

Skills Development through Adaptive Social Protection Systems

February 2024

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Two evidence-backed approaches

1. Climate-smart poverty graduation or economic inclusion programs
2. Social assistance linked to active labor market programs and skills training





1. Climate-smart poverty graduation programs

- 1. Social assistance:** Cash grants to smooth consumption and ensure basic food security needs are met.
- 2. Sustainable livelihoods promotion and skills development:** Identification of suitable climate-resilient livelihoods accompanied by asset or technology transfers and technical skills training based on market and climate change assessment. In urban contexts, upskilling or reskilling to support transition into green jobs or other sustainable jobs based on future skills assessments.
- 3. Coaching & mentorship:** Trained coaches and mentors can assist beneficiaries achieve their family development goals and deliver life skills training on livelihoods management including in pre and post-disaster situations, climate adaptation and resilience, and environmentally-friendly practices such as home gardens, waste disposal, recycling, and composting.
- 4. Financial inclusion:** Savings and credit support through linkages to financial services, digital banking mechanisms, enrollment in crop, disaster, or livestock insurance, and provision of financial literacy training including contingency saving plans.
- 5. Social empowerment:** This component will facilitate deeper community ties and networks to promote social empowerment, encourage group formation and knowledge dissemination, and strengthen community networks to cope with climate shocks.

COMPONENTS



5 connected components provide a ladder out of extreme poverty



Examples of climate-smart poverty graduation programs

Bangladesh



BRAC (2022)

- **Objective:** To enhance the adaptive capacity of climate vulnerable ultra-poor households in Satkhira.
- **Development problem:** Climate change has increased salinity levels, making it impossible to grow saline-sensitive crops such as rice.
- **Climate-resilient graduation interventions:**
 - Graduation participants received a salt-tolerant, high-yielding variety of rice and climate-smart training on how to grow this successfully.
 - Participants also received training on climate-smart, environmentally friendly livestock and agriculture practices including recycling and sustainable home gardens.

Tunisia



BRAC and IFAD (2020-2025)

- **Objective:** To increase the social, economic, and climate resilience of the poorest households in the hills of Kairouan.
- **Development problem:** Women living in poverty are especially vulnerable to climate risks and shocks including water scarcity, rising temperatures, desertification, and soil erosion.
- **Climate-resilient graduation interventions:**
 - On top of cash transfers, women received skills training and support to plant prickly pear cactus, a low-water intensive, drought-resistant crop.
 - Support for climate-resilient practices such as rainwater harvesting for agriculture activities and livestock feeding.

Lao PDR



ADB: Building Resilience and Reducing Rural Poverty Project (2024)

- **Objective:** To pilot test a women-targeted, climate-resilient and scalable poverty graduation program in rural Lao PDR.
- **Development problem:** Women comprise half the agricultural workforce yet lack crop diversification and access to climate-smart inputs and capacity building opportunities.
- **Planned climate-resilient graduation interventions:**
 - Targeting based on poverty and climate vulnerability data.
 - Localized market assessment based on climate vulnerabilities.
 - Technical skills training for climate-resilient livelihoods
 - Linkages to digital payments
 - Coaching on environmentally-friendly practices



Expected Benefits and Outcomes for Beneficiaries



Increased assets



Higher savings



Enhanced access to financial services



Diversified livelihoods



New productive skills



Expanded access to markets & essential services



Improved food security & nutrition



Improved psychological resilience



Increased social capital & women's empowerment



ADB support for Graduation

COMPLETED		
1	Philippines	Piloting the Graduation Approach in the Philippines (2020)
2	Philippines	Padayon Sustainable Livelihoods Program (2023)
3	Philippines	Strengthening the Transition of Vulnerable Communities Affected by Malolos-Clark Railway Project (2023)
ONGOING		
4	Philippines	Strengthening the Transition of Vulnerable Communities Affected by South Commuter Railway Project
5	India (Tamil Nadu)	Inclusive, Resilient and Sustainable Housing for the Urban Poor Sector Project
6	Mongolia	Mongolia Graduation Pilot Program (under the Second Shock-Responsive Social Protection Project)
DESIGN AND PLANNING		
7	Sri Lanka	Socio-Economic Empowerment Program (Food Security and Livelihood Recovery Emergency Project)
8	Marshall Islands	Youth Skills Development and Employment Project
9	Lao PDR	Climate Resilient Economic Inclusion (under the Building Resilience and Reducing Rural Poverty Project)
CONCEPT		
10	Bangladesh	Coastal Towns Climate Resilience Project
11	India (Meghalaya)	Sustainable Tourism Enhancement for Livelihood Improvement Project
12	India (Meghalaya)	Climate Adaptive Community-Based Water Harvesting Project
13	India (Assam)	Climate Resilient Brahmaputra Integrated Flood and Riverbank Erosion Risk Management Project



2. Link social assistance to skills training

Problem



Informal workers and migrants make up 68% of the employed population in Asia and the Pacific and as high as **78% in Southeast Asia**.

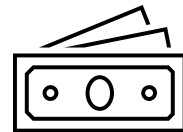


Most vulnerable and informal sector workers are not covered by any form of adequate social protection. Often form the **missing middle** of social protection programs.



Climate change, automation, AI, and demographic shifts are displacing unskilled and semi-skilled workers

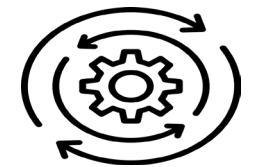
Solution



Deliver financial incentives to enroll in and complete market-relevant trainings including those that promote green jobs and skills.



Offer combination of easily accessible in-person and online trainings to promote life-long learning and offer job facilitation services.



Foster collaboration between public and private sector (e.g. training institutions, employers, and payment service providers).



Evidence from Indonesia: The Case of Kartu Prakerja



Over 17 million participants



Social Protection

Compared to non-beneficiaries, Prakerja beneficiaries:

- 6%** have **higher food security**
- 8%** **less likely to have taken a loan** to overcome financial difficulties

Prakerja contributes positively to **8 out of 17 SDGs** (Goals 1, 2, 4, 5, 8, 10, 16, and 17)



85% functions as a **social safety net to reduce poverty**



85% incentives provide a sense of **security in meeting food needs during the COVID-19 pandemic**

Labor Market

Prakerja improve employment

- +18%** helps **start a new jobs**
- +30%** increases likelihood of **owning a business**



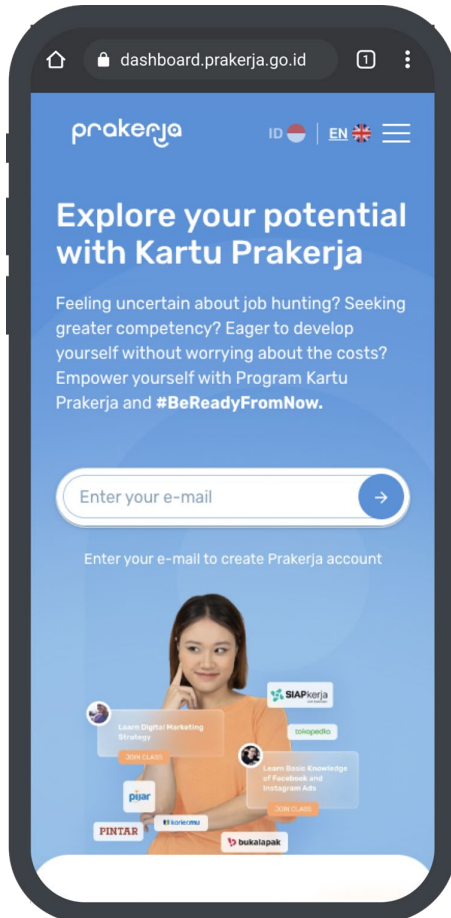
89% helps the respondents obtain **decent and better work** through skills improvement

89% **empowering entrepreneurship**

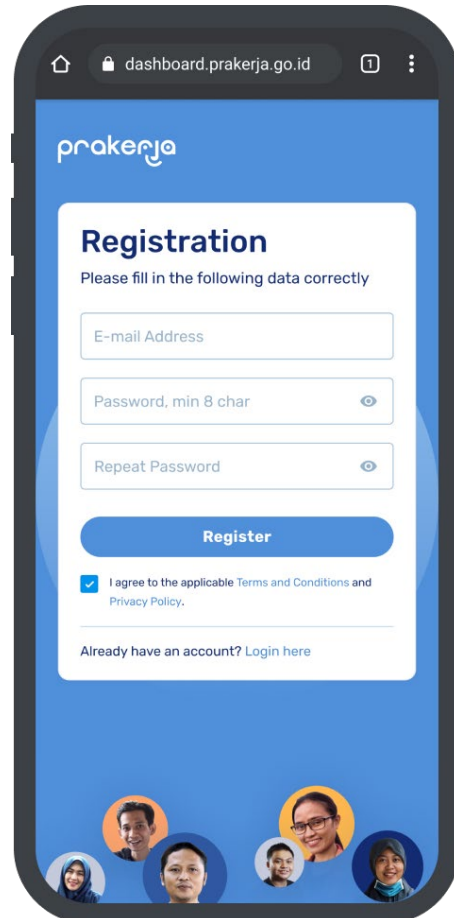


Kartu Prakerja User Interface

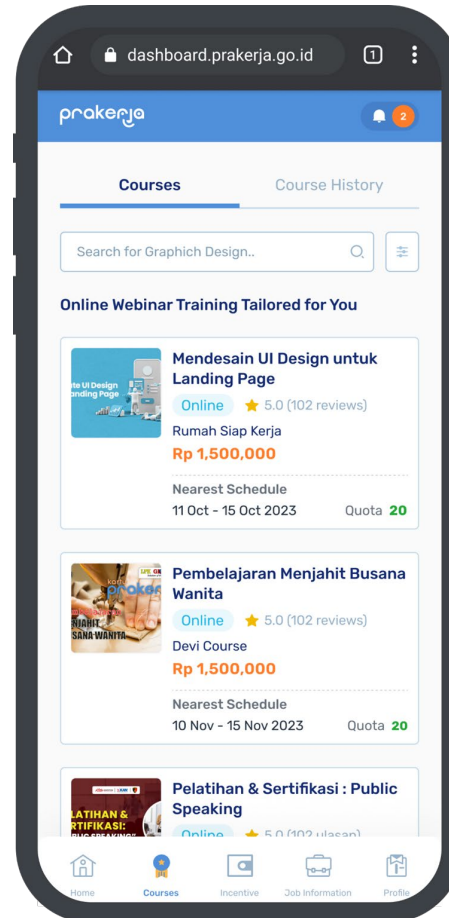
User Friendly



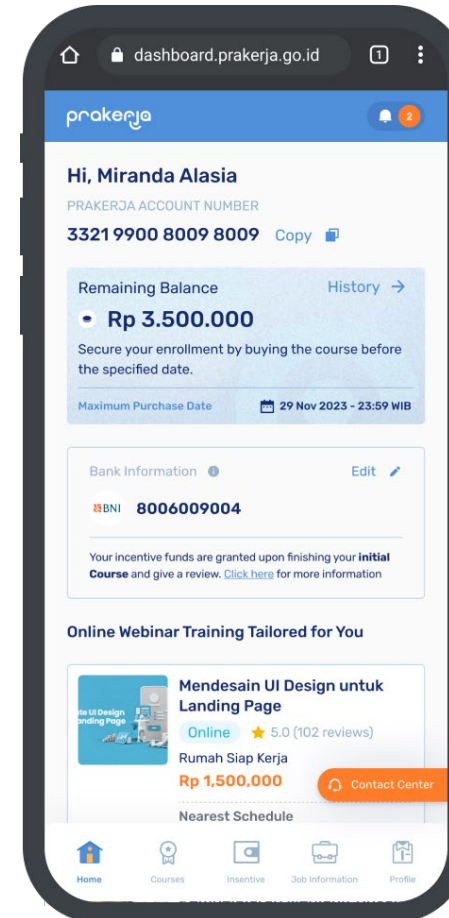
On-demand
Registration & Verification



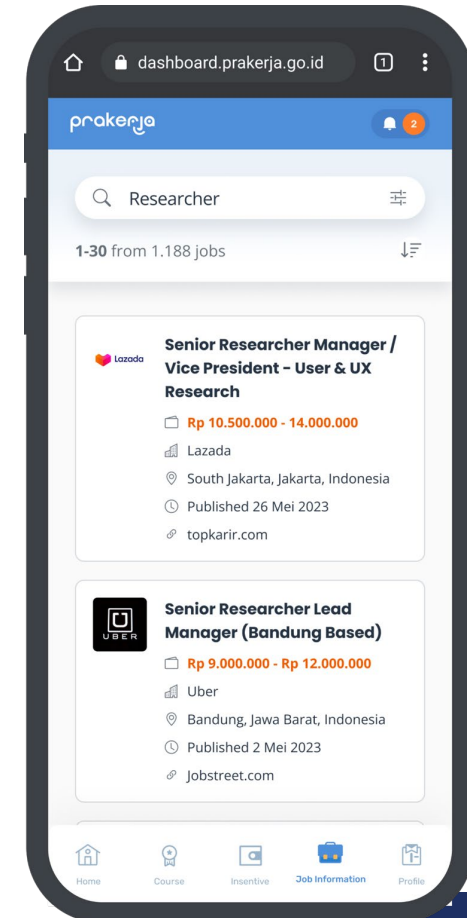
Course
Recommendation



No Physical Card



Job
Recommendation



Source: Kartu Prakerja presentation at ADB Asia Pacific Social Protection Week 2023

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