

Alleviating poverty of  
500,000 refugee and  
host community  
households

# The Poverty Alleviation Coalition in the East, Horn of Africa, and the Great Lakes Region

Briefing Note – September 2021

Convening members



Implementing & technical members



Research partner



## OVERVIEW

**Responding to the High Commissioner’s decision to step-up livelihoods interventions to mitigate** the impact of the pandemic on Persons of Concern’s (POC) access to livelihoods, UNHCR is supporting NGOs through the “Poverty Alleviation Coalition (PAC)” in scaling up a proven and tested tool to address extreme poverty, called “[the Graduation Approach](#)”. The approach combines social safety nets and self-reliance initiatives in one sequenced programme.

With [evidence developed by Nobel laureates Duflo and Banerjee and BRAC](#), UNHCR has [piloted and adapted the approach to refugee settings since 2013](#). The Graduation Approach can become a vital tool to mitigate the socio-economic impacts of COVID-19 as it addresses the multidimensional needs of extremely poor households, while investing in the breadwinner’s skills and asset base, and simultaneously promoting financial and social inclusion.

**Responding at scale:** To apply the Graduation Approach at scale, UNHCR and the World Bank’s [Partnership for Economic Inclusion \(PEI\)](#) were joined in 2019, by 13 leading INGOs, who applied graduation programming. Together we formed [the Poverty Alleviation Coalition \(PAC\)](#).

The PAC members have set themselves the ambitious goal of targeting 500,000 refugee and host community households globally within the next five years.

UNHCR is assisting NGOs at the regional and country level by:

- Developing holistic and evidence-based concept notes.
- Assisting coalition partners in raising adequate multiyear funding, visibility and information sharing.
- Creating synergies with activities of UNHCR, International Organizations (IOs), governments, local NGOs, Financial Service Providers (FSPs), and other development actors.

In the **East, Horn of Africa, and the Great Lakes (EHAGL) region 48,000 households**, are expected to become self-reliant **by the next GRF in December 2023**.

## THE GRADUATION APPROACH

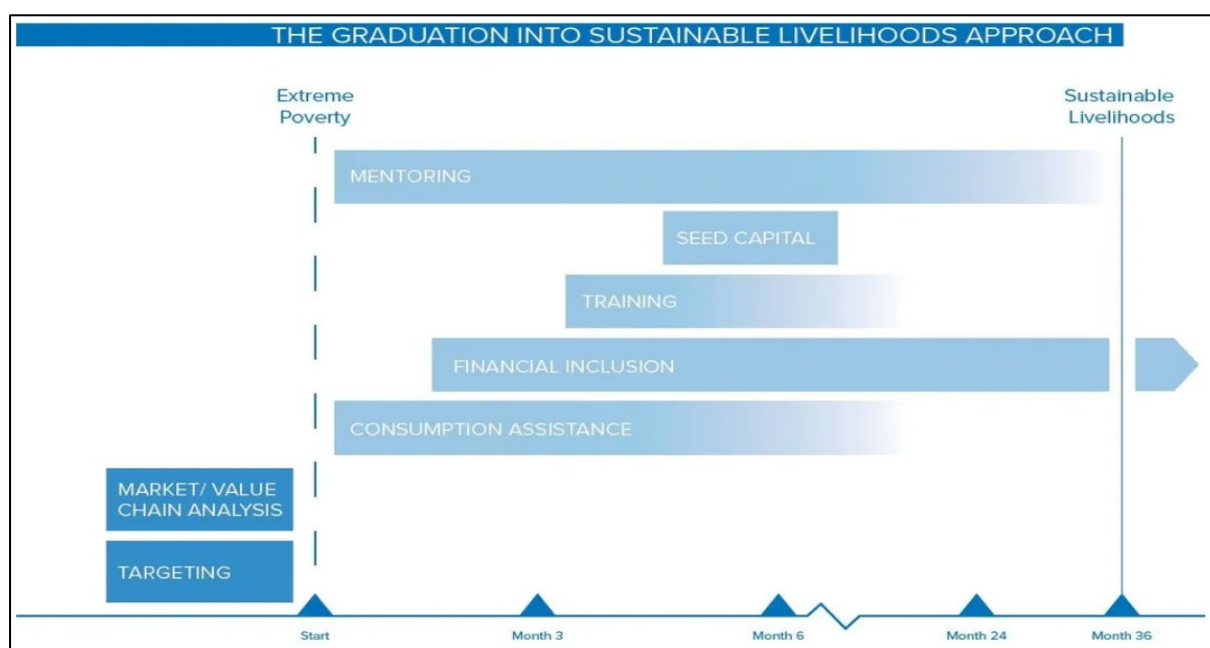
The Graduation Approach is a well-proven poverty alleviation model. The model has been extensively used by the development community and is one of the few poverty alleviation models that works consistently across countries, cultures, and conditions.

The overall vision and objectives of the graduation approach are guided by the **Global Compact on Refugees (GCR)** and **Sustainable Development Goals (SDG)** of the **Agenda 2030**.

The model's success is based on a **combination of consumption support, asset/cash transfers, training, and mentoring**. The duration of a graduation programme is approximately **18-36 months**. During this period, beneficiaries receive support to cover basic needs, market-oriented skills training for self- or wage employment, productive assets, access to inclusive financial services through savings groups and/or linkages to

formal financial services, access to social and legal services, and continuous mentoring. The consumption support ensures that the ultra-poor are not forced to spend, sell, or consume their existing or future assets - be this in the form of cash or in-kind assistance for entrepreneurial activities - and that they are able to participate in the other graduation activities. Furthermore, mentors support ongoing livelihoods capacity building for the extremely poor households. Graduation programs are most effective when they build on existing services/programs.

**The approach was pioneered by the NGO BRAC in Bangladesh in 2002 with a success rate of 95% households graduating out of poverty.** It has since been successfully tested in over 43 countries worldwide. The approach provides a step-by-step guidance and support to households to transition from poverty to self-reliance.



UNHCR-PAC project document-2019

**UNHCR and the NGO Trickle Up have piloted the programme in eight countries around the world with the support of the US State Department's Bureau for Population, Refugees and Migration (PRM).** They found that the model significantly improves self-reliance of refugees, and works best when programmes mobilize all relevant partners, such as governments, financial institutions, or NGOs with longstanding experience in the specific context.

An example is the Ecuadorian pilot and scale-up in Santo Domingo de las Tsáchilas,

targeting the most vulnerable refugees and nationals, comprised of female-headed households, households with children, elderly, disabled, and youth (16-30 years). Of the 2,272 households targeted in 2015, the graduation from poverty rate was 72% after two years (2017). The average per capita income increased from 66 to 86 USD per month, and households with regular incomes increased from 67% to 97%.

**The approach is explained in more details in the global programme document,** which can be found [HERE](#)

## SCALING UP WITH PARTNERS: THE POVERTY ALLEVIATION COALITION

Launched in July 2029 during the UNHCR-NGO consultations, the PAC is a coalition of **UNHCR, the World Bank's Partnership for Economic Inclusion and 13 INGOs**, namely: BOMA Project, BRAC, Caritas Switzerland, Concern Worldwide (CWW), the Danish Refugee Council (DRC), GOAL, the Hebrew Immigrant Aid Society (HIAS), Innovations for Poverty Actions (IPA), Mercy Corps, the Norwegian Refugee Council (NRC), Trickle Up (TU), Village Enterprise (VE) and World Vision (WV).

The members jointly strive to assist 500,000 refugee and host community households across 35 countries within the next 5 years (of which eight are in the EHAGL region) to reach self-reliance. Subsequently a joint pledge was submitted by all partners at the **Global Refugee Forum (GRF)**, in December 2019, aiming to lift **a minimum of 160,000**

**households out of poverty by the next GRF in 2023.**

The implementation requires funding in the amount of USD 140 million annually for five years, of which USD 40 million annually is needed in the East, Horn of Africa, and the Great Lakes (EHAGL) region.

The 13 INGOs committed to systematically include Persons of Concern (POCs) and hosts in their existing or planned programmes across 35 countries with the fundraising support of UNHCR. To ensure oversight, UNHCR has been convening working groups in each country in which joint concept notes are produced by PAC partners and cleared by UNHCR. The country specific responses can be found on [the Coalition's website](#).

## KAMWENGE DISTRICT- UGANDA, GRADUATING TO RESILIENCE

AVSI-Trickle Up- IMPAQ- USAID

The AVSI Foundation is leading a **USAID Bureau for Humanitarian Assistance**-funded consortium with **Trickle Up** and **IMPAQ International**. Together they test the Graduation Approach’s ability to graduate extremely poor refugee and host community households in Kamwenge District, Western Uganda from conditions of food insecurity and fragile livelihoods to self-reliance and resilience. Through a cost evaluation and external impact evaluation, the Graduating to Resilience consortium is testing three variations of the Graduation Approach to identify the most effective and efficient approach to reach extremely poor refugees in non-emergency settings, as well as extremely poor host community populations living within proximity to refugee-hosting communities.

PROGRAM COMPONENT	ARM 1 STANDARD GRADUATION	ARM 2 GROUP COACHING	ARM 3 EMPOWERMENT MODEL
Consumption Support	●	●	●
Core Training and Skills	●	●	●
Savings	●	●	●
Asset Transfer	●	●	—
Coaching	INDIVIDUAL	GROUP	INDIVIDUAL
Linkages	●	●	●

The Graduation to Resilience Activity will work with 13,200 extremely poor households in 30-month cohorts with equal ratios of targeted participants from the refugee community and surrounding host community. Cohort 1 ended in June 2021 and impact and costing results are anticipated to be shared in the coming months. Learning from the program can inform future food security and resiliency programming in Uganda and regionally and has the potential to provide a model for bridging the humanitarian and development nexus and provide evidence to support a shift in humanitarian policy to promote longer-term and more sustainable solutions for refugee and other persons of concern (POC) in protracted crises.

[Graduating to resilience - AVSI.org](https://www.avsi.org)



## MONITORING: GLOBAL FRAMEWORK- THE SELF-RELIANCE INDEX (SRI)

All implementing NGOs have committed to report on progress to UNHCR, using a standard set of high-level indicators. In addition, NGOs will report directly to their donors, and are encouraged to use the [Self-Reliance Index \(SRI\)](#), developed by the [Refugee Self-Reliance Initiative](#), for which a specific module to measure the impact of PAC and the Graduation Approach has been created. The SRI measures the progress

towards self-reliance via 12 key themes (including housing, health, income etc.). In 2020, a regional webinar was conducted to assist colleagues in understanding the index and its use, and regular support and exchange calls are arranged by SRI with participating members. The comprehensive joint monitoring can be found [HERE](#).

## TARGET: 48.000 HOUSEHOLDS IN EHAGL BY THE NEXT GRF 2023

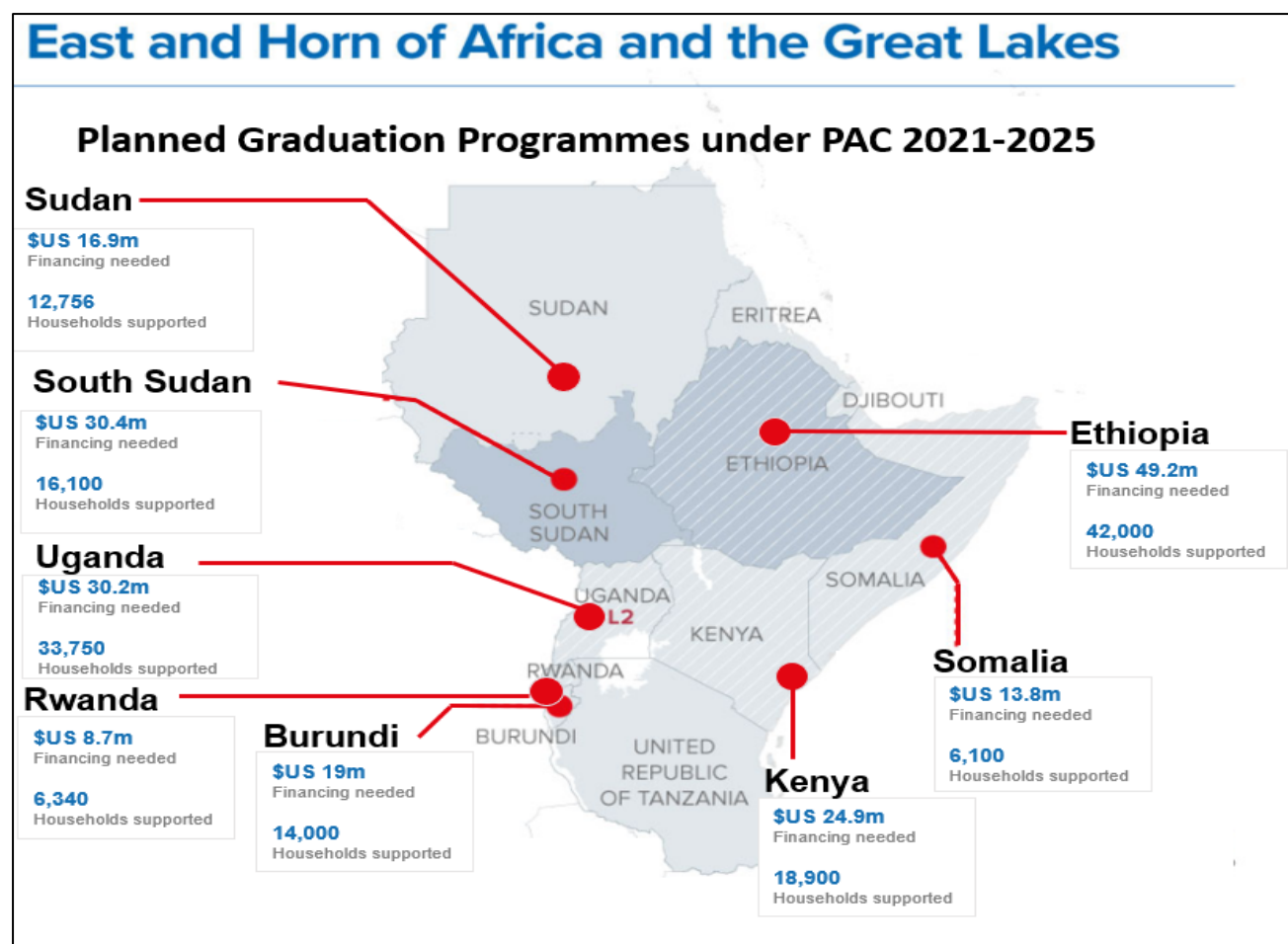
Implementing the graduation model in EHAGL region is particularly timely, as it aims to support self-reliance of PoCs in countries with scarce work opportunities, challenges regarding food-security, economies heavily impacted by COVID-19, and limited access to social protection.

In the EHAGL region, PAC members have committed to fundraise and implement the approach in the following countries: [Burundi](#), [Ethiopia](#), [Kenya](#), [Rwanda](#), [Somalia](#), [South Sudan](#), [Sudan](#), and [Uganda](#).

The [minimum target set to reach by the next GRF is 160,000](#) households across 26 countries.

**At least 30% of the globally targeted households, amounting to 48,000 households, are expected to become self-reliant in the EHAGL region by the next GRF in December 2023.**

In the EHAGL region, several graduation projects are currently under implementation by PAC members and other partners.



For example, in Kamwenge district in **Uganda**, [USAID/AVSI/Trickle](#) are supporting 13,200 refugee and host community households.<sup>1</sup> Also in Uganda, [Caritas Switzerland](#) is supporting 450 households in Yumbe district (West Nile).

In **Kenya**, [The BOMA Project's](#) programme is implemented jointly with the government. In addition, NRC and Trickle Up have completed the design phase of a graduation programme for refugees and host communities in and around Kakuma refugee camp and are seeking funding for the implementation phase.

<sup>1</sup> Please note that AVSI is a local member of PAC, but not a global member and that this programme was initiated before the

In **Ethiopia**, Concern's REGRADE programme (REsilience + GRADuation program + Evidence) has been running successfully for several years.

In **Rwanda**, Caritas Rwanda is implementing the approach for 840 households with the support of UNHCR.

In **Somalia**, Concern Worldwide is assisting 200 households in Baidoa. Furthermore, Village Enterprise has been recently granted funding for Ethiopia and Uganda.

establishment of PAC and is not considered under the Coalition's work.

## LINKING THE GRADUATION APPROACH TO MARKET SYSTEMS

Village Enterprise- Mercy Corps

Delivering Resilient Enterprises and Market Systems for refugees - or DREAMS – provides an innovative solution that will drive refugee self-reliance. Working in Uganda (West Nile) and Ethiopia (Dollo Ado), DREAMS will provide 150,000 of the most vulnerable refugees with the security and dignity that comes from providing for one’s family. The program will integrate two proven models – poverty graduation and market systems development (MSD) – layering these approaches in a new way that will ensure that the poorest refugee households are able to improve their income and well-being significantly. Graduation will provide the capital and skills to support refugees as they establish their businesses, and Market Systems Development will help build market access pathways to ensure those businesses can be successful. Through rigorous evaluation, we will generate evidence that DREAMS’ approach to self-reliance is not only possible, but also more cost effective than long-term food assistance.

[A big bet on helping refugees build their dreams | Mercy Corps](#)

## UNHCR’S SUPPORT TO PARTNERS IN THE EHAGL REGION

UNHCR has established in-country working groups to coordinate implementation to reach the set targets. The working groups consist of the organizations that pledged to implement in the specific country, and are coordinated by UNHCR. As set out in the Standard Operating Procedure (SOP) the country level working groups undertake the following activities:

- Design and develop concept notes and programmes, in line with directions set by the HQ working group. [These can be](#)

[found on the PAC website under country profile.](#)

- Agree on the implementation modalities and the partition of funds among partners.
- Jointly conduct communication and fundraising activities.
- Report lessons learned to the RB/HQs working group through respective members.



The working groups decide whether to develop one or more concept notes per country, and identify stakeholders including government entities, national NGOs, private sector, and other UN agencies. Once finalized, the concept notes will be shared with the UNHCR's EHAGL Regional Bureau (RB), Headquarters in Geneva (HQ), and the expert 'Technical Advisory Group' that reviews and approves prior to donor submission.

PAC is actively engaged in the matching exercise with UNHCR to ensure sufficient funding by, for example, presenting the country concept notes to current and potential donors. The working groups make holistic responses which also take into consideration activities by others, including wider livelihoods working groups, to ensure alignment and complementarity.

The working groups are supported by the UNHCR Regional Bureau's livelihoods team, and Country based Livelihoods and Economic Inclusion Units, with tailored one on one support, training, development of key materials, partnership updates and opportunities, and participation in stakeholder meetings. For instance, in 2020, focal points at country level received support via two webinars in April and May detailing the concept and sharing best practices.

In addition, each country has received detailed support through virtual meetings such as with the Administration for Refugee and Returnee Affairs (ARRA) in Ethiopia, and submission of proposals in Rwanda, and a design mission by GIZ to Somalia.



## KNOWLEDGE AND LEARNING HIGHLIGHT UNHCR's regional NGO consultations- PAC side event

On June 29<sup>th</sup>, 2021, PAC organized a side event as part of the [EHAGL 2021 Regional NGO Consultations](#). The side event highlighted interventions that lead to promoting self-reliance and inclusion of refugees using the Graduation Approach. The event also provided space for UNHCR to consult with PAC partners, NGOs, RLOs, CSOs and others on how to support further scaling-up of the implementation of graduation projects.

The discussions focused on implementation of the Graduation Approach in different contexts, to ensure that projects are well designed for the specific contexts and are effective and scalable. Participants highlighted the importance of coordinated fundraising and the challenges arising from COVID-19 related budget cuts, as well as the need to access multi-year funding. The coordination and collaboration among all stakeholders, at the country and regional levels, was raised as an important opportunity, with focus on engagement with national NGOs.

During the session, local NGOs expressed their interest to further engage with PAC to enhance effective collaboration, multi-stakeholder partnerships as well as technical assistance. Knowledge sharing was highlighted as an opportunity to bring together partners and stakeholders from different countries for purposes of sharing experience, learning, and coordinating activities.

Lastly, the participants discussed the need for evidence generation, highlighting the importance of testing comparable approaches, and developing a solid evidence base that will support more buy-in and resource mobilization efforts.

The main recommendations included: the need for continued technical assistance and capacity building, improve cost analysis and evidence generation, enhance engagement with local NGOs coordinate on resource mobilization, and deepen knowledge sharing by creating a regional graduation community of practice or working group.

Country level calls are organized with key partners to support the development of joint country level concept notes. Calls are held approximately monthly during the drafting phase. Upon completion, the concept notes are approved by UNHCR and the PAC's Technical Advisory Group.

Once approved the concept notes are submitted to donors with the assistance of UNHCR or by the NGOs themselves depending on local capacity. Currently, each country group is working on updated concept notes for the next five years and adjusting them in the light of COVID19 impact.

## RWANDA- INTEGRATION WITH THE GOVERNMENT'S STRATEGY CARITAS Rwanda- UNHCR

In 2016, the Government of Rwanda made an overarching commitment in the New York Leader's Summit which was translated through the subsequent livelihoods and economic inclusion strategies 'to graduate camp-based refugees out of assistance programs and increasing formal access to work opportunities'.

In line with the commitment, UNHCR has been implementing a graduation pilot project since January 2020 through its partner CARITAS Rwanda. The project aims at improving sustainable livelihoods and self-reliance of 1,340 refugees and host community households through a combination of interventions including access to self-employment, skills training, agricultural production, and cash grants transfer for productive assets.

Based on Caritas' Post Distribution Monitoring (PDM) findings in 2020, over 86% beneficiaries indicated very good performance of their businesses, which shows positive trajectory towards graduation out of extreme poverty and meeting up basic needs as well as better coping capacity to manage shocks. An end line assessment is due later in 2021 to shed more light on the graduation pathway.

UNHCR together with the Rwandan Ministry in charge of Emergency Management (MINEMA) agreed to scale up the graduation model and identified it as a priority approach in the new joint Livelihoods and Economic Inclusion Strategy (2021-24) to support the overall vision of the Government and UNHCR 'to ensure that by 2030, all refugees and neighbouring communities living in Rwanda can fulfil their productive potential as self-reliant members of the Rwandan society who contribute to economic development of their host districts'.

The reduction of dependency on humanitarian assistance and achievement of graduating out of extreme poverty through socio-economic inclusion and the promotion of self-reliance are therefore at the heart of UNHCR's protection mandate and Government of Rwanda commitment.

[Economic Inclusion of Refugees – UNHCR Rwanda](#)

## PROGRESS TO DATE

By June 2021, out of the eight countries working on concept notes, three have been finalized and four (Ethiopia, Kenya, Rwanda, Somalia, and Uganda) have obtained initial funding. In addition, UNHCR coordinated an appraisal mission

in September 2020 with GIZ in Somalia to potentially support with EUR 8 million for the coalition members or other relevant NGOs in Puntland. To date (September 2021), 23% of the goal in the region has been funded.

### MONITORING PROGRESS

The [Self-reliance Index](#) (SRI) is the first global tool to measure the progress of refugee households on their paths to self-reliance. The SRI was collaboratively developed by the Refugee Self-Reliance Initiative and its partners and was launched in May 2020. In consultation with the PAC, an adapted version of the SRI was designed to support agencies implementing the Graduation Approach.

The SRI is currently being used by 19 agencies in 13 countries across Latin America and the Caribbean, the Middle East and Africa.

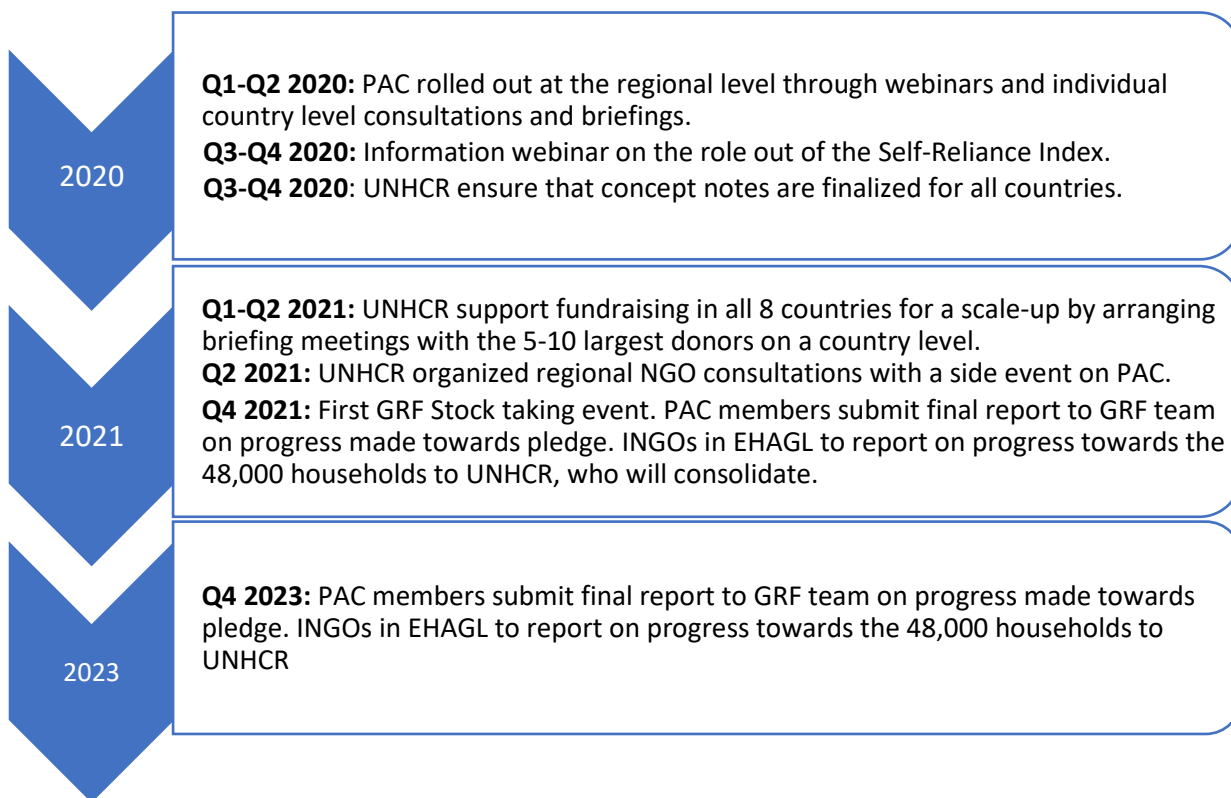
In the EHAGL region, ReDSS together with UNHCR have facilitated a learning event to roll out the SRI in 2020. The SRI is now being implemented by six partners working in Kenya, Somalia, South Sudan, and Uganda. The Index is being used to assess a mix of populations: urban refugee and host community (Kenya and Uganda); returnees (Somalia) and a combination of urban, rural/camp-based refugees and IDPs (South Sudan and Kenya). Collectively, 494 households have been assessed using the tool so far and 6875 household SRI assessments are currently ongoing/planned.

The SRI is helping partners in the region to monitor the impact of their self-reliance programs. It is also being used to assist with client targeting and graduation from services. Insights from the SRI data are also contributing to building the evidence base of effective refugee self-reliance approaches.

[Self-Reliance Index — Refugee Self-Reliance Initiative](#)

## TIMELINE AND ROADMAP 2020-2023

Below is a brief overview of key webinars and activities to date and planned activities until the next GRF in December 2023.



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# THE POVERTY ALLEVIATION COALITION

EAST, HORN OF AFRICA, AND THE GREAT LAKES

BRIEFING NOTE

SEPTEMBER 2021

