

Creating pathways out of Extreme Poverty in Egypt:

*The Graduation Approach and the Bab Amal
Program*

Ultra-Poor Graduation Initiative
BRAC International

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Content

- **Overview of the Graduation Approach**
 - Profile of the Poorest
 - Four Pillars of Graduation
 - Program outcomes and interventions
- **Evidence for Graduation**
 - Evidence from Bangladesh
 - Global Evidence
- **Partnering with Governments**
 - Technical Assistance Model
 - Design Considerations
 - Key Takeaways

Overview of the Graduation Approach





The Challenge:

In the late 1990s, BRAC recognized that traditional poverty reduction and microfinance programs were not **reaching the poorest.**

Why?

In addition to low income, the extreme poor faced **multidimensional** social, economic, financial, political, and cultural **barriers.**

Question: What is **NOT** a typical characteristic or feature of persons living in extreme poverty?

1: Food insecurity

2: Disconnection from mainstream social protection programs

3: Female headed households

4: Access to formal financial services

Profile of the Poorest



- Per-capita income below **\$1.90 USD/day**
- **Food insecure** despite spending 80%+ income on food and nutrition
- Disconnected from mainstream **social protection** services and **community resources**
- Underserved by **markets**
- High **dependency ratios** in household
- Most vulnerable to **health shocks and natural disasters**
- Live in **geographically isolated**
- Predominantly **female-headed** families





As a result, BRAC adopted a new lens tailored to the specific needs and vulnerabilities of the poorest - the Graduation approach.

What is the Graduation Approach?



A combination of comprehensive, multi-dimensional and sequenced interventions that create a 'big push' to propel the extreme poor from poverty.

SOCIAL PROTECTION



Social protection provides preventive, protective, and promotive mechanisms to support **basic needs** such as consumption support, crisis relief, and access to health, and education.



Participant uses her cash transfers to fortify her home in Musanze, Rwanda.
BRAC Partner: Government of Rwanda, UNICEF, and World Bank.

LIVELIHOODS PROMOTION



Livelihoods support is designed by conducting a localized market assessment. It includes an **asset transfer**, cash transfer, or loan, with which to procure a market-viable asset (such as a pig, cow, or mobile food cart) along with **technical skills** training to manage the asset or access employment opportunities.



A Graduation participant running her shop in Rangpur, Bangladesh
BRAC Ultra Poor Graduation Program

FINANCIAL INCLUSION



Financial inclusion provides direct access to convenient, formal or informal **financial services** (such as savings groups and mobile money), accompanied with **financial literacy** training to promote positive and secure financial practices.



Savings Group Meeting being conducted by women in Kitui, Kenya
BRAC Partner: Government of Kenya, IFAD and CARE International

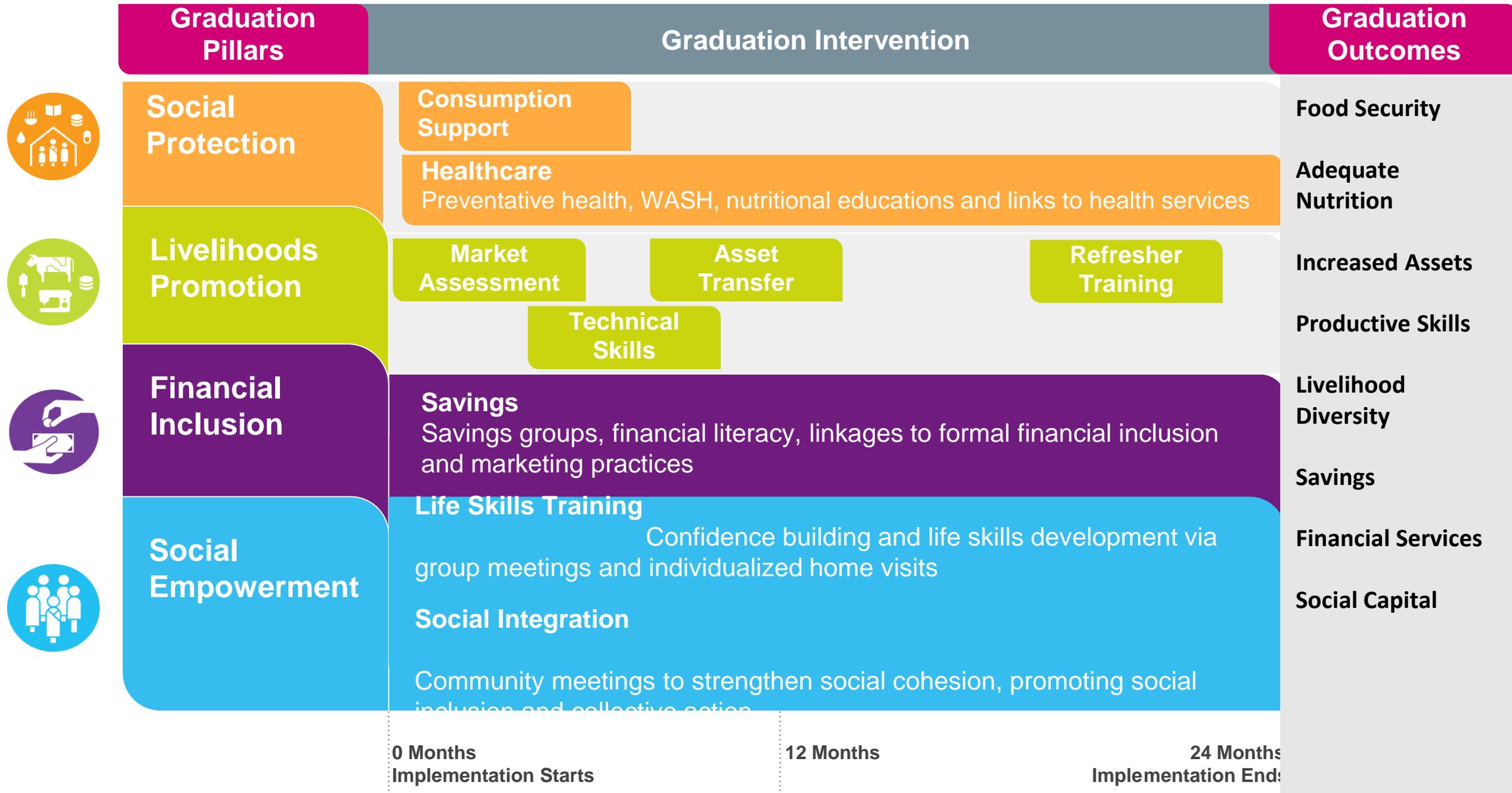
SOCIAL EMPOWERMENT



Social empowerment leverages regular check-ins and life-skills support delivered by coaches or mentors to build confidence and resilience. It promotes **social inclusion** and **positive behavioral change** relevant to self-sustainability, security, and well-being.



A Graduation Community Facilitator (GCF) conducting Life Skills Training.
BRAC Partner: Government of Philippines, Asian Development Bank



Engaging Men and Boys

Specialized curriculum developed for Supporting Women's Livelihoods Program by Government of Zambia and World Bank

Household Level

Joint sessions on life skills with men and women on:

- family vision for future
- joint household decision making
- business planning
- navigating relationships and gender-based violence

Men-only sessions on:

- understanding sex, gender, stereotypes & roles
- masculinity
- sexual and reproductive health and family planning
- alcohol or drug abuse

Community Level

Linkages to Gender-Related Services & Programs

- map existing gender related programs implemented by other NGOs or governments to link participants with

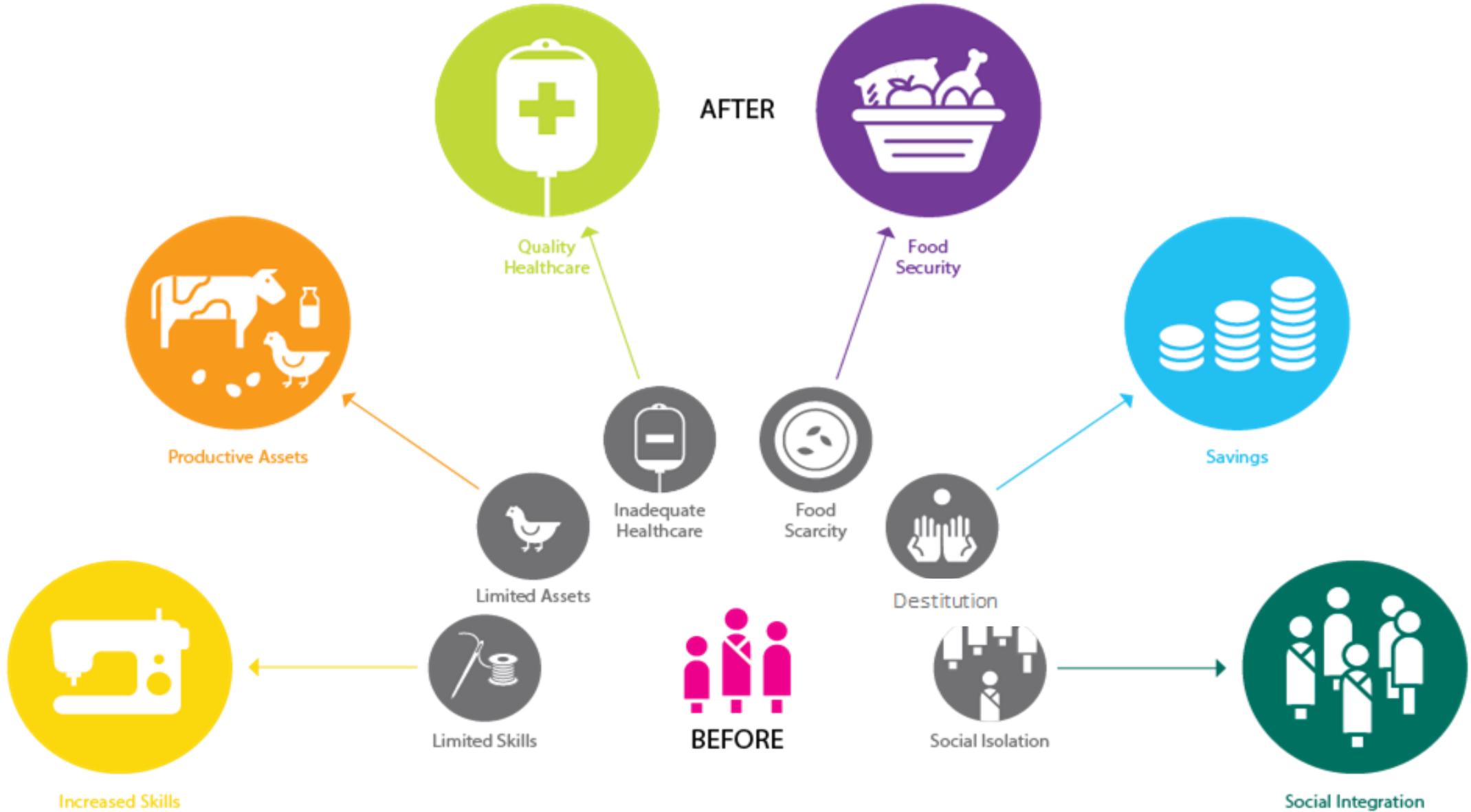
Strengthen Community Mobilization

- develop standardized messaging and a communication strategy
- engage local stakeholders in a community meeting

Staff Capacity Building

- Gender awareness training including self-reflection of their own attitudes and life experiences around gender norms
- Sexual harassment in the workplace training to mitigate frontline staff's risk of experiencing violence or harassment
- Providing psychosocial support to coaches

Before and After Graduation



Graduation & SDG targets

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



SUSTAINABLE DEVELOPMENT GOALS



1 NO POVERTY
Graduation scaled within national social protection programs aim to end extreme poverty by 2030.



2 ZERO HUNGER
Productive Asset Transfer and Technical Training to promote sustainable livelihoods and access to food.



3 GOOD HEALTH AND WELL-BEING
Life-Skills Training and Access to Health Services encourages behavior change and builds resilience against sudden health-related shocks.



5 GENDER EQUALITY
Savings, Mentoring and Social-Inclusive Activities to promote gender equality and empowerment.



8 DECENT WORK AND ECONOMIC GROWTH
Cross-Sectoral Linkages to increase the productivity of the extreme poor, contributing to economic growth.



10 REDUCED INEQUALITIES
Multidimensional Targeting and Graduation Criteria to progressively realize basic rights for the extreme poor.





Evidence from Graduation Programs

Evidence on Impact from Bangladesh

- Independent randomized evaluation from London School of Economics in Bangladesh tracks participants **10+ years after program ends**, shows strong household outcomes
- Sustainability – positive effects reach a **steady state after 7 years of growth** and then continue to persist.
- To date, BRAC has graduated **+2 million** households since 2002.



Program Outcomes from Bangladesh

9x

increase in
savings

2x

increase in
land access

37%

increase in
annual income

10%

increase in
consumption

**Work
Productivity**

increased

**Household
assets**

accumulated

**Economic
inequality**

reduced

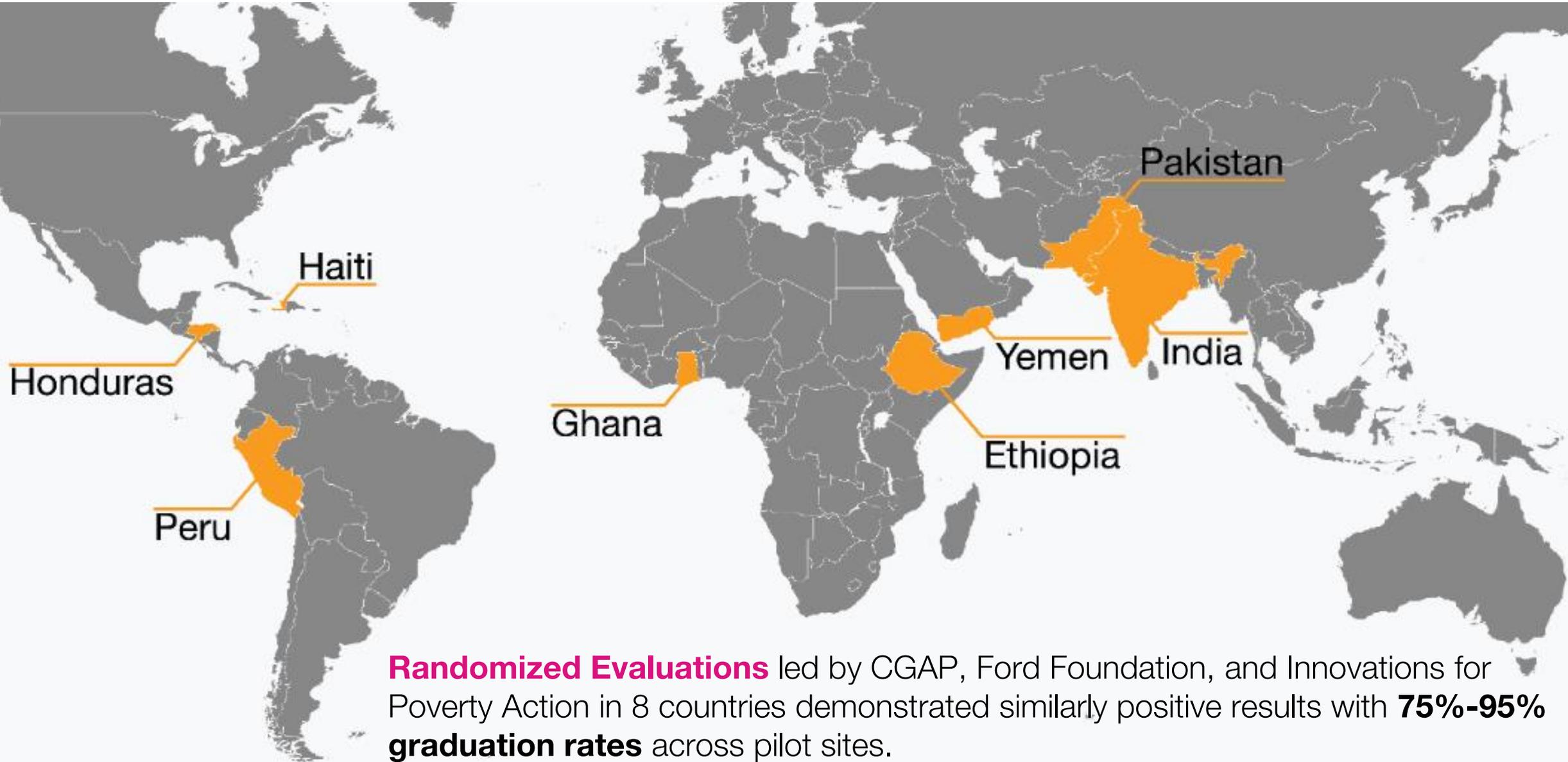
**Gender
equality**

enhanced

Sustainability

RCT of Graduation program in India by Abhijit Banerjee and Esther Duflo 7+ years after program end also shows similarly positive and sustainable results

Global Evidence from 8 Countries

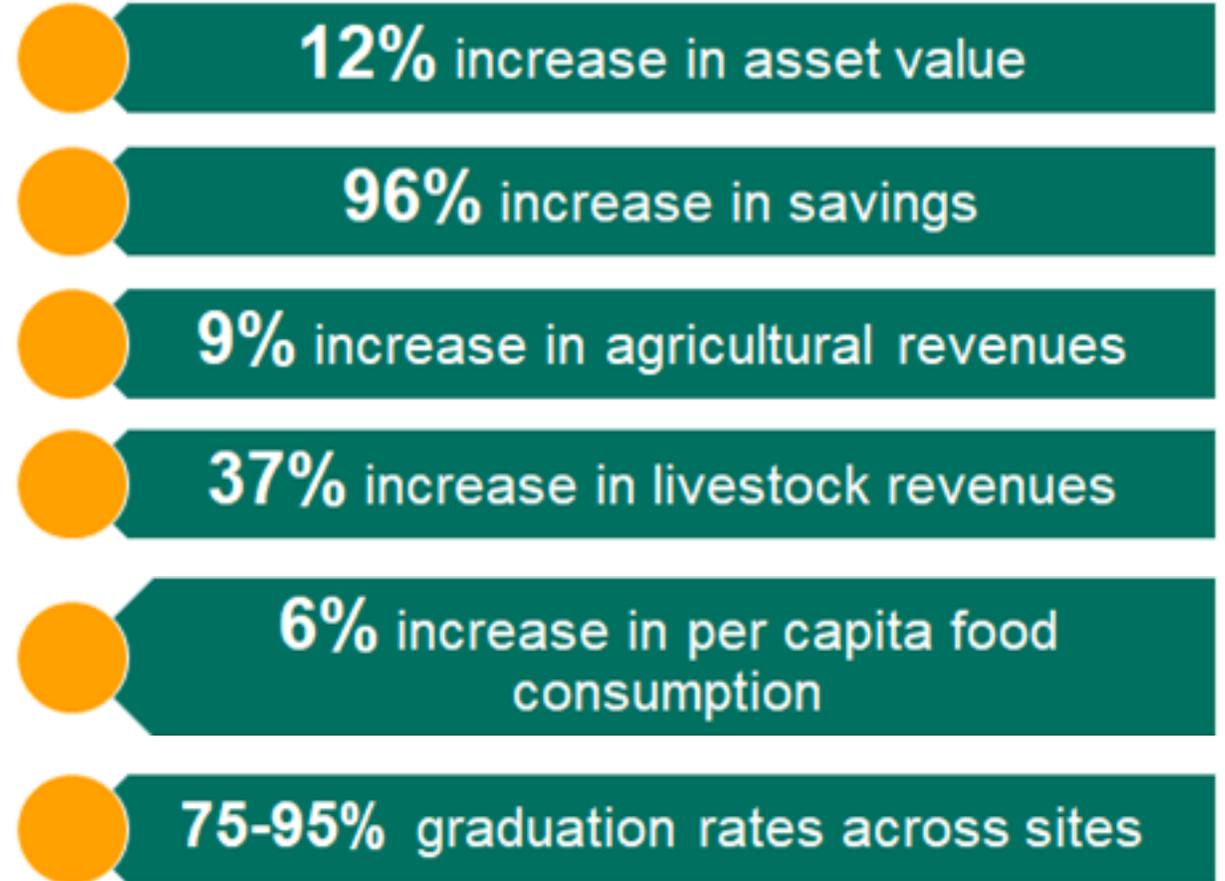


Randomized Evaluations led by CGAP, Ford Foundation, and Innovations for Poverty Action in 8 countries demonstrated similarly positive results with **75%-95% graduation rates** across pilot sites.

CGAP & Ford Foundation Pilots



Randomized controlled trials conducted after 2 years on 6 remaining pilots demonstrated:



Research led by J-PAL at MIT; 2006 - 2014

Cost-Benefit Analysis

- **Long-run benefits of Graduation far outweigh the upfront costs**
- When compared with the most common development interventions such as cash transfers, the **Graduation Approach retains the most compelling evidence of a sustainable shift from poverty.***



*This finding is based on a study by CGAP and IPA [study](#) (2016) which compared results from impact evaluations and project-specific cost data of programs targeting extreme poor in developing countries, spanning 30 livelihood development programs, 11 lump-sum cash transfer initiatives, and 7 Graduation programs

Global Reach of Graduation Programming | ultra-poor graduation

An estimated **14 million** people have been reached through nearly **100 Graduation programs** in **40+ countries**, led by governments, NGOs, and multilateral institutions.



Source: Platform for Economic Inclusion, World Bank, April 2018

The background features a dark blue field with several overlapping, semi-transparent light blue shapes. These shapes include a large circle on the right side, a leaf-like shape at the top, and another leaf-like shape at the bottom, all partially overlapping each other and the central text.

Partnering with Governments on Graduation

BRAC Ultra-Poor Graduation Initiative

- **The success of UPG and the CGAP-Ford Foundation pilots led to global momentum for Graduation** as an evidence-backed approach to achieve SDGs → need to build capacity to implement Graduation
- Ultra Poor Graduation Initiative (UPGI) established in 2013 as **new unit within BRAC with a new approach:**
 - **Advocate** for the uptake of the Graduation approach by global stakeholders
 - Deliver **advisory services, technical assistance, and capacity building** to support the adaptation and implementation of the Graduation approach in countries around the world



True or False

Statement: the Graduation approach can be integrated into existing government programs.

Adapting Graduation Design for Governments

Based on local assessments, Graduation interventions were adapted to suit the needs of participant households and government capacities in Kenya, Philippines, and Rwanda

	Kenya	Philippines	Rwanda
Implementer	<ul style="list-style-type: none"> - National Treasury PROFIT Program with NGO implementing partners 	<ul style="list-style-type: none"> - Department of Labor & Employment Kabuhayan Program with NGO support 	<ul style="list-style-type: none"> - Ministry of Local Government Vision 2020 Umurenge Program
Targeting	<ul style="list-style-type: none"> - Community based targeting through Participatory Rural Appraisal 	<ul style="list-style-type: none"> - National poverty database and food poverty line 	<ul style="list-style-type: none"> - National community classification system
Social Protection	<ul style="list-style-type: none"> - Subsidized enrollment in national health insurance - Added consumption stipend 	<ul style="list-style-type: none"> - Monthly cash transfer - Monthly rice subsidy - National health insurance 	<ul style="list-style-type: none"> - Cash transfer/public works - National health insurance - Linkage to community health workers

Adapting Graduation Design for Governments

	Kenya	Philippines	Rwanda
Livelihoods Promotion	<ul style="list-style-type: none"> - Two-stage asset transfer; cash and physical assets - Individual and group business - Group technical training 	<ul style="list-style-type: none"> - Group and household physical asset transfers - Technical skills training - Business management training 	<ul style="list-style-type: none"> - Household asset transfer - Linkage to extension services through local government and Ministry of Agriculture
Financial Inclusion	<ul style="list-style-type: none"> - Village Savings and Loan Association formation - Financial literacy training - Linkage to financial services 	<ul style="list-style-type: none"> - Linkage to savings groups - Financial literacy training - Linkage to financial services 	<ul style="list-style-type: none"> - Access to credit scheme for cash transfer recipients - Linkage to financial services
Social Empowerment	<ul style="list-style-type: none"> - Bi-weekly group/ individual coaching sessions - Village committee - Added life skills training 	<ul style="list-style-type: none"> - Bi-weekly group/ individual coaching sessions - Family development sessions from CT program - Added life skills training 	<ul style="list-style-type: none"> - Volunteer caseworkers for monthly visits - Linkage to community workers for family issues, health, etc.
Technical Assistance & Evaluation	<ul style="list-style-type: none"> - BRAC - Expanding Opportunities 	<ul style="list-style-type: none"> - BRAC - Innovations for Poverty Action 	<ul style="list-style-type: none"> - BRAC
Monitoring	<ul style="list-style-type: none"> - Digital MIS and tablet-based data collection (KoBo) 	<ul style="list-style-type: none"> - Digital MIS and tablet-based data collection (KoBo) 	<ul style="list-style-type: none"> - Annual household Profiling Survey

Integrating Graduation into existing Government Programs

Graduation Additions
Kabuhayan Provisions
Pantawid Provisions

This program combines 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 Pamilyang Pilipino program, and
- ❑ Additional interventions and enhancements of the **Graduation approach** methodology.



Graduation with the Government of the Philippines



Under the **Department of Social Welfare and Development (DSWD)**, the Padayon Sustainable Livelihoods Program (SLP) aims to test the use of the Graduation Approach in implementing the broader program to holistically address the challenges of SLP participants in extreme poverty and ensure the sustainability of its impact.

Objectives:

- **Test the integration of Graduation approach into existing government programs** such as SLP and 4Ps cash transfer to maximize their impacts and optimize DSWD resources.
- **Make policy and programmatic recommendations to DSWD** on ways to tailor and further improve SLP interventions to address the needs of extreme poor households.

Donor: ADB & DFAT

Partners: DSWD

Timeline: 2021-2023

Target Population:

3,000 households

Status: Current

Key Takeaways on Partnering with Governments

In Egypt, Graduation programs developed in partnership with the Government could:

- ★ target a sub-section of **Takaful and Karama** beneficiaries, 70 percent of which are in Upper Egypt; 77 percent of which are women
- ★ adapt interventions in the **Forsa** program, including
 - streamline the eligibility criteria to address a wide range of economic and social barriers
 - tailor the rapid market assessment based on evidence from the Bab Amal program
 - ensure appropriate sequencing of household enterprise selection, business trainings, and asset transfers
 - add interventions on savings and loans, as well as social empowerment and community integration



Thank you

