

## Targeting the Hardcore Poor Programme (THP)

Even though there is no universally accepted threshold for being 'ultra-poor', however, as per the World Bank and United Nations threshold for extreme poverty more than one-fifth of the world's population lives on \$ 1.25 a day or less, (World Bank, 2008; 2009).

Thus, even in the context of India, there is a large section of India's population that lives without sustainable sources of income, so much so, they find it difficult to meet their basic needs of food, clean drinking water, and medicine. Such impoverished communities find it difficult to transform their lives and consequently, the lives of their families. They lack the basic opportunity to break away from the shackles of poverty.

To address this huge challenge, Bandhan-Konnagar devised a very apt programme called "Targeting the Hardcore Poor (THP) Programme" which has proved effective in different areas and regions of India. The programme aims to empower the extremely poor women who depend on others or casual wage labour for their means of earning.



This is a unique programme designed for the poorest of the poor. They are selected through a Participatory Rural Appraisal (PRA) exercise. Grants (in the form of free assets, not cash) are offered to destitute women. Prior to extending the grant, necessary training is provided to manage the asset. They start generating income from this asset and are consequently able to sustain their livelihoods. It is seen that within 24 months of this grant intervention,

these hardcore poor beneficiaries develop enterprise skill, start to graduate in order to uplift themselves from extreme poverty and get linked to mainstream society.

This programme follows a 360-degree approach. Besides free assets, consistent counselling and mentoring support is also extended. A weekly consumption stipend (considerable amount of cash) is also given to these women to meet their daily basic expenses until the assets begin to yield returns. Financial literacy is imparted so that they can make informed financial decisions. They are encouraged to open a savings account with any bank. Education on socially relevant issues is also offered to increase their awareness and help them live better lives. Overall confidence building is done so that they do not fall in the poverty trap again.

Over the years, it has been seen that there is a positive impact of this intervention in the lives of many. There are certain beneficiaries who have moved from a stage in life where they were even contemplating suicide for want of money to a position where they earn reasonable monthly income, have a healthy life and are able to support their families.

The state governments of Bihar, Rajasthan and Jharkhand have shown keen interest in this programme and have collaborated with Bandhan-Konnagar to implement this programme in select districts.

This innovative programme has been evaluated by Nobel laureates Abhijit Banerjee and Esther Duflo. Raghavendra Chattopadhyay of Indian Institute of Management, Calcutta, and Jeremy Shapiro of European Council of Foreign Relations, were also a part of the evaluation team. This programme works closely in line with the Sustainable Development Goal 1 (end poverty in all its forms everywhere) of the United Nations.

- **2006** *Inception Year*
  - **73** *Districts*
  - **388** *Blocks*
- **7,738** *Panchayats/Municipalities*
  - **27,526** *Villages*
- **1,86,880** *No. of beneficiaries / households*
- **1,72,144** *No. of women graduated out of extreme poverty*

# 13 states



**Assam**



**Bihar**



**Chhattisgarh**



**Jharkhand**



**Madhya Pradesh**



**Maharashtra**



**Odisha**



**Rajasthan**



**Telengana**



**Tripura**



Uttar Pradesh



Uttarakhand



West Bengal

# Visitors



**Programme:** THP



**Date:** May 15 – 16, 2018



**Visitor Details:** Senior officials namely Syed M. Hashemi, Senior Advisor Graduation Program, Kate McKee, Transition Lead and Secretariat Manager, Sadna Samaranayake, Technical Adviser, representing Partnership for Economic Inclusion (PEI), World Bank



**Branch:** Hatisala, North 24 Parganas



**Programme:** THP



**Date:** January 22 – 16, 2020



**Visitor Details:** Mr. John Alex, ED & CEO, Equitas Small Finance Bank and Dr. CR Gariyali, IAS (Retd.), Former Principal Secretary, Government of Tamil Nadu and Founder Trustee, Equitas Development Trust



**Branch:** North 24 Parganas