

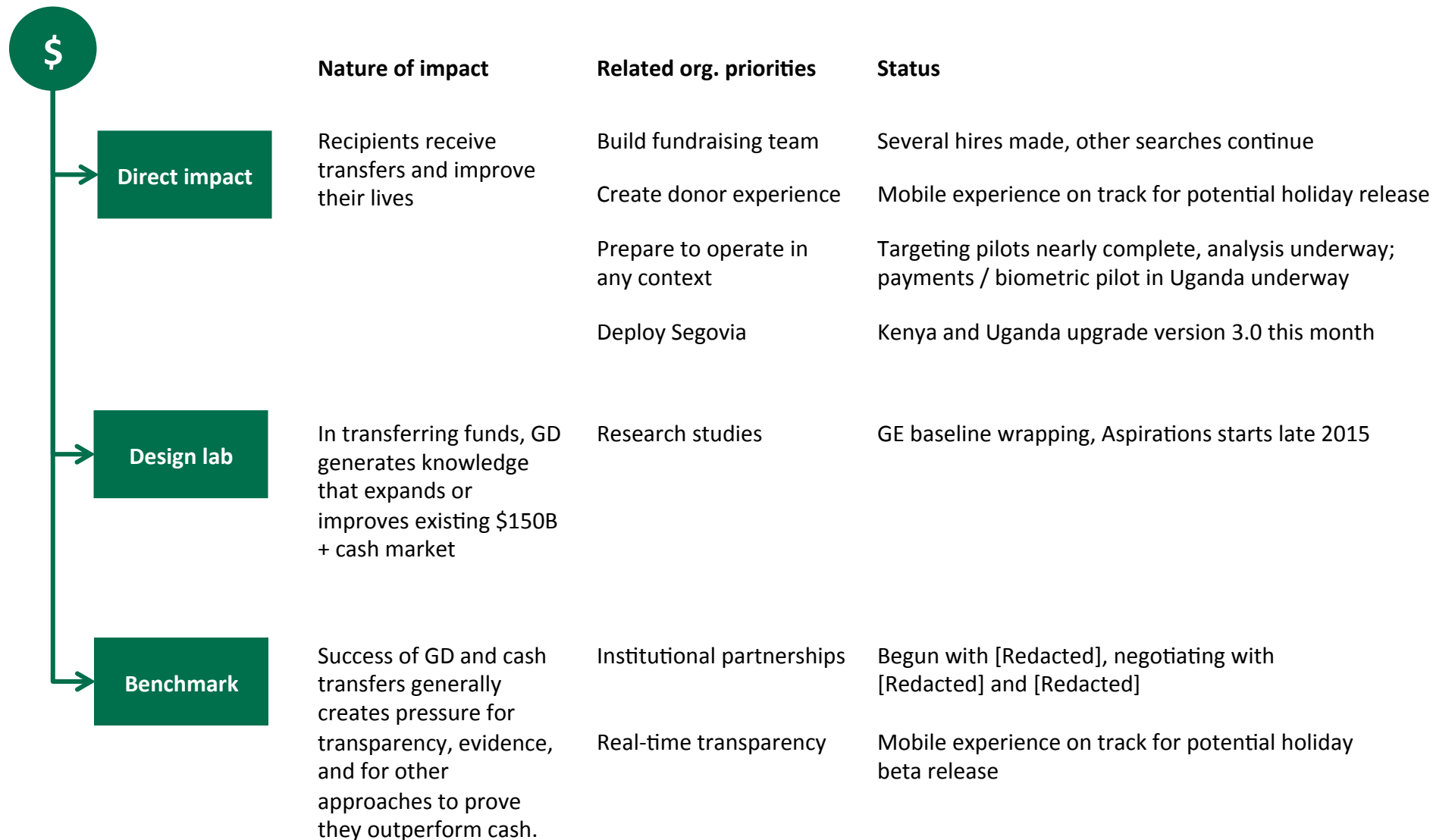
GiveDirectly

September 2015

Reflections on progress and this year's review

1. We are satisfied that the quality of the field work and pace of innovation in the field have held steady or improved, even as we have a) rolled out new technology b) increased scale and c) allocated more senior management time to partnerships and recruiting.
2. Recruiting (specifically, sourcing) for domestic roles continues to be our biggest challenge (as opposed to Field Director recruiting, which has become fairly routine).
3. As we grow larger and work with larger partners, the geopolitics around cash transfers will become increasingly important for our impact and effectiveness. We want to provide you with basic context on this.
4. As part of this review cycle, we hope to refresh our understanding of your perspective on policy impact and partnerships work.

We continue to organize our work around three impact channels



The shift to cash is provoking a debate over the organization of aid



(detail to be discussed)

Our major institutional partnerships discussions for matching funds are on track

[Redacted]

- Rwanda project signed & work begun
- Opened discussion on replicating in multiple additional countries, using Good Ventures matching funds
- Contact: TBD- If GW is interested, we could potentially arrange conversations with [Redacted]

[Redacted]

- Navigating collaboration on humanitarian work in Uganda, using matching funds
- Exploring collaboration on mobile experience for donors, to meet 2015 Tory manifesto commitment to support direct transfers
- Contact: [Redacted]

[Redacted]

- Discussing multi-country comparison of current conflict & jobs programming to cash transfers, using matching funds, with [Redacted] to host working group to coordinate research
- Senior economists ([Redacted]) presenting to funders on 15 Sept.

More broadly, we are seeing growing momentum behind cash transfers

	Update	GD role
High-Level Panel on Humanitarian Cash Transfers	Recommendations (due 15 Sept.) to include increased use of cash (from ~5%), and cash as benchmark or default	Jacqueline Fuller & Michael Faye represented GD on the panel
Brookings Blum Roundtable	Concluded (5-7 August)	GD led with position paper on ending poverty with electronic payments
[Redacted] benchmarking initiative	Survey of 31 ongoing studies found that 6 have a cash arm currently and 20 would like to add one.	Motivated by GD discussions with [Redacted]
Haiti evaluation	Discussing experimental impact evaluation with [Redacted], to contrast with many misguided reconstruction projects	Motivated by GD model, potential for implementation partnership
Indonesia benchmarking experiment	Indonesian government and World Bank ([Redacted]). WB pushing for an RCT comparing cash to other approaches with conditional funding from DIV and GDL. Pending Indonesian government's buy-in	Motivated by GD model, GD visited to present on impacts & methods
[Redacted] in Northern Uganda	GD declined to participate in impact evaluation of cow distribution; study will proceed, may or may not include a cash arm	Motivated by GD's work in Uganda and relationship with [Redacted]
[Redacted] cash transfer working group	Superseded by potential [Redacted] role in [Redacted] multi-site evaluation (previous page)	Motivated by GD talks at [Redacted]
MP [Redacted]	GD declined request to work in Uganda's [Redacted] district- no obvious opportunity for policy impact to offset relocation costs.	Motivated by popularity of GD model elsewhere in Uganda.
[Redacted]	GD declined to pursue implementation of nutrition benchmarking study, but will provide advice.	GD provided advice

We have made progress in hiring, but continue to prioritize several domestic searches

	Existing employees	Recent additions	Ongoing searches
Retail marketing	<ul style="list-style-type: none"> Sharon, customer service 	<ul style="list-style-type: none"> Hai Tran, Sean Moriarty, and Jeff Kayser, full time front and backend developer contractors through 2015 Thanh Tran (volunteer) devoting 20% time leading app build 	Digital marketing & product lead
Communications		<ul style="list-style-type: none"> Max Chapnick, Comms. associate 	
Partnerships	<ul style="list-style-type: none"> Paul and Michael Support from Carolina 		Partnerships lead
General Management	<ul style="list-style-type: none"> Paul & Michael 		New York office lead
Finance & Operations	<ul style="list-style-type: none"> Carolina Rebecca 	<ul style="list-style-type: none"> Gavin Walsh (Info. Systems) New outsourced accountants (BDO) New pro bono legal council (Skadden) 	
Field ops	<ul style="list-style-type: none"> Piali Joe (FD, Uganda taking over for Stuart) Mitch (FD, Rwanda) 	<ul style="list-style-type: none"> Will Le (FD, Kenya) Eric Friedman (FD, flex) 	Reports to FDs in KE, UG, and RW (e.g., finance manager, data manager)

Campaigns are also advancing learning and capability objectives, and increasing (real) efficiency

Uganda

- Biometrics / payment campaign pending first lump sum (detail follows)
- Enrollment for a campaign of \$4.5M will begin in October/November, to wrap up in the new year. Goal of this campaign is to transition Uganda to a rolling model.
- Country-wide registration is still in process that will provide approval for all 7.3m households in Uganda. Estimated 2-3 months until approval.

Kenya

- Real efficiency has improved substantially, but been masked as transfers were not indexed to inflation (while costs were). Going forward, we will be adjusting for 30% price increase since 2011, and for subsequent inflation in all countries.
- Moved enrollment staff to Rachuonyo North in Homa Bay County
- Targeting pilots concluding (detail follows)
- Rolling campaign ongoing--incorporated targeting pilots into regular operational flow
- County-level government approval still equivalent to ~70 K additional eligible households in Siaya and Homa Bay counties (no change since last update).

Rwanda

- Registration and incorporation activities underway (e.g., INGO registration, work permit for Mitch, etc)
- Planning and design conversations with funder and PIs underway

Targeting project designed to build expansion capability will likely result in modified criteria by October

Objective: Build expertise in a set of targeting competencies to rapidly identify poor locations and households across diverse settings, and structure an evaluation framework for targeting effectiveness

Approach: Desk research followed by field piloting for most promising household targeting methods

Geography: Homa Bay, where thatch is uncommon and an overly-restrictive proxy means test, and so change is already needed

Size: ~55 villages

Methods being piloted

- Community based targeting (multiple variants)
- Subjective rankings (by staff, external parties)
- Proxy means tests
 - PPI ([Progress out of Poverty Index](#))
 - MPI ([Multidimensional Poverty Index](#))
 - Other additional proxies (e.g., widows)

Based on analysis to date, GD will likely:

1. Modify our thatch targeting criteria for the rest of operations in Homa Bay
 - Likely will add [Redacted] as additional proxies
 - Likely will use [Redacted] as the housing material proxy, rather than 100% organic
2. Continue using proxy means as the first criteria we'll test in a new area

This is being finalized by October and we can provide more full detail on the analysis and results at that time

Uganda payments pilots campaign has now sent token transfers, and produced useful learning in the process

Bank as payments provider

- Partnered with Centenary Bank, which offered lower transaction fees than MTN
- Difficulty scheduling cash delivery logistics (e.g., reserving vans) has pushed back first lump sum payment by a month
- Significant amount of FD time spent managing weak counterparts at bank



- Confirms value of non-payday models, using existing distributed networks whenever possible
- In geographies where paydays are necessary, still likely to pursue banking partners, as time spent (and cost) still lower than doing in-house.
- Re-considering partner vetting process, agreement terms, and termination process

Biometrics

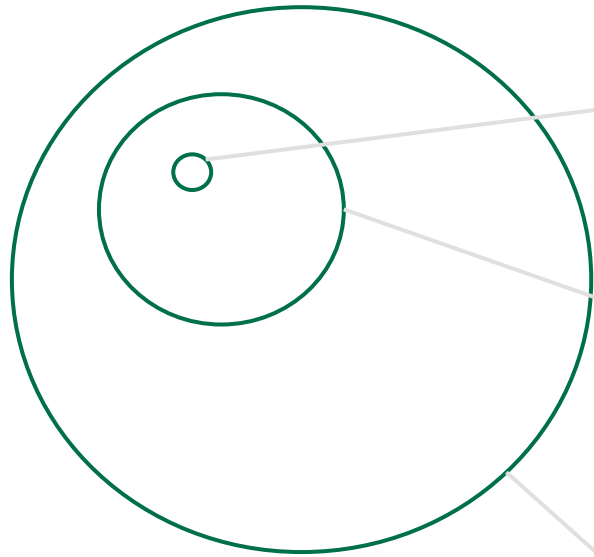
- Palm-vein readers purchased and working well
- Scans have been taken twice: once for initial registration, once for token payment
- Helpful compliment to identification measures taken by banking partner at paydays
- Skills built on how to explain to recipients, how to incorporate into process



- GD likely to use in contexts where national IDs are not present, paydays are necessary
- May not use in Uganda in favor of distributed cash out
- Potential to incorporate biometrics into enrollment process, but not high priority

Pilot of distributed cashout with MTN in lieu of paydays underway as well

We are on track for (limited) release of a mobile experience by year end, as part of our push to reach a broader audience



Existing donors

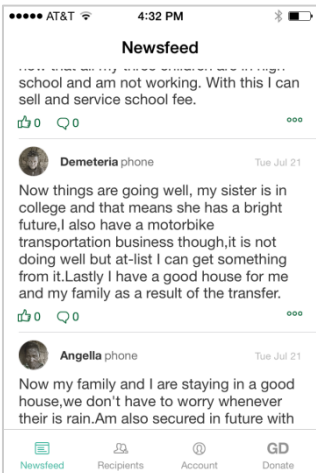
Improve retention by creating a better donor experience with more & more real-time feedback.

Unaware core demographic

Reach the rest of the “iPhone 6 crowd:” smart, analytical people working heavily in tech and finance who have not heard about GD.

Emotive givers

Convey the human side of our work to people who are not likely to be moved by quantitative analysis (and likely to give to relatively ineffective causes if not reached).



Given current plans, we anticipate a gap of 31– 86 M to our transfer capacity in the budget year 2016

	No hiring	Hiring	
Cash transfer capacity per FD (KE/UG)	17.25	17.25	Previous GV discussion assumption, increased by 15% to reflect inflation increase in Kenya
Cash transfer capacity per FD (Rwanda)	8	8	Country set up time consuming, complex
FD (KE/UG)	3	5	
FD (Rwanda)	1	1	
Cash transfer capacity	60	94	
	Low RFF	High RFF	
Currently un-budgeted funds	0.6	0.6	Funds raised in July and August
Rwanda funding	4	4	Signed agreement
Anticipated raise through Feb 2106 , sans GW recommendation	4	4	Pegged to last year's direct retail raise Nov-Jan, plus 350K / mo for other
GV partnership funds + potential matches	20	-	Negotiation times can be long and variable. Low case represents one \$10 matching project implmented within 2016.
Funds available for cash in 2016 budget year	29	9	
Room for funding	31	86	

Note: our budgeting year begins in March

We have a few ongoing funding conversations not included in this estimate because of their uncertainty probability

As always, we will inform you promptly if any of these progress between now and the time of your review

Potential donor	\$M under consideration	Status
[Redacted]	3	Drafting proposal after a few preliminary conversations
[Redacted]	TBD	Very preliminary conversations, no amount yet discussed. Interested in coffee growing regions.
[Redacted]	.25 – 8 M	Proposal submitted, will be presented to their board for a December grant. Process and probability very uncertain.
[Redacted]	1	Preliminary conversations

Perspectives on your unresolved issues in the current review

Unresolved issues from current review

“While GiveDirectly has one major RCT of its activities in Kenya, there is still limited evidence on the humanitarian impact of the type of transfers (large, one-time transfers) that GiveDirectly provides, particularly the long-term impact of such transfers. GiveDirectly has one ongoing RCT that includes a long-term follow up component and will hopefully shed light on the question of humanitarian impacts.”

“GiveDirectly has been rolling out a new technology platform for its cash transfer campaigns. GiveDirectly expects the technology platform will improve efficiency and save staff time. At this point, it is too early for us to tell whether efficiency gains will be realized and what issues may arise.”

“In 2014, GiveDirectly spent time networking with potential government and NGO partners. This time involved taking meetings and providing advice that was closer to advocacy work than the implementation work that GiveDirectly has been focused on to date. While these potential partnerships are at an early stage, they could develop into projects that take a significant amount of GiveDirectly's executive-level staff time and/or partially determine GiveDirectly's implementation agenda. We have yet to see how this may change GiveDirectly's model or impact.”

Our thinking

- We agree and are prioritizing this, though we probably feel more confident given similarities to Blattman / Fiala / Martinez study of impacts of large grants (2x annual income) after 4 years in neighboring Northern Uganda
- This makes sense, though to be clear we think that GD likely has less scope for efficiency gains than other potential users of Segovia, and hence that a variety of other factors are therefore likely to be as important determinants of changes in our efficiency (hiring practices, back office activities, targeting criteria, etc.).
- Overall, our efficiency has increased substantially once we correct for inflation. We have not attempted to decompose the various drivers.
- We agree this is an eminently reasonable question.
- In practice, we do not think there is much scope for additional senior leadership time devoted to fieldwork to materially improve the quality or efficiency of execution there.
- We think we have heard somewhat different signals about your perspective on the costs and benefits of partnership work during (i) discussions for standard top charity recommendations, and (ii) discussions around the Good Ventures grant, and want to be sure we understand.