



# **SOCIO-ECONOMIC ASSESSMENT IN THE REFUGEES CAMPS AND HOSTING DISTRICTS OF KIGOMA REGION**

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## **EXECUTIVE SUMMARY**

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This report documents the socio-economic situation (livelihoods) of the refugees and host communities living in and around the camps of Nyarugusu, Nduta, and Mtendeli in the region of Kigoma. In line with a growing body of research on the economic lives of refugees (including in Western Tanzania), it describes the many attempts of the refugees to develop economic activities. It finds that, despite a challenging legal environment, their contribution to the economy of the region is positive.

The refugees hosted are mostly Burundians who left their country from 2015. A majority seems to be “repeat” refugees who have already lived in Tanzania as refugees in the 1990s. Some were even displaced to Tanzania during the 1972 Hutu genocide in Burundi. Nyarugusu camp also hosts a strong Congolese contingent (84,418 refugees and asylum seekers as per UNHCR Tanzania Refugee Situation Statistical Report 28.02.2018). The camps are located in the poorest region of Tanzania, in three districts that struggle to attract investment in industry or other job-producing sectors and where international aid is a welcomed source of cash.

The Kigoma region has a long history of hosting refugees from Burundi and Congo. Burundians have been displaced from turmoil in three waves: the 1972 Hutu genocide, the civil war through the mid-1990s and 2000s, and the most recent political crisis in 2015. At the time of writing this report, there were 232,221 Burundian refugees in Tanzania residing in Nyarugusu, Nduta, and Mtendeli (ibid). The government stopped *prima facie* refugee designation for Burundians in January 2017, and the number of new arrivals has dropped significantly in the past two years (as opposed to 2015). In August 2017, a tripartite agreement was signed between Burundi, Tanzania, and UNHCR and nearly 17,000 Burundian refugees have repatriated to date. The Congolese refugees have been in Tanzania since the 1990s (and in Nyarugusu camp since 1996). Due to continued violence in Eastern Congo, very few of the Congolese refugees have repatriated. In fact, since April 2015, over 20,000 new Congolese refugees have arrived in Nyarugusu.

The field research was conducted between 4 and 20 February 2018 and included 30 focus group discussions and 110 interviews with refugees in different situations (with/without support, with/without business) as well as host community members and key informants (local authorities, aid organisations).

### **Typology of the economic activities found in and around camps**

Refugees mostly survive on rations and non-food items provided by the World Food Programme (WFP) and other humanitarian agencies. Most of them sell part of their food and non-food items to buy various food and non-food items; others exchange food and NFIs with goods. Among those who have a monetary income, it is possible to distinguish between different categories.

*Skills-based economic activities* (e.g. tailoring, hairstyling, repairs, etc.) put refugees in a better position than most other refugees in the camp. These activities seem to be practised by a generally young population that is better educated than average and has

often acquired those skills through formal training in their country of origin or in the camp via an aid programme.

More *labour-intensive* activities are also exercised by refugees: these mainly involve renting a farm or farming for Tanzanians, especially around Nyarugusu camp. Farming does not pay better than the average skill-based activity and is illegal. Congolese refugees have long established relationships to access those jobs, but Burundians are usually regarded as better farmers.

*Incentive work* for humanitarian agencies such as work in hospitals, schools, zone leaders, or as enumerators, for instance, are most envied. Those jobs usually go to the most qualified refugees and come with considerable influence within the community and a pay that is very high in camp standards (TZS 33,000 to 66,000 (USD 14.70 – 29.40) / month)<sup>1</sup>.

Finally, a large group is made of refugees who operate a *wide range of businesses*, from children selling sugarcane to relatively lucrative businesses such as selling fabrics. The basic model for businesses is for refugees to buy products from Tanzanians and sell at higher prices in village markets inside the camps or in small shops. The most successful businesspeople have an above-average level of literacy (e.g. some command of French or English; Swahili is also an advantage).

### **Host communities**

The host districts are among the poorest in Tanzania (NBS 2017). The largest proportion of the host community is made of subsistence farmers with farms inherited from parents or bought from fellow villagers. Some sell their surpluses in their village markets, in larger towns such as Kasulu or Kibondo, or in the markets shared with the refugee camps (common market). A few people, mainly from outside the village or district, own large pieces of land where they grow tobacco and cassava for sale. The host communities also comprise small and medium businesses, skilled and unskilled workers, and even some people who are hired by organisations (although many complain that not enough local Tanzanians are hired). These economic typologies have characteristics similar to the categories above for refugees, with the major difference that they have the right and ability to work and move freely.

The presence of refugee camps and the potential consumer base and labour force they possess affect economic activities in the surrounding host communities. They hire refugee labour, rent their farms to refugees and trade with them in the common markets. The organizations working in the camps offer livelihood programmes for the host communities as well. Their workers, sometimes locally hired, bring cash into the economy and rent houses from locals.

### **Regulatory constraints and daily host population – refugee interactions**

Tanzania is implementing a restrictive refugee policy (the 1998 Refugees Act and 2003 National Refugee Policy) that prevents refugees from leaving the camps and

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<sup>1</sup> USD will be used throughout this document. We used the average February 2018 exchange rate of USD 1 = TZS 2,246)

allows them to engage in small income-generating activities within the camps only. Proper employment is usually not allowed (hence the *incentive* workers who are not employees, and have, therefore, significantly reduced remunerations and entitlements). Although these restrictions have been in place since the 1990s, refugees who have lived in Tanzania before and local communities share a view that the level of enforcement is now firmer than before. Refugees caught farming recall being put in jail and receiving fines, which is what the Tanzanian law prescribes for refugees found outside the camp. Some refugees claim that they sometimes manage to reach an “arrangement” with the police but others also report being beaten up by the police when found outside the camp. The enforcement seems more rigid around Mtendeli and Nduta camps. Refugees working illegally have no protection, and there are numerous stories of abuses from landowners. Landowners also recognize the danger of illegally hiring refugees who can turn against them (and rob them).

The limited freedom of movement is mostly to the disadvantage of the poorest. Indeed, the most successful business people we interviewed complained about the difficulty of leaving the camp, but they experienced it as a barrier that could be overcome if one was ready to pay the price or play the right connections.

### **Daily interactions between refugees and host communities**

The level of interaction between refugees and host communities is defined by the time spent in Tanzania, the livelihood activities the refugees are involved in, and their countries of origin. Repeat refugees are deemed to have better chances of interacting with host community due to their familiarity with the locality and Swahili. Most of the positive relations evolved from interactions at the common market or relationship established through farming. Instances of residents giving refugees food and a plot of land to cultivate are not uncommon.

Those positive relationships notwithstanding, crime is said to have significantly increased in refugee-hosting areas in the recent past. The presence of refugees is perceived as the key factor exacerbating insecurity in part due to the continued reduced food ration allocations within the camp.

Numerous livelihood programmes have been established, which assist refugees to cope with the effects of continually reduced ration allocation and mitigate their level of dependency. They have extended to host communities, who enjoy them. These programmes are instrumental for developing and nurturing positive relationships and peaceful co-existence. Through these programmes, refugees and host communities interact and plan together.

## **Business environment**

### **Opportunities**

The common markets of Nyarugusu and Mtendeli, and to a lesser extent the markets of Kasanda, Makere, and Nyarugusu village as well as Kasulu and Kibondo town, are places of exchange and communication between refugees and the host communities. Refugees mostly sell what they receive from international aid. Some sell other goods acquired either directly from wholesalers, mostly in Kasulu, or more often through

intermediaries locally known as *dalali*. Since market sellers generally pay the broker upon reception of the goods, a substantial amount of capital is needed. In the past, M-Pesa was used to facilitate the transactions between brokers and sellers, but the difficulties for refugees to register to M-Pesa since 2016 have moved those exchanges back to cash. The main, if not only, venue for exchanges between refugees and host communities are the common markets. Although the common market is clearly regarded as an improvement over the time when there was no market, refugees who were in Tanzania before, as well as the host community, are not satisfied with the available market opportunities. In their view, the 1990s influx offered more business and livelihoods opportunities. Even though the prices are lower in the common market than on the in-camp market, they remain higher than in surrounding Tanzanian markets – possibly because a few Tanzanian wholesalers (who have access to towns) set the prices.

The main economic activity around the three refugee camps is agriculture, and the main example of refugee in-labour contribution to the local economy is agricultural work. Different practices are taking place at the same time. Firstly, there is the regular and legal migration of agricultural workers from Burundi to the area around Nyarugusu. It pre-dates the arrival of refugees. The extent to which refugees are, in part, made of some of those migrant labourers who have taken shelter in the camps is unclear. Secondly, there are refugees renting land from Tanzanians, with the risks described above. Thirdly, refugees are working as agricultural labourers for Tanzanians or other refugees. The host community sees additional (and cheap) labourers as a way to develop the local economy and the productivity of their land. Opportunity for farm labour exists, around all villages, and is pointed out as a potential opportunity by the host community but it is not fully utilized due to the constraining regulatory framework. The strict regulation, rather than eliminating refugee farm work, has made it informal, driving down even further the salaries of agricultural labourers. Farming has been depicted as a crucial way for refugees to save up some money and acquire capital to start a business.

Basic social services, and especially health-care, were not the focus of this research but the host communities see them as important advantages and opportunities.

## **Challenges**

The most relentless theme of the interviews and focus groups was the lack of capital to initiate economic activities. With some very rare exceptions, no refugee indicated that they were able to flee with some money or fungible goods. The main way for refugees to access capital was to sell the rations or other non-food items. The early 2017 ration reductions have, however, made this even more complicated, pushing refugees to seek alternative ways to accumulate start-up capital, for instance through seeking illegal employment outside the camp or simply stealing and attacking farms. A key element in the refugees' struggle to constitute start-up capital and launch a business is the frequent unforeseen losses (e.g. having to pay a bribe, a fine, or being robbed) or health-related catastrophic expenditures.

Finally, the degradation of the physical environment is another negative element affecting the relationship between refugees and the local host communities. It is

linked to the arrival of thousands of refugees who rely on locally-fetched wood for cooking and heating.

### **Differences between camps**

Important discrepancies were found between refugees. In general, Burundian refugees who have arrived since 2015 are poorer than the Congolese who were residing in Nyarugusu before the Burundians influx. Conditions are also significantly better in Nyarugusu than in Nduta and Mtendeli (this, of course, does not mean life is “easy” in Nyarugusu). The reasons for those discrepancies seem to include the length of residence in the camp, access to markets, and the better relations with communities surrounding the camps that allow more work opportunities. Because of these and other difference which were not adequately covered as a result of the limitations of this study the findings and recommendations provided in this report should carefully interpreted.

### **Final remarks**

The report could only probe some of the reasons why some refugees seem more resilient than others, mostly because it is hard to infer which traits matter from only a set of interviews. Time spent in a locality (knowledge of the field) and experiences of the host community with migrant population both increase the opportunities available to refugees. The existence of functioning markets is key for refugees to be able to sell goods at a decent price when facing catastrophic expenditures -more generally, a key factor explaining resilience is the existence of safety nets that help refugees bounce back. Those can be support from family, neighbours, or self-help groups. More than skills, social capital is central to resilience.

### **Recommendations**

In terms of livelihood support programmes:

1. *Joint host community-refugee programmes, and particularly livelihood-oriented activities, should be continued.* Host communities cited appreciation for them and they may have contributed to both developing bonds between refugees and host communities and improving livelihoods. The absence of such problems may contribute to additional resentment of the presence of refugees by the host community.
2. *Livelihood support activities should be based on comprehensive assessments of the local markets and realities.*
3. *Support could also be developed for advising refugees who have managed to grow activities on their own on how to grow and business and make them sustainable.* It could take the form of a livelihoods/business “helpdesk”.
4. *More rigorous studies are needed, in particular good impact evaluation on the effectiveness of entrepreneurial/skills training programmes and VSLAs.* It may not be too expensive if integrated in the roll-out of a programme. The categorisation of economic activities would also deserve a more careful attention and quantitative work.

In terms of enabling a better business environment, to harness refugees’ economic potential and move along the “relief to development” continuum:

5. *Improve the conditions in common markets.* Business is lost when it rains because there is very little shelter, especially in Nduta in Mtendeli. Transportation one day a week on market day for poorer people in communities such as Rusohoko could benefit those with transportation barriers.
6. *Capitalise on lobbying farming opportunities.* The Government allows for a 4 km buffer zone, primarily for collection of firewood and farming activities, but those boundaries are currently unclear. Meetings can be held with people owning land and property within these buffer zones to explain their rights and responsibilities.
7. *Develop opportunities for refugees to leave the camp legally.* It could include: (1) MHA providing more ways for refugees to access permits to legally leave the camp (and facilitating the procedure) and (2) creating legal pathways to cultivate and receive permits to do so in a limited scale and controlled manner.
8. *Facilitate market sellers' access to other markets, to help them access fairer prices,* which may require changes in the institutional environment of the refugee camps. *Investigate reports of police bribes* for people going to and from common markets.
9. *Subsidize firewood/fuel to manage land degradation and lessen the insecurity of leaving the camp.* Another, option would be to look into alternative sources of fuel that do not require unsustainable support from UNHCR/partners (market-based solution). Examples of this include briquette/nursery joint-operations.
10. *Create opportunities for host communities and refugees to meet and discuss security issues* before they grow out of control. Memory of violence was still seemingly fresh in people's memories. Options include joint meetings.

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## 1. INTRODUCTION

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This report documents the socio-economic situation (livelihoods) of the refugees and host communities living in and around the camps of Nyarugusu, Nduta, and Mtendeli in the region of Kigoma. The report is a product of a field study whose goal is to assist the development of market-based livelihood interventions. The following were the specific objectives of the study:

1. To get qualitative information regarding the socio-economic profiles and type of economic activities, both formal and informal, of both the refugees and their host communities (including the relations between the two).
2. To understand the external factors that shape and constrain these livelihoods and activities: national and local economic policies, work rights, political and legal elements, as well as the existing socio-economic issues and environments.
3. To understand why some refugees may be more resilient than others. Resilience is understood as coping better, socio-economically. The research team recognises refugees themselves as innovators. Particular attention was paid to cases of “positive deviance” to inform sound livelihood strategies.
4. To suggest ways forward, also in the light of the recent changes in the government of Tanzania that is moving away from the livelihood approach.

The next section presents some background information related to existing studies and the broader socio-economic context of Kigoma region, as well as some basic facts about the refugee populations that are present in the region. Legal aspects and their practical implication to refugee livelihoods are integrated into the findings sections. The third section presents the methods, while section 4 is the core of this research and presents the main findings. A discussion section examines those results in the light of, among other, the different realities of the different camps.

## 2. BACKGROUND

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### 2.1 Short review of the academic literature on refugee livelihoods

A review of the general literature was undertaken to think more broadly about the key issues and frameworks this study may consider.

There is a growing body of research on the economic lives of refugees in different contexts. It stresses the importance of local policies and the positive economic contributions of refugees when they are given the right to do business, including outside the camps, such as in the case of Uganda (Betts et al. 2017). Werker (2007) notes that “camp economies are influenced by host country policies, such as restrictions on refugees’ movement and work, as well as by the physical and economic isolation of the site. Moreover, market outcomes interact with the nature of humanitarian assistance”. This point is also made by Alloush et al. (2017) who document the situation in camps in Rwanda and emphasize that “structures of surrounding host economies and human capital shape refugees’ economic outcomes” and that “a shift from in-kind aid to cash increases refugee welfare”. Omata (2017) warns against the myth of refugee self-reliance in the less liberal context of Liberia. Trapp (2018), who works on the same camp in Liberia, adds that “economic activities that sustain life inside the refugee camp—and the categories used to describe these

activities—do not simply afford social protection; they also generate conflict and inequality”. Whether refugees can fuel local tensions and violence is something disputed in the literature.

This literature on the effects of refugees on the local economy also includes papers on Western Tanzania. Writing in 2002, using qualitative material and looking at areas that will be covered by our research, Whitaker argues that the burdens and benefits associated with the refugee presence were not distributed evenly among local hosts: “in the end, hosts who already had access to resources, education, or power were better poised to benefit from the refugee presence, while those who were already disadvantaged in the local context became even further marginalized”. Maystadt and Verwimp (2014) look at Kagera region and find a positive and aggregate effect of refugees on the economy, but also observe that households are affected differently depending on their initial occupation, whereas the poorer benefit less from the influx of refugees. In the same region, Ruiz and Vargas-Silva (2015, 2016) find that greater exposure to the refugee shock resulted in Tanzanians having a higher likelihood working in household *shambas* or caring for household livestock and a lower likelihood of them working as employees. Maystadt and Duranton (2014), using the same dataset to look at long-term effects, find that “refugee presence has had a persistent and positive impact on the welfare of the local population” and suggest decrease in transport costs as a key driver. The CSFM assessed the impact of refugees in North-western Tanzania, and found that the presence of refugees in the study areas has had both positive and negative impacts depending on the timing of the influx, the size and selectivity of the people moving into the host areas, preparedness on the ground, specific programmes put in place during the presence of the refugees and the commitment of the donor agencies/international community to the principle of “burden sharing” (CSFM, 2003).

## **2.2. Refugees in Kigoma region**

Refugees in Kigoma region can be divided into three groups: firstly, the old caseload of Burundian refugees whose origins date back to the 1972 Hutu genocide in Burundi and who has self-settled in Rusaba B village and nearby villages. This group is today well integrated in the local community and is not a focus of the present study. Secondly, the newer caseload of Burundian refugees (232,221 as of 28.02.2018), who mostly reside in three refugee camps: Nyarugusu, Nduta, and Mtendeli. The dynamics of the displacements of this new caseload are poorly understood and, importantly, the caseload seems to be largely made of repeat refugees. Following the tripartite agreement in August 2017, voluntary repatriation was ongoing at times of this research. As of 28 February 2018, 16,689 Burundian refugees have voluntarily repatriated. Refugees and asylum seekers in Nduta accounts for 71% of these, followed by Mtendeli (25%) and Nyarugusu (only 4%) (UNHCR 2018). Thirdly, there are Congolese refugees (84,418 as of 28.02.2018), mostly residing in Nyarugusu camps since its inception in 1996. Simmering local conflicts and a proliferation of armed actors in the region, and more recently a very tense political situation, has not provided the conditions for repatriations of the Congolese population in Nyarugusu. Moreover, Congolese asylum seekers are continuing to arrive in Nyarugusu. Due to the protracted nature of exile in Nyarugusu, it was determined that Congolese refugees have more established economies and livelihoods than the newer Burundian

population in the camp. The Congolese who qualify have access to a third country of asylum such as the US or Canada. It should also be noted that Congolese asylum seekers are continuing to arrive in large numbers in Nyarugusu as this study was being conducted.

### **2.3. Socio-economic situation in Kigoma region**

Any research on refugees needs to be contextualised: “without the detailed knowledge of both locals and displaced populations, drawing a holistic picture of refugee economies would be virtually impossible” (Betts et al. 2014, p.41).

The region of Kigoma has a long history of hosting refugees from the Great Lakes region. As of 31 January 2018, it has a total of 119,358 refugees in Nduta (Kibondo district), 45,463 in Mtendeli (Kakonko district) and 153,659 in Nyarugusu (Kasulu district). The following excerpt from the UN Joint Programme of Kigoma (2017) summarizes Kigoma’s challenges:

The region of Kigoma is the poorest region in Tanzania according to the latest national household survey from 2012. The estimated poverty rate of Kigoma region is at 49%, considerably higher than even number 2 and 3 on that list [...]. It is also, together with Tanga, the only region that has experienced *increased* poverty rates when comparing the 2001 and 2012 household surveys, increasing from 38 to 49% (Tanga increased from 26-33%). All the other regions have experienced decreasing poverty rates (p.8).

The three districts within the Kigoma Region that host refugees are Kasulu, Kibondo, and Kakonko districts. Using data from the strategic plans of Kibondo (2017), Kasulu (2012/2013-2016/2017) and Kakonko (2013/2014-2017/2018) as well as the Kasulu Development budget of 2017-2018, and the Kigoma region priority areas plan (2016), this section will briefly describe the economic environments of the host communities. Some of the information needs to be interpreted carefully as it was reported before the influx of Burundian refugees in 2015. Moreover, these reports speak about development goals and targets for the districts as a whole, rather than elaborating on the specifics of the villages in the immediate vicinity of the camps. There is unfortunately a dearth of information on poverty and socio-economic figures at the district level. As such, this will be somewhat of a speculative overview, which makes the research among host communities of this project even more crucial. Each district report acknowledges that the growth of refugee camps offers pros and cons, but it should be noted that this assessment is mostly based on local authorities’ *perceptions*, not data and evidence. Perceptions, of course, remain highly valid and important to understand. The arrival of refugees subsequently brings investments, new markets for crops and goods, as well as social services from humanitarian actors such as UNHCR, WFP, and a plethora of NGOs that benefit hosts communities. Additionally, such large numbers of refugees increase the availability of labour and the demand for goods and services. However, they also recognize drawbacks such as environmental degradation and rising prices of housing and markets. They claim that refugee influxes increase conflict and banditry, although this is largely anecdotal and without extensive study.

Kasulu (projected population in 2017: 480,059; NBS, 2017) is the largest of the three districts, by area and population. According to the Kasulu District Council 5-year

strategic plan, about 85% of income is generated from agriculture. The main food crops are maize, beans, cassava, sweet potatoes, and bananas. People sell 30% of food crops for cash. Cash crops include coffee and tobacco (p. 4-5). Compared to the other two districts, Kasulu benefits from better roads and infrastructure, and closer proximity to Kigoma Town, the largest city in the region. The WFP Nyarugusu Market Assessment reports that the district produces excess food that is exported across the region (WFP, 2016 p.21). However, nearly 80% of the district is below the poverty line (Kasulu District Council, 2008 cited in WFP, 2016a p.21). A large, yet unquantified source of income for the villages surrounding Nyarugusu as well as Kasulu Town is the Nyarugusu Common Market created in 2015. This market brings Tanzanian host community traders alongside Congolese and Burundian residents of the camp. Tanzanians engage in wholesale, medium, and retail sales in the market. Immediately surrounding the camp, fertile farmland is abundant. It has been found in previous studies that there is an informal renting of land to the refugees by the local communities in a system called sharecropping (Kweka 2007).

Kibondo (projected population in 2017: 294,636; NBS, 2017) is among the five least developed districts of Tanzania (Kibondo District Council, 2017 p. 19.) Two-thirds of the district is a game reserve, and the rest is used for residential and agricultural activities. The report also shows that 27% of the area is arable land and 8% of this is under cultivation. The main crops produced are maize, cassava, sorghum, cabbage, and tomatoes (Kibondo District Council, 2017 p.11). A small percentage (7.61%) is involved with livestock keeping (p.16). It is worth noting that Kibondo Strategic Plan recognizes the work done by the different humanitarian agencies in supporting the development and calls for more support in the area of environment, water, infrastructure, education, health and livelihood. Since the Burundian refugee influx, Kibondo town has tripled in population from 12,000 in 2015 to 35,000 in 2017 (Kibondo District Council, 2017 p. 24).

Kakonko (projected population in 2017: 188,909; NBS, 2017), which split from Kibondo in March 2013, also has a large percentage of its area in forest and game reserve. It faces many challenges: the area has very poor infrastructure, and 80% of the district is inaccessible during the rainy season, which causes difficulties in bringing products to markets (Kakonko District Council, 2013 p.15). There is very little tax revenue collected by the district council, making it difficult to provide and improve services and development (p.16). There is not a lot of information available on specific economic activities, which bolsters the need for this current research project.

There are some commonalities between the districts. All three districts struggle to attract investment in industry or other job-producing sectors. There are yet few private investors who have shown interest in working in both communities, i.e. refugees and the host. This is partly due to different laws and policies guarding the two groups; the legal framework seems to fail to capture private investment opportunities that may arise from the presence of large refugee population.

### **3. METHODOLOGY**

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The field research took place between 4 and 20 February 2018, with a first part of the team (Masabo, Boeyink and research assistant Veronica Buchumi) carrying out

fieldwork Mtendeli and Nduta refugee camps and surrounding communities between 5 and 14 February. The second part of the team (Kweka, Falisse, and research assistant Rosemary Msoka) covered Nyarugusu refugee camp and host communities between 14 and 21 February. Refugee-translators helped the team with Kirundi and Swahili translations.

### **3.1. Focus groups and interviews**

Our main tools for this research were focus groups, individual interviews and key informant interviews with UNHCR, implementing partners, and other key stakeholders. Our main lens for selecting the interviewees was a distinction between refugees and host population. The main criteria for selection were men/women *with* businesses but *not* supported by livelihoods programmes; men/women *without* businesses but *not* supported by livelihoods programmes; and men/women *supported* by livelihoods programmes *with* and *without* businesses. There were ranges of demographics from youth through the elderly and people with special needs (PSNs). These formats of focus group discussions were carried out in all three camps (in Nyarugusu camp groups were mostly split between Burundians and Congolese), and host community villages with a few exceptions (see limitations section below).

The focus groups and interviews were semi-structured, exploring personal experiences of livelihoods, displacement (or the perceived impact of the arrival of the refugees for locals) and we discussed examples of individuals in the community that are seen as successful/thriving or struggling and the reasons why. The attention will also be on trying to explore the informal (and potentially) illegal activities.

Each interview began with a disclaimer of our research intention and the objective of data collection. We only interviewed people from whom we received full informed consent and guaranteed anonymity. It is important to note that, as independent researchers, we prioritize the protection of our participants; some of the refugees accessing livelihood outside the camps may be reluctant to share this information (and will not be spontaneously discussed in focus groups) and may need extra care when discussed in our report. In each site, two researchers and one research assistant worked at work at the same time (in Makere village and Nyarugusu village there were three researchers present for two days). We de-briefed constantly in the field and in the evening and adapted our research as we went along, following the best practices of interactive qualitative data collection.

Existing studies have already mapped some of the key issues (as explained in this report) and began with Focus Group Discussions (FGDs) to explore some of the main hypotheses. We then explored more fully certain topics in in-depth interviews and KIIs. This method allows more depth and is usually a safer space for the participants, while the public nature FGDs can make people reluctant to share openly.

### **3.2. Profile of respondents**

The table below sums up the profile of the respondents. Refugees and host community members were identified with the assistance of local aid organisations working in and around the camps. In the camps, the interviews took place at youth centres. In the local community schools and public buildings were used as a “neutral” meeting space.

Table 1 Profiles of respondents

	Nduta	Mtendeli	Nyarugusu
Focus Group Discussions	<b>10</b>	<b>9</b>	<b>11</b>
– in camp (using the criteria men/woman, with/without business with/without support)	6 <sup>2</sup>	6 <sup>1</sup>	9 <sup>3</sup> (4 CGO, 4 BDI, 1 mixed)
– in host communities <sup>4</sup>	2 in Rushonko	3 in Kasanda	2 in Makere
	1 chamber of commerce		
Interviews	<b>39</b>	<b>36</b>	<b>40</b>
– with refugees	45	36	36
-- with women	25	18	18
-- with men	20	18	18
– with host community	11		4
-- with women	4		2
-- with men	7		2

In addition to those interviews and focus groups, a series of key informant interviews were also carried out with the following individuals: District Commissioner for Kakonko; Camp Commandant for Nyarugusu; Camp Commandant for Nduta. UNHCR

<sup>2</sup> One each using the following criteria: men/woman, with/without business, with/without support.

<sup>3</sup> Nyarugusu logistics were more challenging and slightly different make-ups of groups, see limitations section. The exact break-down is the following. 4 Congolese groups (3 men 1 women): 2 men with business without livelihood supports; 1 men supported by livelihoods programmes with and without businesses; 1 women mixed with and without business and without livelihood support. 4 Burundian groups (1 men 3 women); 1 men with business without livelihood supports; 1 women group with business without livelihood supports; women group without business without livelihood supports; 1 women groups supported by livelihoods programmes with and without businesses. 1 mixed Congolese/Burundian group (all men) with business without livelihood supports.

<sup>4</sup> The detail is the following: Kibondo: Chamber of Commerce (25 members present). Rusohoko (near Nduta): 1 men group *with* and *without* businesses not supported; 1 women group *with* and *without* business *without* livelihood supports. Kasanda (near Mtendeli): 1 men group *with* and *without* businesses *without* livelihood supports; 1 women group *with* and *without* businesses *without* livelihood supports; 1 group mixed with Tanzanians and Burundian refugees, and mixed with men and women, all *with* businesses. Makere (near Nyarugusu camp): 1 men group *with* and *without* businesses not supported; 1 women group *with* and *without* business *without* livelihood supports. Nyarugusu village (near Nyarugusu camp): 1 men group *with* and *without* businesses not supported; 1 women group *with* and *without* business *without* livelihood supports.

CRRF Officer; World Food Programme (Programme Policy Officer); Good Neighbors (Project Manager); Plan International (Youth Programme Coordinator); Danish Refugee Council (Livelihoods Officer); members of the Nyarugusu Common Market Committee: Chairman (Congolese), Secretary (Tanzanian), Assistant Secretary (Congolese), Treasurer (Tanzanian).

### **3.3. Limitations**

With all short-term research projects, there are limitations, and this project is no exception. The biggest limitation is that this research was not entirely randomized or representative statistically of both refugees and host communities. Only one host community village was selected for Nduta and Mtendeli camps and two host community villages were selected for Nyarugusu camp. Informants for the FGDs and individual interviews were recruited by implementing partners that are active in the camps and host communities, and these partners are already working full-time on their respective projects. The UNHCR Livelihoods Officer would provide partners with lists of the demographics of participants (i.e. age range, with/without business, with/without livelihood support, etc.). It is natural that the implementing NGOs would possibly recruit people they are most familiar with or most successful in reducing even further the randomness. At times, not all participants would show up as planned or on time, or would show up to the groups at the incorrect times. With a very tight schedule for research, improvisations were needed to be made. For example, the reason for the unevenness of FGDs was because the first day of research in Nyarugusu there was a bit of confusion among the participants. People arrived later than planned, and some arrived at different scheduled times. Additionally, due to the two different caseloads of Congolese and Burundians, we had to create twice as many groups with virtually the same number of researchers. We had to think quickly, and some groups were formed in unplanned ways (e.g. mixed Congolese-Burundian groups). Despite these limitations, there were wide ranges of businesses, wealth, abilities, vulnerabilities, ages, etc., and while not perfectly representative, a multitude of perspectives were heard in this study.

As usual with this type of project, and despite our best efforts to use a common language with the interviewees (Swahili or French), we had to rely on translators, and it remains likely that potentially important elements got lost in translation. To minimise this bias, we worked with translators who have experience working with academics.

An additional limitation is due to the inherent group nature of FGDs. FGDs are crucial to engaging with a wide number of people with a limited amount of time like this project had. Also, some of the groups in the host communities had village leaders such as village chairperson and village executive commissioner who would do most of the talking and would naturally make people less willing to speak openly.

In short-term projects on behalf of aid providing organizations such as UNHCR in general, and most likely in the case of this project as well, respondents may perceive it is in their best interest to not give answers about their finances that are incomplete or not totally honest to make themselves appear more vulnerable than they are and, hopefully, receive more support (Horst, 2006; Olivier de Sardan, 2014). While this is largely out of our control, we went at length to explain to every informant that we

were not employees of UNHCR or implementing partners and were doing independent research, while protecting their confidentiality.

Finally, this methodology section stated what this project *included*. There are some key aspects that were *excluded* due to insufficient time and funding: (1) this research was qualitative rather than quantitative in nature. Some conclusions, especially those that are financial in nature or related to trends, are hard to establish firmly without proper quantitative analysis. (2) While general differences between the three camps and districts were analysed in this project, further statistically representative and randomized research across the three locations is required to pinpoint more specific differences. (3) This project did not analyse the effects or effectiveness of aid or development interventions. (4) We received many anecdotal accounts of insecurity within and outside the camps. Some of these occurred to the informants directly, and others were second-hand stories or rumours circulated within communities. A larger project is needed to draw strong conclusions. (5) Voluntary repatriation is imminently underway, especially for Burundians. This project touched very little on this topic. It is important to learn about how aid and development projects interact with repatriation decision-making.



## 4. MAIN FINDINGS

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The results are divided into three sections. The first section is a typology of the economic activities found in and around camps. It suggests, based on qualitative evidence, that some socio-economic profiles (in terms of gender, ethnicity, skills, education) seem more likely to exercise certain type of activities. However, a different set of data, more representative and more quantitative would be necessary to draw proper inference and evaluate the actual trends. The second section looks at the legal and social environment in and around the camps; those aspects are important to understand the resilience developed by refugees and host communities in a context where economic activities are conflated with survival strategies. The last section considers the factors shaping the business environment, including the opportunities that have arisen from the somewhat forced encounter between refugees and host populations.

### 4.1. A typology of economic activity in and around the camps

Economic activities of the refugees in the camps are diverse. This research found recurring themes and typologies of different types of economic activities. These include skills-based, incentives jobs, businesses, and labour. Finally, we examine some economic activities of the host community. Within these typologies, we provide examples of specific jobs and businesses. However, this is by no means an exhaustive list of the plethora of activities. We present the most representative and probably most significant ones.

#### 4.1.1. Refugee activities inside and outside the camps

The main economic activity in the camp, in the sense of an activity generating a form of income, is the selling of food rations and non-food items received through international aid agencies. It is practised by almost all refugees. A complementary “economic activity” (recognised as such by the National Refugee Policy and fitting in the broad definition of economic activity as the production or consumption of goods and services) is gardening on the small plots of land available inside the camp. They provide food that is mostly used for household consumption.

##### *Skills-based economic activity*

Examples of skills based economic activities include tailoring/embroidering for both men and women; hairstyling or barbering for both men and women; cooking; bread/soap-making for those trained and supported; repairs (known in Swahili as *fundi*) these include electronic, bicycle, and mechanical repairs mostly for men; and trades such as carpentry or masonry for men in big business and women in small trade. Those activities are not regarded as the most lucrative in the camp. For instance, women involved in tailoring say that they can make around TZS 7,000-30,000 (USD 3 – 13.11) per month, after having paid for their fixed costs (e.g. renting the sewing machine), some of these were supported, and others came with their own machines and skills. There were those supported in Burundi with the returnees programmes they were given assets there and brought them to Tanzania. Women

making and selling bread, mostly supported, were also interviewed in Nyarugusu claim that they can make TZS 10,000-15,000 (USD 4.40 – 6.50) per month.<sup>5</sup> Some of those who were trained reported to be waiting for the tools for baking to start the work. Running a restaurant has been consistently described as the “best” such skill-based economic activity, with interviewees claiming that they could make TZS 50,000-100,000 (USD 22-44) / month profit.<sup>6</sup> This activity has higher capital requirements, however, as many restaurants require building a shelter, food, cooking materials, firewood, and wages as overhead.

This report defines skills as economic abilities that must be learned either formally or informally. Formal mostly means training programmes from implementing partners within the camp. We will get back to those cases later. There are also some (rarer) cases of refugees who received formal training before their arrival to the camp: for instance, the president of Nyarugusu common market, possibly one of the most enviable positions in the camp, received formal training in accounting back in DR Congo, prior to being a refugee.<sup>7</sup> The important proportion of refugees who lived as refugees in Tanzania before, in places like Nduta, Mtendeli, Karago, or even the “Old Settlements” of the 1972 caseload in the Tabora region, also means that skills were acquired through past aid interventions. One informant learned tailoring from an NGO in Mtabila. He practised this skill when he returned to Burundi. Upon return to Nyarugusu, he met a friend from Mtabila and started a business together. When he was transferred to Mtendeli, he took his sewing machine with him and continued his business.<sup>8</sup> Finally, a non-negligible proportion of the refugees with skills seem to have acquired “on the spot”, practising with people who had those skills. This can be prior to their arrival to the camp and can include quite specific skills: a refugee explained how he acquired video-editing still while he was still living in Rumonge.<sup>9</sup> Refugees did not report paying for formal or informal skills training, but some seem to do unpaid apprenticeships. Effectively, they were helping a more experienced person as part of their training but were not paid for this; more data would be needed to assess whether this is the typical situation.

Many respondents with skills reported having the know-how, but no access to the capital required to acquire business materials such as sewing machines, repair tools, soap materials, etc.<sup>10</sup> On the other hand, without capital to start their own business, refugees with human capital or skills, and social capital or connections can get hired by others for tailoring or in a barbershop.<sup>11</sup>

More representative research of the camp populations would be needed to confirm this, but many of the refugees with skills in this study tend to be better educated than average. In addition to the cognitive advantage provided by literacy, a possible explanation is that some of the skills are acquired through formal education, and

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<sup>5</sup> FGD, Nyarugusu, 19.02.2018, Burundian women, with business, with support

<sup>6</sup> FGD, Nyarugusu, 19.02.2018, Burundian women, no business, with support

<sup>7</sup> KII, Nyarugusu market staff, 16.02.2018

<sup>8</sup> Refugee interview, Mtendeli, 14.02.2018, Burundian man, with business.

<sup>9</sup> Refugee interview, Nyarugusu, 20.02.2018, Burundian man, with business

<sup>10</sup> FGD, Nyarugusu, 16.2.2018, Congolese men, with support

<sup>11</sup> Refugee interview, Mtendeli, 14.2.2018, Burundian man, with business

others require a form of application (that is easier to do for educated people). Most of the refugees practising skills-based activities also tended to be from a younger generation, but it is unclear whether this is a question of education (the younger generation being better educated) only, a possible bias from our sample, or related to other factors we were not able to elucidate. It was complicated to draw an exact portrait of the typical refugee engaged in skills-based activity—qualitative research is better suited to understand the processes refugees of different profiles engage in (the *how*) than overall trends (the exact *what*)—but it seems that most interviewees who had a skills-based activity were on the younger end of the spectrum, possibly because education had overall improved in the region and in the camps over the last two decades or because it is easier for younger people to learn new skills. We also made the decision to conduct separate interviews for men and women, for each category of informant (with/without business/support), which means that elements related to gender imbalance are more based on refugees’ narratives (e.g. gendered household tasks) than the direct observation of imbalances in the people we interviewed.

*Labour-based economic activity (mostly agricultural)*

Apart from skills-based activities, more labour-intensive activities are also exercised by refugees: this mainly involves renting a farm or farming for Tanzanians. More details about the different arrangements are found in section 4.3.1. There is some variance in pay for farm labour depending on the location of fields, type of fields (tilled and non-tilled, and individual negotiations between landowner and labourer. The average pay per acre per season year is said to be around TZS 50,000 (USD 22), which is also the amount paid to rent half an acre around Nyarugusu. Good farming, when the landowner is respectful of the refugee and the farmer skilled, was said to be more lucrative than some of the incentive work described below.<sup>12</sup> In Kasanda, labourers are said to be paid TZS 2,000 (USD 0.88) per 4 by 12-meter unit.<sup>13</sup> It is not clear which of these arrangements is most beneficial for labourers, but rather, payment types are arranged by the landowners or renters. For example, if the land is not tilled, then a labourer will be paid more, as much as TZS 100,000 (USD 44) for the additional work that can take up to a month of work. Farm labour that does not require tilling or has softer soil will take less time and effort, such as 12 days, but will only pay TZS 50,000 (USD 22).<sup>14</sup> Some say Tanzanian labourers are paid more than non-Tanzanians and can get TZS 60,000-70,000 (USD 26.38- 30.77) for what non-Tanzanians would get paid TZS 50,000 (USD 22). Labourers are paid the aforementioned TZS 2,000 (USD 0.88) rate often because the landowner or renter has less work required or less disposable income to pay.<sup>15</sup> As section 4.2.1 will discuss, payment is sometimes an issue.<sup>16</sup> Some skills are required for such activity, but they are possessed by most refugees who had farming activities in their countries of origin. In Nyarugusu, despite the long relationship between Congolese refugees and

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<sup>12</sup> Refugee Interview, Nyarugusu, 20.02.2018, Congolese man, with business, with support

<sup>13</sup>FGD, Kasanda, Tanzanian women

<sup>14</sup> FGD, Makere, Tanzanian men

<sup>15</sup> Boeyink independent research: Interviews Burundian migrant labourers; Congolese refugee land renters outside Nyarugusu village 11.10.2017.

<sup>16</sup>FGD, Nduta, 07.02.2018, Burundian men, without business, no support

Tanzanian land owners, it is the newly arrived Burundians that host population describes as having the best farming skills.<sup>17</sup> It is important to note that the extended use of the camp due to the refugee influx may result in the loss of land use in agriculture, as exemplified in the post-2015 influx of the Burundian refugees.<sup>18</sup>

The profile of agricultural labourer is a bit unclear, but they did not stand out for their high level of education. Labourers included both men and women and Congolese and Burundians. Farming is practised by men and women of all ages, but due to the physical nature of work, very old people, and people with health problems do not typically participate. Reported by both Tanzanians and refugees, there are far more Congolese who rent land directly from Tanzanians, and more Burundians who work as farm labour. This is due to the fact that the Congolese have lived in the camp for longer and had rented farm before the Burundian arrived. Burundian refugees in Nyarugusu explained that the personal relationships and positive perception of Congolese to Tanzanians are a more important requisite to renting than simply having the financial means. Even if Burundians have money, it is more difficult than Congolese to rent from Tanzanians due to their lack of social capital compared to Congolese.<sup>19</sup> As explained later in this report, farming is a better option around Nyarugusu camp than Nduta and Mtendeli. It is officially illegal for refugees to engage in such activity and farmers around Nduta and Mtendeli seems more inclined to abide by the law due to the greater risks of being caught (see 4.2.1).

Finally, there are other forms of unskilled labour such as bicycle transports or unskilled construction workers such as mud brick-makers. Even children are reported to make bricks and sell them to other refugees building or repairing houses.<sup>20</sup> Due to the large size of the camps, people also earn money transporting goods across them for business people (such as confirmed by an interviewee in Nduta).<sup>21</sup> In the limited sample of this research, non-farming labour—primarily construction-related—was gendered as a male occupation. Women also perform farm labour, but as consistent in other refugee camps such as Kenya, fetching and selling firewood outside the camp is a very gendered activity that women carry-out (Hyndman, 2000).

#### *Incentive jobs*

Incentive workers come above skills-based workers in terms of the more lucrative and enviable position in the camps. As skills-based workers, they require some abilities. Incentive jobs include a wide set of activities to maintain the programmes of humanitarian agencies: work in hospitals, schools, enumerators etc. They are, technically, not paid a wage but an incentive agreed upon by UNHCR and the Refugee Services Department. Currently, the incentive ranges between TZS 33,000 to 66,000 (USD 14.40 and USD 28.85) per month, depending on the level of qualification and job. Such workers usually complain that such pay is very low, lower than the salary

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<sup>17</sup>FGD, Nyarugusu village, 17.02.2018, men

<sup>18</sup>FGD, Makere village, 15.02.2018, women

<sup>19</sup> FGD, Nyarugusu 16.02.2018, Burundian men, with business, no support

<sup>20</sup> FGD, Nduta, 06.02.2018, Burundian women, with business, no support

<sup>21</sup> Refugee interview, Nduta, 08.02.2018, Burundian man, with business, without support

they had as, for instance, teachers in their country of origin.<sup>22</sup> The job, however, comes with considerable influence within the community and a key position in terms of knowing what is happening, including on repatriation and resettlement (for the Congolese). This is consistent with academic research such as anthropologist Simon Turner's work with Burundian refugee incentive workers in Lukole camp Tanzania (Turner, 2010). Additionally, because these jobs are wage paying, there is no requirement to accumulate capital, which is the main problem for earning incomes entrepreneurially. Incentive workers seem to have the possibility to relatively easily change incentive job (e.g. from teacher to animator and conversely), and at least some of them are combining this activity with another business.<sup>23</sup>

The main characteristic of this group of workers, as evidenced by the fact that interviews with them could usually be carried out in English or French (and Burundians would generally be in Swahili too), is their high level of education. This was sometimes acquired in the camp schools. Education is one important socio-economic factor which distinguished different livelihood activities of the refugees.

It is worth noting the existence of a slightly different category of incentive workers, those employed by implementing partners to make bricks for NGO buildings, or for new housing shelters.<sup>24</sup> Their work is (low skilled) labour-based, but their remuneration is through the aid "incentive" model (see 3.2.1. for the legal aspects).

### *Businesses*

Another category of refugees is those owning or operating businesses. There is a wide range of businesses in the camps from children selling sugarcane to relatively lucrative businesses such as selling *vitenge* or colourful fabrics. There is, of course, a larger diversity in buyer/seller networks, the basic model for businesses is for refugees to buy products from Tanzanians in the camps' respective common markets, and sell at higher prices at the common markets, in village markets inside the camps, or at their homes. This practice is known as "ulanguzi" in Swahili. Tanzanians sell wholesale to refugees products that are not part of the food ration given by UNHCR, WFP, and partners. Food such as cassava, vegetables, rice, potatoes, small fish (*dagaa*), large fish, and non food items such as beauty products, electronics, clothing (new and second-hand). In virtually every focus group discussion, when asked about the best businesses to start, most people say foods commodities, because people try to diversify their food intake, and there is high demand during reduced ration allocation. Across camps, but especially in Nyarugusu, wealthier business people are able to acquire permits from MHA offices (both legally, as they are able to make a strong case, and sometimes through alleged bribes) to leave the camps to get lower prices on goods in Kasulu and Kibondo.<sup>25</sup>

Refugees also sell food items and non-food items (NFIs) that are distributed by WFP and other humanitarian agencies. This is how many refugees without capital raise

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<sup>22</sup> FGD, Nyarugusu, 16.02.2018, Congolese men, with business, no support

<sup>23</sup> Refugee interview, Nyarugusu, 20.02.2018, Congolese man, with business, with support

<sup>24</sup> Refugee interview, Nyarugusu, 16.02.2018, Burundian man, with business

<sup>25</sup> FGD, Nyarugusu, 15.02.2018, Congolese men, with business

money to start small businesses.<sup>26</sup> Often refugees with large access to capital will buy these products from their peers and neighbours and will sell at the common markets. This practice extends beyond the region and wealthy Tanzanian business people known as *dalali* will buy by the tons to distribute to Dar es Salaam, Uganda, Burundi, Rwanda, and all over the region.<sup>27</sup> They will buy or advance money to wealthy refugees within the camp.

It is hard to sketch a portrait of the typical characteristics of a businessperson in the camp. The variety of profile is high, but there seems to be an advantage in having previous business experience in home country or previous experience of fleeing and having lived/done business in a refugee camp before. More importantly, it seems that, not too surprisingly, the most successful businesspeople have an above-average level of literacy (e.g. some command of French or English). Whether educated or not, the most successful businesses are those people who have access to capital, whether it is already accumulated or given to them by friends and family through remittances. Some may have developed in-camp businesses similar to businesses they had before becoming refugees.<sup>28</sup> In the case of the Burundians, speaking Swahili is an advantage to scale-up a business; Burundian Swahili speakers have either learned the language during a prior forced displacement to Tanzania or because they come from parts of Burundi where Swahili is spoken (Mazunya and Habonimona, 2010) such as Muslim communities, the area of Rumonge, or some neighbourhoods of Bujumbura (in particular Bwiza and Buyenzi).<sup>29</sup>

#### **4.1.2. Economic activities of the local communities in and around the camps**

The presence of refugee camps brings with it a large potential consumer base and labour force accounts for many economic activities by the host communities. Communities around all three camps hire refugee labour, rent their farms to refugees, and meet in the common market for business. The differences between the host communities around the three camps are examined more closely in the discussion section of the report. The topic is not necessarily easy to explore: knowing that it is illegal for refugees to farm outside of the camps, and therefore illegal to hire them, a minority of the host community individuals we interviewed denied the existence of this practice. It is also important to stress that the organizations working in the camps have field offices in Kibondo, Kasulu, and even Makere village near Nyarugusu. Their workers bring cash into the economy and rent houses from locals.<sup>30</sup> Who exactly benefits from this could not be determined. Our research was, however, able to elucidate specific aspects of economic activities in host communities.

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<sup>26</sup> Refugee Interview, Mtendeli, 14.02.2018, Burundian woman

<sup>27</sup> This was found in earlier research by Boeyink and alluded to by the chairman of Nyarugusu common market

<sup>28</sup> Refugee Interview, Nyarugusu, 20.02.2018, Burundian women, with business, no support

<sup>29</sup> Refugee interviews, Nyarugusu, 20.02.2018, Burundian women, with business, no support and Burundian man, with business, no support

<sup>30</sup> FGD, Kibondo, 09.02.2018, Chamber of Commerce

Most villagers in the host communities inherit or can buy, land, which is primarily used for subsistence farming.<sup>31</sup> Nearly all villagers were found to cultivate (to some degree). Some sell their surpluses in their village markets, in larger towns such as Kasulu or Kibondo, or in the shared common markets with the refugee camps. Practices seem to vary substantially between villages. Due to the proximity to the main regional road, people in Makere can sell surpluses of cassava and maize to middlemen.<sup>32</sup> However, this practice did not come up in research in Kibondo and Kakonko districts. Some of the villages, such as Rusohoko, are not immediately neighbouring refugee camps and seem more disconnected from its economy, with some interviewees explaining that it is too far from the common market to sell their products.<sup>33</sup>

As described above, the host districts are some of the poorest in Tanzania. Many of the subsistence farmers cannot even afford the TZS 5,000 (USD 2.2) entrance fees usually charged to join savings and loans groups.<sup>34</sup> Some of the biggest owners of land come from outside the village or district.<sup>35</sup> In the host communities, there are also small and medium businesses, skilled and unskilled workers, and even some people who are hired by organisations such as the Tanzanian Red Cross Society (although many complain that not enough local Tanzanians are hired).<sup>36</sup> These economic typologies have characteristics similar to the categories above for refugees, with the major difference that they have the right and ability to work and move freely.

## **4.2. Socio-legal environment: relations between refugees and the communities**

This section considers how the legal and regulatory frameworks constrain the socio-economic lives of the refugees and host communities. In a second sub-section, it explores the social relationships between refugees and host communities, which are marked by collaborations but also insecurity and competition, including in terms of accessing aid.

### **4.2.1. Legal and regulatory framework, and their effects on mobility**

Tanzania has been hosting large numbers of refugees since the 1950s. The policy and regulatory framework have changed over time. At independence, a liberal approach to refugee admission and administration prevailed. Refugees were allowed greater freedom to engage in livelihood activities. They were free to till land and keep animals. They had unimpeded access to social services, education system and employment opportunities in private and public sector. The open-door policy remained in force up until enactment of a much more restrictive law, the Refugees Act in 1998, which was followed by the 2003 National Refugee Policy (NRP) (Rutinwa, 2005). This drastic change was presented as a response to the massive influx of refugees from Rwanda,

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<sup>31</sup> FGD, Nyarugusu village, 17.02.2018, men

<sup>32</sup> FGD, Makere village, 15.02.2018, men

<sup>33</sup> FGD, Rusohoko village, 10.02.2018, women

<sup>34</sup> FGD, Rusohoko village, 10.02.2018, women

<sup>35</sup> FGD, Rusohoko village, 10.02.2018, women

<sup>36</sup> FGD, Rusohoko village, 10.02.2018, women

Burundi, and Congo coupled with increased insecurity in refugee-hosting areas and shrinking international support.

The Refugee Act and the NRP, which are the major regulatory instruments for refugee admission and administration in the country, acknowledge the importance of livelihood activities as a key protection tool but fall short of establishing an enabling environment for enhancing refugees' self-reliance. Paragraph 17 of the NRP acknowledges that adequate protection of refugees requires that they should be given the opportunity to become self-sufficient and that, allowing refugees to use their skills in exile has a potential of facilitating meaningful reintegration in their countries upon return. The good spirit engendered in these statements has, however, been rendered impotent by another statement that allows refugees to engage in small income-generating activities within the camps only. Employment outside the camp is regulated by section 32 of the Act which mandates the Director (camp commandant/settlement officer) to grant work for refugees.<sup>37</sup> Under the prevailing circumstance only exceptionally few refugees can secure employment outside the camp. Even for these few, the ability to engage in employment may be further constrained by cumbersome work permit procedures. Section 32 envisages the adoption of tailor-made work permit regulations to guide the granting of work permits to refugees, but such regulations have not been adopted. Because of this, refugees working for humanitarian organisations are regarded as "incentive workers" as opposed to employees, a categorization which significantly reduces their remuneration and employment-related entitlements (DRC, 2017, p.35).

Restriction of refugee's mobility outside the camp (section 17) exacerbates further their inability to engage in economic activities while also denying them an opportunity for socio-economic interaction with the host community. Refugees can only move freely with a distance of 4 km radius around the camp. Any unauthorized movement outside this area constitutes an offence, punishable upon conviction to imprisonment of up to six months, a fine of fifty thousand shillings or both, imprisonment and fine (section 18 (3)(a) and section 24). People reported first-hand that if you are caught outside of the camp without a permit, and you are unable to pay a bribe to the police, then you are sentenced to 6 months in prison, where you do "hard-labour" cultivation each day and are subject to beatings.<sup>38</sup> Tanzanian landowners claimed that they are fined the equivalent of TZS 300,000 (USD 132) per illegal worker they hire. Around Nyarugusu, they put things into perspective; explaining that controls did not happen too frequently and that "arrangements" could be found with the police

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<sup>37</sup> Section 18 of the Act: "Permit to exit the camp are granted by the Director or the Camp Commandant/Settlement." Section 32 on the employment permit also mentions the Director as issuing the permit. In practice this is far complicated than the former because issuing of work permit involves the Ministry of Labour. Currently the permit issued by the Director is treated as a recommendation which is submitted, together with other documents to the Labour Commission who has the final mandate on work permits for employment of non-citizens (Non-Citizens Employment Regulations Act, 2015).



at the farm.<sup>39</sup> The situation seemed tense around the other camps where the host community appeared quite reluctant to discuss the possibility of informally hiring refugees. Likewise, unauthorized entry into the camp by a member of the host community constitutes an offence (section 20(1)). It is important to add that, under Tanzania's land laws, foreigners –including refugees– cannot normally own land. Today, refugees' freedom of movement, access to land, right to work and access to services (e.g. telecommunications, financial services) remain restricted, which makes it difficult for them to build their livelihoods (UNHCR/WFP/MHA joint mission, 2017).

Technically, each camp is surrounded by a 4 km buffer zone. It has a good intention: enable refugees to get amenities, mostly firewood. In practice, though, it may also increase their risk as there are neither clear demarcations between the camp and the buffer zone nor are there any indications as to where the buffer zones start and end. Refugees are thus at risk of crossing the line unknowingly. In the newer camps, some land is still available in the proximity of the camp (within the 4 kilometre buffer) and refugees said they got access to it by asking Tanzanians who were cultivating,<sup>40</sup> but in most cases the situation is far from being that clear. Besides, the enforcement of the buffer zone is dependent on the inclination of the Camp Commandant and district authorities. In the past there were cases where the movement within the buffer zone was strictly banned (Rutinwa, 2005). In other words, it is an administrative decision, rather than clearly stipulated in national law. Later, in the Recommendations section, we propose that part of it be used as common farms between the refugees and host communities where they border each other. This would require further research and sensitization with all relevant stakeholders.

With these policies in place, the level of dependency among refugees is bound to be persistent. Refugees consider the restriction on movement, especially to go to the market and shops in Kasulu and Kibondo, a major hindrance to their desire to live a dignified life.<sup>41</sup> Since the permits are difficult to procure, refugees leave the camps clandestinely in search of employment and business opportunities even though they are aware that this unauthorized movement constitutes an imminent risk to their wellbeing and safety. Refugees who move illicitly risk robbery, bodily assault, sexual assault and possible death. They also risk being taken advantage of by employers. They suggested getting an ID which will identify them as refugees to allow their freedom of movement. One of the informants went to Kahama where he worked for seven months. The employer refused to pay him. Out of the TZS 700,000 (USD 308) he had earned, he was only paid TZS 100,000 (USD 44).<sup>42</sup> In another instance, the informant and five colleagues went to the village for farming. They worked there for two days, but the employer refused to pay them. They had to walk back to the camp on foot.<sup>43</sup>

Tanzanians living around the camps cite evidence of theft or violent acts. There is acknowledgement by both refugees and Tanzanians that some refugees instigate this.

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<sup>39</sup> FGD, Makere village, 15.02.2018, men

<sup>40</sup> Refugee Interview, Mtendeli, 14.02.2018, Burundian men

<sup>41</sup> Refugee Interview, Nduta, 12.02.2018, with business, not supported

<sup>42</sup> FGD, Nduta, 07.02.2018, men, with business, not supported

<sup>43</sup> FGD, Nduta, 07.02.2018, men, with business, not supported

This has brought trouble to some of the Tanzanian landowners who acknowledge that this cheap labour comes with some issues: because the work is illegal, issues and abuses (e.g.. theft) cannot be easily reported to the police and therefore argue that maybe “it would be better that they do not come to our farms”.<sup>44</sup> Refugees are seen as a more troublesome workforce: “If you work with them, they will come back to the farm and steal from you”.<sup>45</sup>

Although these restrictions have been in place since the 1990s, refugees who have lived in Tanzania before and local community share a view that the level of enforcement is now firmer than before:

In the past, large-scale farmers used to employ refugees in their farms but, employing refugees has become very complicated nowadays. It is now very rare to see refugees working for farmers in the village. The farmers are scared of the strict policy /rules against employing refugees without a permit.<sup>46</sup>

Members of the Chamber of Commerce Kibondo Chapter observed that in the past, the restrictions were not rigorously enforced. Refugees with businesses were permitted to go to Kibondo to buy merchandise. The limited number that is allowed nowadays is said to limit the growth of business and interactions between refugees and Tanzanians. The irony of this discussion was that one of the members of the Chamber asked us to recommend to UNHCR to allow refugees to get permits to leave. We had to then explain that this was government policy, not UNHCR’s.<sup>47</sup> In a FGD with refugees in Nduta, it was revealed that “in the past, business owners could easily get permits to go to Kibondo to buy commodities for sale, but things have changed. Recently very few permits are issued”.<sup>48</sup>

There have been numerous efforts to revise the policy and regulatory climate with a view of creating synergy with the relevant international and regional procedures. Between July 2017 and January 2018, there had been an effort towards trying to relax the encampment policy through the Comprehensive Refugee Response Framework (CRRF), but it stopped when the government pulled out of the agreement.

#### **4.2.2. Relationships between refugees and the communities**

Overall, refugees and host communities have varied relations. The level of interaction is defined by a number of factors, notably, the time spent in Tanzania, the livelihood activities in which refugees are involved, and their countries of origin. The repeat refugees are deemed to have good chances of interacting with host community compared to the new-comers as they are familiar with the locality and most of them can communicate in Swahili. While there were contending views among respondents, the majority were of the views that the knowledge of Swahili, which many repeat refugees had acquired, makes it easier for them to interact with the locals. Congolese refugees, speak Swahili as a native language, and have a natural advantage in this

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<sup>44</sup> FGD, Makere village, 15.02.2018, men

<sup>45</sup> FGD, Makere village, 15.02.2018, men

<sup>46</sup> KII, Rusohoko village

<sup>47</sup> FGD, Kibondo, 09.02.2018, Chamber of Commerce

<sup>48</sup> FGD, Nduta, 07.02.2018, men

respect. Kiha, the language spoken by the largest ethnic group in Kigoma region known as the Ha or Waha, shares many similarities to Kirundi, the language spoken by Burundians (DRC, 2017 p.19). While communication across Kiha and Kirundi is possible, it may be harder for Burundians coming from non-border regions (including Bujumbura). Kiswahili is considered an added advantage. Refugees with business also maintain better relations compared to those who do not. Many have made friends in villages with whom they collaborate in business. FGD discussions with refugee business owners in Nduta revealed that Tanzanians and refugee business owners not only buy and sell from each other, but actively go into business together and share the profit accruing from the business. If a refugee runs out of stock, he/she can order goods through a mobile phone to local business owners. The Tanzania business owners would deliver the goods at the gate where payment is done:

I order the goods from a Tanzanian who brings the goods directly to the camp. I pay for the goods upon receipt. I met this Tanzanian at the common market. There are another people with similar arrangements. Those with enough capital pay upon receipt of the goods. For those without capital, the arrangement is such that the Tanzanians give them goods to sell and upon selling, they share the revenue obtained.<sup>49</sup>

Most of these positive relations evolved from interactions at the common market or relationship established through farming. A Burundian in Nyarugusu noted that “there are so many villages surrounding the camp where we go to work. They were used to being with refugees. The Congolese have been there for so many years such that the local community has been accustomed to refugees.”<sup>50</sup> In Mtendeli, the residents of Kanyambeho, Nyabiyoka, Karago, Kaziramihunda are regarded as most hospitable: apart from paying the refugees they employ in their farms, they have also given them food.<sup>51</sup> Around all three camps, cases of villagers giving refugees land for cultivation free of charge were reported. In Nyarugusu, the host communities tended to report better interactions with the Congolese refugees than with newly-arrived Burundians who are regarded as more likely to be the perpetrators of theft and insecurity.<sup>52</sup>

#### *Security issues*

The positive relationship notwithstanding, there are blemishes associated with increased insecurity in the host community. Refugees and host community members alike saw it as a consequence of the continually reduced ration allocations and the ensuing negative coping mechanisms. Misgivings about land appropriations, especially in Nduta, have also been blamed.

Most interviews with the host communities at all levels (host community villagers and district authorities) revealed a perception that insecurity might be on the rise. In Rusohoko village, the (male) interviewees were explicit about this, mentioning incidences of robbery, murder, house-breaking, car-jacking, rape and sexual abuse in

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<sup>49</sup> FGD, Nduta, men, with business, no support

<sup>50</sup> FGD, Nyarugusu, 16.02.2018, men

<sup>51</sup> FGD, Mtendeli, women

<sup>52</sup> FDG, Makere

refugee-hosting areas in the recent past.<sup>53</sup> Those could not be verified. Although the identity of the perpetrators remains usually unknown, the presence of refugees is perceived as the key factor exacerbating insecurity. Explaining the level of insecurity, men at Rusohoko village noted that “business in Rusohoko village have slowed because successful businesses are most often targeted for robbery”. They recall that in 2017 shop owners at Kitahana village were robbed and killed, allegedly by “refugees/Burundian robbers”. Although there has not been any incident lately, the memories of this and earlier incidents are still fresh in our minds. People are scared.<sup>54</sup> Sharing this view, a woman informant at Kasanda noted that, it has increasingly become dangerous to go to the farm especially when you are alone.

For us women, you can be sexually abused, raped or killed. Persons growing food crops near refugee camps have had to abandon their farms due to insecurity especially around the harvest season. Refugees who allegedly steal food crops in these farms are extremely violent. They normally carry with them machete and other dangerous weapons for use whenever they are confronted by farm owners.<sup>55</sup>

One of the informants told us that, “if you find refugees harvesting your crops and you ask them, they will kill you. The best you can do is to just pass by quietly and pretend that you have nothing to do with that farm”.<sup>56</sup> Very similar stories were also collected in the villages around Nyarugusu camp. A correlation between reduced ration allocations and increased insecurity was consistently by both host communities and refugees (DRC, 2017 p.21). The increase of food ration is not foreseeable in the near future. As the reduced rations have continued, members of the host community are pessimistic about the future of refugee-host community relationship. Meanwhile, WFP is continuing its donor advocacy to increase ration allocations.<sup>57</sup>

Refugees are also susceptible to violence, torture, rape and murder perpetrated by the locals especially when they are found working in farms or collecting firewood (see 4.1.1 and 4.3.1). Incidences of retaliation had occurred in the past leading to strains on refugee-host community relationship. The intervention by the authorities and regular dialogues between camp leaders (refugees) and village leaders helped to normalise the situation.

#### *Navigating aid*

The provision of aid in refugee camps in the Kigoma is predominantly humanitarian. However, numerous livelihood programmes have also been established to assist refugees to cope with the effects of continually reduced ration allocation and mitigate the levels of dependence. Similar programmes are also being implemented in host communities. These projects are improving not only the livelihoods of refugees and host communities but also improving the relations between these two groups.

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<sup>53</sup> FGD, Rusohoko village, 10.02.2018, men

<sup>54</sup> FGD, Mtendeli, men

<sup>55</sup> KII, Nduta.

<sup>56</sup> FGD, Kasanda village, women, with business

<sup>57</sup> KII, WFP Programme Policy Officer Kibondo, 07.02.2018

One of these programmes is the DRC's Kitchen gardening which is implemented by 100 groups, 30 of which are made of local residents.<sup>58</sup> Similarly, the Maloregwa Vocational Training Centre which is expected to serve as a vocational training hub for refugees and host community. It has been constructed outside the camp so as to ensure uninhibited access by the local community.

Informants in the local communities seemed generally happy with such livelihood programmes, which they clearly link to the presence of refugees. They request more of these projects to be implementing, which is understandable considering the high level of poverty in the region.<sup>59</sup>

### **4.3. Business environment**

The socio-economic environment in which the refugees and host communities live is shaped by formal regulations, informal practices and customs, and infrastructural changes brought by international aid (such as basic social services). Our exploration of the "business environment" is divided into two subsections: (1) a review of the opportunities that have arisen from the encounter of the refugee and local population -a somewhat forced encounter given the options available to the refugees, but also host communities who did not choose to have a refugee camp nearby. Though opportunities are mostly in terms of market exchange, extra labour for local economic activities, and extra basic social services for all; and (2) considerations on the factors constraining this environment, and in particular start-up capital, freedom of movement, and the physical environment.

#### **4.3.1. Opportunities**

In line with the growing literature on refugee economies (e.g. Betts et al., 2017, Hammar, 2009), the somewhat forced encounter between refugees and the host population can be seen as creating new economic opportunities for both parties, in particular in terms of exchanging (new) goods and services and benefiting from each other's infrastructure.

##### *Market exchange*

The common markets of Nyarugusu and Mtendeli, and to a lesser extent the markets of Kasanda, Makere, and Nyarugusu village as well as Kasulu and Kibondo town are places of exchange and communication between refugees and the host communities. As outlined in previous market assessments (Lavesta, 2015) and repeated during the interviews and focus groups. The items that refugees trade on those markets include cooking pots, plates, knives, spoons, sleeping mats, jerry cans, mobile phones, electronics, sanitary pads, shoes, clothes (UNHCR 2016; Lavesta Holdings, 2015) as well as cassava, rice, beans, fish and other food items that are not included in their rations. Refugees mostly sell what they receive from international aid—in particular pots, pans, blankets, tarp, soap, peas, and flour—and kitchen gardens (vegetables). However, some refugees have developed businesses selling other goods such as fish, vegetables, and clothes. Fish selling, and more generally (large-scale) selling of food

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<sup>58</sup> KII, 11.02.2018, Alfred Magehema, Senior Livelihood Coordinator, DRC

<sup>59</sup> FGD, Kasanda village, 13.02.2018, men, with/without business, no support

coming from Kasulu or other towns, is seen as one of most enviable and lucrative economic activity a refugee can do, even before being moto-taxi or having a phone shop, for “everybody needs food in the camp and fish is very popular.”<sup>60</sup>

Refugee-sellers acquire such non-humanitarian goods either directly from wholesalers, mostly in Kasulu, or more often through intermediaries locally known as *dalali*. We were unable to explore in depth the figure of the *dalali*. It seems that many of them are Tanzanians, which makes sense given that the refugees’ right to move is limited. Since market sellers generally pay the broker upon reception of the goods, a substantial amount of capital is needed. In some cases, “for those without capital, the arrangement is such that the Tanzanians give them goods to sell and upon selling they share the profit obtained.”<sup>61</sup> This means that the broker needs to be well-connected enough to ensure that this (verbal) “contract” can be effectively enforced. In the past, M-Pesa has been used to facilitate the transactions between brokers and sellers, but the difficulties for refugees to register to M-Pesa since 2016 have moved those monetary exchanges back to cash.<sup>62</sup>

The main, if not only, venue for such exchanges between refugees and host communities are the common markets. Due to the strict encampment policy, Tanzanians are absent from in-camp markets. Nduta especially has an impressive market inside the camp in Zone 5. This market has permanent structures, and was entirely created without the help of outside agencies. Refugees are normally not allowed in markets located outside the camp, unless they receive a permit from MHA. Most, if not all interviewees, both refugees and Tanzanians praised the common market as a good opportunity to grow business opportunities and diversify their meals and lifestyle. The common markets operate on agreed days (Mondays, Wednesdays, Fridays for the biggest market, in Nyarugusu camp). The biggest common market is in Nyarugusu. It opened in 2015 and has kept growing steadily, to the extent that there are not enough stalls/stands for everybody. Up to 70% of the people appear not sell on a stand.<sup>63</sup> In December 2017, the market committee had registered 186 Tanzanian sellers, 885 Congolese, and 1046 Burundian. They, however, estimate that many sellers are not registered. The most populous days are after the distribution of the food rations to the refugees.<sup>64</sup> There is no proper fee for sellers who are only required to pay a daily contribution of “between one tomato and TZS 200 (USD 0.088)” towards the cleaning and security of the market. There were rumours of a proper tax being introduced, but it did not appear to worry the sellers. Security seems generally decent on the market, although the president noted that “thieves remain a problem given the context of low employment, poverty, and lack of access to basic resources”.<sup>65</sup>

Although the common market is clearly regarded as an improvement over the time when there was no market, refugees who were in Tanzania before, as well as the host community, are not satisfied with the available market opportunities. In their view the

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<sup>60</sup> FGD, Nyarugusu, 16.02.2018, Congolese men, with business, no support

<sup>61</sup> FGD, Nduta

<sup>62</sup> Refugee Interview, Nyarugusu, 20.02.2018, Burundian woman (29), with business, no support

<sup>63</sup> KII, Nyarugusu market staff, 16.02.2018

<sup>64</sup> KII, Nyarugusu market staff, 16.02.2018

<sup>65</sup> KII, Nyarugusu market staff, 16.02.2018

1990s influx offered more business and livelihoods opportunities. One of refugees referring to the situation during the 1990s opined, “Opportunities for business were available. Refugees had an opportunity to go to villages, do business there and go back to camp without any problem. The common market was within the market. We used to go to the market without any problem which is not the case currently. The market is just outside the gate. Refugees have thus no opportunity to go to villages as it used to be in the past.”<sup>66</sup>

Indeed, a frequent criticism of the common market is that, even though the prices are generally lower than on the in-camp market, they remain higher than in surrounding Tanzanian markets. Refugees explain that the reason is that they “don’t have the option to go and find the best prices. Brokers and Tanzanian wholesalers are few, they set the prices and there is little that can be negotiated.”<sup>67</sup> Conversely, other refugees explained that the price they get for their rations is low because they are all selling the same items in the same place. Against this background, the extent to which the common market may help both refugees and the communities to enter into a fair business competition and increase benefits of both the communities and the traders may actually be limited. The “decks are stacked” so to speak, against the refugees until they have greater freedom of movement and employment.

Another important limitation to the opportunities provided by the markets, and especially the common market, is that the ease to access the most affordable markets is inversely proportional to the wealth of the refugees. Refugees, especially those from the large camp of Nyarugusu, see the common market as a place for those who have some money to spend and make provisions (and where food can be converted into cash when possible).<sup>68</sup> Poorer refugees seem to still mostly rely on in-camp markets, buying limited units at a time. Richer refugees (often with businesses) can access the more affordable town markets in Kibondo or Kasulu (they knew how to get permits or can use their money to bribe their way out).

#### *(Agricultural) Labour*

The main economic activity around the three refugee camps is agriculture, and the main example of refugee labour contribution to the local economy is agricultural work. The issue is multifaceted: (1) there is the “regular migration” of agricultural workers from Burundi; (2) refugees renting land from Tanzanians; (3) refugees working as agricultural labourers for Tanzanians; (4) refugees working as agricultural labourers for other refugees; and (5) there are even non-refugee migrant labourers from Burundi working for Congolese refugees. Those five practices are not necessarily easy to disentangle, partly because the last four, which involve refugee working outside the camp without any permission, are illegal and known to be so by the host community. In some instances, the interviewee, especially in the host communities, showed some discomfort discussing agricultural labour and some refused to dig into the topic, explaining that they usually fail to obtain the authorisation for refugees to come and work in their fields.

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<sup>66</sup> FGD, Nduta

<sup>67</sup> Refugee Interview, Nyarugusu, 20.02.2018, Burundian woman, (29), with business, no support

<sup>68</sup> FGD, Nyarugusu, 16.02.2018, Congolese women, with business, no support

Labour migration seems more common around Nyarugusu refugee camp and has been described by the local villagers as a good contribution to the local economy that started well before the 1993-2005 Burundian civil war. The labourers mostly come from the neighbouring provinces of Rutana, Makamba and Ruyigi, less than 40km away from the camp.<sup>69</sup> The host population explained to us that they simply cross the porous border using different pathways (called *chocho*) and do not seem to register at the border post.<sup>70</sup> There is an understanding from the villages (and presumably from the migrant workers) that, officially, in virtue of legal agreements between Burundi and Tanzania (as part, among others, of the East African Community) those migrant workers have the right to work in Tanzania, but they should come and register to the police, which apparently is something they rarely do. In practice, most of them simply come directly to the farms during the agricultural season. There are no intermediaries in this job market: people simply “show up” and they are hired (or not). The host population did not seem to have established many durable relations with particular groups of migrants; they insist that this is not a stable workforce, they come and go, sometimes just for a month.<sup>71</sup> They stay on the farm during the season. Burundians are perceived as a capable workforce that is hard-working but also cheap. In places like Nyarugusu village, almost all interviewed had already used Burundian migrant workers, and the relationship seemed good, with no major incident reported. It seems that Burundians have been used to expand farming possibilities, in particular, to clear new land—a job for which they are reportedly paid TZS 100,000 (USD 44) per season per acre whereas terracing or farming an area of similar size is only paid TZS 50,000 (USD 22).<sup>72</sup>

The extent to which refugees are, in part, made of some of those migrant labourers who have taken shelter in the camps is unclear. In Makere village, the focus group seemed to suggest that there were cases where refugees were former economic migrants, but in Nyarugusu village, the interviewees drew a clear boundary between two. Again, the sensitivity of the topic made it hard to explore in-depth in just a few days. What seems quite clear is that the host community sees additional (and cheap) labourers as a way to develop the local economy and the productivity of their land. The interviewees stated that if they had the authorisation to do so, they would definitely hire refugees.<sup>73</sup> The situation seems particularly tense around Mtendeli and Nduta, where villagers explain that:

It would be cheaper to employ refugees, but that has risks because if police find you employed them, you will get trouble. If the police catch you employing refugee without a permit, you could be jailed. Both the farmer and landowner could be taken to jail. If the police find a refugee working, they will ask him to mention the person who paid them to cultivate, if they mention your name you are in big trouble.<sup>74</sup>

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<sup>69</sup> FGD, Nyarugusu village, 17.02.2018, men

<sup>70</sup> FGD, Nyarugusu village, 17.02.2018, women

<sup>71</sup> FGD, Nyarugusu village, 17.02.2018, men

<sup>72</sup> FGD, Makere village, 15.02.2018, men

<sup>73</sup> FGD, Makere village, 15.02.2018, women

<sup>74</sup> FGD, Kasanda village, 13.02.2018



In practice, refugees are hired by Tanzanians to cultivate their fields, and probably more so around Nyarugusu camp. Contrary to migrant workers, it seems that it is not only refugees coming to the farms to ask for a job but also, sometimes, Tanzanian farmers going around the camp to look for labourers.<sup>75</sup> As discussed earlier, the host community also explained that hiring refugees for work was simpler and less risky in the 1990s.<sup>76</sup>

Around Nyarugusu, renting seems to have started with the Congolese refugees who arrived in the camp in 1996. Nowadays, a pattern around Nyarugusu seems to be for Congolese, who arrived first, to have arrangements with Tanzanians and employ Burundian refugees to work on their land.

The practice of *renting* land to refugees has also developed and seems to be mostly associated with refugees (as opposed to migrant workers). It is seen as considerably riskier for the refugees, especially around Nduta and Mtendeli, than cultivation for the locals. The rent (per acre) seems similar to the wage, around TZS 50,000 (USD 22).<sup>77</sup> Interestingly, some of the lands that is put in rent, and in particular uncleared land, may not even always belong to the landowner in the first place. It seems the area used to have swathes of unclaimed land (probably technically state land).<sup>78</sup> Refugees are described as those who will pay to rent land, contrary to the local population: “Refugees can pay, they are the ones with money. They can pay more than the locals”.<sup>79</sup>

Farming has been depicted as a crucial way for refugees to save up some money and acquire capital to start a business. In fact, many of the “entrepreneurs” we interviewed started by farming. However, other interviewees mention that the illegality and risk involved, in addition to the low wages make it hard for people to save money from it.<sup>80</sup>

Opportunities for farm labour exists, around all villages, and is pointed out as a potential opportunity by the host community but it is not fully utilized due to a constraining regulatory framework. This framework, rather than eliminating refugee farm-work, has made it informal, leading to another set of issues around the protection of both employer and employees and providing driving down even further the salaries of agricultural labourers. A lot of the refugees were farmers in their home country and would like to farm, but they have no place to farm. The small in-camp garden does not afford them an opportunity to farm. They can only grow maize and vegetables for subsistence (not enough as the plots are too small).

#### *Basic services*

As explained earlier in this report, refugees have brought to the region international aid and with it, livelihoods programmes and basic social services that have been made available to the refugees and host communities. Those were not the explicit focus of our research, but it is worth mentioning that those services are seen as creating opportunities by the host community (but sometimes as dead-ends by refugees).

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<sup>75</sup> FGD, Makere village, 15.02.2018, men

<sup>76</sup> FGD, Makere village, 15.02.2018, women

<sup>77</sup> FGD, Nyarugusu village, 17.02.2018, men

<sup>78</sup> Host community Interview, Makere village, 15.02.2018, women

<sup>79</sup> FGD, Makere village, 15.02.2018, men

<sup>80</sup>FGD, Nyarugusu camp, 16.02.2018, Burundians + Congolese, with business, with support

Health-care is described in a somewhat paradoxical manner: on the one hand, refugees (in Nyarugusu) kept indicating that they found the services offered in the camp generally quite poor, with “only paracetamol being given”. They reported that refugees have to find essential medicines elsewhere, in Kasulu and Kigoma, and that district hospitals are the one providing better care.<sup>81</sup> They also indicated that it is not uncommon to have to pay a bribe to be treated. On the other hand, the host community in Nyarugusu and Makere villages describe the clinics they have access to in the camp, through referrals, as great opportunities for accessing better health-care. In Nyarugusu village, women also explained how international aid supported the building of a local dispensary.

Indigenous medicine is known to be used in parallel to biomedical health-care by a vast majority of people in the region. The camps and their surroundings do not seem to be exceptions. Moreover, the camps, and especially Nyarugusu and its Congolese caseload, seem to have increased the availabilities of traditional healers (including herbalists) and the host populations seem to appreciate those new opportunities, with healers that are said to be “more powerful than the local (Tanzanian) healers”<sup>82</sup>. This is not a topic we investigated in-depth, but some lucrative practices were said to have been developed in the camp.<sup>83</sup>

Education is, again, experienced differently by the host and refugee communities. There is no integration of the refugee (country of origin) and Tanzanian systems, but international aid has supported local schools, including in Nyarugusu village. On their side, refugees frequently expressed their deep frustration with the schools in the camps, arguing that children who finish school are stuck with generalist and not vocational enough degree and cannot go to university –some Burundian refugees even demonstrated a refined understanding of the topic, explaining that it was Tanzania treating them badly as refugees in Rwanda had more opportunities.<sup>84</sup>

#### **4.3.2. Constraints**

This second subsection looks at a series of factors that constrain the business environment, starting with the question of capital and then exploring the legal and environmental contexts. Opportunities have sometimes developed out of those constraints, such as savings groups, and they are also briefly discussed.

##### *Start-up capital*

The most relentless theme of the interviews and focus groups was the lack of capital to initiate economic activities. Ideas, and in some cases even skills, were not described as the core issue, but rather the lack of access to capital. The host population may have access to micro-finance institutions and traditional banks for the better-off. Refugees often said they had no other way to borrow money than going to neighbours and friends. This may be changing with the autonomous self-help groups that are being organised by refugees in Nyarugusu and Village Savings and Loan Association

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<sup>81</sup>Refugee Interview, Nyarugusu 20.02.2018, Congolese man (26), with support, with business

<sup>82</sup>FGD, Nyarugusu village, 17.02.2018, women

<sup>83</sup>Refugee Interview, Nyarugusu 20.02.2018, Congolese man (40), with support, with business

<sup>84</sup> FGD, Nyarugusu, 19.02.2018, Burundian women, no business, no support

(VSLAs) that are being spearheaded by humanitarian organizations involved in livelihood programmes. Technically, the self-help groups and VSLAs are open for everybody to join. VSLA typically count 15 to 25 people (up to 50 for those organised by Plan International) and, as self-organised self-help groups, do not benefit from a start-up grant. Rather, the idea is that people are taught “saving skills” and organise themselves. Members of the savings groups contribute by buying shares, usually somewhere between TZS 500 and TZS 5,000 (USD 0.22-2.20) per week, and the pot can be used to help members facing hardship (e.g. sickness) or invest in a business.<sup>85</sup> The VSLAs sponsored by international aid are given training, exercise books, pens, and some kit to keep their money. Among our interviewees, only the better-off had heard or were able to join them. The problem could be the well-known issue of convincing poor people living in extreme conditions to take a form of insurance that is, by definition, related to less immediate problems (Dercon, 2005).

In fact, selling or exchanging a portion of the WFP rations or other NFIs to get fresh products and other food and non-food items not available in their rations. Selling rations is also, for some, a way to save capital for small scale investment. The exact scale of this practice still needs to be documented but many of the interviewees who have a business made clear that they sold rations and NFIs to start it.<sup>86</sup> All interviewees, with or without businesses, confirmed that they were selling part of their rations. Selling a portion of the food rations is by far the main source of cash in the camp. The early 2017 reduced ration allocation has, however, made this even more complicated. It has generated more insecurity and tension in the camps, as explained earlier, but has also limited the possibilities for starting a business and pushed more refugees to seek alternative ways to accumulate a start-up capital, for instance through seeking illegal employment outside the camp or simply stealing and attacking farms (DRC 2017). Local host community and the chamber of commerce of Kibondo were quite clear about this link between deteriorated relationships with the refugees and reduced ration allocations. Other ways to access capital include, as described earlier, farming but also, especially in Nyarugusu camp where (fire and construction) wood is rare, fetching and selling wood (that can be sold up to TZS 500 (USD 0.22) for a 1m-stick used to build a fence).<sup>87</sup> Both activities are illegal and relatively high-risk for the refugees (especially when beyond the 4km radius around the camp, see section 3.2.1).

A key element in the refugees’ struggle to constitute start-up capital and launch a business, which came up in many of the discussion and stories, are the unforeseen losses (e.g. having to pay a bribe, a fine, or being robbed) or health-related expenditures. In particular, the need to change the diet for those who are ill (or to buy medicine) can quickly deplete months of savings. At the exception of some refugees who seemed to display great business acumen, which was often related to their experience running businesses back in their home country, the “selection” of who would manage to constitute start-up capital and maintain a business afloat seemed

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<sup>85</sup> Refugee Interview, Nyarugusu, 20.02.2018, Burundian woman, with business, no support

<sup>86</sup> Refugee Interview, 20.02.2018, Burundian woman, with business, no support; Refugee Interview, 16.02.2018, Congolese hairdressers (men), no support; FGD, Mtendeli, 09.02.2018, Burundian women, with business, no support

<sup>87</sup> Refugee Interview, Nyarugusu, 20.02.2018, Congolese man, with business, no support

random. Indeed, it felt heavily correlated to having the privilege of not having a family member who is ill and had, therefore, an important element of randomness. It also seems clear that consequences of an initial disadvantage, e.g. chronic illness or disabilities, are multiplied in such harsh environment.

#### *Freedom of movement*

The question of the freedom of movement of refugees has already been discussed in this report. It constitutes one of the main constraints for the development of a fertile business environment, including for host communities that do not have free and full access to do business inside the refugee camps. Some of the youths with motorcycle taxi businesses want to be able to move freely in the camps and work there.<sup>88</sup> The refugees repeatedly complained to us that the strict encampment policy prevents them from getting good prices and creates a situation where all refugees are forced to sell the same items (rations) in the same venue, thereby lowering prices. Some refugees appear well-aware that this situation is created by national policy, and they refer to Uganda as a land of more opportunities.<sup>89</sup> Refugees often referred to the expression “living like a slave” to allude to their level of poverty and lack of freedom of movement and mobility.<sup>90</sup> They hoped for more opportunities in Tanzania. Indeed, most of them have a history of repeat displacement and traumatic memories of their attempted return to Burundi or DR Congo, and they have, therefore, no faith in the ability of their host countries to maintain a sustainable peace, including achieving sustainable livelihoods.

The limited freedom of movement is, again, mostly to the disadvantage of the refugees and especially the refugees who are the poorest. Indeed, the most successful business people we interviewed in the camp complained about the difficulty of leaving the camp but, contrary to the poorest, they experienced it as a barrier that could be overcome if one was ready to pay the price or play the right connections.<sup>91</sup> Poor refugees did not have such options and felt a lot more entrapped.

#### *Space and the physical environment*

Finally, the degradation of the physical environment seems another negative element linked to the arrival of refugees on which members of the local communities all agree on.<sup>92</sup> Host community members find that business would suffer from the departure of the refugees, and they would lose access to some good basic services, such as health-care, but insist that their environment would be improved. The main damage is with trees, for the arrival of thousands of refugees has led to a depletion of wood since refugees collect firewood for cooking.

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<sup>88</sup> FGD, Nyarugusu village, 17.02.2018, men

<sup>89</sup> Refugee Interview, Nyarugusu, 19.02.2018, Burundian man, with business, no support

<sup>90</sup> Refugee Interview, Nyarugusu, 19.02.2018, Burundian man, with business, no support

<sup>91</sup> Refugee Interview, Nyarugusu, 20.02.2018, Congolese man, 26, with support, with business

<sup>92</sup> FGD, Nyarugusu village, 17.02.2018, men

## 5. UNDERSTANDING DIFFERENCES BETWEEN CAMPS/DISTRICTS

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In general, the Burundian refugees who have arrived since 2015 appeared poorer than the Congolese residing in Nyarugusu. Extensive research in Uganda shows that the emergency phase of displacement takes time to establish markets, accumulate wealth, and cope with sudden migration. Kyangwali settlement in Uganda is an example of this and could be compared with Nduta and Mtendeli (Betts et al., 2017). Research in Tanzania bears this out as well: in the three camps, Nyarugusu had the lowest Coping Strategy Index (CSI) in 2017 with 10% compared to 14% (Nduta) and 13% (Mtendeli). CSI is used to measure the frequency and severity of actions taken by households in response to the presence or threat of a food shortage (UNHCR, 2017e p. 1). Additionally, Nyarugusu fared better in monthly per capita expenditure (TZS 9,392; USD 4.13) and percentages of households in poor and very poor asset groups (65%) compared to Nduta (TZS 6,476; USD 2.85 and 92%) and Mtendeli (TZS 7,164; USD 3.15 and 74%) (WFP, 2017b p. 3). The common theme that emerges from our qualitative work is also that conditions are significantly better in Nyarugusu than in Nduta and Mtendeli. This, of course, does not mean things are “easy” in Nyarugusu, but this is certainly a piece of information international aid actors should be aware of.

This research may offer some insights into this discrepancy; they include Nyarugusu’s longer existence, its improved access to markets, and the better relations with communities surrounding the camps that allow more work opportunities.

The circumstances as to how refugees arrived in the camps are important. The Congolese population, the majority of which has been in Nyarugusu since the 1990s, even if they came to Tanzania with nothing have had time to build some assets and wealth. Moreover, the US and other countries have initiated a large resettlement programme for Congolese in recent years which has increased international remittances sent to people in camps. 22% of phone users in Nyarugusu reported receiving international remittances (GSMA, 2017 p. 24).<sup>93</sup> No comparable opportunity exists for the Burundians, who make up the totality of the population of Nduta and Mtendeli and often have not had time to build assets while the camps. Indeed, few were able to bring cash with them from Burundi to start a business, and among those who did try to bring some cash, some were robbed by security forces or the *imbonerakure*. Those who arrived in 2016 were further negatively impacted due to the reduced food ration allocation.<sup>94</sup>

Another reason for Nyarugusu more advantageous livelihoods environment is a more developed common market in comparison to Nduta and Mtendeli. The common market in Nyarugusu was created in 2015 whereas the common markets in Nduta and Mtendeli were established in 2017. A quick look at market day shows Nduta and Mtendeli do not have near the numbers Nyarugusu market does. The visual differences between the camps are stark. Nyarugusu has large market stalls and storage facilities whereas Nduta and Mtendeli have more makeshift stalls, without many permanent buildings. Nyarugusu common market is also advantaged because it

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<sup>93</sup> It is important to note that since 2015, nearly 20,000 Congolese asylum seekers have arrived in Nyarugusu and face similar issues in establishing livelihoods as the 2015 caseload.

<sup>94</sup> Individual interviews in Nduta and Mtendeli

is closer to Kasulu and Kigoma, two trading centres that are much larger than Kibondo and Kakonko, the closest centres to Nduta and Mtendeli respectively. Mtendeli probably comes second; contrary to Nduta, it has toilets and storage structures. Nduta has the potential to develop, it is a large camp and is close to Kibondo, which is bigger than Mtendeli's closest trading centre, Kakonko. A relocation of Nduta's market may be needed for it to grow, though, and it is currently being discussed. Indeed the ground on which the market rests on is so rocky that permanent structures cannot be easily built. What is more, the market is also quite distant from the main road.

As described in detail above, many camp residents earn a livelihood by illicitly farming outside of the camp. Another reason for better conditions in Nyarugusu is a more conducive environment with the host communities surrounding the camp. In one of the focus groups with Burundian men, most of them had spent at least a year living in Nyarugusu before being transferred to Mtendeli. Many of them cultivated both in Nyarugusu and Mtendeli and they echoed this sentiment: "It is easier to leave Nyarugusu to cultivate. The Tanzanians in the villages are good. There are so many villages surrounding the camp to work. They were used to being with refugees, and the Congolese have been there for so many years and have been accustomed to refugees".<sup>95</sup> Some Burundian men in Nyarugusu explained that Congolese built their relationships with Congolese over time and are able to rent land. These lands that are rented based on relationships that are not purely economic.<sup>96</sup> Tanzanians confirm this as well. "We have friends with Congolese, but not Burundians. They were asking for friendships", said one woman in Makere village outside Nyarugusu. As explained earlier, the relationship between the host population and the Burundians seems more complicated than with the Congolese. As Makere villagers even claimed "Congolese are honest, but the Burundians are thieves",<sup>97</sup> a stereotype also repeated in Focus groups in host communities such as Rusohoko and Kasanda and echoed in a recent study in host communities (DRC 2017 p.20).

The reason why the relationship with the Congolese is better, and why host-refugee relations are smoother in Nyarugusu may be due to a number of reasons—please note that those are only hypotheses that need to be treated carefully: (1) As previously mentioned, Kasulu in general and Nyarugusu in particular, have more functioning markets than the other districts/camps as well as more farmland available. This means there is more disposable income and land in communities surrounding Nyarugusu comparatively in which to lend land and pay for farm labour. (2) It is important to remember that prior to 2015, Nyarugusu was half the size in terms of population of refugee residents. With a smaller population with a similarly sized camp, there used to be less crowding and more land within the camp to cultivate. There is naturally less strain and competition on resources such as land, water, and trees. (3) Finally, since 1972 there have been more waves of displacements and far greater numbers of Burundian refugees on Tanzanian soil. Perhaps this has created a hosting fatigue. The conglomeration of these mostly harmonious conditions with less competition and more

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<sup>95</sup> FGD Mtendeli, 12.02.2018, Burundian men, with business, no support

<sup>96</sup> FGD Nyarugusu, 16.02.2018, Burundian men, with business, no support

<sup>97</sup> FGD Makere village, 15.02.2018, women

positive perceptions between Congolese in Nyarugusu and host communities have persisted for nearly 20 years, which possibly explains the calcification of good relations.

## 6. CONCLUSIONS

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This report has shown the existence of an intense but seriously constrained economy in and around refugee camps. This economy revolves around skill-based activities such as tailoring, repairs, and other services, small-scale farming/kitchen garden in and around the camp, and trading, again both inside and outside the camps. It also benefits from direct *livelihood interventions* from international aid, such as the mobilisation of savings and loan groups, vocational/entrepreneurial training, and significant investments in common market infrastructures. They target both refugees and host communities and some individuals in both groups enjoy aid *spillovers* such as “employment” opportunities and monetisation of food and non-food distributions. The rest of this section wraps up considerations about (1) socio-economic categories, (2) relationship between refugees and host communities, (3) the main factors that constrain the development of refugee livelihoods, and (4) the factors making some refugees more “resilient” than others.

Firstly, it is possible to classify refugees along loosely defined socio-economic categories but impossible to quantify those categories with the sort of data we collected. The overall picture seems to be one of a majority of refugees engaged in mostly menial activities (such as collecting firewood or trading part of their rations) and a (smaller) group of refugees who has higher social, cultural, and economic capital and manages to engage in more substantial economic activities.

*Skill-based activities* are found to be often exercised by better-educated refugees (and host community members) who managed to accumulate some start-up capital. They are not the activities that pay best.

Accessing *farming* and skill-based activities, which are illegal when practised outside the camps, can provide some revenue but it requires some form of social capital, or at least the ability to discuss and obtain land to farm from the host population.

*Trading* (food, beauty products, electronics, etc.) is one of the most prized activities in the camp but, to be lucrative, it requires both a substantial economic capital and good connections outside the camp (connections and skills acquired prior to arriving in the camp are also important). Even small amounts of capital such as TZS 50,000 (USD 22) is often sufficient to start trading in many kinds of foods, although even this amount many households in the camps are unable to raise.

Being an *incentive worker* (or being a member of the host community and working for an aid organization), and to a much lesser extent benefitting from aid programmes, seems dependent on the ability to navigate aid. This often requires formal education and the ability to fill out written job applications, but also the savvy to network and build connections, or leverage existing social networks. These positions are highly sought after because although the wages are relatively low TZS 55,000 (USD 24.20), they are usually stable and require no start-up capital to obtain.

Secondly, and linked to the above, refugees contribute to the local labour pool and the local economy (e.g. through markets), and especially around Nyarugusu camp, they are part of a longer history of a migrant labour. Although security incidents have been reported, and possibly even more so since the food rations given to the refugees have

diminished, the relationship with the host community is, usually, not a major constraint in itself. Some refugees have good business relations with the Tanzanians who give loans or items to the refugees to sell in the common market. Additional research, over time, of the economic exchanges of refugees and host communities is needed in order to give a clearer picture of the extent of economic cooperation between the two communities.

Thirdly, the main and central constraint seems to be the strict encampment policy that prevents refugees from seeking employment in the camp or to develop their own activity in close relation with actors located outside the camps. It affects both farming activities, which are often illegal and, therefore, risky options for both refugees and Tanzanian land-owners, and trading activities inside the camp and between the camp and the region it is in. The common market is meant to help ease trade and it does, indeed, offer a locale to purchase products to sale retail. However, refugees, especially those who are traders, do not get the chance to buy cheaper prices at the outside market to sell them in the common market as the Tanzanians do. Therefore, refugees are buying at a higher price than what they can get in small towns nearby such as in Kasulu. This has impact on the in-camp businesses as those refugees who are buying from the common market to sell in the camp will have to sell at a higher price than the common market price.

Finally, recurring themes arose when starting to investigate why some demographics are more resilient than others (complementary work using quantitative methods would be useful to gain an even more fine-grained picture of the situation).

1. In Nyarugusu, Congolese refugees (who have been, for the most part, refugees in Tanzania for a long time) seem, generally speaking, better off than Burundians. This is based on (1) our interviews and focus groups, which is limited in size, but also (2) household data across all three camps in the Community and Household Surveillance (CHS). The latter provides clear evidence that, in Nyarugusu, there are socio-demographic and socio-economic differences between Burundian and Congolese refugees (e.g. WFP, 2017b). This is consistent with Betts et al. (2017) who argue that newly established camps and camp populations (similar to Burundian arrivals in 2015 in Nyarugusu and the creation of Nduta and Mtendeli) need time to develop livelihoods and get established.

2. Our observation that refugees seemed, overall, better off in Nyarugusu than in the two other camps may be linked to better contacts with the host community, which seems to be a function of that population having been in contact with refugees for a long time but also of a longer history of migration in the region (see Section 5) and also of being able to develop a seamless communication in Swahili or local language. Whether such hypothesis would also apply to repeat Burundian refugees, especially those living in Nduta and Mtendeli, is unclear. Indeed, most of the Congolese refugees living in Nyarugusu (at the exception of the most recent caseload) have had sustained link with a same host community since 1996 while Burundians may have been refugees in Tanzania before but in different location. Moreover, other research on host community and refugee relations in Nduta and Mtendeli demonstrate that Congolese are more positively perceived than Burundians by Tanzanians (DRC 2017).

3. More generally, a key factor explaining resilience is the existence of safety nets that help refugees bounce back. Those can be support from family, neighbours, but



also Tanzanian friends (sometimes business acquaintances or local farmers the refugee worked for) and self-help groups. Refugees consistently associate social capital/network as likely to increase and help develop income opportunities. Many reported only being able to start businesses due to gifts or loans from friends, family, and neighbours. Additionally, those who established businesses that failed due to shocks such as hunger/illness/death within families or death were often only able to restart business through social capital, or they plunged into poverty. A key question is how such social capital, and in particular, connection with self-help groups and individual beyond the family/neighbourhood circle, develops. Not too surprisingly, it seems that skills, education, and prior experience play a key role here as refugees were able to develop such connections in the first place because they were seen as useful. This includes, for instance, farming skills to connect with local farmers or basic accountancy skills / business experience to connect with Tanzanian traders and brokers or being seen as a useful asset within a self-help group.

Based on this analysis, the next section suggests ways forward to improve refugees' livelihoods and to foster interaction between refugees and host communities. The recommendations take into account the recent policy changes and the intention of the government of Tanzania to move away from some of the livelihood approach.

## 7. RECOMMENDATIONS

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Based on the main results presented in this report, we formulate a series of suggestions to the UNHCR and partner agencies. We have tried to develop actionable recommendations, but we also know that, in the current difficult policy environment that saw the government pulling out of the CRRF, some may be more feasible than others.

In terms of livelihood support programmes:

1. **Joint host community-refugee projects, and particularly livelihood-oriented activities, should be continued.** The common markets and the Maloregwa Vocational Training Centre are prime examples of activities that benefit both refugees and host communities while improving relations and peaceful co-existence. Others in the host community cited appreciation for solar light posts and dispensaries in their communities. Donors may be persuaded to keep funding such projects outside the CRRF framework if they exhibit high visibility, demonstrated commitment, and tangible gains (e.g. enduring physical structures such as market infrastructure) to host communities. UNHCR and implementing partners could explore other non-CRRF funding streams to support host community projects, such as the Kigoma Joint Programme, which is area-based development for all of Kigoma region (UN Joint Programme of Kigoma, 2017).<sup>98</sup> The absence of such programmes may contribute to additional resentment of the presence of refugees by the host community and contribute to a restrictive policy milieu.

2. **Base livelihood support activities on a comprehensive assessment of the local markets and realities** -the typical example of a project that failed to meet those criteria is soap-making training: the markets are already full of soap (as it is distributed for free to refugees) and producing it requires chemicals that are not found in markets accessible to refugees. If implementing partners provide materials for livelihoods interventions (soap and otherwise), we advise a deeper analysis of realistic costs to start and sustain a business. Designing of new projects should take cognisance of the current policy context especially the facilitation of voluntary repatriation. This can be achieved through (i) involvement of government officials as key stakeholders in designing the programmes and; (ii) building synergy with programmes implemented by NGOs in Burundi so as to ensure continuity for repatriating refugees (those are often organisations that also operate in the camps).
3. **Develop support for advising refugees who have managed to develop activities on their own on how to manage contingencies without affecting business growth and sustainability.** A key issue refugees mentioned is the risk to see their efforts ruined due to adverse events such as illness or theft. They explained how, often, they had to use up the capital they had affected to their businesses to support their ill members of the family.<sup>99</sup> Moreover, there was a desire among our respondents for entrepreneurial knowledge. Ongoing support for established businesses could be low-cost and beneficial. Those refugees exhibit the potential of leading economic development in the camp. One avenue for this could be a livelihoods/business “helpdesk” within the camp, where refugees with a proven track record and business acumen can take appointments to advise peers and be paid as incentive workers to supplement their incomes. Alternatively, field staff can inhabit this role as well, which would be costlier.
4. **Seek funding for rigorous studies** (i.e. random controlled trials, or at least representative baseline/end-line research) on the commonly recurring types of livelihood interventions. There appears to be a degree of guessing, or at least anecdotal evidence guiding interventions. In particular, academic or rigorous consultancy-type of research should investigate: the effectiveness of some interventions included, but are not limited to entrepreneurial/skills training programmes (with/without materials provided at the end), VSLAs/savings groups (both NGO initiated and refugee-led without NGO support), garden kits, mentoring, etc. To do this effectively, mixed-methods approach, including the collection of data in a control group, would be appropriate (a randomized control trial design being optimal) and may not be too expensive if integrated in the roll-out of a programme. Funding for more ambitious impact evaluation could be requested, together with a team of academics, by funders such as Zie, J-Pal, or the World Bank. The categorisation of economic activities would also deserve more careful

attention and quantitative work. It is only by gathering information on a representative sample of individuals that the average profile can be determined, and the hypotheses regarding the reasons why some individuals appear more resilient than others tested. Additionally, the Limitations portion of the Methodology sections points out that more research is required to compare more in-depth socio-economic differences across the three camps/districts; research that goes beyond anecdotes and rumours about insecurity caused by the camps in the region; and finally it would be helpful to take a deeper look at the effects and motivations of voluntary repatriation and how these interact with existing livelihood programmes.

In terms of enabling a better business environment, including security:

5. **Improve the conditions in common markets**, especially in Nduta that has the least services—the Nduta common market was the only one without toilets or storage facilities. This also may imply a relocation of the Nduta market. In all three camps, respondents explained that a lot of business is lost when it rains because there is very little shelter, especially in Nduta and Mtendeli. Low-cost rain covers with corresponding drainage may be a place to start. Any infrastructural support of existing/new facilities on site, or on roads easing transport of goods to and from the camp could potentially bring even more commerce to the area. Both host communities and refugees spoke very highly of the common markets and the benefits they bring. Improvements to the common markets will benefit virtually all in the vicinity of the camps and the camp residents. Some of the poorer, small-scale farmers in Rusohoko near Nduta camp mentioned the distance and fear of insecurity on the journey as an impediment to selling goods in the market.<sup>100</sup> Transportation one day a week on market day for poorer people in communities such as Rusohoko could benefit those with transportation barriers.
6. **Capitalise on farming opportunities**. National legislation allows for a 4 km buffer zone, primarily for collection of firewood and farming activities, but enforcement is largely up to the settlement commander, which is done inconsistently (Rutinwa, 2005). In consultation with international agencies during a workshop, this buffer zone is largely occupied by surrounding villages and farms. A starting point is to conduct thorough research into the occupancy and uses within the buffer zone. From this research consultations with the occupants and village leaders, inquiries into the desired usage of the land can inform steps forward (the anecdotal evidence we collected on this issue does not allow us to reach conclusions). Once this is done, actions can be taken to make the “best”, orderly, use of the 4 km border buffer zone. This would take sensitization, consultation, and buy-in from host communities and especially the camp commandant and police who are the enforcers of the

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<sup>100</sup> FGD, Rusohoko village, 10.02.2018, women

law. Large signs with warnings in Swahili and Kirundi can make the boundaries clear. Meetings can be held with people owning land and property within these buffer zones to explain their rights and responsibilities. This rule can then be properly communicated to the refugee communities through the typical channels such as camp/zone/village leaders. If either the host community and/or MHA/police are against employment within the buffer zone, it is worth also inquiring about joint farming programmes between Tanzanians and refugees.

7. **Develop opportunities for refugees to leave the camp legally.** This is easier said than done given the current institutional environment. Any lobbying effort would first need to present a clear case that the host community would also benefit from such measure, as well as present indications of the economic benefits of such schemes with measures to mitigate security risks. The ways refugees can leave the camp could include: (1) MHA providing more ways for refugees to access permits to legally leave the camp (and facilitating the procedure) and (2) creating legal pathways to cultivate and receive permits to do so. The latter should build on discussions with local communities. In discussions with host community members there was a willingness to employ refugees, but it was made clear that they wanted to hire people with proper permits. Advocacy for increased permits may be best advanced by host communities and fellow Tanzanians than by UNHCR.
8. **Facilitate market sellers' access to other markets, to help them access fairer prices.** One idea is for UNHCR and/or implementing partner to implement large-scale but orderly transportation to be arranged to transport small business owners to Kibondo/Kasulu to buy products on non-common market days. Wealthier refugees have ways and means to do this, but the programme should be designed to benefit smaller-scale traders.
9. **Provide firewood or subsidise alternative fuel to manage deforestation and lessen the insecurity of leaving the camp.** Though this issue was out of scope of the study, it is important to recommend looking at the recent studies which have considered at the issues of energy in the refugees camps (e.g. Rivoal and Haselip 2017). Potential ideas drawing from those studies entail buying wood from the host communities, which would create new business opportunities for them (but may also exacerbate environmental degradation if not accompanied by monitoring and replanting). Another, probably preferable, option would be to look into alternative sources of fuel that do not require unsustainable support from UNHCR/partners (market-based solutions), such as briquette/nursery joint-operations in host and refugee communities (possibly modelled after the market committee in the common markets). Nurseries could be established and managed in camps and host communities and seedlings sold to Forestry Committees or environmental NGOs addressing environmental damage around the camps.

10. **Create opportunities for host communities and refugees to meet and discuss security issues** before they grow out of control-memory of violence was still seemingly fresh in people's memories. Village leaders in Rusohoko explained that having a meeting with refugee leaders in the past due to increased stealing and robberies in their village, which helped the situation. Danish Refugee Council recently conducted an extensive study exclusively examining host community-refugee relations around Nduta and Mtendeli. Their recommendations for these meetings bear repeating:
- There are reports of sporadic dialogue forums bringing together local authorities from the camps and host communities; **regular dialogues should be supported and institutionalized.**
  - Agencies may also consider supporting **dialogue forums bringing together individuals from different social groups** from the camps and the neighbouring host communities, such as youth dialogues, all-women dialogues, inter-generational dialogues, among others. <sup>[L]</sup><sub>SEP</sub>
  - Staff must make sure that **proper preparation** is placed into these forums and that they are not rushed, which could otherwise lead to further tension between participants and inadvertently contribute to conflict. **Dialogue forums can have adverse results if they exclude key groups and individuals.** Instead, poorly prepared forums can enhance grievances and lay the foundations for further conflict.
  - Agencies may also consider **mainstreaming and integrating dialogue initiatives into other programmes, notably livelihoods programming.** These may involve joint workshops, discussions or regular meeting between relevant groups of people from both communities (DRC, 2017 pp.7-8).

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