



Dawn in the City

Guidance for Achieving Urban Refugee Self-Reliance



**WOMEN'S
REFUGEE
COMMISSION**

Research. Rethink. Resolve.

Since 1989, the Women's Refugee Commission has advocated for policies and programs to improve the lives of refugee and displaced women, children and young people, including those seeking asylum—bringing about lasting, measurable change.

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Acronyms & Abbreviations

ACMS	African Centre for Migration and Society
BDS	Business development services
GBV	Gender-based violence
ILO	International Labor Organization
IRC	International Rescue Committee
UNHCR	United Nations High Commissioner for Refugees
UPA	Urban and peri-urban agriculture

“Unassisted refugees cannot be regarded as ‘self-reliant’ if they are living in conditions of abject poverty, if they are obliged to engage in illicit activities in order to survive or if they are obligated to survive on the remittances or the charity of their compatriots.”¹

Executive Summary

More than 50 percent of refugees live in urban areas. Eighty percent are hosted by developing nations, in cities ill-equipped to guarantee their protection. The majority are marginalized due to their legal, economic and social status. They frequently lack sufficient legal and social support—education, health care, market access and community networks—to obtain gainful employment or run businesses.

Refugees’ vulnerability to poverty is influenced by the policy environment, access to services, control of assets, choices of economic strategies and the capacity to cope with risks. They are not a homogenous group; their vulnerability and resilience varies. Refugees living in marginal areas, with few social networks and reliant on one source of income, have difficulty accessing food, jobs and physical security. Women and girls are particularly disadvantaged because of unequal access to resources, decision-making and negotiating power.

Host governments’ policy and practice seldom view refugees as potential assets who can contribute to economic stimulation and growth—filling both skilled and unskilled labor shortages. Where policies do recognize refugees’ legal right to work, practice often results in exclusion and harassment.

Regardless, urban refugees are economically active, predominately in the informal sector, remaining on the fringes of the economies in which they live. Many arrive with high levels of education, but barriers to market access means they often engage in unskilled or low-skilled work. It is important for all programs to expand refugees’ opportunities so that they can make choices about their well-being and resilience, regardless of

What Is a Livelihood?

A “livelihood” refers to the capabilities, assets and strategies that people use to make a living.

whether they stay in their country of refuge, resettle, return home or move to another destination.

Livelihood programs should connect refugees to services specific to their level of vulnerability and resilience. Refugees need a diverse set of interventions to enhance their well-being and “graduate” out of poverty.

Key Recommendations

See page 21 for expanded recommendations.

1. **Programs should address the external environment** that influences refugees’ ability to accumulate assets, choices of economic strategies and ability to cope with risks.
2. **Programs should advocate for host government recognition of refugee rights in policy and practice.** Advocacy for rights should focus on a gradual expansion and enforcement of rights.
3. **Programs should identify and facilitate access to effective, existing services rather than create parallel systems.** If new services are introduced, they should benefit both refugees and the host community.
4. **Programs should understand potential market barriers and constraints** in order to increase the chances that interventions lead to sustainable livelihood activities that generate enough income to help families meet their basic needs and minimize their risks.

5. **Refugees need to be connected to services specific to their level of vulnerability and resilience** through a graduated approach. A graduated approach includes a diverse set of interventions with the aim of increasing refugees' social and economic well-being as their access to a livelihood increases.
6. **For very poor and poor households, programs should address refugees' immediate needs** through social protection and food security interventions, while simultaneously developing longer-term livelihood strategies in financial services, skills building and job placement.
7. **For struggling and better-off households, programs should grow their assets and expand household income.** This requires providing multiple opportunities for employment and small-business growth through skills building, business development services, market linkages and access to financial services.
8. **Programs should actively include youth, adolescent girls and adolescent boys** by providing them with opportunities to learn and earn.
9. **Programs should decrease the risk of gender-based violence for women and girls** by consulting with women and girls who can advise on the scale of risks associated with livelihood activities and suggest ways to manage them.
10. **Programs should engage experienced economic practitioners to design and implement livelihood programs and nontraditional actors,** such as private sector, public institutions and development agencies, to enhance opportunities for synergy, collaboration and coordination.

Background

More than half of the world's population now lives in urban areas.² While migrating to cities and towns is not new, refugee* migration to urban areas is a relatively new and growing phenomenon. Today over 50 percent of refugees are living in urban areas, compared to one-third who live in camps.³ According to the United Nations High Commissioner for Refugees (UNHCR), women and girls represent on average 47 percent of refugees in urban areas.⁴

Refugees come to cities seeking refuge, passage to other destinations or new opportunities.⁵ Like internal migrants, they seek out urban areas for access to better health care, education and economic opportunities.⁶ Some seek the anonymity of large urban centers to escape the insecurity of refugee camps, while others look for other forms of humanitarian assistance, such as third-country resettlement.⁷

Eighty percent of all refugees are hosted by developing nations and 42 percent reside in countries whose per capita GDP is below 3,000 USD.⁸ Refugees arrive in cities that are unable to keep pace with the needs of their growing population, resulting in inadequate infrastructure and stretched public services.

Most refugees live in poverty, sharing densely populated and poorly serviced slums⁹ with the urban poor. They face all the same challenges as the urban poor: few economic opportunities, inadequate and insecure housing, violent and unhealthy neighborhoods, and limited access to health and education opportunities. They face additional challenges, such as restrictions on their legal right to work, discrimination, xenophobia, lack of local language skills, exclusion and fragmented social

* In this report, the term "refugee" is used to refer to all individuals who have crossed an international border and come from a country that has produced or is producing a significant number of refugees and asylum-seekers, irrespective of their legal status.

and community networks. Consequently, refugees may resort to risky coping strategies, such as commercial sex work, illegally hawking goods on unsafe streets or trading sex for food or shelter. They predominantly work in the informal sector, where there are few regulations and where the risk of exploitation and abuse, particularly for women and girls, is high.

Women, because of gender inequalities and discrimination, may face greater difficulties than men in gaining access to markets, credit, housing and basic services.

In 2009, the United Nations High Commissioner for Refugees (UNHCR) revised its policy on urban refugees.¹⁰ The revised policy promotes access to livelihoods as fundamental to enhancing the urban protection environment, which includes freedom of movement and the right to work.

With the average length of displacement now at least 17 years,¹¹ humanitarian solutions must enable refugees to provide for themselves, decrease their reliance on risky livelihood strategies and help restore their dignity. The humanitarian community should support refugee inclusion into local economic development programs and help provide access to existing basic services, such as health care and education.

Methodology

This report details findings and guidance from a qualitative, applied research initiative undertaken by the Women's Refugee Commission that builds the knowledge base on urban refugees and identifies potential economic strategies and approaches to assist them in achieving self-reliance. Findings are drawn from three main sources:

1. **Three field assessments** of urban refugee populations in Kampala, Uganda; Johannesburg, South Africa; and New Delhi, India, conducted between September 2010 and April 2011. Assessments included in-depth household interviews; focus group discussions disaggregated by age, gender and ethnicity; semi-structured interviews with local businesses, service providers and government officials; and project site visits. They involved 826 interviews with refugees, 423 women and adolescent girls and 403 men and adolescent boys.
2. **Secondary research on urban displacement** that focused on the realities faced by urban refugees in the pursuit of livelihoods as well as lessons from urban poverty alleviation programs. Sources included UNHCR and humanitarian agencies' reports and existing guidelines, academic journals, country case studies, project evaluations and independent reviews of urban poverty alleviation programs in developing country contexts. A global focus was adopted in order to extrapolate recommendations applicable across diverse settings.
3. **Semi-structured interviews** with humanitarian and development practitioners on lessons learned from livelihoods work with urban communities.

This report highlights the findings of this research and suggests approaches to improve economic opportunities for urban refugees.

Findings

Policy Environment

The context in which urban refugees are exposed to vulnerabilities is predominantly “determined by the laws and policies of host governments and by the way these policies are implemented; the public and private institutions devoted to supporting and managing refugees; and the dominant public ethos towards refugees.”¹² Host government policies and practices, as well as xenophobia and discrimination by host country nationals, have a significant impact on both vulnerability to poverty and access to economic opportunity. Gender inequalities in negotiating power, and the exclusion of women’s concerns in policies, further marginalize female refugees.

One hundred forty-two governments are state parties to the 1951 Convention Relating to the Status of Refugees (Refugee Convention) and the 1967 Protocol Relating to the Status of Refugees,¹³ which detail, among other human rights, a refugee’s right to work, freedom of movement, education, fair wages and proper working conditions. In practice, however, these rights are seldom upheld and a number of governments have made “reservations” to articles providing economic rights.

For example, in Uganda the Refugee Act of 2006 states that refugees have the right to work.¹⁴ However, the varied enforcement of regulations on work permit requirements by the Department of Immigration and the Office of the Prime Minister results either in employers refusing to hire refugees, or working refugees being harassed by immigration officials.

Regardless of obligations agreed to by those who have ratified the Refugee Convention,¹⁵ most host governments are reluctant to allow refugees to work. They fear competition and worry that with jobs and income, refugees will integrate locally, never to return to their countries of origin. While these concerns are valid, it is also true that refugees with cash in pocket and marketable

skills are more likely to return home when such return is safe. This has been demonstrated from Albanian Kosovars rushing back to Kosovo to repair their homes¹⁶ to the most highly skilled Southern Sudanese returning from the Kakuma camp in Kenya to their newly independent homeland¹⁷ to Liberians returning from Guinea to teach, farm and reclaim homes and properties in Monrovia.¹⁸ Often the residual refugee caseloads are not those who found ways to earn income but those who did not—that is, those who had no resources or new skills that would make them marketable upon return. One example is the residual caseload of Liberians in the Buduburam camp in Ghana.¹⁹

Host populations and governments often view refugees as contributing to rising crime rates, overburdening public services and competing for scarce jobs, housing and resources. Refugees in urban areas are seldom seen as potential assets who can contribute to economic stimulation and growth—filling both skilled and unskilled labor shortages and bringing in new skills.

Extorting Refugees Is a Lucrative Business... for the Police

In Eastleigh, a slum in Nairobi, refugees revealed widespread patterns of abuse and extortion, including being routinely stopped, arrested and charged with “idling with intent of committing a crime” or being an “unlawful presence.”* Arrests are almost always made with a view to extorting money from detainees, who are usually released once a bribe has been paid. Allegedly, extortion is so lucrative in Eastleigh that officers not based in the district often come to “work” there specifically to extort money from refugees. This practice intensifies on Fridays, as more police officers are lured to Eastleigh to look for extra money for the weekend.

* Elhawary, Samir, et. al. *Hidden and Exposed: Urban Refugees in Nairobi, Kenya*. HPG Working Paper, March 2010.

What Is Gender-based Violence?

Gender-based violence is an umbrella term for any harm that is perpetrated against a person's will and that is based on socially ascribed differences between females and males. The nature and extent of specific types of GBV vary across cultures, countries and regions.³⁶ Examples relating to livelihoods include sexual exploitation and abuse; lack of access to inheritance rights and education; destruction of women's property; and withholding pay.

The lack of a clearly defined policy environment increases refugees' vulnerability to violence and exploitation. Fear of violence limits refugees from seeking available services—including education, health care and food aid. Because of discrimination and perceived competition, refugees are often targets of crime. They often minimize the amount of time they spend in public spaces, leave work early to arrive home before dark, stay within walking distance from their homes or take circuitous routes to avoid certain neighborhoods, all limiting economic activity.

Asylum seekers and refugee women are often targets of sexual and gender-based violence (GBV). The threat of GBV can have major consequences for forced migrants' economic activities, household incomes and psychosocial well-being. Women say they risk sexual harassment and violence every time they go to work, such as selling goods on the street or in flea markets, or take public transportation. They say they have little recourse or protection from this violence,²⁰ reporting that the police are indifferent to their claims and/or ask for bribes or sex in exchange for help.²¹

Police exploitation creates further insecurity and limits economic activity. Some local businesses employ guards or watchmen, pay protection money to the police or close early to avoid traveling at night. Some Iraqi refugees in Jordan believe it is safer for women than men to risk working because women may be harassed,

while men may be detained, which is deemed a worse outcome.

Refugees face multiple risks when earning a living in which they must weigh generating income against personal safety. Xenophobia, harassment, sexual violence and lack of legal recourse all impact and limit refugees' livelihood options and choices. Without policies and practices to ensure their right to work and freedom of movement, refugees will remain vulnerable to poverty.

Access to Basic Services

The 1951 Refugee Convention and the 1967 Protocol Relating to the Status of Refugees give refugees the right to access basic services. However, access to these services is frequently impeded by restrictive host government policies or practices.

These restrictions often necessitate the creation of parallel, refugee-specific services. Full access to education, employment and financial services usually requires documentation that is not always available to refugees, including professional qualifications, school records, banking records or birth certificates.²² Parallel systems are costly and benefit only a small number of refugees. Negotiation of refugee access to existing public services has been far more effective. In India, for example, UNHCR has negotiated refugee access to government-provided education and health care systems. Although the quality may differ from private schools and private hospitals previously subsidized by UNHCR, all refugees and asylum seekers now have equal access to primary and secondary education and health care on the same basis as the majority of Indians. This model of supporting access to host government services may require channeling international donor funding directly to host government health and education ministries.

Even with legal access to public services, refugees face additional barriers, such as discrimination, which often leads to exploitation by health care workers, school administrators and the police, who may demand money or sex in exchange for services. Women and girls are

more often the targets of this form of discrimination.

Access must also include safe access to the formal and informal economy.²³ Like the urban poor in most developing countries, refugees pursue livelihoods largely in the informal sector. Protection risks related to informal sector work are high and usually associated with exploitation, low pay and abuse by employers. Women are particularly at risk. They often have less bargaining power and decision-making authority to manage their risks and economic choices. Because of gender discrimination, women are frequently verbally harassed, sexually exploited and economically disadvantaged when trying to earn a living. They start with very little capital, earn tiny profits selling low-value products and have heavy child care and household responsibilities.

Due to discrimination, employers will often not hire refugees, even when they can legally work. Local government officials may not understand or may ignore the law. In formal sectors open to them, refugees may need to spend money, time and legal assistance securing professional credentials and documentation.

Assets

Based on the Women's Refugee Commission's findings, there are variations in vulnerability and resilience²⁴ within communities, and even among the most impoverished. The "very poor" and "poor"²⁵ are unable to meet their basic needs, such as food, water and shelter, on a regular basis. They are often located in marginal neighborhoods, shifting from place to place, accessing health services irregularly and accumulating debt. "Struggling" refugees have steadier sources of income, but at low wages. They are able to meet their immediate needs, although they have little to no savings, and are vulnerable to shocks, such as illness. Their children tend to attend government schools and access public health care services when available. "Better off" households reside in more prominent, safer neighborhoods, have regular sources of income, are able to put food on the table three times a day and often send their children to private schools. The "better off" refugees, however,

are far fewer in number.

Regardless of wealth group, refugees live precariously due to the uncertainty of their legal and social status. Struggling and better-off households may arrive with more assets, but these may be depleted over time if refugees are unable to safely earn an income. All refugees are vulnerable to trends and shocks in the external environment; there is no safety net to protect them.

Refugees' ability to safely earn an income is largely determined by the assets they have. Displacement often results in the loss of assets, particularly financial, natural and social assets. They flee with few resources and little preparation, and their family and community networks become stressed and reconfigured. In host countries where policies are restrictive and services are inaccessible or overstretched, refugees find it difficult to accumulate assets. Building and rebuilding refugees' assets is important, as assets can significantly impact their ability to manage risk and enhance resilience. Women and girls, for example, must have equal access to and control over assets so that they can manage their risks and economic choices.

Social Capital

"The most significant factor in explaining urban success (accessing food, jobs, housing and physical security) is social networks."²⁶

Refugees joining friends or relatives already in a city are considerably more successful than those who arrive without such support. Refugees' social networks provide information about and access to jobs, markets, services and housing. Refugees use their social networks to gain access to credit, create informal savings groups and organize nonformal education programs.

However, social networks may be based on hierarchical or exploitative relationships. An example includes communities that reinforce norms that discriminate against women and restrict their mobility. In addition, refugee networks are generally limited to job sectors

Community Networks Provide Support

Somali businesses in Johannesburg share information on industry trends in order to purchase the cheapest goods and respond quickly to shifts in supply and demand.* They often buy goods together in bulk, sell surplus goods to each other at a discount and share informal credit mechanisms.** They use cross-border networks to develop supply chain links. In spite of a lack of formal services for refugees in South Africa, 75 percent of Somalis surveyed said they could seek help with borrowing money or finding housing.***

* Zaheera Jinnah, "Making Home in a Hostile Land: Understanding Somali Identity, Integration, Livelihood and Risks in Johannesburg," *Journal of Sociology and Anthropology*, 1(1), 2010: p. 96.

** Ibid.

*** African Centre for Migration and Society (ACMS) at the University of the Witwatersrand African Cities Study Data Set, 2006 and Vulnerability Study Data Set, 2009.

that other refugees already have access to, typically low and unskilled labor markets. Networks that connect to the host community or wealthier households can promote economic advancement. A BRAC micro-finance program in Bangladesh demonstrated that by linking project participants to community members of higher socioeconomic standing, the most vulnerable participants moved up two economic class levels (out of a possible five), from "vulnerable" to "middle class."²⁷

Communities often use their own networks for protection. The Congolese community in Kampala organizes public awareness campaigns for new arrivals on the dangers of hawking goods on the streets. In Nairobi, Somali women started savings groups to provide access to emergency funds for members to pay off police bribes. In most settings, refugee women and girls walk or sell in groups to minimize risk of sexual harassment.

Human Capital

Self-selection often brings the most entrepreneurial and educated to the cities.^{28,29} In Kampala, for example, a study shows that most refugees are educated urbanites—70 percent of the sample interviewed had either finished or been attending secondary education prior to flight, and 30 percent had a college or university degree.³⁰ In Johannesburg, 72 percent of refugees had completed secondary or tertiary education, although women were typically less educated than men.³¹

Refugees with higher levels of education are more likely to be working and to gain access to services. In Kampala, those working and accessing services included refugees with an education beyond secondary school,³² and in Johannesburg this group included those with secondary or tertiary education.³³ However, barriers to the market mean that even those with skills and education are often found in unskilled or low-skilled work.

For self-employed refugees, financial literacy is crucial to financial management. Most very poor, poor and struggling households reported irregular income and expenditures and said they manage their finances day by day. They lack the appropriate financial competency to manage irregular finances or deal with unexpected costs. Refugee-run businesses often do not keep records of accounts and have little knowledge about gross versus net profits. Many reported borrowing money at the end of the month to pay their rent.

Physical Capital

Refugees living in marginal areas far from markets (formal or informal) and basic services are more likely to be unemployed and live in poor quality housing. Marginal areas and slums often have limited access to safe drinking water and adequate sanitation. Shared latrines can be particularly unsafe for women at night.

Regardless of wealth group, many refugees live in crowded multi-family dwellings. Arbitrary evictions, exploitative landlords and lack of secure and affordable

housing result in frequent moves. Frequent moves from one shelter to the next make it difficult to secure stable employment and form strong social bonds. In short, the most vulnerable have the most unstable living situation.³⁴ Many women report that they or a friend had engaged in an exploitative relationship with a man to secure shelter.

Very poor and poor households regularly cannot afford transportation costs. This significantly limits refugees' capacity to access services and engage in economic activity. Low-paid labor in more economically viable parts of the city often does not pay enough to cover the cost of transportation. As a result, refugees may end up competing for the few, even less lucrative, jobs in the slums.

Financial Capital

Financial savings serve as a social safety net, preventing the poor or those vulnerable to risks and poverty from falling further below the poverty line. Many refugees have limited access to public sector programs, such as social assistance. Informal savings and micro-insurance schemes serve as an informal safety net to help households meet their basic needs and manage risk, thereby offsetting harmful coping strategies. However, most refugees lack access to both formal and informal saving schemes.

Remittances are often irregular and accessible to only a few refugees, usually wealthier households, and therefore do not serve as an alternative safety net for most poor families.

Refugee businesses have almost no access to formal credit. Most cannot access formal banks for loans or to safely save money. Some urban refugees have established informal rotating savings and loans associations, but the loan amounts tend to be too small to set up businesses. In addition, when refugees do receive loans, they may use them for emergency needs, such as a family illness. Although some refugees do arrive with financial resources, these tend to be depleted

over time. A number of Afghan refugees in New Delhi reported arriving with significant savings or cash received from selling their properties in Afghanistan. They did not require assistance early on, but over time their vulnerability increased as they spent their savings.³⁵

Natural Capital

Land ownership by poor people in the city is uncommon—even more so among refugees. In most contexts refugees are not allowed to buy or own property. The density of housing, for the most part, precludes access to even small plots of land for backyard gardening or raising small livestock. This is unfortunate as access to communal and public lands for crops and gardens could significantly enhance urban refugees' food security. It could also provide an opportunity for those coming from rural backgrounds, like Burmese refugees in India, to use their existing skills. As urban agriculture becomes increasingly important for all urban populations, host governments will have to consider models for agricultural production closer to and in urban areas as a way to address growing food security needs.

Assets and Vulnerability

The assets households possess vary by nationality. Cultural distinctions and networks greatly shape vulnerability and economic choices. In New Delhi, Burmese women are most affected by GBV³⁶ due to their mobility in public spaces and their demeanor, stature and unfamiliarity with self-protection in an aggressive urban environment. Burmese adolescent boys are more likely than other groups to be engaged in unsafe, exploitative labor practices in informal factories and catering companies as these jobs require few, if any, skills. In contrast, Somalis in Kampala have strong social networks; they live close to each other in the neighborhood of Kisenyi. Very poor and poor Somalis rely on struggling Somali households for food and cash support, while struggling Somali households rely on wealthier Somalis for jobs and credit.³⁷



Economic Coping Strategies and Livelihood Outcomes

Urban refugees are economically active. The very poor and poor are heavily reliant on one or more irregular sources of income. These include assistance from religious institutions and NGOs, begging, informal day labor in construction, domestic work, selling tea, cooking, washing clothes for others, or petty trade.³⁸

Those who are struggling are engaged in multiple simultaneous livelihood strategies, which include a combination of self-employment, such as informal street trading; employment in factories, restaurants/hotels or gas stations; or receiving remittances. They are better able than the poor or very poor to manage their scarce resources and make informed decisions.³⁹

To cover expenses, many households engage in negative economic strategies. Negative strategies include eating fewer meals, selling household assets, living in exploitative relationships, transactional sex or pulling children out of school.

In addition, many children and youth (ages 15 to 24) are out of school and engage in economic activity to support household incomes. This means a generation of children less educated than their parents.

Economic strategies can increase the risk of GBV. Women usually have fewer options

than men and are susceptible to more risks. They are more vulnerable to abuse in the home, in transit to work and while working. Sexual harassment and abuse of women working informally is commonly reported when they go from business to business selling merchandise, hawk goods in the street or work in domestic service.

Regardless of the economic coping strategies employed, the majority of urban refugees, while demonstrating a level of resilience, remain on the fringes of the economies in which they live.



More than 50 percent of refugees now live in urban areas, many in poor neighborhoods, such as this one in New Delhi.

A Framework for Urban Refugee Self-Reliance

There are variations in refugee vulnerability and resilience. Variations are influenced by the policy environment, access to services, control of assets, choices of economic strategies and the capacity to cope with risks.

The majority of urban refugees are marginalized due to their legal, economic and social status. They frequently lack sufficient legal and social support—education, health care, market access and community networks—to obtain gainful employment or run businesses. Most urban refugees work in the informal sector. Women and girls are particularly disadvantaged because of unequal access to resources, decision-making and negotiating power. Refugees have little access to opportunities to use the skills, education and experience they possess.

In urban settings, the availability of markets for goods and services provide refugees with opportunities to use their skills. Refugee agencies have begun investing more time and resources in matching refugee skills with market opportunities as well as responding to the challenges they face in accessing economic opportunities. For promising examples reference UNHCR's *2012 Livelihood Programming in UNHCR: Operational Guidelines*.

To strengthen progress being made by agencies, such as UNHCR, on improving the effectiveness of livelihood programs, the Women's Refugee Commission outlines a framework for addressing urban poverty amongst refugees. It is based on the premises that:

1. Refugees' economic choices are constrained or supported by the policy environment, access to basic services and local market opportunities.
2. Refugees need to be connected to services specific to their level of vulnerability and resilience through a graduated approach. A graduated approach in-

cludes a diverse set of interventions with the aim of increasing refugees' well-being and "graduating" them out of poverty.

3. Refugees need multiple livelihood strategies to survive. Given the small incomes that most interventions generate, it is vital that refugees diversify their income sources with multiple strategies to prepare for setbacks and risks. Programs should engage refugees in multiple interventions and target not only the head of household, but all economically capable adults and adolescents. At the same time, programs must recognize women's and youths' time poverty. Women are responsible for income-generation, household and reproductive tasks. Youth often juggle earning and learning opportunities.

A framework for Urban Refugee Self-Reliance is presented on page 11. It encompasses the range of activities required to create pathways for the most vulnerable refugees to graduate out of poverty.

The External Environment

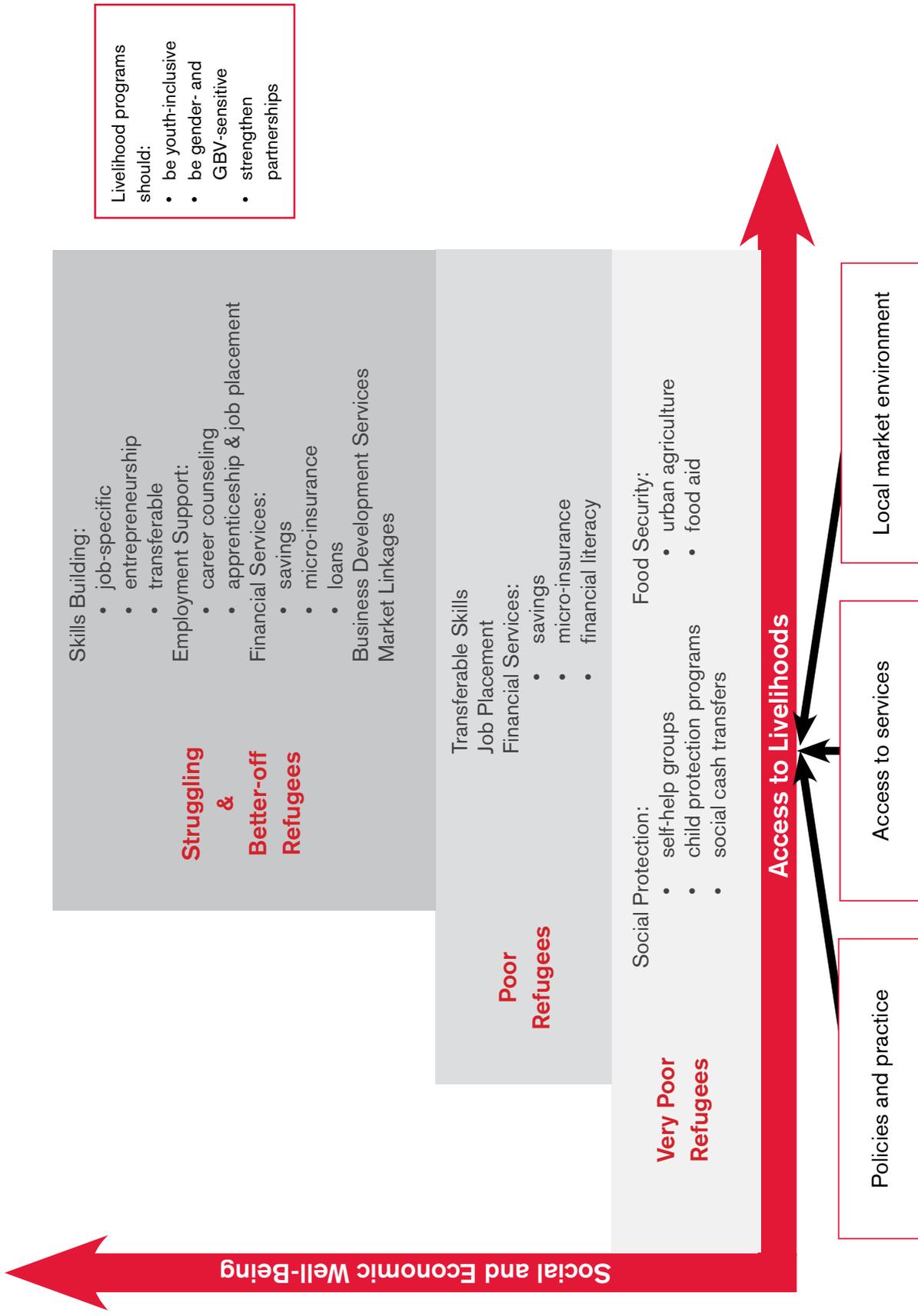
For refugees, the external environment in their city of refuge enables or restricts their ability to engage in livelihoods activities. The external environment comprises a set of factors over which refugees have no direct

Cities of Solidarity*

Cities of Solidarity under the Mexico Plan of Action commits municipalities in Latin America to international protection, local integration and assistance for refugees. Municipalities integrate refugees into social programs, such as family welfare, emergency housing, food assistance and support for small business programs, while UNHCR provides institutional capacity building to regional and municipal entities, which includes establishing regulatory and legal frameworks that protect refugee rights.

* Varoli, Fabio. "Cities of Solidarity: Local Integration in Latin America." *Forced Migration Review*, vol. 34. "Urban Displacement," pp. 44-46.

Framework for Urban Refugee Self-Reliance



Adapted from the United Nations High Commissioner for Refugees' "Targeting and Sequencing Livelihood Interventions for Refugees diagram," Livelihoods Unit, UNHCR, 2010.

control: the policy environment, access to services and the local market. These factors significantly impact refugees' capacity to accumulate assets, make choices on economic strategies and cope with risks in order to graduate out of poverty.

The Policy Environment

The context by which all urban refugees are exposed to vulnerabilities is predominantly “determined by the laws and policies of host governments and by the way these policies are implemented.”⁴¹ Therefore, any program working on refugee livelihoods must advocate for host government recognition of refugee rights in policy and in practice. Government restrictions on refugees' right to work, freedom of movement, recognition of refugee certificates, diplomas and residence permits represent the biggest challenges to refugee self-reliance and protection in urban areas.

Humanitarian agencies should advocate for an environment that enables refugees to engage in livelihoods by removing barriers to their economic participation. Advocacy for their rights should focus on the gradual expansion and enforcement of rights. In contexts where refugees do not have the right to work, this may mean making work in the informal sector as safe as possible by discouraging harassment from local authorities and promoting decent wages and conditions among employers. In contexts where refugees' right to work is recognized in law but not in practice, this may mean working with employers and local government to understand these rights, ensuring that business registration costs are not punitively expensive, working on bilateral agreements to recognize diplomas from other countries or ensuring women earn equal pay.

Access to Services

Practitioners should facilitate safe access to existing basic services, such as education, health care and economic programs for refugees rather than create parallel systems. This entails:

1. Mapping current service providers (e.g., vocational training, business development services, job placement, microfinance, etc.).
2. Assessing their strengths and potential for extending services to refugees.
3. Understanding how women and adolescent girls access services.
4. Facilitating access to existing services, which may require a systems approach⁴² of building technical capacity, adapting programs and increasing funding to institutions to expand their services and include women and girls.
5. Introducing new services *only* to address gaps.

If new services are introduced they should benefit both refugees and the host community. When host governments see direct benefits to them and their citizens, they are more likely to allow refugees to access markets and public services. In some cases, this may require an “area-based approach”⁴³ in which programs invest in services or institutions found in areas with high numbers of refugees. It may also involve participating in local development plans.

Failure to Address Barriers to Access Keeps Children out of School

In Kuala Lumpur, the YMCA provided Chin refugee families with money to cover the cost of school fees for children (the amount was based on entry costs for government schools). However, legal restrictions prevented most refugee children from accessing government schools and private school fees were much higher. As a result, most Chin refugees could not take advantage of the YMCA program. The program failed to address the main barriers to accessing schools.*

* Amy Alexander (2009), “Without Refuge: Chin Refugees in India and Malaysia,” *Forced Migration Review*, 30, pp. 36-37.

Local Markets

Refugees' engagement and success in the local economy is often shaped by the market environment. This includes national laws (e.g., right to work), regulations (e.g., on informal trading), policies (e.g., on access to credit), public services (e.g., roads, police) and norms and customs (e.g., gendered job roles/opportunities). For example, limited access to credit may hinder the cash flow and expansion of refugee businesses, while poor roads may limit reliable access to supplies for shopkeepers. An analysis of constraints and opportunities of the local market environment can identify how refugees may better engage in the local economy.

Graduated Approach

The additional barriers faced by refugee populations as compared to the urban poor often require the use of a diverse set of interventions to address economic and non-economic constraints. Refugees should be connected to services, whether in the formal or informal sector, specific to their level of vulnerability and resilience, that is, very poor, poor, struggling or better-off households.

Very Poor and Poor Households

For very poor and poor households, protecting existing assets and smoothing income flows and consumption patterns is of immediate importance. Working with very poor and poor refugee households often requires addressing immediate needs through social protection (especially given their limited access to safety nets) and food security, while *simultaneously* developing longer-term livelihood strategies in financial services and skills building. Typically programs address only immediate needs without longer-term investments that enable refugees to graduate out of poverty, or they focus on longer-term interventions without addressing immediate needs. Programs for the very poor and poor should include a combination of social protection, food security, financial services and skills building.

Unintended Consequences May Arise from the Best Intentions

UNHCR in India identified unaccompanied minors as one of the most vulnerable subgroups of refugees and asylum seekers.* As a result, they designed a "Learn and Train" program for 16- to 18-year-olds, who pursued market-based vocational training programs while receiving cash transfers to support themselves during the "learning." Later, UNHCR began to see an increase in the number of unaccompanied minors, whose families were sending them, despite the severe protection risks. UNHCR is monitoring to see if minors are coming specifically to participate in the "learn to train" program.

* Montserrat Feixas Vihe, "WRC Urban Refugee Livelihood Guidance Document Review," email to Jina Krause-Vilmar, September 28, 2011.

Social Protection. Social protection approaches sustain the most vulnerable through social insurance, social assistance and child protection programs.⁴⁴ For urban refugees this may include:

1. Strengthening and supporting refugee self-help and mutual assistance organizations to provide social services to their communities. These refugee-led organizations often provide emergency food and cash assistance, disseminate information and offer classes and other support services. In New Delhi, a Hindu Sikh Afghan mutual assistance organization provides emergency support for needy members of their community, pays some of the refugee students' school fees and offers computer, language and skills training classes.
2. Setting up informal or formal micro-insurance schemes. A study on the impact of urban poor micro-insurance programs in Uganda found that having micro-insurance encourages individuals to seek earlier health treatment and increases the survival rate of businesses.⁴⁵

3. Establishing child protection programs, such as subsidized day care options for working women. In New Delhi, one of UNHCR's implementing partners operates "crèches" (day care centers) in refugee neighborhoods so that women can drop off their children on their way to work or trainings.
4. Providing social cash transfers to individuals unable to work and with limited social capital. This may include households headed by the elderly, children or individuals who are disabled or chronically sick. Social cash transfer schemes are permanent programs that transfer cash on a regular and reliable basis to persons that meet eligibility criteria and therefore require committed financial resources. In Brazil, without social cash transfers, it is estimated that the poverty gap would be one-third larger, and in South Africa it would be two-thirds larger.⁴⁶ While unsustainable in the long term, there is no evidence that social cash transfer programs in developing countries significantly lead to increased dependency or that they reduce the incentive to work.⁴⁷

Food Security. Without basic food security, households lack the capacity to engage in longer-term investments. The cost of food for the urban poor is high because of inefficient food distribution systems and because the poor purchase food in small quantities.⁴⁸ Current urban development approaches to improve food security involve increasing food production in urban and peri-urban areas, improving distribution systems and providing access to savings and credit for food distributors as well as for consumer households. Humanitarian practitioners should consider:

1. Linking to development efforts, where possible, to ensure they reach refugees.
2. Starting urban and peri-urban agriculture programs, where appropriate.
3. Facilitating access to savings for families or organizing informal groups to buy larger quantities of food at lower prices.

Urban and Peri-urban Agriculture

Urban and peri-urban agriculture (UPA) can contribute to food security and nutrition by increasing the quantity of fresh food available. With its low barrier to entry and residual skills available in refugee populations, it has the potential to be a supplemental source of food. However, UPA may compete for such resources as land, water and energy that are already scarce and expensive in urban areas.

Where local governments do not support urban agriculture, communal plots (with organizational legal land titles) may be an alternative. Given refugee mobility, nutrient-rich, short germination crops may be most suitable. UPA programs should ensure that they do not significantly increase women's already heavy household responsibilities by also engaging men as participants.

4. Providing food assistance in the short term. In Damascus, the United Nations World Food Programme launched an electronic food voucher project for 1,000 Iraqi refugee families using mobile phone technology. Recipients receive a text message on their mobiles providing a code enabling them to cash in 22 USD over two months at select shops near refugee-hosting neighborhoods. Participants reported high satisfaction with the program, citing time saved and reduced travel costs, greater personal choice on what and how much to buy, and stronger relations with local shop owners.⁴⁹
5. Ensuring that women, who are typically responsible for food provision and preparation, participate in the design, implementation, and monitoring and evaluation of programs.

Financial Services. For the poor, indebtedness often increases vulnerability through the loss of productive assets. Families may use credit to cover emergency costs, such as medical bills. Formal or informal group saving schemes can guard families against income shocks. Group saving schemes must build trust and

reciprocity, which requires consistent attendance at regularly scheduled meetings. This can be challenging given that refugees frequently shift residence and are time poor. Women must have safe places to keep money, such as safe deposit boxes, so that they can maintain control over the resources they earn. Social norms that limit women's decision-making should also be addressed through community discussion groups.

In addition, refugees need financial literacy skills. Very poor and poor refugees often have irregular income and expenditure patterns, and they lack the appropriate financial tools to manage such irregular finances or deal with unexpected costs. Many households manage their cash flow one day at a time, and are unable to plan for future needs, such as rent.

Skills Building. Programs should provide poor refugees, who are better able than the very poor to invest time and resources in learning new skills, with transferable skills to adapt to new markets. This may include skills that are transferable to more than one type of job or to future places of residence, such as money management, computer skills, life skills, customer service and language skills.

For refugees who are educated and have work experiences, programs should consider linking them to job placement programs.

Focusing programming exclusively on very poor and poor refugees is rarely compatible with building their capacity. The participation of better-off and host community members allows poorer refugees to build linkages and learn from peers who have additional skills and capacity. Projects have more impact when linkages to other social groups pull poor refugees into wider opportunities. Moreover, taking an inclusive approach avoids stigmatizing or isolating refugees, who, from the perspective of host community members, may be perceived as unfairly privileged.

Struggling and Better-off Households

Struggling and better-off households are better able to grow their assets and expand household income. However, they remain vulnerable to the external environment and may slip into poverty. Working with struggling and better-off households requires providing multiple opportunities for employment and small-business growth. Skills building can lead refugees to employment and business growth opportunities. Refugees with businesses can be further assisted through business development services, market linkages and access to financial services. Many of these interventions reinforce each other and may happen simultaneously.

Opportunities for employment and small business growth may be in the informal sector, where many refugees are found. The informal economy is “a process of income-generation characterized by one central feature: it is unregulated by the institutions of society.”⁵⁰ Informal economies grow during unstable times, such as during conflict, and they can be more dynamic and

The Power of Business Training and Microfinance

In Peru, the NGO FINCA provided half of their borrowers with business training and the other half with no training. Those who received training had 15 percent higher sales and were 26 percent more likely to repay loans in “bad months.” In addition, borrowers who received business training were more likely to keep records of their account withdrawals and use profits toward business growth and innovation. Interestingly, those trained who initially expressed less interest in receiving training achieved greater sales on average. This suggests that providing free services early on may help potential participants see the value and demand these services later.*

* Dean Karlan, *Business Education for Microcredit Clients in Peru*. 2011. <http://www.poverty-action.org/project/0020>.

responsive to changes in the market environment. In developing countries, a large percentage of the workforce is in the informal economy.⁵¹ As a result, supporting refugees' contribution to the informal economy may be positive for local economic development.

Skills Building. Programs should identify and facilitate refugee access to existing market-oriented vocational and skills-training programs that have strong track records of placing graduates into long-term employment. Ensure institutions address women's household responsibilities with child-care support and flexible hours, as well as safety in traveling to and from the classroom. Interventions should recognize the need for multiple strategies and should focus on training in multiple skills, including:

1. Job-specific skills based on local market demand.
2. Entrepreneurship skills, such as financial literacy, marketing and accounting skills.

Keeping Abusive Employers in Line

Work permits are expensive and difficult to obtain in Egypt, so many refugee women seek informal employment as domestic servants. High demand creates opportunities, but the work is unregulated and hidden. Many women report sexual assault, physical abuse and wages withheld by employers. The Egyptian Sudanese Development Center in Arba wy Nuss, which runs domestic service training and placement programs, identified these same risks. In response, they accompany the women on their first day of work, record names and contact information of employers and note the agreed-upon salary. Their presence demonstrates that refugee women have a support network and that they cannot be abused without consequence. Keeping records ensures that abusive employers can be found and held accountable.

From: Women's Refugee Commission, *Peril or Protection: The Link between Livelihoods and Gender-based Violence in Displacement Settings*, p.14.

3. Skills transferable to more than one type of job or to future residences.

Opportunities for employment. Employment offers a path for refugees with existing skills and education to benefit from growing markets. Programs may:

1. Address barriers to formal sector employment, such as recognition of refugee certificates and diplomas.
2. Address potential harm associated with informal work, where the possibility of exploitation and abuse is much higher and legal recourse is largely absent. Refugee women and girls are particularly vulnerable because of social and cultural acceptance of gender inequities and discrimination against women.

Business Development Services (BDS). BDS include "training, consultancy and advisory services, marketing assistance, information [and] technology development and transfer."⁵² BDS are generally provided by private-sector firms (formal and informal) or trade associations. BDS can help refugee-run and host community businesses become more competitive. Based on lessons learned from urban poverty alleviation programs, service providers should:

1. Provide informal and micro-scale services, for example, leasing equipment or providing management tools, such as business plans and cash flow projections, combined with basic marketing skills over a length of time and in increments.
2. Be located close by or be part of the community (allowing for greater trust). For example, the International Labor Organization (ILO) in Sri Lanka delivered management training to micro-entrepreneurs in cooperation with community-based organizations and mobile business centers.⁵³
3. Provide collective delivery of services, such as through media or trader associations. ILO radio programs include broadcasts on relevant business development issues. Other projects have used a magazine-style format to provide business tips.

4. Provide a mixed portfolio of services, combining for instance the promotion of market linkages with training services.⁵⁴
5. Women may view BDS investments as risky because they require an upfront investment of time and resources while the benefits are not realized until much later. For example, women may prefer

A Graduated Approach to Microfinance

Microfinance services currently offered to the urban poor must be adapted to meet the distinct needs of urban refugees, which include:

1. their high mobility;
2. limited access to social protection mechanisms; and
3. low social trust and reciprocity necessary for informal or group borrowing and saving.

Incorporating a graduated model to microcredit programming can overcome some of these challenges. The first stage involves food assistance and social protection support to the household to ensure that participants can meet their basic needs before they get access to credit. The second stage includes a savings account, financial literacy and skills building. Then the participant receives an asset transfer or credit to start a marketable income-generation activity. The asset may be equipment or space for a business. Ideally, these stages would develop the participant's creditworthiness in the eyes of a microfinance institution.

Microfinance services should be provided by existing institutions with a social model that can adapt programs. Programs should foster women's increased decision-making over managing money, for example, through individual accounts with time or savings amount specified by the saver.

From 2007 to 2009, the Trickle Up Ultra Poor Program in West Bengal worked in 29 towns with female-headed households living on less than 1.25 USD per day.* The program provided weekly cash stipends for between 12 and 25 weeks so that families could eat regular meals; at the same time they received livelihood assets (mobile vending) to build their income-earning potential, and participated in savings and credit groups to generate emergency funds. Trickle Up also provided safe access to drinking water and latrines. In order to graduate out of extreme poverty, participants had to meet 70 percent of the criteria below:

- eat at least two cooked meals per day all year round
- have assets valued at 155 USD or higher
- have at least two sources of income
- carry a minimum savings balance of 22 USD
- repay at least one loan within the savings and credit group
- use sanitary latrines
- access safe drinking water
- are able to sign their name

Eighty-six percent of participants graduated out of extreme poverty.

* CGAP. Trickle Up Ultra Poor Program. 2011. <http://graduation.cgap.org/pilots/trickle-up-ultra-poor-program/>

participating in a savings and loan group rather than investing in better budgeting tools for their business. It may be important to demonstrate success in a pilot project to gain buy-in.

Market Linkages. Refugee linkages to market actors, such as producers, suppliers, wholesalers and customers, support the competitiveness of refugee businesses. For example, bypassing middlemen to purchase supplies directly from producers can increase a retailer's profits. In addition, small businesses can benefit from links to similar businesses to pool resources or to support service businesses, such as finance or transportation companies. Women generally have fewer linkages and less power to negotiate fair prices and terms with other market actors. Facilitating their access to market-related information can help them make more informed choices. Nongovernmental organizations can act as networking and information resources for refugee entrepreneurs, providing information on where to access credit and savings, BDS and market information.

Financial Services. Support informal savings and loans associations and facilitate access for refugees into more formal microfinance institutions and banks. Informal microfinance is provided by individuals or groups of individuals with no legal status or external supervision, as in the case of informal savings and loans associations. Microfinance programs must ensure that the market can support new or expanding businesses so that refugees earn enough income to meet their needs and repay their loans. It is worth noting that an increase in loans to women may saturate traditional female services and products. Women should therefore be encouraged into safe, less traditional or emerging markets. Research on microfinance programs in times of conflict⁵⁵ and in protracted refugee situations⁵⁶ demonstrate the need to adapt the:

1. Terms by promoting a strong repayment discipline as well as designing financial products based on market demand.
2. Conditions, which generally means shorter terms

with more frequent, flexible repayment plans and lenient eligibility requirements, such as using character references instead of strict documentation requirements.

3. Approach by actively identifying refugees with the requisite skills and experience to benefit from microfinance.
4. Size by offering smaller loans that gradually increase in size over time.
5. Repayment, which may take the form of community services or surplus products.

Cross-cutting Themes

Economic programs working with displaced urban populations must ensure that they actively include youth, adolescent girls and boys, are gender- and GBV-sensitive and strengthen partnerships.

Youth-inclusive services

Due to economic realities, many youth are forced to contribute to their household's income. Youth are looking for opportunities to learn and earn—that is, opportunities that will enable them to continue their studies while contributing to their household income. They also want access to financial services so they can save. This means developing youth-inclusive programs that may include:

1. Ensuring classes are at times when youth can participate.
2. Supporting access to nonformal and skills development programs.
3. Promoting access to distance and online learning opportunities.
4. Engaging youth in conducting market assessments to build their capacity to identify opportunities and challenges and to develop an understanding of economic realities.

Financial Education Helps Adolescent Girls

Population Council Kenya's "Safe and Smart Savings Products for Vulnerable Adolescent Girls in Kenya" worked in partnership with K-Rep Bank and Faulu-Kenya to provide savings account specifically suited to the needs of poor urban girls. The project focused on expanding girls' access to safe spaces, social networks and financial and basic health education. Once girls opened their account they joined a savings group that met weekly in the community under the guidance of a mentor who facilitated training and group discussion. "These mentors [were] young women from the community who ...serve[d] as critical role models for the girls and contribute[d] to building young female leadership [in] the community..."* The project also held periodic meetings with parents to gain parents' support and provide them with information on financial services. Results indicated a positive impact on girls' "social networks and mobility, gender norms, financial literacy, use of bank services, saving behavior and communication with parents or guardians on financial issues."** Girl participants were significantly more likely to have long-term financial goals and to correctly answer financial knowledge questions. They were at least three times more likely to save on a weekly basis and to have saved money in the previous six months compared to girls who did not participate.

* Austrian, Karen. "Expanding Safe Spaces, Financial Education and Savings for Adolescent Girls in Kenya." *Promoting Healthy, Safe, and Productive Transitions to Adulthood*. Brief#29, January 2011, p. 3.

** Ibid.

5. Accessing or developing interventions that reflect diversity of youth, in terms of age, life cycle stage (marital or parental status) and gender.

Gender

Women and girls are particularly vulnerable to poverty.

Globally, they receive lower wages, are less educated than men, have demanding household and childcare responsibilities and their movement may be socially restricted. They have less access to and control over assets, decision-making and negotiating power. In conflict and displacement contexts, their economic participation is further undermined by gender-based violence.

Increased access to economic opportunity may lead to increased vulnerability to harm and violence. Social and cultural discrimination of women and girls *and* the everyday risks they face, such as hawking goods on unsafe streets or forcing girls into early marriage, increases their risk.

GBV may also affect men and boys. Men may feel emasculated because they are no longer able to provide for their families and lose status in the community—which may increase domestic violence. Boys may experience specific forms of GBV; for example, in Jordan, Iraqi adolescent boys are seen by the Iraqi and Jordanian communities as possible terrorists, and are therefore denied employment opportunities and harassed in neighborhoods.

All humanitarian projects have the potential to influence gender relations, and evaluations of livelihood projects have not tended to assess potential negative gender impacts. Women, girls, men and boys can advise on the scale and size of risks, suggest ways to manage them and judge whether risks are worth taking. Most refugees, including women, are actively seeking to earn money, despite knowing the risks they face when doing so. Programs must work with women, girls, men and boys to manage these risks and identify:

- the specific types of GBV that may be occurring when they earn income or access services;
- the specific risk factors for each type of GBV;
- possible protection strategies to mitigate risk.

Illustrative examples to address risks may include:

- Provide safe places for women and girls to save—

so that they can maintain control over the resources they earn.

- Teach women and girls basic financial literacy skills, such as principles of money management, building and safeguarding assets, to ensure greater control over resources.
- Engage men—especially husbands, fathers and partners—to build buy-in and support for women’s and adolescent girls’ economic activities.

Partners

Refugees must also be thought of as partners and actively engaged in contributing and shaping the environment in which they live. Refugees should be engaged throughout the project life cycle, from design and implementation to monitoring and evaluation, and encouraged to organize. Entry points with key stakeholders should be facilitated to ensure their voices are included in traditional associations, local economic development plans and urban planning projects. This may best be done by including refugees and refugee agencies in host government NGOs and consortia.

In addition, many humanitarian assistance providers are

Partner with the Private Sector Early

In 2007, UNHCR-India promoted skills building by linking Chin refugees from Myanmar to employers for a one-year apprenticeship. Refugees received social cash transfers to supplement low apprenticeship wages while they gained necessary skills. While many employers kept the refugees on after the one-year training period, employers refused to increase wages, expecting UNHCR to continue to subsidize their salaries. The private sector should be brought on as full partners who contribute and take ownership of programs.

* Montserrat Feixas Vihe, “WRC Urban Refugee Livelihood Guidance Document Review,” email to Jina Krause-Vilmar, September 28, 2011.



Jina Krause-Vilmar of the Women’s Refugee Commission interviewed refugee-run businesses in Johannesburg.

ill-prepared to manage the complexities of designing and implementing sound economic interventions and effectively targeting refugees for a graduated approach. Donors should engage experienced economic partners.

In addition, practitioners should engage nontraditional actors, such as public institutions, development agencies and the private sector. A systems approach means that practitioners do not directly provide services. Instead they broker relationships with public institutions, such as national banks, training centers, chambers of commerce and trade unions; international development agencies, such as the UNDP, ILO, USAID and other agencies working on urban poverty; and the private sector.

Recommendations

Using a Framework for Urban Refugee Self-Reliance (see page 11), programs should address the external environment that influences refugees' ability to accumulate assets, choices of economic strategies and ability to cope with risks. Programs should also build refugee assets through a graduated approach.

External Environment

1. **Programs should advocate for host government recognition of refugee rights in policy and practice.** Advocacy for rights should focus on a gradual expansion and enforcement of rights.

Programs should first identify whether refugees have the right to work. If they do, programs should ensure that these rights are implemented by working with local government, private sector and refugee associations. Programs should then identify additional policy barriers to refugee protection and economic well-being, and advocate to host governments at the national, regional and local level for an expansion of rights.

In situations where refugees have the right to work, interventions should focus on access to both the formal and informal economy. In situations where refugees do not have the right to work, interventions should focus on access to safe, decent employment in the informal economy.

2. **Programs should identify and target those public services most supportive of refugee livelihoods** (see box.) Programs should then identify and facilitate access to effective, existing services for refugees rather than create parallel systems. This requires a systems approach in which practitioners act as brokers between public institutions and refugees. This may require capacity building and funding of public institutions so that they may expand and adapt their services.

What Is a Livelihoods Assessment?

A livelihoods assessment based on DfID's Sustainable Livelihoods Framework* analyzes the assets, policies, institutions and processes, economic strategies and livelihood outcomes of communities and vulnerable groups within communities. This may be done through household surveys, focus groups, business interviews and market observation.

* <http://www.eldis.org/vfile/upload/1/document/0901/section2.pdf>

If new services are introduced, they should benefit both refugees and the host community.

In cases where refugees live clustered in certain neighborhoods, programs should adopt an "area-based approach" in which programs invest in services and institutions found in refugee-hosting areas. This should be done in coordination with local development planning processes.

In cases where refugees are scattered, an incentives approach, which links incentives to the number of refugees served by public institutions, may be more appropriate.

3. **Programs should conduct a market assessment to identify which goods, services and jobs are in demand, and determine market trends, capacity and emerging and niche markets.** Programs should also identify potential market barriers and constraints in order to increase the chances that interventions will lead to sustainable livelihoods activities that generate enough income to help families meet their basic needs and minimize their risks. Emerging markets that are not already gender-identified may provide opportunities for women.

Graduated Approach

1. **Identify the various wealth groups of the target**

population and match them to the appropriate set of services. Interventions should foster multiple economic strategies for refugee households.

2. Identify the specific opportunities and barriers within each wealth group by age, gender and ethnic group.

Adapt programs to ensure that women's risks are manageable and that youth are actively involved. Programs should ensure that they are not creating harm by identifying specific types of GBV, risk factors of GBV and protection strategies to mitigate risks. Programs should consult women who can advise on the scale of risks and suggest ways to manage them.

3. For very poor and poor households, address refugees' immediate needs while simultaneously developing longer-term livelihood strategies.

- **Provide short-term social protection** by providing short-term cash transfers or grants to support immediate needs while implementing longer-term more sustainable livelihood strategies; developing interventions that build social capital and strengthen social networks through support to refugee mutual assistance associations, women's groups, youth groups, refugee religious institutions and self-help groups; providing informal or formal micro-insurance schemes; and/or creating child protection programs, such as subsidized day care options for working women.

Only for individuals unable to work and with limited social capital, such as the elderly, children or the disabled or chronically sick, should programs consider long-term social cash transfers.

- **Ensure refugees' food security** by linking to development efforts, where possible, to ensure they reach refugees; starting or including refugees in urban and peri-urban agriculture programs; supporting savings schemes or organizing informal groups to buy larger quantities of food at lower prices; or

in the short term providing direct food assistance.

- **Provide financial literacy and create informal savings schemes.** Include struggling and host community members in group savings schemes.

- **Build transferable skills,** such as money management, computer skills, life skills, customer service and language skills. For those refugees who have existing education and work experience, include them in job placement programs to link them to new markets.

4. For struggling and better-off households, programs should grow their assets and expand household income. Many of these interventions reinforce each other and may occur simultaneously.

- **Provide skills building opportunities** by identifying and facilitating refugee access to existing market-oriented training and placement programs that provide a combination of job-specific, entrepreneurship and transferable skills.

- **For those refugees who are more suited for employment,** link them to jobs, address barriers in formal sector employment or work with employers to make informal sector jobs safer.

- **For those refugees suited for small businesses or petty trade:**

- **Help refugee-run businesses become more competitive** by assessing their business constraints and growth needs, then linking them to the appropriate business development services. This may involve organizing refugee-run businesses into informal associations or linking them to existing trade associations so that they can receive technical and management support collectively. BDS providers should come from refugee communities and provide micro-scale services, such as leasing equipment or providing management tools.

- **Link refugee-run businesses to other mar-**

ket actors, such as suppliers, producers and customers, to other refugee-run businesses to pool resources and to support services, such as transporters. In addition, provide businesses, especially women's businesses, with market information so they can make informed choices.

- **Provide a range of financial services**, based on businesses' needs. This may mean linking to experienced microfinance institutions with a social mission, such as BRAC, Trickle Up, Grameen and others.

5. **Engage experienced economic practitioners to design and implement livelihood programs, and engage nontraditional actors**, such as the private sector, public institutions and development agencies, to enhance opportunities for synergy, collaboration and coordination.

Notes

¹ Naoko Obi and Jeff Crisp, *Evaluation of the Implementation of UNHCR's Policy on Refugees in Urban Areas*, Evaluation and Policy Analysis Unit, UNHCR (Geneva, 2001), p. 2.

² It is very difficult to establish a global definition of the "urban area" concept. This report takes the definition used in the September 2009 UNHCR Policy on Refugee Protection and Solutions in Urban Areas: "... a built-up area that accommodates large numbers of people living in close proximity to each other, and where the majority of people sustain themselves by means of formal and informal employment and the provision of goods and services." <http://www.unhcr.org/4ab356ab6.html> (last accessed October 13, 2011).

³ UNHCR (2009a), *UNHCR Policy on Refugee Protection and Solutions in Urban Areas*, Geneva, Switzerland. p. 2. <http://www.unhcr.org/4ab356ab6.pdf> (last accessed October 31, 2011).

⁴ Ibid.

⁵ Loren B. Landau, "Laws, Policies or Social Position? Capabilities and the determinants of Effective Protection in Four African Cities," *Journal of Refugee Studies*, Vol. 24, No. 1 (January 2011).

⁶ Elizabeth Campbell, "Formalizing the Informal Economy: Somali Refugee and Migrant Trade Networks in Nairobi," *Global Migration Perspectives*, No. 37 (2005), Global Commission on International Migration, Geneva, Switzerland.

⁷ Based on interviews with hundreds of urban refugees in Kampala, Johannesburg and New Delhi between September 2010 and April 2011 by Women's Refugee Commission staff.

⁸ UNHCR, *UNHCR Global Trends Report 2010*, Field Information and Coordination Support Section Division of Programme Support and Management, (Geneva, 2011).

⁹ Richard Pithouse, Interactivist, Review of Mike Davis' "Planet of Slums," May 5, 2008. <http://housingstruggles.wordpress.com/2008/06/08/mike-davis-planet-of-slums/#more-70> (last accessed October 13, 2011).

¹⁰ UNHCR, *UNHCR Policy on Refugee Protection and Solutions in Urban Areas* (Geneva, 2009).

¹¹ 56th Session of the Executive Committee, Report on the Annual Consultations with Non-Governmental Organizations, 27 – 29 September 2005, Palais des Nations – Geneva, Switzerland, p. 6. <http://www.unhcr.org/cgi-bin/texis/vtx/home/opensslPDFViewer.html?docid=4381c5832&query=average%20length%20of%20displacement> (last accessed October 31, 2011).

¹² Karen Jacobsen, "Refugee and Asylum Seekers in Urban Areas: A Livelihoods Perspective," *Journal of Refugee Studies*, 19(3) (2006), Oxford University Press, pp. 273-286.

¹³ UNHCR, States party to the 1951 Convention relating to the status of Refugees and the 1967 Protocol (Geneva, 2003), pp. 1-5.

<http://www.unhcr.org/protect/PROTECTION/3b73b0d63.pdf> (last accessed October 13, 2011).

¹⁴ Uganda National Legislative Bodies, Acts Supplement no.8. Act 21 Refugee Act of 2006, Section 29 (e) (v), (vi).

¹⁵ Refer to Convention articles 17, 18 and 19 regarding wage-earning employment, self-employment and practicing professions.

¹⁶ Brad K. Blitz, *Balkan Returns: An Overview of Refugee Returns and Minority Repatriation: Special Report Number 57*, United States Institute of Peace (1999), <http://www.usip.org/publications/balkan-returns-overview-refugee-returns-and-minority-repatriation> (last accessed October 13, 2011).

¹⁷ Roy J. Eidelson. & Rebecca Horn, "Who Wants to Return Home? A Survey of Sudanese Refugees in Kakuma, Kenya," *Refuge: Canada's Periodical on Refugees*, Vol. 25, No. 1 (2008), p. 24.

¹⁸ Deborah Jones, *Starting Schools Under the Mango Trees: A Study of the Guinea Refugee Education Program*, International Rescue Committee (2009), p. 72, http://legacyinitiative.net/pubs/Mango%20Tree_final.pdf (last accessed October 13, 2011).

¹⁹ E. Sahan, *Residual Liberian Refugee Population in Buduburam, Ghana*, Australian Refugee Rights Alliance (2008), p. 3.

²⁰ Based on Women's Refugee Commission staff interviews with hundreds of urban refugees in Kampala, Johannesburg and New Delhi between September 2010 and April 2011.

²¹ Based on Women's Refugee Commission staff interviews with refugee and asylee women in South Africa, March 2011.

²² UNHCR, *State of the World's Refugees 2006: Human Displacement in the New Millennium*, Oxford University Press (2006), p. 50.

²³ The informal economy is "not an individual condition but a process of income-generation characterized by one central feature: it is unregulated by the institutions of society." Alejandro Portes and Manuel Castells, *The Informal Economy: Studies in Advanced and Less Developed Countries* (1989), p. 12.

²⁴ Vulnerability is not the same as poverty, marginalization or other conceptualizations that identify groups or populations deemed to be disadvantaged, at risk or in need. Poverty is a measure of current status: vulnerability involves a predictive quality. That is, it is a way of conceptualizing what may happen to an identifiable population under conditions of particular risks and hazards. T. Cannon, J. Twigg & J. Rowell, *Social Vulnerability, Sustainable Livelihoods and Disasters*. Report to DFID Conflict and Humanitarian Assistance Department (CHAD) and Sustainable Livelihoods Support Office (no date), p. 59. http://www.proventionconsortium.org/themes/default/pdfs/CRA/DFIDSocialvulnerability_meth.doc (last accessed October 13, 2011).

²⁵ Wealth groups are sets of households that have similar asset holdings and employ similar strategies to gain access to food and cash income. For field research, in Kampala and New Delhi, wealth groups were categorized by local definitions of self-reliance. In Jo-

hannesburg, wealth groups were defined by factorial analysis of household assets.

²⁶ Loren Landau and Marguerite Duponchel, "Laws, Policies, or Social Position? Capabilities and Determinants of Effective Protection in Four African Cities," *Journals of Forced Migrant Studies* (2010), p. 13.

²⁷ Oriana Bandiera, Robin Burgess, Selim Gulesci & Imran Rasul, "Community Networks and Poverty Reduction Programmes: Evidence from Bangladesh," Economic Organization and Public Policy Programme (EOPP) (2009), p. 37. <http://sticerd.lse.ac.uk/dps/eopp/eopp15.pdf> (last accessed October 13, 2011).

²⁸ Marc Sommers, "Urbanization and its Discontents: Urban Refugees in Tanzania," *Forced Migration Review* (4) (1999). Note: With rapid urbanization this trend may be changing.

²⁹ Tom Kuhlman, *Burden or Boon? A Study of Eritrean Refugees in the Sudan*, (Amsterdam: Vrije University, Uitgeverij, 1990).

³⁰ Michela Macchiavello, "Livelihood Strategies of Urban Refugees in Kampala," *Forced Migration Review*, Issue 20 (2004), p. 26.

³¹ African Centre for Migration and Society at the University of the Witwatersrand African Cities Study Data Set, 2006 and Vulnerability Study Data Set, 2009.

³² Ayla Bonfiglio, "The Self-Reliance of Self-Settled versus Settlement Refugees in Uganda," graduate thesis (March 2009).

³³ ACMS Vulnerability Study Data Set, 2009.

³⁴ Loren Landau, "Laws, Policies or Social Position? Capabilities and the Determinants of Effective Protection in Four African Cities," *Journal of Refugee Studies*, Vol. 24, No. 1 (January 2011), p. 2.

³⁵ Women's Refugee Commission, *Bright Lights, Big City: Urban Refugees Struggle to Make a Living in New Delhi* (New York, 2011), p. 1.

³⁶ As reported in interviews with UNHCR and implementing partner staff and verified in refugee focus group discussions and individual interviews, March 2011.

³⁷ Women's Refugee Commission, *The Living Ain't Easy: Urban Refugees in Kampala*, (New York, 2011).

³⁸ Based on interviews with hundreds of urban refugees in Kampala, Johannesburg and New Delhi between September 2010 and April 2011 by Women's Refugee Commission staff.

³⁹ Ibid.

⁴⁰ UNHCR, UNHCR Policy on Refugee Protection and Solutions in Urban Areas (Geneva, 2009), p. 16.

⁴¹ Karen Jacobsen, "Refugee and Asylum Seekers in Urban Areas: A Livelihoods Perspective," *Journal of Refugee Studies*, 19(3) (2006), pp. 273-286.

⁴² A systems approach means that practitioners do not directly provide services. Instead they broker relationships with public institu-

tions, international development agencies and the private sector.

⁴³ UNHCR, *Refugee Livelihoods: Operational Guidelines*, (draft August 26, 2011), p. 10.

⁴⁴ Asian Development Bank, *Social Protection: Our Framework: Policies and Strategies*, July 2003, Appendix p.1. http://www.adb.org/documents/policies/social_protection/appendix.pdf (last accessed October 13, 2011).

⁴⁵ Pamela Young, *Microinsurance—Exploring Ways to Assess Its Impact*, Microfinance Opportunities and the Iris Center (University of Maryland, June 2006), p.23. <http://www.fsassessment.umd.edu/publications/pdfs/Microinsurance-Impact.pdf> (last accessed October 13, 2011).

⁴⁶ Bernd Schubert, *Social Cash Transfers – Reaching the Poorest* (GTZ, 2005), p. 10. <http://www.gtz.de/dokumente/bib/05-0542.pdf> (last accessed October 13, 2011).

⁴⁷ Ibid.

⁴⁸ James L. Garrett, *Achieving Urban Food and Nutrition Security in the Developing World* (Washington, D.C.: IFPRI, 2000).

⁴⁹ WFP Launches Mobile Phone-Based Food Voucher Pilot for Iraqi Refugees in Syria (October 27, 2009). <http://www.wfp.org/news/news-release/wfp-launches-mobile-phone-based-food-voucher-pilot-iraqi-refugees-syria> (last accessed October 13, 2011).

⁵⁰ Manuel Castells & Alejandro Portes, "World Underneath: The Origins, Dynamics and Effects of the Informal Economy". In Alejandro Portes (Ed.), *The Informal Economy: Studies in Advanced and Less Developed Countries* (Baltimore: Johns Hopkins University Press, 1989).

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⁵² Alfons Eiligmann, *Making Business Development Services Markets work for the Poor*, GTZ, 2005, p. 7. http://www.gtz.de/wbf/4tDx9kw63gma/MakingBDSMarketsWorkforthePoor_0505.pdf (last accessed October 13, 2011).

⁵³ Karl-Oskar Olming, *Commercially Sustainable BDS to Poor Customers – The Case of Sri Lanka* (ILO SIYB, August 2004).

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⁵⁵ Post-Conflict Microfinance Project. http://www.postconflictmicrofinance.org/TowardsPrinciples_27_05_04.pdf (last accessed October 13, 2011).

⁵⁶ Karen Jacobson, FIFCT University, Medford, Massachusetts 02155, *Microfinance in protracted refugee situations: Lessons from the Alchemy Project* (June 2004), p. 22. http://www.tufts.edu/Nutrition/webcm/docs/pdf/famine/MF_Lessons.pdf (last accessed October 13, 2011).

Annex I: Resources

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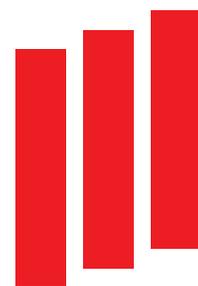
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