

GDI CASE STUDY: PARTNERSHIP FOR ECONOMIC INCLUSION (PEI)

GDI provided strategic and project management support to the [Partnership for Economic Inclusion \(PEI\)](#) and its NGO partners to develop systems change strategies at scale to drive economic inclusion for the extreme poor through empowering governments and other local stakeholders.



THE CHALLENGE WE SET OUT TO TACKLE

Despite significant poverty reduction and economic growth around the world, 770 million people living in extreme poverty suffer from protracted social and economic exclusion. Too often, government interventions focus on offering a safety net, rather than integrating individuals into the economic systems that will lead to long-term growth and self-sustainability. Numerous RCTs have shown that the graduation approach – which consists of a sequenced set of interventions tackling the multifaceted constraints the most vulnerable households face – has broad and sustained social and economic benefits on ultra-poor participants. But to date, most graduation approach programs have been delivered sub-scale by NGOs. The challenge therefore is in designing and delivering graduation approach programs which can impact a greater number of households to match the size of the challenge.

GDI THROUGHOUT OUR GROWTH ENGINEERING PROCESS

GDI helped build PEI from the ground up, assisted it in gaining funding, and set strategies that would ensure long-term sustainability.



DISCOVER

2016

GDI's involvement with the graduation approach began when GDI started working with select NGO leaders to **move from piloting and replicating the graduation approach to advising governments on how to adopt the approach**, and change social protection systems to support scaled and sustainable outcomes for the extreme poor. It was clear that **a collective action platform was needed** to bring all of these organizations' efforts together and to better help governments adopt the model.



DESIGN

The Consultative Group to Assist the Poor (CGAP) proved through a decade of experimentation that the graduation approach is one of the most effective ways to help the poorest families transition out of extreme poverty. Acknowledging the huge potential to build further momentum with donors, implementers, researchers, and governments, GDI – working alongside an established community of practice – **helped facilitate the decision-making process on where the program should be housed**.

GDI worked with the newly named and formed Partnership for Economic Inclusion (and active members of its community of practice) to **identify sources of catalytic funding to drive forward PEI's vision** to improve the resilience of millions of the world's poorest households through government engagement. The partnership would be hosted by the World Bank's Social Protection and Jobs Global Practice.



BUILD

GDI used key strategies including **developing government management information systems, coordinating across siloed government departments, mobilizing government budgets, and building delivery capacity** through training workshops.

As part of this process, GDI conducted site visits in India, Mexico, and Tanzania, and **met with hundreds of women who were able to lift their families from extreme poverty** to positions of economic empowerment. The GDI, PEI, and NGO partner teams also met with senior government officials to more deeply understand scaling strategies and capacity building needs to drive economic inclusion.

Through GDI's strategic and project management support, PEI and its partners successfully received a commitment of \$23 million from Co-Impact – a global collaborative focused on systems change to improve the lives of millions by advancing education, improving people's health, and providing economic opportunity.



EXIT

2018

GDI worked alongside PEI to **secure Co-Impact funds for PEI and other community of practice partners**, and also helped confirm funding from GIZ from knowledge management and innovation work-streams.

To ensure long-term sustainability of these efforts, GDI guided the setup of a multi-donor trust fund so that PEI could continue to receive donor funding.

WHAT THE PARTNERSHIP FOR ECONOMIC INCLUSION IS TODAY

Today, PEI is hosted at the World Bank's Social Protection and Jobs Global Practice.

The Partnership for Economic Inclusion (PEI) manages a global community of practice consisting of hundreds of partners including NGOs, researchers, and foundations focused on eradicating extreme poverty for over 700 million people around the world.

Together, the group aims to shift existing government social protection and safety net programs for the extreme poor to a focus on programs that build livelihoods towards sustained increases in income and assets.

WHAT DID WE LEARN?

We learn something from every initiative we incubate, and apply lessons from both successes and challenges to our future work.

SUCCESSSES

- **Get the right buy-in up front:** GDI supported PEI's transition from a loose community of practice association at CGAP to a stand-alone partnership within the World Bank Jobs group. This progression was only possible because we canvassed a broad range of opinions from community of practice members, refined strategy priorities, aligned members behind a shared vision and established structure to maximize relative strengths of individual organizations within the community.
- **Find the right levers for systems change:** GDI helped refine PEI partners' collective value proposition resulting in a clearer vision of the role that PEI could play in supporting governments to shift social protection systems and deliver graduation programming for the extreme poor. This refinement resulted in considerable interest and investment from major bi-laterals and philanthropist collaboratives.

CHALLENGES

- **Align on key terminology in the beginning.** While incubating PEI, we noticed that partners and donors sometimes used the same words, even when they mean different things. When building an initiative—or a field!—from scratch, remember to get alignment from all partners on definitions that are central to your work. Otherwise, you may find yourself working towards different goals, all while using the same terms.
- **Define and agree upon roles early in the process.** This is especially critical for multi-stakeholder initiatives, like PEI. With many diverse partners in the room, challenges can arise over who's responsible for what—and in worst case scenarios, can lead to mistrust. With PEI, we found that defining both individual and organizational roles early, even if they change down the road, mitigated some of that confusion. The last thing you want is a committed group of folks who don't know where they can best pitch in!

KEY PARTNERS AND FUNDERS

