly high for the poorest households, especially households with large numbers of dependents.

⁵² UNICEF definition: A child is considered to be involved in child labour activities under the following classification: (a) children 5 to 11 years of age that during the week preceding the survey did at least one hour of economic activity or at least 28 hours of domestic work; (b) children 12 to 14 years of age that during the week preceding the survey did at least 14 hours of economic activity or at least 28 hours of domestic work; and (c) children aged 15-17 years of age that during the week preceding the survey worked more than 43 hours. Uganda definition: (a) children aged 5-11 years who did any work during the week preceding the survey, or did more than 14 hours a week of household chores; (b) children aged 12-13 years who worked for more than 14 hours in the week preceding the survey; (c) children aged 14-17 years who worked for more than 43 hours in the week preceding the survey.

Figure 17 explores this choice (utilising Uganda’s national definition of child labour). The figure indicates that of all the children engaged in child labour, the majority are also attending school.⁵³ At endline, 5% of children among SCG households and 2% in VFSG households were engaged in child labour without attending any schooling. 15% (SCG) and 19% (VFSG) of children engaged in child labour while being at the same time enrolled in school. The trend that VFSG households are more likely to send their children to school that was already reported at midline seems to have been consolidated: at endline 62% of VFSG children attended school only, compared to 54% at midline. In contrast, there has been very little change in the proportion of children who are attending school in SCG households. School attendance and attainment rates are discussed in more detail in Section 5 below.

Figure 17: Child labour and education



Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

53 It is noteworthy that the data do not show any major differences between treatment and control households, or between boys and girls, hence we do not disaggregate by gender or treatment status in Figure 15.

It is expected that providing regular cash transfers to households may help remove barriers to access to social and other services, such as education, health and financial services.



5 | Access to services

This section considers SAGE's impact on access to education and health, as well as financial services. The findings are as follows:

- Despite that respondents often reported education as an area of use of cash transfer resources, the quantitative analysis found that SAGE is not increasing overall **education expenditure**.
- SAGE was not found to have any impact on **education attendance or attainment** for children in SCG or VFSG households. Nor is there any evidence to suggest that SAGE is impacting education attendance rates differently, either for primary school aged children or secondary-school-aged children, or for boys and girls distinctly within those two age groups. These results are corroborated by the qualitative study.
- According to the quantitative results, SAGE is not having a strong impact on health and **health outcomes**. However, there is an effect on the mean **expenditure on health care** per household member for SCG recipients. The qualitative findings provided a more encouraging picture, reporting that the SAGE transfer tends to positively impact SCG households' health-seeking behaviour, by increasing the ability of beneficiaries to buy medication and even access private health care.
- The SAGE transfer appears to be enabling VFSG households to save more, but it is not having any impact on rates of **borrowing or buying on credit** for either SCG or VFSG beneficiary households. However, this latter result on credit is contradicted by findings at midline, and the qualitative data are inconclusive. Households take credit to smooth consumption expenditure and cope with adverse shocks. Many respondents reported that, between SAGE payment dates, beneficiaries do obtain goods on credit in local shops and pharmacies, as well as loans from friends and family, which they pay back once they receive their transfer. However, the precise relationship between SAGE and access to credit was not fully explained by either the quantitative or qualitative data.
- The SAGE transfer is not displacing other **support from formal sources**.

The evaluation theory of change postulates that providing regular cash transfers to households may help remove barriers to access to social and other services, such as education, health and financial services. Cash transfers may also either increase receipt of other social interventions or crowd out other programmes. Below we consider the impact of the SAGE programme on access to education, health and financial services, as well as other formal assistance programmes.

5.1 Education

It is expected that the SAGE cash transfer will facilitate access to education services, thereby improving children's education attendance and consequently education outcomes. For instance, households may increase the proportion of expenditure dedicated to meeting the costs associated with education, such as school fees, uniforms, text books, stationary, and boarding fees. By increasing expenditure in these areas, there is an expectation that the SAGE cash transfer will lead to lower levels of absenteeism and better retention rates, ultimately resulting in better completion rates. Impacts such as these – as well as impacts in other areas, such as improved nutritional status – can in turn positively impact performance and education outcomes for those children in school.

Table 18 shows the mean monthly education expenditure per child for beneficiary households. Despite public education being nominally fee-free, households do incur significant costs in accessing education, for example through purchasing education materials, such as pens and books, and in the payment of tuition fees, etc. As explained in Section 3.3 above, both SCG and VFSG beneficiaries claimed to have used a portion of the SAGE cash transfer on such educational materials, and this was a particularly cited use of the transfer by VFSG households (Table 3). This finding was corroborated by the qualitative research, which indicated that many beneficiaries in both SCG and VFSG areas prioritise spending on education.

For example, many SCG beneficiaries mentioned putting some of their transfer towards the cost of sending grandchildren to school. One male non-beneficiary commented:

“The old mainly help their grandchildren with the little SAGE cash they get. They buy books, pens, clothes for their grandchildren, something they never used to do before SAGE.” Male non-beneficiary, Moroto, SCG area

Beneficiaries used the words ‘topping up’, which suggests that the SAGE transfer is sometimes used to add to any existing money in the family set aside for education expenditures. The regularity and reliability of the SAGE transfer helps in this regard. As one female beneficiary in Kiboga district put it: *‘It is a key source of cash now that we have that is reliable.’*

The transfer is not just spent on school fees and other direct education expenses, but also on food for school:

“Even just the other day I bought her beans to take to school because they had chased her back and her father didn't have any money to buy beans for her.” Male beneficiary, Kaberamaido, SCG area

Although there is clear evidence that some of the transfer is being used by some households to support education expenditure, this does not imply that SAGE is increasing household education expenditure on aggregate, as the transfer may have simply replaced other financing sources, allowing households to increase expenditure in other areas, such as food or productive investment. Indeed, this is what the quantitative data indicate. Table 18 shows that **SAGE has not increased mean expenditure on education on aggregate**. As was the case at midline, the quantitative data show no statistically significant trends in education expenditure across the two treatment groups, nor any impact of the SAGE programme in this regard.

Table 18: Education expenditure

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Monthly education expenditure per child aged 6-17 (2012 prices, UGX) ^{1,2}	19,500	15,300	-7,900	1,362	7,300	8,700	1,700	1,515

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.17. (1) To nearest UGX 100. (2) Calculated for households containing children of school-age (6-17) or other aged person currently attending school.

The finding that there are no statistically significant trends in regard to education expenditure is not necessarily in contradiction to the data reported above. The discrepancy is likely the result of a number of factors. On the one hand, it may reflect a certain level of response bias in self-reported use of the transfer: beneficiaries may have incentives to report what they perceive to be desirable behaviour, from a programme perspective, when it comes to how they use the transfer. Equally, self-reported data on what the transfer is spent on do not indicate the amount of the transfer spent on each item. If a household only spends a very small portion on the transfer on education, it may not be enough to make a detectable difference at the aggregate level. Finally, as mentioned above, cash is fungible: it may be that beneficiary households would have incurred expenses for education anyway (if access to school is free, and indirect costs are relatively small, it is reasonable for the expenditure on education to remain relatively static in relation to changes in income), but having covered (part of) these expenses with the additional resources provided through SAGE, they were able to free up additional budget room for expenditure in other areas – such as food consumption, savings and investment – so it is in those areas that the impact of the programme is really distinguished.

Table 19 below reports trends on **child attendance and progression**. It shows that there are some positive movements in these regards but **no measured impact of the SAGE programme**. In VFSG beneficiary households, the proportion of children (both boys and girls) aged 6-17 currently attending formal education significantly increased between baseline and endline. Likewise the number of days missed in the last 30 school days by children in SCG households also declined significantly during the evaluation period. However, the lack of statistical significance of the impact estimate means that it is not possible to attribute any of these trends to SAGE.⁵⁴ For instance, while attendance rates for children in VFSG households increased, they also did so in the comparison group. Similarly, while children in the SCG households did experience a decline in the number of school days missed on average, such a decline also occurred for the comparison group (Table K.18).

The qualitative findings broadly corroborate the quantitative study: beneficiaries pointed out how the size and the frequency of payments is not sufficient to better enable children to attend school:

“The money does not come in time and the money is little so it can’t pay fees.” Male beneficiary, Katakwi, SCG area

“I have to wait till the end of every two months so I can get money from SAGE. Sometimes it bothers me when my grandchildren are being chased from school for school dues. And you can’t convince the head teachers that you are expecting money after two months, so they stay at home.” Female beneficiary, Kiboga, VFSG area

⁵⁴ The impact estimates are robust to sensitivity checks that employ alternative sets of individual-level sample weights.

There were also indications in the qualitative data that there are differences in the ability of the transfer to support different types of education expenditure. Beneficiaries and non-beneficiaries alike remarked that the transfer is being used more for primary school, where the costs of attending are lower, compared to secondary school.

Table 19: Child education attendance and progression

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Children aged 6-17								
Proportion of children 6-17 currently attending formal education	75.5	74.9	-1.8	3,541	82.4	86.3***	-2.3	4,734
Boys	77.0	75.2	-4.3	1,783	83.2	87.1**	-3.0	2,384
Girls	73.9	74.5	-0.26	1,758	81.5	85.3**	-3.7	2,350
Mean number of days missed in last 30 scheduled school days	1.7	1.1***	0.16	2,542	1.8	1.7	0.32	3,934
Boys	1.9	1.2***	0.65	1,290	2.0	1.8	-0.06	2,018
Girls	1.5	0.95**	-0.54	1,252	1.7	1.6	0.28	1,916
Class progression rate¹	71.9	72.8	4.6	2,617	63.5	61.3	-3.6	4,033
Boys	71.9	73.2	8.3 (NR)	1,330	61.0	62.5	0.44	2,058
Girls	71.9	72.3	-6.3	1,287	66.4	60.0**	-6.9	1,975
Children aged 6-12								
Proportion of children 6-12 currently attending primary education	67.5	70.5	-4.5	2,187	77.0	81.6***	-3.2	3,184
Boys	67.7	70.8	-2.1	1,092	76.9	80.5	-0.10	1,623
Girls	67.2	70.1	-9.9 (NR)	1,095	77.2	82.9**	-1.3	1,561
Children aged 13-17								
Proportion of children 13-17 currently attending secondary education	5.6	5.3	1.6	2,995	2.9	4.5**	0.37	4,310
Boys	6.3	4.9	1.5	1,509	3.1	5.3**	-0.81	2,179
Girls	4.8	5.8	1.8	1,486	2.7	3.6	1.2	2,131

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.18. (1) Proportion of children graduating to next appropriate grade since last academic year.

5.2 Health care

A number of studies have shown that cash transfers can leverage sizeable gains in access and utilisation of health services by helping poor households overcome economic barriers. As with education, cash transfers can increase the level of household expenditure devoted to health care, helping to meet the direct cost of that care, such as medicines, and indirect costs, such as transport and loss of income and productivity.

Common observations from the qualitative research were that beneficiaries are healthier. Two female beneficiaries and a teacher spoke of the link between improved health and being able to afford a more varied diet and eating on a more regular basis. The impact of the grant is felt to be particularly strong on the health of the elderly and the poor, as noted by key informants in SCG areas:

“Sickness among the old has also reduced because they are stress-free.” LC1, Katakwi, SCG area

“There are also the very poor who were hopeless. However the fact that they can now afford to buy the basics really makes them happy. They know they can go to the health centre and they now look well.”
Parish chief, Kyenjojo, SCG area

“There is a health improvement. Actually when the grant was delayed for four months we recorded a big number of elders dying.” Sub-county chief, Kaberamaido, SCG area

These quotes demonstrate how essential access to the transfer can be for elderly people. They also point to the reciprocal relationship between enhanced physical health and improvements in subjective wellbeing.

Table 20 below presents information on health expenditure, incidence of illness or injury, and health-seeking behaviour. The data show that **SAGE is increasing mean health expenditure for SCG recipient households**. The programme does not seem to have an impact on incidence of illness or injury on aggregate, or health-seeking behaviour.



Cash transfers can increase household expenditure on health care, helping to meet direct costs, such as medicines, and indirect costs, such as loss of income from work.

Table 20: Incidence of ill health, health-seeking behaviour and expenditure on health⁵²

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Mean monthly household health expenditure per capita (2012 prices, UGX)¹	1,300	6,000***	2,700**	1,811	2,700	6,100***	1,700 (NR)	1,864
Proportion of individuals ill or injured in the past three months	21.2	19.6	2.4	9,746	20.3	19.8	-2.9	10,798
Male	17.7	16.6	0.14	4,674	17.5	15.8	-0.98	5,052
Female	24.2	22.3	2.4	5,072	22.7	23.3	-2.3	5,745
Proportion of those ill or injured in past three months seeking formal health care²	71.6	69.7	5.5	1,789	64.3	71.9**	1.6	2,182
Male ^{2,3}	71.7	72.0		732	66.5	69.3		882
Female ^{2,3}	71.5	68.2		1,057	62.9	73.5***		1,300
Mean total cost of consultation (per individual)^{1,4}	19,300	26,600**	10,500 (NR)	1,278	21,000	24,200	500	1,633
Male ^{1,3,4}	23,200	29,700		530	22,600	21,600		646
Female ^{1,3,4}	16,700	24,400***		748	19,900	25,700		987

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.19. (1) To nearest UGX 100. (2) Includes community health workers, private or government hospitals, health centres or clinics. (3) Impact estimates are not applicable due to the small sub-sample over which it is not possible to build a successful matching model. (4) Includes cost of transportation and accommodation incurred as a result of seeking consultation, cost of consultation, and cost of any medicines prescribed.

The qualitative findings suggest a more positive picture regarding the impact of SAGE on beneficiaries, as it increases the ability of beneficiaries to buy medication and to be able to afford medical treatment. In turn, this is felt to be improving health outcomes. The quotes below exemplify two common responses from the qualitative research:

"I produced many children before SAGE but unfortunately all of them passed on. But now I am strong and able to work because I get medication. Sometimes when I go to hospital they prescribe me medicine and I am able to buy medicine from the clinic." Female beneficiary, Kaberamaido, VFSG area

"I am happy with the SAGE programme because we are able to treat children and they are healthy." Male FGD, Apac, VFSG area

55 For the impact measures on the proportion of individuals ill or injured in the last three months we break the cohort down into four age groups for the purposes of matching: 0-5, 6-7, 18-64, and 50+. As none of these groups show a significant impact of the programme on this indicator (we obtain robust results for all groups including disaggregated by gender) we simply report here 'all individuals'.

According to beneficiaries, access to the transfer has also reduced reliance on other family members with regard to health expenditures. For less expensive treatments, beneficiaries are able to cover health costs using the transfer, rather than having to borrow or sell assets. For larger health expenditures (e.g. for an operation), or when health expenditures occur a long time from payment days, households deploy alternative coping strategies to cover those costs, such as informal borrowing or selling livestock or other assets:

“For me much of this money has gone to medication. There was a time when I had not received payment yet but I fell sick and borrowed money for an operation (25,000 UGX) from someone who trusted me. But I paid the whole of it back after a long period of time.” Male beneficiary, Kaberamaido, SCG area

“For disease we use this very money [SAGE] to go for treatment; and when one has foodstuffs we sell this for treatment. When my old woman got sick I sold two goats to solve that problem by taking her to the hospital for treatment.” Male beneficiary, Katakwi, SCG area

The increase in health expenditure can partly be attributed to higher costs households may be paying to receive health care. While the quantitative data are not conclusive on this (due to low sample size on costs per consultation), the trend data for SCG households suggest that the cost of consultation (including transport and medication) increased significantly between baseline and midline (after adjusting for inflation).

For the SCG group, the qualitative findings suggest that, in some instances, the cost of consultations may have gone up due to a shift to private sector services (see also Section 8.2 below). According to numerous respondents, many beneficiaries are now accessing private medical facilities, *“which was not the case before SAGE was introduced.”* Male non-beneficiary, Nakapiripirit, SCG area

The quantitative data imply that more money is being spent on treatment rather than prevention. This finding is in agreement with the qualitative data as there was only one reference to the cash transfer being spent on a preventative strategy (mosquito nets).

Table 21: Ownership of mosquito nets

Proportion of individuals having slept under a mosquito net the previous night	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Children 0-5 years old	40.9	90.8***	0.48	1,151	47.3	94.6***	11.0*	1,982
Boys	38.2	91.3***	-8.9	582	47.1	94.3***	-2.9	955
Girls	44.0	90.3***	-7.1	569	47.4	94.8***	14.6*	1,026
Children 6-17 years old	27.7	88.3***	-2.2	3,343	33.4	88.5***	8.2*	4,468
Boys	26.3	88.5***	-6.4	1,691	33.0	88.9***	7.7	2,251
Girls	29.2	87.9***	-2.3	1,652	33.9	88.0***	3.2	2,217
Individuals aged 50+	33.9	89.2***	0.92	2,245	37.4	89.3***	7.2	1,136
Male	36.5	90.0***	0.04	936	39.9	93.7***	-5.5	379
Female	32.2	88.7***	-2.2	1,309	36.3	87.5***	1.9	757

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.3.

In fact, Table 21 above suggests that the proportion of individuals sleeping under a mosquito net has dramatically increased for all the households. This suggests that the existence of other programmes delivering mosquito nets in evaluation areas is the primary explanation for this positive general trend. For the VFSG group, part of the impact does, however, appear to be attributable to SAGE, in particular for girls under five years old (though the estimate is at a low level of significance). According to SAGE staff in Katakwi, increased use of mosquito nets has had a positive impact within beneficiary groups, through lowering rates of malaria.

5.3 Financial services

5.3.1 Saving

Access to savings, borrowing and credit enable households to meet current and future household needs, and to cope with unexpected shocks. The evaluation found a very large increase in the proportion of households with current cash savings (see Table 22). The proportion has increased by 19 percentage points in SCG and by 16 percentage points in VFSG households. **For VFSG households, the increase in saving is attributable to SAGE (as was found at midline), as is the increase in the mean total value of savings in the last 12 months. There was no impact of the programme on the type of savings instrument (formal or informal) used by households.**

Table 22: Household saving

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households member of a VSLA	22.8	31.0***	-24.3	1,816	27.7	39.4***	-28.5 (NR)	1,867
Of which, proportion of households member of a VSLA run by CARE	10.9	10.2	-19.9	589	8.2	14.6**	59.0	693
Saving								
Proportion of households reporting current cash savings	24.8	44.1***	-1.5	1,816	36.6	52.8***	10.1**	1,866
Of which, proportion of households with savings in a formal financial institution	8.2	3.7**	-2.8	823	5.6	1.6**	3.4	924
Of which proportion of households with savings in an informal savings institution¹	89.3	97.1***	4.5	823	94.2	97.2*	-3.3	925
Mean total value of saving in last 12 months (2012 prices, UGX)²	51,300	72,600***	3,200	962	42,500	70,900***	37,200***	1,135

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.20. (1) Includes Rotating Savings and Credit Association (ROSCA)/SACCO/micro-finance institution/VSLA. (2) To nearest UGX 100.

The qualitative research corroborates the quantitative trends observed, indicating that the culture around saving may be changing, with (particularly beneficiary) households mentioning being more likely to save at endline than they were in the past. As a male beneficiary from Kyenjojo district (VFSG area) commented:

“With the coming of SAGE things have changed a bit. When I get the money, I think about saving it or investing it ... I save some, unlike in the past.”

However, not all beneficiaries are able to save, especially poorer beneficiaries in VFSG areas, who struggle in this regard:

“For us who are poor, we do not save money. All we get is spent—and this is not good because any problem the family faces becomes harder to solve. You end up selling a piece of land when you get a problem that requires money.” Female beneficiary, Kiboga, VFSG area

“Saving is not there in my case because my needs are many.” Female FGD participant, Kiboga, VFSG area

Some non-beneficiaries also complained about not being able to save:

“We don’t have the capacity to save. We just told you that we actually spend more than we earn so how do you expect us to save?” Female non-beneficiary, Kiboga, VFSG area

The vast majority of households have savings in informal institutions⁵⁶ but, interestingly, we observed this pattern becoming starker at endline, with statistically significant declines in the propensity to save in formal financial institutions for both SCG and VFSG households, and increases for savings in informal institutions (such as saving groups). This trend is especially pronounced for SCG households. This finding is in agreement with the qualitative data:

“Most people here do not use banks. They use their [savings] societies where they save their money. That is where they borrow from.” Female non-beneficiary, Kyenjojo, VFSG area

In the qualitative data access to the SAGE transfer was associated with recipients joining savings groups, and those who were in pre-existing savings groups mentioned contributing larger payments. Savings groups work via members of the group contributing small amounts, usually on a monthly basis, with the cumulative sum of money being given to one member each month. The next month the same process happens again and it is given to another member. The benefit of receiving a large amount of money at once is that it allows the member to invest in more expensive assets, such as livestock, which can be bred, then sold to allow the household to invest in something more expensive, such as the construction of a house or buying a plot of land. Savings groups have been set up with the assistance of parish development committees, who continue to provide support and advice. There were no complaints from savings group members about high interest rates or an inability to pay the monthly fee.

⁵⁶ This is in keeping with results from the 2013 Uganda Finscope III survey, which found that ‘Despite the developments in the financial sector, a significant proportion of the adult population used home/secret place for saving – the share increased from 18 percent in 2009 to 25 percent in 2013... The most cited mechanisms for those saving in the last 12 months were: ‘home (51 percent), VSLAs/ROSCAs (29 percent) and buying of livestock/assets (18 percent).’ See Economic Policy Research Centre (2013), p. x.

5.3.2 Borrowing

Table 23 reports on household borrowing. It shows that **SAGE has not had an impact on the proportion of households who reported borrowing money, or the value of borrowing for those who do.** The prevalence of borrowing has increased between baseline and endline for both SCG and VFSG households, but these trends are not attributable to the programme.

The quantitative data show that money is most often borrowed from informal sources (family/friends/ neighbours) or from savings groups such as VSLAs or rotary and other types of savings groups (ROSCAs and SACCOs). Households reported borrowing money for a variety of reasons, the most common of which are health expenses, education expenses, basic food needs and agricultural production.

Table 23: Household borrowing

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households reporting borrowing money in last 12 months	35.8	39.4*	-1.8	1,816	43.7	53.7***	0.45	1,867
Mean total value of borrowing in last 12 months (2012 prices, UGX)¹	98,400	95,100	7,500	1,119	89,300	110,800*	15,100	1,356
Mean total value of current outstanding debt, for those with outstanding debt (2012 prices, UGX)¹	68,400	66,800	2,100	882	67,600	73,600	-7,600	1,194

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.20. (1) To nearest UGX 100.

5.3.3 Credit

One of the key findings at midline was a positive impact on access to credit for SCG beneficiaries. This impact was particularly important because access to credit allows households to smooth consumption and avoid negative coping strategies such as sale of productive assets. However, at endline, **SAGE was not seen to be having an impact on credit for either the SCG or the VFSG group.** While purchase on credit in the last three months was certainly seen to be more widespread among beneficiary households at endline than at baseline (see Table 24 below), similar or even bigger increases in access to credit were observed for the comparison groups (Table K.20).

Table 24: Access to credit

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households reporting purchasing on credit in last three months	29.8	40.0***	2.5	1,816	40.6	48.7***	-4.3	1,867
Mean total value of credit in last three months, for those who purchased on credit (2012 prices, UGX)¹	15,600	12,100	-4,100	1,017	9,300	12,500*	6,200	1,327
Mean total value of outstanding credit debt, for those with outstanding credit debt (2012 prices, UGX)¹	7,800	5,900	-500	1,009	5,300	6,600	6,400	1,326

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.20. (1) To nearest UGX 100.

This result is not easy to explain. It is unlikely that SCG beneficiaries are no longer needing to access credit. Credit is overwhelmingly used for food and basic goods, and because the transfer is paid every two months, beneficiary households reported still being likely to require access to credit for these consumption items during the payment cycle (see Box 4 above), as the quote below exemplifies:

"[Beneficiaries'] [p]urchasing power has increased. People now have money. Even if they don't have on the day they want to buy an item, we give them credit because they promise us payment when they next receive their SAGE money." Trader, Kiboga, SCG area

In order to query this result we conducted some additional qualitative research in four evaluation districts.

We first examined the perceptions of traders, shopkeepers, and community members about who is creditworthy, and whether these views have changed since the implementation of SAGE, and in particular since the midline evaluation. We found that, across study districts, all respondent groups reported broadly similar perceptions of who is creditworthy. The most likely people to be given credit are: individuals receiving regular salaries (especially civil servants, nurses, and teachers), business people, and anyone with a permanent source of income. Next came people with crops in their gardens that were likely to yield a good harvest, those with enough strength to exchange labour for items on credit, and SAGE beneficiaries. The least creditworthy people were generally reported to be the elderly (non-SAGE-beneficiaries), the labour constrained, and those who are known to have no stable source of income. While it follows that a higher, more reliable income would improve an individual's ability to access credit, traders and shopkeepers widely reported that merely being a SAGE beneficiary or a salary earner does not guarantee the offer of credit. The most important factor seems to be being known to the creditor as a regular and loyal customer, and as someone having a good reputation within the community. A trader in Apac expressed the sentiment behind this clearly: *'We traders are hard with money so we do not play around. Otherwise the business will fail.'*

From whom SAGE recipients and non-recipients access credit appears to vary between rural and urban contexts. In urban study locations in Nebbi district, for example, shopkeepers and those who own small kiosks in the community reported that they very rarely, if ever, extend credit to the elderly, regardless of whether they are SAGE beneficiaries. Similarly, traders in the local market do not offer credit to elderly people. Discussions with men and women who are both beneficiaries and non-beneficiaries confirmed that, in these contexts, people over 65 are most likely to make purchases on credit from their friends and neighbours, or nearby farmers who sell their surplus. In contrast, the elderly in rural areas reported accessing credit from shopkeepers, though these transactions are largely governed by social relations and strongly linked to SAGE paydays, with credit being granted at a time close to the next payment.

The additional research also explored other factors which might explain why levels of creditworthiness appear to have improved among both treatment and comparison groups. We hypothesised that membership in a savings group might improve creditworthiness, and perhaps rates of savings among both beneficiaries and non-beneficiaries had increased since the midline study (influenced by initiatives by Brac, SACCOs, NGOs, etc.). As discussed in Section 5.3.1 above, while evidence suggests that some beneficiaries are more likely than non-beneficiaries to save, elderly respondents reported that they do not use money loaned from savings groups to make large purchases on credit. This is in part because they fear what would happen if they were to simultaneously default on both a loan from the savings group and a credit payment owed to a merchant. It is also because sellers of expensive items, such as cattle, generally make sales at temporary markets, and are typically from outside the community. They are therefore unlikely to offer credit at all. Other factors, such as the taking of collateral, were considered, but this was seldom practised, with the rare exception of using land as collateral for a large purchase.

We also tested a theory that SAGE may be having a positive spill-over effect that is improving the ability of non-recipients to access credit. On the demand side, we questioned whether beneficiaries were increasingly acting as guarantors for those not receiving the transfer, but found that this practice extended only to the purchase of local brew. On the supply side, we considered the finding from previous qualitative research in which traders and shopkeepers reported that SAGE had significantly improved business. Could it be that increased liquidity among beneficiaries, with the resulting spill-over effect (purchasing casual labour and other goods and services from non-beneficiaries, for instance – see Section 4.4 above), would influence the willingness of traders to extend credit to the population as a whole? However, as discussed above, we did not find this definitively to be the case, with offers of credit based largely on perceptions of who is creditworthy, and on the relationship between the potential debtor and creditor.

On the whole, no definitive explanation was found which would explain why creditworthiness would have increased among both treatment and comparison groups, or why quantitative results obtained at midline were contradicted at endline.⁵⁷

⁵⁷ We do not consider the results at midline to be spurious as the evidence present in the quantitative data was strongly corroborated by the qualitative data.

5.4 Formal transfers

Social protection could either crowd out or crowd in other forms of assistance to beneficiaries. To explore this issue, respondents were asked about transfers received either in cash or in-kind from various sources (government, NGOs or religious organisations) in the three months preceding the survey (not including SAGE).

Table 25: Formal transfers

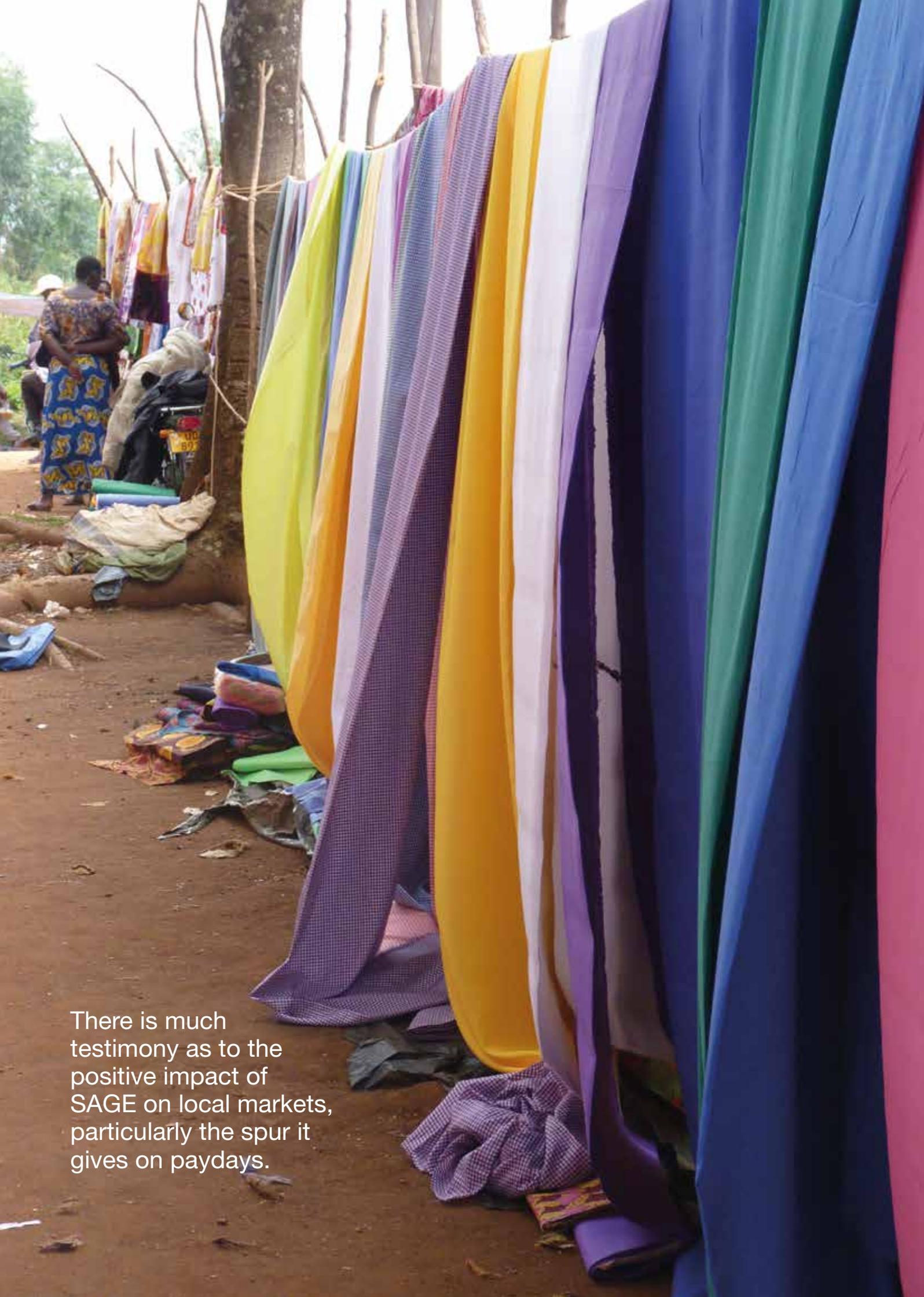
Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households receiving any formal assistance in last three months	17.1	22.6**	-0.90	1,816	3.1	23.4***	-0.42	1,867
Proportion of households receiving any cash aid in last three months ¹	1.5	1.1	0.48	1,816	1.4	1.4	0.69	1,867
Proportion of households receiving any in-kind aid in last three months	16.0	22.0**	-1.1	1,816	1.9	22.2***	-0.79	1,867
Mean total value of formal assistance in last three months, for those receiving it (2012 prices, UGX) ²	7,600	4,500**	-1,500	1,816	4,200	5,100	-2,000	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.21. (1) Excluding SAGE. (2) To nearest UGX 500.

Overall, as highlighted in Table 25, the **SAGE cash transfer has not displaced support from other formal sources** for either SCG or VFSG beneficiaries. Indeed, the data show that the proportion of SCG and VFSG households that have received formal assistance or in-kind aid from sources other than SAGE has increased since baseline, as has the total value of formal assistance received for SCG households. However, these trends are not attributable to the SAGE programme.

Clearly there has been a relatively substantial increase in formal assistance received across all households, driven by in-kind assistance. This trend was observed for both treatment and comparison households. Precisely what the nature of these additional interventions being received are we cannot fully answer. However, CARE International have undertaken a programme to create VSLAs in SAGE locations with the express aim of augmenting the benefits of the SAGE programme, and so it could be that this initiative features in this result.



There is much testimony as to the positive impact of SAGE on local markets, particularly the spur it gives on paydays.

6 Local markets and infrastructure

This section discusses SAGE's impact on local markets, wages and prices. The findings are as follows:

- The quantitative data do not show any significant programme impact regarding the development of local market infrastructure, although there is much qualitative data on the stimulating effect of SAGE on **local markets**, particularly on payment days.
- SAGE was not seen to be having any impact on **local food price inflation**.
- The cash transfer was not seen to have had any significant impact on agricultural or non-agricultural **wages**.
- The SAGE programme has not had a significant positive impact on the proportion of communities with an operating **ROSCA** or **SACCO**.

The evaluation theory of change focuses on outcomes at the household level. However, the evaluation design includes a facility to assess impacts at the community level, in terms of whether the transfers provoke inflation in prices or wages, or affect the supply of services. Data from the midline then prompted an explicit focus on spill-over effects within local markets in the final round of qualitative research. The findings of this research shed light on the effects of the transfer on the wider economic structures of which its recipients are a part. Of the many channels through which the additional disposable income of SAGE beneficiaries can have an effect on the local economy, we focus here on three theoretical links: the increase in demand for goods and services from SAGE beneficiaries can stimulate local supply of goods and services; alternately, if supply cannot respond to increased demand, it might increase either local prices or wages.

This section focuses on the impact of the transfer on local wages, local prices, and local markets. The prevalence of local savings institutions is considered but financial services are discussed in more detail in Section 5.3 above. The analysis below relies on a DID approach using panelled community-level observations, i.e. comparing changes over time in a range of indicators between treated and control communities that were captured in a community survey (see Section 2). The DID estimates ensure that we are holding constant any community-specific characteristics which evolve in the same way over time and which might, in addition to the cash transfer, have a potential influence on the impact indicators being measured. For example, it allows us to control for economic policy changes which have affected communities in the same way. We present results for control communities versus treated communities overall, without distinguishing between VFSG and SCG communities. To assess inflation, we compare inflation rates in evaluation areas with national averages. We discuss the limitations of this approach in Section 6.2 below.

6.1 Consumer services and local markets

This section looks at the impact of the cash transfer on local savings institutions and market facilities available within communities.

There is a positive trend in the proportion of communities where local saving institutions are operating. However, the quantitative data show **no programme impact on the proportion of communities within which a ROSCA or SACCO is operating**. This negates the midline findings where we observed a significant positive effect. The lack of impact at endline is, however, in line with similarly divergent results on financial outcomes reported in Section 5.3 above. At midline, significantly more households had reported saving with a formal financial institution among SCG beneficiaries. By contrast, at endline there was no significant increase in saving with formal financial institutions for either group.

It is hard to reconcile this result with the findings from the qualitative research, in which beneficiaries spoke frequently about participation in savings groups, and even of establishing such groups as a direct result of the SAGE transfer; with this being especially so for the SCG group. However, Save the Children did explicitly target SAGE areas to promote savings groups, which may have been aimed at non-beneficiaries alongside SAGE beneficiaries, potentially undermining any impact of the programme. We do not have comparable data from households or other key informants in control communities, which thus makes it difficult to fully understand these dynamics.

Table 26: Proportion of communities with local markets and market services

Indicator	Treatment communities			Control communities			DID
	Baseline	Endline	N	Baseline	Endline	N	
Local savings institution¹	79.6	65.1***	398	88.0	82.8	99	-9.3
Permanent markets	35.8	30.4	398	48.0	44.0	100	-1.3
Periodic markets	25.1	11.1***	398	33.0	26.0	100	-7.1
Number of consumer outlets (shops/kiosks)	3.8	4.8*	398	4.4	6.0	100	-0.74

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in column 3 indicate the significance of the trend between baseline and endline for treatment communities, i.e. between columns 2 and 3. Asterisks in column 8 indicate that the difference between the changes observed over time for the treatment and control communities (the DID estimate) is significant. The level of significance is denoted as follows: three asterisks (***) indicate the difference is significant at the 99% level of confidence; two asterisks (**) indicate a 95% level of confidence; one asterisk (*) indicates a 90% level of confidence. All significance tests, including those relating to regression estimates, are based on standard errors calculated taking into account the survey design and clustering by sub-location. (1) Proportion of communities located within a 2 km radius of a savings institution (ROSCA or SACCO).

In terms of other market services and infrastructure, including prevalence of permanent and periodic markets, and numbers of consumer outlets in evaluation villages (clusters), **there were no indications from the quantitative research that SAGE is increasing these market outlets**. Table 26 does not show any significant impact regarding the development of market facilities, whether in SCG or in VFSG communities.

The fact that the number or size of market infrastructure has not increased does not imply that the size of market activity has not increased, however. Though this study did not measure this quantitatively, the literature does suggest that cash transfers can and do have positive spill-overs on the local economy, creating ‘multiplier effects’ that are embodied in increased volumes of market activity.⁵⁸ The qualitative research fully supported this thesis, with much testimony as to the positive impact of SAGE on local markets, in particular the spur it gives on paydays:

⁵⁸ See, for example, Thome *et al.* (2016), Barca V. *et al.* (2015) and FAO (2013).

“On the day of payment, you will find so many beneficiaries heading to the market to buy food items, such as meat, fish, cassava – the market is full with people.” Trader, Nebbi, SCG area

“The day when SAGE pays beneficiaries, I walk with my head held high because I get a large number of customers. Yes, on the day of payment these people pass by here and make orders in advance and on that day I make a lot of money ... Previously, I used to sell four crates of soda, but now I sell between five and 10 crates. That shows that I am moving upwards and business is doing better.” Trader, Kiboga, SCG area

“There is more cash now. Whatever we stock, we are sure when the elderly get these transfers we shall sell, thus more profits. The commodities spend less time on the shelf because they are bought instantly.” Trader, Kyenjojo, SCG area

In some cases, new traders were said to be entering the market to take advantage of this increased demand. For example in Kisojo in Kyenjojo it was reported that traders come from Mubende, a neighbouring district, to sell their goods on payment day. In one beneficiary FGD, respondents were of the view that this increased number of traders in the markets even created some competition, driving down prices.

“Yes, traders come from neighbouring districts and the place is very busy with many items and people buy many of these items. For example bed sheets were at UGX 15,000, but are now at UGX 10,000. You know when there are plenty of goods, people reduce on the prices because if they don't slash the prices, who will buy their goods? They even display these items outside their shops so that people can buy them. Things like flasks, shoes, kettles... All of these items are put out. You even bargain and if they don't reduce you have a choice to go to another trader.” Male beneficiary, Kyenjojo, SCG area

In Katakwi it was noted that temporary markets and stalls were springing up selling to beneficiaries as they collect their transfers. As reported in the midline, in Kapujan a new market known as *Obaratakere* ('Let us all become rich') had started in the last three years, reportedly as a result of SAGE. At endline, this market was still going strong. In other cases, such as in Kaberamaido, Katakwi, Nakapiripirit, Kiboga and Kyenjojo, respondents also described a process whereby markets were getting physically closer, with increased diversity of goods supplied and traders coming expressly to serve temporary local markets.

“I am weak and find it hard to travel to further market, but all I want is now available here at our market. So we no longer struggle to access these items.” Male beneficiary, Kyenjojo, SCG area

“A good variety of different goods are now brought to the markets, like the wrapping sheets 'Ngasuka', coats and other clothes, which the old men purchase when they get the SAGE cash. Also there are consumable goods in the market.” Female beneficiary, Moroto, SCG areas

“The community can now access their goods quite easily since they are now near and available.” Female beneficiary, Nakapiripirit, SCG area

It was also mentioned that some types of businesses had become more profitable over the last three years. For example, in Kiboga and Kyenjojo, the LC1 and parish chief mentioned that there was an increase in the profitability of *boda-boda* riders. A similar sentiment was shared particularly by beneficiaries and key informants who lived far from paypoints. In Nakapiripirit, the increasing consumption of local brew by beneficiaries was noticeable, boosting the profits of brewers.

6.2 Local food prices

The data above indicate that local market supply is not having difficulty responding to increased demand. In this scenario, one would not expect the SAGE programme to be having an inflationary impact on local prices. In this regard, a comparison of inflation in treatment areas with the rest of Uganda does not show abnormal inflationary pressures on local prices. Over the period between the baseline and endline surveys, inflation calculated on consumption expenditure over a range of food items was 1.048, lower than the national food Consumer Price Index (CPI) of 1.088 over the same period (September 2012-October 2014).⁵⁹ While the national CPI does not necessarily provide a rigorous counterfactual, the comparison and the level of price changes suggests that **SAGE is not having an inflationary impact on local prices**. Moreover, this statement should be considered together with the value and scale of coverage of the SAGE programme. On average, up to around UGX 521,300 was transferred to each beneficiary over the duration of the programme (see Section 3) This amount is modest relative to the overall size of economic activity in these areas (the value of the transfer represents roughly 12% of total household consumption on average and the SAGE programme only benefits around 15% of the population) and there are not strong reasons to suspect local markets cannot respond to increased demand. We thus conclude that it is unlikely that SAGE has led to a significant impact on prices

Once again, the qualitative study corroborated this finding. The majority of respondents perceived that there were no changes in the prices of goods as a result of SAGE. Rather, prices were felt to be driven by broader macro-economic factors and this was noted by traders across all eight districts. In the vast majority of cases, the responses from traders were that they could adequately respond to the increase in demand.

“No, SAGE has not had any influence on the prices of goods and services in this community as far as I know. But rather prices have remained the same though beneficiaries receive the money that day. This is because we know they are our daily customers and there is no need of cheating them.” Trader, Kaberamaido, SCG area

“The prices don’t change because of the availability of the SAGE funds, because it’s only for one or two days so you can’t change the price.” Trader, Katakwi, SCG area

6.3 Local wages

The community-level survey gathered information on local wage rates. In particular, we collected data on typical agricultural and non-agricultural daily wages for female and male workers. We report these in Table 27.

Agricultural activities include a variety of similarly paid tasks, such as cultivating others’ land and picking tea leaves (e.g. in Kyenjojo). Non-agricultural work is mostly casual and, depending on the area and season, involves activities such as brick making, charcoal burning and driving boda-boda (typically owned by others).

⁵⁹ Differences between the two estimates can be explained by a number of factors. First, we used unit values rather than prices to estimate inflation. Second, the sample for which inflation is estimated is not nationally representative. Finally, there are differences in the baskets of goods considered for the national CPI and the SAGE inter-inflation rate.

Agricultural wages seem to have increased over time for both male and female workers for treatment communities, in contrast with findings for the treatment group at midline. Whilst this is in line with the theoretical possibilities outlined at the beginning of this section, the DID estimates do not suggest this trend is attributable to the SAGE programme. Similarly, the estimates for non-agricultural wages follow a positive trend in treatment communities, but this again is not attributable to the programme based on the impact estimates. In sum, **the cash transfer was not seen to have had any significant impact on wages.**

Table 27: Agricultural and non-agricultural wages for non-skilled work²

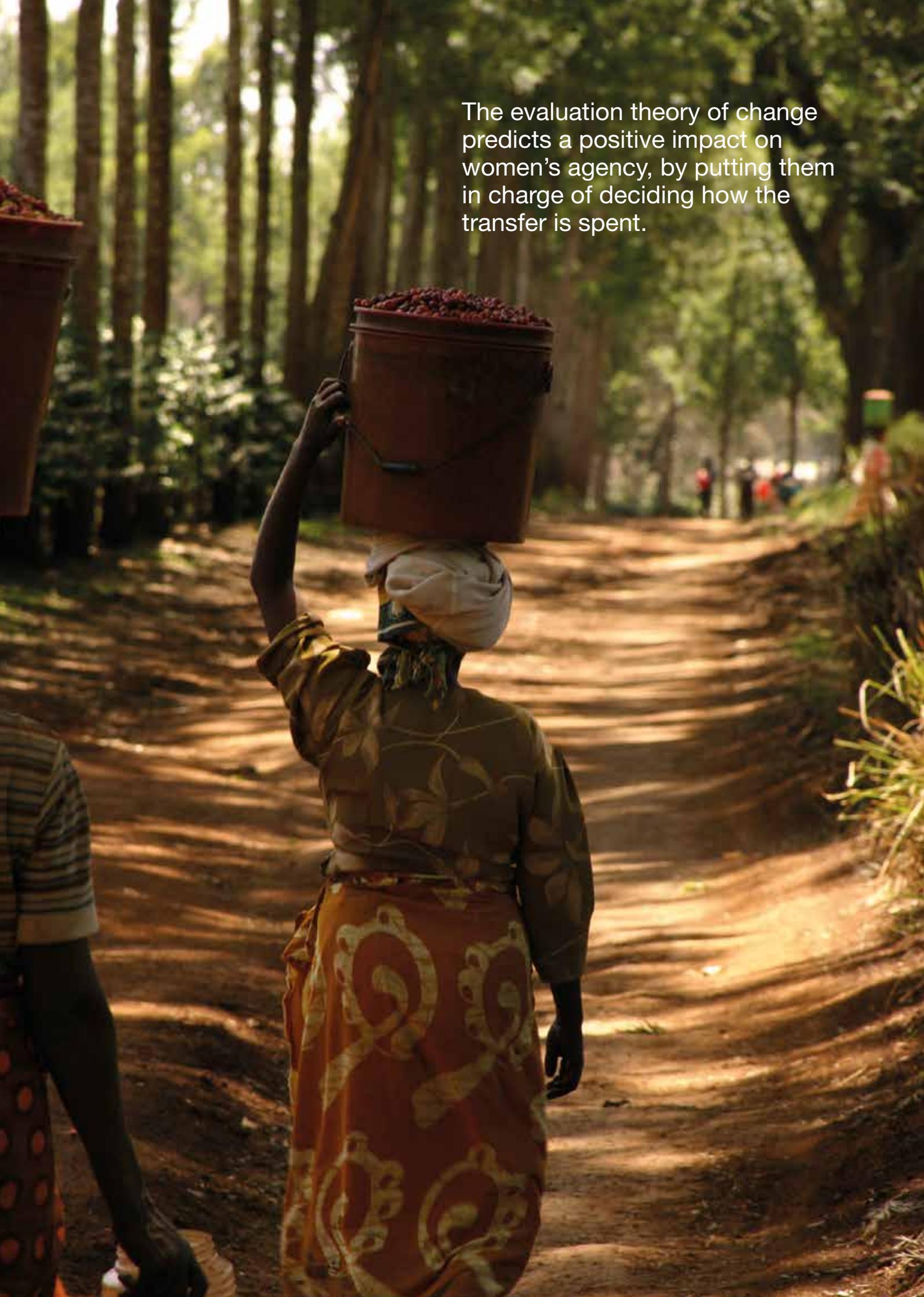
Indicator	Treatment communities			Control communities			DID
	Baseline	Endline	N	Baseline	Endline	N	
Agricultural wages per person per day (UGX)^{1,2}	3,500	3,600*	394	3,200	3,400	99	12.1
Men	3,600	3,800*	394	3,500	3,500	99	200
Women	3,400	3,500	394	2,900	3,200	99	-200
Non-agricultural wages per person per day (UGX)^{2,3}	3,800	4,200*	383	3,900	4,100	100	0.85
Men	4,400	4,800	383	5,100	4,800	100	300
Women	3,400	3,700	367	3,200	3,600	96	-500

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in column 3 indicate the significance of the trend between baseline and endline for treatment communities, i.e. between columns 2 and 3. Asterisks in column 7 indicate the significance of the trend between baseline and endline for control communities, i.e. between columns 6 and 7. Asterisks in column 8 indicate that the difference between the changes observed over time for the treatment and control communities (the DID estimate) is significant. The level of significance is denoted as follows: three asterisks (***) indicate the difference is significant at the 99% level of confidence; two asterisks (**) indicate a 95% level of confidence; one asterisk (*) indicates a 90% level of confidence. All significance tests, including those relating to regression estimates, are based on standard errors calculated taking into account the survey design and clustering by sub-location. (1) Typical wages earned for a full day's labour for the typical type of agricultural work that it is possible to get in each community. (2) All price-related estimates for 2014 are expressed in 2012 prices using the national overall CPI of 9.8%, as inflation would otherwise lead to spurious estimates. (3) Typical wages earned for a full day's labour for the typical type of non-agricultural work that it is possible to get in each community.

The qualitative endline research corroborated these findings. As with local commodity prices (see below) perceptions were that, though in some places wages had increased, factors beyond SAGE were responsible for setting the prevailing price of casual labour in local markets.

The evaluation theory of change predicts a positive impact on women's agency, by putting them in charge of deciding how the transfer is spent.



7 Social relations and cohesion

This section explores changes in experiences of social relations at the household and community levels.

- SAGE has not significantly affected perceptions of social norms around gender or gender inequality, but it has contributed to women's empowerment by marginally improving female beneficiaries' **control of assets**. SAGE has not significantly influenced female control over **household decision-making**, which remains dominated by men.
- At the household level, the cash transfer has helped to reduce the **dependence** of the elderly, and in some cases promoted a new dependence on the elderly as a source of support. Qualitative evidence suggests that SAGE is fostering the **autonomy of elderly** household members.
- In most communities, SAGE has played a significant role in improving **relations between family members** in beneficiary households, and in particular in SCG households. However, it has also exacerbated marital tensions in some VFSG households due to the named beneficiary being female. For SCG recipients the positive improvement in relations was often characterised by beneficiaries being able to contribute to the wider family welfare, rather than being a dependent.
- In regard to SCG communities, the qualitative data produced lots of testimony indicating that SAGE is contributing to existing systems of **sharing and mutual support**. However, these findings were not reflected in the quantitative data, with no impact observed regarding the likelihood of SCG households either giving or receiving informal support.
- In VFSG areas, SAGE was found to have positively influenced the likelihood that beneficiaries would provide support to other households. This different outcome for VFSG households may be explained by **inter-household tensions** catalysed by the VFSG targeting, which may have created a sense of obligation among VFSG beneficiaries to share some of their benefits.
- SAGE is broadly perceived to be contributing to general **social cohesion**, through its positive impacts on intra- and inter-household relations. This is particularly the case in SCG areas, with one reason given for this being the belief that everyone will one day benefit from SAGE when they reach the eligible age.
- Both the quantitative and qualitative research found a notable increase in elderly SAGE beneficiaries' **social status** and **voice** in community meetings, which has been affected by the impact of the cash transfer on beneficiaries' **self-esteem**.

The evaluation theory of change hypothesises that by alleviating household budget constraints cash transfers may have an indirect positive effect on social relations within and between households. By boosting consumption and reducing vulnerability to poverty and other shocks, enabling recipients to access services and acquire or maintain assets, the additional injection of cash should allow households to enjoy better living standards. This in turn may reduce the burden on other households in the community arising from poor households, enable recipients to support those in need, and reduce intra-family tensions, including those between men and women. These effects may thereby facilitate greater social cohesion.

Despite referring to ‘empowerment’ in its name, SAGE does not have explicitly stated objectives related to broader, more transformative, aspects of social protection, including equity, inclusion and empowerment. However, by specifically targeting the VFSG at women, the evaluation’s theory of change expects a positive impact on women’s agency, by putting them in charge of deciding how the transfer is spent. This in turn is expected to have positive effects on women’s involvement in household budget decisions, and to bring about a more equitable division of labour within households. Such reasoning relies on the assumption that the cultural environment, and in particular social norms underpinning intra-household relationships, is conducive to more equitable relations between men and women.

The following sections examine how and to what extent SAGE itself has contributed to a change in social norms around gender relations and intra-household decision-making, while at the same time acknowledging that changes in these norms take time and are unlikely to be dramatic in response to a single policy intervention such as this one.⁶⁰

7.1 Impact of SAGE on intra-household relationships

7.1.1 Ownership and control of assets

Over its three years **SAGE has not fundamentally altered what are still large gendered inequalities in asset ownership**. Across the evaluation districts, men continue to dominate ownership of valuable assets (land, livestock, buildings, bicycles), while women often own domestic resources, such as utensils, and in some cases smaller animals like poultry.

“Men own most of the valuable assets such as land, house ... Women on the other hand own most food crops, chicken, goats and poultry.” Male beneficiary, Kiboga, SCG area

The midline and endline research covered more pastoralist communities than the baseline, particularly in eastern Uganda. In these pastoralist communities both women and men perceive that ownership of assets by men also includes ‘ownership’ of women. This is justified by reference to the use of cattle to pay the bride price. In pastoralist areas, this patriarchal discourse predominates, and is often used to present male dominance in decisions as an inherent situation that is ingrained within local cultures and thus unlikely to change in the short term.

“My husband owns everything in the household including me as his wife because it is for him that I am in his house.” Female non-beneficiary, Kaberamaido, VFSG area

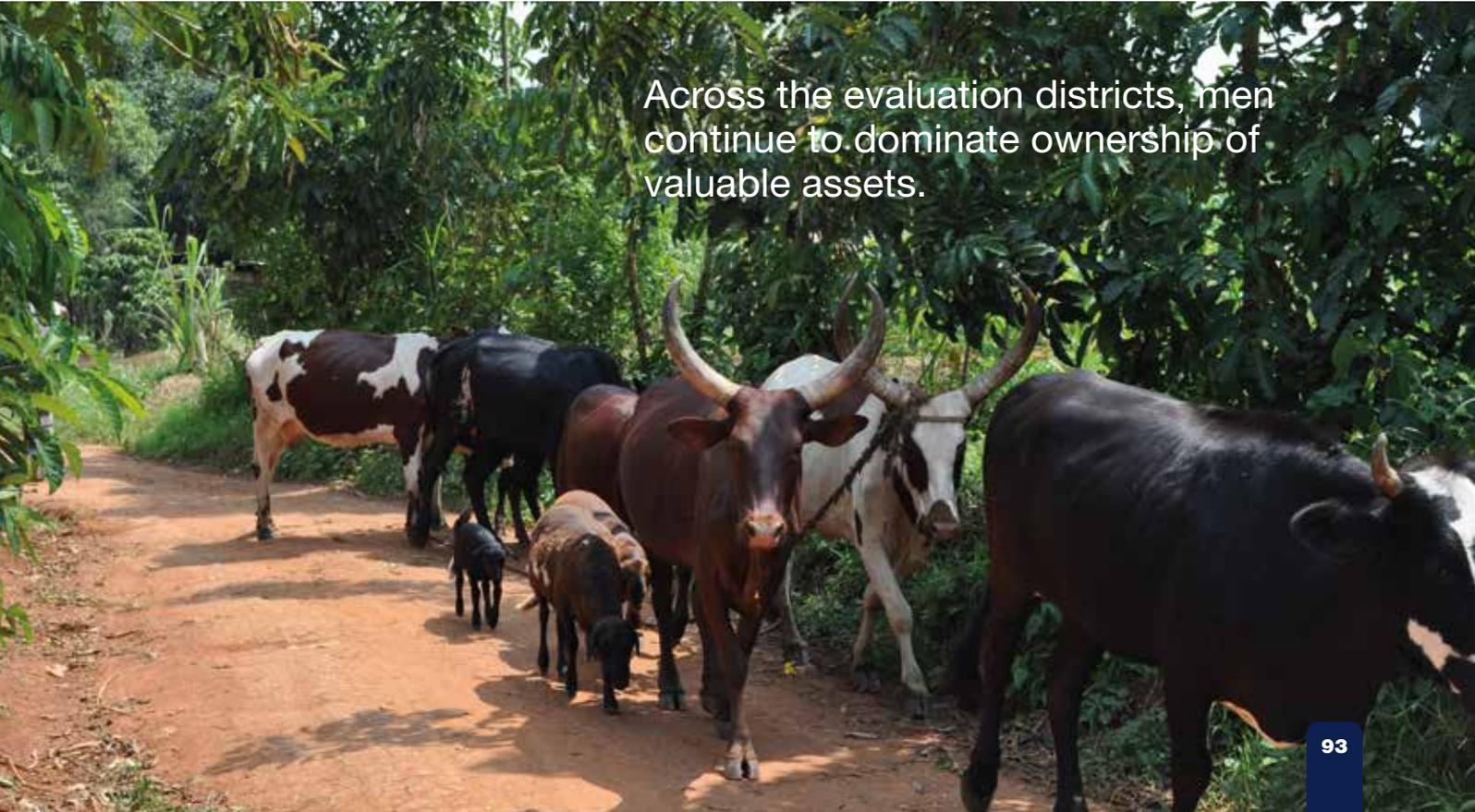
⁶⁰ For evidence on how social norms change see World Bank (2014).

However, there is a strong link between acquisition, ownership and control of assets: the person who bought the asset is usually considered the owner and controls its use. Women who have their own income and are able to buy assets therefore have greater control over those assets. Evidence on this was found to be particularly strong for SCG recipients, as more than 50% of SCG beneficiaries were estimated to be female household heads, often widows, who usually control their own assets. However, there was also evidence from the endline research suggesting that this can also be the case for women living in households with male relatives, although this is still the exception to a situation where either the man controls the assets or decisions are made in discussion within the family.

This link between acquisition, ownership and control of assets matters for SAGE, given that the VFSG targets women to be the recipient of the transfer. By looking at how respondents talk about buying, owning and selling assets, **we can see a positive impact of SAGE on women's ability to control assets.** This change was largely observed for livestock purchased through SAGE money. While women and men across the districts explained (both at midline and endline) that male ownership and control of assets has not changed, a number of women across the districts did report the purchase of small animals (chickens, goats, pigs) using SAGE money (see Section 4.4 above). There was also a contrast apparent between the way that women spoke about the assets that they owned at baseline compared to at midline and at endline. At baseline, women in most communities were perceived to own the smaller assets that they purchase (such as chickens), but explained that men controlled decisions on the purchase and sale of such assets. Already at midline, however, we found that female beneficiaries who had purchased livestock with their cash transfers rarely spoke of men as active in that decision. At endline women increasingly reported that the buyer (often the recipient of the transfer), in many cases the woman, ultimately controls its use.

"When an item is bought in the home, it belongs to us all. We all benefit from it. The house and land belong to my husband and the animals belong to me because I bought them. They can't sell the animals without asking me." Female beneficiary, Kiboga, SCG area

"Being the first, I used it to buy a goat but ever since I bought it, this money now just goes to medication and it is me the owner who decides on how to use it." Female beneficiary, Kaberamaido, SCG area



Across the evaluation districts, men continue to dominate ownership of valuable assets.

7.1.2 Decision-making within households

Table 28: Decision-making within households								
Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households in which a female is the main person to make decisions on...								
Children's education	41.8	41.5	0.16	1,021	46.8	48.2	1.9	1,156
What to do about a serious health problem	45.1	45.0	1.0	1,562	52.8	54.4	2.0	1,582
How to invest money	47.9	46.7	0.35	1,572	52.6	54.0	3.3	1,614
Proportion of households in which at least two people share decisions on...								
Children's education	71.6	75.3	-1.5	1,397	61.0	63.8	3.3	1,538
What to do about a serious health problem	71.8	77.0**	-2.6	1,816	64.9	71.2**	-0.99	1,867
How to invest money	68.3	71.3	-3.0	1,816	58.8	67.3***	3.5	1,867
Proportion of households in which a female is the main person to make decisions on... (excl. female headed households)								
Children's education	15.4	16.4	2.0	727	8.1	13.3*	-0.61	809
What to do about a serious health problem	13.5	14.0	1.9	1,027	8.7	13.7**	3.7	1,025
How to invest money	17.9	15.5	1.4	1,025	8.8	13.4**	-1.9	1,037

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.22.

Despite the positive impact of SAGE on women's ability to control assets acquired with SAGE money, there was **only limited evidence from the qualitative research to indicate that this has led to wider changes in decision-making processes within households**. This was confirmed by the evidence from the quantitative impact assessment, as demonstrated by Table 28 above, which shows no statistically significant impacts for any of the indicators measuring household decision-making. This is not surprising, given that gender roles and intra-household decision-making are influenced by longstanding traditional social and cultural norms, and change in these usually happens slowly. In the words of one recipient:

“Obviously it is for a man to make important decisions; that is to say, how to use income, how to run a family and how to use things in the family. This is because it originated from our grand ancestors so we cannot change it since we were born knowing it is for a man to control and make decisions in the family as long as he is still alive.” Male beneficiary, Kaberamaido, SCG area

While the quantitative data provided no evidence of significant impact, the qualitative research allows us to look at some more subtle changes linked to SAGE. As mentioned above, the buyer is often deemed to be the owner of certain assets. In many cases this also means he or she has ultimate decision-making power over its use. Bringing money to the household's budget (from SAGE or elsewhere) is linked to greater voice in intra-family decision-making. And this is where SAGE's potential to contribute to changing intra-household relations has most potential within relatively shorter timeframes. As at both baseline and midline, the endline research confirmed variations in household decision-making structures, depending on the type of decision being made and the family structure. We therefore look at different household compositions in turn to see how they make decisions, and analyse if and how SAGE has changed things.

In female headed households, in SCG areas but also, where this is the case, in VFSG areas, women usually have decision-making responsibilities over how to spend money (from SAGE or otherwise). Only in rare occasions are these decisions influenced by other (mostly male) family members. **SAGE's impact has been felt through the greater autonomy of SCG recipients and a decrease in their reliance on (financial) support from the wider family network.** This was observed at midline and the endline data confirm and develop the finding.

“It all depends on the family or structure of the household. Some homes have widows and others have a couple. [...] I am a widow and I make all the decisions in my home, even if I have grandchildren. The person that receives the money is the one that makes the most decisions.” Female beneficiary, Kiboga, SCG area

“The beneficiary normally decides on what to do with his/her cash transfers in most cases. However, sometimes it is agreed as a family on how to apportion the money. But the recipient has the final say. This has come about as a result of SAGE.” Female beneficiary, Moroto, SCG area

However, in households where both men and women are present we observed three broad categories of intra-household decision-making: men deciding, women deciding, and different forms of collective decision-making. While there are examples where SAGE has put women in the role of the decision-maker (mainly in regard to to use SAGE money) and increased women's voice in joint decision-making, **there has not been an overall impact of SAGE on the male dominance of intra-household decision-making.** It has remained the man who most often makes the 'important' or 'major' decisions (such as regarding which school children attend, how household income is spent, the types of livestock to be reared by the family, and what constitutes good or bad behaviour by children). In these households, women tend to make decisions regarding daily needs, such as feeding the family and the purchase of minor household consumables, like soap, sugar and salt.

That decision-making is dominated by men is largely justified, by both men and women, by reference to men being the nominal head of the household and male ownership of productive assets, which determines decision-making power regarding the use and sale of these assets. However, despite men having the decisive power regarding key decisions within households, across districts women also explained that they are often consulted regarding major decisions – albeit the final say in most cases is with the man.

“For a family that has a husband and wife, like in my home, it is me who makes all the major decisions. My wife has control over the issues of the kitchen only and nothing else. But also sometimes on critical issues, like about school, we can decide as husband and wife, especially on which school our children should go to.” Male beneficiary, Kaberamaido, VFSG area

“I, the husband as a head of the family, take the role of the decision-making. But I must also engage my wife in the decision taking and we get to know the right decisions to take even when she corrects me I have to take it.” Male non-beneficiary, Nebbi, SCG area

“You can discuss with your wife on what the household needs, but, at the end of the day, the man makes the final decision.” Male beneficiary, Kyenjojo, SCG area

At the same time, many male and female respondents explained that they had practised joint decision-making in their marriages for a long time, irrespectively of the introduction of SAGE. Also, while still not common, some women and men did report that women are the sole decision-makers regarding the use of SAGE money.



Despite men having the decisive power regarding key decisions within households, women are often consulted regarding major decisions.

"We always agree on how to spend the money together. Since we all earn, we plan together."

Male beneficiary, Katakwi, SCG area

Where changes have occurred and women do take a more prominent role in intra-household decision-making, much of this was explained by respondents as being a result of the specific targeting of SAGE to women in VFSG households.

"Most women in this area decide on how to use the SAGE money." Male beneficiary, Kiboga, VFSG area

"Decision-making regarding use of SAGE money has changed. Both men and women decide together on how to use the money." Male beneficiary, Kiboga, VFSG area

While men and women across evaluation districts spoke of women's control and purchase of livestock, as well as of women increasingly making or contributing to decisions about how to use SAGE money, they did not report a change in gendered relations within households. An interesting question is thus whether this lack of recognition of any change in gender relations expressed by respondents is because those relations have not actually changed, i.e. because the overarching framework determining relations between men and women is still governed by a patriarchal system in which male 'ownership' of women (and thus the assets that women nominally purchase and appear to control) persists, or whether there has 'in fact', i.e. in objective practice, been a real material change in gendered relations, which is simply not yet reflected by a change in the predominant discourse?

7.1.3 Changes in roles and responsibilities within households

Roles and responsibilities within households were largely described in similar gendered terms at baseline, midline and endline, with little change due to SAGE or any other factor. Gendered divisions of labour are the result of traditional social norms (as described above), which are known to change slowly and mainly in response to wider processes of change (including as a result of multi-sectoral interventions), rather than to isolated policy interventions. Consequently, men and male youth generally remain responsible for livestock and other business, while women and girls are responsible for domestic tasks.

"I am personally responsible for cooking, taking care of children, collecting firewood. My husband does work like taking goats to the bush, grazing the cattle; although when he is engaged with other activities I come in and our two elder children also help us to look after the animals." Female beneficiary, Kaberamaido, SCG area

"In the household work is mainly done by women. Looking after livestock is done by men. It has been like this ever since. Nothing has changed." Male beneficiary, Moroto, SCG area

At midline some recipients, particularly in SCG areas, did cite positive changes in household roles, with SAGE often, but not always, perceived to be a contributing factor. A number of women spoke of married men engaging in more domestic tasks in the previous 18 months, such as making tea, collecting wood and buying salt. This was in all cases presented as a male willingness to engage in small domestic tasks, rather than a duty or responsibility as such, but in most cases it was also explained to result from broader improvements in families' emotional situations due to the additional injection of cash (see Section 7.1.4 below).

The endline research produced lots of testimony suggesting that **SAGE has reduced the dependence of the elderly on their wider households** (while this is particularly relevant to SCG it is also the case for some VFSG households). SAGE recipients highlighted that this has sometimes even provoked a role reversal, with a move to dependence of the household on the elderly themselves as a new source of resources and support within the family network. This change was usually presented in a positive light by elderly recipients themselves, who tended to appreciate the opportunity to assist their relatives, and the enhanced social status this brings (we examine this further when looking at relationships at the community level in Section 7.2 below):

“The programme has created more unity in families because most old people used to be dependents but now the old people are supporting their sons and daughters, and hence now have more respect from their family members.” Key informant, Katakwi

7.1.4 Changes in tensions and cohesion within households

SAGE has played a significant role in improving relations between family members in VFSG and SCG households. The baseline research found various sources of tension in households. These included disagreements between spouses over decision-making (particularly when a man sold assets without the consent of his wife, and/or used income in ways that she perceived as irresponsible) and conflicts related to inheritance rights and rights to land after the death of the husband or father. Reasons cited for intra-family tensions and conflicts were alcoholism (which sometimes led to violence), polygamy (particularly when the husband was seen to favour one wife and her children over others) and generalised poverty, with the stress and anxieties created by poverty easily escalating into fights. As concluded at midline by one male elder in Kyarusozzi: *‘When there is poverty, love goes through the window.’*

The endline data clearly confirmed the findings from the midline, indicating reduced tensions in relations between family members. Respondents across SCG areas, and also some VFSG areas, mentioned enhanced ‘love and peace’ within the household, improved marital relationships, and less conflict and violence. This change is largely attributed to the contribution of the SAGE cash transfer to household incomes and associated improvements in welfare, and consequent reduced stress. For SCG recipients the positive experience has often been characterised by being able to contribute to the wider family welfare, rather than being a dependent (see also Section 7.1.3 above).

“This SAGE money has brought harmony in our homes because stress brought about by poverty and lack of essential things has reduced.” Male beneficiary, Kiboga, VFSG area

“Relationships between men and women has greatly improved. Men now give women some little respect, especially for the beneficiary [women]. The cash has mended the gap, especially if a man in a given household is not a beneficiary ... there is now very little tension in our households.” Female beneficiary, Moroto, SCG area

“My children and grandchildren came to reality when the SAGE came in. I was a burden to them but I share in their life with my small support. We are more united then before the SAGE.” Female beneficiary, Apac, SCG area

While very little increase in tension was reported due to the SCG, there were reports of intra-family frictions due to the VFSG. These frictions are mainly about who controls the money, while a few instances resulting in conflict were due to the recipient spending the money on alcohol. While these seem to be isolated incidents across most districts, there were quite negative trends in households' emotional relationships in the VFSG communities visited in Kyarusozi sub-county of Kyenjojo. Kyarusozi was singled out in the baseline as having a greater tendency for household tensions compared to other sub-counties across the districts (such tensions were largely created by the anxieties and struggles caused by poverty). In the midline and endline research, these tensions were related by respondents to marital strife over control of the SAGE transfers.⁶¹

"I have come to hate the vulnerable family grant. You see, with the senior citizen grant, it is obvious, whether you are rich or poor, each one is responsible for his own money. But now here in vulnerable family, one person is holding money for 10 people. And after payment, everyone will come and say that is our money. So there is already conflict coming up." Key informant, Kyenjojo, VFSG area

7.2 Impact of SAGE on community and inter-household relationships

7.2.1 Changes in cohesion and tensions within communities

At baseline the qualitative research showed that the most common sources of conflict between community members were related to land boundary disputes and land ownership rights between families, friends and neighbours. In pastoralist communities, disputes were also found to be common in cases where livestock trespass on a neighbour's land. Other forms of tension reported included jealousy, particularly where people have different standards of living (e.g. in Kyarusozi, Kyenjojo), or conflicts between immigrants and indigenous populations (e.g. in Kyarusozi and Chewente, Apac).

Data from the endline confirmed the finding from the midline that the introduction of SAGE has had an impact on relationships within communities, with noticeable differences between SCG and VFSG areas:

⁶¹ The study location in Kyarusozi has a large migrant population, which may influence the propensity for household tensions.

VFSG areas

At midline, a large number of respondents in VFSG areas reported an increase in tensions and conflicts between households over the previous 18 months, and related this specifically to the SAGE cash transfer. A strong catalyst for the tension has been the VFSG targeting system, which was widely perceived to have identified beneficiary households that are not necessarily poorer than others, to have a large number of targeting errors, and to have been influenced by patronage and 'politics'.⁶²

At endline, most communities reported some kind of tension around SAGE in VFSG communities, although the extent seems to be decreasing compared to midline. For example, there were no reports of fear of witchcraft or theft by non-beneficiaries, as there were at midline. SAGE's negative impact on community cohesion is perceived to exacerbate the separation between the poor and non-poor within communities. Beneficiaries often described the sentiments of some non-beneficiaries as jealousy, while some beneficiaries were described as boastful by non-beneficiaries.

"There is jealousy among the beneficiaries and the non-beneficiaries: 'Ibarumu dotin' ... Non-beneficiaries refer to us that we are rich for just today, and they also refer to us that we survive on things for free."
Female beneficiary, Kaberamaido, VFSG area

"Some bad words are exchanged sometimes between the beneficiaries and non-beneficiaries. Some non-beneficiaries make comments like 'That money will one day stop coming and you will be like us'."
Key informant, Kiboga, VFSG area

"Sometimes the non-beneficiaries mock the beneficiaries, for example, 'Leave us alone; you are able to eat meat every day. We are a class apart.' There is also boasting on the beneficiaries' side."
Key informant, Nebbi, VFSG area

These tensions being acknowledged, a large number of respondents in VFSG areas reported that SAGE has not changed the way people relate to each other and share things. Yet others reported that SAGE has actually enhanced community cohesion. This greater cohesion is seen to be underpinned by greater respect for beneficiaries, in particular those who have been able to share some of the benefits of the cash transfer, and the processes by which non-beneficiaries tie themselves into reciprocal support relationships with beneficiaries (such as through the provision of credit).

"In the community there is no tension. People interact well, communication is wonderful. The community members were united ever since SAGE came in the village. Even now, with SAGE, the unity is present and the cohesion is stronger, because I see non-beneficiaries and beneficiaries sharing in terms of credit giving. This is good ... It helps the community in terms of communal contribution towards communal needs, like in burial arrangements." Key informant, Nebbi, VFSG area

Community cohesion is also supported by the impact of SAGE on the independence and increased dignity of elderly recipients (see Sections 7.1.3 and 7.1.4 above), which enable beneficiaries to socialise more than previously. While at midline there were reports of male recipients building their social capital and self-esteem by buying local brew or food for non-beneficiaries, at endline the focus was very much on the elderly being able to afford food, clothes and soap, and thus being more presentable and more confident about participating actively in community life (e.g. by making contributions to social functions or church gatherings), rather than being passive recipients of charity.

"There is change because you find that some old men those days never had clothes and could not even socialise with others in the community. But now, with this SAGE, you find that someone now has good clothes and are not rejected by others." Male beneficiary, Kaberamaido, VFSG area

⁶² See Merttens and Jones, 2014.

Indicator	Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N
Proportion of households receiving any informal help from other households in last three months	51.0	63.6***	0.54	1,867
Proportion of households receiving cash help from other households in last three months	26.2	23.2	4.1	1,867
Proportion of households receiving in-kind help from other households in last three months	41.5	59.8***	1.5	1,867
Mean total value of informal help received in last three months (2012 prices, UGX)¹	26,300	30,700	-1,700	1,867
Proportion of households giving any informal help to other households in last three months	35.3	43.3***	10.2**	1,867
Proportion of households giving cash help to other households in last three months	12.6	18.7***	11.0***	1,867
Proportion of households giving in-kind help to other households in last three months	29.2	35.4**	8.3*	1,867
Mean total value of informal help given in last three months (2012 prices, UGX)¹	10,600	9,900	1,400	1,867
Proportion of households either giving or receiving any informal help to/from other households in last three months	64.9	75.9***	4.3	1,867
Proportion of respondents reporting that people from outside of their family come to them for advice	66.6	82.3***	9.9***	1,867

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.23 and Table K.24.

(1) To nearest 100

This positive impact of SAGE on community cohesion is partially supported by the quantitative data, which showed a significant increase in a range of indicators related to the proportion of VFSG households giving any informal help to other households in the last three months (see Table 29). Moreover, we found a significant impact in the form of almost 10% of families reporting that people from outside of their family come to them for advice. Similarly, we found a significant increase, over 15%, in the proportion of households reporting being able to borrow a large amount of cash in an emergency. We did not find any impact on beneficiary households' likelihood to receive informal support from others.

SCG areas

The picture of social cohesion in SCG areas is quite different, according to the qualitative research. Very rarely was jealousy reported between SAGE recipients and non-recipients, and there were no reports of tension in the communities. As at midline (possibly even more so), the overarching finding was that **SAGE is contributing to existing systems of sharing and mutual support in SCG areas** (reflected also by the significant increase in households being able to borrow large amounts of cash, see Table 16 above), and many respondents perceived this as enhancing cohesion between households.

“Now that this money is there, sharing, which used not to be there, has increased. And borrowing, because they know we can pay back.” Male beneficiary, Apac, SCG area

“Yes, things have changed. When people can team up and make joint effort at improving their livelihood, the way they interact has changed. People are now more involved in savings groups, traders are benefiting too, so SAGE has improved how people relate.” Key informant, Kiboga, SCG area

Table 30: Informal assistance – SCG areas

Indicator	Senior Citizens Grant			
	Baseline	Endline	Impact estimate	N
Proportion of households receiving any informal help from other households in last three months	42.4	62.8***	0.87	1,816
Proportion of households receiving cash help from other households in last three months	19.5	26.6***	1.2	1,816
Proportion of households receiving in-kind help from other households in last three months	33.6	56.8***	-0.74	1,816
Mean total value of informal help received in last three months (2012 prices, UGX) ¹	14,800	37,100***	13,500 (NR)	1,816
Proportion of households giving any informal help to other households in last three months	29.8	41.0***	-3.3	1,816
Proportion of households giving cash help to other households in last three months	9.7	16.5***	1.8	1,816
Proportion of households giving in-kind help to other households in last three months	26.3	35.1***	-6.2	1,816
Mean total value of informal help given in last three months (2012 prices, UGX) ¹	9,700	14,200	1,200	1,816
Proportion of households either giving or receiving any informal help to/from other households in last three months	57.8	74.0***	1.8	1,816
Proportion of respondents reporting that people from outside of their family come to them for advice	72.6	83.0***	-4.9	1,816

Source: SAGE Impact Evaluation Survey Sep 2012–Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.23 and Table K.24.

(1) To nearest 100.

However, these qualitative findings were not so greatly reflected in the quantitative data, with no impact observed on the likelihood of SCG beneficiaries either giving or receiving informal support to/from other households. This is somewhat curious because at midline SAGE was shown to be having an impact on SCG households' receipt of informal support. This finding might be explained by a changing nature of impact in this regard over time. At first, households may have provided additional support to SCG recipients as a way to try to enter into mutual support relationships with them. Over time, as the ability of the transfer to support only small numbers of people became evident, other households may have ceased to provide additional support.

This hypothesis is given credence by the strong sense that through the SCG the elderly can support themselves and are less dependent on the benevolence of the rest of the community. Elderly community members are now perceived by recipients and non-recipients alike as contributing constructively to community life, rather than being a burden on their families and the community overall. Throughout all districts it was reported that the elderly do not need to beg anymore.

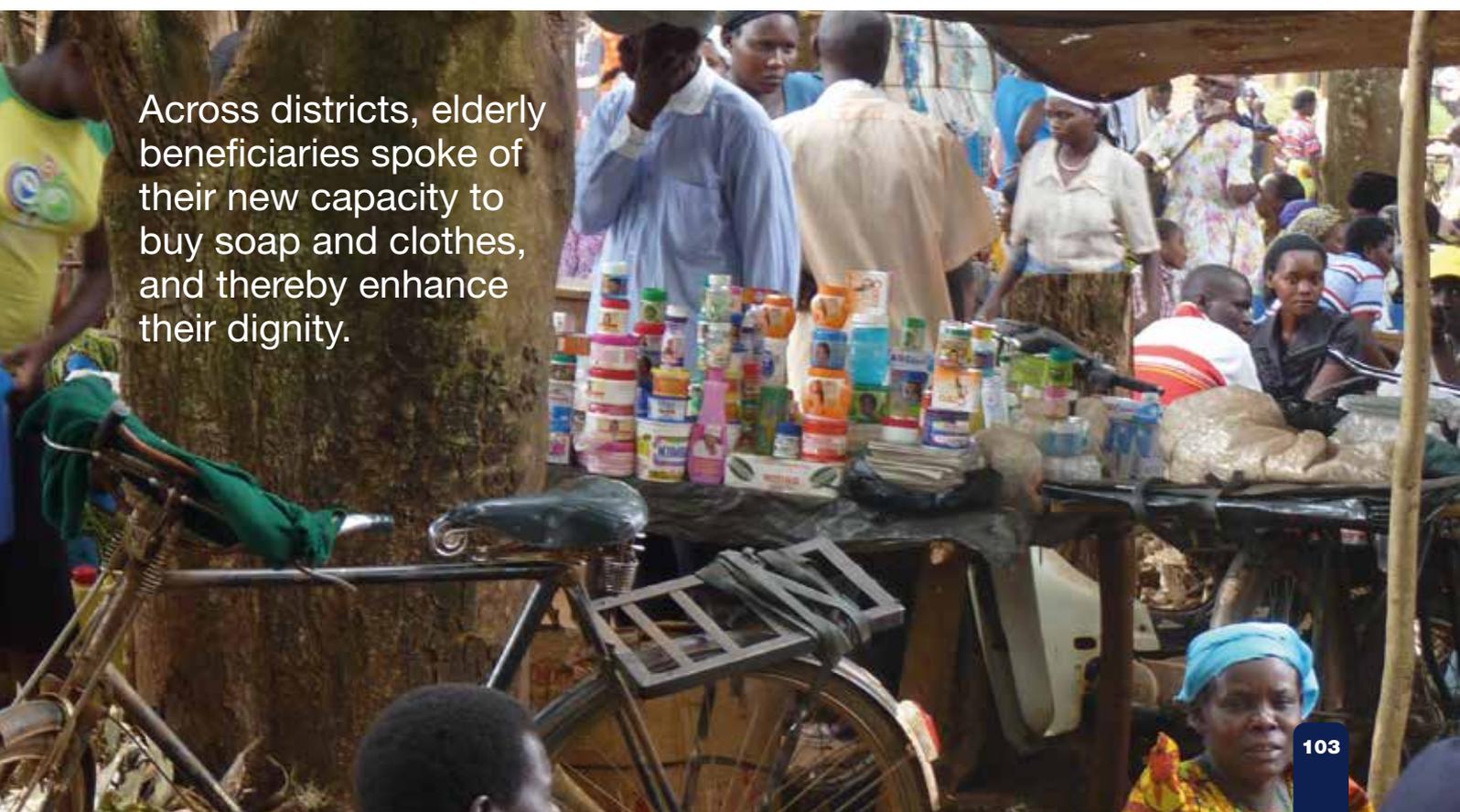
"I have seen it [SAGE] has helped us, the weight and burden the elderly used to put on us, the youth, has reduced, such as the usual begging, as they can budget on their own." Non-beneficiary, youth, Nebbi, SCG area

"There is improvement in social gathering, support, e.g. during burials, because the old people can also now contribute. Hence unity in the communities." Key informant, Katakwi, SCG area

"The relationship between the elders and other members in the community has greatly improved as a result of SAGE cash transfer. The elders are now looked at as important people in the community and now have a voice amongst the community." Female non-beneficiary, Nakapiripirit, SCG area

The quantitative data confirmed this positive impact by showing **a clear increase in the number of SCG households that have raised an issue in a community meeting** (which is not seen for the VFSG group); see Table 31.

Across districts, elderly beneficiaries spoke of their new capacity to buy soap and clothes, and thereby enhance their dignity.



Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households reporting they had raised an issue at a community meeting in the last 12 months	61.5	59.9	8.3*	1,815	60.7	58.7	3.3	1,864

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.25.

Moreover, there were some reports that relationships between elderly community members have been strengthened by SAGE:

“The relationship between elders has been bonded strongly. They now relate very well with each other; a tight association to the introduction of SAGE.” Male beneficiary, Moroto, SCG area

One reason for the more positive contributions to cohesion in SCG areas overall, compared to the mixed picture in VFSG areas, is the **belief that everyone in the community will one day benefit from the SAGE programme** when they reach the eligible age. While some elderly people were perceived to have been excluded from the present list of beneficiaries, this seems to be less of an issue than at midline, and usually such cases were explained as being the result of administrative errors, rather than being caused by deliberate exclusion or ‘politics’, which was often the explanation put forward with regard to perceived errors in the VFSG targeting.

“Because it is a government programme targeting elders only of age 65 and above, we do not feel any negative feeling towards them.” Male non-beneficiary, Kyenjojo, SCG area

7.2.2 Changes in community decision-making⁶³

Overall, **structures of control over and within community decision-making processes have not changed due to the introduction of SAGE**, or any other factor. At midline, discussions of power in community decision-making processes were presented by respondents in two quite distinct forms. In the eastern Ugandan areas of Moroto, Nakapiripirit and Katakwi, both men and women emphasised male clan leaders and elders’ control over all productive assets, such as land, cattle, water and boreholes. While individual households have daily control and ownership of their land and animals, male clan leaders and elders take a prominent role in decisions about the sale of such assets (especially land; see Box 8 above). Despite clan leaders and elders being central to community oversight of asset ownership, in most communities they were reported to have limited opportunities to engage with government or NGOs about service provision. Such engagement is the domain of LC1s and other local government officials.

⁶³ Community decision-making was not explored in the baseline research. This section therefore refers to the situational analysis during the midline research, and explores indications of change since the introduction of SAGE.

In the other five districts (Nebbi, Apac, Kyenjojo, Kibogga, Kaberamaido), the large majority of women and men perceived that wealthy people and government own all important goods and services (land, businesses, hospitals, schools etc.), and therefore have decision-making power in regard to their development and use. Both men and women explained at midline that **community decision-making power tends to rest with men, and particularly older or better off men**, or the mainly male government officials at the community and sub-county level. Across study locations, some respondents also referred to the decision-making power of members of committees (set up for schools, boreholes etc.), who have been elected to take responsibility for these community resources. Findings at endline suggested that no changes to these governance arrangements have taken place.

However, a large number of respondents did report at endline that the participation of the elderly in community meetings and decision-making has increased in both SCG and VFSG areas, and that they are granted greater respect and opportunities for voice in these arenas (see Section 7.2.1 above). In this regard, it is important to make a distinction between ‘elders’ (males who have the status of being a decision-maker in the community) and the wider set of poor elderly men and women, whom poverty has placed in a position of low status. A strong finding of the research at endline (confirming the impression at midline) is that **elderly people who receive the SAGE cash transfer have gained a considerable amount of status** over the past 18 months. Various explanations were given for this, which were similar across districts.

One important reason given for the enhanced voice and status of SCG beneficiaries in community decision-making is increased self-esteem. Across the evaluation districts, elderly male and female SCG and VFSG beneficiaries spoke of their new capacity to buy soap and clothes, and thereby enhance their dignity. This change is contextualised by the situation found at baseline, when the elderly were widely reported to be dressed in tattered clothes, and to demonstrate poor hygiene. Also, the mere fact that elderly SAGE recipients are less of, or no longer, a burden on their families and the community has changed their social status; people are more prepared to listen to them. No doubt, poverty, social status and voice are closely linked.

“The elderly, some of whom were very poor and did not have any voice and status in the community, they now own some few assets, goats, pigs, poultry and can fend for themselves. Now they are respected ... People also listen to us in social meetings because we can contribute.” Male beneficiary, Kiboga, SCG area

“It is good. The programme has made the old men to be responsible citizens and also they can attend meetings, and people now respect them and give them seats in meetings. Yet those [previous] days they were seen as beggars.” Key informant, Katakwi, SCG area

“The community invite us now to participate in social gatherings more, where some fundraising is required. This is positive for us and we are now more loved and dignified in the village.” Male beneficiary, Kiboga, SCG area

This being acknowledged, however, although SCG recipients were widely reported to have enhanced voice in community decision-making, and it was perceived that their views and priorities are now ‘heard’ and respected in these arenas, no material outcomes were noted of this enhanced voice in elderly people’s lives, beyond the enhanced respect they receive from other community members.

The evaluation considers the impact of SAGE on the social contract in terms of people's perceptions of the roles and responsibilities of citizens and the state.



8 | SAGE and the social contract

This section explores changes in perceptions of the social contract.

- SAGE has not produced a change in perceptions of the **social contract** or the **duties of citizenship** and **responsibilities of the state**, in principle.
- However, though SAGE has not directly impacted the agreement between citizen and the state, it is seen by some to be influencing the social contract indirectly by reinforcing and raising the expectation of the state as the provider of long-term **safety nets**.
- Delivery of services, such as education, health and infrastructure, are widely believed to be core responsibilities of the state. However, **quality of service delivery** is not deemed to have been affected by SAGE. Generally speaking, provision of poor quality services is considered to be a breach of the social contract.
- There were some isolated perceptions that receipt of SAGE has excluded some beneficiaries from benefiting from National Agricultural Advisory Services (NAADS), which is perceived to reflect an attempt by district officials to level the playing field in the distribution of state benefits.

The evaluation theory of change hypothesises that, by alleviating household budget constraints, cash transfers will have a positive effect on wellbeing by increasing access to services and the number and types of choices available to SAGE recipients, which will thus enable families to enjoy a higher standard of living. The provision and delivery of services is perceived to be a key element of the state's responsibilities within its social contract with citizens and one assumption of this theory is that appropriate services of sufficient quality are available.

The evaluation thus attempts to understand the impact of the SAGE programme on the social contract in terms of the provision of accessible services and the role and responsibilities of citizens within this contract. This section therefore looks at perceptions of governmental responsibilities, civic duties, and if, and how, SAGE has changed these, and the nature of the social contract more widely.

8.1 Civic duties, state responsibilities and SAGE

The term social contract refers to an implicit agreement between citizens and the state, defining and limiting the rights and duties of each. In the context of SAGE, it refers to public expectations of, and trust in, the state (e.g. to provide an appropriate level and quality of services and support), as well as the responsibilities of citizens towards the state (e.g. through the payment of taxes etc.).

The baseline study indicated that across the evaluation locations taxation was seen as the basis of a social contract in which citizens expect services to be provided in exchange for their taxes. Ineffective public services and the lack of responsiveness of elected leaders were interpreted as a breach of the contract, and one that respondents were clearly unhappy about. Democratic elections were also seen as a basis for holding politicians to account in regard to providing public services. Citizens cast their votes with the expectation that politicians will deliver the services that they promise.

This fundamental understanding of the basis of the social contract has remained very much the same through the midline and this endline qualitative research, suggesting little or **no impact of SAGE on how the social contract is perceived, in principle**. Both male and female respondents had the same basic understanding that both the state and citizens have responsibilities and duties toward each other within the social contract. Civic duties focus on paying taxes and dues, the production of food to feed fellow Ugandans, ensuring that children are sent to school and are healthy, participating in relevant programmes (including community work, *Bulungi Bwans*), and respecting law and order. These aspects of civic responsibilities were clearly articulated by the range of respondent types.

“Government is supposed to make roads, build health centres and schools, give us safe water. Our duty is to vote for political leaders to lead us, and keep our community going/developing.” Female beneficiary, Kiboga, SCG area

“Yes I also have the responsibility of sending my child to school and also participating actively in agriculture. This is because it is through this agriculture that food is sold to feed the entire nation and the world at large.” Male non-beneficiary, Kaberamaido, SCG

In some cases, the notion of duty towards the state seems to change with age. Elderly citizens expressed that they have fewer responsibilities and they were more likely to convey the impression that they are passive recipients of help, rather than active citizens. For some, their civic duty is now reduced to advice and consultation.

“I contribute in giving advice on any government programme in this area as an elder. But we are old and we don’t have any responsibility towards the government.” Male beneficiary, Kaberamaido, VFSG area

The responsibilities of government within this contract remain (as at baseline and midline) less clearly articulated among both SAGE recipients and non-recipients, suggesting that there has been little impact of SAGE on this side of the social contract. Generally, basic duties are seen to involve the provision of materials and inputs (e.g. for housing and agriculture) and service delivery (health and education). The state is also seen to have a role in protecting its citizens and ensuring peace. This view was generally shared among recipients and non-recipients of SAGE:

“The government should provide us with schools, hospitals and solve our problems because we pay taxes and are citizens of this country.” Female beneficiary, Kiboga, VFSG area

“The government is supposed to keep peace among the citizens by solving problems where there is conflict and by protecting the civilians’ properties and lives.” Female non-beneficiary, Kyenjojo, VFSG area

Unlike conditional cash transfers, which provide money directly to poor families via a ‘contract’ with the beneficiaries (e.g. an agreement to send children to school regularly), unconditional cash transfers like SAGE engage more explicitly with the immediate causes of poverty and vulnerability, and involve enhancing the capacity of the state to intervene (Hickey 2011). Following this logic and in line with the findings of this impact evaluation, being an unconditional transfer, **SAGE does not directly impact the agreement between citizen and the state but influences the social contract indirectly by reinforcing and raising the expectations of the state as the provider of a long-term safety net.** Data collected through this evaluation demonstrates a shared understanding on the part of female and male beneficiaries and non-beneficiaries alike, that the state has a special responsibility towards the poor and is the main source of support when people suffer shocks.

“Yes, government should help out the poor, like with food and shelter, as well as education and medication.” Male beneficiary, Kyenjojo, SCG area

“It is usually the responsibility of every person to try to find way of coping in case of any problem. But, the government is only responsible to help its citizens when it comes to problems like famine, disease outbreak, security – this has remained the usual belief over the last three years.” Female beneficiary, Moroto, SCG area

There is very sparse evidence from respondents that the SAGE transfers have prompted any changes in how the social contract between the state and citizens is understood. This is not surprising given that perceptions of state and citizen duties in most contexts are relatively stable and only change incrementally over time—prompted by political, social and economic change (see Rubin 1996). This does not mean, however, that SAGE has not started to slowly shift how citizens view the state’s role in providing welfare services. Responding to the question of whether SAGE has brought about changes in the community, one key informant made the following statement:

“Yes. It has changed people’s thinking towards government. Previously they were not helping but now they are and people say, ‘At least they are now helping the people,’ which wasn’t there before.”
Female key informant, Nebbi, SCG area

8.2 The social contract and the quality of service delivery

Service delivery was perceived by respondents to be a core element of the state’s responsibilities within its social contract with citizens. It was consistently explained that government is the main provider of services in areas such as education, health, agricultural extension and social protection. Citizens rely on those services and it is expected that the state will be responsible for delivering accessible services (even when they do not in practice).⁶⁴ Section 5 above discusses SAGE’s impact on access to education, health and financial services. Here we consider quality of service delivery, as it relates to perceptions of the social contract.

⁶⁴ See Brook *et al.* (2014) for a more detailed picture of the landscape of service delivery.

The quality of service delivery is not seen to have been affected by SAGE. Respondents to the endline research confirmed that there is much variation in terms of the availability and quality of services across the study locations. In some districts respondents reported improvements in service quality over recent years, mainly in health and education (e.g. Nakapiripirit, Moroto and Kyenjojo), while opinions from other districts indicated declines compared to three years ago (mainly Nebbi, Kiboga and Kaberamaido). However, these trends were not seen to be conditioned by SAGE and views were shared among recipients and non-recipients alike:

“These days we are able to get free education for our pupils, free medicine from the hospital and many others.” Female non-beneficiary, Moroto, SCG area

“Most of the services are now available any time. Like, one can go to a health centre any time you fall sick and you get treatment; drugs are now available; schools are now in place.” Female beneficiary, Nakapiripirit, SCG area

“Getting these services is difficult because when you go to the health centre you may find some of the staff not available, or you find no drugs and have to go back when you haven’t received any medication.” Elderly male beneficiary, Nebbi, SCG area

While the number of services and the variation in service delivery is reportedly not affected by SAGE, there were, as discussed in Section 5, reports from recipients that SAGE has increased access to services, especially in health. Interestingly, the qualitative data show that support through SAGE has led some people to seek treatment in private rather than public health facilities, as the latter are frequently criticised for poor service provision or lacking basic medicines. While government-run health facilities offer a free service, respondents to the qualitative research generally expressed a preference for private health services because of the quality of service provision. In those cases where the cash transfer has allowed patients to pay for transport to, and treatment in, private health facilities, it has implicitly reduced the need of these recipients to rely on a functioning social contract, under which the state provides well-functioning services to citizens.

“Because of SAGE, I can afford to pay for private treatment when sick, which was difficult before.” Female beneficiary, Kiboga, SCG area

“As a result of SAGE, most old people can now access private medical facilities, which was not the case before SAGE was introduced.” Male non-beneficiary, Nakapiripirit, SCG area

As in the midline qualitative assessment, there were a few examples from some districts of SAGE beneficiaries being excluded from receiving NAADS.⁶⁵ In some cases this seemed to reflect an attempt by district officials to level the playing field in terms of the distribution of state benefits (even if this meant breaching the state’s responsibility as part of its implicit contract with citizens) if there was a perceived unfairness of some receiving and others not receiving the transfer in VFSG areas. While at midline these accounts came from Apac, Moroto, Kaberamaido and Nakapiripirit, for the endline data collection this was reported in isolated cases in both SCG and VFSG areas in Katakwi and Nebbi.

“Sometimes we are excluded from other benefits, for example support programmes. All elders were excluded because we are beneficiaries of SAGE, including NAADS.” Elderly male beneficiary, Katakwi, SCG area

However, the quantitative data did not measure any impact of SAGE crowding out receipt of other services on aggregate (see Section 5.4 above).

⁶⁵ National Agricultural Advisory Services Act, 2001.

Given the widespread understanding and expectation that the state is responsible for delivering services, a lack of services or insufficient quality of service (understaffed hospitals and lack of medicines are most frequently named) is considered to be a breach of the social contract. Reports of whether and how people voice their concerns or complain, and to whom, were extremely varied. There is no obvious pattern to these reports by recipients/non-recipients, gender or district. The voicing of concerns remains unaffected by SAGE. Some people feel they are not able to voice their concerns with either the service provider directly (often for fear of reprisal when they next wish to access the service) or local officials. Others simply do not know through which channels to voice their discontent.

“Sometimes we do try to question these organisations, but little is done about whatever we ask of them. It is because they never come to the local people to gather people’s ideas. And this has been the same trend of things over the past many years. Even over the past three years nothing has changed.”

Female beneficiary, Nakapiripirit, SCG area

“It’s possible to question, but I have the fear—next time you fall sick and go to the same health unit they are likely to send you off.” Non-beneficiary youth, Nebbi, VFSG area

Table 32: Belief in ability to make local representatives listen to concerns

Indicator	Senior Citizens Grant				Vulnerable Family Support Grant			
	Baseline	Endline	Impact estimate	N	Baseline	Endline	Impact estimate	N
Proportion of households reporting it as likely that together with others they could make their local elected councillor listen to their concerns	65.0	69.8**	-4.3	1,815	62.1	72.5***	9.1**	1,866

Source: SAGE Impact Evaluation Survey Sep 2012-Oct 2014.

Notes: Asterisks (*) in the endline column indicate the significance of the trend between baseline and endline. The notation '(NR)' following an impact estimate indicates that the significance level is not robust across models. Non-robust impact estimates are presented as the mean of the 12 models. For robust models, asterisks indicate that an estimate is significantly different to the relevant comparator. The number of asterisks indicates the level of significance: *** = 99%; ** = 95%; * = 90%. The value of robust significant estimates is presented as the mean of all significant models. Impact estimates given without asterisks indicate that the estimate is robust and not statistically significant. Estimates for comparison groups are presented in Table K.25.

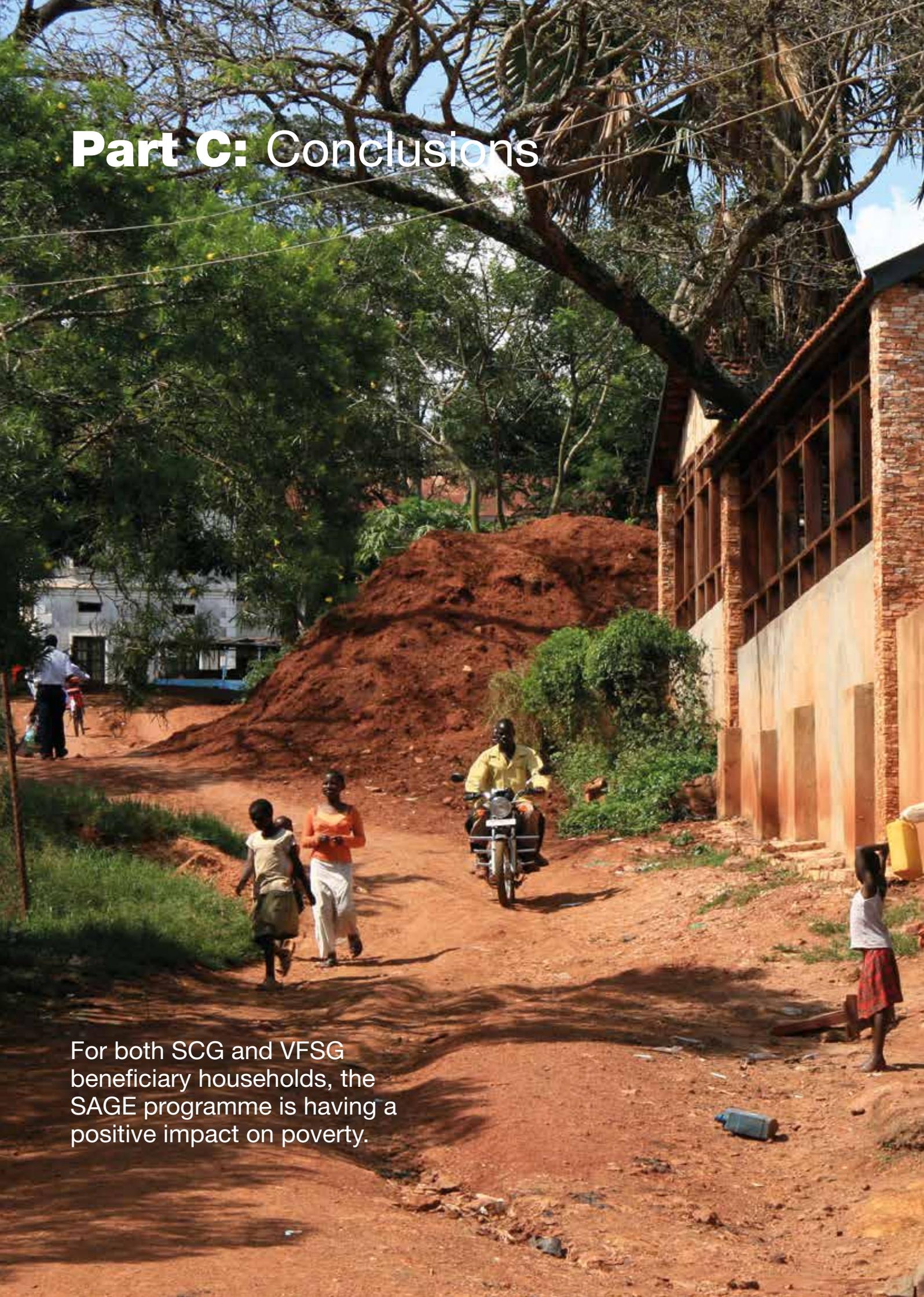
Given these findings, it is interesting that data from the quantitative survey measured an impact of SAGE on the proportion of households that report it as likely that together with others they could make their local councillor listen to their concerns in VFSG areas (see Table 32). The difference between SCG and VFSG tallies with findings from the qualitative research that found that recipients (and non-recipients) in VFSG areas expressed more confidence about complaining to local elders and local government officials, compared to those living in SCG areas – even though SAGE has had a positive impact on SCG recipients in this regard (see Section 7.2 above). As the data are not fully conclusive, and acknowledging that this indicator is a relatively crude measure of voice, we do not over-emphasise this result.

Even if people have increased voice, this by itself does not automatically translate into greater accountability. When we looked at the evidence from the qualitative data on the responsiveness of local officials and service providers, no positive changes (whether related to SAGE or not) were conveyed. Overall, a response from service providers is reportedly rare. Local elected officials do at times respond more constructively on specific issues, but these officials are often seen to be relatively voiceless and powerless themselves.

“We can only access our local leaders, and we have talked to them about our concerns. But they either say they will forward the issues or that they are as helpless as we are.” Male beneficiary, Kyenjojo, VFSG area

Part C: Conclusions

For both SCG and VFSG beneficiary households, the SAGE programme is having a positive impact on poverty.



9 | Conclusions

This report presents the findings from the final round of the SAGE pilot programme impact evaluation. The results of this study indicate the impact of the SAGE cash transfer programme on beneficiary households and communities 24 months after the quantitative baseline survey, and 30 months after the qualitative baseline research. A previous report (OPM 2014a) presented the impact results after one year of programme operations. An assessment of the programme's operational effectiveness is provided in a separate report.

9.1 Findings after two years of programme operations

The SAGE cash transfer

The SAGE programme MIS reports that a total of just over UGX 33.4 million was disbursed to almost 64,113 beneficiary households across the eight evaluation districts between December 2012 and October 2014. This implies that on average households received a total of UGX 521,303, equating to an average payment amount of 47,391 over 11 payments, or 10.4 payments on average based on the current payment value (UGX 50,000). This is very close to the beneficiaries' full entitlement.

However, according to beneficiary accounts, there is a large variation in the total number of transfers received by both SCG and VFSG beneficiary households. Only 9% of SCG households and 3% of VFSG households said they received the full target complement of 11 payments or more, and just 63% of SCG households and 59% of VFSG households reported receiving eight or more payments. On average, SCG recipients said they received 7.2 payments, totalling UGX 367,000 (c. \$143), while VFSG households said they received 7.4 payments, totalling UGX 395,000 (c. \$154).

The discrepancy between beneficiary perceptions and MIS data could result from a combination of factors. MIS data are aggregated and so may elide some disparity of experience in terms of households' receipt of the SAGE transfers. Equally, these data may not show up any fraud or other transactions that result in a beneficiary not receiving their full entitlement. At the same time beneficiary recollection of precise payment receipts is subject to error (perhaps especially in the case of very elderly beneficiaries). Beneficiaries' recollections of the number and value of payments received are likely to have been affected by the initial delays with regard to payments suffered by the programme, and the consequent 'lumps' in the payment cycle.

The per person value of the transfer varies markedly depending on household size. On average, the mean monthly value of the transfer for beneficiary households (at current rates) per adult equivalent is UGX 11,000. This represents around 12% of total household consumption on average for beneficiary households. Comparative research suggests that stronger impacts are achieved when programmes provide at least 20% of per capita value.

The figures above do not account for the cost to households of collecting the transfer. On average, the total cost of collecting the transfer is UGX 1,500 per household for each payment collected, representing 3% of the bi-monthly transfer value.

The SAGE cash transfer is paid to individuals, in the case of the SCG, and to households, in the case of the VFSG. Women are selected to be the named recipients in VFSG households if they are present. The proportion of beneficiaries that are female is high overall, at 65%, and much higher for VFSG households than for SCG households (81% vs. 56% respectively). SCG recipients are older on average than VFSG recipients (72 years compared to 56 years). In the vast majority of cases the main person who decides how the cash transfers are spent is the named beneficiary, but these decisions are often made in discussion with other family members.

According to beneficiaries, the SAGE transfer is largely spent on food and basic needs, but it is also put to use for productive investments. Health and education are two further significant expenditure items self-reported by beneficiaries. A small portion of households reported sharing some of the transfer in the form of gifts or loans to other households. These patterns of expenditures have not changed markedly since the first payments were made.

Beneficiaries reported spending most of the cash they receive on the day they get paid. On this day the majority of the UGX 50,000 received (perhaps two-thirds to three-quarters) is spent on paying off debts, purchasing basic and luxury items (such as meat and fish), or it is sometimes invested, for instance in small livestock. In the course of the next week any remainder is typically spent, often being put towards paying labourers, investing in the beneficiary's own small business, or contributing to savings groups. Beneficiaries then survive the following six or seven weeks until the next payment day on their own revenues and/or by accessing credit.

Poverty, food security and vulnerability

For both SCG and VFSG beneficiary households, the programme appears to be having a positive impact on poverty. During the programme period the poverty rate for both groups decreased by the order of eight percentage points for both SCG and VFSG beneficiaries. For the SCG group, SAGE had a positive impact on total household consumption and poverty headcount. For VFSG beneficiaries, SAGE had a positive impact on all the three poverty measures, but the increase in household total consumption was not robust. The impact of SAGE on poverty represents a consolidation of the trends and impacts observed at midline. Similar patterns of impacts on poverty being consolidated over time have been observed in comparable programmes elsewhere in the region.

SAGE is also associated with improvements in food security. We found a significant increase in food consumption for both SCG and VFSG households that is attributable to SAGE. For the SCG treatment group, the impact on food consumption is driven by increased expenditures for the treatment group. For the VFSG beneficiary group the impact is driven by falling food consumption among the comparison group, suggesting that SAGE has been acting more like a safety net for VFSG recipients, protecting them from falling consumption. The increases in food expenditure for the SCG group is matched by a reduction in the proportion of households suffering hunger. For the VFSG group we saw an improvement in the quality of the diet and food security.

SAGE has not impacted child malnutrition. This is not surprising, given the multidimensional nature of the problem.

In terms of other expenditure items, at midline we found that SAGE was having an impact on expenditure on shoes and clothing for both SCG and VFSG groups. This was supported by much qualitative testimony relating to the transfer's ability to enable SCG recipients especially to purchase clothing and hygiene products, which had greatly raised their self-esteem. At endline this result had disappeared for the SCG group, implying that while expenditure on new clothes items took place in the first year of the transfer, expenditure priorities for SCG recipients thereafter changed. For the VFSG beneficiary group expenditure on shoes and clothing has increased as a result of SAGE, continuing the trend observed at midline.

These impacts on household consumption and poverty translate into a positive impact on families' experience of their welfare situation and thus their subjective wellbeing. This is especially reflected in the qualitative data for SCG households. SAGE money is seen to help reduce elderly beneficiaries' dependence on others, and to increase their ability to cope with shocks, which in turn results in a widely perceived improvement in dignity and respect for elderly beneficiaries. VFSG households also reported an improvement in their experience of poverty, with a significant decrease in the proportion of households reporting themselves as 'struggling' and a significant increase in the proportion reporting that they are 'doing ok' or 'doing well'.

This finding that SAGE has reduced elderly beneficiaries' dependence on others is potentially quite powerful, especially considering the relatively low value of the transfer, as the transfer seems to bring about a number of important positive effects in regard to the material welfare of elderly beneficiaries. These include improved ability to smooth consumption and cope with negative shocks (including ill health), as well as improved voice and participation in community decision-making structures (see below).

SAGE does not affect the types of shocks households face, which are very similar across SCG and VFSG areas and across time. These commonly include illness, injury or loss of a household member, loss of productive assets or income, or increased expenditures (for example due to social obligations, debt repayments, or increased prices of productive inputs or consumption items).

SAGE supports the coping strategies households commonly use to cope with shocks. Although the SAGE programme has not affected the likelihood that households will experience shocks of these types, it has positively impacted one of the key mechanisms by which people report being able to cope with them. Both SCG and VFSG households reported being better able to borrow a large amount of money (UGX 60,000 or more) in an emergency. This, combined with the positive effect of the programme on consumption (especially food consumption), and VFSG households' ability to save, implies a positive overall impact on the ability of households to cope with the shocks they face.

Livelihoods

SAGE is not causing dependency by having a negative effect on labour supply or livelihood activities on aggregate. Nor is it impacting rates of child labour.

The qualitative research indicates that the programme is provoking an increase in the demand for casual labour within the local economy. This spill-over effect is seen to have had a positive impact on community relations, as community members feel that they indirectly benefit from SAGE.

There are indications that SAGE may have increased the amount of land owned or cultivated. However, the data here are not fully conclusive.

SAGE has had a positive effect in terms of enabling households to retain and build livestock and other productive assets, especially for VFSG households. The programme has positively impacted the proportion of both VFSG and SCG households owning livestock (particularly cattle and goats). For VFSG beneficiaries, it has also increased the proportion of households that have both purchased and sold livestock in the last 12 months, and it has increased the value purchased. SAGE is also helping VFSG households purchase other productive assets.

Education

SAGE is not impacting household expenditure on education. This is the case for both SCG and VFSG groups, matching the finding at midline. Once again, this finding tallies with findings from similar studies elsewhere, which show that social cash transfers of this sort of size primarily prop up basic consumption and do not tend to have significant impacts on education expenditure.

SAGE was not found to have had any impact on education attendance or attainment. This finding is consistent with the result on education expenditure, and holds for children in both SCG and VFSG households. In addition, there is no evidence to suggest that SAGE is impacting education attendance rates differently either for children of primary school age or those of secondary school age, or for boys and girls distinctly within those two age groups.

Health

SAGE has increased mean expenditure on health care per household member for the SCG group, but not for the VFSG group. SAGE does not appear to be impacting health outcomes in terms of incidence of illness or injury. The impact on health expenditure represents an evolution since midline, when, though we did not obtain a robust impact result from the quantitative data, the magnitude was positive and there was evidence from the qualitative research to suggest that SAGE was likely to produce an effect in this direction. This is further corroborated by the fact that health expenditure is commonly and increasingly indicated as an area of use of cash transfer when reported directly by SCG beneficiaries. The findings also suggest that the SAGE transfer is positively impacting SCG households' health-seeking behaviour, by increasing the ability of beneficiaries to buy medication and even to access private health care.

Saving, borrowing and credit

The SAGE transfer appears to be enabling VFSG households to save more, both in terms of propensity to save and the value of savings in the last 12 months. However, it is not having any impact on rates of borrowing or buying on credit for either SCG or VFSG beneficiary households. Curiously, this result is a reversal of the findings at midline, and the qualitative data are inconclusive. Households take credit to smooth consumption expenditure and cope with adverse shocks. Many respondents reported that, between SAGE payment dates, beneficiaries do obtain goods on credit in local shops and pharmacies, as well as loans from friends, neighbours and family, which they pay back once they receive their transfer. However, the precise relationship between SAGE and access to credit is not fully explained by either the quantitative or qualitative data.

Local markets

There was much qualitative data on the stimulating effect of SAGE on local markets, particularly on payment days. However, the quantitative data do not show any significant programme impact regarding the development of local market infrastructure.

The quantitative data show the SAGE programme has not had a significant positive impact on the proportion of communities with a ROSCA or SACCO operating. However, here again the quantitative data are somewhat contradicted by findings from the qualitative research, which highlight that female beneficiaries in particular have been investing in savings groups, as well as supporting other community members using their cash transfer in the knowledge that this support will be reciprocated when they are in need.

The SAGE cash transfer was not seen to have any significant impact on local wages or prices. Qualitative findings suggest that there might indeed be an increase in demand for casual labour in SAGE communities, with beneficiaries using their cash to hire casual labour for strenuous tasks such as tilling fields or collecting water. However, the data suggest such effects have not translated into higher local wages. Nor was SAGE seen to be having any impact on other local prices, indicating that SAGE is not leading to inflation.

Social relations and cohesion

SAGE has not affected perceptions of social norms around gender or gender inequality, but it has contributed to enhancing women's empowerment by improving the status of SCG female beneficiaries and enabling VFSG female beneficiaries to buy assets such as livestock. SAGE has not significantly influenced female control over household decision-making, which remains dominated by men.

The cash transfer has helped to reduce the dependence of the elderly. In some cases it has promoted a new dependence on the elderly as a source of support. Qualitative evidence suggests that SAGE is fostering the autonomy of elderly household members. SAGE also seems to have played a significant role in improving relations between family members in beneficiary households, and in particular in SCG households. However, it is seen to have exacerbated marital tensions in some VFSG households due to the named beneficiary being female. For SCG recipients the positive improvement in relations was often attributed to the positive impact on elderly beneficiaries' independence, with their increased ability to contribute to the wider family welfare, rather than being dependent.

There was mixed evidence of SAGE's impact on informal support networks, with differences between SCG and VFSG areas. In SCG communities, the qualitative data produced lots of strong testimony to the effect that SAGE is contributing to existing systems of sharing and mutual support. However, these findings were not reflected in the quantitative data, with no impact observed on the likelihood of SCG households either giving or receiving informal support. In VFSG areas, SAGE was found to have positively influenced the likelihood that beneficiaries would provide support to other households. This different outcome for VFSG households may be explained by inter-household tensions catalysed by the VFSG targeting, which have created a sense of obligation among VFSG beneficiaries in regard to sharing some of their benefits.

The evaluation found a notable increase in elderly SAGE beneficiaries' participation and voice in community meetings, which has been affected by the effect of the cash transfer on beneficiaries' self-esteem and social status. One reason given for this in SCG areas is the belief that everyone will one day benefit from SAGE when they reach the eligible age.

The social contract

SAGE has not produced a change in perceptions of the social contract or the duties of citizenship and responsibilities of the state. However, though it has not directly impacted the agreement between citizen and the state, SAGE is seen by some to be influencing the social contract indirectly by reinforcing and raising the expectations in regard to the state being the provider of long-term safety nets. Moreover, though delivery of services such as education, health and infrastructure are widely believed to be core responsibilities of the state, and, more generally, that provision of poor quality services is considered as a breach of the social contract, the quality of service delivery is not deemed to have been affected by SAGE.

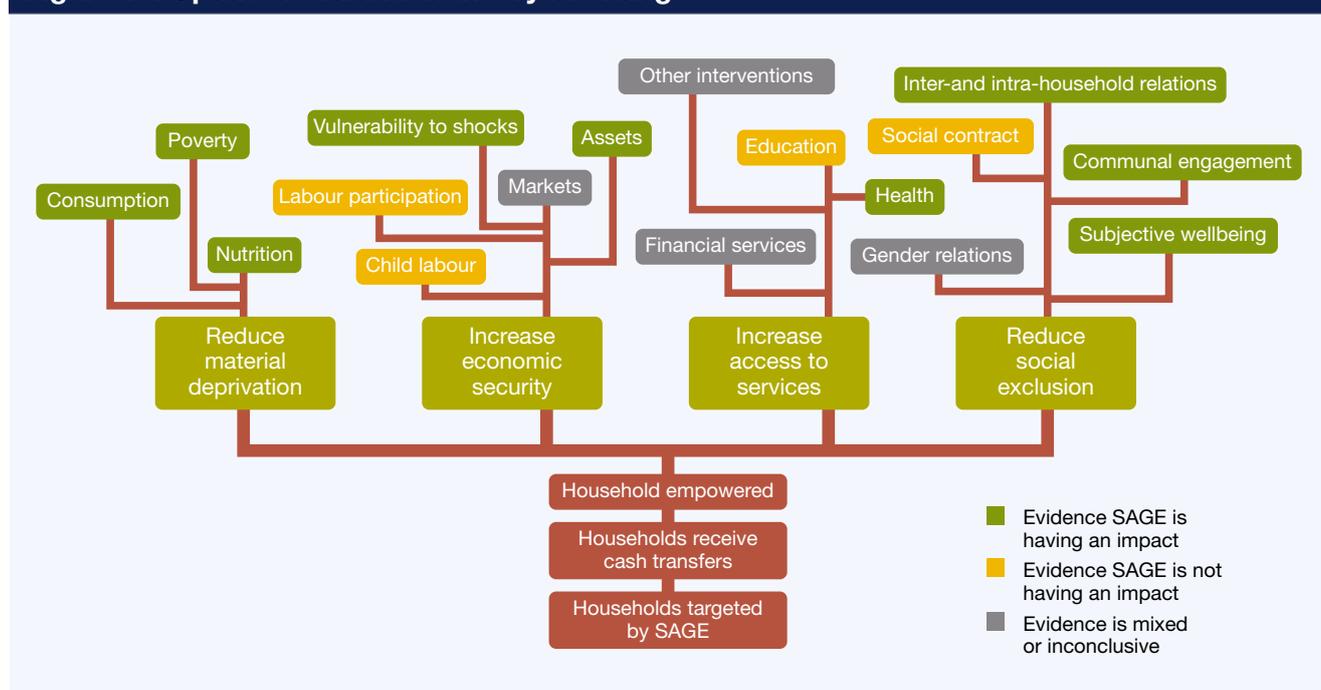
9.2 Implications for policy

Some implications for social protection policy in Uganda stemming from this evaluation of the impact of the SAGE programme on beneficiary households are outlined below. The implications for policy stemming from the assessment of SAGE programme operations carried out by this evaluation are presented in Merttens *et al* (2016).

Programme theory of change

The evaluation used as a framework a single theory of change to assess the impact of the SAGE programme across a number of dimensions. The results of this study thus show where there was convincing evidence that the programme had an impact, where there was convincing evidence that the programme did not have an impact, and where the evidence was mixed or inconclusive. Figure 18 below updates the evaluation theory of change, indicating the three categories of findings across each dimension.

Figure 18: Updated evaluation theory of change



These findings show that **cash transfers are not a silver bullet** (Handa *et al.* 2014) and that they do not necessarily impact every dimension of wellbeing. In the case of SAGE, we found evidence that the programme is not having an impact on some areas (sometimes differing by targeting mechanism), including labour participation, child labour, education and the social contract. In other areas, such as local markets, the evidence was more mixed, showing that SAGE could well be impacting some dimensions, such as increasing demand for labour and goods, but not others, such as affecting wages and prices. In this regard, results from **this evaluation tally closely with findings from other cash transfer programmes in the region and elsewhere.**⁶⁶

The evaluation has shown that SAGE has had slightly different impacts depending on the target group, whether SCG or VFSG. SAGE's impact on productive investments has been more pronounced for the VFSG group as compared to the SCG group. The SAGE programme also encouraged savings for the VFSG group, which it did not do for the SCG. For the SCG group, on the other hand, SAGE has had a much stronger impact in terms of improving beneficiaries' social standing and subjective wellbeing, and reducing their dependence. It has also enabled them to spend more on health care, which is especially significant for older people. Moreover, the targeting of the VFSG has not been so well accepted by communities as that of the SCG, which may partly help explain why VFSG beneficiaries are more likely to share some of their transfers. And while SAGE thus is seen to interact with the local economy in a variety of ways through each of these targeting approaches, the mechanisms of these interactions therefore differ in important ways.

These considerations imply that **separate programme theories of change should be developed for each targeting mechanism.** This would enable the ESPP to tweak the programme's objectives and design according to an explicit rationale, and it would also aid identification of questions for future monitoring and evaluation purposes.

Beyond the SCG

During the evaluation period the Government of Uganda made the decision to discontinue the VFSG and scale-up the SCG nationally.⁶⁷

On the one hand this is welcome news, as the evaluation clearly shows that the elderly are a vulnerable population group that suffer a variety of negative welfare characteristics. By assuaging some of these vulnerabilities the SCG is making a qualitative difference and improving their lives, raising consumption levels and encouraging their full participation in their communities.

At the same time, the elderly are not the only vulnerable group in the population. Children and the working poor constitute two more groups that suffer a variety of vulnerabilities – vulnerabilities that this evaluation has shown a cash transfer such as SAGE can help diminish. Supporting these two groups offers transformative potential, through their engagement with education and their impact on the labour market and the Ugandan economy. However, the evaluation has also shown that these groups are not overly represented in the households of SCG-eligible recipients. Reaching more of these populations with social protection programmes of their own will thus require different targeting approaches.

To continue building momentum for social protection in Uganda, consideration could now be given, in the form of scoping analyses, to additional initiatives that would reach these (or other vulnerable) populations. Linking these scoping analyses to the findings of this study, as well as, potentially, further research on local economy impacts and returns to education would help build an evidence base that may be persuasive for interest groups that are not yet convinced of the broader merits or transformative potential of social protection.

⁶⁶ See, for example, Handa *et al.* (2014), Mertens *et al.* (2013) and Pellerano *et al.* (2014).

⁶⁷ On 21 August 2015, Hon. Wilson Muruli Mukasa announced the phasing out of the VFSG and simultaneous national roll-out of the SCG, with effect from November 2015 (see <http://www.socialprotection.go.ug/Whatsnew.php> [accessed 12 April 2016]).

The value of the SAGE transfer

The SAGE transfer is currently set at a relatively low level, representing around 12% of total household consumption expenditure on average. Moreover, where the transfer effectively operates as a household benefit, as is explicitly the case with the VFSG (but may also be implicitly the case in some SCG households), because it is not indexed to household size the per person value of the transfer is reduced for larger households. At such levels, SAGE is supporting basic consumption and acting as a safety net, but it is not showing strong signs that it will prove transformative on aggregate. It is making an often vital difference to beneficiaries' lives, but the relatively low value of the transfer is reducing its potential to affect livelihoods and local markets, as well as investments in education, that may prove to be transformative in respect of households' and communities' welfare trajectories over the longer term.⁶⁸

Of course, the setting of the value of a cash transfer is subject to resource constraints, imposing a trade-off between the value of the benefit and the coverage rate. In order to help budget negotiations it could thus be advantageous to consider arguments for raising the level of the transfer, for example through simulating the trade-off between costs and benefits of different transfer values and coverage scenarios.⁶⁹ Moreover, linking such simulation work to further research on the impact of the transfers on the local economy (see below) would help build the rationale for expanding the SAGE programme, either in terms of value or coverage, or both.

Further research

The evaluation has produced evidence to indicate that SAGE may be having significant positive spill-over effects on the local economy. By stimulating demand for goods and services, including casual labour, the SAGE cash transfers are likely to be benefiting other population groups beyond the direct beneficiaries. Understanding the magnitude of these spill-overs, for instance in the form of the 'multiplier effect' the programme has on the local economy, as well as identifying which particular sub-populations are benefiting, and by which causal pathways, would benefit the evolution of future social protection policy, both for the SCG specifically and in terms of building the argument for other possible programmes. Moreover, as the SCG scales up nationally general equilibrium factors (such as effects on wages and prices) could kick in, making the question of what impact the programme has on the local economy more important.

The evaluation also threw light on two topics that would benefit from further investigation, both because the effects of the programme in these regards may emerge over a longer time-frame and because the two topic areas are inherently complex and by no means comprehensively covered by this study. These are: 1) the impact of the programme on women's empowerment; and 2) the impact of the programme on informal support networks.

Regarding the former, the evaluation produced some evidence that indicated women may be being empowered through receipt of the SAGE transfers, by giving them at least some decision-making power over how the household budget is spent (for example over the SAGE money specifically) as well as enabling them to purchase productive assets (livestock), which they consequently control – previously they had had no control over any of the household assets. Although the research suggested that such small changes were not perceived by the communities as constituting a significant impact on gender relations or women's empowerment, an interesting question remains as to whether this lack of recognition is because those relations have not actually changed, or whether these small changes do in fact represent a real change in gendered relations, which is simply not yet recognised by the communities themselves.

68 A briefing note by ODI puts it this way: "In terms of growth, the main conclusion is that programme scale is critical, as is the size of the transfer. Where coverage of cash transfers is low, the impact on demand will be limited, and while household consumption may increase, the total market share of beneficiaries remains small, and the potential growth impact is marginal." Slater, R. Cash transfers: graduation and growth, ODI Project Briefing, no. 29, November 2009.

69 Best practice internationally has shown that benefit levels should be determined on the basis of the size of the elasticity of the relevant outcomes to the benefit level, i.e. the benefit level should be set in relation to the desired impacts. However, marginal effects should also be taken into account since larger transfers may not necessarily lead to, for example, better health and education outcomes (see Beazley and Farhat 2016).

Regarding the latter, the question of how cash transfers interact with informal support networks is still a relatively under-researched area. The signs from this evaluation suggest that these interactions differ by targeting mechanism. VFSG recipients were more likely to share the transfer with others, while the SCG reduced the dependence of beneficiaries on their family and community networks, and in some cases even reversed those support roles. How might the latter of these findings develop over time as the SCG scales up, and what impact will these developments have in terms of spill-overs, either positive or negative, on beneficiaries and non-beneficiaries alike? This question needs to be considered.

9.3 Conclusion and next steps

The SAGE programme appears to have achieved its core objective of supporting beneficiary households' basic consumption and assuaging poverty. It has supported households in regard to retaining and building their productive assets, and it has reduced their vulnerability by supplementing their natural coping strategies in the face of shocks. It has increased health expenditure for recipients of the SCG and even appears to be improving health outcomes for some of those households. It has not caused dependency but it has reduced the burden of labour for the elderly. There are indications that the SAGE programme may be having positive spill-over effects in the local economy, in the form of increased demand for labour and stimulation of local commodity markets.

Beyond these core areas SAGE does not seem to be impacting education, either positively or negatively, and is having only very minimal impacts on access to financial services. It is not affecting perceptions of the social contract, though it does seem to be contributing positively both to intra- and inter-household relationships within communities.

The fact that the SAGE transfer has not significantly impacted areas beyond basic consumption implies that it is unlikely to prove transformative. It is making an often vital difference to beneficiaries' lives, but due to the relatively low value of the transfer, coupled with its target population (particularly now that the VFSG has been discontinued and the SCG scaled up), its potential to alter the welfare trajectories of households over the longer term is somewhat curtailed.

The elderly are a vulnerable population group that are prone to a number of negative welfare characteristics. At the same time, the evaluation has shown that other population groups, such as children and the working poor, are also vulnerable in ways that cash transfers can help alleviate. There are strong reasons to consider developing social protection programmes that can reach these and other vulnerable groups.

Next steps

The results presented in this report represent the findings from the final round of evaluation data collection in regard to the impact of the programme. They will be presented to a group of national stakeholders in May 2016, in an event organised by the Social Protection Secretariat in the MoGLSD (date unspecified at time of writing). All the reports and other outputs from the evaluation will be made publically available via the ESPP and OPM websites. In addition, the quantitative datasets will be made available to researchers and policy-makers internationally via the World Bank microdata library,⁷⁰ once the final evaluation outputs have all been finalised and the evaluation contract concluded.

⁷⁰ See <http://microdata.worldbank.org/index.php/home>

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