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Assessment of the Limitations of *Vision 2020 Umurenge Program (VUP)* to uplift Socio-Economic Status of the Poor People in Kayonza District.

Case study of VUP in Nyamirama Sector, 2008-2018.

Dissertation submitted in partial fulfilment of the requirements for the Degree of Masters of Social Science in Local Governance Studies by:

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ABSTRACT

The government of Rwanda initiated and adopted pro-people Home-Grown Initiatives in order to reduce poverty and uplift significantly the socio-economic status of Rwandan citizens. Those home-grown solutions included among others; Vision 2020 Umurenge Program (VUP). VUP is a large scale social protection program which is government owned and led. VUP was launched in 2008 with 3 components: Direct Support, Public Works and Financial Services. In Kayonza district, VUP started in Nyamirama sector as a pilot. Data from VUP unit in Kayonza district show that since 2008 Nyamirama sector received Rwf 977,993,079 and this amount was utilized for VUP. However, despite those millions of money injected in to reduce poverty, Nyamirama Sector is still characterised by poverty, and among the poorest sectors in Kayonza district. This study was undertaken to determine the limitations of VUP to contribute to sustainable graduation from poverty. The main objective of the study was to determine the factors hindering VUP to contribute to sustainable graduation of its beneficiaries.

The study was predominately of descriptive research design. The target population for this study were all VUP beneficiaries from 2008. Using Coheran formula, a sample size of 98 respondents was selected. Systematic and purposive sampling methods were used. The triangulation of data collection techniques was used to collect data. Based on some indicators, such as income, source of income, food intake, assets possession etc. the findings showed no significant contribution of VUP to change poverty status in which beneficiaries were in before VUP support. However, compared with previous findings from other researches on VUP, it was revealed that the findings of the research are specific and only applicable to Nyamirama sector. Factors causative to poor contribution of VUP program in Nyamirama sector were analysed:(i) Beneficiary-specific factors, such as general illiteracy (ignorance), financial illiteracy; (ii) Community-specific factors (culture of having many children); (iii) VUP program-specific factors, such as .insufficient support, delays of payment, short duration of public works and delays in approving and giving VUP loans; (iv) Market and climate changes-specific factors (Food inflation and draught).Another non-negligible factor is the fact that Nyamirama sector was the poorest sector and pilot sector. Considering the findings of the research, recommendations were made: increase VUP support, reduce delays in payment, increase wage per day and duration of VUP/PW and regular training and sensitization of VUP beneficiaries on profitable use of VUP support.

Keywords: *Poverty, Graduation, Development and Socio-Economic Development*

DECLARATION

I John MUGABO, student number, 216367867, do hereby declare that this research paper submitted to the University of Rwanda (UR): Masters of Local Governance Studies is my own independent work and has not been previously submitted to any other university.

John MUGABO

Reg. Number: 216367867

Signature:

Date:

DEDICATION

To my lecturers, my classmates, my wife Juliet, my children (Linda, Lionel and Richard).

To all of you, this work is dedicated.

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John Mugabo

LIST OF ABBREVIATIONS AND ACRONYMS

\$: Dollars
%	: Percentage
CDF	: Common Development Fund
EDPRS	: Economic Development and Poverty Reduction Strategy
FSP	: Family Support Programme
GOR	: Government of Rwanda
ICT	: Information and Communication Technology
MINALOC	: Ministry of Local Government
MINICOFIN	: Ministry of Finance and Economic Planning
NGOS	: Non-Governmental Organizations
NISR	: National Institute of Statistics of Rwanda
PW	: Public Work
SP	: Social Program
SPSS	: Statistical Packages for Social Sciences
VUP	: Vision 2020 Umurenge Programme
VUPIS	: Vision 2020 Umurenge Programme InsuranceScheme

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CHAPTER ONE: GENERAL INTRODUCTION

1.1 Background of the study

The government exists primarily and above all else to serve citizens in order to meet their needs as well as make their lives better (Mkhonta, 2007). In addition, the government has the responsibility to ensure that available resources are adequately used for the good of the citizens. In this regard, the Constitution of the Republic of Rwanda requires government to utilise its available resources, to ensure that all citizens of Rwanda have right to life (Article 12 of the Constitution 2003 as revised in 2015), have right to education (Article 20) and have right to good health (Article 21).

Poverty characterized generations in Rwanda due to inequality, political intolerance, lack of relevant and consistent poverty reduction strategies and divisionism that culminated into the 1994 Genocide against Tutsis, which resulted into more vulnerable groups, such as children-headed households, women-headed households, widows and orphans and many people in prison due to genocide related cases (MINALOC, 2016). The poverty report about Rwanda provides trends of poverty before 1994. In 1990, the rate of poverty was at 47.5% and this rate increased dramatically in 1994 where it reached 77%. The rate of extreme poverty was 34% and this rate increased at above 45% in 1994 (National Institute of Statistics of Rwanda (NISR), 2012).

After 1994 genocide against Tutsis, the government of National Unity had a strong belief that Rwandan people should live a life free from poverty. The government started laying strategies to reduce both poverty and extreme poverty. But, given the post-conflict environment and challenges associated with it, the primary emphasis was on managing a transitional period of rehabilitation and reconstruction. Up until 2001, more than 60% of the Rwandan population was living below the poverty line (NISR, 2012).

Given the significance of the problem of poverty, the government of Rwanda initiated and adopted pro-people Home-Grown Initiatives in order to reduce poverty and uplift significantly the socio-economic status of Rwandan citizens. The initiated and adopted home-grown initiatives were to deal with poverty and to accelerate the development of the country and to promote unity and reconciliation among Rwandans. Those home-grown solutions included among others; Umuganda, Gacaca, Abunzi, Imihigo, Ubudehe, Itorero and Ingando, Umushyikirano, Umwiherero, Girinka and Vision 2020 Umurenge Program (VUP).

VUP is a large scale social protection program which is government owned and led. It was launched in 2008 as a flagship social protection program under the EDPRS, and was aimed to reduce extreme poverty in Rwanda. VUP was launched with 3 components: Direct Support (unconditional cash transfers to those unable to work), Public Works (employment on community infrastructure projects) and Financial Services (access to savings and credit for enhanced livelihoods) (MINALOC, 2011).

Under VUP, various measures were taken to promote the productive capacity of the poor in rural areas, such as public works employment, promotion of cooperatives, credit packages and direct support to vulnerable groups (RALGA, 2012). In its first phase (in 2008), VUP was implemented in the 30 poorest administrative sectors in the whole country one in each district. Sectors in each district were ranked according to the poverty level, and the poorest one was selected for VUP support.

In Kayonza district, VUP started in Nyamirama sector as a pilot, because this sector was identified poorest sector in the district. From 2008, significant amount of money was invested to support the poor and to reduce the level of poverty in Nyamirama sector. Data from VUP unit in Kayonza district show that since 2008 Nyamirama sector received 977,993,079 Rwf as it is indicated in the table below.

Table 1: Funds (frw) disbursed to Nyamirama sector under VUP (2008-2018)

F/Year	Direct support component(Rwf)	Public works component (Rwf)	Financialservice componentRwf)	Total per year (Rwf)
2008-2009	11,382,000	NA	NA	11,382,000
2009-2010	31,246,000	57.046.126	96,819,520	185,111,646
2010-2011	43,020,000	38.272.000	51,900,000	133,192,000
2011-2012	58,630,500	63.960.600	66,000,000	188,591,100
2012-2013	52,231,500	61,720,000	49,900,000	163,85,1500
2013-2014	44,342,000	NA	48,169,500	92,511,500
2014-2015	36,503,833	NA	18,400,000	54,903,833
2015-2016	33,292,500	NA	13,600,000	46,892,500
2016-2017	42,696,000	NA	12,165,000	54,861,000
2017-2018	42,696,000	NA	4,000,000	46,696,000
Total (Rwf)	396,040333	220,998,726	360,954,020	977,993,079

Source: Compiled data from VUP unit/ Kayonza district, 2018.

A total equivalent to Rwf **977, 993,079** was invested in Nyamirama sector to reduce poverty and uplift the socio-economic status of the poor people in the sector. However, despite millions of money injected in to reduce poverty, and uplift the socio-economic status of the poor people, Nyamirama Sector is still characterised by poverty. For instance, the subscription to mutual health insurance in 2016 (Mutuelle de Santé stood at 71.7%, while the average for the District was at 79.8%. The rate of subscription to Mutuelle de santé dropped to around 65% in this year 2017 when the average for the district was at around 76.4% (Kayonza district archive, 2016, 2017). In addition, the poverty categorization of households of 2012 has shown that Nyamirama sector had 1% of households in category 1 (object poverty/ Umutindi nyakurya), 22% of households in category 2 (Very poor/ umutindi) and 69% in category 3 (poor/ umukene). These figures show clearly that despite VUP which started in 2008, poverty level in Nyamirama was still at higher level in 2012 (after 4 years of VUP support program) whereby 92% of households needed support from the government (MINALOC, 2012). The recent categorization of households in terms of level of poverty (Ubudehe categorization of 2017) shows that the level of poverty in Nyamirama sector is: 15% of households are in category 1 (extreme poverty) and 37% of households in category 2 (Poor). These figures show that 52% of households which are in category 1 and 2 are still poor and still need government support for a living (MINALOC, 2017). The question “why” Nyamirama sector failed to graduate from poverty came in the mind of the researcher and drove his motivation to carry out the present research.

1.2 Problem statement

Since the 1994 genocide against the Tutsis, Rwanda has been on a positive development trajectory but remains a very poor country (about 39.1 per cent of the population lives below the poverty line and almost 16.3 per cent is classified as extremely poor (NISR, 2015 (EICV 4)). Multiple factors contribute to this situation, including low agricultural productivity, leading to poor yields for major crops, population pressure on arable land, poor agricultural marketing in rural areas, rural unemployment and underemployment, lack of savings and investment in rural households and weak environmental conservation practices, to mention but a few (Niyitegeka, 2016). The Vision 2020 *Umurenge* (VUP) was viewed as a new initiative by the Government of Rwanda to address the problem of poverty and extreme poverty. The global aim of VUP was to eradicate extreme poverty and to reduce poverty rate to 20% by 2020.

However, according to Lawson, Ado-Kofie, & Hulme (2017) graduation-oriented programmes or social protection programs in Africa have failed to graduate large numbers of people. Many people have benefited graduation programs and exited these programmes without sustainable transformation in their livelihoods. In supporting, Sharoni, Zenon, & Mbabazize (2016) are of view that giving cash and assets to poor people makes them better off by definition; it does not necessarily equate to a transformative change in their lives and livelihoods. The true test for the sustainability of the changes from graduation programs comes after programme support is withdrawn. Lavers (2016) argues that in few countries in Africa, available evidence confirmed that households tend to be better off in several respects than they were before they joined the graduation programmes, except in cases of premature graduation motivated by political pressure.

The Vision 2020 Umurenge Programme (VUP) was launched in 2008, and was implemented through three components. (1) Public Works offers short-term employment on community infrastructure projects to extremely poor households that have adult labour capacity. (2) Direct Support provides regular unconditional cash transfers to extremely poor households with no adult member who is able to work. (3) Financial Services offers low-interest loans for productive enterprises or cooperatives, to individuals or borrower groups that must include Public Works participants or Direct Support beneficiaries (Nkurinziza, 2015).

Several empirical studies were conducted to evaluate its impact on poverty reduction. Starting from a household survey conducted in 2010 found that, across Rwanda, the total net movement out of 'extreme social poverty' between 2007 and 2009 (measured as the percentage of households that progressed out of categories 1 and 2, minus the percentage that fell into these categories) was 17.8 per cent (Devereux & Sabates, 2015). However, in sectors where the VUP was operational the figure was higher, at 26.2 per cent (*ibid.*). This suggests that almost a third of the total graduation recorded (i.e. 8.4 per cent) was attributable to the VUP. This survey also found that graduation was higher among male- than female-headed households, at 20.1 per cent and 12.8 per cent, respectively.

Two plausible explanations for this difference in graduation were supported by the fact that more women than men were Direct Support beneficiaries: on average, female-headed households were poorer so needed more support, and they were also more labour and time-constrained, so were less able to take advantage of opportunities to enhance their livelihoods. A more recent survey by Gahamanyi & Kettlewell (2015) found that 41 per cent of Direct Support recipients in 2011 were in a higher Ubudehe category in 2014, but so were 35 per

cent of control group households that were eligible but did not receive Direct Support. In this case, only one graduated household in six (i.e. 6 per cent) can be attributed to the VUP.

Concerning Public Works, very small rate of households that participated for only one year graduated, but 30 per cent of those that participated for more than one year, had moved to a higher Ubudehe category by 2014. On the other hand, almost the same proportion of households surveyed that were eligible for Public Works but did not participate also improved their Ubudehe status, which 'is probably a reflection of the general economic growth that Rwanda has enjoyed in recent years'(Gahamanyi&Kettlewell,2015). In supporting, World Bank report (2015) shows that rapid poverty reduction is attributed to growth in agricultural productivity, diversification into off-farm activities, and reduced fertility, but only a fraction of the graduation recorded in Rwanda can be directly attributed to the VUP.

An empirical study done by Siegel, Gatsinzi, & Kettlewell (2011) showed that Direct Support beneficiaries have shifted from category 1and 2 to category 3 than Public Works participants. The explanation lies in the fact that higher levels of resource transfers are made to Direct Support households, which are entitled to receive a regular cash transfer each month. Many used some of this cash to purchase small livestock, which reproduced and generated flows of income that promoted these households to a higher Ubudehe category. By contrast, Public Works households were entitled to six months of paid work, but, in many cases these Public Works could last less than 6 months.

In addition, Malin Hasselskog & Isabell Schierenbeck (2017) found in their research that due to the factors, such as few working days (working over three days per week), suddenly stop of work activities, irregular and delayed payment , small daily wage rate, etc. Public Works did not help the participants to graduate as expected. Furthermore, money gained from public works were most commonly spent on food (75 per cent of households reporting that they had bought food) than investing in income generating activities.

Devereux, (2016) did an empirical research on VUP and found that households eligible for Financial Services have more graduation potential than Direct Support beneficiaries. Again, households from lower Ubudehe categories (1&2) that formed groups or cooperatives with households in Ubudehe category 3 (i.e. not eligible for Direct Support or Public Works) to get financial loans graduated quickly and easier than other households. The thinking is that the greater resources and entrepreneurial abilities of wealthier households (category 3 and 4)

will enhance the chances of poorer households to generate income and pull them up towards graduation, rather than going it alone with loans that risk indebting them and impoverishing them further.

Last but not least, Sharoni et al., (2016) found that in Rwanda, the initial decision to retarget beneficiaries every year proved to be a constrainer: this period was too short for graduation to have occurred and some beneficiaries were graduated prematurely. This is evidenced by this example of a widow in her 70s who used her Direct Support cash to buy saucepans, blankets, the first shoes she had ever owned, and a sheep. She was removed from the VUP beneficiary list, even though there was no transformative change in her livelihood situation (Nsabuwera et al., 2016).

Different factors may hinder the beneficiaries of graduation program, such as VUP to sustainably graduate from poverty. In this regard, Siegel et al., (2011) argue that factors, such as (i) Inadequate transfers or supports ; (ii) Absent or inappropriate complementary programmes and activities; (iii) Dilution of transfers due to partial family targeting (Sharing of supports/ wages between families); (iv) Delayed transfers; (v) Scale effects; (vi) Lack of desire to graduate (dependency spirit or culture); (vii) Absence of initial household asset base, for instance land; (viii) Business know-how; (ix) Absence of initial community infrastructure base, for instance roads, water, irrigation infrastructure, etc. (x) Changes in prices; (xi) Lack of markets (goods, labour and credit); and (vii) Climatic changes/ natural shocks.

There was a gap identified in the previous researches on VUP in Rwanda. Firstly, they don't show the comprehensive components of the program which may have greater potential for building resilient livelihoods than a pure cash transfer and Public Works approaches. Second, they don't provide disaggregated data on how age, sex, education level, local context influence graduation. Lastly, the provided data are general information; they are no specific information about VUP in Nyamirama sector, because there was no empirical study done so far. This study aims to fill-in those gaps.

As mentioned earlier, millions of money (more than Rwf **977,993,079**) was invested since 2008 through VUP to reduce poverty in Nyamirama sector, but still 52% of households are still in need of government support in 2017. The questions that arise in the mind of the researcher are the following: What are the factors hindering the VUP beneficiaries in

Nyamirama sector towards sustainable graduation? What are the comprehensive components of VUP program which may have greater potential for building resilient livelihoods?

1.3 Objectives of the study

The main objective of the study is to assess the factors that limit VUP from achieving expected outcomes of helping the poor in Nyamirama sector to sustainably graduate from poverty.

Specific objectives:

- To determine the socio-economic status of VUP beneficiaries before the support;
- To determine the socio-economic changes after VUP support and determine any significant VUP impact;
- To find out the factors that may have hindered VUP to achieve the expected outcome (sustainable graduation of beneficiaries);
- To propose strategies for VUP to contribute significantly and sustainably to the uplifted socio-economic status of the poor in Nyamirama sector.

1.4 Research questions

The main question for this study is “What are the factors that impede VUP to contribute significantly towards sustainable graduation from poverty in Nyamirama sector? The following are specific research questions:

- What was the socio –economic status of VUP beneficiaries before the support
- What is the current socio-economic status of VUP beneficiaries in Nyamirama Sector?
- Are there significant changes after 10 years (2008-2018) of VUP support? If there was no significant changes what are the challenges?
- What would be the strategies for VUP to achieve its expected outcomes in Nyamirama sector?

1.5 Rationale of the study

Government money which is taxpayers’ money should be used or spent effectively and efficiently. Through VUP, government spends billions of money to reduce poverty; however the expected outcomes are not always achieved. If millions of money was spent to reduce poverty in Nyamirama Sector since 2008, but still the percentage of poor households in 2017

is still as high as 52%, this situation needs attention and needs to be searched about. The question why the expected outcomes of VUP in Nyamirama sector were not fully achieved was not asked by any researcher, because there was no empirical research done so far in Nyamirama Sector to investigate the limitations of VUP to help the poor to graduate from poverty. The literature part of this study will contribute to enrich the existing literature on VUP. Moreover, the findings of this research will inform the policy makers on the limitations of VUP and strategies may be taken to rethink on the VUP design and implementation.

1.6 Scope and limitation of the study

The geographical scope is Nyamirama Sector in Kayonza District. Concerning the time scope, this study covers the period between 2008-2018. This period is justified by the fact that Nyamirama sector started benefiting VUP support since 2008, while 2018 represents the period whereby primary data were collected. In the domain, this study is in line with the domain of study that is Master's in Local governance studies. Specifically, it is aligned with developmental local government. Concerning the limitation, it is worth to indicate that the study is limited to Nyamirama Sector; therefore, the findings cannot be generalized for the whole district. Research findings will be specific for Nyamirama sector only.

1.7 Structure of the study

This research is subdivided into five chapters. Chapter one deals with General Introduction containing the following parts: Background to the study, problem statement, research questions, research objectives, significance of the study, scope and limitation of the study and structure of the study. Chapter two deals with the Literature Review. It contains the Definition of key concepts, Theoretical review, Empirical review, Theoretical framework and Conceptual framework. Chapter three presents the Methodology used while carrying out the research. It contains the major parts, such as Research design, Target population, sample and sampling procedures and research instruments. Chapter four focuses on analysis and interpretation of research findings. Lastly, chapter five ends the research where by General conclusion and recommendation are presented.

Summary

The first chapter of the study presented the background of the study. Because of very high level of poverty after the 1994 genocide against the Tutsis in Rwanda, the new government of nation unity had the strong belief and commitment to reduce the poverty level. Based on the

context and specificities of the country, different home-grown solutions were adopted, among others was VUP. VUP started in 2008 with 30 pilots and poorest sectors in the country. Nyamirama sector in Kayonza was among the selected sector and millions of money was invested through 3 components of VUP. However, despite that huge amount of money, Nyamirama sector is still the poorest sector in Kayonza district. This study was undertaken with the main objective to determine the factors that have restrained and still restrain VUP to contribute to the sustainable graduation of its beneficiaries from poverty.

CHAPTER TWO: LITERATURE REVIEW

Introduction

In any scientific research, the review of existing literature is very important, because it helps to understand better the topic of the research, to know what previous researches talked about the topic or related topics and finally, it helps to know the gap in the existing literature. By knowing the gap in the existing literature, one may be able to make his or her contribution to fill the identified gap. This chapter presents the following important themes: the theoretical review, empirical review, theoretical framework and conceptual framework.

2.1 Definition of key concepts

To avoid ambiguity and to facilitate the comprehension of the content by the readers, key concepts need to be identified and clarified. For this study, the key concepts such as Poverty, Socio-Economic Development, Human Development Index and Sustainable Development Goals (SDGs).

2.1.1 Poverty

There are various definitions of poverty as there are many authors. Therefore, there is no single 'correct' definition of poverty. However, how we define poverty is critical to political and policy decisions (International Monetary Fund, 2013). One popular definition of poverty was crafted by Anon (2016) who indicates that "individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, to participate in the activities and to have the living conditions and amenities which are customary, or are at least widely encouraged or approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns and activities" (Anon, 2016).

According to the European Commission (1984), "The poor shall be taken to mean persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member State in which they live". Furthermore, according to UNHCR (2004) poverty is defined as a human condition characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate

standard of living and other civil, cultural, economic, political and social. In the context of Rwanda, Rwanda Governance Board (2014) defines poverty as the state of being without the necessities of daily living, often associated with need, hardship and lack of resources across a wide range of circumstances.

Poverty is described into two categories, “extreme poverty” or absolute poverty and “poverty”. The Copenhagen Declaration of 1995 describes absolute poverty as “a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information.” The World Bank, on the other hand identifies “extreme poverty” as being people who live on less than US \$1.25 a day, and “poverty” as less than \$2 a day at 2005 purchasing power parity (Ravallion, Chen and Sangraula, 2008). The poverty line in Rwanda was Rwf64,000 per adult per year (in January 2001 prices), which corresponds to around Rwf 118,000 in January 2011 prices inflated using the overall cost of living index. The extreme poverty line is also set as the cost of buying the food consumption basket if nothing was spent on non-food at all; this line was Rwf 45,000 per adult per year in January 2001 prices. Based on prices in 2011, these lines correspond to Rwf 83,000(Rwanda Governance Board, 2014).

2.1.2 Graduation from poverty

Graduation describes a process whereby recipients of support move from a position of depending on external assistance to a condition where they no longer need this support, and can therefore exit the programme (Devereux & Sabates-Wheeler, 2015). “A household has graduated when for instance, in the absence of receiving VUP transfers and supports; it can meet its food needs for all 12 months and is able to withstand modest shocks (Siegel, Gatsinzi, & Kettlewell, 2011).

Sabates & Devereux (2015) distinguish “*threshold graduation*” from “*sustainable graduation*”. Threshold graduation describes a process whereby recipients of support move from a position of depending on external assistance to a condition where they theoretically no longer need this support, and can therefore exit the programme. Sustainable graduation clearly requires threshold graduation to be met; however this does not hold in the reverse case. This is because sustainability of a strengthened livelihood is time-dependent and requires a measure of resilience in the face of a negative change.

Lawson, Ado-Kofie, & Hulme (2017) argue that graduation must be distinguished from exiting a programme, which Samson (2015) describes as ‘endogenous’ and ‘exogenous’ graduation, respectively. ‘Exogenous exit’ occurs when a sequenced set of benefits are provided for a defined period, and all support ceases automatically at the end of the programme cycle. ‘Endogenous graduation’ occurs when the household reaches a predefined threshold in terms of income, assets, or food security indicators based on an individual assessment of progress by administrators or the local community.

Graduation can also be ‘developmental’, meaning that households move from one type of support to another – for instance, from cash and asset transfers to subsidized and then commercial financial services, or from social assistance to employment-related social security – rather than being summarily ejected from a programme and receiving no further support (Samson, 2015).

2.1.3 Socio-economic development

Development had mainly been measured in pure economic terms of increases of about 5% to 7% or more in the Gross National Product (GNP) or the Gross Domestic Product (GDP) of national economies (Todaro, and Smith 2011). Other economic indicators of development, according to the traditionalists, are reflected in income per capita or per capita GNP which demonstrates the ability of an economy to grow its economy at a faster rate than the growth of the country’s population.

However, experience has however shown that the economies of many developing nations experienced economic growth but without a corresponding improvement in the living standards of the majority of their people. The GNP per capita model was found inadequate in addressing the developmental needs of the masses of the developing nations. A case in point is the often cited Brazil’s “growth without development” between 1960s and 1980s (Todaro and Smith, 2011). One can extend the “growth without development” phenomenon to many developing countries today. For instance, Sub-Saharan African countries such as Nigeria and Ghana are currently rated high in terms of fast paced economic growth. Unfortunately, these high rates of growth in GDP terms have not translated into improved quality of life for the majority of their citizenry (Kalisa and Brimble, 2018). Such contradictory scenarios influenced development economists, development institutions and agencies as well as policy makers to view development from broader perspectives than strictly from an economic standpoint (*idem*).

With the growing realisation that economic growth *per se* did not necessarily translate into the well-being of society, the United Nations Development Programme (2010) advocates that, “economic growth is essential for human development, but to exploit the opportunities for improved well-being that growth offers, it needs to be properly managed”. The questions to ask about a country’s development are therefore: What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result “development” even if per capita income doubled (Todaro and Smith, 2009).

Indeed, in the 1960s and 1970s, a number of developing countries experienced relatively high rates of growth of per capita income without a corresponding improvement or even deterioration in employment, equality and real incomes of the bottom of their populations—a phenomenon termed “growth without development” (Todaro and Smith, 2011).

2.1.4 Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are a set of 17 goals the world will use over the next 15 years to end extreme poverty, fight inequality and injustice, and fix climate change (MINECOFIN, 2016). Formed through extensive work with all levels of society, the SDGs are comprehensive development plans to leave no person behind.

The 17 sustainable development goals are presented as follows (World Bank, 2016): Goal 1: *No Poverty*: End poverty in all its forms everywhere; Goal 2: *Zero Hunger*: End hunger, achieve food security and improved nutrition and promote sustainable agriculture; Goal 3: *Good Health and Well-Being*: Ensure healthy lives and promote well-being for all at all ages; Goal 4: *Quality Education*: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; Goal 5: *Gender Equality*: Achieve gender equality and empower all women and girls; Goal 6: *Clean Water and Sanitation*: Ensure availability and sustainable management of water and sanitation for all; Goal 7: *Affordable and Clean Energy*: Ensure access to affordable, reliable, sustainable and modern energy for all; Goal 8: *Decent Work and Economic Growth*: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; Goal 9: *Industry, Innovation and Infrastructure*: Build resilient infrastructure, promote inclusive and sustainable industrialization and ; Goal 10: *Reduced Inequalities*: Reduce inequality within

and among countries; Goal 11: *Sustainable Cities and Communities*: Make cities and human settlements inclusive, safe, resilient and sustainable; Goal 12: *Responsible Consumption and Production*: Ensure sustainable consumption and production patterns; Goal 13: *Climate Action*: Take urgent action to combat climate change and its impacts; Goal 14: *Life below Water*: Conserve and sustainably use the oceans, seas, and marine resources for sustainable development; Goal 15: *Life on Land*: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss; Goal 16: *Peace and Justice Strong Institutions*: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; and Goal 17: *Partnerships for the Goals*: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

As it can be realised, the goals 1, 2,3 and 4 concern the development of the citizens. Therefore, within the framework of VUP, the government of Rwanda had an ambition to attain these four goals. In this regard, the government of Rwanda has made significant progress towards the Sustainable Development Goals (SDGs), especially goals aimed at reducing poverty and improving education, health, gender equality, reducing child mortality rates for children under five and improving maternal health by reducing maternal mortality.

2.2 Literature review on factors hindering sustainable graduation from poverty

Factors that may serve to enable or to constrain movement along a pathway to sustainable graduation are presented in this section. These factors may be programme-specific, beneficiary specific, community-specific or market-specific. For instance, the size of the transfer and the scale of coverage is programme-specific, whereas the household incentive to share any transfer and thus ‘dilute’ the graduation potential is household specific (Sabates-Wheeler & Devereux, 2011).

- **Inadequate transfers or supports**

Small value transfers have little impact on sustainable graduation. They are mainly used for consumption and are rarely sufficient to enable significant asset accumulation or investment in more productive activities, McCord & Slater (2015). In addition, Gahamanyi & Kettlewell (2015) argue that the more resources are transferred to resource constrained households, the more likely they are, to graduate – bigger transfers equal bigger impacts.

Design choices that constrain graduation potential include delivering too few resources (e.g. setting a cash transfer level at the value of a basic food basket, leaving no surplus for investment), not calibrating transfers by household size (so larger households receive less per person), and failing to adjust transfers regularly to account for inflation (so their real value fluctuates seasonally and declines over time).

As far VUP is concerned, the researcher assumes that little impact of VUP on poverty reduction might be have caused by small VUP transfers.

- **Duration of support**

Progress towards graduation does not appear to be sustainable for many when benefits have been received only for a short time (Gahamanyi & Kettlewell, 2015). In this context, McCord & Slater (2015) state that duration of transfer or support has an impact on the potential for accumulation and investment, and on recipient behaviour. Ongoing support is necessary to achieve capital accumulation through savings. The longer is the duration of the support, the greater the potential for sustainable graduation. For instance, in the most recent evaluation of the VUP, the largest improvements were seen among households that received continuous support over several years. ‘Households that have only benefited from the programme for one year have not seen their Ubudehe status improve much (Gahamanyi & Kettlewell, 2015). These findings support evidence from Ethiopia and Kenya, confirming that the duration of support is critical for enabling significant and sustainable impacts, in terms of household food security and livestock accumulation(Devereux & Sabates, 2015).

- **Transfer or support reliability**

When supports are predictable and regular they enable beneficiaries to plan their expenditure and use it more productively. They also allow households to access credit which is frequently used to allow job creation (self-employment). Irregular and delayed transfers or supports can undermine prospects for effective individual saving and borrowing activities. This can even result in increased levels of indebtedness if anticipated transfer flows, used as security for loans, are delayed or not delivered(McCord & Slater, 2015).

- **Absent or inappropriate complementary programmes and activities**

A key aspect of Social Protection is reducing vulnerability and increasing resilience through improved management of household assets and livelihoods (Slater, McCord, & Mathers, 2014). To reduced vulnerability and increase resilience of beneficiaries, complementary programmes to supplement the transfers or supports are needed. In this context Sabates & Devereux (2015) argue that asset transfers to the poor households need to be accompanied

by adequate capacity building. It is not just human capital, but physical and natural capital that may be lacking. For instance, if a beneficiary receives support and use it to buy a seed package to increase agriculture production, but does not have the adequate irrigation or land quality to support the package then clearly the investment will fail.

The complementary activities typically include one or more of the following: credit facilities, training for small businesses, business plan development, easy access to markets, basic infrastructure, such as clean water and roads in good conditions, irrigation facilities, family planning, improved cooking and nutrition, sanitation and hygiene practices, housing and food storage, to mention but a few. These complementary activities aim at enabling the household to make the best use of the transfer as possible (Devereux, 2016).

- **Dilution of transfers**

The dilution may mean that more people are able to share and secure support consumption. The issue of the size of transfers and size of household beneficiaries is critical to the vision of a graduation pathway (Siegel et al., 2011). If a household or individual receives less than the full amount, and the transfer becomes ‘diluted’ across more household members or more households than it is supposed to be, then the impetus for building livelihood sustainability will be weakened and the potential for graduation will similarly be weakened (Sebates & Devereux, 2015). In many developing countries due to budget constraints, there is tendency of covering many households with smaller amounts of transfer per household member. This causes transfers or supports dilution. However, full social protection program must target much more households in need with higher (appropriately calculated) levels of transfer for all household members.

The second type of transfer dilution is when transfers are shared across households. For instance, if a beneficiary household shares its transfer with a non-beneficiary household then the anticipated effect of the transfer is diluted and this is equivalent to partial family targeting.

- **Scale of coverage (scale effects)**

When large numbers of economic units are located in proximity to each other and seeking to increase production and investment, this affects the environments in which they operate (think of Silicon Valley for instance and the innovation that is supported through the proximity of enterprises) (McCord & Slater, 2015). Scale, in relation to social protection programming, can refer to both the size of the transfer and resources given per beneficiary or community, as well as the size of the coverage of the programme within one geographic area.

For instance, giving transfers to 90% of a designated local population will have different effects than giving transfers to only 10% of the same population. In this regard McCord & Slater (2015) argue that the scale and concentration of social protection coverage are critical determinants of impacts on demand for goods, services and labour. A critical mass of resources is required in a local economy for a sustained period to stimulate rural development and improved livelihoods. As far as scale of coverage is concerned, VUP may not have expected impact if only 10% of the poor are supported, while 90% who also need support are left behind.

- **Lack of desire to graduate (dependency spirit)**

According to McCord & Slater (2015), Gahamanyi & Kettlewell (2015) there are several possible pathways from receipt of social transfers to dependency. One is ‘moral hazard’ – beneficiaries could choose to work less and live off social transfers instead – but this requires transfers to be provided at a level and with a regularity and predictability that will instil confidence among beneficiaries that they are adequate and will continue indefinitely. This is unlikely with most social protection programmes in lower income countries, which are more often discretionary and time-bound than guaranteed and permanent, and there is little evidence for social transfer beneficiaries ‘choosing leisure’.

A second pathway is ‘non-productive use of transfers’ – instead of investing transfers in livelihood promoting activities and assets, transfers are consumed so that the household stays below graduation thresholds that are defined by income or assets. A final pathway is ‘concealment’ – beneficiaries may attempt to hide true information about their income and assets, so as to continue to appear eligible when in fact they might have crossed a graduation threshold. All of these behavioural responses to the delivery of social transfers can result in programmes failing to achieving their long-term objectives, and generating large-scale dependency rather than large-scale graduation.

- **Absence of initial household asset base, for instance Land**

The efficiency of existing assets is important. Movements out of poverty appear to be largely determined by initial endowments or assets. For instance one community may have better quality land, or water supply than another, and this may significantly determine the development pathway of the households in the community. In this regard, Sharoni, Zenon, & Mbabazize (2016) argue that when transferring a “livelihood asset, for instance cow” to extremely poor people it is essential that one considers initial asset of beneficiaries. Otherwise, the supporter must ensure that support systems are in place to make sure they can

utilise this. For instance, transferring animals as a livelihood asset, without ensuring there is a functioning veterinary service or that the beneficiaries have the capacity to manage the animals or access these services can lead to problems.

- **Lack of markets and changes in prices**

Weak local economies can also limit the impacts. Most graduation programmes are implemented in poor rural communities, often characterised by thin markets and infrastructure deficits. In such contexts, the surge in demand from cash transfers might merely fuel price inflation, and the surge in supply of traded commodities produced by asset transfers and income-generating activities could overwhelm local markets. Sustainable graduation is not a credible promise in the absence of conducive market conditions (Sharoni et al., 2016).

- **Climatic changes/ natural shocks**

Poor farming communities face erratic weather and other threats to crop production and livestock herds. Even if a household appears to have passed a consumption, income or asset threshold at a point in time (say, after three years of receiving social cash transfers), it is difficult to predict whether the household is about to suffer a major shock (e.g. a drought, conflict or disease outbreak) that will decimate its harvest or herd, leaving the household acutely vulnerable to hunger, destitution and even death (McCord & Slater, 2015). In such an intrinsically vulnerable and unpredictable livelihood context it is highly unlikely that graduation will be linear or a one-step procedure (McCord & Slater, 2015).

2.3 Theoretical review

The problems of economic development, which are complex and multidimensional, have resulted in the development of a number of theories, explanations, arguments and assertions. Those theories describe tools and strategies for making development goals achievable the purpose of this section is to review some of the most prominent theories of economic development.

2.3.1 Structural Change Model

During most of the 1960s and early 1970s, economists generally described the development process as structural change by which the reallocation of labour from the agricultural sector to the industrial sector is considered the key source for economic growth. According to Lewis' theory of surplus labour in Todaro & Smith (2009), labour increasingly moves away from the agricultural sector to the industrial sector. However, with unlimited supply of labour from the traditional sector, these transferred workers continually received only subsistence

wages. The excess of modern sector profits over wages and hence investments in the modern sector continued to expand and generate further economic growth on the assumption that all profits would be reinvested. Both labour transfer and modern sector employment growth were in turn brought about by output expansion in that sector. This process of modern sector self-sustaining growth and employment expansion facilitated the structural transformation from a traditional subsistence economy to a more modern developed economy to take place. Like the Harrod–Domar model, the Lewis model considered savings and investments to be the driving forces of economic development (Todaro & Smith, 2009).

In this context, for VUP to be a driving force of graduation from poverty by the poor it should allow the beneficiaries to save and to invest in income generating activities. Otherwise, if VUP support and wages from VUP/Public works are used to buy food and other domestic necessities, it will be difficult for VUP to be the driving force of sustainable graduation from poverty.

2.3.2 New Growth Theory

The new growth theory emerged in the 1990s to explain the poor performance of many less developed countries, which have implemented policies as prescribed in neoclassical theories (Jaffee, 1998). New growth theorists linked the technological change to the production of knowledge. The new growth theory emphasizes that economic growth results from increasing returns to the use of knowledge rather than labour and capital. The theory argues that the higher rate of returns as expected in the Solow model is greatly eroded by lower levels of complementary investments in human capital (education), infrastructure, or research and development. Meanwhile, knowledge is different from other economic goods because of its possibility to grow boundlessly. Knowledge or innovation can be reused at zero additional cost.

Investments in knowledge creation therefore can bring about sustained growth. Moreover, the knowledge could create the spill over benefits to other firms once they obtained the knowledge. However, markets failed to produce enough knowledge because individuals cannot capture all of the gains associated with creating new knowledge by their own investments. The new growth models therefore promote the role of government and public policies in complementary investments in human capital formation and the encouragement of foreign private investments in knowledge-intensive industries such as computer software and telecommunications (Jaffee, 1998).

As far as VUP is concerned, providing supports (money) to the poor and illiterate people is not enough. People may misuse the money and may remain poor and dependent if they are not provided with the basics in financial literacy, entrepreneurship etc. Providing money should be complemented by other services, such as training sessions on financial, entrepreneurship, creativity, business development plan, resilience, to mention but a few.

2.4. Model Analysis

From the aforementioned discussions on background of the study, literature review and theoretical framework, a conceptual framework for this study composed with independent and dependent variable was designed. This framework helped in designing the questionnaire and in the analysis of the data.

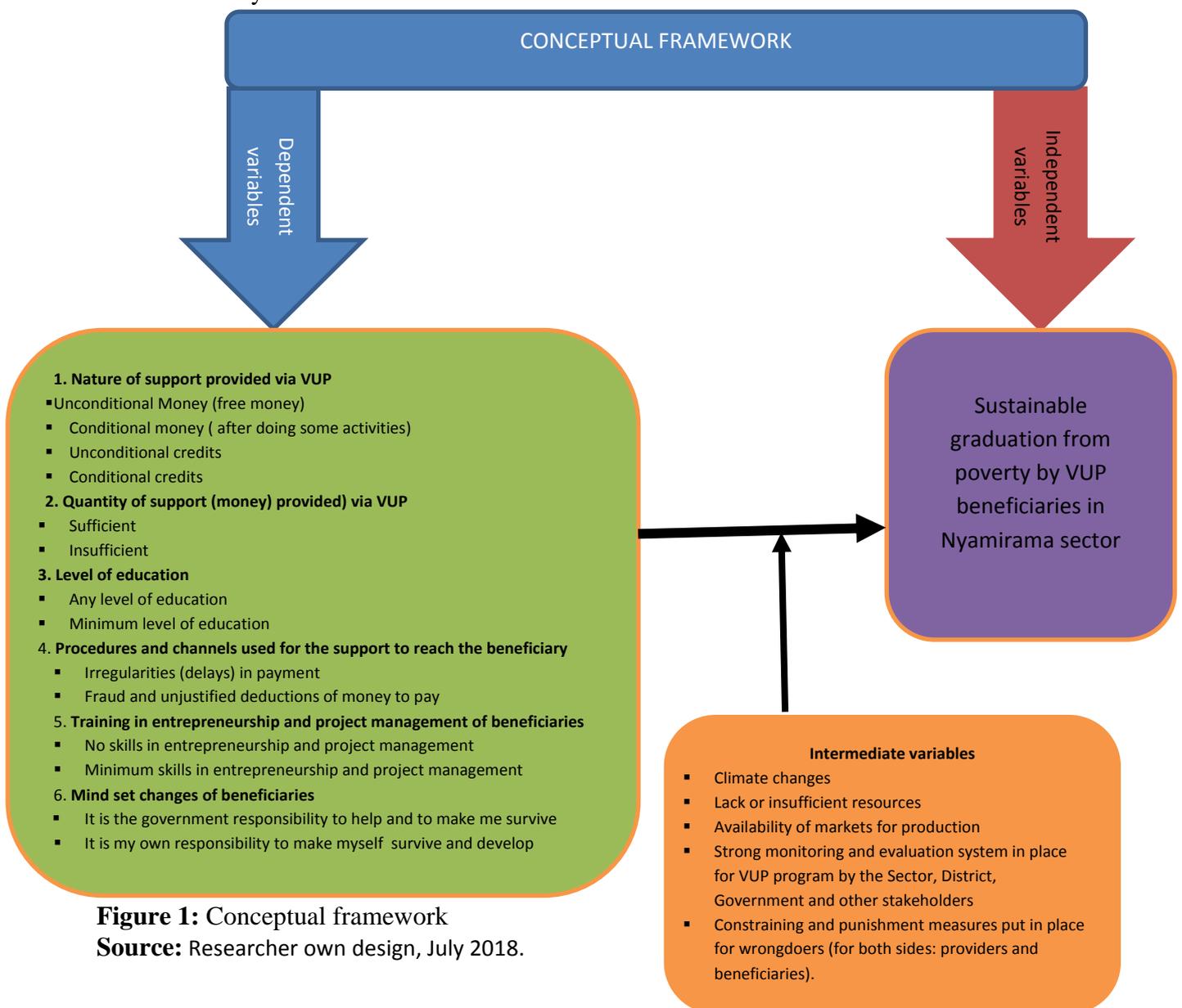


Figure 1: Conceptual framework

Source: Researcher own design, July 2018.

The above conceptual model has been developed to explain the factors or variables (dependent variables) which may determine the sustainable graduation from poverty by VUP beneficiaries in Nyamirama Sector. Those factors are related to: (i) Quantity of support; (ii) Duration of support; (iii) Mind-set of beneficiaries; (iv) level of education of beneficiaries, (vi) Respect of timeline in the payment of support; (vii) Number of dependants in the household; (viii) complementary services, such as training; and (vii) external shocks such as droughts, floods, diseases etc.

2.5 Poverty in African context

During the past 30 years, Africa has not developed as expected by the pioneers of independence of Africa. Many African specialists explain that Africa failed to develop due to Africa's colonial history, its ethnic and tribal divisions, and its climate and geography (Ravallion, Chen and Sangraula, 2008). Though the researcher cannot contradict these views, but Africa's slow growth can be explained by several facts. According to Jaffee and Warner (1998), Africa's colonial legacy, ethnic divisions, or particular geographical difficulties are important. The colonial legacy or ethnic divisions, for example, may help to explain Africa's poor choices of economic policy, which in turn are responsible for much of the growth shortfall. In addition, poor policies and weak institutions explain a large share of the slow growth, and that better policies and strong institutions would contribute to stronger economic performance. As far as poor policies are concerned, Africa has performed worse than other developing countries on the following economic policy variables: openness to international trade, average annual inflation, and national saving rates (International Monetary Fund, 2013).

Africa also had natural disadvantages in the following: a larger fraction of landlocked countries, a higher fraction of area in tropical latitudes (with implications for disease, soil quality, and other climatic factors), higher dependence on natural resources, and greater ethno linguistic fractionalisation (Jaffee, 1998).

- **Landlocked countries**

Countries which are geographically isolated from world markets, for instance Rwanda will face higher costs for all international activities, and may end up with a lower division of labour and lower output per capita. Landlocked countries, in particular, face very high costs of shipping, since they must pay road transport costs across at least one international boundary in addition to sea freight costs. Although air shipments can help overcome many of

these problems, only certain goods can be economically shipped by air, and most countries still import and export the majority of goods by the sea.

- **Tropical latitudes**

Africa also has a high proportion of the population in tropical climates. Countries located in the tropics tend to grow more slowly than countries in more temperate climates. At least two channels for this negative relationship seem likely. First, tropical countries face a wide variety of parasitic diseases that are much less prevalent in the temperate zones, and disease is one of the sources of low labour productivity. Second, soils tend to be more fragile, rains less reliable, pests and veterinary disease more prevalent, and natural disasters more frequent, all of which impede sustained agricultural growth in the tropics(Jaffee, 1998).

Talking about slow economic growth in Africa, Todaro& Smith (2009) emphasize that slow economic growth in Africa can be explained by weak and inadequate public institutions. The overall institutional quality is a result of five sub-indexes, namely (i)“The rule of law index” which reflects the degree to which the citizens of a country are willing to accept the established institutions to make and implement laws and adjudicate disputes. (ii) “The bureaucratic quality index” which measures 'autonomy from political pressure, and expertise to govern without drastic changes in policy or interruptions in government services. (iii) “The corruption in government index” which measures whether 'illegal payments are generally expected throughout government, in the form of bribes connected with import and export licences, exchange controls, tax assessments, police protection, or loans.(iv) “The risk of expropriation index” measures high risk of outright confiscation or forced nationalisation. (v) “The government repudiation of contracts index” which measures the risk of a modification in a contract taking the form of repudiation, postponement or scaling down. Corruption, embezzlement, nepotism, armed conflicts, Coup d'état, injustice, favouritisms, etc. are the results of weak institutions. These malpractices are among the causes of slow economic growth in Africa(Anon, 2016).

In addition, Ravallion, and Sangraula(2008) argue that high fertility which resulted to the growth of the young dependent population (15 years and under) is one of the causes of slow economic growth in Africa. They further argue that countries have a higher per capita growth if the working population is growing faster than the whole population. In Africa, the rate of working population is high, but majority of this population is unskilled, unemployed and underemployed.

2.6 Contextual analysis of poverty in Rwanda

Using the RwF 64,000 poverty line, the proportion of the Rwandan population revealed as poor according to the three EICV surveys is summarised in Table 2

Table 2: Percentage of the Rwandan population identified as poor

Province	2000/01	2005/06	2010/2011
Kigali City	22.7%	20.8%	16.8%
Southern Province	65.5%	66.7%	56.5%
Western Province	62.3%	60.4%	48.4%
Northern Province	64.2%	60.5%	42.8%
Eastern Province	59.3%	52.1%	42.6%
Urban	-	28.5%	22.1%
Rural		61.9%	48.7%
Total	56.7%	56.7%	44.9%

Source: NISR (EICV3).

Comparing levels of poverty by province, poverty was highest in all three rounds in the Southern Province and lowest by far in Kigali City. The Eastern Province was the second least poor province. In addition, the results show a national reduction in poverty by 11.8 percentage points between 2005/06 and 2010/11. Focusing on indicators, such as poverty, extreme poverty and GINI index, the table below shows the evolution.

Table 3: Progress in poverty reduction

INDICATOR	2005/06 EICV2	2010/11 EICV3	2013/14 EICV4
Poverty	56.7	44.9	39.1
Extreme Poverty	35.8	24.1	16.3
GINI index	0.522	0.490	0.448

Source: NISR (EICV4).

The results show a national reduction in poverty by 5.8 percentage points between 2010/11 and 2013/14. If the trend of 5% poverty reduction in three years was maintained, the level of poverty would have been reduced to 34.1% in 2017 and will be reduced to 29.1% in 2020. Looking at this trend of poverty reduction, the researcher realizes that the government of Rwanda will not reach its target of poverty rate of 20% by 2020. To reach this target, it requires the average national reduction in poverty of 9.5 percent in every three years.

2.6.1 Categorization of levels of poverty in Rwanda

The categorisation exercise was conducted respectively in 2005-2006; 2007, 2008, 2010 and 2012. The categorization of 2012 came out with 6 socio-economic categories in which every Rwandan household is classified in relation to its living conditions. The results from this categorization have been widely used by different government programs as a basis for selecting their beneficiaries. These programs include the Mutual Health Insurance, the Student Financing Agency for Rwanda (SFAR), VUP direct support, Girinka program, etc. (RGB, 2014).

Table 4: Categorization of levels of poverty in Rwanda (Categorization of 2012)

Category of household	Characteristics
Umutindinyakujya (those in abject poverty)	Those who need to beg to survive. They have no land or livestock and lack shelter, adequate clothing and food. They fall sick often and have no access to medical care. Their children are malnourished and they cannot afford to send them to school.
Umutindi (the very poor)	The main difference between the Umutindi and the Umutindinyakujya is that this group is physically capable of working on land owned by others, although they themselves have either no land or very small landholdings, and no livestock
Umukene (the poor)	These households have some land and housing. They live on their own labour and produce, and though they have no savings, they can eat, even if the food is not very nutritious. However they do not have a surplus to sell in the market, their children do not always go to school and they often have no access to health care.
Umukenewifashije (the resourceful poor)	This group shares many of the characteristics of the umukene but, in addition, they have small ruminants and their children go to primary school
Umukungu (the food rich)	This group has larger landholdings with fertile soil and enough to eat. They have livestock, often have paid jobs, and can access health care
Umukire (the money rich)	This group has land and livestock, and often has salaried jobs. They have good housing, often own a vehicle, and have enough money to lend and to get credit from the bank. Many migrate to urban centres

Source: RGB (2014).

In 2014, the Local Administrative Entities Agency revised Ubudehe categorization. Under new categorization, households were put in categories based on their socio-economic status and their property in terms of land and other belongings.

Table 5: Revised categorization of poverty levels in Rwanda (Categorization of 2014)

Category of households	Characteristics
Category 1	Households who do not own a residential house or unable to rent, hardly able to get food and other domestic necessities.
Category 2	Households who a dwelling of their own or are able to rent one but rarely get full time jobs. And, they eat one or two meals a day.
Category 3	Those who have a job and farmers who go beyond subsistence farming to produce a surplus which can be sold. The latter also includes those with small and medium enterprises who can provide employment to dozens of people.
Category 4	Those who own large-scale business, individuals working with international organisations and industries as well as public servants. It includes also owners of malls, trucks among others.

Source: LODA, 2016.

In addition, from the survey conducted by LODA (2016) the number of households and population in each category was provided as follows:

Table 6: Number of Households per category of Ubudehe

Categories	Shares of households		
	Households	Population	(%)
Category 1	376,192	1,480,167	16.0
Category 2	703,461	3,077,816	29.8
Category 3	1,267,171	5,766,506	53.7
Category 4	11,664	58,069	0.5
Total	2,358,488	10,382,558	

Source: LODA, 2016.

2.6.2 Major causes of poverty in Rwanda

Major causes of poverty identified by *Ubudehe* survey in 2007 and are summarized in the table below.

Table 7: Identified major causes of poverty

Causes of poverty in Rwanda	Percentage
Lack of land for agriculture & livestock activities	49.5
Poor/infertile soils	10.9
Bad weather/ Drought and Heavy rain	8.7
Lack of livestock	6.5
Ignorance	4.3
Inadequate infrastructure	3
Inadequate usage of technology in all sector, especially agriculture sector	1.7
Sickness	1.7
Polygamy	1.2
Lack of access to water	1.1
Population pressure/ overpopulation	0.7
Other	10.6
Total	100

Source: MINECOFIN (2007a).

The table shows that the first cause of poverty is related to lack of land for agriculture & livestock activities. This has been emphasized by Nuwamanya (2016) who states that Rwanda has an average of 407 persons per square Km, and it is the most densely populated nation in the continent. About 36 % of the households own only 6% of the farm lands, with an average of 0.11 Ha. He further argues that land fragmentation and overexploitation of soil causes low agriculture productivity and thus keeps the small holder farmers within a vicious cycle of subsistence agriculture and social economic development remains a challenge among Rwandans.

2.6.3 Economic growth and socio-economic development in Rwanda

Generally, GDP Annual Growth Rate in Rwanda averaged 7.33 percent from 2000 until 2018. But, from 2006 to 2012, the real annual GDP growth rate for the economy averaged 9.1 per cent (World Bank , 2017b). Rwanda's economic growth started slowing down since mid-2016 resulting in a 6 percent growth in 2016 (*Idem*). Has economic growth impacted on

socio-economic development in Rwanda? The answer to the question can be found in recent World Bank report (2017).

According to World Bank report (2017), Rwanda met most of the Sustainable Development Goals (SDGs) by the end of 2015. Strong economic growth was accompanied by substantial improvements in living standards, with a two-thirds drop in child mortality and near-universal primary school enrolment. A strong focus on home-grown policies and initiatives has contributed to significant improvement in access to services and human development indicators. The poverty rate dropped from 44% in 2011 to 39% in 2014, while inequality measured by the Gini coefficient fell from 0.49 to 0.45. In supporting World Bank report UNDP (2016) stated that Rwanda showed enormous improvement in the living standards of citizens and progress towards the Millennium Development Goals (MDGs), especially goals aimed at reducing poverty and improving education, health, gender equality and environmental sustainability by 2015.

In the last 15 years, the poor have benefited most from the economic growth. The Government of Rwanda has developed its own home-grown initiatives in order to tackle poverty at the most local level. The “one-cow-per-family” program, for example, provides families with milk for consumption and what is left over is sold for profit, improving nutrition and income at the household level. Again, VUP Umurenge program has impacted on poverty reduction in Rwanda. Economic growth should have positive impact on employment. Economic growth must go hand in hand with reduced rate of unemployment (Jaimie, 2014). According to United Nations (2011), employment to population ratio is an indication of the ability of an economy to absorb adults seeking employment that is to provide full employment. A ratio of over 80 per cent is generally an indicator of an abundance of low-quality jobs and the need to work to survive.

In Rwanda the economic activity rate is over 80 per cent (Jaffee, 2008). This is to mean that Rwanda faces considerable challenges in ensuring adequate jobs to not only cater for a young, growing workforce which increases by an average of 125,000 jobs per year (World Bank, 2017a). World Bank further states that recent changes in income and poverty levels have not been reflected so strongly in terms of data on employment. Overall, the rate of unemployment increased progressively where it attained 16.7% in 2017 from 13% in 2015. Unemployment among Rwandans who completed upper secondary is the highest at 23%, followed by the unemployment among graduates of tertiary education with 18%. The overall

rate of unemployment among the youth stood at 21% in 2017(Sabiiti, 2017). This trend remains static in 2018 (Kamanzi , 2018).

From the above figures, it is shown that the rate of economic growth registered in the last 10 to 15 years and job creation were not corresponding. Furthermore, World Bank (2017a) points out that economic growth has not impacted on underemployment, because the level of under-employment where people remain either in farming or unpaid non-farm sectors has generally remained static in Rwanda. This suggests that job creation has not been sufficient to take up unemployed and underemployed in Rwanda.

2.6.4 Vision 2020 Umurenge Program (VUP)

The Government of Rwanda has developed its own home-grown initiatives in order to tackle poverty at the most local level. Vision 2020 Umurenge Program is a large-scale social protection programme which is Government owned and led. The Vision 2020 Umurenge Programme (VUP) launched in 2008 and it is a flagship social protection programme under the EDPRS and aims to reduce extreme poverty in Rwanda (MINALOC, 2016). The VUP focuses on speeding up poverty reduction, increasing the circulation of cash in the rural economy, supporting the transition from informal to formal economic activities and small scale business, and improving social protection, all of which are very relevant to the priorities, policies and plans of the Government of Rwanda. VUPs expected outputs and outcomes are consistent with the Sustainable Development Goals (RALGA, 2014).

VUP is funded by the national budget through the Local Administrative Entities Development Agency (LODA)which is the managing organization, under the supervision of MINALOC. In addition, VUP acts as a multi-sectorial program which implicates many ministerial departments, particularly those in charge of development (MININFRA, MINECOFIN, MINAGRI, and MINALOC). It has three components aimed at providing solutions to the problems and challenges of the poor, and which particularly help the poor to get access to financial resources (Karangwa, 2013).

Table8: Three Components of VUP (Service provided under VUP and Target groups)

VUP Components	Service provided	Target group
Direct Support	Cash transfer to the poorest households	Extremely poor (classified as Ubudehe 1 and 2) and unable to work
Public Works	Wages (cash for work) to members of poor households	Extremely poor (classified as Ubudehe 1 or 2), but are able to work
Financial Services or credit packages	Facilitates the provision of financial services (savings, credit) and training for the poor	Covers various Ubudehe categories, but inclusion of lower Ubudehe categories is strongly encouraged

Source: VUP Intermediate Impact Assessment (2012).

Table 9: Beneficiaries of VUP direct support and criteria of eligibility

What is Direct Support?	Unconditional cash transfers. It is an entitlement-based program and all of those identified as eligible receive transfers.	
Who is eligible?	Extremely poor households, in operational areas, who have no land (less than 0.25 hectares) and no adults able to do manual work.	
Transfer amounts	<i>Per day:</i>	
	Head of Household (HoH)	RwF250
	Second household member (rate at 60% of HoH)	RwF150
	Each other member of the household (max 3) (rate at 40% of HoH)	RwF100
	Maximum direct support per household is	
	<i>Per month:</i> Daily amount x 30 days per month	
	Household of 1 person	RwF7,500
	Household of 2 people	RwF12,000
	Household of 3 people	RwF15,000
	Household of 4 people	RwF18,000
	Household of 5 or more people (maximum)	RwF21,000
Payment methods	Paid to households every month, at the beginning of the month.	
	Paid direct into savings and credit cooperative (SACCO) accounts (no cash payments).	
Savings and credit	Saving is voluntary, but is encouraged. Households have access to microcredit through the Ubudehe Credit Scheme.	
How long households receive DS transfers	Direct support is awarded for a period of 12 months.	
	Re-targeting is done every year, just before the start of the new operational year.	
	 Remain on the direct support list for the next year if they still meet the eligibility criteria, and may remain on the list in future (they may require long term assistance);	

	<ul style="list-style-type: none"> ✚ Move to the public works eligibility list, if they are still in Ubudehe 1 or 2, have less than 0.25 hectares of land, but now have adult labor in the household;
	<p>Are no longer eligible for either direct support or public works if their Ubudehe category is now 3 or above, and/or they now own 0.25 or more hectares of land.</p>
	<p>Any new household meeting the direct support eligibility criteria is added to the list.</p>

Source: Vision 2020 Umurenge Program, Annual report 2009/2010.

SUMMARY

The chapter on literature review focused on definition of key concepts and literature review on poverty in Africa and in Rwanda. The literature showed that economic growth in many African countries does not go hand in hand with poverty reduction and employment. In Rwanda, the literature showed that the economic growth registered in last couple of years contributed to poverty reduction. However, that growth has not contributed significantly to employment and inequalities. VUP was introduced as a social protection scheme to uplift the socio-economic conditions of the poor and to reduce poverty level.

CHAPTER THREE: METHODOLOGY

3.1 Introduction

In a scientific research, the researcher is required to present and explain the methodology followed. Methodology is a set of methods and principles that are used when studying or doing research on a particular kind of work or subject (Contemporary English Dictionary, 1995). According to Blumberg, Cooper & Schindler (2008) a research is a careful, systematic study and investigation in a given field of knowledge undertaken to establish facts or principles. They further explained that methodology refers to a set of methods principles that are used when studying a particular kind of situation.

The previous two chapters were devoted to the general introduction and review of the literature related to the study. This chapter presents a detailed description of the methodology followed in the study. This starts by explaining the underpinning research philosophy for the study, the research design, the study population, the sampling procedure followed, how data was collected and analysed, the data collection instruments, and how validity and reliability were assured.

3.2 Research philosophy underpinning the study

Research philosophy relates to the philosophical assumptions and beliefs a researcher adopts in a research process (Kothari, 2009). A research philosophy also guides the researcher about the relevant data to be gathered and how to use and analyse them (Kumar, 2011a). Generally there are two main research philosophies which are used in the scientific process namely positivism and interpretivist. Positivists use a quantitative research approach. Interpretivists use mainly a qualitative research approach, but they advocate for the combination of both qualitative and quantitative approaches in a research. Furthermore, interpretivist researchers advocate for triangulation of data collection methods.

This research opted for an interpretivist paradigm, because the mixed method approach and triangulation of data collection methods advocated by interpretivist researchers were used to come to conclusions about the limitations of Vision 2020 Umurenge program (VUP) to uplift socio-economic status of the poor people in Nyamirama sector.

3.3 Research design

Research design is the outline of procedures involved in conducting a research. It is a general set of operating guidelines within which the research is carried out in consistency manner and with specific methods (Zikmund, 2009). According to Kimberly (2018), the research design is the plan for a study that is used as a guide in collecting and analysing data. This study is both descriptive and exploratory. It is descriptive, because it targets to describe the process of graduation from poverty by VUP beneficiaries (how many people were graduated from poverty because of VUP and how they have graduated from poverty). This will help to show VUP impact on uplifted socio-economic status of the poor in Nyamirama sector. It is also exploratory, because it aims to find out “Why some VUP beneficiaries did not graduate and what the limitations and finally, what are the strategies to be adopted for VUP to contribute significantly to graduation from poverty”.

- **Research approach**

There are generally two broad research approaches; the so called quantitative versus qualitative approach. Qualitative research and quantitative research provide different perspectives, and each has its limitations. Therefore, the limitations of one method can be offset by the strengths of the other method and the combination of quantitative and qualitative data provide a more complete understanding of the research problem than either approach by itself (Creswell and Plano Clark, 2011). The combination of both qualitative and quantitative approaches is known as mixed methods approach. Mixed methods research is “practical” in the sense that researchers tend to solve problems using both numbers and words (Creswell and Plano Clark, 2011).

As far as the research approach is concerned for this research, the mixed methods approach was appropriate and was used. In addition, this research is a case study because the focus will not be on all Sectors of Kayonza District, but the study will focus on one Sector of Nyamirama. The emphasis on particular case study will allow in-depth description, in –depth investigation on the limitations of VUP to sustainable graduation from poverty by its beneficiaries.

3.4 Target population, sample and sampling techniques

The study population commonly called “target population”, the size of the sample and the techniques used to select the respondents are described below.

3.4.1 Target population

The target population or the population of the study is the main group of people from which a representative sample is selected (Motaboli , 2014). The target populations in this study were current and former VUP beneficiaries. In addition, local leaders from Nyamirama Sector and staff members, especially those directly involved in VUP activities at both sector and cell levels were targeted for interviews. The table 1 below shows the target population.

Table 10: Target population

Target respondents	Total number
Former and current VUP beneficiaries	4562
Grass root leaders	165
Staff members	19
Total population	4736

Source: Nyamirama sector archive, 2017.

- **Sampling frame**

The sampling frame is comprehensive list of all the sampling units from which a sample can be selected. The sampling frame for this research comprises of list of former and current VUP beneficiaries.

3.4.2 Sample size

A sample can be defined as a group of subjects drawn from the entire population in order to be tested or examined in details and make a generalization later(Salkind, 2009). For this study a sample size is a representative of the beneficiaries of VUP in Nyamirama Sector. Salkind (2009) argues that when the sample is selected properly, the information collected from the sample may be used to make statements about the whole population.

As the number of population was finite, the sample size was calculated using Cochran's formula. Cochran (1963) quoted by Sharoni, Zenon, & Mbabazize (2016) . The formula of Cochran states that when the population is under 1,000,000 individuals, the sample size of 96 individuals can be determined with error margin of 10 % for defined population. Therefore, by using Cochran formula we obtained the following:

no = sample size to be determined

n= the adjusted population

N= population size. For this study N = 4,562

Then no = $n:(1+n/N)= 96:(1+96/4,562)=98$

For this study no equals to **98** individuals.

For local leaders and staff members involved in VUP, 5 local leaders and 5 staff members were selected for in-depth face- to-face interviews.

3.4.3 Sampling techniques

There are two methods of sampling, one yields probability samples in which the probability of selection of each respondent is assured. The other yields non-probability samples in which the probability of selection is unknown (Marczyk, DeMatteo & Festinger, 2010). As far as sampling methods are concerned, the following sampling methods were used:

3.4.3.1 Systematic sampling

This approach was employed in determining respondents from lists of VUP beneficiaries provided by the sector office. The researcher used interval (determined by researcher) at the n^{th} position on the list of beneficiaries until a sample of 98 VUP beneficiaries was obtained. Considering the target population of 4,562 and sample size of 98, the interval will be $4,562/98 = 46$. From the list of beneficiaries of VUP, the interval of 46 was used until the size of 98 was reached.

3.4.3.2 Purposive sampling

Purposive sampling is a sampling technique where the researcher uses his /her own judgement about which respondents to choose, and pick only those who best possess the knowledge of the study (Kothari, 2009). This method is very important to the researcher as it facilitates to get relevant information from those well informed (key informants). In this study, purposive sampling was used to get well-informed respondents from local leaders and staff members.

3.5 Data collection techniques or research instruments

Two types of data can be categorized, namely primary and secondary data (Kumar, 2010).

3.5.1 Primary data

According to Kimberly (2018), primary sources of data come straight from people. Primary data or sources are first-hand information gathered for the purpose of investigation. Primary source of data are collected through the questionnaires, interviews and where necessary observations. In this study, primary data were mainly collected using the questionnaire and in-depth interviews.

3.5.1.1 Questionnaire

Questionnaire is a written list of questions, the answers to which are recorded by respondents. In a questionnaire respondents read the questions, interpret what is expected and then write down the answers (Kumar, 2011b). A structured questionnaire was elaborated and administered to the selected beneficiaries of VUP in Nyamirama sector.

- **Format of questions in the questionnaire**

The form and wording of questions used in an interview or a questionnaire are extremely important in a research instrument as they have an effect on the type and quality of information obtained from a respondent (Rajasekar, Philominathan, & Chinnathambi, 2006). There are two forms of questions, namely open ended and closed, which are both commonly used in social sciences research. For this study, both open-ended and closed questions were used, but open ended questions were dominant as the researcher was seeking opinions, attitudes and perceptions of beneficiaries of VUP. Furthermore, the summated rating scale, commonly known as the Likert scale was used, whereby **1** will stand for “**Strongly Agree**”; **2** = **Agree**; **3** = **uncertain**; **4** = **Disagree** and **5** = **Strongly disagree**.

- **Formulating effective questions**

It is important to be careful about the way the questions are formulated. In this regard, Pandey (2008) argues that the wording and tone of your questions are important because the information and its quality largely depend upon these factors. When formulating questions of the questionnaire, the following considerations were kept in mind:

- ✚ Use of simple language. As the researcher had no time and no opportunity to explain questions to the respondents, technical words and jargon were avoided;
- ✚ Ambiguous questions were avoided;
- ✚ Double-barrelled questions (a question within a question) were avoided;
- ✚ Leading questions (A question which its contents, structure or wording leads a respondent to answer in a certain direction).

Last but not least, sensitive questions were asked with care.

- **Pre-testing the research instrument**

Having constructed your research instrument, it is important that you test it out before using it for actual data collection. Pre-testing a research instrument entails a critical examination of the understanding of each question and its meaning as understood by a respondent (Kumar, 2011a). The research instrument for this study was pre-tested. In this regard, 10 respondents from the population of the study were given the questionnaire and requested to answer it. The

purpose of this process was not to collect data but to identify problems that the potential respondents might have in either understanding or interpreting a question. If there are problems in understanding the way a question has been worded, the appropriateness of the meaning it communicates, whether different respondents interpret a question differently etc. the researcher re-examined the wording to make it clearer and unambiguous.

- **Administering the questionnaire**

The questionnaire was self-administered. The questionnaire was covered by a covering letter which briefly: (i) Introduced the researcher and the institution he is representing; (ii) Described in two or three sentences the main objectives of the study; (iii) Explained the relevance of the study; (iv) Conveyed any general instructions; (v) indicated that participation in the study is voluntary; (vi) Assured respondents of the anonymity of the information provided by them; (vii) Provided a contact number in case they have any questions; (viii) Gave a return address for the questionnaire and a deadline for its return; and (ix) Thanked them for their participation in the study.

3.5.1.2 In-depth face-to-face interviews

An interview involves an interviewer reading questions to respondents and recording their answers (Burns, 2008). He further states that 'an interview is a verbal interchange, often face to face, though the telephone may be used, in which an interviewer tries to elicit information, beliefs or opinions from another person. The process of asking questions can be either very flexible, where you as the interviewer have the freedom to think about and formulate questions as they come to your mind around the issue being investigated, or inflexible, where you have to keep strictly to the questions decided beforehand – including their wording, sequence and the manner in which they are asked (*Idem*). For this study the process of asking questions was flexible. A semi-structure interview was used. A list of questions (open ended and closed) were prepared beforehand, but during interview the researcher was flexible and had complete freedom in terms of the wording of questions and the way he explained questions to the respondents. Questions were reformulated because of raised issues on the spur of the moment and depending upon the context of the discussion.

3.5.1.3 Non-participant observation

Observation is one way to collect primary data. Observation is a purposeful, systematic and selective way of watching and listening to an interaction or phenomenon as it takes place. Non-participant observation is when you, as a researcher, do not get involved in the activities of the group but remain a passive observer, watching and listening to its activities and drawing conclusions from this (Kumar, 2011b). It is possible to observe and conclude whether

someone is living in poor socio-economic conditions or not. Therefore, a part from what is said, non-participant observation helped the researcher to watch the conditions in which beneficiaries of VUP are living and the life they are making.

3.5.2 Secondary data

While primary sources provide first-hand information, secondary sources provide second-hand data (Salkind, 2009). The collection of data from sources such as articles, journals, magazines, books and periodicals are all classified as secondary sources. The secondary data were needed and used in this study and were gathered from diverse sources, but mainly from the official government publications/documents related to the issue of VUP and socio-economic development of the Rwandan citizens. Internet sources were very crucial among other sources. Books, Journals, reports and other relevant sources were also consulted.

3.6 Data analysis

The following steps were followed during data processing and analysis

3.6.1 Editing

The information collected is called raw data. The first step in processing the data is to ensure that the data is 'clean' that is, free from inconsistencies and incompleteness. This process of 'cleaning' is called editing. According to Kumar (2011a), editing consists of scrutinising the completed research instruments to identify and minimise, as far as possible, errors, incompleteness, misclassification and gaps in the information obtained from the respondents. During interview, the researcher may forget to ask a question; forget to record a response; wrongly classify a response; write only half a response; and write illegibly. As for the questionnaire, similar problems can occur. Therefore, for both interviews and the completed questionnaires, the researcher took a few moments to peruse responses for possible incompleteness and inconsistencies.

3.6.2 Coding

Having 'cleaned' the data, the next step is to code it. In this study, the coding process followed the following steps:

Step I: Developing a code book

A code book provides a set of rules for assigning numerical values to answers obtained from respondents. A code book was created.

Step II: Coding the data

Because the code book was finalised, the next step was to code the raw data. Because SPSSx was used coding was directly done into the computer

Step III: Verifying the coded data

Because the data were already coded, researcher selected few questionnaires at random and record the responses to identify any discrepancies in coding.

3.6.3 Statistical analysis

After the finalization of the above four steps, a frame of analysis was developed. After the development of a frame of analysis, frequency distributions were identified and cross-tabulations determined. Lastly, the statistical analysis followed whereby percentages, frequencies, total were calculated using SPSS program.

The process to analyse qualitative data from interviews followed the following steps: (i) identify the main themes. The researcher needed to check the responses given by the respondents to each question in order to understand the meaning they communicated; (ii) Assign codes to the main themes. Identified main themes were attributed a code; (iii) Classify responses under the main themes. The responses from interview were classified into the main themes already created; (iv) Integrate themes and responses into the text of the report. Having identified responses that fall within different themes, the next step was to integrate them into the text of the report. The responses from interview were integrated in the report to complement and supplement the data from the questionnaire.

3.7 Validity and reliability

The questions asked and answered by the respondents are the basis of the researcher's findings and conclusions. Therefore, validity and reliability must be ensured when formulating the research instruments.

3.7.1 Ensuring validity

Validity is the ability of an instrument to measure what it is designed to measure (Kothari, 2009). He distinguish three types of validity in quantitative research: (i) Face and content validity ;(ii) concurrent and predictive validity; and (iii) construct validity.

The judgement that an instrument is measuring what it is supposed to is primarily based upon the logical link between the questions and the objectives of the study. Each question or item on the research instrument must have a logical link with an objective. Establishment of this link is called face validity. It is equally critical that the items and questions cover the full range of the issue or attitude being measured. Assessment of the items of an instrument in this respect is called content validity. As far as face validity is concerned for this study, the researcher ensured that the research questions are well formulated and well linked to research objectives. As for content validity, the researcher ensured that all issues to measure or evaluate the limitations of VUP are covered in the questionnaire.

According to Motaboli (2014), construct validity means the measuring instrument fits with theoretical expectations. In this regard, to ensure construct validity the researcher checked other research instruments used in related previous empirical studies and inspired the researcher in the formulation of the questionnaire. In addition, the questionnaire and interview guide were submitted to the supervisor for approval and other experts in the field were consulted and requested to cross-check the research instrument. Their views were incorporated. This is in conformity with Salkind (2009) who states that opinion of expert can be used to establish construct validity of an instrument.

3.7.2 Ensuring reliability

When you collect the same set of information more than once using the same instrument and get the same or similar results under the same or similar conditions, an instrument is considered to be reliable (Blumberg, Cooper & Schindler, 2008). To ensure reliability special attention were put on some factors affecting the reliability of a research instrument: Those were:

- **The wording of questions**– A slight ambiguity in the wording of questions or statements can affect the reliability of a research instrument as respondents may interpret the questions differently. Ambiguous questions were avoided and pre-testing helped to correct and re-correct unclear questions.
- **The respondent's mood** – The respondents' mood when responding to questions or writing answers in a questionnaire can change and may affect the reliability of that instrument. To ensure positive mood of the respondent, sensitive questions were avoided and the covering letter was well written in a way that necessary instructions and clear purpose of the research were provided.
- **The interviewer's mood**– Interviewer's mood could affect the responses given by respondents thereby affecting the reliability of the research instrument. During interviews, the researcher kept positive and inspiring mood.
- **The nature of interaction**- Interaction between interviewee and interviewer is very important. There should be mutual trust and respect. In this regard, the researcher ensured that mutual trust and respect are maintained between him and the respondent.

Furthermore, the reliability of a research instrument can be assessed by means of Cronbach's Alpha correlation coefficients (Leedy, & Ormrod, 2010). Cronbach's Alpha correlation coefficient indicates how well the items in a set are positively correlated to one another (*Idem*). (Neuman, 2011) recommends Cronbach's Alpha coefficient scores above the 0.7

threshold. For the purpose of this study, the Cronbach's Alpha was measured using SPSS Version 20 and scored above 0.7.

3.8 Ethical issues

According to the Collins Dictionary (1999), ethical means 'in accordance with principles of conduct'. In this study, the researcher was abided by the following codes of conduct:

informed consent

In every discipline it is considered unethical to collect information without the knowledge of participants, and their expressed willingness and informed consent (Walliman, 2010). In this regard, before the researcher began collecting information, he explained the relevance and usefulness of the research and tried to convince the respondent to participate. The researcher tried to make aware the respondents of the type of information he wanted from them, why the information is being sought, what purpose it will be put to, how they are expected to participate in the study, and how it will directly or indirectly affect them.

Maintaining confidentiality

Sharing information about a respondent with others for purposes other than research is unethical (Kothari, 2009). In this study, the researcher ensured that at least the information provided by respondents is kept anonymous.

Avoiding bias

Bias on the part of the researcher is unethical. Bias is a deliberate attempt either to hide what you have found in your study, or to highlight something disproportionately to its true existence. Findings of the research were not falsified or fabricated.

Using inappropriate research methodology

According to (Kumar, 2011b), researcher has an obligation to use appropriate methodology, within his/her knowledge base, in conducting a study. It is unethical to use deliberately a method or procedure you know to be inappropriate to prove or disprove something that you want to. The researcher ensured that the methodology is appropriate and avoided drawing wrong conclusions.

Incorrect reporting

To report the findings in a way that changes or slants them to serve your own or someone else's interest is unethical (Sapford & Jupp, 2006). The researcher ensured correct and unbiased reporting of the findings.

Inappropriate and misuse of the information

The use of information in a way that directly or indirectly affects respondents adversely is unethical (Rohilla, 2010). The researcher avoided misusing information collected from the

respondents and the use of information that would compromise the interest of the respondents.

SUMMARY

This chapter presented the research methodology which was employed for the empirical part of the study. The chapter covered the underlying research philosophy, the research design and research approach. The chapter also outlined and explained the sampling techniques, the data collection methods, data analysis as well as how validity and reliability were ensured. Chapter 4 presents the analysis and discussions of the findings.

CHAPTER FOUR: PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.1 Introduction

As indicated in Chapters 1, the purpose of the study was to assess the limitations of *Vision 2020 Umurenge program (VUP)* to uplift Socio-Economic Status of the poor People in Nyamirama sector of Kayonza district. The previous chapters served three purposes. Chapter 1 provided an overview of the entire study whilst Chapter 2 was devoted to the review of the related literature. Chapter 3 provided a detailed account of the research methodology followed. This chapter presents and discusses the findings of the empirical study.

The researcher makes use of statistics to present the findings such as:

- Frequency tables; and
- Percentage analysis;

4.2 Presentation and interpretation of findings

The findings are presented under the headings response rate, demographics, change analysis (before and after VUP) and limitations analysis.

4.2.1 Response rate

As stated in Chapter 3, the study targeted 98 beneficiaries of VUP in Nyamirama sector. Of that number, 98 fully completed and correctly answered questionnaires were returned. This amounted to 100% response rate. This was due to the fact that the researcher went to the field himself and involved in the completion and collection of completed questionnaire process. In addition, 2 trained field assistants were employed to assist in data collection. They assisted the respondents to complete the questionnaire and the completed questionnaires were immediately collected. The collection process took two days.

4.2.2 Demographics

The demographic variables considered were age, gender, ubudehe category, marital status, Education level, employment/ profession, and monthly income.

4.2.2.1 Gender of respondents

The table below shows the respondents per Gender

Table 11: Gender of respondents

Gender	Frequency	Valid Percent	Cumulative Percent
Valid Male	25	25.5	25.5
Female	73	74.5	100.0
Total	98	100.0	

Source: Research findings, August 2018.

Table 11 shows that the overwhelming majority (about 73%) of respondents were females. These results might suggest that majority of VUP beneficiaries in Nyamirama sector were females. Also, these results coincide to some extent with the national statistics where females represent 52%, while males represent 48%. In Nyamirama sector, a number of households are headed by one single parent (widow) and most of the time these households are vulnerable and disposed to poverty.

4.2.2.2 Age of respondents

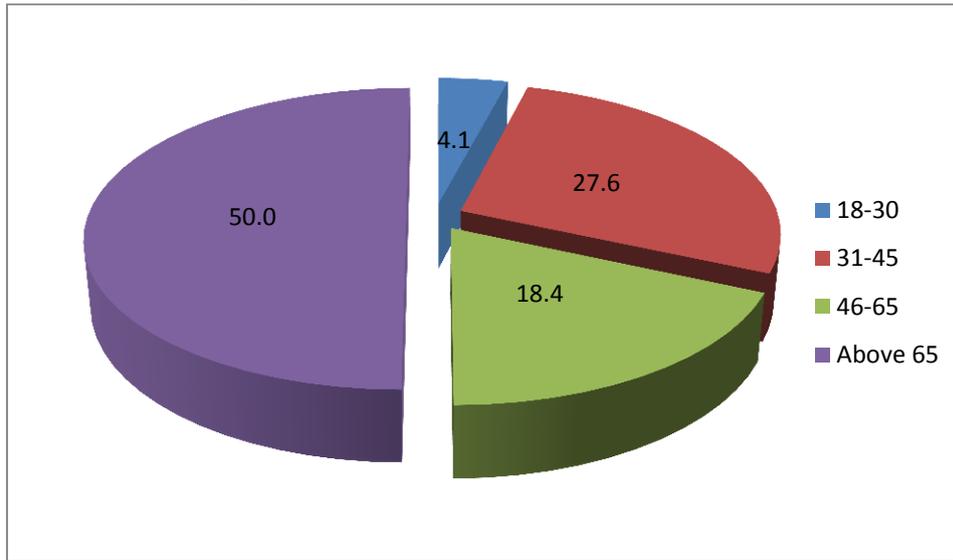


Figure 2: Age of respondents

Source: Research findings, August 2018.

Figure 4.1 reveals that the respondents are predominantly old-aged (above 65) and also a reasonable number are between 31-45 years of age, which may suggest that VUP benefit more old people than young and middle-aged people. However, this might pose some challenges to graduation. According to Sabates & Devereux (2015), demographic characteristics of programme beneficiaries are a major enabler or constrainer of graduation. It is difficult to expect sustainable graduation of the labour-constrained vulnerable groups or individuals with limited potential to participate in economic activities. These people will need direct support indefinitely.

4.2.2.3 Ubudehe level

As said earlier, the study targeted VUP beneficiaries since 2018, the time where VUP started in Nyamirama sector. The motif to ask about Ubudehe level was to check whether there some VUP beneficiaries who graduated from category 1 and 2 to category 3&4.

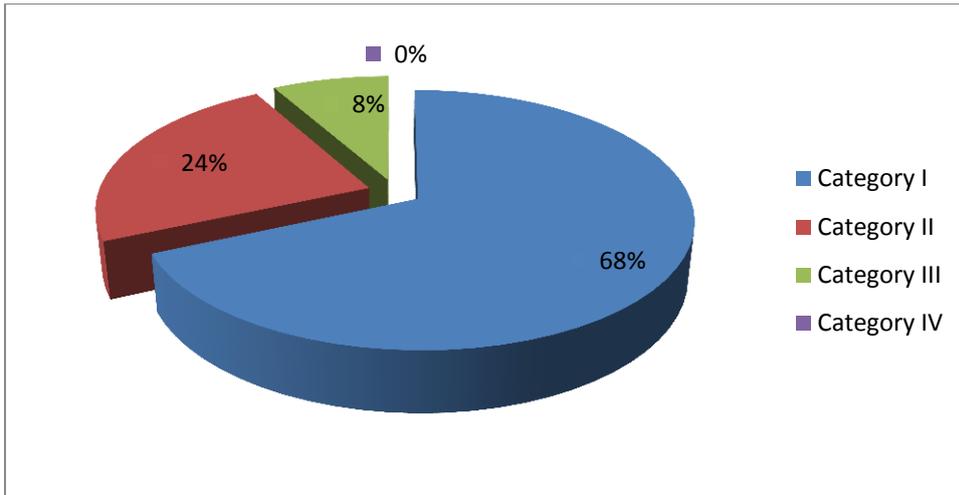


Figure 3: Ubudehe level

Source: Research findings, August 2018.

Figure 3 shows that majority of respondents (91.8%) are still in category I and II, despite the fact that some have benefited VUP support since 2008. Only 8.2% graduated to category 3 and none in category IV. This shows again the limitations of VUP to contribute to sustainable graduation of its beneficiaries.

4.2.2.4 Marital status of respondents

Knowing marital status of VUP beneficiaries is important, because marital status may influence to some extent the graduation. As said “*Two are better than one*” the researcher argues that household with wife and husband working together might not be exposed to vulnerability like household headed by one parent (widow). However, the contrary is also possible.

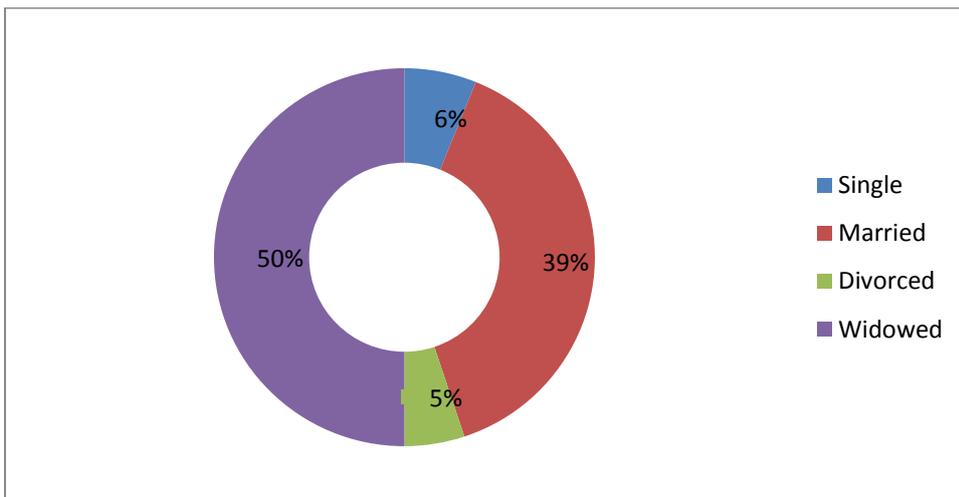


Figure 4: Marital status of respondents

Source: Research findings, August 2018.

According to figure 4, widowed represent 50%, followed by married (38.8%). This indicates that widowed VUP beneficiaries who have dependents (children, relatives) cannot sustainably graduate, as the transfers are used to buy food and domestic assets, instead of being invested in income generating activities.

4.2.2.4 Education level of respondents

Education level is very important factor for graduation. The educated people can change easier and quickly their old mind sets, habits etc. than uneducated (illiterate). The researcher assumes that VUP support can be utilized more effectively by educated beneficiaries rather than uneducated. Again, the educated beneficiaries can adapt and apply lessons from training rather than uneducated.

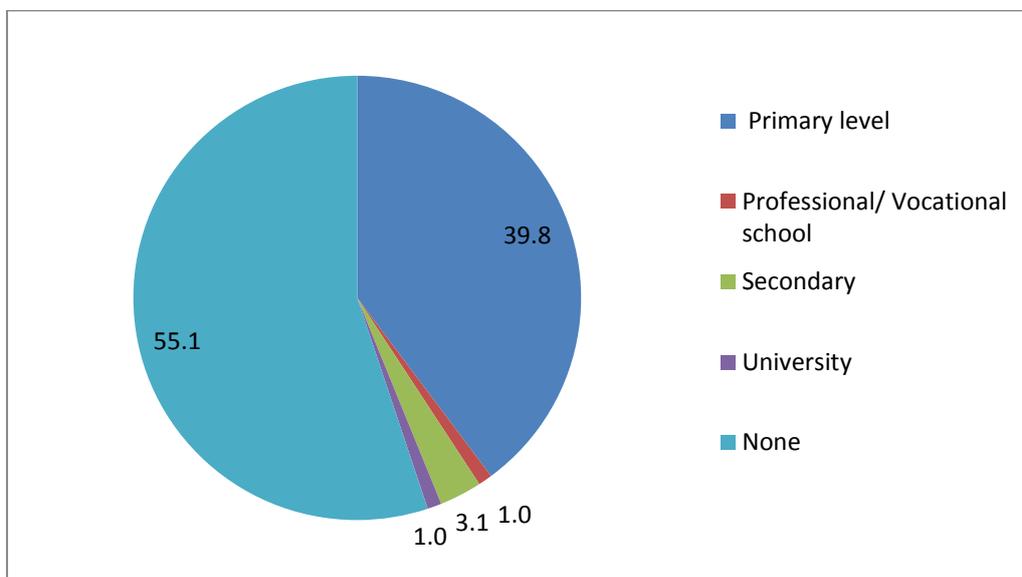


Figure 5: Education level of respondents

Source: Research findings, August 2018.

Figure 5 shows that majority (55.1%) of VUP beneficiaries are not educated, followed by beneficiaries with primary level (39.8%). Only 3% have secondary level, and 1% has university level. It is likely that illiteracy is one of the factors which constrain VUP beneficiaries in Nyamirama sector to graduate. The problem of illiteracy and low level of education among VUP beneficiaries was also mentioned by MPAYIMANA Epimaque, (2016). In his sample, 35.25% did not have any kind of education, 44.26% didn't finish their primary school, 17.21% have finished the primary school, and only 3.28% went beyond primary school.

4.2.2.5 Profession/employment of respondents

Current profession of VUP beneficiaries can enable or constrain the journey to graduation. For instance, if VUP beneficiaries are not employed and have no source of income, VUP support will not help much, because it will be used to buy food. Again, if VUP beneficiaries live from subsistence agriculture with no income from it, VUP support will not help much. The researcher assumes that if VUP support is supplemented by other source of income, VUP support can be invested in other income generating activities and the graduation will be possible.

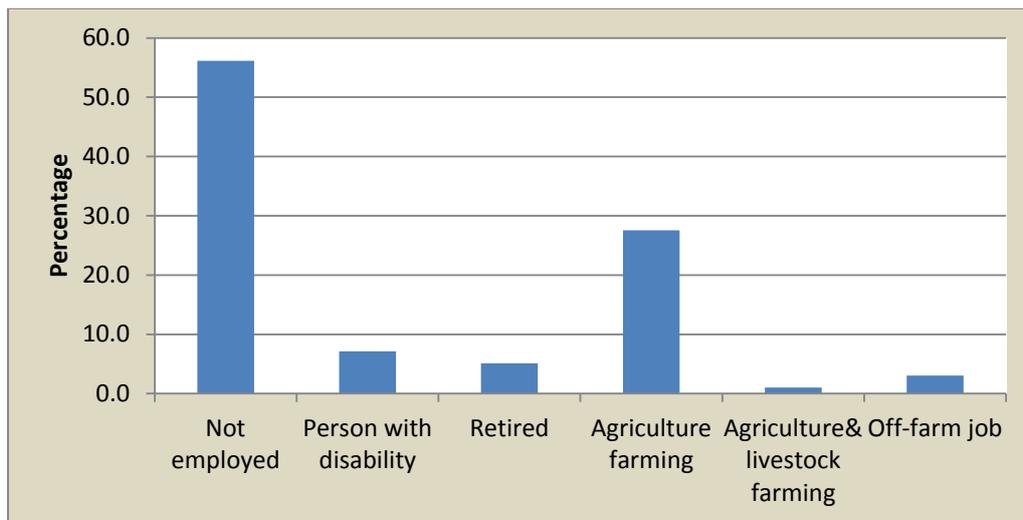


Figure 6: Profession of respondents

Source: Research findings, August 2018.

Figure 6 shows that significant percentage of VUP beneficiaries (56.1%) were unemployed, followed by those who were employed in agriculture, probably subsistence agriculture (27.6%). Only 3.1% have productive jobs rather than agriculture. This is a challenge as these people have no other source of income to supplement VUP support. VUP support is used to cater for all needs. Nothing is left for savings and future investment. People in such situation, will continue to need and depend on VUP support.

4.2.2.6 Approximate monthly income

The ability to sustain an increase in income is a key indicator of graduation out of extreme poverty (Sabates & Devereux, 2015). Increment Monthly income after VUP support is an indication that VUP has produced positive changes.

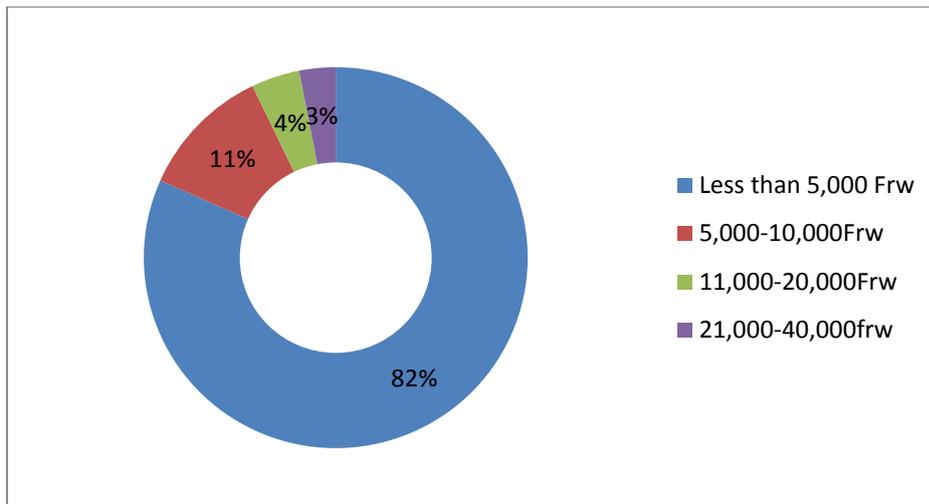


Figure 7: Approximate monthly income

Source: Research findings, August 2018.

According to the figure 7, big majority (82%) of VUP beneficiaries can earn less than Rwf 5,000 per month, followed by people who can earn between Rwf 5,000-10,000 (11%). Only 3% can earn between Rwf 21,000-40,000. These figures indicate that the attributable VUP impact on monthly income of beneficiaries in Nyamirama sector is minimal or insignificant. However, this situation might be specific to Nyamirama sector, because previous researchers, such as Olivier Ngamata Military, Deo Mbonyinkebe, Philippe Lebailly (2013); Frederick Mpambara and Umutoni Beatrice (2013) and Mpayimana Epimaque (2016) showed that households' income (beneficiaries) has increased through VUP.

4.3 Impact assessment (before and after VUP support)

To determine whether VUP impacted on socio-economic conditions of beneficiaries, the researcher compared the situation before benefiting VUP support and situation after benefiting VUP transfers. The figure below shows VUP components from which the respondents have benefited.

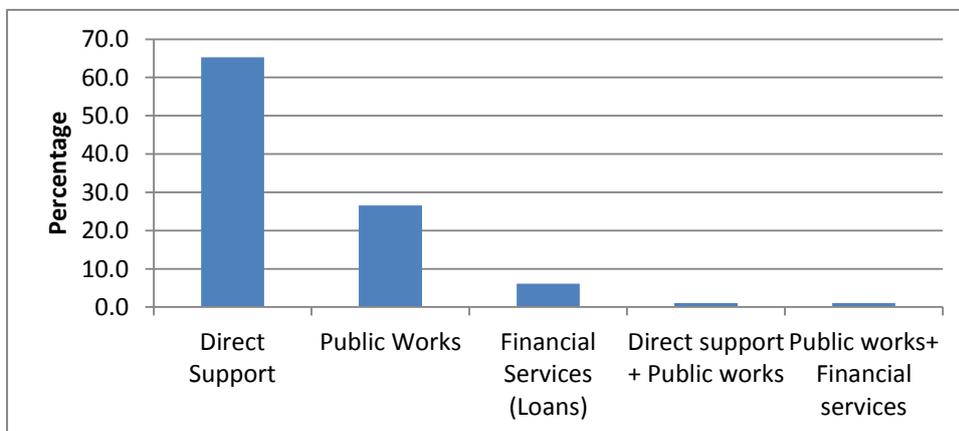


Figure 8: VUP components from which the respondents have benefited

Source: Research findings, August 2018.

Figure 8 shows that majority of respondents have benefited VUP direct support (65, 3%), followed by VUP public works (26.5%). Very few benefited combined packages, while according to Gahamanyi&Kettlewell (2015) combined packages have more effects than one package. Individual **A** who benefits from VUP public works and direct support is more likely to graduate easily than the individual **B** who benefits only from VUP public works. The more the individual benefits from more packages, the more he/ she can graduate easily and quickly.

4.3.1 Comparison on the main source of income before and after VUP

The ability to sustain an increase in income is a key indicator of graduation out of extreme poverty (Sabates& Devereux, 2015). It is in this regard that a question was asked to check whether the source of income has changed after VUP support. The researcher assumes that other source of income might have been created by VUP beneficiaries after receiving support.

Table 12: Source of income before and after VUP support

Main sources of income before VUP support				Main sources of income after VUP support			
		Valid %	Cumulative %			Valid %	Cumulative %
Valid	Short term employment	10.2	10.2	Valid	Short term employment	9.2	9.2
	Income from own business	1.0	11.2		Income from own business	1.0	10.2
	Income from agriculture	52.0	63.3		Income from agriculture	37.8	48.0
	Income from Husbandry	2.0	65.3		Income from Husbandry	4.1	52.0
	Self-employment income	1.0	66.3		Self-employment income	1.0	53.1
	Support from other relatives living in Rwanda	9.2	75.5		Support from other relatives living in Rwanda	11.2	64.3
	Support from neighbours	24.5	100.0		Pensions/allowances	3.1	67.3
	Total	100.0			Money Borrowing	1.0	68.4
					Support from neighbours	31.6	100.0
			Total	100.0			

Source: Research findings, August 2018.

As it can be noticed, there is no significant difference in terms of source of income before and after VUP support. Before, the main sources of income were: agriculture (52%), support from neighbours (24.5%) and short-term employment (10.2%). After VUP, the main sources were:

agriculture (37.8%), support from neighbours (31.6%) and support from relatives living in Rwanda (11.2%). However, there is a slight difference where percentage of those who depended on agriculture has reduced from 52% to 37.8%. But the percentage of those who depend on neighbours increased from 24.5% to 31.5%.

The findings presented above show the decline of socio-economic conditions and more vulnerability of VUP beneficiaries. Because of this strange state of things, the researcher decided to go back to the field and held face –to- face interviews with local leaders and staff in connection with VUP in order to find more clarifications on this situation. After interviews with key informants, the following explanations were provided:

- ✚ After being selected for VUP direct support, some VUP beneficiaries started enjoying the money and even sold their small land thinking that the government will continue to support them. Others gave their total land to their children (Umunani), because they believed that they will no longer need the land as the government will provide and take care of everything. These people left with almost nothing a part from VUP support. As Nyamirama sector was pilot sector, people did not have all information on VUP at the beginning: how VUP will progress, no information on graduation process and targeting of new beneficiaries, they thought that VUP support will continue and last for ever.
- ✚ Before 2008 and some years after, people in Nyamirama sector were living in scattered settlements, whereby they could rear small livestock (pigs, goats, chicken etc.), but when they were relocated into planned settlements (imidugudu) rearing activities became difficult or even impossible. This jeopardized to some extent their source of income which could supplement VUP support.
- ✚ Living in planned settlements complicated to some extent the exploitation of land by elderly VUP beneficiaries. They found themselves far from their gardens and they could not walk and exploit their land. The income from agriculture decreased because of non –exploitation of owned small land and people stay totally dependent on VUP support.
- ✚ Last but not least, it is worth to mention that some respondents (VUP beneficiaries) would have hidden the genuine information or exaggerate their situation thinking that the researcher will advocate for VUP support augmentation; one staff interviewed, reiterated “ *most of the beneficiaries tend to hide the truth about their income status*

thinking that in one way or another the information may leak to those concerned with targeting of beneficiaries”.

4.3.2 Comparison on food intake before and after VUP support

Generally, cash transfers improve food security in agrarian communities in two ways: by financing food purchases and by financing investment in food production (Sabates& Devereux, 2015).

Table 13: Comparison on food intake before and after VUP

Food intake per day before VUP				Food intake per day after VUP			
		Valid Percent	Cumulative Percent	Valid	Once	Valid %	Cumulative %
Valid	Once	86.7	86.7		Once	72.4	72.4
	Twice	12.2	99.0		Twice	23.5	95.9
	Three times	1.0	100.0		Three times	2.0	100.0
	Total	100.0			Total	100.0	100.0

Source: Research findings, August 2018.

According to table 13, there is small difference in terms of food intake (frequency) before and after VUP support. Before VUP, beneficiaries who could eat once per day were 86.7%, but this percentage has decreased to 72.4% after VUP support. Again, beneficiaries who could eat twice per day were 12.2%, but this percentage has increased to 23.5% after VUP support. This also implies that the support was used to buy food.

4.3.3 Comparison on quantity of food before and after VUP support

VUP support was supposed to increase food security for beneficiaries. Food security relates to dietary quantity, quality and diversity. The researcher assumes that households who benefit from VUP supports shall eat an adequate and diverse diet.

Table 14: Dietary quantity before and after VUP support

Dietary quantity before VUP				Dietary quantity after VUP			
		Valid %	Cumulative %			Valid %	Cumulative %
	More than enough	2.0	2.0		More than enough	3.1	3.1
	Enough	4.1	6.1		Enough	13.3	16.3
	Sometimes not enough	54.1	60.2		Sometimes not enough	64.3	80.6
	Frequently not enough	39.8	100.0		Frequently not enough	19.4	100.0
	Total	100.0			Total	100.0	

Source: Research findings, August 2018.

The table 14 shows minor difference in terms of quantity of food eaten by VUP beneficiaries before and after VUP. Before VUP, 4.1% of respondents confirmed that they were able to find and eat enough food (kurya bagahaga), while after VUP this percentage has increased to 13.3%. Those who could eat more than enough (kurya bagasigaza) were 2% before VUP, while they are 3.1% with VUP support. However, the percentage of beneficiaries who sometimes could not find and eat enough food has increased after VUP support (64.3%).

4.3.4 Comparison on assets possessed before and after VUP support

Generally, VUP beneficiaries use their supports to acquire assets and productive assets in the form of livestock – cattle, goats, poultry etc.

The question was asked to determine whether VUP beneficiaries have acquired some assets thanks to VUP support.

Table 15: Assets possessed before and after VUP support

Assets possessed before VUP support				Assets possessed after VUP support			
Hoe		Valid Percent	Cumulative Percent	Hoe		Valid Percent	Cumulative Percent
Valid	Yes	94.9	94.9	Valid	Yes	91.8	91.8
	No	5.1	100.0		No	8.2	100.0
	Total	100.0			Total	100.0	
Machete		Valid Percent	Cumulative Percent	Machete		Valid Percent	Cumulative Percent
Valid	Yes	83.7	83.7	Valid	Yes	86.7	86.7
	No	16.3	100.0		No	13.3	100.0
	Total	100.0			Total	100.0	
Radio		Valid Percent	Cumulative Percent	Radio		Valid Percent	Cumulative Percent
Valid	Yes	40.8	40.8	Valid	Yes	40.8	40.8
	No	59.2	100.0		No	59.2	100.0
	Total	100.0			Total	100.0	
Television		Valid Percent	Cumulative Percent	Television		Valid Percent	Cumulative Percent
Valid	Yes	1.0	1.0	Valid	Yes	2.0	2.0
	No	99.0	100.0		No	98.0	100.0
	Total	100.0			Total	100.0	
Mobile phone		Valid Percent	Cumulative Percent	Mobile phone		Valid Percent	Cumulative Percent
Valid	Yes	7.1	7.1	Valid	Yes	17.3	17.3
	No	92.9	100.0		No	82.7	100.0
	Total	100.0			Total	100.0	

Modern stove		Valid Percent	Cumulative Percent	Modern stove		Valid Percent	Cumulative Percent
Valid	Yes	22.4	22.4	Valid	Yes	66.3	66.3
	No	77.6	100.0		No	33.7	100.0
	Total	100.0			Total	100.0	
Chair		Valid Percent	Cumulative Percent	Chair		Valid Percent	Cumulative Percent
Valid	Yes	46.9	46.9	Valid	Yes	59.2	59.2
	No	53.1	100.0		No	40.8	100.0
	Total	100.0			Total	100.0	
Table		Valid Percent	Cumulative Percent	Table		Valid Percent	Cumulative Percent
Valid	Yes	24.5	24.5	Valid	Yes	30.6	30.6
	No	75.5	100.0		No	69.4	100.0
	Total	100.0			Total	100.0	
Bed		Valid Percent	Cumulative Percent	Bed		Valid Percent	Cumulative Percent
Valid	Yes	24.5	24.5	Valid	Yes	37.8	37.8
	No	75.5	100.0		No	62.2	100.0
	Total	100.0			Total	100.0	
Mattress		Valid Percent	Cumulative Percent	Mattress		Valid Percent	Cumulative Percent
Valid	Yes	20.4	20.4	Valid	Yes	48.0	48.0
	No	79.6	100.0		No	52.0	100.0
	Total	100.0			Total	100.0	
Sofa		Valid Percent	Cumulative Percent	Sofa		Valid Percent	Cumulative Percent
Valid	Yes	6.1	6.1	Valid	Yes	6.1	6.1
	No	93.9	100.0		No	93.9	100.0
	Total	100.0			Total	100.0	

Source: Research findings, August 2018.

The findings in table 15 show no significant change in terms of assets possessed before and after VUP support. Small changes were observed in possession of Mobile phone, modern stoves (Rondereza) and possession of mattress. Observed small changes are tinted in colour in the table 15.

4.3.5 Comparison on immovable assets and productive assets possessed

In their study on the impact of one social program called (CFPR programme) in Bangladesh, Sabates-Wheeler & Devereux (2015) showed that within two years of joining the programme beneficiaries increased asset ownership by 43 per cent. This testified the impact of the program. In this study, the researcher compared the immovable assets possessed before and after VUP support. The aim was to see whether VUP beneficiaries increased assets ownership after the support.

Table 16: Immovable assets and productive assets possessed

Immovable assets and productive assets possessed before VUP				Immovable assets and productive assets possessed after VUP			
House constructed with wood and mad		Valid Percent	Cumulative Percent	House constructed with wood and mad		Valid Percent	Cumulative Percent
Valid	Yes	81.6	81.6	Valid	Yes	77.6	77.6
	No	18.4	100.0		No	22.4	100.0
	Total	100.0			Total	100.0	
House constructed with bricks		Valid Percent	Cumulative Percent	House constructed with bricks		Valid Percent	Cumulative Percent
Valid	Yes	7.1	7.1	Valid	Yes	9.2	9.2
	No	92.9	100.0		No	90.8	100.0
	Total	100.0			Total	100.0	
House flooring with cement		Valid Percent	Cumulative Percent	House flooring with cement		Valid Percent	Cumulative Percent
Valid	Yes	14.3	14.3	Valid	Yes	19.4	19.4
	No	85.7	100.0		No	80.6	100.0
	Total	100.0			Total	100.0	
House flooring with sand		Valid Percent	Cumulative Percent	House flooring with sand		Valid Percent	Cumulative Percent
Valid	Yes	64.3	64.3	Valid	Yes	63.3	63.3
	No	35.7	100.0		No	36.7	100.0
	Total	100.0			Total	100.0	
House roofing with iron sheets		Valid Percent	Cumulative Percent	House roofing with iron sheets		Valid Percent	Cumulative Percent
Valid	Yes	38.8	38.8	Valid	Yes	49.0	49.0
	No	61.2	100.0		No	51.0	100.0
	Total	100.0			Total	100.0	

House thatched with grasses		Valid Percent	Cumulative Percent	House thatched with grasses		Valid Percent	Cumulative Percent
Valid	Yes	16.3	16.3	Valid	Yes	2.0	2.0
	No	83.7	100.0		No	98.0	100.0
	Total	100.0			Total	100.0	
House roofing with ceramic tiles		Valid Percent	Cumulative Percent	House roofing with ceramic tiles		Valid Percent	Cumulative Percent
Valid	Yes	2.0	2.0	Valid	Yes	3.0	2.0
	No	98.0	100.0		No	97.0	100.0
	Total	100.0			Total	100.0	
Enough land for agriculture		Valid Percent	Cumulative Percent	Enough land for agriculture		Valid Percent	Cumulative Percent
Valid	Yes	8.2	8.2	Valid	Yes	7.1	7.1
	No	91.8	100.0		No	92.9	100.0
	Total	100.0			Total	100.0	
Small livestock		Valid Percent	Cumulative Percent	Small livestock		Valid Percent	Cumulative Percent
Valid	Yes	7.1	7.1	Valid	Yes	11.2	11.2
	No	92.9	100.0		No	88.8	100.0
	Total	100.0			Total	100.0	
Cows		Valid Percent	Cumulative Percent	Cows		Valid Percent	Cumulative Percent
Valid	Yes	95.9	95.9	Valid	Yes	94.9	94.9
	No	4.1	100.0		No	5.1	100.0
	Total	100.0			Total	100.0	

Source: Research findings, August 2018.

The results in the table 16 shows no significant change in terms of immovable and productive assets possessed before and after VUP support. The small significant change (the difference of 5% and above) was observed on possession of house roofing with iron sheets (38.8%

increased to 49%) and on possession of house thatched with grasses (16.3% decreased to 2%). Also, slight change was observed about possession of house constructed with wood and mud (81.6% decreased to 77.6%).

4.3.6 Extent to which VUP beneficiaries appreciate VUP impact

Table 17: Extent to which VUP beneficiaries appreciate VUP impact

<i>The contribution of VUP to help the people to graduate from Category 1&2 to category 3&4 was not significant</i>		Valid Percent	Cumulative Percent
Valid	Strongly disagree	3.1	3.1
	Disagree	2.0	5.1
	I don't know	3.1	8.2
	Agree	46.9	55.1
	Strongly Agree	44.9	100.0
	Total	100.0	
<i>Poverty status in which VUP beneficiaries were in before VUP, did not change even after VUP</i>		Valid Percent	Cumulative Percent
Valid	Strongly disagree	7.1	7.1
	Disagree	10.2	17.3
	I don't know	20.4	37.8
	Agree	8.2	45.9
	Strongly Agree	54.1	100.0
	Total	100.0	

Source: Research findings, August 2018.

According to the table 17, big majority of respondents (91%) strongly agree and agree that the contribution of VUP to help the people to graduate from Category 1&2 to category 3&4 was not significant. Also, they agree that VUP did not help its beneficiaries to change their poverty status.

4.4 Factors impeding VUP to contribute to the sustainable graduation of poor in Nyamirama sector

The factors which may delay VUP to contribute to sustainable graduation can be beneficiary specific, programme-specific, community-specific or market-specific.

4.4.1 Beneficiary (household)-specific factors

The respondents were asked to appreciate on the following beneficiary –specific related factors.

Table 18: Beneficiary-specific factors

High illiteracy rate		Valid Percent	Cumulative Percent
Valid	Yes	79.6	79.6
	No	20.4	100.0
	Total	100.0	
<i>Direct support used to buy food and alcohol instead of investing in income generating activities</i>		Valid Percent	Cumulative Percent
Valid	Yes	80.6	80.6
	No	19.4	100.0
	Total	100.0	
<i>Wages from PW used to buy food and alcohol instead of saving and invest in income generating activities</i>		Valid Percent	Cumulative Percent
Valid	Yes	93.9	93.9
	No	6.1	100.0
	Total	100.0	
<i>Loan deviated and used for other things(luxury) rather than investing it in income generating activities</i>		Valid Percent	Cumulative Percent
Valid	Yes	70.4	70.4
	No	29.6	100.0
	Total	100.0	

Source: Research findings, August 2018.

The table 18 shows that 79.6% of respondents confirmed that high illiteracy rate is the factor that hinders VUP beneficiaries to graduate. In this regard, one local leader interviewed said *“Most of VUP beneficiaries in this sector are illiterate, and you know that illiteracy causes ignorance. Because of that ignorance, some of them abuse the support (transfers) in alcohol. Once they receive that small support (money) they consume it and wait next transfers”*.

Big majority of respondents (93.9) confirmed that wages gained from PW are predominantly used to buy food, instead of investing it. This is the same for financial service beneficiaries who use the loan in luxury things (70.4%) rather than in projects for which the loan was requested for. If VUP beneficiaries cannot do savings it is a big hindrance towards graduation. In this regard, Gahamanyi & Kettlewell(2015) argue that accumulating savings is an important element of the journey towards graduation. Savings protect vulnerable households against risk in the delays and absence of the supports.

4.4.2 Community-specific factors

The community related factors are mainly due to characteristics of the community, norms, habits, beliefs etc.

Table 19: Community-specific factors

<i>A big number of households(VUP beneficiary)are female-headed households (widowed females)</i>			Valid Percent	Cumulative Percent
Valid	Yes		43.9	43.9
	No		56.1	100.0
	Total		100.0	
<i>A big number of households(VUP beneficiary) with many dependents (children)</i>			Valid Percent	Cumulative Percent
Valid	Yes		71.4	71.4
	No		28.6	100.0
	Total		100.0	
<i>A big number of households (VUP beneficiary) with vulnerable dependants in the house (old people, persons with chronic diseases, disabled persons)</i>			Valid Percent	Cumulative Percent
Valid	Yes		86.7	86.7
	No		13.3	100.0
	Total		100.0	
Direct support shared to many people			Valid Percent	Cumulative Percent
Valid	Yes		82.7	82.7
	No		17.3	100.0
	Total		100.0	

Source: Research findings, August 2018.

Is graduation or no graduation influenced by “Who” is the head of household? In this context, the respondents disagree that no graduation was due to the fact that many households supported through VUP were female-headed households. Instead, the households headed by widowed females graduated and moved from category 1&2 to category 3. One respondent said “*There are women who are hard working more than men. Here in this sector, I know some who were very poor, but they have used VUP support to change their poverty status*”.

High social capital in the Rwandan community which implies strong ties and close relationship between an individual and his family, friends, etc. brings the households to have many people in the house (children, grandchildren, relatives’ children, friends’ children).Big majority of respondents confirmed that households who had many dependents (children, vulnerable people in the house) could not graduate easily. This is due to fact that VUP support (which is even not enough) is shared by many people, and nothing is left for saving

and future investment in income generating activities. In this case, all the support is used to buy food.

4.4.3 VUP Program -specific factors

Several factors related to the design and implementation of VUP was cited by the respondents. Those factors are presented in the table below.

Table 20: VUP/Direct support -specific limitations

<i>Insufficient money paid to VUP beneficiaries</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	79	80.6	80.6
	No	19	19.4	100.0
	Total	98	100.0	
<i>Delays in payment of beneficiaries who receive direct support</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	81	82.7	82.7
	No	17	17.3	100.0
	Total	98	100.0	
<i>Support withdrawn prematurely/Length of the support which was very short</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	43	43.9	43.9
	No	55	56.1	100.0
	Total	98	100.0	
<i>Biased selection of beneficiaries of VUP/Direct support</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	57	58.2	58.2
	No	41	41.8	100.0
	Total	98	100.0	

Source: Research findings, August 2018.

In the table 20, VUP beneficiaries who participated in the survey revealed some limitations related to VUP/Direct support component. Big majority (80.6%) confirmed that the support (money) paid to beneficiaries is insufficient. Considering the current economic status (prices on the markets) the researcher stands and defends the position of the respondents (VUP beneficiaries). It is difficult for a household of 5 or more people to use 21,000Rwf for food and other basic needs, and then have extra money to save for future investment or creation of income generating activity.

In this regard, Devereux & Sabates-Wheeler (2015) argue that the more resources are transferred to resource constrained households, the more likely they are to graduate – bigger transfers equal bigger impacts. Design choices that constrain graduation potential include delivering too few resources (e.g. setting a cash transfer level at the value of a basic food basket, leaving no surplus for investment). In addition, McCord & Slater (2015) state that

small value transfers have little impact on sustainable graduation. They are mainly used for consumption and are rarely sufficient to enable significant asset accumulation or investment in more productive activities.

Per month: Daily amount x 30 days per month	
Household of 1 person	RwF7,500
Household of 2 people	RwF12,000
Household of 3 people	RwF15,000
Household of 4 people	RwF18,000
Household of 5 or more people (maximum)	RwF21,000

Source: Vision 2020 Umurenge Program, Annual report 2013.

Another VUP limitation which may hinder the graduation of beneficiaries is “*Delays of payment*”. 82.7% of respondents confirmed that even that small support is not transferred regularly. However, McCord & Slater (2015) argue that when transfers are predictable and regular they enable recipients to plan their expenditure and use it more productively. Irregular and delayed transfers can undermine prospects for effective saving and microfinance participation. Unpredictable and irregular payment can lead VUP beneficiaries to permanent debts.

Even if it was not mentioned by the majority of respondents, premature withdraw of VUP support is another limitation not to underestimate. 43.9 confirmed that premature withdraw is a limitation. As far as VUP is concerned, “*Beneficiary Exit*” refers to the process of a beneficiary household leaving a programme because they no longer meet the eligibility criteria.’ This occurs when a beneficiary household is categorised as having reached Ubudehe category 3. At this stage the household ceases to receive benefits from Direct Support or Public Works but can still access the Financial Services component. Talking about premature withdraw, one respondent narrated “*Because I put iron sheets and cemented floor in my house, I was removed from category 2 to category 3, while nothing has changed on my poverty status. As result, my VUP support was stopped*”. This case shows that because of available support (financial constraints) graduation can be forced and thus, premature. In this context, one of the interviewee said “*In spite of all circumstances, VUP beneficiaries should get support at least in three (3) consecutive years. Therefore, the evaluation and the establishment of new lists of VUP beneficiaries should be conducted after 3 years, not in 6 months or 1 year*”.

Another limitation is one related to *biased selection of beneficiaries of VUP/Direct support*. 58.2% confirmed that the selection of VUP beneficiaries, especially for direct support is biased. Though the selection should be made collectively by the local community at Village level, some local leaders may utilize their influence and put on the list someone who does not deserve it and leave behind the one who really deserve it. This leads to the increased number of vulnerable people in the sector, while too much money has been used to reduce this number.

Other limitations related to VUP/ Public works were also shown by the respondents. The table below presents them.

Table 21: VUP/ Public Works –specific limitations

<i>Period of Public Works (PW) which is often shorter than 6 months</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	84	85.7	85.7
No	14	14.3	100.0
Total	98	100.0	
<i>Delays in payment of PW participants</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	89	90.8	90.8
No	9	9.2	100.0
Total	98	100.0	
<i>Insufficient wage per day paid to PW participants</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	87	88.8	88.8
No	11	11.2	100.0
Total	98	100.0	
<i>Few days worked compared with expected days to work</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	57	58.2	58.2
No	41	41.8	100.0
Total	98	100.0	

Source: Research findings, August 2018.

The results from table 21 show three main limitations of VUP/Public Works. 90.8% confirmed delays of payment of wages. In this regard, one said “*It happened that we waited for 3 or even 6 months to be paid our wages. Again, it happened that we were paid little money in many installments. Money paid in such conditions cannot help; instead it brought us in endless debts*”. The delays in payment has been mentioned also by Théophile Niyitegeka (2016) who found that the challenges faced by VUP beneficiaries include: delay

of delivery of funds for VUP beneficiaries, diverting VUP cash to unplanned projects and injustice of delivering jobs to non-targeted persons.

Big majority of respondents (88.8%) said that insufficient wage per day paid to PW participants is another VUP limitation. One respondent said *“Public works is manual and physical force demanding. However, money paid per day is not corresponding with energy spent. Because of energy spent, we often use that little money to buy food stuff so that we repair and recover ourselves”*. Personally, with that money worked in PW, It is difficult to think about savings and investment.

Lastly, 85.7% of respondent confirmed that the period of Public Works is often shortened and last less than 6 months. Again, activities are interrupted or even suddenly stopped. This is a limitation, because participants in VUP/PW cannot accumulate enough money for potential saving and investment. In this regard Devereux (2016) argues *“The longer the duration of the public works , the greater the potential for accumulation of money and the greater the potential for saving and investment”*.

Table 22: VUP/ Financial service –specific limitations

The table below presents VUP/ Financial service-specific limitations as revealed by the respondents.

<i>Delay to approve and pay loan to VUP beneficiaries</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	94	95.9	95.9
No	4	4.1	100.0
Total	98	100.0	
<i>Financial illiteracy due to lack of training among VUP/ Financial service beneficiaries</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	88	89.8	89.8
No	10	10.2	100.0
Total	98	100.0	

Source: Research findings, August 2018.

Table 22 shows that 95.9 % confirmed that VUP money given to beneficiaries as loan delay to be approved and transferred to the beneficiaries’ accounts. This is due to low capacity of Imirenge SACCO, long bureaucratic procedures and bad behaviour of asking corruption (pot de vin) of some SACCO staff. Again, 89.8% of respondents said that financial illiteracy of VUP loan beneficiaries is a limitation. One interviewee said *“Because of lack of training in*

entrepreneurship, business plan, business monitoring etc. projects in which VUP loans are invested in end up to partial or total failure”.

Furthermore, during interviews the respondents revealed that the interest rate of VUP loan rose up from 2% to 11%. This is a burden for poor beneficiaries as the projects they want to invest that money are not so much profitable. Most of the time, the loan is used to increase agriculture production through buying seeds and fertilizers. Again, it was revealed that some SACCO managers hesitate to give VUP loan at interest rate of 11%, but want and motivated to give SACCO loan at 22% interest rate, so that they can generate money and be paid the bonus from those SACCO loans. For VUP loans, they don't get any bonus which is why they are not motivated to give them. They will not even tell people that there VUP money given as loans. Last but not least, respondents revealed that some old people who receive direct support; they don't know how to withdraw money, to check the balance etc. Because of that some immoral SACCO staff can take advantage of their ignorance and still their small money. Some cases happened.

4.4.4 Market -specific factors

Graduation can be hindered by market-specific factors. In this regard, the respondents revealed some market-specific factors which may have delayed the graduation.

Table 23: Market –specific limitations

<i>Lack of market for the production (agriculture, livestock)</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	47	48.0	48.0
	No	51	52.0	100.0
	Total	98	100.0	
<i>Food price inflation</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	63	64.3	64.3
	No	35	35.7	100.0
	Total	98	100.0	
<i>Difficult to have access to the market (long distance to get to the market)</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	48	49.0	49.0
	No	50	51.0	100.0
	Total	98	100.0	
<i>Droughts and related hazards</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	70	71.4	71.4
	No	28	28.6	100.0
	Total	98	100.0	
<i>Floods and related hazards</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	50	51.0	51.0
	No	48	49.0	100.0
	Total	98	100.0	

Source: Research findings, August 2018.

The results in the table 23 show that two market-related limitations may have contributed to the delay of graduation of VUP beneficiaries. 64.3% confirmed that the hike of foodstuff prices due to inflation resulted that VUP support was used to buy foodstuff only. Nothing was left for saving and investment. 71.4% confirmed that droughts and related hazards (death of livestock, damage of crop) often observed in Eastern Province make graduation difficult or even impossible. One of the respondents narrated “*Last droughts and related hazards brought back to category I and II those who managed to graduate to category III through VUP*”.

4.4.5 Complementary services -specific factors

Giving the money to poor households *per se* cannot guarantee the graduation. Some complementary services must accompany and complement the monetary support. In this regard, the table 24 shows whether complementary services were provided to VUP beneficiaries or not.

Table 24: Complementary services-specific factors

<i>Before benefiting VUP support, beneficiaries were not trained on entrepreneurship, business plan and self-reliance</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	69	70.4	70.4
	No	29	29.6	100.0
	Total	98	100.0	
<i>There are insufficient infrastructure, such as roads, clean water, electricity and markets in this sector</i>		Frequency	Valid Percent	Cumulative Percent
Valid	Yes	59	60.2	60.2
	No	39	39.8	100.0
	Total	98	100.0	

Source: Research findings, August 2018.

There are various complementary services which must accompany monetary support in order to speed up the graduation. In this study, two were considered; training and existence of adequate infrastructure. As it can be noticed, these two complementary services were to some extent lacking. 70.4% confirmed that they have been given money, but not trained on how to use it profitably. 60.2% conformed that some basic infrastructure were lacking and that jeopardized graduation. One respondent said “*Electricity, good roads and markets are enablers for job creation, especially for the youth. And, when VUP started in 2008, these infrastructures were lacking in some parts*”.

Graduation can be delayed by the culture of dependence among the beneficiaries. In this regard, table 25 shows whether delayed graduation was due to the culture of dependence among beneficiaries.

Table 25: Culture of dependence-related factors

<i>Some VUP beneficiaries could choose to work less and live sub-standard life so that they could continue benefiting from VUP</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	38	38.8	38.8
No	60	61.2	100.0
Total	98	100.0	
<i>Instead of investing money gained from VUP in small income generating activities, some beneficiaries choose to spend that money in leisure and other luxury things</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	70	71.4	71.4
No	28	28.6	100.0
Total	98	100.0	
<i>Some VUP beneficiaries may attempt to hide true information about their income and assets, so as to continue to appear eligible for VUP</i>	Frequency	Valid Percent	Cumulative Percent
Valid Yes	44	44.9	44.9
No	54	55.1	100.0
Total	98	100.0	

Source: Research findings, August 2018.

Based on the results in the table 25, one can notice that delayed graduation was not influenced by the culture of dependence of VUP beneficiaries, but by ignorance. In this regard, 71.4% of respondents confirmed that some beneficiaries instead of investing money gained from VUP in small income generating activities, some beneficiaries choose to spend that money in leisure and other luxury thing.

4.5 Strategies for VUP to contribute towards sustainable graduation

In this study, the respondents were requested to give strategies which once taken into account can help VUP program to contribute more towards sustainable graduation. The table 26 below summarizes those strategies.

Table 26: Strategies for VUP program to contribute towards sustainable graduation

Strategies proposed		Frequency	Valid Percent
Valid	Increase VUP support, so that it can cover not only food, but allow savings and investment	87	88.6
	Regular and on time payment of VUP support	85	85.3
	Predictable and on time payment of wages in VUP/PW	82	82.4
	Training and regular sensitization of VUP beneficiaries on profitable use of VUP support	81	81.2
	Training of VUP beneficiaries on entrepreneurship, business plan, self-reliance etc.	78	79.1
	Reduce interest rate for VUP loans	76	76.2
	Duration of PW more than 6 months	73	73.1
	Regular monitoring of VUP support to avoid misappropriation and misuse	71	71.4
	Mobilization and sensitization of poor household on family planning	70	70.4
	Increase wage per day for VUP/ Public works	70	70.4
	Clear and measurable indicators to put people in Ubudehe categories	70	70.4
	Clear and measurable indicators to measure someone' poverty status and to change his or her category	69	69.3
	Regular visit (field visit) of VUP beneficiaries by leaders	68	68.1
	Help VUP beneficiaries to create cooperatives and assist those cooperatives	68	68.1
	Reduce the delays in approving and transferring VUP loans to beneficiaries' accounts	67	67.2
	Help VUP beneficiaries to find markets of their production	62	62.3
	Help VUP beneficiaries for climate change resilience	61	61.2
	Avoid unconventional money deductions (unconventional contributions)	60	60.1
	Increase infrastructure	56	56.2
	increase VUP beneficiaries	56	56.2

Source: Research findings, August 2018.

As it can be noticed, main strategies proposed by the respondents were related to VUP program design and implementation, mind-set change of VUP beneficiaries and supplementary services, especially trainings and regular field visits of VUP beneficiaries by leaders (local leaders, Sector staff).

4.6 Discussion of findings

In this section, key findings were firstly confronted with theoretical frameworks and secondarily confronted with previous VUP researches in Rwanda. The aim is to check whether findings contradict or are in conformity with theoretical frameworks developed in chapter two. Also, it aims to check whether the findings of this research contradict or are in alignment with previous researches.

a. Confronting key findings with theoretical frameworks

The findings on page 43 (figure 5) showed that majority of VUP beneficiaries were illiterate. In addition, table 18 showed that illiteracy and its related effects were considered as among key hindrances to sustainable graduation in Nyamirama sector. Talking about the effects of illiteracy, Kumar, Mukerji & Persaud (2014) argue that some social protection programmes in Africa fail partially or totally due to lack of human resources with necessary technical and professional skills critical for designing, implementing and monitoring of social protection programs. The lack of skilled human capital leads to poor technical design and poor coordination.

Furthermore, illiteracy and low-level of education among beneficiaries of social programs implies low capabilities to use adequately and profitably the supports (Kumar, Mukerji & Persaud, 2014). In this regard, World Health Organization (2012) states that individuals with better education have higher rates of adaptability and good usage of the supports, while those with lower levels of education tend to show resistance and abuse of supports. Education is the most important determinant of entrepreneurship, creativity and innovation, which is why developed countries with a solid education and solid human resource base are far ahead compared to developing countries.

Another factor which might have hindered or delayed graduation in Nyamirama sector is “insufficient transfers or supports”. In the table 20, 80.6% confirmed that VUP support is insufficient and can only be used to buy foodstuff. In the table 22, majority of 88.8% confirmed that wage per day paid to Public Works participants is insufficient. In this regard McCord & Slater (2015) argue that small value transfers have little impact on sustainable graduation. They are mainly used for consumption and are rarely sufficient to enable significant asset accumulation or investment in more productive activities. If more resources are transferred to resource constrained households, the more likely they are to graduate – bigger transfers equal bigger impacts (Gahamanyi & Kettlewell, 2015).

Delays in payment of VUP support was cited as main hindrance to sustainable graduation in Nyamirama sector. In the table 20, big majority of 82.7% confirmed that VUP direct supports delay to be transferred to the beneficiaries, 90.8% (table 21) confirmed the delays in payment of wages for VUP Public Works, while 94% (table 22) confirmed the delays to approve and pay loan to VUP Financial Service (FS) beneficiaries. In this context McCord & Slater (2015) argue that irregular and delayed transfers or supports can undermine prospects for effective individual saving and borrowing activities. However, when supports are predictable and regular they enable beneficiaries to plan their expenditure and use them more productively.

The premature withdraw or end of the support (*Beneficiary Exit*) was also cited as hindrance. The evaluation and establishment of new list of beneficiaries (targeting process) are done every one year and this period is short for one to graduate from poverty. Again, predominant majority of 85.7% (table 21) confirmed that the Period of Public Works (PW) is short and sometimes shorter than 6 months. In this context Gahamanyi & Kettlewell (2015) argue that progress towards graduation does not appear to be sustainable for many when benefits have been received only for a short time. The longer is the duration of the support, the greater the potential for sustainable graduation. These findings support evidence from Ethiopia and Kenya, confirming that the duration of support is critical for enabling significant and sustainable impacts, in terms of household food security and livestock accumulation (Devereux & Sabates, 2015).

The dilution of VUP support was mentioned by the respondents as an issue for sustainable graduation. The findings in the table 19 showed that small VUP support received is shared by many people (family members within the household) and family members outside the household (children, grandchildren, neighbours etc.). In this regard, Siegel, Gatsinzi, & Kettlewell (2011) argue that the issue of the size of transfers and size of household beneficiaries is critical to the vision of a graduation pathway. If the support is shared among household members than it is supposed to be, then the impetus for building livelihood sustainability will be weakened and the potential for graduation will similarly be weakened (Sabates & Devereux, 2015).

Lack of complementary programmes and activities, such as training was found as an issue. Findings in the table 24 showed VUP beneficiaries have not received training (70.4%) on how to use the support for sustainable graduation. In this context Sabates & Devereux

(2015) argue that asset transfers to the poor households need to be accompanied by adequate capacity building. To reduced vulnerability and increase resilience of beneficiaries, complementary program, such as regular trainings are needed.

Lack of desire to graduate (dependency spirit) was emphasized as hindrance to graduation in Nyamirama sector. Respondents (71.4%) in the table 25 showed that some beneficiaries choose to spend VUP money in leisure and other luxury things (alcohol consumption) instead of investing VUP money in small income generating activities. According to McCord & Slater (2015) there are several possible pathways from receipt of social transfers to dependency. One is ‘moral hazard’ – beneficiaries could choose to work less and live off social transfers instead – so that they could continue receiving support. A second pathway is ‘non-productive use of transfers’ – instead of investing transfers in livelihood promoting activities and assets, transfers are consumed so that the household stays below graduation thresholds that are defined by income or assets. The VUP beneficiaries in Nyamirama sector fall into these two pathways, especially the second one as the findings showed.

Droughts and related hazards were cited as hindrance to sustainable graduation in Nyamirama sector. 71.4% (table 23) confirmed that droughts and related hazards (death of livestock, damage of crops) affect often the Eastern Province and that makes graduation difficult. In this regard, McCord & Slater (2015) state that poor farming communities face erratic weather and other threats to crop production and livestock herds. With unpredictable natural shocks and limited climate resilience capacities of poor households, graduation is highly unlikely to happen. Last but not least, 64.3% confirmed that the hike of foodstuff prices due to inflation leads to the situation whereby VUP support is used to buy foodstuff only. Nothing was left for saving and investment. In this perspective Sharoni et al.,(2016) argue that weak local economies can also limit the impacts. Most graduation programmes are implemented in poor rural communities, often characterised by thin markets and infrastructure deficits. Sustainable graduation is not a credible promise in the absence of conducive market conditions.

b. Confronting key findings with previous researches on the impact of VUP in Rwanda.

A number of researches on VUP in Rwanda were previously conducted, but for the purpose of the present research some were selected. The selected researches are those ones undertaken to assess the impact of VUP on socio-economic conditions of beneficiaries.

While the respondents (in tables 13,14,15,16 &17) showed that the contribution of VUP to help the beneficiaries to graduate from category 1&2 to category 3 &4 was not significant in Nyamirama sector, the findings of the research entitled “*Assessment of Policy Implementation of Ubudehe Program and its Impact on the Lives of VUP Beneficiaries in Ngororero District*” by Francisca Mujawase (2013) showed the opposite whereby the results from the findings of the study revealed that the VUP/Direct support cash transfer made significant impact among the beneficiary households. However, the researcher pointed out the issue of insufficient VUP support compared to the size of household. She found that the cash transfers regularly provided to the poor beneficiary households are relatively small, with lower average per capita expenditure due to higher household size, thus greater increase in the poverty gap.

While the findings of this study on assets possession before and after VUP (tables 15&16) showed no significant change, the results from the findings of the study entitled “*The effect of credit packages of vision 2020 Umurenge programme in poverty alleviation in Rulindo district, case study of Rusiga sector*” by Mpambara & Beatrice (2015) revealed that 93.2% of the respondents affirmed having saved money with the credit packages of VUP and VUP/PW, and the generated income contributed in poverty alleviation.

The study also revealed that through VUP, 16.2% managed to build a house and home equipment; 6.8%) had enough meals; 18.9% paid school fees, 18.9% having had health insurance, and 32.4% had the roofs of their houses renewed and their clothing style improved. Responses like renewing roofs, changing iron sheets and building new houses were given. Increasing and improving quality of meals were known. Clothing family members became possible and as soon as the needs were there. Health care and health insurance known as “Mutuelle de Santé” were no longer an issue.

While the findings of this research (reference to tables 13 &14) showed slight improvement in terms of food intake (frequency) and quality of food that beneficiaries consume before and after VUP, the results from the findings of the study entitled “*Making progress towards food security: evidence from an intervention in three rural districts of Rwanda*” by Nsabuwera et al., (2016) showed the opposite. Their findings showed significant improvements in food accessibility and food consumption over a period of one year of VUP implementation among the selected extremely poor households in three rural districts of Rwanda. Their findings showed that through VUP severe food insecurity levels decreased from 78 % to 49 % and acceptable food consumption improved from 48 % to 64 %.

In supporting, Olivier Ngamata Military, Deo Mbonyinkebe & Philippe Lebailly (2013) in their study entitled “ *Impact of social protection programs on economic resilience of poor households in Eastern province of Rwanda* ” showed that 8% of households at national level believe to have increased their monetary income from community works activities and the credits offered by VUP 2020 programme. Also, the results of the study confirmed that 96.6% of the interviewees have improved their food. However, the study showed that 100 % of surveyed households say they are unable to pay school fees for their children and mostly in higher education. In their conclusion, they indicated that overall the income has improved (view of 95% of respondents), but people remain poor.

As it can be noted, the findings of the study in Nyamirama sector are quite different from findings of previous studies on the impact of VUP. The specificities of the findings in Nyamirama sector can be explained by the following:

- Nyamirama sector was the poorest sector in Kayonza district and therefore was the pilot sector for VUP in 2008. Thus, sustainable graduation from such level of extreme poverty may require and take time.
- Climatic changes/ natural shocks. Nyamirama sector is among sectors in Kayonza district often affected by droughts and related effects (death of livestock and damage of crops etc.). Often, these droughts cause food inflation and VUP support is used only for foodstuff. Nothing is left for saving and investment in small income generating activities. This jeopardizes their pathways to sustainable graduation.
- Instability of the markets for their products when they have chance to get enough rain and to harvest. For instance (as it was reported in the media), the people in some area of Eastern Province are facing the challenge to sell their maize production. They are selling at Rwf 80-100 per kilogramme while they have bought the selected seeds at Rwf 350 per kilogramme. This is a big loss for the farmers and hindrance towards sustainable graduation by VUP beneficiaries.
- High level of illiteracy among VUP beneficiaries in Nyamirama sector might have jeopardized the pathways towards sustainable graduation. Illiteracy leads to ignorance and sometimes to the abuse of VUP support.
- Last but not least, it is worth to mention that characteristics of the respondents where y majority (65.3%) were VUP/ Direct support beneficiaries, 26.5% VUP/Public works beneficiaries, and only 6.1% VUP/Financial services beneficiaries might have influenced the results. The answers from the majority (VUP/ Direct support

beneficiaries) might have dominated. And, these are the poorest households, the ones without even a possibility in agriculture (household without arable land) and the people with no working skills. Moreover, dilution of the VUP support is another issue. Small VUP support given to old people is shared by many people (children and grandchildren/ abana babo babyariye mu rugo cyangwa abana bashatse ariko babayeho mu bukene ndetse n'abuzukuru).

Summary

Chapter four was dedicated to the analysis, interpretation and presentation of empirical research findings. Demographics analysis showed that big majority of respondents (VUP beneficiaries) were uneducated. This is itself one of the factors of no graduation or delayed graduation in Nyamirama sector. Based on some indicators, such as income, source of income, food intake (quality and quantity), assets possession etc. the findings showed no significant contribution of VUP to change poverty status in which beneficiaries were in before VUP support. However, this situation is specific to Nyamirama sector, because previous researches done in other parts of the country showed positive impact of VUP. Factors explaining low contribution of VUP in Nyamirama sector were analysed. Some were beneficiary-specific factors, such as general illiteracy (ignorance), financial illiteracy, and all these contributed to the abuse of the support by some beneficiaries. Others were community-specific factors whereby the culture of having many children is still dominant. Strong family ties and relationships which led to the “dilution support” whereby small support is shared by many people (children, grandchildren, relatives’ children, friends, neighbours etc.).

There were also VUP program-specific factors. The main cited limitations were: insufficient support, delays of payment, short duration of public works and delays in approving and giving VUP loans. Factors related to market and climate change were also highlighted, such as food price inflation and droughts. Considering these hindering factors, respondents proposed strategies and key strategies were: to increase VUP support, reduce delays in payment, increase wage per day and duration of VUP/PW and regular training and sensitization of VUP beneficiaries on profitable use of the support and entrepreneurship and financial education.

CHAPTER FIVE: GENERAL CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Given the magnitude of the problem of poverty after war and 1994 genocide against the Tutsis, the government of Rwanda initiated and adopted pro-people Home-Grown Initiatives in order to reduce poverty and uplift significantly the socio-economic status of Rwandan citizens. The initiated and adopted home-grown initiatives were to deal with poverty and to accelerate the development of the country and to promote unity and reconciliation among Rwandans. Those home-grown solutions included among others; Umuganda, Gacaca, Abunzi, Imihigo, Ubudehe, Itorero and Ingando, Umushyikirano, Umwiherero, Girinka and Vision 2020 Umurenge Program (VUP).

VUP is a large scale social protection program which is government owned and led. It was launched in 2008 as a flagship social protection program under the EDPRS, and was aimed to reduce extreme poverty in Rwanda. VUP was launched with 3 components: Direct Support (unconditional cash transfers to those unable to work), Public Works (employment on community infrastructure projects) and Financial Services (access to savings and credit for enhanced livelihoods) (MINALOC, 2011).

In Kayonza district, VUP started in Nyamirama sector as a pilot, because this sector was identified poorest sector in the district. From 2008, significant amount of money was invested to support the poor and to reduce the level of poverty in Nyamirama sector. Data from VUP unit in Kayonza district show that since 2008 Nyamirama sector received 977,993,079 Rwf and all utilized for VUP program. However, despite those millions of money injected in to reduce poverty, and uplift the socio-economic status of the poor people, Nyamirama Sector is still characterised by poverty and among the poorest sectors in Kayonza district. This study was undertaken to determine the limitations of VUP program to uplift and change the socio-economic status of the poor beneficiaries. In other words, hindering factors of VUP program to contribute to sustainable graduation from poverty.

5.2 Summary

The study comprised of 5 chapters, namely general introduction, literature review, research methodology; analysis and interpretation of research findings and general conclusion. The problem statement for the study was evidenced by the persistent poverty and the rise of poor households despite VUP support for a decade. The general objective of this research was to determine the limitations or hindering factors for VUP to contribute to sustainable graduation from poverty by VUP beneficiaries.

The main objective of the study was to assess and determine the hindering factors of VUP to contribute to sustainable graduation of its beneficiaries. From main objectives, the following specific objectives emerged: (i) To determine the socio-economic status of VUP beneficiaries before the support; (ii) To determine the socio-economic changes after VUP support and determine any significant VUP impact; (iii) To find out the factors that may hinder VUP to achieve the expected outcome (graduation from poverty); and (iv) To propose strategies for VUP to contribute significantly and sustainably to uplifted socio-economic status of the poor in Nyamirama sector.

Furthermore, the research was undertaken to answer the main question “What are the factors that impede VUP to contribute significantly towards the sustainable graduation from poverty of its beneficiaries in Nyamirama sector. The specific questions to be answered were: (i) What was the socio –economic status of VUP beneficiaries before the support; (ii) What is the current socio-economic status of VUP beneficiaries in Nyamirama Sector? (iii) Are there significant changes after 10 years (2008-2018) of VUP support? If there was no significant changes what are the challenges? And (iv) What would be the strategies for VUP to achieve its expected outcome (graduation from poverty by its beneficiaries) in Nyamirama sector?.

The literature review of the study focused on factors enabling or hindering social programs, such as VUP to achieve expected outcomes. Some of those factors were described and included: Initial household conditions, efficiency of existing individual/ household assets, Value and duration of support (Size of support per capita and dilution), household-level incentives and dependency, Monitoring mechanisms in place, Effective targeting and targeting criteria, market conditions, complementary services (Integration with other developmental programmes), Political motive and engagement, Transfer or support duration, Transfer or support reliability, to mention but a few.

The study was predominately of descriptive research design, but was in part exploratory. The target population for this study were all VUP beneficiaries in all three components. Using Coheran formula, a sample size of 98 respondents were selected and considered enough in this research. Systematic and purposive sampling methods were used to select who must participate in the survey. Specifically, purposive sampling was used to select key informants for interviews. To collect data, triangulation of data collection techniques was used, whereby primary data was collected through questionnaire and interview, while secondary data was collected through documentary research. The questionnaire elaborated based on research

objectives and research questions was self-administered, whereby selected respondents were found in their respective villages (Imidugudu) and homes. To speed up data collection, two field assistants were trained and used to assist in data collection. Because of that, all 98 questionnaires were completed and all returned (the response rate of 100%).

5.3 Conclusion on the findings

The main objectives and four emerged sub-objectives were achieved as follows:

5.3.1 Objective 1: To determine the socio-economic status of VUP beneficiaries before the support.

The objective 1 together with objective two were achieved at the same time. There was comparison between two periods (before VUP and after VUP support).

5.3.2 Objective 2: To determine the socio-economic changes after VUP support and determine any significant VUP impact

From table 12 to table 16, socio-economic status of VUP beneficiaries before and after VUP were presented and compared. Based on key indicators such as income, source of income, Food intake (quality and quantity) and assets possession the findings showed that VUP beneficiaries were poor before VUP support and this situation has not significantly changed after they have benefited from VUP support. Very small changes were observed in terms of frequency of eating, possession of mobile phones and possession of modern stoves.

Furthermore, table 17 showed the level at which VUP beneficiaries appreciate the impact of VUP. Majority agreed that VUP has not contributed much to change the poverty status of its beneficiaries. Moreover, in this conclusion it is worth to mention that the situation found in Nyamirama sector is specific and the specificities were described in chapter four. Again, from the analysis of previous researches on VUP in Rwanda whereby all showed positive impact of VUP, justifies how much the findings of the research are specific to Nyamirama, and cannot be generalized to other sectors.

5.3.3 Objective 3: To find out the hindering factors for VUP to achieve the expected outcome (graduation from poverty by beneficiaries)

From table 18 to table 25, hindering factors were presented. Those factors were in four categories: Individual/ household-specific limitations; Community-specific limitations; VUP program-specific limitations; Markets-specific limitations; Complementary services-specific limitations; and Climate change-specific limitations. In all these limitations, VUP program design and implementation were found to be major limitations. Insufficient supports, delays

in payment, premature graduation were emphasized. Also, was emphasized the limitation related to individual/household conditions, whereby ignorance which leads to misuse of VUP support was cited.

5.3.4 Objective 4: To identify strategies for VUP to contribute to the sustainable graduation of its beneficiaries

Strategies were proposed by the respondents and interviewees. Those strategies were presented in table 26 and the major one are: (i) increase VUP support, avoid delays in payment, increase wage per day and duration of Public Works, regular training of VUP beneficiaries and strong monitoring mechanisms of VUP program. This will help to avoid misappropriation and misuse of VUP support.

5.4 Recommendations

From the findings, the following are recommended:

- Combine VUP packages, whereby selected poor households can benefit all VUP packages and other social protection programs;
- Set clear and measurable indicators, so that the real poor are easily identified and selected. This indicators will help to put people in Ubudehe categories and will lessen people complaints;
- Set clear and measurable indicators to help in graduating. This will help to avoid premature graduation (Premature beneficiary exit);
- Increase VUP/direct support, so that it does not partially cover foodstuff, but guarantees food security, savings and investment. This is to say that VUP support must be adjusted every year according to inflation rate and market conditions;
- Wage paid per day in VUP/PW must be increased and adjusted to market conditions and in accordance with invested physical force by PW participants;
- VUP/PWs should be diversified, so that physical weak people (Aged people, people with disability and women) can be accommodated and find jobs;
- Interest rate for VUP loans should be reduced from 11% to 5%. And, SACCOs managers must be mobilized to facilitate easy access to VUP loans;
- Regular trainings of VUP beneficiaries (all components) should be emphasized. Those trainings will mainly cover domains, such as entrepreneurship, family planning, Business plan, project management etc.

- Regular monitoring of VUP program. This will be done by local leaders, but also by central government (MINALOC through LODA). This will help to discourage corrupt practices often found in social programs.

Recommendations for future researches

Firstly, it is recommended that further investigations be carried out to find out why some of the sectors where VUP is implemented perform well and graduate, while others fail.

Secondly, it is recommended that further investigation be conducted on the causes and consequences of delays in payment of VUP/Direct support and VUP/PW.

Thirdly, policy makers, the private sector and other development institutions should investigate the possibility (feasibility and viability) of establishing a “*VUP shop*” at sector level which will be devoted to sell cheap foodstuff to VUP beneficiaries. The normal shops appear to sell at high price and consequently, all the VUP supports used to buy foodstuff.

Fourthly, examine the possibility of offering weather index insurance to beneficiaries. How VUP can purchase weather-index contracts in high-risk areas, and then allocate indemnity payments to beneficiaries.

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LIST OF APPENDICES

Appendix A: Questionnaire

Appendix B: Interview Guide

Appendix C: Authorisation letter for data collection

Appendix D: Final authorisation deposit form