

## Welcome to the ***Social Protection for Economic Inclusion: Adapting the Graduation Approach in Asia and the Pacific***

### Breaking the Poverty Trap:

*Learning from Graduation Programs in the Philippines and Across Asia*



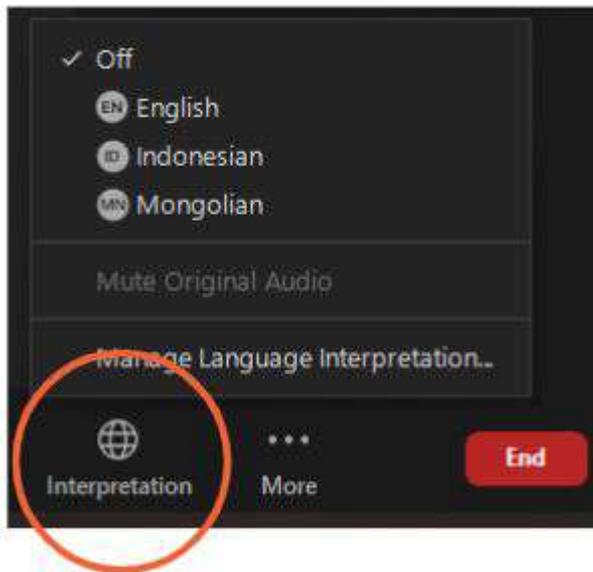
ADB



brac | ultra-poor graduation



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- Indonesian
- Mongolian

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## Bambang Susantono

Vice-President for Knowledge Management and Sustainable Development, ADB

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Dr. Susantono is responsible for managing knowledge in ADB, and coordinating researches and studies on various topics such as energy, transport, education, health, finance, urban; and also crosscutting nexus themes such as climate change, governance, gender, social development, environment, rural development and food security, and regional cooperation. He also coordinates ADB annual flagship publications such as the Asian Development Outlook, Key Indicators of Asia Pacific, and Asian Regional Economic Integration Report. Prior to this, Dr. Susantono was the Acting Minister, and Vice-Minister of Transportation of Indonesia, and Deputy Minister for Infrastructure and Regional Development at the Office of Coordinating Ministry for Economic Affairs. He was also Member of the Board for airline, port, telecommunications, and media companies.

He holds a PhD in Infrastructure Planning, and has 2 Master's degrees in Transportation Engineering, and City and Regional Planning from the University of California, Berkeley. He graduated from Bachelor of Engineering from Civil Engineering Department, the Bandung Institute of Technology.





# Keynote Address

## Dr. Abhijit Vinayak Banerjee

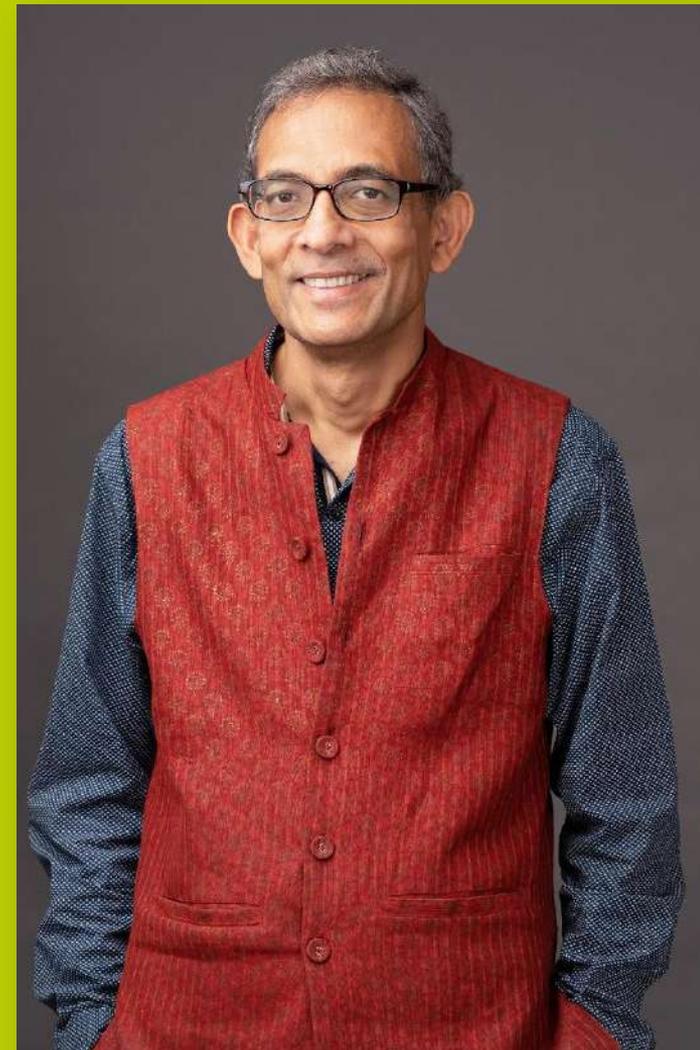
*Ford Foundation International Professor of Economics at Massachusetts Institute of Technology*

*Director of The Abdul Latif Jameel Poverty Action Lab*

*2019 Nobel Prize for Economics (the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel)*

Abhijit is the Ford Foundation International Professor of Economics at the Massachusetts Institute of Technology. In 2003 he co-founded the Abdul Latif Jameel Poverty Action Lab (J-PAL) with Esther Duflo and Sendhil Mullainathan, and he remains one of the Lab's Directors. Banerjee is a past president of the Bureau for Research and Economic Analysis of Development, a Research Associate of the NBER, a CEPR research fellow, International Research Fellow of the Kiel Institute, a fellow of the American Academy of Arts and Sciences and the Econometric Society. He has been a Guggenheim Fellow, an Alfred P. Sloan Fellow and a winner of the Infosys Prize.

Abhijit is the author of a large number of articles and four books, including *Poor Economics*, which won the Goldman Sachs Business Book of the Year, and *Good Economics for Hard Times*, both co-authored with Esther Duflo. He is the editor of three more books and has directed two documentary films. Banerjee has served on the U.N. Secretary-General's High-level Panel of Eminent Persons on the Post-2015 Development Agenda. He is a co-recipient of the 2019 Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel for his groundbreaking work in development economics research.



# Road to Resilience: The Graduation Approach in Asia and the Pacific

## Experts:

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**Dean Karlan**  
Founder and President,  
Innovations for Poverty Action  
(IPA)



**Shameran Abed**  
Senior Director, Microfinance  
and Ultra-Poor Graduation  
Programs, BRAC



**Yasuyuki Sawada**  
Chief Economist and  
Director General, ADB



**Karin Schelzig**  
Principal Social Sector  
Specialist, ADB

## Moderator

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**Wendy Walker**  
Chief of Social Development Thematic  
Group, ADB

## Wendy Walker

Chief of Social Development Thematic Group, ADB

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Wendy Walker is the Chief of the Social Development Thematic Group at the Asian Development Bank. She has led multi-sector teams for designing and implementing complex and innovative projects and has worked across diverse sectors such as transport, urban, health, education and social protection. She is the team leader for a technical assistance program on Strengthening Capacity for Developing Members Capacity in Elderly Care in six countries in the region. Wendy has an M.Phil from University of Oxford and a PhD from Johns Hopkins University.



## Dean Karlan

Founder and President, Innovations for Poverty Action (IPA)

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Dean Karlan is the Frederic Esser Nemmers Distinguished Professor of Economics and Finance at Northwestern University. His research focuses on development and behavioral economics, typically using experimental methods to examine questions about poverty and behavior modification. Previously he was a professor at Yale University and Princeton University. He is President and Founder of Innovations for Poverty Action, co-founder of stickK.com, co-founder of ImpactMatters, and a board member of the M.I.T. Jameel Poverty Action Lab. He has co-authored four books: *More Than Good Intentions*, *Economics, Failing in the Field*, and *The Goldilocks Challenge*. He received a Ph.D. in Economics from M.I.T., an M.B.A. and an M.P.P. from the University of Chicago, and a B.A. in International Affairs from the University of Virginia.



## Shameran Abed

Senior Director, Microfinance and Ultra-Poor Graduation Programs, BRAC

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Shameran Abed is Senior Director of BRAC's Microfinance and Ultra-Poor Graduation programs. BRAC's microfinance program serves more than 8 million clients in seven countries in Asia and Africa, with total assets exceeding USD 3.5 billion. BRAC's ground-breaking Ultra-Poor Graduation program has helped more than 2 million households pull themselves out of the direct forms of poverty and social deprivation, inspiring BRAC's Ultra-Poor Graduation Initiative to scale the Graduation approach and help 21 million more people lift themselves from extreme poverty. Abed chairs the board of bKash, BRAC Bank's mobile financial services subsidiary and one of the world's largest mobile money providers, and serves on the boards of several institutions including BRAC Bank and the Global Alliance for Banking on Values (GABV). He is also a member of the Partnership for Responsible Financial Inclusion (PRFI). Abed is a lawyer by training, having been called to the Bar by the Honourable Society of Lincoln's Inn in the UK.



## Yasuyuki Sawada

Chief Economist and Director General, ADB

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Dr. Sawada was appointed as ADB's Chief Economist in November 2016, and is the chief spokesperson for ADB on economic and development trends. Previously he was a Professor in the Faculty of Economics at the University of Tokyo, Japan. He previously worked at the ADB Institute in Tokyo and served as a consultant for various projects at the World Bank Group. Dr. Sawada earned a Ph.D. in Economics and a Master's degree in International Development Policy at Stanford University.



# Road to Resilience: The Graduation Approach in Asia and the Pacific

Yasuyuki Sawada  
Asian Development Bank

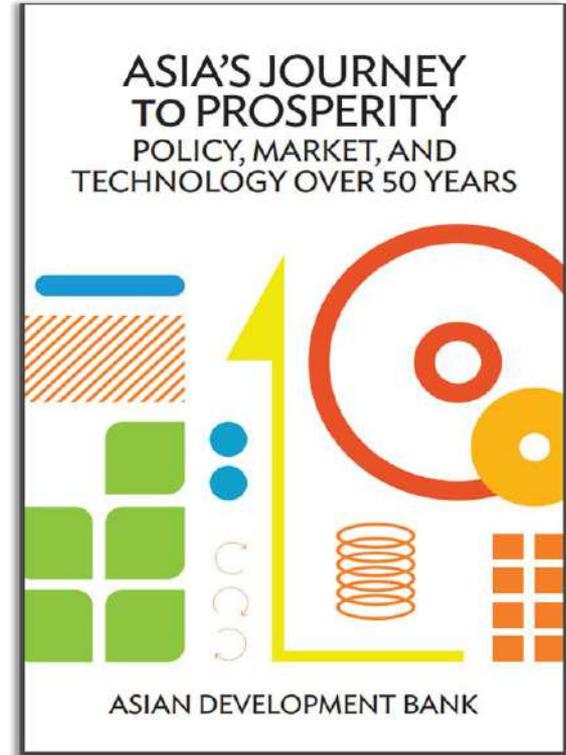
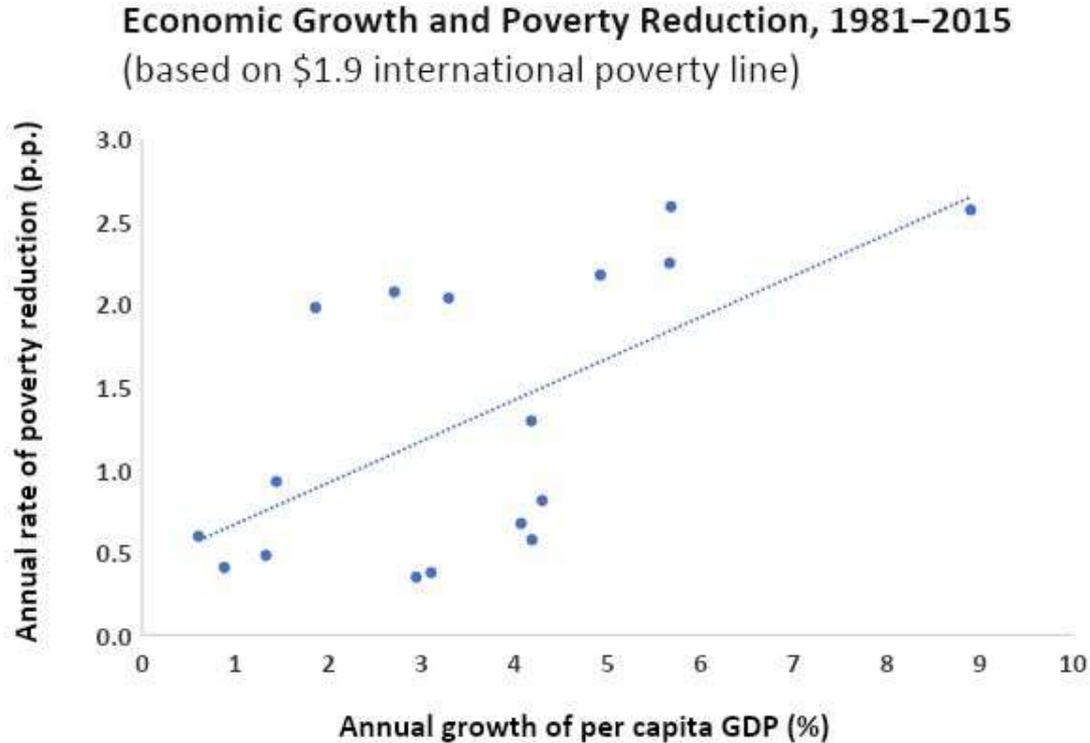
## Social Protection for Economic Inclusion

Adapting the Graduation Approach in Asia and the Pacific

16 March 2021

Disclaimer: The views expressed in this presentation are those of the authors and do not necessarily reflect the views and policies of the Asian Development Bank (ADB) or its Board of Governors or the governments they represent.

# A bird's eye view

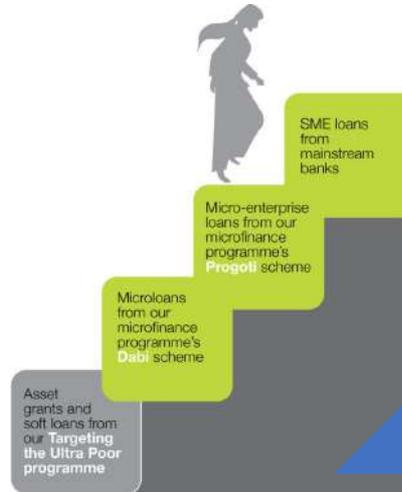


<https://www.adb.org/publications/asias-journey-to-prosperity>

# BRAC's TUP and "graduation" model



**TUP**



**Enterprise Loan (Progoti)**

Individual,

Only monthly collection

Disbursed through  
branch & market offices

**General Loan (Dabi)**

VO based,

Both weekly & monthly  
installment system

Disbursed through  
branch offices only

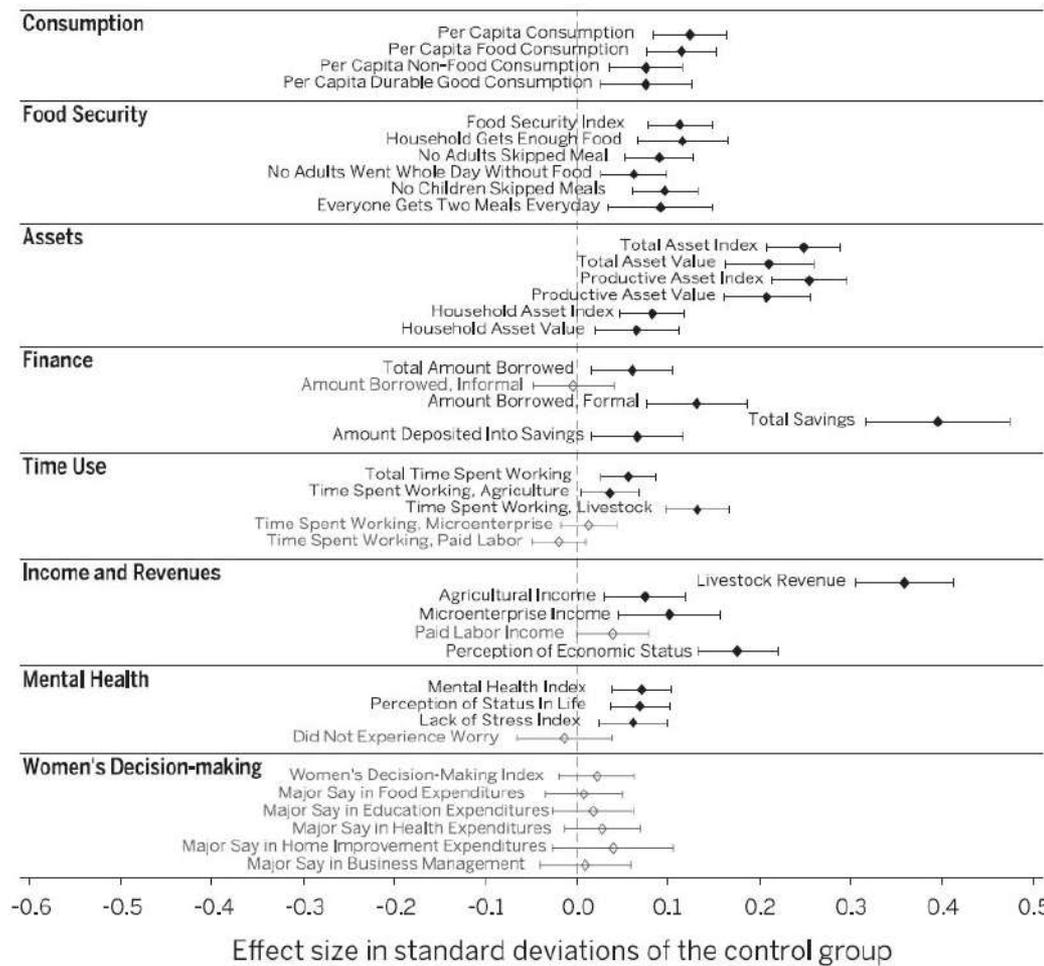
# A multifaceted program causes lasting progress for the very poor: Evidence from six countries

Abhijit Banerjee,<sup>1,2,3,4</sup> Esther Duflo,<sup>1,2,3,4</sup> Nathanael Goldberg,<sup>5</sup> Dean Karlan,<sup>2,3,4,5,6\*</sup> Robert Osei,<sup>7</sup> William Parienté,<sup>4,8</sup> Jeremy Shapiro,<sup>9</sup> Bram Thuysbaert,<sup>5,10</sup> Christopher Udry<sup>2,3,4,6</sup>

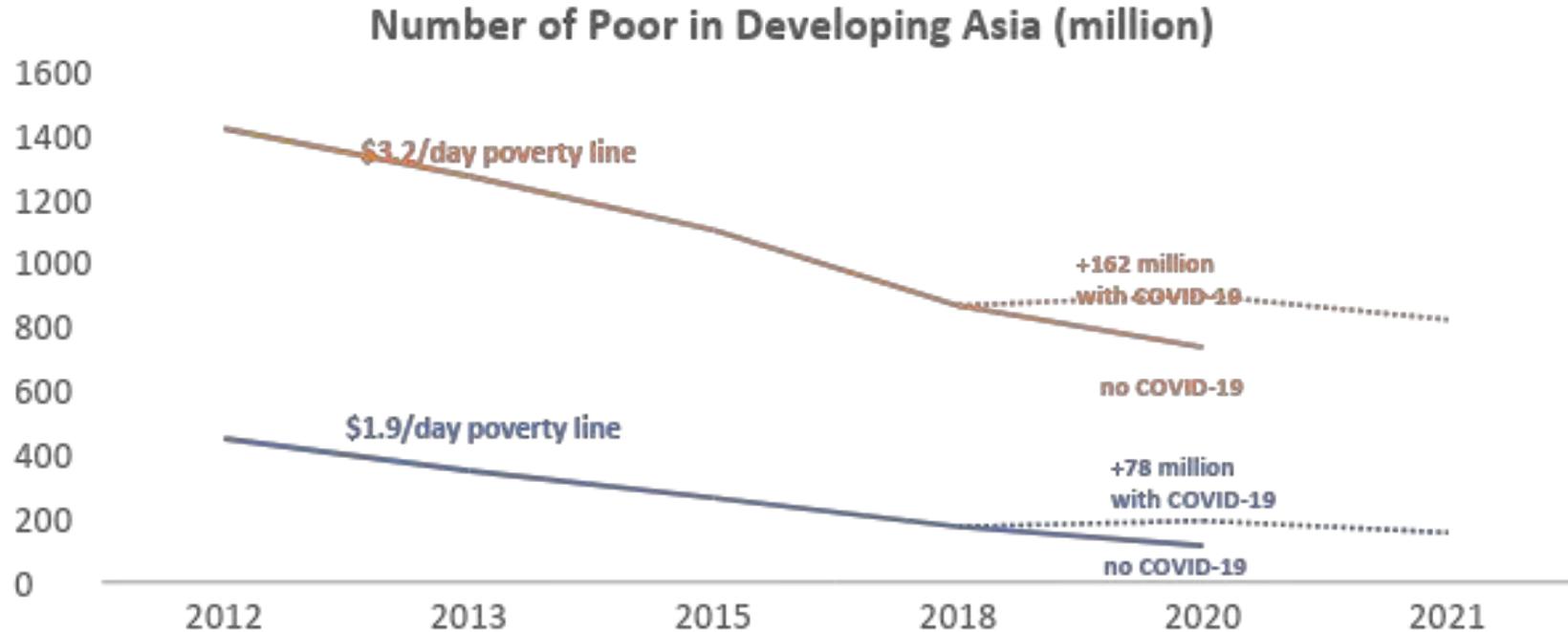
*Science* 2015

## Pooled average intent-to-treat effects, endline 2 at a glance

This figure summarizes the average treatment effects in each country for the 10 primary outcomes. All treatment effects are presented as standardized z-score indices and 95% confidence intervals.



# COVID-19 reversed gains in poverty reduction

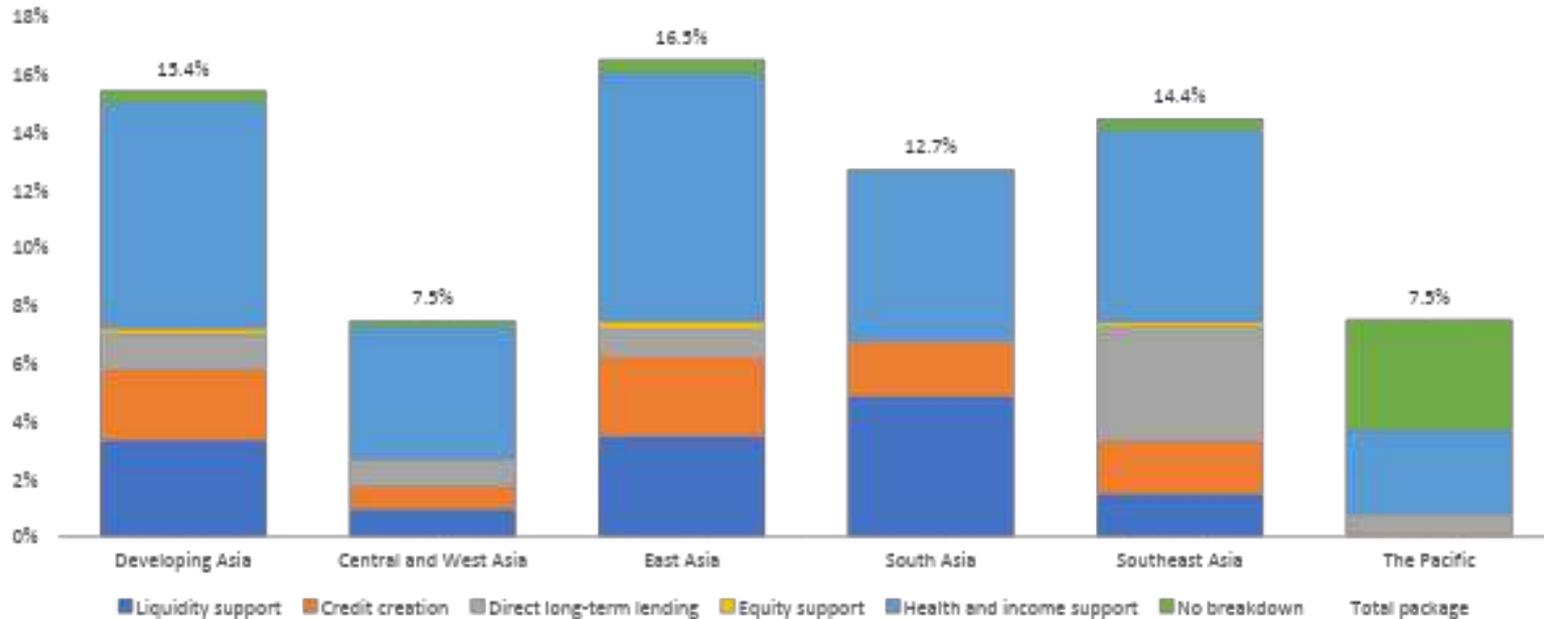


Notes: Developing Asia refers to the average of 34 developing member countries.

Sources: Martinez, A., I. Sebastian, and J. Bulan (2020). [How much has COVID-19 turned back Asia's poverty clock?](#) Asian Development Blog. Asian Development Bank. Manila. 3 November. 15

# Governments have taken steps to mitigate the negative impacts of COVID-19

## Packages announced in response to COVID-19 (% of GDP)



Note: Data as of 22 February 2021. One out of ADB's 46 developing members has zero amount, i.e., Niue.

Source: : [ADB COVID-19 Policy Database](#), accessed on 26 February 2021. For the database, see Felipe, J., and S. Fullwiler. 2020. "ADB COVID-19 Policy Database: A Guide." *Asian Development Review* 37(2): 1–20.

# COVID-19 induced psychological poverty trap?

## Bloomberg

Prognosis

### Suicide Spike in Japan Shows Mental Health Toll of Covid-19

By [Ayai Tomisawa](#) and [Marika Katanuma](#)

October 9, 2020, 5:00 AM GMT+8

- ▶ Number of suicide deaths rose 15% in August in Japan
- ▶ Suicides among women, school-aged children saw higher increase

**INQUIRER.NET**

## 86% of adult Filipinos stressed over COVID-19 — SWS

By: [Gabriel Pabico Lalu](#) - Reporter / @GabrielLaluINQ INQUIRER.net / 09:29 PM October 08, 2020

# Innovative data helps better policies

- After the outbreak of **COVID-19**, ADB supported Philippines Government's Food transfer program, **Bayan Bayanihan** program.
- To identify the **targeted communities**, we used the granular poverty map made by innovative data sets.
- Useful for poverty impact assessments of COVID-19 in the future.



# Looking ahead



Make the graduation program and other SP programs sustainable for individuals to climb up the ladder by, for example, creating **quality jobs and businesses**

Make **fiscal policy** for the SP programs effective and sustainable:



- ❖ On the **expenditure side**, increase spending on the programs with more efficient and effective program design as well as other complementary investments
- ❖ On the **revenue side**, policy options include broadening the **tax base**

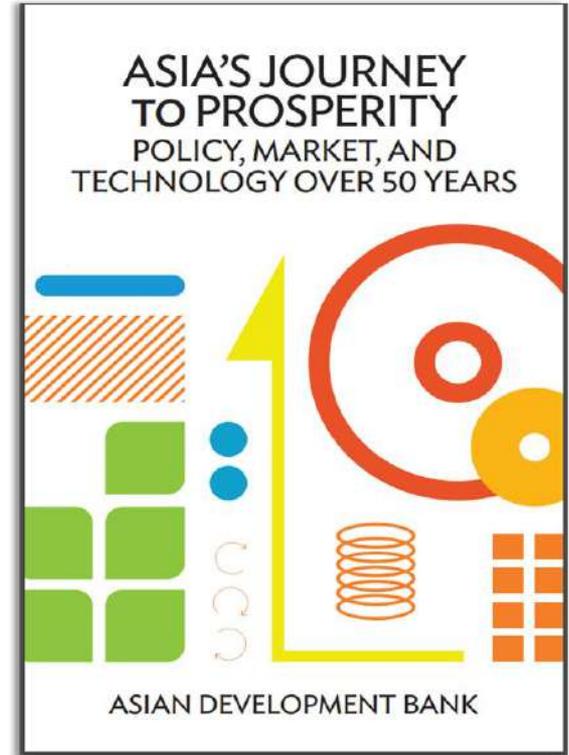


Continue **governance reforms** to ensure the entire population enjoys adequate public services

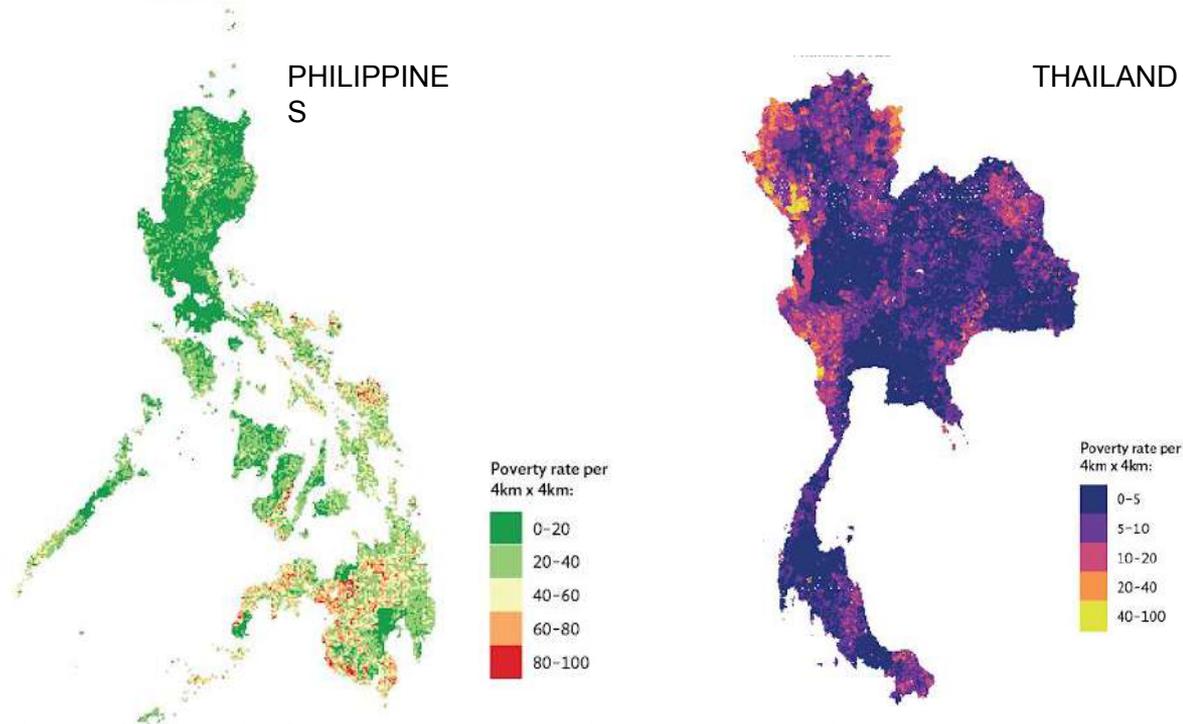


# THANK YOU!

Yasuyuki Sawada  
[ysawada@adb.org](mailto:ysawada@adb.org)



# Granular Poverty Maps

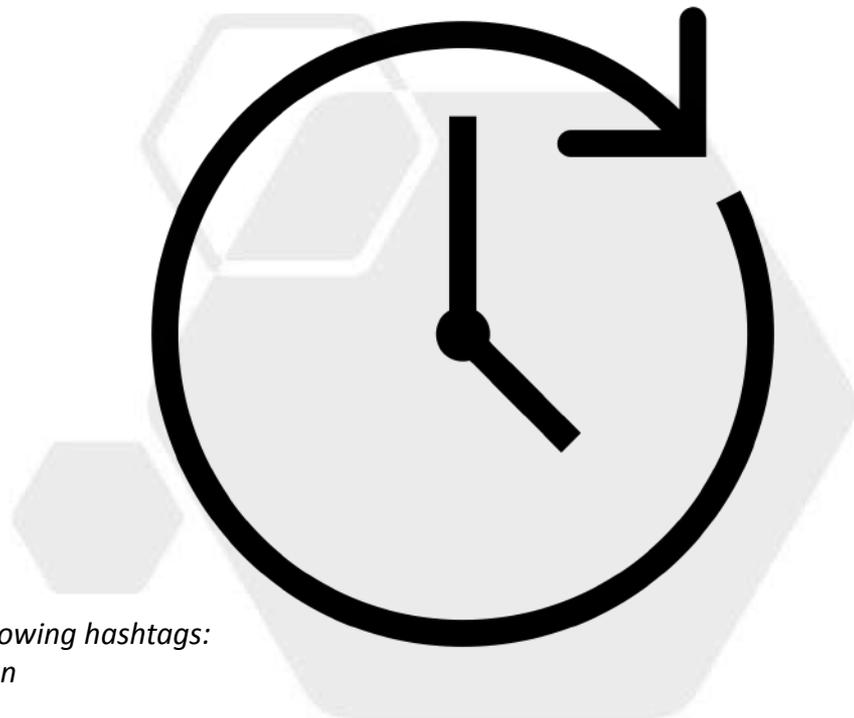


- AI-based predictions are generally aligned with government-published poverty numbers, but the former are more granular!



# Break

5 minutes



Please share your experience on social media using the following hashtags:  
*#Socialprotection #graduationapproach #economicinclusion*

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 SP\_Gateway  
ADBAndNGOs  
adbsocial

# Engaging Governments on Graduation and Economic Inclusion

## Graduation Approach: Building Blocks of Success

### Karin Schelzig

Principal Social Sector Specialist, East Asia Department, ADB

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Ms. Karin Schelzig, Principal Social Sector Specialist at the Asian Development Bank has more than 20 years of experience leading development policy dialogue and program design, management, and evaluation in East and Southeast Asia. Areas of expertise include social assistance and cash transfers, the graduation approach and economic inclusion/cash plus programming, multidimensional poverty analysis and poverty targeting systems, early childhood and basic education, technical and vocational education and training, community-driven development, and gender analysis and women's economic empowerment.



# Engaging Governments on Graduation and Economic Inclusion

## Graduation Approach: Building Blocks of Success

### Lauren Whitehead

Director of Technical Assistance, BRAC Ultra-Poor Graduation Initiative (UPGI)

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As Director of Technical Assistance for the Ultra-Poor Graduation Initiative, Lauren manages a talented technical team to design and deliver high quality technical assistance, advisory services, and policy advocacy to governments and an array of partners including development banks, UN agencies, bilateral and multilateral institutions, and international NGOs. Lauren's expertise includes the intersection of social protection and economic inclusion for extreme poor populations and other vulnerable groups. With her team, Lauren oversees partnerships with a range of governments including the Governments of the Philippines, Rwanda, Lesotho, Tanzania, Kenya, Guinea, Zambia, Tunisia, and state governments in India. Previously Lauren worked with the UN's Refugee Agency (UNHCR) and several organizations in Southeast Asia, Latin America, and Sub-Saharan Africa including various non-profits, the Inter-American Development Bank, and Asian Development Bank. She holds a Master's degree from Georgetown University and a Bachelor's degree from Princeton University.





# The Graduation Approach: Building Blocks of Success

**Karin Schelzig**

Principal Social Sector Specialist, ADB

**Lauren Whitehead**

Director of Technical Assistance, BRAC UPGI

16th March 2021



# Agenda

1. Building Blocks of the Graduation Methodology
2. ADB Support for the Graduation Approach
3. Designing Graduation for Scale
4. Questions & Answers



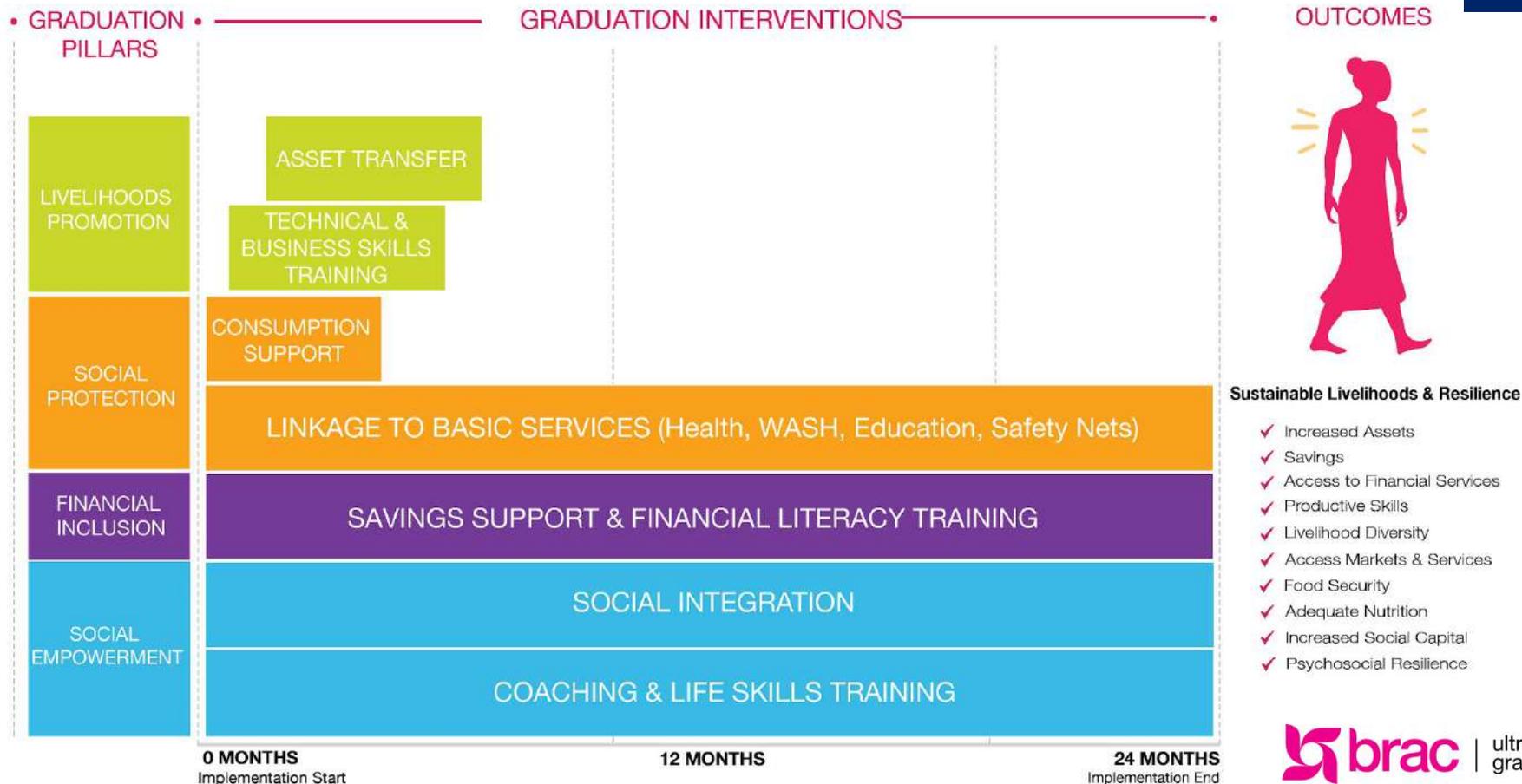
# Building Blocks of Graduation Methodology

A combination of interconnected support services addressing the multidimensionality of poverty for the poorest and most vulnerable.

Often referred to variously as economic inclusion, productive inclusion, or 'cash plus.'



# Building Blocks of Graduation Methodology



# ADB Support for the Graduation Approach



# Overview of ADB Graduation Initiatives in 2020



**New graduation programs initiated**  
India, Mongolia, and the Philippines



**First ADB graduation pilot successfully completed**  
in the Philippines



**Knowledge products produced**  
policy briefs, blog posts, ADB intranet site





# Government of the Philippines

ADB

## 1. Evaluating the pilot with the Department of Labor and Employment (2018-2020)

Built on the national cash transfer program, 1,800 beneficiaries, 29 barangays, 5 municipalities in 1 province, tested 3 variations over 18 months: group assets + group coaching, individual assets + group coaching, and individual assets + individual coaching.



## 2. Initiating a new program with the Department of Social Welfare and Development

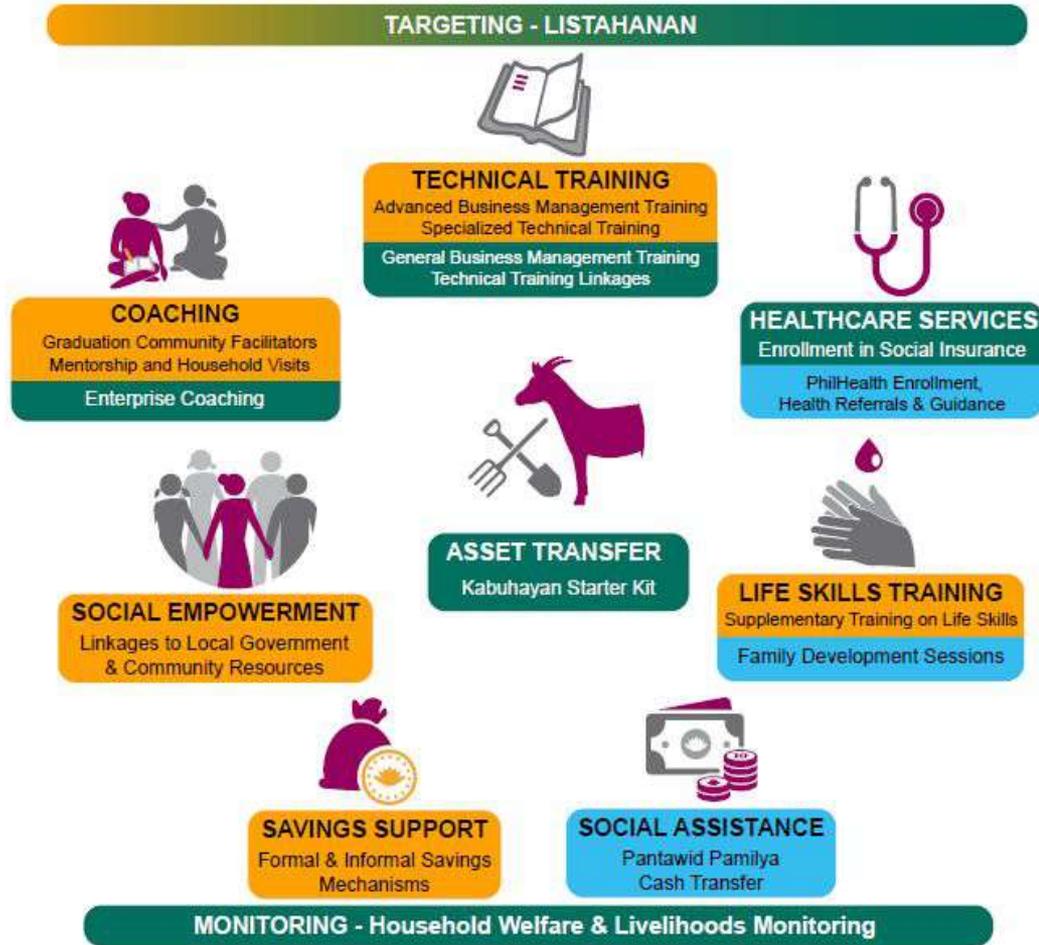
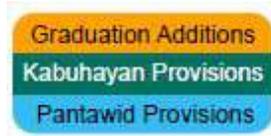
Built on the national sustainable livelihood program, 3,000 beneficiaries, 82 barangays, 5 municipalities, 3 provinces, comprehensive package of interventions over 18 months. Group formation and group coaching, individual livelihood assets.



# Government Building Blocks of Graduation

Graduation elements layered onto two existing national programs in the Philippines:

- ❑ **Income generation** through the DOLE Kabuhayan program (livelihoods support)
- ❑ **Social assistance** through the DSWD Pantawid Familyang Pilipino Program (conditional cash transfers)
- ❑ **Graduation interventions:** training, coaching & mentoring, life skills and psycho-social support





# Government of the Philippines



## 3. Adapting the approach to involuntary resettlement with the Department of Transportation

Beneficiaries: 1,250 households affected by a railway project (Malolos-Clark). The program will support livelihood restoration in resettled communities through training, coaching, and other support services



# State Government of Tamil Nadu, India

## 4. Supplementing resettlement activities in Tamil Nadu

Beneficiaries: about 1,300 affected by an ADB financed affordable housing project. Goal: to restore poor urban households' economic and social welfare post-resettlement. Assistance includes social protection, livelihoods promotion, financial inclusion, and social empowerment, including coaching and mentoring for resettled communities.





# Government of Mongolia



## 5. Initiating a pilot with the Ministry of Labor and Social Protection

Beneficiaries: 1,500 current recipients social welfare cash benefits in the capital city, Ulaanbaatar. Goal: to demonstrate how to build on social welfare by combining livelihood support and coaching for productive employment and sustainable poverty reduction



Photo credit: ADB Photo Library

# Integrating Graduation into Social Protection

Graduation **leverages existing systems and investments** using the basic building blocks of social assistance (social transfers, cash or food) and other government programs such as livelihood support, agriculture, nutrition, health.

**ADB can support governments to incorporate economic inclusion into social protection** or other programs that aim at poverty reduction through technical assistance, lending, and knowledge generation and sharing.



Photo credit: BRAC UPGI

# Designing Graduation for Scale with Governments



Photo credit: BRAC UPGI

# Key Considerations in Graduation Design



Photo credit: BRAC UPGI

## Who to **target** and how?

Graduation programs draw on various resources to identify households that would benefit most from a **comprehensive and holistic approach** targeting populations living in conditions of poverty. This is a crucial first step.

# Key Considerations in Graduation Design



Photo credit: BRAC UPGI

## Which **needs** to address?

A critical initial step is assessing the core **barriers and vulnerabilities** preventing households from achieving resilience to shocks and sustainable livelihoods. This forms the basis of key interventions.

# Key Considerations in Graduation Design



Photo credit: BRAC UPGI

## Which **programs** to leverage?

Graduation programs address coverage gaps to households in need and complement **existing government programs** by building on and linking households to investments in cash transfers, livelihoods, urban development, agriculture, and so forth.

# Key Considerations in Graduation Design



Photo credit: BRAC UPGI

## What **human resources** are required?

Coaches are the linchpins of **mentoring and monitoring** household progress, though the model looks different in many contexts including individual, group, remote, volunteers, and digital methodologies.

# Key Considerations in Graduation Design



Photo credit: BRAC UPGI

## Which **impacts** to monitor?

To best gauge long-term impact, **graduation criteria** are used to determine a household's progress against social and economic welfare indicators that predict resilience and a sustainable trajectory from poverty.

# BRAC Technical Assistance in Asia & Pacific



Bangladesh Ultra-Poor Graduation Programme



Tamil Nadu Inclusive, Resilient, and Sustainable Housing for Urban Poor Sector Project



Government of the Philippines



Department  
Of  
Labor and  
Employment

Government of Pakistan, Punjab  
Social Protection Authority  
(PSPA)



WORLD BANK GROUP



# Investment in Economic Resilience

**Graduation is an effective pathway to build resilience before shocks:**

- Targeted **household segmentation**
- Resourced and trained **frontline staff**
- Iterative **rapid monitoring** for adaptation
- Localized **market assessments**
- Partnerships with **financial service providers**
- Established **government resource** linkages
- Developed **community resource** linkages



Photo credit: BRAC UPGI

# Sustainable Development Goals (SDGs)



SUSTAINABLE DEVELOPMENT GOALS

<b>1</b> NO POVERTY 	Graduation scaled within national social protection programs aim to end extreme poverty by 2030.
<b>2</b> ZERO HUNGER 	Productive Asset Transfer and Technical Training to promote sustainable livelihoods and access to food.
<b>3</b> GOOD HEALTH AND WELL-BEING 	Life-Skills Training and Access to Health Services encourages behavior change and builds resilience against sudden health-related shocks.
<b>5</b> GENDER EQUALITY 	Savings, Mentoring and Social-Inclusive Activities to promote gender equality and empowerment.
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	Cross-Sectoral Linkages to increase the productivity of the extreme poor, contributing to economic growth.
<b>10</b> REDUCED INEQUALITIES 	Multidimensional Targeting and Graduation Criteria to progressively realize basic rights for the extreme poor.

Graduation addresses multiple drivers of exclusion and deprivation to ensure **no one is left behind.**

# Questions from Audience

# Thank You!

Karin Schelzig

Principal Social Sector Specialist, ADB

[kschelzig@adb.org](mailto:kschelzig@adb.org)

Lauren Whitehead

Director of Technical Assistance, BRAC UPGI

[lauren@brac-upgi.org](mailto:lauren@brac-upgi.org)

# Engaging Governments on Graduation and Economic Inclusion

## Lessons from adapting Graduation in the Philippines

### Alex Avila

Assistant Secretary, Department of Labor and Employment (DOLE), Government of the Philippines

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Mr. Avila is Assistant Secretary for Labor Relations, Social Protection and Policy Support of the Department of Labor and Employment, Government of the Philippines. He co-chairs the Management Team which supervised the pilot implementation of the Graduation Approach in the Philippines in six municipalities in the province of Negros Occidental. This project is part of ADB's technical assistance aimed at promoting innovations for development. As former director of the Department of Labor and Employment regional offices in Calabarzon and Metro Manila, Mr. Avila has had direct experience in the implementation of the Department's livelihood program targeting vulnerable and marginalized segments of the population.





DEPARTMENT OF LABOR AND EMPLOYMENT

# LESSONS FROM ADAPTING GRADUATION IN THE PHILIPPINES

**Social Protection for Economic Inclusion:  
Adapting the Graduation Approach in Asia and the Pacific**

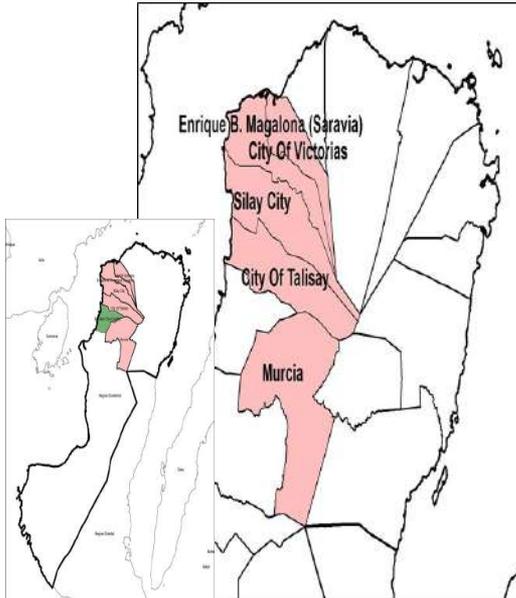
16 March 2021

Presented by:  
**Alex V. Avila**  
Assistant Secretary  
Department of Labor and Employment



# Graduation Pilot Implementation In the Philippines

## Negros Occidental



\*Slide courtesy of BRAC

## The Project at a Glance



### Implementer:

Department of Labor and Employment (DOLE)



### Research:

Group vs Individual Livelihoods and Group vs. Individual Coaching



### Timeline:

2018-2019, with possible extension to 2020



### Graduation Community Facilitators

**Caseload:** approx. 135 per GCF



### Target Population:

1,800 households



### Partners:

- Department of Social Welfare and Development (DSWD)
- Asian Development Bank (ADB)
- Innovations for Poverty Action (IPA)
- Local Government Units of EB Magalona, City of Victorias, Silay City, Murcia, and City of Talisay



### Location:

29 Barangays across 3 Cities & 2 Municipalities in Negros Occidental (Western Visayas)

## Initial Key Findings of the Pilot Project



On average, **71% of the pilot households met all of the contextually-specific graduation criteria**, and thus were considered graduated



**Participants reported knowledge retention on life skills training topics**, leading to positive behavior change in health, nutrition, and hygiene practices



**Participants were able to launch sustainable livelihoods, generate income**, even during the quarantine period imposed due to COVID-19



**Participants demonstrated increased savings and positive behavior change** in financial management



**The combination of individual livelihoods and group coaching appears to be the optimal configuration** of Graduation programming for government implementation.

# Key Success Factors



**Integration of experienced Graduation facilitators** into the implementation team



**Institutionalization of the family development plan**, solidly built on mentoring and coaching



**The use of internet-based tools** which ensured real-time monitoring of the livelihood projects



**Constitution of the oversight, management and implementation structures** at the central and operations levels, ensuring unity of command and providing an open space for joint planning, joint problem-solving and decision-making

# Main Constraints and Challenges

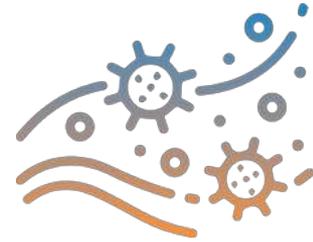


**Navigating bureaucratic mindset,  
processes and practices**

(fund disbursements; asset acquisition)



**High  
attrition rate**



**COVID-19 pandemic** and  
the community restrictions

# Windows of Opportunities for Graduation Adaptation



## Chapter 8

Expanding Economic Opportunities in Agriculture, Forestry, and Fisheries and Ensuring Food Security



## Chapter 10

Human Capital Development Towards Greater Agility



## Chapter 20

Ensuring Ecological Integrity, Clean and Healthy Environment (Resilience of communities and their livelihood increased)



## Chapter 9B

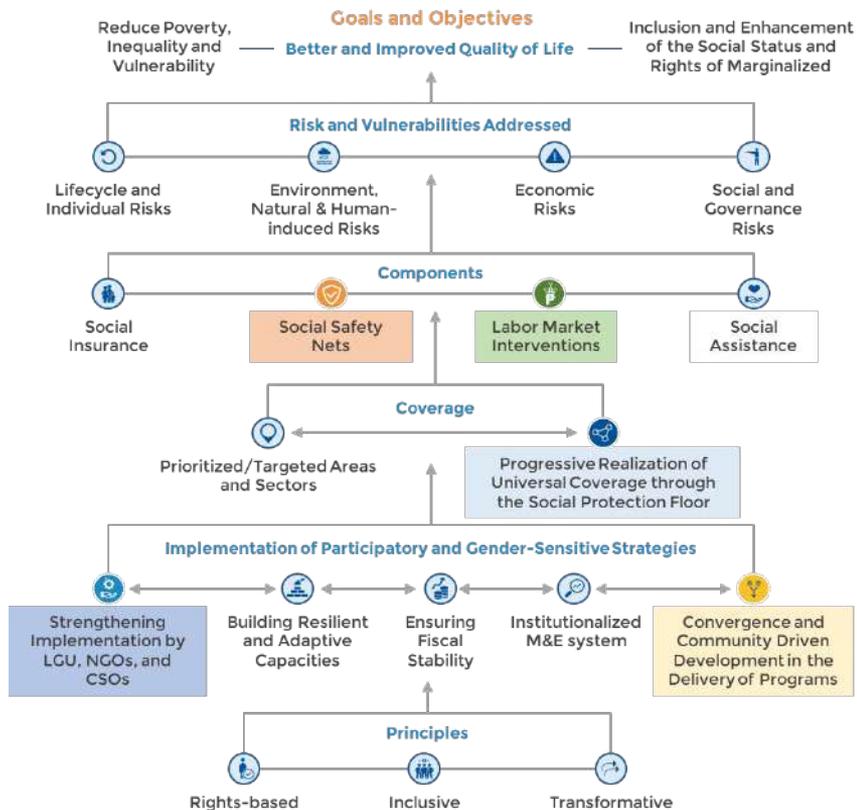
Expanding Economic Opportunities in Services



## Chapter 1: Overview and Introduction, p. 16

A major initiative to decongest urban areas is the *Balik Probinsya Bagong Pag-asa* Program (BP2). The program encourages Metro Manila residents, especially informal settlers, to return to their home provinces. BP2 will provide assistance for transportation expenses, livelihood, housing, and education, among others.

# Enhanced Social Protection Operational Framework of the Philippines



## Windows of Opportunities for Graduation Adaptation

### Social Protection Plan 2020-2022



**Align, organize and harmonize** all existing and future policies and programs relating to social protection across governance levels



**Provide guidance** to national government agencies, local governments and civil society **in SP program and project development, implementation and evaluation**



**Propose reforms** in existing policies and programs relating to social protection



**Lay the foundations for a universal and integrated social protection system** in terms of data, policies and governance structure

# Windows of Opportunities for Graduation Adaptation

## Supreme Court Decision on the *Mandanas Case* (G.R. Nos. 199802 and 208488)



**Widens the fiscal space of the LGUs** since their just share of taxes shall be derived from all national taxes starting FY 2022.



From FY 2021 to 2022, the year-on-year **increase in the shares of the LGUs is estimated to be around 56% of national taxes**, or around 1.0% of the GDP.



**Full devolution of certain functions** (which could include livelihood) of the executive branch to the LGUs seen to contribute in economic growth, jobs creation, and promotion of the welfare and development of local communities.



**The Negros pilot project can provide insights and real-life examples for other LGUs** on how resilient and sustainable livelihood programs should be designed, implemented, managed, and evaluated.



# Key Lessons Learned

**Adaptation is key**, but with fidelity to the core principles of the Graduation Approach



**Graduation is interdisciplinary**; who has the mandate is often unclear



**Inter-ministerial/departmental coordination is difficult**, but necessary



**Ideally, it is best to integrate into existing social protection programs** and leverage current investments e.g., cash transfer programs



**Navigating changing political currents could be especially hard**



**Getting onboard multiple champions is critical to ensure sustainability**



Alex Avila.25March2019.Murcia.NegrosOccidental.Philippines



DEPARTMENT OF LABOR AND EMPLOYMENT

## End of Presentation

### LESSONS FROM ADAPTING GRADUATION IN THE PHILIPPINES

#### Social Protection for Economic Inclusion: Adapting the Graduation Approach in Asia and the Pacific

16 March 2021

Presented by:  
**Alex V. Avila**  
Assistant Secretary  
Department of Labor and Employment



# Engaging Governments on Graduation and Economic Inclusion

## Implementation insights from Graduation in the Philippines

Marlowe Popes

Principal Social Sector Specialist, East Asia Department, ADB

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Marlowe has been serving as the Project Coordinator of BRAC USA most recently for the Graduation Approach Project with the Philippine government. He serves as a field-based direct liaison to the Department of Labor and Employment, Asian Development Bank, and Innovations for Poverty Action in Manila, during the design and implementation of the Graduation Project. Overall, he supports the management of BRAC's technical assistance engagement in the Philippines, including program design, oversight and management, and knowledge management. Prior to joining BRAC USA, he worked with the Asian Development Bank for the implementation of the Emergency Assistance and Early Recovery Project for Poor Municipalities Affected by Typhoon Yolanda (Haiyan) Affected Areas in the Philippines.

Marlowe spent most of his early working years working with the Pantawid Pamilya Program – Philippine Conditional Cash Transfer Program as the Monitoring and Evaluation

Specialist.



# Engaging Governments on Graduation and Economic Inclusion

## Implementation insights from Graduation in the Philippines

Dristy Shrestha

Technical Advisor, BRAC UPGI

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As a Technical Advisor for BRAC Ultra-Poor Graduation Initiative, Dristy provides technical assistance to governments, multilateral institutions, and NGOs in contextualizing and adopting the Graduation approach and economic inclusion programs worldwide. She specializes in program design, staff capacity building, implementation oversight, project management, and monitoring and learning. Her key areas of expertise include social protection, financial inclusion, and gender empowerment through sustainable livelihoods. She has provided technical guidance on designing and implementing economic inclusion initiatives, mostly in partnership with governments, in the Philippines, Zambia, Kenya, Liberia, Tanzania, and Nepal.





# Implementation Insights from Graduation in the Philippines

Dristy Shrestha  
Technical Advisor, BRAC UPGI

Marlowe Popes  
Field Manager, BRAC UPGI

March 16, 2021



Department  
Of  
Labor and  
Employment



 **brac** | ultra-poor  
graduation

# Agenda

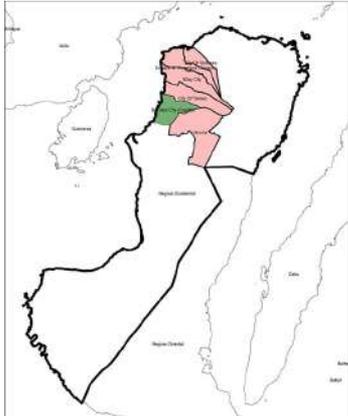
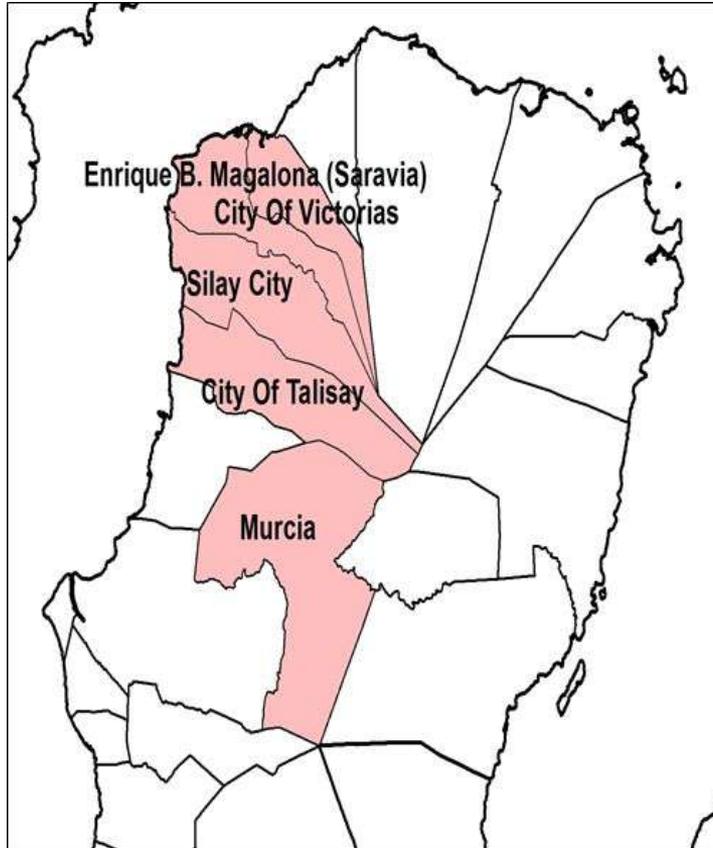
1. Overview of the Department of Labour & Employment (DOLE) Graduation Project
2. Key Findings from Monitoring Data
  - a. Summary Findings
  - b. Individual vs Group Livelihoods
  - c. Individual vs Group Coaching
3. Household Graduation Rates
4. Key Lessons Learned
5. Questions & Answers



# **Overview of the DOLE Graduation Project**

# DOLE Graduation Pilot

Negros Occidental



**Implementer** : Department of Labor and Employment (DOLE)

**Timeline** : 2018-2020

**Location** : 29 Barangays across 5 Municipalities in Negros Occidental

**Target Population:** 1,800 households

**GCF Caseload:** approx. 135 per GCF

**Research:** Group vs Individual Livelihoods and Group vs Individual Coaching

**Partners:**

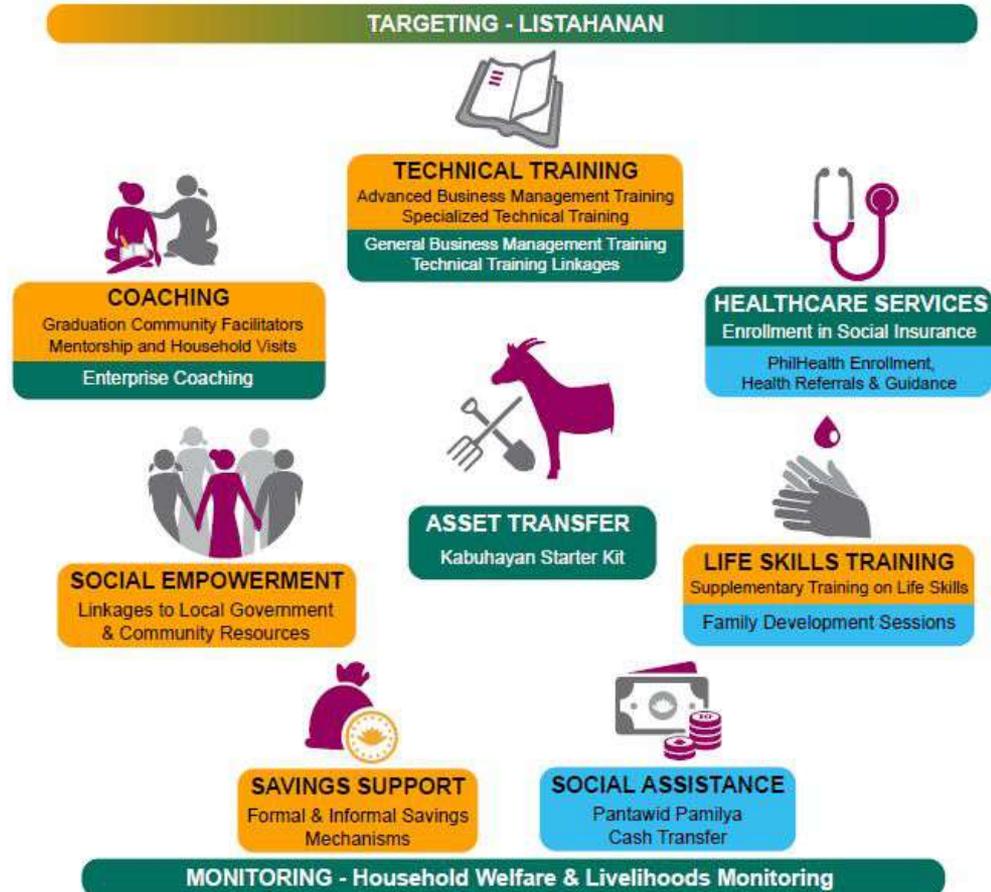
- Department of Social Welfare and Development (DSWD)
- Asian Development Bank (ADB)
- Innovations for Poverty Action (IPA)
- Local Government Units

# DOLE Graduation Interventions

Graduation Additions  
Kabuhayan Provisions  
Pantawid Provisions

The program combined inputs from:

- ❑ The **income-generating activities** of the Department of Labor and Employment (DOLE) Kabuhayan livelihoods program,
- ❑ **Social assistance** provided through the Department of Social Welfare and Development (DSWD) Pantawid Familyang Pilipino program, and
- ❑ Additional interventions and enhancements of the **Graduation Approach** methodology.



# Impact Evaluation Design

To identify potential cost efficiencies for scale, **Innovations for Poverty Action** conducted an RCT to determine if group or individual livelihoods and coaching produce differential impacts on extreme poor households.

Treatment Arms	
Treatment Arm 1	Group Livelihoods, Group Coaching
Treatment Arm 2	Individual Livelihoods, Group Coaching
Treatment Arm 3	Individual Livelihoods, Individual Coaching

This evaluation was **supplemented by robust monitoring** by project staff to determine how the project affected different types of households based on profile.



# DOLE Graduation Pilot Activities



Targeting Verification Survey



Barangay Assembly



Family Development Plan



Livelihoods Training



Business Management Training



Group Life Skills Training

# DOLE Graduation Pilot Activities



Asset Transfer



Monitoring Data Collection



Group Livelihoods Monitoring



Group Coaching



Individual Coaching



Training of Trainers & Workshops

# Life Skills Training Topics

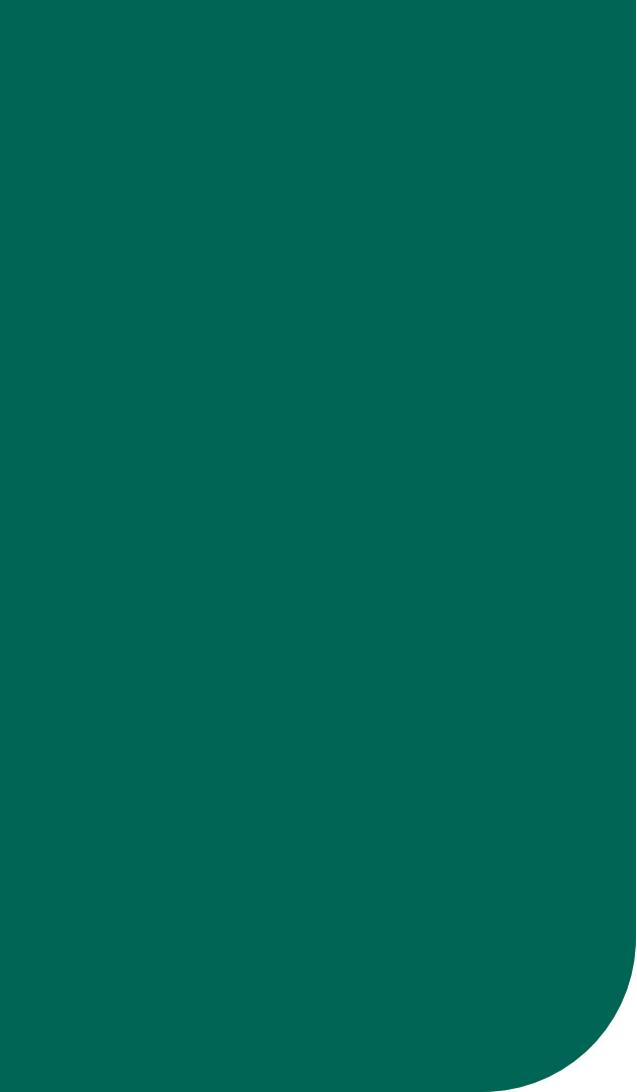
- Vision for the Future / Family Development Plan (BRAC, FDS)
- Risk Management (BRAC)
- Food & Nutrition (FDS); WASH (BRAC)
- Disaster Risk Reduction & Management (FDS)
- Household Decision Making (BRAC)
- Wealth Management & Savings (NWTF)
- Marketing (NWTF)
- Violence against Women & Children (FDS)
- Family Planning (BRAC)
- Maternal & Child Health (BRAC)
- Communicable Diseases (focus on COVID-19 and Dengue) & Livelihoods Risk Management
- Business Sustainability & Solid Waste Management

**Life Skills Training reinforced and supplemented the knowledge and skills gained during Family Development Sessions (FDS) that Pantawid beneficiaries are required to attend monthly.**

# DOLE Graduation Pilot: Monitoring

- Used digital monitoring on Android tablets
- Used twice a month to collect data by GCFs
- Allowed real-time data analysis
- Enabled responsiveness to participant needs
- Empowered facilitators and households to use data for program improvement
- Phone Surveys and Rapid Diagnostic Survey conducted during COVID-19





# **Key Findings from Monitoring Data**

# Five Key Highlights

1. On average, **71% of the pilot households** met all 9 of the contextually-specific graduation criteria.
2. Knowledge retention on life skills training led to **positive behavior change in health, nutrition, and hygiene practices.**
3. Launched **sustainable livelihoods, generated income**, even during the quarantine period imposed due to COVID-19.
4. Demonstrated **increased savings and positive behavior change in financial management.**
5. **Individual livelihoods and Group Coaching (Treatment 2)** was the optimal configuration of Graduation to balance cost and impact.

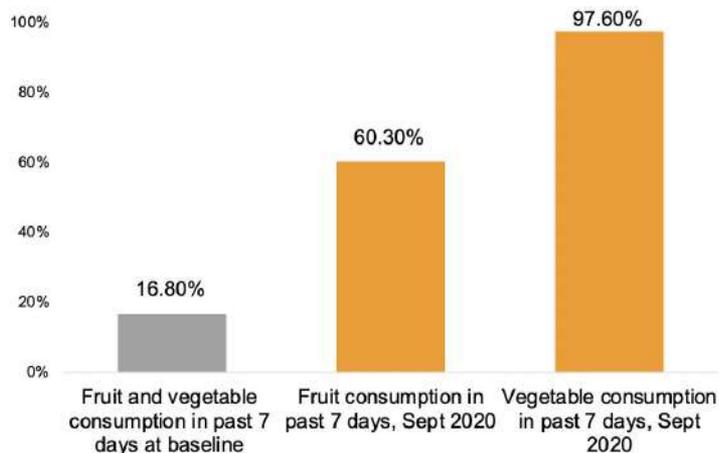


# Five Key Challenges

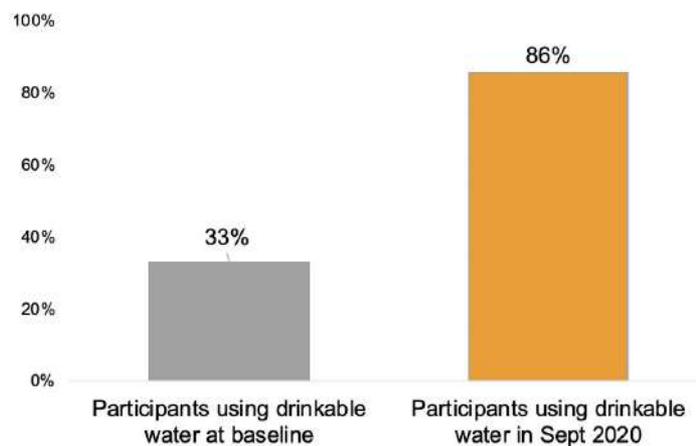
1. **Participant Attrition** (33.66%) due to relocation, outside engagements, and ineligibility.
2. **Long delays in Asset Delivery** due to bureaucratic hurdles, in-kind asset transfers, and market price fluctuations.
3. **Coryza Avian Flu** Outbreak affecting T3 households.
4. Challenges associated with **Group Livelihoods** including inactive group members, complex bookkeeping, and challenges surrounding managing group dynamics among the members.
5. **COVID-19 Crisis**



# Health & Sanitation



Participants increased their **consumption of vegetables and fruits** to have a more balanced meal as emphasized by the life skills training on Food and Nutrition.

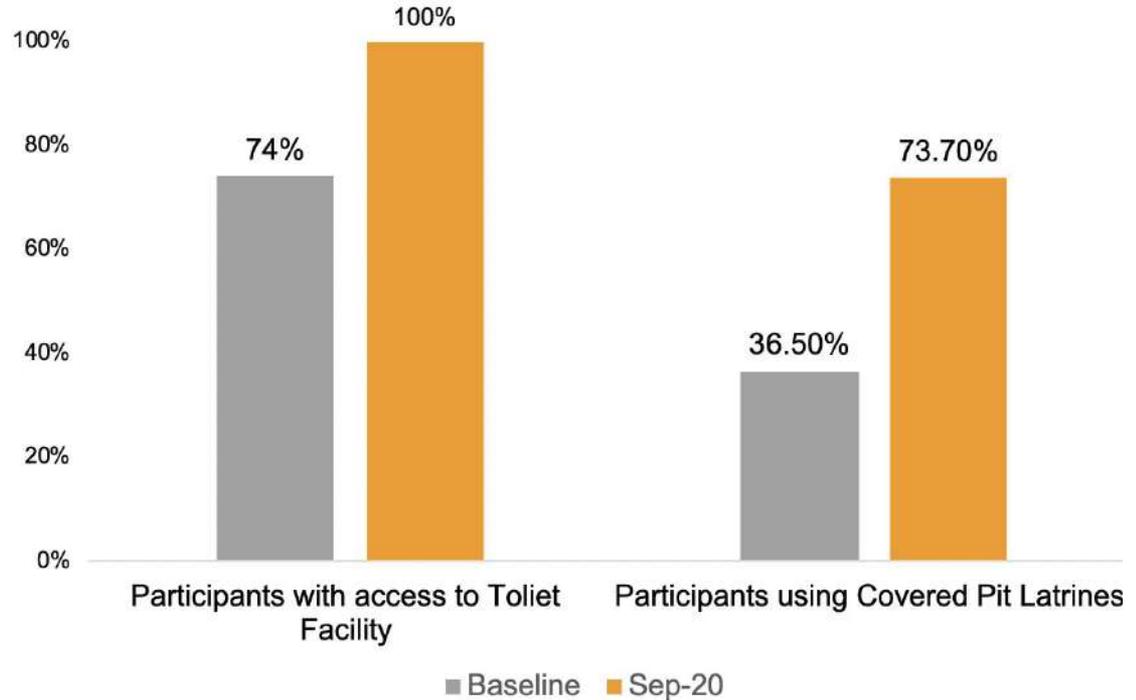


More households reported **treating water before drinking or buying drinking water** as emphasized by life skills training on WASH.

# Health & Sanitation

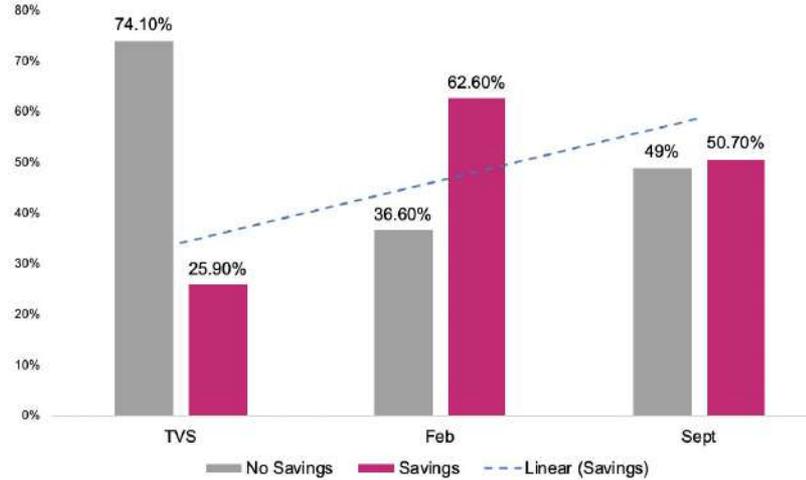
Increased access to toilet facilities and covered pit latrines for proper sanitation and hygiene practice.

- 99% of the respondents also provided **correct and partially correct responses on hygiene practice** during COVID-19.
- **Low reported illness** during the pilot, including COVID-19, an encouraging finding given health messaging and behavior change support.

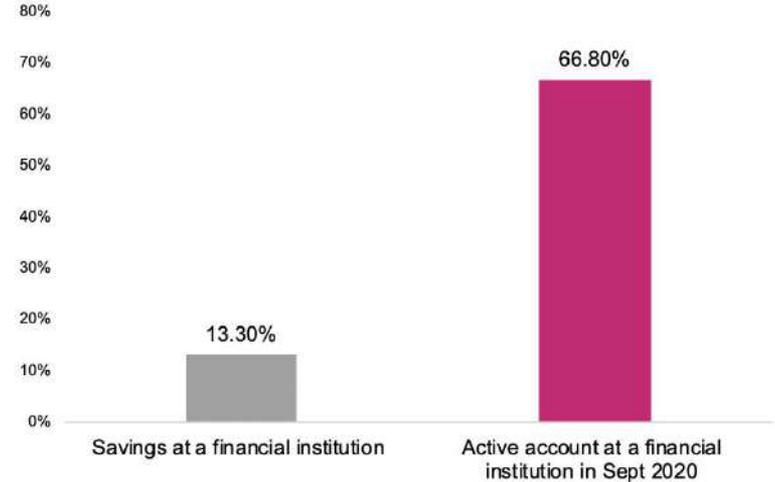


# Savings & Financial Management

More households demonstrated positive savings and financial management behavior.



At the end of the pilot, **50.7% of participants reported being able to save** in the last 30 days compared to 25.9% at TVS.

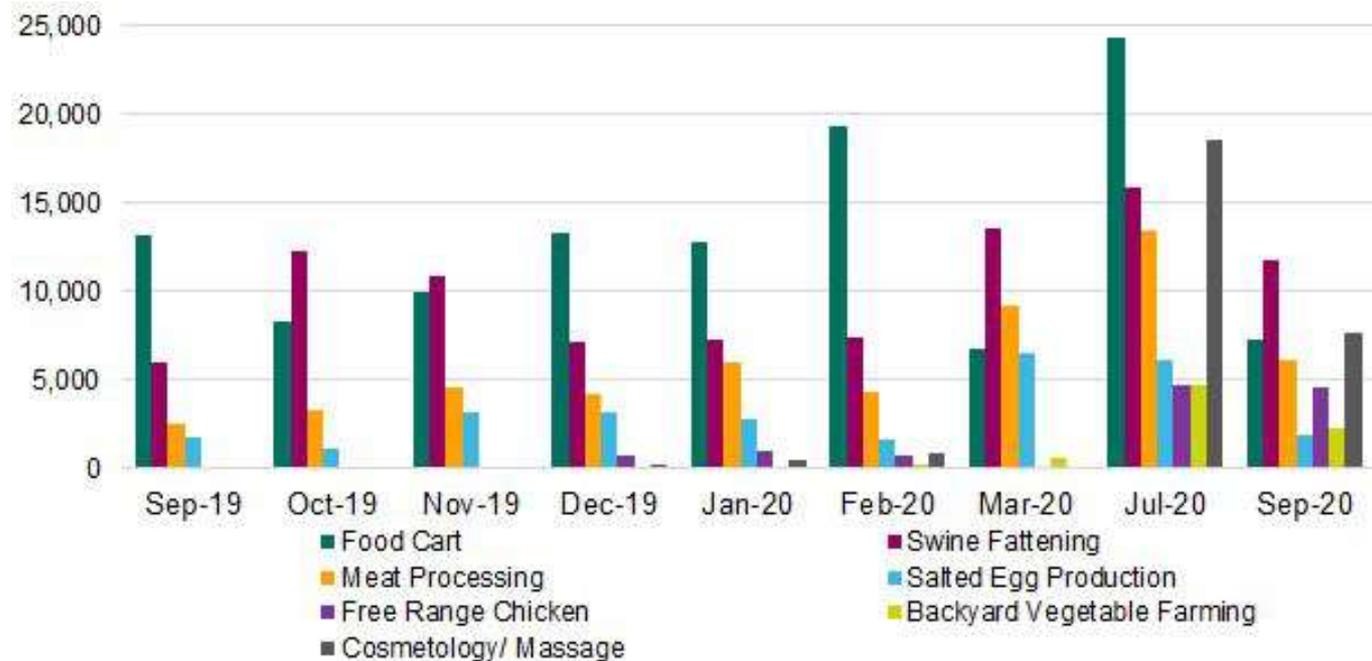


**Increase in the number of households with active account at a financial institution** such as a bank or microfinance institution (MFI).

Though **indebtedness rose marginally due to the pandemic**, of those who reported having an existing or unpaid loan in Sept 2020, **over 69% reported** having paid back all or part of their loans in the last 30 days.

# Livelihoods - Individual

- **Food cart had the highest average income** among the different livelihood options selected by participants in individual livelihoods (T2 and T3).
- Swine Fattening, though less profitable on its own, **retained steady profits throughout quarantine period** because they were not subject to closure.

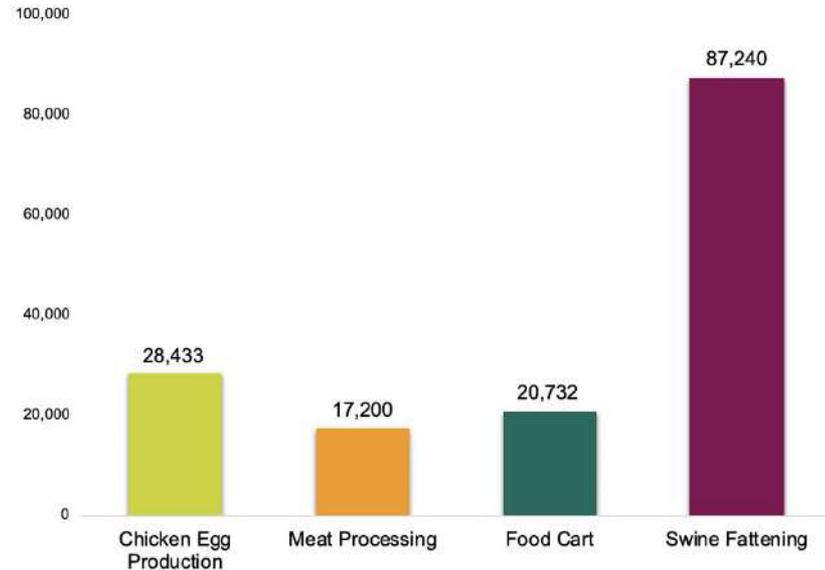


*Average Income by Livelihood among Individual Livelihoods (T2 & T3)*

# Livelihoods - Group

**Swine fattening had the highest average income** among the different livelihood options selected by participants in group livelihoods (T1).

- **Swine fattening is more individualized** compared to other group livelihoods that require group members to congregate and work together. This was beneficial during COVID-19 and quarantine.
- It is very possible that **food carts would have yielded similarly high or higher income** if it were not for the COVID-19 crisis and quarantine.

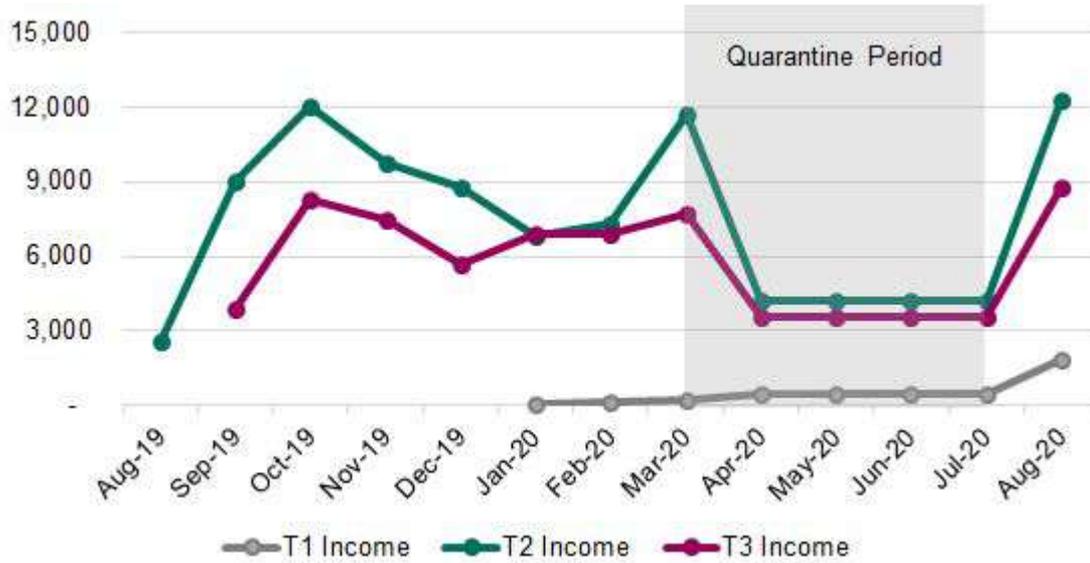


*Average Income by Livelihood among Group Livelihoods (T1)*



# **Individual vs. Group Livelihoods and Coaching**

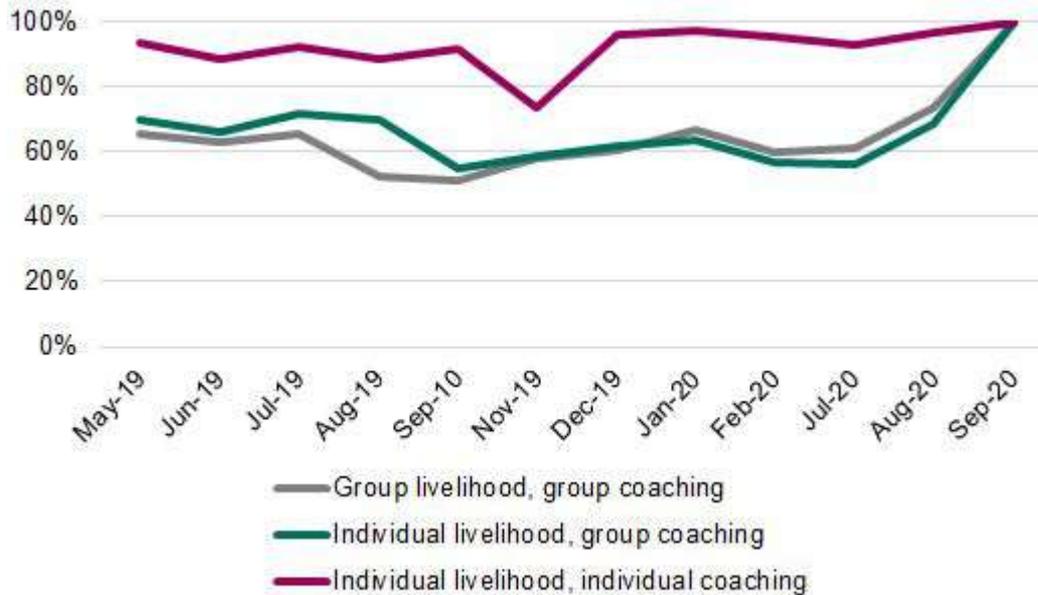
# Average Monthly Income



Average Income per participant by Treatment Arms

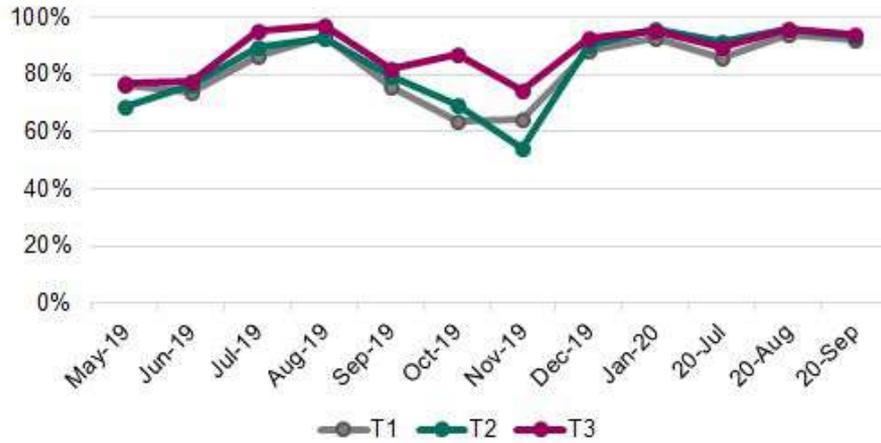
- Participants who had individual livelihoods had **higher average income per participant** likely due to having assets longer before the pandemic and greater control over managing the enterprise.
- Household **incomes appeared to slowly rise back to pre-lockdown** levels after four months of quarantine, indicating resilience and a general upward trend continuing.

# Coaching - Attendance

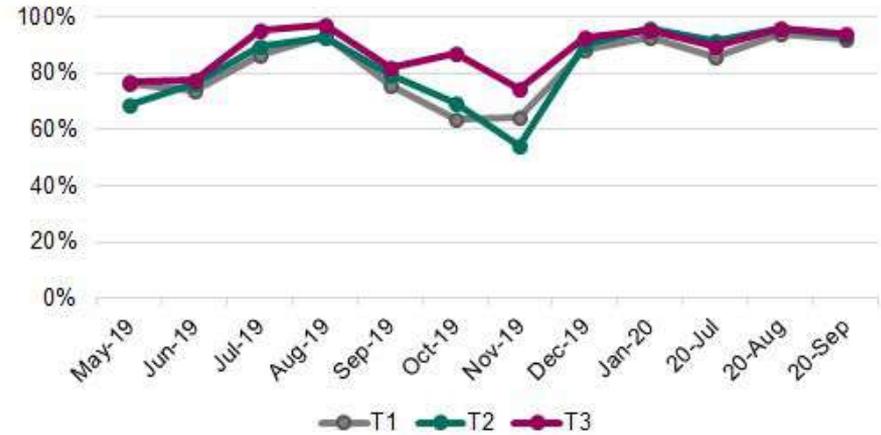


**Attendance of participants who received individual coaching was higher than those who received group coaching.** Average attendance rate among T3 participants was 92% compared to 65% among T1 and 67% among T2 participants.

# Knowledge & Behavior Change



Participants who were able to recall at least partially correct information by treatment arm, quizzed by GCF



Participants who were able to demonstrate at least partially correct behavior change by treatment arm, self-reported

**Knowledge retention and behavior change were roughly the same across all treatment arms despite the variation in coaching modality.**

# Individual Livelihoods + Group Coaching

As of 2020, T2 (individual livelihoods, group coaching) found to be the optimal cost-effective configuration of Graduation for government implementation because it reduces the challenges of group livelihoods while maximizing on the benefits of group coaching.

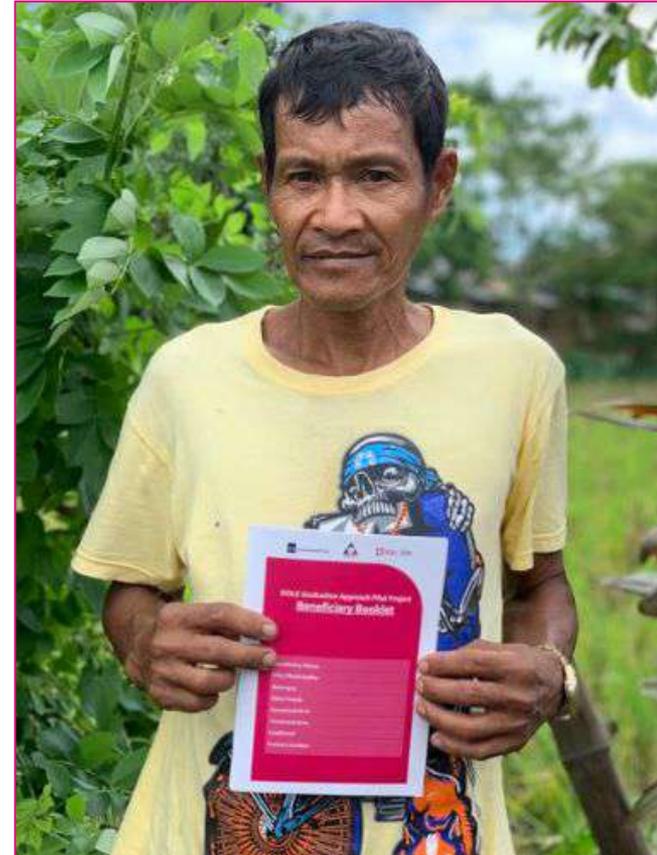


# Key Lessons Learned

# Key Lessons Learned

## Livelihoods

- **Localized market assessment** tailors livelihoods to target HHs
- Strong **preference for familiar, homebound livelihoods** and **individual livelihoods** for autonomy of management
- **Alternative asset distribution mechanisms** (e.g. assisted cash, vouchers) could address asset procurement issues
- Strong guidance on **livelihood management strategies and diversification** are key to cope with shocks like COVID-19
- **Record books** to keep track of finances should be **simple, easy**
- **Linkages with local resources** from national government agencies (TESDA, DTI, DA), LGUs, etc. to sustain impacts



# Key Lessons Learned

## Training & Coaching

- **Coaching** was the most important intervention using engaging, practical, and **hands-on coaching techniques**
- **Core participant training in small groups** more effective than large mass trainings; COVID-19 benefits also
- Tailored technical training adapted to **context, market assessment, and participant skills/knowledge**
- **Incorporate frontline staff costs of local transport and communications**; role is deeply embedded in community
- **Adaptation of coaching methodologies** to continue to provide support to the participants during COVID-19 crisis
- **Digital monitoring and management information system (MIS)** allows transmission and analysis of real-time data and response to urgent needs; critical during COVID-19 response period



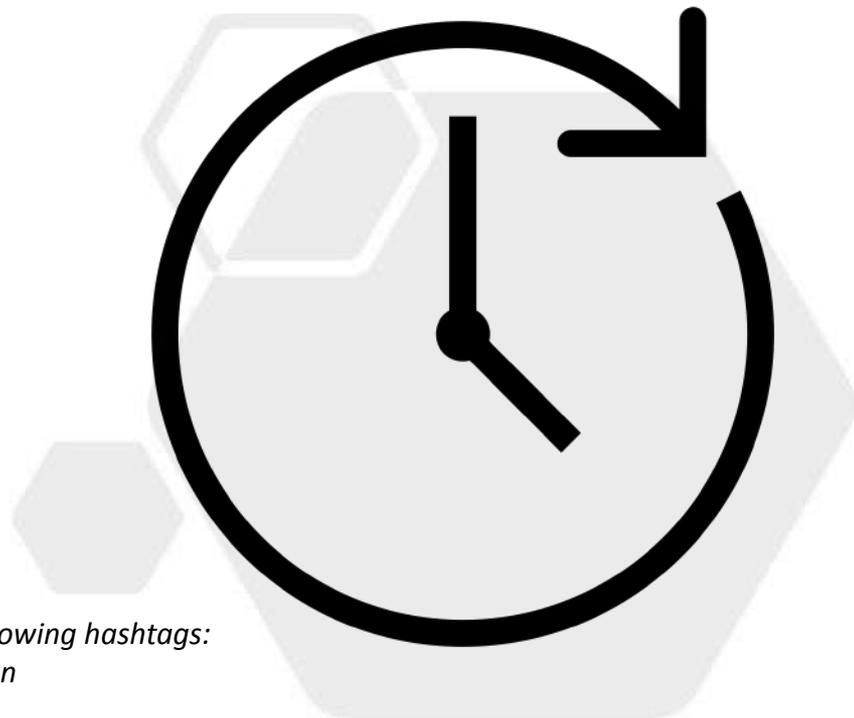
# Questions & Answers

[bracusa.org](http://bracusa.org)  
[info@bracusa.org](mailto:info@bracusa.org)



# Break

5 minutes



Please share your experience on social media using the following hashtags:  
**#Socialprotection #graduationapproach #economicinclusion**

 /socialprotectionorg  
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ADBAndNGOs  
adbsocial

# Engaging Governments on Graduation and Economic Inclusion

## Preliminary Evidence from Impact Evaluation of Graduation in the Philippines

Emily Beam  
Researcher, IPA

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Dr. Emily Beam is an assistant professor at the University of Vermont and research fellow at the Institute for the Study of Labor (IZA). She was a Visiting Assistant Professor at the National University of Singapore from 2013 until 2016. She received her PhD in economics and public policy from the University of Michigan in 2013. Her research interests center on education and employment policy, with a particular focus on strengthening learning and facilitating school-to-work transitions among low-income youth.



**Moderator:** Yasuyuki Sawada  
Chief Economist and Director General, ADB

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Dr. Sawada was appointed as ADB's Chief Economist in November 2016, and is the chief spokesperson for ADB on economic and development trends. Previously he was a Professor in the Faculty of Economics at the University of Tokyo, Japan. He previously worked at the ADB Institute in Tokyo and served as a consultant for various projects at the World Bank Group. Dr. Sawada earned a Ph.D. in Economics and a Master's degree in International Development Policy at Stanford University.



# Group vs Individual Livelihoods and Coaching: Testing Alternative Government-Led Social Protection Strategies in the Philippines

Emily Beam (U Vermont)

Social Protection for Economic Inclusion: Adapting the Graduation Approach in Asia and the Pacific

16 March 2021



# Evaluation Partners



# Graduation programs successful, but questions remain

- Increases income, net worth, consumption (Banerjee et al. 2015, Bandiera et al. 2017), persisting into long run (7 years) (Banerjee et al., 2016, Bandiera et al. 2017)
- Multi-faceted approach important: only assets or only savings assistance do not yield same effects (Banerjee et al. 2017)
- **Would group livelihoods leverage (or dilute) impacts?**
- **How can we increase cost effectiveness?**

# Variation 1: Group livelihoods

- Group of ~20 individuals in village, form groups of 3-5 people
- **More effective:** efficiencies from pooling, expanded choice of higher-return assets
- **Less effective:** difficulty in coordination, free-riding

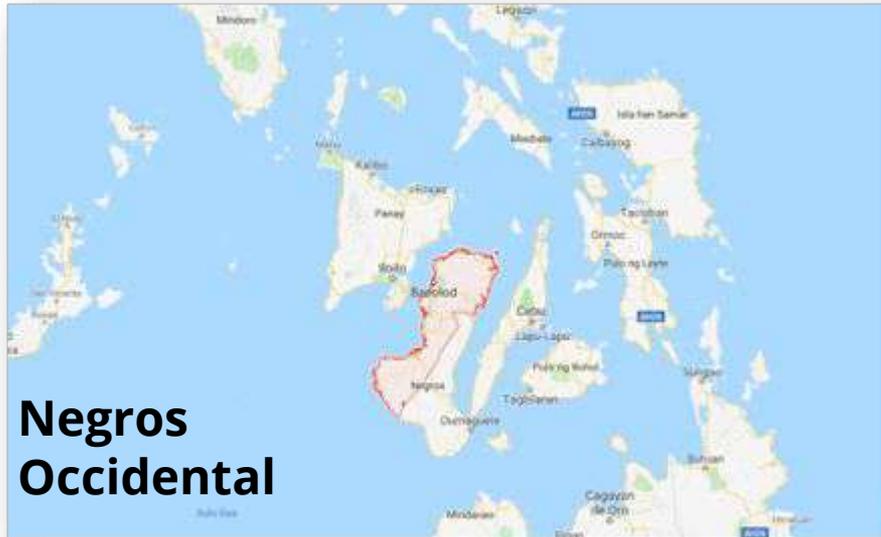


# Variation 2: Group coaching

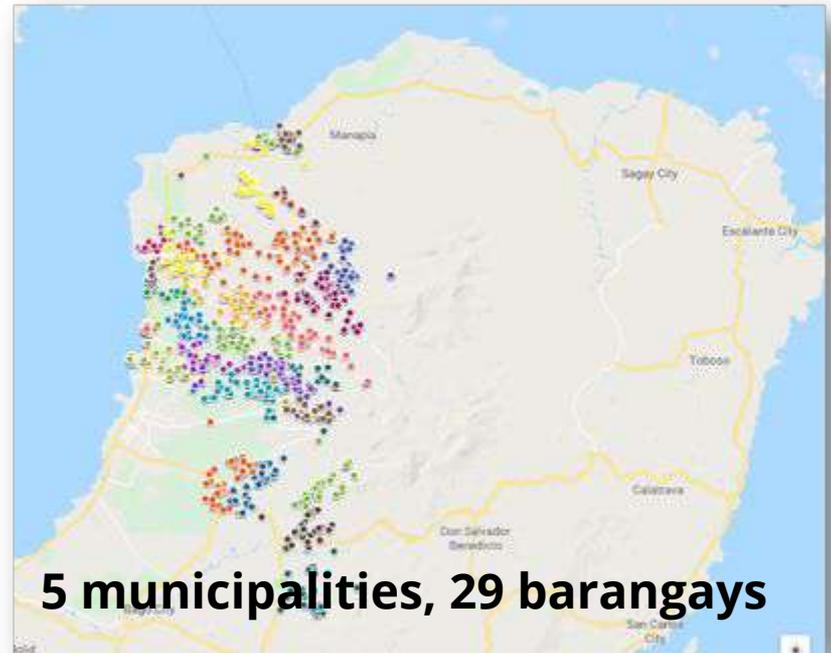
- Group of 20 meets together for life skills modules, training, business management
- **More effective:** Greater information sharing, building social ties
- **Less effective:** less personalized attention, less accountability



# Study location and sample



**Sample:** Poor HHs from 29 barangays that were added to CCT program from 2015-2017, not beneficiary of similar program



# Randomized design

	<b>T1: Group livelihoods and group coaching (N=600)</b>	<b>T2: Individual livelihoods and group coaching (N=600)</b>	<b>T3 Individual livelihoods and individual coaching (N=600)</b>	<b>Control (N=600)</b>
<b>4Ps</b>	✓	✓	✓	✓
<b>Asset transfer</b>	Asset worth \$6,000 per group of 20 individuals	Asset worth \$300 USD per individual	Asset worth \$300 USD per individual	X
<b>Coaching</b>	Group coaching every month	Group coaching every month	Personal coaching every month	X
<b>Skills training</b>	✓	✓	✓	X
<b>Savings facilitation</b>	✓	✓	✓	X
<b>Community mobilization</b>	✓	✓	✓	X

# Project timeline

Endline data collection tentatively  
scheduled for February 2021

**Group and individual life-skills coaching  
started** October 2018 – August 2020

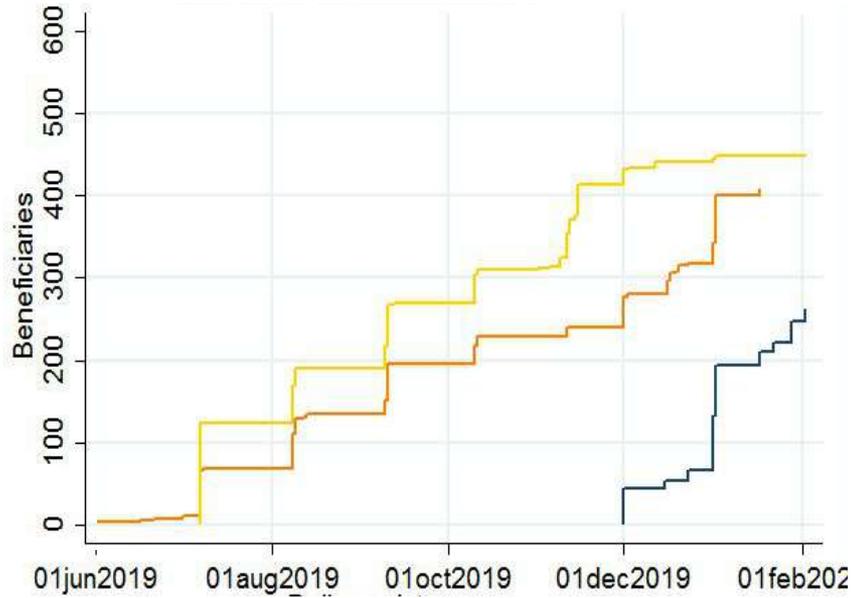
**Asset deliveries for individual livelihood  
ended** June 2019 – January 2020

**Asset deliveries for grouped livelihood ended**  
October 2019 – March 2020



# Implementation timeline

## ● Livelihood asset delivery

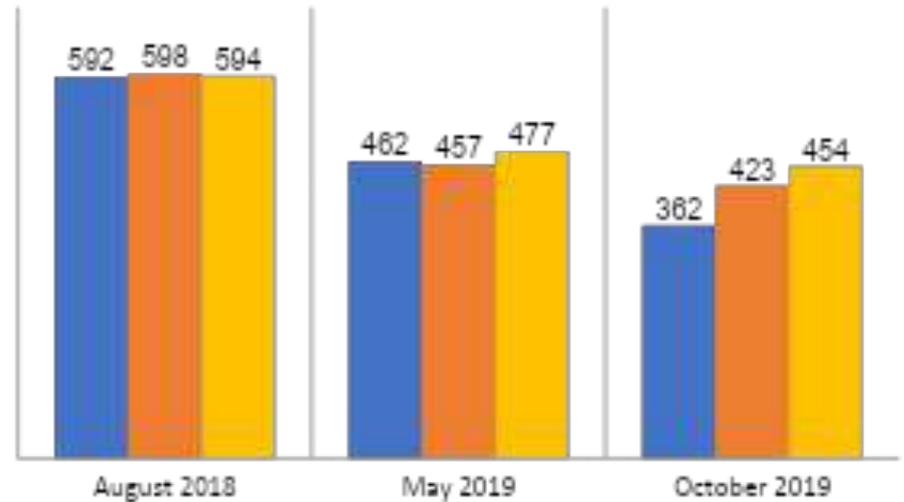


■ T1: Grp Livelihood & Grp Coaching

■ T2: Ind Livelihood & Grp Coaching

■ T3: Ind Livelihood & Ind Coaching

## Decline in beneficiaries



# Phone survey data collection

- Target sample: 77% of sample who have phone contact info from baseline, N= 1972
- Response rate: 63% of targeted
- Overall, response not correlated with treatment status, and baseline characteristics do not differentially predict attrition across arms

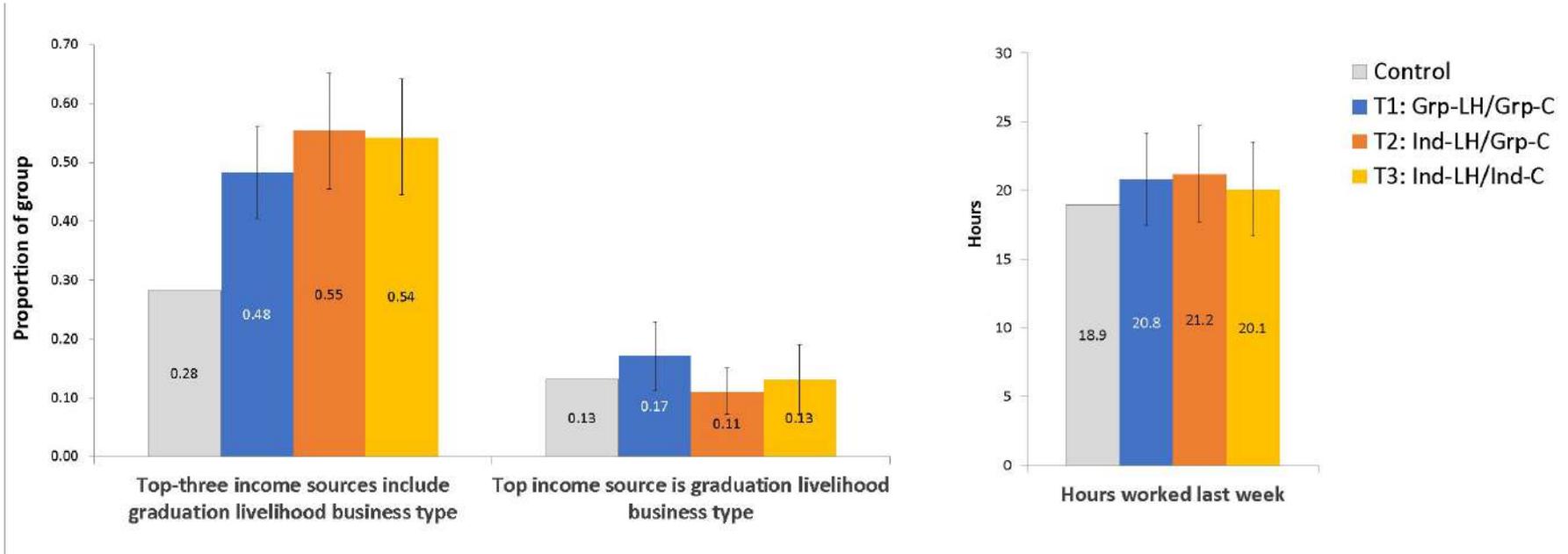
# Results

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# Program participation

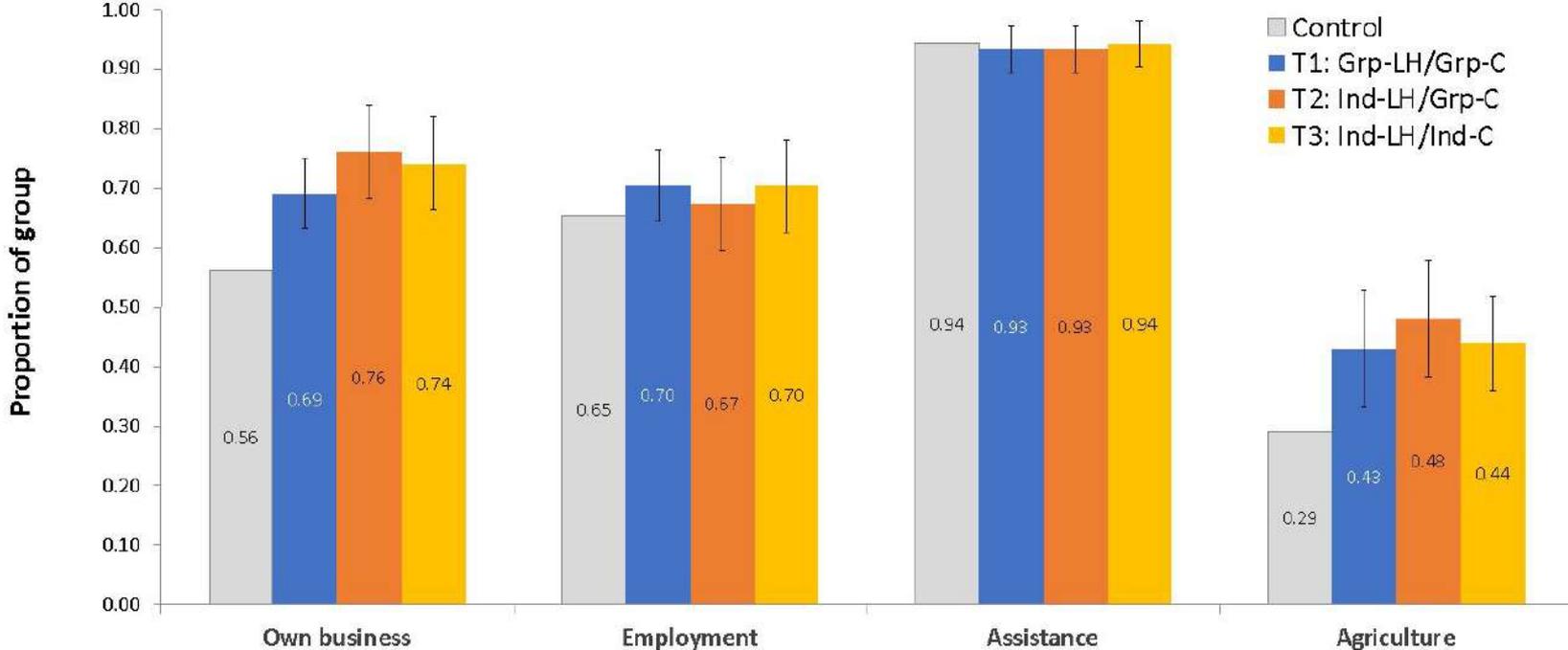
	<b>T1</b>	<b>T2</b>	<b>T3</b>
	<b>(GrpLH/GrpC)</b>	<b>(IndLH/GrpC)</b>	<b>(IndLH/IndC)</b>
Got livelihood (LH) from BRAC	62%	75%	81%
Currently has LH	44%	53%	59%
LH is currently a main income source	30%	42%	43%
Worked on LH in past 7 days	34%	42%	47%
Earned from LH in past 30 days	38%	51%	51%
Avg hours worked on LH in past 7 days	9.4	12.4	11.8

# Livelihood

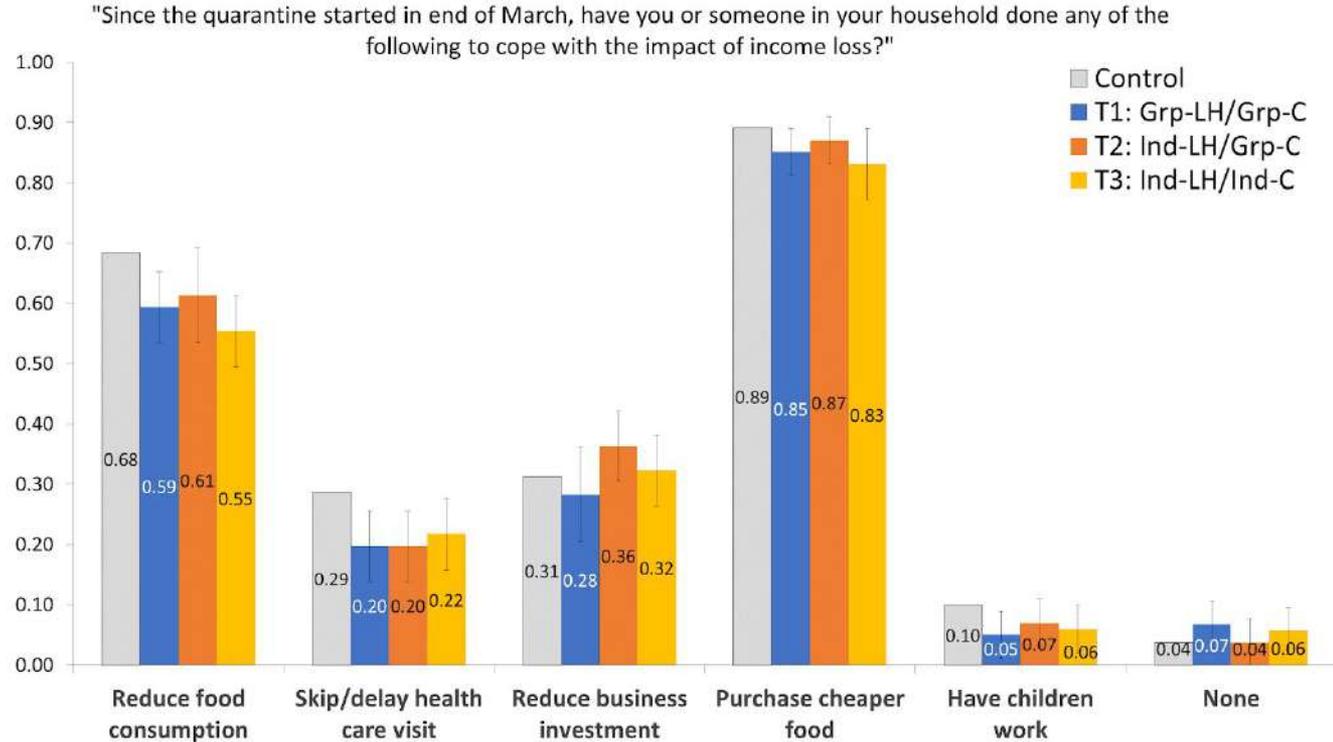
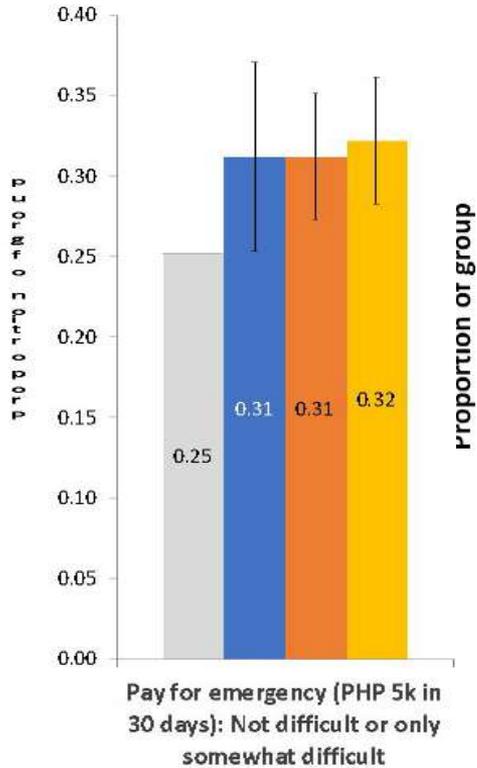


# Income sources

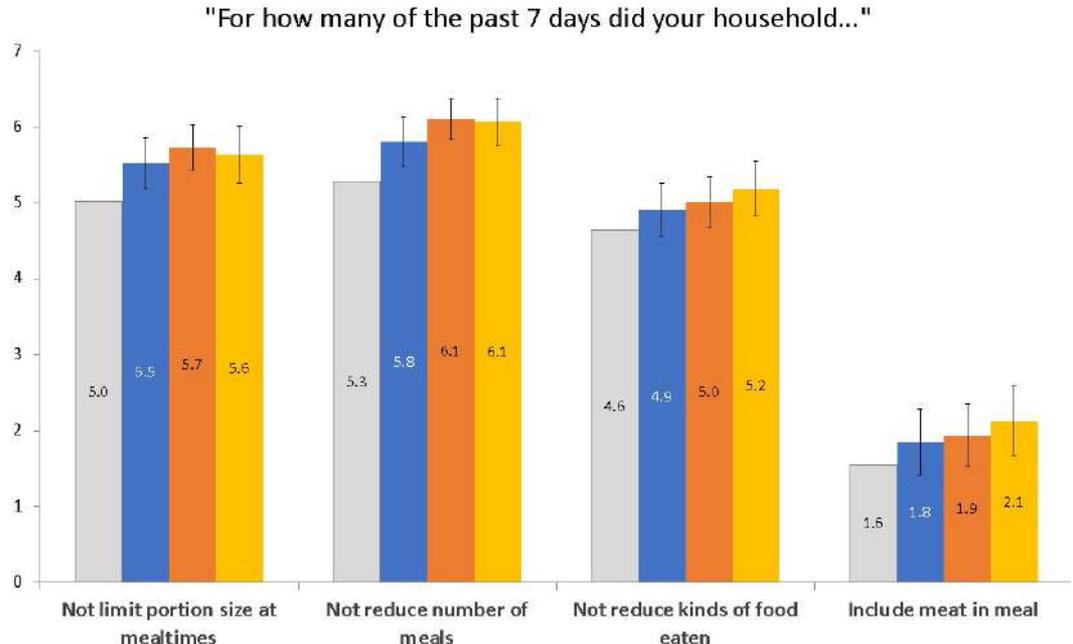
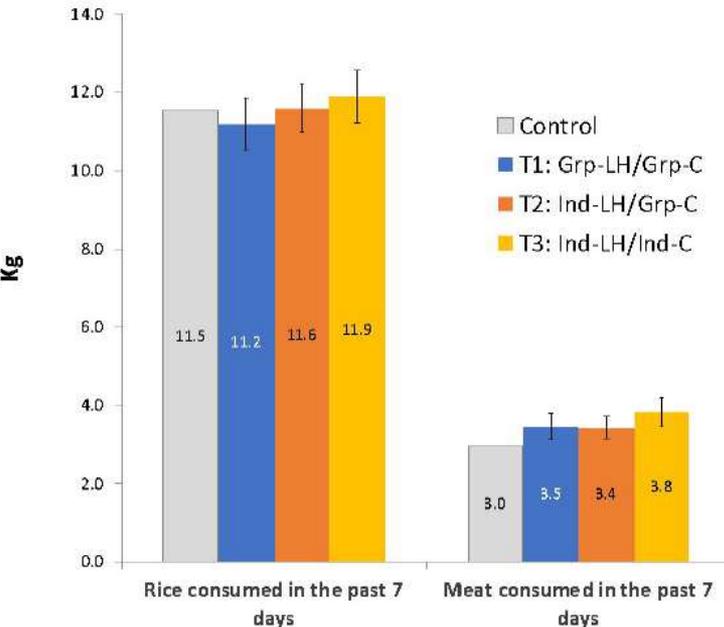
"In the past 3 months, have you had any income from..."



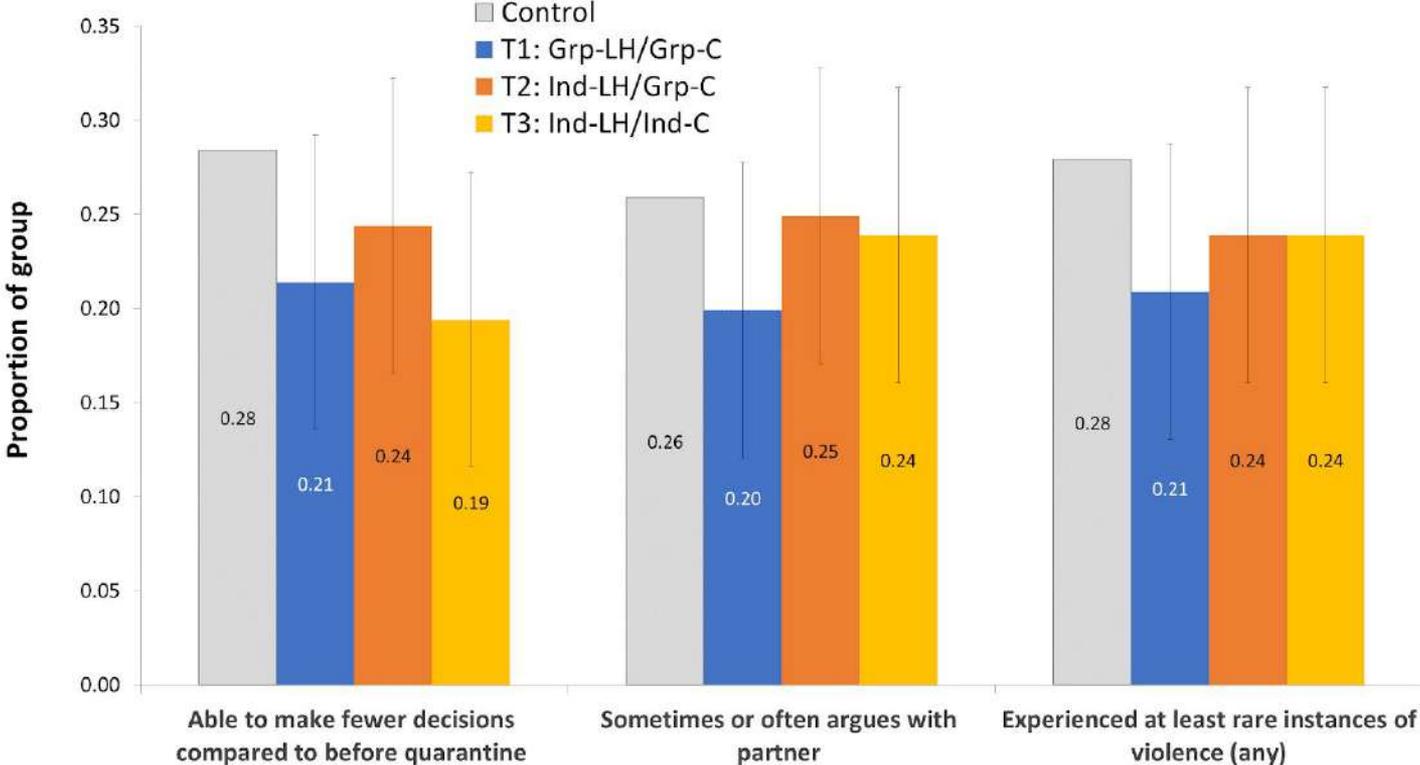
# Coping with impact of income loss



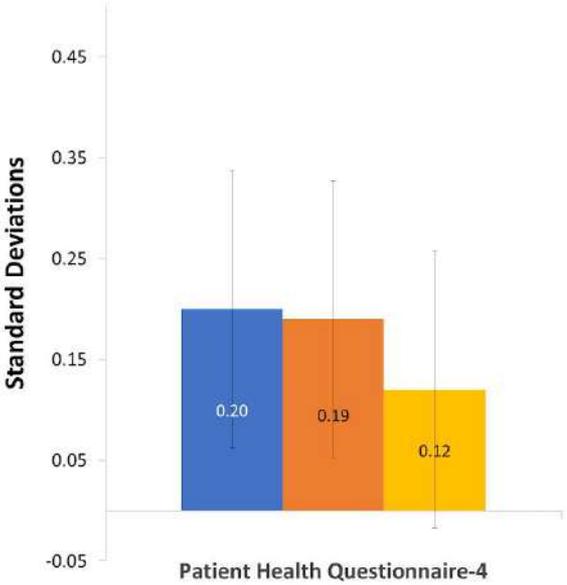
# Food security



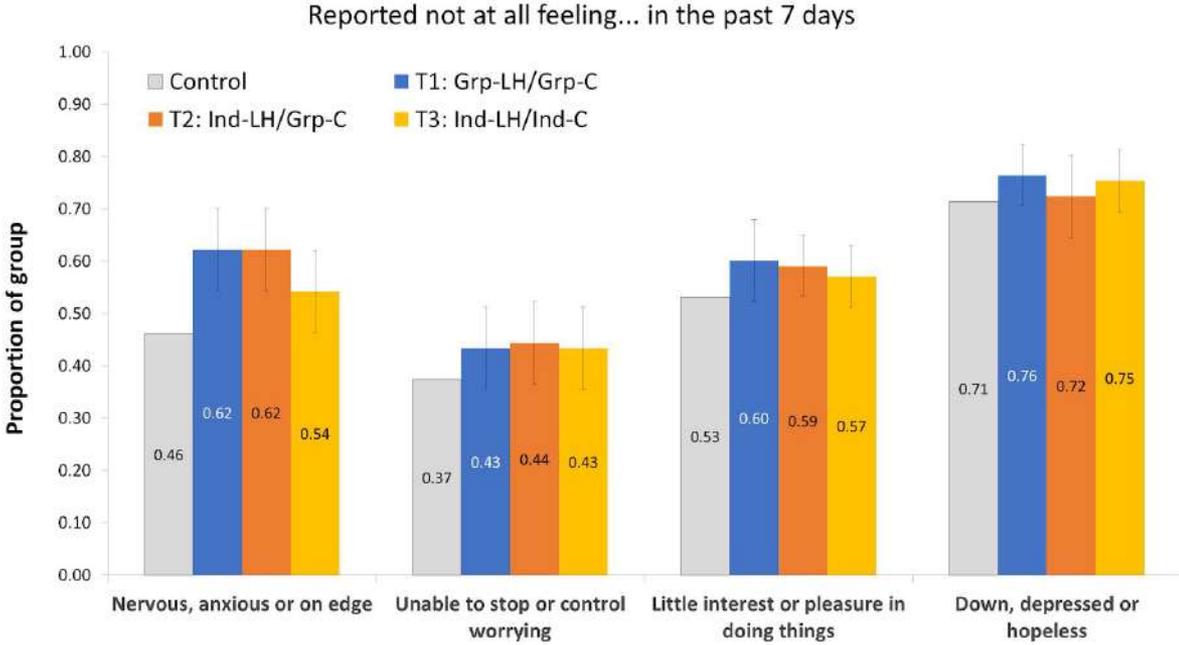
# Bargaining and IPV



# Mental health



Control group has mean = 0 and SD = 1.



# COVID19 Pandemic statistics

	Mean	SD	N
In past 7 days, days spent home all day without receiving visits	1.82	1.72	158
Has access to soap and clean water to allow frequent handwashing	0.99	0.08	158
Washed hands more often as compared to before quarantine	0.77	0.42	159
Washed hands more often or the same as compared to before quarantine	0.97	0.18	159
In the last 7 days, has always worn nose/mouth covering when going out	0.96	0.21	91
Feels that anyone in household is at risk of contracting COVID19	0.34	0.48	155
Experienced increase in healthcare costs since start of quarantine	0.58	0.50	158
Has health insurance in case household member becomes sick	0.93	0.26	158

# Conclusions and next steps

- Despite implementation challenges, positive impacts across multiple measures – promoting resilience during Covid-19 pandemic
- Lack of evidence that lower-cost group coaching reduces effectiveness (preliminary)
- Endline scheduled for May 2021; in-person to raise response rates, expand modules

Thank you



ipa  
INNOVATIONS FOR  
POVERTY ACTION

## Closing Remarks

### Mr. Bruno Carrasco

Director General, Sustainable Development and Climate Change Department, ADB

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Bruno Carrasco leads ADB-wide knowledge and innovation work in all thematic and sector operation areas, establishes sector and thematic policies and strategies, and ensures compliance with environment and social safeguards policies. He also oversees the administration of trust funds and global funding initiatives. He provides advice to Management on various ADB-wide strategic and policy matters, annual and medium-term work plans, and major operational matters. He has worked at ADB for more than 23 years and has served in countries across all of its regional departments. An expert in public sector management, and applied economic policy, he was most recently Chief of ADB's Governance Thematic Group, where he defined and sharpened ADB's work on domestic resource mobilization, infrastructure governance, state-owned enterprise reforms, and fiscal decentralization. He was appointed Director General concurrently Chief Compliance Officer on 22 February 2021. He has also worked at the United Nations Office for Project Services, the United Nations Development Program, and the European Central Bank.



*Thank you for joining!*

# Join the Asia-Pacific Social Protection Online Community



There you will find the event's recording and suggested readings, as well as information on the upcoming webinar sessions of the Asia-Pacific Social Protection Online Community.

→ [Link on the chat!](#)