

Graduation in Urban Contexts

BRAC's Graduation approach is a comprehensive, time-bound, integrated and sequenced set of interventions that enable extreme poor households to achieve socio-economic resilience, in order to progress along a pathway out of extreme poverty. Although traditionally developed for rural communities, the Graduation approach has been adapted to urban contexts to meet the growing challenges linked to urbanization and address the unique needs of urban slum populations.

BRAC implemented Graduation pilots in urban Bangladesh and peri-urban areas in Uganda. In addition, BRAC Ultra-Poor Graduation Initiative (UPGI), which aims to expand the reach and impact of Graduation through advocacy and technical assistance to governments, multilateral agencies, and NGOs, is currently providing technical assistance to governments in the Philippines and India on adapting Graduation to urban contexts. These pilots provide key lessons on designing Graduation to meet the multidimensional challenges of people living in urban poverty.

Poverty Characteristics of Urban Populations

While there are myriad factors for migrating from rural to urban areas, the most significant one is associated with greater economic opportunity. In countries like Bangladesh, migrants typically come to large urban centers with the intention of sending remittances to family members in their home village or returning to their village once they have accumulated enough assets and savings. Consequently, many urban extreme poor populations view rural areas



as their true home, and urban shelters, such as slums, as temporary accommodations. This mindset is reinforced by the fact that the vast majority of slums are illegal settlements, with limited to no access to social protection and other public services such as sanitation and solid waste removal services, which poses a serious health risk for families.

Migrants accept the many risks and poor living conditions of slums because it is their only means of tapping into the economic opportunities afforded by urban centers. Those living in extreme poverty in urban areas differ greatly from their rural counterparts, not only in their capacities and mindsets but also their relationship to the surrounding environment. In many countries like Bangladesh and India, they turn to seasonal and daily wage labor, domestic service or begging. They have greater access to markets and a higher willingness to take risks for their businesses, whether that be taking loans or finding creative methods to market their products. However, the transient nature of slum populations results in limited social cohesion, limiting the potential for community mobilization and support.



Key Components of Bangladesh Urban UPG

In 2010, BRAC launched the Urban Ultra-Poor Graduation pilot (Urban UPG) to address the needs of the growing extreme population in urban Bangladesh. The program launched with a small pilot of 100 participants in two slum communities in Dhaka and has since expanded to more slums within the capital as well as to urban areas in Chittagong and Khulna. The table below shows the key components designed for the Urban pilot in Bangladesh and contrasts these features with the Graduation program designed traditionally for the rural Bangladeshi context. These broad interventions continue to evolve based on the

Graduation Interventions	UPG - Rural Bangladesh	UPG - Urban Bangladesh
Targeting	<ul style="list-style-type: none"> • Participatory rural appraisal with social mapping and wealth ranking • Targeting survey of shortlisted households with selection criteria based on age, income, active household loans, land and productive asset ownership, etc. • Household verification by program staff 	<ul style="list-style-type: none"> • Household survey administration with selection criteria focused on social and economic indicators, access to services and housing conditions, etc. • Household verification by program staff
Social Protection	<ul style="list-style-type: none"> • Linkage to basic services such as health, WASH, education, and safety nets 	<ul style="list-style-type: none"> • Community health promoters supplement poor service provision and train local women to provide linkages to services • Referrals to government medical facilities
Livelihoods Promotion	<ul style="list-style-type: none"> • Livelihoods primarily include livestock and petty trade options • Business and technical skills training 	<ul style="list-style-type: none"> • Greater number of livelihood options including mobile petty trade (tea stalls, clothes, cosmetics), food vending, rickshaw driving, and sewing and a lesser focus on livestock • Business and technical skills training
Financial Inclusion	<ul style="list-style-type: none"> • Savings and credit support through linkages to financial services • Financial literacy training 	<ul style="list-style-type: none"> • Savings and credit support through linkages to financial services • Segmented tracks which enable an early transition to microfinance for 'fast climbers' • Financial literacy training
Social Empowerment	<ul style="list-style-type: none"> • Bi-weekly household visits for coaching and monitoring livelihoods • Life skills training on social and health issues including early marriage, family planning, nutrition, and waterborne diseases • Community integration through creation of Village Solidarity Committees 	<ul style="list-style-type: none"> • Monthly household visits for coaching and monitoring livelihoods • Life skills training on urban social issues including child labor, road safety, and urban safety • Linkages to existing Community Development Organization

needs, vulnerabilities, and opportunities in the local context. **Adapting Graduation to the Urban Context**

BRAC UPGI adopts a tailored approach in adapting Graduation to urban contexts by conducting rigorous assessments of the vulnerabilities, needs, and capacities of those living in urban poverty. These assessments inform a contextualized design and implementation of a Graduation program.

BRAC UPGI is currently partnering with the Asian Development Bank (ADB) and the State Government of Tamil Nadu in India to integrate Graduation with the Inclusive, Resilient, and Sustainable Housing for Urban Poor Program (IRSHUPP), which relocates and rehabilitates households living in extremely vulnerable and high-risk urban areas. BRAC UPGI also provides technical assistance on a Graduation pilot in partnership with ADB and the Department of Labor and Employment in the Philippines. Lastly, BRAC partnered with the Cartier and Medicor Foundations to implement a Graduation pilot in peri-urban and rural areas of Uganda targeting female and male youth. Insights from these programs are included below:

- **Profile of Urban Poor Households:** In Tamil Nadu, urban poor households are highly susceptible to insecurity caused by climate change related droughts and erratic monsoons and flooding. Moreover, they lack land security and access to flexible housing finance schemes. High rates of indebtedness are prevalent as a result of wage

diversion to alcohol consumption. Livelihoods include daily wage labor at construction sites or semi-skilled work like iron-working, carpentry, and auto-rickshaw driving, with domestic service a common source of income for women. Households have adequate access to healthcare, schools, and electricity, but inconsistent access to piped water, sewage systems, and mass transit. Community ties are weak and exacerbated by resettlement and inter-caste tensions.

- **Social Protection:** In Tamil Nadu, sanitation issues are exacerbated with many households living in close quarters and low usage of latrines despite government provision of sanitation facilities. BRAC UPGI's design recommendations highlighted a strong need for life skills training and coaching to promote positive hygiene behavior.
- **Livelihoods Promotion:** In the Philippines, participants in peri-urban settings select livelihoods from a broad range of options, including ambulatory food carts, meat processing, massage therapy, and livestock. In Uganda, the Graduation pilot for youth recommended skill-based vocational training on electrical work, mobile repair, motorcycle repair, and a greater focus on other small trades.
- **Financial Inclusion:** In Tamil Nadu, some households are trapped in cycles of indebtedness with high interest loans from moneylenders and microfinance institutions, resulting from excessive alcohol consumption. Consequently, the program intends to provide financial literacy training and budget planning to improve savings and loan behavior and strengthen existing or create new self-help groups.
- **Household Segmentation:** Given heterogeneity of poverty among households in Tamil Nadu, with informal settlements including extreme poor households as well as relatively well-off populations, segmentation will be used to identify different Graduation pathways for households with high, moderate, and low readiness for economic inclusion activities after relocation. These differences will primarily be based on intensity of household coaching and mentorship as well as the suitability of linkages to vocational training and advanced business skills training.

Graduation programs are designed to build the resilience of poor households by addressing the whole of their most pressing needs. We remain committed to ensuring this is possible during the COVID-19 crisis and beyond.

