

## Application: Butler Law Firm Giving Project

### Summary

GiveDirectly is the only NGO dedicated exclusively to delivering unconditional cash transfers to some of the poorest people in the world. We are a top-rated charity by [GiveWell](#) and the recipient of the inaugural Google Global Impact Award. Our work is based on a core proposition: that the poor can and should be trusted to drive their own development. By putting funds directly into the hands of those living in extreme poverty, GiveDirectly is empowering them to choose how best to improve their lives. Simply put, we encourage development donors and aid organisations to ask of their programs: “will this intervention do more good for poor families than they could do for themselves with the same funds?”

GiveDirectly is proposing to direct funding from the Butler Law Firm towards its standard program providing lump-sum household grants within the poorest villages in rural Kenya and Uganda. This program delivers \$1000 directly into the hands of the poor with no strings attached. To identify recipients for this program, we use data, both publicly available and digitally collected by our field staff, to identify extremely poor communities, enroll recipients, and set them up with mobile money accounts to receive their transfers. Recipients spend the cash on their greatest needs - food, housing, entrepreneurship, farming, transportation - enabling them to make the choice that is right for them. As a recently published evaluation of our work shows, recipient spending helps jumpstart the local economy and has little to no impact on inflation. Ultimately, what we see is reduced poverty measured through increased assets, income, and consumption.

### Overview of GiveDirectly

GiveDirectly has an established record of achievement. In a decade, we have delivered cash transfers to over 170,000 people, including extremely poor subsistence farmers, protracted refugees and unemployed urban youth. With new operations in Liberia, the DRC, Malawi and Morocco alongside more mature operations in Kenya, Uganda and Rwanda, GiveDirectly is now operating in seven countries. In rural Kenya, we have pioneered the first long-term universal basic income program. More than 27,000 people across 120 villages are receiving either a lump sum or monthly cash transfers over two or twelve years. In Rwanda and Uganda, we have launched lump-sum cash programs for protracted refugees. We have also launched our first government partnership in Uganda, with the Kampala Capital City Authority, providing cash transfers to families with adolescent girls to encourage them to stay in school. With over 250 staff, 95% of whom are local hires, GiveDirectly has attracted exceptional talent driven by our unique mission.

Cash transfers are one of the most-tested approaches to ending extreme poverty and GiveDirectly in particular has been committed to demonstrating impact through rigorous evaluation and research. There are 13 Randomized Control Trials (RCTs) completed or in process of GiveDirectly’s programs. The studies published to date show large improvements in dietary diversity and food security, improved nutrition, increased school attendance, and decreases in child labour, early marriage and adolescent pregnancy. We just released the results of the largest independent RCT of our work in Kenya to-date, which looks at the effects of our program on over 10,500 recipients across 653 randomized villages in

rural Kenya. In addition to finding large positive impacts on consumption and assets for recipients, it documents large positive benefits for non-recipient households and firms, and minimal price inflation, leading to a local fiscal multiplier of 2.6. You can read our take on the study [here](#), find the full paper [here](#), and see how it's been covered in the media by the likes of [The Economist](#), [Vox](#), and [NPR](#).

You can also learn more about our impact directly from our recipients. We share their stories via [GDLive](#), an unfiltered, searchable online platform that features first-hand accounts from tens of thousands of randomly selected recipients. We are also able to coordinate field visits to meet cash transfer recipients and experience our field operations first-hand. For additional insight into our program, we can provide financial reporting and detailed updates about our ongoing efforts to improve operations and recipients' experiences receiving cash transfers.

## **Program details**

GiveDirectly will allocate Butler Law Firm funds to our standard programs in Kenya and Uganda. This is a model that GiveDirectly has been running for six years and is very similar to the model that was used in the RCT released this month. Because of the experience we've built running this program over time, we have been able to achieve an extremely high efficiency rate of over 90% (that is, over 90% of each dollar donated goes directly into the hands of our recipients). An indicative budget based on last year's program averages can be found below.

Our GiveDirectly team in Kenya and Uganda first select regions and villages to work in, taking into account poverty data and logistical considerations (e.g., languages spoken). Once villages are selected, at least two independent sets of field officers visit recipients and collect data digitally using mobile phones. Examples of data collected include the recipients names and names of others in the household, ID numbers, photos, GPS location, and poverty indicators. After the first visit to a recipient's home, known as the census, eligibility is automatically calculated in our database based on the information gathered. Subsequent registration teams visit and enroll recipients who are marked as eligible. Throughout this process, we provide best-in-class security and a complete digital audit trail. Any issues flagged (e.g., duplicate entries) are raised to the Data Manager, and our platform generates a list of households for an additional audit visit. This is determined both by discrepancies in identifying data and a degree of randomization.

To deliver the cash transfers, we use end-to-end digital payment technology, which enables us to target and track transfers efficiently. We transfer two installments totalling ~\$1,000 per household - the equivalent of approximately one year's budget for a typical household. After sending each transfer, we call every recipient to verify receipt of funds, flag issues, and assess our own customer service. We also staff a hotline for inbound calls and in some cases staff follow up in person. This approach allows us to deliver efficiently and at scale, with 99.8% of our recipients reporting successful transfer receipt.

We anticipate that the recipients of this cash will achieve a wide range of positive, lasting results in their own lives -- improved health, nutrition, and education, increased savings, investment, employment and empowerment, among other benefits. We intentionally do not set specific goals on these outcomes, as

the essence of our approach is to provide recipients with the freedom to set their own goals. But we care deeply about the bottom line: poverty reduction as measured through increased assets, income and consumption.

## Illustrative budget for \$100,000 based on 2018 Kenya standard budget

| Illustrative budget      | Amount           | Description  |
|--------------------------|------------------|--|
| Transfers                | \$90,126         | Total cash transfers delivered to recipients                                 |
| Personnel expense        | \$1,660          | Campaign-related staff salaries and employment costs                         |
| Allowances               | \$543            | Field allowances, paid to field staff to facilitate their work travel        |
| Software                 | \$1,453          | Software fees, including surveying and data management tools                 |
| Telecom                  | \$93             | Fees paid to provide telecom services to field staff                         |
| Other Travel             | \$271            | Travel and accomodation for in-field work by staff                           |
| Occupancy                | \$69             | Field office rent  |
| Supplies                 | \$74             | Field office supplies  |
| Mobile money and banking | \$577            | Fees paid to mobile money provider and banking provider                      |
| Allocations              | \$5,134          | Finance & data teams, rent, org-wide software, etc. allocated by budget size |
| <b>Total</b>             | <b>\$100,000</b> |  |