# The Global coalition to alleviate poverty amongst refugees and host communities

Economic Inclusion Xchange @UNHCR Friday 10 May

## The Graduation Approach in a nutshell



- "A <u>sequenced and time-</u> <u>bound</u> intervention that aims to help people living in extreme poverty <u>build</u> <u>resilience</u> and engage in <u>sustainable livelihoods</u>"
- Model pioneered by BRAC, adopted to refugee situations by TrickleUp

## What is a Graduation Programme?



## Evidence

#### **Development context**

- **BRAC**: 92% graduation across programmes
- Science: Significant gains on 8 out of 10 parameters with 11,000 samples. HH consumption was significantly higher. The earnings outweigh the programme cost.

#### **Refugee context**

- UNHCR: 2013-2018 pilots in 8 countries
- UNHCR/HIAS/TrickleUp Ecuador pilot: 72% graduation rate, 95% financial inclusion, income up from 66USD in 2015 to 88 in 2017

## The Coalition: What is it I?

- 13 organizations with different roles (Convening, implementing, technical assistance)
- 5 years, 500,000 HHs, 35 countries, \$700m (parallel funded)
- Coalition established to ensure scale-ability and expertise



**Convening partners** 

PARTNERSHIP FOR ECONOMIC INCLUSION

## Funding: Parallel funding



- Each organization manages its own fundraising
- Fundraising considered at global, regional and local level
- UNHCR and PEI (World Bank) will be the main conveners by creating joint content, MoU and events

Events

**Events & Fundraising** 

- Planning participation in 17 events in 17 for fundraising and awareness (also AidEx Nairobi)
- Pledge material for Global Refugee Forum 2019 (GCR and CRRF).
- The GRF Concept guidance note: *"Supporting new and ongoing programmes aimed at alleviating poverty amongst refugees, including through using microfinance and the graduation approach."*
- Good fundraising opportunity
- Share with donors

## Countries targeted in East and Horn of Africa



Country	Target HH	Budget	Organizations
Sudan	8,500	6,000,000	WVI, BOMA, BRAC, CONCERN
South Sudan	33,500	32,000,000	WVI, BOMA, BRAC, CONCERN, NRC
Ethiopia	55,000	57,000,000	WVI, BOMA, BRAC, CONCERN, VE, Caritas Suisse, GOAL,
Somalia	37,000	28,000,000	WVI, BOMA, BRAC, CONCERN, NRC
Uganda	41,565	38,440,000	WVI, BOMA, BRAC, VE, Caritas Suisse, GOAL, NRC
Kenya	53,400	45,345,000	WVI, BOMA, BRAC, CONCERN, VE, Caritas Suisse, NRC, HIAS
Rwanda	5,000	12,000,000	WVI, BRAC, CONCERN
Burundi	3,000	7,000,000	WVI, BRAC, CONCERN

### Country example: Kenya

Location	Kenya		
Population Group	PoCs	Host Community	
Population Size (Individuals)	488,415 ( <u>GFI)</u>	49,699,862 ( <u>World Bank</u> )	
Poor (%, estimated)	67.5%	36.1 ( <u>World Bank</u> )	

Kenya has the fifth largest refugee population in Africa and the 11<sup>th</sup> largest in the world. The basis for Kenya's national PoC legal framework are two government acts in addition to being a signatory to the 1951 Refugee Convention. The largest group of PoCs are Somali at 58% followed by South Sudanese at 23%. A main challenge for PoCs is the untimeliness and lack of accessibility to documentation, with undocumented PoCs in threat of detention and deportation (GFI). Work permits are available for PoCs however the process is lengthy and inconsistent, leading to less than 100 PoCs receiving work permits annually. Business licenses however are easier to obtain and most PoCs opt for this option. The majority of PoCs find employment in competitive informal sectors with Kenya's business community hesitant to engage them in the labour market. The main livelihoods activities for PoCs are business at 43%, casual labour at 27.05%, begging at 7% and aid at 5%. The main challenges for PoCs consist of limited movement and access to work permits as well as a lack of capital in which to start a business.

60% of Nairobi's inhabitants live in poorly serviced informal settlements plagues by high poverty levels. Additionally, over one third and a half of Kenya's urban population lives in poverty. Furthermore, Kenya's GDP growth has seen a decrease from 7% in 2006 to around 3.5% in recent years which led to a weakening of economic growth, failing to create the conditions necessary for the strengthening of the formal sector. Currently, over 75% of Kenyans work in the informal sector. The sectors with the most growth are agriculture, building, construction communications, wholesale and the finance sector. Additionally, the industries with the most room for inclusion include the tanning and skinning industry, trading, livestock, solar energy engineering and business (Internal 3).

Organization	Location	Support	Target PoC	Indicative budget
CONCERN	Marsabit, Nairobi, Turkana	IM	10,000	14,000,000
VE	Kakuma Turkana	IM	2,700	945,000
Caritas	Nairobi	IM	6,000	8,000,000
HIAS	Nairobi	TA & IM	TBC	TBC
BRAC	TBC	ТА	TBC	TBC
BOMA	Kenya 3x	TA & IM	30,000	12,000,000
WV	Kenya	IM	3,500	8,000,000
NRC	Various	IM	1,200	TBC

### Next steps

#### 2019

- Finalizing programme, country information
- Official launch (expected late June)
- Fundraising and events

### 2020

• Programme commencement



## Common Programme Components

1	Time-bound: A programme intervention is at approximately 18-36 months long
2	<b>Consumption support:</b> Programmes build on existing safety net transfers. They might provide directly cash for consumption only if this is not done already or the existing ones are not stable or guaranteed for the duration of the programme.
3	Asset transfer/seed capital/employment : Programmes provide "big-push" seed capital and/or employment opportunities which are informed on strong and updated market/value analysis with household level business plans.
4	Cash: Preference will be given to cash over in-kind. Value will be informed by market assessments.
5	Access to financial services and savings: Programmes need to facilitate access to financial services, with access to informal savings mechanisms as a minimum, and preference for full range of formal financial services where possible.
6	Social services: Programmes need to build on a mapping of social services available in the area and facilitate referrals to services like legal counselling, psychosocial, language, prevention and response to Gender Based Violence, education, and health.
7	<b>Coaching and mentoring:</b> Programmes include a strong coaching component to ensure financial education, soft skills development and follow-up on referral and access to services and implementations of households' livelihoods plans.

8 **Clear communication with participants concerning timeframe and expectations**, relation between consumption support and livelihoods, and how outcomes might be transferable in case of return or any other possible solution.