UNHCR
The UN Refugee Agency

LIVELIHOODS AND ECONOMIC INCLUSION

COVID-19: Emerging Practices

VERSION 2

Six months into the global COVID-19 pandemic, it has become evident that communities and individuals, including the forcibly displaced, will take a long time to recover from the socio-economic impact of the COVID-19 crisis on their livelihoods, even after the pandemic is over. The forcibly displaced are among the most vulnerable to the socio-economic impact of the virus since many are informal workers and/or working in highly impacted sectors, such as in hospitality, manufacturing and retail. UNHCR is working with governments and partners to mitigate the negative socio-economic impacts and support efforts to strengthen resilience and reduce vulnerability.

This document is a second publication of emerging practices on livelihoods and economic inclusion to respond to the social and economic impacts of the COVID-19 pandemic. The first publication can be accessed here.

Bridging COVID-19 responses with development actors

In line with the Global Compact on Refugees, UNHCR operations around the world are engaging with development actors, including through the UN Development System and UN Country Teams (UNCTs) to include refugees in multi-agency socio-economic response plans and launch joint resource mobilization proposals.

In **Angola,** a joint proposal for the UN COVID-19 Response and Recovery Multi-Partner Trust Fund was drafted together with UN Habitat, UNDP and UNICEF with the prime goal of building resilience among vulnerable populations residing in urban settlements, including refugees and asylum seekers in Viana. The proposal includes livelihoods projects targeting refugees and host communities.

In **Zimbabwe,** UNHCR was actively involved in the development of the UNCT socio-economic framework which has formed the basis for funding appeals in relation to the COVID-19 response.

In **Tunisia,** UNHCR is working closely with the UNCT, including WHO and IOM, and key ministries (Social Affairs; Women; Human Rights) to promote the inclusion of refugees and asylum seekers in national preparedness and response measures, such as health and national cash-based assistance programmes.

In **Mauritania**, UNHCR is working with the government and the World Bank to include refugees registered at Mbera Camp in the national social protection mechanisms building on the World Bank IDA-18 Sub-Refugee Window funding to Mauritania. In the context of the response to the socio-economic impact of COVID-19, UNHCR is deploying a new "Cash for Social Protection" assistance for refugees living in the urban centres of Nouakchott and Nouadhibou.

In **Argentina**, a multi-stakeholder consultation was conducted with 160 key actors throughout **Argentina**, **Bolivia**, **Paraguay and Uruguay** with the aim of providing a multi-sectoral regional response to the social and economic recovery of refugees in the COVID-19 emergency and post-emergency phases. As a result of these national-level consultations, detailed action plans and project proposals were developed for resource mobilization and operationalization.

In **Eswatini**, a second tranche of COVID-19 funding is supporting the initiation of an agricultural livelihood project to provide a source of income for refugees. The project will cultivate a portion of the land pledged by the Government of Eswatini for agricultural livelihoods of refugees and their hosts. To fully implement the agriculture project, the operation submitted a concept note for the COVID-19 Response and Recovery Multi-Purpose Trust Fund via the UNCT.

In **Rwanda**, UNHCR and WFP have joined efforts to undertake a food and nutrition security needs analysis to better understand the impact of COVID-19 on refugees. Through the Joint Programme Excellence and Targeting Hub, the two agencies are providing strategic and operational support at country-level with the objective of improving outcomes for refugees.

Collecting socio-economic data to inform responses and enhance inclusion

To respond to the need for up to date information on the impact of the pandemic on host communities and refugees, UNHCR and the World Bank, in close cooperation with national statistics offices, have launched socio-economic impact surveys in **Kenya**, **Uganda**, **Ethiopia** and **Djibouti**. Data will be used to inform and target relevant programming. The detailed statistics for **Kenya** can be accessed via the COVID-19 economic tracker, and the datasets have been uploaded to the UNHCR Microlibrary.

In **Morocco**, a study was conducted by the High Commissioner for Planning (HCP), a national institution headed at Ministerial level providing analytical and statistical studies, in cooperation with UNHCR, on the socio-economic and psychological impact of the COVID-19 crisis on refugees. The survey was conducted in June 2020 by the HCP on the basis of a random sample of 600 refugee families registered through UNHCR's database. The study provides valuable information on the level of refugees' access to national services during the confinement period, as well as highlights the dramatic socio-economic impact of the COVID-19 crisis on refugees' family whose day-to-day survival depends mostly on employment in the informal sector. The full study can be accessed here in French and Arabic.

Inclusion of persons of concern in UNCT socio-economic assessments is also being discussed at country level, including in **Zambia**, **South Africa**, **Zimbabwe**, **Albania**, **Montenegro**, **Moldova**, **Romania**, **Serbia**,

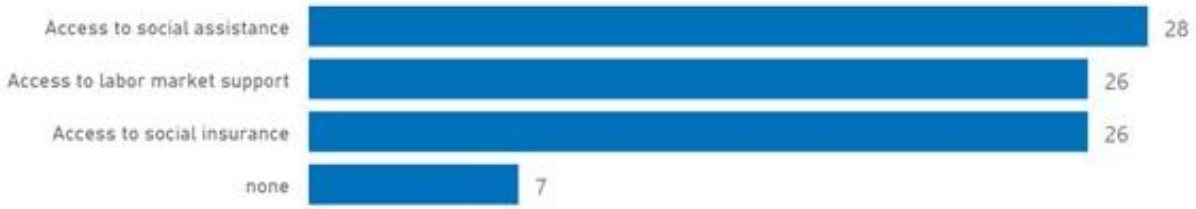
Turkey and **Ukraine**. In **Serbia**, the government is leading this exercise supported by the UNCT, and in **Turkey**, a person of concern-targeted assessment took place, co-led by UNHCR.

In **Zambia**, a national socio-economic assessment will be conducted by the Zambia Statistics Agency, with refugee settlements included in the scope. In the **Central African Republic (CAR)**, building on a COVID-19 impact evaluation exercise conducted by UNDP, UNHCR launched a study using the same methodology but focused on refugees, which will allow for comparability in data.

In **Thailand**, UNHCR finalized a COVID-19 Impact Assessment, which outlines the findings of a rapid needs assessment and post distribution monitoring exercise for UNHCR's cash support programme conducted with 180 urban asylum-seeker and refugee families.

To better understand the current level of persons of concern's inclusion in social protection schemes, **UNHCR Regional Bureau of Europe** conducted a survey identifying major legal, administrative and practical barriers between the various protection types (social assistance, social insurance and labour market support), distinctions between the different government levels (national versus local), areas of operations' engagement to enhance inclusion and partnerships developed throughout **Europe**. Some key findings are shown below.

Social protection areas presenting access barriers by social protection type and # of countries



Countries by Number of Social Protection Schemes Presenting Barriers to PoC Access

Utilizing market information to shape market-relevant interventions

In Chad, Niger, Cameroon, CAR and Mali, UNHCR worked with ILO to conduct a value chain analysis which aims at identifying livelihoods opportunities in the COVID-19 context. Results from these assessments will allow for the design of market-relevant interventions such that persons of concern are connected to viable, high-demand economic opportunities.

UNHCR Mauritania carried out an exercise to estimate the Minimum Expenditure Basket (MEB) for urban refugees to set an appropriate amount of cash assistance. Based on the reallocation of existing budgets, UNHCR Mauritania is able to make a one-off payment to these refugees covering their needs for three months.

Scaling up production and distribution of masks and soap

Six months into the COVID-19 pandemic, refugees all over the world are scaling up production of masks and soap to curb the spread of the coronavirus. This production is not only increasing the availability of essential safety items within communities but are also empowering refugees and transforming their livelihoods.

In Cameroon, a total of 89,967 masks have been made so far by young refugees and Cameroonians trained in sewing. UNHCR Bangladesh and partners have facilitated the production of over 167,000 masks, out of which 140,000 have been distributed to refugee populations, helping in fulfilling the mandate of the Government of Bangladesh that requires masks to be worn in public.

In Uganda, a task force has been formed to coordinate the production and distribution to over 70,000 urban refugees. In Tanzania, a total of 388,524 masks have been produced and distributed to refugees and asylum seekers in the camps since 31 May 2020. The mask production was done through livelihood programmes by refugees and coordinated and distributed by partners, including DRC and IRC.

In Niger, UNHCR supports refugees in the production of soap and masks in Niamey and the key refugee hosting regions. The project consists in providing cash for work for a total number of 937 persons of concern, who will be able to produce a targeted total amount of 165.000 litres of bleach, 102.000 laundry soaps, 82.500 litres of liquid soap and 265.000 masks.

In Democratic Republic of Congo (DRC), there is a network of six associations of soap makers, comprised of 120 refugees in the Inke refugee camp. They are currently scaling up production to satisfy the growing demand for soap to prevent the spread of unhygienic practices that would compromise the health of the population in the event of exposure to COVID-19.

In response to the pandemic, the MADE51 model has enabled refugees in 10 countries to pivot to producing face masks, which are made available locally and sold internationally. This is helping to sustain income opportunities in contexts where many others struggle to maintain livelihoods. The MADE51 model ensures compliance with Fair Trade principles of

fair and decent working conditions and income, while relying on local social enterprises' expertise in production management, quality standards and access to markets.

Looking forward, UNHCR will increase its work with partners to facilitate market access for refugee-made products through a new MADE51 online store, demonstrating that refugees can be positive contributors to societies and part of the response to the pandemic.

In Kakuma refugee camp and Kalobeyei settlement in **Kenya**, a partnership between FAO, UNHCR and AEC – Kenya made and distributed 1200 reusable face masks produced by refugees through private sector linkages. The masks were distributed in September 2020 to both refugees and host communities with over 2000 people also benefitting from the public awareness sessions on COVID-19 safety regulations.

Democratic Republic of Congo: Refugees make soap to help fight COVID-19

Expanding economic inclusion through digital platforms

In **South Africa**, women refugee recipients of livelihoods grants in Cape Town report that despite the challenges of the pandemic, there have been some positive learning experiences for them as business owners through adaptations made, including running a business online, innovation and expansion into new areas such as making and selling masks, as well as online marketing.

Throughout the **Americas**, online modalities and relocation activities allowed for continued delivery of livelihoods-related services. In **Colombia**, 1,413 provisional online work permits were provided to persons of concern.

In **Mexico**, remote monitoring of 5,450 relocated asylum-seekers and refugees was made possible while in **Brazil**, support for the *Operação Acolhida* programme enabled relocation of 57 Venezuelans in Boa Vista and 282 refugees and migrants relocated from Manaus. In **Peru**, a labour mobility program continues to be implemented.

Financial service providers extend credit and other financial and non-financial services

As part of the joint financial inclusion programme between UNHCR, Sida and Grameen Credit Agricole Foundation in **Uganda**, the microfinance institution (MFI) Visionfund opened their first branch in Nakivale in February this year. Despite the lockdown, the MFI managed to collect loan repayments during the COVID-19 period thanks to the use of digital applications. Visionfund was able to hire some refugees as loan officers as well.

Another MFI part of the programme, Ugafode, opened a branch in Nakivale in February 2020, just before the lockdown. Due to COVID-19 they had to discontinue their operations soon thereafter but resumed them this summer. Since March 2020, they opened 1,629 savings accounts for refugees, disbursed loans for a total value of $185,000 with 100% repayment rates and employed 13 refugees as sale and marketing officers and to work in their call centers.

Following a financial inclusion workshop conducted by UNHCR and IFC in June 2019 in Sao Paulo, a pilot microcredit programme for refugees and migrants was launched by Banco do Povo Crédito Solidário in **Brazil** at the beginning of May 2020. Preliminary results show that the microcredit institution approved the provision of microcredit loans for 13 entrepreneurs of concern based in Sao Paulo. Venezuelans were the main nationality of beneficiaries.

This is the first time the institution is promoting a credit line with a focus on UNHCR's population of concern, with funding from the microfinance crowdfunding platform Kiva. The commitment shown by the bank to serve refugees as a new market is especially

noteworthy amidst the COVID-19 emergency.

Due to the COVID-19 lockdown, Fundacion ESPOIR in **Ecuador** temporarily suspended loan disbursement for a period of two months. In May 2020, the MFI resumed its operations and 16 new PoC received a business loan, maintaining its commitment to include refugees as part of their clientele. During the same period, the Monetary and Financial Regulation Board of Ecuador approved a norm that UNHCR advocated for to open a basic and savings account for refugees and asylum seekers with their identity document from the country of origin and the humanitarian/ or refugee visa. The norm has been approved but not yet published.

Following another financial inclusion workshop conducted by UNHCR in **South Africa** in September 2019, Standard Bank has recently agreed to only require an ID for refugees and asylum seekers to open bank accounts instead of following the full Know-Your-Customer (KYC) requirements. The bank is also allowing continued access to accounts while ID renewal is ongoing, instead of freezing them as done previously. Those with short-term permits such as asylum seekers will especially benefit, given the extended period often taken for documents renewal.

Jordan: Emergency COVID-19 cash assistance helps vulnerable refugees

Information-sharing across countries

The **UNHCR Regional Bureau for the East and Horn of Africa, and the Great Lakes** set up a working group where all assessments and reports are shared across the humanitarian-development nexus. It is an exchange forum for members of regional INGOs, UN agencies, IFIs, CSOs, and research institutes. The group aims to stimulate discussions, research, and sharing of best practices related to the livelihoods and economic inclusion of refugee, returnees, other persons in displacement and their host communities. It is an open platform for discussion of partners advocating, researching, investing and realizing projects that strengthen self-reliance and resilience, reduce the need of assistance, contribute to economies, increase protection and enhance durable solutions.

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