Testing the Graduation Approach in the Philippines

Karin Schelzig
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5 Questions

1. What is the graduation approach?
2. What does evaluation tell us?
3. Why try this in the Philippines?
4. Who are the partners?
5. What’s the plan?
What is the graduation approach?

- A set of multi-dimensional, integrated, holistic ‘cash plus’ social protection and livelihood interventions targeted to the poorest

- Carefully sequenced complementary elements:
  - consumption support (mostly cash transfers)
  - productive asset transfer (based on market research)
  - technical skills training
  - access to services (financial, health)
  - life skills coaching (through frequent home visits)

- Pioneered by BRAC in Bangladesh, piloted & evaluated in 10 countries by CGAP & Ford Foundation 2006-2014, now in > 30 countries
What does evaluation tell us?

• Graduation package gives poor people a big push toward sustainable livelihoods through:
  – broad and lasting economic impacts, e.g. higher consumption, savings
  – increased self-employment income
  – improved psycho-social wellbeing
  – increased participation
  – consistent effectiveness across most contexts and implementing partners

• Programs are expensive, but long-run benefits appear to outweigh up-front costs
Why try this in the Philippines?

• Stubbornly high and persistent poverty
• large-scale governance
  Many graduation package elements already exist in ent programs – national poverty targeting system, cash transfer program, livelihood support, community-driven development
• Better sequencing, coordination and integration ("convergence") + new elements (coaching) could create a pathway for survival and subsistence level families to graduate to self-sufficiency
• No need to start from scratch - Philippines could look to Peru and Indonesia for lessons
The BRAC/CGAP/Ford Foundation Model


[Diagram showing the progression from extreme poverty to sustainable livelihoods through various stages including Life Skills Coaching, Asset Transfer, Technical Skills Training, Savings, Consumption Support, Pantawid Pamilya CCT, and Listahanan PMT 2015.]
Unlocking Innovation for Development

• $5 million fund Jan 2016 – Dec 2019
• **Impact**: strengthened capacity of DMCs to solve development problems using innovative solutions
• **Outcome**: increased ADB operations to support scaled-up innovative solutions
• 5 diverse projects in road safety, urban transport, service delivery, graduation programs, and digital financial services
• PHI graduation pilot: $500,000 (+$220,000 from ERCD’s impact evaluation fund)
## Who are the partners?

<table>
<thead>
<tr>
<th>WHO</th>
<th>WHEN</th>
<th>ROLE</th>
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</thead>
<tbody>
<tr>
<td>DSWD</td>
<td>Since late 2015</td>
<td>coordination among programs, pilot design, monitoring</td>
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<tr>
<td>CGAP</td>
<td>April-May 2016</td>
<td>brownbag seminar at ADB and initial design workshops for DSWD</td>
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<tr>
<td>BRAC USA</td>
<td>Since Feb 2017</td>
<td>technical assistance to DSWD for pilot design, implementation &amp; monitoring</td>
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<tr>
<td>Innovations for Poverty Action</td>
<td>Since Feb 2017</td>
<td>research design, baseline survey for randomized control trial</td>
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<tr>
<td>ADB</td>
<td></td>
<td>SEHS, SDTG, KSSC, ERCD</td>
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</tbody>
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What’s the plan?

• Pilot will test 2 models of coaching: individual vs. group coaching (cost considerations)

• Location: 4-5 municipalities in Negros Occidental, Negros Island Region (with national community-driven development program)
What’s the plan?

• Targeting:
  – poorer CCT households (<80% of the poverty line in 2015 Listahanan)
  – never exposed to SLP
  – verified through brief eligibility verification survey
  – 800 HHs each in
    • Treatment 1: CCT + graduation package + individual coaching
    • Treatment 2: CCT + graduation package + group coaching
    • control group: CCT
What’s the plan?

• Timeline:
  – Design details finalized by September 2017
  – Facilitators recruited & trained, baseline data collected October-November 2017
  – Immersion visit to Bangladesh 2017
  – 24-month pilot January 2018 to December 2019
More information…

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