

*The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.*

# ADB Training: Integrating the Graduation Approach into ADB Operations

12-15 December 2022

**Disclaimer:** The views expressed in this presentation are the views of the author and do not necessarily reflect the views or policies of the Asian Development Bank (ADB), or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. Terminology used may not necessarily be consistent with ADB official terms.



# Training Guidelines



Please note that this meeting is being recorded.



Upon joining this training, kindly please mute your microphone on mute to avoid interruption.



During the Q&A and Discussion, you may post your question on the Padlet web app, Zoom chat box, or you may raise your hand to request the moderator for space to speak. We encourage you to turn on your camera and microphone when asking live questions to maintain an interactive session. All the questions will be put on the virtual white board so that we will make sure to address your questions during or after the training. Feel free to share your thoughts on the questions of other participants so we can all learn from each other.



If at first you encounter a connection, audio, or video problem, please disconnect and rejoin the meeting. If the problem persists, please e-mail the secretariat at [sdtg@adb.org](mailto:sdtg@adb.org)



Presentations will be sent thru e-mail after this session.

# OPENING REMARKS

**Karin Schelzig**

Principal Social Sector Specialist, East Asia Department, ADB





# 4 Things to Know about the Graduation Approach

[Video: 4 Things to Know About the Graduation Approach for Poverty Reduction](#)

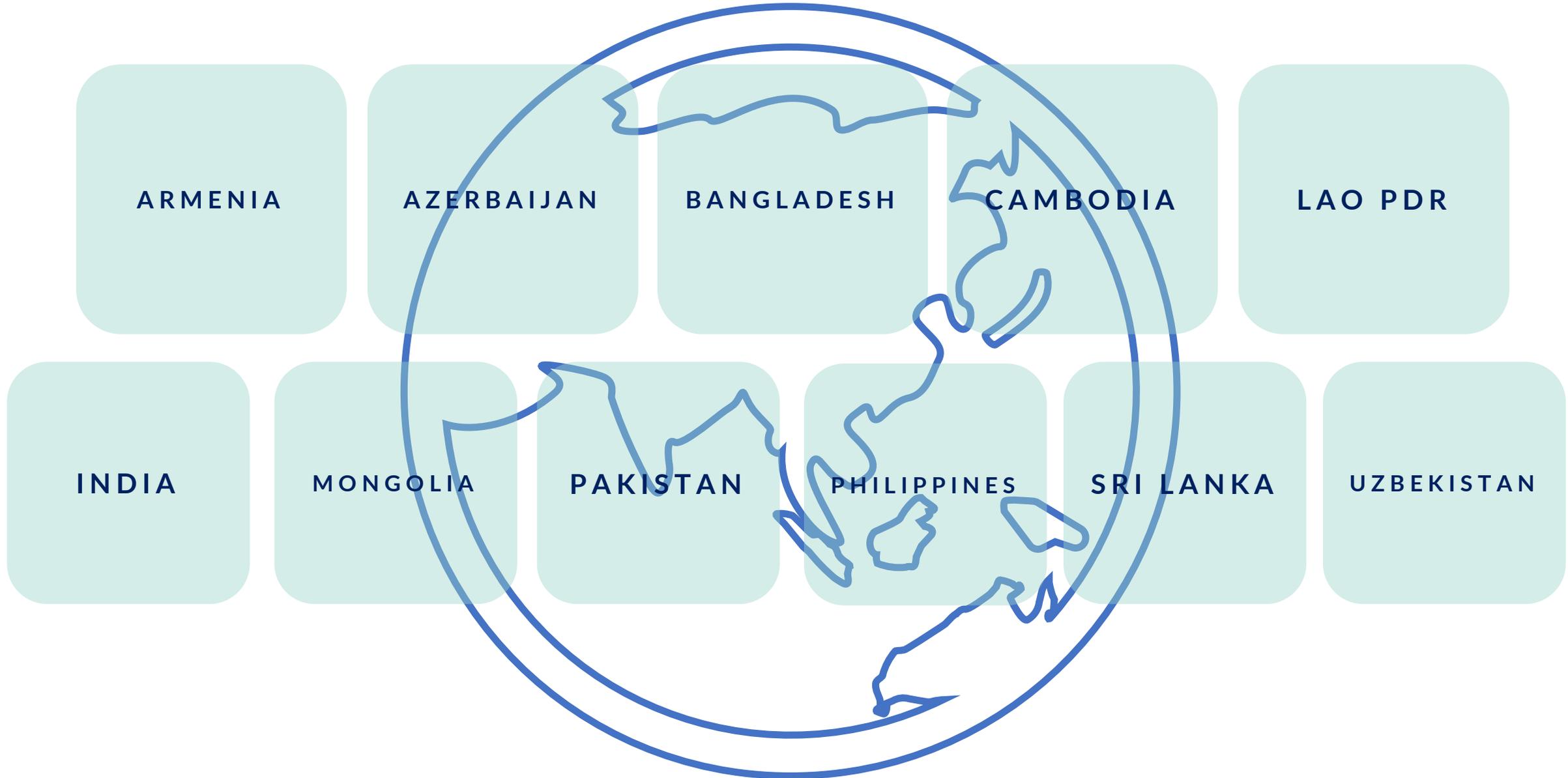
# INTRODUCTIONS

**Yukiko Ito**

Principal Social Development Specialist, SDCC, ADB



# WHO'S IN THE ROOM?



# AGENDA

3:00–3:05pm

**Opening remarks** (including Intro on Graduation at ADB)  
**Screening of short video**

**Karin Schelzig**

Principal Social Sector Specialist, East Asia Department, ADB

3:05–3:10pm

**Get to Know Each Other**

**Yukiko Ito**

Principal Social Development Specialist, SDCC, ADB

3:10–3:50pm

**Graduation 101**

- Opening slides on concept and history (Hashemi)
- Overview of the State of Economic Inclusion report 2021 (Aude)
- Q&A

**Aude de Montesquiou**

Social Protection and Graduation and Approach Advisor

**Syed Hashemi**, Resource Person for Integrating the Graduation approach/economic inclusion into ADB Operations

3:50–4:30 pm

**Building Graduation into social protection systems**

- Facilitated panel discussions using three case studies to identify key components (social protection, livelihood promotion, financial inclusion and social empowerment) to design a graduation approach.
- Q&A

**Edmon Monteverde**

OIC Director, Sustainable Livelihood Program, Department of Social Welfare and Development, Philippines.

**Ricardo Barba**

Principal Safeguards Specialist, Portfolio, Results, and Quality Control Unit, South Asia Department (SARD), ADB

**Aude de Montesquiou**

4:30–5:00 pm

**Global evidence**

- Overview of the impact results so far
- ADB's impact evaluation experience
- Q&A

**Aude de Montesquiou**

**Nassreena S. Baddiri**

Evaluation Specialist Independent Evaluation Department, ADB

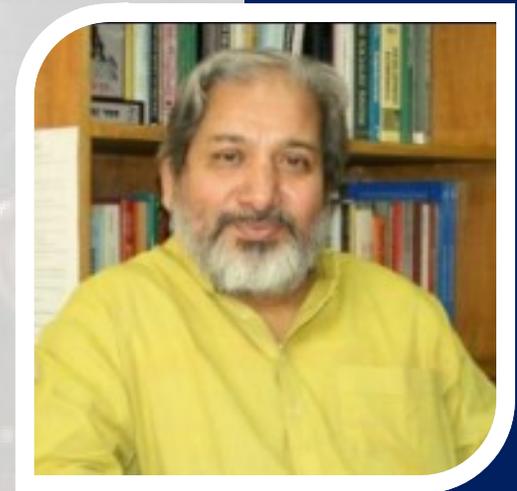
# GRADUATION 101

**Aude de Montesquiou**

Social Protection and Graduation and Approach Advisor

**Syed Hashemi**

Resource Person for Integrating the Graduation approach/  
economic inclusion into ADB Operations



# GRADUATION 101

**ADB Training: Integrating the Graduation Approach into ADB Operations**

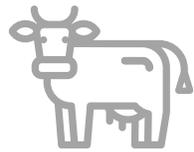
Dec 12-15, 2022

Syed M. Hashemi and Aude Montesquiou



# A HOLISTIC PACKAGE

## COMPONENTS



*5 connected components provide ladder  
out of extreme poverty*

## CHARACTERISTICS

TIME-BOUND  
18-36 months

PROVEN IMPACT  
Robust testing via RCTs

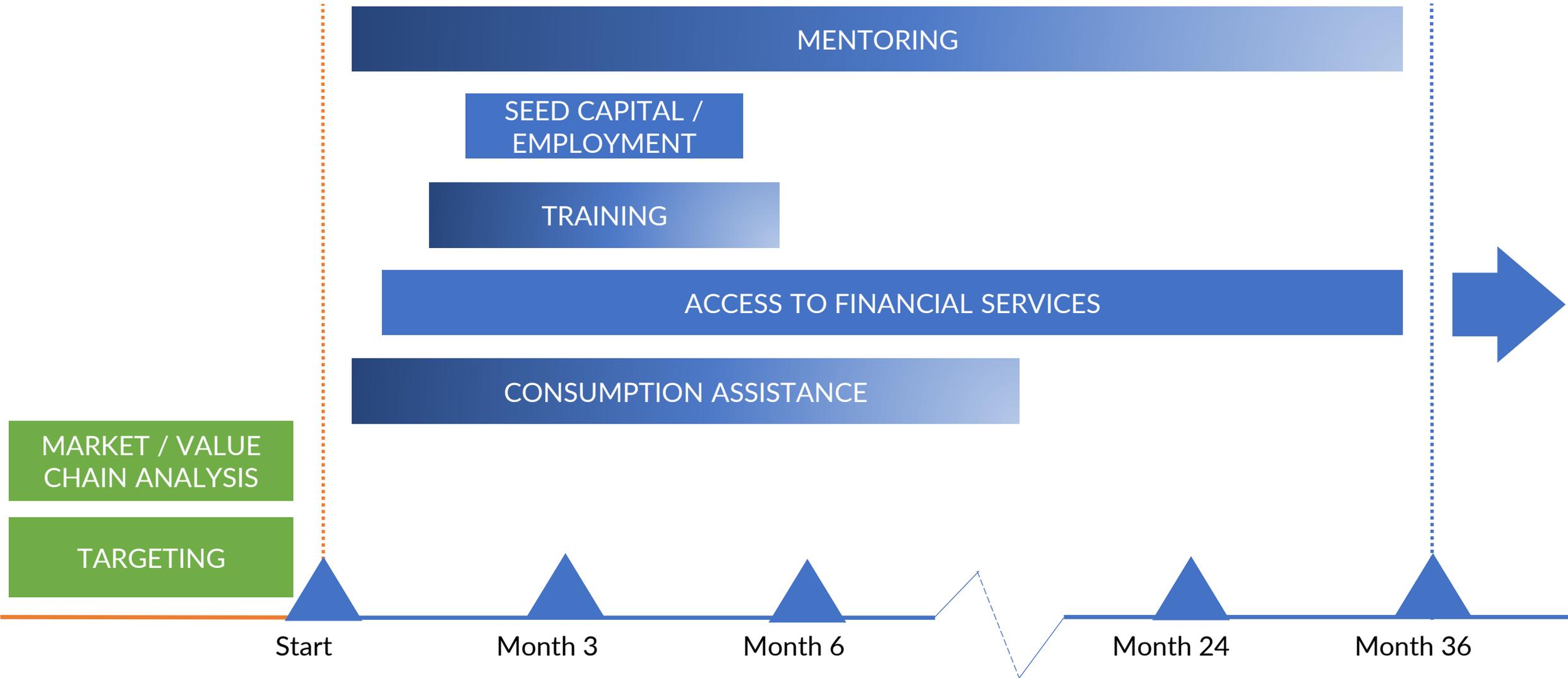
SUSTAINABLE  
Impact sustained after 7yrs

COST EFFECTIVE  
1.33-4.33x ROI

# CAREFUL SEQUENCING

Extreme Poverty

Sustainable Livelihoods



# TARGETING EFFICIENCY

- Government database/registry
- Geographic Targeting
- Community Wealth Ranking
- Means Test
- On-site Verification



# INTEGRATION INTO LOCAL ECONOMIES (*ECONOMIC INCLUSION PROGRAMS*)

- Market assessment and value chain analysis
- Local markets for inputs, outputs, and labor
- Integration with regional and national markets
- Meso-level services (e.g., agricultural extension, financial services) and infrastructure (e.g., connectivity)



# COACHING

- Linking to government monitoring systems
- Opportunity for coaching
- Referrals and linkages
- Potential for digital innovations (AI and predictive analytics)



# GRADUATION CRITERIA

- A **specific set of multidimensional indicators** that serve as benchmark for successful completion of the program.
- Provide specific goals for households to work toward, **track their own progress** over the duration of the program, and indicate clear benchmarks for graduating.
- Criteria must be holistic and relate to the **four pillars** of Graduation.

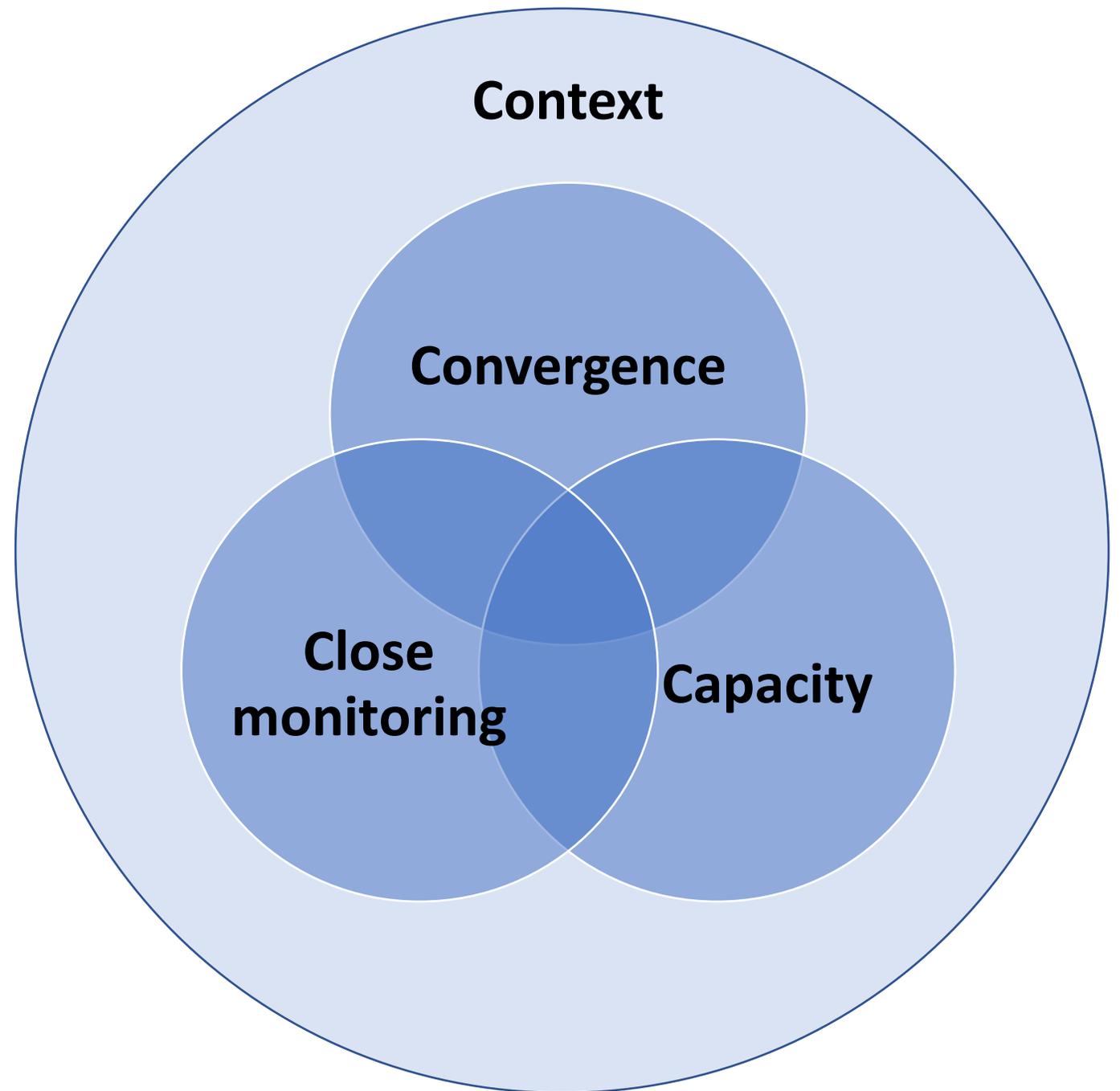


Photo credit: BRAC

# EXAMPLE: GRADUATION CRITERIA OF PADAYON SLP PROJECT

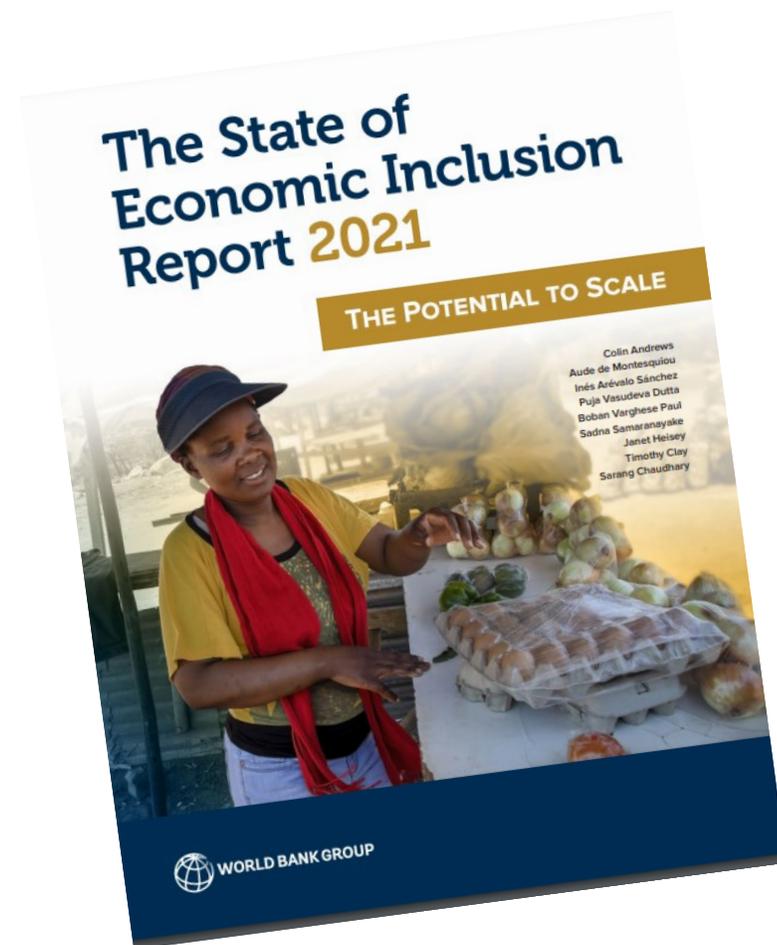
Graduation Pillar	Outcome	Criteria
 <b>Livelihoods Promotion</b>	Households earn greater income and have sustainable livelihoods.	<ul style="list-style-type: none"> <li>● Increased monthly income*</li> <li>● Possession of at least two sources of income</li> <li>● Linkages to livelihood support services to maintain and grow livelihood</li> </ul>
 <b>Social Protection</b>	Households experience food and nutrition security, use safe drinking water, and are prepared to respond to disasters.	<ul style="list-style-type: none"> <li>● Access to nutritious meals three times per day*</li> <li>● HH members consume meals in line with dietary diversity guidance in life skills training</li> <li>● Proper waste disposal*</li> <li>● Access to clean drinking water, either through sourcing or treatment*</li> <li>● Proper practice of disaster preparedness activities*</li> </ul>
 <b>Financial Inclusion</b>	Participants develop a habit of savings and apply financial management skills.	<ul style="list-style-type: none"> <li>● Ability to save at least P100 pesos per month</li> <li>● Use of formal financial services*</li> </ul>
 <b>Social Empowerment</b>	Participants are empowered to avail of local resources, make joint household decisions, and actively engage with their community.	<ul style="list-style-type: none"> <li>● Ability to avail of local resources in times of need*</li> <li>● Joint decision making within the household*</li> <li>● Participation in community affairs/activities*</li> </ul> <p><i>*Note: Criteria that directly overlaps with SWDI indicators.</i></p>

# CHALLENGES TO SCALING



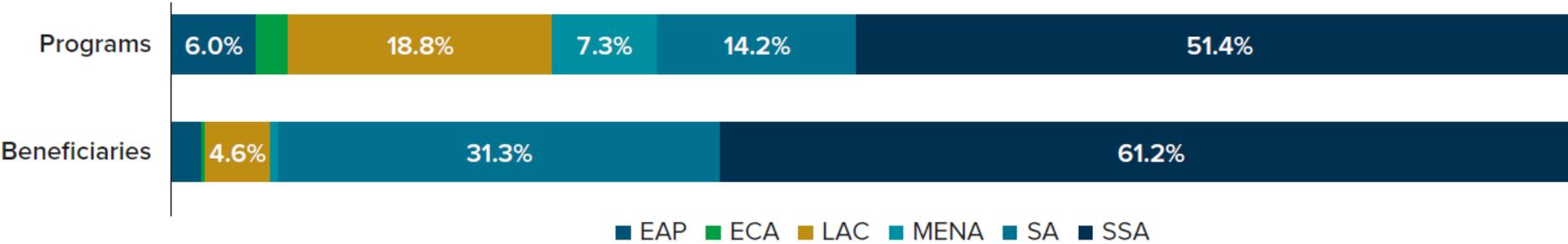
# THE STATE OF ECONOMIC INCLUSION REPORT 2021: THE POTENTIAL TO SCALE

---

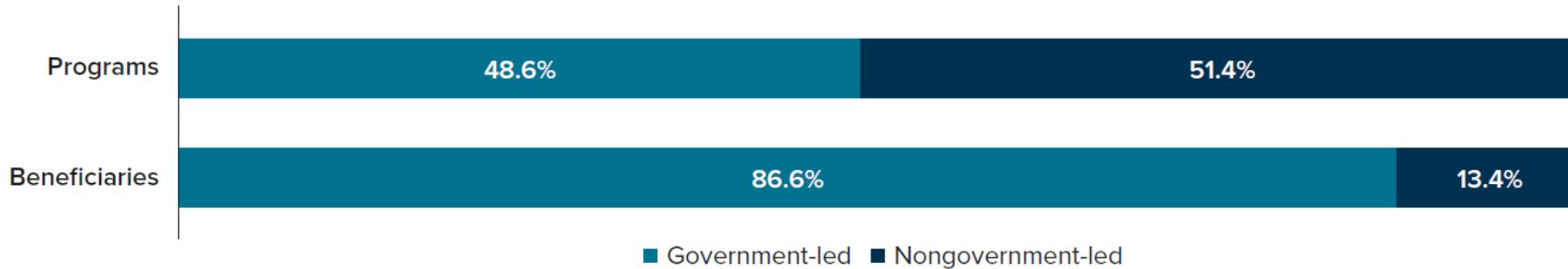


# SEI 2021: REACH OF EI PROGRAMS

## By region



## By lead institution



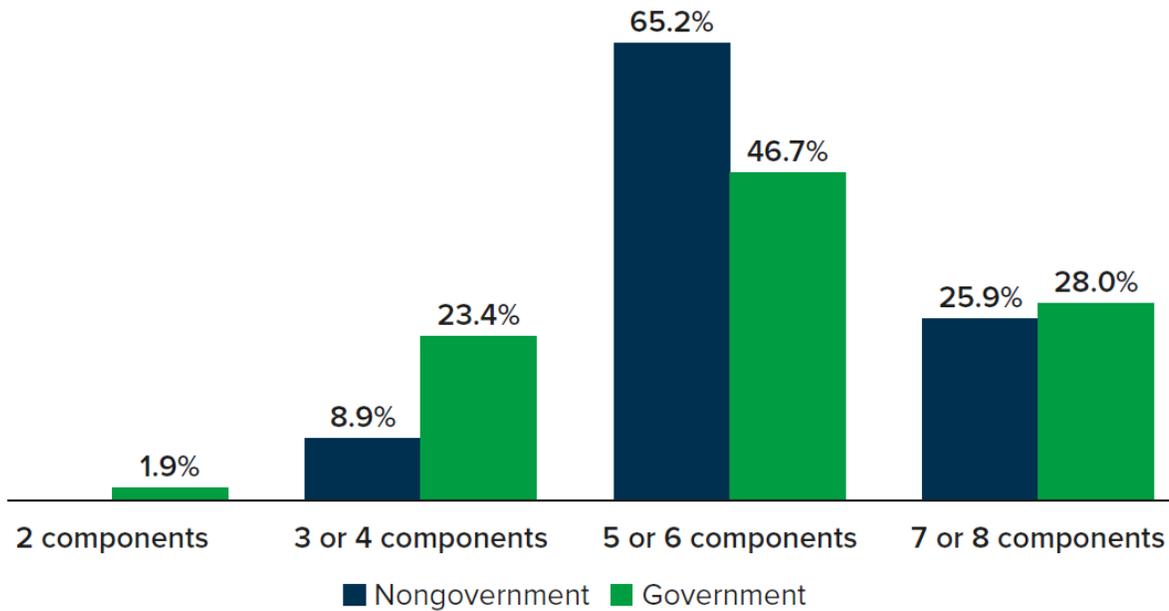
**75**  
Countries

**219**  
Programs

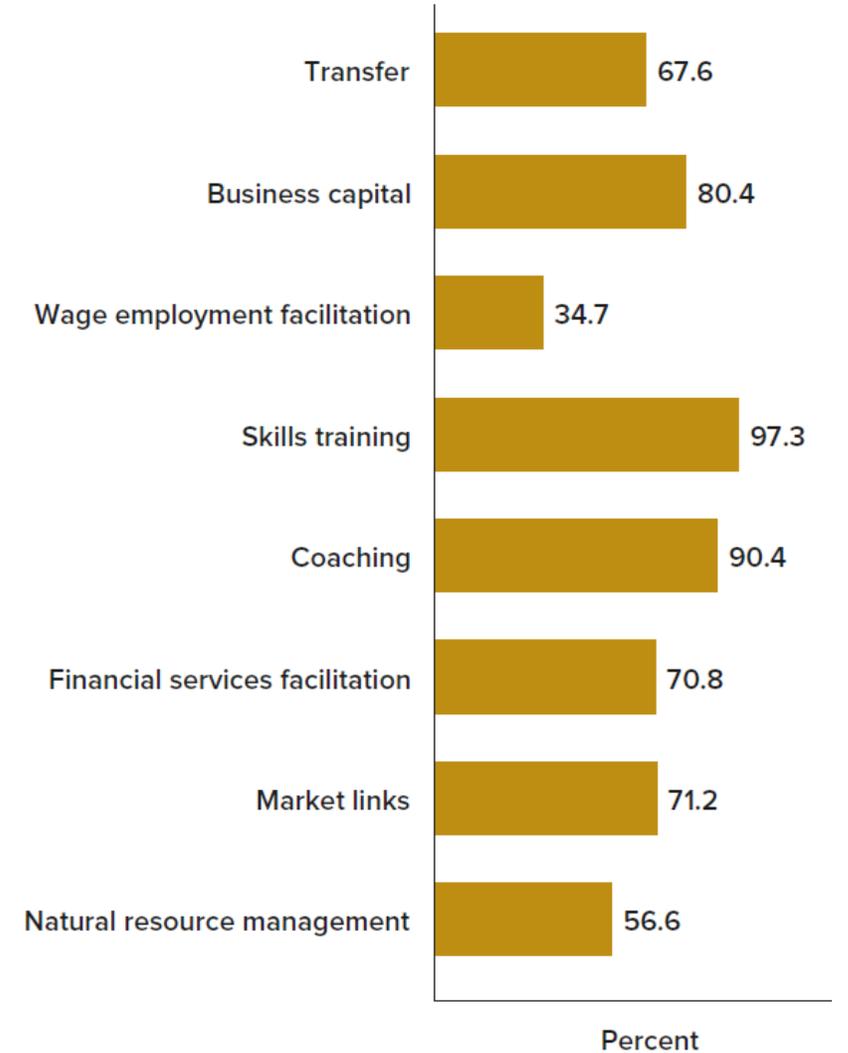
**90**  
Million  
beneficiaries

# SEI 2021: PROGRAM COMPONENTS

## Number of EI Program Components

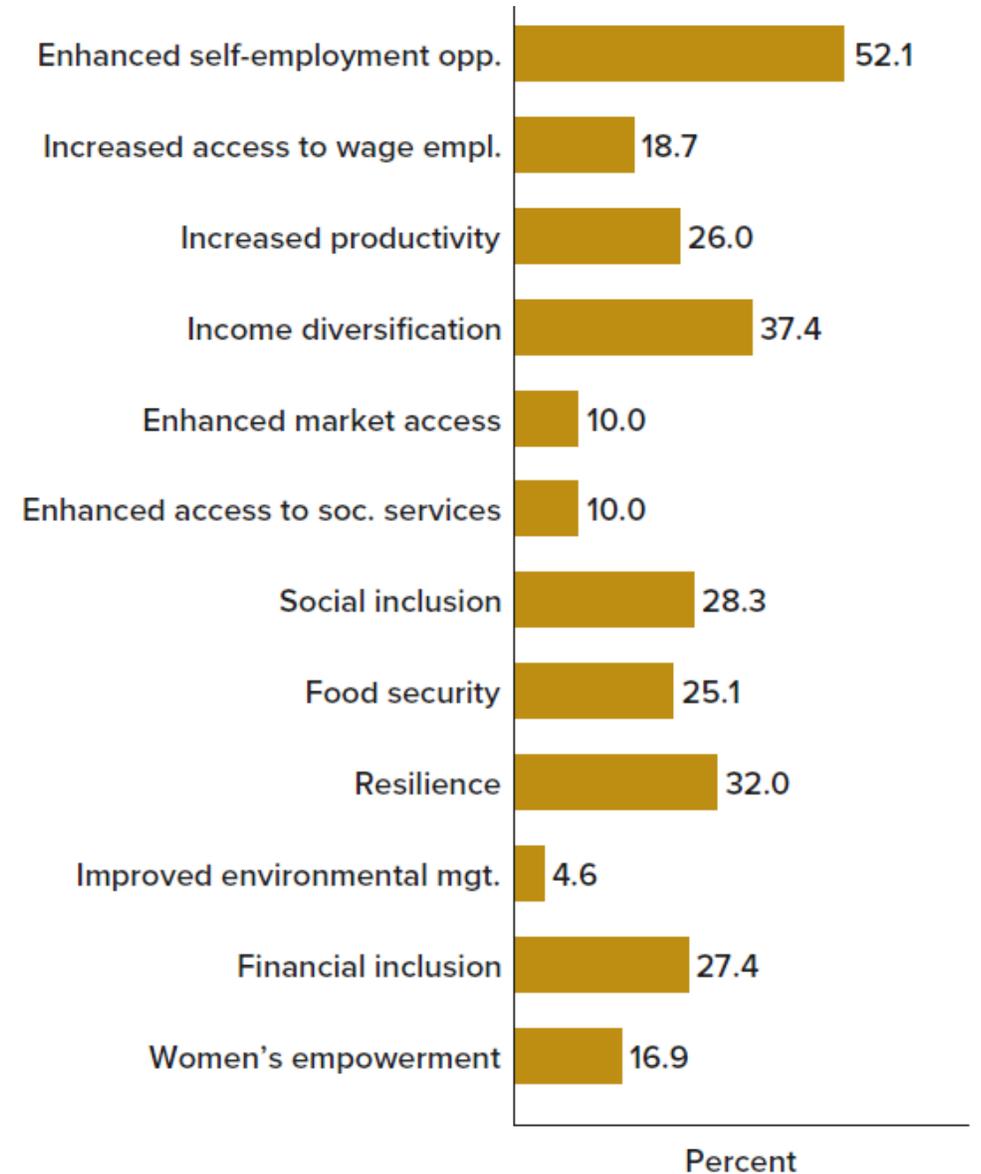


## Types of EI Program Components



# SEI 2021: PROGRAM OBJECTIVES

- The 2020 survey revealed that there were 12 different objectives that are most common and help to shape economic inclusion programming for respondent programs.
- The most frequently cited objectives for economic inclusion programs include self-employment (52 percent), income diversification (37 percent), and resilience (32 percent).
- Jobs/livelihoods programs focus more on women's empowerment (23 percent), while SSN plus focus more on resilience (42 percent).



# PROMOTING WOMEN'S EMPOWERMENT

## Gender-sensitive design

**Targeting** women as the primary program recipient does not *per se* ensure female control over assets.

The training and coaching components of economic inclusion programs are effective for increasing the life skills, self-confidence, and agency of women.

Engaging men, community and particularly social networks while implementing programs for women is essential to ensure their buy-in and facilitate behavior change.

## Gender-sensitive delivery

**Staffing:** It is important to train staff to recognize their own biases

**Payments and delivery mechanisms:** Digitization of transfers, access to digital financial services, and e-coaching, may make it easier for women to access services and contents from home, but limited ownership and access to assets should be considered

**Childcare and flexibility:** Providing mechanisms for childcare can ease participation of women in economic inclusion programs.



# FUTURE DIRECTIONS



## Strong global momentum

- 99 programs
- Across 43 countries
- Two-fold increase in gov't engagement – about a third builds on gov't social protection systems



## Newly targeted groups

- Strong focus on rural women
- Move towards new populations: youth, people with disabilities, refugees, and others.



## New contexts

- Expanding to urban and peri-urban areas
- 75% in fragile or conflict-affected countries



## Greater Innovation & Adaptation

- In both program design & delivery
- Tweaks to components – adapting to segments & context
- Digitization: 43% of programs



THANK YOU!

A blurred background image of a diverse crowd of people, with a woman in the foreground raising her hand. The scene is brightly lit, suggesting an indoor event or conference. The woman in the foreground is wearing a red patterned top and has her right hand raised high. Other people in the background are out of focus, showing various expressions and attire.

# **Q&A SESSION**

# BUILDING GRADUATION INTO SOCIAL PROTECTION SYSTEMS

ADB Training: Integrating the Graduation Approach into ADB Operations

Dec 12-15, 2022

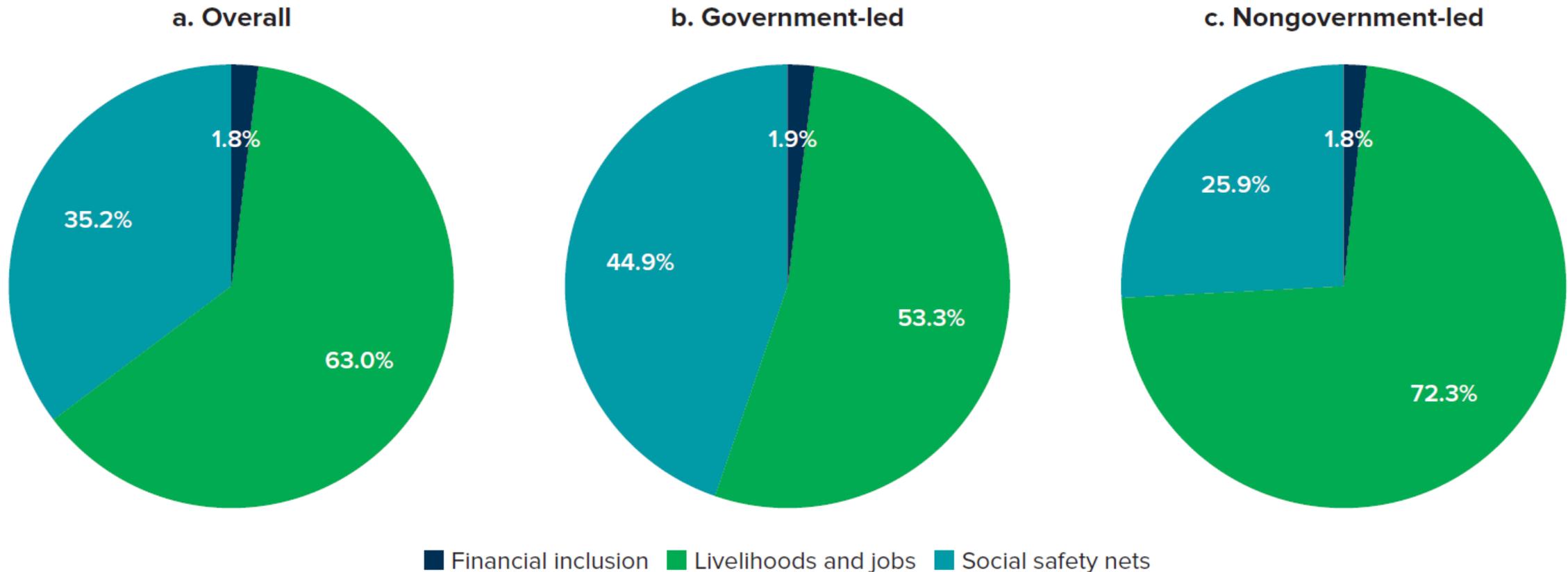


# BUILDING ON GOVERNMENT INTERVENTIONS: ADB'S FRAMEWORK



# SEI 2021: BUILDING ON GOVERNMENT INTERVENTIONS

Although economic inclusion programs are multidimensional, they generally include a foundational intervention that acts as the primary entry point, with other measures subsequently layered on top of that. Drawing on the survey of programs undertaken for this report, three core entry points have been identified.



# SCALING PATHWAYS

## Full implementation

- BRAC
- Jeevika (Bihar, India)

---

## Convergence

- Padayon DLP (Philippines)
- JSLPS (Jharkhand, India)
- UNHCR

---

## Layering

- Sahel Adaptive Social Protection Program (West Africa)
- Juntos (Peru)

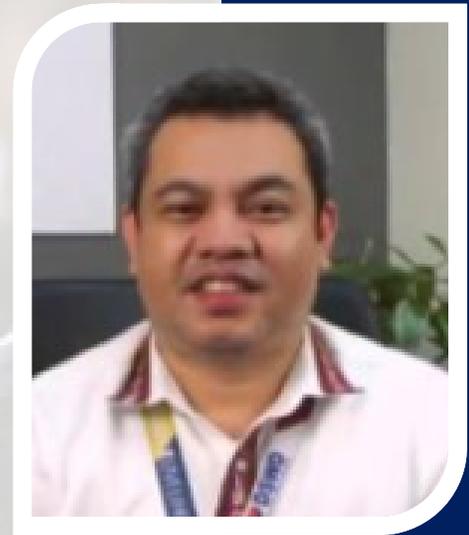


**THANK YOU!**

# BUILDING GRADUATION INTO SOCIAL PROTECTION SYSTEMS (PHILIPPINES)

**Edmon Monteverde**

OIC Director, Sustainable Livelihood Program, Department of Social Welfare  
and Development, Philippines.



SDTG Online Training: Integrating the Graduation Approach into ADB Operations



# “PADAYON, SLP”: A Graduation Approach Pilot Project

December 12, 2022 | *via zoom*



## Discussion Points

- Padayon, SLP Overview
- Illustrative Graduation Timelines
- Graduation Interventions to SLP
- Monitoring Results
- Ways Forward

# Padayon, SLP Overview

## OBJECTIVES:

- ✓ Integrate holistic Graduation approach methodology
- ✓ Promote sustainability of SLP projects
- ✓ Evidence-based decision making for policy-making enhancement
- ✓ Support 4Ps in achieving the Department's objective to improve the well-being of 4Ps households

**Implementer:** Department of Social Welfare and Development (DSWD) through the Sustainable Livelihood Program in partnership with DFAT, ADB and BRAC-UPGI

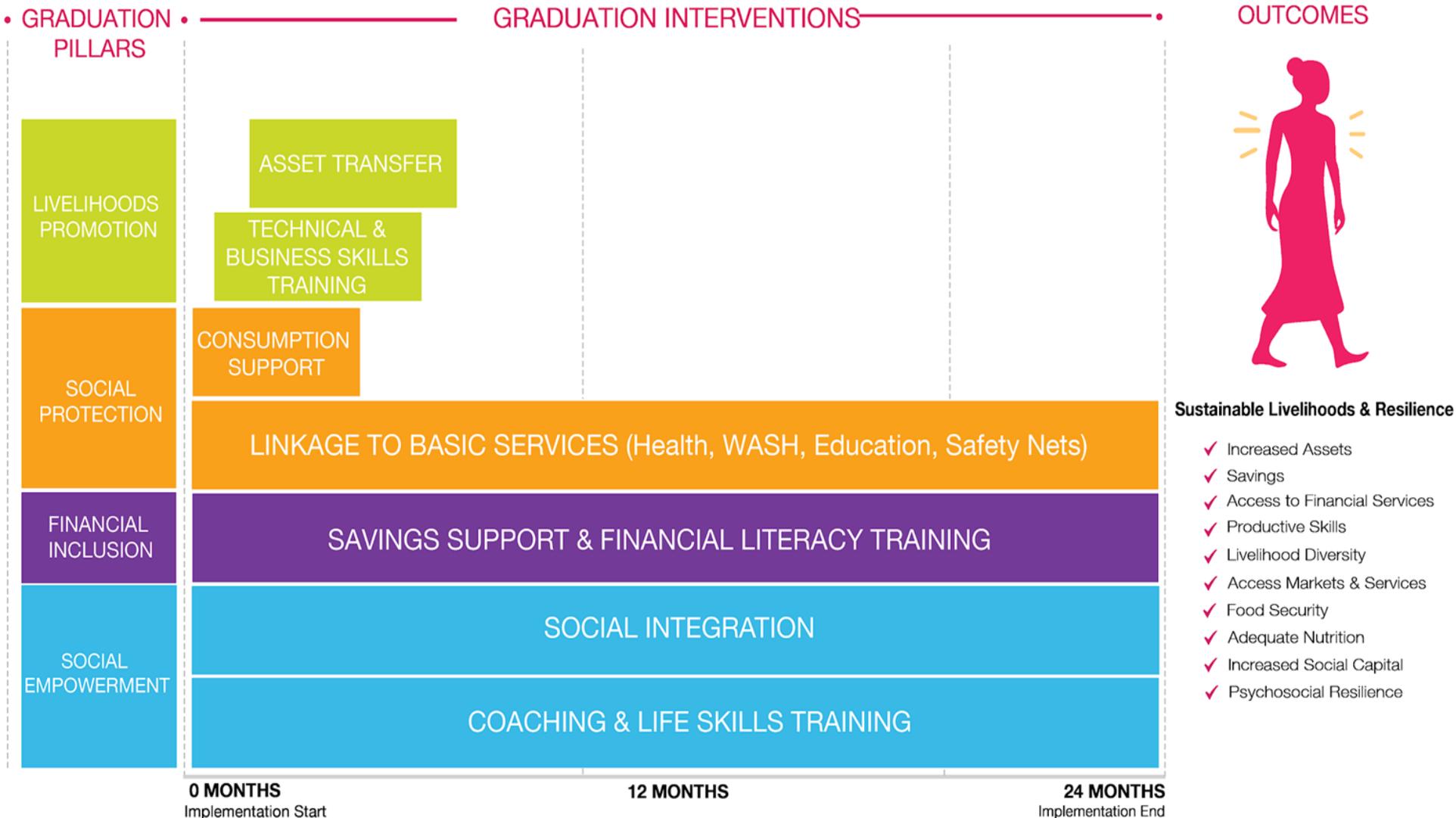
**Timeline:**  
22 months – April 2021 to January 2023

**Location:**  
3 Provinces – Iloilo, Bukidnon, and Sultan Kudarat

**Target Population:**  
2,810 **Level 3** 4Ps households **not yet served** by SLP



# Illustrative Graduation Timeline



# Padayon SLP Interventions

	4Ps	SLP	Graduation Additions
 <b>Social Protection</b>	<b>Consumption Stipend (Health and Education)</b> <b>Healthcare Services: PhilHealth Enrollment</b>		<b>Healthcare Referrals &amp; Guidance</b>
 <b>Livelihoods Promotion</b>		<b>Technical Training: Microenterprise Development Training</b> <b>Livelihood Assets and Market Map (LAMM)</b> <b>Seed Capital Fund</b>	<b>Localized Tailored Market Assessment</b> <b>Business Management Training</b> <b>Technical Skills Training</b>
 <b>Financial Inclusion</b>	<b>FDS Financial Literacy Module</b>	<b>Savings through SLP Association (SLPA)</b>	<b>Savings Support: Access to Savings Accounts</b> <b>Financial Literacy Training</b>
 <b>Social Empowerment</b>	<b>Coaching: Municipal &amp; City Links</b> <b>Family Development Sessions</b>	<b>Organizational and Leadership Trainings through the SLPA</b>	<b>Monthly Monitoring and Mentorship</b> <b>Life Skills Training</b> <b>Direct Linkages to Barangay &amp; LGU Resources</b>

# Summary of Progress on Graduation Criteria

- **Livelihoods Promotion**

- **Most households are earning more per month** compared to their reported monthly incomes before joining Padayon and **nearly all HHs have multiple sources of active income**, a significant change from baseline.

- **Social Protection**

- HHs generally demonstrate **positive behavior change** that shows they are putting key lessons from the life skills trainings into practice. Additional reinforcement is needed to support increased behavior change related to proper waste disposal.

- **Financial Inclusion**

- Notable **increase in the number of HHs saving each month** and HHs that have active financial accounts. Reinforcement is needed to continue to increase the number of HHs using formal financial services.

- **Social Empowerment**

- HHs report an increase in **joint decision-making** among partners and **increased participation in community activities**. HHs continue to need support to develop linkages to local resources, including livelihood support services outside of Padayon SLP. This will be a major emphasis of preparation for Graduation.

# Ways Forward

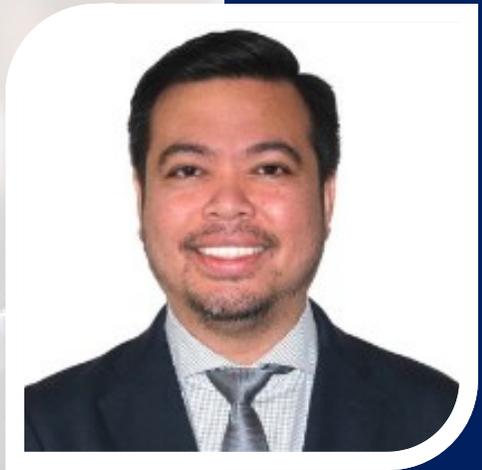
- Continuous regular monitoring, coaching and mentoring
- Handholding activities with SLP team
- Knowledge Sharing (Jan 2023)
- SLP is currently assessing the project implementation for policy enhancement

*Padayon! Thank you!*

# BUILDING GRADUATION INTO SOCIAL PROTECTION SYSTEMS (INDIA)

**Ricardo Barba**

Principal Safeguards Specialist, Portfolio, Results, and Quality Control Unit,  
South Asia Department (SARD), ADB



# Inclusive, Resilient and Sustainable Housing for Urban Poor Sector Project in Tamil Nadu (India)

## An Application of the Graduation Approach in Resettlement Implementation



# Design and Monitoring Framework



**Impacts** Permanent shelter with appropriate housing infrastructures and services for every affected household.

**Outcome** Access to inclusive and safe affordable housing infrastructure and services for vulnerable and disadvantaged groups in Tamil Nadu increased.

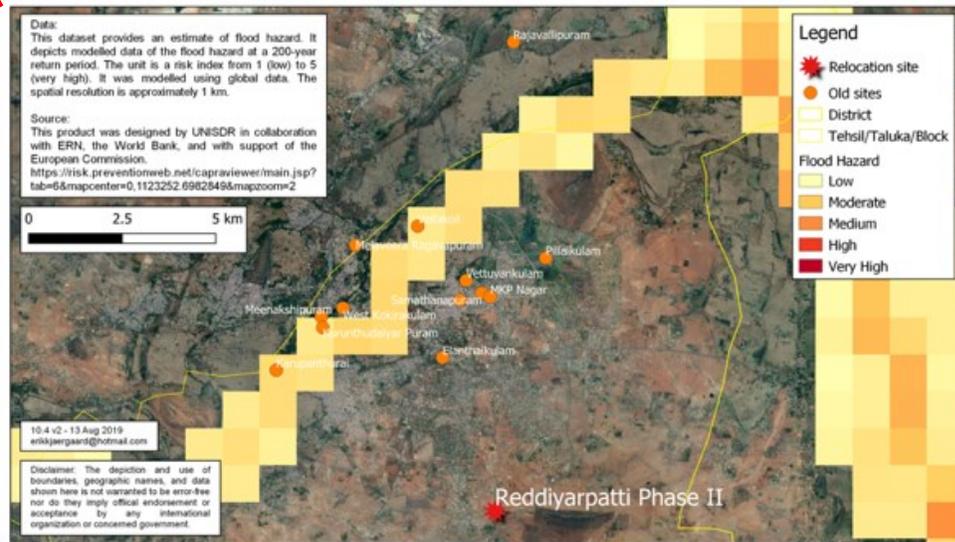
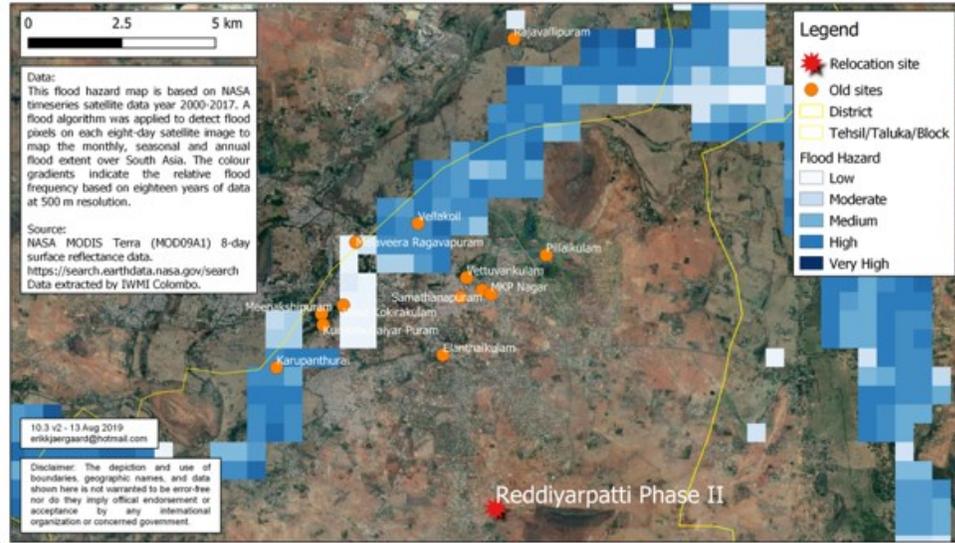
**Outputs**

1. Affordable and improved housing for vulnerable communities constructed.
2. Affordable housing for urban poor and migrant workers increased.
3. Regional plan development supported.

# Vulnerable Communities

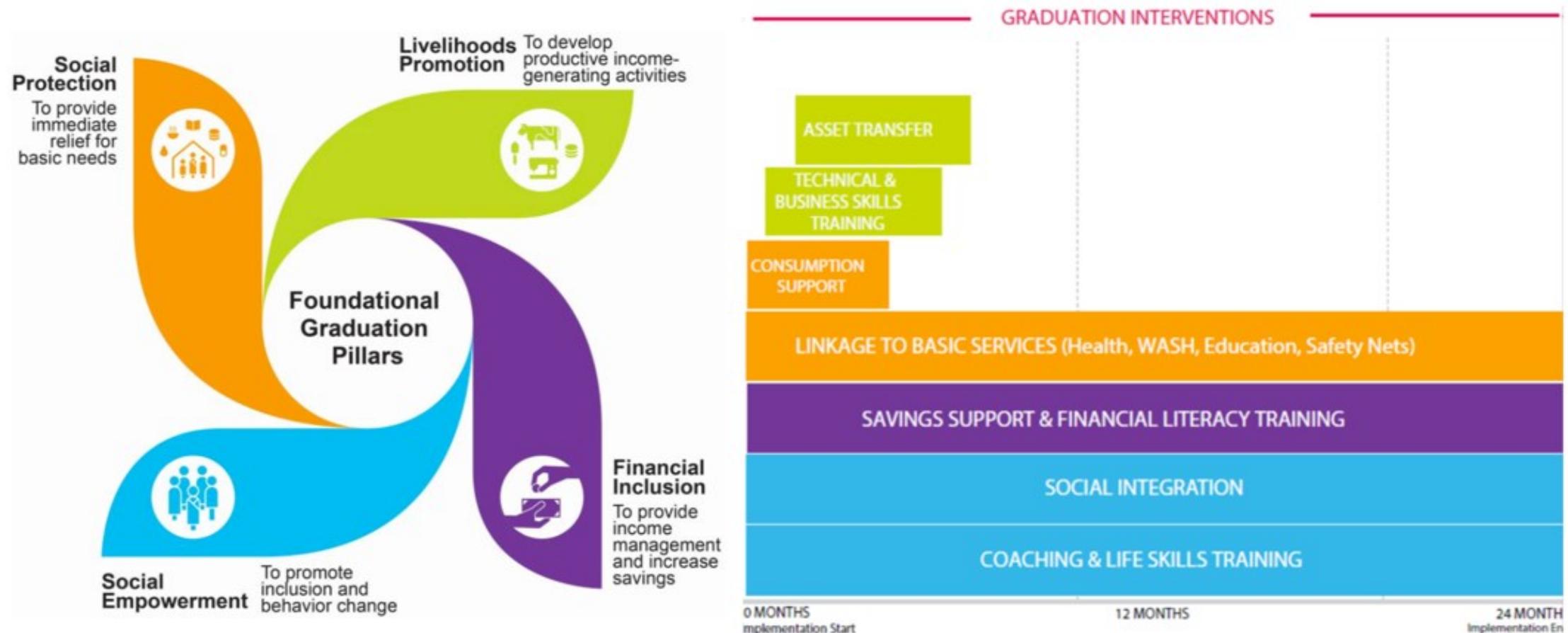


# Project Areas



# What is the Graduation Approach?

A combination of **comprehensive**, **multi-dimensional** and **sequenced** supports that create a **'big push'** to propel the extreme poor from poverty. Often referred to as Graduation, cash plus, productive inclusion, economic inclusion, and other names.



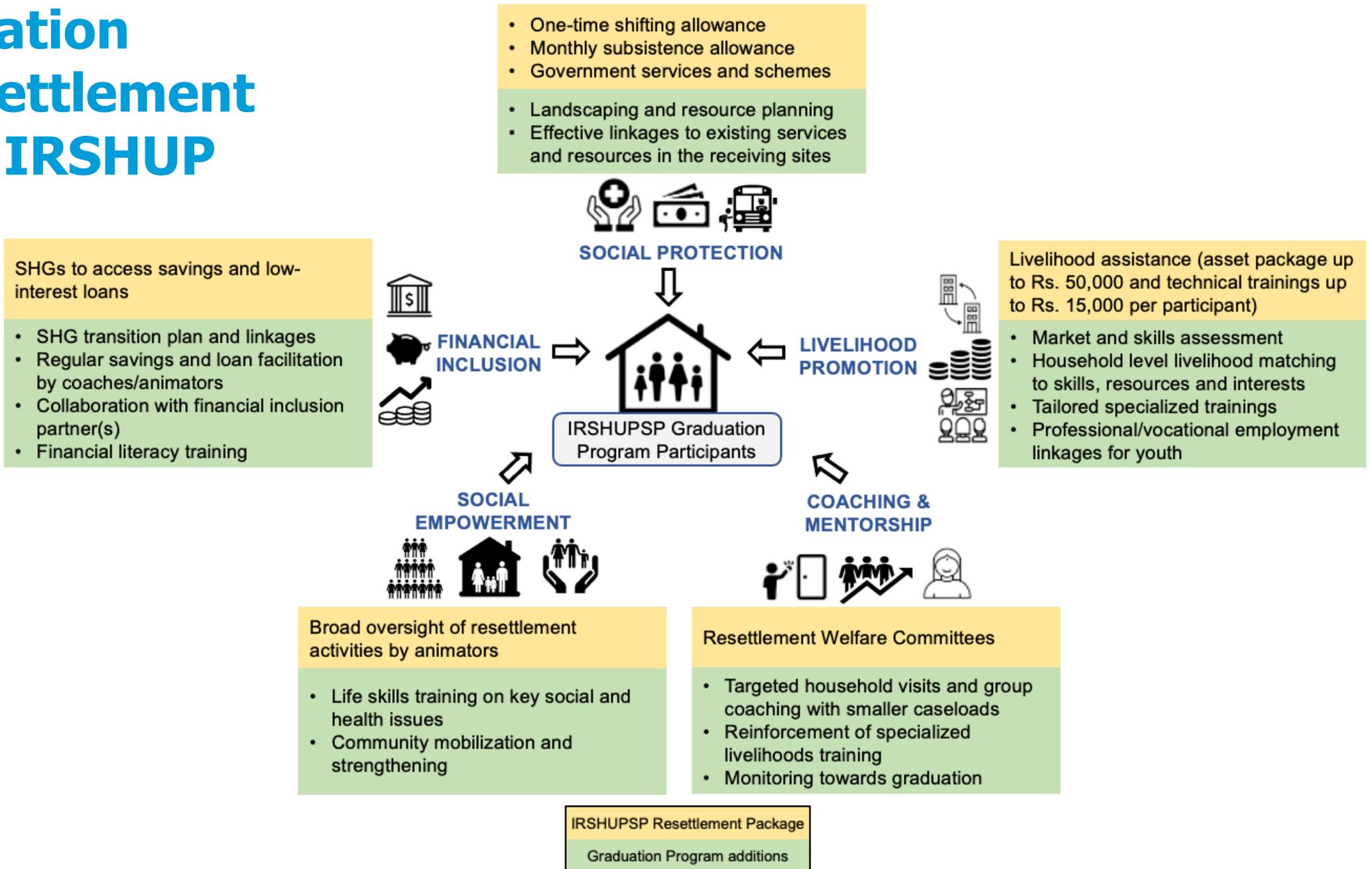
# ADB Resettlement Objectives:

- **Minimize involuntary resettlement by exploring project and design alternatives**
- **Enhance or at least restore the livelihoods of all displaced persons to pre-project levels**
- **Improve standards of living of the displaced poor and other vulnerable groups**

# Key Requirements for Displaced Persons:

- **Compensation for losses at replacement cost.**
- **Assistance for relocation, productive opportunities, and civic infrastructure; transition; and development benefits.**
- **Compensation for income loss and livelihood sources, and livelihood restoration.**

# Graduation in Resettlement under IRSHUP



# Key components completed in the IRSHUP Graduation Approach

**Household segmentation and eligibility criteria** developed and included in the Resettlement Framework and Plans

**Social Protection:** Landscaping of available and planned services at the receiving sites undertaken

**Livelihood promotion:** Market assessment, identification of site-specific viable livelihood options, asset packages, SWOT analysis and business plan for each livelihood, mapping of technical training providers and services

**Financial Inclusion:** SHG Mapping and Transition Plan

**Social Empowerment:** Contextualized curriculum developed for each topic; key social and health issues identified from community consultations; visit schedule of animators prepared for training, coaching and mentorship.

**Graduation Roadmap prepared**



**Nurture**— Enhance the Quality of Mind and Body



**Engage**— Celebrate Everyday Activities



**Stimulate**— Create Opportunities for Interaction and Livelihood



Create Neighborhoods



Foster Interactions



**Thrive**— Fostering an Active and Healthy Younger Generation



\*Block Profiles are Indicative of the Concept Masterplan; Changes without significant compromises to the core concepts of the masterplan were made by TNSCB during the detailed design

A blurred background image of a diverse crowd of people, with a woman in the foreground raising her hand. The image is semi-transparent, allowing the text to be clearly visible.

# **Q&A SESSION**

# GLOBAL EVIDENCE

**Aude de Montesquiou**

Social Protection and Graduation and Approach Advisor



**Nassreena S. Baddiri**

Evaluation Specialist Independent Evaluation Department, ADB



# GLOBAL EVIDENCE

**ADB Training: Integrating the Graduation Approach into ADB Operations**

Dec 12-15, 2022

Aude Montesquiou and Nassreena S. Baddiri



# STRONG IMPACT FINDINGS WITH CGAP PILOTS



Income



Savings



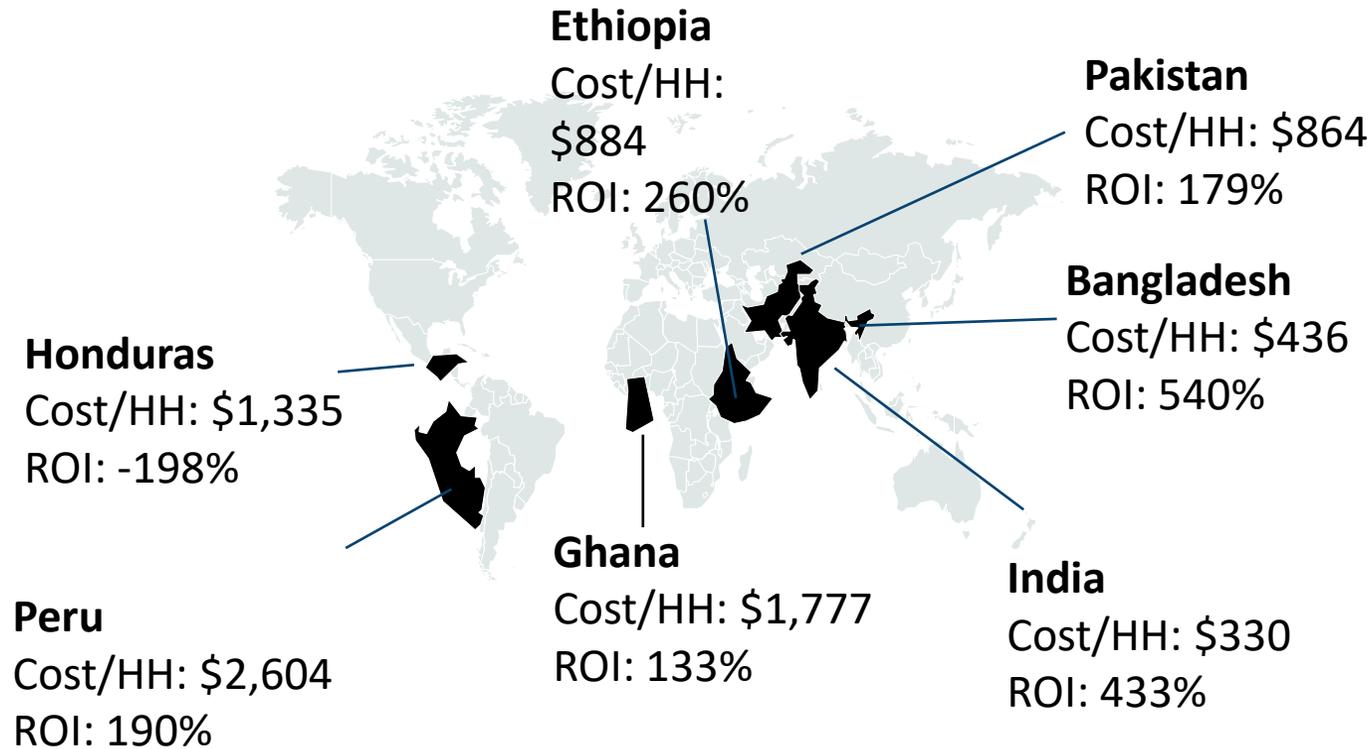
Food security



Health



Happiness



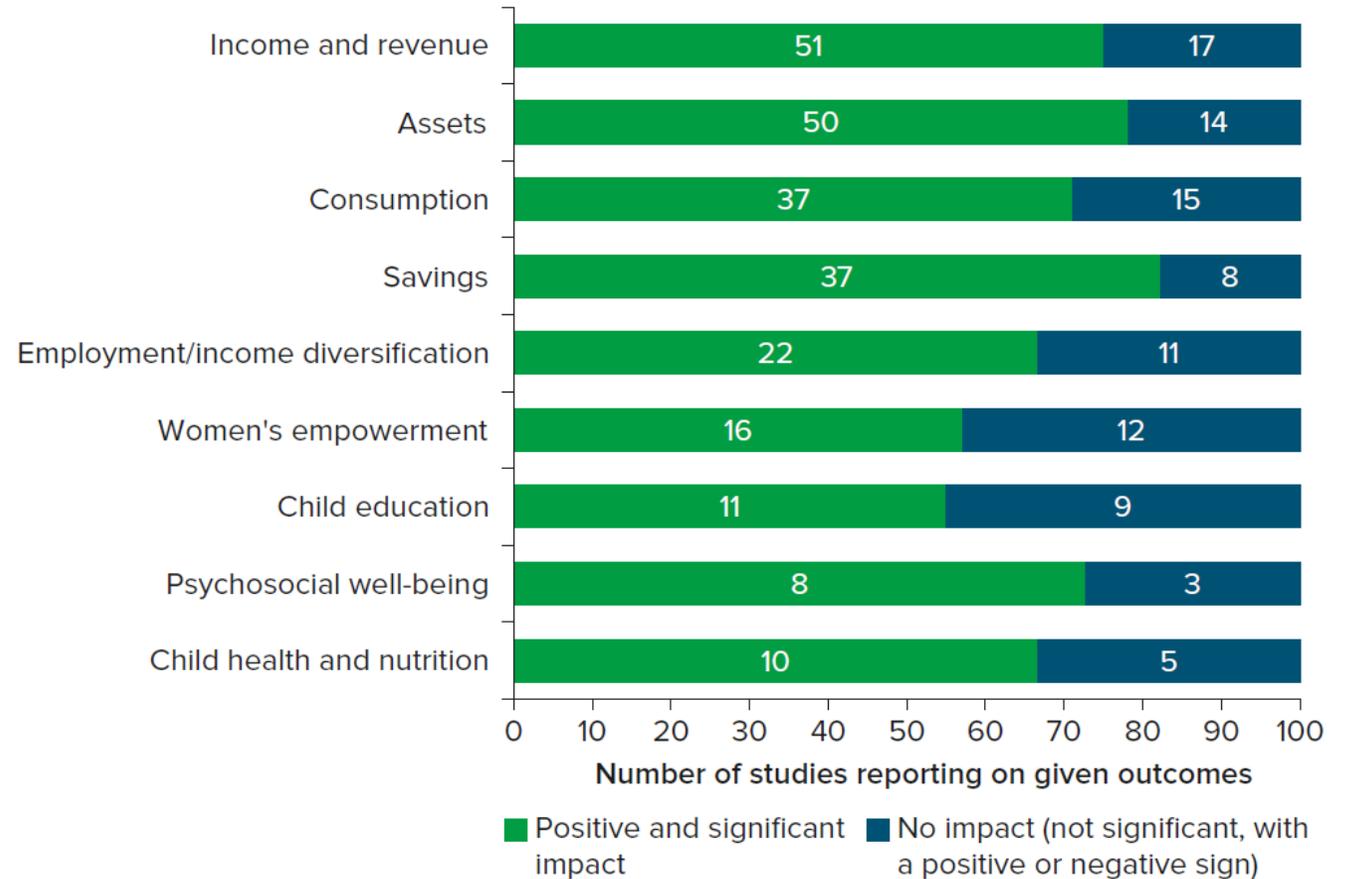
Graduation participants reported

- **Working, earning, and eating more** than the control group a year after program completion
- Greater occupational choices

# SEI 2021: PROMISING EVIDENCE ON SHORT-TERM IMPACT

- Economic inclusion programs have helped participants invest in productive assets and to save, earn, and consume more than they could have without these programs.
- Absolute gains are typically quite small in size (and vary across programs), but represent large increases for the poorest given low baseline values.
- Most promote income diversification and resilience to shocks.
- Many empower women, but evidence of impact on child well-being and psychosocial well-being more limited.

## Summary of evidence on overall impact



Notes: Per outcome #evaluations with at least one indicator with positive impact (10% significance or above) or no impact; no study reported significant negative impact for all indicators within an outcome.

# Impact Evaluation of the Graduation of the Ultra-Poor Pilot in the Philippines

TWO-YEAR IMPACT



# Project Overview

- Graduation programs are designed to **help poor households build sustainable livelihoods** by offering a **holistic package of interventions**
- Study was designed to test the relative performance and cost-effectiveness of three program variations on 4Ps beneficiaries:
  - T1: Group livelihoods transfer, group coaching
  - T2: Individual livelihood transfer, group coaching
  - T3: Individual livelihoods transfer, individual coaching
- Results show **program beneficiaries of the graduation pilot fared better** than the control group households across key economics outcomes: **consumption, food security, and accumulation of productive assets**

## Research Questions

- How does the classic graduation model affect welfare for 4Ps households?
- Are group livelihoods more profitable, sustainable, and resilient than individual livelihoods?
- What are the potential trade-offs between cost-effectiveness and impact through group coaching and/or livelihoods?



# Partnership between ADB, BRAC, and IPA

- With support from ADB, BRAC and DOLE implemented the graduation pilot program in Negros province
- IPA worked with partners, with funding from ADB, to evaluate the impacts of the program on various economic and welfare outcomes



# Research Design and Sampling

## Randomized Control Trial (RCT)

Intervention	Control (n=586)	T1 Group livelihoods and group coaching (n=587)	T2 Individual Livelihoods and group coaching (n=583)	T3 Individual livelihoods and individual coaching (n=583)
<b>4Ps</b>	✓	✓	✓	✓
<b>In-kind asset transfer</b>	X	\$1,500 per group of 5	\$300 per individual	\$300 per individual
% received transfer	X	62%	73%	78%
<b>Coaching (two-weekly)</b>	X	Group	Group	Individual
<b>Skills training</b>	X	✓	✓	✓
<b>Savings facilitation</b>	X	✓	✓	✓
<b>Community mobilization</b>	X	✓	✓	✓

**Sample:** Poor HHs from 29 barangays in Negros Occidental that were added to 4Ps between 2015 and 2017, not a beneficiary of a similar program



# Summary of Key Outcomes

Graduation program beneficiaries fared better in terms of:



Monthly household consumption



Food security



Productive asset values

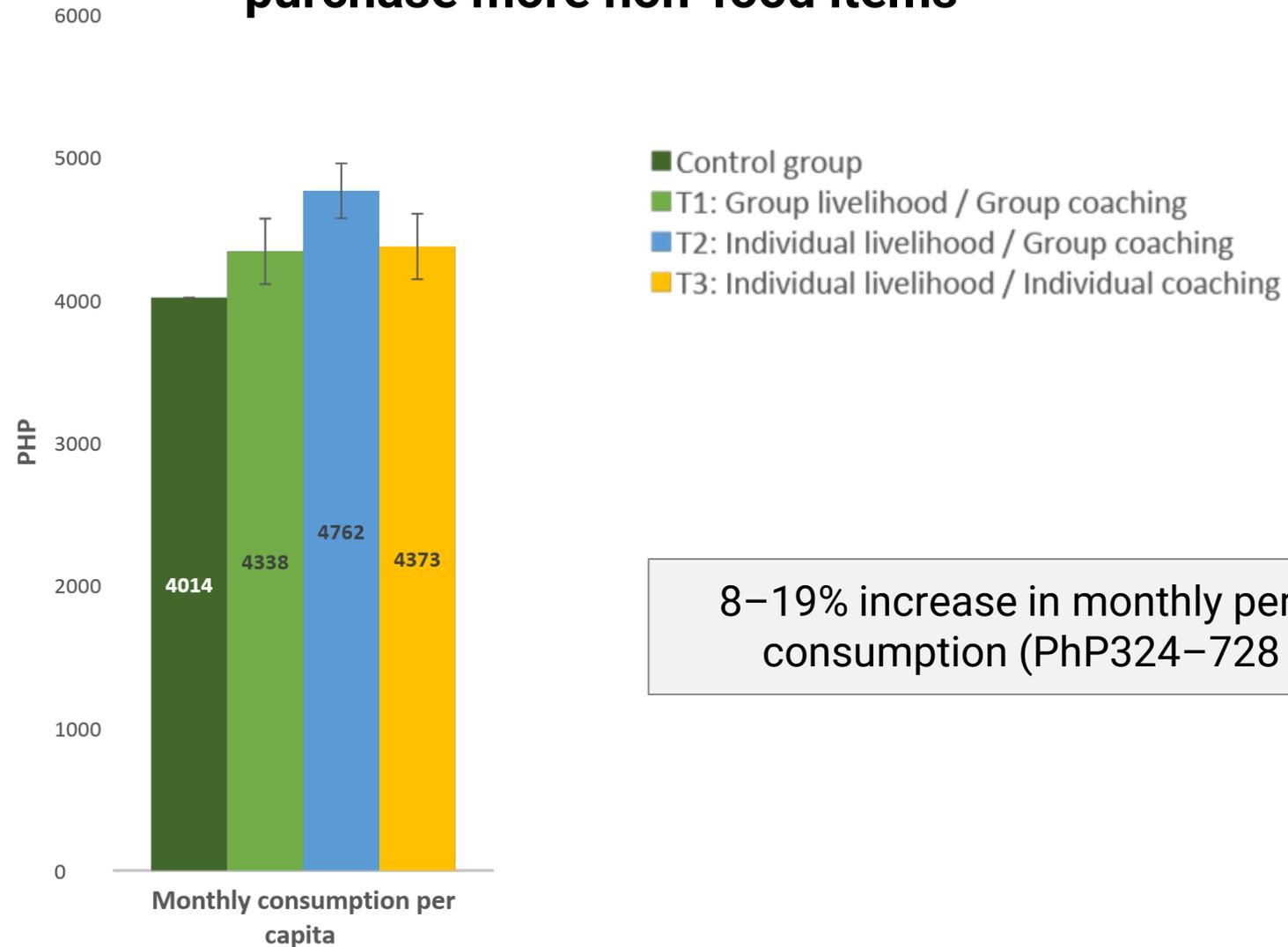


Self-reported well-being *(for individual livelihood group)*



# Monthly household consumption

Those enrolled in the graduation program were able to purchase more non-food items

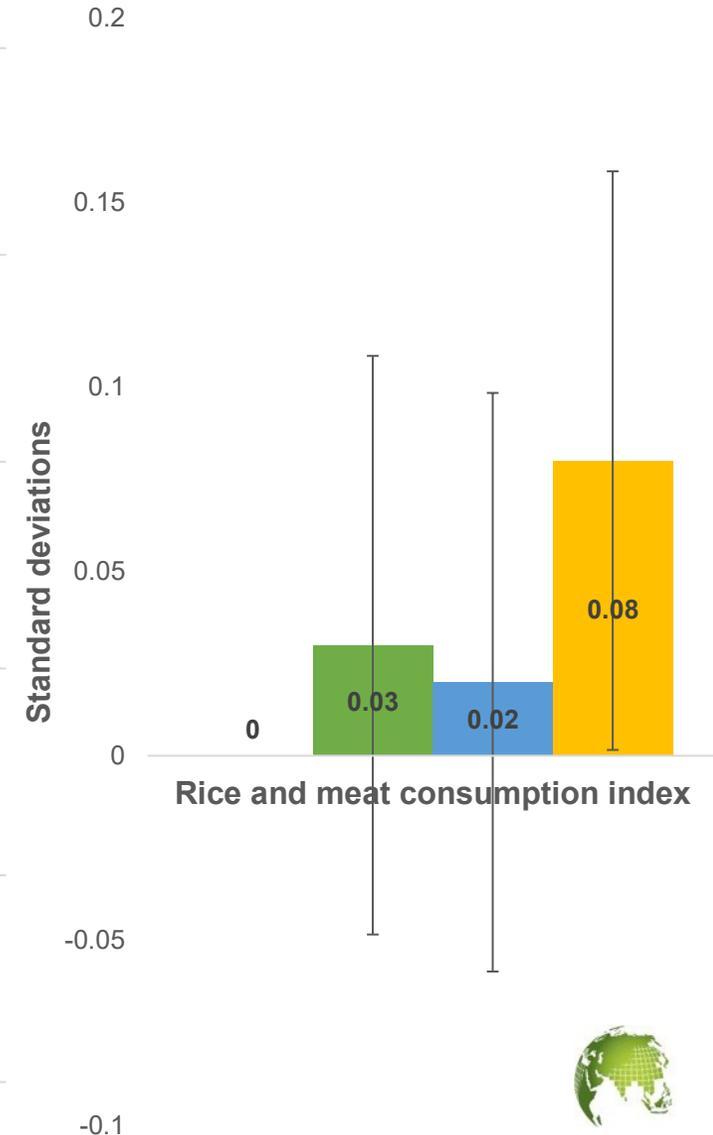
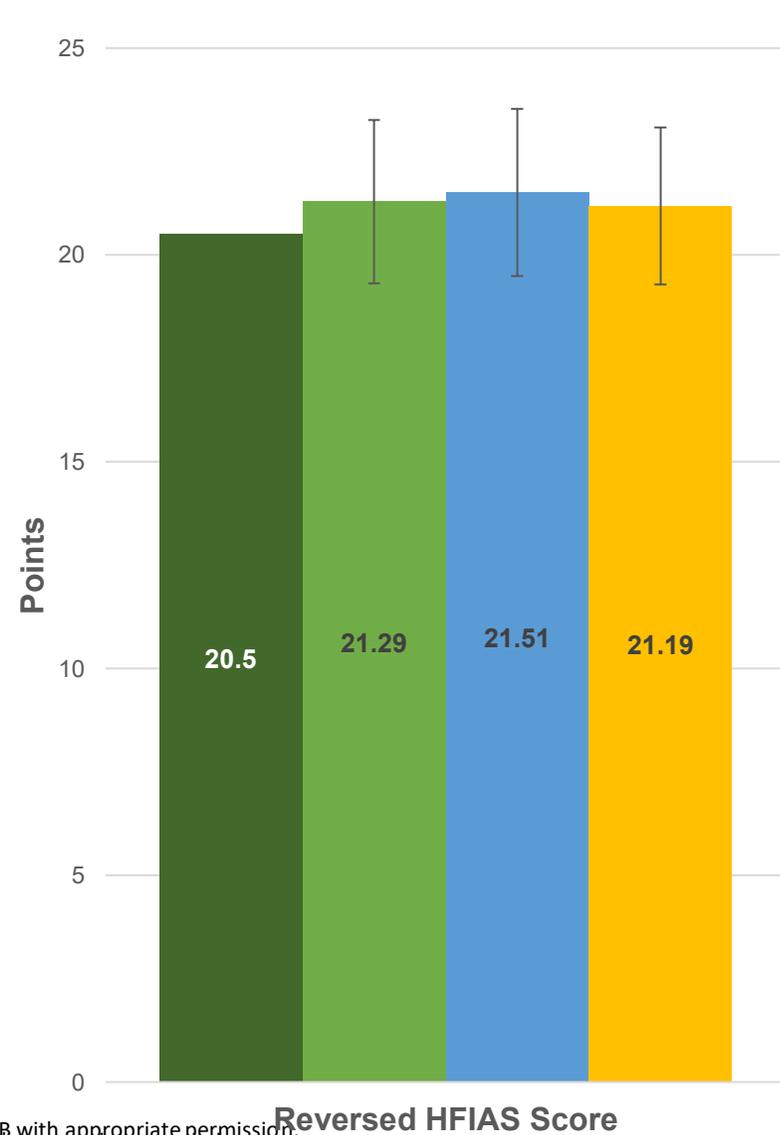
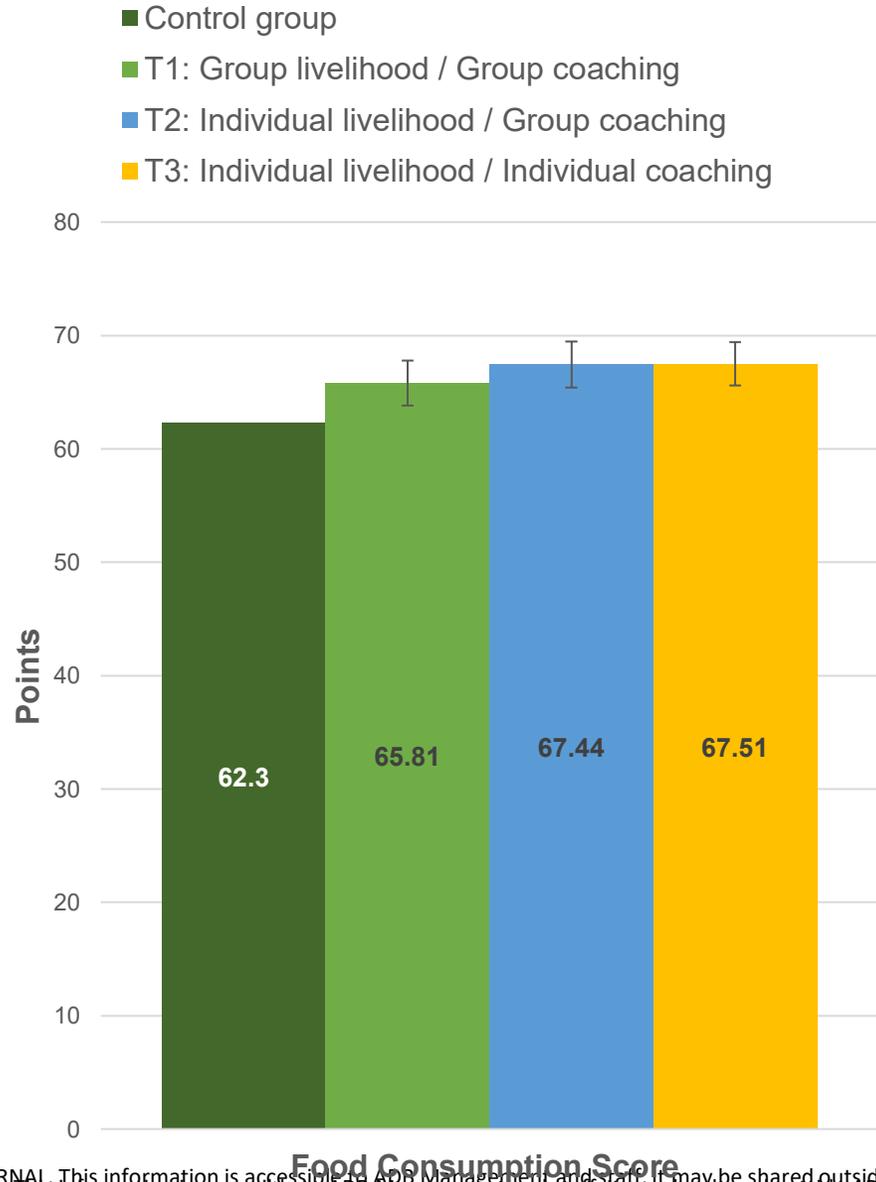


8–19% increase in monthly per-capita consumption (PhP324–728 Php)



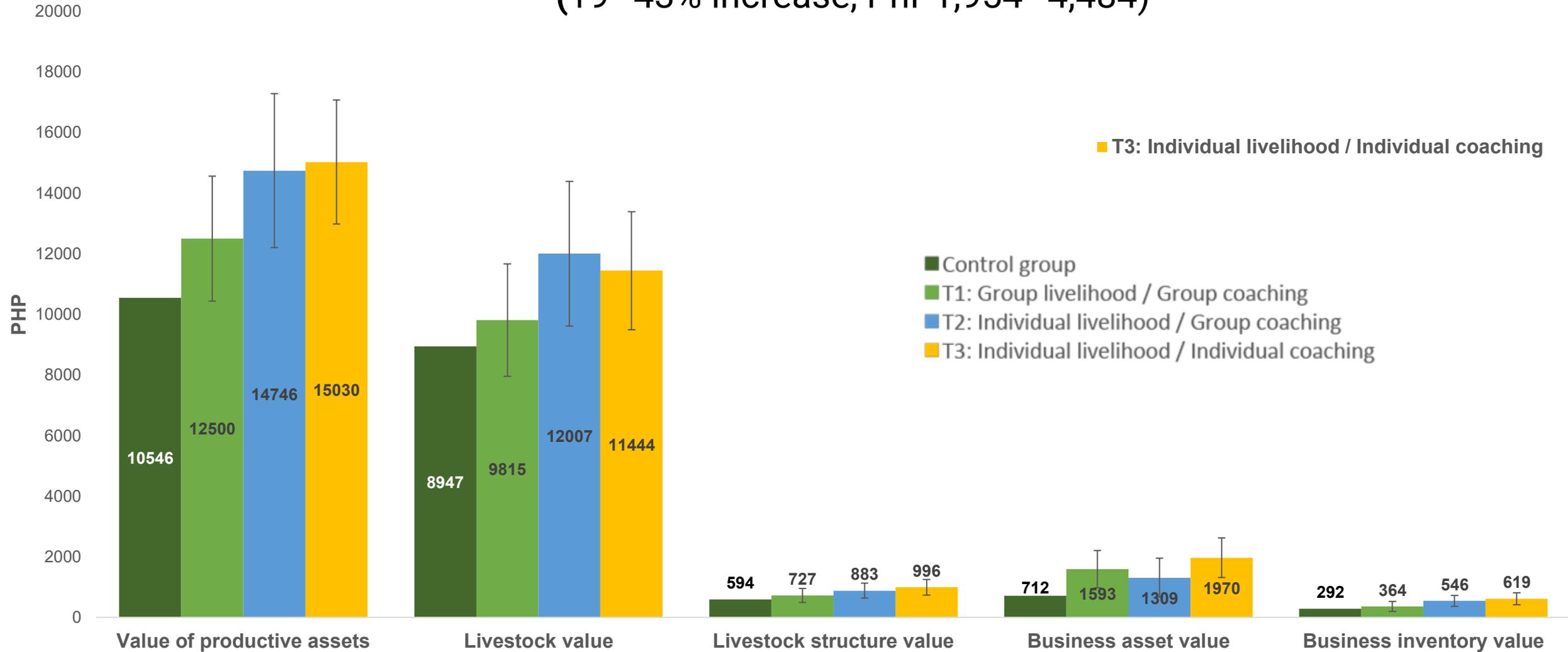
# Food security

All treatment groups reported significantly **higher food consumption scores** (0.20-0.28 s.d. increase)



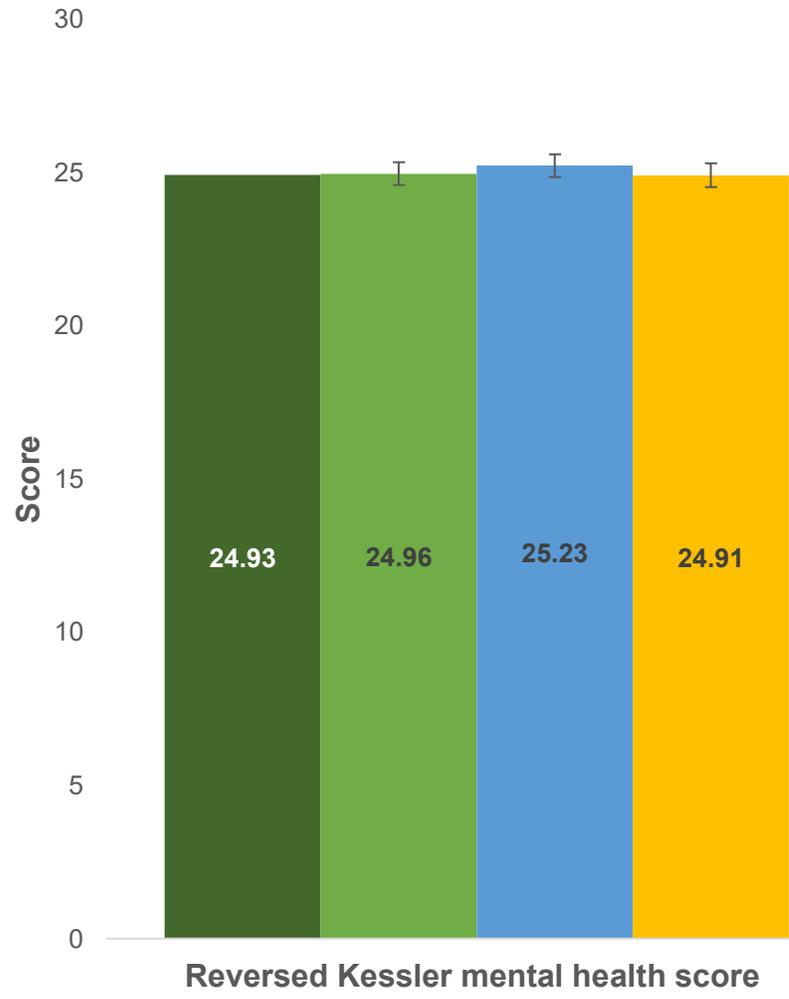
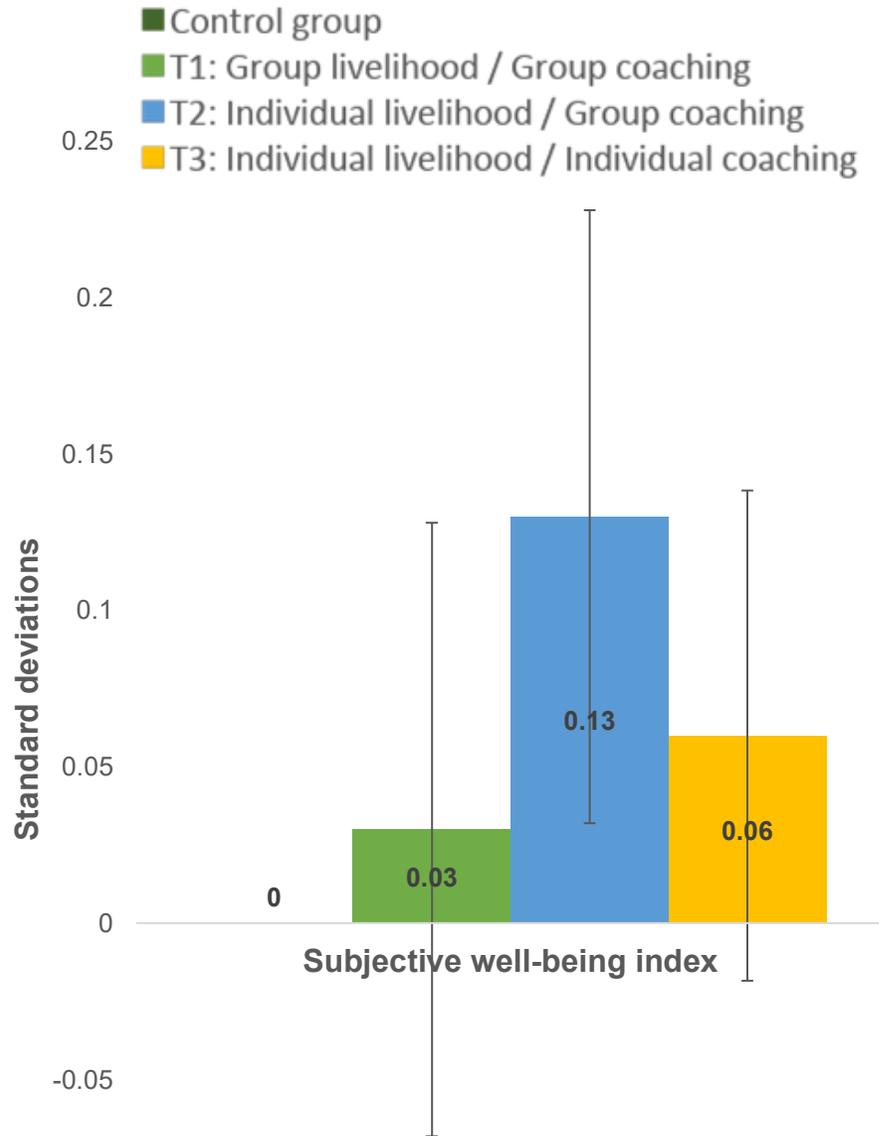
# Productive assets

Assignment to any graduation treatment arm increased value of livestock and livestock structures (19–43% increase, PhP1,954–4,484)



# Subjective well-being

Graduation program beneficiaries showed lower levels of mental stress

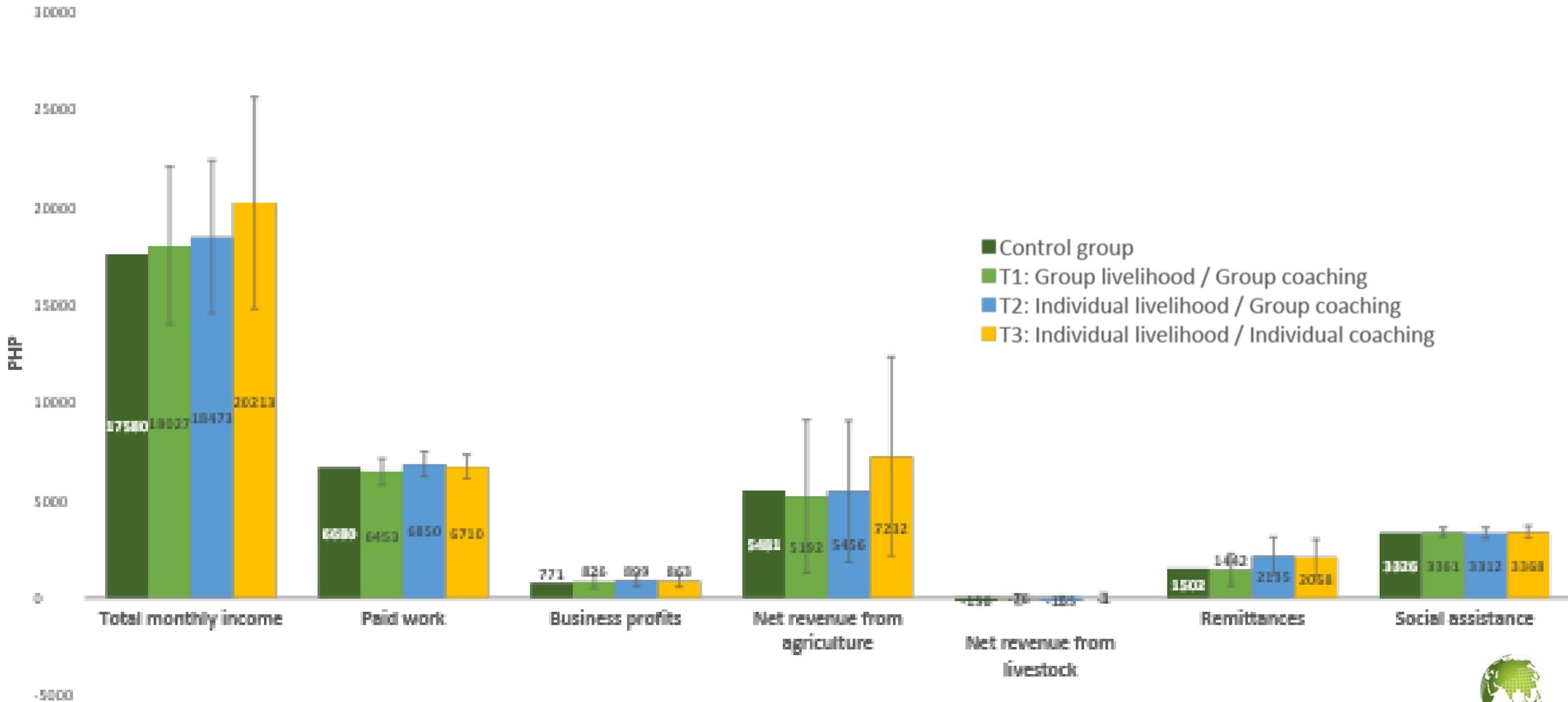


0.13 s.d. increase among those assigned to individual livelihood/group coaching arm



# Household income

No significant differences between the control group and any of the three treatment groups.



# Individual vs Group Livelihood and Coaching: Which is better?

- **Individual vs Group Coaching:**
  - Relatively similar impacts but individual livelihood arms generally outperform group arms:
    - Difference reflects program design, slower T1 implementation, and higher attrition
    - On per-\$ basis, individual livelihood arguably does better (but need better cost data)
  - Group coaching better on consumption *and* cheaper

## *Caveats:*

- *Costs and administrative burdens across treatment arms differ substantially*
- *Choice of livelihood also differs substantially!*



# Conclusions and Policy Implications

- Overall, the graduation approach works in the Philippines and the results were similar to previous evaluations of the program (Banerjee et al., 2015)
- Despite implementation challenges and COVID-19, graduation **increased household well-being on multiple dimensions**
  - But there is room to refine program design to address these challenges
- Study was able to test whether providing **business coaching and livelihood assets to groups** could deliver similar results at lower cost
  - Both coaching arms were equally effective but group coaching may be **more cost-effective to implement at scale**



# Next Steps: Opportunities for further studies

- Because of differences in costs and administrative burdens across treatment groups, **understanding how impacts differ** will be important to offer policy recommendations
- Determining **long-term program impacts** might take a while → this will require **follow-up surveys and evaluation** to better define similarities and differences across program versions and determine the most cost-effective graduation model for the Philippines



A blurred background image of a diverse crowd of people, with a woman in the foreground raising her hand. The scene is brightly lit, suggesting an indoor event or conference. The woman in the foreground is wearing a red patterned top and has her right hand raised high. Other people in the background are out of focus, showing various expressions and attire.

# **Q&A SESSION**



**THANK YOU!**