

GiveDirectly's large lumpsum cash transfers & graduation (*External*) - June 2025

Headlines

- GiveDirectly's flagship programme provides unconditional large lumpsum cash transfers of approximately \$1,000 per household. These are demonstrated to be more impactful than small transfers on several livelihood outcomes, including investments; cash transfers help recipients break out of poverty thresholds; and have spillover effects on the wider community.
- Cash transfers are already a recognized [essential input](#) to the "Graduation" approach – both for consumption smoothing and as a means of delivering the productive asset.
 - Because GiveDirectly's programs always provide digital financial access to recipients, our core "large lump sum transfer" (LLS) product actually covers 3 of the 5 essential components of the Graduation model—consumption support, asset transfer, and financial inclusion.
- Based on the components of our LLS programs, and the associated evidence on both cash programs and the essential ingredients of Graduation programming, GiveDirectly sees its role in the graduation ecosystem as 2-fold:
 1. As a contributor of core components *within* broader graduation programmes.
 2. As an end-to-end provider of a scalable 'cash-based' graduation model
- We are committed to working with Governments to scale cash transfers as part of graduation programmes, and to building comparative evidence with other graduation models to optimise the use of cash and the targeting of different models.

GiveDirectly's large lumpsum cash transfers enable recipients to graduate from poverty

GiveDirectly typically provides **unconditional cash transfers of circa \$1,000 per household**, distributed as lumpsums (typically in 2 tranches). As of early 2025, this program is currently running in Kenya, Malawi, Mozambique, Rwanda, and Uganda. Since 2009, we've **reached nearly 500,000 households in rural villages across Africa** through this program. We are also adapting this model for refugees in Kenya and Uganda.

Large cash transfers have been shown to have positive impacts on educational attainment, health, job creation/employment, and gender equality and empowerment. Research on large sized transfers – either as a standalone intervention or as a key part of a broader graduation programme – has shown:

1. **Larger transfers are more impactful than smaller transfers at boosting livelihoods by increasing investments as well as self-employment:** These findings come from a recent meta-analysis of cash, and are corroborated by GiveDirectly's own programs.¹ A 2022 study in Rwanda tested various cash transfer sizes ranging from \$317-\$750. The study found that 3.5 years after the transfers, only the large transfers still had positive effects on recipients.² This is corroborated by GiveDirectly's Universal Basic Income research, demonstrating that giving \$500 as a lumpsum improved economic outcomes more than giving it out over 24 months.³
2. **Large transfers help recipients break out of poverty thresholds:** A study in Bangladesh transferred \$500 value assets to recipients, as part of a broader "graduation" package including consumption support and training. They found that their ultra-poor recipients faced a poverty threshold, and the

¹ [Unconditional Cash Transfers: A Bayesian Meta-Analysis, Crosta et al 2025](#)

² [Youth Employment and Productivity: Medium-term Experimental Evidence from Rwanda, McIntosh et al. 2022](#)

³ <https://www.givedirectly.org/2023-ubi-results/>

graduation package would successfully move them above this threshold and continue increasing their assets.⁴

3. **Large lump-sum transfers impact the broader community:** Cash transfers of \$1,000 in Kenya were shown to have strong positive effects on non-recipients. Researchers found a fiscal multiplier of 2.5 when accounting for impacts on recipients and non-recipients.⁵

Based on the evidence of **spillovers, the long-term impact and the number of deaths averted** through large cash transfers, GiveWell recently re-evaluated these programmes as [3-4X more cost-effective](#) than previously assumed.

GiveDirectly can contribute to the graduation landscape in two ways

1. As part of broader graduation programmes

- The graduation evidence base demonstrates that cash is an essential input to graduation programs. BRAC's Graduation Essentials, based on a review of the program's effectiveness, include lumpsum cash and cash for basic needs support as two must-have elements.⁶
- As the world's largest organisation dedicated to unconditional cash transfers, GiveDirectly has the capacities and experience to efficiently deliver these cash transfer components at scale.

2. As an end-to-end provider of a scalable cash-based graduation model

- GiveDirectly's large lumpsum program includes an asset-sized transfer (~\$1,000 per household) larger than many of those in previously successful graduation programs.
- In addition, and in alignment with the Graduation Essentials, GiveDirectly's program includes additional, streamlined "graduation" components:
 - **Consumption support:** The first, smaller tranche of the ~\$1,000 given to each household is intended to smooth household consumption prior to receiving the larger, asset-sized transfer.
 - **Life skills and coaching** through multiple in-person and phone-based touchpoints with recipients, and visioning/planning discussions. GiveDirectly is planning to test additional, scalable coaching elements, including through the use of IVR. We also partner with others who deliver skills training as a 'plus' to our core, light model.
 - **Savings/financial literacy** through provision of mobile phones and contribution to new or existing savings schemes
- As our graduation model is significantly skewed towards the provision of cash, it is easier to scale. It is also **more cost-efficient than many graduation programmes** at circa \$1,180/household including all costs (85% cost-efficiency).

GiveDirectly is committed to working with Governments

We are committed to supporting Governments to make better use of cash to achieve graduation outcomes, building on the 2 value propositions above. For example:

- In [Rwanda](#), we are an explicit part of the National Strategy for Sustainable Graduation (NSSG), piloting and scaling large cash transfers - including with the Government's support. This is an example where

⁴ [Why do People Stay Poor?. Balboni et al. 2022](#)

⁵ [General equilibrium effects of cash transfers: experimental evidence from Kenya, Egger et al. 2019](#)

⁶ [Introducing the Graduation Essentials: Core Components, Designed for Scale](#)

GiveDirectly can provide many of the components of the graduation model, while partnering with the government to provide more intense versions of those components, such as coaching.

- In [Malawi](#), our large cash transfer programme explicitly contributes to the Malawi 2063 wealth creation agenda, by catalyzing and sustaining inclusive wealth creation and self-reliance, complementing other development investments in economic and social infrastructure.

We want to build a collective evidence base on graduation as an outcome

The overall [evidence](#) on the Graduation approach is strong, as is the evidence on cash transfers. However, questions remain about what is the most cost-effective way to achieve graduation outcomes over time. We are committed to collaborating with other graduation providers to fill learning gaps such as:

- Can large lumpsums alone achieve similarly, or more, cost-effective graduation outcomes at scale than more comprehensive programs?
- What are effective and scalable ways to add coaching and training components on top of large lumpsums?
- Which target groups fare better with a lumpsum cash-based model versus a more comprehensive package of graduation support?
- How does the cost-effectiveness of GiveDirectly's large lumpsums program vary across population groups and settings?