



The Graduation Approach From Crisis to Resilience



VSLA group, MCMDO Drop-in Rehabilitation Centre, Addis Ababa, 2024, MCMDO

**Graduating out of humanitarian assistance
to meet basic needs
in Addis Ababa, Ethiopia (Cohort 1. 2023 – 2027) v. Jan 2026**



Irish Aid
An Roinn Gnóthaí Eachtracha agus Trádála
Department of Foreign Affairs and Trade

The Graduation Approach – From Crisis to Resilience

Brief background

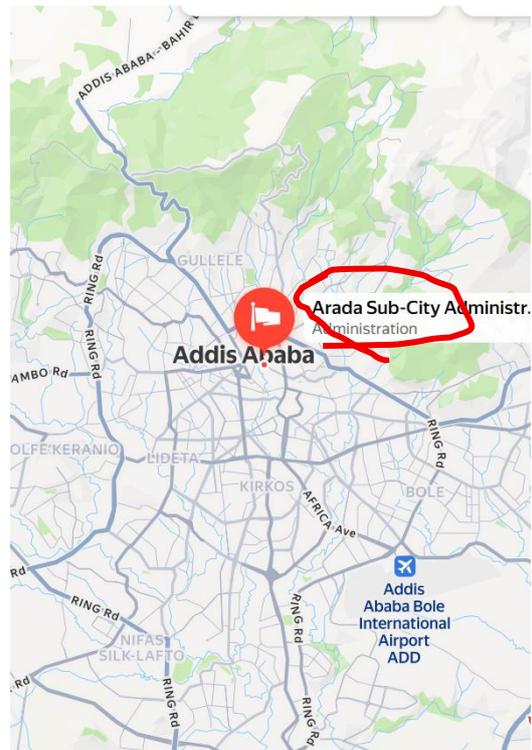
Mothers and Children Multisectoral Development Organization (MCMDO), a national civil society organization based in Addis Ababa and operational across 12 regions and Addis Ababa and Dira Dawa, with technical backstopping from GOAL, partnered to implement socio-economic programming targeting extremely vulnerable urban households (HH) in Addis Ababa City. Programming is supported through Irish Civil Society Programme (ICSP), Irish Aids multi-year Programme (2023 – 2027).

The purpose of Graduation Approach programming is to assist HH who require humanitarian assistance to meet basic needs, to graduate and be able to meet and sustain provision of their HH basic needs.

In 2023, the focus was on strengthening MCMDO's technical skills in the Graduation Approach methodology and in the tools to measure HH self-reliance. MCMDO began programming in earnest in early 2024. This project brief details findings from cohort 1, an additional cohort commenced in 2025 and a third in 2026. All cohorts receive accompaniment for two years, thereafter, HH are followed up twice a year to measure resilience over time and after programming inputs have ceased.

Target area

The target population is from Arada Sub-cities, Woreda's 4 and 8, in Addis Ababa, Ethiopia. Arada Sub-city, located in the north-central part of Addis Ababa, is one of the city's 10 main administrative districts and one of its earliest developed, historic centers. It lies near the city center and has an estimated population of between 298,000–305,000 people (2022–2023). For many years now, people have been displaced from Arada Sub-city, mainly due to government-led redevelopment and infrastructure improvement projects. The displacement is associated with significant social and economic challenges for affected residents.



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Approach

The **Graduation Approach** is an evidence-based methodology designed to increase self-reliance among the ultra-poor, IDPs & refugees. The Graduation Approach addresses the multiple constraints of the extreme poor in a single approach. It guides participants through a personalized pathway out of extreme poverty. It is important to note that the Graduation Approach targets at a household level, not at a systems level and is a 'big push' approach for socio-economic inclusion of extremely vulnerable households.

The Graduation Approach framework



As the purpose of the Graduation Approach is to lift vulnerable households out of the need for humanitarian assistance to meet basic needs, it is important to measure progress towards self-reliance.

The **Self-Reliance Index (SRI)** was developed jointly by members of the Refugee Self-Reliance Initiative (www.refugeeselfreliance.org), with leadership from Refuge Point and the Women's Refugee Commission to track refugee households progress towards self-reliance. It is also applicable to host/ stable communities and may also assist in targeting populations for assistance, highlighting service gaps, and informing funding priorities.



The **Poverty Alleviation Coalition (PAC)** was established in 2019 and is led by UNHCR, the World Bank, IPA (the research partner) and 16 implementing and technical members; GOAL is a founding member of the PAC. The Graduation Approach has been adopted by the coalition, as the approach combines social protection and development assistance to assist extremely poor households to become self-reliant. By December 2023, the Coalition secured over 275 million USD in funding, reaching more than 123,000 households.

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Measuring Graduation

The Graduation Approach must have context specific and clearly defined, gender-inclusive and measurable graduation criteria, that must incorporate:

- Improved food security
- Increased income levels
- Access to financial services
- Enhanced social inclusion.

With the investment in collecting data for the SRI to establish baseline, monitor and adaptively manage programming, Shafak, Refuge Point and GOAL worked together in 2023 to explore how the SRI domains could be used to measure graduation.

Graduation Criteria define a certain measurable threshold that outline the conditions necessary for a household to build a sustainable livelihood, have a healthy family, and meaningful social connections within their community that together promote long-term well-being and resilience. To achieve Graduation, a household must meet all mandatory Graduation Criteria.

To graduate, a household must meet minimum criteria across all 4 domains as described below.

The 4 SRI domains selected to measure graduation:

1. Food

Purpose: To determine whether the household is eating sufficiently (food secure)

SRI Domain: 2

Graduation threshold:

How would you describe your household's food intake yesterday?

4. Household was able to eat 2-3 full meals

2. Employment

Purpose: To determine whether the household is engaged in income-generating activities.

SRI Domain: 7

Graduation threshold:

How would you describe the income-generating activities that household members are engaged in, in the last 3 months?

3. Regular part-time (including self-employment)

4. Full-time (including self-employment), without necessary legal documentation

5. Full-time (including self-employment), with legal documentation, if necessary.

3. Savings

Purpose: To determine whether the household has any current savings.

SRI Domain: 11

Graduation threshold:

Do you currently have any money you have saved or put aside, or assets you could sell if needed?

3. Yes, enough to cover one month's expenses (basic needs)

4. Yes, enough to cover one month's expenses (basic needs) plus enough to purchase an asset, or reinvest into

one's business, or to sustain a moderate health crisis

4. Relational Social Capital

Purpose: To determine the networks and relationships available to the household

SRI Domain: 12b

Graduation threshold:

1. Are there people that you or your household members ask for advice and/or information?

2. Are there people who ask you or your household members for advice and/or information?

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Results January 2024 – January 2026

94 %
of households
have graduated

At 25 months, 94% of participating households have met the graduation criteria and no longer require humanitarian assistance to meet basic needs. More participating households graduated from:

- Male HH (100%) than female HH(94%)
- The job pathway (100%) than from the micro-enterprise pathway (95%)
- Host (100%), displaced (88%).

The HH
resilience score
increased from
2.98 to 4.8

With an SRI score of 5 being the highest level of resilience measured. Fifty percent of cohort 1 experienced a significant shock (displacement) during the project timeframe. In Graduation Approach programming, we purposefully want to target the most vulnerable HH in the community. The average SRI score at baseline (2.98) for cohort 1, suggesting that we were not reaching the most vulnerable although it is acknowledged that this measurement was taken at least 5 months from the start of programming. The SRI is now used to support targeting and is collected and used as the baseline score, with HH scoring above 1.5 excluded.

4%
of households
dropped-out

Of the 50 households selected to participate in socio-economic programming using the Graduation Approach

- 2 (4%) dropouts both female (much lower than the 10% attrition anticipated), and both from those displaced and those taking the enterprise pathway.

Cost per
household
ETB 88,837
(~\$1,586)

Cost per HH is calculated using the following costs:

- Consumption support – ETB 1,050,000
- Market-facing skills training – ETB 1,260,000
- Asset transfer – ETB 1,100,000
- Coach costs – ETB 1,031,876

Total: 4,441,876 (exchange rate 56)

Return on investment is considered using both HH cost and the results (HH meeting basic needs / those graduating), overtime.

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Results (January 2024 – January 2026)

Average & Overall SRI Score by SRI Domain & Percentage Graduating

Data set	1	2	Displacement	3	4	5	6	7	8	9	10	Comparison to baseline		
Date	May 2024	Sept 2024		Jan 2025	June 2025	Oct 2025	Jan 2026	Jun 2026	Dec 2026	May 2027	Oct 2027			
# of implementation months	5	9		12	18	22	25							
# of GA participants sampled	50	50		50	50	50	48*							
Female / Male	98% / 2%	98% / 2%		98% / 2%	98% / 2%	98% / 2%	95% / 5%	% / %	% / %					
Host / IDP	100% / 0%	50% / 50%		50% / 50%	50% / 50%	50% / 50%	50% / 50%	% / %	% / %					
Pathway – Job / Enterprise	16% / 84%	16% / 84%		16% / 84%	16% / 84%	16% / 84%	60% / 40%	% / %	% / %					
Domain 1a: Housing adequacy	3.84	3.82		4.02	4.28	4.2	4.4							↗
Domain 1b: Rent	2.88	3.46		4.9	4.9	4.8	5							↑
Domain 2: Food	2.0	2.22		2.9	3.56	5	5							↑
Domain 3: Education	2.72	2.74	3.12	3.02	3.66	4.1						↑		
Domain 4: Health care	1.5	2.62	4.08	1.96	4.4	3.6						↗		
Domain 5: Health status	2.8	2.8	2.92	2.96	2.9	3						↗		
Domain 6: Safety	1.36	1.74	3.84	4.64	5	5						↑		
Domain 7: Employment	2.06	2.24	2.64	3.72	4.08	4.4						↗		
Domain 8: Financial Resources	4.64	4.48	5	4.84	4.84	5						↗		
Domain 9: Assistance	4.66	4.72	5	4.96	4.96	5						↗		
Domain 10: Debt	4.96	4.64	4.96	5	5	5						↗		
Domain 11: Savings	2.76	2.42	3.68	3.7	4.44	4.5						↑		
Domain 12a: Financial social capital	2.04	2.92	4.28	4.68	5	4.7						↑		
Domain 12b: Relational social capital	3.48	3.88	4.56	4.96	5	5						↗		
SRI Score (0-5)	2.98	3.19	3.99	4.25	4.66	4.8								
Female / Male	2.67/3.35	2.84/2.65	2.84/2.65	4.10/4	4.64/5	4.78/4.8								
Job / Enterprise	2.35/2.74	2.92/2.83	2.92/2.83	4/4.12	4.85/4.61	4.81/4.79								
Host / Displaced	2.98/0	3.19/0	2.85/2.83	4.12/4.08	4.71/4.58	4.81/4.78								
% Reached Graduation	0%	0%	0%	30%	92%	94%	%	%						
Female / Male				29/100%	92/100%	94/100%								
Job / Enterprise				50/26%	100/90%	100/95%								
Host / Displaced				40%/20%	96%/88%	100%/88%								

* 2 drop-outs (both female), both were displaced but could not be found, and the other has a chronic illness and cannot run her micro enterprise.

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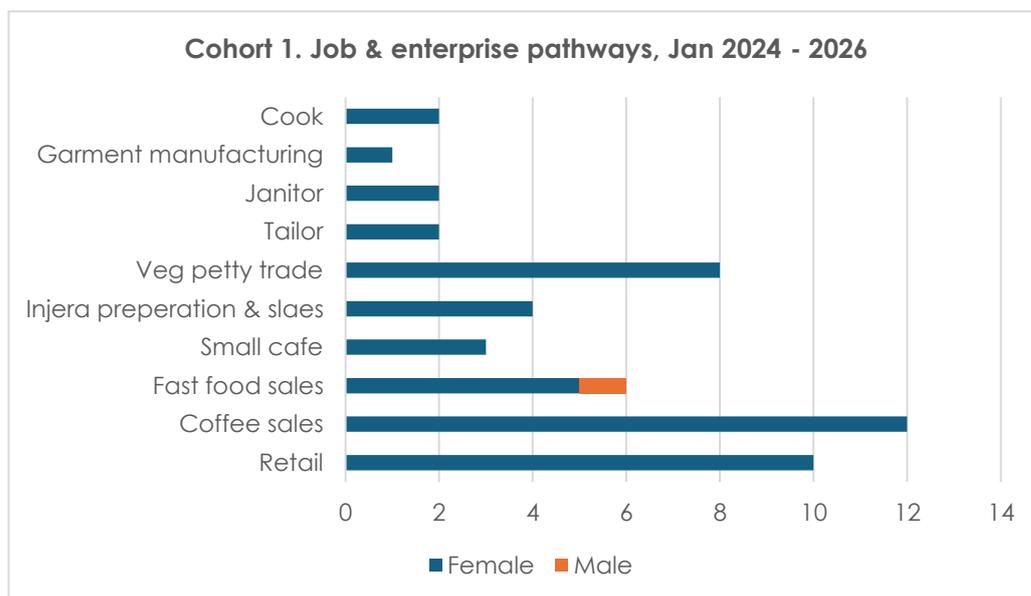
Key data

Targetting – Participants were identified through the local government urban safety net database and physical verification of all households conducted by MCMDO.

50 Graduation Approach participants (95% female, 50% have been displaced), 122 household members (Av. Household size is 4).

Consumption support - 50 households receiving cash transfers for six months to cover basic needs while participants are upskilling and establishing / finding their micro-enterprise or job. The average value of each transfer: ETB 3,500 /month (~\$62) with a total of ETB 1,050,000 distributed (~\$18,750).

Jobs and micro-enterprises pursued by Graduation Approach participants by gender. Fast food and retail the livelihoods most often pursued.

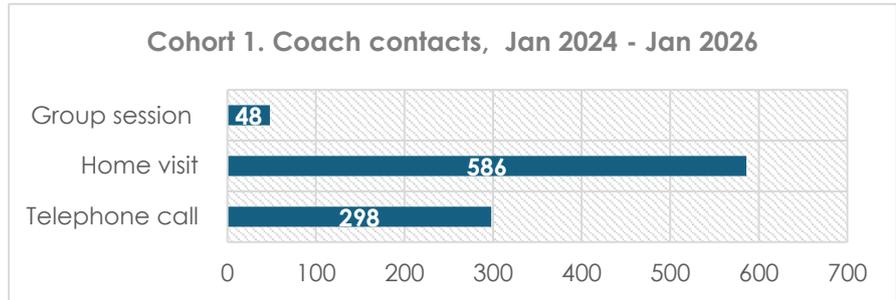


Four **Village Savings & Loans Associations (VSLAs)**, with displacement two group are no longer functional. two groups still functional, with 25 registered members, 98% are female, 0% are non-GA participants (other community members). From the two groups still functional, the total value of savings ETB 135,200 (~\$872) average saving/member ETB 11,250, (~\$72). The total loan amount ETB 71,000 (~\$458), the number of loans made 8, therefore average

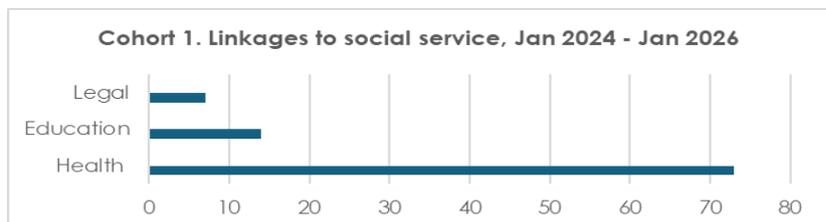
value of loans was ETB 8,875 (~\$57). Total cost of the asset transfer was ETB 1,100,000 (~\$19,642), the average cost of each asset transfer ETB 22,000 (~\$92).

The **Coach to household ratio** is 1:25. Coaches interact and support Graduation Approach

participants and their households members through telephone calls, in person visit to households and through groups sessions.



Coaches also refer household members to appropriate local social services.



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Key findings

Targeting:

1. As Graduation programming purposefully targets extremely vulnerable HH, the use of the SRI score at the time of targeting will ensure that those identified are the most vulnerable. **Key learning for adaptation in cohort 2 and 3.**
2. Using the local government urban safety net database as a starting point for targeting as well as a hundred percent physical verification , means that there is buy in from key stakeholders and no disputes over HH identified.

Displacement

3. The SRI score for those displaced does not reflect (as was expected), a negative impact from the displacement. It may be that being part of the Graduation Approach has helped to mitigate some of the negative impact of displacement, follow up required.

Attrition

4. There were few dropouts 2 (4%), without doubt this is related to good coaching and mentoring by MCMDO following displaced HH to their new location.
5. The drop-outs (both female), were both HH displaced. One could not be found, and the other has a chronic illness and cannot run her micro enterprise. Follow up and try to find the HH not found in SRI 6 and also visit the HH with the participant with a chronic illness to see if a family member can take over the micro-enterprise.

VSLAs

6. VSLAs should be self-selecting groups, with GA group members inviting other community members (that they trust), to join, to make up group of approx. 25. Two of the four VSLA groups did not survive the displacement. From the two groups still functional, the total value of savings was ETB 135,200 (~\$872) but the total loan amount ETB 71,000 (~\$458) is much smaller, and few loans were made. Group savings should be utilized for loans and not kept in the box. **Key learning for adaptation in cohort 2 and 3.**

Consumption support

7. Consumption support is intended to cover basic needs while participants are upskilling and establishing / finding their micro-enterprise or job. In cohort 1, consumption support was not provided at the same time as the skilling and job or micros enterprise identification

and start up. Consumption support was provided for 6 months only, 8 months is more ideal.

Women's participation and results

8. Almost all participants were women, 94% have met the graduation criteria despite large numbers being displaced, demonstrating that investments in women always results in investment in families / children.

Recommendations

1. Collect three more SRI data sets in 2026 & 2027 to determine if results are sustained over time. GOAL to provide quality assurance on a percentage of these.
2. Strengthen the use of the individual SRI scores by HH to identify HH not progressing, for additional attention and support from Coaches. Align consumption support so that it provides support to basic needs as HH are upskilled and beginning their job or micro-enterprise.
3. Invite community members to join VSLAs in cohort 2 & 3.
4. Introduce GA participants to financial service providers who provide appropriate financial products and services e.g., Cooperative Bank of Oromia and their collateral free loan, MICHU.
5. In collaboration with GOAL, consider introducing the Cooperative Bank of Oromia's digital VSLA app. with cohort 3.
6. Align consumption support with skilling and job or micro-enterprise pathway identification and start up.

Graduation Approach Case Story

From "Dung Fuel Preparation" to Community Leadership

My name is Wohigered Tereda, and for a long time, my life was defined by the smell of livestock waste and the weight of constant struggle. At 43 years old, I am the backbone of my family, responsible for my two children and my 90-year-old mother. Before I found my new path, our survival was a daily battle. My only source of income came from preparing dung cakes—**low-status, grueling work** where I processed animal waste into fuel patties. No matter how many I made, the money was never enough to cover our rent or provide us a decent meal. I lived in a shadow of economic hardship, feeling as though the world saw me only as a laborer with no future.

The turning point came when I was selected by the Woreda to join the MCMDO program. For a woman in my position, this wasn't just a class; it was the spark that lit a fire in my soul. Through the coaching of the MCMDO staff, I was equipped with a "wealth of knowledge." I learned how to move **from informal, exhausting labor to structured business management**. I studied health, trade skills, and economic empowerment. For the first time, I wasn't just working to survive the day—I was planning for a lifetime.

However, life tested me in the most painful way during this transformation. I was diagnosed with cervical



Wohigered Tereda, Hawassa, 2025, MCMDO

cancer. Everything I had built felt like it might slip away. But this is where the grace of MCMDO truly saved me: **Health Insurance**. Without that insurance, I would have been lost. It covered two major surgeries that I could never have paid for on my own. Because of that support and the resilience, I had built through the program, I refused

to stay down. Even as I recovered, I kept my eyes on my business and my medical follow-ups, determined to return stronger.

When our community was **displaced** to Piassa, many saw it as an ending, but I saw it as a beginning. With government support for land and the capital I had carefully managed, **I built a modern container shop**.

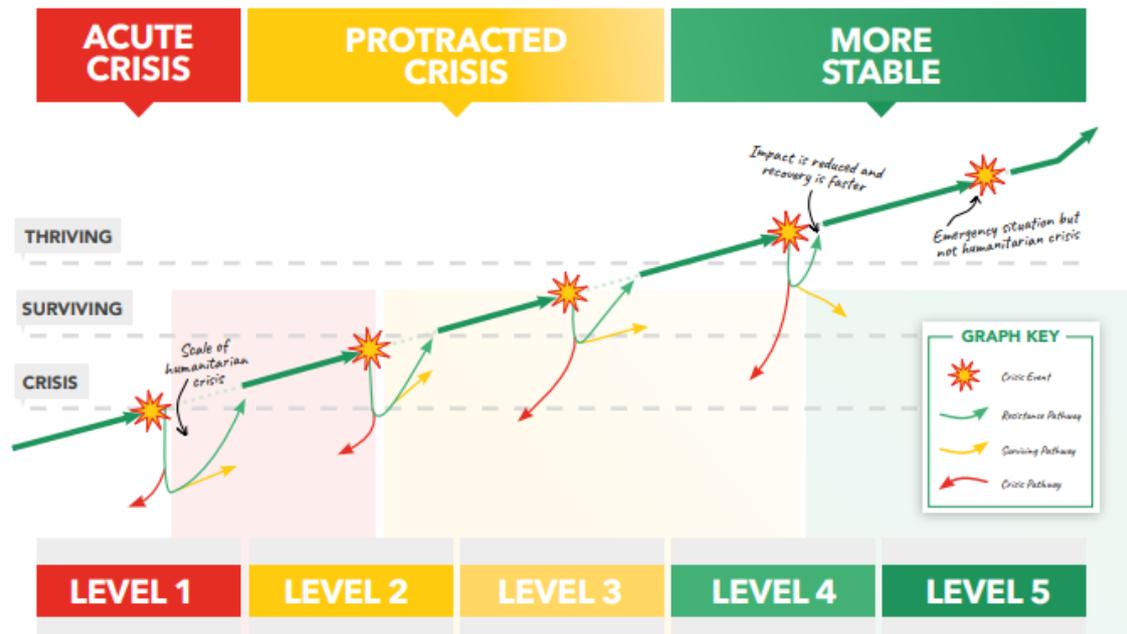
Today, my life is unrecognizable from those days of preparing dung cakes. My business has become a cornerstone of the neighborhood. I now earn a high-yield income of ET 2,500 to 3,000 per week (~\$16), and I have **grown my working capital** to ETB 70,000 (~\$456).

My greatest pride, however, is the legacy I am leaving for my children. My son recently graduated from Arba Minch University with a degree in Auto Mechanics. Today, he stands beside me at our shop, providing electronics maintenance. I am no longer just a laborer; **I am a respected leader** of a 7-Edir Coalition, a key decision-maker in my community.

I want you to know: You did not just give me a handout; **you gave me a future**. You saved my life with insurance and gave me the tools to become a successful entrepreneur. I am living proof that when you invest in a woman's skills and her health, you change the history of an entire family. My next goal is to expand my shop into a large enterprise, and I know now that nothing is impossible.



TRAJECTORY FROM CRISIS TO RESILIENCE



REFERENCES/CITATIONS:

Self-Reliance: is the social and economic ability of an individual, a household or a community to meet essential needs (including food, water, shelter, personal safety, health and education) in a sustainable manner and with dignity – developing and strengthening livelihoods of persons of concern and reducing their vulnerability and long-term reliance on humanitarian assistance.
Source: RLSS/DOS/UNHCR

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