

Monthly Update of Forced Displacement Literature Review

May 2020^{1, 2}

Table of Content:

Doing Business in Dadaab Report: Market Systems Analysis for Local Economic Development in Dadaab, Kenya.....	2
Syrian Refugee Entrepreneurship in Turkey – Integration and the Use of Immigrant Capital in the Informal Economy.....	4
Refugee Economies in Addis Ababa – Towards Sustainable Opportunities for Urban Communities.....	5
The Kalobeyei Settlement – A Self-Reliance Model for Refugees?.....	7
Left in Limbo – The Case for Economic Empowerment of Refugees and Host Communities in Cox’s Bazar, Bangladesh.....	8
Measuring the Self-Reliance of Refugees.....	10
Towards a Refugee Livelihoods Approach – Findings from Cameroon, Jordan, Malaysia and Turkey.....	12
Opportunities for Refugee Access to Work in Malaysia.....	13
Building Refugee Economies: An Evaluation of the IKEA Foundation’s Programme in Dollo Ado.....	14
Doing Business in Kakuma – Refugees, Entrepreneurship, and the Food Market.....	18
Refugees and Decent Work – Lessons Learned from Recent Refugee Jobs Compacts.....	20
From Displacement to Development - How Colombia Can Transform Venezuelan Displacement into Shared Growth.....	23
Assessing the Jordan Compact One Year On – An Opportunity or a Barrier to Better Achieving Refugees’ Right to Work.....	26
Refugee Entrepreneurship and Self-Reliance – the UNHCR and Sustainability in Post-Conflict Sierra Leone.....	28
Fostering Refugee Self-Reliance – A Case Study of an Agency's Approach in Nairobi.....	29

¹ The JDC Literature Review provides summaries of recently published research to encourage the exchange of ideas on topics related to forced displacement. The findings, interpretations and conclusions expressed in the literature included in this review are entirely those of their authors and do not necessarily represent the views of the Joint Data Center, UNHCR, the World Bank, the Executive Directors of the World Bank or the governments they represent. For convenience, the literature review contains links to websites operated by third parties. The Joint Data Center and its affiliate organizations do not represent or endorse these sites or the content, services and products they may offer, and do not guarantee the accuracy or reliability of any information, data, opinions, advice or statements provided on these sites.

² To read the compilation of monthly literature reviews, [click here](#).



Doing Business in Dadaab Report: Market Systems Analysis for Local Economic Development in Dadaab, Kenya


UNHCR and ILO, January 2019

[Read full paper here:](#)

This report **presents findings from a market system analysis conducted in the Dadaab refugee camps in Garissa County in northeastern Kenya**. The analysis is based on research conducted by Samuel Hall in and around Dadaab in October and November 2018, including key informant interviews, focus group discussions, a survey of market prices, and a household waste survey. The research included: (a) a socio-economic assessment and context analysis that describe specific challenges and opportunities in Dadaab; and (b) a rapid value chain analysis to identify value chains with the potential for inclusive growth.

Key findings of the socio-economic assessment and context analysis include:

- **The Dadaab refugee camps host over 200,000 registered refugees, the majority in protracted displacement**, and approximately 12,000 undocumented new arrivals. Most refugees are Somali (96 percent). The host population in Dadaab sub-county is estimated to be around 233,000 (2020 projection based on 2009 census).
- **Access to infrastructure in Dadaab (e.g. latrines, solarized boreholes) is reportedly better than elsewhere in Garissa County**. Most services in Dadaab are available to both refugees and host communities.
- **Refugee repatriation, reductions in food aid, and cuts in humanitarian agency budgets have had a negative effect on the local economy in Dadaab**, impacting both refugees and host communities.
- **Each of the Dadaab camps has its own market and market characteristics**. Together these form a 'vibrant and diverse' market where host community members and refugees buy and sell a range of goods and services.
- **Refugees and hosts have regular social and economic interactions**. Refugees and hosts share a common language, religion, and culture, and there is a sense of kinship and homogeneity between the two groups. Market exchanges between refugees and hosts are common. Some refugees are informally employed by hosts to look after livestock, and host community members own businesses in the camps. The environmental impact of refugees around Dadaab (due to collection of firewood and grazing of animals) is the only significant source of tension between the two communities.
- **There are several factors limiting refugee self-reliance in Dadaab**, including: (a) movement restrictions, which are a source of frustration for refugee entrepreneurs (e.g.




business owners must pay intermediaries to obtain goods, which adds costs, and makes it difficult to ensure quality and safe movement of goods); (b) the negative security narrative surrounding Dadaab, which discourages some private and national actors from investing in the area; and (c) restrictions on land access that limit agricultural activities.

- **Despite these constraints, refugees have managed to establish livelihoods in diverse sub-sectors.** Some Somali refugees have begun to embrace small-scale agricultural production, and to reap benefits from it.
- **There are opportunities to build on existing growth, development, and value chains in Dadaab.** The Comprehensive Refugee Response Framework (CRRF) and Global Compact on Refugees (GCR) have the potential to provide stronger socio-economic inclusion and integrated livelihood options for both refugees and host communities in Dadaab. Moreover, the county government recognizes the economic benefits of the refugee presence.

The rapid value chain analysis identified four primary value chains in Dadaab: (1) waste management and recycling; (2) livestock, including small (sheep and goats) and large ruminant fattening and trade; (3) commodity trade and services; and (4) vegetable and fruit production. Drawing on the expertise of key informants, the value chains were rated according to a series of indicators, resulting in the selection of two sub-sectors for further exploration. These are:

- **Vegetable and fruit production:** There is substantial demand for fresh fruits and vegetables in Dadaab and in response to this demand, refugees and hosts have begun to grow high-demand produce. Local produce production would eliminate transportation costs, which currently account for a significant portion of produce prices in Dadaab markets. This sub-sector has strong potential for job creation across all demographic segments. Moreover, Dadaab has ample arable land and water, and there is buy-in from local authorities. Enhancing this value chain would require linking refugee and host communities to agricultural capacity-building programs as well as to micro-finance providers that can provide access to capital. There are also socio-cultural dimensions to consider (e.g. stigmatization of agricultural activities among Somali pastoralist clans), as well as regulatory aspects (e.g. restrictions on access to land).
- **Waste management and recycling:** Improvements in waste management would have a positive impact on health and the environment in Dadaab. The research confirmed strong demand from households for waste collection services as well as buy-in from local authorities. Private sector actors in Nairobi have expressed interest in purchasing waste from Dadaab (in particular scrap metal and plastic). A key issue is how to develop market linkages that overcome the high transport costs between Dadaab and Nairobi.



The authors conclude that, **while some gaps remain, essential requirements for market systems in Dadaab are present**: access to roads and infrastructure can be facilitated, water and land are available to support value chain development, and host-refugee socio-economic interactions are already well established.

Syrian Refugee Entrepreneurship in Turkey – Integration and the Use of Immigrant Capital in the Informal Economy

Reyhan Atasü-Topcuoğlu


Social Inclusion, Volume 17, Issue 4 (2019), Pages 200-210

<http://dx.doi.org/10.17645/si.v7i4.2346>

This article examines small-scale entrepreneurship of Syrian refugees in three Turkish cities: Istanbul, Gaziantep, and Hatay. The author uses ‘forms of capital’ as an analytical frame, encompassing: (a) economic capital; (b) social capital; (c) cultural capital (including institutionalized forms such as educational certificates and diplomas, embodied forms such as aesthetics, occupational skills, and language skills, as well as knowledge of Turkish laws and bureaucracy for starting a business); and (d) symbolic capital (prestige acquired in Syria and earned among the local community in Turkey). The analysis is based on in-depth interviews in 2018-19 with Syrian entrepreneurs who established businesses after 2011, as well as with representatives from Chambers of Commerce in each location.

Main findings:

- **Social capital drives location decisions.** Interviewees were aware of solidarity among networks, used their connections to choose their destination, and settled near connections.
- **Institutionalized cultural capital may diminish in the host country** due to loss of documentation, lack of recognition of qualifications, labor market restrictions, or language barriers. Interviewees also highlighted loss of social status, however they were able to rebuild social capital gradually over time.
- **Economic capital and/or social capital facilitated the initial investment for starting a business.** Refugees with economic capital in Syria were able to move some of it to Turkey. Others worked and saved money, and pooled resources and loans in the family for investment.
- **Embodied cultural capital explains the sectoral concentration of Syrian small entrepreneurs**, in particular: entrepreneurship experience; occupational skills (craftsmanship); manufacturing know-how; and cultural knowledge such as understanding group-specific aesthetic preferences and tastes (especially in restaurants)



and with barbers) and language. Leveraging cultural capital depends on the existence of co-ethnic groups and cultural similarities with the host country.

- **Refugee entrepreneurs employed several strategies to respond to consumer demand**, for example: (i) starting enterprises in dense immigrant districts and leveraging shared symbolic capital (Arabic language) and cultural capital (knowledge of customer preferences), e.g. to open a grocery store; (ii) leveraging pre-displacement networks of customers, e.g. to start a manufacturing enterprise; (iii) drawing on the reputation earned in Syria, including the use of well known business names; and (iv) using middlemen, wholesalers and traders to connect Syrian producers and customers in various localities.
- **Refugee entrepreneurs gradually rebuilt their social and cultural capital** by: (i) first working for other people, in order to make connections and learn local business practices before opening their own businesses; (ii) building relationships with Turkish colleagues; and (iii) attending NGO-run training programs.
- **To sustain their business, refugee entrepreneurs may deliberately remain secluded, accept informality and keep prices low.** Operating informally relieves entrepreneurs from tax and social security costs and helps retailers keep prices low. However, price differences between formal and informal markets can create tension between Turkish and refugee entrepreneurs.


In the concluding section, the author posits that informal entrepreneurship does not seem effective at enhancing integration in terms of a refugee's relationship with the state. While refugee enterprises provide informal jobs and some money for the daily survival of refugee workers, it has a limited effect on economic and social integration. Despite these limitations, small-scale refugee entrepreneurship provides a tool for survival that has the potential for further development. Local integration policies provide an opportunity to formalize existing small enterprises, which may open new channels for integration as well as for increasing production and employment.

Refugee Economies in Addis Ababa – Towards Sustainable Opportunities for Urban Communities

Alexander Betts, Leon Fryszer, Naohiko Omata, Olivier Sterck
Refugee Studies Centre, ODID, University of Oxford, July 2019

<https://www.rsc.ox.ac.uk/publications/refugee-economies-in-addis-ababa-towards-sustainable-opportunities-for-urban-communities>

There are 22,000 registered refugees in Addis Ababa, Ethiopia, including: 17,000 Eritrean refugees under the Out-of-Camp Policy (OCP) based on their capacity to be self-reliant; and 5,000 Somali refugees mostly under the Urban Assistance Programme (UAP) because of



specific vulnerabilities that cannot be met in camps. UAP refugees receive financial assistance but OCP refugees do not. This report **examines the economic lives of refugees in Addis Ababa, their interactions with the host community, and prospects for a sustainable urban response.** The analysis draws on qualitative research and a survey of 2,441 refugees and members of the proximate host community, prior to the implementation of the 2019 Refugee Proclamation.

Key findings:

- **Refugees face extreme precariousness, partly due to restrictions on the right to work, which leaves them dependent on the informal sector and vulnerable to exploitation.** Prior to the 2019 Refugee Proclamation, refugees were not permitted to work or register businesses. 79 percent of Eritrean refugees and 93 percent of Somali refugees were unemployed (compared to 43 percent of the proximate host community). Among those who work, average income levels are significantly lower than that of the proximate host community. Refugees have much poorer welfare outcomes than hosts, for example in terms of mental and physical health, and child school enrollment.
- Of the tiny minority who work, 86 percent of Eritreans are employees and 14 percent are self-employed, while 57 percent of Somalis are employees and 43 percent are self-employed. Where refugee businesses do exist, they are usually unregistered, do not pay tax, were created without significant start-up capital, and rarely employ staff.
- **Refugees rely on three sets of social networks: with hosts, among refugees, and transnational networks.** Hosts are generally sympathetic to refugees and some self-identify as having the same ethnic background as refugees. Ethiopians often register businesses on behalf of refugees in return for a share of profits. Ethiopians also act as citizen 'guarantors', vouching for the ability of refugees to support themselves, a condition for OCP status. Other refugees provide forms of mutual self-help, and those with limited means often pool resources, including by living together. In the absence of work, many refugees are dependent upon remittances. While these connections probably do not significantly raise overall welfare outcomes, they provide a crucial social safety net.
- **Refugee communities feel a sense of boredom, idleness, and hopelessness.** They regard the lack of economic opportunity as having a detrimental effect on their physical and mental health. **Over 90 percent of refugees aspire to migrate to Europe, North America, or Australia,** although only 60 percent believe this is realistic, and an overwhelming majority would prefer to take legal rather than illegal migration routes.


The authors argue that **creating sustainable socio-economic opportunities for refugees will be crucial to improving welfare outcomes and offering alternatives to onward migration.** They recommend the following:

- **Provide opportunities as well as rights.** This requires investments by international donors and the private sector in job creation for refugees and host communities.
- **Build on existing networks and social capital.** Communities' current socio-economic situation and livelihood strategies should be the starting point for designing urban interventions.
- **Create an area-based urban program.** The refugee population in Addis is likely to grow due to general urbanization trends, government's commitment to expand OCP numbers, and the 2019 Refugee Proclamation's expansion of socio-economic freedoms. Urban programs should include both refugees and the host community, working with municipal authorities to focus on areas, such as Bole Mikael and Gofa, with large refugee communities.
- **Invest in urban job creation.** Interventions to support job creation might include: provision of start-up finance for small enterprises; governance and anti-corruption measures to lower investment risk; vocational training to increase the competitiveness of refugee and host community labor; infrastructure improvements to catalyze investment and economic activity; and integrated training, grants, and mentorship schemes. The Bank's Economic Opportunities Programme (EOP), which aims to support refugees and host communities in Ethiopia, and similar programs could be extended from the camp setting to the urban environment.
- **Strengthening socio-economic opportunities outside of Addis.** This could be supported by: focusing the CRRF on employment creation in the refugee-hosting border regions (Dollo Ado, Shire, Gambella, Jijiga); integrating refugees into the development strategies of secondary cities in other regions; and strengthening the industrial zones model envisaged by the Ethiopia 'Jobs Compact'.
- **Consider alternative migration pathways.** Expanding opportunities for resettlement and alternative migration pathways could complement a primary focus on solutions within Ethiopia.

The Kalobeyei Settlement – A Self-Reliance Model for Refugees?

Alexander Betts, Naohiko Omata, Olivier Sterck
Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 189–223
<https://doi.org/10.1093/jrs/fez063>

The Kalobeyei refugee settlement in Turkana County in Kenya was established in 2016 with the aim of transitioning refugee assistance from a traditional aid-based model to one based on the principles of supporting host communities, offering self-reliance and promoting a development-based approach to assistance. The settlement is situated 3.5 kilometers from



the Kakuma refugee camps and is home to 37,500 refugees from South Sudan (71 percent), Ethiopia (13 percent) and Burundi (9 percent) with smaller numbers from DRC, Uganda, and Sudan.

This article **examines whether the policies and programs implemented in Kalobeyei are actually different from those implemented in Kakuma, and whether there are different self-reliance outcomes between recently arrived refugees in Kalobeyei and Kakuma, one year after the creation of the settlement.** The authors employ a mixed-method approach that combines conceptual reasoning, quantitative research and qualitative research. The authors conceptualize self-reliance as a process through which self-reliance inputs (a combination of enabling factors and aid programs) lead to self-reliance outcomes (socio-economic outcomes and autonomy).


Key findings:

- About 15 months after the first arrivals in Kalobeyei, **self-reliance-enabling factors are limited in both Kalobeyei and Kakuma, across nearly all indicators:** environment, assets, access to networks, access to markets and access to public goods. In a few areas, Kakuma actually performs slightly better (reflecting the age of the settlement).
- **Kalobeyei is not a pure ‘self-reliance’ model and Kakuma is not a pure ‘aid’ model;** but they occupy contrasting positions on that spectrum. Kalobeyei has a number of policy features that distinguish it from Kakuma camps: it uses a cash-assistance program, which has been used on a limited scale in Kakuma; and it promotes dry land agriculture through the promotion of ‘kitchen gardens’.
- **Refugees in Kalobeyei have slightly better self-reliance outcomes** (in terms of nutritional outcomes and greater perceived autonomy) than Kakuma. This may be due to observed differences in the aid model, but the authors do not test this hypothesis empirically.

Left in Limbo – The Case for Economic Empowerment of Refugees and Host Communities in Cox’s Bazar, Bangladesh

International Rescue Committee (IRC), September 2019
<https://www.rescue.org/report/left-limbo>

This brief **highlights the potential of livelihoods programming to increase self-reliance and economic empowerment for affected communities in Cox’s Bazar, Bangladesh.** Over 900,000 Rohingya refugees live in Cox’s Bazar, the majority in the Kutupalong



Expansion Site. This brief draws on the findings of a livelihoods assessment conducted by the IRC in Cox's Bazar in April and May of 2019.


Key points:

- **Livelihood opportunities for refugees tend to be limited, ad hoc and small-scale.** Restrictions on freedom of movement and the right to work limit refugees' ability to establish livelihoods, often leading to negative coping strategies. Refugees also face obstacles to accessing financial services and opening bank accounts due to a lack of identification documents, and they are not permitted to buy SIM cards. While not formally permitted, refugee men nevertheless work informally as day laborers and run small businesses in the camps. Despite the restrictions on work and fishing, approximately one-third of refugee households engage in an income generating activity.
- **Host communities are experiencing some negative impacts on livelihoods due to the presence of refugees.** Host community men are typically engaged in casual labor inside and outside of the camps, fishing, and operating small market enterprises. Increased labor and business competition from refugees is driving down wages and profits for host communities. Environmental degradation and increased pressure on infrastructure is decreasing economic opportunity for host communities who depend on these resources for their livelihoods.
- **Livelihoods for women in both refugee and host communities are more limited,** even though some refugee and host community women serve as NGO volunteers.
- **Both refugees and the host community report significant obstacles to establishing and expanding livelihood activities,** including lack of access to finance, lack of training and skills, onerous business registration requirements, and poor infrastructure.
- **With the appropriate policies and support, market conditions are conducive for livelihoods programs to have a significant positive impact,** in particular cash-based programming. Markets are functioning, providing goods to meet basic needs and adequate food diversity. Vendors are well connected to external markets, sourcing in-demand items and inputs through travel or established agent networks. There is high demand from consumers for diverse and nutritious foods. Increased demand puts upward pressure on food prices but also creates opportunities for new or expanded enterprises.
- **Livelihood programs should aim to improve self-reliance for both refugee and host communities.** Programs should include a specific focus on women's economic empowerment to address the particular barriers women and girls face in accessing formal economic opportunities and to mitigate the risk of gender-based violence. Such programs would contribute to the development of Cox's Bazar and Bangladesh as a whole.

- For the Government of Bangladesh (GoB), there is an opportunity to reduce refugee reliance on aid, improve social cohesion, and contribute to the overall development of Cox’s Bazar, through the removal of barriers to livelihoods for both host and refugee communities, and women in particular.** Specific recommendations for GoB include: (a) lifting restrictions on movement and the right to work for refugees; (b) allowing medium term economic recovery and development programming such as skills trainings, livelihoods support, and cash-based interventions; (c) promoting access to financial services for refugees and host communities through the provision of civil documentation—refugees could be included in the National Financial Inclusion Strategy and supported by easing Know Your Customer regulations, allowing them to open bank accounts, register SIM cards and access formal mobile money; (d) reforming regulatory procedures for business ownership, registration, inspection and taxation, eliminating camp differences in market regulations and oversight—this should include refugee home-based businesses to address safety and cultural concerns experienced by women; (e) improving market infrastructure to enhance business activities within markets and sustainably develop Cox’s Bazar; and (f) allowing for a multi-year Joint Response Plan (JRP) for Cox’s Bazar to enable sustainable planning and investment.
- For donors and implementing partners, strategies and programs aimed at improving refugee and host-community self-reliance should be advocated for and prioritized, including through increased emphasis of women’s economic empowerment.** Specific recommendations for donors and implementing partners include: (a) proactively engaging GoB to allow self-sustaining livelihoods programming for refugees; (b) delivering adequate levels of multi-year funding and implementing livelihood programs that can provide refugees and host communities with vocational skills, access to finance and capital, and work opportunities, including specific opportunities for women; (c) emphasizing a gender transformative approach in programming, and supporting refugee and host women to take advantage of livelihood opportunities; (d) supporting livelihood programs that target youth and older adolescent girls that have missed formal educational opportunities including vocational skills training; and (e) supporting the identification and funding of investments to enhance job opportunities in Cox’s Bazar, including through international financial institutions and the private sector.

Measuring the Self-Reliance of Refugees

Kellie Leeson, Prem B. Bhandari, Anna Myers, and Dale Buscher
Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 86–106
<https://doi.org/10.1093/jrs/fez076>




Refugee ‘self-reliance’ has been defined as the “social and economic ability of an individual, a household or a community to meet its essential needs in a sustainable manner and with dignity” pending the identification of a durable solution. This article **introduces a measurement tool to track refugee households’ progress over time in achieving self-reliance**. To capture change at the household level on a continuum from vulnerability to self-reliance, the “Well-Being and Adjustment Index” incorporates the following 12 indicators or ‘domains’:

- **Income**—including income from savings, employment, subsidies or remittances;
- **Employment**—scenarios from no employment to full-time, stable employment;
- **Shelter**—scenarios from no shelter to adequate housing based on family size;
- **Utilities**—including access to cooking fuel/gas, electricity, heating or ventilation, running water and a private toilet;
- **Food**—capturing both the ability to meet the household’s nutritional needs and whether these were met with or without assistance;
- **Healthcare**—capturing both availability and access to health services;
- **Transportation/mobility**—capturing both availability and affordability of transport services;
- **Education**—whether school-aged children were attending school;
- **Community involvement**—family engagement outside of the home to assess social-network development with both refugee and host-community members;
- **Safety**—whether household members felt safe in their neighborhoods and shelter and whether they reduced their movements as a result of insecurity;
- **Documentation/residency status**—whether households were legally in the country of asylum; and
- **Well-being**—feelings of hope for the future.

The authors **piloted the tool in Ecuador, Egypt and Lebanon**. Findings from the Ecuador and Egypt pilots (for which complete panel data was available) reveal that **overall refugee households are moving up the self-reliance scale over time**. Overall, 60 percent of refugee households in Ecuador and 65 percent of refugee households in Egypt moved upward in the composite score of self-reliance, while less than 30 percent of refugee households regressed in both countries.

The authors argue that the tool could provide important insights into policy and programming gaps by tracking a wide range of household issues over time. They conclude that practitioners, even if focused on a particular sector, could benefit from a holistic view of refugee households and, over time, this understanding could contribute to better programming.



Subsequent to the pilots, a redesigned tool called the [Self-Reliance Index](#) (SRI) was developed through an iterative process in Jordan, Kenya and Mexico.


Towards a Refugee Livelihoods Approach – Findings from Cameroon, Jordan, Malaysia and Turkey

Caitlin Wake and Veronique Barbelet
Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 125–142,
<https://doi.org/10.1093/jrs/fez033>

This article **discusses research on the livelihoods of non-camp refugees in four protracted displacement contexts: Cameroon, Jordan, Malaysia and Turkey**. The research explores how different policy environments and institutional capacities affect refugee livelihoods. The authors draw heavily on the work of Levine (2014), who developed a practical methodology for conducting research using a sustainable-livelihoods framework, focusing on first understanding what refugees are already doing (their goals, livelihood strategies, actions and livelihood outcomes) and how this is shaped by their perceptions of risk and possibilities, and the context in which they live. Data was collected through in-depth, qualitative interviews with refugees, as well as the individuals, networks and institutions refugees engaged with during displacement. **Rather than presenting the findings of the research, the article explores how the methodology enabled the identification of challenges and opportunities to support refugee livelihoods.**

Key points:

- **While there was some common understanding between aid actors and refugees of their livelihood opportunities and challenges, this shared understanding did not translate into programming and policies**, due to: (a) resource constraints, e.g. in Cameroon interventions provided too little money to make a difference in refugees' lives; (b) the fact that refugees were not permitted to work, e.g. in Malaysia interventions tended to be ad hoc and small-scale so as not to attract negative attention to refugees; and (c) the difficulty of programming longer-term interventions in refugee situations defined as emergencies, e.g. in Cameroon humanitarians were prioritizing life-saving activities, while many more Central African refugees were seeking ways to sustain themselves and their families beyond aid.
- By starting from the perspectives of refugees and their perceptions, the research was able to question the way aid actors tend to qualify and define displacement situations over time and highlight that such qualifications and definitions may or may not be in line with refugees' own perception of the context. **The assumption on which aid programming is based—that refugees are generally at their most vulnerable at the**



onset of displacement and build resilience over time—does not fit the more complex realities of the refugees’ experience. For some refugees (e.g. in Cameroon), they experienced more stable situations at the onset of their displacement and saw their situation worsen with time due to age, loss of capital and the exhaustion of informal support from personal networks.

- **Subjective factors in refugees’ perceptions—as opposed to facts—were significant for livelihood outcomes.** Refugees’ own understanding of policies, risks and livelihoods possibilities is what they base their actions and strategies on, e.g. in Jordan and Turkey many refugees reacted cautiously or pessimistically to the introduction of work permits, perceiving a number of risks including the risks of losing assistance, losing income because of taxes, and being exploited, as the power remained with employers.
- **Gender—both as a feature of identity and gender norms in country of origin and asylum—affected how refugees perceived livelihood risks and opportunities, thus leading to different livelihood outcomes.**
- **There is value in using this approach for operational purposes, designing programs and interventions.** Livelihood assessments tend to rely on more technical studies (e.g. value-chain analysis and market analysis), which while valuable and complementary, miss the link to how refugees experience, perceive and take such realities into account in their decision-making.

In conclusion, the authors **emphasize the importance of putting refugee perceptions and actions at the center of programs, interventions and policies.** They also highlight the need to change the way livelihoods interventions for refugees are thought of: moving away from supplying interventions to supporting refugees in the strategies and actions they are already adopting and working to remove both structural and other obstacles they face.

Opportunities for Refugee Access to Work in Malaysia

Puteri Nor Ariane Yasmin

Institute of Strategic and International Studies (ISIS) Malaysia, Policy Brief Issue #1-19, August 2019

<https://www.isis.org.my/2019/08/01/opportunities-for-refugee-access-to-work-in-malaysia/>

As of April 2019, there were over 170,000 registered refugees and asylum seekers in Malaysia, in addition to an estimated 100,000 unregistered refugees in the country. This policy brief makes the case that formalizing a work program for refugees not only grants them greater security, but also has positive impacts for the host country.



Key arguments:

- **Integrating refugees into the formal labor market would have a positive impact on the economy and national productivity.** Malaysia is a net importer of labor; refugees could meet the demand for low-cost labor without affecting jobs for locals. Self-reliant refugees could cover the cost of their own healthcare and education, pay taxes and increase domestic spending.
- **Large numbers of refugees already live and work informally in Malaysia,** particularly the Rohingya. Formalizing employment for refugees would permit authorities to know who is doing what in their territory, and exercise control over the labor force and labor standards.
- **Malaysian authorities remain concerned about creating incentives for further refugees to enter the country, and the cost of providing services to refugees.** These concerns could be addressed by extending work opportunities only to individuals who are accorded refugee status by UNHCR, by limiting the program to refugees who arrived before a certain date, or by clarifying that work opportunities are not a pathway to naturalization.
- **Work programs for refugees would need to provide them with labor rights under domestic law and the flexibility to meet their needs,** otherwise many would continue to choose to work informally.
- **There are opportunities for regional cooperation** via the Bali Process and the ASEAN Responsible Business Forum (ARBF).


Building Refugee Economies: An Evaluation of the IKEA Foundation's Programme in Dollo Ado

Alexander Betts, Andonis Marden, Raphael Bradenbrink, Jonas Kaufmann

Refugee Studies Centre, May 2020


<https://www.rsc.ox.ac.uk/publications/building-refugee-economies-an-evaluation-of-the-ikea-foundation2019s-programme-in-dollo-ado>

This report **presents a detailed evaluation of the IKEA Foundation's livelihood programs in Dollo Ado refugee camps in the remote Somali region of Ethiopia.** The Dollo Ado camp complex accommodates around 160,000 refugees. Working through UNHCR, the IKEA Foundation has invested around US\$100 million in Dollo Ado—the largest private sector investment ever made in a refugee setting. The IKEA Foundation initially funded emergency relief and infrastructure, but since 2016 has increasingly supported livelihoods programs for refugees and host communities. Interventions have focused on agriculture, livestock, energy, environment, and microfinance, through a cooperative model facilitated by implementing partners (IPs).



Key findings of the evaluation:


- **Overall, livelihoods programs had positive impacts on welfare outcomes for refugees and the host community.** By the end of 2018, livelihoods programs had benefited more than 2,050 cooperative members, and had provided loans to 525 people. However, some cooperatives (e.g. livestock) have been more successful than others (e.g. prosopis firewood), related to the degree of market linkages. Many of the cooperatives are at an early stage, and their potential is yet to be realized.
- Positive impacts to date include: (i) self-reported increases in income and consumption among cooperative members; (ii) improved refugee-host community relations; (iii) contribution to public goods, e.g. public health, access to electricity, and the environment; (iv) creation of gender-sensitive livelihoods opportunities; (v) constructive collaboration with local partners; (vi) expansion of markets for agriculture, livestock, and retail commerce, with some evidence of export beyond the camps; and (vii) overall transition of projects from being reliant on grants towards being income-generating and business oriented.
- Initial critiques include: (i) ongoing dependency of cooperatives on external inputs; (ii) frequently inadequate market linkages; (iii) challenging power dynamics around cooperative membership and internal decision-making; (iv) inconsistency in performance of cooperatives across camps; and (v) modest income levels, and schedules that limit the number of days that cooperative members can work.
- **Agriculture:** There is significant scope for expanding agriculture in Dollo Ado, due to the presence of the Ganale River and strong household interest in agricultural livelihoods. Agricultural initiatives faced initial challenges due to IPs' lack of relevant technical expertise, barriers to land access, and human resource challenges within UNHCR. Once these were addressed, rapid progress was made to construct 29 km of irrigation canals (irrigating 1,000 hectares of land) and establish nine cooperatives (1,000 refugees and 1,000 host members). Cooperatives targeted vulnerable refugees with agricultural backgrounds, but there is some evidence that advantageous social networks may have facilitated access to membership. Cooperatives led to improvements of members' income, consumption, and other welfare indicators. However, cooperative members have had less lucrative options for crop varieties compared to farmers who are not cooperative members, suggesting weaknesses in market integration. There continues to be high levels of dependence on external inputs. There is some evidence that host community members may have greater decision-making influence within cooperatives.
- **Livestock:** Livelihood opportunities for 500 refugees and host community members were created across the full value chain including livestock trading (wholesale), meat selling (retail) and milk selling (complementary retail) cooperatives, as well as community-based animal health workers (CAHWs) and slaughterhouses business groups. Additionally, shaded meat selling spaces and slaughterhouses were constructed in each of the five



camps. Total revenue and profit across the entire value chain amounted to \$260,000 and \$31,000 respectively. Cooperatives have already developed effective market connections, mainly across the camps but also as far afield as Dollo Ado town and Mandera, Kenya. There is suggestive evidence that cooperatives have improved refugee-host relations. Overall, livestock cooperatives have been successful and are well placed to become self-sustaining. The most significant outcomes include: (i) incomes generated and associated improvements in quality of life for beneficiaries; (ii) creation of gender-sensitive livelihoods opportunities (e.g. milk selling cooperatives for women); (iii) improvements in public health due to slaughterhouses and CAHWs; (iv) more diversified food baskets; and (v) increased vibrancy of local, regional, and international livestock markets. The reasons for the relative success of livestock initiatives include: effective implementation by the IP; cultural familiarity of refugees and the host community with livestock-related practices; and market linkages, either pre-existing or created through the value chain approach of the program.

- **Energy:** Cooperatives were established in each of the five camps, with 12 to 21 refugee and host community members in each group. Members were selected based on their vocational background and received training in basic electrical engineering and business practices. The functionality and profitability of the cooperatives varies significantly—those that profited from the installation of private, commercial mini-grids were the most successful. Overall benefits include: (i) creation of a community-based mechanism to support the maintenance of electricity provision as a public good; (ii) expanded access to electricity among refugee and host communities; and (iii) spillover benefit of an increase in solar home systems installed by independent individuals who are not cooperative members. However, energy cooperatives are yet to create sustainable revenue sources and are almost entirely dependent upon external inputs.
- **Prosopis firewood cooperatives** aim to create alternative livelihood opportunities for firewood collectors (45 to 60 members in each of the camps) by turning wood from the invasive *Prosopis juliflora* tree into charcoal briquettes. The main benefit has been in terms of protection; female members feel much safer working within the cooperatives. However, income from cooperatives has been low and declining. Future performance will depend on the development of a customer base; the desirability of prosopis-based energy solutions has not yet been proven. While highly innovative in connecting protection, gender, environment, and livelihoods, the model is among the least commercially viable. It is almost entirely dependent on external support and inputs, with weak market linkages.
- **Microfinance:** In 2017-18, the scheme received over 1,500 applications from which 525 loan recipients were selected (194 refugees and 331 hosts). Most loans supported the establishment of retail shops (217) or livestock-related activities (70). The initiative is generally working effectively and recipients have been able to develop profitable businesses. It is not yet clear what proportion of borrowers will default on loans.

- **Several factors have been crucial for enabling or inhibiting program efforts.** These include: (1) the mindset and approach taken by the IKEA Foundation, e.g. inclusive of host communities and focused on sustainability, but which may overlook the importance of non-economic human development indicators and which lacked attention to data collection; (2) enabling funding structures, i.e. multi-year, multi-partner, project-based funds rather than annual project cycles; (3) appointment of ‘good-fit’ technical staff in UNHCR Dollo Ado Sub-Office; (4) collaboration with appropriate development-oriented IPs; and (5) securing the support of relevant government actors.
- **One of the biggest gaps has been the absence of a clear conceptual framework for how to build a sustainable economy in a remote refugee-hosting area.** The authors identify five critical elements for building sustainable economies in remote regions: (1) politics and willingness (national, regional, local and traditional); (2) physical capital and public goods (electricity, roads, water); (3) adapting interventions to socio-cultural context (e.g. nomadic pastoralism, cross-border economic strategies); (4) comparative advantages of people and place; and (5) securing external investments (business, philanthropy and assistance).
- **The IKEA Foundation’s investment has helped to build trust between the international community and local authorities.** The Administration for Refugee and Returnee Affairs (ARRA)’s experience of working with the IKEA Foundation contributed to the trajectory of refugee policy and practice in Ethiopia, giving ARRA and the Office of the Prime Minister confidence that Ethiopia could benefit from the economic inclusion of refugees. At the global level, IKEA Foundation’s role in Dollo Ado has demonstrated the potential contribution of the private sector/philanthropy in the international refugee system, especially within refugee-hosting low- and middle-income countries.
- The authors identify **five implications of the Dollo Ado experience for Ethiopia:** (1) UNHCR and ARRA need to expand the Foundation’s investments in Dollo Ado in relation to agriculture, livestock, and retail commerce; (2) UNHCR, the IKEA Foundation, and government need to develop a clear strategic plan to build a sustainable economy for the Dollo Ado region; (3) all livelihood-oriented projects should have sustainability plans; (4) greater consideration should be given to the wider social function played by cooperatives beyond serving a livelihoods or income-generating role (e.g. protection, the provision of public goods, provision of training, and building esteem among members); and (5) a series of discussions should be conceived to identify ways in which the insights from Dollo Ado can inform Ethiopia’s refugee regime.
- The authors also highlight **several global implications**, including: (1) the need for a clear conceptual framework for how to build refugee economies in remote border regions; (2) the IKEA Foundation and UNHCR should systematically identify situations in which insights from Dollo Ado can be applied, adapted, replicated, and scaled, based on a clear understanding of the conditions required for effective replication; (3) innovative approaches piloted successfully in Dollo Ado (e.g. cooperatives model; irrigation canals to support agricultural livelihoods; a microfinance initiative based on a rotating credit



scheme; a whole-of-value-chain approach in the livestock sector; and systematic inclusion of the host community) could be adapted and built upon elsewhere—lessons should be shared widely; (4) future programming by UNHCR and the IKEA Foundation should be evidence-based or evidence-generating; (5) UNHCR requires a new approach to private sector partnership that is adaptable, can function in field-based contexts, and provides greater flexibility in terms of personnel, procurement, and IPs; and (6) insights from the evaluation have implications for traditional donor practices, in Dollo Ado and more generally (e.g. towards community engagement and a culture of greater tolerance of failure as a means to encourage iterative learning and innovation).

In conclusion, the authors note persistent constraints on productive economic life in Dollo Ado. Most refugees remain poor and dependent upon food aid. Only 21 percent of refugees and 29 percent of the host community have an income-generating activity, and the largest source of employment for both communities is with humanitarian organizations. Fewer than 10 percent of refugee households derive their primary income source from the three main areas on which the international community has focused its livelihoods development strategy: agriculture, livestock, and commerce.

Doing Business in Kakuma – Refugees, Entrepreneurship, and the Food Market


Alexander Betts, Antonia Delius, Cory Rodgers, Olivier Sterck, Maria Stierna
<https://www.rsc.ox.ac.uk/publications/doing-business-in-kakuma-refugees-entrepreneurship-and-the-food-market>

This report **examines the environment for business and entrepreneurship in Kakuma through an in-depth examination of the food market.** The food market figures large in the economic life of Kakuma (including the Kakuma refugee camps and the Kalobeyei refugee settlement) and is affected by modalities for food assistance, which are transitioning from in-kind food assistance to cash-based assistance. The WFP-supported Bamba Chakula (BC) program ('get your food' in Swahili) is a transitional program that provides refugees with mobile currency, enabling them to choose food items that suit their preferences, while supporting the growth of local markets. In Kalobeyei, refugees receive 95 percent of food assistance through BC, while in Kakuma, about 70 percent of food assistance is in-kind and the rest is through BC. BC is only redeemable from contracted refugee and host community-run traders. Alongside the BC scheme, the WFP implemented the Kenya Retail Engagement Initiative (KREI), which aims to enhance retailer capacity through, for example, business training and supply chain development. This research **studies the impact of BC status, among other factors, on business performance and market structure**, based on a survey of 730 food retailers in the Kakuma camps, Kalobeyei settlement, and nearby towns.



Key findings:

- **The likelihood of being an entrepreneur or having a BC contract, is shaped by refugees' identities**, including nationality, gender, and educational background. Men are more likely to own shops than women (except among Kenyan traders). Somalis and Ethiopians are most likely to be engaged in food retail businesses, while South Sudanese are the least represented.
- **Shop owners who did not apply for a BC contract had lower levels of human capital than applicants.** They tend to be different in terms of nationality, gender, education level, and previous experience and training, and appear to be hindered by information, language, or literacy barriers.
- **A BC contract provides a huge advantage to retailers.** A BC contract is correlated with operational competence and better business outcomes (in terms of profits, sales, stock levels, variety of goods offered, value of the business and its assets), although these outcomes may also reflect inherent characteristic of the retailers that won BC contracts (nationality, gender, family background, education, training and prior experience, initial start-up capital etc.).
- **BC retailers in Kalobeyei do better than those in Kakuma**, in terms of profits and sales. There are fewer BC retailers in Kalobeyei even though the volume of aid distributed through BC is the same in both sites (US\$500,000 per month). In Kakuma, 19 percent of households report selling part of their in-kind food aid in order (likely to be underreported). However, selling prices are relatively low and the additional purchasing power does not appear to create a major opportunity for retailers in Kakuma.
- **Five large wholesalers account for around 70 percent of the food market.** Refugee traders often organize in 'buying groups' to counteract wholesalers' market dominance, and WFP also provides price guidelines to wholesalers and retailers. This explains why prices do not vary much across traders.
- **A preference for one's own nationality is apparent in a retailer's choice of employee and a customer's choice of retailer, but nationality is less important for a retailer's choice of wholesaler.** Refugee-host interaction is limited between retailers and customers. Refugees source from Kenyans, but Kenyans rarely source from refugees (since refugees do not own shops outside the Kakuma camps and the Kalobeyei settlement). Initiatives by WFP to provide additional opportunities to Turkana traders (e.g. distribution of corn soya blend) have helped to increase the number of refugee frequenting Turkana-owned shops.
- **Credit-based purchases are common, between wholesalers and retailers, and between retailers and consumers.** BC retailers regularly buy goods on credit through wholesalers (due to the predictability of demand), which gives them a competitive advantage. Trust and loyalty shape retailers' interactions with their customers. Many BC



retailers provide credit to customers if they run short of food/money at the end of month or BC transfers are delayed, keeping the refugees' BC SIM card as collateral.

- **Access to business training tends to be correlated with improved business performance** (20 percent higher level of sales and profit). Causality may run either way, e.g. businesses with better performances may be more likely participate in training. If training does lead to better performance, it appears to occur through improved business practices, e.g. giving special offers and bulk discounts (correlated with higher sales), asking customers whether there are products they would like (correlated with higher profits), asking suppliers for preferential terms (correlated with higher sales and higher stock variety), and book-keeping (correlated with higher stock variety).
- **The food retail sector is not characterized by perfect competition.** Market concentration among wholesalers, restrictions on the number of BC contracts, and price collusion inhibit competition. There is little price variation across shops, partly due to price fixing. Any price differences tend to relate to the size of the purchase, with discounts for bulk purchases. Profitability is determined less by retail pricing and more by overall volume of sales (due to bulk discounts from suppliers).
- **Introducing full cash-based assistance would 'level the playing field' by removing the advantages of a BC contract.** This might lead to possible tensions, particularly among some Turkana traders who would stand to lose the most. The transition to cash-based assistance needs to be carefully managed.

The authors argue that **BC has fundamentally influenced the trajectory of the food market in Kakuma**. It has initiated a transition from an in-kind aid system to a market-based system. At the same time, aspects of BC have introduced market distortions, exacerbating a concentration of market power in the hands of the wholesalers, necessitating a credit-based economy, and conferring huge advantage on a small number of traders. Nevertheless, they suggest that it is an important and innovative program that offers insights in the management of transition from an aid economy to a market economy.


Refugees and Decent Work – Lessons Learned from Recent Refugee Jobs Compacts

Jennifer Gordon

International Labor Office – Geneva, Employment Policy Department, Employment Working Paper No. 256 (2019)

[Read Full Paper here](#)

This paper **examines refugee livelihoods from a labor standards perspective**. The author presents case studies of the work aspects of the Jordanian and Ethiopian job



compacts, and distills lessons learned about how to integrate refugees into host country labor markets in ways that do not expose refugees to exploitation, or indirectly undermine conditions for those already doing the work. The author outlines a series of recommendations for how refugee work agreements could be structured, from the beginning, to protect and advance workers' rights, including host country nationals, migrants and refugees.


Key points:

- **The Jordan and Ethiopian Job Compacts expanded labor market access for refugees but focused, at least initially, on employment at the bottom of global supply chains, where wages are low and workers' rights are often violated.**
- Through the Jordan Compact, the EU and individual EU countries, with the support of the Bank, pledged nearly US\$2 billion to the Jordanian government. In return, the government agreed to provide refugees with access to education and 200,000 work permits in selected sectors already open to migrant workers (e.g. in the garment industry). Jordanian companies in export manufacturing zones that met a hiring target of 15 percent Syrian refugees would be given access to EU markets at reduced tariffs. The EU's support was motivated by the premise that trade incentives could increase refugee employment in Jordan and thereby reduce onward movement of Syrians to Europe.
- Three years later fewer than 500 Syrians are working in the designated industrial zones in Jordan, 95 percent of whom are men. Obstacles to the employment of Syrian women included: the distance between most Syrians' homes and the zones, the need for childcare, lack of relevant work experience among Syrians in Jordan, and a reluctance among Syrians for women to work outside the home in mixed-gender environments. Additionally, Jordanian export factory managers preferred their current workforce, predominately female migrant workers from South Asia, over Syrians. Since disbursements were linked to the number of work permits, UN agencies, donor governments and international NGOs invested heavily in overcoming these challenges.
- Arguably, however, **the trade-driven aspect of the Jordan Compact is unlikely to succeed given the current business model of the garment industry**, in which a middle-income country is competing with much lower-wage nations for ready-made garment export contracts. Factories must keep prices low and turnaround swift—leading to low wages and poor safety protections for workers. Low pay and poor working conditions are key obstacles to refugees' willingness to work in export manufacturing zones.
- **The permit scheme has had considerably more success in domestically oriented industries** (agriculture, construction, and low-wage services) than in export manufacturing, with approximately 45,000 work permits. Although these are the same sectors where Syrians previously worked informally.

- **Syrian work permit holders still face many violations of basic decent work principles.**
- **Decent work deficits occur in a context of high levels of informality.** Syrians with permits continue to work in the largely informal sectors of agriculture and construction, alongside Syrians who have not obtained permits, and both authorized and undocumented migrant workers.
- Jordanians by and large did not experience displacement from their jobs following the granting of work permits to Syrian refugees, but **migrant worker wages and working conditions have been adversely affected.**
- As part of the Ethiopia Jobs Compact, the Ethiopian government committed to creating 100,000 jobs in new industrial parks, of which 30,000 would be for refugees. In return, it would receive US\$500 million in grants and low-interest loans. Unlike the Jordan Compact, the Ethiopia Jobs Compact explicitly recognizes concerns about decent work and identifies actions to address them (the passage of revised labor legislation and the establishment of a National Minimum Wage Board).
- **Studies of the Ethiopian garment industry have revealed the inadequacy of wages relative to the cost of living in Ethiopia, and other concerns about decent work** including unpaid labor, sexual harassment, high levels of verbal abuse, poor quality, expensive housing distant from the worksite, and a lack of genuine worker representation. Consequently stakeholders in the Ethiopian Jobs Compact will now seek other economic opportunities for the 30,000 refugees in formal waged employment, self-employment, or entrepreneurship opportunities.
- **High rates of informal employment in Ethiopia generally, and the lack of development in the refugee-hosting border regions will make formal job targets difficult to meet. It will be necessary to engage with work in the informal economy to move opportunities closer to decent work standards.**

Recommendations:

- **The Jordan and Ethiopia case studies offer several lessons for how refugee labor market integration programs could maximize decent work:** (a) work rights should be granted to the refugee directly, rather than tied to an employer sponsor; (b) work rights should be mobile across regions and firms; (c) the process to access work rights should be simple and low cost; (d) refugees, and workers' organizations that represent them, should be active participants in the design and implementation of labor market integration programs; and (e) for refugee women to benefit from an effort to advance decent work, the program must be designed with them and for them.
- **Advancing decent work for refugees requires a different set of actors and approaches than those traditionally engaged in refugee livelihoods initiatives.**



Humanitarian and development actors will need to intensively engage with organizations, such as the ILO, with expertise in labor standards and migration. To date, the focus has been on granting refugees the right to work; to achieve a standard of decency, this must be coupled with rights at work. Strategies already developed to advance decent work for migrant workers are highly relevant for refugees.

- **Refugee work initiatives should be an integral part of efforts to advance decent work in the host country overall.** Intervention on behalf of refugees should be designed to advance decent work for all labor market participants including local workers, IDPs, and migrant workers. Refugees should have the same labor and social protections as others and the same opportunity to organize/join trade unions. Given the lack of evidence from Jordan or Ethiopia that trade-driven refugee work initiatives generate employment that is of interest to refugees, programs should encompass opportunities in the domestic economy. Improving conditions in informal jobs should be an affirmative goal of refugee livelihoods programs.

The author concludes that the ‘compact model’ need not be tied to the idea of trade-as-aid-for-refugees. Instead, it could be understood as a mechanism to support refugee access to host country labor markets under decent conditions. **Initiatives to open jobs to refugees should be crafted from the outset to move towards decent work goals, rather than broadly targeting income-generating activity without reference to wages, working conditions or social protection.**


From Displacement to Development - How Colombia Can Transform Venezuelan Displacement into Shared Growth

Jimmy Graham, Martha Guerrero, Daphne Panayotatos, and Izza Leghtas
Center for Global Development (CGD) and Refugees International (RI), April 2020
This paper can be made available upon request. Interested readers can contact Helen Dempster: hdempster@CGDEV.ORG

Colombia hosts approximately 1.8 million Venezuelan refugees and forced migrants (as of December 2019) displaced by the humanitarian, political, and economic crisis in Venezuela. This paper **examines labor market access and economic inclusion for displaced Venezuelans in Colombia**, drawing on research conducted by a joint CGD-RI team and a mission to Colombia in November 2019.

Key points:

- **The Government of Colombia has mobilized a robust humanitarian response and taken steps to integrate Venezuelans into its society and economy.** Nearly 700,000 Venezuelans have been able to regularize their status in Colombia through temporary




stay permits, *Permiso Especial de Permanencia* (PEP), which gives them access to basic rights and services, including the right to work. New policies introduced in January 2020 will create additional pathways to regularization.

- However, **a range of legal, administrative, structural, and social barriers prevent many Venezuelans from being able to fully meet their needs or realize their rights in practice.** Many Venezuelans are struggling to make progress towards economic inclusion, and have poorer labor market outcomes in terms of their labor income and formal work rates. Employed Colombians earn 43 percent more on average than employed Venezuelans, despite the fact that Venezuelans are highly educated. High rates of informal work also create a range of difficulties and protection concerns.
- **Many Colombians, including Colombian returnees and IDPs, also struggle to achieve economic inclusion** and the continued arrival of Venezuelans to Colombia is straining the government's capacity to respond to both populations' needs.
- **The arrival of Venezuelans and the government's response have already yielded a number of benefits,** including an increase in economic growth, fewer labor shortages (particularly in agribusiness), and a positive impact on the employment rate for Colombians (by increasing firm productivity). Although the effects on wages for informal and low-skilled workers are negative and statistically significant.
- **The large-scale arrival of Venezuelans in a relatively short timeframe has also created significant challenges and costs.** The inflow has strained Colombia's already overburdened health, education, social protection, and water and sanitation systems. The net fiscal effect was estimated at -0.3 percent of GDP for 2019, and as a result public debt is expected to go up. Additionally, it is likely that the arrival of Venezuelans in some communities has pushed up housing prices. These issues have led to growing negative attitudes towards Venezuelans.
- **Improving the economic inclusion of Venezuelans—and of host communities—would benefit refugees, migrants, and Colombian society overall.** It would lead to shared economic growth, a smaller informal sector, benefits for the private sector, reduced social tensions and xenophobia, and mitigated protection concerns. The authors estimate that if all Venezuelan-specific barriers to economic inclusion were lowered: (a) Venezuelans' average monthly income would increase from \$131 to \$186, translating into an increase of at least \$996 million in Colombia's annual GDP, and creating a positive ripple effect for Colombian host communities; (b) the number of formal Venezuelan workers would increase from 293,060 to 454,107, which would reduce job competition in the informal sector and create a positive impact on the social security system; (c) Venezuelans' self-reliance would increase, leading to reduced protection concerns and higher standards of living; and (d) Venezuelans would boost Colombian firms' productivity by filling labor shortages, complementing Colombian workers with their unique sets of skills and experiences, and developing business connections abroad.

- **Greater economic inclusion for Colombian returnees would lead to similar benefits**, increasing their average income by 13 percent. It is likely that the inclusion of other disadvantaged groups of Colombians, such as IDPs, would also create such benefits.
- **Venezuelan women face a double disadvantage due to their gender and nationality**. Addressing both gender- and Venezuelan-specific barriers would lead to a 191 percent increase in Venezuelan women's incomes. Given that Venezuelan women account for 52 percent of the total Venezuelan working-age population, huge gains could be made by lowering barriers for Venezuelan women.
- **The potential gains from economic inclusion are greatest for highly educated Venezuelans**. Lowering key barriers for this group—especially the lack of work permits and difficulties verifying credentials—could have an outsize positive impact.
- While the average level of education for Venezuelans entering the country has declined over time, **large numbers of highly educated Venezuelans continue to enter the country**. Providing them with the right to work quickly and often will be key to ensuring their economic inclusion.

The report concludes with several **recommendations for government and its partners** as follows:

- Government should maintain the PEP process for Venezuelans that is not limited by entry date and provides a simplified path towards regularization and guarantees of protection.
- Donors should increase funding for the response to Venezuelan displacement in Colombia—especially for efforts that improve economic inclusion and involve host communities. They should also consider a compact-like approach (e.g. offering other non-aid incentives) to better support the government and encourage the expansion of regularization and the right to work.
- Government, international donors and NGOs should: (a) prioritize support for women's economic inclusion by lowering women-specific barriers such as access to child care; (b) facilitate the process of credential and skill verification; (c) diversify approaches to combating xenophobia, e.g. through interventions to increase interpersonal contact; (d) facilitate voluntary relocations of displaced individuals currently residing in areas with few job opportunities, which would also reduce the risk of negative labor market effects on host communities and ease the strain on service systems in areas that currently have large displaced populations.
- The private sector should engage Venezuelans and host communities through core business (e.g. directly hiring Venezuelans, investing in businesses owned by or employing Venezuelans, and/or supplying from businesses owned by or employing



Venezuelans), and advocate for continued policy progress (e.g. to make it easier to hire Venezuelans).

The authors conclude that the influx of Venezuelan migrants into Colombia presents many challenges, but also a development opportunity. The arrival of Venezuelans and the constructive response of the government and its partners has already created positive, widely shared benefits. Strengthening an already robust response to improve Venezuelans' economic inclusion in Colombia could multiply these benefits.

Assessing the Jordan Compact One Year On – An Opportunity or a Barrier to Better Achieving Refugees' Right to Work

Amanda Gray Meral

Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 42–61


<https://doi.org/10.1093/jrs/fez074>

Most refugees are denied the right to work, and are pushed into informal labor markets, with the associated risks of exploitation. Compacts between international donors and host countries in the Syrian region present an example of an effort at a global level to address the socio-economic rights of refugees, including the right to work.

Using the Jordan Compact as a case study, and drawing on international human rights law, this article examines the extent to which such agreements can be an effective tool in achieving refugees' right to work. It focuses on three areas that are covered by the International Covenant on Economic, Social and Cultural Rights (ICESCR): (1) access to work, (2) decent work, and (3) international cooperation and assistance. The analysis is based on field research, key informant interviews and focus-group discussions with policy makers, humanitarian workers, scholars, and Syrian refugees.

Key points:


- **The 1951 Refugee Convention has limitations on the right to work for refugees**, i.e. refugees are not treated on an equal basis as nationals but rather “the most favorable treatment accorded to nationals of a foreign country in the same circumstances”. In contrast, the rights granted under international human rights law, including the ICESCR, are premised on universality and non-discrimination.
- **The ICESCR confirms the fundamental, binding and universal nature of the human right to work.** Article 6 protects the right to *freely choose or accept work*, including wage-earning employment, self-employment and work in the liberal professions. Article 7 protects the right of *everyone* to the enjoyment of just and favorable conditions of work, which includes fair wages and equal remuneration for work of equal value; a decent



living; safe and healthy working conditions; and equal opportunity for promotion, rest, leisure and holidays with pay. Article 2(1) requires state parties to take steps both individually and ‘through international assistance and cooperation especially economic and technical, to the maximum of its available resources’ to progressively realize rights under the Covenant.

- **The Jordan Compact has not granted all Syrian refugees the right to work without conditions**—Syrian refugees are treated as any other non-Jordanian, dependent on work permits to access legal work and limited to a select number of low-skilled sectors. This falls short of being able to *freely choose* work commensurate with their skills and experiences. While focusing on job creation and seeking to minimize the number of workers in the informal economy, it does not address the underlying restrictive legal framework that incentivizes the informal market for refugees.
- **Several challenges resulted in a relatively low uptake of work permits under the Jordan Compact time frame** (e.g. acquiring the necessary identity documentation and proof of residency, understanding the administrative process, misinformation about losing humanitarian aid, and travel challenges in accessing registration offices). Uptake by women refugees has been particularly low. Linking work permits to employers exposes refugee workers to exploitation and removes the bargaining powers of the worker. It also creates challenges for refugees who wish to work across several jobs to support their livelihoods.
- **Access to self-employment in Jordan has become even more restrictive for refugees since the Compact**, which, given the preference of women for home-based work, has a detrimental gender impact. The requirement that refugee business owners acquire a Jordanian business partner to register makes them vulnerable to exploitation even in self-employment.
- **A further concern is the compact’s focus on jobs for Syrian refugees inside Jordan’s Special Economic Zones (SEZs)**. Globally, SEZs have been associated with poor outcomes for health, safety and human rights of workers.
- A further concern that **the Jordan Compact fails to address is the wage discrepancy between nationals and refugee workers in Jordan**.

The author highlights that, while industrialized donor states may consider their responses to be in the arena of ‘humanitarian assistance’ or a migration-policy approach geared to contain refugee populations inside the region, **there is a clear legal framework aside from international refugee law, under the ICESCR, that must shape responses of both donor and host states**. The author finds that the Jordan Compact’s main achievement from a human rights perspective has been the engagement of wealthier donor states, alongside technical international organizations including the World Bank and IMF, and the host state, to agree a shared set of objectives that improve access to work for refugees. The author



concludes that **the Jordan Compact provides a progressive and innovative means of international action to better realize the right to work for refugees, albeit with real shortcomings in its implementation.**

Refugee Entrepreneurship and Self-Reliance – the UNHCR and Sustainability in Post-Conflict Sierra Leone

Claudena Skran

Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 268–298


<https://doi.org/10.1093/jrs/fez102>

In 2003–04, UNHCR supported 15 entrepreneurial ventures for returned refugees in urban and peri-urban locations in Kambia, northern Sierra Leone. Despite a challenging environment for entrepreneurship in post-conflict Sierra Leone, 20 percent of these ventures were still operating 15 years later—a figure comparable with the success of start-ups in the United States. This paper **examines the factors associated with the sustainability of refugee enterprises in Sierra Leone, and the role played by UNHCR in supporting them.** The qualitative analysis is based on data covering a 15-year period (2003–18). The sustainability of refugee enterprises is evaluated using a multi-metric model composed of five interrelated dimensions: ownership; management; mission; activities; and financing and physical capital.

The author notes several barriers to refugee entrepreneurship in post-conflict Sierra Leone including: poor physical and social infrastructure due to war damage; weak state structures and an uncertain regulatory framework; governance issues; and lack of available credit for both business start-ups and expansion. Female entrepreneurs confronted additional hurdles. Nevertheless, opportunities for entrepreneurship still exist, largely because of the potential for innovation by refugees once they return to their home country.

Key findings:

- **Start-up phase (2003 – 2004):** Of the 15 entrepreneurial ventures sponsored by the UNHCR in 2003 and 2004, 100 per cent survived for at least two years. UNHCR helped refugee entrepreneurs to gain access to property and credit, and helped build human capital, especially for female entrepreneurs. In addition, UNHCR’s encouragement of innovative ideas lowered the bar to entry for entrepreneurs. In December 2004, UNHCR ceased reintegration activities in the district.
- **Transition phase (2005 – 2009):** By 2009, only six of 15 (40 per cent) refugee enterprises continued to pursue their mission and activities with viable financing. The 40



percent that survived did so by changing their management structure and activities, and finding transition funding from either an international organization or their own profits. The 60 percent that failed did so largely because they could not secure transition financing.

- **The mature phase (2010 – 2015):** By 2018, only three (20 per cent) continued. The sustainability of refugee enterprises depended on the ability to secure property rights, to generate adequate profits for reinvestment, and to adapt to changing circumstances.

The authors conclude that

- Any attempts at seriously building self-reliance for refugees through entrepreneurship need to emphasize the transition phase;
- UNHCR has an important and continuing role in helping refugee enterprises to secure their access and use rights to property; and
- Typical measures of entrepreneurial activity need to be modified to fit refugee enterprises. The use of a multi-metric model that separates the role of owner from that of manager, and that considers social mission and activities as well as financing and physical location, gives a more accurate assessment of sustainable entrepreneurship.

Fostering Refugee Self-Reliance – A Case Study of an Agency's Approach in Nairobi


Amy G Slaughter

Journal of Refugee Studies, Volume 33, Issue 1 (2020), Pages 107–124

<https://doi.org/10.1093/jrs/fez060>

This article **traces the development of a self-reliance approach used by the non-governmental organization (NGO) RefugePoint to assist urban refugees in Nairobi, Kenya.** In developing its approach, RefugePoint drew on elements of the model employed by the United States Department of State and its contracted partners for resettling refugees in the United States, in particular intensive case management, coordinated referral networks and centralized accountability for client outcomes.

RefugePoint initially set up a small clinic to care for a group of around 50 HIV+ refugees and their families, including a therapeutic feeding program. Over time, the caseload grew to include refugees who were not HIV+ but were severely at risk in other ways with a variety of needs, and the program expanded to regular food-distribution program. With limited opportunities for durable solutions, in 2012 RefugePoint's caseload approached 2,000. RefugePoint acknowledged that it had, in effect an urban 'care and maintenance' program,



and that new approaches were needed to help refugees build better lives with agency and dignity, and ultimately achieve self-reliance.

RefugePoint hired staff with experience in refugee livelihoods and began providing livelihoods coaching and grants to start small businesses. Gradually, the program became a 'one-stop shop' that offers a set of holistic 'core services' to its core clients. Out-of-house referrals are made for legal aid, vocational training, and secondary and tertiary medical care, but the majority of the clients' needs are handled in-house through coordinated internal referrals. RefugePoint's core clients are assigned caseworkers who work with them to develop and adhere to case plans. The model anticipates an average 24-month service period, with 'stabilization' reached within the first three months through the provision of basic goods and services, with a focus on the most vulnerable urban refugees.

RefugePoint developed a Self-Reliance Measurement Tool (SRMT) to support critical decisions, e.g. who to accept into the caseload, how long to provide food and rent support for, and when a case might be considered self-reliant. SRMT includes eight assessment domains: (i) food; (ii) shelter; (iii) non-food items; (iv) economic wellbeing; (v) health; (vi) self-determination (mental health); (vii) safety/protection; and (viii) child protection. Households are scored on a scale of 1–4 (from worst to best) for each domain, with descriptors associated with each score to aid in the assessment process.

Over four years, a total of 2,576 refugees have been graduated after the households exceeded a 3.5 score. In 2018, RefugePoint's program cost \$1,000 per person services (including around 50 staff, operating costs and the cash, goods and services provided directly to clients), i.e. roughly \$2,000 to help a refugee move from vulnerability and instability to self-reliance over 24 months. This compares to an estimated per-capita cost of providing basic assistance (food, shelter, education and health care) coupled with livelihoods support in the Dadaab camp of US\$315 per annum (although not all elements of assistance are directly comparable).

Collaboration with Women's Refugee Commission (WRC) and other agencies has led to the creation of a set of common self-reliance indicators, the Self-Reliance Index, which began pilot testing in 2018. The tool is anticipated to: aid in identifying which service models or programmatic elements are most effective at facilitating self-reliance; chart progress of refugee households; help illuminate gaps in service models and disconnects in referral networks; help detect in the host environment both enabling and inhibiting contributors to refugee outcomes and changes in refugees' coping strategies; and enhance the evidence base showing that refugees can be a net positive to their host countries and communities.