2022 IMPACT REPORT

SPARK
MICROGRANTS

Table of contents

2022 highlights

816
cumulative community partners

In 2022 Spark reached a cumulative total of 816 partner villages. This is a dramatic jump from a total of 331 in 2020, demonstrating our rapid and continuing growth in response to demand from partner governments. In 2023, we will target an additional 400 new partnerships.

185%
increase in household asset value

The FCAP creates both immediate and durable impact on participants' livelihoods. Median household asset values increased by 41% one year after starting the FCAP and almost doubled (increasing by 185%) by the fourth year. This sample draws from communities in Burundi, Rwanda, and Uganda.

28x
return on investment

Independent evaluator Rethink Priorities released an analysis* and cost-effectiveness model estimating that Spark's FCAP produces an incredible 28x return on every dollar invested when communities use their microgrant toward livestock-rearing projects.

70%
increase in women's attendance

Inclusive planning, decision-making, and leadership are core to the FCAP model. Before the FCAP, women are often excluded from community meetings; after beginning the FCAP, women's attendance increases by 70% or more and remains high throughout Spark's follow-up monitoring.

1823
cumulative community-run projects

As of 2022, nearly 567,000 individuals have been directly impacted by more than 1800 FCAP projects. While 927 projects were backed by a Spark grant, the other 896 were independently launched by residents' collective initiative and financed through savings or by advocating for local government contribution.

*Rethink Priorities' article is searchable online and titled "Livelihood interventions: overview, evaluation, and cost-effectiveness." The analysis uses data from Rwanda.

Progress on the path to scale

In 2021 and 2022 alone, Spark partnered with more new villages than our cumulative total of partner villages between 2010 and 2020. The key drivers of our rapid expansion are the mounting government demand to adopt the FCAP as a decentralization and poverty reduction strategy, and the urgency of quickly deploying development funds to end users through transparent means. As shown by the reach indicators below, expansion to more villages directly increases the number of end users and the number of microgrant projects implemented. Notably, as shown in the last row of the table, **Spark consistently observes a 'project multiplier effect'** - or, additional projects that community members launch using independent means and not funded through a microgrant. Even more important than these immediate markers of growth, we look forward to observing impact in these villages over time through Spark's annual outcome data collection (for details on this process, see "Our Approach to M&E"), similar to the outcomes described in the following pages.

Reach indicators	2020	2021	2022
Cumulative # of villages implementing the FCAP	331	575	816
Cumulative # of FCAP end users	290,524	445,850	566,967
Cumulative # of microgrant projects implemented	548	563	927
Cumulative # of projects implemented via microgrant, savings, and advocacy	1151	1167	1823

Since 2019, the 'fully loaded' cost for program delivery per village (i.e., microgrant, facilitation, operations, and government engagement) has reduced by over $5,000. As Spark grows, we are able to leverage economies of scale and organizational and programmatic efficiencies to reduce the cost per village supported. For instance, investments in program design or technology costs are shared across a larger number of villages, and learnings from M&E efforts allow us to streamline FCAP programming while maintaining high quality and good outcomes.

Cost per village over time

4

A note on the data presented in this report

The data presented in this report are derived from a set of standardized outcome indicators collected at the same time each year in Spark's partner communities in Burundi, Rwanda, and Uganda. To analyze trends over time, we group communities into cohorts based on how many years have passed since they began using the FCAP (i.e., Y0, Y1, Y2, etc.). This generates relatively large samples that help test the significance of the differences between the results for each cohort and the result at baseline (Y0) for each outcome indicator. Therefore, Y1 is not the same for all countries and the 'years' referenced below do not reference a specific calendar year; rather, they indicate the amount of time a cohort has spent using FCAP approaches. For more details on our sample selection approach, sample sizes, and data analysis methods, see "Our Approach to M&E" and Appendix A.

Durable livelihoods (1/3)

Livelihoods improvements are measured through three dimensions: household assets, savings, and consumption. The charts in the following 'Durable Livelihoods' sections show trends in each of these areas among communities as they implement the FCAP over time.

Median household asset value
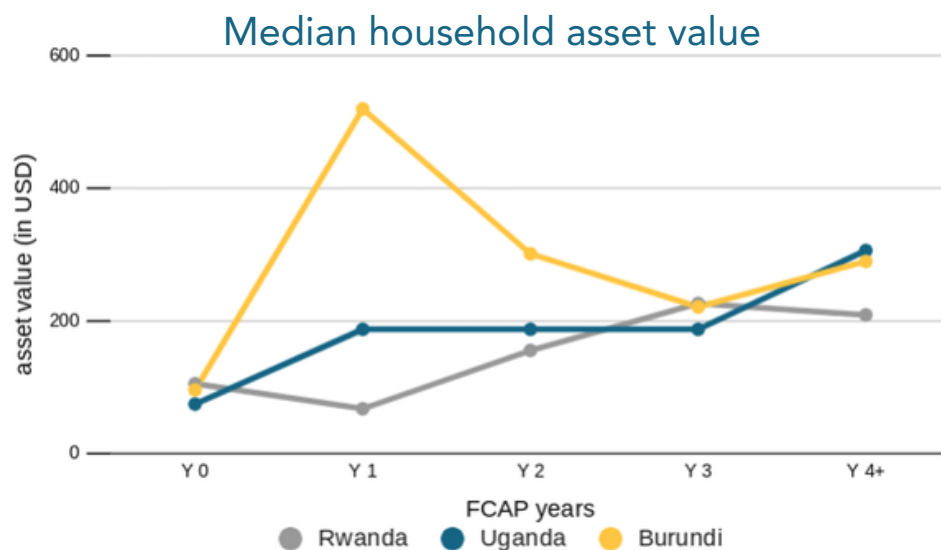
Across Burundi, Rwanda, and Uganda, significant increases in household asset value ($p<0.05$) are seen after beginning the FCAP. Increased animal ownership is the most common driver for asset value increases. **Median asset values increased by an average of 41% within one year of starting the FCAP, and nearly doubled by year 4 (185% of baseline).** This figure excludes the outlier data from Burundi in year 1, depicted as an upward spike in the chart above; the outlier is due to several cooperative groups participating in FCAP there, who are established with a greater focus on savings and enterprise compared to the typical rural Spark community.

Percentage of households saving
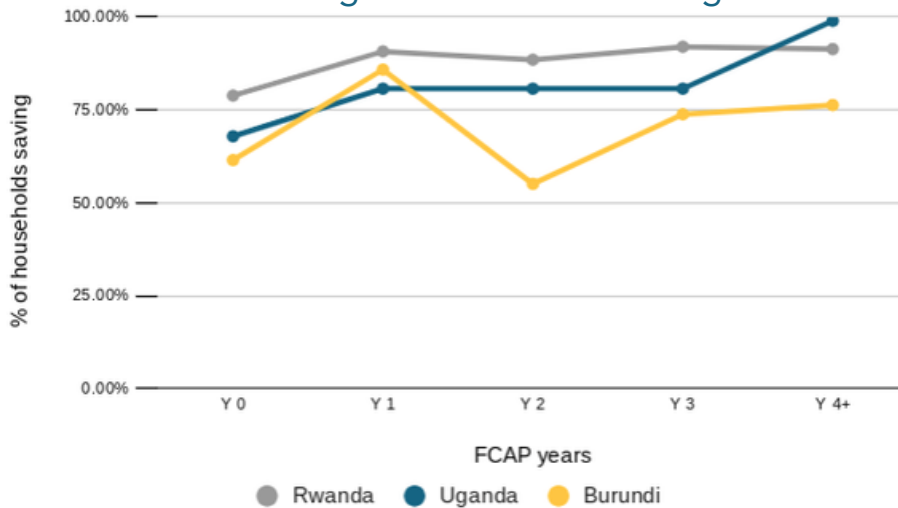
Collective savings are critical for resilience to shocks, and influence trust and cooperation within communities. Villages use weekly FCAP village meetings to collect savings, make spending decisions, and update records. Across all geographies, most households practiced some form of saving at baseline, but **savings increase significantly upon introducing the FCAP.** In Rwanda and Uganda, over 90% of households are saving in Year 4 compared to 79% and 68% at baseline respectively (see chart at left). In Burundi, 76% of households save at Year 4, up from 62% at baseline.

The amount saved per household also increases: in Rwanda from $1 to $9 by year 4, in Uganda from $19 to $49, and in Burundi from $6 to $48 (all increments statistically significant at $p<0.05$). More importantly, households are regularly setting savings targets, meeting them, and spending towards a goal such as farming tools, household items, or animals- so, static savings figures are only one piece of the picture.

As shown at right, villages in Burundi and Uganda have high food security at baseline and throughout Y4, with an average of 92% of households eating >1 meal per day. While all three countries' trends are consistent with those shown in World Food Program reports^, Rwanda's consumption appears low and inconsistent with Spark's previous analyses in which consumption significantly increased (up to 80%) or doubled as families progressed through the FCAP. A separate 2023 survey of ~3000 FCAP households in Rwanda also found 46% of households eating >1 meal per day at baseline and 57% eating >1 meal after 2 years. Note that Y1 Rwanda data was collected during the country's strictest COVID lockdowns in 2020; this and follow-on challenges from the pandemic certainly impacted these data.

Household consumption
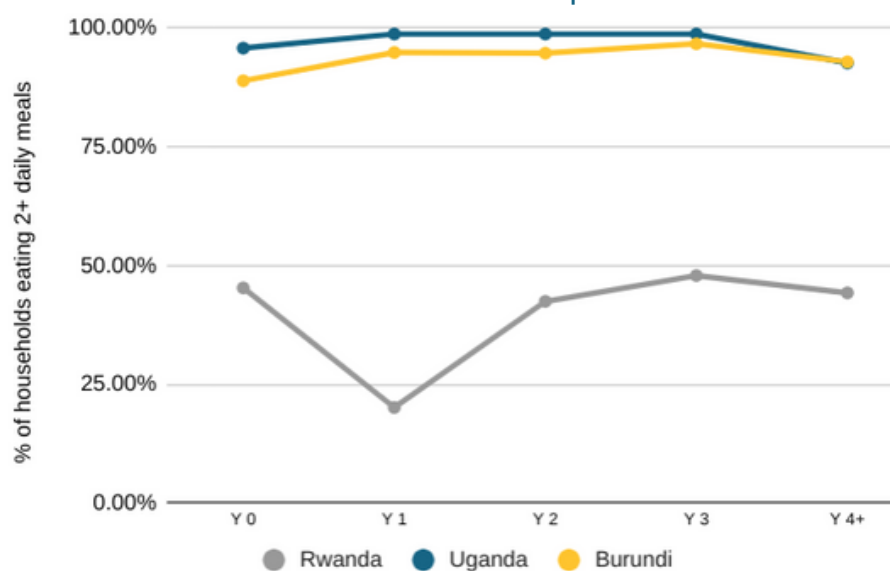
To supplement the longer-run trend data presented on the prior pages, we include short-term livelihoods data from a single cohort in Uganda below, compared to a group of control communities selected from within the same parish, with a buffer zone between them and the Spark villages to avoid contamination. By **18 months into the FCAP, household assets in Spark communities had doubled in value**, while increases were much smaller in control households. **We see a reduction in the percentage of Spark households ranked poor** based on asset ownership (by 10%), compared to an increase among control villages, and significantly **greater food security among Spark communities compared to controls. More households were saving in Spark communities** (86% mid-FCAP compared to 73% pre-FCAP), compared to fewer households saving in control areas, and **FCAP families saved more money over time**: approximately 27 USD mid-FCAP compared to 19 USD pre-FCAP.

Spark communities performed significantly better than control communities between baseline and 18 months on all indicators except the amount saved per household; while savings significantly increased in Spark communities, the increment in control communities was higher for this cohort.

Livelihoods indicators from a 2021-2022 Cohort in Bulambuli District, Uganda

Indicator	Spark communities^^		Control communities^		Differential between Spark and control	
	2021 Baseline	Month 18	2021 Baseline	Month 18	Baseline	Month 18
Monetary value of household assets (USD)	79.3	167.6	74.5	83.8	4.8	83.8**
Percentage of households ranked poor based on assets owned	40%	30%	47%	49%	-7%	-19%**
Percentage of households that are food secure	74%	94%	81%	84%	-7%	9%**
Percentage of households saving	73%	86%	69%	54%	4%	32%***
Average savings per household (USD)	18.6	26.6	16.0	53.2	2.7	-26.6*

*** - significant at 1%, ** - significant at 5%, * - significant at 10%
^^Spark communities: Sample size at baseline = 187. Sample size at month 18 = 196.
^Control communities: Sample size at baseline = 224. Sample size at month 18 = 192.

Social cohesion

Strong social cohesion makes communities more resilient to external shocks and better able to manage public goods, which in turn facilitates stability and growth. Conversely, weak social cohesion can exacerbate development challenges, undermine neighbors' ability to overcome conflict in a productive manner, and inhibit collective action to solve the issues they face. Spark measures social cohesion using four dimensions: shared purpose, increased collective action, improved social capital, and accountable/inclusive leadership. Each dimension includes several indicators (see Appendix B) but here, results are aggregated into one score per dimension, presented as a percentage.

Shared purpose
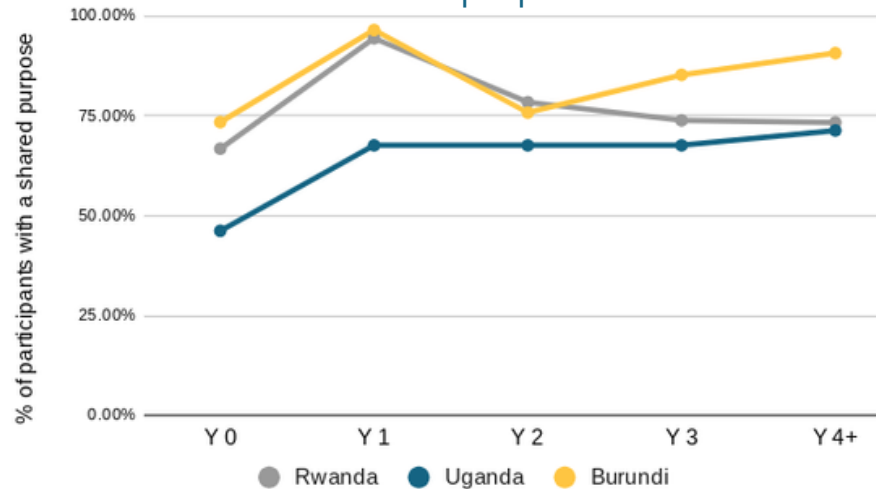
Shared purpose increased from an average of 62% at baseline to 78% by year 4; the increase is statistically significant (p<0.05) across all three geographies. The big jump in year 1 is attributed to the weekly facilitation when the FCAP begins. As communities progress, the level of facilitation decreases which corresponds to Rwanda's and Burundi's dip in year 2; levels stabilize as communities begin to meet on their own without Spark support.

Collective action measures contribution to community projects, belief in the value of collective action, and willingness to engage the local government on issues affecting the community. **Collective action improved from an average of 43% pre-FCAP to 75% by year 4.** This increment is statistically significant (p<0.05) across all countries. Spark monitoring data also show that **for every Spark-funded project, communities start an additional project** using their own means or through local government advocacy.

## Collective action
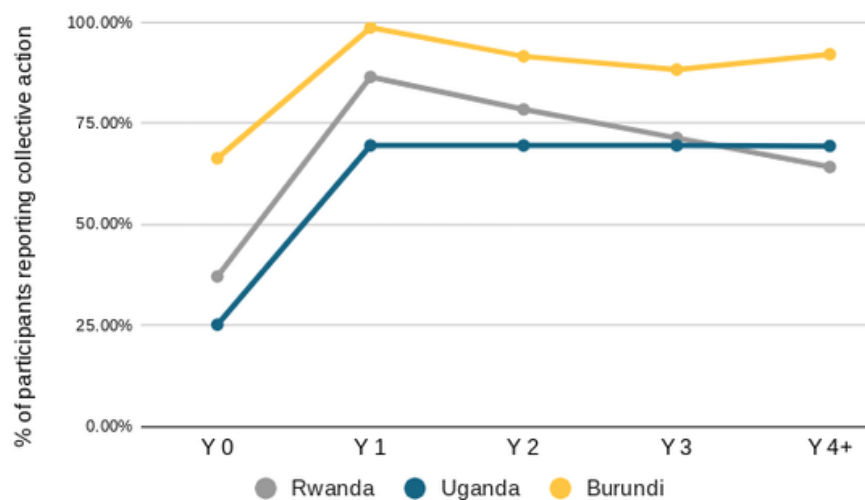
Social capital
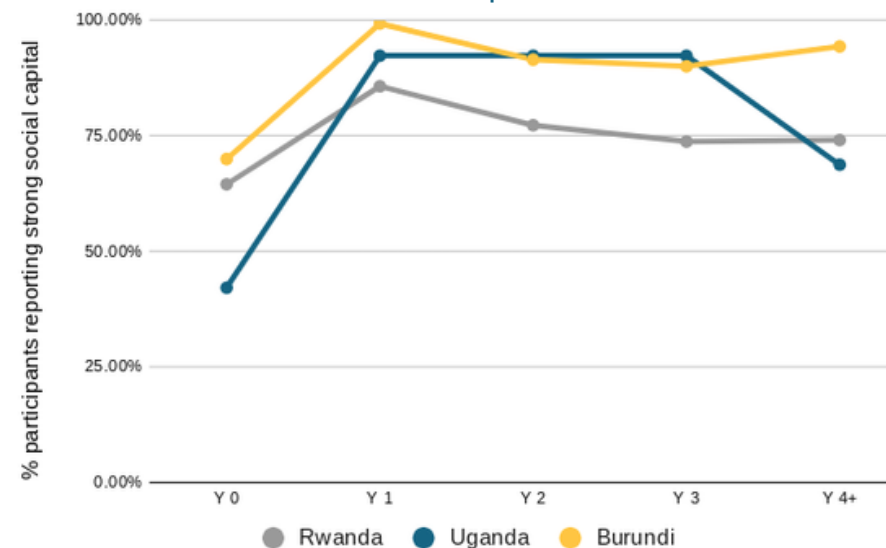
Social capital refers to norms and networks that enable people to act collectively, and is a critical component of social cohesion. Data suggest relatively high levels of social capital in Rwanda and Burundi pre-FCAP, while Uganda has a lower baseline. Regardless, **social capital is built from an average of 59% to 79% by year 4**. All countries experience statistically significant improvements (p<0.05). Specifically, membership in community groups increases from a mean of 73% at baseline to 95% by year 4; trust levels grow from 72% to 81%, and a sense of community togetherness increases from 85% to 92% by year 4.

8

Gender and inclusion

Before the FCAP, women's attendance and participation at community meetings is typically low, as these forums can be exclusive and targeted toward men. The FCAP emphasizes the importance of including all genders, ages, identities, and marginalized groups in collective decision-making.

As seen in the charts below, **women's inclusion is significantly higher after introducing the FCAP** ($p < 0.05$). By year 4, **66% of female household representatives regularly attended community meetings compared to 39% at baseline**. Similarly, women's contribution of ideas during meetings is 19% at baseline, jumps to 57% at year 1, and holds up at 48% in year 4, suggesting a **meaningful shift towards gender equity in village planning.**

Women's attendance at FCAP meetings
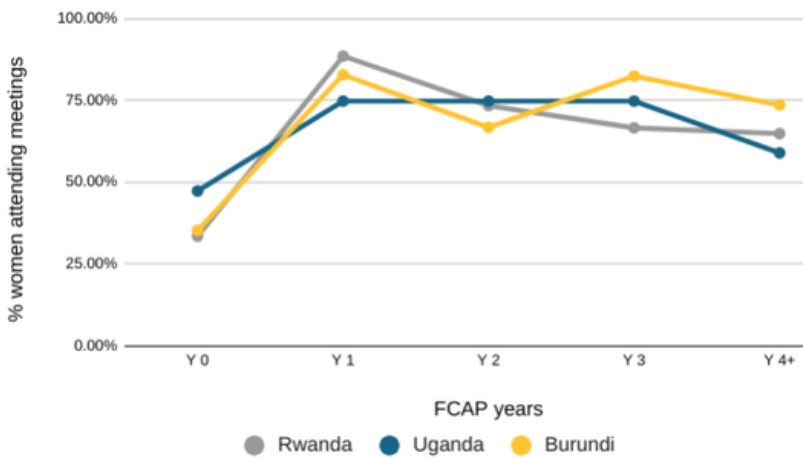
Women's active participation in FCAP meetings
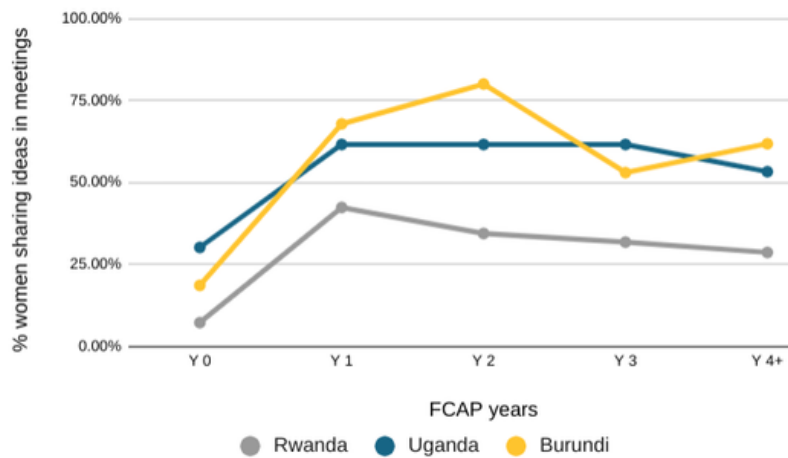
FCAP villages elect a leadership committee during early stages of the group's formation. Each committee has a term of two years, after which a new team of leaders are elected. Committee size varies across villages, but usually falls between 7 - 12 members. Spark advises communities to consider representation of both men and women in the leadership committee to promote inclusive decision-making. The figure below shows the country-specific and overall composition of FCAP leadership committees, with **women representing 47% of locally elected leaders** against a targeted 50%.

Gender Equity in FCAP Leadership Committees
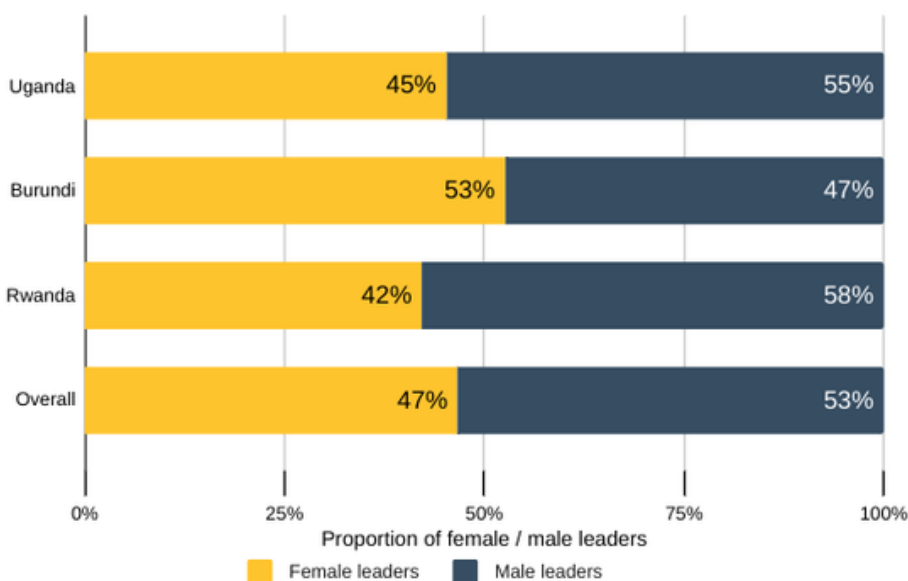
Research initiatives underway

STRENGTHENING INCLUSION

An ongoing study with Harvard researchers will articulate and refine Spark's approach to total inclusion in FCAP communities. Study questions include:
- How are the voices of marginalized groups (women, people with disabilities, the poorest, elderly, etc.) being included in the FCAP?
- Is there need for an inclusion-specific module in Spark's M&E? How might this be structured?
- What improvements can Spark make to ensure optimal inclusion in our programming approaches?

MITIGATING CLIMATE CHANGE

A team from the London School of Economics is completing a study in Rwanda to explore:
- the expected climate change impacts and vulnerabilities among FCAP communities
- how community-driven development programs like the FCAP can help communities adapt toward climate resiliency
- the technical and operational tools likely to help Rwandan communities prioritize and implement local climate resilience actions

Spark's M&E, implementation, and design teams will review the study's results to determine how to incorporate findings into our programming.

EXTERNAL EVALUATIONS

To corroborate Spark's 10+ years of monitoring data, we have commissioned two external evaluations which are now ongoing in Rwanda. These independent studies are applying rigorous methodology to investigate overall FCAP impact in the areas of household livelihoods, citizen participation, social cohesion, local governance, and community leadership. Methods include qualitative interviews, household surveys, propensity score matching, and tracer studies.

Planning is now underway for an externally conducted baseline evaluation ahead of expansion in Uganda, as well as a randomized controlled trial in Malawi, expected to launch in 2024 on the heels of piloting, observation, and program design iteration. The RCT will explore FCAP impact as well as important program parameters such as the impact of different microgrant sizes.

Spark is committed to adjusting and improving our monitoring and evaluation approaches in keeping with industry best practices. As described on the following page, we have begun investing in standardized baselines when beginning new village partnerships, and are engaging with external evaluators whenever possible to ensure objective, non-biased results. We regularly consult with independent advisors and adopt externally validated measures for our impact domains (e.g., the social capital and social cohesion measurement toolkit developed by Mercy Corps and the World Bank). We welcome feedback from you, our partners, as we strive to utilize highest-quality practices.

Our approach to monitoring & evaluation

Annual data collection practices

In 2020, Spark began collecting data on standardized outcome indicators in November / December each year, to monitor trends over time. However, communities that started implementing the FCAP prior to 2020 do not have uniform baseline data for FCAP outcome indicators. From 2022, Spark adopted a strategy of collecting baseline data in all new communities, and where possible, will contract the evaluation externally to ensure objectivity. In order to estimate baseline values for earlier FCAP communities, 2020 data were adopted as proxy baseline values and considering that the new communities are within the same locations like the old communities, the assumption is that they are fairly similar pre-FCAP.

Both quantitative and qualitative data are collected to complement each other. Quantitative data are collected through a structured questionnaire administered to sampled households while qualitative data are collected through focus group discussions.

Sampling design for household surveys

The annual evaluation studies employ a multistage sampling procedure, i.e., two stage stratified cluster random sampling. Implementing partners comprise the strata while participating communities form clusters. At the first level, participating communities are randomly selected from the list of all communities if the number of communities under a partner are more than 20; otherwise, all communities are sampled. At the second stage, 20 households are randomly sampled from each sampled cluster/village for survey.

For household surveys, a sample size is calculated by considering the population size (total number of households) of all communities served by a given partner, and then adjusted according to the formulas in Appendix A. For qualitative surveys, eight members are selected to participate in a Focus Group Discussion and four FGDs are conducted per partner.

Data quality Assurance

Quality assurance starts with programming questionnaires in CommCare (Spark's data collection application), where consistency and logical checks ensure that enumerators' data submissions are complete, and that correct values/responses are captured for each question. Data are checked for consistency on a daily basis, including the duration of each interview, number of interviews conducted, and outliers/errors in submitted figures. Potential errors are investigated and corrected immediately before the next day's data collection.

Data Analysis

Data are analyzed to show trends in FCAP indicators over a period of time from the baseline. To do this, we group communities by the year that they began partnership with Spark. This generates cohorts of communities based on how many years of partnership they have completed (i.e., Y0, Y1, Y2, etc.). As mentioned above, Spark now collects standardized baseline data in all new communities, but where baseline data is missing from earlier partnerships (2019 and earlier), baseline data from recent expansion communities in the same area is used as a proxy. This generates relatively large samples that help test the significance of the differences between the results for each cohort (Y1, Y2, etc.) and those at baseline (Y0) for each outcome indicator. For continuous data (asset values and savings), quantile regression is used, as it is not skewed by outliers in the data. For categorical variables, binary logistic regression is used (N.B. some variables which are not binary in nature are first transformed to enable analysis). Qualitative data are analyzed by summarizing the responses based on the themes (areas of interest) indicated in the Focus Group Discussion guide. Analysis is done using Stata and Microsoft Excel.
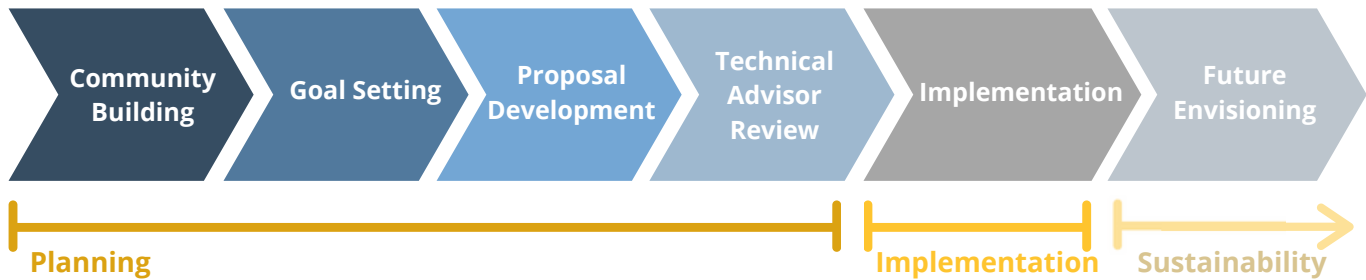
About Spark's FCAP

Spark's Facilitated Collective Action Process (FCAP) works to build the civic and economic power of families facing rural poverty. Villages that benefit from Spark's approach tend to be sidelined from decision-making that affects their livelihoods. Whether from a mining company's land grabs, a non-profit imposing a seed varietal or a national government forcing participation in a program. Community members of all genders, ages and ethnicities deserve their right fulfilled not just to participate, but to drive local change.

Village Planning Process

Increased Social Cohesion

Improved Livelihoods

Strong Communities

THE FACILITATED COLLECTIVE ACTION PROCESS

Spark's Facilitated Collective Action Process (FCAP) curates village 'town-hall' style weekly meetings, in which village members come together to participate in village planning. Through this process, each village democratically elects an inclusive leadership committee, establishes a village savings account, decides a project of their choice, and implements the project with an $8,000 microgrant. Each community receives an additional two years of management support and facilitation from Spark and our partners to ensure sustainability of the process.

Community Building → Goal Setting → Proposal Development → Technical Advisor Review → Implementation → Future Envisioning

Planning — **Implementation** — **Sustainability**

FCAP IMPACT

As a result of the FCAP, communities become more self-reliant and continue driving their own development. For every one project stimulated by the FCAP, a community launches another, showing up to a 2x impact multiplier. Across the board, 85% of villages continue to meet regularly. 85% of projects are profit-generating, ranging from agricultural to transportation businesses, and families see a doubling of household asset value. Spark's process isn't just local, it's inclusive: 56% of ideas come from women, 44% of leaders are democratically elected women and 100% of villages have youth in leadership.

Sample size calculation

For household surveys, a sample size for each partner is calculated by considering the population size (total number of households) of all communities served by a given partner. The formula below is used to calculate the sample size:

$$n_0 = \frac{z^2 p(1-p)}{e^2}$$

Adjusting for the population size

$$n = \frac{n_0}{1 + \frac{n_0 - 1}{pop}}$$

Where

n_0 – Initial sample size before adjusting for population size

z – Critical z value corresponding to 95% confidence interval (1.96)

p – proportion of households participating FCAP set at 0.5 to achieve the maximum possible sample

e – Margin of error set at 5% for Rwanda & Bulambuli, Uganda, and at 7% for Burundi & West Nile, Uganda

pop – Population size (Total number of households in beneficiary communities for a given partner)

n – Final sample size adjusted for population size

The above methodology results in the below sample sizes for each of the three countries included in this report's dataset.

Spark years	Burundi	Rwanda	Uganda
Year 0	530	3,002	561
Year 1	446	283	192
Year 2	98	767	201
Year 3	218	780	192
Year 4 +	473	498	1,188

Appendix B: Indicator list

Outcome Area	Dimension	Indicator
Increased Social cohesion	1. Shared Purpose	% of individuals who agree or strongly agree that they feel that they are part of their community
		% of individuals who believe that their community identity is collectively shared
		% of individuals who believe they participate in the community to improve conditions for other members of the community
		% of community members who believe that they participate the community to help shape its future
	2. Increased Collective / Community Action	% of individuals aware of communal projects being implemented in their villages
		% of households that contribute to communal projects being implemented in their villages
		% of community members confident to engage government on issues affecting them
		% of community members who agree that there has been increased community action within the community
	3. Social Capital Built Upon	% of community members who feel close to other community members
		% of individuals that belong to community groups
		% of community members who have strong generalised trust
	4. Accountable Leadership	% of community members that have participated in at least one election for their community leaders
		% of community members who agree that their leadership have done a good job
		% of community members aware of community bank account
		% of community members aware of whether community bank account was used in past 6 months
		% of community members aware of what funds in bank account were used for
Improved Livelihoods	1. Household savings	Average savings per households
		% of households saving
	2. Household consumption	% of households having more than one meal a day
		% of households who are food secure based on the Food Consumption Score
	3. Household assets	Average $ value of household assets of target households
		% of households ranked poor based on assets owned
Gender and inclusion	1. Women's participation in community meetings	% of female heads of households that regularly attend community meetings
		% of female heads of households that regularly contribute ideas during community meetings
	2. Women in leadership	% Community leaders who are women
Path to Scale	1. Coverage/reach	# of villages that have or are implementing FCAP
		# of lives touched through FCAP (i.e. beneficiaries)
	2. Communal projects	# of microgrant projects implemented
		Microgrant project multiplier effect
	3. FCAP cost	Cost per village