



# Islamic Relief Worldwide

## FALAH GRADUATION MODEL

(Pathways to Prosperity) Guidelines

Compiled by Anton Simanowitz

# FOREWORD

The development of these Guidelines has been the culmination of a learning study carried out globally within Islamic Relief with the support of an external consultant Anton Simanowitz.

We mapped existing practices relating to the design and implementation of Graduation model projects globally within Islamic Relief. We then conducted deeper dives into a sample number of projects to provide a more detailed understanding of project design and adaptation to context; project implementation and challenges experienced; and the variety of different project outcomes. This also enabled reflection on how these projects compared to the broader international experience of Graduation programming. Key informant interviews were held with stakeholders (both from an operational implementation perspective as well as from a strategic positioning standpoint) and a virtual workshop (with implementation specialists) was held to explore the results of the mapping and project deep dives in more detail. This enabled strengths and gaps in Islamic Relief Worldwide's work in Graduation to be identified. The workshop was also an opportunity to explore the faith elements of Islamic Relief's use of the Graduation approach. Finally, an in-person workshop was held in Rangpur, Bangladesh, with a sample number of country representatives in attendance. The focus of this in-person workshop was to reflect on the flagship Bangladesh experience through the lens of experience from multiple other contexts. The workshop mapped the key elements of the Guidelines, exploring purpose and structure; core elements versus context-specific considerations; standard Islamic Relief operations versus Graduation-specific aspects and how they interconnect etc. There were also field visits undertaken to well-established Graduation projects in Rangpur to support the core versus context specific considerations. These Guidelines are the end product of this long and detailed study.

Reflecting the particular, faith-based approach of Islamic Relief's Graduation programming a new name has been conceived – the Falah Graduation Model – Pathways to Prosperity.

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# LIST OF ABBREVIATIONS

<b>AGD -</b>	Age, Gender, Diversity (analysis)
<b>ALO -</b>	Alternative Livelihoods for Orphans project
<b>BRAC -</b>	Bangladesh Rural Advancement Committee
<b>CFM -</b>	Complaints and Feedback Mechanism
<b>CoH -</b>	Communities of Hope
<b>CHAT -</b>	Community Hope Action Teams
<b>CHS -</b>	Core Humanitarian Standard
<b>CVCA -</b>	Climate Vulnerability and Capacity Analysis
<b>DRR -</b>	Disaster Risk Reduction
<b>FGM -</b>	Female Genital Mutilation
<b>GA -</b>	Graduation approach
<b>GBV -</b>	Gender-based violence
<b>IGA -</b>	Income Generation Activity
<b>MEAL -</b>	Monitoring, Evaluation, Accountability and Learning
<b>PDM -</b>	Post distribution monitoring
<b>RH -</b>	Rightsholder
<b>G/VSLA -</b>	Group/Village Savings and Loan Association
<b>SHG -</b>	Self Help Group
<b>WASH -</b>	Water, Sanitation and Hygiene
<b>WFP -</b>	World Food Programme

# ABOUT THESE GUIDELINES



## A FLEXIBLE APPROACH TO LONG-TERM DEVELOPMENT PROGRAMMING

Islamic Relief's goal in writing these Guidelines is to establish a transparent and adaptable framework for using the Graduation approach (GA) for consistent long-term development programming. Acknowledging the diversity of contexts, the goal is not to enforce a uniform approach, but rather to provide a set of principles to guide adaptation and ensure minimum standards for effective design and execution. Ultimately, these guidelines outline the steps to implement projects that consistently benefit the wellbeing of Islamic Relief rightsholders (RHs). They enable informed decisions regarding the suitability of implementing such projects by Islamic Relief, determining when and where they should or shouldn't proceed.

These Guidelines explore both the 'why' and the 'how'. The starting point is to ensure that Islamic Relief staff designing and managing Graduation projects understand the underlying rationale for each element of the approach. Once users are clear about the objective of each element, they can design the specific activities that make sense in their specific context. Without understanding the 'why', Graduation projects can replicate activities without understanding the underlying principles, leading to inappropriate project design (see Box below).

## GRADUATION IN PRACTICE: UNDERSTANDING THE 'WHY' – EXAMPLE OF 'HOME VISITS'

**Challenge:** Home visits are often considered a core part of the GA. However, it is more appropriate to refer to these as individual visits as they do not necessarily need to take place in RHs' homes.

**Practice:** In **Bangladesh**, the Bangladesh Rural Advancement Committee (BRAC) designed home visits to enable regular tracking of the household income generating activities (IGA). As the most common activity is raising livestock that are kept in the RH's house, it of course made sense for this visit to be at the home.

In other contexts, this is not appropriate. A non-governmental organisation (NGO) project working with pastoralists in **Kenya** included household visits. In this case however, participants were running businesses selling goods at the marketplace. To meet their household visit appointment, participants had to leave their place of business to walk for an hour or more back to their house. Not only did this mean a loss of time and income, but it was also not an appropriate place for the field staff to observe the progress of the IGA.

**Takeaways:** It is important to visit RHs for multiple purposes. This may include: checking on the IGA progress and extending coaching support where required; observing the overall situation of the household e.g. observing homestead improvements or whether children are at home rather than in school; re-enforcing educational messages such as usage of a latrine or the filtering of drinking water; engaging with other household members. So, the location of the visit needs to respond to these multiple objectives. It should be seen as a **coaching** and **monitoring** visit and not a **home** visit.

## WHO ARE THESE GUIDELINES FOR AND HOW SHOULD THEY BE USED?

These Guidelines are written primarily for the use of Islamic Relief country teams exploring long-term strategies for eliminating extreme poverty level using the GA. They are designed for everyone involved in developing or supporting projects using this model. This includes country programme and MEAL staff, regional desk staff, those who approve funding for final-stage projects (Islamic Relief family members), Islamic Relief managers, and donors. The goal is to ensure everyone's actions help the model succeed and avoid any unintended obstacles.

The Guidelines provide staff with a roadmap of assessment, design, implementation and monitoring considerations. This includes:

- knowing whether the approach is appropriate given the need and context
- understanding what resources will be required, and the feasibility of a project
- undertaking the detailed assessment and design work needed to design and develop a project that is adapted to context and that meets the specific needs of target RHs
- implementing a Graduation project in an effective way taking into consideration critical success factors
- developing monitoring, learning and reporting frameworks to ensure that RH progress is tracked and additional support provided where needed.

**Part One** gives the big picture of the GA and how it fits into Islamic Relief programming, as well as outlining the key elements of the approach, the logic for project design and minimum standards for implementation.

This section should be read by anyone involved in funding or designing a Graduation project.

**Part Two** provides a detailed discussion of the design and implementation of each element of the GA. This section should be used by staff involved in the detailed project assessment and design processes, management of implementation, as well as internal and external staff leading project monitoring, learning and evaluation processes.

**Part Three** focuses on operational considerations and is relevant to regional or country level and HQ management staff, as well as those making broader resource allocation and strategic decisions.

A note on terminology. We use the term GA to refer to the specific set of context-adjusted, sequentially-linked activities codified in these guidelines. In some instances, we refer to Graduation or the approach as a shorthand.





# PART 1: UNDERSTANDING THE GRADUATION APPROACH IN ISLAMIC RELIEF

## 1. A PROVEN APPROACH TO SUSTAINABLY ADDRESSING EXTREME POVERTY

The GA was developed by BRAC Bangladesh in the early 2000s as a comprehensive strategy to tackle the complex factors contributing to extreme poverty – a ‘big push’. It is holistic and multi-dimensional, involving a series of timed and sequential interventions aimed at meeting immediate needs while also investing in long-term solutions to help families sustain progress. The aim is to support participants to begin a journey out of extreme poverty. At the end of a project participants will most likely still be poor; the goal is to move participants out of extreme-poverty, and for them to be on a positive trajectory and be more resilient to shocks. ‘Graduation’ is not defined in absolute terms but is based on indicators that are meaningful to the communities involved and reflect positive aspirational changes in the lives of RH households.

The GA has been refined, adapted and implemented in more than 75 countries (primarily those with high levels of extreme poverty in Africa, Asia, the Middle East and Latin America).<sup>1</sup> Evaluation and learning processes have led to a broad consensus on an approach to promote consistency, effectiveness and scalability, while allowing for adaptation to different contexts and on-going innovation to reduce cost and improve effectiveness.

Graduation builds the capacity of individuals and their households, building their resilience and supporting productive activities. It considers the broader systems within which families operate, aiming to leverage existing opportunities and create connections with local economies, communities, government services, and the private sector in positive ways.

Although Graduation primarily targets individuals and households, it aligns well with a **market systems approach**, reinforcing factors that ‘pull’ households towards economic opportunities.

Graduation projects are based on a holistic approach to poverty reduction, recognising that poverty is not solely defined by the lack of material resources, and considering the following dimensions:

**Lack of opportunities and choice:** Poverty restricts access to opportunities and limits individuals’ ability to make choices that can improve their lives. Graduation projects aim to expand opportunities and promote agency, enabling individuals to make informed decisions about their futures.

**Lack of power, voice and respect for human rights:** Poverty is often intertwined with powerlessness, limited voice in decision-making processes, and a lack of respect for fundamental human rights. Graduation projects seek to empower individuals to advocate for their rights as integral to poverty alleviation efforts.

**Prioritising structural issues such as gender, inclusion, conflict and climate change:** The approach emphasises the need to address critical (and cross-cutting) issues such as conflict, gender equality, inclusion (e.g. disability inclusive approaches) and environmental and climate change due to their profound impact on communities and potential to exacerbate poverty.

<sup>1</sup> State of Economic Inclusion Report, 2021. Partnership for Economic Inclusion, World Bank

# EVIDENCE OF EFFECTIVENESS

The credibility of the GA is rooted in evidence of its positive results and sustained impact across countries and contexts. A multi-country study into the GA, that included the 2019 Nobel laureates in economics, shows significant increases in household consumption, asset value, livestock revenue, savings as well as women's empowerment, improved psychosocial wellbeing, and better physical and mental health.<sup>2</sup> The Partnership for Economic Inclusion highlights a growing body of evidence for the impact of Graduation-like economic inclusion programmes. They document experiences across 80 quantitative and qualitative evaluations in 37 countries, demonstrating that a bundle of coordinated multidimensional sets of interventions demonstrates greater impact on income, assets, and savings relative to stand-alone interventions<sup>3</sup>. A 2023 review of evidence for impact from 20 randomised impact evaluations of Graduation programmes found that they "provided a necessary foundation for households to accumulate assets, shift into more stable self-employment, take on better occupations, increase their standard of living, and grow out of a state of poverty."<sup>4</sup>

Further rigorous quantitative research from A. Banerjee and E. Duflo from the London School of Economics demonstrates continuing positive impact with BRAC participants in Bangladesh seven years after the end of the programme.<sup>5</sup> The study confirms the sustainable impact for participating households, with significant increases in annual earnings, productive working hours, consumption expenditures, and savings, as well as positive outcomes for resilience and recovery from shocks, social cohesion and gender empowerment, and reductions in economic inequality. Strikingly, programme participants (on average) continued to improve relative to the control group each year following the completion of the programme.

An important caveat is that despite strong evidence for impact that is on average positive and sustained, experience has shown that people follow different Graduation trajectories during and after programme support<sup>6</sup>. This highlights a need to consider and closely monitor enabling and constraining factors during project implementation and look at what conditions need to be in place to sustain project gains.

Furthermore, while the evidence shows that, on average, the GA 'works' and results are sustained beyond the project period, there are occasions when the model hasn't resulted in substantial poverty reductions - this was primarily due to weak project management or project implementation factors, rather than the Graduation model itself. As such, it is important to ensure Graduation projects are managed and led by those with experience of the Graduation model or adequately trained, staffed and resourced to implement Graduation model programming.

## WHEN TO USE THE GRADUATION APPROACH

The GA is designed as a 'big push' to address structural factors that create a poverty trap. It is an intensive and holistic intervention, focused on addressing multiple challenges simultaneously (in a sequenced way). It is therefore resource intensive, complex, and challenging to manage. Where poverty levels are not so deep or complex, or where there are strong market opportunities, a simpler intervention might be more appropriate (such as savings groups, support for income generation, microfinance etc.) as a single or integrated intervention. Careful consideration should be given as to whether there the vulnerabilities of our target RHs present a complex combination of factors that require the 'big push' of the GA i.e. a combination of lack of assets, knowledge, confidence, agency, social exclusion, market access, weak markets etc. Typically, this is in contexts of extreme poverty, but may also include other contexts where the livelihoods of the most vulnerable and marginalised people need to be supported, such as rebuilding the livelihoods of refugees or internally displaced people.

## EXPERIENCE OF THE GRADUATION APPROACH WITHIN ISLAMIC RELIEF

Islamic Relief has embraced the GA to assist families living in extreme poverty in developing sustainable livelihoods, enhancing their resilience and wellbeing. The approach builds on projects using the sustainable livelihoods approach that has been used widely and combines many activities that have been implemented for many years within Islamic Relief. Over the past decade, these different elements have been formally combined as part of the successful implementation of several projects that utilise an adapted form of the GA. This was pioneered in Bangladesh in the Alternative Livelihoods for Orphans (ALO) project which was recognised by the 2019 BOND International Development Innovation Award. More recently, the approach has been adopted by projects in Somalia, Afghanistan, Niger, Mali, Malawi, Pakistan, Kenya, Ethiopia, and Sri Lanka.

<sup>2</sup> A. Banerjee, E. Duflo, N. Goldberg, D. Karlan, R. Osei, W. Pariente, J. Shapiro, B. Thuysbaert, and C. Udry. 2015. A Multifaceted Program Causes Lasting Progress for the Very Poor: Evidence from Six Countries. *Science*. 348 (6236). 14 May. 1260799. *IPA* highlights this research as well as more recent impact evaluations

<sup>3</sup> State of Economic Inclusion Report 2021 (PEI, World Bank)

<sup>4</sup> J-Pat, October 2023, accessed 29/4/2024. [Building stable livelihoods for low-income households | The Abdul Latif Jameel Poverty Action Lab](#)

<sup>5</sup> Banerjee et al. (2021), [Long-Term Effects of the Targeting the Ultra-Poor Program](#)

<sup>6</sup> Sabates-Wheeler, R., Sabates, R. and Devereux, S. (2018) Enabling Graduation for Whom? Identifying and Explaining Heterogeneity in Livelihood Trajectories Post-Cash Transfer Exposure *IN Journal of International Development*, 2018

## EVOLUTION OF GRADUATION APPROACH IN BANGLADESH

The GA in Islamic Relief Bangladesh's work has a 30-year learning journey. In 1994, the Communication Action Project (CAP) provided Islamic microfinance to RHs through weekly community group meetings. These groups administered savings, loan disbursements and repayments, with some wider social and rights awareness activities, but with little or no livelihoods skills training to accompany the loans. Building on this and learning from literature on 'microfinance plus' models, led to the development of the Integrated Community Action Project (ICAP) in 2004. This incorporated livelihoods skills training and coaching alongside Islamic microfinance (loans and savings), again delivered through community groups.

In 2009, Islamic Relief Bangladesh developed and secured European Union (EU) funding for the Health, Education and Livelihood for the Ultra Poor Project (HELP-UP). Without explicitly being a Graduation project, HELP-UP incorporated and bundled all key elements of what we now know to be the GA, including targeting households in extreme poverty, providing consumption support, essential healthcare and adult literacy to support RHs to engage in economic activity, delivering livelihoods skills training followed by livelihoods asset distribution and then regular follow-up and coaching visits. HELP-UP was one of four projects funded by the EU in Bangladesh (other projects were funded through the World Food Programme (WFP), CARE International and Interchurch Organisation for Development Cooperation (ICCO)) to lift up to 100,000 families out of poverty. Of the four projects, the EU end of project evaluation determined that HELP-UP had been by far the most successful in increasing household incomes and assets, raising incomes on average by over 500 per cent in four years.

In 2012, responding to the challenges of microfinance licensing issues and donor reporting stipulations, Islamic Relief Bangladesh decided to implement a microfinance project using a Self-Help Group (SHG) approach. Group members received funds as a grant and then revolved the fund among the members to issue multiple cycles of loans, with the funds being collected back into the groups. Group members retained ownership of the funds, so were trained to manage the saving and lending activities themselves. The results were unexpectedly very positive - with RHs from each group going on to multiply and diversify their IGAs from one or two to three or four IGAs within the space of two years.

Combining lessons learned from the (unexpectedly successful) SHG-based Islamic microfinance approach (revolving qard hasan), together with lessons learned from the success of HELP-UP Project, Islamic Relief Bangladesh developed the SAFALLO project in 2013. With a much smaller budget than HELP-UP, the design of SAFALLO was made leaner by a) retaining only key components and activities thought to be essential and having the greatest value-add from HELP-UP; b) reducing

the amount of livelihoods cash grants for each RH (from HELP-UP's 20,000 BDT (approx £129) to only 7,000 BDT (£45); c) incorporating the SHG-based Islamic microfinance approach to help revolve the 7,000 BDT (£45) to help RHs multiply and diversify the number of IGAs. Despite this smaller package size and a shorter duration of three years, the SAFALLO project also resulted in a significant increase in incomes, assets, social protection coverage as well as improvements in other RH and family wellbeing indicators.

Based on the successes of HELP-UP and SAFALLO, Islamic Relief Bangladesh implemented a series of projects (in 2014 and 2016) targeting orphan and widow families to help them graduate from extreme poverty, and to demonstrate an alternative and lower cost model compared to the orphan sponsorship model that Islamic Relief had been delivering for more than two decades prior. These projects became and remain the ALO project. The ALO models demonstrated the success of the approach in lifting a very high percentage of orphan and widow families out of extreme poverty while also significantly improving a range of other socioeconomic wellbeing factors for these families and children, including much better school results, social standing, protection and social protection coverage. The ALO model won the 2019 BOND Innovation Award.

Islamic Relief Bangladesh saw similar positive results applying the model in an urban context targeting families whose children were engaged in child labour. The model was also incorporated into a climate and disaster resilience project by the UK Department for International Development (DfID), now the Foreign and Commonwealth Development Office (FCDO).

Islamic Relief Bangladesh has continued the learning journey on the Graduation model and has used learning from each completed project to make tweaks and improvements to the model, with the latest iteration being titled Ending Extreme Poverty approach (EEP), which is being scaled-up by Islamic Relief Bangladesh across different geographical contexts and settings. The learning journey was possible due to continuity of key staff from one project to the next, and a focus on capturing lessons learned including through end of project lessons learned workshops, evaluations. Learning from Bangladesh has also resulted in replication and adaptation of the approach, with technical or design support of colleagues from Islamic Relief Bangladesh, in Somalia, Indonesia, Myanmar, Niger, Mali and Nepal.

## 2. CORE ELEMENTS OF AN ISLAMIC RELIEF GRADUATION PROJECT

### PILLARS OF GRADUATION - THEORY OF CHANGE

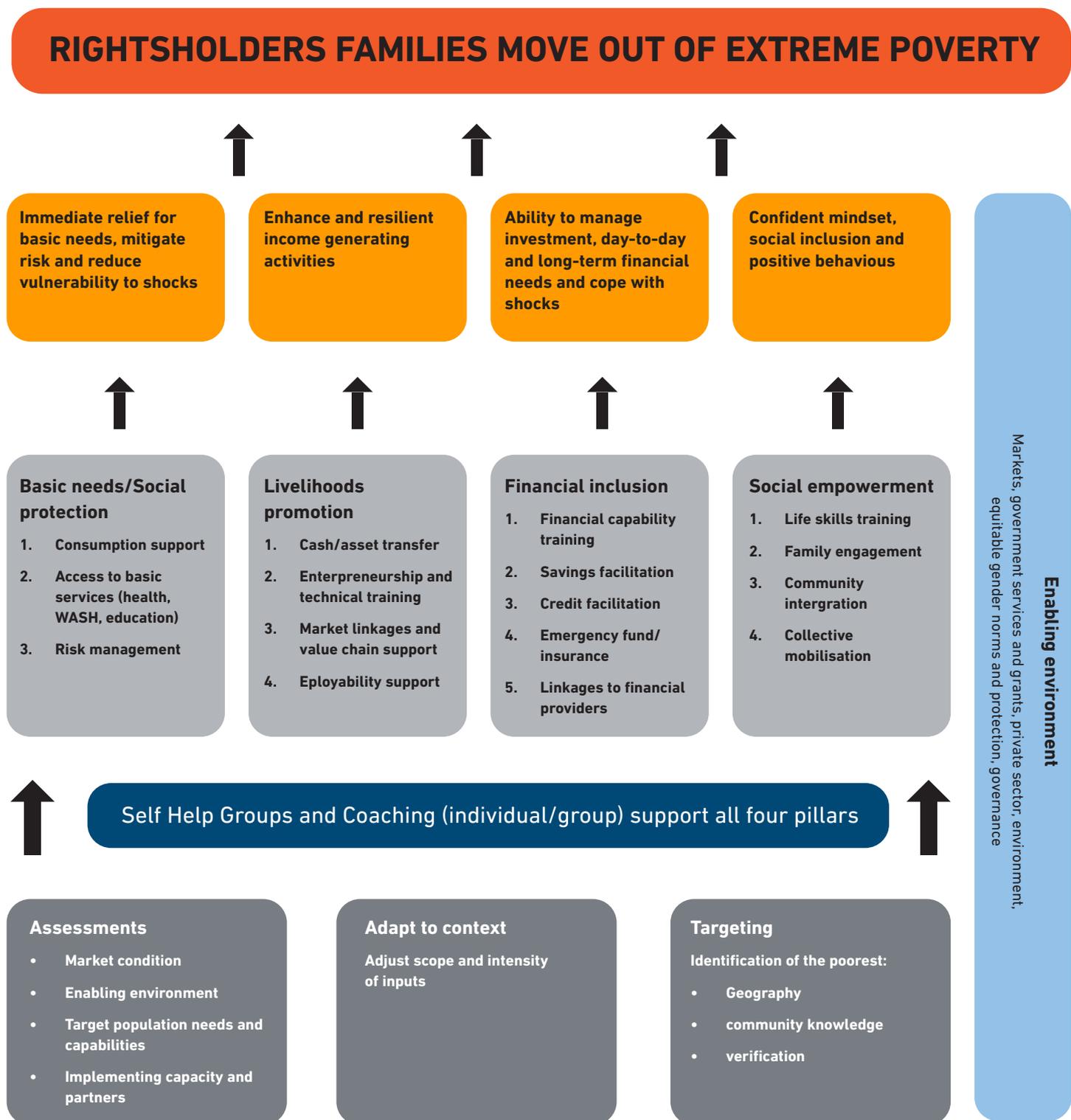
A Graduation project is not a standardised set of activities. Rather it is an approach; principles with which to understand the elements that need to be in place to address the specific livelihoods, market conditions and physical environment of targeted RHs living in extreme poverty.

The approach can be understood as four 'pillars' which are present in all Graduation projects:

- 1. Basic needs and social protection** addresses pressing basic needs to stabilise target households so that they are in a position to engage in productive activities. It also involves managing risk, reducing vulnerability to shocks and building resilience at a household level and through links to formal social protection services and safety nets.
- 2. Livelihoods promotion** supports the development of IGAs through self-employment, employment and linkages to value chains and market opportunities.
- 3. Financial inclusion** builds RH financial management skills and provides them with the tools they need to meet their day-to-day, long-term and lifecycle financial needs, build assets and protect themselves from risk.
- 4. Social empowerment** at an individual and group level builds the confidence and mindset of RHs, strengthens their social networks and social inclusion, and supports positive behavioural change at an individual and community level.

Figure 1 presents a theory of change for the GA showing how the pillars and associated activities fit together. By integrating interventions across different dimensions and carefully delivering this in a time-bound and sequenced way, with RHs organised into SHGs and accompanied by coaches, the package enables households living in extreme poverty to build enhanced economic activities, skills and connections that strengthen their resilience and help them to move out of poverty.

Figure 1: Theory of Change for Islamic Relief’s use of the Graduation approach



(Adapted from World Vision Ultra-Poor Graduation Handbook)

# MAPPING ACTIVITIES TO THE GRADUATION PILLARS

The pillars are a 'lens' to think through what is required to address the constraints experienced by targeted participants in the specific project context. It is important that project activities, and how they are delivered, are developed based on an understanding of RH need and the project context. Table 1 summarises typical Graduation activities and how they contribute to each pillar.

**TABLE 1: HOW ACTIVITIES FIT WITH GRADUATION PILLARS**

PILLAR AND GOAL	KEY ACTIVITIES	CONTRIBUTING ACTIVITIES
<p><b>Basic needs and social protection</b></p> <p><i>Provide immediate relief for basic needs, prevent and mitigate risk, and reduce vulnerability to shocks</i></p>	<ul style="list-style-type: none"> <li>• Consumption support (e.g. subsistence allowance, food for work, seeds)</li> <li>• Addressing pressing basic needs (e.g. health, WASH, housing) through training and inputs</li> <li>• Risk management support (training, Disaster Risk Reduction (DRR) committee)</li> <li>• Links to services and entitlements</li> </ul>	<ul style="list-style-type: none"> <li>• Access to savings in case of emergency</li> <li>• Access to emergency fund/insurance</li> <li>• IGA diversification to reduce risk</li> </ul>
<p><b>Livelihoods promotion</b></p> <p><i>Develop diverse and resilient IGAs</i></p>	<ul style="list-style-type: none"> <li>• Asset transfer helps establish a new, or expand an existing, IGA or supports the costs associated with accessing waged employment</li> <li>• Training and coaching develop management skills</li> <li>• Support for expansion, diversification, multiplication of productive assets and IGAs</li> <li>• Savings through SHGs are re-invested in IGAs</li> <li>• Loans from the SHG help grow the IGA and build livelihoods management skills</li> <li>• Links give access to technical and productive inputs and support</li> <li>• Value chain support provides viable IGA opportunities</li> <li>• Vocational skills and 'employability' support are provided</li> </ul>	<ul style="list-style-type: none"> <li>• Investment of subsistence allowance</li> <li>• Insurance allows for greater risk-taking, expanding investment opportunities</li> <li>• Family and community engagement builds social cohesion and reduces conflict/barriers</li> <li>• Child clubs raise performance and aspiration</li> </ul>
<p><b>Financial Inclusion</b></p> <p><i>Build financial management skills and provide tools to meet day-to-day, long-term and lifecycle needs; build assets; and protect from risks</i></p>	<ul style="list-style-type: none"> <li>• Financial education builds financial management skills</li> <li>• SHGs provide financial tools (savings, credit, insurance) to support different financial needs</li> <li>• Referrals to Islamic Relief microfinance and links to external Islamic financial service providers creates sustainable access to appropriate products and services</li> </ul>	<ul style="list-style-type: none"> <li>• Consumption support supports savings in SHG</li> <li>• Fixed end point of consumption support builds financial management skills</li> <li>• Risk management/coaching supports improved financial decision making</li> </ul>
<p><b>Social empowerment</b></p> <p><i>Build confident mindset, address structural barriers (e.g. gender, protection), strengthen social networks and social cohesion</i></p>	<ul style="list-style-type: none"> <li>• Links, SHGs and community engagement build social capital, relationships and community integration</li> <li>• Life-skills training, rights awareness family and community engagement, SHGs, coaching: address gender, child protection and inclusion challenges and enhance social cohesion</li> </ul>	<ul style="list-style-type: none"> <li>• All project activities build confidence and autonomy and reduce need for support from others</li> <li>• IGA and financial activities reduce financial stress</li> <li>• Life skills training leads to improved individual behavioural practices</li> <li>• Family engagement addresses structural issues and mitigates intra-household barriers/conflict</li> </ul>

# SEQUENCING, LAYERING AND TIMING OF ACTIVITIES

The GA comprises carefully sequenced and layered interventions. Graduation is a long-term development intervention, with projects typically lasting at least three years including a period of assessment, design, planning and targeting.

The sequence, timing of activities and the overall project duration is driven by specific needs and context. For example, business skills training should be provided before participants receive an asset transfer to invest in an IGA; and the timing of asset transfer needs to take into account seasonality, for example ensuring that agricultural inputs are received prior to the planting season.

Thus, the logic and adjustment of timing for the GA process is important and needs to be based on context rather than a standardised framework.

This section briefly summarises the main phases of a Graduation project and presents a sample timeline and sequencing (this is presented in full in **Annex A**). It is important to remember that the activities, timing and sequencing need to respond to the context and that the logical flow of activities may vary, and the intensity and duration of activities varies depending on the specific capabilities and needs of the communities targeted and the context in which they live.

## 1. PRE-PROJECT APPROVAL PHASE AND PROJECT SET-UP (6 – 12 MONTHS)

**Assessment and technical planning:** In line with standard Islamic Relief practices, detailed assessments should be undertaken to enable appropriate contextualisation for the design of each Graduation project (the specific assessments to conduct are discussed in Part 2).

**Project set-up:** The extent and duration for the set-up phase is very much dependent on whether there is already an Islamic Relief presence in the project area, suitable staff/volunteers with experience and local knowledge and existing partnerships with government, NGOs and private sector actors.

	PRE-PROJECT APPROVAL			SET UP
MONTH	3 MONTHS	3 MONTHS	3 MONTHS	1 - 3
ASSESSMENT AND TECHNICAL PLANNING				
DESIGN REFINEMENT				
STAFF TRAINING, PROJECT SET UP AND PARTNERSHIPS				

## 2. TARGETING AND SHG FORMATION (6 – 9 MONTHS)

**Targeting:** Rigorous targeting and group formation to ensure that the most vulnerable households are targeted and organised into a structure that will support project delivery and participant empowerment and success. This process typically takes three to six months.

**SHG formation:** SHGs are a form of savings and loan group and are formed immediately after targeting. These groups meet weekly (sometimes fortnightly) and are the foundation for much of the activity of an Islamic Relief Graduation project, providing a venue for monitoring and support by

the Islamic Relief project staff (coaches); facilitating savings and managing a Shariah-compliant (interest free) internal loan fund; providing a source of emergency funding and a platform for the delivery of training; allowing for sharing of advice between members, supporting individual and collective social empowerment and enabling of a collective voice. In this sense, SHGs are critical vehicles for furthering social cohesion. Group formation and training takes in the range of six to eight weeks, assuming the group meets weekly.

	IMPLEMENTATION YEAR 1				IMPLEMENTATION YEAR 2			
MONTH	4 - 6	7 - 9	10 - 12	13 -15	16 - 18	22 - 24	25 - 27	
Targeting baseline data collection								
SHG formation and training								
SHG facilitation								

Note light colour means possibly extends to this time period.)

### 3. STABILISATION PHASE

**Livelihoods stabilisation:** RHs in a Graduation project need to be in a stable situation whereby they can focus their time and energies on productive activities. There is a need to first address pressing basic needs or imminent risks. For example, if they are struggling to eat they may divert cash transfers intended for IGAs into food purchases; if they are living in insecure housing they may be exposed to the risk of the loss of IGA or ill health during storms; if they are dependent on day labour income, they may not be able to spend the time focusing on their IGA; if they are indebted, funds may be diverted to repay this. Activities to respond to these challenges and stabilise the household situation prior to focusing on productive assets may include a time-bound cash stipend, food-for-work schemes, provision of childcare, improving housing conditions. It is not the specific activity that is important, but how it responds to the need and the principle of 'stabilisation'. Consumption support

varies depending on need but typically lasts three to 12 months, with a transition from reliance on the support to reliance on the income from the IGA being an important first step in building a sense of self-reliance.

**Capacity building:** Capacity building is supported in a number of ways throughout the project process. In the stabilisation phase the aim should be to address immediate needs and risks prior to asset transfer and enable effective participation in the SHGs. Typically, this will focus on building financial literacy and management skills, but in some cases may include life-skills issues such as Water, Sanitation and Hygiene (WASH) or addressing intra-household gender dynamics that may hinder women's participation or create risks. This period typically lasts around three to six months.

MONTH	IMPLEMENTATION YEAR 1				IMPLEMENTATION YEAR 2
	4 - 6	7 - 9	10 - 12	13 - 15	16 - 18
Livelihoods stabilisation					
Financial capability training					

### 4. LIVELIHOODS PROMOTION AND INTEGRATED SUPPORT PHASE

**IGA capacity building, planning and risk management:** Prior to asset transfer, it is important to build the skills of RHs to effectively manage their household and IGAs in the context of other household demands, and balance a focus on investment and returns with strategies to reduce vulnerability to risks and respond to shocks when they occur. The focus is to build on local knowledge of potential IGAs. Activities focus on basic business understanding, business planning, livelihoods-specific technical and risk management training.

**Asset transfer, coaching and support:** The main 'productive' phase of the project starts with an asset transfer to be used as investment in an IGA. Training is reinforced through regular coaching visits, and technical support for specific IGAs is provided through specialist staff or partnership, as well as through value chain or market linkages. Credit accessed from the SHG revolving loan fund allows for investment in short-term IGAs and

after some time, accumulated savings can be re-invested in growing, expanding, or diversifying IGAs. In some projects, there may be a focus on employment, with vocational skills training and support for 'employability'.

At the same time, there is a strong focus on risk management, building up savings, diversifying livelihoods activities, with specific inputs at the individual or group level on disaster risk management. Access to loans from the SHG supports day-to-day financial management, smoothing consumption and reducing the risk of poor decision making based on financial constraints, such as failing to pay school fees on time.

Coaching has an important role ensuring that RHs are implementing financial, business and life-skills practices and giving guidance where participants are experiencing challenges. At a group level, coaching also supports peer to peer learning and support.

The combined process of individual and group engagement coupled with tailored life-skills training and reinforcement by coaching supports social empowerment at an individual and group level.

This process is dependent on the seasonality of IGAs, market opportunities and social cohesion. To ensure that a full cycle of annual activities is supported for a minimum of a year IGAs will typically be supported for 18 months or more.

**Life-skills and social empowerment:** Positive individual behaviour - for example in hygiene and sanitation - is promoted through training and coaching. The project also engages in more structural issues in relation to social norms and negative practices, for example child protection, gender norms etc., through awareness raising sessions, engagement with other household members, and community engagement. This is also where faith leaders play a pivotal role in Islamic Relief projects.

MONTH	IMPLEMENTATION YEAR 1		IMPLEMENTATION YEAR 2				SUPPORT FOR SUSTAINABILITY		
	10 - 12	13 - 15	16 - 18	19 - 21	22 - 24	25 - 27	28 - 30	31 - 33	34 - 36
Entrepreneurial training									
IGA planning									
Technical training									
Life-skills training									
Asset transfer									
Coaching visits to rightholders									
Coaching focused on 'slow climbers'									



## 5. SUPPORTING SUSTAINABILITY

- The final stage of a Graduation project supports greater self-reliance of RHs, and activities are focused on the sustainability of outcomes – for RHs and the structures supported during the process i.e. social cohesion, SHGs and partnerships.
- At an individual level sustainability is supported through building capacity, resilience, success of the IGA and social empowerment. The key here is ensuring that RHs are supported to make new investments in their IGAs drawing on money saved in the SHG. It is here that they make decisions in terms of prioritising investments (diversifying, expanding, or growing) and make financial management decisions to balance other household needs and balance returns on investment with future risk.
- Coaches move from training to monitoring and providing support where needed. They also focus their energies on individuals and groups that are struggling in some way or not progressing, using monitoring tools to identify where their attention is needed.
- Coaches also have a key role in supporting RHs to have the knowledge, confidence, and connections to access grants or services (e.g. extension, Shariah-compliant credit) to which they are entitled and have voice within their community. While these elements are built through the duration of the programme, a clear endpoint encourages a focus on 'what happens next' and the linkages and transition actively supported.
- The coach also supports the sustainability of the SHGs, moving from an engaged 'teaching' role with a focus on supporting processes and leadership, towards a monitoring role where support is given on request.
- In some projects SHGs are federated into an apex body. This is an important structure for delivering value added services to members and supporting the functioning of SHGs beyond the end of the project.

The period to support sustainability may vary and should focus particularly on ensuring a full business life cycle for the IGA so that savings are re-invested, and that SHGs reach a stage where they are functioning with limited external support and have undertaken key activities such as leadership elections or savings payouts (in the case of Group Savings and Loans Associations/VSLAs). This might be an additional six months or more.



	IMPLEMENTATION YEAR 2				SUPPORT FOR SUSTAINABILITY			Post- project
MONTH	16 - 18	19 - 21	22 - 24	25 - 27	28 - 30	31 - 33	34 - 36	
Monitoring SHG								
Reinvestment using savings								
Linkages								
(Forming SHG Apex body)								
Light touch post-project follow-up								Up to 12 months

This is included in some projects

# HOW DO RIGHTSHOLDERS SUSTAINABLY 'GRADUATE'?

A household 'graduates' from the programme upon reaching specified criteria (with measurable indicators) that relate to the four pillars. Criteria are defined drawing on community perspectives of what is important. A graduating RH has reached a point where they are on a positive trajectory in terms of growing their IGA, are better equipped to manage risk and cope with shocks when they occur, and have built the skills, capital, confidence and connections to take advantage of opportunities and support where these are available.

A critical part of the success of the GA is establishing multi-dimensional Graduation criteria, tracking participant

progress towards these, and intervening where progress is not sufficient (see [Section 14](#)).

Achieving 'Graduation' should mean that families are no longer living in extreme poverty but does not mean that they are no longer poor or that they may not need support in the future. A previous evaluation of Islamic Relief livelihoods programming has shown while projects may successfully support RHs to graduation, the strategy for supporting sustainability and continuing progress is often weak. This has meant that some RHs fall back into extreme poverty. [Section 12](#) explores the role of the coach in facilitating sustained outcomes beyond the end of a Graduation project.



# MINIMUM STANDARDS FOR USING THE GRADUATION APPROACH

To ensure projects are implemented effectively and create the sustainable outcomes that should be expected from using the GA, projects should adhere to the following minimum standards which are elaborated on in these Guidelines.

Islamic Relief should use these standards and the discussion on sequencing and timing to gain a big picture understanding of what should be included in all Graduation projects. The standards summarised below link to the detailed guidance in Part 2 of these Guidelines which should be used for detailed project design and implementation.

## APPROPRIATE PROJECT DESIGN

1. **Assessment and design** linked to the local context prior to implementation: Graduation projects must be adapted to the local context based on assessments that have been conducted before implementation. The assessments must be recent, adopt an extreme-poor and child-focused lens, and assess the context, vulnerabilities, markets and livelihoods, gender and social inclusion, conflict and risk, disaster and climate vulnerability and adaptive capacities, and existing stakeholders and services (see [Section 5](#)).
2. **Targeting** ensures that vulnerable households that experience structural and multi-dimensional challenges in building resilient livelihoods are targeted. For Islamic Relief, targeted RHs are households living in extreme poverty, with a particular focus on women headed households and caregiver households with orphans and vulnerable children. Youths are also often an important target group. Graduation projects must adopt rigorous targeting involving community participation in defining and/or validating criteria and in the selection process. This involves multiple steps and RH verification against targeting criteria, that are transparent, gender, age and disability disaggregated and sensitive (see [Section 6](#)).
3. **Self Help Groups** provide a structure to support multiple aspects of the GA (see [Section 7](#)). This includes providing access to savings and credit to enable improved financial management, income smoothing, risk management and investment, as a venue for the delivery of training and facilitating regular contact with Islamic Relief staff to enable monitoring and support. The group setting builds connections between RHs which facilitates learning, confidence building, problem solving and collaboration, and can help address issues related to protection, inclusion and strengthen social cohesion. The group can also enable collective voice, action and advocacy and provide a structure to support participants beyond the project duration and support sustainability of outcomes.
4. **Focus on all four Graduation pillars.** These are a 'lens' through which to think over what is required to address the constraints experienced by targeted participants in the specific project context. While specific activities may vary by context, Islamic Relief Graduation interventions must include interventions integrated across the four core pillars: **Social Protection, Livelihoods Promotion, Financial Inclusion, Social Empowerment.**
5. **Coaching** accompanies RHs towards Graduation goals, identifying and resolving challenges and barriers along the way, deepening participants' learning, supporting effective management of their IGAs and promoting positive behaviour. Coaching also engages with unequal gender relations and other structural issues and inequalities within households and communities. While structures of support may vary, including direct employment of coaches by the project, leveraging existing government staff, using community volunteers, or engaging SHG leadership, the level of support must be sufficient to ensure that regular household-level support is provided on a weekly or fortnightly basis, with variation based on contextual factors. Staff members need to be familiar with Graduation processes, be trained and able to apply gender, disability and protection-sensitive approaches, and be sympathetic to supporting the extreme poor. (See [Section 12](#)).
6. **Sequencing, timing, layering of components and project duration.** What happens and when is important. There is a careful logic in the sequencing of activities for example to stabilise livelihoods before asking RHs to focus on investing time and resources into an IGA or providing business training prior to asset transfer. It is important to think through and monitor this sequencing so that it can be adjusted as necessary. Layering is also based on a logic, so that activities that complement each other happen at the same time. Finally, timing matters. The overall project duration and the duration of each component must be sufficient to allow for the desired outcomes, so for example coaching should continue for enough time to allow for the IGA to grow, diversify and for re-investment to occur. Seasonality is also important, for example assets intended for agriculture must be available before the planting season. (See [Section 2](#)).

- 7. A focus on sustainability and a clear exit strategy.** Sustainability is achieved by taking care not to build dependency; instead supporting RHs to plan for the future and building collective action through the SHGs and engagement with community structures. Sustainability is also built through linking households to social protection and government services, markets, Shariah-compliant financial services (both Islamic Relief and external), and community resources. It is important for a Graduation project not to try to 'do it all'. The golden rule is to build on what is already there as this will provide support for RHs after the project. So, connect participants to government entitlements and services; build RH knowledge of what is available and how to access this; empower SHGs to take collective action to engage with local government, private sector, community structures etc and advocate on behalf of their members. Only where there is a pressing need that would otherwise be a significant barrier to RH success should the project consider stepping in (See [Facilitating pathways to sustainability](#)).
- 8. Individual participant progress tracking and management.** In Graduation projects Monitoring, Evaluation, Accountability and Learning (MEAL) is not just a way to monitor and ensure accountability, but an integral part of ensuring success. There is a clear focus on achieving defined Graduation outcomes and measuring success against these is a MEAL responsibility. Day-to-day project staff are responsible for monitoring progress towards indicators through the coaches' regular visits. This information is used to identify where individual RHs are making progress or not, and to enable project staff to adapt their input/support to the individual needs of participants. This is a key success element for the GA in achieving positive outcomes for the majority of participants and may be enhanced through the use of technology. (See [Monitoring rightsholder progress and tailoring support](#)).

## ALIGNING TO CORE ISLAMIC RELIEF STRATEGIC FOCUS

- 9. Alignment to Islamic values and Maqasid framework.** In many of the communities with which Islamic Relief works, faith is an important part of day-to-day life. Aligning project communication and ways of working can build community trust and engagement, and faith leaders can be important allies in engaging with some of the challenging inequalities and suppression of rights that Graduation project participants face. (See [Islamic Values and Maqasid framework](#))
- 10. Integration of a gender, protection and inclusion focus.** Any intervention at a household and community level has the potential to change power dynamics and affect inter-personal relationships within households and communities. It is therefore important from a risk perspective that an awareness of the potential unintended consequences is part of project design and implementation. As with all Islamic Relief projects, Islamic Relief's 6 As of Inclusive and Protective programming approach should be followed to assess how protective and inclusive projects are, and how well age, gender and diversity dimensions have been integrated within any action. Beyond this is an opportunity to engage in a positive way to address gender and protection issues through specific design and implementation decisions, such as addressing certain issues in life-skills training and through community engagement and advocacy (See [Gender, protection and inclusion focus](#)).
- 11. Integration of specific thematic focus** where relevant. There are specific contexts and themes that can be explicitly integrated into a Graduation project. These include climate adaptation, nutrition, youth or child-focused, specific target populations (e.g. refugees/IDPs, pastoralists, minority groups), climate change responsive, peace building etc. (See [Section 4](#)).

## OPERATIONAL CONSIDERATIONS

- 12. Operational experience, capacity and budget.** Using the GA is challenging, with multiple elements to manage combined with a time-sensitive implementation process. It is critical that projects are only implemented where there is sufficient capacity to do so. Firstly, this means that the project design and implementation should be led by someone with significant experience of the GA (or that appropriate external technical support is sourced if this is not the case). Secondly, the project must be properly resourced in terms of staff capacity and budget to allow for sufficient intensity of inputs to address the identified project needs and over a sufficient period of time (Islamic Relief Graduation projects should be at least three years, including set up and targeting).

Where insufficient resources are available to implement a project that implements the multifaceted approach outlined above in 'appropriate project design', countries may consider a 'preparatory' project that addresses some of the identified needs (e.g. stabilisation, training and SHG formation) and would create a platform for a follow-up project that builds in the missing elements. (See [Section 13](#)).

- 13. Learning and adaptive management.** While a great deal of thinking and planning is needed prior to implementation, it is important that there is on-going focus on quality (e.g. Shariah compliance), reflection on whether the project goals are being achieved, and if each component is delivering its intended outcomes. Building in processes of feedback, learning and iteration are important (See [Section 14](#)).

# 3. ALIGNING WITH ISLAMIC RELIEF VALUES AND STRATEGY

## GRADUATION APPROACH CONTRIBUTION TO THE SDGS AND ISLAMIC RELIEF'S STRATEGY

Islamic Relief's **Global strategy 2023-33** is closely aligned with the GA, with a focus on "targeted multi-sectoral interventions to fulfil the Maqasid framework...to achieve the 2030 Sustainable Development Goals". Most notably this includes addressing the root causes of poverty and vulnerability, through targeting the most disadvantaged families and communities. The strategy aligns with the focus of Graduation on building the capabilities of individuals and their communities. It acknowledges that it takes time to build resilience, adapt to climate change, enhance food security, and establish secure livelihoods, emphasising the need for longer-term programme work. It also recognises the limitations of single intervention approaches, highlighting the value of multi-sectoral interventions, and the importance of using partnerships to complement Islamic Relief's capabilities towards this end.

## ISLAMIC VALUES AND MAQASID FRAMEWORK

Maqasid-based programming in Islamic Relief encompasses a holistic and values-driven approach to humanitarian and development work. It seeks to not only address immediate needs but also to fulfil the broader ethical and moral objectives of Islam while empowering communities for sustainable, positive change and the achievement of human dignity.

There is strong alignment between the Maqasid framework, which underpins the faith-based values and approach of Islamic Relief, and the GA. These affirm the use of the GA as a foundational element of Islamic Relief's long-term development programming, as well as informing elements of project design and delivery.

The Maqasid framework, like the GA, is human-centric and intersectional, framing multiple dimensions that drive human development. This includes, but goes beyond, wealth creation, expanding the consideration beyond the individual and household, to a community, national and systems level. It also drives a longer-term vision of what support for human development entails, going beyond addressing immediate needs, and focusing on longer-term sustainability achieved through longer-term programming.

Maqasid is also a rights-based framework that resonates with the focus on the GA in supporting agency and engaging with many of the structural barriers that hold people in poverty and prevent them from living a life of dignity.

## DIMENSIONS OF HUMAN DEVELOPMENT

The defined objectives of Shari'a and some of the important elements of human development they contain

<p><b>Faith</b></p> <ul style="list-style-type: none"> <li>• Meaning and purpose</li> <li>• Spiritual realisation</li> <li>• Moral and ethical values</li> <li>• Law</li> <li>• Social solidarity</li> <li>• Preparation for the hereafter</li> </ul>	<p><b>Life</b></p> <ul style="list-style-type: none"> <li>• Security/protection</li> <li>• Humanitarianism</li> <li>• Health</li> <li>• Sustenance</li> <li>• Shelter</li> <li>• Self respect</li> </ul>	<p><b>Intellect</b></p> <ul style="list-style-type: none"> <li>• Foundation of knowledge</li> <li>• Spiritual development</li> <li>• Capabilities and livelihoods</li> </ul>	<p><b>Posterity</b></p> <ul style="list-style-type: none"> <li>• Protection of the family</li> <li>• Future generations</li> <li>• The environment</li> </ul>	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• Essential for dignity</li> <li>• Life blood of the community</li> <li>• Not to be hoarded</li> <li>• The dominion of God</li> <li>• Rights over our wealth</li> <li>• <i>Zakah</i>, giving in charity (purification)</li> <li>• Not sinful but a test</li> <li>• Lawful work is praiseworthy</li> </ul>
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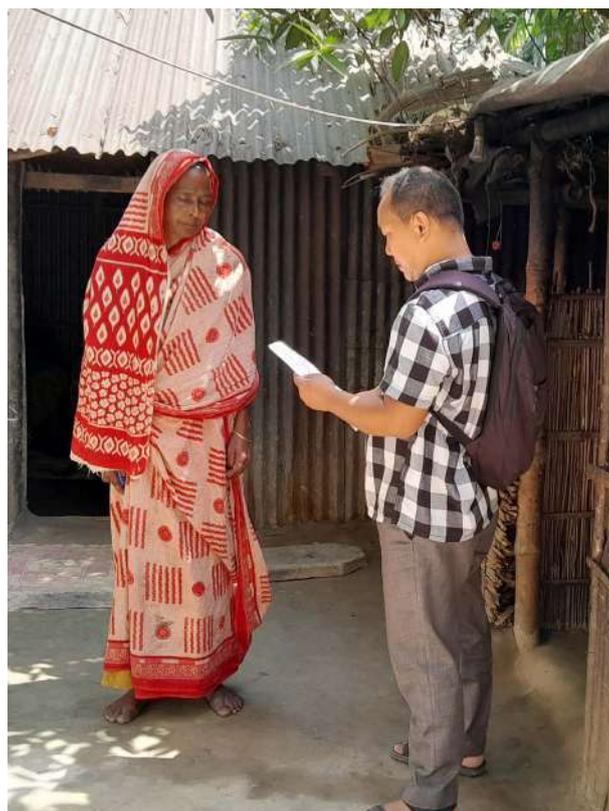
The diagram consists of five overlapping circles arranged in a circle, each representing a dimension of human development: Faith (top), Life (right), Intellect (bottom-right), Posterity (bottom-left), and Wealth (left). In the center, where all circles overlap, the words 'HUMAN DIGNITY' are written in capital letters.

Source: *An Islamic perspective on human development*, Islamic Relief(2016)

The one element that is called out by the framework that may be absent in non-Islamic Relief programmes is the spiritual or faith element of human dignity. This has practical implications for how Islamic Relief relates to communities where faith is an important part of day-to-day life, how the motivation and objectives of the GA are communicated, and who is deemed important to engage with at a community level (e.g. faith leaders). The framing of projects in terms of Islamic rights naturally leads to the ability to engage with commonly accepted practices that might impact on the rights of marginalised or vulnerable groups, such as women and children, and provides a mechanism for addressing sensitive issues such as gender-based violence, Female Genital Mutilation (FGM), child marriage and safeguarding. Communication of this through faith leaders is hugely influential in stimulating discussion and changes in attitudes and practices. For example, in some Islamic Relief projects Community Hope Action Teams (CHAT) are groups that target men and boys as well as women and girls engage with faith leaders and/or community leaders to support protection and safeguarding issues through a faith lens.

Islamic values also may also underpin some of the 'culture' of Graduation programming. This includes:

- A focus on the most vulnerable in the community – notably orphans and widows, and those who are living in extreme poverty as reflected in a category of eligible zakat recipients – resonates with the poverty targeting.
- Traditional social financing/giving modes such as endowments (awqaf, zakat, sadaqah jaria) and orphan sponsorship are all embedded within most traditional Muslim communities and form a critical component in wealth redistribution, resilience, and support for the vulnerable. Support for such traditions can improve the sustainability and agency of communities, as would be the equivalent in other faith or non-faith communities.
- While Graduation projects target women as participants, Islamic values place an emphasis on the family. This translates into ensuring thinking about women's economic activities in relation to the broader household, including children, in-laws and engaging with men and other family members as well as women, and considering equity issues within the family.
- Islamic culture and values of modesty (for both men and women) aligns to the notion of single-sex social gatherings and interactions, allowing for an understanding and preference for establishing women-only groups. This is also thought to promote greater homogeneity in groups, which can foster a more relaxed atmosphere and greater engagement among group members, and potentially reduce power imbalances which can be present in mixed-sex groups. Furthermore, in some contexts, this reduces the risk that women are prevented or discouraged from joining and participating in group activities by other family members.
- Adoption of Islamic finance practices in the savings and credit groups, with interest-free loans and an Islamic microinsurance fund (takaful). Having access to an interest-free approach can be motivational from a faith perspective, and equally where interest is charged this can undermine acceptance of the groups in communities with a strong Muslim faith.
- Shariah-compliant choice of IGAs e.g. discouraging IGAs which can result in social or individual harms, such as tobacco leaf production, or which are contrary to Islamic beliefs, such as pig rearing, or entering into interest-based land mortgage or hoarding.



## GRADUATION IN PRACTICE: CHECKLIST FOR EXPLORING FAITH AS PART OF PROJECT DESIGN CREATED BY ISLAMIC RELIEF SOMALIA

1. What role and influence do religious leaders and institutions play in the context of the problem being addressed? What services are provided by religious institutions? (eg feeding programmes, microfinance, education, orphan care, health, shelter, peace building etc.)
2. How could local faith actors, including local faith-based organisations be helpfully included in addressing the problem sustainably? (i.e. Through advocacy or services)
3. How does faith understanding impact upon the provision of human rights? (i.e. access to opportunities, inheritance, provision of education, protection etc.)
4. Where appropriate, how might authentic faith teaching/deeper faith literacy on relevant subjects support the provision of positive change and improved access to rights? (i.e. rights of women to access education, protection and livelihoods opportunities)
5. What implications are there for staff sensitisation and knowledge building on faith literacy?

# GENDER, INCLUSION AND PROTECTION FOCUS – THE 6 A'S OF INCLUSIVE AND PROTECTIVE PROGRAMMING

Islamic Relief has a long-standing commitment to gender justice and women's empowerment, inclusion and protection. The GA recognises practices and norms that create and perpetuate inequality and poverty. As part of the vulnerability analysis Graduation projects should identify these and explore ways to engage with them to open up new possibilities for women and excluded and at-risk groups. Graduation projects create opportunities to engage with RHs and communities and promote everyone's right to protection, equitable access and greater participation. As an approach that typically targets women within a household, and some households not others in a community, the approach creates risks of exacerbating tensions and creating conflict if the project rationale and approach is not communicated to wider community members. Islamic Relief's family focus, broader community engagement, and involvement of faith and other community members are important elements to mitigate these risks.

Graduation projects should align with Islamic Relief's **6 A's Approach to Inclusive and Protective Programming**. This is used to assess how protective and inclusive humanitarian and development programmes are and how well age, gender and diversity dimensions have been integrated within any action. The approach uses a marker tool to grade on a 0-2 scale to provide a snapshot of project performance against the six areas which constitute the '6 As' (Analysis, Adapted Assistance, Attention to Negative Effects, Adequate Participation, Accountability and Adequate Capacity).

## GENDER

In line with Islamic Relief's **Gender Justice Policy** and **Conflict and Social Cohesion Policy**, Graduation projects should be designed with sensitivity to the impact that gender norms and practices may have on the ability of girls, boys, women and men to access and engage with the project. Project design should consider their existing roles, current access and control over resources and their different needs, abilities, and opportunities. Women constitute majority of the world's poor, with limited access to decent work in formal economies and are often overburdened with care work. A gender sensitive approach recognises gender differences and accommodates them in pursuit of achieving the goal of ending extreme poverty. It also recognised that ending extreme poverty goes hand in hand with tackling the root causes of gender inequality. At the root of women's poverty is the unequal distribution of power in society, the unequal value and distribution of unpaid and paid work, and the failure to address other prevailing forms of inequality that compound with gender to leave women at a particularly vulnerable position to poverty (see **Poverty is not gender neutral**).

As part of the social empowerment pillar of a Graduation project there are opportunities to engage with and challenge existing harmful gender norms and stereotypes to:

- improve equitable decision making
- increase access to resources
- improve the distribution of workload fairly between men and women
- reduce Gender Based Violence (GBV) and engage women and men in dialogue that will create greater equality
- ultimately lead to more sustainable solutions that benefit all.

Graduation projects include addressing practical needs around income generation, financial and soft skills, such as self-esteem or public speaking. At the same time, they work with women, men and traditional or religious leaders to reflect on gender norms that are supportive of joint decision making, of women taking on productive roles and improved communications through couples' dialogue.

## GRADUATION IN PRACTICE: PROMOTING EDUCATION FOR GIRLS – ISLAMIC RELIEF MALI

**Challenge:** Girls' education is not prioritised by households or community.

**Practice:** Influential faith-leaders are engaged as part of community awareness campaigns on girls' education. CHAT groups engage with community members around protection, gender and other issues. These groups have been effective in changing behaviour leading to increasing numbers of girls returning to school.

**Takeaway:** Reflective approaches, where supported by faith and other community leaders can be an effective way of engaging with sensitive issues and behavioural change.

## GENDER CONSIDERATIONS IN GRADUATION PROJECT DESIGN AND IMPLEMENTATION

**Targeting:** Islamic Relief's Graduation projects are targeted at women. Beyond this, there are additional gender considerations to be aware of:

- undertake an Age, Gender, Diversity (AGD) analysis
- ensure women are involved in the targeting process (eg community verification or participatory wealth ranking).

### Social protection

- ensure women not only receive, but can benefit from social protection mechanisms
- link to gender-specific health services such as maternal healthcare etc.

### Livelihoods promotion

- carry out inclusive market analysis to identify specific gender-based issues, challenges and entry barriers
- address gender-based discrimination by seeking to change rather than reinforce gender stereotypes and biases
- be aware of the risk of women taking on additional burden of IGA and engage with the family to encourage shared participation.

### Financial inclusion

- support women's financial literacy and access and control over their income
- address specific barriers that might prevent women from accessing formal financial services (e.g. lack of identification card for registration).

### Social empowerment

- ensure any gender training, coaching, and life skills activities work with women and men – separately or together as appropriate
- ensure there are specific interventions designed to address gender-based issues such as violence against women, FGM, early marriage, caring practices and women's time burden
- ensure projects have adequate male engagement so women are not put at risk of GBV in economic activities.

### Staffing

- In most cases it will be more appropriate for coaches/mentors working with women to be women. Often there are social and structural barriers that make it difficult to recruit women for these roles. International experience shows however, that where organisations set policies to only recruit women to these positions, they are able to find ways to make this happen, suggesting that an active strategy is required to achieve these aims.
- While women are often well represented among frontline staff, this is seldom the case for more senior roles. Beyond a question of gender equity, there are practical reasons why given the gender focus of Islamic Relief Graduation programming it is important to have women in management and leadership roles.

Source: World Vision Ultra-Poor Graduation Handbook

## INCLUSION OF PEOPLE WITH DISABILITIES AND OTHER VULNERABLE GROUPS

While the GA includes a commitment to target vulnerable people, it is also important that projects take active steps to address the barriers to access and participation for these vulnerable groups. Many projects for example actively target people with disabilities for inclusion. An estimated 15 per cent of the global population live with some form of disability (more in developing countries)<sup>7</sup> and people with disabilities are more likely to experience poverty than others due to a lack of employment and education opportunities, lower wages, and the increased cost of living with a disability. Barriers to full social and economic inclusion of people with disabilities include inaccessible physical environments and transportation, the unavailability of assistive devices and technologies, non-adapted means of communication, gaps in service delivery, and discriminatory prejudice and stigma in society.

The following are Islamic Relief processes for inclusive programming:

- conduct an age, gender and diversity analysis that identifies barriers to the engagement and participation of people with disabilities from different ages and gender
- collect disability data e.g. using Washington Group Questions
- analyse disability data collected and act to remove those barriers to ensure people with a disability have full access to practice their right to participation following a twin track approach
- mainstream disability inclusion and at the same time provide focused disability assistance, where possible and needed
- create/strengthen partnerships with Organisations of Persons with Disabilities and SHGs of persons with disabilities
- inclusive staff recruitment bringing in lived experience and making reasonable accommodation standard operating procedures
- consulting people with disabilities on an ongoing basis to ensure that the experiences of different groups are heard and taken into consideration.

For additional guidance see **Breaking Down Gender Barriers with the Graduation approach (BRAC)** and **Gender Transformative Graduation Brief** (Concern Worldwide)

<sup>7</sup> World Bank **Disability Inclusion Overview**



## GRADUATION IN PRACTICE: DESIGNING FOR INCLUSION – ISLAMIC RELIEF NIGER

**Challenge:** People with disabilities may be excluded from participation in a project through lack of awareness of their needs or perspectives in project design and implementation.

**Practice:** The needs of persons with disabilities were taken into account in the project design and implementation and feedback is regularly sought from individuals with disabilities to ensure that the project is responding to their specific needs and to ensure that nobody is left behind. For example, for the training and awareness sessions, if RHs were unable to come to the training, then the training would come to them. All training is in local language and is done through graphics and images so that those who are illiterate are still able to learn and participate.

**Takeaway:** Interviews and discussions with women, the elderly and people with disabilities all confirmed that they have been listened to throughout and their needs addressed by the project.

For additional guidance see [Disability Inclusive Graduation \(BRAC\)](#)

## PROTECTION

Islamic Relief acts to implement its commitment to 'do no harm'. This recognises that development interventions have the potential to create unintended negative impacts on the people and communities that Islamic Relief works with. These impacts include people's safety, security, dignity and rights; sexual exploitation and abuse by staff; culture, gender, and social and political relationships; livelihoods; the local economy; and the environment and are codified in Islamic Relief's Project **Do No Harm/Risk Management Framework**.

Given the multi-dimensional nature of Graduation projects – their direct engagement with RHs' livelihoods, households, groups and communities – all these dimensions are relevant and need to be taken into account in project assessments, design, implementation and monitoring.

## RIGHTSHOLDER CONTROL, ENGAGEMENT AND AGENCY

In line with Islamic Relief's commitment and adherence to the **Core Humanitarian Standard (CHS)**, Islamic Relief engages with RHs in ways that build on their knowledge and experience, and shapes projects based on their needs and preferences. As demonstrated by its independent verification to the CHS, these commitments guide Islamic Relief's approach to ensuring that programmes are people centred, responsive and accountable to RHs and their communities, putting their needs and perspectives at the heart of its work. This commitment involves a focus on understanding and building on local knowledge, experience and perspectives, for example through the use of participatory decision-making. It also involves working with and building the capacity of local institutions and organisations. In all these processes, Islamic Relief aims to bring external analysis, guidance and resources to enhance existing structures and processes while respecting the autonomy of RHs and their communities.

This has a number of practical implications in terms of the design and implementation of a Graduation project such as:

- The assessment and design process integrates local knowledge alongside external livelihoods and market analysis.
- Using a community-based targeting process ensures a focus on local definitions of poverty and vulnerability and builds buy-in.
- The vision for 'success' is defined in consultation with communities and RHs, feeding into the identification Graduation criteria for example.
- Group based SHG structures are a platform for addressing practical needs and facilitating collective action and voice.
- Providing consumption support in the form of cash gives RHs control.
- IGA selection and support is structured to build on local knowledge and experience and is driven by RH choice.
- Processes to engage with families and community leaders and stakeholders act to reduce the risk of conflict and support engagement with sensitive or challenging issues.

## 4. ADAPTING TO DIFFERENT OBJECTIVES AND CONTEXTS

These Guidelines present the GA in broad terms, focusing on the key principles and practices. It is important to recognise that as Islamic Relief seeks to use the approach as a foundation for its long-term development programming, there will be a wide range of specific project objectives and contexts in which it is used. The approach is adaptable, and in this section, we set out some of the main considerations the include in these adaptations.



### STRENGTHENING SECTORAL PROJECTS

There is a wide range of programmatic contexts in which the use of the GA is appropriate. While most of Islamic Relief's Graduation projects come from a livelihoods perspective, many also are linked to other sectoral interventions such as DRR, food security, financial inclusion, resilience and GBV. This range of entry points highlights the integrated and cross-cutting nature of the GA.

While a particular concern with one element is valid as an entry point, or may be given greater emphasis, it is important to highlight the holistic nature of the GA, and the need to integrate different dimensions into Graduation projects. Focused, or sector-specific projects may create a foundation on which to build towards Graduation, but as highlighted in the Minimum Standards above, Graduation projects need to be seen as a whole.

#### GRADUATION IN PRACTICE: LIVELIHOODS DIVERSIFICATION PROJECT – ISLAMIC RELIEF KENYA

**Challenge:** The Islamic Relief Kenya Livelihood Diversification Project that aimed to reduce farmer reliance on rainfed agriculture - susceptible to drought and improve food security by diversifying livelihoods.

**Practice:** The most vulnerable households were targeted with immediate support and a range of activities to build the skills, assets, and networks necessary for sustainable livelihoods.

Central to the project was the provision of skills training to build the capacity of households to engage in sustainable livelihoods. Extensive training in apiculture (beekeeping), poultry production, and goat rearing was offered. By equipping beneficiaries with the necessary knowledge and skills, the project empowered them to diversify their income sources and improve their food security.

The project also provided households with essential productive assets, such as beehives, improved breeds of poultry and goats, and vertical kitchen garden bags. These assets were critical for enabling beneficiaries to start and sustain their IGAs.

In addition to economic empowerment, the project addressed the nutritional and health needs of the target households. By promoting kitchen gardens and training in nutrition practices, the project ensured that households had access to a diverse and nutritious diet, essential for their overall wellbeing.

To ensure the sustainability of the livelihoods created, the project facilitated linkages to markets and extension services, working with local government extension workers and private sector partners.

A focus on longer-term sustainability led to linkages with key government departments to leverage their technical expertise to conduct trainings and build future linkages to extension services for RHs.

**Takeaways:** Despite the challenges and potential risks of supporting RHs to make changes to their livelihoods practices, the project successfully supported RHs to adopt new climate-smart practices and livelihoods activities. This was achieved by careful analysis, targeting and by combining multiple elements as well as ongoing monitoring to ensure the project remained responsive to RH and achieved its intended outcomes.

# LINKING HUMANITARIAN AND DEVELOPMENT PROGRAMMING

In the immediate aftermath of a humanitarian emergency the focus is to provide a life-saving response. There may also be opportunities to look to how livelihoods can be rebuilt in the future.

The GA combines both protection and promotion. While building assets and increasing income are important, so is the need to support participants to diversify, build savings and strategies to protect themselves from risk and rebuild following a shock. In any Graduation project the conditions to enable a productive focus are built in an initial 'stabilisation' phase. This may include provision of consumption support to address food insecurity, or other basic needs that may be barriers to successful engagement of participants in IGAs. This initial phase represents an opportunity for linking with Islamic Relief's humanitarian interventions, allowing a transition from crisis response, recovery, and longer-term development programming, with appropriate adaptations to the Graduation pillars, such as different vulnerability or poverty targeting criteria, leveraging existing humanitarian food support and shorter timeframes.

Particularly in the recovery stage a Graduation lens can help to identify ways in which emergency responses can link to future recovery, with a focus on stabilisation and skills development creating a foundation for future livelihoods promotion, and cash grants can start to build assets and support agriculture and other IGAs. SHGs, while valuable, may be more challenging to set up due to the short-term nature of emergency focused projects unless this is linked to longer term support.

## GRADUATION IN PRACTICE: REBUILDING AFTER AN EARTHQUAKE – ISLAMIC RELIEF INDONESIA

**Challenge:** Central Sulawesi is an earthquake prone region in Indonesia. In 2018 Islamic Relief implemented a project to support a transition from emergency to recovery, rehabilitation, and reconstruction.

**Practice:** Islamic Relief provided business capital to disaster-affected communities to restore their livelihoods (agriculture, fishery and trading) using cash and a voucher system linked to local businesses. New IGAs were also supported through a business incubation approach. To strengthen the business, the community gathered and received business skills training and mentoring delivered by local technical experts. The project also facilitated marketing by promoting products in exhibitions held in public spaces such as malls and supermarket.

**Takeaways:** Over a two-year period, the project successfully transitioned from an emergency response to recovery through livelihoods restoration, to broader promotion and support, to expanding and supporting greater resilience in livelihoods.



## RESPONDING TO SHOCKS DURING A GRADUATION PROJECT (INCORPORATING A 'TRIPLE NEXUS' APPROACH)

Given the instability present in many of Islamic Relief's operational areas there is a need to recognise that the transition from humanitarian to development may not be linear, and there may be backsliding resulting from recurring shocks. Islamic Relief is well placed as a humanitarian organisation to adopt the 'triple nexus' approach responding to humanitarian and social cohesion challenges as well as supporting livelihoods.

Graduation projects, particularly in fragile contexts need to be flexible and include mechanisms to refocus on stabilisation following a shock. This may be in response to unforeseen shocks, or more predictable shocks such as seasonal flooding. Careful monitoring and the identification of 'triggers' can be built into project design to allow for this type of intervention. Graduation projects commonly include a contingency budget (3 – 7 per cent) for responding to shocks that are beyond individual household capacity to recover from – usually by replacing lost assets, but this fund may be used for housing repair or other immediate needs following a shock. While these emergency measures are typically used to support individuals or small groups of participants, this element can be strengthened in particularly risk-prone areas. One way to do this may be to link to existing distribution structures linked to Ramadan, qurbani or seasonal consumption support.

### GRADUATION IN PRACTICE: RESPONDING TO SEASONAL SHOCKS – ISLAMIC RELIEF BANGLADESH

**Challenge:** The Jamalpur region experiences seasonal floods. It is therefore important to be able to build in short-term mechanisms to respond to these as part of the longer-term Graduation project.

**Practice:** The project initially focused on 'stabilisation' following floods with a focus on immediate food support, training on gardening and support for flood resistant shelter. It later set up self-help groups and supported savings, resilient livelihoods and DRR and community action, including strategies for protection of livestock during seasonal flooding. To address the impacts of flooding the project included a contingency fund for replacement of damaged livelihoods, SHG led emergency savings, and a takaful insurance fund.

**Takeaways:** The project successfully combines a longer-term GA to livelihoods promotion and building resilient livelihoods, with practical preparation for anticipated shocks and elements to support RHs to cope with the short-term impacts and recover from shocks during project implementation.

## FRAGILE AND CONFLICTUAL CONTEXTS

Many contexts in which Islamic Relief works can be defined as 'fragile', including areas where there is conflict, insecurity, poor governance, environmental risk and therefore instability<sup>8</sup>. These contexts often involve heightened security risks, limited access to basic services, economic instability, displacement, and trauma among affected populations.

The volatility of fragile contexts not only deters investments in longer term livelihoods like land improvement but also amplifies and exposes individuals to additional risks. Disruptions in markets, transportation links, and essential infrastructure further exacerbate the challenges, elevating the risks and costs associated with earning a livelihood.

Moreover, social protection mechanisms, financial services, and market access are often inadequate or managed informally through entities such as community or militia groups. Corruption and extortion are often widespread, leaving few formal avenues for recourse for affected individuals. Additionally, temporary, or permanent displacement is common, with populations frequently moving in response to escalating insecurity.

Conflict may be experienced at a domestic/household level, within communities, between communities and between states and many Islamic Relief projects include specific strategies to address this.

In fragile contexts, projects typically operate on shorter timelines, with a primary focus on relief or humanitarian operations. Collaborative efforts with local stakeholders, donors, and humanitarian agencies are crucial for navigating the complexities and addressing the multifaceted challenges present in these contexts effectively.

In response, projects should begin with a thorough contextual analysis, that includes a conflict mapping process, and risk assessment to understand the specific factors influencing the target area. This involves understanding the root causes of conflict, the dynamics of violence, and the impact of interventions on conflict dynamics. Programming should aim to mitigate the risk of exacerbating tensions or inadvertently fuelling conflicts. Islamic Relief promotes a holistic 'triple nexus' approach. This recognises the intersectionality between meeting people's humanitarian needs, longer-term developmental goals and peace building, and the role of poverty, exclusion and inequality in driving conflict. This approach is outlined in Islamic Relief's **Conflict and Social Cohesion Policy**.

<sup>8</sup> The OECD multidimensional fragility framework guides effective action in fragile contexts. It assesses risks and coping capacities across 6 dimensions: economic, environmental, human, political, security and societal.

## GRADUATION IN PRACTICE: TAKING A TRIPLE-NEXUS APPROACH IN MALI

**Challenge:** Persistent tensions between various groups in northern and central Mali have greatly affected communities in the Gourma Rharous circle. The area is home to many vulnerable families experiencing displacement and significant challenges to earning a living.

**Practice:** Islamic Relief's West Africa Regional Community Resilience Building project addresses four elements:

- **Meeting basic needs:** The project has improved access to water for household consumption and livestock, and trained management committees to ensure sustainability.
- **Climate change adaption and risk reduction:** Climate change is reducing the availability of grazing land in Douentza and Gossi, sometimes leading to conflict between farmers as they move in search of suitable land. Islamic Relief provided information on the Pastoral Charter Law (2001), so farmers gained a better understanding of the issues and challenges involved in managing resources to minimise conflicts.
- **Facilitating social cohesion:** The project oversaw the establishment of inclusive community conflict resolution organisations (CHATs) to work to resolve conflicts between and within communities, and also worked to resolve family disputes. As of September 2023, more than 500 people, including 318 women, had participated. At the same time awareness raising sessions promoted dialogue.
- **Supporting livelihoods and building resilience:** Islamic Relief supported RHs to invest in small businesses, build financial savings and gain access to interest-free loans through participation in savings groups, and supported the rehabilitation of land to provide fodder for livestock.

**Takeaways:** The experience of Islamic Relief Mali demonstrates the interconnectedness of fulfilment of basic needs, supporting livelihoods, and building social cohesion in a context where poverty and resource scarcity fuel tensions and conflict.

Adapted from Islamic Relief Worldwide Annual Report and Financial statements 2023

## ADAPTING TO CONTEXT: FRAGILE AND CONFLICTUAL ENVIRONMENTS

### Targeting

- Work with established agencies on targeting.
- Check registers for potential inclusion errors due to corruption.
- Consider the timing of vulnerabilities which may be seasonal or dependent upon certain events.

### Social protection

- Provide short-term solutions such as emergency healthcare, clean water and food.
- Link to humanitarian actors to provide relief.
- Look out for multiple safety net/relief programmes where participants may end up with disproportionately high levels of support.

### Livelihoods

- Provide livelihoods activities that are easy to launch and can generate immediate returns.
- Build flexibility into livelihood options that can be easily adapted to shocks and stresses.

### Financial inclusion

- Form informal savings groups where funds can be accessed easily during times of crisis.
- When there is high inflation, encourage savings in assets rather than cash.

### Social empowerment

- Link to protection and rights-based support mechanisms.
- Include psychosocial counselling, where appropriate, to deal with trauma and stress.
- Design flexible coaching mechanisms to take physical mobility into account.
- Include resilience building through peace-building initiatives.

Source: World Vision Ultra-Poor Graduation Handbook

# GRADUATION WITH REFUGEES AND DISPLACED POPULATIONS

Refugees and displaced populations encounter unique challenges related to mobility, the right to work, and access to essential services that necessitate targeted interventions within Graduation projects. Mobility restrictions, both within host countries and across borders, impede their access to livelihood opportunities, education, healthcare, and other critical services.

Refugees and displaced populations may have a different poverty profile to target groups of traditional Graduation projects. Often, they have been impoverished by displacement, and do not necessarily come from contexts of intergenerational poverty. While they may therefore have greater skills and capacity than typical extreme-poor populations, these are often mismatched to local opportunities, and restrictions on mobility, access to services and prejudice may present significant barriers to economic activities, pushing them towards informal and precarious work arrangements. Graduation projects can advocate for the right to work, facilitate vocational training, provide entrepreneurship support, and work towards the recognition of skills and qualifications to enhance economic self-reliance and dignity among beneficiaries.

Access to essential services such as education, healthcare, housing, and legal assistance is also hindered by language barriers, discrimination, lack of documentation, and unfamiliarity with local systems. Graduation projects should collaborate with relevant stakeholders to improve service access, provide language and integration support, and address legal barriers to ensure the wellbeing and rights of refugees and displaced populations.

Furthermore, protection concerns such as exploitation, discrimination, and human rights abuses are prevalent among these populations. Graduation projects can integrate protection mechanisms, raise awareness on rights and entitlements, offer psychosocial support, and facilitate access to legal assistance and protection services as needed.

Effective coordination and advocacy efforts involving host governments, humanitarian agencies, legal aid organisations, advocacy groups, and community leaders are important. These collaborations can help address systemic barriers, advocate for policy changes, and create enabling environments for sustainable livelihoods and improved service access for refugees and displaced communities.

## ADAPTING TO CONTEXT: WORKING WITH REFUGEES AND IDPS

### Targeting

- Work with the different clusters, UNHCR, IOM and other NGOs to access existing registers and lists.
- Verify the lists against poverty criteria, specifically highlighting extreme poverty.
- Consider extending Graduation programming to the host community, which may have more extreme-poor households.

### Social protection

- Utilise existing social protection and safety net mechanisms.
- Identify any consumption shortages which are unmet by existing programmes and identify ways to fill the gaps.

### Livelihoods

- Consider employment and land rights and mobility.
- Ensure thorough market analysis is carried out for any livelihoods option.
- Design technical training to focus on adapting to new surroundings.
- Consider more than two livelihoods options to make up for small returns in refugee contexts.
- Work with host communities to identify opportunities.

### Financial inclusion

- Address lack of documentation.
- Utilise technology-based financial systems such as mobile money.
- Consider remittances as an important source of income as well as savings.

### Social empowerment

- Link to protection and rights-based support mechanisms.
- Include psychosocial counselling where appropriate to deal with trauma and stress.
- Develop interventions that build rapport and good relations between displaced and host communities.

Source: World Vision Ultra-Poor Graduation Handbook

Additional guidance is available in [Applying-a-Refugee-Lens-to-Graduation\\_Lessons\\_FINAL.pdf \(trickleup.org\)](#)

# CLIMATE CHANGE ADAPTATION

The effects of climate change are being felt the world over, but particularly in countries and communities in which Islamic Relief works. Climate induced shocks - extreme weather events, droughts, floods, changing patterns of seasonal rain - impact on livelihoods, food security, water availability, and natural resource management. The inability of people to cope and adapt exacerbates existing vulnerabilities and introduces new ones.

Climate vulnerability needs to be addressed through increasing the adaptive and transformative capacity of households and communities. Islamic Relief’s focus is to ensure that this process is locally led. This may mean introducing practices to prepare for and respond to extreme weather events, promoting climate-smart agricultural practices and crop varieties, sustainable natural resource management techniques, water conservation strategies, and disaster risk reduction measures. In extreme contexts it can mean engaging RHs to explore new IGAs where existing activities are becoming too risky. These interventions require additional investment in terms of money, time, and resources.

Many of the elements of the GA are already focused on supporting households to manage risk and uncertainty and build more resilient livelihoods – such as the focus on diversification and risk management. In a context of climate change adaptation, these are more important than ever and may need additional attention; Graduation projects can be seen as an enabler for climate resilient development. The focus of Graduation on understanding and responding to local context aligns with Islamic Relief’s emphasis on local leadership of adaptation processes, for example through a participatory Climate Vulnerability and Capacity Analysis, as part of the assessment and design stage of the project (see **Section 5**).

## THE NEXUS BETWEEN CLIMATE CHANGE AND POVERTY



Source: **Pathways to Climate-Resilient Economic Inclusion** (Partnership for Economic Inclusion)

## GRADUATION IN PRACTICE: INTEGRATING A CLIMATE RESILIENCE FOCUS – ISLAMIC RELIEF BANGLADESH

**Challenge:** Climate change exacerbates the vulnerability of the poorest households. What practical measures can be taken to reduce climate vulnerability?

**Practice:** The Islamic Relief Bangladesh project included the following measures:

- climate vulnerability assessment at the start of the project to identify climate risks and ensure climate-adaptative choices
- selection of climate-resilient IGAs
- activities on climate change mitigation
- introduction of new proven and low-risk livelihoods options
- linking RHs to government’s social safety net to support resilience to climate shocks.

**Takeaway:** The GA is effective as a resilience-building mechanism against climate change, but specific adaptations can be made to strengthen livelihoods and coping mechanisms.

## ADAPTING TO CONTEXT: CLIMATE CHANGE FOCUS

### Assessment

A climate vulnerability and capacity analysis helps teams better understand the situation of RHs in relation to climate related threats to their wellbeing. Vulnerability analysis considers sensitivity and adaptive capacity as the two factors determining vulnerability. Understanding vulnerability must consider the direct impacts of a hazard and the wider environmental and social conditions that limit and support people and communities in coping with the impact of hazards (i.e. increase their capacity to deal with impacts).

### Targeting

- Consider current and future climate risk criteria (hazard, exposure and vulnerability) in targeting.
- Consider impacts of migration due to climate change.
- Consider gender-based impacts on vulnerability in targeting.

### Social protection

- Link to safety nets to reduce the impact of climate change on financial standing, food security, health, etc., and support the development of more resilient communities.
- Consider some of the innovative solutions to providing basic services such as water kiosks, mobile health and education services.

### Livelihoods promotion

- Investigate livelihoods options that build climate resilience, exploit services provided by natural ecosystems; engage with government adaptation plan.
- Consider seasonality and extreme weather events in planning livelihoods activities, with a focus on diversification to build resilience.
- Livelihoods diversification – supporting RHs to have multiple livelihoods that spread risk across sectors and seasons.
- Provide livelihoods options that build climate resilience in the environment; choices need to be tested and proven to be effective so not to expose participants to increased risk.
- Incorporate disaster risk management and reduction and contingency planning into Graduation programming.

### Financial inclusion

- Explore insurance mechanisms to manage risk.
- Consider mobile money options.

### Social empowerment

- Consider how local experts, informed by facts about the likelihood and effects of climate breakdown, can be enabled to lead their community in planning for effective adaptation.
- Follow the principle that impacts of climate breakdown need to be dealt with where they occur and adaptive processes should be developed locally
- Instil local leadership driven by and connected with local priorities and the knowledge of local people.

Adapted from: World Vision Ultra-poor Graduation Handbook

## NUTRITION SENSITIVE GRADUATION

While addressing food insecurity is a core element of Graduation projects, there are specific enhancements from a nutrition perspective that can be integrated into project design and implementation. Listed below are a range of inputs that support knowledge for improved nutritional behaviours. However, these are unlikely to be realised unless RHs have the economic capacity to make choices about food and nutrition. It is thus the combination of the nutrition-specific inputs and increased income that allows RHs to make choices about food consumption.

### GRADUATION IN PRACTICE: INTEGRATING A NUTRITION FOCUS – ISLAMIC RELIEF INDONESIA

**Challenge:** The ALO project area in Indonesia is home to a significant number of stunted and under nourished children.

**Practice:** The ALO project in Indonesia targeted malnourishment among orphans by integrating a specific nutrition focus through:

- Training target households with topics on healthy lifestyles, WASH, and nutrition.
- Linking SHG members to community public health practitioners and volunteers who are invited to attend the regular SHG meetings and lead nutrition focused sessions.
- Facilitating SHG member access to health insurance.
- Creating linkages to social services/community health services to ensure RHs receive health related support.

**Takeaways:** Discussion in SHG meetings on nutrition issues increases women members' knowledge and their ability to utilise local foods to meeting nutrition needs. This in turn helps to reduce child stunting and other impacts of nutrition deficiency.



## ADAPTING TO CONTEXT: NUTRITION FOCUS

Nutrition-sensitive Graduation projects commonly include:

1. **Nutrition education:** Messages can be built into life-skills training to emphasise the importance of consuming a variety of foods to meet nutritional needs adequately. Knowledge can be enhanced about balanced diets, micronutrient deficiencies, optimal infant and young child feeding practices, hygiene, and food safety. Households often prioritise men and boys over women and girls in distribution of food. Discussion of this is a key element to include.
2. **Support dietary diversity in livelihoods choices:** RHs can be encouraged to produce and consume diverse foods, including fruits, vegetables, legumes, nuts, and animal-source foods where feasible. This can be supported through small-scale gardening and livestock rearing.
3. **Micronutrient supplementation:** Projects can incorporate targeted interventions such as iron and folic acid supplementation for pregnant women, Vitamin A supplementation for young children, or fortified food distribution to address specific micronutrient deficiencies prevalent in the target population.
4. **Include a focus on nutrition in coaching:** Coaching sessions can monitor changes in dietary practices, nutritional status, and health outcomes among participants, reinforce training messages, address specific nutrition-related concerns and promote behaviour change towards healthier eating habits.
5. **Integration with health services:** Collaboration with local health services and community health workers can support RHs. This may include growth monitoring for children, maternal and child health check-ups, nutrition screenings, and referrals for malnutrition management or treatment of nutrition-related health conditions.
6. **Hygiene and sanitation promotion:** Training and coaching can support good hygiene practices, safe food handling, clean water access, and sanitation facilities within households and communities. Addressing hygiene and sanitation contributes significantly to reducing the risk of foodborne illnesses and improving overall nutritional outcomes.
7. **Empowering women and caregivers:** Women and caregivers have a critical role in ensuring household nutrition. Projects can provide support for women's empowerment, breastfeeding promotion, maternal nutrition, and childcare practices that contribute to improved nutritional outcomes for children and families.

Additional guidance is available in [Improving Nutrition with the Graduation approach](#) (MercyCorps)

## YOUTH FOCUS

Extreme poor youth often encounter specific challenges and vulnerabilities such as limited access to education and vocational training, lack of work experience, exposure to exploitation or abuse, and restricted opportunities for social and economic mobility. These are further compounded by systemic issues such as discrimination, social exclusion, and limited access to essential services. Moreover, the transition from adolescence to adulthood is a critical phase where young individuals may need tailored support to develop essential life skills, access opportunities for education and training, and gain meaningful employment or entrepreneurship opportunities. By understanding and adapting to the specific circumstances and aspirations of youth, Graduation projects can foster not just economic empowerment but also social inclusion, personal development, and long-term resilience among this vulnerable demographic group.



## ADAPTING TO CONTEXT: YOUTH FOCUS

### Targeting

- Take additional measures when using existing registers as they may exclude vulnerable youth and adolescents.
- Ensure girls and young women are included in targeting.

### Social protection

- Provide or link to consumption support for households headed by adolescents.
- Ensure linkages to health, protection and other wellbeing facilities are created early on.
- Seek out social protection mechanisms that are designed for youth, e.g. educational or family planning programmes.

### Livelihoods

- Implement skills, capacity and confidence building activities in preparation for livelihoods/employment, eg. through vocational training, internships, apprenticeships, volunteering.
- Do not encourage youth and adolescents to seek paid employment until they are old enough to work.
- Design interventions which empower young women.

### Financial inclusion

- Foster a culture of saving that will provide a foundation for the future.
- Be cautious about using cash-based interventions to address youth vulnerabilities and inexperience.

### Social empowerment

- Build on existing programmes that empower young women, such as advocacy to end child marriage.
- Explore mechanisms such as youth groups, but also remain vigilant of discriminatory practices in them, including bullying or harming vulnerable people.
- Develop and foster leadership, decision-making, and other soft skills.
- Keep in mind youth interests.

Source: World Vision Ultra-Poor Graduation Handbook

For additional guidance on programmes to address youth unemployment see [Systematic review of youth-oriented active labour market programmes](#)

## CHILD FOCUS

Most Graduation projects achieve impacts on children indirectly through supporting household livelihoods and the empowerment of women, particularly mothers. This assumes a 'trickle-down' impact. In addition, there are opportunities to target children more directly through their education, health and nutrition, school enrolment, and social empowerment, and to integrate a child protection focus. For example, projects can engage children with life skills, such as communication, problem-solving, and decision-making., Establishing safe spaces within communities or schools, providing counselling services, and offering psychosocial support help children cope with trauma, abuse, or difficult circumstances.

### GRADUATION IN PRACTICE: ENHANCING OUTCOMES FOR CHILDREN THROUGH CHILD CLUBS – ISLAMIC RELIEF BANGLADESH

**Challenge:** Standard Graduation projects achieve outcomes for children through a 'trickle-down' of household outcomes. Are there ways to specifically enhance outcomes for children?

**Practice:** The ALO+ project includes a number of elements that engage directly with and support educational and life outcomes for children:

- A consumption support cash-stipend is used by many households to pay for additional tuition for their children, thus improving their educational outcomes and employment prospects.
- Child Clubs create a space for learning, expansion of aspirations, as well as an awareness of protection issues.
- There is direct engagement with schools, checks on progress and encouragement of programme participants (mothers or guardians) to be more proactively engaged with schools for example participating in school management committees.

**Takeaways:** Outcomes for children (and potentially longer-term inter-generational outcomes) can be enhanced through specific child-focused measures.

Additional guidance is available in [Making Graduation programmes work for children](#) (Institute of Development Studies)

## SPARSELY POPULATED RURAL AREAS

Unlike urban or densely populated regions, rural areas often face challenges such as limited infrastructure, sparse economic opportunities, geographical isolation, and dispersed populations. The limited accessibility and infrastructure, may necessitate alternative delivery methods for programme components such as using community volunteers, strengthening internal learning processes of SHGs, reducing frequency of visits by coaches, using technology such as mobile platforms or virtual training modules, and placing a greater focus on local linkages.

Moreover, the economic landscape of rural areas often revolves around agriculture or natural resource-based livelihoods, with more limited off-farm economic opportunities. Graduation projects can adapt by incorporating agricultural training, value chain development, sustainable land management practices, or promoting IGAs aligned with local resources and market demands.

Community engagement and participatory approaches are more important in rural settings, both practically, given less opportunity for coaches to visit, and to promote social cohesion and collective action. Collaborating with local community organisations, cooperatives, or SHGs can enhance project effectiveness, build trust, and ensure relevance to community priorities and aspirations. Empowering local leaders and facilitating peer learning networks can also amplify the project's impact and sustainability within these close-knit communities.

### GRADUATION IN PRACTICE: WORKING IN SPARSELY POPULATED AREAS – ISLAMIC RELIEF SOUTH SUDAN

**Challenge:** South Sudan is a remote, sparsely populated country with 17.43 people per square kilometre and poor transportation links.

**Practice:** Coaches conduct group, rather than individual, visits, covering around five groups per week, and visiting each group once per month. Individual visits are carried out by Community Based Volunteers:

- Rural areas: Considering factors like geographical condition, population density and travel time, a volunteer can visit 100-125 households (five groups) per week.
- Peri-urban areas: Due to the closer proximity of households, peri-urban areas allow for slightly more visits, potentially reaching 150-175 households (six to seven groups) per week.
- RHs also benefit from periodic support from Community Animal Health Workers, Agriculture Extension Workers, Community Based Health and Nutrition Workers, Community Based Hygiene Promotion Workers and Community Based GBV Case workers.

**Takeaways:** By drawing on local resources and innovating around delivery models, the challenges of distance and low population densities can be addressed.



## URBAN CONTEXT

Many Islamic Relief Graduation projects are urban focused or include an urban element. Urban settings present a specific set of opportunities and barriers for people living in poverty. On one hand, the density of markets and economic opportunities provides a draw into cities. Income-generating opportunities are greater than in rural areas, with wage labour and small enterprises like petty trade widely available. On the other hand, in urban areas, social isolation, overcrowding, and high levels of crime, violence and insecurity reduce the ability of some households to access essential services such as latrines, water points, and health centres. Competition can be tough – both for services and markets – and barriers to entry into certain markets or activities may exist e.g. it may be hard for a new entrant to start selling in a marketplace.

While the basic principles and minimum standards apply, there are a number of contextual differences from rural areas to be aware of that may have implications for design and implementation.

## ADAPTING TO CONTEXT: URBAN FOCUS

### Targeting

- Higher population density is likely to make it harder to identify people.
- Inequality and poverty may be more hidden (e.g. not visible by observing housing).
- Community based targeting approaches are more challenging due to social dynamics (people are less likely to know their neighbours).

### Self-help groups

- Fewer connections and trust between participants.

### Social protection

- Different range of physical, social and environmental risks.
- Market-based economy creates risk of food insecurity.
- Greater availability of services such as WASH, education, health, but often with fragmented access.
- High levels of social inequality and possible exploitation of the most vulnerable.
- Stabilisation needs are different e.g. more likely to use support to cover rental payments.

### Livelihoods promotion

- Markets are more likely to be functional and competitive, so more productive opportunities.
- Urban Graduation projects generally focus on off-farm and employment pathways, rather than agriculture.
- Urban businesses may experience greater competition or need to operate with a higher level of sophistication than rural businesses (eg require better product differentiation, advertising, communication, record keeping etc) and therefore the nature of capacity and support needs to be tailored to the context.
- A focus on employment rather than self-employment requires a different set of support activities to a project that focuses on self-employment.

- Rather than an asset transfer, resources are provided to support entry into employment such as purchase of clothes or equipment, subsistence expenses when employment requires moving to a new area etc. Capacity building is focused on developing employability skills etc.
- High 'vulnerable employment' – less likely to be formal working relationship, no regular earnings, not covered by social protection (pension, health care).
- IGAs likely to be in an informal sector and exposed to risks such lack of required permits.

### Financial inclusion

- Greater presence of financial service providers to link to, but products/services may not be accessible/suitable for extreme poor.
- More likely to use digital financial services.

### Social empowerment

- Weaker social networks and lower levels of trust.
- Messaging needs to be adapted to realities of urban context.

### Operational considerations

- Easier to access educated staff, but also greater alternative opportunities may lead to staff turnover.
- Shorter distances for staff to cover and better transport.
- Higher operating costs e.g. office rental, salaries etc.
- Location and timing of visits by coach/mentors needs to fit with lived reality of RHs.
- Greater levels of mobility of RHs may lead to higher project drop-out.

Adapted from: World Vision Ultra-Poor Graduation Handbook

## SUPPORTING EMPLOYMENT

While most urban Graduation projects support self-employment, there is often also an opportunity to support pathways into employment in urban areas.

The 'employment-track' recognises that for many households, self-employment may not be the only or best income generating opportunity. As wage employment opportunities tend to be more limited in rural areas, a wage employment focus may be more suited to urban programmes. Youth focused programmes often support access to formal employment.

The biggest constraint to wage employment through economic inclusion programmes is the absence of job opportunities. Wage employment opportunities should be based on local market conditions, allow for a liveable and fair income, and adequately address protection concerns.

Employment focused Graduation programmes typically have the following modifications:

- Employability, rather than business training, gives participants a general understanding of the world of work and skills for accessing and retaining jobs.
- Vocational training or apprenticeships, rather than technical training, focuses on the skills required for particular occupations.
- Cash transfer is used to support the costs of accessing waged employment (clothes, transport, equipment, accommodation etc) rather than capital/asset to invest in an IGA.

Additional guidance is available in [Adapting the Graduation approach to urban contexts](#) (Concern Worldwide) and [Graduation in Urban Contexts](#) (BRAC).



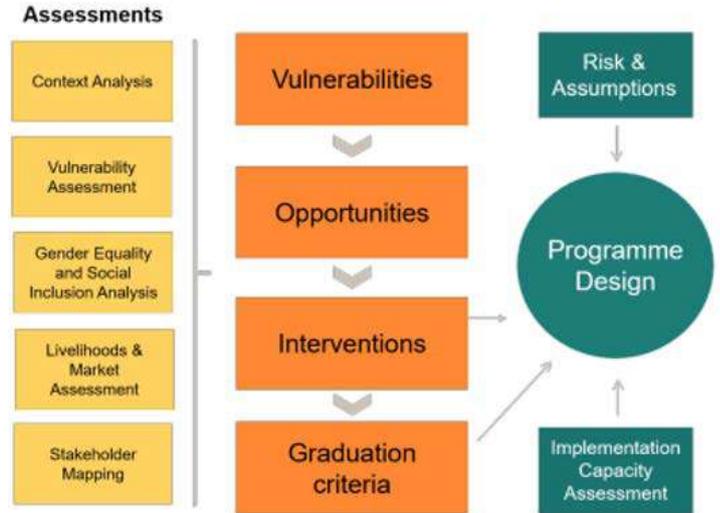
# PART 2: DESIGN AND IMPLEMENTATION

## 5. ASSESSMENT AND DESIGN

### USING ISLAMIC RELIEF STANDARD ASSESSMENT PROCESSES

Islamic Relief works in very different contexts, from the densely populated and agriculturally fertile Bangladesh, to arid, sparsely populated pastoralist communities in Eastern Kenya and Niger. There are huge variations in economic opportunities, markets, infrastructure, provision of government services, communications, cultural norms and practices. There are also a set of wider contextual factors such as conflict, climate, political, disasters etc. It is therefore essential that every Graduation project is adapted to context, to meet the specific needs, vulnerabilities and capabilities of the target population, based on a thorough set of analyses of the context. The assessments inform an understanding of the vulnerabilities and capacities of target participants as well as the opportunities for supporting improved livelihoods. This in turn informs the project design.

Figure 2: Graduation assessment and design process



Source: World Vision Ultra-Poor Graduation Handbook

Graduation projects should use standard Islamic Relief project assessment, design and planning processes (**Islamic Relief Worldwide MEAL Framework – Design and Planning Tools**). Given the complexity, duration and budget of a Graduation project, this would normally be at the most comprehensive level. These standard assessment processes need to be focused on gathering information to bring a Graduation ‘lens’ to analysis.





The focus of the core assessments is summarised below:

## CORE ASSESSMENTS FOR A GRADUATION PROJECT

**Context analysis (or feasibility study)** examines the overall context, including the political/social/economic/environmental situation and prominent worldviews, and how these affect opportunities and resilience of extreme-poor families and their children. The analysis examines factors such as climate change, political instability, accessibility of markets, and security, among others. They also help to identify social protection instruments, financial systems and institutions and factors affecting access of key services for the extreme poor.

**Vulnerability assessment** profiles the extreme poor, the specific challenges they face, and the coping mechanisms they use. They identify household-level characteristics and issues, such as levels of food security and nutrition, social awareness, literacy, skills base, health, disability, and prevalence of GBV, child labour, or early marriage. The assessment must be disaggregated by gender and age and should focus on vulnerabilities among children, and their needs across a development life cycle. The vulnerability assessment should consider existing capabilities of the extreme poor and potential opportunities available to them. Vulnerability should also be explored at a community level with consideration of inequalities and conflict.

Climate Vulnerability and Capacity Analysis (CVCA) is a participatory process engaging RHs, local organisations, members of NGOs, government personnel and members of local communities, including faith leaders. The purpose of Islamic Relief's CVCA is for country teams to better understand the situation of primary stakeholders in relation to climate related threats to their wellbeing. For interventions, current and future vulnerabilities and capacities must be thoroughly assessed in relation to hazards and exposure to climate breakdown. The CVCA should involve, and preferably be led by, its primary

stakeholders – people that benefit from, or are directly affected by, the operations and activities of an adaptation intervention – to understand capacities and vulnerabilities between and within different social and socioeconomic groups. This will help identify ways to build resilience that meets diverse needs. The participatory approach will enable people to build capacity to self-assess their vulnerabilities and choose Graduation options that best suit their circumstances.

**Gender Equality and Social Inclusion (GESI)** analysis examines the barriers to equitable and inclusive access to resources and opportunities within a household, community and society. It examines how sociocultural norms, attitudes, and behaviours or practices affect people's economic, social, human and political rights, and seeks to identify ways to transform systems that discriminate or exclude any particular social group. GESI may be carried out independently or integrated across the other assessments.

Livelihoods and Market assessment collects key information about existing and potential livelihoods, institutions, policies, markets, and risks that affect the livelihoods strategies for the extreme poor. A market analysis should list opportunities for livelihoods and include relevant information on pricing, volume, and quality. Factors such as demand, competition, market saturation, services, regulations, and policies governing the market are also considered. In addition, the assessment should be inclusive of gender dynamics, as men and women may engage markets differently, as they relate to owning and managing livelihoods. Islamic Relief does not yet have a market assessment tool. Various toolkits are available including a **Toolbox** from the Livelihoods Centre and **Multi-sector-market-assessment-guidance-and-toolkit** from UNHCR.

**Stakeholder mapping** provides an overview of key actors within the four Graduation pillars. The mapping is also used during the planning phase to identify potential partners for implementation.

The framework provided by the four Graduation pillars serves as the basis for project design and adaptation, ensuring consistency in minimum standards, while allowing for necessary adjustments. Assessments therefore need to be informed by these pillars and explore issues from this perspective. Figure 3 provides some example questions to explore in the assessments for each pillar.

Figure 3: Key questions for assessment across Graduation pillars

	Social Protection	Livelihoods Promotion	Financial Inclusion	Social Empowerment
<b>Assessment</b>	<ul style="list-style-type: none"> <li>Context Analysis</li> <li>Vulnerability Assessment</li> <li>Gender and Social Inclusion Analysis</li> <li>Stakeholder Mapping</li> </ul>	<ul style="list-style-type: none"> <li>Context Analysis</li> <li>Vulnerability Assessment</li> <li>Gender and Social Inclusion Analysis</li> <li>Livelihoods and Market Assessment</li> <li>Stakeholder Mapping</li> </ul>	<ul style="list-style-type: none"> <li>Context Analysis</li> <li>Vulnerability Assessment</li> <li>Gender and Social Inclusion Analysis</li> <li>Stakeholder Mapping</li> </ul>	<ul style="list-style-type: none"> <li>Context Analysis</li> <li>Vulnerability Assessment</li> <li>Gender and Social Inclusion Analysis</li> <li>Stakeholder Mapping</li> </ul>
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>What is the food security and nutrition situation of the ultra-poor?</li> <li>What child protection issues persist in the area?</li> <li>What challenges related to education do the ultra-poor face?</li> <li>What are the challenges and trends related to housing/migration/internal displacement?</li> <li>What legal challenges exist for the ultra-poor?</li> <li>What social protection and safety nets are available?</li> <li>What are the health, education, and basic services available in the area?</li> <li>How is social protection different for women and men?</li> <li>How is social protection different for people living with disabilities?</li> </ul>	<ul style="list-style-type: none"> <li>What are income levels and purchasing power among the ultra-poor?</li> <li>What livelihoods do ultra-poor people generally have?</li> <li>What assets do the ultra-poor have?</li> <li>What are the natural resources available to the ultra-poor?</li> <li>What are the risks and shocks in the area?</li> <li>What coping mechanisms do ultra-poor people engage in?</li> <li>What market and business services are available?</li> <li>How do ultra-poor people access markets and what barriers do they face in engaging markets?</li> <li>How do livelihoods differ for women and men?</li> <li>How do livelihoods differ for persons living with disabilities?</li> </ul>	<ul style="list-style-type: none"> <li>What are the saving patterns and average monthly savings of ultra-poor households?</li> <li>What are the vulnerabilities of the poorest with regard to finance, e.g. lack of secure way to save, debt?</li> <li>What financial services are available to the ultra-poor? What terms and conditions do they have (e.g. interest rates, repayment period)?</li> <li>What barriers prevent access to financial services?</li> <li>What is the level of financial literacy of the ultra-poor?</li> <li>What gender disparities exist in awareness, and financial service usage?</li> </ul>	<ul style="list-style-type: none"> <li>What structures or cultural norms exclude ultra-poor and marginalized groups?</li> <li>What are the most common challenges for children in ultra-poor households in the community?</li> <li>What gender norms, beliefs and practices affect ultra-poor households and communities?</li> <li>Are there social structures – religious barriers, prejudices – that prevent ultra-poor households from social empowerment?</li> </ul>

(Adapted from World Vision Ultra-Poor Graduation Handbook)



## ADJUSTING THE SCOPE AND INTENSITY OF INPUTS TO CONTEXT

The range of contexts in which the GA is used is constantly evolving. This necessitates adapting it to new contexts as well as adjusting it to changing contexts. The scope of activities and their intensity needs to be tailored to the specific context. This might involve variation in terms of if and what stabilisation support is provided, training inputs provided, the size of asset transfer or the frequency or nature of coaching visits. In general, the GA requires that households can stabilise their situation to a state where they can concentrate on improving the income generation. Emergency and fragile contexts are discussed in Part 4. In the context of an emergency, there is a need to first address the pressing humanitarian needs, but these activities can form the foundation for a future Graduation project. In fragile contexts, mechanisms need to be built into the project to respond to shocks if they occur and build in additional space and support for recovery if needed.

Internationally, there is a push to streamline and reduce costs, however this often does not consider the contextual factors that may require a more or less intensive response to the specific context. The scope (components) and intensity (duration, frequency of visits, etc.) need to vary based on the structural dimensions of poverty and the local conditions. For example, areas with more vibrant markets may require less intensive support for livelihoods over a shorter time period.

### Adapting to context: Adjusting intensity of inputs in response to new and changing contexts

BRAC has made many changes to their Graduation programming over time:

**Responding to changing contexts over time:** Poverty levels in Bangladesh have declined over time. BRAC has recognised that targeted ultra-poor households are often not as vulnerable as they were in the past. In response, BRAC has segmented their target participants. For the most vulnerable, they still offer a grant-based asset transfer, while a less-vulnerable group is given the asset as an interest free loan.

**Responding to new contexts:** BRAC recognised that in urban areas the market strength meant that the IGAs progressed very fast and needed a shorter project period whereas the social isolation of migrants to the urban areas meant that their IGAs took longer to contribute to social empowerment.

It is important that project design is driven by an understanding of need, rather than by available budgets or staff capacity. If sufficient resources are not available, then it might be better to use an approach other than the GA. For example, the frequency of mentoring visits or scope of training should respond to the capacity of participants and the context in which they operate. While recognising that innovation, such as the use of technology, can create efficiency, attempts to define standardised asset amounts, patterns of accompaniment or overall project duration demonstrate a failure to adapt to context.

## CONTEXT ADAPTATIONS

While standardised approaches may be used for the assessments, it is important that specific contextual factors are taken into account. Issues to consider in a number of scenarios and contexts are outlined below. These are not exhaustive and the principles of design using the four pillars can and should be used to adapt to other contexts.



# 6. TARGETING (THOSE PEOPLE WHO REQUIRE A 'BIG PUSH')

## GOAL

Islamic Relief aims to ensure that vulnerable households that experience structural and multi-dimensional challenges in building resilient livelihoods are targeted. The GA is effective in supporting households who are experiencing structural barriers to building sustainable livelihoods and who therefore require a 'big push'. While target communities served by Graduation projects internationally may vary, Islamic Relief is committed to reaching households living in extreme poverty and undertakes a rigorous process to target the poorest members of the poorest communities, in the poorest districts of the countries it works in – drilling down.

A rigorous targeting process is designed to ensure that scarce resources are channelled to RHs who require a resource intense 'big push' support. The process should follow the standard Islamic Relief targeting processes (**Islamic Relief Worldwide's Rightsholder Targeting and Selection Guidelines**) and include:

- Ensuring that the most vulnerable people in the community (as defined by Islamic Relief and the community) are targeted
- Minimising the number of 'inclusion' and 'exclusion' errors and ensure that any major disputes in the final list of selected participants are addressed
- Being a transparent process that gains broad-based support and engagement from the local community
- Being cost-effective, employing the principle of 'optimal ignorance' i.e. balancing rigor with practicality
- Not arbitrarily excluding qualifying households due to age or a quota of participants ie, rather focus on filling the programme from one community before moving on to the next.

## RESOURCE REQUIREMENTS

There is a cost (in terms of time and money) in doing a thorough targeting selection; targeting often takes several months to complete. The marginal cost of achieving rigour in targeting is high, but it ensures community buy-in and transparency at a practical level when selecting who to work with. It also aligns with Islamic Relief's values of supporting the most vulnerable and in need, so builds trust and support from community and faith leaders.

## TIMING

Targeting is the first step of project implementation following the assessment and detailed design.

## WHO TO TARGET/ EXCLUDE?

Islamic Relief focuses on the most vulnerable people living in poverty, with a particular focus on women-headed households and families with orphans. Islamic Relief takes a household approach which aligns with Islamic values, so even though programme participants are women, targeting is at the household level, and other activities, such as IGA training may also include men. The household approach also aligns to Islamic Relief's practice of not setting an upper age limit on participation (as is common with many organisations). An important element is to allow for nominees. The household is able to nominate a proxy who is available and physically able to take part in the project activities and manage an IGA. Nominee provision is an effective alternative mechanism for ensuring inclusion and running the IGA of vulnerable persons who are unable to operate an IGA themselves, such as elderly persons or those with chronic illnesses.



## EXAMPLES OF EXCLUSION AND INCLUSION ERRORS IN TARGETING

### Assumptions about what IGAs will be offered to rightsholders

Where the project specifies support for specific IGAs this may result in exclusion. For example projects may specify providing “seeds and agricultural tools to farmers” or “poultry or livestock to widows” or “sewing machines to women headed households” or “youths with e-commerce start-up grants”.

In each of these examples there is a predetermination of what type of IGA is appropriate for each group:

- Households that require off-farm support may be excluded by a focus on agricultural inputs
- Specifying the type of seeds and tools restricts choices to only those seeds and tools budgeted for, whereas a significant numbers of rightsholders once selected, may require other type of inputs (including e.g. vegetable seeds, fertilisers, other cash crops etc)
- Women headed households or widows may be interested in other IGAs and therefore their choice is restricted
- Youth targeted may not all be interested and/or prioritise establishing e-commerce businesses as their choice of IGA

An early decision to target certain groups may exclude other poorer or more vulnerable households such as:

- Farmers may not be the most vulnerable, food insecure, extreme poor in the target area. Farmers will have access to some amount of land, whereas the poorest are often landless agricultural labourers
- Widows may not be the poorest or most vulnerable households
- Some projects require RHs targeted for sewing machines to already have some skills/experience in sewing and tailoring. This would thus exclude those RHs who do not have such skills/experience (often the most vulnerable and extreme poor) from being targeted.
- Targeting youth for start-up grants may assume a level of education/IT literacy skills thus inadvertently excluding more vulnerable youths who have limited formal education/IT literacy skills.

# WHAT IS THE TARGETING PROCESS?

Islamic Relief projects typically undertake a rigorous targeting process that involves the following steps:

**1) Geographic:** The first step is to identify areas with high levels of poverty. This is an important first step as it then allows for more detailed community consultations and surveys to take place. In some contexts, there is good national and regional data, so data can be used to target the most vulnerable districts and sub-districts. In other contexts, the process may be more qualitative and focus on key informant interviews or stakeholder workshops to identify areas with high levels of poverty. While the aim is usually to identify the poorest areas, this needs to be balanced with practical and inclusion considerations, particularly if there are different ethnic groups living in different locations. For example, in Kenya, clan dynamics led to a decision to include all villages in a district. Islamic Relief Bangladesh has had similar experiences where some communities in a district have been excluded based on the vulnerability mapping exercise – in this case it was important to have the data to back up the targeting decision when engaging with local authorities.

**2) Define inclusion and exclusion criteria:** Well-defined selection criteria – defined through community engagement – minimise the possibility of exclusion and inclusion errors. Criteria should be defined drawing on community and wider stakeholder perspectives to ensure acceptance of the targeting results and avoid the potential for this to create tensions. These criteria must find a balance between rigidity and broad inclusiveness. Rigid criteria ensure accuracy but can lead to exclusion of vulnerable households and lower the final number of participants. In addition, they can drive up costs by requiring intensive staff verification. On the other hand, broad criteria can lead to inclusion of households that are not the poorest, resulting in inefficient use of programme resources.

## GRADUATION IN PRACTICE: INCLUSION AND EXCLUSION CRITERIA – ISLAMIC RELIEF MALI

### Exclusion

- Ownership of agricultural land
- Ownership of agricultural equipment
- Ownership of cows

### Inclusion

- Targeting of people falling into one or more of the following: widows, persons with disabilities, the elderly
- Household with income less than the international extreme poverty line (1.25 USD per day)
- Larger households (more than four family members)
- Household that cannot secure three daily meals for the family
- Household that cannot secure children's education
- Household that cannot ensure family health

**3) Community based targeting process:** This is a process whereby community members draw on the knowledge of the households in the community and use the inclusion/exclusion criteria to identify the most vulnerable households. An inclusive and participatory RH selection process ensures fairer and more accurate targeting. It is important to ensure consideration of marginalised people such as the elderly, minorities, and people with disabilities.

## GRADUATION IN PRACTICE: COMMUNITY ENGAGEMENT IN TARGETING – ISLAMIC RELIEF MALI

**Challenge:** Islamic Relief Mali aimed to engage the community in its targeting process to ensure buy-in and accuracy.

**Practice:** The town halls have provided village household lists. Based on these, an identification committee was set up in each village to ensure fair and inclusive targeting. These committees proceeded with the RH targeting and selection based on agreed inclusion and exclusion criteria. The list of selected households was then validated during a village assembly in each intervention village.

**Takeaways:** The process enabled a targeting process that was accepted by the community, avoided beneficiary duplication and minimised mistakes – particularly excluding households that should have been included.

**4) Survey:** A household survey is used to triangulate data from the community-based targeting.

**5) Verification:** Selected households are visited to verify that they should qualify. Community leaders should be part of this process.

**6) Appeals process:** The role of the feedback and complaints mechanism is critical right from the onset. It gives comfort to community members that they can appeal against the selection process. The role of MEAL also supports the verification process of selection and ensures fair and correct selection. This adds to the community acceptance.

**7) Determining numbers of participants in a location:** The targeting process identifies households that qualify for participation. However, budget restrictions and decisions to spread a project among villages, or high levels of poverty, may mean that it is not possible to include all qualifying households. In this case, there are two strategies that can be used:

- fill up the project village by village, so that all eligible households in a village are included
- use a quota system to include only a certain number of households from each village. In this case, the coordination/sharing of information with other actors may allow for these households to be included in another project.

## CONTEXT CONSIDERATIONS

Many Graduation projects seek to target specific vulnerable groups (women, orphan families, people with disabilities etc). The targeting criteria and process should be adjusted according to the specific target groups. In addition, the physical environment and social dynamics in different locations can influence targeting criteria and the most effective tools to use. These are discussed in [Section 4](#).

# 7. SELF HELP GROUPS

## GOAL

SHGs are established as a foundational element in all Islamic Relief Graduation projects.

These are groups of 15 – 25 people (in the case of Graduation projects usually women) who meet weekly (sometimes fortnightly). The groups provide a structure to support multiple aspects of a Graduation project:

- facilitate group-based savings and revolving credit to enable improved financial management, income smoothing, risk management and investment.
- are a venue for the delivery of training
- facilitate regular contact with Islamic Relief staff to enable monitoring and support
- build connections between RHs, facilitating learning, confidence building, problem solving and collaboration.
- enable collective voice, action, and advocacy.
- provide a structure to support participants beyond the project duration and support sustainability of outcomes.

Note that there are some important differences between the Islamic Relief SHGs to the savings and credit groups (e.g. Village Savings and Loan Associations (VSLAs)) that may be facilitated by other organisations in the countries in which Islamic Relief operates. These Guidelines referring to SHGs include all types of savings and credit groups, and where differences are present these are noted and discussed.

These Guidelines provide an overview of the steps involved in setting up and facilitating SHGs but are not intended to be step-by-step instructions. While Islamic Relief does not have standardised resources on setting up and facilitating SHGs, there are useful resources created by the Islamic Relief Bangladesh team, as well as **external resources** on SHGs. There is also a wealth of resources on savings groups, for example the World Vision **Savings for Transformation Implementation Guidance** or the Shariah-compliant **VSLA training guides**.

## TIMING

SHGs should be established as early as possible and, if successful, will continue to function beyond project completion. The first two or three meetings are focused on establishing the groups and training leadership. Savings start after this, with access to small loans from the savings commencing after some capital has been accumulated.

### GRADUATION IN PRACTICE: USING SHGS TO ACCESS INTEREST FREE LOANS – ISLAMIC RELIEF BANGLADESH

**Challenge:** While Bangladesh has a well-established network of microfinance providers that reach deep into rural areas, these providers charge interest.

**Practice:** Other Graduation programmes in Bangladesh (eg BRAC) link to existing financial service providers to enable access to savings and loans. Given the importance Islamic Relief Bangladesh places on alignment with Islamic values, it wanted to ensure that RHs gained access to interest free (Shariah-compliant) loans. Islamic Relief Bangladesh therefore took the decision to facilitate the establishment of SHGs to provide access to interest free savings and loans.

**Takeaways:** SHGs have proved to be an effective mechanism to facilitating access to financial services. They also bring many other benefits that reinforce the aims of the GA. The ability to access interest-free loans has also proved to be very attractive to RHs.

## GROUP FORMATION

Effective groups are formed among members with trust and connection and who have a willingness/motivation to participate. Many communities have existing groups, and it may be ideal to build on these structures. Where these groups have a mix of economic levels, extreme poor participants may benefit from the experience of more financially stable members. However, in general Islamic Relief's experience has shown that homogeneity and familiarity are important, that and generally SHGs are formed with RHs targeted for their poverty status. While there is some experience of mixed gender groups internationally, Islamic Relief focuses on women. In rural communities, there is likely to be familiarity, but this may not be the case in urban communities, where more effort may be required to build connection and trust. While groups may form between members who are undertaking similar IGAs, geographic proximity is normally the main criteria for the formation of most groups.

There is a rigorous process of group formation and training undertaken by Islamic Relief field staff.

## WEEKLY MEETINGS

Best practice is for SHGs to meet weekly in the first year, although this may be challenging in some contexts. This is important to enable the mobilisation of savings, and to build the connections that are important in the Graduation process. Group meetings should be attended by the field officer in the first year. As the group strengthens, the role of Islamic Relief staff shifts from coaching to monitoring and the meetings can be attended less frequently.

## FINANCIAL SERVICES

A core role of SHGs is to facilitate regular savings by RHs, manage a rotation loan fund that lends the accumulated savings of members, and supports an emergency fund at a group level or a more formalised takaful insurance fund at a group apex level. As part of this, Islamic Relief places an emphasis on training SHGs and staff on Islamic Finance practices, otherwise – given the ubiquity of interest – this is often the default practice. The details of these are discussed in the section on **Section 10** on Financial Inclusion.

## PLATFORM FOR SHARING, ADVICE AND LEARNING

The regular group meetings create a space where members can share their challenges and experiences and solve individual and collective problems. Where there are several members undertaking the same IGA, conversations can be organised to focus on specific IGAs. The mentor/coach has an important role in supporting these conversations.

The meetings can also be used for more formal delivery of training, for example with the integration of short training sessions into regular meetings, or through reinforcing/refreshing external training.

## COLLECTIVE VOICE AND ADVOCACY

As the trust and confidence of group members builds, groups often serve a role to support member 'voice' and collective action. Collectively, the group can advocate for individual members, connect members to services and ensure that the views/perspectives of members are represented to community structures or fora. Often, for example, group members over time take on leadership positions in community structures such as school committees or take an active role in ensuring that group members are linked to available government services.

## GROUP QUALITY AND SUSTAINABILITY

The GA places a strong emphasis on sustainability. One channel for this is through the SHGs, which, in many cases, continue to function or grow many years beyond the end of the project, and, in some cases, support the formation of new groups for non-target members.

A key principle is that the groups need to be useful to members to continue. Ensuring a mix between a focus on members' needs/issues, external training and support, and linkages to external resources and collective action has been shown to be important.

Having clear quality standards to monitor progress towards the effective functioning of the groups is important (see below example from Islamic Relief Bangladesh).

### GRADUATION IN PRACTICE: QUALITY STANDARDS FOR SHGS – ISLAMIC RELIEF BANGLADESH

**Challenge:** SHGs are an important element of Islamic Relief's GA. How can we ensure these groups are effective?

**Practice:** Islamic Relief Bangladesh assesses the 'health' of SHGs using a checklist to assign a score of A – D, with 'A' being the best performing (see Annex D). The assessment is conducted three times during the project – a few months after formation of the group, 12 – 15 months into the project, and again at Graduation. The areas of assessment are:

- governance
- operation and management (compliance, attendance, minutes, decision-making, conflict management and collective action)
- financial management (savings, loans given/repaid, accounting system, group bank account, IGA management, fraud prevention)
- external relations and Shariah compliance (practice Shariah compliant, relations with Islamic Relief, links to service providers, complaints/feedback mechanism).

**Takeaways:** A focus on quality is essential in realising the value of SHGs. The Islamic Relief Bangladesh model is an effective and practical system.

## OPERATIONAL CONSIDERATIONS

The structure of weekly meetings works well in contexts, such as Bangladesh, which are densely populated. In other contexts, large distances and lack of transport may make it difficult or costly to organise these meetings and for Islamic Relief staff to attend. A number of practical points can be considered to improve efficiency and reduce costs:

- **Adjust group size:** Where distances are far, it may not be feasible to form a group of 20 – 25 people; smaller groups can be considered.
- **Use community volunteers/mobilisers:** A person with a high school education living in the community can be given training and a stipend to support the project, taking on coordination, some monitoring, and supporting alternate SHG meetings once the group has been trained and is functioning well. It is preferable for the group to continue meeting weekly with the support of a volunteer rather than to reduce the frequency of meetings themselves.
- **Use of mobile money:** This can speed up the financial transactions during the group meetings, allowing more time for training and the valuable interactions between members, and reducing meeting times.
- **Establishing sub-groups:** Sub-groups work to build closer connections between members who live close to each other or undertake similar IGAs. This creates an additional layer of connection so that members can support each other, share experience and learning.

## FEDERATING SHGS

In some contexts, Islamic Relief supports SHGs to federate into apex bodies – a central organisation made up of representatives from multiple SHGs in an area. These apex bodies play multiple roles, building on the functions of SHGs. For example, funds can be pooled into a takaful microinsurance fund – allowing for greater accumulation of funds and spreading of risk. The apex can strengthen the advocacy and relationship-building role of the SHGs through its representation of many members and its ability to identify and support common issues. This may include promoting the SHGs and the needs of their members to government and other institutions and connecting SHGs to available services. Apex bodies also play a role in collective purchasing to sell on to members or bulking and collective marketing.

### GRADUATION IN PRACTICE: FEDERATING SHGS – ISLAMIC RELIEF BANGLADESH

**Challenge:** A number of the functions of a SHG can be strengthened and leveraged through federation.

**Practice:** A SHG apex body is a formal body coordinating and supporting SHGs present within an area registered with the government's local co-operative department. Each SHG has representation on the apex and leaders are elected and provided with training such as leadership development, financial management, resources mobilisation, documentation etc. An executive committee/governing body is formed to manage processes and policies.

The apex has a coordination and management responsibility to support SHGs within its area. It also has its own IGAs, such as a shop. The apex provides information to SHGs and advocates on behalf of its members.

Islamic Relief Bangladesh nurtures these apex bodies and empowers them in a way so that they can take over the responsibilities of SHG operations at the time of project phase-out.

**Takeaways:** Federating SHGs into apex bodies has proven to be a successful approach to supporting the long-term sustainability of SHGs as well as amplifying efforts on social empowerment and advocacy.

## MODIFYING VSLAS TO BUILD IN KEY ELEMENTS FROM SHGS

SHGs and other types of savings and credit groups, such as VSLAs, are formed in similar ways and both promote savings and manage an internal loan fund. There are some key differences where small modifications to the VSLA approach may be beneficial.

- SHGs build up capital over time, enabling them to increasingly meet the needs of their members for loans for investment and household consumption. VSLAs are structured to have a regular cycle at the end of which all loans are repaid, and funds are distributed to members. This has an important auditing function, ensuring that all funds are accounted for. However, it results in decapitalisation of the group.
  - Encourage members to save a proportion of their 'payout' in the group. This will ensure that the group is not decapitalised while retaining the audit function of the payout.
- SHGs encourage members to save the equivalent of their asset transfer. Once the target amount has been reached members are able to take this capital to reinvest in their IGAs.
  - Highlight the need to save for re-investment, as well as for emergencies and household needs. When VSLA payouts are made, support members to separate their money into three pots: capital to reinvest in IGAs, funds to use for household needs, funds to reinvest as savings into the VSLA to re-capitalise the group and ensure that emergency funds are available.

# 8. PILLAR 1: BASIC NEEDS AND SOCIAL PROTECTION

## GOAL

A first step for Graduation projects is to ensure stabilisation of participant livelihoods and address pressing basic needs so that RHs are able to focus their time and energies on productive activities.

Beyond this immediate goal, the social protection focus aims to support participants mitigate risk, reduce vulnerability to shocks and gain access to resources and support as a safety net when shocks occur.

This section discusses three areas of activities that contribute to these goals:

- supporting consumption and livelihoods stabilisation
- addressing immediate needs and barriers to participation
- building resilience and risk management.

## TIMING

The stabilisation element needs to be addressed early in the project, prior to asset transfer, while the risk management element is an ongoing intervention throughout the project period.



## CONSUMPTION SUPPORT TO STABILISE LIVELIHOODS

### PURPOSE

Consumption support provides households with additional, regular income that addresses

immediate household consumption needs for a period of time until income from the IGA is sufficient. Consumption support may play several roles in helping to stabilise RH livelihoods in advance of asset transfer:

- Addressing pressing consumption needs, such as for basic food and nutrition, will reduce the risk of funds being diverted into consumption.
- Addressing pressing basic needs, such as access to health care or making emergency repairs to housing, can reduce immediate risks to households that might prevent them investing successfully in an IGA.
- Support (in cash or kind) can supplement income lost when RHs start to invest time in managing an IGA and sacrificing other income sources such as day labour.
- Stabilisation of income through consumption support can provide funds for RHs to be able to start saving regularly.

### ACTIVITIES

The most common form of consumption support in Graduation projects is a small cash payment given on a regular basis (ideally weekly or every two weeks) and paid for a fixed period of time (often three to nine months). Islamic Relief supports the principle of cash-programming, which can be a powerful tool in supporting RHs' agency and control of decisions that affect their lives. Cash support provides greater choice, flexibility and dignity for RHs, is more cost-effective for the project and can support local markets as the cash tends to be spent locally. There are risks, most notably logistics and theft, fraud or diversion to non-productive uses, but these can be mitigated through planning and monitoring.

Non-cash methods can also be used to support short-term income generation that will provide a small regular income to stabilise RH livelihoods. These may include:

- community works schemes that provide short-term employment (paid in cash or food) for vulnerable households. While this may achieve the objective of supporting income, it requires RHs to devote time and therefore reduces time available for other IGAs
- support of seeds and training to establish a vegetable garden to provide improved nutrition for RH families
- provision of small asset transfer early in the project to allow for investment in an IGA that will generate a rapid return and regular income (eg seeds for vegetable garden, petty trading, chickens etc). This has the advantage of supporting longer-term income generation, but is less reliable in terms of providing a regular income to stabilise livelihoods
- facilitating linkages to support access to available government social protection grants (eg emergency support, child support, widows' allowance, pension). This may be viable in some cases and can support sustainability, but it unlikely to be available for all RHs



## ADAPTING TO CONTEXT: SETTING THE VALUE AND DURATION OF CONSUMPTION SUPPORT

The following points should be kept in mind when calculating the amount of direct, in-kind or cash support for households:

- The current income level of the household and how much of it will not be available due to participation in the Graduation project, for example benchmarking to day labourer rates.
- Average household size in the area.
- The consumption needs of the household, calculated using standard accepted methodologies such as the **Minimum Expenditure Basket**.
- Comparable levels of support provided by government or other programmes, such as the WFP, or by minimum wage levels. Where available, these levels may need to be aligned with the food, nutrition, shelter or health clusters in a country.
- Other sources of income available to households, through labour, remittances, social protection schemes, etc.
- Access to food sources, including subsistence farming and kitchen gardening.
- Seasonal considerations, such as lean periods when agricultural productivity is low, or crises levels affecting natural resources or water availability.

Adapted from World Vision Ultra-Poor Graduation Handbook

## CONSIDERATIONS

**Consumption support depends on the level of vulnerability.** Whether support is required and by whom, the amount paid, and its duration depends on the level of vulnerability of the RHs targeted. In some cases, it will be paid to all participants, in other cases, it may be paid to those with the greatest need only

**Support should be structured to fit with cash flows, risk and purpose.**

Given the intention to support household financial needs and financial management, consumption support should be designed to produce a regular income. Where distributed in cash, this should ideally be weekly or fortnightly to support day-to-day financial needs without RHs having to manage finances over a longer period. Where used to support savings, the frequency should fit with that of the SHG meetings.

- **Support should be time limited to encourage a focus on self-reliance and sustainability.** A clear timeline for when this would no longer be needed should be set (typically three to nine months). This should be linked to household income streams (eg when the IGA starts to produce an income).
- **Distribution channels should be adapted to fit with context.** Distribution of consumption support in cash can be challenging. Common mechanisms include their project activities and available mechanisms such as distribution of cash at SHG meetings, use of mobile money or payment into bank accounts.

## GRADUATION IN PRACTICE: TARGETING CONSUMPTION SUPPORT TO THE MOST VULNERABLE – ISLAMIC RELIEF

**Challenge:** The Islamic Relief Bangladesh SUPPORT project targeted households living in extreme poverty but recognised that the needs of these households varied.

**Practice:** The project identified that 457 RHs (out of 3,000 participants) required a cash stipend to supplement their income during the first year of the project due to the irregularity of their income.

**Takeaways:** Vulnerability, even among the extreme poor, varies. Graduation projects can vary the intensity of support given to RHs within a project.

## GRADUATION IN PRACTICE: TIMING CONSUMPTION SUPPORT TO NEED – ISLAMIC RELIEF NIGER

**Challenge:** High seasonal vulnerability during the 'hungry season' meant that livelihoods could not be stabilised in one year.

**Practice:** Rather than paying consumption support only at the start of the project (which is common in most Graduation projects), Islamic Relief Niger identified that consumption support was required during the lean season for three months in both the first and second year of the project. This is a period where income is very low, and this action helped to avoid RHs employing negative coping strategies.

**Takeaway:** To achieve the 'stabilisation' objective, consumption support should be structured to fit with the local context and needs of RHs.

## CONTRIBUTION TO OTHER PILLARS

While usually seen as a social protection measure, consumption support may also contribute to all the other pillars:

- **Livelihood promotion:** Consumption support may be used in some instances to support investment in an IGA or other productive activities.
- **Financial inclusion:** Consumption support is often an important facilitator of regular savings in the early part of the project. By providing a regular and predictable income, it also helps to build planning and financial management skills.
- **Social empowerment:** The utilisation of consumption support starts to build RH autonomy and confidence. It also reduces their need to seek support from neighbours, raising dignity.



## ADDRESS IMMEDIATE BASIC NEEDS AND BARRIERS TO PARTICIPATION

### PURPOSE

The nature of extreme poverty means that in most contexts there will be barriers and risks that are likely to limit the ability of RHs to take up the opportunities created by the project or would undermine their success in the project.

### ACTIVITIES

Projects should seek to address pressing barriers or risks through partnerships and linkages, or where not possible, by including additional elements into the project design. For example:

1. **Addressing barriers:** Islamic Relief Mali provided training to address adult functional numeracy, which was identified as a barrier to RHs engaging in trading activities. Similarly, Islamic Relief Bangladesh identified that poor eyesight was a major barrier to productive activity for older people and provided cataract surgery as a productive investment for some RHs.
2. **Addressing risks:** In some contexts, there is a need to address immediate risks that might lead to loss of income, such as exposure to environmental risks through poor housing or unsafe drinking water. In some contexts, Graduation projects have provided water filters, or support with emergency housing repair.

### PRINCIPLES

**Focus only on stabilisation needs:** There are many factors that affect the lives of poor people living in extreme poverty, with basic needs often not being met. It can therefore be tempting to try to address many of these in a Graduation project. However, this risks adding to the costs and complexity of the project and reducing the focus on the core elements needed to build sustainable and resilient livelihoods. For example, some Islamic Relief projects have included support for local schools and books for children. While education is of course a core element of the long-term prosperity of the household and the community, school attendance and household investment in education are usually seen as outcomes of successful Graduation projects, rather than inputs.

**Consider community level support:** In some cases, there may be logic in supporting needs at a community, rather than individual, level. This may have the added benefit of creating positive support from the wider community. For example, Islamic Relief Sudan supported the rehabilitation of water points, providing water for irrigation and livestock.

**Prioritise linkages:** A key principle building sustainability through the GA is to build on and reinforce local resources. It is thus better to link RHs to existing services or support than for the project to provide them.

### CONTRIBUTION TO OTHER PILLARS

Removing barriers and reducing risks are important for enabling livelihoods promotion. These steps also broadly contribute towards social empowerment.

# BUILDING RESILIENCE AND RISK MANAGEMENT

## PURPOSE

In the long-term, the social protection pillar seeks to ensure that households are able to manage risk and cope with shocks when they occur in the future. This is therefore a key element of project sustainability.

## ACTIVITIES AND PRINCIPLES

Risk of harm is related to the likelihood that a potentially damaging event or activity will occur and RHs will be exposed and vulnerable to the risk. Projects may therefore take actions to reduce hazards, reduce exposure and to reduce vulnerability.

Several activities in Graduation projects help reduce exposure to risk and ability of RHs to manage and recover from shocks through increasing financial resources, building the skills and practices to reduce exposure to and vulnerability to shocks, and building social capital, community engagement and links to government entitlements and services.

**Build capacity to manage risk and adapt to changing environments:** RHs living in extreme poverty are vulnerable and need to be cautious about taking on risky ventures. They therefore need to balance the potential returns of investment in an IGA with the impact if it fails. While there may be opportunities to invest in higher return activities, lack of familiarity with these may expose participants to greater risk; the choice of activities therefore needs to consider both risk and return along with changes in the economy and the environment. Training and mentoring can equip RHs with practical skills to identify, prepare for and respond to risks, improve decision-making in their investments and reduce the risk of resorting to negative coping strategies in the event of shocks and stresses. The project can lower risk through training, support and linkages, for example by providing extension or veterinary services. Organisation at a community level, such as DRR committees can support risk management and responses, involving communities in the identification and management of risk. A focus on conflict sensitivity can reduce the risks associated with intrahousehold and community-level conflict.

**Accumulate savings:** Regular saving in savings groups is an important early activity in Islamic Relief Graduation projects. While there is an important principle that even the poorest families can save something, these amounts will not be sufficient to enable the SHG to establish an effective emergency or revolving loan fund. As discussed previously, savings can be facilitated by the provision of a small cash-stipend that is in place until income starts to be generated.

**Access to emergency funds and insurance:** SHGs generally provide emergency support for members who experience a shock through a separate fund that all members contribute to. The ability to manage risk is enhanced where this is spread across more people, and when SHGs come together in a federation or apex body there is an opportunity to structure a more formal microinsurance fund (takaful).

## GRADUATION IN PRACTICE: POOLING RISK THROUGH A TAKAFUL INSURANCE FUND – ISLAMIC RELIEF BANGLADESH

**Challenge:** SHGs can set up an emergency fund, but the amounts collected are limited relative to the shocks that members might face.

**Practice:** Mature SHGs federate into apexes which can set up takaful insurance funds. This pools contributions from multiple SHGs allowing for accumulation of a larger amount of funds and enabling the fund to respond to more significant shocks.

**Takeaway:** There is a limit to what can be achieved in terms of managing shocks at a household or SHG level. Pooling RH resource is an important way of addressing this.

**Address known risks (eg health, WASH):** Beyond pressing needs supported in the stabilisation phase it is essential to identify and find ways to address a range of risks that RHs face. For example, health issues are one of the key drivers internationally of households falling into poverty and a key risk factor for Graduation. It is important to assess the extent to which RHs are exposed to these risks, their access to existing services that address these, and the extent to which linkages can be facilitated by the project. For example, Islamic Relief Niger addressed health risks through awareness raising and referrals. Some risks can be addressed through awareness raising/training. But others such as access to health services require more sustainable solutions.

**Linkages to support access to basic services, government grants and safety nets:** Graduation projects can contribute to long term sustainability of outcomes by facilitating linkages with available government, private sector and NGO services. Services such as health care and education are important for long-term resilience. Government cash transfers, food assistance, insurance, or other forms of support can supplement income, particularly in times of crisis.

## GRADUATION IN PRACTICE: ADDRESSING FOOD INSECURITY WITH A FOODBANK – ISLAMIC RELIEF BANGLADESH

**Challenge:** RHs periodically experience short-term food shortages due to irregular income or shocks. They lose dignity asking neighbours to support them at these times.

**Practices:** SHG members contribute rice during weekly meetings to a common store, which can be accessed by members in times of need. This supports food security and reduces worries about food of the project RHs during the lean period or rainy season or when the main earner is sick. This also upholds their dignity as they don't have to go to others to borrow rice and bear the potentially insulting attitude of the lenders or undertake wage free labour in exchange for receiving the food assistance/loan. There is no pressure of repayment or returning rice of same quality. A simple management system is followed for the process by the SHG members themselves.

**Takeaways:** The food bank is an effective mechanism to respond to a periodic, but not catastrophic, need and build solidarity between RHs.

## CONTRIBUTION TO OTHER PILLARS

A focus on resilience and risk management contributes to the fulfilment of other pillars:

- **Livelihoods promotion:** A focus on risk management and diversification strengthens IGAs in the long-term.
- **Financial inclusion:** Improved decision-making in use of financial services to manage risk.
- **Social empowerment:** Builds autonomy and confidence at an individual level.

## CONTEXT CONSIDERATIONS

Basic needs and access to social protection can vary between different target groups (women, elderly, people with disabilities, youth etc.). Available services and fulfilment of basic needs and risks faced by RHs varies by location. **Section 4** discusses the context adaptations for this pillar.



# 9. PILLAR 2: LIVELIHOODS PROMOTION

## GOALS

The livelihoods promotion pillar of a Graduation project supports RHs to build reliable, regular and resilient income streams that meet their basic needs throughout the year.

Livelihoods promotion is not just about increasing income and should also consider risk and resilience. Households living in extreme poverty have few productive assets, irregular, unpredictable and low incomes, and can take few risks trying new livelihoods options. In addition, they often lack confidence due to their poor social standing, exposure to repeated shocks, the burden of indebtedness, and an uncertain future. Women are time-poor, devoting much of their days to unpaid care work and household chores, reducing their ability to engage in productive livelihoods.

## TIMING

While some projects provide a small initial grant to support investment in IGAs with a fast return to support daily household needs, in most context support for IGAs starts some months into the project after stabilisation and training. A balance must be found between investing time to support RHs to make good choices about what IGA to invest in and building their skills to manage them well and having sufficient time to implement the IGA in practice and get 'on-the-job' support for successful management and growth. As a rule of thumb, at least 12 months should be allocated for support following asset transfer.

## DESIGNING LIVELIHOODS INTERVENTIONS

For households grappling with limited resources and opportunities, finding sustainable and low risk ways to generate income is an important step towards improving quality of life and building long-term resilience. The livelihoods promotion component aligns with the Food Security and Livelihoods approach used widely within Islamic Relief, which emphasises the inter-connectivity of food security, nutrition and livelihoods. Key considerations include:

**Building on local priorities:** Islamic Relief needs to understand the unique skills, assets, and local market dynamics within the community to identify feasible and impactful IGAs to support. It is important that the livelihoods options selected are based on RHs' knowledge and experience of what IGAs are viable, combined with a wider market assessment that considers market potential, risks of saturation, technical challenges etc. Assessment data should be used to identify IGAs that align with the specific profile and needs of the target population while ensuring their long-term viability. These might include both **self-employment** and other forms of **employment**.

**Balancing risk and return:** There is a delicate balance between potential investment returns and risk mitigation, given the fragile economic situation of extreme poor households. Investments must be evaluated to ensure they offer realistic returns without exposing households to undue risk or vulnerabilities – new technologies or entering new markets may be too risky, as may be entering those potentially under threat from changing economic or environmental circumstances. Diversification is an important risk management strategy. By prioritising risk management alongside income generation, Islamic Relief can ensure that livelihoods interventions provide a stable foundation for sustainable progress, even in the face of adversity.

### ADAPTION TO CONTEXT: GRADUATION 'EMPLOYMENT TRACK'

Most Graduation projects tend to focus on self-employment as opportunities often prove quicker to develop and entail fewer entry barriers. However, in urban contexts, or youth-focused projects there may be opportunity and demand for supporting other employment pathways, such as vocational training or apprenticeships. Employment may offer help to support stable incomes, provide access to benefits, and have potential for career growth.

Wage employment includes salaried or hourly rate work for an employer, such as a factory, hotel, hospital, restaurant, farm, or construction company. Factors to consider when assessing the suitability of wage-employment includes the type of contract, security of employment, workers' rights, health and safety regulations, and employer ethics. Formal employment will often have high entry barriers, related to education or skills, but may provide greater security and benefits in the long run.

**IGA assessments:** Key factors to consider include assessing the local market demand for goods or services, the availability of necessary resources, the existing skills and capabilities of the target population, and the potential for sustainable income generation. Additionally, factors such as scalability, market trends, competition, and the potential for value addition play an important role in determining the feasibility and long-term viability of each livelihoods option. Livelihoods options in the short list should:

- provide regular and sufficient income to cover household expenses
- be safe, environmentally friendly, legal, and sustainable
- be viable, ie production is feasible, output is marketable, and livelihood is socially acceptable (eg does not deal with Islamically-unacceptable activities)
- engage adults of legal working age and not promote child labour
- help empower women without becoming an undue burden on them.

## ADAPTING TO CONTEXT: SELECTING APPROPRIATE IGAs

### Viability of livelihoods options

The viability of a livelihood is determined by three main criteria which vary by context:

- Marketability determines whether there is sufficient demand for the livelihood. The market assessment will help identify marketability and provide information on competition, pricing points, demand, quality requirements, and future potential for the livelihood.
- Feasibility determines whether the good or service can be produced without any harm. The feasibility assessment examines a range of factors affecting production, such as availability of land, natural inputs (eg water), other inputs, such as extension services, as well as skills needed to develop the livelihood. Feasibility assessments should also provide an indication of the impact of the livelihood option on natural resources, and whether there are any risks in terms of climate change on future production levels.
- Acceptability of options in the local context and practicality for participants to successfully engage in the livelihood. Cultural sensitivity may relate to gender relations or social status which allows or prevents certain groups from carrying out activities such as selling goods in a market. Practical considerations involve assessing how much extra time a livelihood activity involves and whether this places an unacceptable additional burden on women or children.

### Identifying livelihoods options

Selecting the right livelihood to include in the list of options requires a careful screening process that reduces a long list of options to a final short list of up to 10 livelihoods activities. The three steps involved in developing the list are:

1. Creating a long list: List all livelihoods options possible, now and in the future. This includes products which may be a by-product or additional service needed in a value chain, such as organic fertiliser (a by-product of keeping livestock). This list should be checked for any known risks, such as negative impact on women or children (for instance, by forcing them into labour) or environmental destruction, so that they can be eliminated.
2. Assessing a short list: The short list of livelihoods options may contain between 15-30 options which look possible and need to be evaluated for their profitability and viability. Using the information in the assessments and by consulting with key informants, examine the options for viability including:
  - Marketability: Is there sufficient demand for each product?
  - Market saturation: What effect would an increase in supply of the product or service have on demand and price?
  - Market access: Where are the buyers for the product or service? Can Graduation participants access these buyers?
  - Feasibility: Can extreme-poor households produce the good or service on a regular basis without harming natural resources?
  - Acceptability: How acceptable is the option in the context?
  - Risk: What are the risks affecting this livelihood?
3. Generate the final list of livelihood options: Each option in the short list needs to be evaluated for its business potential. Based on the market, production and risk information, calculate the expected:
  - Profit: How long will it take for the livelihood to generate a profit for each household? How much profit can the household expect for the first 18 months of this livelihood? Note that profit is gross income (or sales) minus expenses (costs).
  - Return on Investment: How long will it take for the livelihood to begin generating an income? Is this soon enough for the household to generate the income it needs to cover its expenses? Note that the recommended time frame is three to six months.
  - Other costs and resource requirements: What are the costs involved in providing this livelihood package and do these fall within the programme budget? What other resources, such as space or inputs, are needed?

### Long List

- Break down each livelihood by product or service
- Identify complementary products, inputs
- Identify services (sorting, cleaning, transport)
- Remove high-risk options for vulnerable groups

### Short List

Check options for marketability, access, risk, feasibility, and market saturation

### Final List

Narrow options by viability and practicality

# SUPPORTING IMPROVED PRACTICES AND DECISION-MAKING THROUGH TRAINING AND COACHING

## PURPOSE

Graduation projects should ensure that RHs have the skills to effectively invest in an IGA, and to manage this in the context of predictable and unpredictable challenges and emerging opportunities. All participants should receive a core training in business/entrepreneurial skills, and this should be reinforced through 'learning by doing,' facilitated by coaching visits and SHG meetings.

## ACTIVITIES

**Business and entrepreneurship training:** Training should respond to specific capacity needs and context identified through the assessment. Typically, these include:

- expanding, diversifying and marketing on-farm activities
- basics of business management, including market assessment, identifying required skills, resources and inputs, diversification, business planning, budgeting
- balancing investment with risk as part of a risk management strategy.

## GRADUATION IN PRACTICE: VOCATIONAL TRAINING – ISLAMIC RELIEF KENYA

**Challenge:** How should we respond to the interests and opportunities available for youth?

**Practice:** Islamic Relief Kenya is supporting employability for young people in Wajir country. The project provides skills training to a targeted cohort of 50 young women and men. This covers a range of vocational skills, including essential construction techniques, such as wall and floor tile fixing, plumbing, and roof construction, as well as contemporary and sought-after proficiencies like solar installation, motorbike repair, and tailoring. Successful completion results in formal certification, significantly enhancing participants' employability.

Following training the project provides start-up kits and grants to trainees, with additional support on business acumen, covering areas such as record-keeping, customer care, and strategies for business diversification. This positions participants for integration into the labour market.

**Takeaway:** Vocational training supports both self-employment and other forms of employment, focusing on areas with significant entry barriers (ie training, experience and equipment is required). Where well designed and focused on activities with market opportunities, this training can be an effective way to create long-term sustained outcomes, particularly for youth. By targeting women, the strategy can also promote their participation in areas traditionally dominated by men.

Training may be delivered through centrally-delivered training days or integrated into SHG meetings. In either case, the sessions will be reinforced through individual coaching visits and SHG discussions that can support the translation of knowledge into practice.

**Technical training:** While RHs should be given the choice of what IGA to invest in, Graduation projects will typically identify a small number of activities (no more than 10) that can be supported by the project through specialised technical training and extension support.

## ADAPTING TO CONTEXT: DEVELOPING CONTENT FOR TECHNICAL TRAINING

Each livelihoods option will involve a certain level of skill and capability to produce and market the product or service. Technical training involves building knowledge on how to manage a livelihood (eg disease prevention, feeding practices) and business skills on selling and buying in the market. It can also impart important information to participants, such as where markets can be found or news about a useful technology. During the design phase, both the training content as well as the delivery mechanism are considered and outlined.

To ensure sustainability and efficiency, consider options that link to existing service providers and local experts for the delivery of training, such as:

- peer-to-peer learning through farmer field schools
- government or NGOs that offer free training to farmers
- formal training institutions, which may charge for training or offer pro-bono services to
- community members
- apprenticeships that offer on-the-job training in a particular livelihood.

Source: World Vision Ultra-Poor Graduation Handbook

**Coaching:** Training provides RHs with knowledge and an understanding of its relevance. There is a big step up to applying the training in practice. A key role of the coach is therefore to support learning by doing, observing what the RH is doing, discussing training messages, reminding participants about content to support this translation of knowledge into practice etc.

## CONSIDERATIONS

The aim of these activities is to ensure that RHs have the knowledge and skills to implement their IGA. It is important to focus on the application of these skills in practice as well as the during training element. Learning by doing through observation and the support of coaches and through discussions in the SHG meetings are important elements to enhance application.

# BUSINESS PLANNING AND SELECTING APPROPRIATE IGAS

## PURPOSE

It is important that RHs think through the benefits and challenges of different IGA options to make an informed choice. Often participants will select an activity which they are familiar with, rather than making an informed decision.

## ACTIVITIES

Islamic Relief staff should meet with RHs to explore possible IGAs and develop a plan for how the asset transfer will be used. The decision of what IGA to invest in should be that of the RH based on a careful process that takes into consideration the following points:

- identifying what IGAs are currently being undertaken that could be expanded or other IGAs that RHs may be familiar with
- discussions with the coach on potential investments to ensure RHs understand what is involved, are confident in the potential to make a return, and understand the risks involved (climate, market, supply chain etc.)
- exploring the trade-offs between risk and returns – familiar activities may be less risky but have a lower return. It is important not to disrupt existing IGAs
- identifying who in the household is available to undertake the IGAs
- exploring household need for diversification to reduce risk and to ensure that there are income streams that provide regular (daily or weekly) income as well as longer term investments that may provide greater returns.

Given the need to balance risk and returns, the tendency is to focus on more familiar activities, and for Islamic Relief to support selected activities, generally a number of similar activities will emerge that can be grouped into technical training. This should not prevent a more entrepreneurial participant from choosing an activity that Islamic Relief is not equipped to support.

**Collaborative IGAs:** In some contexts, there are limited opportunities for IGAs which leads to many participants selecting the same activities. While this can create challenges for diversification and market saturation, it also creates opportunities to support connections and collaboration between RHs. This also supports a potential for a greater focus on group coaching.

## CONSIDERATIONS

- **IGA selected** should be viable and capable of generating a profit for the household (take care to consider costs as well as income).
- **Allow RHs to choose their IGA:** Performance will be better if participants choose IGAs which they are familiar with or have confidence in undertaking; at the same time the project should identify a selection of viable IGAs for which training, and support will be provided.
- **Joint or group IGAs can be supported**, but these should not be compulsory. In most cases IGAs will be undertaken as an individual or family activity, but if RHs are interested in pooling resources and working with others in the project, the coach should help RHs identify the best arrangement for their own situation. Small 'partnerships' may have advantages in terms of combining capital to make larger investments, shared equipment, additional labour and ability to balance other commitments and increased resilience for example in the case of illness.
- **Watch out for market saturation:** Often there is a limited range of IGAs selected by RHs. This creates a risk of saturation. Projects should consider this and support RHs to avoid selecting IGAs for which there is no viable market.
- **IGAs should generate a return in a reasonable timeframe:** Normally IGAs should produce a return within three to six months; where RHs are able to diversify a longer-term return may be considered if there is another IGA that produces a short-term return.
- **Gender factors should be considered when choosing IGAs:** It is important that efforts to support livelihoods do not exacerbate existing gender inequalities for example by reinforcing gender stereotypes and biases or by creating an extra burden of work for women.

One of the success factors of the IGA when compared to many development projects is the focus on the individual participant – building on their skills, experience and interest and ensuring a sense of ownership and responsibility.



# ASSET TRANSFER

## PURPOSE

Graduation projects generally involve the provision of cash (or sometimes a physical asset) to support an IGA. This supports RHs to establish a new IGA, or to expand an existing one, or supports the costs associated with accessing waged employment.

## CONSIDERATIONS

Setting the size of the asset transfer: Careful consideration should be given to the amount transferred. This needs to be calculated to be sufficient to allow for investment and maintenance of the planned activity, so for example if a cow is being purchased, consideration should also be given to the costs involved in housing, fencing, veterinary care, provision of food etc. Factors to consider include:

- Asset transfer should cover the full cost of the activity. RHs can contribute in kind or time, but should not need to add financially
- Amounts need to be benchmarked to actual costs, so that adjustments can be made for inflation
- While it might be logical to vary the asset transfer amount based on activity, experience has shown that this leads to distortion of asset choice by participants. The amount should be the same for all participants, except in the case of people who need additional support eg to cover the costs of adjustments for a disability.

**Disperse assets as cash where possible:** Experience has shown that assets are best distributed as cash unless this is impossible. By disbursing assets as cash, greater flexibility is allowed for seasonality or changes in circumstances, allowing RHs to vary their plans based on reality/opportunities. Careful monitoring is required, but distribution of physical assets creates many operational challenges.

## GRADUATION IN PRACTICE: IMPACT OF INFLATION – ISLAMIC RELIEF MALI

**Challenge:** Inflation can mean that the cost of assets increases and the asset transfer value becomes insufficient for the intended productive investment, leading to smaller returns or RHs needing to focus on other activities.

**Practice:** Islamic Relief Mali's graduation model covered the transfer of productive assets including sheep, goats and fattening, poultry and inputs for IGAs such as petty trading, honey production and small-scale mechanics. Project delays meant that the cost of planned assets rose due to inflation, and the project budget was not sufficient to make adjustments. While this affected this component of the project, a number of mitigating measures were taken:

- The establishment of collective productive assets, such as market gardens and drinking water points for the whole community, helped reduce the expenses of beneficiary households.
- Purchasing productive assets at local markets, especially between members of the community, made it possible to obtain them at a reasonable price because those selling knew that they were for vulnerable groups.
- Mobilisation of- savings through the VSLAs and linkages to microfinance institutions helped RHs to access additional capital for investment.
- Training beneficiaries in marketing techniques, business negotiation, small ruminant fattening techniques and organic fertiliser production supported RHs to maximise the return on their investments.

**Takeaways:** Asset transfer is a significant project cost. It is important to recognise that a range of factors affect the success of IGAs when setting an appropriate asset transfer amount.

## ADAPTING TO CONTEXT: OPTIONS FOR ASSET TRANSFER

There are four main modalities which can be used for asset transfers:

- **In-kind transfer** where Islamic Relief procures and delivers the asset. This can cause logistical challenges and may distort local markets pushing up prices if bought locally.
- **Cash transfer** which enables the participant to buy the asset directly. Provided that local markets offer the necessary inputs or assets, this is powerful way to engage with markets, build negotiation and business skills, and establish a relationship with the vendor for future purchases. Use of cash can also reduce supply chain overheads and ensure that the right inputs or assets are purchased. However, cash carries risks such as exposing people to abuse or theft. Precautions are needed to ensure that the cash reaches the intended participant, is used to buy an asset, and that the participant is not exploited by buying poor quality inputs or over-paying.
- **Vouchers** to exchange at specified vendors. These address some of these risks of cash.
- **Interest-free loans** to be used by participants to buy assets and repay over a specified period. These are suitable for households that are slightly better off and are designated as 'fast climbers' in a Graduation project. If the ability of a household to repay a loan is uncertain at the onset of a programme, one option is to provide a primary asset as an in-kind or cash transfer with a secondary asset as a soft loan for those households that succeed in quickly developing the first livelihood.

Adapted from: World Vision Ultra-Poor Graduation Handbook

**Account for seasonality when timing asset transfer:** Many IGAs are seasonal – particularly agriculture. It is essential that this is considered when planning the asset transfer, so that these are disbursed at the right time. Careful project planning is necessary to avoid delays and/or to ensure that sufficient contingency time is included. There are countless examples of Graduation projects undermined by late asset transfer, with participants eating their seeds when they arrive after the planting season or businesses receiving stock after the holiday season when demand was high.

# ASSET GROWTH, MULTIPLICATION AND DIVERSIFICATION

## PURPOSE

It is important to support RHs to manage, expand and diversify their IGAs. Initial IGAs provide a platform for learning and building confidence so that participants can expand their livelihoods and income or diversify their income streams to higher value options.

## CONSIDERATIONS

**Consider supporting two asset transfers:** Many projects aim to support diversification and provide an incentive by supporting more than one IGA per RH (in one or two asset transfers). A smaller amount may support investment in an activity that will produce regular income within a short time (approximately a month). This might include on-farm activities such as raising chickens or vegetable gardening or off-farm activities such as agricultural processing, petty-trade, handicrafts etc. A larger amount may be invested in an IGA that takes longer to produce a return.

**Support reinvestment in the IGA:** RHs should be encouraged to use at least part of their savings in the SHG to reinvest in the IGAs. This ensures that the IGA is not decapitalised over time and creates an opportunity for growth and diversification. In Bangladesh, Islamic Relief considers reinvestment the 'rocket-booster' for RH IGAs. If money is reinvested, the capital injection of the asset transfer is maintained and acts as working capital producing ongoing returns.

**Budget for replacement of lost assets:** Some RHs are likely to experience loss of assets due to illness of livestock, crop failure, or damage to their business. While small losses can be addressed through savings or an SHG emergency fund, a contingency productive asset replacement budget (of 3-5 per cent of the asset budget) should be established to support participants who suffer major losses. Without this, a proportion of participants are unlikely to be able to recover from these shocks and will remain vulnerable and in extreme poverty at the end of project. There should be a contingency provision of at least productive asset replacement budget in a project in case of loss due to death/damage of live asset (cow/goat), disaster etc.

## GRADUATION IN PRACTICE: SUPPORTING DIVERSIFICATION WITH TWO ASSET TRANSFERS – ISLAMIC RELIEF SOUTH SUDAN

**Challenge:** Households living in extreme poverty cannot take risks with their IGAs, even if they promise greater profits or help reduce risk through diversification.

**Practice:** In South Sudan, the main IGA for most RHs is cattle rearing. This is an activity they are comfortable with. To support diversification into less familiar activities the project supports a second asset transfer, and then encourages reinvestment of savings into an increasingly diversified set of IGAs. An example of this might be:

- First asset transfer: Cattle rearing
- Second asset transfer: Small-scale farming (mainly crops like cowpeas/sorghum and vegetables)
- First reinvestment: Beekeeping
- Second reinvestment: Preparing and selling animal products like milk, cheese, meats, etc.
- Third reinvestment: Low-land rice growing
- Fourth reinvestment: Orchard planting (fruit trees, such as banana, mango, guava, orange)

**Takeaways:** Splitting asset transfer can be an effective mechanism to encourage diversification of livelihoods activities. Encouraging RHs to reinvest their savings also supports this goal.



# SUPPORT, LINKAGES AND MARKET DEVELOPMENT

## PURPOSE

The success of individual IGAs depends on the ability of RHs to produce and sell. There are often services that can support RHs to be more effective in their production, and linkages that may expand opportunities for selling.

## CONSIDERATIONS

**Link to available support services:** Many IGAs require support, such as veterinary or agricultural extension services, access to inputs, or business support such as marketing and transportation. There may be opportunities to support specific value chains. Graduation projects identify which services are needed and where they are available (from government, NGOs, the private sector, community organisations etc) and link RHs to these. While it may make sense in the short term for the project to support a gap in critical services, there should be a focus on sustainability and putting in place long-term access for RHs.

Supporting market development: Many Graduation projects face the challenge of weak or inaccessible markets and poorly developed value chains. Ideally, Graduation projects would link to value chain support and market systems development programmes to create opportunities for RHs to link to. In the absence of these, there are often actions that Graduation projects can take to facilitate information, access, and marketing:

- market orientated skills development: business/entrepreneurial training builds RH knowledge and ability to engage with existing markets.
- supporting RHs to form or link to producer organisations, cooperatives or marketing groups to undertake activities such as sharing transport, marketing etc
- value chain linkages can expand opportunities for RHs to engage with buyers and sellers in the market. For example, some Islamic Relief projects include organising regular workshops where market players (input sellers, whole sellers, customers etc) are invited and connected to the supported households engaged in the IGA.

Where there are significant constraints to market access that cannot be addressed by the project, consideration should be given as to whether the GA is appropriate.

## SUPPORT LINKS TO OTHER ISLAMIC RELIEF PROJECTS

As an integrated approach Graduation projects relate to many other Islamic Relief activities. It is important therefore that the project both utilises available expertise and resources and connects to relevant other activities. For example, Islamic Relief qurbani plus projects support RHs to raise goats that can be distributed by Islamic Relief to the most vulnerable at Eid al-Adha. The infrastructure used to purchase goats, provide training inputs and veterinary services for qurbani plus can be leveraged to support this livelihood pathway for Graduation project participants.

## GRADUATION IN PRACTICE: LINKING TO GOVERNMENT VETERINARY SERVICES – ISLAMIC RELIEF BANGLADESH

**Challenge:** Livestock is the most common IGA among rural households. Without specialised animal health support, illness and mortality would be commonplace.

**Practice:** Islamic Relief's EEP project facilitates access to government veterinary services, organising vaccination camps for RH livestock. These are initially facilitated by Islamic Relief, but later the coordination is led by the SHGs. A transition to build sustainability can be facilitated during the project, with Islamic Relief taking on the organisation for the first two years and then handing over responsibility to the SHGs.

**Takeaway:** Where Islamic Relief is not able to provide the support needed for the success of an IGA, linkages might address this, however, long-term access and sustainability of this support needs to be ensured.

## CONTEXT ADAPTATIONS

Available IGAs vary considerably across contexts. While the general principles outlined in this section apply broadly, careful work is needed to understand the opportunities and risks in each context. In some there may be very limited income generating opportunities – especially ones that create a spread between short-term and long-term returns and spread risk. In others some activities such as agriculture may be constrained by lack of land or because of environmental factors. **Section 4** discusses considerations in for particular target groups and contexts.

# 10. PILLAR 3 - FINANCIAL INCLUSION

## GOALS

Financial inclusion activities build RH financial management skills and provide them with the tools (savings, credit, insurance and other Shariah-compliant non-credit instruments such as profit and loss sharing or leasing of assets, to meet their day-to-day, long-term and life-cycle financial needs, build assets and protect themselves from risk. These tools are critical both in building stronger livelihoods and greater resilience to manage risk and plan for the future. Not only are incomes increased, but families become more able to smooth consumption, meet anticipated needs such as school fees, and pay for unanticipated needs such as medical costs, or recover from a shock such as a death. This ultimately helps to enable families to invest in their future and break the cycle of poverty.

In Islamic Relief Graduation projects SHGs facilitate savings, manage a rotating loan fund, and provide emergency funding and sometimes more formal takaful micro-insurance. There are also opportunities to connect RHs to more Islamic Relief Islamic finance programmes and to external Islamic financial service providers.

## TIMING

Basic skills in financial management are a foundational element and should be introduced early in the process, before asset transfer. Financial services delivered through the SHGs are implemented throughout the project. Linkages to formal financial institutions (if included) can be introduced in the latter part of the project.

## BUILDING FINANCIAL CAPABILITY

Training in financial literacy promotes better financial decision-making, planning and use of financial tools, such as savings and loans. Assessment findings inform the nature, length, and intensity of the training required, based on the existing level of financial awareness. Topics typically include:

- rationale and guidelines for saving
- preparing for emergencies
- how to make a household budget
- understanding debt and the Islamic approach to interest-free loans
- how to manage a loan and avoid over-borrowing
- finding the right financial service providers and their terms and conditions.

Consideration of gender issues such as schedules, duration of trainings, and cultural dimensions ensures that training is accessible and relevant to women and other participants from groups that are often excluded from this type of programming. Other important considerations include the different levels of financial literacy, control over income and shared financial decision-making within a household, which may need to be addressed through training as well as through coaching.

Integrating training into ongoing SHG meetings helps to build knowledge over time. It creates space for reflection and discussion of real experience that RHs have in applying the training in their day-to-day lives. In other contexts, projects organise separate, longer training sessions. Where this is done, it is important that topics are revisited during SHG meetings and household visits to refresh knowledge and support practice.

### GRADUATION IN PRACTICE: FINANCIAL EDUCATION – ISLAMIC RELIEF NIGER

**Challenge:** Prior to the project, 89 per cent of participants lacked basic reading, writing, and calculation skills

**Practice:** Efforts were directed towards enhancing the skills of beneficiaries, particularly women, through financial literacy training focused on profit/loss calculation. This involved collaboration with the district adult literacy service to develop tailored training modules. Experienced individuals were recruited as Local Community Mobilisers (LCMs) and adult literacy trainers, receiving refresher training before overseeing two separate three-month training sessions held at two or three training centres accommodating 50 women each. In addition, local literacy trainers were recruited from the government's volunteer roster and trained by Islamic Relief.

**Takeaways:** Financial literacy training led to improved abilities and contributed successful IGAs with 96 per cent reporting an increase in income with the project's assistance over the two-year intervention period.

## SAVINGS

### CONSIDERATIONS

**A financial management tool:** At the heart of saving is being able to manage small irregular incomes in order to be able to have large amounts of money at times when it is needed. Savings are an important tool for people living in poverty to be able to manage their financial lives, to smooth their income, be more resilient in coping with shocks, and accumulate a 'lump' sum to invest in an IGA.

**Flexibility is key for poor people:** Experience has demonstrated that despite popular perceptions, even the poorest people can save. The key is that savings mechanisms need to be flexible to allow people to save when they have additional money.

**Be aware of gender risks:** Financial independence of women can create risks of intrahousehold conflict and savings being controlled by other household members. It is therefore important that savings mechanisms are kept confidential eg there are risks in using mobile money that requires illiterate women to ask for help from their children or partners to use the service as it can result in the women losing control over their savings.

**Deposits:** SHG group members make weekly savings. The amount of the saving is determined by each member's capacity and may vary week by week.

In Islamic Relief SHGs, two forms of savings are deposited:

- savings for emergencies or future needs
- capital savings in which members are encouraged to 'repay' their asset transfer into the SHG savings fund. Once this accumulates back to an amount equivalent to the asset transfer, members are able to take this out as a lump sum to reinvest in their IGAs.

**Withdrawals:** In SHGs savings are available for withdrawal as required. This is different to the VSLA approach where savings are only available at the end of the group 'cycle' (typically 12 months) where savings are redistributed to all members.

## CREDIT (QARD HASAN)

Credit is another way for RHs to access 'lump sums' of money for consumption smoothing, emergencies or for investment. The main difference with credit is that the money comes at the beginning (as a loan) and is repaid over time (as repayment); with savings, however, payments are made over time (deposits) and the money comes at the end (withdrawal). Credit is often a way for RHs to access larger amounts.

Savings are held by the SHG. Over time the amount of capital of the group grows, allowing it to lend this to the group members as a revolving loan fund. These loans are used by members for a range of (short-term) household needs and emergencies. In line with Islamic finance principles, loans are given interest free – this contrasts with the practice in non-Islamic savings and credit groups, and is a positive feature often reported by members.

### CONSIDERATIONS

**Credit creates risk.** When someone takes a loan, they are obliged to repay it, and therefore if something happens to undermine their ability to repay, this can cause problems. Islamic Relief provides interest-free loans in line with Shariah practice, thus lowering the cost and risk. Credit is generally repaid in regular instalments without the flexibility that is normally present with savings, which can be more challenging for poor people with irregular incomes, so it is important to ensure that loan instalments fit within capacity to repay. Where repayment is supported by profit from an investment, the risk of that investment also needs to be considered.

**Credit supports investment.** It can be difficult for RHs to accumulate capital to invest. Where a loan is used productively, it creates a fast track by giving immediate access to capital that can be repaid (in part) with the profit generated. While savings for investment is less risky, it takes time to accumulate enough and may not be available when needed. In a Graduation project RHs are given capital as a grant. They are then encouraged to repay this as savings and will therefore have the capital available to reinvest, so credit for investment is not an early priority.

**Credit should be linked to need not just savings.** Often in a SHG members the amount members can borrow is linked to the amount they have saved. In other cases, borrowing is not capped by savings amount, but even so group funds are limited and there are often not sufficient to meet all the credit needs of members. Supporting groups to accumulate capital over time can help meet this need. Linkages to Islamic Relief microfinance or to external Islamic finance providers may also be a strategy – borrowing can be by individual members or by the group to on-lend to its members.

## EMERGENCY FUND AND TAKAFUL INSURANCE

Given the vulnerability of people living in extreme poverty, preparing for things going wrong is an important principle of the GA. SHGs establish an internal fund to support members when they face a shock (illness, death, environmental disaster etc). Members make a small contribution to this fund.

The funds that can be accumulated by a group are limited and, for larger needs or where a larger number of people are affected in one community, the funds are unlikely to be sufficient. This is addressed in some Islamic Relief projects by linking SHGs together in a federation or apex which administers a more formal micro-insurance fund (takaful). Each SHG pays into the insurance fund and payouts are administered centrally. With the pooling of resources, the risk is spread across a much greater number of people, and the fund is in a better position to respond to shocks that affect multiple households. In **Bangladesh** the apex also uses insurance funds to invest in business, with the profit generated increasing the funds available.

## LINKAGES TO ISLAMIC RELIEF MICROFINANCE AND EXTERNAL ISLAMIC FINANCE PROVIDERS

SHGs are limited in their ability to accumulate capital, and often the investment needs of members are not fully met. As RHs grow their IGAs and stabilise their economic conditions, there is a case for linking them to more formal financial service providers to access credit and other financial services through linkages to Islamic Relief microfinance services or other Shariah-compliant financial service providers. This can be done through supporting individual members to access these services or through the registered SHG borrowing itself and then on-lending to members. Formal linkages are also important for a broader financial inclusion goal of enabling RHs to access financial services more broadly.

While linkages have been a goal for a small number of Islamic Relief projects, the experience is generally that most financial service providers are not well set up to serve poor clients, that few provide Shariah-compliant lending, and these linkages can be challenging. Where available Graduation projects should link to Islamic Relief microfinance services.

### ADAPTING TO CONTEXT: SETTING UP AN ACCOUNT WITH A FINANCIAL INSTITUTION

Islamic Relief would not link participants to institutions that charge interest. Where Islamic Relief microfinance is not available and a Shariah-compliant institution is identified, it is vital to designate a consistent focal person for coordination who will commit to responding to participants' needs and concerns during the programme cycle and beyond. Key considerations include:

**Readiness of participants for certain products:** Participants should never be pressured into using financial services they are not ready for. If they are offered a particular service, they must have the economic capacity to meet its requirements. For example, if a loan is offered, careful consideration should be taken to ensure that the amount aligns with their level of income, ability to repay, and that the participant understands the terms and conditions.

**Protection of participant needs:** The financial service provider must have adequate client protection mechanisms in place suited to the needs and uses of the participant, especially women. For example, the institution should have responsive redress mechanisms in place for potential grievances.

**Double-check collateral requirements:** If there is a need for collateral, the programme should only proceed if these can be reasonably met without putting participants at risk. In addition, savings must not be used as a guarantee for individual loans.

**Consider linking with mobile banking:** If mobile banking is considered to be a suitable banking mechanism for participants, additional training support on how to use accounts is needed, particularly for women. Note that some participants may find it easier than others. This can alter the power dynamics in a group, or can serve as an opportunity to promote greater social support and co-learning among participants.

Adapted from World Vision Ultra-Poor Graduation Handbook

# 11. PILLAR 4: SOCIAL EMPOWERMENT

## GOALS

Graduation projects play a crucial role in tackling not only economic challenges but also the social norms and practices that perpetuate cycles of poverty and inequality. The social empowerment pillar engages with beliefs, practices, and roles that shape individuals, households, and communities fostering self-confidence, supporting practical life skills, building social networks and social cohesion, and promoting inclusivity.

Activities at an individual and group level build confidence and a positive mindset for RHs, enhancing outlook, and practical life skills. Many people living in extreme poverty face abuse, exploitation, or insecurity stemming from political strife, social unrest, natural calamities, domestic violence, food scarcity, or illness. While RHs often have enormous resilience in dealing with these challenges, they also may lead to feelings of hopelessness and resignation, undermining the belief in the possibility of improving their situations. A Graduation project can counter this by providing participants with essential skills, knowledge, and a sense of vision, enabling them to take control of their circumstances and make informed decisions that positively impact their futures.

At the household and community levels, Graduation projects can engage with entrenched social norms and practices that hinder progress and perpetuate marginalisation. This may involve addressing gender roles, harmful practices like early marriage or female genital mutilation (FGM) and advocating for the rights of marginalised groups within communities. Engagement of faith leaders is a critical strategy for Islamic Relief in pursuing such aims.

Group activities and engagement with the community builds social networks and encourages active civic engagement and advocacy within communities. By supporting individuals to voice their concerns, participate in local governance, and advocate for their rights, the approach promotes social cohesion, strengthens community bonds, and amplifies the voices of marginalised groups.

Psychosocial wellbeing is also important. Group processes and coaching sessions play a role in supporting participants, and in some contexts, specialised support, such as counselling, is provided to help individuals cope with trauma, build resilience, and address mental health challenges that may impede their progress. Research in Rwanda by Concern Worldwide suggests that high levels of conflict and trauma is an important factor for Graduation: "Households without conflict are more likely to graduate."<sup>9</sup>

## TIMING

Social empowerment evolves from most activities in a Graduation project as participants build their skills, confidence and economic capacity, and increasingly engage with other group participants and later community members. Life-skills training is generally introduced after more foundational training such as financial and business training, with the facilitation of voice and group collective action taking place in the latter stages of the programme.

## LIFE-SKILLS TRAINING

Life-skills training equips participants with essential capabilities and competencies for behavioural change that will support their journey out of poverty. Life-skills training caters to these multifaceted needs, fostering personal development and empowering individuals to navigate challenges effectively.

**Training content** varies in response to the specific vulnerabilities of RHs. Sessions equip participants with **practical skills** related to health, nutrition or accessing and using various services, for example. Training also addresses **soft skills** such as communication, problem-solving, decision-making, visioning and interpersonal relationships. Through these sessions, participants gain a toolkit to enhance their overall wellbeing and resilience.

Life-skills sessions also **engage with specific risks, norms and traditions** that impact particularly on women and children – this may include GBV, early marriage, child protection, inadequate nutrition and school attendance. The approach to dealing with these issues needs to be culturally sensitive and careful, as, if poorly implemented, it can exacerbate tensions and conflict.

Training is **delivered by coaches to groups** of participants – either as part of regular SHG meetings or as separate training events. Adult learning methodologies are used that emphasise the sharing and engagement with participants' experience and learning from one another, rather than just delivering training content. Sessions should consider the specific needs of women and other groups, such as the elderly or people with disabilities, with consideration being given to accessibility, convenience of timing, duration/ opportunity costs, and, where necessary, provision of childcare.

The group element of the training is important in building connections, helping it to develop as a supportive structure during and beyond the project. Group discussions are complemented, and messages reinforced during **individual visits**.

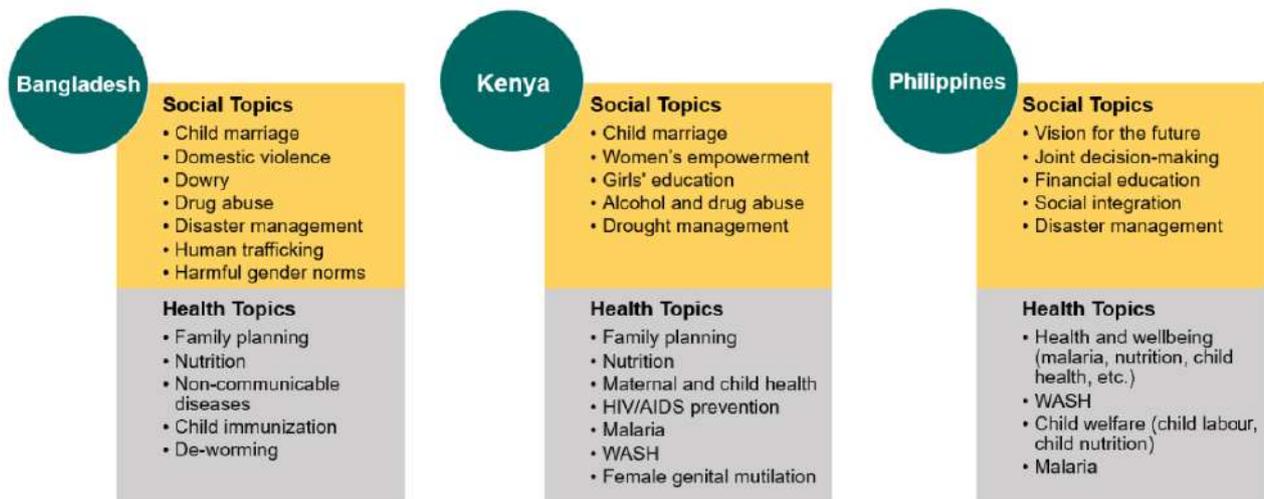
Group sessions with women RHs can also be complemented by sessions for **other household members**, particularly husbands or male partners, or through household discussions.

The specific topics for life-skills training are identified during the assessment and design phase of the project and need to be based on appropriate adult training methodologies.

<sup>9</sup> Understanding post-programme Graduation trajectories in Rwanda. Concern Worldwide

## ADAPTING TO CONTEXT: ADJUSTING LIFE-SKILLS TRAINING TO CONTEXT

Life-skill training should respond to specific local issues and need. The figure below shows how social and health issues addressed in World Vision Graduation programmes vary between three different contexts - Bangladesh, Kenya, and the Philippines. Some social and health messages, such as women's empowerment and family planning, are common to all three programmes, while others, such as malaria and FGM, are more context specific. In the Philippines, financial education is specifically reinforced through life skills training due to the over-indebtedness of the local community.



## CHILD PROTECTION

Many children in extreme-poor households face protection issues. Graduation projects are implemented in line with Islamic Relief's protection approach and are therefore designed to protect children from abuse, neglect, exploitation and violence, and to mobilise actions around issues of concern. Protection issues are integrated across the social empowerment pillar – life-skills training and community engagement.

In-line with the Islamic Relief **Gender Justice Policy**, there is a recognition that the situation of women and girls worldwide can only be improved if men and boys are engaged in and educated about the needs and rights of all. Islamic Relief's **family approach** therefore involves the wider family as partners in the project, considering the expertise and interests of the whole household; this includes the IGA selection, business plan preparation, skill developments, IGA diversification etc. As part of the life-skills training and engagement there can be engagement with men, boys and other household members to build a deeper understanding of critical issues identified such as GBV or early marriage.

Islamic Relief experience has shown that RHs who get support and assistance from their husbands/family members do better in IGA management and asset generation. Beyond this, to engage effectively with many of the social issues commonly presented, engagement with the wider members of family, particularly husbands, is necessary.

## COMMUNITY ENGAGEMENT, COLLECTIVE VOICE AND ADVOCACY

It is essential to recognise that the sustained impacts that a Graduation project seeks cannot be achieved in isolation from the broader communities in which targeted RHs live. While the GA focuses on the individual and household level, it does so within a context of the communities in which these individuals live. In addition to the lack of access and connection to social services and livelihoods opportunities, people living in extreme poverty are often isolated within their communities. This social exclusion is compounded by deep-rooted prejudices and discrimination based on various factors such as ethnicity, race, religion, caste, gender, HIV/AIDS status, disability, refugee status, or belonging to minority groups. These layers of marginalisation not only limit access to essential resources but also perpetuate stigma and barriers to social integration and participation.

To address these issues Islamic Relief Graduation projects place an emphasis on working with the community as well as individual RHs and their families. Efforts are made to connect SHGs and their members to the wider community, to gain recognition and support for the needs of people living in extreme poverty and to promote RHs as active and contributing members of the community. Engagement at a community level is also a mechanism to engage with some of the complex norms and behaviours that impact on RHs, particularly women and children. This aligns with Islamic Relief's **Conflict and Social Cohesion Policy**.

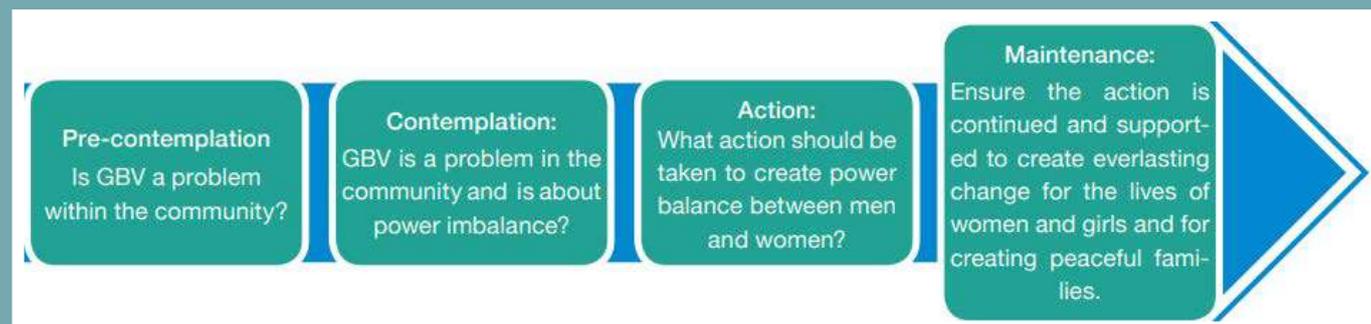
There are opportunities to integrate specific modules into training and support for SHGs to empower participants in civic engagement and understanding their rights. This can include for example supporting RHs to hold local governments accountable and to claim their rights to government-delivered public services.



## GRADUATION IN PRACTICE: ENGAGING FAITH COMMUNITIES IN ADDRESSING GBV – ISLAMIC RELIEF YEMEN

**Challenge:** Engaging with communities facing high levels of GBV.

**Practice:** The project mobilised the community around issues of GBV, guided by faith teaching of social justice, dignity and promotion of wellbeing, rights and duties. The focus supports self and community reflection and change.



### Takeaways:

- Prevention is implemented by and for the entire community. Everyone plays a role and everyone benefits. It should not only focus on faith leaders.
- Prevention is about learning, growing and changing together.
- Prevention is about breaking the silence and replacing it with voice and action.

Source: Islamic Relief Integrating GBV in WASH toolkit: Lessons from Yemen

**Facilitating collective action:** SHGs are a key part of the social empowerment outcomes in Islamic Relief Graduation projects. The connections and trust built in the group enable RHs' problems – particularly financial ones – to be dealt with in the group, rather than seeing the members losing face by asking others in the community for assistance. Beyond this, the group gives RHs a presence and collective voice in the community, leading to increasing participation in community structures, such as membership of school or other committees. Increasing voice and presence can lead to increasing respect within the community and the family.

Experience of some Islamic Relief projects shows that the move from internally-focused group activities to collective action is not necessarily automatic and can be explicitly facilitated by Islamic Relief.

**Community structures:** Many Graduation projects connect with or set up community structures or committees that can be made aware of the project, the needs of RHs and facilitate support at a community level. Committees can focus on specific issues, such as child protection, or support to widows, or more general 'assistance' committees that can focus on the needs of vulnerable groups in the community. A focus on social cohesion and peace building may also be a focus in some contexts. These structures can serve to provide practical support to RHs, intervening on issues that affect individuals or groups, and enable RH voice and agency, during the project and in the longer-term.

One specific approach that is used by Islamic Relief in some countries are **Channels of Hope Action Teams (CHATs)**.

**Channels of Hope (CoH)** is a facilitative and interactive

methodology which aims to create a safe space for faith leaders and their communities to learn, share and debate. It uses a human-centred approach, allowing members to recount their experiences and empathise with those of others, while providing detailed information that is both technical and also rooted in our sacred scriptures and traditions. Finally, it encourages participants to respond and act by creating collective movements through CHATs. Members of CHATs are primary faith leaders or faith committees, but also include community leaders (men and women), youth leaders, teachers, activists etc. Islamic Relief adopts CoH methodology into its projects by integrating training, capacity building and awareness raising activities on specific protection or safeguarding issues, using a faith sensitive approach.

**Federations of SHGs:** A powerful way to build the collective voice of RHs and facilitate community engagement and linkages is through linking SHGs into a federation or apex body. As discussed in the section on SHGs, in addition to providing practical services to the SHGs and their members, the apex facilitates linkages to government grants or services, supports awareness raising, gives voice to members concerns and advocates on their behalf, and intervenes in specific issues, such as early marriage in Bangladesh.

Federating SHGs needs to be facilitated and is a longer-term goal, where this is a project objective. In most contexts, it is unlikely that federation can be achieved within the time constraints of a single Graduation project.

## GRADUATION IN PRACTICE: COMMUNITY HOPE ACTION TEAMS – ISLAMIC RELIEF NIGER AND MALI

**Challenge:** Engaging community and faith leaders in support of RHs.

**Practice:** CHATs were formed to include the most influential community members, such as faith-leaders, community leaders, youth leaders and women leaders. These CHATs are community-based structures that play the role of trigger and catalyst for promoting good practices surrounding women, children and persons with disabilities and general rights promotion. Activities include:

- conducting mapping sessions with villagers to identify potential protection issues faced by individuals of different abilities. This collaborative effort helps to identify major gaps in protection issues and allows for the development of targeted interventions to address them
- working closely with community leaders, particularly respected faith leaders, who influence the community. These leaders help to guide and support the CHATs in their advocacy efforts
- CHAT meetings to discuss the prevailing community issues and developed action plans based on these. These action plans are implemented by each CHAT and follow up meetings are organised to monitor the progress and suggest remedial actions. Some CHATs also leveraged existing gatherings such as weddings and naming ceremonies
- capacity building, continuous monitoring, and technical support are provided by Islamic Relief Niger, this includes supplying communication materials for sensitisation sessions conducted by local leaders, as well as providing guidance and support for the implementation of protection and inclusion activities.

**Takeaways:** CHATs in Niger and Mali are an effective mechanism for Islamic Relief to engage with the community, work with respected leaders, and actively advocate for change on challenging issues related to child protection, GBV, gender, child marriage, and other social norms.

## CONTEXT ADAPTATIONS

The specific factors to engage with at an individual, household and community level are very context specific and also vary by target group. These are discussed in [Section 4](#).



# 12. COACHING

## GOALS

Coaches accompany RHs through their journey. Their role is to provide individualised support and guidance to help keep participants on track. This involves developing a sense of self-reliance, trust and vision for the future, building skills and self-efficacy, and developing and managing economic activities and preparing for future financial stresses and shocks.

## TIMING, LOCATION AND FREQUENCY OF VISITS

Coaching starts immediately after targeting and SHG formation. Initially the focus is on IGA selection and business planning. Over time the focus shifts as RHs become more confident in running their IGAs, and the emphasis moves towards working towards self-reliance after the project.

### REGULAR VISITS

Coaches should visit participants regularly. This should be frequent enough to allow for monitoring of progress, to give individualised support and to engage with the wider family. The frequency of these visits varies depending on context. In the first 12 months of the programme, this would ideally be weekly or every two weeks, particularly in the weeks after asset transfer. As the project continues, support should increasingly be targeted to the 'slow climbers' – those who are not progressing, with visits to the 'fast climbers' becoming less frequent.

### GROUP AND INDIVIDUAL VISITS

Coaching is delivered through the regular SHG meetings, where it can take the form of group discussions and sharing of experience, or individual follow-up. Individual visits at the RHs home or place of business. The location of the visit should relate to the objective, so, for example, if the focus is to follow up on the progress of the IGA, then it would ideally take place at the location of the IGA; where the focus is to follow-up on household issues (e.g. whether children are at school, or if messaging around hygiene is being implemented), it may be more appropriate to visit at home. Some projects may, for example, decide to alternate visits between the two.

There are of course practical considerations to take into account with these visits in terms of available time and distances to be travelled. In sparsely-populated areas such as arid parts of Africa, it may not be feasible to visit households individually at home, and the focus may be on visiting them in the marketplace and utilising the groups to perform some of the household monitoring/support role.

In some contexts, community 'volunteers' are employed in addition to coaches. These are residents of the community who are paid a stipend to support the coaches part-time by coordinating activities, facilitating communication, making regular follow-up visits to RHs, and attending SHG meetings when the coach is absent. Where community volunteers are in place, coaches do not need to make individual visits as frequently.

## GRADUATION IN PRACTICE: USING COMMUNITY MOBILISERS – ISLAMIC RELIEF NIGER AND MALI

**Challenge:** Long distances and lack of transportation mean that it is not possible to design a Graduation project with very regular staff visits to RHs.

**Practice:** Local community mobilisers support project activities. These mobilisers, trained and stationed at the village level, play a critical role in supporting the project team. They effectively communicate information about the project's goals and activities to community members. Additionally, they support VSLA activities and act as facilitators, skilled at mediating and resolving any conflicts or misunderstandings that may arise within the groups.

**Takeaways:** The community mobilisers improve communication and monitoring and also nurture a sense of ownership and empowerment within the community. This is particularly important in challenging environments where access is difficult and security concerns are prevalent.

## ROLE OF COACHES

Coaches provide support and guidance, rather than doing things on behalf of RHs. They guide investment decisions, facilitate other decision-making about the IGA, deliver training, support problem solving and facilitate access and linkages to services such as health care, government, grants and extension services.

The GA is holistic, and responsive to individual participant needs. There is no single package for all participants. It is the job of the coach/mentor to get to know each participant and their family, to identify their capabilities and needs, and to help tailor their engagement with the project so that they get the support they need.

Through regular contact with all the participants, coaches monitor participant progress and help them to respond to challenges that they face through the project process. Some activities can be carried out in either a group or individual setting, others require a household visit:

### GROUP AND/OR INDIVIDUAL COACHING

- Self-reflection could focus on investment in IGAs and preparing for unexpected financial demands. This might include new products or ways of expanding or diversifying the IGAs, new markets, additional skills or training. It should also include a plan for saving for emergencies and for future needs, such as paying school fees, wedding costs etc, as well as exploring what the participant would do in the event of an unexpected financial demand or downturn in the IGA.

## RATIO OF COACHES TO PARTICIPANTS

It is important to consider the role of the coach, the vulnerability of RHs, and local contextual factors, such as distances between households, in planning what would be a manageable workload for a coach. Including community volunteers can reduce the number of coaches required but creates additional complexity and management challenges for the project.

In Graduation projects with weekly or biweekly individual visits that do not use community volunteers, a ratio of around 50 participants to one coach has been demonstrated to be manageable internationally. In more densely-populated contexts or where volunteers are used this may be increased to 1:100 or more.

Care needs to be taken to ensure that coaches have sufficient time to make the individual follow-up and support. Research from Concern Worldwide highlighted the important role of coaching but demonstrated that high caseloads can lead to coaches not being able to complete the required visits – in this case use of group coaching helped reduce the need for such frequent individual coaching.<sup>10</sup>

### ADAPTING TO CONTEXT: CONSIDERATIONS FOR SETTING COACH TO PARTICIPANT RATIO

- What is the level of vulnerability among target households? How often should visits be?
- How great is the distance between households?
- Is the terrain difficult for staff to navigate? If so, what transportation allowance will be available for staff through programme resources?
- How many households can a facilitator visit in a week?
- How many group visits can a facilitator conduct in a week?

Source: World Vision Ultra-poor Graduation Handbook

## MONITORING RH PROGRESS AND TAILORING SUPPORT

One of the 'secrets of success' for the GA is the close monitoring of individual RH progress towards clearly defined Graduation criteria. Coaches should collect data (at least monthly) to allow them to track RH progress. This information is also collated centrally to enable project management to focus on individual progress.

Data from participant tracking is used to identify 'slow' and 'fast' climbers, with the frequency and intensity of support given to individual participant households adjusted accordingly.

Coaches should explore points where a lack of progress is identified and work with participants to reflect and identify actions in response. Where challenges are identified, coaches should report these at weekly team meetings and work with the project manager to agree what follow-up is required.

<sup>10</sup> Knowledge Matters, Concern Worldwide, 2021

# FACILITATING PATHWAYS TO SUSTAINABILITY

Graduation projects are effective in creating long-term positive trajectories for participants. This is not automatic and research in several contexts has shown that while on average participants maintain or improve their situation, pathways post project are varied.

## CONCERN WORLDWIDE RESEARCH ON PATHWAYS BEYOND GRADUATION

'Graduation' is not a one size fits all – households in Rwanda followed diverging trajectories. While many continued to improve or at least maintain programme gains, some experienced a downturn and lost much of their gains: 43 per cent of participants continued to improve after the end of the programme, 17 per cent improved later in the programme cycle, 27 per cent stagnated or declined while 13 per cent fell back below the Graduation threshold, though not lower than the targeting threshold<sup>11</sup>.

Islamic Relief Graduation projects build in a focus on sustainability to support RHs to be positioned to be more self-reliant and resilient after Graduation. In practice this means extending the duration of the project, so that the latter phase can focus on monitoring and follow-up support activities of SHGs and individual IGAs while providing troubleshooting and follow-up support where required. During the last six months, staff should focus their attention of individuals that have not yet achieved the Graduation criteria supporting IGA management, reinforcing training messages, and facilitating linkages with the extension service providers. Coaches should also support SHGs to achieve the highest 'health score' and disaster preparedness at family level score. Several elements support the sustainability of Graduation outcomes.

## SUPPORTING INDIVIDUAL PROGRESS

Several elements across the pillars support sustainability. These include growth and diversification of the IGA and reinvestment and accumulation of savings, improved capacity across training topics including financial capability, IGA management, life-skills and risk management. These factors are monitored through the regular individual progress tracking, with the indicators and questions to focus on aligning with the **Graduation Criteria**. The check list below can be used to check on readiness for Graduation.

In addition, as discussed above, the vision of participants for the future and their expression of the practical steps they will take are important predictors of future trajectories.

Pillar	Questions
Social Protection	<ul style="list-style-type: none"> <li>• What support (if any) will participants need to continue to access basic services including health, education, social care and clean water?</li> <li>• Do they have necessary documentation to be able to access services?</li> <li>• Have participants been made aware of and been linked to all social entitlements that they are eligible for? Have they been linked to any other government or NGO-delivered programmes that they can benefit from?</li> <li>• How will households continue to support children's welfare, well-being and development?</li> </ul>
Livelihoods Promotion	<ul style="list-style-type: none"> <li>• What opportunities do households have to expand or diversify their livelihoods?</li> <li>• Are participants linked to local markets and can they access these independently?</li> <li>• What opportunities are there to link to value chain and market development initiatives and how can households become involved in them?</li> <li>• Which services will help promote the continued growth of household livelihoods? How well are households prepared and able to access these services?</li> </ul>
Financial Inclusion	<ul style="list-style-type: none"> <li>• Will participants continue to save securely and at a rate that supports a stable future for their children?</li> <li>• Are participants aware of available formal and informal financial services and how to access them?</li> <li>• Will participants be able to access micro-loans in the near future?</li> <li>• Are participants building capacity and collateral (assets, social capital, housing) that will enable them to secure future loans safely?</li> </ul>
Social Empowerment	<ul style="list-style-type: none"> <li>• Are participants members of social groups or village development committees they can continue to participate in?</li> <li>• How is child marriage, female genital mutilation, or child labour perceived and what measures are in place to ensure both these practices are never practiced?</li> </ul>

Source: World Vision Ultra-poor Graduation Handbook

<sup>11</sup> Source: Understanding post-programme Graduation trajectories in Rwanda, Concern Worldwide

## GRADUATION IN PRACTICE: SUPPORTING SUSTAINABILITY – ISLAMIC RELIEF MALI

**Challenge:** Putting in place the multiple elements that will support continued progress of RHs and help them cope with shocks.

**Practice:** In Mali, Islamic Relief supports sustainability through:

- supporting continued investment in IGAs after project closure through a focus in the VSLAs on reinvestment
- provision of credit to support day-to-day and emergency needs
- support for market gardening to ensure food security and nutrition during both rainy and dry seasons
- establishing a referral pathway to deal with human rights violations perpetrated in project areas
- strengthening of financial inclusion through creating linkage with the micro-finance institutions of the project areas.

**Takeaways:** Given the complexity of poverty and the multiple risks that RHs face, a strategy for sustainability needs to be multi-dimensional.

## GRADUATION IN PRACTICE: SUPPORTING SHG SUSTAINABILITY – ISLAMIC RELIEF BANGLADESH

Islamic Relief Bangladesh gradually reduces the role of the coach over a four-year period:

- **(Year 1):** Intensive capacity building of the SHGs, apex body to make themselves reliant
- **(Year 2):** Islamic Relief staff's role will be 50 per cent as an observer, and 50 per cent as facilitator
- **(Year 3):** Islamic Relief staff's role will be 100 per cent as observer, providing support only in response to need
- **(Year 4):** Formal transfer of the roles and responsibilities to SHGs, apex body and civil society groups, observation and follow up, monitoring, final evaluation and formal exit/1 staff

Where SHGs link together in a federation or apex body the potential for sustainable impact greatly increases. The apex creates a structure that can support existing SHGs and the formation of new ones. It also supports collective services such as takaful microinsurance, facilitates collective marketing or purchasing, advocates on behalf of members and facilitates linkages to government and other services.

Apex bodies can be established once SHGs are functioning well and will take significant investment of time and resources by Islamic Relief. This includes supporting governance and registration, providing comprehensive training to leaders, and broadly facilitating the development of capacity of the apex as an institution.

For further resources on coaching in Graduation projects see [Coaching in the Ultra-Poor Graduation Approach, BRAC](#).

## SUPPORTING SHG HEALTH

The health of SHGs is an important predictor of the likelihood that the group will continue to function after Graduation. Continuation of the SHGs is important for ensuring continued access to savings and credit, reinforcing skills developed during the project, providing support and guidance, acting as a safety net when things go wrong, and facilitating continued community integration and collective action. A strong SHG, particularly where part of a federated (apex) structure, ensures that Graduation does not mean that RHs are left unsupported, and is a key element for the success of the GA: for example a review found that potential for sustainability is high in projects where Islamic Relief has invested in formation and strengthening of groups and apex bodies.<sup>12</sup>

The Islamic Relief mentor/coach has an important role in forming, facilitating and monitoring the groups, with the aim to gradually step back and allow groups to function on their own.

# PART 3: OPERATIONAL CONSIDERATIONS

## 13. ORGANISATIONAL ALIGNMENT WITH ISLAMIC RELIEF

### STAFFING

Graduation projects require skilled and experience staff in their design, management and implementation. Ideally Islamic Relief would develop country-level expertise in Graduation, but, where this is not possible given the limited number of permanent staff, support can be provided by regionally-based technical staff.

The **Project lead** for a Graduation project should ideally have experience with the GA. Graduation projects are complex and require a practical and detailed understanding. Where the lead does not have previous experience, it is essential that they are given adequate training and mentored/ supervised by someone who has operational experience of the approach.

In addition to standard Islamic Relief project staff, key Graduation-specific staff are the coaches (and sometimes community volunteers).

**Coaches** generally have a profile along the following lines:

- Have completed high-school level education, but preference in some projects is given to those with some higher education, particularly those with a technical qualification related to agriculture, business or social work.
- Ideally some experience in relevant sectors/occupations (livelihoods, Islamic microfinance, social work, case management).
- Knowledge of the local area and proficiency in local language (in some cases coaches are employed from target communities).

As discussed in **Section 12**, it is important to have the right number of coaches to provide the required level of support for participants. This needs to be carefully planned and budgeted for.

**Sectoral expertise:** Graduation projects cut across sectors. There is therefore an opportunity to involve sectoral expertise across the organisation in the design and technical oversight of the project.

**Staff training and implementation materials** need to be prepared for project implementation. These should be appropriate for the local context, target participants and staff. Materials may include, but are not limited to: staff handbooks and operational manuals; staff training materials and facilitation guides; participant training materials and facilitation guides and participant materials (focusing on financial literacy, soft skills, entrepreneurship, coaching, etc). Staff training should ensure staff understanding and practical application of the incorporation of Islamic principles into their work, with particular attention to Shariah-compliant financial services.

### BUDGETING FOR A GRADUATION PROJECT

#### ENSURING ADEQUATE RESOURCES

By adopting a rigorous process to target the poorest households in the poorest communities Islamic Relief recognises that it is likely to be targeting some of the least accessible communities and households that require the most intensive support. The strength of a Graduation project is the evidence of lasting impact on extreme poverty. This requires a significant resource input over a minimum of three years (including set-up and targeting). The cost of implementing Graduation projects vary by context. It can be as low as \$550 USD (per household as in BRAC's TUP programme in Bangladesh or as high as \$2,000 USD per household in Haiti where infrastructure is limited.

In many cases it may prove challenging to secure sufficient funding, and it may be tempting to fit the project into available funding by cutting costs and/or by shortening the project duration. However, graduation projects must be adequately resourced otherwise they are unlikely to achieve their objectives.

While steps may be taken to make the project as cost effective as possible (see box below) it is essential to build a budget based on a thorough assessment and design process, rather than to fit activities to a pre-determined budget. One approach may be to pool resources across multiple donors. Where resources are not sufficient for a full Graduation project, countries may consider a 'preparatory' project that addresses some of the identified needs (eg stabilisation, training and SHG formation) and would create a platform for a follow-up project that builds in the missing elements.

It is important to understand the different activities that need to be budgeted for - **Annex B** presents an example budgeting tool from World Vision which outlines the main activity areas to consider.

## ADAPTING TO CONTEXT: COST INFLUENCES AND STRATEGIES FOR REDUCING COSTS OF GRADUATION PROJECTS

- **Numbers of RHs:** Graduation projects are expensive to set up due to assessments, livelihoods planning, targeting, development of training materials, staff training, setting up partnerships etc. Small projects generally result in a higher-per-participant cost as there are significant economies of scale, with many costs fixed irrespective of how many RHs are targeted (assessment, design, training materials, partnerships, information systems, project lead etc).
- **Level of vulnerability:** The depth and complexity of participant vulnerability is a key driver of cost, determining frequency of coaching visits, size of stipend and asset transfer, additional support required for basic needs, duration of project implementation etc.
- **Linking to existing services and partnerships:** Where the project can link to existing services or other projects to address some of the needs identified this can lower the costs of the project, and potentially support sustainability. Partnerships do require a time investment in building relationships and understanding of the Graduation project and the benefits of collaboration and ongoing monitoring of delivery to ensure that RHs receive the expected services.
- **Population density and transport infrastructure:** These have a significant impact on the productivity of coaches and costs of transport. As discussed in **Section 4**, adjustments might be required, such as utilising community based 'volunteers', utilising SHG members to monitor individual progress and facilitate support between members or using group, rather individual, approaches to coaching. Some projects implement less frequent RH visits and monitoring, but it is important that this is based on a thorough assessment of need and that monitoring confirms that the level is sufficient to support RH progress.
- **Asset transfer:** Asset transfer should be based on an assessment of the level of investment required and should not depend on the RH supplementing the transfer amount with their own resources. Some Graduation programmes outside of Islamic Relief successfully use group businesses, where an asset is given to three people who manage this asset together (typically moving to individual IGAs after the project). This approach reduces costs and brings other benefits such as additional labour inputs and support if one participant is sick. However, the returns are lower, and this approach may result in a longer timeframe to achieve the sustained livelihood gains seen in projects that provide assets to individuals.
- **Modality of asset transfer:** Assets can be provided via cash, mobile money, or in-kind transfers. The modality will have cost and logistical implications for the project.
- **Market access:** Where market infrastructure is limited, productive assets may need to be brought in from elsewhere. Additional resources have to be allocated to linked to value chains, markets, and business support services to increase the viability of livelihoods.
- **Exposure to crises:** All projects must assess risks and plan for contingency. In contexts vulnerable to natural, humanitarian or economic disasters, the project should budget extra resources or build in a crisis response that can be applied in the event of a shock that disrupts participant progress.
- **Use of technology:** Graduation projects in many contexts use computerised management information systems and tablets to support coaches in tracking and supporting RHs. Technology can also be used to deliver training content, reducing staffing time and travel. While up-front costs of digital training materials are often significant, they can be cost effective if used for a large-scale project or for scale-up. In the future, Artificial Intelligence (AI) may have a role in supporting coaching, training, monitoring and management and may improve the efficiency and effectiveness of Graduation projects.
- **Cost of labour:** Since Graduation projects require intensive staff input, cost of labour plays a significant role in determining the overall cost per household. Some projects mitigate this by the use of community volunteers.
- **Innovation:** There is constant experimentation to find ways to reduce costs of Graduation projects. Most of these aim to reduce staff time or optimise the asset transfer – two of the key drivers of costs. There is an active research agenda in the Graduation/Economic Inclusion community testing variations of activities.

Adapted from: World Vision Ultra-Poor Graduation Handbook



## RECOGNISING CORE COSTS THAT ARE INCURRED BY GRADUATION PROJECTS

As discussed, it is important that Graduation projects are adequately resourced. Core to this is recognising that many aspects of Graduation projects need to be accounted for as direct rather than indirect costs. There are several challenges when it comes to budgeting. Islamic Relief has inconsistent 'rules' in place for what the direct versus indirect percentage split is, e.g. 70/30 or 80/20 etc and, further to that, what can and cannot be counted as direct costs. This potentially affects a number of core elements of a Graduation project:

- the detailed assessments necessary to design and adapt a project to the specific needs and context of target communities
- the IT systems, monitoring processes and staff time to put in place individual RH monitoring and tracking to ensure that participants not only participate but reach the target Graduation outcomes
- technical staff required to provide training and support to IGAs
- and the learning and adaptive management processes necessary to ensure that implementation responds to learning about need and effectiveness.

### ALIGNING TO BUDGETING PRACTICES

Budgeting for a Graduation project should align with Islamic Relief's Zakat Policy and budgeting templates.

## ENSURING TIMELINESS OF IMPLEMENTATION

As previously discussed, the timing and sequencing of activities in a Graduation project matter. Delays can have a significant impact. Delays commonly result from various sources:

**Cashflow planning:** The sequencing of a Graduation project means that there are periods where significant resources are required (e.g. asset transfer) and other periods where the main costs are staffing (eg the last year). It is therefore essential that projects allow for the time to undertake detailed planning and ongoing monitoring so that the cashflow requirements can be determined and communicated to the Islamic Relief family members that are funding the project.

**Project management:** The workload of a Graduation project varies, and there are a number of 'crunch-points' where a lot has to be done in a short amount of time – this includes targeting, setting up/training SHGs and asset transfer in particular. Poor planning of these activities can often lead to delays in implementation.

Some activities, where there is a reliance on an external contractor, are also particularly prone to delays – for example designing a computerised participant monitoring system.

**External factors:** Graduation projects are cross-sectoral and involve building relationships with multiple stakeholders. Reliance on partners for delivery of aspects of implementation, or breakdown in key relationships (eg community leaders) can lead to delays or elements not happening on time. There are multiple other factors in the project that can create delays; these may be practical, such as availability of electricity, fuel, mobile network etc, or contextual, such as environmental shocks, political events etc. While some of these can be planned for and managed, it is important for projects to continuously assess the risks to implementation including the stakeholder landscape and partnerships, take mitigating measures where possible and prepare strategies for how to deal with these sorts of delays when they occur. It is also important to communicate with the RHs on these external factors (and mitigation measures) beyond Islamic Relief's influence.

## ENSURING QUALITY OF IMPLEMENTATION

The complexity of the GA can create challenges in terms of ensuring that staff have the skills to implement a range of different activities. Providing the training, supervision and quality control for activities is therefore a key part of implementation. In many contexts, staff are likely to have experience working with other organisations and may not come with the specific knowledge of Islamic values and practices. It is therefore important that this aspect is given attention and that processes to audit Shariah-compliance, particularly with respect to financial services, are put in place.

## ALIGNMENT WITH THE ISLAMIC RELIEF FAMILY AND INSTITUTIONAL FUNDING PRIORITIES AND PROCESSES

As an approach that cuts across sectors and issues, there are opportunities to frame Graduation projects as aligning with different family member and donor priorities, such as inclusion, gender, rights, livelihoods, climate resilience. Recognising that institutional funding may be sourced for some projects, it is important to be able to leverage this funding to ensure funding earmarked for specific aspects is complemented by other funding to enable a holistic Graduation project to be implemented. By aligning with institutional priorities, the management process of the Graduation projects would be streamlined, Islamic Relief's position would be elevated, and its appeal across a broad spectrum of donors expanded.

# WORKING WITH GOVERNMENTS AND LOCAL GROUPS

As an international development organisation Islamic Relief seeks to respond to local priorities and build local capacity. This aligns closely with the GA and a focus on building sustainability through supporting both the livelihoods of RHs and their ability to access and influence available services and resources. An important principle for sustainability is to leverage services that are available – projects should focus on building links with relevant actors at a community and local level and building RH knowledge and capacity to access these.

As Islamic Relief Graduation projects tend to be small scale, short term and intensive, there are opportunities to both strengthen projects and the sustainability of outcomes through partnerships with local structures and organisations. This may entail collaboration, resource sharing and capacity building.

Internationally, there is growing interest in partnering with governments at a national level in order to scale Graduation and positively impact a substantially greater number of people. Government-led Graduation programmes generally operate at a much larger scale (tens or hundreds of thousands of households), are integrated into ongoing government structures and services, and have a much greater focus on cost-effectiveness to ensure that they can be sustainably delivered by the Government in the long-term.

The key driver for government partnership is scale and sustainability, with the potential to access public resources and the potential for co-financing to enable programmes to reach a broader RH base. Where there is alignment with government policies, strategies, and development priorities, there may be opportunities to integrate a GA into core government activities. However, with scale comes a concern regarding the level of investment required, and the reality of government budget constraints. This typically requires compromises in depth or comprehensiveness to reach a larger number of people within limited resources. Balancing quality, cost-effectiveness, and scalability is crucial.

One aspect of this is the need to standardise processes and procedures to allow for scale-up with many staff. Balancing standardised programme components for consistency and accountability with flexibility to adapt to diverse local contexts and needs is a challenge for successful scaling without compromising programme effectiveness.

Collaborations should build on the same detailed assessment and targeting processes outlined in these guidelines. However, activities need to be built from existing government services and staffing structures. The critical design challenge is how to use these to craft an appropriately targeted, sequenced and resourced GA. Governments vary in implementation capacity and administrative efficiency. Capacity building, technical assistance, and streamlined processes are essential for effective programme delivery at scale.

There are several potential compromises and risks in partnering with governments which need to be anticipated and managed. These include the impact of aligning with political priorities and government budgets, establishing sustainable funding mechanisms, institutionalising programme components, and securing political commitment. Relationships and policy dialogue and engagement are important, ensuring that robust evidence for effectiveness is presented in a way that aligns with national priorities. While the potential for scale and impact may be huge, it brings with it inevitable bureaucratic challenges. Dealing with bureaucratic procedures, regulations, and administrative complexities within government systems can slow down programme implementation and decision-making processes.

Additional guidance is available from BRAC: [Partnering-With-Governments](#).

## GRADUATION IN PRACTICE: WORKING WITH GOVERNMENTS – ISLAMIC RELIEF PAKISTAN

**Challenge:** Islamic Relief Pakistan seeks to align with the National Poverty Graduation Initiative, a flagship Government programme.

**Practices:** Islamic Relief Pakistan is uniquely positioned to support the Initiative at local and national levels, and has signed partnerships and agreements with government departments at district, provincial and national levels. Through collaborations Islamic Relief Pakistan provides a channel to address local needs by connecting RHs to relevant line departments (agriculture, livestock, public health and engineering departments, Ministry of Poverty Alleviation and Safety

Nets, Ministry of Climate Change, Planning and Development, and national and provincial disaster management authorities) to form common platform for experience sharing, development planning and access.

Islamic Relief Pakistan collaborates with government at national, provincial and district levels. This supports efficiency, avoids duplication and creates buy-in of line departments in order to address the local challenges and needs of the communities.

For example, under the Climate Adaptive Action for Food Security in Sindh (CAAFS) project, Islamic Relief aims to improve food production through climate resilient practices in Thatta district, Sindh, focusing on farmers and fishing communities. Islamic Relief has signed a partnership agreement with the departments of livestock and agriculture and the agriculture university to share experience relating to the knowledge, attitude and practices of farmers in the project area, as well as sharing technical knowledge on climate-smart agricultural practices and value chains.

**Takeaways:** Partnerships with government present opportunities to leverage the expertise and experience of Islamic Relief and to connect RHs to channels for wider support and influence.

# 14. MONITORING EVALUATION ACCOUNTABILITY LEARNING (MEAL)

## GRADUATION PROJECTS WITHIN THE ISLAMIC RELIEF MEAL FRAMEWORK

The standard Islamic Relief **MEAL Framework** should be followed for Graduation projects:

- **Design stage:** Existing assessment design process (primary needs assessment, stakeholder analysis, stakeholder engagement/consultation, risk assessments, context analysis, gender analysis etc) which is required for all projects is complimentary and aligned to the GA.
- **Planning:** Inception, stakeholder engagement, implementation planning, project results indicator planning, sustainability and exit planning, establishment of protection and referral pathways etc.
- **Implementation:** External project launch, RH verification, baseline surveys, post distribution monitoring (PDM), community feedback facilitation, results monitoring, capturing of lessons learned, ongoing monitoring of risks, establishment of complaints and feedback mechanism (CFM), regular project review meetings etc.
- **Evaluation and Learning:** Mid-term reviews/evaluations, endline evaluations (preferably externally commissioned), lessons learned workshop at the end of the project etc.
- **Adaptive management:** Responding to ongoing monitoring and feedback from implementation and from mid-term reviews and evaluations.

## SETTING GRADUATION CRITERIA

Graduation criteria are key part of Graduation projects. These define the end goal across the dimensions of the pillars that project staff work towards achieving for as many project RH as possible. Graduation criteria are developed from the broad goals defined in the project logframe and relate to each of the four pillars. Indicators may be similar to those in the logframe, but it is important that they are defined as targets that can be achieved by the end of the project rather than as broad areas to measure. For example, the logframe may define the percentage of RHs who increase the value of household assets, whereas a Graduation criterion may be defined as a participant increasing the value of assets by e.g. 50 per cent compared to the value of the asset transferred.

Clear Graduation criteria allow for monitoring of progress by coaches as well as providing MEAL indicators that can inform overall project monitoring and results. Graduation criteria are defined based on data from assessments and cover the 'four pillars' of Graduation. Figure 4 gives an example of the sort of criteria commonly used:



Figure 4: Graduation criteria and sample indicators

PILLAR	GRADUATION DIMENSION	EXAMPLES OF TYPICAL CRITERIA*
Social protection and basic needs	<ul style="list-style-type: none"> <li>Family members are healthy and food secure.</li> <li>Household meets basic needs or has access to relevant services or entitlements in any area identified as critical for success of the project (e.g. health, safety nets, safe water, shelter).</li> </ul>	<ul style="list-style-type: none"> <li><b>RHs consume two or three meals a day/consume nutritious food (including protein, fruits and vegetables)</b></li> <li>RHs report not cutting food consumption during 'hungry season'</li> <li><b>Roof of family house does not leak</b></li> <li><b>All children of school going age attend school</b></li> <li>RH households access health centre when required</li> <li>Participants drink from safe water sources</li> <li>RHs receive social protection/ safety net payments where they are available and where entitled to them)</li> </ul>
Livelihoods promotion	<ul style="list-style-type: none"> <li>Household demonstrate increased asset accumulation and continuous engagement in profitable and diverse livelihoods.</li> <li>Multiple sources of income that exceed regular household expenditures.</li> </ul>	<ul style="list-style-type: none"> <li><b>Households have two or more profitable income sources</b></li> <li>Household income is sufficient for household basic needs (food, energy, health, clothing)</li> <li><b>Productive asset value of IGA is at least twice the value of assets disbursed</b></li> <li>RHs has accessed savings from SHG to invest in IGA multiplication or diversification</li> <li><b>Rightsholder has skills, savings and plan for IGA protection or recovery in case of disaster</b></li> <li>Rightsholder has plans to continue to grow IGAs and for further IGA diversification, multiplication or consolidation after project closure.</li> </ul>
Financial Inclusion	<ul style="list-style-type: none"> <li>Household accesses and regularly participates in local savings mechanism.</li> <li>Household has access to borrowing mechanism.</li> </ul>	<ul style="list-style-type: none"> <li>RHs actively participate (attend regular meetings) and save through SHGs.</li> <li>RHs borrow from SHG</li> <li><b>Minimum savings balance</b> (e.g. equivalent of one month household expenditure)</li> <li>Rightsholder linked to formal Islamic microfinance provider (where available)</li> </ul>
Social Empowerment	<ul style="list-style-type: none"> <li>Household members are part of and participate in community activities, groups, organisations.</li> <li>Improved knowledge, attitude and practice in relation to key life skills and social norms</li> <li>Youth in education, employment or training and children are educated.</li> <li>Family members including children have a positive mindset, and hope for the future.</li> <li>Women and girls have equal voice and decision-making rights to male members of the household.</li> </ul>	<ul style="list-style-type: none"> <li>RHs report increased role in household financial decision-making</li> <li>RHs have knowledge and put this into practice in relation to key issues (eg child-protection, GBV, hygiene and sanitation)</li> <li>RHs attend at least one community activity in the last month</li> <li>Households engage in local community institutions such as WASH Committees, and School Management Committees.</li> <li>Children attend school/ record improvement in grades</li> <li>Children aspiration for future has changed from leaving school early/early marriage to continue to further/higher education or join vocational training course or to pursue a career</li> </ul>

\* 'Graduation' = meeting all or at least a minimum number of key criteria; **mandatory criteria are in bold**

For an example of a Graduation project logframe see [Annex C](#).

# MONITORING, ASSESSMENT AND ADAPTIVE MANAGEMENT

## PARTICIPANT AND GROUP MONITORING

**Participant monitoring:** As discussed in [Section 12](#) monitoring of RH progress is central to the GA. This is a core operational function for project implementation by project staff. MEAL staff can support this, but it is important that this is seen as an operational rather than MEAL function.

### GRADUATION IN PRACTICE: HOUSEHOLD VISIT MONITORING INDICATORS – ISLAMIC RELIEF BANGLADESH

- Condition of fruit saplings (good, bad, expired)
- Home gardening (number of crops)
- Waste management (sufficient land, latrine)
- Following plan for IGA (Y/N)
- Diversification (number of IGAs)
- IGA management (livestock housing, feed, deworming, vaccination)
- IGA profitable (Y/N)
- Small/large loans received from SHG (number, use and value)
- Safe tube well
- Knowledge and practice of rights-based issues
- Savings
- Qard hasan/interest-free loan position

**Group monitoring:** In addition to monitoring participant progress, coaches are responsible for monitoring and supporting SHG progress and 'health'.

**Spot-checks:** The work of project supervisors includes doing spot checks on RHs to verify the work of the coaches and to identify emerging problems. This includes validating participant and group level monitoring data. MEAL staff may also be involved in this quality control process.

**Project review and adaptive management:** The need to adapt Graduation projects to context means that it is important to continue to learn, reflect and adjust during implementation. Integrating project learning and adaptive management processes is therefore important. At a project level, participant monitoring information can be used to review common issues or challenges. Coaches and other team members should regularly reflect on RH monitoring data, on what is working and what is not, and bring their experience and suggestions to their supervisor and team meetings and help find solutions. This allows for strategies to be developed to address common issues, or for project design to be adjusted and/or to inform decisions on where to allocate more resources.

## COMMON QUESTIONS TO EXPLORE USING PROJECT LEVEL MONITORING DATA

- Across a cohort, are most participants on track for Graduation? Why or why not?
- Across a cohort, are participants weaker on certain indicators? Why or why not?
- Are there communities where progress is weaker than others? What key characteristics define those communities?
- Are there particular livelihoods that are taking longer to generate a sustainable income?
- Are there certain programme activities or responsibilities that are not being performed effectively? What is inhibiting execution by programme staff?

Source: World Vision Ultra-poor Graduation Handbook

## MEAL TEAM REVIEWS AND ASSESSMENTS

While project staff regularly assess RH progress towards the Graduation indicators, the baseline, midline and final assessments of Graduation are conducted by MEAL staff. These should use the Graduation Criteria discussed above. MEAL staff should also collect data annually and lead a lessons learned workshop, focusing on achievement of the indicators set out in the logframe as well as the implementation process and application of the minimum standards. This workshop would always need to be disaggregated by sex, age, disability and other inclusion criteria so that the project can see whether there are any patterns for any groups of people potentially falling behind.

# EVALUATION

Given the substantial investment of resources in a Graduation project it is important that projects are evaluated in line with the **Islamic Relief MEAL Framework**, and that they demonstrate effectiveness.

Given the wealth of rigorous impact research on Graduation projects internationally (see **Section 1**), it is not normally necessary for impact evaluations to prove the Graduation model itself (unless significant changes have been made). Rather evaluations should focus on:

- **assuring the integrity of design and implementation** ie that the project design and implementation fits with Graduation minimum standards and has been delivered in a timely and adequately resourced manner that fits with project design

- **reviewing project learning and iteration** to highlight the extent to which the project has adjusted to fit the needs of targeted participants and the constraints/ opportunities presented by the context
- **participant progress** towards achieving Graduation criteria
- **build a stronger case for credibility of project outcomes** by integrating project monitoring data with in-depth qualitative interviews with RHs and other stakeholders and using outcomes harvesting and mapping processes to link project inputs to outcomes.

Evaluations can also be designed around the **OECD DAC Criteria** in line with the Islamic Relief **MEAL Framework Evaluation Guidelines**.



# ANNEXES

## A. GRADUATION TIMING AND SEQUENCING

**MINIMUM INDICATIVE TIMELINE FOR ISLAMIC RELIEF GRADUATION PROJECTS** (order and timings will vary project by project)

MONTH	Pre-project approval			Setup	Implementation year 1				Implementation year 2				Support for sustainability			Post - project
	3 Months	3 Months	3 Months	1- 3	4 - 6	7-9	10-12	13 - 15	16 - 18	19 - 21	21 - 23	25 - 27	28 - 30	31 - 33	34 - 36	
Assessment & technical planning	■	■	■													
Design refinement			■													
Staff training, project setup & partnership				■												
Targeting & Baseline data collection					■	■										
SHG formation and training						■	■									
SHG facilitation							■	■	■	■	■	■				
Livelihoods stabilisation							■	■	■	■	■					
Financial capability training							■	■	■	■	■					
Entrepreneurial training								■	■	■	■					
IGA planning								■	■	■	■					
Technical training								■	■	■	■					
Life-skills training								■	■	■	■	■				
Asset transfer									■	■	■					
Coaching visits to rightsholders									■	■	■	■				
Coaching focused on 'slow climbers'										■	■	■	■	■	■	
Monitoring SHG												■	■	■	■	
Reinvestment using savings											■	■	■	■	■	
Linkages (Forming SHG Apex body)											■	■	■	■	■	
Light touch post-project follow up																■

**KEY**  
 ■ Core activity  
 ■ Activity may extend into this period

## ISLAMIC RELIEF BANGLADESH GANTT CHART

PROJECT STAGE							
PREPARATION PHASE	ON-THE-GROUND IMPLEMENTATION PHASE						PHASE-OUT STAGE
Operational Planning and Design	Targeting	Business Planning / Technical training	Asset Transfers	Coaching	Strengthening groups, savings & linkages	Intensive capacity building Leadership	Exit strategy
0-3 months	0-6months	5-9 months	6-12 months	7-18 months	12-24 months	24-36 months	36-48 months
Planning for implementation Hire and train staff Establish partner agreements Procurement plan Develop training curriculum for participants, SHGs, Apex Bodies Community engagements Operational work plan Design options for IGA interventions and criteria based on assessment findings	Targeting Selection Group formation and small savings, Self-help group (SHG) capacity building Conduct baseline survey for evaluation	Market analysis Self-selection of IGAs Business planning Technical skills training SHG capacity building Light DRR planning Education enrolment (engagement with Schools) Small consumption support/education grants	Livelihood cash/asset transfers Procurement of livelihood assets Livelihood follow-up support Small consumption support	Close mentoring/ follow-up support Formation of umbrella apex body/child clubs Linkage to social protection Stronger DRR planning	Building up of savings Group revolving pool fund Internal micro-lending for second IGAs Ongoing mentoring support Linkages and strengthening relationships with school management committees, local government Capacity building of SHGs, umbrella apex group, child clubs Mid-term evaluation	Close mentoring of lagging households, weaker SHGs Ongoing capacity building of group leaders and apex groups Strengthening of linkages of SHGs, Apex Groups with service providers and local governments, schools etc Joint update exit strategy with all stakeholders	Ongoing capacity building to apex groups Handover/monitoring of SHG responsibility, Apex group leadership strengthening Intense follow-up and support weaker SHGs and any lagging households with gradual decrease in staffing engagement at household level Handover to Apex group and local government End-project evaluation



## B. WORLD VISION BUDGETING TEMPLATE

THIS SAMPLE BUDGETING TEMPLATE IS INCLUDED TO HIGHLIGHT THE AREAS THAT NEED TO BE INCLUDED FOR A GRADUATION PROJECT. FOR ISLAMIC RELIEF PROJECTS, ISLAMIC RELIEF BUDGETING TEMPLATES SHOULD BE USED.

TOTAL PROJECT BUDGET		Cost						Total Project Budget
		Planning 6 months	Y1	Y2	Y3	Unit Type	Unit	Total Cost in USD
	<b>ASSESSMENT COSTS</b>							
	<b>PROGRAMME COSTS</b>							
	<b>Preparatory costs</b>							
	Cluster technical coordinators / programme officers conduct market assessment							
<b>1.0</b>	<b>PARTICIPANT TARGETING</b>							
<b>1.1</b>	<b>Community Targeting Session</b>							
	Participant Travel and Meals							
	Facilitator Travel and Meals							
	Programme Officer Travel and Meals							
	Materials and Supplies							
<b>1.2</b>	<b>Household Surveys</b>							
	Facilitator Travel and Meals							
	Programme Officer Travel and Meals							
	Materials and Supplies (handouts, flipcharts, etc.)							
	Printing (surveys for estimated eligible HHs)							
<b>2.0</b>	<b>PARTICIPANT TRAINING</b>							
<b>2.1</b>	<b>Introductory Training (includes Graduation overview, technical training, financial planning, and working with stakeholders)</b>							
	Participant Travel and Meals							
	Materials and Supplies							
	Printing (training booklets)							
<b>2.2</b>	<b>Refresher Technical Training</b>							
	Participant Travel and Meals							
	Materials and Supplies							
	Printing (reuse training booklets)							
<b>2.3</b>	<b>Confidence-Building and Exit Training</b>							
	Participant Travel and Meals							
	Participant Travel							
	Materials and Supplies							
	Printing (training booklets)							
<b>3.0</b>	<b>PARTICIPANT DIRECT SUPPORT</b>							
	Consumption Stipend							
	Asset Transfer (cost of delivery, staff travel, information book to track asset growth)							

	Savings Group Starter Kit (lockbox, savings books, etc.)						
	Kitchen Garden						
	<b>OPERATIONS COSTS</b>						
<b>4.0</b>	<b>STAFF SALARY</b> (including fringe and inflation)						
<b>4.1</b>	<b>Facilitators/Programme officers/volunteers</b>						
	<i>Travel allowance</i>						
	<i>Phone credit</i>						
	<i>Bicycles (in contexts where HH density is too low)</i>						
<b>4.2</b>	<b>Programme Management (Programme Manager, Area Programme Manager)</b>						
<b>4.3</b>	<b>Monitoring Staff</b>						
<b>4.4</b>	<b>Administrative Staff (e.g. accountant)</b>						
<b>5.0</b>	<b>STAFF TRAINING</b>						
<b>5.1</b>	<b>Targeting Training Workshop</b>						
	Staff Travel and Meals						
	Materials and Supplies (handouts, flipcharts, etc.)						
	Printing (training manuals)						
	Space Rental						
<b>5.2</b>	<b>Programme Implementation Training Workshop</b>						
	Staff Travel and Meals						
	Materials and Supplies (handouts, flipcharts, etc.)						
	Printing (training manuals)						
	Space Rental						
	Provision of childcare if necessary						
<b>5.3</b>	<b>Programme Implementation Refresher Training Workshop</b>						
	Staff Travel and Meals						
	Materials and Supplies (handouts, flipcharts, etc.)						
	Printing (training manuals)						
	Space Rental						
	Provision of childcare if necessary						
<b>6.0</b>	<b>OFFICE EXPENSES</b>						
	Office Rent and Utilities						
	Internet and Telephone						
	Printing and Stationary						
	General Incidental Expenses and Maintenance						

<b>7.0</b>	<b>OFFICE EQUIPMENT</b>							
	Computers and related equipment (printer, scanner)							
	Vehicles							
	Motorbikes/bicycles (for Facilitators depending on context)							
	Furniture & Fixtures							
<b>8.0</b>	<b>KNOWLEDGE DEVELOPMENT &amp; DISSEMINATION</b>							
	Knowledge Product Design (Consultancy)							
	International Conference Presentation on Pilot							
	<b>Subtotal: Knowledge Development and Dissemination</b>							
<b>9.0</b>	<b>Quality Assurance</b>							
	Baseline and Endline Assessment							
	Operations Research							
<b>10.0</b>	<b>Overhead</b>							

Source: World Vision Ultra-Poor Graduation Handbook

## C. EXAMPLE ISLAMIC RELIEF LOGFRAME AND INDICATORS FOR GRADUATION PROJECTS

Description	Recommended Indicators	Verification Means	Notes / Definitions
<b>Goal:</b> Rightsholders living in extreme poverty are on upward trajectory out of poverty with children being cared for, well-nourished and educated.	% of target families living in multi-dimensional poverty based on MPI index.	Multi-dimensional poverty index.	
	% of target families earning less than \$2.15 per day/per person in family (PPP 2022 prices)	Purchasing Power Parities Index (PPP). Graduation criteria.	
	# of households that meet Graduation criteria	Measured at baseline, midline and endline	
<b>Outcome 1: Children and their families have improved food security and nutrition</b>			
	% families experiencing moderate or severe food insecurity, based on the Food Insecurity Experience Scale (FIES)	Food Insecurity Experience Scale (FIES).	
	% of children who are underweight (sex disaggregated)	Weight for Age Z < -2 Z-scores	
	% of the families with acceptable Food Consumption Score (FCS)	Food Consumption Score (FCS)	
	% of the families with reduced coping strategy index (RCSI)	Reduced Coping Strategy Index (RCSI) Measured at baseline, midline and endline survey	
<b>Output 1.1</b> Households received consumption support	# and % of households eating 2 or 3 (depending on context) meals a day every day for the last 7 days	Output monitoring - (during household visits)	
	# of households receiving consumption support (countries to specify amount/frequency/ duration) disaggregated by SADDD	Output monitoring (distribution lists verified through household visits)	Some households may not need consumption support
<b>Output 1.2</b> Increased household access to basic social services  <i>These indicators will vary according to the specific objectives of each project</i>	# of households with at least 15 litres of safe water for drinking, cooking and personal hygiene per person per day	Baseline, midline and endline survey	
	# of households with access to improved sanitation facilities (ask if shared access or not)	Baseline, midline and endline survey	
	# and % of households with children of school going age attending school	Output monitoring (during household visits)	
	# of youth (aged 15–24 years) not in education, employment or training		
	# and % of participants have access to basic healthcare services	Output monitoring - Monthly (during household visits)	Definition: Participant's ability to access healthcare when needed
<b>Output 1.3</b> Households have livelihood protection during shocks (if applicable)	# or % of vulnerable persons receiving targeted social protection services	Output monitoring - Monthly (during household visits)	Definition: Safety Nets include registration with insurance schemes, housing allocation, emergency stipend)

Outcome 2: Households have improved livelihoods			
	Proportion of households with at least two sources of income	Baseline, midline and endline survey	Definition: Any asset that is put to production to generate income
	% of households with increase in average value of total productive assets - by least double (2x) the initial IGA transfer value		
	% of households with increase in average value of total non-productive household assets by at least 50%		
	% of women reporting ownership and control of productive assets		
	% of households generating more average monthly income than average monthly expenditure		
	% of households whose income has increased by at least 100% in real terms (the norm in Bangladesh is at least 200%+ in 3 years).		
<b>Output 2.1</b> Participants completed business and livelihoods training	# of new business/IGAs initiated through project	Biannual Monitoring	
	# of households completed livelihoods trainings disaggregated by SADD	Biannual Monitoring	
	% of households practicing newly acquired livelihood skills	Output monitoring (during household visits)	Based on checklists developed by technical staff.
<b>Output 2.2</b> Participants received productive assets	# of households that received productive assets (countries - state total value of asset to be distributed per rightsholder) disaggregated by SADD	Biannual Monitoring	
<b>Output 2.3: Participants have a plan</b>	% of participants who can articulate a future plan for growth, diversification or management of their IGA	Graduation criteria	
<b>Output 2.4: Reinvestment</b>	# of participants that re-invest to expand or diversify an IGA using savings or loan	Output monitoring (during household visits)	
Outcome 3: Households have enhanced financial inclusion			
	average amount of savings among the target households	Baseline, midline and endline survey	
	% of household that report being able to cover one month of household expenditure from savings		
	% of targeted HHs who are linked to formal savings and/or Islamic micro-credit institutions		
	% of targeted HHs who have taken a loan (from SHGs or interest-free/Islamic micro-credit)		
	% of women who report participation in financial decision making at household level		
<b>Output 3.1</b> Financial literacy trainings completed/imparted	# of households that completed financial literacy training	Biannual Monitoring	
	# of participants who demonstrated positive application of financial literacy training	Output monitoring (during household visits)	Based on checklists developed by technical staff.
<b>Output 3.2</b> Self-Help Groups established and functional	# of individuals who are active members of self-help groups (participate in weekly/monthly SHG meetings)	Output monitoring (during household visits)	
	Value of savings mobilised (set a minimum threshold to assess against)	Output monitoring (during household visits)	
	# and % of participants managing credit responsibly i.e. repayment on track (if applicable)	Output monitoring (during household visits)	
<b>Output 3.3</b> Households are linked to formal financial services	# of households with knowledge of existence and procedures of formal Islamic financial services in the area	Biannual Monitoring	
	# of households linked to formal Islamic financial institutions and services (if applicable)	Baseline, midline and endline survey	
	# of rightsholders with own bank account/mobile wallet (where available).		

Outcome 4: Households have positive behaviour change and increased social inclusion			
	% of women reporting involvement in household decision making - average score on Household Decision-Making Index	Household Decision-Making Index Baseline, midline and endline survey	
	% of households with enhanced knowledge on CP and GBV issues (based on checklist developed)	Baseline, midline and endline survey	This indicator on men reporting on decision-making should be used to verify the above
	% of households where men report women taking part in household decision-making		
	% of households with enhanced protection practices		
	% of participants who engage in local community institutions such as WASH Committees, and School Management Committees (disaggregated by sex)  % of children whose school grades/results has increased by at least 1 grade.  % children that express plan for staying on for further/higher education or vocational training course after completion of secondary education		
<b>Output 4.1</b> Participants are part of community committees	# of households participating in community committees (disaggregated by committee and sex of participants)	Output monitoring (during household visits)	
<b>Output 4.2</b> Participant capacity is strengthened	# of life skills training sessions attended by the participant	Output monitoring (during household visits)	
<b>Output 4.3</b> Participant develops a positive mindset	# of vulnerable target group members aware of their promoted rights	Output monitoring (during household visits)	
	% of households with visits or one-to-one coaching completed	Output monitoring (during household visits)	Frequency to be determined based on context during programme design
	# of participants reporting increased confidence and self-esteem (disaggregated by sex)	Biannual Monitoring	

Adapted from World Vision Ultra-Poor Graduation Handbook

# D. ISLAMIC RELIEF BANGLADESH SHG MATURITY CHECK-LIST

		Total Mark (1 - 3)	Grade (A= 48 - 60; B= 36 - 47; C= 24 - 35; D = < 24)
<b>Governance</b>	Clear objective of SHG		
	Have executive committee & participatory process		
	Have Bi-law & operates according to the bi-laws		
	Attendance & responsibilities of Executive committee		
<b>Operation &amp; Management</b>	Maintaining rule & Regulation of SHG		
	Regular meeting held & Attendance		
	Capable meeting minutes writing without external support		
	Capable decision making & conflict managed through participatory way		
	Voice raise & action against violence		
<b>Training &amp; financial management</b>	Regular saving deposition & documentation		
	Qard al hasana repayment rate & documentation		
	Handle accounting system without external support		
	Capable to manage group bank account & Deposition regular basis		
	IGA Implementation as per training		
	Any kind of fraud in SHG		
<b>External relations &amp; Sharia compliance</b>	Practice level of SHG member on sharia based microfinance		
	Relation between the SHG members & IR staff		
	Level of networking with the service provider		
	Level of awareness on complaint & feedback mechanism (CFM)		
	Aware about donor & implementing organization		



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