DURABLE SOLUTIONS PLATFORM

DRC DANISH REFUGEE COUNCIL

RYSE RESILIENT YOUTH SOCIALLY AND ECONOMICALLY

Barriers and Opportunities for the Use of the Graduation Model in Jordan

April 2022

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The Resilient Youth, Socially & Economically (RYSE) project is a flagship multi-stakeholder partnership counting Jordan River Foundation, Generations for Peace, Mercy Corps, INJAZ, and the Danish Refugee Council (DRC) as lead agency. The Novo Nordisk Foundation is the grant holder. RYSE focuses on empowering 25,000 Syrian refugees and vulnerable young Jordanians affected by the Syrian crisis to become the much-needed positive change agents in a region marred by war and political instability. From 2020 through 2022 RYSE aims to build resilient futures.

Durable Solutions Platform (DSP) is a joint initiative of six NGO members: Action Against Hunger (ACF), Danish Refugee Council (DRC), International Rescue Committee (IRC), Oxfam, Norwegian Refugee Council (NRC) and Save the Children. Established in 2016, DSP seeks to support a collective agenda on durable solutions in the Middle East through joint research and cross-learning opportunities, evidence-based policy engagement and capacity strengthening on durable solutions concepts, approaches, and programming amongst members and partners.

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1. EXECUTIVE SUMMARY

With the Syrian conflict heading into its eleventh year, Jordanians and Syrian refugees living in poverty continue to face a fragile economy with limited prospects for resilience and self-reliance.

A middle-income country, Jordan nonetheless suffers from high poverty rates. In 2019, the national poverty rate reached 15.7%; since the beginning of the Coronavirus disease 2019 (COVID-19) crisis, the poverty rates for Jordanians have increased by 38%, and the rates for Syrian have increased by 18%.[1] Moreover, with a small, informal market, Jordan suffers from a stagnant economy with little opportunities for labor market engagement. New to the Jordanian context, and still largely untested in the Middle East and North Africa (MENA) region and in middle-income economies, the graduation approach (GA or graduation) has gained traction as a promising methodology to life households in Jordan out of extreme poverty and into self-reliance.

The **graduation approach** describes any carefully integrated, sequenced, and closely monitored set of time-bound interventions designed to holistically address the multidimensional needs faced by the poorest by pushing households to move beyond food insecurity and extreme poverty into sustainable livelihoods.

This study, conducted by the Durable Solutions Platform (DSP) and the Resilient Youth, Socially and Economically Empowered (RYSE) project, examines the barriers and prospects for a successful application of the graduation model in Jordan.

Using a qualitative methodology and multi-stakeholder participatory process, including desk review of relevant materials, key informant interviews (KIIs) and in-depth interviews (IDIs), the report explores promising practices, highlights lessons learned, and exposes outstanding questions around the adaptation of graduation for the Jordanian context. The paper beings by providing an overview of recommendations for the Government of Jordan (GoJ), the international donor community, and operational agencies supporting and implementing the graduation approach. Next, it provides an overview of the Jordanian context and the graduation approach, followed by an overview of the research methodology and limitations. The fourth section provides an overview of research findings related to (a) the macroeconomic context in Jordan, (b) Jordan's legal and regulatory environment, (c) participant targeting, and (d) graduation mentorship. Finally, the paper presents high-level conclusions and emerging operational recommendations.

The graduation approach provides a unique approach to help overcome many of the challenges faced by Jordan's macroeconomic environment.

To date, most livelihoods programming in Jordan has focused on "push strategies" such as vocational training, short-term job matching, and cash for work programming. However, with Jordan's stagnant private sector growth, high public sector employment rates, and reliance on the informal economy, these types of interventions that focus on building the capacity of individual level actors to engage in markets have not proven sustainable. Graduation programs like the RYSE project are exploring ways to overcome these challenges, including through engagement with the private sector to develop complementary "pull strategies" that help to expand the quality and diversity of economic

1 Malaeb, Bilal and Matthew Wai-Poi. 2020. "Compounding Misfortunes. Changes in Poverty since the onset of COVID-19 on Syrian Refugees and Host Communities in Jordan, the Kurdistan Region of Iraq and Lebanon. World Bank.

opportunities available. Notable opportunities within the tech-enabled and information and communications technology (ICT) sector and food processing and agribusiness have been identified as high-growth opportunities that would also be appropriate for women, youth, and Syrian refugees, who often face additional barriers to market engagement.

Successful graduation programs are designed to build off existing social protection schemes and in alignment with the legal and regulatory environment that moderates refugees' engagement in the economy.

Through the Ministry of Social Development's (MoSD) National Aid Fund (NAF) and the United Nations High Commissioner for Refugees (UNHCR), there are existing social protection schemes in place that help Jordanians and Syrian refugees meet their basic needs, respectively. These can be leveraged to support the delivery of consumption support to graduation participants, though many voice a hesitation that engagement in graduation programming will restrict their access to these benefits. In addition, the Government of Jordan takes a strong stand towards the categorization and formalization of employment opportunities, irrespective of nationality or type of employment. As graduation programming traditionally falls within the informal sector, graduation programs are exploring how to best support participants' participation in the formal sector, compliance with challenging business requirements related to home-based businesses, and engagement in the nebulous area of freelance or non-home-based self-employment. Meanwhile, while Syrian refugees face fewer regulatory barriers in Jordan than in many other refugee contexts, including the right to work, they continue to face restrictions regarding the type and quality of work that they can engage in.

Though still in its infancy, the graduation community of practice in Jordan has already produced numerous lessons learned about who and how to target for graduation programming.

While many of the traditional approaches utilized by graduation practitioners for participant targeting and selection have not been successful and/or are not appropriate for the Jordanian context, operational agencies are beginning to work with the GoJ and UNHCR poverty and vulnerability lists to identify prospective households. To select potential participants, RYSE and other programs are also developing context-specific scorecards to measure poverty and vulnerability. Operational agencies also continue to grapple with if and how to measure individuals' motivation for participating in a graduation program and their likelihood for success. RYSE participants identified bad living conditions and lack of available jobs as their main motivation for participating in the program and indicated that upon completion of RYSE they hoped to have a stable income, increase social interactions, and improve self-confidence. The most common concerns related to program engagement was a fear of failure, apprehension that they would not achieve anything upon completion of the program, and a fear of losing social protection assistance. As operational agencies learn more about the characteristics of these different participant profiles, they should modify targeting and selection processes and tools accordingly.

Mentorship is a relatively new concept in Jordan, particularly in the space of economic inclusion programming, leaving a lot of opportunity for innovation and Jordan-specific design.

There is a general agreement amongst implementing organizations and participants that graduation mentorship should focus on building households' resilience to help address challenges and opportunities related to both livelihood- and household-level matters. There is a similar agreement in terms of the ideal profile for graduation mentors in Jordan. Soft skills and humility were identified as the most important traits for a graduation mentor, though pertinent business acumen and/or in-depth technical expertise are also desirable.

In addition, it is important that the graduation mentor be from the local community and, ideally, of the same gender as the participation. One distinct expectation that surfaced was the need and opportunity for graduation mentoring to address themes of psychosocial wellbeing and resilience to encourage engagement in livelihood activities.

Despite the uniquely challenging situation of implementing the graduation approach in Jordan, opportunities remain promising.

Programs like RYSE have already begun to identify innovative opportunities for income generation and successful practices related to coordination with the Government of Jordan and UNHCR, participant targeting and graduation mentoring. Moreover, there are numerous opportunities to engage in multi-sectoral graduation learning communities of practice, such as UNHCR's Poverty Alleviation Coalition (PAC) and RYSE's Graduation Approach Coordination & Advocacy Platform/Taskforce, to exchange knowledge and tools and explore innovative solutions that will shape the future of graduation in Jordan. With ongoing advocacy efforts from the international donor community and operational agencies, the Government of Jordan is well positioned to enact policy reform that supports job creation, decreases dependency on the public sector, and creates opportunities in the informal economy, while also continuing to decrease barriers to livelihood and financial engagement for Syrian refugees.

2. RECOMMENDATIONS

This sections provides an overview of recommendations for the Government of Jordan, the international donor community, and operational agencies supporting and implementing graduation.

Recommendations for the Government of Jordan:

1. **Focus on improving Jordan's macroeconomic situation through policy reform that supports job creation, decreases dependency on the public sector, and creates opportunities in the informal economy.**

Until Jordan's macroeconomic context is strengthened, economic inclusion programming alone, including the graduation approach, is unlikely to result in sustainable change and increased resilience for graduation participants. Policy reform that allows leniency for small-scale home-based businesses to operate with fewer restrictions, creates more opportunities for engagement in the informal economy, and expands opportunities for freelance or non-home-based self-employment would have a direct benefit for graduation participants, including women, who most frequently work in these sectors.

2. **Continue decreasing barriers to livelihood engagement for Syrian refugees, including expanding livelihood sectors, decreasing quota requirements, expanding work permits, expanding opportunities for home-based businesses, and expanding refugees' access to financial services.**

Despite significant improvements to Syrian refugees' rights, Syrian graduation participants continue to face numerous barriers to sustainable engagement in livelihood activities. Moreover, constant changes in policy and inconsistent enforcement amongst municipalities makes it difficult for operational agencies implementing graduation to effectively support Syrians. Updated policy and practice that help Syrian refugees to start and grow IGAs, particularly through the formalization of home-based businesses and access to financial services, would be especially beneficial to graduation participants, especially women.

3. **Continue engaging in graduation learning communities of practice, including PAC Jordan and RYSE's Graduation Approach Coordination & Advocacy Platform/Taskforce to exchange knowledge and tools and shape the future of graduation in Jordan.**

There are numerous global and local communities of practice dedicated to economic inclusion and the graduation approach specifically. For example, RYSE recently established the National Graduation Approach Coordination and Advocacy Platform/Taskforce to introduce the minimum standards for the effective implementation of GA programs in Jordan and avoiding duplication and overlap between different projects in terms of beneficiaries and locations. If not already involved, it is recommended that the GoJ, most notably those implementing GA directly, including the National Aid Fund, Ministry of Labor (MoL), and Ministry of Agriculture (MoA), would benefit from active engagement in these for a. Not only would they provide opportunities for knowledge and tool exchange, but would ensure that GoJ actors are at the forefront of the discussions shaping the future of GA in Jordan, particularly as it relates to government-led scale-up of programming.

4. **Coordinate with operational agencies around the use of NAF participant lists for program targeting and the implications of participation in a graduation program on receipt of NAF benefits.**

There is a clear opportunity for the GoJ to coordinate with GA operational agencies around the use of NAF participant lists for program targeting and more broadly regarding the implications of participation in a graduation program on receipt of NAF benefits. Given the appropriateness of many NAF beneficiaries for graduation programming, it would be beneficial to ensure that NAF is able to share beneficiary lists with operational agencies in a timely and accurate manner. Furthermore, it is imperative that NAF and operational agencies collaborate to develop clear protocols and messaging around the implication of participation in graduation programming on NAF benefits. Despite reassurances to the contrary, Jordanians throughout the country are under the impression that their eligibility for NAF support may be negatively impacted by engagement in graduation programming, resulting in hesitation to do so.

Recommendations for the international donor community

1. **Influence policy reform and increase direct funding to support job creation and an enabling environment that addresses the ongoing barriers that Syrian refugees face to sustainable engagement in income generating activities.**

Within the space of economic inclusion, donors should stop funding ineffective push-only interventions, and instead focus on more holistic approaches like graduation. In addition, donors are well positioned to continue funding broader macroeconomic strengthening interventions that focus on job creation, value chain, and private sector development, and which provide a much-needed counterpart to graduation. Donors are also well positioned to encourage the GoJ to adopt policy reform that decreases regulation on economic engagement and creates more opportunities for growth in the informal economy, necessary for graduation participants' success. The international donor community is similarly well positioned to continue supporting ongoing policy reform, particularly related to Syrian refugees' right to work and access finance.

2. Continue to expand grant funding duration to provide appropriate support for long-term economic inclusion programs, including the graduation approach.

Economic inclusion programs, and the graduation approach, specifically, require longer-term implementation periods, recommended at three to five years. While some donors are beginning to expand funding duration, many, particularly those working within the humanitarian context, continue to be bound by year-long funding requirements. Timeline expansion should further allow for sufficient inception activities, including socio-economic assessments, context- and participant-specific market analyses, and targeting and mentor process and tool development.

3. Encourage and fund opportunities for graduation knowledge exchange and learning.

There is a clear need and opportunity for knowledge exchange and learning amongst operational agencies, GoJ ministries, and the donor community of practice. Donors are well-positioned to earmark funding for monitoring, evaluation, research, and learning, which will enable operational agencies to prioritize such endeavors. With leadership from the donor community, the Jordanian graduation community of practice is well positioned to lead systematic research and learning around how best to adapt and adopt graduation programming to middle-income and refugee contexts. Donors can also encourage open-source sharing and exchange between operational agencies, reducing proprietary restrictions to tools and competition around private sector engagement. Finally, they are well positioned to promote high-quality programming through the support of post-pilot learning and adaptation, allowing operational agencies to reflect on lessons learned from pilot programs and intentionally update tools and processes before scale-up.

Recommendations for operational agencies supporting and implementing graduation:

1. Engage in advocacy efforts with the Government of Jordan and the donor community to address policies that impact Jordan's enabling environment and Syrian refugees' ability to participate in sustainable income generating activities.

All operational agencies noted the importance of advocacy efforts with the Government of Jordan to address Jordan's dire macroeconomic situation and the ongoing barriers that Syrian refugees face to sustainable engagement in income generating activities. While advocacy may not be at the core of graduation programming, it is imperative that operational agencies allocate efforts to continuing to address these broader challenges with the GoJ and the donor community to ensure a sustainable and scalable path forward for graduation participants.

2. Explore opportunities to couple graduation's holistic push interventions with market-led pull interventions.

Linking the graduation approach with appropriate market-led solutions will help graduation participants overcome some of the systemic macroeconomic and policy challenges that present ongoing barriers to their engagement in sustainable livelihoods. Private sector and value chain development in appropriate high-growth sectors, such as ICT and agriculture should be explored.

3. Engage with operational agencies in transparent exchange of tools and lessons learned around graduation design and programming.

Currently many operational agencies are wrestling with many of the same challenges as they begin to design and implement a graduation program adapted for the Jordanian context. Despite participation in numerous relevant communities of practice, transparency and knowledge exchange between operational agencies related to graduation programming and operations is limited. There is a clear opportunity to share grey literature, processes, and tools, particularly related to participant targeting and graduation mentoring. In addition, operational agencies must actively come together to address the real challenges that they are creating and facing in the economy, including the role of ongoing humanitarian assistance and incentive schemes to private sector employers.

4. Coordinate with NAF and UNHCR around the use of existing participant lists for graduation program targeting and messaging related to social protection schemes.

There is a clear opportunity for implementing partners to continue coordinating with the GoJ and UNHCR around the use of NAF and Vulnerability Assessment Framework (VAF) participant lists to help streamline graduation program targeting. Whether or not there is any actual policy implication, Jordanians and Syrian refugees are under the impression that their NAF and humanitarian assistance, respectively, may be at risk because of engagement in graduation programming, resulting in hesitation to do so. As a result, it is imperative that operational agencies collaborate with NAF and UNHCR to develop clear and transparent protocols and messaging around the implication of participation in graduation programming on NAF and humanitarian aid benefits. Moreover, staff from all stakeholder organizations, and at all levels, from frontline mentors to senior officials, understand and communicate similar messages.

5. Develop appropriate mentoring and support system tools and processes that address the needs unique to the Jordanian context.

Specifically, graduation operational agencies have an opportunity to strategically design mentoring guides and monitoring toolsthat address and support psychosocial wellbeing, resilience, and motivation to engage in income generating activities. The use of in-depth qualitative assessments may help operational agencies to better understand households' thresholds for participation and the terms around which participants are most likely to engage and succeed in graduation programming, including location and duration of training sessions, IGA activities and salaries, etc. Follow-up assessments with those who opt out of graduation programming and drop out early can help operational agencies understand why and how the program could be adapted to make it more conducive for them. Most importantly, as specific barriers are highlighted, it will be imperative to adapt program design to help overcome them.

3. INTRODUCTION

A middle-income country with a small, informal market, the Syrian conflict and the COVID-19 pandemic have place pressure on Jordan's already fragile economic, environmental, and social contexts.

Jordan's gross domestic product (GDP) growth rate has held at a mere 2% per year since 2015[2] and unemployment in 2020 reached nearly 25%,[3] and even higher for women and youth. According to the World Bank, the Jordanian economy contracted by 1.6% in 2020.[4] Moreover, COVID-19 is already having real negative consequences on poverty rates. In 2019, the national poverty rate reached 15.7%; since the beginning of the COVID-19 crisis, the poverty rates for Jordanians have increased by 38%, and the rates for Syrian have increased by 18%.[5]

Over the past 11 years, Jordan has become a host to more than 660,000 Syrian refugees,[6] who now account for nearly 7% of the total population in Jordan.[7]

The entry of Syrians into the Jordanian labor market has influenced labor market participation rates and wages for Jordanians and other non-Jordanian populations – particularly the informal sector. According to a study conducted by the International Monetary Fund, in 2017 the average unemployment rate in governorates with the largest influx of refugees increased by 3.3%, while decreasing by 1.4% in the rest of the governorates.[8] Jordan's already limited natural resource base and public services have also been affected, putting a strain on social cohesion. According to the Ministry of Planning and International Cooperation (MOPIC), in 2015 70% of Jordanians had access to less than the national standard of water per person per day, with the presence of Syrian refugees accounting for 62% of the total water vulnerability index. Another study found that rental prices increased by 14% nationwide between 2013 and 2015. These additional strains have disrupted community resilience and social cohesion within Jordan, particularly in urban areas, with Jordanian nationals increasingly perceiving Syrians as a threat to peace and stability.[9]

With conditions inside Syria precluding safe, voluntary and dignified returns and few resettlement places available, the majority of Syrian refugees continue to strive for dignified living conditions in displacement.

In light of the increasing protracted displacement of Syrian refugees, it is ever more critical to explore how to support their – and vulnerable Jordanian host communities'—abilities to support themselves and plan for their future. Helping to bolster refugees' self-reliance can contribute to the search for durable solutions to displacement by supporting them to be better prepared for, and make informed decisions about, their futures. The ability to achieve self-reliance can be a crucial stepping-stone to support displaced people's

2 World Bank. 2020, "Jordan Economic Monitor, June 2020: Weathering the Storm."

3 خبر صحفي: الإحصاءات: ٢٤٫٧٪ معدل البطالة خلال الربع الرابع من عام 2020. http://dos.gov.jo/dos_home_a/main/archive/unemp/2020/Emp_Q4_2020.pdf.

4 World Bank. 2021. "Jordan: The World Bank Group Adapts its Strategy to Support COVID-19 Response, Inclusive and Resilient Recovery, and Continued Reforms." World Bank.

5 Malaeb, Bilal and Matthew Wai-Poi. 2020. "Compounding Misfortunes. Changes in Poverty since the onset of COVID-19 on Syrian Refugees and Host Communities in Jordan, the Kurdistan Region of Iraq and Lebanon. World Bank.

6 UNHCR. 2021, "Syria Regional Refugee Response data portal, Jordan," accessed January 28, 2021.

7 UNHCR. 2020, "Global Trends: Forced Displacement in 2020."

8 International Monetary Fund. 2017 "Jordan: Selected Issues." IMF Country Report No. 17/232. IMF.

9 Ajluni, Salem and Dorsey Lockhart. 2019. "The Syrian Refugee Crisis and Its Impact on the Jordanian Labour Market: West Asia-North." West Asia-North Africa (WANA) Institute.

pathways towards all durable solutions, which in practice means supporting the inclusion of displaced people into national policies and systems, and adopting localized approaches to providing services to both refugees and communities. Moreover, only through attainment of self-reliance, will Syrian refugees be positioned to actively contribute to Jordan's economic well-being without further straining social cohesion with host country Jordanians.

In light of the protracted displacement of Syrian refugees, coupled with the multiplicity of regional crises and the impact of COVID-19 on refugees and vulnerable host communities, a holistic approach to addressing multifaceted needs is becoming more relevant.

The graduation approach has gained traction as a promising methodology to lift households out of extreme poverty into self-reliance.

A. Graduation Approach Overview

The graduation approach describes any carefully integrated, sequenced, and closely monitored set of time-bound interventions designed to holistically address the multidimensional needs faced by the poorest by pushing households to move beyond food insecurity and extreme poverty into sustainable livelihoods.

The approach, first used by BRAC in Bangladesh, has a strong evidence base and has been tested in various countries, contexts, and with different implementing institutions, as highlighted in Text Box 1.

Holistic economic inclusion programs, including the graduation approach, have gained traction globally, and have begun to be scaled by governments as part of social safety net programs and adapted in numerous displacement contexts.

The World Bank's Partnership for Economic Inclusion's (PEI) "The State of Economic Inclusion Report 2021" identified 219 such programs across 75 countries, reaching approximately 20 million households and benefitting more than 92 million people. Of these, 48.6% of programs are government-led, though they reach 86.6% of program beneficiaries. While implementation and scale-up of government economic inclusion programs is still nascent, many governments are exploring how to build on cash transfer programs to support anti-poverty programming. However, argue Andrews et al (2021), adoption of economic inclusion programs by governments requires political buy-in and involves trade-offs in program design and implementation, including related to overall objectives, target groups, and the components being delivered. Almost 32% of programs reported serving displacement-affected populations, generally led by non-governmental organizations (NGOs) or multilateral organizations. These programs often build economic inclusion programming onto existing social safety nets offered through humanitarian assistance programming.[10]

In spite of its gaining momentum, the graduation approach is new in Jordan and has not yet been tested at scale in middle-income displacement contexts.

Only 7.3% of the economic inclusion programs identified by PEI were being implemented in the MENA region, including two in Jordan. Additionally, 30% were implemented in upper-middle- or high-income countries, most of which were in the Latin American and the

10 Andrews, Colin, Aude de Montesquiou, Inés Arévalo Sánchez, Puja Vasudeva Dutta, Boban Varghese Paul, Sadna Samaranayake, Janet Heisey, Timothy Clay, and Sarang Chaudhary. 2021. "The State of Economic Inclusion Report 2021: The Potential to Scale." Washington, DC: World Bank.

Caribbean (LAC) region.[11] The UNHCR's PAC Jordan is one of the first coalitions dedicated to understanding the feasibility of implementing graduation in this context. Specifically, they aim to create a unified approach and process for graduation implementation, including putting in place eligibility criteria for participating households and standardized graduation criteria.[12] Through the RYSE project, the Danish Refugee Council (DRC), Jordan River Foundation (JRF), and Mercy Corps will be the first operational agencies to employ graduation in Jordan, beginning in 2021. Under the Small-Ruminants Investment and Graduating Households in Transition (SIGHT) Project, the Jordanian MoA, in collaboration with JRF, also plans to begin graduation implementation this year.[13] With funding from European Union (EU) Madad, UNICEF and the International Labour Organization (ILO) will be implementing graduation programming through the UNICEF Jordan Youth Economic Engagement Programme,[14] as will the MoL and NAF as part of the World Bank's Economic Empowerment for Vulnerable Populations in Jordan/Economic Opportunities for Jordanians and Syrians Refugees Program for Results.[15]

Text Box 1: The Impacts of the Graduation Approach

Between 2006 and 2014, Innovations for Poverty Action conducted rigorous impact assessments on six graduation pilot sites to test the feasibility of the approach in widely varying contexts. Findings demonstrate that Graduation reliably leads to income gains (consumption, assets, and revenue), increased savings, greater food security, increased women's empowerment, and improved health and happiness, including:

7.5% increase in food consumption

15% increase in beneficiaries' productive assets

96% increase in savings one year after the program ended

A recent evaluation of BRAC's Targeting the Ultra-Poor graduation program in Bangladesh shows that many impacts are sustained more than seven years after the initial transfer or productive assets:

93% of participating households experienced long-term gains

37% percent increase in income

361% increase in labor productivity

200% increase in household asset value and access to land

900% increase in savings.

This report explores the barriers and prospects for a successful application of the graduation model in the context of Jordan, and the lessons they provide for other middle-income or displacement contexts.

11 Ibid.

12 UNHCR, 2021. "Poverty Alleviation Coalition, Jordan," accessed February 1, 2021.

13 Jordanian Ministry of Agriculture. October 2020. "Request for Proposals C4/2020. Small-Ruminants Investment and Graduating Households in Transition Project (SIGHT). Title of Consulting Services: Implementation Support of the Graduation Approach."

14 UNICEF Jordan, 2021. "Terms of Reference for Service Contracting," accessed March 5, 2021.

15 World Bank, 2021. "Economic Opportunities for Jordanians and Syrian Refugees PforR," accessed May 12, 2021.

The paper begins by presenting the research methodology and limitations. Next, it offers in-depth insights regarding the challenges and opportunities of implementing graduation programming given Jordan's macroeconomic context and legal and regulatory environment, and explores lessons learned and promising practices for targeting graduation approach beneficiaries and defining and implementing graduation mentorship in Jordan. Emerging recommendations for the Government of Jordan, the international donor community, and operational agencies are highlighted throughout.

4. METHODOLOGY AND LIMITATIONS

A. Research Objectives

This study used a qualitative methodology and multi-stakeholder participatory process, including desk review of relevant materials, key informant interviews and in-depth interviews. A desk review of relevant materials was conducted, including on: the macro-economic situation of Jordan, with a particular emphasis of the recent impacts of COVID-19; policy and programming impacting and supporting Syrian refugees in Jordan and Jordanians living in extreme poverty; the graduation approach and best practices in adapting programming for refugees, participant targeting, and coaching/mentoring; and market opportunities for Syrians and host nationals living in extreme poverty in Jordan. In March and April 2021, 26 key informant interviews were conducted with operational agencies, donors, government actors, experts in the graduation approach, and local operational livelihoods and mentorship staff. Fifty in-depth interviews were conducted with youth beneficiaries of graduation programs in Jordan and ten heads of household. See Annex A for additional detail. Data collection and analysis was conducted in April and May 2021. See Annex B for an overview of the framework utilized to guide the analysis of the feasibility of implementing graduation in refugee contexts. In February and March of 2022 further revisions were made to the report to incorporate additional findings surfaced since the inception of the RYSE program.

B. Limitations

The study faces the following limitations:

- As only one Graduation project has been (recently) launched in Jordan (RYSE), there is a limited amount of knowledge and experience available, both through desk research and KIIs.
- Minimal graduation programming has been implemented in the MENA region or in medium- and high-income contexts, resulting in a similar dearth of information. Andrews et al (2021) identified only sixteen economic inclusion programs operating in the MENA region. Similarly, only 30% of surveyed programs were in upper-middle- or high-income countries, most of which were in LAC.[16]
- Due to COVID-19 restrictions, IDIs were conducted through brief phone calls. As a result, best practices in participatory and youth-friendly focus group discussions (FGDs), were not implemented, likely negatively impacting the depth and breadth of data captured.

16 Andrews, Colin, Aude de Montesquiou, Inés Arévalo Sánchez, Puja Vasudeva Dutta, Boban Varghese Paul, Sadna Samaranayake, Janet Heisey, Timothy Clay, and Sarang Chaudhary. 2021. "The State of Economic Inclusion Report 2021: The Potential to Scale." Washington, DC: World Bank.

- Due to limited time and capacity, IDIs were conducted with a limited number of RYSE program participants from two geographic locations only, resulting in a narrow perspective. Given the national scope of the projected and undetermined geographic location, implementing organization, and target participant profile, the perspectives shared and data collected through this process will likely have limited applicability to other graduation programs.
- In-depth interviews were conducted with newly recruited RYSE program participants, most of whom had been recently targeted but had not yet received any program interventions. As a result, most feedback, particularly related to participant targeting and graduation mentorship, was hypothetical, as participants will not yet have started engaging in the graduation program.
- Additional revisions were made to the paper nearly one year after initial data was collected and analyzed.

5. FINDINGS

A. Macroeconomic Context

The Jordanian context is unique for the graduation approach and offers a distinct opportunity for evidence-based programming that can be leveraged to influence the challenging macroeconomic context.

Traditionally, graduation programs have focused on addressing individual-level constraints that households living in extreme poverty face to engaging in sustainable income generating activities. As a middle-income country with a high cost of living, Graduation programming in Jordan is complex. See Text Box 2 for an overview of the labor market context in Jordan. Moreover, GA in Jordan is being implemented across rural, peri-urban, and urban settings; for both Jordanian nationals and Syrian refugees; and engaging both self- and wage-employment opportunities. These factors create a unique opportunity for learning.

Text Box 2: Labor Market Context in Jordan

Jordan is a middle-income country with a small, informal economy based primarily on services and a large public sector. Nearly 40% of employed Jordanians work in the public sector, while 41% to 60% of workers are engaged in the informal sector. With an average GDP growth rate of 6.4% between 2000-2009, Jordan's GDP growth rate decreased to an average 2.6% from 2010-2015, a time of regional crisis. Since then, the country's GDP has continued to grow at a mere 2% per year. In addition to an increasingly informal labor force, Jordan suffers from weak governance and a fragile private sector that does not create sufficient jobs, resulting in low labor force participation. Moreover, the current Jordanian business environment does not easily enable private sector growth. There are relatively high investment capital requirements and operating costs, onerous bureaucratic requirements, and frequent policy changes. In 2019, youth unemployment in Jordan was 40.6% and female labor participation was only 14%. Amongst Jordanian youth, unemployment rates were 62.1% for 15 to 19 year-olds and 47.9% for 20 to 24 year-olds, while only 7% of Syrian women participate in the labor market, as compared to 59% of Syrian men.

1. Labor Market Challenges and Opportunities for Graduation Participants

Jordan's challenging macroeconomic situation is felt keenly by graduation participants, and even more acutely by women and youth.

Gender impacts respondents' willingness and ability to engage in different livelihood opportunities. Women, and particularly young women, face a number of competing priorities when it comes to engagement in income generating activities, including childcare and household responsibilities, and family restrictions. Most young women said that they would prefer to work in a home-based business, conducting income generating activities from the home. While many young women said they would be interested or willing to work outside of the home, they noted that they would likely not be allowed to do so or, if they were, could only do so should the work environment be deemed 'suitable.' Large factories, for example, were considered an unacceptable place of work for young women, as were environments that include males and females in the workplace. Respondents also voiced concern regarding the strain that it would put on their household responsibilities, particularly for jobs that were far away or required long working hours, and challenges related to transportation safety. Some young women also mentioned discriminatory practices, including receiving a lower wage than male counterparts.

> "Females have obstacles to work, such as the distance between the house and work, and work nature"
>
> ***– Syrian female youth from rural area***

> "Our society considers that the girl finishes her studies, and it is over. They could ban her from work because workplaces are mixed with males and females. They could accept her to work as a teacher."
>
> ***– Jordanian male youth from rural area***

Despite challenges and low labor market engagement, Jordanian and Syrian respondents and RYSE participants expressed a keen interest to engage in income generating activities.

They highlighted a preference to engage in work that generates stable and adequate income, whether through wage- or self-employment. While respondents mentioned a desire to work in the field of their studies, they agreed that this was unlikely due to the current labor market condition and sector restriction requirements for Syrians.[17] Jordanians noted a preference to work in the public sector and indicated stronger partiality towards specific sectors. In addition to limited job opportunities, numerous respondents mentioned high transportation costs as a challenge to engaging in wage-employment opportunities.

Moreover, there are a number of opportunities with high growth potential that could be conducive to youth and female employment, particularly those that allow for home-based employment.

RYSE's Employment and Market Systems Assessment highlighted the technology-enabled and ICT sector as especially promising for graduation participants. According to the World

> "Seeking work opportunity is my main goal. All paths are closed. We have tried everything, and nothing worked."
>
> ***- Jordanian male youth from urban area***

17 See Section "V.B Findings: Legal and Regulatory Environment" for additional detail.

Bank, the sector contributed to 12% of Jordan's GDP in 2017 and created 22,000 jobs in 2018. Moreover, women's employment in ICT was 33% in 2018, higher than the national average for women's employment regardless of sector. This is largely due to opportunities for home-based and self-employment opportunities.[18] It is worth noting, however, that the ICT sector does require a fairly highly skilled labor force and that it employs 96% Jordanians; as such it may not be the most appropriate for many traditional graduation participants. Other sectors with potential growth opportunity and opportunities for female youth engagement were food processing and agribusiness, textile and apparel, and hospitality and tourism. KII stakeholders also highlighted an opportunity to further explore the nebulous area of freelance or non-home-based self-employment, which falls outside of the current GoJ policy. In particular, KIIs noted that digitally-enabled income generating activities fall within a sector with limited regulation and significant alignment with the GoJ's priorities. They highlighted that this might allow for a bit of leeway for the engagement of GA participants. RYSE and the World Bank's Jordan Youth, Technology, and Jobs Project are exploring this space. Agriculture, which accounts for 5.6% of Jordan's GDP,[19] employs 11% of Syrians working formally,[20] and accounts for 2.5% of Jordan's informal sector,[21] is another sector identified by KIIs for potential exploration. In addition to being one of the sectors where Syrian refugees are permitted to work as employees, through the 2020-2025 National Agricultural Development Strategy, the GoJ is committed to restructuring, digitizing, and modernizing the agricultural sector through enhancement of production and productivity, uplifting the agro-processing chain, and developing export chains.[22] Many key informants surmised that the GoJ may allow for innovative engagement of GA participants in order to help fulfil these lofty objectives. Of course, should operational agencies choose to explore engagement in these unprotected spaces, they would be required to balance livelihood opportunities with labor protection concerns for beneficiaries.

2. A Focus on Push Interventions

To date, most livelihoods programming in Jordan – whether for Jordanians or Syrian refugees -- has focused on vocational training, short-term job matching, and cash for work programming.[23]

Like the graduation approach, these are "push strategies" or interventions, which focus on building the capacity of individual level actors to engage in markets, as opposed to "pull strategies," which expand the quality and diversity of economic opportunities to these actors.[24]

> "I think there is a lack of knowledge on what the market needs…there is definitely not a clear connection between what the market needs, what training the market produces, and what people want to do."
>
> ***-Donor***

There are some pull strategies being implemented by NGOs in Northern Jordan related to agricultural value chain development, but none that were identified linked to graduation programming.

18 RYSE. November 2020. "Employment and Market Systems Assessment in Jordan."

19 Global Finance. 2020. "Jordan GDP and Economic Data," accessed 12 May, 2021.

20 Lockhart, Dorsey. 2019. "Executive Summary: The Syrian Refugee Crisis in Jordan and Its Impact on the Jordanian Economy." WANA Institute.

21 منتدى الاستراتيجيات الأردني والدجاني للاستشارات. 2020.

22 MENAFN. August 24, 2020. "Jordan- Agriculture Ministry unveils 2020-2025 strategy worth JD591m to revive sector," accessed 22 April, 2021.

23 Fkoussa, Dina and Laura Lale Kabis-Kechrid. January 2020. "Socio-Economic Challenges and the Impact of Regional Dynamics on Jordan: Employment, Social Cohesion, and International Cooperation – Policy Briefs from the Region and Europe." German Council of Foreign Relations.

24 For more information on push and pull interventions, see Garloch, Anna. "A Framework for A Push/Pull Approach to Inclusive Market Systems Development." USAID, LEO.

In spite of the sustained investments being made to push interventions in Jordan, KII respondents noted a lack of sustainability in many of these interventions.

Cash for work interventions allow for a one-time 40-day contract and job matching projects target job retention of three months. While over 64,000 refugees and host community members have received job and language training,[25] KII respondents mentioned that there is often misalignment with market needs and an ongoing disconnect between employer needs and workers' skills. There is also an opportunity to better distinguish market opportunities available and most appropriate for different sub-populations, such as refugee status, age, gender, etc. NGO respondents also highlighted that job matching schemes being implemented are debilitated as they rely on incentivizing private sector firms to employ project participants, resulting in a structure where the international aid community is continually funding employment, rather than supporting the creation of demand-driven job opportunities. Moreover, this structure often creates competition between implementers; it was noted that this was already beginning to occur within the RYSE program between GA operational agencies.

3. Nascent Experience Implementing the Graduation Approach

Through its sequenced and time-bound holistic interventions, the graduation approach aims to overcome some of these initial challenges and, as a result, is gaining interest amongst stakeholders at all levels in Jordan.

Even the Department of State's Bureau of Population, Refugees, and Migration, who to date has not funded graduation programming in Jordan, stated, "We definitely want to be engaged in the conversation [around graduation.] We want to support persons of concern as much as we can and support the Jordanian government to deliver on their promise of livelihoods."

> "The comprehensiveness in the graduation approach is the only exit to achieve the objectives of improving living conditions for rural households and improve their lives."
>
> *– MoA representative*

However, implementation of graduation programming is still nascent in Jordan and all operational agencies, whether NGOs, multi-laterals, or GoJ ministries have a steep learning curve ahead of them.

As described above, there are currently only four graduation programs in place in Jordan, all of which are at the inception or early commencement of programming. At the time of this assessment, only RYSE had launched, with graduation programming commending in April 2021. Moreover, many graduation implementers in Jordan see their role continuing to focus interventions on the individual level. As one NGO actor put it, the question is, "How do we make sure the labor supply is there and ready if and when Jordan does have more job opportunities?"

There are numerous opportunities for these graduation programs to design appropriate interventions that set graduation participants up for success.

For example, there is a clear opportunity for those operational agencies supporting wage employment to engage the private sector to ensure that participants' capacity is being appropriately built. Moreover, given the stagnant job market, implementers may want to think more intentionally about expanding self-employment opportunities through the graduation approach, exploring how to create opportunities for innovative home-based business and micro-enterprises. Similarly, increased coordination between operational

25 Ibid.

agencies will help ensure that implementing organizations are not in direct competition with one another in the creation of private sector incentives. There is also a role for operational agencies to strengthen labor market assessment activities to be more demand driven, understanding labor market opportunities in specific geographies and for the specific target population(s) that the operational agency is serving, particularly as related to women and youth. Lastly, there is an opportunity for operational agencies to be extremely intentional about the types of technical and vocational education and training (TVET) that they are offering graduation participants--either directly or through linkages--to ensure that technical and soft skills being built are aligned with private sector needs.

Through its three-pronged approach, RYSE provides a promising example of how graduation programming can be layered alongside an enabling environment intervention to address both push and pull factors.

Specifically, a mid-term evaluation report of the project notes that in response to the inadequacies of a push-strategy alone, "[f]or this reason, the project is trying, as part of its Objective 3 interventions, to address structural conditions and advocate for a more enabling ecosystem for the youth." See Text Box 3 for an overview of the program and preliminary findings on the RYSE pilot.

Text Box 3: RYSE Program Case Study

Program Objectives and Interventions:

Youth are empowered to become positive change agents in their communities through enhanced skills and meaningful opportunities for civic engagement;

Youth are economically empowered allowing them to effectively integrate in the Jordanian economy;

Graduation Approach

21st Century Skills

Civic and economic environment is more youth-inclusive.

Linking Push and Pull Interventions

RYSE is piloting the graduation approach with 582 households under Objective 2a. In an attempt to be market-driven, RYSE conducted an Employment and Market Systems Assessment to identify specific sectors where there is a potential for growth and to identify occupational labor shortages in different regions. The project is also engaging the private sector to ensure that beneficiaries' capacity is appropriately built, such as through the design of vocational training curricula that aligns with private sector needs.

In addition, under Objective 3, RYSE is engaging in advocacy efforts with the GoJ and the donor community to "adopt the graduation approach or to support parallel push interventions that cumulatively may impact the country's macroeconomic situation."

Mid-term Evaluation Results

Preliminary results from the RYSE program are promising. Qualitative data collected from key informants and focus group discussions with program participants during a mid-term evaluation highlight the following:

All key informants (n=6) indicated that that consumption support helps cover essential expenses such as rent, necessities, and saving for upcoming business;

Overall satisfaction amongst key informants and FGDs with the training, indicating that it has supported knowledge in savings, protection issues, labor rights, entrepreneurship, financial literacy, and self-empowerment;

Feedback on participation in savings groups was positive;

76% of female and 45% of male FGD participants said the project increased their confidence in their economic future.

Despite these promising individual- and household-level successes, the evaluation also reinforced a number of ongoing challenges related to the macroeconomic context, "[T]he anticipated projects under O2 are expected to be too small to engage directly in job creation value chains." In response to these anticipated challenges, RYSE plans on conducting close follow up to monitor the businesses and the wage employment opportunities. The evaluation team also noted, "Despite the market assessment the project conducted, it was unclear to the evaluation team how/if this study informed the direction of Objective 2 activities. Several female GA participants said the project encouraged them to start businesses in traditional sectors such as cooking, sewing and beauty."

Emerging operational recommendations related to the macroeconomic context for agencies implementing graduation programming are outlined in Text Box 4.

Text Box 4: Emerging Operational Recommendations for Operational Agencies: Macroeconomic Context

Conduct market assessments prior to graduation implementation. Market assessments should be specific to the population(s) being targeted through graduation programming and should consider geography, nationality/refugee status, type of employment (wage, self-, informal), age, gender, and poverty status. Findings should influence the design of the graduation interventions.

Design competitive wage employment opportunities that are beneficial to employers and employees. This could include engaging the private sector to ensure that skills training being offered to GA participants addresses priority gaps in attitudes, skills, and knowledge identified by employers, making participants more valuable. Increased coordination between operational agencies (within and outside of the graduation space) and employers is required to ensure that implementing organizations are not in direct competition with one another in the creation of private sector incentives.

Explore expansion of self-employment opportunities through the graduation approach, including through innovative and non-traditional home-based businesses and micro-enterprises, particularly for women.

4. Exploring a Government-Led Path to Scale

PEI 2021 highlights the growing role of governments in the scale-up of economic inclusion and graduation programming. Graduation operational agencies – both NGOs and multi-laterals—consider their role in piloting the graduation approach in Jordan as an opportunity to create learning and evidence through a "proof of concept" to share with the GoJ for implementation of a leaner version at scale in the future. The RYSE consortium specifically is working with different government ministries to assess the interest and capacity of the GoJ to replicate the graduation approach in its programming. It is promising that the GoJ is showing such a keen interest in the approach. When asked whether they see a role for GA as

part of the future of GoJ programming, one NAF official responded, "Yes of course, because the number of people in poverty is increasing and we are supposed to work on reducing these numbers."

Text Box 5 outlines the building blocks from existing social protection schemes that could be leveraged if the GoJ were to decide to continue implementing the graduation approach.

Text Box 5: A Path for Scale Case Study

Participant Targeting - The National Aid Fund assessment effectively targets households that require consumption and livelihoods support. With a few tweaks to the NAF tool and/or systems, the NAF could be strengthened to more directly identify those households who would most benefit from a graduation intervention and support their "graduation" from cash assistance through holistic programing.

Consumption Support - Once identified, the cash and voucher assistance systems already in place to offer consumption support through NAF and, as necessary, humanitarian organizations, could easily be leveraged to serve GA participants directly. NAF's cash support should inform the amount and duration offered through graduation consumption support, though additional top-ups may be considered.

Graduation Mentorship – It is anticipated that the GoJ would require assistance in the successful development and implementation of graduation mentorship mechanisms. While there is an opportunity to leverage the GoJ's experience offering household visits for psychosocial support and monitoring, and career counseling through National Employment Centers, neither aligns especially closely with graduation mentorship objectives, content, or methodology. Moreover, they are managed through different ministries, which means that knowledge exchange is likely limited.

Technical and Vocational Trainings – While the MoL and MoSD work with an extensive network of TVET institutions, current offerings are not grounded in market opportunities, and therefore lacking. A GoJ-led GA program would want to leverage these programs, while ensuring relevance to participants' needs. It is likely that these institutions could also be leveraged to provide appropriate financial capability and soft skills training, as appropriate. MoA also has experience offering direct technical skills training.

Asset Transfer – The MoL and MoSD have some experience offering business start-up grants and low-interest loans, including through the National Self-Employment Program "INHAD," which could be leveraged for the asset transfer.

Job Support – The MoL also has experience conducting employability programs and job matching with the private sector, which could be leveraged.

Of course, as discussed further below, additional advocacy efforts and policy change are required in order to begin considering GoJ-led implementation as an entry point for Syrian refugees. When asked what GoJ policies impact refugees' access to livelihoods, one MoSD representative responded, "We don't serve refugees." Currently the NAF does not serve non-Jordanians. Until there is a change in regulation, which is a political decision, all cash transfer efforts for Syrian refugees – whether consumption support or asset transfer – would have to continue to go through UNHCR, the World Food Programme (WFP), or other NGO entities.

B. Legal and Regulatory Environment

The design of any graduation program will be influenced by participants' right to work and access basic services, including social safety nets.

As many graduation programs leverage social safety nets – whether government-led or, in the case of refugees, humanitarian-led -- as the basis upon which to design interventions (whether to support participant targeting, determine appropriate consumption support levels, and/or leverage delivery mechanisms), it is important to understand the various social protection schemes available in any given context. While the Government of Jordan and other stakeholders have put in place numerous safety nets, many Jordanians and Syrian refugees assume that participation in a graduation program would preclude them receiving social protection; as such, it is especially important to understand the interplay of these programs in the Jordanian context. The GoJ's broader approach to economic opportunities, particularly as it relates to formalization, further impacts livelihood opportunities for Jordanians and Syrians alike, all the more so for those targeted by the graduation approach, who are more likely to be living in poverty and have opportunities in the informal sector. Lastly, how the government defines the rights and obligations of host communities and refugees in a host country, including the right to work, right to mobility, and right to access basic services such as education and health influences the design and implementation of any graduation program.

> "Some people who receive assistance, they became afraid to lose assistance. Our neighbor lost his assistance after enrolling in a program"
>
> *-Syrian Male youth from rural area*

1. Social Protection Schemes

Best practice in graduation programming suggests that consumption support offered through GA should be informed by and linked to existing safety net programs, where possible.

This is often a government-sponsored social protection program or, when working with refugees, humanitarian programming offered by UN or NGO services. In some cases, even when consumption assistance is in place, it may be insufficient and require an additional 'top-up' or other type of adjustment (duration, frequency, etc.).[26] It is important to ensure that graduation participants are not excluded from these support systems just because of their participation in graduation programming.

Text Box 6: Social Protection Schemes

Jordanian citizens

Cash transfer from NAF
Minimum 45 JOD and maximum 200 JOD/ month/ household
Eligibility based on vulnerability indicators and income

Syrian refugees

Food voucher from WFP
15-23 JOD/person/month

Additional cash or food assistance from UNHCR and NGOs, often linked to specific vulnerabilities

26 De Montesquiou, Aude, Tony Sheldon, with Syed M. Hashemi. 2018. "From Extreme Poverty to Sustainable Livelihoods: A Technical Guide to the Graduation Approach, Second Edition." PEI.

Text Box 6 highlights the existing social protection schemes in place that serve Jordanians and Syrian refugees.

The Jordanian Constitution guarantees Jordanian citizens the right to basic health, education, and social services. While Syrian refugees also have a legal right to healthcare and education, they are currently restricted from receiving social assistance through the NAF.

2. *Many potential graduation participants fear that engagement in livelihood activities, including through graduation programming, will result in a loss of social protection support, whether NAF or humanitarian aid.*

Eligibility for support through both programs is linked to income and determined based on NAF and WFP inclusion criteria. Moreover, in key informant interviews, representatives from both NAF and UNHCR confirmed that engagement in a livelihoods program alone, such as a graduation intervention, would not automatically exclude a household from receiving benefits. Nonetheless, many operational agencies are already finding that some potential participants who would be eligible to participate in graduation programming are not interested in doing so. This is not uncommon; Atemnkeng and Bernagros (2019) note that in many refugee contexts, any variation in consumption support, whether real or perceived, may create a disincentive for participation in graduation programming. In response, they suggest equipping all program and partner staff, from senior management to field level partners with clear messaging around the terms and rationale of consumption support.[27] *Of course, it is likely that should participation in graduation programming successfully support participants' exit from extreme poverty, they may no longer be eligible for ongoing social protection support, based NAF and WFP income criteria. Formalization of Economic Opportunities*

In general, the GoJ takes a strong stand towards the categorization and formalization of employment opportunities, irrespective of nationality or type of employment.

All income generating activities are required to be categorized as wage employment or a home-based business and must fall into specific sectors. Despite a highly informal economy, regulation requires that all workers engage through formal work relationships, whether as an employee or through registration of a home-based business (HBB).[28] Doing so helps ensure that the GoJ can track and monitor all workers, collect taxes, and also ensure basic labor protections, including minimum wage, social security, etc. However, Jordanian legislation does not have a specific definition for entrepreneurship or start-ups, and treats them as small and medium enterprises (SMEs). As such, even new HBBs are required to pay taxes and account for social security, which can be restrictive to many new start-ups.[29]

Key informants mentioned experience with non-graduation programs where participants – both Jordanians and Syrian refugees -- were hesitant to formalize income generating activities.

In particular, there are high costs associated with formalization (social security and tax payments, as well as compliance requirements for HBBs). This barrier was especially significant for Syrian refugees, and reiterated by IDI respondents, because of their limited access to capital. Though not accurate, many Jordanian IDI respondents also voiced concern that registration of a HBB would automatically result in being excluded from NAF. This was reiterated by at least one respondent who participated in the RYSE mid-term

27 Atemnkeng Kingsly and Alexi Bernagros. 2019. "Graduation and Refugee Standards: A Guide for UNHCR Operations & Implementing Partners." Trickle Up.

28 Government of Jordan, 2011. "Jordan's National Employment Strategy 2011-2020."

29 Fkoussa, Dina and Laura Lale Kabis-Kechrid. January 2020. "Socio-Economic Challenges and the Impact of Regional Dynamics on Jordan: Employment, Social Cohesion, and International Cooperation – Policy Briefs from the Region and Europe." German Council of Foreign Relations.

evaluation. She noted the need for RYSE to support participants to navigate the necessary "maze" of permits and licenses for their small businesses and to ensure that the GoJ is on board with the project, citing fears that the government will close the business after the project ends.[30]

Despite the GoJ's strong preference for formalization, numerous KII respondents mentioned a necessity for graduation programs to support informal businesses, noting that this is where most potential work opportunities lay.

When asked whether RYSE was going to require or support engagement in the informal sector, some KII respondents acknowledged the dilemma but noted that this had not yet been addressed directly, while others indicated that employment under RYSE has been defined by all partners as formal employment. Meanwhile, one multi-lateral pointed out, "From an implementation perspective, yes, we have to work in the [informal] space…. We don't have to promote working with the informal economy but we can't afford to wait to get all the necessary documents…Though of course I assume if we ask [the GoJ] officially, we'd get a different answer."

3. Syrians Right to Work

Despite increasing flexibility offered regarding Syrian refugees' right to work, they continue to face a number of restrictions in policy and in practice.

> "Within 4 months in 2019, Blumont was able to register and license 108 HBBs across Jordan including **the first and only 22 Syrian-owned HBBs in Jordan."**
>
> *-Blumont staff member*

The Jordan Compact aimed to improve the overall business and investment climate in Jordan, while also allowing for the first time, Syrian refugees to apply for work permits, formalize existing businesses, and engage in economic activities within refugee camps. Subsequent agreements have allowed for increasing flexibility. Nonetheless, whether engaging in wage or self-employment, Syrian refugees must apply for and be granted a work permit, which are limited, and are restricted to working in five sectors that favor low skill, low pay opportunities. While previously restricted, as of December 2018, Syrians have also been allowed to register existing and *new* HBBs within limited sectors. While there are a couple of organizations and programs working with Syrians to formalize HBBs, progress is slow. KIIs highlighted that Syrian HBBs continue to face many restrictions related to documentation requirements, high costs to comply with licensing requirements, inconsistent policies amongst municipalities, and ambiguous frameworks requirements for joint ventures between Syrians and Jordanian.[31] See Text Box 7 for an overview of Syrian refugees' right to work.

Similarly, while Syrian refugees are included as an explicit target group in Jordan's National Financial Inclusion Strategy, in practice banking remains inaccessible to refugees as a result of strict documentation requirements, with 7.5% of refugees having a bank account and 1.5% borrowing formally.[32]

30 RYSE. February 2022. "RYSE Impact Evaluation: DRAFT Mid-Term Evaluation Report." RYSE.

31 IRC. June 2020 "A Decade in Search of Work: A review of policy commitments for Syrian refugees' livelihoods in Jordan and Lebanon."

32 Ibid.

Text Box 7: Syrian Refugees' Right to Work at a Glance

Wage Employment – Formal relationship with an employer, in exchange for remuneration and benefits.

Sector Restrictions: Five sectors: agriculture, construction, food and beverage services, manufacturing, wholesale/retail trade.

Work Permits: Flexible work permits allow holders to work for any employer within any permitted economic sector:

179,455 work permits issued to Syrian refugees since the start of the Jordan Compact at the end of January 2020 (including renewals).

42,000 refugees have active work permits during third quarter of 2018.

Quotas: Some sectors include quotas to prioritize hiring e a proportion of Jordanian workers.

Home-Based Businesses – Registered income generating activity operated from the home.

Sector Restrictions: Three sectors: food processing, handicrafts, and home services.

Joint Ventures: Framework exists for the set-up of joint ventures between Syrians and Jordanians. Ambiguous legal regulation persists.

Formalization Process:

Registration with the Ministry of Trade and Industry

Documents: Valid ID (passport); Ministry of Interior security approval

Fees: 80 JOD

Licensing with the Ministry of Local Administration (MoLA)

Documents: Licensing application; Company registration; Proof of membership in the Chamber of Commerce or Industry; Landlord approval; Valid ID; Signed commitment to allow inspection on the home

Fees: Zero for first three years (as of June 2020)

While participants' understanding of the legal and regulatory environment was not a direct line of questioning during IDIs, it is worth noting that when it came up in conversation, many Syrian RYSE interviewees, particularly youth, were not familiar with the restrictions in place limiting their right to work, beyond a general awareness that they existed.

Additional research would be required to better understand graduation participants' understanding and perception of their right to work, the barriers that they face, and how they work around these barriers. Nonetheless, initial findings from the RYSE Mid-Term Evaluation Report does indicate that "[s]everal respondents highlighted anticipated challenges with the RYSE's upcoming GA component to secure wage and self-employment

for participants,"[33] explicitly referencing ongoing challenges for Syrians to engage in productive livelihoods despite a legal right to work.

Emerging operational recommendations related to the legal and regulatory environment for agencies implementing graduation programming are outlined in Text Box 8.

Text Box 8: Emerging Operational Recommendations for Operational Agencies: Legal and Regulatory Environment

The amount and modality of consumption support offered through the graduation approach should leverage social protection schemes offered by NAF and humanitarian actors. Adaptations related to amount and duration should be considered to ensure that the consumption support is sufficient to allow a household to engage in graduation activities without affecting the household's basic needs. It is also recommended that the consumption supported offered to both populations be equivalent, even if the consumption support offered through safety nets differs.

Develop clear messaging around the implications of participation in a graduation program on receipt of NAF and humanitarian benefits. This should happen during program inception and in coordination with NAF and UNHCR.

Build the capacity of, and support graduation participants through, the process of formalizing micro-enterprises and HBBs. This should include support regarding registration, licensing, compliance requirements, associated costs, and implication on social protection schemes.

Explore whether and how to support informal businesses through graduation programming. There is a need and opportunity to explore the nebulous area of freelance or non-home-based self-employment, which falls outside of the current GoJ policy, such as through digitally-enabled income generating activities.

C. Participant Targeting

Participant targeting is generally considered the first step of graduation programming and aims to ensure that programming accesses and is designed to meet the needs of the poorest households in any given context.

Though still in its infancy, the graduation community of practice in Jordan has already produced numerous lessons learned about who and how to target for graduation programming, confirming that the Jordanian context is in fact unique. While there is a clear opportunity to leverage existing systems to support the targeting of graduation participants, doing so has been more challenging than expected. Moreover, understanding who the appropriate participant is for a graduation program continues to be elusive as operational agencies and participant households alike try to understand who would benefit most from this type of intervention and why.

33 RYSE. February 2022. "RYSE Impact Evaluation: DRAFT Mid-Term Evaluation Report." RYSE. Pp. 36.

1, Meeting GoJ Policy Requirements

Every year the GoJ and donor community come together to agree upon appropriate targets for resilience/livelihoods and humanitarian programming, which is captured by MOPIC.

While difficult to locate the regulation in writing, KIIs agreed that in general, resilience/livelihoods programming is expected to target 70% Jordanian nationals and 30% non-Jordanian population, while crisis/humanitarian programming should target 50% Jordanian and 50% non-Jordanians. Most graduation programs and operational agencies are targeting 50% Jordanians and 50% Syrians, indicating that they are currently likely being categorized as crisis/humanitarian programming.

2. Exploring Poverty and Vulnerability

Given Jordan's unique context, a lot of effort has been spent trying to better understand the poverty and vulnerability profile of the ideal Jordanian graduation participant.

> "Would we normally target this person for a traditional livelihoods program? If so, they're not right for graduation."
>
> *– NGO practitioner*

There seems to be a broad consensus amongst KII respondents that the graduation approach is most appropriate for the poor – but not the most vulnerable (people with severe disabilities, elderly, single female-headed household, etc.). As one NGO practitioner put it, "We don't know yet, but our assumption is it's better to focus on vulnerability than poverty because the economics of Jordan is very different than typical lower-income GA countries. There is a high income level that needs to be achieved to raise yourself to any usable level of poverty." Another practitioner stated, "We need to create a different definition of vulnerability that fits the Jordanian context." Discussion amongst PAC Jordan actors has shown interest in developing a standardized tool for defining and identifying appropriate participants. See Text Box 9 for an overview of RYSE's targeting criteria, which aims to quantify these characteristics in the local context.

Text Box 9: RYSE Participant Targeting Criteria

Required for participation:

- One or more female of working age
- At least one member aged 18-30 willing to participate in a livelihood's activity
- No HH member is currently not enrolled in a livelihoods program

Scoring based on weighted metrics:

- Female head of HH
- HH member with a disability
- 28 JOD ≤ productive income/capita/month < 68 JOD
- Productive income/capita/month < 28 JOD
- School-going age children not in school due to child labor
- Debt per capita > 178 JOD

HH eats <2 meals/day

1 ≥ female youth

1 ≥ youth educated at the secondary education level or above

HH has not received > 500 JOD cash support from organizations in the last 3 months and currently not receiving the some or all of this cash support*

Dependency ratio of ≥ 1.5 or more**

*Note: While this was originally a required criterion, operational agencies were unable to access cash assistance data from NAF/UNHCR in a timely fashion. In addition, as many Syrian refugee households had received significant cash support for COVID-19 and winterization assistance just prior to the RYSE selection process, this indicator was deemed more appropriate as a preferred eligibility criterion.

**Note: Originally a required criterion, RYSE found that approximately 80% of Jordanian households did not meet this criterion.

In addition, there is an overarching interest in targeting women and youth through graduation programming in Jordan.

RYSE, for example, prioritizes female headed households and households with more than one female youth member. In addition, to accommodate young people's participation, RYSE acknowledges the role that youth play in the household economy by targeting a second household member for additional income generating activities.

As of yet, programs seem to have made limited adaptations to program design to ensure appropriateness of core interventions for female participants.

In addition, one "overlooked" sub-segment of potential graduation participants identified by a number of KIIs is women who are no longer obligated to household duties. This may mean female headed households or, more likely, women whose children are grown and no longer require ongoing childcare and support.

3. Targeting and Selection Processes

Lessons learned from implementing organizations highlight that many of the traditional approaches utilized by graduation practitioners for participant targeting and selection have not been successful and/or are not appropriate for the Jordanian context.

Text Box 10: Existing Targeting Mechanisms in Jordan

National Aid Fund (Jordanians) – The National Aid Fund utilizes a means test comprised of mostly income-based indicators to determine poverty level, alongside categorical targeting that identifies specific groups based on vulnerability, such as widows, orphans, persons with disabilities, etc. Households that meet a certain threshold are identified to receive NAF benefits. While some of the data may be dated and there are surely some eligible Jordanian households that are not receiving NAF benefits, most stakeholders seem to agree that the NAF database is fairly comprehensive, and that the assessment effectively targets households that require consumption and livelihoods support. The NAF does *not* currently assess or serve non-Jordanians.

Vulnerability Assistance Framework (Syrians) - The VAF is an inter-agency initiative that creates a vulnerability score for Syrian refugee households based on a number of indices, including basic needs, coping strategies, dependency ration, education, food security, health, shelter, WASH, and welfare. Many humanitarian actors, including UNHCR use VAF scores to target assistance. It is assumed that most, if not all, registered Syrian refugees have received a VAF score, though non-registered Syrians would be excluded from these lists.

For example:

- Participatory Rural Appraisal (PRA)/Poverty Wealth Ranking (PWR) – PRA/PWR is the targeting methodology most broadly utilized by graduation practitioners throughout the globe. Operational agencies in Jordan found that many Syrian refugees do not identify as being part of a local community, report not knowing their neighbors, and are distrustful of PRA/PWR activities. Moreover, there were inconsistent and nearly immeasurable differences identified between poor and extremely poor households, as well as between Syrian and Jordanian households. It is worth noting that PRA methodologies also require skilled enumeration and some of the challenges faced could have been a result of inadequate training and facilitation.[34]
- **Snowball Methodology**[35] – In Jordan, most refugees who want to be recognized by UNHCR have already been successfully engaged by the humanitarian aid system. One operational agency attempted the snowball methodology using a small incentive for participation in a focus group. While households identified through this methodology aligned fairly closely with VAF scores of 3-4, the operational agency noted a concern that households may have been identifying friends and acquaintances irrespective of their poverty level, so it is possible that the poorest households were still excluded from this sample.
- **Existing Databases**[36] **-** Operational agencies identified the National Aid Fund and the Vulnerability Assessment Framework as viable databases to be leveraged to identify participants for graduation programming (see Text Box 10 for further details). However, they have faced challenges in doing so. While the GoJ and UNHCR seem to have a slight preference for leveraging these respective databases,

34 These findings align with those highlighted by Atemnkeng and Bernagros (2019), who note that PRA/PWR methodologies are often less reliable in refugee camp and urban refugee settings. Urban refugee contexts often involve heterogeneous and segregated groups with high mobility, while peri-urban settings often have significant distances between households and a decreased sense of community, which make PRA tools less reliable.

35 Atemnkeng and Bernagros (2019) identify snowball sampling, where operational agencies rely on households to identify refugees who may fit a specific profile, as a work-around that has been successful in some urban refugee contexts to help identify potential participants who are otherwise unknown to the operational agency.

36 Utilization of existing poverty or vulnerability databases, particularly those managed by government actors or UNHCR, are often a good starting point for participant targeting as they tend to have a contextualized definition of poverty or vulnerability and often help build buy-in for graduation by other relevant stakeholders.

no operational agencies reported strong push-back in response to alternative methods being utilized. That said, it is also worth considering further whether households who are already receiving NAF or humanitarian support are in the greatest need of graduation programming or if those who are not otherwise receiving consumption support may be better positioned to benefit from such programming. For example, KIIs mentioned that Syrian refugees who are on waiting lists for consumption support from humanitarian assistance organizations or those who are positioned to lose WFP funding later in 2021 may be more appropriate participants for graduation programming.

In response to lessons learned by external stakeholders, RYSE operational agencies chose to skip attempts of PRA activities and snowball methodologies and instead followed the following process.

Preliminary findings indicate that the targeting process is working; as of the end of February, 2022, only 11 out of 582 households had dropped out of RYSE's program.[37]

1. **Initial Outreach** – First, RYSE operational agencies aimed to leverage NAF and VAF lists to target graduation participants. Approximately 74% of the households included in the list provided by NAF and 92% of households shared by UNHCR were receiving cash assistance through NAF's social protection scheme or humanitarian support services, respectively. While receipt of cash assistance is not necessarily equated with vulnerability, RYSE assessed that this was a good proxy for vulnerability given inclusion criteria. However, many operational agencies faced delays in accessing lists in a timely fashion and the receipt of household names that did not meet RYSE's basic inclusion and exclusion criteria, particularly related to age. Only DRC, who had an existing data sharing agreement with UNHCR, has been able to effectively use their list to target Syrian refugees. As a result, most operational agencies decided to leverage their own existing databases and those provided by partner community-based organizations (CBO) to identify potential households for participation in GA programming as well.
2. **Household Registration** – For households that meet the basic requirements outlined in Text Box 9 (above), RYSE mentors, in collaboration with local CBOs, scheduled household registration calls, home visits, or registration sessions. A pre-screening registration poverty scorecard was utilized to assess the eligibility criteria, household composition, and employment status of households. The RYSE scorecard determines a holistic poverty score for the household based on weighted metrics. DRC also collected GPS data to help facilitate planning for future home visits. One challenge faced by operational agencies was the provision of inaccurate information, particularly regarding income, which may have been over-reported in some cases as a result of shame or under-reported in the interest of receiving more assistance. In response, operational agencies stressed staff training to properly prove for correct information from potential participants.
3. **Household Verification** – Next, RYSE Monitoring, Evaluation, Accountability, and Learning (MEAL) staff conducted household visits to all households to verify information collected, re-introduce the RYSE program to households, and collect informed consent for participation in the program. RYSE also triangulated data on cash support with that provided by NAF and UNHCR. As necessary, households' data was updated and scorecard scores re-calculated. During household verification visits staff also implemented a baseline survey to assess the initial

37 Participant targeting was underway at the time of the initial drafting of this report. This section has been modified based on updated lessons learned captured in RYSE Consortium Management Unit. October 2021. "Learning Brief #2: Graduation Approach Household Targeting and Selection Process."

levels of income and employment, women's empowerment, self-efficacy, financial inclusion, food security, social networks, and education, for RYSE participants.

4. **Household Selection** - As there are more eligible households than there are graduation spots available, operational agencies prioritize the poorest households for selection. Final household selection was based on a combination of (1) quantitative data (household scorecard) and (2) qualitative data (staff comments and recommendations). For the latter, RYSE operational agencies relied on "gut checks" from staff, including mentors, to try to assess a participant and household's willingness and commitment to engage in the program prior.[38] Mercy Corps implemented a review committee to help support the final selection of graduation participants so that it is not the responsibility of one mentor or coach to make final decisions alone.
5. **Memorandum of Understanding (MoU)** – Lastly, selected households receive a home visit to sign a MoU that reiterates the importance of commitment, the sequence of graduation activities the household would participate in, and the services to be provided by RYSE.

Most of the other institutions piloting GA in Jordan are following a similar methodology, with variations in tool development processes and the scorecards themselves.

All operational agencies report that they are currently adapting their tools and processes to reflect lessons learned as they begin implementation. At the time of writing, no specific targeting tools or processes were made available from other operational agencies, so a direct comparison between indicators and weights was not possible; moreover no data exists on the reliability or validity of these scorecards. It is also worth noting that no operational agencies seem to be distinguishing scorecard indicators or weights based on nationality/refugee status[39] nor geographic location. As more implementing organizations begin to pilot GA and develop targeting scorecards, there is an opportunity for operational agencies to engage more directly with one another and share indicators and weighting metrics to see if trends and efficiencies emerge.

4. Motivation for Graduation Programming

When asked directly, IDI respondents generally had a very limited understanding of the RYSE program terms and their commitments to the program.

For this study we only had the opportunity to speak directly with graduation participants and household members who were recently registered as RYSE participants and who had not yet begun receiving graduation support services.

With that caveat, there was a clear interest to participate in a livelihoods or graduation-like program. RYSE participants named bad living conditions and lack of available jobs as their main motivation for participating in the graduation program.

38 The Refugee Self Reliance Initiative's (RSRI) Self Reliance Index (SRI), which is being piloted in Jordan, amongst other contexts, includes a similar SRI Practitioner Assessment. Findings, to date, reported by RSRI indicate that the enumerator "gut check" does not appear to be especially useful or reliable.

39 Atemnkeng and Bernagros (2019) pp. 13 recommend, "If the [graduation] program will include both refugees and host communities, however, participant targeting for each population should be designed and implemented independently as the methodologies for targeting each will vary. The definition of poverty for each population may vary slightly and, as a result, targeting criteria may differ. Nonetheless, the program should aim to have comparable targeting methodologies and identify participants of similar poverty levels."

From an economic empowerment perspective, they indicated a hope to find a job, start their own business, have a stable income for themselves and their families, and improve their living conditions. From a psychosocial perspective, they mentioned goals related to an increase in social interaction and networking, improved self-confidence and mental health, support for family problems, to have an active role in society, and psychosocial empowerment. Half of the respondents mentioned household engagement as an advantage of the RYSE program. Specifically, participation of more than one family member was perceived as an opportunity for the whole family to increase their well-being; female respondents in particular noted that this would allow HBBs to become a family project. Half of respondents also considered the program duration to be an advantage, noting that leaving a beneficiary at the early stages of a project can have a negative effect.

> "My goal is to meet my household needs and be able to not be in need from anyone, to step on my feet and stop requesting any Dinar from anyone."
>
> ***- Syrian female youth from rural area***

The most common concerns noted by program participants were a fear of failure and apprehension that they would not achieve anything upon completion of the program; the main obstacle towards ongoing program engagement was a job opportunity.

Just over one third of participants mentioned that the program duration was a concern for their participation. They also mentioned transportation fees, education opportunities, and boredom with the project as additional barriers. In addition, participants – both Jordanians and Syrians -- mentioned a fear of losing assistance because of participating in RYSE. Specifically, Syrian refugees were concerned about being dropped from UNHCR's assistance lists should the UN agency find out that they were enrolled in such a program, while Jordanians worried that they might be dropped from receiving assistance during the NAF verification process. Lastly, a few participants noted that they questioned the trustworthiness and the credibility of the implementing organizations, mentioning fears of exploitation of private information and enrollment in a fake program. Given the limitations of our study, we were not able to further assess the specific conditions under which potential participants would be likely to engage in or drop out of the program. It is also of note that most youth participants had no point of comparison or experience on other types of economic strengthening or NGO-led programs. Some heads of household, however, did mention that previous programs that they had engaged in were shorter and with a limited duration, included a smaller grant, and did not include beneficiary tracking and follow-up.

> "If my college schedule have changed [it would prevent me from continuing], or if we went back to physically attend[ing] the university classes, then it will be impossible to continue with the project."
>
> ***- Syrian male youth from urban area***

To help overcome the hesitation related to social protection benefits, RYSE coordinated with NAF and UNHCR to develop official communications and frequently asked questions for the households' reference.

Specifically, it was imperative to help ensure that households understood that their participation in RYSE is not linked to receipt of NAF or humanitarian aid benefits, and that these programs in fact have separate eligibility criteria and procedures. RYSE also developed communication messaging to potential households that outlined the general types of services that would be offered through the program. In doing so, they avoided the use of the term "cash assistance" to help ensure that those who opted into the program were interested in long-term program commitments, rather than short-term cash support only.[40]

40 RYSE Consortium Management Unit. October 2021. "Learning Brief #2: Graduation Approach Household Targeting and Selection Process."

Text Box 11: Emerging Operational Recommendations for Operational Agencies: Participant Targeting

Consider utilization of PRA methodologies to identify potential Jordanian households.

Engage with NAF and UNHCR in advance of program implementation to help overcome delays in access to relevant household lists. Stakeholders should also work together to develop official communications for households regarding relationship between program participation and receipt of assistance. Clear and transparent communication with potential households regarding the selection process, criteria, and program terms helps manage expectations and ease tensions.

Work from operational agencies' and CBOs' prior consumption support beneficiary databases to identify potential households.

Non-youth focused graduation programs should explore whether and how to target female graduation participants who are no longer obligated to household duties. This may refer to female headed households or, more likely, women whose children are grown and no longer require ongoing childcare and support.

Pilot household surveys, train enumerators adequately, and allocate sufficient time for data collection. Household survey questions and length should be piloted prior to roll-out to ensure validity and reliability. Similarly, enumerators should be trained in qualitative and quantitative data collection techniques, including appropriate use of follow-up and probing questions.

Implement registration and verification processes by different staff. Separating staff responsibilities for these two stages of the targeting process helped increase the objectivity of household scorecards and eligibility. When allowing for qualitative comments regarding household eligibility, this was deemed especially important.

Conduct up-front and follow-on qualitative assessments to better understand the barriers that potential participants face to engaging in long-term economic programming and conditions under which participants would be interested in engaging, and design programming to meet these specific needs. Conduct similar assessments to learn from participants who decline to engage in GA programming and those who drop out prior to program completion. Ensure that lessons are being leveraged to modify targeting processes and tools accordingly.

Conduct initial participant sensitization before deeming a potential participant as uninterested or uncommitted. By addressing individual-level barriers around self-confidence and psychological wellbeing upfront, graduation programs may be able to help shift potential participants' mindsets upfront so that they are more likely to see the benefit of being self-reliant and want to engage in a graduation-like programming. Of course, this would then need to continue to be reinforced throughout program intervention.

Nonetheless, some have these concerns have been confirmed by the RYSE mid-term evaluation.

RYSE confirmed that it has been difficult to recruit "youth with leadership traits who are unemployed and willing to 'accept JOD 200 over three months'."[41] In focus group discussions, several male and female respondents expressed concerns about the long-term engagement of the program "with no results till now," emphasizing that they will take on a

41 INTEGRATED. 2022. "RYSE Impact Evaluation: Draft Mid-Term Evaluation Report."2022. RYSE. Pp. 36

job opportunity if one presents itself and discontinue their participation in the program.[42]

There also remains an overarching concern amongst operational agencies that engagement in a long-term economic inclusion programs like graduation will not be of interest to potential participants, whether Jordanian or Syrian.

As noted previously, Jordan *is* a significantly different operating context than traditional graduation programming. The following elements are likely influence participants' motivation to engage in a graduation program:

- In addition to low labor market engagement, the cost of living in Jordan is extremely high. As such, a single minimum-wage job or home-based business (likely outcomes of engagement in GA programming) is not sufficient for a household to become self-reliant.
- Sustained and substantial social protection schemes in place for both Jordanians and Syrian refugees, which allow potential participants an income similar to what they would expect to make through an income generating activity, though even more predictable.
- Fear of being dropped from social protection schemes.
- Culture of dependency that demotivates potential participants from engaging in livelihoods activities and programming.
- Negative impact of extreme poverty and violence make long-term planning difficult.[43]

Emerging operational recommendations related to participant targeting for agencies implementing graduation programming are outlined in Text Box 11.

D. Graduation Mentorship

According to PEI (2018), "Graduation Programs also provide ongoing mentoring to participants to assess how households are faring, offer ongoing support, and boost self-confidence."[44] Most frequently, mentors are responsible for helping to reinforce basic training and help participants set goals and help overcome barriers faced to achieving them, both related to livelihoods and personal or household-level. Traditionally, graduation mentors make frequent household visits to participants and their households. Mentorship is a relatively new concept in Jordan, particularly in the space of economic inclusion programming. While this leaves a lot of opportunity for innovation, there is an anticipated steep learning curve as institutions and individuals consider how to use coaching most effectively through graduation programming.

> "[RYSE operational agencies] are still trying to understand what the extra value of household [graduation mentorship] visits will be, as compared to cash assistance."
>
> ***-Operational agency***

42 Ibid.

43 De Montesquiou et. al. (2018) highlight that people living in extreme poverty often tend to prioritize immediate needs over longer-term investments. Arévalo, Inés and Anton Simanowitz (2019) explain that refugees are often victims of persecution and violence, including sex and gender-based violence (SGBV), which may have adverse psychological impacts such as anxiety, grief, and depression, which can affect their ability to engage in economic activities and have a positive outlook on the future.

44 De Montesquiou, Aude, Tony Sheldon, with Syed M. Hashemi. 2018. "From Extreme Poverty to Sustainable Livelihoods: A Technical Guide to the Graduation Approach, Second Edition." PEI. pp. 76.

1. Defining Mentorship

While the terms mentorship and coaching are used interchangeably within the graduation community of practice, KII respondents tended to refer to them differently in Jordan.

In general, the concept of mentorship seems to be more closely equated with sector-specific technical expertise, business development services, and the provision of market linkages. The concept of coaching seems to be aligned with the provision of more emotional support to build resilience in the face of livelihood or household challenges. For this paper, we will use the term "graduation mentorship" going forward, as distinguished from more technical mentorship described above.

2. Experience with Graduation Mentorship in Jordan

RYSE is the only graduation program that has launched mentorship activities, to date.

(See Text Box 12 for an overview of RYSE's approach to graduation mentorship being piloted.) Deemed the "special sauce" of graduation programming by more than one NGO KII respondent, graduation mentoring is new for all operational agencies in Jordan and in other contexts. As such, all graduation mentorship tools, curricula, and processes are being developed from scratch, rather than adapted from methods implemented elsewhere, leaving operational agencies with significant work to design an appropriate approach. While not implementing graduation, IRC in Jordan recently began offering mentorship services to program participants after noticing an increase in participant drop-outs after the provision of training and grants. Over the course of six months, mentors work with households one-on-one to provide technical tools and help participants overcome challenges. It may be worth further exploration of potential synergies as this approach appears similar to graduation mentorship.

> "The mentors are a tool to be used [by the participant]…..The [participant] knows the details of the business…and we will leave him after six months. So we teach them how to take decisions by their own and become self-reliant, and how to see the right series of thinking….They have to know the decisions will affect their own lives."
>
> -IRC staff member

Text Box 12: RYSE Graduation Mentoring Case Study

Mentor: 1 Family Mentor (protection, soft skills, women's empowerment) & 1 Livelihoods Mentor (income sources, livelihoods opportunities, job matching, grant planning)

Profile: 1 male and 1 female; Jordanian; educated; from the community; background in psychosocial support or specific livelihood activities

Visit Frequency: Bi-weekly to monthly household visits for 40 households

Responsibility: 1) Follow-up on training received and group meetings attended since last visit; 2) Follow-up on action items from previous visit; 3) Monitoring. Family and Livelihoods Mentors make household visits together and divide meetings up depending on the content being discussed

Training Topics: Reinforcing training topics related to financial literacy, protection, gender, self-awareness and self-esteem, goal setting, entrepreneurship and micro-business, stress management, and workplace readiness

Support Systems: Mentoring toolkit in development

Preliminary Results and Recommendations (from RYSE mid-term evaluation)**:**

- Appreciation for mentorship visits
- Value of household visits vs. cash assistance yet to be determined
- Short exchange between households and mentor observed; "No mentorship was observed."
- Recommendations: Explore alternative models (technology); increase compensation to influence retention; more advanced business training

3. Graduation Mentor Profile

There is general agreement amongst KII respondents regarding the profile of a graduation mentors.

Respondents agreed that mentors should be from the community. While nationality was not identified as a salient concern, most operational agencies seem to hire only Jordanians. Respondents agreed that mentors should be slightly older than program participants, but still mobile, and that female mentors are likely preferable to work with female participants given strong gender dynamics. While soft skills were deemed more important than technical skills, with a preference for mentors with a background in social work, technical skills related to specific income generating activities, general business skills, and/or direct experience in entrepreneurship were also highlighted as being preferred.

Mentor preferences highlighted by RYSE participants and households aligned closely with those being recruited.

In general, IDI respondents agreed that mentors should be from the community so that they understood participants' context and situation. There was not a strong preference in nationality, though five Jordanian youth preferred having a Jordanian mentor. While many respondents indicated that gender was not a constraining issue, there was a slight preference for male mentors amongst male participants and female mentors amongst female participants. Having a female mentor was also mentioned by few male youth participants considering that the mentor will interact with female family members. Most respondents also highlighted a preference for a mentor who is slightly older than themselves.

Respondents also highlighted the importance of soft skills in a mentor, including respectfulness, humility, acceptance, politeness, cheerfulness, patience, and flexibility.

Communication skills, particularly the ability to effectively communicate information in a simple manner, and life skills (leadership, problem solving, etc.) were also highlighted. Participants also mentioned the importance of having mentors with relevant professional experience and knowledge in sector-specific income generating activities as well as broader business acumen and management skills such as market assessments, marketing, financial literacy.

4. Expectations for Graduation Mentors

Overall, IDI respondents had a positive perspective towards the concept of mentorship, though limited experience.

> "The mentor will become like a big brother, who will stay with me until my business gets bigger."
>
> *– Female Jordanian youth from rural area*

They highlighted that they hoped mentors would help them avoid obstacles and mistakes, share knowledge and experience, act as a source of support and advice, teach mentees, and introduce them to new ideas and different perspectives. Topics that respondents were interested in discussing with mentors included both income generating activities and household dynamics. Specifically, they mentioned career counselling, labor market trends, problem-solving for work relations, and support to overcome personal challenges related to family issues. As no graduation mentorship tools were developed at the time of writing, this study is unable to provide an in-depth analysis of the content that graduation mentors will be responsible for supporting.

One overarching concern voiced by many respondents was related to mentors' attitudes and personalities.

> "Maybe it could be a concern if the mentor overstepped his role; then it will stop being mentoring and it will be a problem. The role of [the] mentor is to guide me, not to take decisions on behalf of me."
>
> *– Male Jordanian youth from urban area*

Specifically, they were concerned that the mentors may have a negative attitude or personality traits, including arrogance, anger, impatience, offensiveness, poor listening skills, and making others feel embarrassed or uncomfortable. Respondents were also concerned that mentors might be controlling and imposing over participants' ideas and preferences, untrustworthy, incompetent, or interfering, particularly in personal matters.

While GA operational agencies have a tall order to fulfil in the development of graduation mentoring approaches and tools from scratch, they also have a unique opportunity to do so in a manner that fully contextualizes graduation mentoring to the Jordanian context.

> "Any graduation program needs to focus on counseling to support people. They need to change their mentality, especially… their reliance on NGOs [and NAF]."
>
> *-Operational agency stakeholder*

There is an opportunity to strategically distinguish between the content that is most appropriately addressed through training versus mentoring, particularly given the profile and capacity of the hired mentors. Moreover, there is a unique opportunity to design graduation mentoring tools that directly address some of the themes that address individual level needs unique to the Jordanian context, particularly related to psychosocial wellbeing and resilience. Mercy Corps has existing tools based in neuroscience and the adolescent brain that help build emotional intelligence through household-level coaching, which may be applicable to the context, whether serving youth or non-youth graduation participants. As operational agencies explore scale-up of mentoring approaches and potential adoption by government actors, further sensitization regarding the benefit of holistic mentorship approaches, as compared to more traditional

classroom pedagogy and SME-focused mentorship, may be required. In addition, there may be challenges regarding the cost of implementation and sustainability of the training delivery system, including cascading training of mentors and mentor supervision.

5. Modality for Graduation Mentorship

All mentorship approaches are being designed to be conducted in-person, either at the household level or through group coaching, and there was an overall consensus that while training may lend itself to online or remote platforms, mentorship would not be suited for an alternate modality.

Text Box 13 highlights an example of how Fundación Capital leverages technology to support its graduation mentors in LAC.

Once implementation begins, operational agencies are likely to face logistical hurdles as well. While there appears to be a need to hire both male and female mentors, KIIs voiced that it may be challenging to find female mentors who are able to be based in the field with intensive travel requirements. While there does seem to be an interest in having Syrian mentors, it appears as though operational agencies do not or cannot hire Syrians directly. It may be worth exploring work-arounds, perhaps through the implementation of stipends, to work with Syrian mentors. Coordination with graduation participants may be difficult as well. One operational agency noted that they have designed household graduation mentor visits based on the organization's schedule, but realize there might be "push-back" from participants if the proposed dates and times for graduation mentorship visits don't work for that household. It was also noted that Syrian households in particular are often spread apart, requiring long distances between household visits. Moreover, they are highly mobile, so it may be difficult for coaches to continue working with the same household over the duration of the project.

Text Box 13: Fundación Capital, Hybrid Mentorship Model Case Study

Fundación Capital uses a hybrid mentorship model, equipping graduation "peer mentors" with a tablet and the AppTitude application to support household visits. Comprised of 17 modules of digitized lessons on entrepreneurship, financial education, and life skills, the application uses short videos, gamification, and story-telling to help low literacy participants build their financial and human assets. Graduation participants use self-directed learning to advance through one to two modules per household visit every two to three weeks, while the peer mentor acts as a resource to answer questions and help them fill out their workbooks. "[The app] eases the burden on the coach so that they can then focus on the more personalized support and aren't just 'teaching,'" explains a Fundación Capital representative. In spite of their innovative applications of technology solutions, Fundación Capital stresses that the application alone is not a solution or a stand-in for in-person coaching: "We understand that technology does not replace all of the work that a coach does….[T]echnology can augment the coaching and complement coaches to help make their work more efficient."

Emerging operational recommendations related to graduation mentorship for agencies implementing graduation programming are outlined in Text Box 14.

Text Box 14: Emerging Operational Recommendations for Operational Agencies: Graduation Mentorship

Design graduation mentorship tools that directly address concerns around psychosocial wellbeing, resilience, and motivation to engage in income generating activities.

Graduation mentors should be equipped to support participants to overcome challenges related to both income generating activities and household dynamics.

To the extent possible, prioritize hiring graduation mentors whose profiles meet the preferences of graduation participants.

Mentors should be hired from nearby communities and should be assigned to work with participants of the same gender. It may be worth exploring work-arounds to ensure that Syrian refugees can provide mentorship services for Syrian participants.

Graduation mentors should have soft skills, supported by relevant technical skills.

Respectfulness, humility, strong communication, and life skills are likely to be especially important to the success of a graduation mentor. Graduation mentors should also have some relevant professional/business experience and knowledge, though it is likely that sector-specific technical expertise and in-depth business support services are likely better addressed through training activities.

6. CONCLUSION

Despite interest on the part of the donor community, the Government of Jordan, and operational agencies, the graduation approach is relatively nascent in Jordan.

Similarly, lessons learned from the broader community of practice regarding implementation of graduation in the MENA region and/or in middle-income economies is limited, all the more so when targeting refugees or other persons of concern. As a result, there is much speculation about what might work and why, but limited concrete data or case studies to pull from.

The research from this study demonstrates a clear need and interest in holistic economic inclusion programming such as the graduation approach, and highlights a number of foundational blocks that operational agencies can build upon.

However, Jordan's challenging macroeconomic and labor market context will make it difficult to design and implement effective and sustainable interventions, particularly in light of the ongoing COVID-19 pandemic. Similarly, while the policy and regulatory environment is generally enabling for poor populations and Syrian refugees, both populations continue to face barriers to economic engagement, especially through formalized work opportunities. Nonetheless, stakeholders are exploring innovative work-arounds to help graduation participants engage in suitable income generating activities, such as engagement in ICT and agriculture sectors, home-based businesses, and the informal economy. In addition, ongoing advocacy efforts and opportunities for multi-stakeholder exchange will be crucial.

While research highlights that graduation participant targeting and graduation mentorship are still in their infancy, lessons are already being learned and processes adapted in response.

Although many of the targeting processes traditionally used in graduation programming, even in refugee contexts, are not ideal for the Jordanian context, RYSE and other operational agencies are in the process of developing contextualized targeting processes and scorecards to help quantify poverty and vulnerability for household selection. Operational agencies are also continuing to grapple with how to best assess potential participants' interest in participation. Meanwhile, in-depth interviews confirmed that many of the expectations that graduation participants have for graduation mentors (both their profile and areas of expertise) align closely with how mentorship is being designed by operational agencies, and highlighted how implementing partners might be able to design graduation mentoring to help alleviate some of participants' concerns. As operational agencies continue to develop and hone their tools and processes, there is a clear need and opportunity for them to actively share with one another to ensure that best practices are accessible and easily leveraged.

A number of cross-cutting themes stand out as areas that will require further and ongoing discussion, both related to participant engagement and motivation.

First, there is a clear fear on the part of both Jordanian and Syrian refugees that engagement in graduation programming will have a negative consequence on their eligibility for NAF and humanitarian aid, respectively. While not substantiated, this is keeping eligible participants from opting to engage in graduation programming. A clear and coordinated effort between operational agencies, NAF, and UNHCR is required to overcome this barrier. In addition, further analysis is necessary to better understand the profile of participants most likely to want to engage in graduation programming and be successful in doing so. While always a bit of a conundrum, Jordan's challenging macroeconomic context, substantial dependency on social protection schemes, and cultural and regulatory barriers make the situation unique. As the profile of these participants come to light, it will be important for operational agencies to adapt program design to meet their needs and likely incorporate opportunities for sensitization and resilience support into targeting and mentoring activities.

Text Box 15 highlights suggested areas for additional research and exploration.

Text Box 15: Cross-Cutting Questions for Additional Research

How can graduation targeting processes best ensure community sensitization and buy-in without the use of traditional PRA activities?

What is the objective of the graduation approach in the Jordanian context as it relates to graduation of participants off of NAF and humanitarian benefits?

It is worth considering further whether households who are already receiving NAF or humanitarian support are in the greatest need of graduation programming or if those who are not otherwise receiving consumption support may be better positioned to benefit from such programming.

What formal and informal barriers do potential participants face to engaging in long-term economic inclusion programming, under what conditions would participants be interested in engaging in graduation programming, and how can operational agencies adapt program design and implementation to help meet these challenges?

How do these barriers differ based on nationality/refugee status, gender, and age?

What similarities and differences are there in the poverty scorecards being utilized by operational agencies, including indicators and weighing metrics?

Are there indicators that are most indicative of need and appropriateness for graduation participation in the Jordanian context? How should poverty scorecards be adapted based on location and/or nationality/refugee status?

How can operational agencies enhance participant sensitization to economic inclusion programming *prior* to graduation participant selection and continue to shift participants' mindsets throughout graduation programming (psychological support, graduation mentorship, etc.)?

How and can technology be leveraged to help increase the efficiency of graduation mentorship in Jordan?

What building blocks (programs, capacities, interests) exist within the GoJ to support the implementation and scale-up of graduation programming?

Where would the GoJ require additional support and capacity building?

7. ANNEXES

A. Methodology

Twenty-six key informant interviews conducted, as highlighted in Table 1.

This included phone and video calls with 12 implementing organizations (international non-government organizations (INGO), NGOs, and United Nations (UN) agencies), 5 international donor agencies, and 3 Jordanian government representatives. The three global graduation model experts had experience and expertise in key aspects of the graduation approach (adapted for refugees, adapted for middle-income contexts, participant targeting, coaching/mentoring); economic inclusion programming for the extreme poor and refugees in MENA region; and mentoring programming for the extreme poor and refugees. Three additional KIIs were conducted with operational livelihoods and mentorship staff in Jordan with a deep knowledge of participant engagement and mentorship programming.

Table 1: Key Informant Interviews

Type of Stakeholder	Number of KIIs
Implementers (INGOs, NGOs and UN agencies)	12
Jordanian government representatives	3
International donor agencies	5
Graduation model experts (global)	3
Jordanian livelihoods and mentorship staff	3
Total	**26**

Fifty in-depth interviews were conducted in March 21, as highlighted in Table 2. This included forty youth beneficiaries of graduation programs in Jordan and ten heads of household. IDI participants represented diversity in population group (Syrians/Jordanians), gender, and geographic location (rural/urban). Each IDI participated in a 30-minute phone call to explore barriers and opportunities to engaging in economic opportunities; motivation for engagement in graduation programs; and expectations for coaching/mentoring.**Table 2: In-Depth Interviews**

	Jordan – Urban Areas in Zarqa	Syrian – Urban Areas in Zarqa	Jordanian – Rural Areas in Irbid	Syrian – Rural Areas in Zarqa	Total
Male	5 youth 2 HH head	5 youth 2 HH head	5 youth 1 HH head	5 youth 1 HH head	20 youth 6 HH head
Female	5 youth 1 HH head	5 youth 1 HH head	5 youth 1 HH head	5 youth 1 HH head	20 youth 4 HH head
Total					**40 youth 10 HH head**

B. Framework for the Analysis of Graduation Programming in the Refugee Context

As limited literature exists on how to assess the feasibility of implementing graduation or other economic inclusion programs in refugee contexts, the analysis of this report leverages one such framework developed by Arévalo and Simanowitz (2019).[45] Highlighted in Figure 1, the framework posits that implementation of economic inclusion programs in the refugee contexts requires looking at three levels: local, institutional, and individual, and that "[t]he interplay between these three levels results in a range of factors that affect refugees' ability to develop sustainable livelihoods and fully integrate into the host country."[46]

Figure 1: Framework for the Analysis of the Refugee Context

Local Level	Institutional Level	Individual Level
Government response to refugees Surrounding economic environment Cultural norms and structural factors	Ecosystem of organizations, programs, and services Organizational capabilities Institutional norms and regulations	Socio-economic and cultural background Psychological impacts Need and interest**

This study used Arévalo and Simanowitz (2019)'s framework to analyze primary and secondary data, dissecting findings on each research question by level (local, institutional, and individual). However, to limit redundancy and highlight operational findings that cut across levels, the report presents research findings compiled across levels. First, the paper explores the barriers and opportunities related to each research question (macroeconomic context, legal and regulatory environment, participant targeting, and graduation mentorship) as they intersect across the local, institutional, and individual levels. Next, the paper explores additional dilemmas and opportunities that further cut across these four research areas.

45 Arévalo, Inés and Anton Simanowitz, 2019. «Lessons from Trickle Up and UNHCR: Applying a refugee lens to Graduation.» Trickle Up.

46 Ibid. Pp. 11-12.

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The RYSE (Resilient Youth, Socially & Economically) project is a flagship multi-stakeholder partnership including Jordan River Foundation, Generations For Peace, Mercy Corps, INJAZ, and DRC (Danish Refugee Council) as lead agency. The Novo Nordisk Foundation is the grant holder. RYSE engages 25,000 Syrian refugees and vulnerable young Jordanians affected by the Syrian crisis who will be the beneficiaries of a 3-year program (2020-2022) empowering the youth socially and economically.

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