Socio-Economic Situation Update

Uganda has a welcoming refugee policy that allows refugees the opportunity to work and access social services. This is ideal for the young refugee population in Uganda to grow economically to meet their basic needs and contribute to the development of the country. Based on review of existing studies and assessments, this thematic paper aims to highlight the performance of refugees against the following measures of socio-economic wellbeing – poverty incidence, employment outcomes, household expenditure and food security, to ascertain the current situation of refugees and host communities as a basis for discussion and revision of the Uganda Refugee Response as well as upcoming consultations for the Global Refugee Forum (GRF).

Plain white: supporting evidence from secondary data review
Light green: top-level findings and national analysis to be completed before sectoral input/review phase
Light yellow: granular/expert findings to be populated by sectors/experts during input

Poverty level/incidence

Poverty remains widespread and chronic across segments of the Ugandan population. Based on the international poverty line of US$1.90 PPP, about 40 percent of Uganda's population were poor in 2019/20.[1] By contrast, 91% of refugee households were categorized as being highly economically vulnerable.[2] The three main determinants of poverty are **education of the household head, employment status and the specific sector one is employed in**. With good and higher level of education, individuals can take advantage of more and better paying employment opportunities, increasing the chance of graduating out of poverty. While being employed is a necessary precondition for individuals to earn the income needed to meet household needs and grow out of poverty, not all jobs/sectors pay well enough to guarantee graduation out of poverty. This is particularly true of sectors such as

[1] World Bank, Uganda Poverty Assessment: Strengthening Resilience to Accelerate Poverty Reduction, June 2022
[2] REACH, WFP and UNHCR, Vulnerability and Essential Needs Assessment,2020. REACH_UGA_VENA-Report_Oct2020.pdf

agriculture which is dominated by low value subsistence farming as well as other sectors employing unskilled labour mainly as informal casual labour.

Based on data collected in the last Uganda National Household Survey (UNHS 2019/2020), the World Bank reports that:

- Households headed by individuals who do not have formal education have the highest poverty rate of 48.3%. This was six times higher than the poverty rate of households where the household head finished secondary education (which is only 3.3% of all heads).
- The more educated the household head, the higher the consumption per capita. This is expected as highly educated household members are more likely to be employed in high paying jobs, which allows the household to meet their consumption needs.
- Relative to the uneducated household heads, completing primary schooling is associated with a poverty rate reduction of 12.6 percentage point and completing secondary education can reduce poverty rates by over 40 percentage points.

Figure 68. Headcount poverty rates depending on head of household education level in 2019/20, %

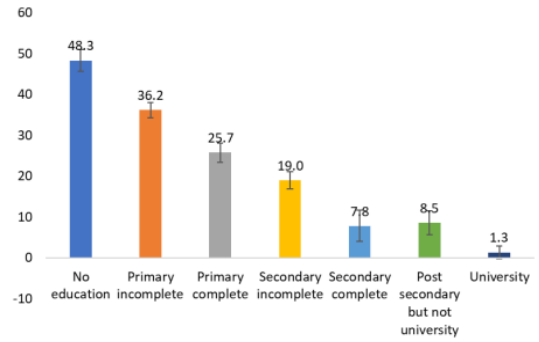
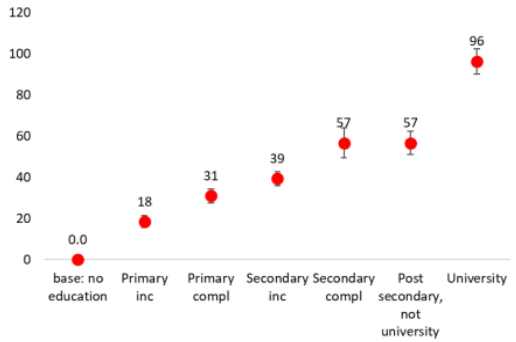


Figure 69. Consumption per capita returns to head of household education after controlling for other factors in 2019/20, %

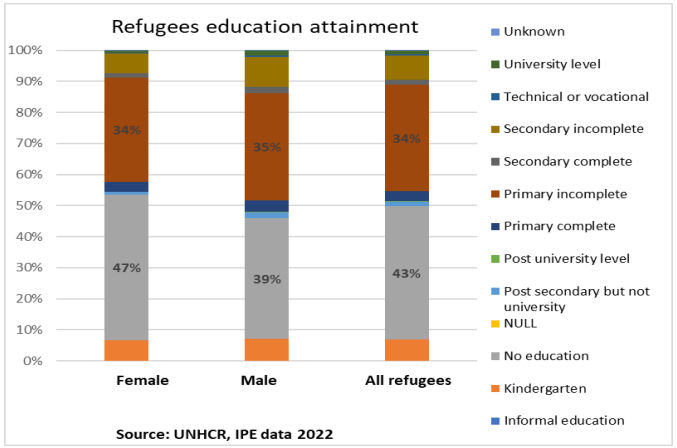


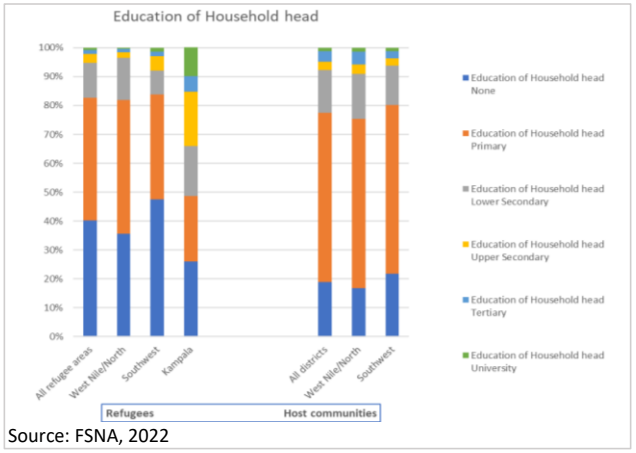
Source: UNHS 2019/20, WB staff calculations.

Data from the refugee verification and IPE conducted in 2022 show that overall 43% of refugees did not attend any school at all. A high proportion of female refugees registered not going to school at all (47%) compared 39% of men. This is followed by refugees who attended, but did not finish primary school (34%).

Data from the Food Security Needs Assessment (FSNA 2022) show comparable figures, that is to say:

- 40% of refugee household heads do not have any formal education compared to 19% of host communities.
- There are regional differences, the Southwest having the highest rate of uneducated households (48% of refugees and 22% for host) followed by West Nile (36% and 18% for hosts) and finally Kampala (26%).With 15% of refugee household heads in Kampala holding tertiary or university level education, they do not only surpass other refugee household heads in West Nile and Southwest, but also their host community household counterparts.





Source: FSNA, 2022

A second determinant of household poverty is the employment status of household members and especially the household head. Compared to the host communities, not only do refugees have low employment rates, but majority of refugees are outside of the labour force (market). As the table below shows:

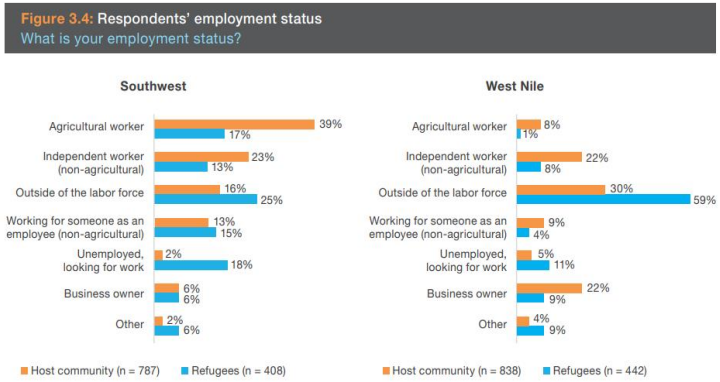
- Majority of refugees (nearly 6 out 10) are idle, neither employed nor looking for a job. Only 42% of refugees participant in the labour force compared nearly 70% of the host communities.

- IFC finds comparable figures in West Nile with 59% of refugees falling outside of the labour force as compared to 30% for the host communities. While the comparison between refugees and host community stands, the level of labour force participation is better in the Southwest with 25% of refugees and 16% of host communities falling outside the labour force.[3]
- Of the refugees that are engaged in the labour market, only 29% are employed compared 64% of the host communities.
- In addition to being less employed, the study finds that refugees are prone to being underemployed and/or underpaid compared host community employees with the same level of skills.[4]

Table 1: Key labour market outcomes of refugees and host communities in Uganda

	Refugees	Host communities
Employment rate	29 percent	64 percent
Labour force participation rate	42 percent	69 percent
Unemployment rate	31 percent	7 percent

Source: Beltramo, T. et al., 2021



Source: IFC 2021

While being employed is a good start, the Uganda Poverty Assessment Report by the World Bank (2023) notes that the sector of employment matters in determining whether a household graduates out of poverty. Specifically, the study points out that

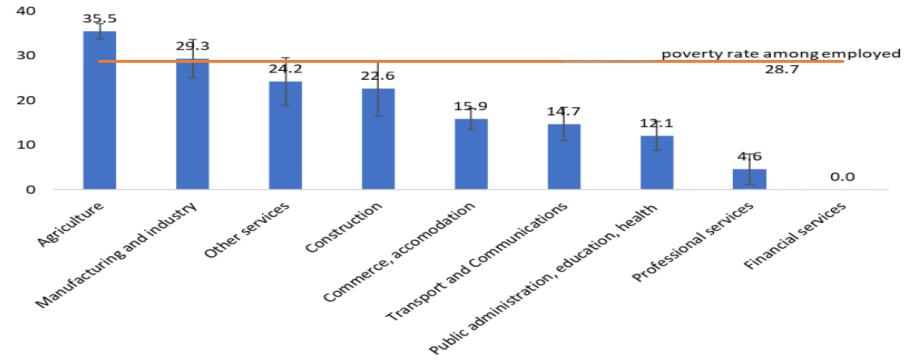
[3] IFC, Consumer and Market Study in Southwest and West Nile Refugee-Hosting Areas in Uganda, 2021

[4] Beltramo, T., J. Fix, and I. Sarr. 2021. Uganda Knowledge Brief: Using Socioeconomic Data to Promote Employment Solutions for Refugees in Uganda. UNHCR The UN Refugee Agency.

agriculture, and subsistence agriculture, presents the least opportunity for households to escape the poverty trap. According to the Uganda Poverty Assessment Report 2023:

- Household heads employed in the agriculture sector have more than average poverty rate of 35.5.
- Agriculture followed by manufacturing and industry (29.3%) are the only two sectors whose employees experienced poverty rates above the all-sector average rate of 28.7%.[5]
- Subsistence agriculture is associated with a higher poverty rate of 43%, which is almost twice the poverty rates (23%) for those in paid employment.[6]

Figure O9. Headcount poverty rates in 2019/20, depending on head of household sector of employment, %

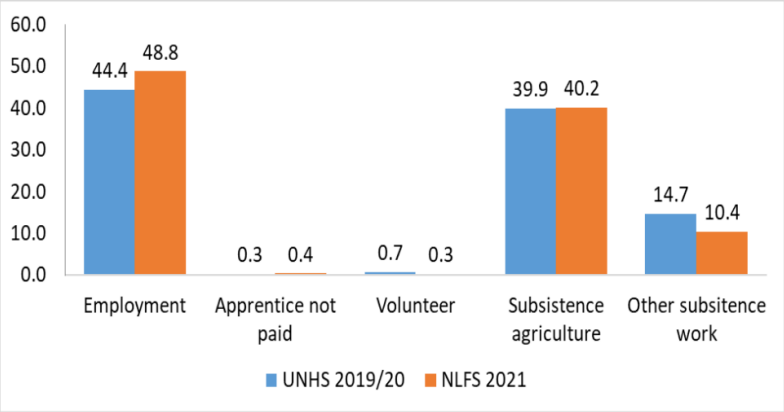


Source: UNHS, WB staff calculations.

The UNHS 2019/2020 estimated that 54.6% of working Ugandans practice subsistence work with the majority (39.9%) focusing on subsistence agriculture while 44.4% had paid employment. These findings are comparable to the findings of the National Labour Force Survey 2021 which estimates the percentage of subsisting work population at 50.6% while the percentage in paid employment grew to 48.4% suggesting a growing proportion of Ugandans transitioning to paid employment as the economy recovers from the impact of COVID-19.

[5] World Bank, Uganda Poverty Assessment: Strengthening Resilience to Accelerate Poverty Reduction, June 2022.
[6] IFC, Consumer and Market Study in Southwest and West Nile Refugee-Hosting Areas in Uganda, 2021.

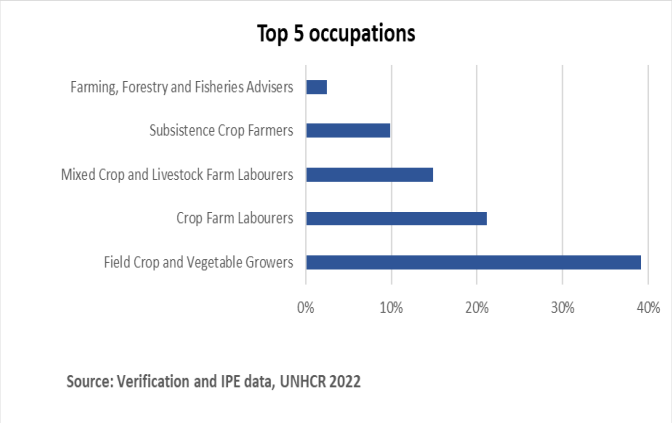
Figure 4.1: Forms of work among the Working Population, %

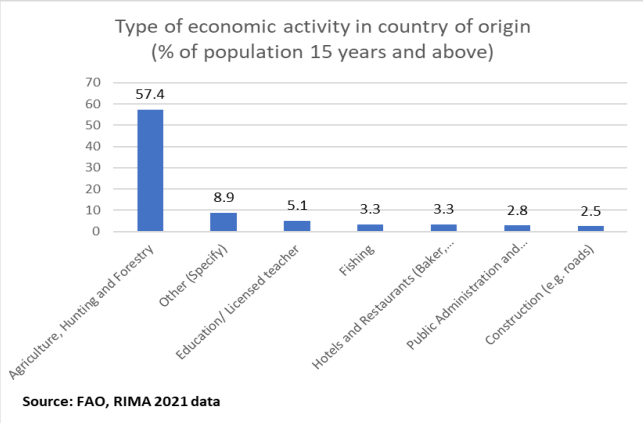


Source: UBOS, 2022

By contrast, nearly 88% of refugees reported agriculture as their main occupation with majority of them as smallholder crop and vegetable growers, subsistence farming and as farm labourers.[7] While in their countries of origin, the Resilience Index Measurement and Analysis (RIMA) 2021 data puts the proportion of refugees at a lower rate of 57.4%, a difference of 31.4 percentages points. This suggest that many more refugees who used to engage in other professions have had to switch to the less paying agriculture and subsistence in particular, mostly likely due to lack of opportunity in their previous line of careers. It is also noted that refugees' ability to engage in commercial farming, which is associated with higher returns, is constrained by the small plot sizes allocated to them.[8] This affects the earning potential of refugees, hence their household consumptions levels and, ultimately, ability to grow out of poverty.

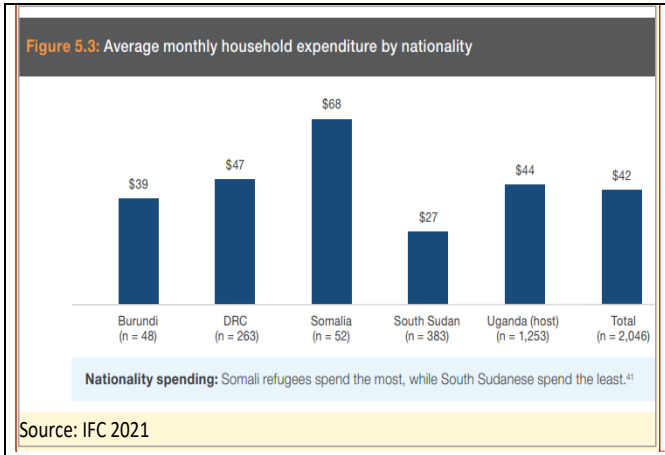
[7] UNHCR, IPE data 2021/2022.
[8] IFC, 2021





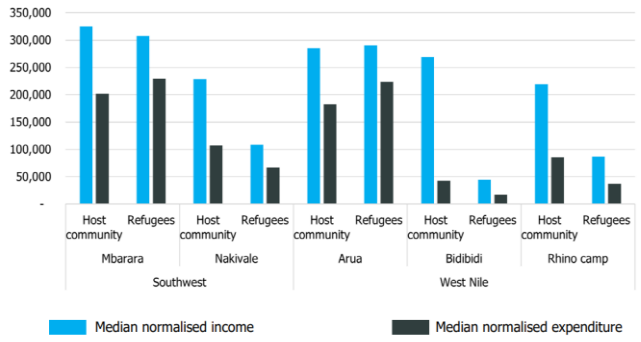
Consumptions levels remain generally low among refugee and host community households around the settlements. With an average monthly household expenditure of $42 across all refugees and host, household consumptions levels vary by nationality as well as gender of the household head. Refugees from South Sudan have the lowest average household expenditure of $27, followed Burudians ($39), DRC ($47) and finally Somalis who have the highest average monthly household expenditure of $68. The average monthly expenditure for the Ugandan host is $44. Overall, 71% of households reported not being able to meet all their basic needs. Basic food needs and the education needs of children in the household were most reported as the needs that households were unable to meet.[9]

[9] U-LEARN, The Realities of Self-reliance within the Ugandan Refugee Context: An assessment of livelihood barriers and enablers for refugees and host communities in urban and settlement locations, April 2023



Source: IFC 2021

Figure 7: Median normalised income and expenditure (UGX) in the 30 days preceding data collection, per location and population group



U-LEARN, 2023

Commented [ri1]: Just my curiosity about what Somalis spend on comparatively

Commented [CA2R1]: Good question, unfortunately I don't have the answer at this point

Top-level analysis

- Overall, about 20% of the population was persistently poor over the 2015/16 to 2019/20 period and about half of the population was never poor.
- The largest shares of persistent poor were observed among heads of households without formal education and who were either unemployed or out of the labour force in 2015/16 (Figure O3).[10]
- In 2019/20, the poverty rate in rural areas was 33.8% – much higher than the urban rate of 19.8% (Figure O4).[11]
- The main drivers of poverty are education, employment status and the sector of employment.
- On average, those who managed to move out of agriculture into other sectors – as well as those who migrated from rural to urban areas – benefited from gains in individual consumption between 2015/16 and 2019/20.[12]

[10] World Bank, 2022
[11] World Bank, 2022
[12] World Bank, 2022

- Investing in human capital development is a critical pathway for poverty reduction.[13]
- Structural change is integral to economic growth and poverty reduction in Uganda, involving the reallocation of labour from less productive (especially subsistence agriculture) to more productive sectors. In particular, accelerating wage job creation is key for faster economic transformation and poverty reduction.[14]
- Increasing the resiliency of the agricultural sector is critical to addressing the high levels of vulnerability for rural Ugandans[15] as well as refugees who are mainly engaged in agriculture as the main economic activity.

Based on your experience/expertise and the provided data:

a) What is the current situation?

b) What are the existing barriers to access?

c) What are specific situation/risks for persons who are especially vulnerable?

d) What is the current support available?

Employment and ability to earn income

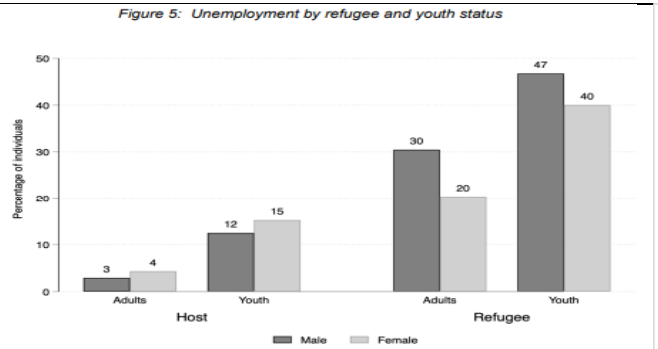
[13] World Bank, 2022
[14] World Bank, 2022
[15] World Bank, 2022

As mentioned earlier, refugees generally have lower labour market outcomes compared to host communities with lower labour force participation rates, lower employment rates and higher unemployment rates.[16] Besides, there are some salient differences associated with gender and age both within and across the two populations. Regardless of the population type, the youth face higher levels of unemployment than their adult counterpart. For instance, while the unemployment rate is below 10% for the adult host community members i.e. men (3%) and women (4%), the corresponding figures for the host community youth is in double digits (12% for men and 15% for women). This same trend applies to the refugee population where the rate of unemployment among the male youth is 17 percentages points higher than that of adult men and the gap for youth and adult women refugees is even bigger at 20 percentage points. This is probably driven by the fact that most of the population (both refugees and host communities) live in rural areas where agriculture, which is the main economic activity, is of little interest to the youth.

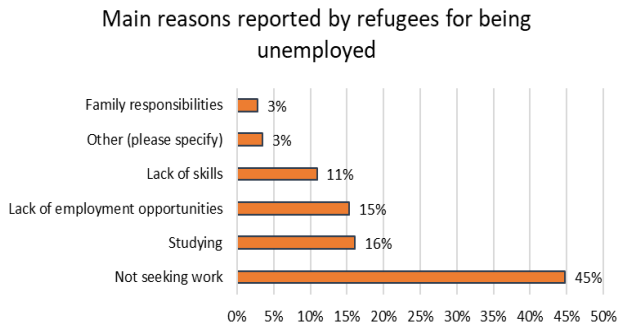
While the unemployment rates for women(15% for youth and 4% for adults) are higher than the corresponding figures for men (3% for adults and 12% for youth) within the host population, the opposite applies to the refugee population with men facing higher unemployment rates (30% for adults and 47% for youth) compared to the rates for women (20% for adults and 40% for the youth).

According to the IPE data (UNHCR 2022), the three main reasons refugees cite for not working are "not seeking work" (45 percent), lack of job opportunities (15%) and lack of skills (11%), which cumulatively adds up to 71% of the unemployed refugees.

[16] Beltramo, T., J. Fix, and I. Sarr. 2021. Uganda Knowledge Brief: Using Socioeconomic Data to Promote Employment Solutions for Refugees in Uganda. UNHCR The UN Refugee Agency.



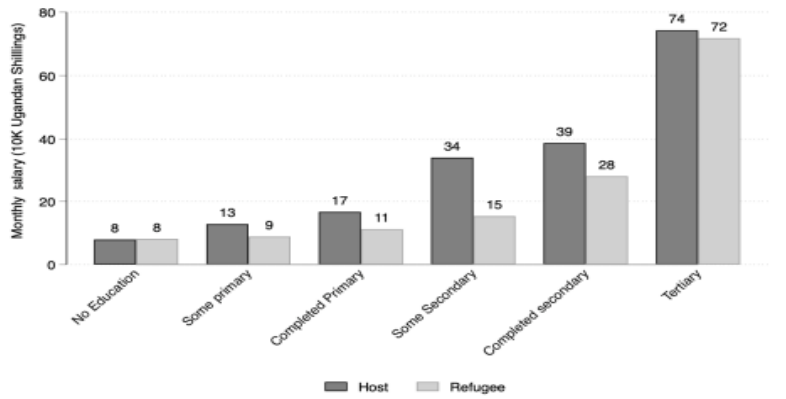
Source: Beltramo, T. et al. 2021



Beltramo, T. et al. also finds that, when employed, refugees in Uganda are generally underpaid compared to their Ugandan counterparts with the same level of education. While this cuts across all education levels (except those with no education) as shown in the table below, this wage gap is particularly wide among employees with some secondary education where refugees receive a monthly wage that is less than half of what their Ugandan counterparts receive. On average, refugees earn 32% less than host communities with similar skills levels.[17]

[17] Beltramo, T. et al., 2021

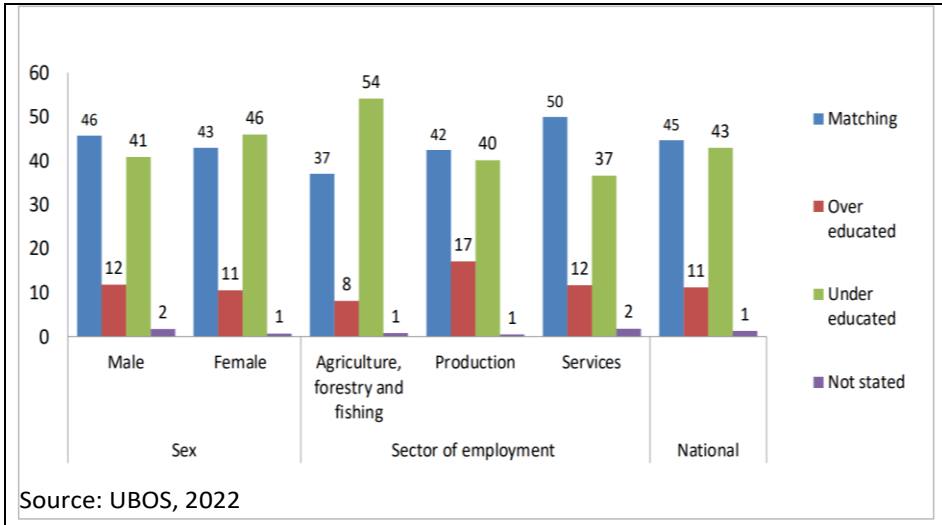
Figure 4: Pay gaps between refugees and hosts (Monthly salary in Ugandan Shilling)



Source: Beltramo, T. et al. 2021

Part of the wage gaps between refugees and hosts can be explained by a skills mismatch in which many refugees accept employment that is below their skills level, education and pre-displacement occupation. Beltramo et al. notes that 36% of employed refugees hold jobs that require skills lower than what they possess.[18] Among the Ugandan nationals, the National Labour Force Survey 2021 show varying levels of skills matches across the various sectors of employment. Overall, the study shows that 45% of workers have the right level of education for their jobs. Almost an equal proportion (43%) are found to be undereducated for the needs of their positions while 11% are found to be overeducated. Compared to other sectors, the agriculture, forestry and fishing sectors have the least level of matching skills match with only 37% of workers having matching skills while the majority of 54% are undereducated.

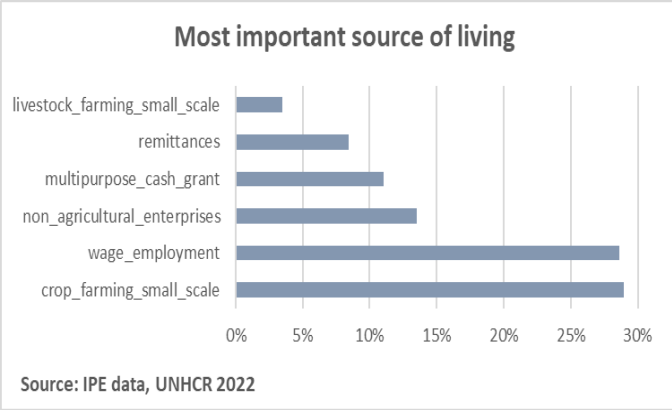
[18] Beltramo, T. et al. 2021

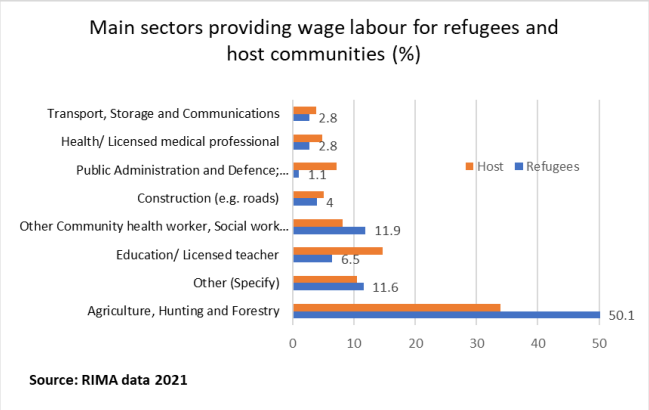


Source: UBOS, 2022

On a related note, refugees rely on agriculture, which is associated with low skills and low wages for livelihoods and employment. The IPE data show that refugees rely on agriculture in the form of crop small-scale crop farming as well as wage labourers. Although 28% of refugees reported wage employment as the second main source of living, the RIMA 2021, half of the refugees working are employed in the agricultural sector, which typically is less paying. This is followed by community health and social workers (12%) and education (6.5%). The corresponding percentage of host communities earning a wage in agriculture is significantly less standing at 34% followed by education/licenced teachers (15%) and community/social worker (8%).

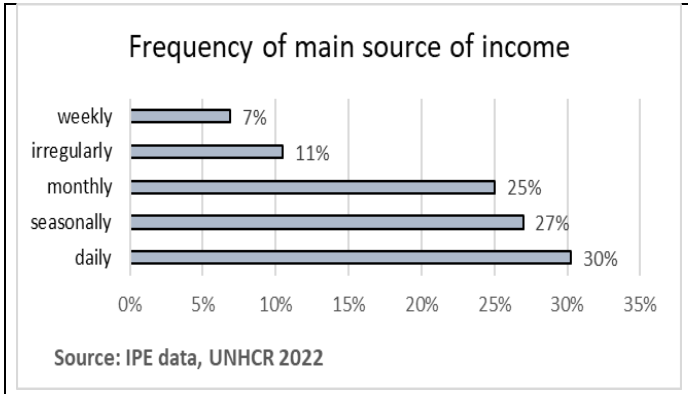
By contrast, Food Security and Nutritional Assessment shows that the main source of income for refugees in the West Nile region was casual labour (28.4%) as opposed to cash assistance in the Southwest (66 6%).[19] On the other hand, crop production/sales (62.1%) was the main source of income for the host communities.[20] Accordingly, some of the wage gap difference between refugees and host communities can be attributed to the reliance of refugees on agriculture for subsistence and where it is paid employment. As the graph below shows, majority of the refugees receive their income daily or seasonaly, which is indicative of informal causaul labour or own agricultural production.





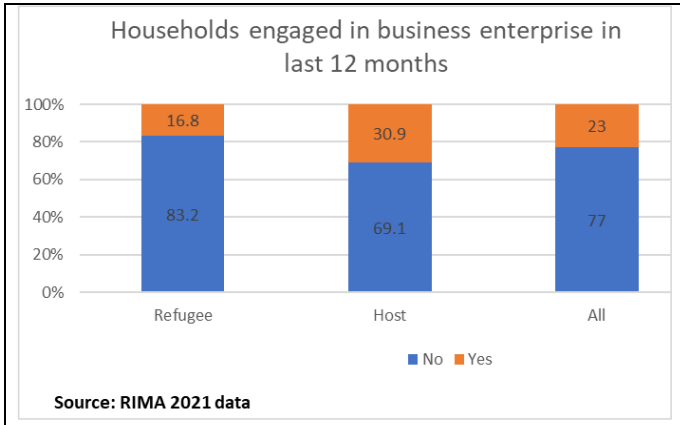
[19] WFP, UNHCR, UNICEF and UBOS, Food Security and Nutrition Assessment in Refugee Settlements, Refugee Host Districts, and Kampala, September 2022. This could explain the recent concerns and reactions in the SW with the planned reduction in General Food Assistance including reports of refugees migrating to Kenya or last year being stuck at the boarder.

[20] WFP, UNHCR, UNICEF and UBOS, Food Security and Nutrition Assessment in Refugee Settlements, Refugee Host Districts, and Kampala, September 2022

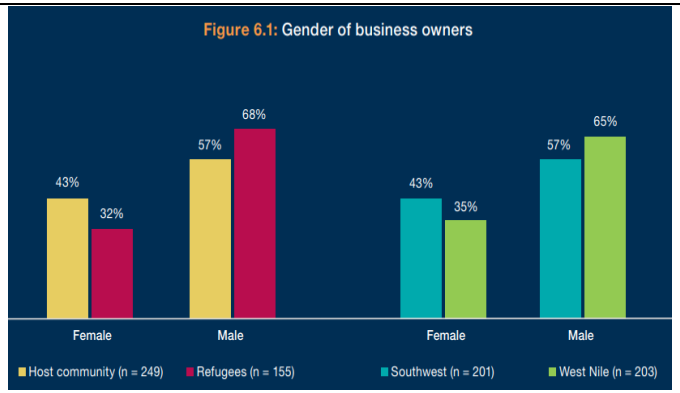


According to the RIMA data also show that 16.8% of refugee households (31% of host) reported having business enterprises in the 12 months preceding data collection. While profiling some of these businesses, IFC (2021) notes that majority of the owners are males with about 7 out 10 businesses owned by refugees belong to males while 6 in 10 businesses owned by the host community belong to males. This finding cuts across both the Southwest and West Nile regions.[21] Majority of the businesses are micro focusing on retail trade and services with majority of the businesses employing zero or one other person. Failure to obtain a salary/wage employment (42%), followed by the need to gain greater independence (28%) are the main reasons for seeking self-employment.[22]

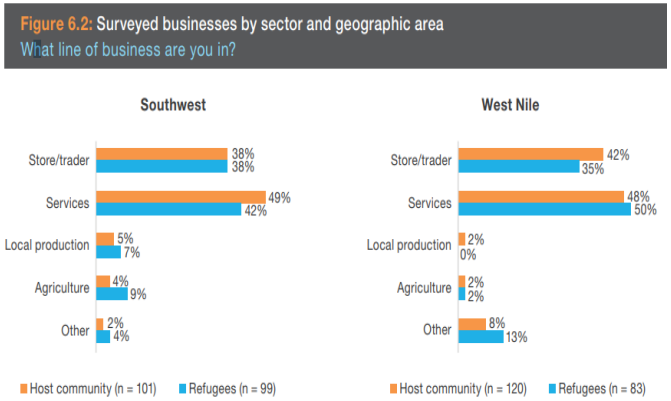
[21] IFC 2021.
[22] UBOS, National Labour Force Survey 2021: Main Report, 2022.



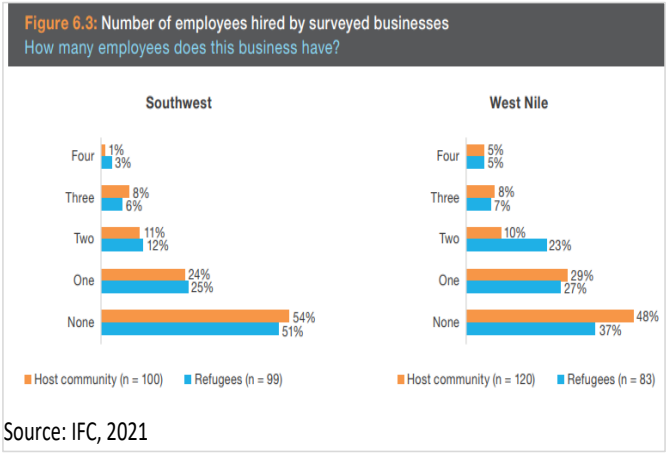
Source: RIMA 2021 data



Source: IFC 2021

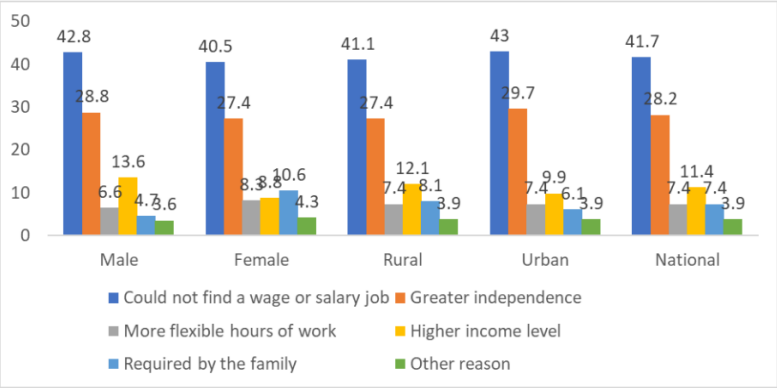


Source: IFC 2021



Source: IFC, 2021

Figure 5.12: Reasons for self-employment, %



Source: UBOS, 2022

Top-level analysis

- Compared to the host community members, refugees have poor employment outcomes characterized by low labour force participation rates (42%), low employment rates (29%) and high unemployment (31%) compared to the host with 69% labour force participation rate, 64% employment rate and 7% unemployment rate.[23]
- When employed, refugees are prone to less than their host counterpart. Research show that refugees receive on average 32% less that hosts controlling for education levels, skills and experience.
- Refugees are more likely than hosts to hold jobs that require skills lower than what they possess.
- Agriculture remains the dominant sector of employment for both refugees and host. However, a higher proportion of refugees (50.1%) than host (34%) rely on agriculture for paid employment.
- There is generally high level of skills mismatch in the labour market. The highest level of skills mismatch is in the agricultural sector where 54% are undereducated and 8% are overeducated.

[23] Beltramo, T. et al, 2021.

- More hosts households (30.9%) than refugees (16.8%) reported having businesses,[24] is mainly driven by lack of access to wage employment and the need for greater independence.[25]

Based on your experience/expertise and the provided data:

b) What is the current situation?

b) What are the existing barriers to access?

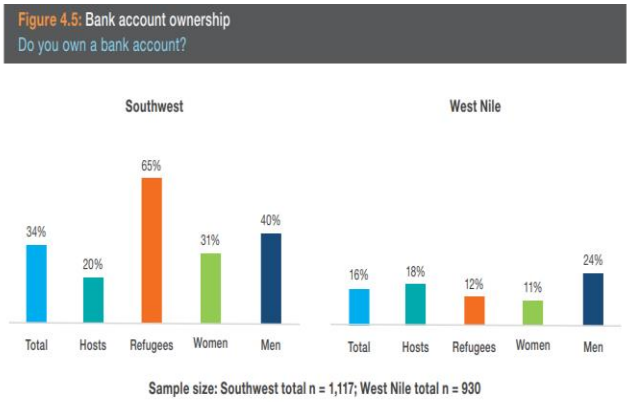
c) What are specific situation/risks for persons who are especially vulnerable?

d) What is the current support available?

Access to financial services

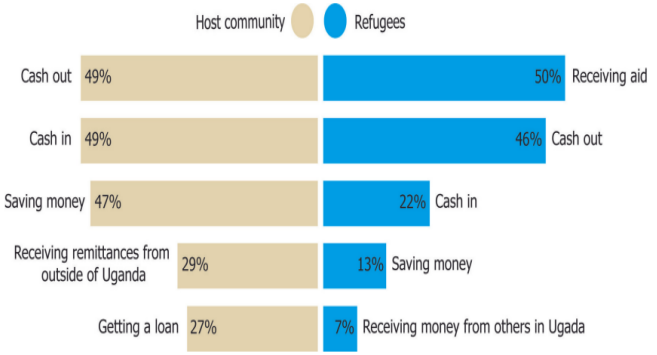
Access to financial services remain minimal for both refugees and the host community members. As the table below from a study by the IFC[26] shows, bank account ownership stands at 12% and 18% for refugees and host respectively. While the figure for host community is at 20%, which is comparable to the situation in West Nile, bank account ownership for refugees in the Southwest is the highest at 65%. This is because refugees in the Southwest have been receiving cash assistance, which necessitated the opening of bank account, which is mainly driven by the humanitarian organizations.

[24] RIMA 2021 data
[25] UBOS, 2022
[26] IFC, 2021



Source: IFC 2021

Figure 14. Top five uses for bank accounts by community type



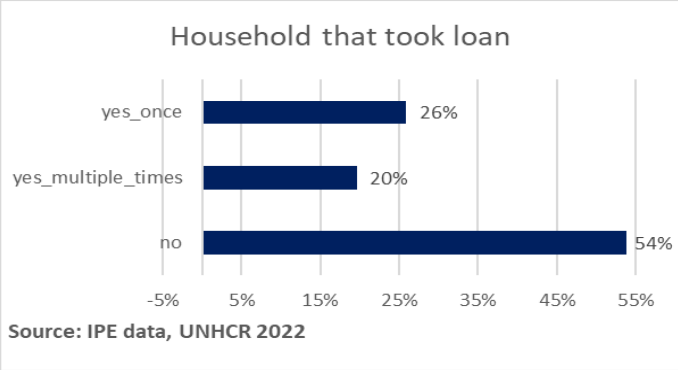
Source: U-LEARN, 2022

It is interesting to note that among those who do not have bank accounts, only 40% of refugee and 47% of host community members think it would add value to their financial transactions.[27] This confirms the influence of the humanitarian partners in drive account opening, specifically among the refugee population. As the next table below shows 50% of refugees report "Receiving aid" as their main use of bank accounts. This is followed by using the account for cash out, and only 13% reported using bank accounts for saving money. Similarly, a significant majority of host communities use their accounts for cash in/cash out (both at 49%). However, only host communities (27%) also use their bank accounts to facilitate access to loans.[28]

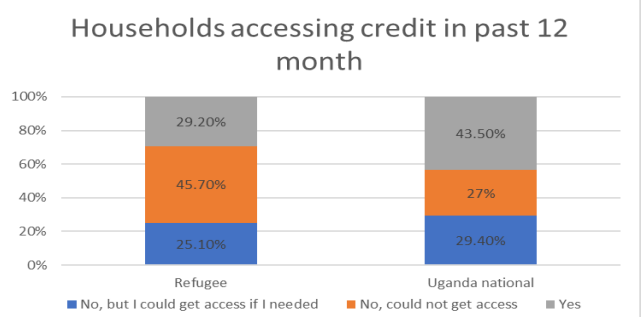
In terms of credit, generally refugee households have less access to borrowing than their host counterparts. about 54% of refugee households reported not borrow at all in the last year. Of the 46% whose members borrowed, only 20% borrowed multiple times.[29] A comparative analysis based on the RIMA data pushed down the level of refugee household borrowing to 29% while an additional 25% claim they had access, only that there was no need to borrow. Accordingly, 46% refugees reported not having access to credit

[27] FSNA, 2022
[28] U-LEARN, Financial Services in the Uganda Refugee Response: An Assessment of User Perspectives, 2022.
[29] IPE data, 2022

all. In contrast about 44% of the host reported borrowing in the past year with an additional 29% confirming access they needed while only 27% did not have access to credit at all.[30]. Finally, the FSNA report that about 3 in 10 refugee households utilised financial services with Lobule (57.4%) having the highest proportion of households that made use of financial services. Among the host communities, up to 37.3% of households utilised financial services and Kamwenge (57.2%) had the highest proportion of households that made use of financial services.[31]



Source: IPE data, UNHCR 2022



Source: RIMA 2021 data

The main source of credit for both refugee and host communities are SACCOs/VSLAs and friends. According to the FSNA, up to 58.8% of refugee households in West Nile and 39.6% in Southwest borrowed from SACCOs/VSLAs. Among the host communities, 70.6% of households in West Nile and 58.6% in southwest borrowed from SACCOs/VSLAs. Despite the high level of account ownership among refugees in the Southwest, refugees struggle to borrow from banks because they do not have collateral security for bank loans.[32]

Compared to the FSNA findings, analysis of the IPE 2022 data shows a much lower borrowing by refugees from SACCOs and other registered saving groups among refugees, which stands at 33%. Instead, majority of the refugee households (48%) relied on informal community groups such as VSLAs, friends and relatives for their borrowing needs. Similarly, analysis of the RIMA data

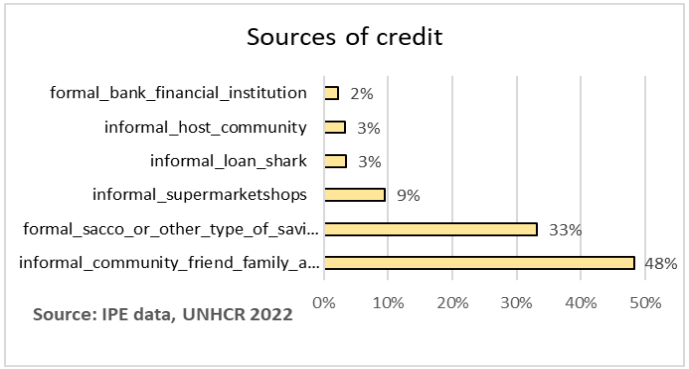
[30] RIMA 2021 data.
[31] FSNA 2022. However, the data does not specify the financial services being utilized.
[32] FSNA 2022.

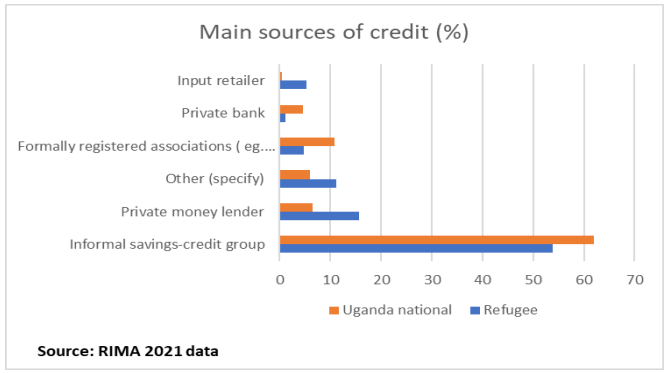
Commented [mf3]: In the paragraph above VSLAs are grouped with SACCOs but here they are referred to as informal???

Commented [CA4R3]: True, the difference arises from the design of the questionnaires; while the FSNA put SACCOs together with VSLAs, the IPE separated the two. Thus, we have to keep them as such.

puts the level of borrowing from informal savings/credit groups at 54% for refugees and even a higher proportion of 62% for host community households.

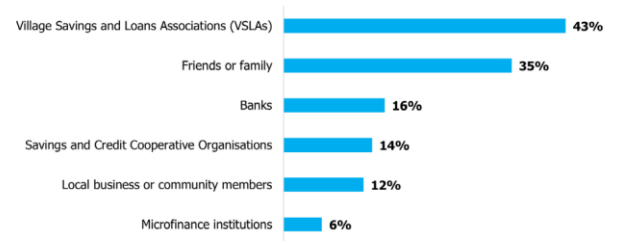
Recent assessment by U-LEARN (2023) finds similar results with VSLAs (43%) leading as the main source of credit for households followed by friends or family at 35%.[33] IFC (2022) finds striking similarities in debt sources among refugee and host members in the West Nile and the Southwest. For instance, in both regions 37% of hosts borrowed from VSLAs with the corresponding figure for refugee households at 35%. This is followed by borrowing from family and friends with the proportion of host in Southwest standing at 34% compared to 32% of their fellow hosts in West Nile. Quite similarly, the proportion of refugees that reported borrowing from friends and family stood at 32% in the Southwest and 34% in West Nile.





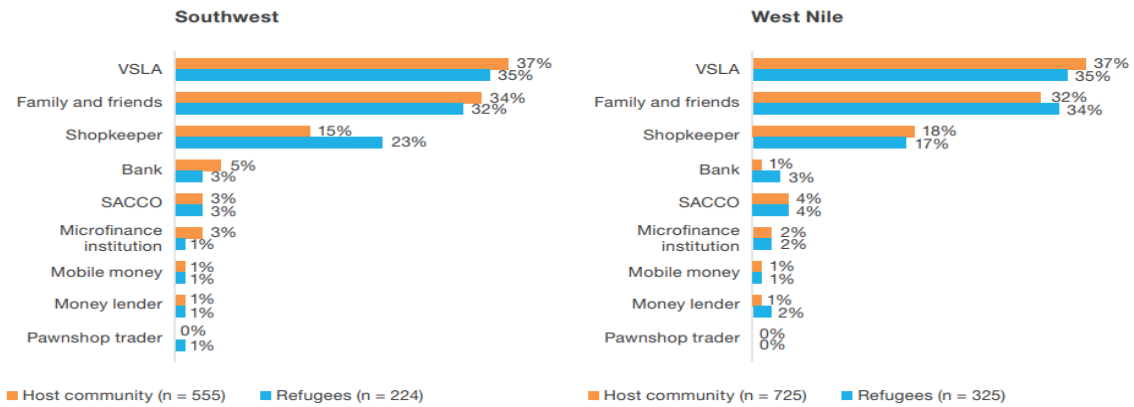
[33] U-LEARN, The Realities of Self-reliance within the Ugandan Refugee Context: An assessment of livelihood barriers and enablers for refugees and host communities in urban and settlement locations, April 2023.

Figure 12: Among households that reported having access to credit (69%), sources of credit to which households reported having access



Source: U-LEARN, 2023

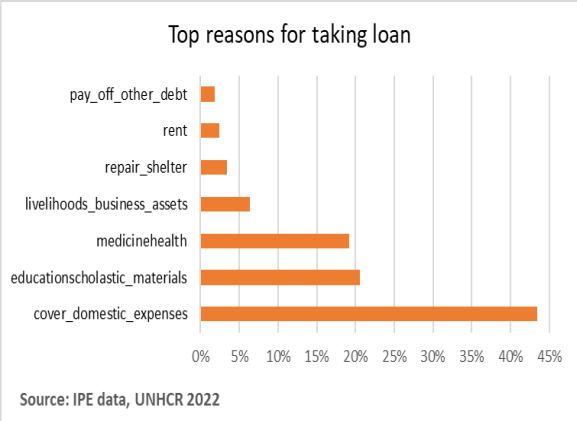
Figure 4.6: Sources of loans in the past 12 months
Which of the following sources have you borrowed from in the last 12 months?



Source: IFC 2021

At the settlement level, Nakivale (76.5%) had the highest proportion of refugee households that reported having debt while Madi Okollo (71%) had the highest proportion of host community households with debt. Debt owed by most refugee households was less than UGX 50,000 (West Nile refugees 32.5%; Southwest refugees 33.1%). Most West Nile host communities (26.1%) owed UGX 100,000 – 199,000, while most of their counterparts in Southwest (25.1%) owed UGX 200,000 – 499,000.

The IFC findings also show that both refugees and hosts borrow to meet basic household consumption needs with food topping the list of needs for borrowing (60% for refugees in West Nile and 33% for those in Southwest[34]). Analysing the IPE data yields similar findings with the average proportion of refugee households borrowing to cover domestic expenses standing at 43% followed by educational needs (21%) and medical needs (19%).

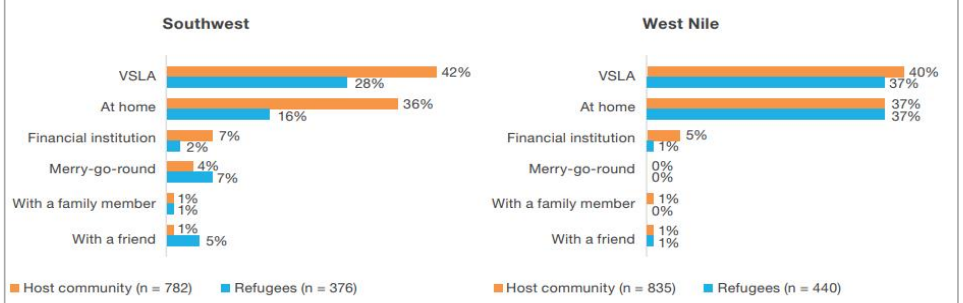


Last but not least, both refugee and the host community members save. The main two saving mechanisms are VSLAs and their homes, which together account for more 75% of host communities in both Southwest and West Nile. Refugees in West Nile follow very closely with 74% of households also saving with VSLAs or at home. While the two saving mechanisms are also the most

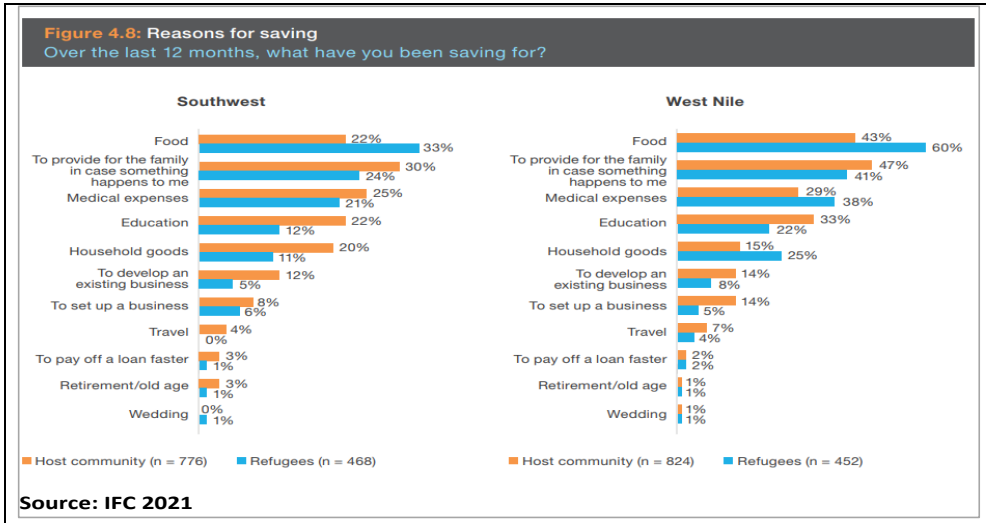
[34] IFC, 2021

common, the proportion of refugees in Southwest using them is slightly less with a combined total of 44%. Like the case with borrowing, the main reason for saving for refugees is meeting food needs in the event of future shock.

Figure 4.7: Saving mechanisms used
Over the past 12 months, which of the following have you used to store or save money for more than one day?



Source: IFC 2021



Source: IFC 2021

With the increasing role of mobile money, access to financial services for both refugees and host can be boosted with adoption of mobile money. While assessing the provision of financial services in the refugee response, U-LEARN found that phone ownership is quite high among both refugee and the host communities, although as expected the host has slightly higher proportions. In addition, there are gender difference with the proportions of individuals with phones a little higher for men than women. Specifically, 75% of refugee males own a phone as compared to 83% of the host males. By contrast the figures slightly lower for women with the proportion of phone ownership standing at 59% and 68% for refugee women and host women respectively.[35] However, among the refugee population, Financial Services Deepening Uganda finds that refugee women (41%) are more likely to own a smart phone than refugee men (32%).[36]

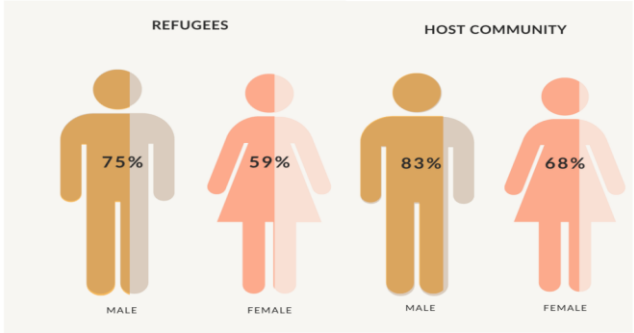
[35] U-LEARN 2022

[36] FSD, Rebuilding livelihoods in displacement Endline Report, March 2022

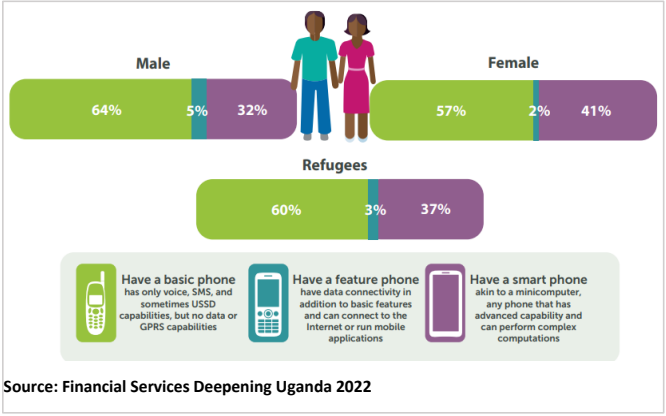
The year before, IFC (2021) found slightly lower levels of phone ownership with the hosts in Southwest having the highest proportion of 70%, closely followed by refugees in West Nile (69%), then refugees in Southwest (59%) and finally hosts in West Nile (52%). As expected sim card ownership is slightly higher than phone ownership across all the region by 2-6 percentage points. Similar to phones, the same trend applies to simcard ownership with hosts in Southwest having the highest proportion of (73%), followed by refugees in West Nile (72%), then refugees in Southwest (61%) and finally hosts in West Nile (58%).[37]

Compared to the findings of UNHS in 2020, which found much lower phone ownership rates, the more recent findings of the IFC study and later U-LEARN indicate the growing trend of phone ownership in Uganda including the refugee settlements and their immediate host communities.

Figure 9. Proportions of female and male respondents in each community who report owning mobile money accounts

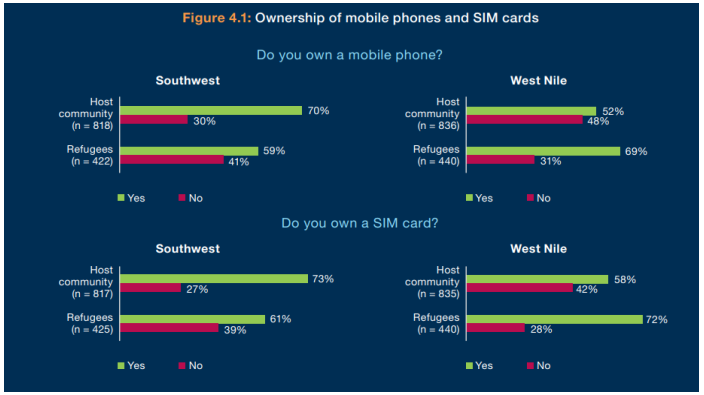


Source: U-LEARN, 2022

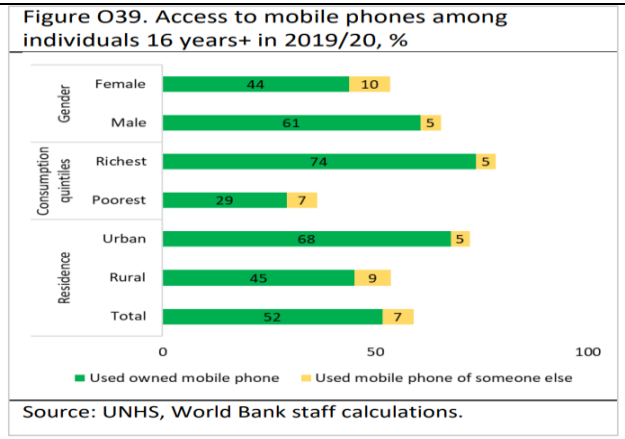


Source: Financial Services Deepening Uganda 2022

[37] IFC, 2021

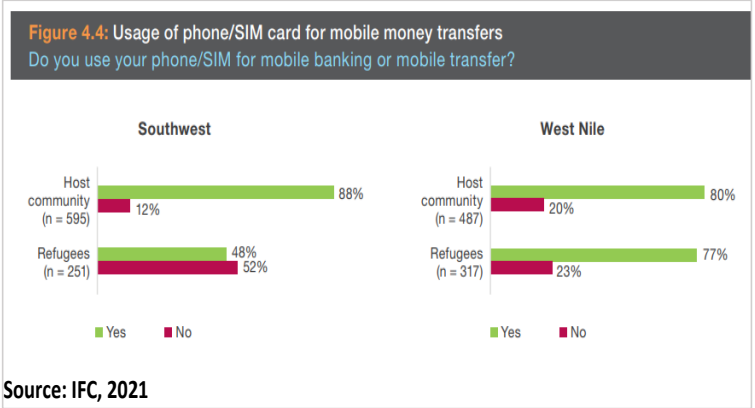


Source: IFC 2021



Source: UNHS, World Bank staff calculations.

Taking advantage of the increasing phone penetration in and around the refugee settlements, both refugee and host communities are already using mobile money. According to the market study conducted by IFC, there is generally high level of mobile money usage among hosts in both the Southwest (88%) and West Nile (80%). Among the refugee population, it is in the West Nile that mobile money usage has reached 77% while in the Southwest only 48% of refugees reported using mobile money.



Source: IFC, 2021

General situation and top-level analysis

- Bank account opening among refugees remain fairly low among both refugees and host communities 34% in the Southwest and 16% in the West Nile.
- Majority of the refugees holding bank accounts use them for receiving aid (50%), cash out (46%) and cash in (22%) transactions. Main uses reported amongst the host community, in which respondents most often report to be cashing out and cashing in (49% each) or saving money (47%).[38]
- Mobile money is the most popular choice to receive financial assistance as well as for commercial use. However, the use of mobile money is challenged by the limited presence of mobile money agents capable of performing complex tasks as well as low levels of digital and basic literacy.[39]
- A higher proportion of refugees (46%) than host (27%) report not being able to borrow in the past year. However, of those who were able to borrow, majority relied on informal sources – VSLAs, friends and family members i.e. 54% for refugees and 62% for hosts.[40] Mechanisms like VSLAs are helpful for organising communities and supporting households in their

[38] U-LEARN, 2022
[39] U-LEARN, FINANCIAL SERVICES IN THE UGANDA REFUGEE RESPONSE: AN ASSESSMENT O F USER PERSPECTIVES, 2022
[40] RIMA 2021 data

efforts to meet their basic needs, but they may not allow for loans that are large enough to facilitate investments in livelihood activities.[41]

- Over 75% of refugees and host also save their money with VSLAs or in their homes.[42] This could be driven by limited presences of formal financial institution or high financial/transaction costs associated with using the formal sources.

Based on your experience/expertise and the provided data:

c) What is the current situation?

b) What are the existing barriers to access?

c) What are specific situation/risks for persons who are especially vulnerable?

d) What is the current support available?

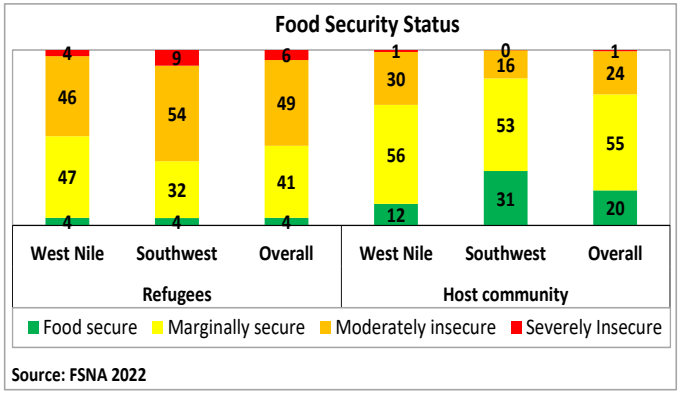
Food Security

Food security exists when a person, household or community, region or nation is food secure when all members at all times have physical and economic access to buy, produce, obtain or consume sufficient, safe and nutritious food to meet their dietary needs and food preferences for a healthy and active life. Food security is based on three pillars: food availability, food accessibility and food utilisation. This section presents the findings of the food security analyses.[43]

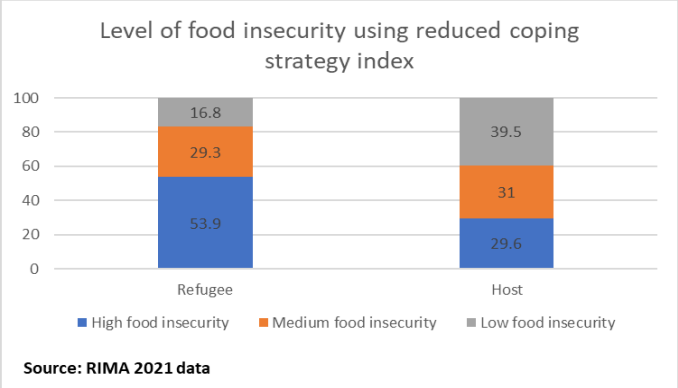
[41] U-LEARN 2023
[42] IFC 2021
[43] FSNA 2022

The level of food security is generally low among refugees with a growing proportion of refugee households that are food insecure households from December 2020 to 2022.[44] According to the FSNA 2022, majority of refugees (55%) are either marginally or severely food insecure. By contrast, 75% of host are either food secure or marginally secure. The level of food security also varies by region with West Nile registering slightly better outcomes for refugees while the Southwest is better for the host communities. Among the refugees, 54% of households in West Nile are either food secure or marginally food secure compared to 36% of refugees in the Southwest. For the host communities, 68% of households are either food secure or marginal secure in West Nile compared to 84% of host households in the Southwest.[45]

An analysis of the RIMA 2021 data using the reduced coping strategy index suggests that 54% of refugees are highly food insecure, 29% are medium food insecure and 17% are low food insecure. The corresponding proportions for the host households are 30% highly food insecure, 30% medium insecure and about 40% facing low food insecurity.

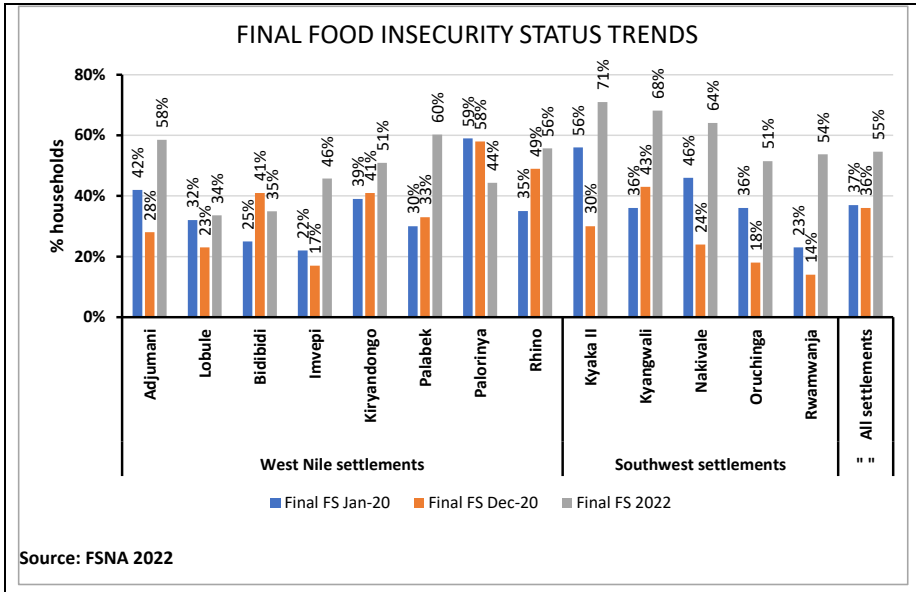


Source: FSNA 2022



Source: RIMA 2021 data

[44] FSNA 2022
[45] FSNA 2022



Source: FSNA 2022

An analysis of food consumption scores done by U-LEARN show that only 46% of refugees in settlements have acceptable food consumption scores compared to their immediate host (78%). Interestingly 92% of urban refugees have acceptable FCS with the remaining 8% having borderline FCS. There is hardly any difference between urban refugees and urban host who enjoy similar FCS. Using the Livelihood Coping Strategy Index, U-LEARN found 56% of rural refugees are in emergency, followed by the next 30% in crisis. For the rural hosts, the corresponding proportions in emergency and crisis are both lower at 49% and 25% respectively.

Figure 5:Percentage of households per Food Consumption Score (FCS)[19], per location type and population group

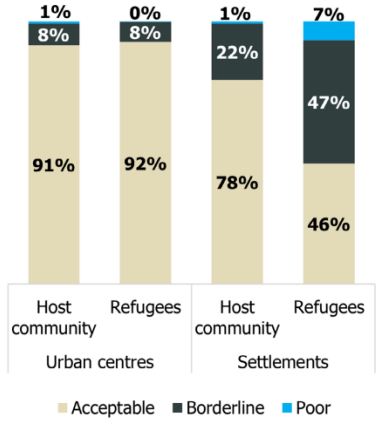
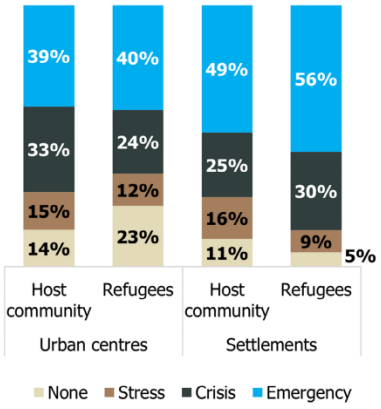


Figure 6: Percentage of households per Livelihood Coping Strategies Index (LCSI)[20] category, per location type and population group



Source: U-LEARN, 2023

The reduction of food rations has significant negative effects on most households in West Nile (65.3%) and Southwest (66.7%). As a result, most households (79.5% in West Nile; 69.2% in Southwest) have resorted to reducing the number of meals consumed in a day or meal quantities/portions,[46] which may lead to health complications.

General situation and top-level analysis

- Food security is generally low among refugees and host households although differences do exist among the two groups with refugee households (55%) falling in the severe or moderately insecure while 75% of host households are in the food secure or moderately secure.[47]

[46] FSNA 2022
[47] FSNA 2022

- Using the reduced coping strategy index, analysis of the RIMA 2021 data suggests 54% of refugee households are highly food insecure compared to 30% of households.
- The ration cuts by WFP have had negative effects on most households in West Nile (65.3%) and Southwest (66.7%). As a result, most households (79.5% in West Nile; 69.2% in Southwest).[48] The situation is likely to worsen as the prioritization of food support is being introduced, which may result to further food cuts for many of the refugee households.
- Supporting refugees and host to engage in agricultural production including food production will help address the food insecurity situation, but households need to be helped to deal with getting more land and addressing some of the risks associated with agriculture.
- Identify and promote alternative livelihood sources other than crop production for refugees who were pastoralists in their countries of origin and are not able to cope with crop production. Such livelihood sources could also be rolled out to refugees living in settlements where the land is not productive in terms of agriculture.[49]

Based on your experience/expertise and the provided data:

d) What is the current situation?

b) What are the existing barriers to access?

c) What are specific situation/risks for persons who are especially vulnerable?

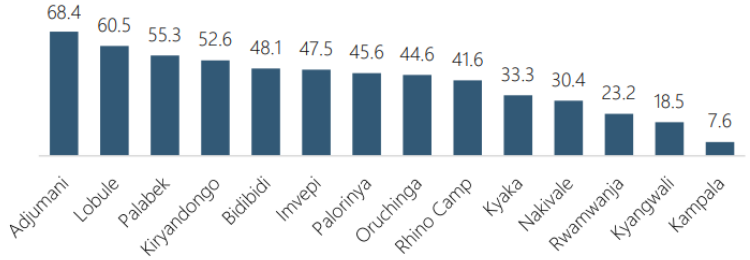
d) What is the current support available?

[48] FSNA 2022
[49] FSNA 2022

Assess to Livelihoods

Across all refugee hosting areas, 41.2% of surveyed refugee households reported receiving livelihoods support in the six months prior to data collection. In the Southwest, 29.7% of respondents reported having received livelihoods support, 52.2% in West Nile and 7.6% in Kampala, which may indicate a stronger presence of livelihoods actors and corresponding support in the West Nile region.[50] However, 54.2% of respondents considered that aid agencies do not provide assistance that is appropriate and relevant to their needs.[51]

Figure 21 - % of respondents who reported having received livelihoods support in the 6 months prior to data collection per location

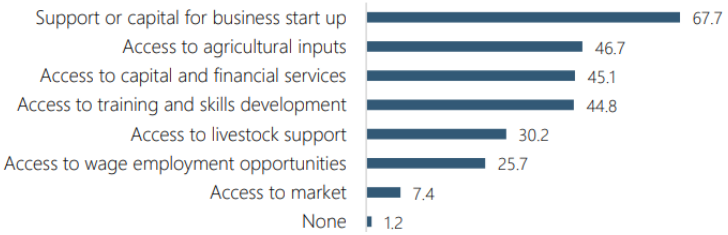


Source: UNHCR and IMPACT 2023

Among other types of support given to refugees, the three most cited type of support received are access to training and skills development (50.5% of respondents who received livelihoods assistance in the six months prior to data collection), access to agricultural inputs (48.6%) and access to capital and financial services (45.1%).[52] However, the graph below shows that refugees' number one need is support or capital for business start-up, which cuts across the age categories. While respondents aged 60 years and above reported more needs related to agriculture (access to agriculture inputs, livestock support), the youth (18-24 years old) reported more needs on access to training and skills development (58.8%).

[50] UNHCR and IMPACT, Participatory Assessment Report 2022, 2023.
[51] UNHCR and IMPACT, 2023.
[52] UNHCR and IMPACT, 2023.

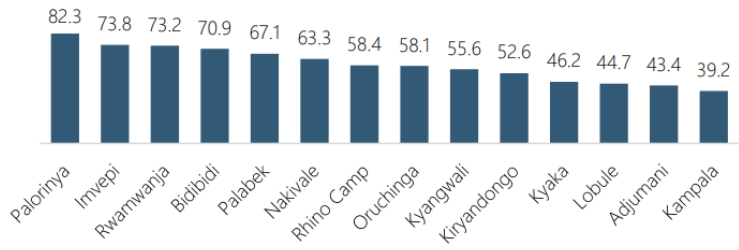
Figure 22 - % of respondent per top three household livelihoods needs reported



Source: UNHCR and IMPACT 2023

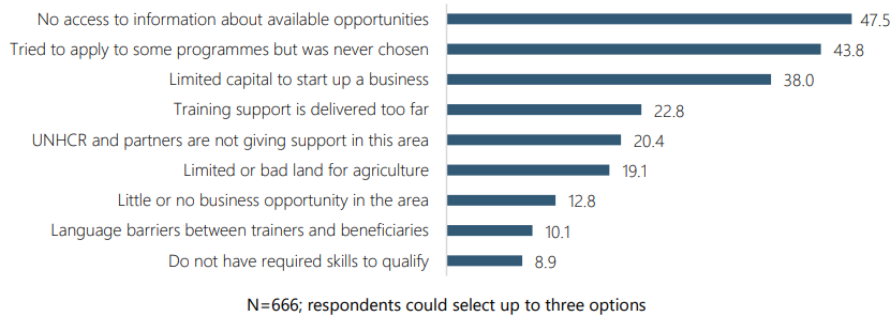
Significant proportions of refugees expressed facing difficulties in accessing livelihoods support across all the settlements. The three main hardships refugees face in accessing assistance include lack of information about available job opportunities (47.5%), failure to be chosen to participate programmes of interest (43.8%) and limited capital to start up a business (38%).

Figure 23 - % of respondents who reported they or members of their household face difficulties in accessing livelihoods support in the 6 months prior to data collection



Source: UNHCR and IMPACT 2023

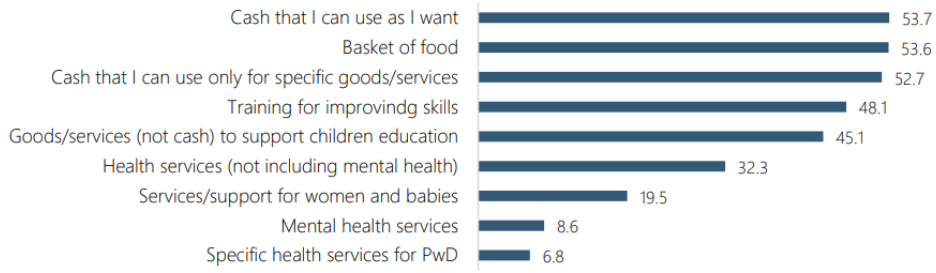
Figure 24 - % of respondents who reported they or members of their household faced difficulties in accessing livelihoods support in the 6 months prior to data collection per difficulty faced



Source: UNHCR and IMPACT 2023

When asked about the type of support refugees would like to receive in the future, more than half of the respondents expressed their desire to receive unconditional cash (53.7%), basket of food (53.6%) and conditional cash (52.7%). 48.1% reported they would like to receive training for improving skills, which echoes the needs and challenges highlighted in the section on livelihoods.

Figure 36 - % of respondents per type of assistance their household would like to receive in the future



Source: UNHCR and IMPACT 2023

General situation and top-level analysis

Based on the Participatory Assessment Report 2022

- 41.2% of surveyed refugee households reported receiving livelihoods support in the six months prior to data collection.
- 54.2% of respondents considered that aid agencies do not provide assistance that is appropriate and relevant to their needs.
- While not among the top types of assistance received, support or capital for business start-up is the top need expressed by 68% of households, cutting across the age categories. This highlights the growing interest of refugees in off-farm activities, especially among the youth, which need to be prioritized for the operation to address the high level of unemployment among refugees, especially the youth.
- The youth also expressed interest in training and skills development (45%); however, youth representatives also pointed out the need for startup capital to build on the skills learned.

Based on your experience/expertise and the provided data:

e) What is the current situation?

b) What are the existing barriers to access?

c) What are specific situation/risks for persons who are especially vulnerable?

d) What is the current support available?

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