Co-funded by the European Union

DANISH REFUGEE COUNCIL

LABOUR MARKET ASSESSMENT REPORT

SUMMARY

February 2026

Introduction

Jordan's socio-economic situation is undisputably shaped by the presence of one of the world's largest refugee population per capita. 15 years after the start of the conflict in Syria, refugees in Jordan continue to face challenges in accessing decent work opportunities matching their skills and individual needs. In the face of shrinking humanitarian funding and subsequent aid cuts, the need to find labour market solutions that benefit both refugees and the local economy is higher than ever. As the situation in Syria stabilizes, an increasing number of refugees are also considering return to their home country. This calls for adaptations in how livelihoods programmes are shaped to account for the need to support opportunities for self-reliance for refugees in Jordan, while also accounting for the demands of the labour market in Syria for prospective returnees.

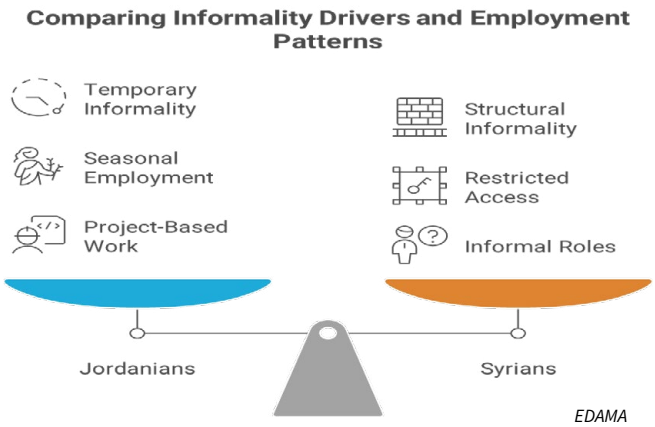
This brief summarizes key findings from a labour market assessment conducted in December 2025 -January 2026 across Jordan's 12 governorates under the EU-funded Building Pathways to Sustainable Livelihoods project implemented by the Danish Refugee Council (DRC). The assessment combined quantitative surveys, qualitative interviews, focus group discussions, and a literature review to analyze labour-market demand, employment barriers, and livelihood pathways for Jordanian host communities and Syrian refugees. The primary data collection was carried out by Edama Group. The full labour market assessment report is available upon request.

This brief also references findings from a labour market assessment carried out by the Danish Refugee Council in Syria in August-November 2025, in order to make recommendations towards local opportunities in Jordan and supporting safe and dignified returns to Syria.

Labour Market Context: Informality

The labour market in Jordan is characterized by three key features:

- **High informality:** Informal employment remains widespread across all labour-intensive sectors, limiting job security, access to social protection, and professional progression.
- **Skills mismatches:** Persistent gaps exist between available skills and employer demand, particularly for task-ready and practical competencies, as well as 'soft skills'.
- **High job turnover:** Variable job quality and short-term arrangements contribute to frequent workforce replacement, especially in SMEs



EDAMA

The drivers of informality differ between Jordanians and Syrian refugees, as demonstrated in Figure 1.

A major contributor to informality and uncertainty for refugees and employers in sectors with high potential for Syrian labour force is the revised work permit policy, which bars access to decent work for many refugees due to prohibitively expensive work permit fees, employers' reluctance to issue permit due to uncertainty around the potential return to Syria, and outstanding social security contributions for Syrians who have previously held work permits.

Jobseekers tend to rely on personal connections to find work, and do not take full advantage of employment programmes or commercial recruitment agencies as active intermediaries in job matching. This disadvantages refugees and marginalised groups with less social capital. Further outreach and awareness raising among these groups can encourage participation in NGO programmes that act as intermediaries for connecting vulnerable jobseekers with employers.

Population-Specific Barriers

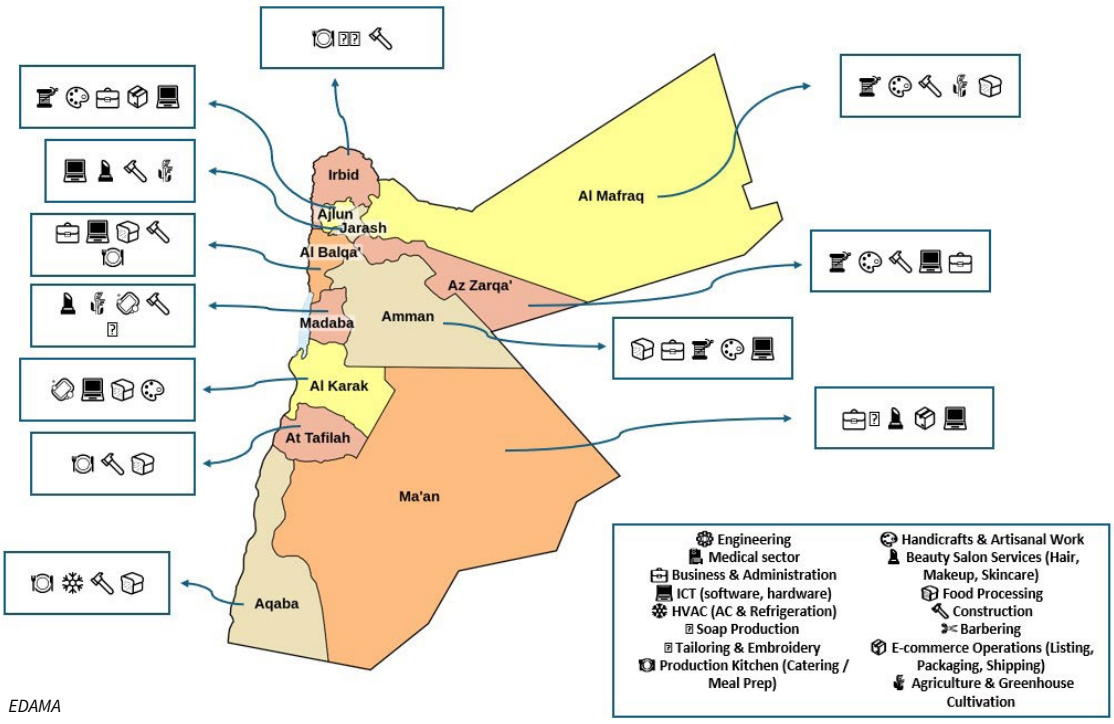
The LMA highlighted barriers to labour market access for several groups:

- **Women:** Women's labour market participation (for both refugee and host communities) is constrained less by skills availability and more by operational and structural barriers. These include transportation challenges (mentioned by 44%), inadequate workplace facilities (27%), care responsibilities (20%), and inflexible shift patterns (17%). 5% of respondents also mentioned social norms as a limiting factor to women's participation.
- **Persons with disabilities:** Two thirds of people with disabilities (65%) felt that their participation in the labour market is limited by the lack of suitable positions. This was followed by workplace inaccessibility (24%) and other factors, such as the limited capacity of employers to provide adequate opportunities.
- **Syrian refugees:** Refugees' labour market access is limited by regulatory constraints, including permit fees (61%), complex bureaucracy (33%) and restrictions in the sectors where Syrians are allowed to work (25%). Document renewal challenges (17%) and mobility restrictions (14%) further complicate refugees' participation in the labour market.

Skills in Demand

Across Jordan's governorates, consistent demand for labour was identified in the following sectors:

- Food processing and packaging
- Agriculture
- Restaurants and food services
- Confectionery and small food production
- Automotive repair and maintenance
- Retail and small trade
- Construction finishing works and skilled trades



EDAMA

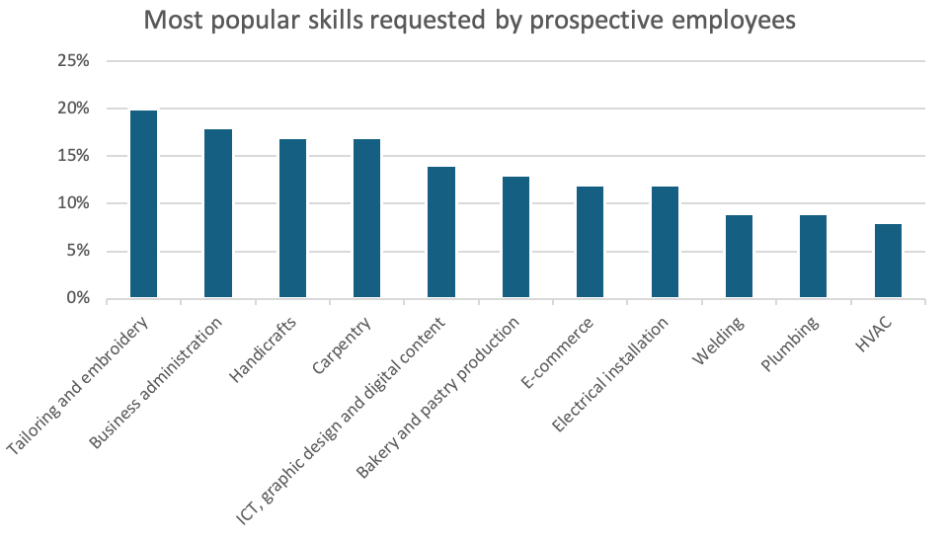
Based on Jordanian labour market regulations, Syrians are allowed to work in all of the above sectors. However, these sectors are typically labour-intensive, and charaterised by high levels of informality, weak enforcement of regulations, while valuing practical experience over formal qualifications.

Evidence from employer surveys and key informant interviews indicates that labour demand in Jordan is shaped less by formal qualifications and more by immediately applicable technical skills, practical work readiness, and core behavioural competencies. Across sectors, employers emphasised the ability of candidates to contribute productively from the first day of work, reflecting limited investment in prolonged onboarding and training within most firms.

The most in-demand skills include:

- **Business, finance, and administration skills (42%)** – Highest demand, reflecting sustained need for clerical, coordination, and basic supervisory roles across manufacturing, trade, services, and the NGO sector.
- **ICT and digital skills (34%)** – Strong demand for applied, functional digital skills supporting administration, production systems, customer management, and online operations, rather than advanced specialization.
- **Engineering skills (29%)** – Demand concentrated in construction and manufacturing, with employers prioritizing task-specific, hands-on competencies such as machinery operation, maintenance, and site-based problem solving.

Prospective employees most often request training in skills such as tailoring, business administration, handicrafts, and carpentry. When compared with the skill sets most in-demand by employers, a clear mismatch in preferences can be observed, calling for more emphasis on counselling and guidance to help future employees make informed choices about training and education opportunities.



EDAMA

Strengthening Home-Based Businesses: Key Support Areas

Home-based businesses constitute a significant and adaptive component of the labour market, particularly for women, Syrians, and individuals facing barriers to formal employment. Survey data indicates that home-based business activity is concentrated in a narrow set of low-capital, labour-intensive sectors that align with household resources, social norms, and local demand.

To support the further development of the home-based business sector, the following emerge as key priorities:

- **Access to finance:** Small grants, loans or limited working capital to stabilize production.
- **Business training:** Practical skills in marketing, pricing, and basic financial management to enable business owners to expand their initiatives.
- **Market linkages:** Support access to fairs, retailers, and digital sales channels to increase market opportunities.
- **Supportive formalization:** Gradual guidance on registration and compliance, without premature formalization, ensuring that home-based businesses receive legal awareness and tailored support to transition into formal frameworks once they reach sufficient financial stability and operational maturity.

Livelihoods Prospects for Refugee Returnees

Among Syrian refugees in Jordan, return intentions are shaped by structural constraints rather than by personal preference or short-term economic calculations. While emotional attachment to Syria is typical across refugee respondents, current conditions in the country, marked by insecurity, economic collapse, housing destruction, and weak institutional capacity, render return largely unfeasible for most households in the foreseeable future. As a result, return is not considered an immediate livelihood strategy or response to labour market exclusion in Jordan. 70% of the respondents interviewed for the LMA plan to remain in Jordan for the foreseeable future, and only 14% indicated considering return to Syria.

The skills Syrian refugees wish to acquire for potential employment in Syria are predominantly practical, livelihood-oriented, and compatible with small-scale or local economic activity. Participants consistently framed skill preferences in terms of risk management and economic viability rather than long-term career planning. Skills related to home-based production, small repair and fabrication workshops, and local reconstruction were described as more adaptable to unstable markets and less dependent on formal certification or functioning institutions. Respondents emphasised that such skills allow consistent income generation, use of family labour, and flexibility in response to security, mobility, or market disruptions.

The 2026 labour market assessment conducted by DRC in Syria, however, highlighted potential in more lucrative sectors, requiring specialized skills and expertise. The deteriorated vocational education and training system in Syria has resulted in high demand for skilled workers in several areas also relevant for the labour market in Jordan:

- Agro-processing and preservation: e.g. olives, dairy, fruit, cereals, and herbs
- Construction: modern building techniques, electrics and plumbing, solar installation, fabrication and maintenance
- Textiles and apparel: tailoring, finishing, dyeing, embroidery, basic and modern textile machinery operation
- Supporting roles across sectors: bookkeeping, marketing, ITC and digital, quality assurance

In sectors where vocational certification is required, Jordanian qualifications are widely recognized. Syrian workers play a key role in the Jordanian agriculture sector, through which they can develop skills that are highly demanded upon return, including climate smart approaches, mechanized farming, irrigation and solar maintenance, greenhouse management, and agri-tech.

Home-based businesses play a significant role in women's employment inside Syria, as they do in Jordan. The Syria labour market analysis identified viable home-based livelihoods in food processing and preservation, horticulture, and catering.

Based on findings from DRC's analysis, returnees lack knowledge of the Syrian labour market and its opportunities, resulting in potential mismatches and uninformed decisions about the sectors and skills in which prospective returnees invest.

Recommendations

Labour market barriers often overlap, creating cumulative obstacles to employment. For women, informality, limited transport, and care duties combine to restrict access to stable jobs. Syrian refugees face intersecting challenges such as informal work, uncertain regulations, and sector specific restrictions that limit job security and advancement. These overlapping constraints show that exclusion is rarely caused by a single issue but by multiple structural, economic, and social factors acting together. Understanding these intersections is key to explaining why certain groups remain excluded despite available opportunities.

These recommendations, drawn from the labour market assessment, present priority actions to improve employability, foster inclusive participation, and strengthen sustainable livelihood opportunities both in Jordan and upon potential return to Syria.

Duty bearers should:

- Reduce the burden related to work permits and other labour market access requirements in sectors where refugees and other migrant workers contributions are needed to boost the economy
- Support access to recognized learning and facilitate recognition agreements with Syria and other countries where needed
- Facilitate formalization of home-based businesses through clear and low-risk pathways
- Facilitate flexible movement agreements to refugees as well as refugee- and Jordanian-owned businesses wishing to expand operations to shared markets between Jordan and Syria

Employers should:

- Invest in onboarding and support during early employment periods to reduce turnover
- Facilitate structured work-based learning arrangements aligned with production cycles
- Facilitate access to flexible employment and home-based livelihood options to ensure access to a diverse pool of employees with different skill sets
- Adapt employment models to be more compatible with care responsibilities and limited mobility
- Consider flexible working hours and consider facilitating transport solutions to support female employees
- Enforce safe work environments and regular hours

Labour market intermediaries, including NGOs, should:

- Invest in evidence-informed counselling, information sharing and job linkage services, to foster skills and opportunities that support income generation in Jordan while remaining transferable in the case of potential return
- Support home-based and small-scale business owners with skills that aim to ensure product quality and safety, as well as basic marketing and business skills, such as costing, pricing and basic financial management, and access to local and extended markets beyond immediate social networks
- Support home-based businesses in the formalization process through phased, low-burden pathways that balance regulatory awareness with the realities of micro and home-based enterprises operating with limited capital and irregular income.
- Facilitate access to small-scale, credit-based finance to overcome start-up and working-capital constraints for home-based and small-scale businesses
- Support employers, especially SMEs, across labour-intensive sectors through innovative risk- and cost-reducing support rather than skills supply alone
- Foster exposure to real work environments through credible work-based learning, coupled with cross-cutting soft and employability skills
- Support job matching, onboarding, and early retention of employees, and develop tools to track employment outcomes beyond training completion
- Provide clear information on employment conditions, wages and expectations, and facilitate access to legal aid as needed
- Support addressing access barriers such as transport, documentation, and child care
- Support employers in developing policies that enable adaption of job roles and fostering accessible workplaces to the needs of persons with disabilities, and provide capacity strengthening to ensure that policies are implemented

Donors should:

- Incentivize schemes that support access to work permits for refugees with reduced or no cost, including reinstating the simplification of Rules of Origin regulation
- Support protection services that remove practical barriers to work, such as documentation gaps, exploitation risks, and unsafe workplaces, including employer-facing interventions.
- Invest in measures that increase the participation and retention of women and persons with disabilities, reducing training costs and turnover inefficiencies
- Fund innovative initiatives that can facilitate access to social protection for all individuals participating in the labour market
- Provide flexible funding for evidence-based information and advisory services that equip Syrian refugees with clear guidance on labour market demand, asset transfer options, and viable livelihood pathways inside Syria as well as in Jordan and other host countries