

Ultra-Poor Graduation in the Philippines

From 2018 to 2020, the Department of Labor and Employment (DOLE) in the Philippines, in partnership with the Asian Development Bank and with the technical assistance of BRAC's Ultra-Poor Graduation Initiative (UPGI), launched a Graduation pilot targeting 1,800 beneficiaries of Pantawid Pamilyang Pilipino Program in 29 barangays across five municipalities in Negros Occidental. The pilot provided participating households with a comprehensive and sequenced set of interventions to place them on an upward trajectory into sustainable and resilient livelihoods. The pilot implementation was underpinned by a research agenda including a randomized control trial conducted by Innovations for Poverty Action (IPA). The impact evaluation measured variable impacts of group and individual livelihoods and coaching.

DOLE Graduation Pilot Interventions

The pilot interventions built on existing government programs, including the DOLE Kabuhayan (Livelihoods) Starter kit that combines a one-time asset transfer and training in business management and the social assistance provided through DSWD Pantawid Pamilyang Pilipino Program. The pilot also included Graduation elements to make the interventions comprehensive such as technical training on how to manage the asset; savings mechanisms; coaching by Graduation Community Facilitators; skills building on social and health issues; and linkages to community groups and cooperatives.

Targeting		Existing Pantawid beneficiaries	
Livelihoods Promotion	Asset transfer package valued at USD \$300	Social Protection	Conditional cash transfer from Pantawid Program
	Training on specific livelihoods		Encouraged to utilize national health insurance (PhilHealth)
Financial Inclusion	Training on business management and financial literacy	Social Empowerment	Linkages to govt and other services
	Linkages to savings mechanisms		Regular visits in group or individual settings

Pilot Impact

By the end of the pilot in September 2020, participating households reached key benchmarks for Graduation and moved closer to their social and economic goals. On average, 71% of the pilot households met each of

the contextually-specific graduation criteria spanning the four pillars of Graduation in social protection, financial inclusion, and social empowerment, indicating their readiness to 'graduate' from the pilot and continue on an upward trajectory from poverty.

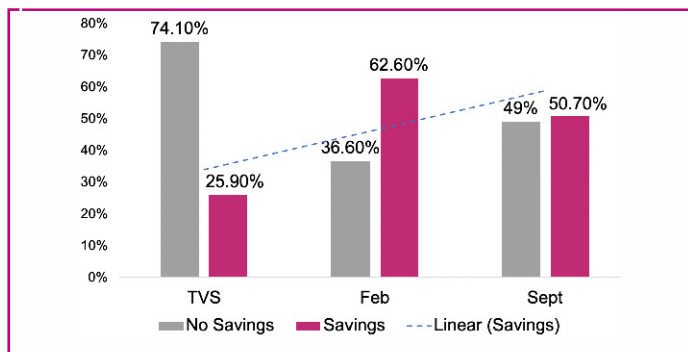


Livelihoods Promotion: Participants successfully launched sustainable livelihoods and generated income, even during the quarantine period imposed due to COVID-19. As of September 2020, 73.3% of participants engaged in group livelihoods and 59.5% of participants engaged in individual livelihoods continued to operate their livelihoods despite the COVID-19 pandemic. Others liquidated their assets and invested to respond to market changes caused by lockdown.

By the end of the pilot, 55% of participants earned an income of at least Php6,000 in the last 30 days, elevating them above the monthly food threshold of the poverty line.

Financial Inclusion: Participants demonstrated increased savings and positive behavior change in financial management. In February 2020, the rate of participants who reported being able to save in the last 30 days reached a peak of 62%, compared to 29% at baseline. The rate declined to 50% in September 2020 due to the COVID-19 crisis when many households had to dip into their savings, but the trend was moving upward again post quarantine.

Furthermore, only 8.2% of the participants reported having unforeseen expenses, which indicates improved financial management for more than 90% of



households after months of training and mentoring on reducing risk.

Social Protection & Empowerment: Participants reported knowledge retention on life skills training topics, leading to positive behavior change in health, nutrition, and hygiene practices. They showed high rates of knowledge retention from monthly life skills training (at least 80%) that resulted in positive behavior change. This demonstrates the success of coaching techniques designed to foster active engagement. Participants also increased consumption of fruits and vegetables, use of potable water, and access to a toilet facility. Over 99% retained hygiene-related information during the COVID-19 crisis.

Recommended Design Option

This pilot demonstrated that the combination of individual livelihood and group coaching is the optimal configuration for government-implemented Graduation programming. This design proved to be cost-effective and impactful as it allowed the flexibility, autonomy, and control over the individual livelihood and promoted peer-to-peer learning and sharing through group coaching. Future endline results in 2021 will yield additional insights on the longer-term welfare of households still recovering during and after the pandemic.

Lessons Learned

- Highly trained frontline staff were critical in responding to household needs and adapting as necessary, especially during COVID-19.
- Strong guidance on livelihood management strategies and diversification in source of income are key to prepare participants to face and cope with shocks like the COVID-19 crisis.
- Structured and practical hands-on training and coaching are necessary to deepen comprehension of information, knowledge retention, and reinforce behavior change.
- Strong inter-ministerial collaboration and

collaboration with local government were key to the success of the Graduation pilot.

- Implementation of a highly localized market assessment yielded market-ready and shock-resistant livelihoods tailored to household skills and resources.
- Digital monitoring data collection and management information system (MIS) is highly recommended to allow rapid response to participant progress and needs and enable adaptive learning for maximized impact.

Adapting in Response to COVID-19

The COVID-19 crisis presented a major challenge—but staff quickly adapted to support pilot participants. Strong collaboration with partners, highly trained and qualified staff, and iterative monitoring, all enabled rapid project adaptations to respond to the pandemic. Staff conducted remote monitoring and activated peer check-ins, revised the core training to include a Livelihoods Risk Management training, adjusted coaching format to reduce frequency of in-person coaching and size of coaching groups, and facilitated linkages to local resources.

Looking Ahead

The success of the DOLE Graduation pilot spurred the Philippines Department of Social Welfare and Development (DSWD) to adopt the Graduation approach. DSWD will draw upon key learnings from the DOLE pilot to launch a Graduation program in three provinces in 2021, expanding the impact of Graduation to reach 3,000 additional households living in extreme poverty in the Philippines.

