



UNHCR
The UN Refugee Agency

**GRADUATION
APPROACH**

THE GRADUATION APPROACH

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NEWSLETTER

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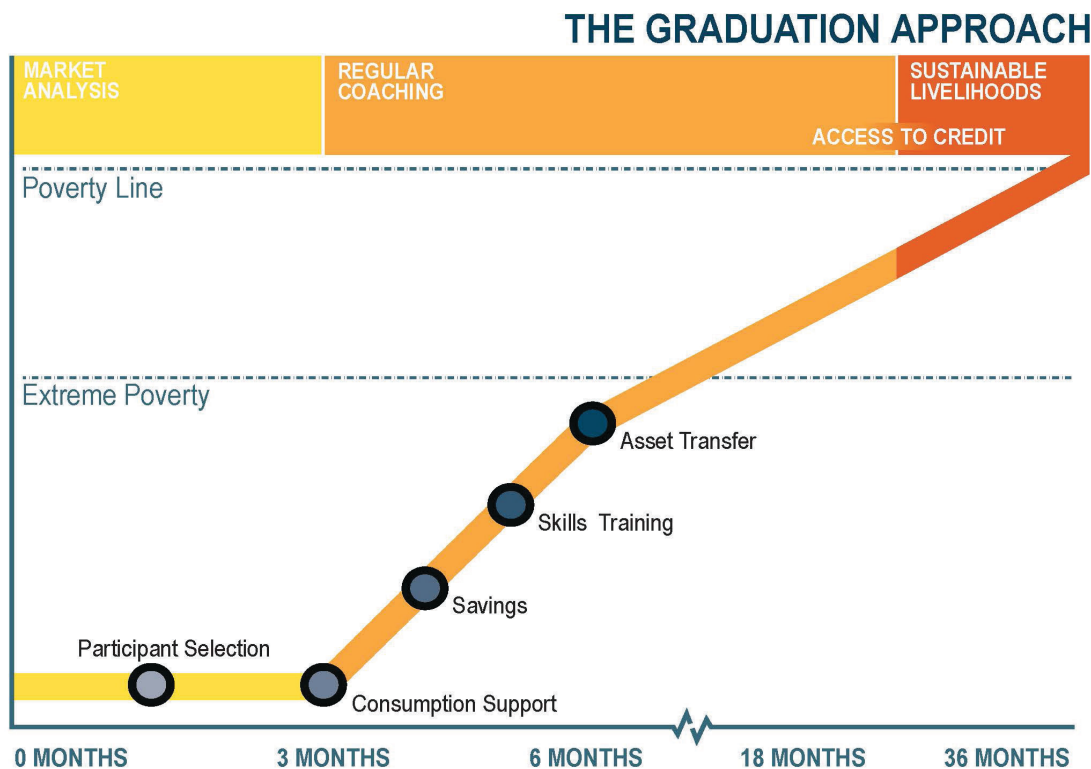
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1 What is THE GRADUATION APPROACH?

Graduation focuses on the ultrapoor—those with no assets and who are chronically food insecure—and seeks to move them out of extreme poverty with a combination of social protection, livelihoods and microfinance. In 2006, 10 organizations in eight countries tested the Graduation Approach, an initiative led by CGAP, a World Bank policy and research center, and the Ford Foundation. Several impact assessments have shown the effectiveness of the model (graduation.cgap.org). After initial discussions with CGAP/World Bank, UNHCR decided to test its viability in refugee settings.

The graphic to the right depicts the Graduation Approach. The approach begins by identifying the most vulnerable households and conducting a market analysis to identify viable livelihoods; providing time-bound cash assistance to support the family as the livelihood grows; savings to build resilience; skills training; and self-employment supported by seed capital or asset transfer to launch a livelihood activity. Coaching of participants is critical throughout to build self-confidence.



2 UNHCR AND Graduation

UNHCR's livelihood strategy seeks to increase the focus of the institution on dignity, empowerment and self-reliance. Engagement in livelihoods can enable refugees to play an active role in their own transition. Active engagement can also slow or prevent the loss of assets (financial, social and human) without which refugees would require more services from UNHCR and others. Pursuing a livelihood is not an option for every refugee and even some of those who can do so may continue to require the critical assistance provided by UNHCR in the form of health, education, and emergency support and cash assistance. This safety net will facilitate their success in gaining greater self-reliance.

For the very poor and vulnerable, health crises and economic shocks can destabilize a small livelihood activity, depleting capital from fledgling enterprises. UNHCR's unique advantage as a Graduation implementer is that the protection of refugees is provided as part of its core mandate, enabling refugees to build livelihoods from a strong base of support.

UNHCR is testing the Graduation approach in two protracted urban operations in 2013, with the first project in Cairo, Egypt, and the second in San José, Costa Rica.

3 What is A DESIGN MISSION?

When the Cairo and Costa Rica teams agreed to pilot the graduation approach as a solution to their unique challenges, UNHCR HQ scheduled a design mission to test the feasibility of the approach in the local context.

The missions thus far were led by Anas Roudies, the head of the OSTs livelihood unit at UNHCR Geneva, together with technical advisors Janet Heisey from Trickle Up and Dr. Syed Hashemi from BRAC University. Ziad Ayoubi, UNHCR Livelihood Officer, hosted the visit in Cairo while Valentina Duque from the Durable Solutions team and Giovanni Monge from the Programme team hosted in Costa Rica.

“During your visit it was clear that a key component of the graduation model is the systematic rigor of quality coaching support in the field. While there were many take-aways, this was perhaps the biggest for me.”

Kris Ozar, Head of Programming, CRS

waiting time for status resolution approaches nearly one year. But engaging asylum seekers in an 18-month project is a challenge given their status can change in the midst of the program. Solutions for this issue will be considered in the second design mission. Between missions, the local office continues with preparation and planning according to a timeline outlined during the first mission.

The first mission featured an overview of the graduation approach and how it has been utilized around the world, together with research results. The delegation visited current and potential implementing partners to learn about the local context and gauge their capacity. At the end of the first mission, discussions focused on how the graduation approach would be implemented to meet the goals of the project and what additional research or planning was required to finalize the design of the project.

In Cairo, the large number of refugees served proved a challenge when thinking about a pilot for 500 people. In addition, the mix of population (Sub-Saharan African, Syrian and Egyptian) led to discussion about how and where to focus the project. Initially we planned to work in multiple sites in Egypt but later decided to focus geographically for easier implementation. In Costa Rica, the challenge is that most of the current caseload is asylum seekers whose



The second mission in Cairo featured a return to the vision and goals of the graduation project, and how each of the graduation components (selection, consumption support, grants, training, coaching, etc.) would be implemented to ensure achievement of those goals. The delegation also met with researchers at the American University in Cairo to discuss a quantitative and qualitative research evaluation for the pilot. In both Cairo and Costa Rica the delegation met with representatives from the International Labour Organization (ILO) to discuss conducting market studies and value-chain analyses.

By the end of the second mission in November 2013, the Cairo team had a solid plan for implementation in place and selection of participants is scheduled to begin in January 2014. In March 2014, the design delegation will visit Costa Rica to finalize design and prepare for the launch of the project.



UNHCR Cairo hosts over 180,000 refugees, both Sub-Saharan African refugees in a protracted situation and Syrian refugees in an emergency situation. Testing the Graduation approach with both of these populations will be an ideal opportunity to learn how effective the model can be with these two groups so representative of UNHCR's work. In addition, UNHCR will include nationals in the Graduation pilot.

By linking cash assistance with training and coaching, UNHCR seeks to create a more productive subsidy that puts the refugee at the center of his or her own development.

The Graduation pilot will link with the cash assistance program, which is available to refugees who are socioeconomically among the poorest and are classified in one of 14 categories of vulnerability, including households affected by disability and families at risk of sexual gender-based violence (SGBV). Like many UNHCR cash assistance programs globally, the Cairo team has more potential recipients than available resources. This pilot will test the viability of graduating some participants off of cash assistance, while they continue to access other protection services. By linking cash assistance with

training and coaching, UNHCR seeks to create a more productive subsidy that puts the refugee at the center of his or her own development.

Upon selection for the program, each participant will work with a field worker to match his or her skills, abilities and interests to the pursuit of either wage- or self-employment. Participants will receive business planning and legal and skills training for the activity they select. They will receive 'soft skills' training to prepare them to join the workforce or to establish their own livelihoods. Participants pursuing self-employment will receive a seed capital grant to help kick-start the livelihood activity.

KEY FACTS

MANAGED BY

UNHCR Cairo Livelihood & Cash Assistance team

IMPLEMENTING PARTNER

Catholic Relief Services (CRS)

CONTEXT

Urban setting with protracted & emergency refugee situation

PARTICIPANTS

500 (50% Syrian, 40% Sub-Saharan African, 10% Nationals), plus additional 1,000 Syrian refugees for SGBV prevention.

TIMING

Participant selection in Jan. 2014; 18-month program

UNIQUE CHALLENGE

More cash assistance clients than available funds can support.

STRATEGY

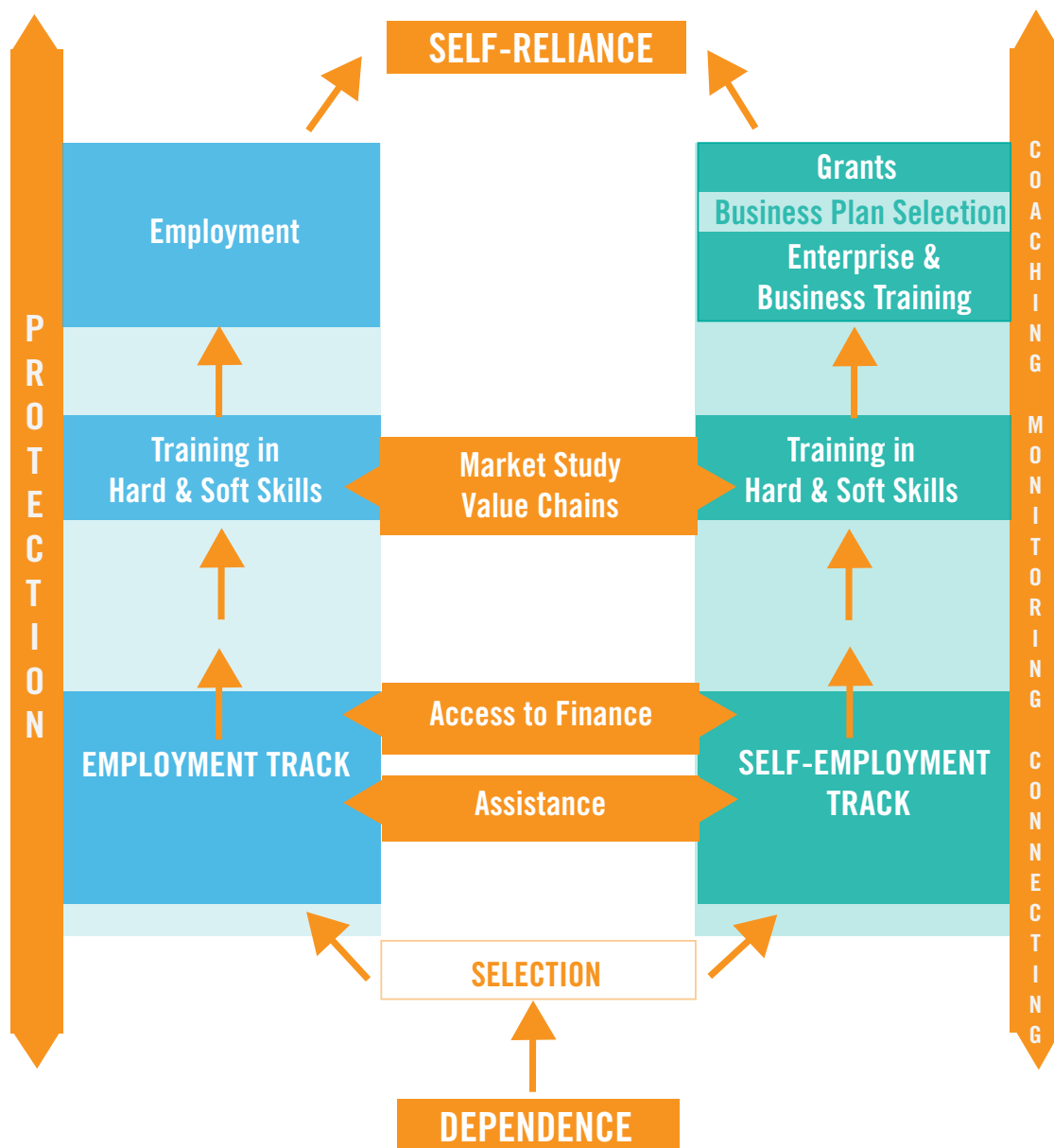
Provide **productive** cash assistance to bring about sustainable change.

The UNHCR and International Labour Organization (ILO) headquarters offices have signed an agreement for the ILO Cairo and headquarter offices to coordinate a market study and value-chain analysis in Cairo. Implementing partner Catholic Relief Services will link participants with wage- and self-employment opportunities utilizing the results of the market study.

In order to ensure participants have the required support to successfully launch a livelihood activity or engage in wage labor, they will continue to have access to the educational, health and psycho-social supports that are a hallmark of UNHCR’s programs. They will also continue to receive cash assistance (at the amount they receive when they join the graduation project) for 9 months, but after that, providing they have secured work or launched their activity, they will not receive cash assistance for 12 months.

The CGAP-Ford Graduation Approach (see graphic page 1) was discussed in the context of UNHCR Cairo. While still a work in progress, the graphic below shows the main Graduation components, their linkages, and the sequence that will help move refugees toward greater self-sufficiency.

UNHCR GRADUATION PATHWAY CAIRO





GRADUATION IN Costa Rica

KEY FACTS

MANAGED BY

UNHCR team in Costa Rica

IMPLEMENTING PARTNER

Asociación de Consultores y Asesores Internacionales (ACAI)

CONTEXT

Urban setting with protracted emergency refugee situation

PARTICIPANTS

500 (mix of Colombian refugees and asylum seekers (70%), nationals (20%), and migrants (10%))

TIMING

Second design mission to finalize strategy in March 2014

UNIQUE CHALLENGE

Protracted situation with declining resources for refugees

STRATEGY

Solutions-oriented shift to local integration through livelihoods and wage employment

Costa Rica hosts the second largest refugee population in Latin America, with approximately 12,700 refugees from 42 different countries and an estimated 4,000 asylum seekers. Eighty percent of this population originates from Colombia, but recently asylum requests filed by Hondurans, Guatemalans and El Salvadorians have increased significantly.

The UNHCR office is focused on Durable Solutions, particularly on the integration of the refugee population into the local community. Livelihood strengthening is a key part of this strategy and the employment and self-employment strategies at the heart of the Graduation approach offer an opportunity to test the integration of refugees into the local community. The legal context in Costa Rica is quite favorable to refugees and asylum seekers, both of whom can receive work permits from the government. Many employers aren't aware of these permits but an education campaign is underway, spearheaded by implementing partner ACAI.

The pilot will support 500 refugees/asylum seekers to pursue self- or wage-employment opportunities in San José. The ILO will coordinate a market assessment to identify the best employment sectors and livelihood activities. It is likely, given the high cost of living, that the seed capital grant used to launch a livelihood activity for those seeking self-employment will need to be coupled with additional capital. These and other details, including whether SGBV prevention could be an area of focus, will be ironed out in the next design mission in March 2014.

Strategic PARTNERSHIPS 6

Dr Syed M. Hashemi co-initiated the CGAP-Ford Foundation Graduation Program and continues to be one of the coordinators. Currently with **BRAC University** in Bangladesh, Hashemi worked at CGAP for 9 years where, along with the Graduation Program, he focused on identifying pro-poor innovations and disseminating best practice lessons related to poverty outreach and impact. Hashemi joins Trickle Up in providing technical assistance to UNHCR.



Trickle Up (TU) is a livelihood development organization working in West Africa, India and Central America. Founded in 1979, its exclusive focus is on people living in ultrapoverly, particularly women, indigenous populations and people with disabilities. In 2006, TU established a pilot project in India, as part of the CGAP-Ford Foundation Graduation Consortium and has since supported over 9,000 participants with a modified graduation approach. TU provides technical assistance to UNHCR and other organizations interested in modifying the graduation approach to suit their particular context.



The Consultative Group to Assist the Poor (CGAP) is a World Bank policy and research center that develops innovative solutions for financial inclusion through practical research and active engagement with financial service providers, policy makers, and funders. CGAP and Ford Foundation launched a global project to test the efficacy of BRAC's Graduation approach in partnership with microfinance, social protection and nongovernmental organizations.

CGAP



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Labour
Organization



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