

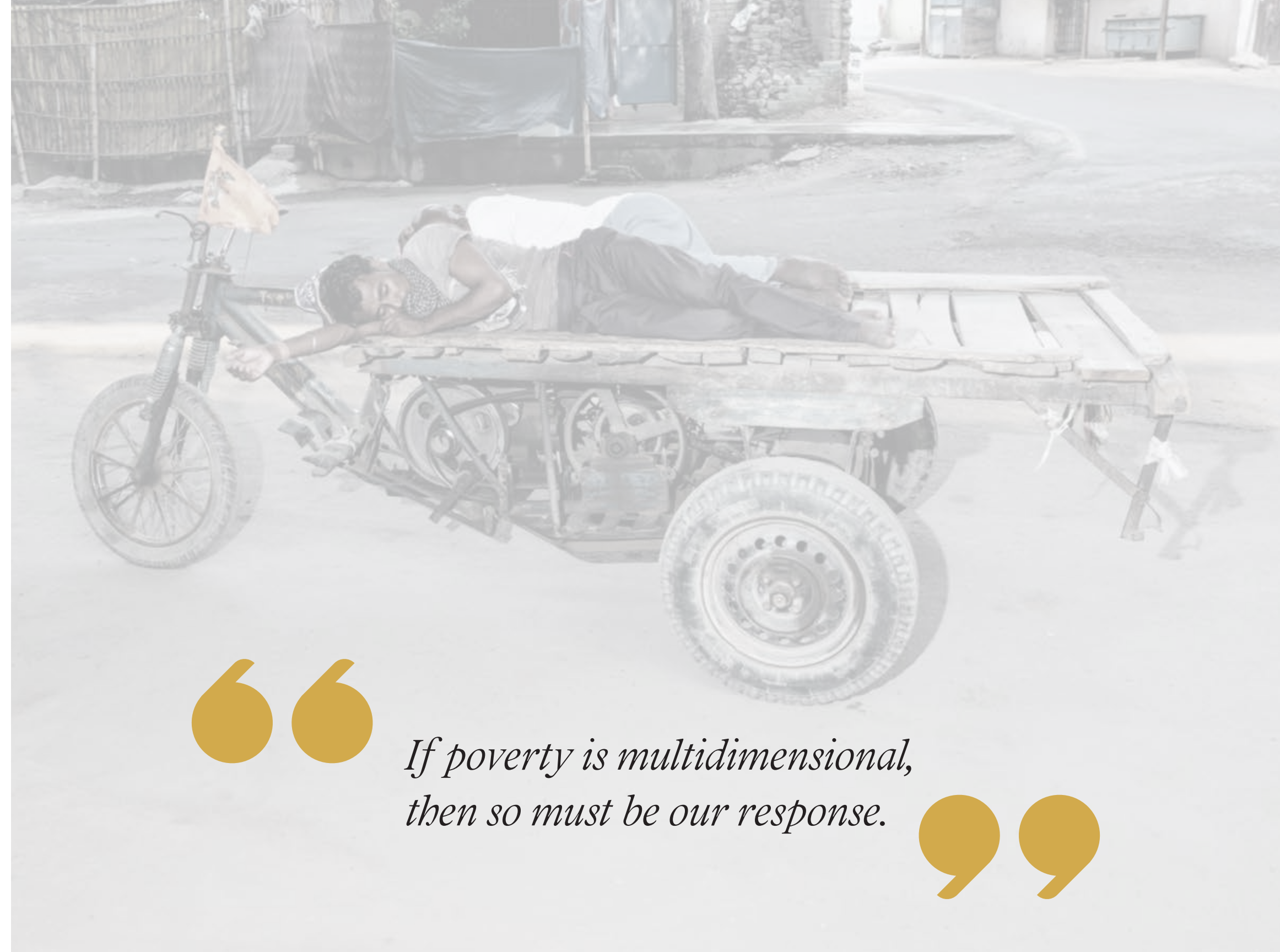


Extreme Urban Poverty:

Rethinking
Urban Inclusion

*A Reflection from SJY
Urban Experience in Bihar*

By PCI India, in collaboration with the
Government of Bihar and BRAC International



*If poverty is multidimensional,
then so must be our response.*





Foreword

The Government of Bihar has consistently focused on advancing women economic empowerment and ensuring sustainable poverty reduction. With this vision, the Bihar Rural Livelihoods Promotion Society (BRLPS) started its work in 2007 and gradually built one of the strongest community-led livelihood programmes in the country. Over the years, JEEVIKA has earned recognition for its innovative, inclusive, and impactful efforts. In 2018, the state took a landmark step by launching the Satat Jeevikoparjan Yojana (SJY). It became India's first government programme and one of the earliest in the world to address ultrapoverty using the globally known 'Graduation Approach'. The success of SJY showed that even the poorest families can move towards stability and dignity when they receive structured livelihood support, social inclusion, and regular handholding.

Encouraged by the overwhelming success of SJY in rural Bihar, the Government of Bihar conceptualised SJY Urban in 2022, recognising the rising complexity of urban ultra-poverty and the need for a dedicated, contextualised response in urban settlements. SJY Urban reflects the state's continued commitment to addressing poverty not as a singular economic challenge but as a multidimensional issue shaped by rapid urbanisation, shifting livelihood opportunities, and unequal access to services. The programme brings together rigorous identification of ultra-poor households, targeted livelihood interventions, convergence with government schemes, and continuous handholding through strong community institutions. It is grounded in the belief that poverty alleviation is not merely about providing resources, but about enabling households to build resilience, participate in economic life with dignity, and claim the entitlements that rightfully belong to them.

It is a privilege to present this Coffee Table Book, which offers a visual snapshot of the SJY Urban approach and brings forward the voices of the families whose lives reflect the true spirit of the programme. I hope this compilation becomes a valuable resource for policymakers, practitioners, development partners, and institutions that are seeking comprehensive, community-driven, and sustainable solutions to the challenges of urban poverty.

Himanshu Sharma IAS

Chief Executive Officer

Bihar Rural Livelihoods Promotion Society (JEEVIKA)

Government of Bihar





Urban poverty is not yet fully understood by scholars and practitioners of development and the journey of Satat Jeevikoparjan Yojana, Urban (SJY Urban) illuminates some facets of this complexity. A key institutional innovation within this programme has been JEEViKA's entry into urban areas. JEEViKA's rural cluster level federations (CLFs) have helped to identify participants, nurture master resource persons (MRPs), and transfer assets. This is an interesting learning for India, where stronger community institutions in rural areas can be leveraged to create similar capacity in urban areas.

As the first government-led urban graduation programme in the world, SJY Urban reflects the Government of Bihar's visionary leadership and its commitment to rethinking how inclusion can be designed for rapidly urbanising contexts.

By linking programme participants with crèches, SJY urban has centered care and women's participation. Seeing the bright and healthy faces of children of some participants in the crèches has been a highlight for all of us working on the programme.

BRAC International has been honoured to be part of SJY Urban's journey with the Government of Bihar, JEEViKA, PCI India, and our consortium partners— Aga Khan Foundation, Mobile Creches and Mahila Housing Trust. This consortium approach has clarified that diverse strengths of civil society organisations can be harnessed by the government to strengthen programmes and the need for such holistic support for the urban poor.

This book is a reflection of our collective journey. I hope that you will enjoy reading it.

Shweta S. Banerjee
Country Lead, India
BRAC International

It gives me great pleasure to present this chronicle capturing the journey of the Satat Jeevikoparjan Yojana, Urban (SJY Urban)—a pioneering effort of the Government of Bihar. This initiative reflects the State's commitment to address the complex and often invisible layers of urban ultra-poverty through a holistic and evidence-driven approach.

This is the **first time a government led urban ultra-poverty graduation programme is being implemented at this scale in India**, and among the few of its kind globally. The Government of Bihar deserves recognition for **pioneering a model that expands the boundaries of what is possible** in inclusive urban development.

Urban poverty is multifaceted, shaped by informality, vulnerability, and systemic exclusion. SJY Urban brings a new imagination to this challenge by integrating social protection, livelihoods, skilling, coaching, gender and care—ensuring that households do not simply receive support, but graduate with resilience and confidence.

PCI India is honoured to have partnered with the Government of Bihar, JEEViKA, and BRAC International in designing and strengthening this approach. Our teams worked closely with field institutions and Master Resource Persons to test innovations, refine tools, and build local capability—ensuring that solutions remain rooted in the lived realities of urban poor families.

I congratulate the Government of Bihar, JEEViKA, our partners, and most importantly the women and families whose courage and aspiration define the spirit of SJY Urban. This chronicle is dedicated to them, and to the vision of inclusive cities where no one is left behind.

Indrajit Chaudhuri
CEO and Country Director, PCI India





Prelude



Urban Poverty: The Next Frontier

For much of the 20th century, poverty was viewed as a rural phenomenon, rooted in landlessness, agriculture, and remoteness. Development strategies evolved around this understanding. Yet, as India urbanised, poverty too shifted its geography. In cities, it assumed new forms—fluid, mobile, informal, and often invisible.

Today, the urban poor live amidst abundance yet remain excluded from its promise, building the very infrastructure that sustains urban life while continuing to exist at its periphery—socially, spatially, and economically.

Within this landscape exists a segment of citizens experiencing extreme deprivation, households marked by chronic instability, multiple deprivations, and heightened exposure to risk. In Bihar, this reality is pronounced, with **16.67% of the urban population facing multidimensional poverty**. (2019 – 21, NITI Aayog).

It is within this context that the Satat Jeevikoparjan Yojana, Urban (SJY Urban) was conceptualised—an ambitious initiative of the **Government of Bihar**, implemented by **JEEViKA**, with technical support from **BRAC International** through a consortium led by **PCI India**, alongside partners such as the **Aga Khan Foundation, Mobile Creches, and Mahila Housing Trust**. The consortium is piloting scalable and replicable models in Patna and Gaya.

Rather than treating poverty as a static condition, SJY Urban seeks to design pathways out of it, applying the globally recognised Graduation Approach to Bihar's complex and evolving urban realities.

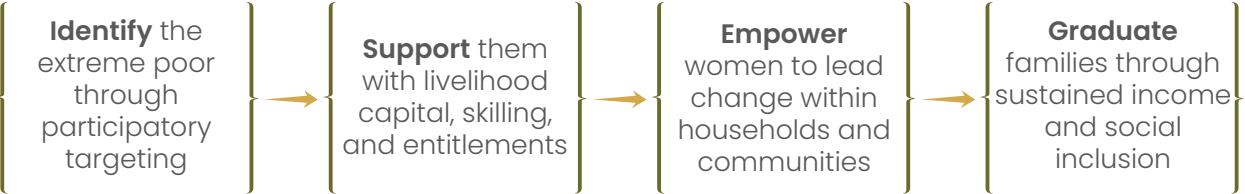
*SJY Urban:
From Vision to Action*



The Programme Narrative

Launched in 2022, the Satat Jeevikoparjan Yojana, Urban (SJY Urban) reflects the Government of Bihar’s vision to create a structured pathway for the *extreme poor* urban households to graduate sustainably out of poverty.

The programme’s logic is rooted in a systems-based approach to:



The Government of Bihar, through JEEViKA, is driving this transformative programme. To strengthen its design and test innovative solutions, BRAC International and PCI India, as technical partners, are supporting the effort with their expertise, insights, and shared commitment to empowering extreme poor urban households.

This collaboration is also serving as a living laboratory, testing and refining skills-based livelihood pathways, community-run crèche models for the care economy, and climate-resilient practices in urban settlements.

Through this adaptive, evidence-driven approach, Bihar is shaping a scalable, government-led model that strengthens graduation outcomes, deepens social inclusion, and contributes valuable learning to national as well as global dialogues on building resilient urban systems.





SJY
Programme Design



Programme Design:

Coaching, Capital, and Convergence

SJY Urban represents the Government of Bihar's commitment to building a structured and sustainable pathway for extreme poor urban households to graduate out of poverty with dignity.

At its core, the programme is built on a 360° Graduation Architecture that blends economic, social, and behavioural interventions into one continuum of change. It is anchored in three interlinked pillars: Coaching, Capital, and Convergence.

Coaching sustains transformation. Trained Master Resource Persons (MRPs) provide personalised guidance, motivation, and behavioural support—tracking progress digitally and keeping each household on the path to graduation. Coaching enhances confidence and builds the skills needed to manage livelihoods, plan finances, and make informed decisions.

Capital lays the foundation. Each household receives financial support through the livelihood grant, disbursed in three tranches, enabling them to invest in productive assets, stabilise consumption, and begin their journey toward economic independence.

Convergence amplifies impact. It connects households to government schemes, financial services, and market opportunities, ensuring that the gains from coaching and capital are reinforced. Through this integrated support, families access entitlements, build resilience, and progress toward sustainable livelihoods.

Together, these pillars form an integrated framework where financial inclusion, social protection, and human development reinforce each other.

By aligning Coaching, Capital, and Convergence, SJY Urban has evolved beyond a poverty alleviation programme into a state-led graduation model—designed to build sustained pathways from vulnerability to resilience, and from survival to self-reliance.

Graduation Pathway



0-6 months (Initiation Phase)

6-24 months (Deepening Phase)

24-30 months (Sustainability Phase)

Social Empowerment & Financial Inclusion



Confidence building of household



Bank Account Opening

Livelihoods Promotion



Special Investment Fund (₹15,000)

Micro Enterprises, Livestock & Agri

+

Youth Skilling
Micro Planning for Livelihood Options



EDP Training to households



Coaching focused on Life Skills & Gender



Awareness of Health, Nutrition, and Sanitation



Training on Business and Financial Literacy, Saving Habit



Social Inclusion

*Multiple Livelihood options at household level

Productive Asset Transfer

+

Youth Enrollment in Skill Training

+

Livelihood Gap Assistance Fund (LGAF) initiated



Household Grading (after 3 to 6 months)

Livelihoods Diversification & Intensification

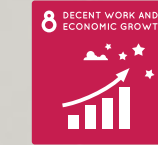
Social Protection through Govt. Services

Addressing the basic needs (Ensure UID, Insurance such as PMJJBY/PMSBY)



Rigorous support for entitlements

- Access to **Anganwadi services** for pregnant women, children, and adolescent girls.
- Convergence with **WCDC and 'Didi Adhikar Kendra'** for women's rights and GBV-related support
- Health and social security convergence through govt. deraprtments
- Climate adaptive housing solutions



Income Asset Saving Habit



Health Insurance Immunisation



Education



Safe Drinking Water
Free Sanitation Facilities



Safe Energy Electricity Connection



Food Security



Social Security and Insurance

Regular handholding by Master Resource Person (MRP) – Weekly Home Visit and Group Meetings

*Pathways of
Transformation*



→□↺ ↻□→ ↻□ Reaching the Invisible : Targeting the Extreme Poor Urban Households

Urban poverty is often invisible—not absent, but unseen. The poorest in cities move between rented rooms, pavements, and informal settlements. This mobility keeps them outside official records, denies them identity documents, and pushes them into exploitative and insecure environments. Recognising this, the Government of Bihar, under *SJY Urban*, placed unprecedented emphasis on *identifying and reaching* the truly extreme poor.

An inclusive and evidence-driven targeting process was designed that combined *spatial mapping*, *community participation*, and *institutional verification*. Community Resource Persons (CRPs) from both JEEViKA and Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) jointly mapped habitations, validated lists with women’s collectives, and anchored transparency through ward-level endorsement.

This approach achieved what conventional surveys often miss: *precision built on trust*. It brought into focus those excluded by systems yet essential to the city’s functioning—the street hawker barely earning enough for a meal, the widow running a household alone, the family living under a flyover.

In making the invisible visible, SJY Urban reframed targeting itself—as an act of recognition. “We’ve lived here for ten years,” said a woman during the verification drive in Patna.



*For the first time, someone came not to count us,
but to know us.*





→□→
→□→
→□

Pathways to Urban Livelihoods: Empowering Choice for Sustainable Livelihoods

Sustainable livelihoods are central to breaking the urban poverty trap. For the extreme poor, income instability keeps families trapped in cycles of debt and deprivation. A secure livelihood offers more than income—it brings stability, dignity, and a pathway toward independence.

Cities offer a mosaic of opportunities—street vending, gig work, tailoring, food enterprises, and home-based services. Yet the poorest struggle to access them due to low skills, limited networks, and high competition.

SJY Urban addresses this by placing choice and agency at the centre. Instead of prescribing options, households are empowered to select livelihoods that match their interests, strengths, and local market demand.

Trained MRPs guide this journey, helping families assess markets, understand viable opportunities, and make informed decisions. Assets are then procured through transparent, community-led processes, enabling each household to begin its enterprise with confidence and ownership.

→□↻ Pathways to Urban Livelihoods: →□↻ Strengthening Enterprises, Diversifying Opportunities

With their chosen livelihoods in motion, households begin the next stage of their journey—**strengthening and expanding their enterprises**. Trained MRPs continue to guide them closely, helping families refine business practices, manage finances, and build stronger connections with customers and suppliers.

This phase focuses on small, practical improvements that bring real change—better stock management, improved product quality, and smarter pricing. Each step adds to their confidence, efficiency, and presence in the local market.

As businesses stabilise, MRPs encourage **diversification**—adding new products, services, or income streams to reduce risk and build resilience. An SJY Didi running a grocery shop may start a small food enterprise; another stitching clothes may begin selling readymade garments; while a vegetable vendor from a peri-urban area might start stocking a few clothing items alongside her produce.

Depending on household needs, the programme also provides support through a **second tranche of asset transfer**, enabling further growth and diversification.

Through consistent mentoring, peer learning and guidance by PCI India and Aga Khan Foundation, these microenterprises evolve into sustainable ventures. What begins as a single livelihood gradually becomes a steady source of growth, security, and dignity.

“By adding a small food enterprise to her grocery shop, Kaushalya Devi of Ward No. 6, Bikram ULB, Patna, turned diversification into a path of confidence and growth.”





→□→ □□← □□ Pathways to Urban Livelihoods: Building Skills for Unlocking Future

Rapid urbanisation and rising consumerism have created new opportunities for employment and enterprise. SJY Urban tapped into this potential by making *new-age skilling* a key part of its livelihood strategy—preparing urban youth for emerging markets and the city’s evolving world of work.

The process begins at the household level. A profile is prepared for every member aged 14 to 45 for all the SJY households, capturing their education, existing skills, and aspirations. This data helps identify suitable youth for different training opportunities—ensuring that each participant’s pathway is relevant, targeted, and achievable.

To ensure comprehensive reach, skilling under the programme is organised under two focus areas—*Skills for Enterprises and Skills for Jobs*. Recognising the diversity of markets and participants, training is further categorised into **Domain Skilling, Upskilling, Aggregation, and Informal Skilling*—creating a flexible system that meets people where they are.

The programme connects youth with short-term skilling courses aligned to market demand, and links them with platforms such as Zomato and Urban Company for job placements and gig-based work. Others are supported through government-facilitated placement drives.

Through this integrated approach, SJY Urban is not only developing skills—it is creating pathways to independence and opportunities. For many young people, it marks the beginning of a dignified and sustainable future in the urban economy.

→□↺ ↻□↻ Expanding Livelihoods through Government Convergence

A defining strength of SJY Urban is its ability to unlock livelihoods **beyond programme-designed options** by leveraging government systems. As the Graduation model matures, new opportunities are emerging from **institutional convergence**, thus opening pathways that are more formal, stable, and directly linked to urban governance structures.

A strong example comes from the Patna Municipal Corporation (PMC), which engaged SJY Urban participants in city-level waste segregation and mobilisation efforts. This collaboration not only offered dignified work, but also positioned women as critical partners in improving municipal service delivery. Similar convergence opportunities are now being explored across sanitation, solid waste management, maintenance services, and community engagement roles.

By aligning household aspirations with government functions, SJY Urban demonstrates how **state systems can become generators of livelihoods**—channeling public resources, contracts, and urban service roles toward the poorest.

This approach moves livelihoods from **household enterprises alone to a city-wide ecosystem of opportunity**, ensuring that women from extreme-poor households participate not just in markets, but also in the governance of the cities they help sustain.





→□↺ ↻□ ↻□ *Unlocking Aspirations: The Role of SIF*

At the heart of *SJY Urban* lies a simple but transformative idea—that the poor don’t just need capital to survive, they need trust to aspire. The **Special Investment Fund (SIF)** embodies this philosophy.

As part of the Government of Bihar’s per household commitment, SIF—an unconditional cash grant of ₹15,000—marks the first financial step that allows families to invest in what they immediately need—an income asset, a washroom, or a critical household improvement.

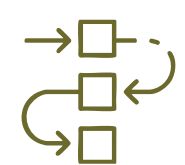
In SJY Urban, most participants used their SIF to purchase small productive assets—a sewing machine, a goat, or raw material stock. Others used it to improve sanitation or housing.

“For many women from extreme poor urban households, it was the first time a significant sum reached their bank accounts with full freedom to decide how to use it.”

What makes SIF truly transformative is the psychology of trust it generates.

Globally, evidence from *GiveDirectly* and other cash transfer programmes echoes this: when systems trust people, people begin to trust systems. The SIF, therefore, is more than a grant—it is the first spark of aspiration on the road to self-reliance.

“For the first time, someone trusted me to decide” said Mina Devi, a vegetable vendor from Gaya who used her SIF to expand her stall and double her income.



Systemic Integration:

Leveraging Entitlements and Social Protection

In urban poverty, exclusion stems less from the absence of schemes and more from the absence of connection. SJY Urban addresses this through a three-tier convergence strategy that transforms fragmented welfare delivery into an integrated system of inclusion.

- **Convergence with Government Departments:** At the institutional level, SJY Urban aligns with departments and urban local bodies to streamline access to key schemes such as PDS, PMAY, and Ayushman Bharat, social protection/pensions, etc., ensuring no eligible family remains unseen.

- **Capacity Building of MRPs:** Trained MRPs serve as the programme's frontline connectors—linking extreme poor households to government schemes through guided handholding and follow-ups. A comprehensive scheme booklet developed by PCI India strengthens this process.

- **Empowering Households for Future:** Beyond immediate facilitation, MRPs help households build confidence and literacy to access government systems—embedding agency as a lasting outcome.

“After my ration card finally came, I didn’t have to borrow for food anymore,” said Shanti Devi from Gaya. “A few months later, my Ayushman card paid for my husband’s hospital treatment — it felt as if, for the first time, the system was standing with us.”



When systems connect, inclusion becomes inevitable.





→□↺ →□↻ →□ Women at the Core: Integrating Agency and Care

Women are not just beneficiaries in SJY Urban, they are its foundation, reflecting the Government of Bihar's deliberate commitment to placing women at the centre of urban poverty alleviation. Yet empowerment is impossible without care. For many urban poor women, the burden of unpaid care work limits their ability to participate in economic activities, often forcing a choice between livelihood and caregiving.

To address this, model crèches have been established in Patna and Gaya—safe community-run spaces embedded within urban settlements. Supported technically by Mobile Creches, these centres provide early learning and nutrition for children while allowing mothers to work with confidence. Their demonstrated impact has prompted the government to take the approach forward: learning from the success of these sites, the Patna Municipal Corporation has opened its first crèche, signalling a decisive step toward institutionalising and scaling the model across the city.

Alongside childcare support, life skills and agency-building initiatives are strengthening women's confidence, decision-making, and leadership, helping them navigate both markets and mindsets. Together, this twin approach—care that frees women's time and agency that expands their choices, creates a holistic model of empowerment where economic progress and social well-being reinforce each other.

→□↺ ↻□↻ →□ *Living with Climate Uncertainty: Building Urban Resilience*

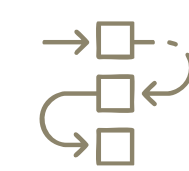
For the urban poor, climate change is not a distant crisis—it is a daily negotiation with uncertainty. Seasonal flooding, heatwaves, and waterlogging routinely disrupt work, damage assets, and erode fragile gains. Recognising these realities, SJY Urban embeds climate adaptability as a cross-cutting theme, ensuring resilience is woven into every stage of the graduation pathway.

As the programme transitioned from summer to monsoon, community campaigns shifted from heat preparedness to flood and waterlogging response—delivering locally relevant messages and promoting simple, low-cost adaptations such as raised platforms, safe asset storage, and basic drainage management. Innovative solutions like white roofing with solar-reflective paint are helping households reduce indoor temperatures and cope with extreme heat, especially in Gaya, where summer temperatures are among the highest in Bihar.

With technical support from Mahila Housing Trust, the strategy moves beyond awareness to preparedness, enabling families to anticipate risks, safeguard livelihoods, and maintain income during climatic shocks.

For women-led households, climate preparedness has emerged as a new form of empowerment—knowledge that protects both their homes and their enterprises.





The Guiding Hand:

Coaches as Catalysts of Transformation

Every transformation needs a guide. In SJY Urban, that role is played by the MRPs—trained community coaches who stand beside each household as they navigate their journey from vulnerability to self-reliance.

The SJY Programme has professionalised this role through structured capacity-building initiatives, ensuring that community cadres are well-equipped to guide and support participating households. Each MRP supports around 30–35 households, providing individualised guidance on livelihood planning, savings, enterprise management, and access to social protection schemes.

More than facilitators, they are trusted companions. They listen, motivate, and help families see possibilities beyond survival.

Manisha, an MRP from Patna, recalls how difficult it was at first to enter homes and start conversations. “People were hesitant. They thought this was just another government survey,” she says.

“Over time, as they saw change, they began calling me for advice, not verification.” Today, she is treated like family—invited during festivals, consulted on decisions—a quiet testament to how trust, once earned, transforms everything.

This human interface is what makes the graduation approach work in complex urban contexts. While grants and assets build capacity, coaching builds confidence—turning a programme into a relationship, and a relationship into sustained change.

The Road Ahead



Scaling the Urban Graduation Approach

Bihar's SJY Urban experience has shown that poverty alleviation in cities requires more than welfare—it demands systems that enable people to graduate with dignity.

Under the Government of Bihar's leadership the programme has demonstrated that the *Graduation Approach*—long proven in rural contexts—can be successfully adapted to urban realities marked by informality, gendered vulnerabilities, and climate risk.

Globally, it contributes to a growing conversation across the Global South—on how governments can institutionalise graduation within public policy, aligning with SDG 1 (No Poverty) and SDG 11 (Sustainable Cities).

Bihar's lesson is clear: when systems, people, and purpose align, poverty reduction becomes not a project—but a pathway.

From Bihar to the world, SJY Urban stands as a testament to what is possible when vision meets evidence, and governance meets empathy.





Acknowledgments

“Extreme Urban Poverty: Rethinking Urban Inclusion” reflects the collective spirit that drives Bihar’s commitment to addressing urban ultra-poverty. This journey has been shaped by the vision and leadership of the Government of Bihar, whose unwavering focus on inclusion continues to transform the lives of the urban poor. We extend our sincere appreciation to the Department of Social Welfare, the Department of Labour, the Urban Local Bodies, and Patna & Gaya Municipal Corporations for their active involvement in shaping and strengthening this pioneering effort.

As the lead of the consortium, PCI India is privileged to work alongside BRAC International—the technical support agency whose global expertise and role in bringing consortium partners together has significantly strengthened JEEViKA’s hand in implementing and scaling SJY Urban. We also acknowledge the contributions of the Aga Khan Foundation, Mahila Housing Trust, and Mobile Crèches, whose technical insights have enriched the programme.

This initiative draws strength from JEEViKA’s district and block teams, community institutions, MRPs and frontline workers. Above all, we honour the resilience of programme participants, whose aspirations continue to shape this journey.

Together, this collaborative ecosystem is charting a path of progress for SJY Urban, demonstrating how collective action and resilience can create a model ready for scale and replication across urban India.

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