UNDERSTANDING ALTERNATIVES TO CASH ASSISTANCE

JORDAN **SEPTEMBER 2017**

The Danish Refugee Council (DRC) is a humanitarian, non-governmental, non-profit organisation founded in 1956 that works in more than 40 countries throughout the world. DRC fulfils its mandate by providing direct assistance to conflict – affected populations – refugees, Internally Displaced Persons (IDPs) and host communities in the conflict areas of the world and by advocating om their behalf imtemationally and in Denmark.

East Amman, Jordan. August 2017. Photo By: Louise Wateridge / DRC

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INTRODUCTION

As the crisis in Syria extends into its 7th year, over 654,000 Syrian refugees remain registered in Jordan of which 82 percent live below the poverty line. While the Jordan Compact launched in February 2016 provided new entry points for refugees to formally enter the labor market, a combination of structural challenges pre-dating the Syrian crisis as well as a strong informal private sector have made the initial ambitions outlined in the Compact difficult to fully realize. Out of 200,000 work permit target, only 56,000 work permits have been allocated to date.

The following assessment was undertaken to better understand the capacity of households to graduate off of cash assistance into more sustainable livelihoods. It is designed to support livelihood projects implemented by the Danish Refugee Council (DRC) and the Jordan River Foundation (JRF), building upon UNHCR's attempts to design improved livelihood interventions based on global graduation principles in the context of current cash programming in Jordan.

The approach expands upon findings identified through a March 2017 area-based analysis of livelihoods (ABLA) in East Amman[1] as well as an overarching need to generate a broader understanding of labour market dynamics effecting Syrian refugees. As such,DRC launched a comprehensive assessment of five governorates in Jordan: Mafraq, Amman, Madaba, Karak and Ma'an. The variegated methodology used for this assessment included a survey of over 771 households across each target governorate, 30 key informant interviews with key stakeholders, and a series of 28 focus group discussions.

The target group for the household level-survey was those households that fall within categories 1 and 2 within the Vulnerability Assessment Framework (VAF). Broadly speaking, these households that have demonstrated relatively low to moderate levels of vulnerability according to a comprehensive set of criteria. As such, these households were seen as being the most likely to be able to access alternative methods of income generation outside of humanitarian cash assistance. With voluntary return unlikely in the medium to long-term as well as a gradual reduction of cash assistance levels, attention has shifted to the provision of support that allows for more sustainable integration into local economies for those with the capacity to do so. However, findings indicate that solutions to the full integration of refugees into the labour market require a much more nuanced understanding of household dynamics as well as the attitudes and practices of many private sector actors that impact the full realization of Jordan Compact objectives.

A Syrian woman and her daughter in Mafraq, Jordan. August 2017. Photo By: Louise Wateridge / DRC

1 https://reliefweb.int/sites/reliefweb.int/files/resources/reach_jor_profile_area_based_livelihoods_assessment_june_2017.pdf

KEY FINDINGS

Key findings from the assessment are as follows:

- **Unemployment and dependency on cash assistance remain endemic amongst Syrian refugees living in Jordan.** Only 50% of the surveyed population derive their primary source of income from work.
- **Construction is the dominant sector** in which 40% of the surveyed population is working.
- **Due to low wages in these sectors, many (39%) households need more than one income source to afford their basic needs and are sinking deeper into debt.**
- **Overwhelmingly households are looking for work opportunities.** 96% of households reported that they have at least one member not working and actively seeking work.
    - In the interim they have struggling to meet their basic needs and all interviewed households are adopting some form of negative coping strategy.
- **Those who can find work often change employment**, as they struggle with low wages, transportation costs, work permits and poor working conditions. On average, the income earner has changed jobs 5 times since arriving in their current area of residence.
- **65% of primary earners did not have work permits, with similar rates across all sectors.**
- **The low wages earned relative to cost of transport restrict transport options for the population group.** This is a particular challenge for work in agriculture, manufacturing and constructions as work opportunities are often located further away, as well as for those engaged in trade outside Amman who need to access bigger markets.
- **Many Syrians reported that they are reluctant to travel far for work because they do not have work permits and are afraid of being stopped by authorities.**
- **Many Syrian refugees are still reluctant to formalise for fears of subsequently losing cash assistance.**
- **Employers in construction and food processing rely on Syrian labour, but provide poor working conditions.**
- **Employers in the manufacturing and trade sector have a pervasive distrust of hiring Syrian refugees.**
- **Despite this potential skilled workforce that can contribute to the growth of the local Jordanian economy, currently most smaller businesses cannot afford to employ the relative number of Jordanian staff required to be able to legally hire Syrians.**
- **Opportunities also exist for home-based businesses.** Overall, 10% of VAF levels 1 and 2 Syrian refugee households run home-based economic activities, with higher proportions in Madaba and Mafraq. However, only 1% of these were the primary source of income for a household.

METHODOLOGY

The assessment sought to identify the socio-economic profile of the Syrian population considered in levels 1 and 2 of the VAF scoring living in the five municipalities Mafraq, Amman, Madaba, Karak and Ma'an and look at sector-specific factors that define labour market mobility for Syrians living in these areas.

The study applied methodological learnings from the area-based livelihoods assessment previously developed by DRC together with REACH initiative in East Amman. The ABLA study found that livelihoods-related research designed and sampled at the sector and area-level yields more operational results both for policy and programmes. This study sought to further test the methodology in five other areas of implementation across Jordan, to yield more comparative results at the national level. Economic sectors in each area were selected based on the assumption that they are the most open to Syrian refugees or considering current economic development initiatives, as in the case of Amman and Madaba. DRC chose to add a survey-component to the methodology in order to be able to quantify trends in the labour market.

This variegated approach allowed DRC to map and analyse the current labour market, measure the livelihood capacity of the population group, and forecast potential growth areas by pinpointing opportunities for livelihoods interventions.

As such, the methodology included three tiers of data collection:

1. A household-level survey of the VAF levels 1 and 2 population (based on the list provided by the UNHCR) in each governorate, using a representative sample size with 95% confidence (7% margin of error) in each location, apart from Karak: all 188 cases in the sampling frame were contacted to take part in the study and 91 were available and accepted to participate. In terms of sample size, means that the margin of error for the Karak sample is slightly higher at 7.5%. In total data was collected from 771 households:

Sample Size per Governorate						
Location	East Amman	Karak	Maan	Madaba	Mafraq	Total
Sample Size	224	91	129	134	193	771
Population Size	8,288	188	278	283	1,860	

2. In total, twenty-eight focus group discussions were held, organized by area, sector and gender. Participants were purposefully selected: Syrian refugees who had been engaged in the given sector within two years before the assessment.
3. Key informant interviews:
    a. Fifteen key informant interviews were conducted with public and charitable stakeholders; including government entities, international agencies, non-governmental and community-based organizations in each governorate.

    b. Fifteen key informant interviews with business-owners involved in the select economic sectors in the five locations were also conducted.

Number of Focus Groups (FGs) and Key Informant Interviews (KIIs) per Economic Activity							
	Location	Sector # 1	of # FGs	of # KIIs	Sector # 2	of # FGs	of # KIIs
1	East Amman	Manufacturing	4	3	Trade	3	1
2	Karak	Construction	3	2	Food Processing	4	1
3	Maan	Construction	2	2	Food Processing	2	2
4	Madaba	Agriculture	2	0	Tourism	0	0
5	Mafraq	Manufacturing	3	1	Trade	3	3

Limitations

Qualitative data collection, which started on 15/05/16 and ended on 18/06/17, coincided with the month of Ramadan (26/05/17 to 24/06/17). This overlap made it difficult to convince business-owners and potential focus group participants to take part in the study. As a result, an average of four business-owners per governorate were interviewed (instead of six, as initially planned),[2] and 14% of the focus groups had less than five participants.

Access to focus groups participants, business-owners and key stakeholders in Madaba was particularly challenging. While we could interview the Municipality of Madaba and conduct two FGDs with Syrian refugees engaged in farming, access was generally limited.[3] Moreover, the lack of clarity about beneficiaries' occupation via community-based organizations we worked with to organize focus groups inhibited the process to identify focus group participants with the profile required.

It should also be noted that several public entities were approached in the hope that they would have pertinent data available (in particular, data on the geographic distribution of businesses by industry in each governorate). However, this type of data does not seem to be compiled or readily available.

Some important data to fully grasp the livelihood challenges of VAF levels 1 and 2 Syrian refugee households could not be collected. More specifically, households were reluctant to disclose their total income in the 30 days preceding the assessment (only 10% of the 771 households that participated shared this information). Similarly, business-owners would not share information about wages. The related findings presented here are indicative only.

STUDY NARRATIVE

Rates of Unemployment

Unemployment and dependency on cash assistance remains endemic amongst Syrian refugees living in Jordan. Only 50% of the surveyed population derive their primary source of income from work. Findings indicate that unemployment rates are in fact higher across the whole Syrian refugee population, as this study only includes households considered less

2 Except in Madaba where access could not be provided.

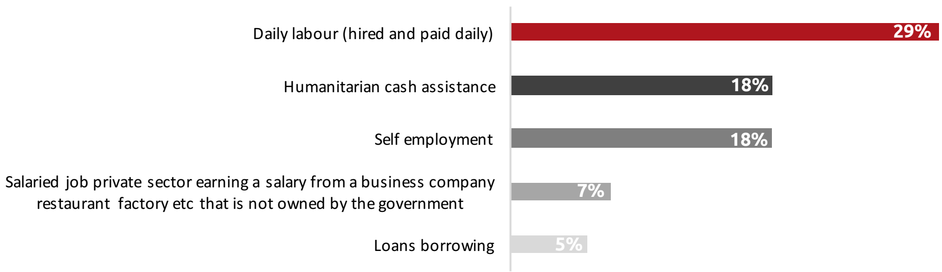
3 The DRC had not worked in Madaba before the time of the assessment (except for a project implemented with the Municipality of Madaba), and the Jordan River Foundation (JRF) – whose work in Madaba had just started – was not able to provide access.

vulnerable within the Vulnerability Assessment Framework (VAF). Within this population group, the most commonly reported primary sources of income were daily labour, humanitarian cash assistance and self-employment. Higher proportions in Madaba and Maan derive income primarily from daily labour (53% and 36% respectively), while reliance on humanitarian assistance is particularly high in Mafraq (46%). Notably, 18% rely only on humanitarian assistance with a further 5% reliant on other external support (including remittances and gifts).

50%

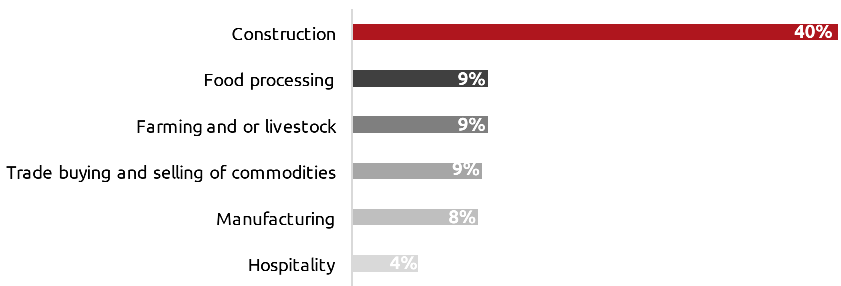
of the surveyed population derive their primary source of income from work.

Primary sources of income



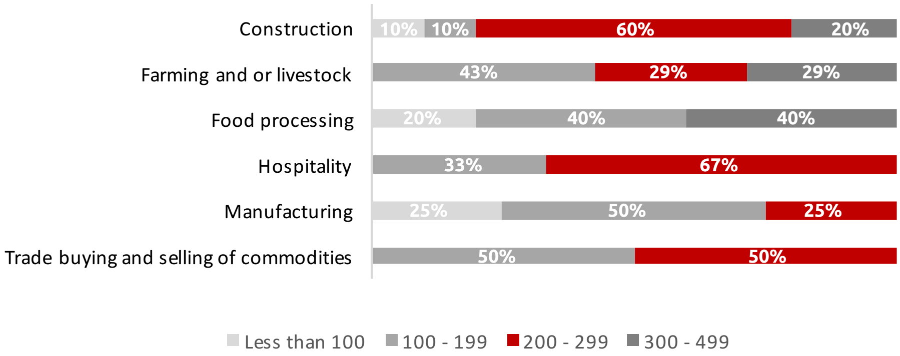
Construction is the dominant sector in which 40% of the surveyed population is working. This was a similar trend in all five governorates, apart from in Mafraq where 22% work in construction while 24% work in farming and/or livestock. Trade was also more common in Amman and Mafraq, while food processing was less common in Madaba.

Sectors of primary income earners



63% of households gained an average between 100 and 300 JOD income in the 30 days preceding assessment, with little variation between most governorates apart from Madaba where households were earning slightly more. Construction and hospitality were found to be the best-paying sectors, with households earning an average 250 JOD in monthly wages in Amman, Mafraq and Madaba. However, the average wage for construction was significantly lower at 80 JOD in Maan. Manufacturing and food processing paid slightly lower amounts, an average 200 JOD in Maan and Amman. Similarly, wages in agriculture in Madaba were placed at 200 JOD while trade in Mafraq earned 150 JOD.

Monthly income (JOD)



Due to low wages in these sectors, many (39%) households need more than one income source to afford their basic needs and are sinking deeper into debt. Importantly additional sources of income are seldom a second job. Employed households predominantly rely on continued humanitarian assistance or loans (42% and 25% respectively) to make ends meet. Those who were already primarily reliant on humanitarian aid (receiving only between 113 JOD in Amman to 190 JOD in Mafraq) supplement this either with additional assistance (24%) or borrowing money (40%). Indeed, 30% of the whole surveyed population had taken on additional debt in the two months preceding assessment.

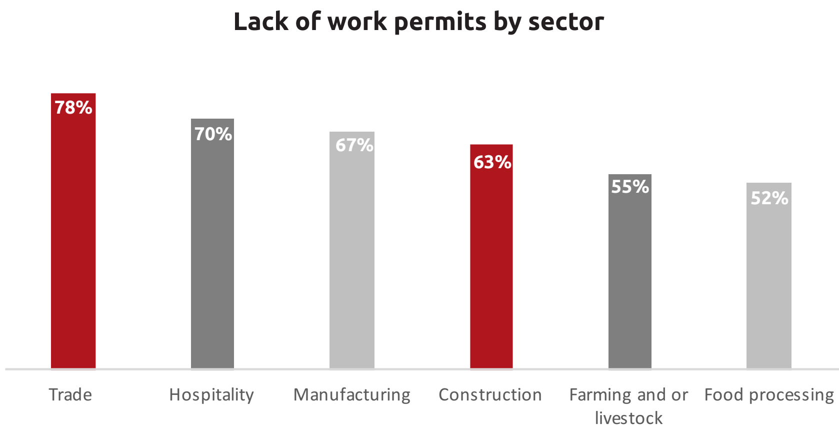
Overwhelmingly households are looking for work opportunities. 96% of households reported that they have at least one member not working and actively seeking work. In the interim they have struggling to meet their basic needs and all interviewed households are adopting some form of negative coping strategy. The most common reasons given for continued unemployment were that they cannot find work (12%), too ill work (6%) or because they are not allowed without a work permit (5%). Those who can find work often change employment, as they struggle with low wages, transportation costs, work permits and poor working conditions. On average, the income earner has changed jobs 5 times since arriving in their current area of residence. The average number of times was slightly more common in construction and agriculture (4) compared to food processing and manufacturing (3). Notably, the majority of those who changed jobs did not have work permits (67%) for the sector they were working in. Overall, 65% of primary earners did not have work permits, with similar rates across all sectors.

96%

of households reported that they have at least one member not working and actively seeking work.

5

times, on average, the income earner has changed jobs since arriving in their current area of residence.



Mobility

The chronic lack of access to formal, contracted employment opportunities are arguably centered on factors associated with mobility. As identified in the previous ABLA assessment, mobility encompasses physical factors including access to and cost of transport services, factors affecting individuals' ability and willingness to travel for work, such as work permits, family structure and future intentions, as well as labour market mobility in terms of individuals' skills and experience.

Transport

The low wages earned relative to cost of transport restrict transport options for the population group. This is a particular challenge for work in agriculture, manufacturing and constructions as work opportunities are often located further away, as well as for those engaged in trade outside Amman who need to access bigger markets.

In the agricultural sector transportation is seldom paid for by the employer, whereas business owners in the manufacturing sector in Amman and Mafraq reported that more remote factories do provide transportation for contracted workers if necessary. While one factory worker did report that his job covers his transport, the majority of Syrian refugees involved in the study did not have access to this coverage. Indeed business owners stated that most staff are local (and Jordanian). If a Syrian worker obtained transport coverage, a job seeker needs to first afford the transport costs for an initial interview and placement, and once employed utilize the servis network daily to reach the relevant bus terminal. Syrian refugees living in East Amman identified that they would need to travel to Maj Al Hamman, Sahab, Wahdat, downtown, and Zarqa. The majority of refugees were unaware of the potential for transportation compensation within the sector, and when transport is not covered they cannot afford the costs upfront until the first monthly payment.

The construction sector is similarly organised for permanent staff but Syrian refugees are predominantly working at a daily hire, at sites such as in Mazar and Mutah in Karak. Although there are reportedly more work opportunities in less remote areas compared to manufacturing, workers often need to pay for taxis in order to carry their own tools and accommodate late working hours, when public transport services are not functioning properly.

With these transport constraints in mind, most individuals try to find work within close distance to their home. For example, in Mafraq 68% income-providers report having changed jobs since arriving in the governorate, mainly looking to reduce travel time (61%). It is slightly easier to find local work in food processing and trade, at most traveling between districts. For example, several respondents in Karak were living in Mutah and travelling to work in Manshiyeh were there are more restaurants. Still, trade and home businesses are also impacted by the costs of transport both to procure supplies and to sell products.

Those running trade businesses in Amman look for wholesalers in the Wahdat in order to compensate for the cost of transport to proc ure the supplies, while 16% of the surveyed households in Karak who are self-employed need to travel to Amman to sell more products.

Work permits

The distance and time travelled rather than cost of transport is sometimes the larger disincentive amongst Syrians for certain jobs. This can be explained in part by concerns around processing work permits but also by family profile and commitments.

Many Syrians reported that they are reluctant to travel far for work because they do not have work permits and are afraid of being stopped by authorities. This mostly affects the construction and manufacturing business that are subject to strictly municipal controls or located in more remote locations that require travel through checkpoints. One participant working in construction in Karak described how he has to leave the workplace during Ministry of Labour visits as he does not have a work permit, and this causes him to lose at least a half day's work.

Some Syrians would prefer to work legally in order to find consistent work, but business-owners are not always willing to issue work permits on behalf of their staff to avoid subscribing to social security costs. Food processing and trade employers can be particularly reluctant as they are often not formally registered. The Department of Labor in Mafraq, explains that smaller business-owners might also not hire Syrians because they do not have the required number of Jordanians on board.[4] In turn, Syrians have limited information on ways they can access a work permit without business owner sponsorship. For example in Karak, participants discussed that they had heard construction associations and unions can sponsor work permits but did not know if these associations were present in Karak.

That said, many Syrian refugees are still reluctant to formalise for fears of subsequently losing cash assistance. Although employers and some government representatives express frustration that Syrian refugees are uncommitted to permanent positions, Syrians explained that with such low wages they need flexibility to quit their job in case of poor working conditions, delayed payment or better salary elsewhere. Moreover, many discussed that if they wish to return to Syria there is no need to commit to a longer, formal contract – informal work pays slightly better as employers do not need to cover social security costs. This issue of future intentions also affects home business development, where women argue that they are unwilling to try to register, invest further capital and expand their business in the case they need to return home.

Family composition

Many Syrian refugees living in Amman said that they would take job anywhere in Jordan if they could access a salary that covered their rent and transport in addition to basic living costs. In particular they expressed an interest in the potential to move to Madaba. Comparatively, in areas outside Amman households typically preferred to remain in their area of residence due to the networks they had established there. 65% of households had arrived in their neighbourhood more than two years ago – and the large majority now consider themselves to be part of the community (80%). As such, of those who have changed jobs 24% did so to reduce their travel time.

4 Because they lack the required skills or are unwilling to work in the economic activity in question.

65%

of households had arrived in their neighbourhood more than two years ago – and the large majority now consider themselves to be part of the community (80%).

The ABLA found that distances individuals are willing to travel for work are often influenced by their household composition. For single males, the time travelled to work appeared to be less of an issue due to the absence of home responsibilities, while men with families largely identified between maximum two and four hours travelling per day. Interestingly, 20% of the VAF levels 1 and 2 population are single members of their households – 58% are men. The average household size of VAF levels 1 and 2 is 2.9 members, compared to the overall average of 5. The majority (85%) of the surveyed population is under 35 years old, and only 54% of households have children under 18 years old and 5% adults over 64 years old. As such, there should be greater opportunities in this population group to facilitate access to work further afield.

20%

of the VAF levels 1 and 2 population are single members of their households – 58% are men.

According to this assessment, in turn women often need to stay at home to attend to children or elderly, and thus sometimes run small home-based businesses. Despite the smaller than average household size of the population group, 47% of households with at least one income-earning member had at least one member not working and actively seeking work. Bearing in mind that 92% of income-earners are adult men, findings illustrate that women are willing and looking for ways of contributing to income. Those women who have time to work outside the home said that they are allowed to do so, but the conditions are poor in the sectors with opportunities – mainly manufacturing. A correlation was found where the more children in the household, the less common it was for the mother to be seeking work. Even so, as many as 49% of households with at least one child had an additional member, in most cases the mother, actively seeking work.

Skills and Experience

While addressing mobility issues is crucial to facilitate access to livelihoods it is equally important to understand the labour market, where any job seeker also needs to meet the profile and competencies required by sector employers. The construction and food processing sectors were found to be currently more accessible to Syrian refugees, compared to manufacturing and trade.

In Karak and Maan, construction employers explain that they are heavily reliant on foreign labour. Typically, Syrians are hired for craftsmanship (such as tiling or painting), while other migrant nationalities such as Egyptians do much of the building work. Jordanians are hired for managerial and supervisory positions. The reliance on foreign labour is due to the cheap wages, and partly because national job-seekers often refuse to work as manual workers or do not have experience. One construction business owner in Karak said 'If foreign labour were to disappear, the sector would collapse.' Employers rely on a combination of daily workers and salaried staff, where most of the salaried positions are Jordanian. Although construction businesses in Karak state that they subscribe their permanent Syrian staff to social security and provide transportation allowance as required (depending on the location of construction sites), health insurance is only offered to their Jordanian staff.

Similarly in the food processing sector, managerial and administrative positions are most often given to Jordanians. This is in part due to legal restrictions on work permits for Syrians in such roles, but also because on the one hand employers believe that Syrians do not have the skills necessary and on the other hand employers are concerned about dependency on Syrian labour as they believe their Syrian employees will quit for better paying jobs. As a result Syrians, who have a strong reputation for food preparation, are hired to fulfil artisan roles such as bread and pastry making. Indeed, business owners explained that Syrians are sometimes seen as key to the success of businesses. Service roles are more difficult for Syrians to obtain, as to deal with customers they should have adequate communication and technical skills that Jordanian employers often feel are lacking. It should be noted that unlike in other governorates, business-owners in Maan might employ Syrians as accountants or supervisors because the skills required for such positions may not be available otherwise. They pointed to a lack of experience among national job-seekers, combined with what local authorities and employers describe as a strong preference for salaried jobs in the public sector. In Karak business owners face the same challenges, but instead of hiring Syrians they may turn to other cities (Amman mainly, but also Zarqa) to recruit. For example a bakery owner claims that the competencies to oversee and train pastry-makers cannot be found locally, but instead of hiring Syrians he identifies Jordanian experts doing in similar businesses in Amman and offers substantially higher salaries[5], a relocation incentive and social security.

In comparison, employers in the manufacturing and trade sector have a pervasive distrust of hiring Syrian refugees. They perceive them to be technically unskilled and uncommitted to longer contracts. Business owners in trade stressed that their sector focuses on the individual profile of the employee, including personality. Finding work for Syrians in manufacturing sector in Amman is particularly difficult. Business owners said they had experience in hiring and training Syrians, but the employees had quit the job within one or two months for work elsewhere. Due to this mistrust, manufacturers in Amman now prefer to hire Jordanians for both low-skilled jobs and managerial roles. Business owners in Mafraq said they seek to fill technical gaps for roles such as print specialists, managers, and maintenance services by recruiting Jordanians from other cities such as Zarqa.

Despite business owners' assumptions that Syrians are mostly unskilled or inexperienced, findings suggest that these skills do exist to some extent within the Syrian community. Many Syrian refugees currently working in these sectors have previous experience working in these jobs in Syria, 43% of those in construction, 51% of those in manufacturing and 36% of those in food processing. Moreover, as more than half are inexperienced this indicates that job seekers can be trained to meet the needs of employers. Rather, Syrian refugees report that they have difficulty communicating their skills in interviews and often do not know how to find job vacancies. Interviews with business owners revealed that channels used by employers often do not overlap with the avenues used by Syrians. Manufacturing employers in Amman sometimes advertise through websites but most small and medium business across all governorates rely mainly and on word-of-mouth and on random applications by passers-by. It is slightly easier for Syrian communities in smaller towns such as Karak and Maan where they can reach out to acquaintances and connect with employers as Karak and Maan.

5 The example provided referred to a monthly salary of 800 Jordanian dinars to be able to compete with that of 600 dinars supervisors in food processing in Amman are known to receive.

Syrian refugees currently working in these sectors have previous experience working in these jobs

51% IN MANUFACTURING

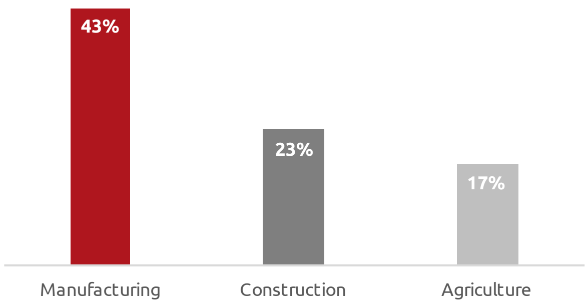
36% IN FOOD PROCESSING

43% IN CONSTRUCTION

Willingness to Work

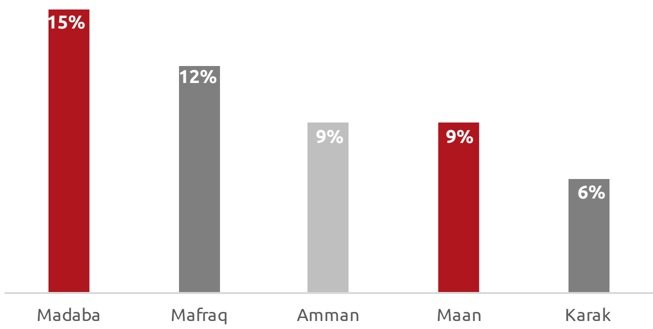
Coupled with the disconnect between employers and Syrian job seekers, not all job seekers are interested or willing to work in these sectors. When asked if those currently looking for work would be willing to work in the manufacturing, construction or agricultural sector respondents were most open to manufacturing jobs. Still, proportions were never higher than 50%. Long working hours, physical demands and poor working conditions were the most common reasons for not wanting to work in manufacturing and construction – even more so than low wages. Interestingly, limited benefits, cost of transport and lack of growth opportunity were comparatively less often raised as concerns.

Sectors in which job seekers are willing to work



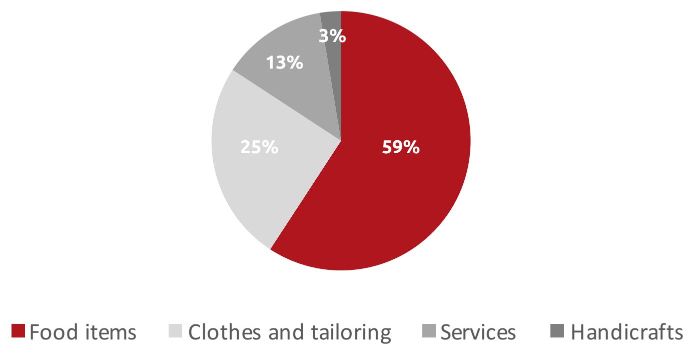
When considering alternative labour market opportunities for Syrians it should be noted that prior to arriving in Jordan just under 20% worked in smaller businesses such as electrical and car maintenance, tailoring and upholstery, shop supplies and food vendoring, as well as carpentry and handcrafts. 17% did not work at all, but many of these individuals were still students before they left Syria. Despite this potential skilled workforce that can contribute to the growth of the local Jordanian economy, currently most smaller businesses cannot afford to employ the relative number of Jordanian staff required to be able to legally hire Syrians.

Proportion of population with home-based businesses



Opportunities also exist for home-based businesses. Overall, 10% of VAF levels 1 and 2 Syrian refugee households run home-based economic activities, with higher proportions in Madaba and Mafraq. 19 households interviewed sold services in clothes and tailoring, 45 sold food items, 10 in other services and 2 in handicrafts. Notably, 6 households produce more than one service. Still, less than 1% of these businesses are currently large enough to count as the primary source of income for the household. The business produce small quantities and mostly sell to neighbours and Syrian acquaintances. In Mafraq and Karak some women do try to sell their products in bigger markets like Amman, but often cannot afford the transportation costs and are not familiar enough with the markets. In Mafraq those who work in tailoring also often purchase materials in Amman as they are not available locally.

Home-based business sectors



Syrians running home business explained that expanding home-based economic activity to a more sustainable source of income is challenging because it requires capital to expand, marketing and management skills, and approvals from the authorities (such as work permits and approvals from the Ministry of Health in case of food products). Although registering their business is often difficult, according to the ministry of the labour, Syrian refugees engaged in home-based economic activities can issue work permits for a minimal fee. Some business owners discussed that they were not willing to invest the finances and time in expanding their assets in Jordan, as they hope to be able to return to Syria and need to be able to move quickly.

Intentions

At the time of the assessment, only 1% of the surveyed population in Amman and 3% in Mafraq reported that they intend to go back to Syria, mostly to be closer to family and/or check on assets. The large majority (91%) of those intending to move plan to do so within the same governorate or municipality - 26% are intending to move in the next six months. This was particularly common in more heavily populated areas of Amman (33%), Ma'an (29%) and Madaba (27%). The main reason for moving inside Jordan was to find cheaper accommodation. 98% of households, regardless of governorate, are renting their homes. The two other common reasons across governorates were to find work opportunities or access cheaper services. Specific to governorate, 15% of those intending to move in Mafraq wanted to be closer to friends and family, while 20% in Amman wanted to either avoid tension or insecurity in the community. The main cited reason for tension with the local community in all governorates was a competition for jobs (67%).

1%

of the surveyed population in Amman intend to go back to Syria.

3%

of the surveyed population in Mafraq intend to go back to Syria.

67%

cited that the main reason for tension with the local community in all governorates was a competition for jobs.

CONCLUSION

The objective of the assessment was to better understand the socio-economic profile of Syrian refugee households and relevant dynamics of labour markets in order to inform the design of interventions focusing on increasing the capacities of refugees to generate income through entry into their local economies. The assessment findings indicate that – despite the Jordan Compact and subsequent policies made to streamline entry of Syrians into the formal labour market – many structural issues remain impeding the full realization of the Compact's objectives. Due to their moderate to low levels of vulnerability, targeting households that fall into categories 1 and 2 of the VAF provided a proxy indication of general challenges facing refugees that have the capacity to actively participate in their local economies. Even those with high income earning potential struggle to find employment that provide sufficient wages to meet basic needs. Combined with high transportation costs and poor working conditions, refugees face considerable challenges reducing dependency on cash assistance through formal labour market entry alone. As such the majority of households are looking for ways to diversify their income sources.

Khadeja, a Syrian refugee from Homs, Syria living with her children in Mafraq, Jordan. August 2017. Photo By: Louise Wateridge/DRC

KEY RECOMMENDATIONS

Based on the findings outlined, the following key recommendations can be made:

- **Livelihood support should be tailored to the household – rather than individual – profile.** Agencies should proactively assess the income earning potential of the household as a unit, rather than each individual. This may require a more proactive approach by intervening agencies to include women, elderly individuals, or other individuals that have the capacity to produce income in their initial targeting. As each household will differ in terms in profile and capacity, the type and amount of support may differ which requires flexible financing and scope of programming.
- **Programs should focus on diversifying income sources of households, specifically those that rely solely on cash assistance.** By focusing on each potential income earner, a livelihood intervention plan can be created that includes multiple avenues to generate capital. This may include the design of livelihood interventions should not just focus on the individual beneficiary profile, but rather each potential income earner within the household in order to facilitate optimal capital accumulation objectives. If a household is to be removed or rotated off of cash assistance, actors should work with the household prior to rotation in order to ensure a gradual transition into sustainable income generation.
- **Dissemination of information on labor law and work permit policies and procedures remains a critical gap in livelihood service provision.** Providing information on new work permit policies and procedures as well as labor law to both employers and employees remains a critical area of needed support in each geographic area assessed. Such activities are recommended to be mainstreamed throughout livelihood interventions. In the long term, efforts should focus on building the capacity of local institutions to deliver this information in a systematic and accessible manner.
- **New interventions are needed to promote alternative pathways for savings and debt relief.** Findings indicate that many refugee households remain in a cycle of asset depletion, despite new opportunities for formal employment. Additional research must be undertaken to understand preferred methods of savings for long-term planning (group savings, debit card loading, community-based financial services etc.) as well as support households in creating debt relief strategies.
- **Location and sector should determine the design of livelihood programming.** As mobility challenges are both geographically contingent and sector-specific, issues pertaining to access to employment and retention can be addressed and minimized through more specific interventions that focus on cost and duration of travel (for example) as well as the unique constraints imposed by the sector (i.e. moving tools between locations, working at nights etc.)
- **Advocacy messaging should focus on removing or increasing foreign worker quotas for small businesses to encourage formalization of illegal workers.** This may include removing foreign worker quotas for new businesses for the first 2-5 years of operation. Efforts should also be made to streamline the process of regularizing home-based businesses for non-Jordanians in a way that incentivizes formalization such as tax incentives or access to start-up capital to offset upgrading costs.
- **Dialogue between employers and prospective employees should be facilitated in any job matching service in order to encourage retention and long-term investment by both parties.** Working conditions, long-hours, and duration/ cost of transport were reasons cited for not accessing those jobs that are currently available for refugee inclusion – particularly in manufacturing. Building off existing best practices to address issues such as transportation in the construction and garment sectors, constructive dialogue could be opened between employers and prospective employees to come to negotiate potential.

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