

# GRADUATION OVERVIEW

## What is Graduation?

BRAC's Graduation approach is a comprehensive, time-bound, integrated and sequenced set of interventions that enable extreme and ultra-poor households to achieve socioeconomic resilience, in order to progress along a pathway out of extreme poverty.

## The four pillars of Graduation

While adapted to meet local challenges and opportunities, all BRAC Graduation programs globally have at their foundation the following core pillars:

**Social protection:** Provides preventive, protective, and promotive mechanisms to support basic income security such as consumption support, crisis relief, and access to health, and education.

**Livelihoods promotion:** An asset transfer, cash transfer, or loan, with which to procure a market-viable asset along with technical skills training to manage the asset or access employment opportunities.

**Financial inclusion:** Direct access to convenient, formal or informal financial services, accompanied with financial literacy training.

**Social empowerment:** Regular check-ins and life-skills support that build confidence and resilience, and promote social inclusion and positive behavioral change relevant to self-sustainability, security, and well-being.

Working together, these interdependent interventions lead to strong outcomes at the household level including increased or improved assets, food security, savings, financial inclusion, health outcomes, social integration, and productive skills.

## The beginning: TUP program in Bangladesh

The Graduation approach was pioneered by BRAC's Ultra-Poor Graduation (UPG) programme (formally known as the Targeting the Ultra-Poor (TUP) program) in Bangladesh, which began in 2002 and has since served 1.9 million households. Grounded on the four pillars, the UPG programme consists of the following components: asset transfer, grants or interest free



loans, enterprise development training, coaching and mentoring, savings, health services, and community mobilization.

## The evidence

Graduation is one of the most evidence-backed approaches to date. A rigorous randomized control trial, conducted by the London School of Economics, demonstrated that seven years after participating in BRAC's UPG programme, participants continue on an upward trajectory out of poverty. Results showed a 37 percent increase in annual earnings, 10 percent increase in consumption spending, a nine-fold increase in savings, and a two-fold increase in access to land, among other outcomes. Inspired by the successful



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results in Bangladesh, in 2006 CGAP and the Ford Foundation initiated a global program to pilot and scale the Graduation approach. Partnering with international NGOs, local organizations, and governments, the approach was tested in ten pilots across eight countries. Results showed that the majority of participants met their program's Graduation criteria related to nutrition, assets and social capital. Today, more than 99 Graduation programs exist in over 44 countries around the world, impacting over 3.1 million households (14 million people). It is projected that by 2030, Graduation will reach 12.3 million households, or an estimated 53.2 million individuals.

## Adaptation

The design of complementary interventions for Graduation should include the following key steps outlined below:

1. **Analysis of the specific needs and barriers** that participants (according to poverty level, gender etc.) face in each context, and the opportunities to create synergies towards productive inclusion.
2. **Consistent targeting** between the interventions informed by the core Graduation pillars so that the poorest and other vulnerable groups are not excluded.
3. **In-depth market analysis and market linkages** to identify suitable livelihood options for participants and provide direct access to producers.
4. **Determining the capacity of front-line staff to deliver intensive mentorship and support to participants.** This deepens program impacts by improving participant's psychosocial resilience and confidence to continue on an upward trajectory.
5. **Embedding Graduation programs within a comprehensive national policy framework and other systems-based approaches** that aim for pro-poor growth.

## BRAC's international Graduation programs

BRAC is implementing Graduation programs worldwide as part of its broader goal to end poverty. The approach can significantly contribute to the United Nations' Sustainable Development Goal 1: end poverty in all its forms. BRAC's Ultra-Poor Graduation Initiative provides technical assistance, advisory services and advocacy on the Graduation Approach to governments, NGOs, and multilateral institutions on how to implement quality Graduation programs worldwide. The Initiative supports implementers to reach the poorest and most marginalized communities across the globe.

