

CASE STUDY

Adapting Graduation for Refugees in Ecuador



An upper middle-income country situated in South America, Ecuador has been the largest recipient of refugees and other persons of concern (PoCs) in Latin America and the Caribbean since 2010. According to 2018 figures, 374,879 refugees and asylum-seekers were in Ecuador, a 158% increase from 2017, most of whom live in urban areas.

Ecuador takes a rights-based approach to providing public services for its citizens and demonstrates a strong willingness to include refugees in these systems. Since the ratification of the 2008 Constitution, the Government of Ecuador has strengthened its social protection policies through an approach that seeks to guarantee fundamental human rights and ensure the universality of social protection and justice. The 2008 Constitution also recognizes the rights of forcibly displaced populations to transit and seek refuge in Ecuador, and establishes that every person in Ecuador, regardless of their nationality or migration status, has the same rights and obligations, including the right to movement, work, and access healthcare, education, and other government services.

Despite a favorable legal environment, refugees still face significant barriers to developing sustainable livelihoods. In many cases they face limits to fully exercising their right to work and do not have access to a full range of benefits and services. This is further compounded by the psychosocial barriers to self-reliance and integration into Ecuadorian society experienced by many refugees.

Piloting the Graduation Approach with Refugees

In 2015, UNHCR and its lead implementing partner, HIAS, supported by Trickle Up, started a Graduation pilot in Santo Domingo, to help refugees living in extreme poverty build resilience and self-reliance. The pilot targeted 200 participants, including 90 host community members and 110 refugees. Building on the pilot in Santo Domingo, UNHCR and HIAS scaled up the approach nationally in 2016. To date, the program has reached just under 3,000 households, or 12,000 individuals. Currently, the program provides participant households with a holistic package of interventions over an 18-to 24-month period, depending on the specific needs of the families.

The components below describe some of the programmatic responses that were designed specifically to address refugee-prevalent issues:

Targeting

UNHCR and HIAS established a three-step procedure to select participant households that meet specific and verifiable poverty and vulnerability criteria. Immediately upon contact, HIAS screens refugees to assess their socio-economic and integration levels to identify the livelihood support most suitable for each household, including the Graduation Approach. The program targets refugees and asylum-seekers who have been in the country for at least two months (the time that usually takes to receive a humanitarian visa), as this reduces the chance they will leave the country during the program.

Coaching

Coaching was implemented by HIAS and involves regular home visits by a coach, or "social promoter," who provides mentoring and psychosocial support to help participants progress through the program. HIAS coaches utilized a case management approach to develop a holistic understanding of participant households' needs, facilitate coordination within and outside of the program, and help provide a structured response. The program developed a two-tiered coaching mechanism wherein participants work with an economic inclusion specialist, in addition to a coach, to promote the economic inclusion of the families.

Referral Services and Linkages

UNHCR and HIAS mapped the services that are available to refugees and asylum-seekers. Coaches referred participants to appropriate services, which may be provided by HIAS (e.g. psychosocial and legal support, livelihood mentoring), by UNHCR (e.g. protection support) or by others (e.g. public healthcare and education). UNHCR Ecuador and HIAS also played a strong role in sensitizing refugees and organizations about refugee issues and raising awareness about refugees' rights to access services.

Consumption Support

Consumption support was provided through a combination of food vouchers and cash transfers. The

World Food Programme (WFP) provided participants with food vouchers for six months, which are supplemented by UNHCR cash transfers for 12 months, delivered through HIAS. The supplementary amount varies by household size and aims to help program participants meet basic needs beyond food, including education, health, and shelter, to enable participation in the program. During the national roll out, WFP agreed to expand the geography of its support so long as food assistance recipients were identified based on poverty targeting criteria.

Savings and Financial Education

While refugees have the legal right to open bank accounts, customers must present a valid ID card, which most refugees do not have. In response, the program worked with Banco Pichincha to identify a basic savings account that could be opened with a proof of residence in Ecuador. HIAS also referred graduated participants to microfinance institutions that are willing to provide access to financial services for refugees. Fundación CRISFE, the non-profit arm of Banco Pichincha, used adult learning methodologies to provide financial literacy trainings for participants which are reinforced by coaches.

Network Engagement

Coaches encouraged participants to engage in social groups and activities in the communities where they live to help build social capital. HIAS also developed women's groups among refugees and some hosts, to help participants build social support systems. Participants noted that in order for them to effectively participate in social networks, they needed to feel emotionally and psychologically strong, which further highlighted the need to provide psychosocial support for refugees.

Livelihoods Promotion

UNHCR and HIAS supported the development of livelihoods strategies for program participants through livelihoods coaching, training grants, seed capital and market linkages support. In order to provide a more

holistic and substantive response to livelihoods needs, from early in the program, economic inclusion specialists conducted assessment activities to understand and analyze participants' skills and local markets, work with participants to define a personalized livelihood plan, and facilitate access to technical and vocational skills training offered by public and private program partners. Participants pursuing self-employment received \$USD 500 to launch a business, while participants engaged in wage employment received job support, such as vocational training, to improve their skills. UNHCR and HIAS sensitized prospective employers about the value and rights of refugees in order to promote refugee hiring. HIAS also provided legal and administrative support for private companies willing to hire refugees, and worked with approximately 200 private companies to match their needs with a job pool of Graduation participants seeking wage employment.

The Government of Ecuador Graduation Pilot Program

Based on the successful scale-up of the national Graduation program for refugees, in February 2018, UNHCR and HIAS started a pilot program with the Ministry of Economic and Social Inclusion (MIES) to integrate the GA into the government's social protection systems. Between 2018 and 2019, MIES, with technical support from UNHCR and HIAS, piloted the adapted program with 135 host families and 90 refugee households living at the northern border with Colombia. The pilot program leverages the Graduation Approach to strengthen the integration between government's social and economic inclusion programs, including conditional cash transfers (CCT), family support, and economic inclusion. The pilot often blended innovations from the GA and MIES's existing programs, making adjustments based on what was both financially and legally feasible. In addition, some components are supported directly

by UNHCR to reach refugee participants, and by MIES for Ecuadorian participants. Since August 2019, the pilot has expanded his intervention area to three additional provinces, including a total of 138 Ecuadorian and 150 refugee families.

Key Adaptations and Considerations

- **Consumption Support:** For the pilot, MIES uses its *Bono de Desarrollo Humano Variable CCT* program to provide the consumption support to host populations, while UNHCR/HIAS provide the consumption support to refugees. In order to ensure that Ecuadorians and refugees under the pilot receive the same consumption support, HIAS provides an amount equivalent to the CCT to refugees, using funds from UNCHR.
- **Coaching:** Coaching is provided by MIES, with support from HIAS when working with refugee populations. While the first coaching session is always provided individually, some participants receive follow-on group coaching. HIAS and UNHCR also worked with MIES to integrate psychosocial support into the overall family coaching provided for refugees.
- **Livelihoods support:** To strengthen the economic inclusion components of the government's program, the pilot leveraged HIAS's experience facilitating livelihoods promotion through the GA. Specifically, HIAS is responsible for providing livelihoods mentoring and facilitating access to technical skills and vocational education and training. UNHCR and HIAS also provide refugees with access to seed capital. Ecuadorian households can receive seed capital if they have not previously received an advanced payment of the *Bono de Desarrollo Humano*.

Roll-out Plans

As part of the government's efforts to strengthen its social protection programs, and with support from the World Bank, MIES is planning to roll out the program. MIES aims to provide access to the government's CCT

program plus coaching support to approximately 50,000 families. Coaching methodologies and processes informed by the GA and implemented during the pilot will be incorporated into the government roll-out. In addition, there is a new appreciation for the benefits of integrating measures that promote the productive inclusion of vulnerable groups into social protection mechanisms.

In spite of the pilot's success, challenges remain. For example, it will be difficult to sustainably provide social and livelihoods coaching as part of the government program at scale. Ongoing inclusion of refugees in the roll-out is also a challenge. Going forward, UNHCR and HIAS plan to continue to explore ways in which the 'government package' can continue to intentionally include refugees and provide them with the level and intensity of livelihoods support considered necessary to effectively build self-reliance.

Conclusions and way forward

Together, UNHCR Ecuador and HIAS, with Trickle Up's support, have successfully managed the transition from a 200 participant Graduation pilot in a small city to a national program that has reached over 3,000 people, and that has inspired its incorporation into a government social safety net.

The GA has been so successful, in part, due to the fact that it was able to leverage many services that were already provided by UNHCR, HIAS, and other stakeholders prior to the launch of the Graduation Approach, rearticulated as one cohesive program. However, refugees continue to face important barriers to economic inclusion and local integration in Ecuador.

UNHCR and HIAS are exploring ways to continue building refugee self-reliance through the GA, including:

- **Building other strategic partnerships**, not only to leverage technical and financial resources, but also to avoid creating parallel systems. This is in line with the Global Compact on Refugees and the purpose of UNHCR's new Global Coalition to Alleviate Poverty. UNHCR Ecuador and HIAS will continue assessing which actors and programs may be leveraged and where there may still be gaps to provide the full GA package. UNHCR Ecuador anticipates that advocacy efforts and private sector engagement will be fundamental to these efforts.
- **Continuing collaboration with MIES to integrate refugees in the government's social protection systems** beyond the GA roll-out, including efforts to add refugees to the Social Registry, the entry point for the government's social protection programs. UNHCR and HIAS also plan to continue supporting MIES-led efforts, such as the 'Economic Inclusion Roundtables,' which bring together private and public actors to discuss and identify strategies to strengthen the economic inclusion of vulnerable groups.
- **Strengthening market building and linkages** to facilitate the development of sustainable livelihoods for refugees. Both UNHCR and HIAS plan to continue developing initiatives to provide additional support to refugees focused on participants who have graduated. These initiatives include programs that facilitate access to finance, credit, and entrepreneurship development programs, such as business incubators, support for the formalization of businesses as well as the creation of producer groups.

This case study is adapted from an external evaluation by Ines Arevalo Sanchez. [Click to view the full study](#), or visit refugees.trickleup.org/resources.