



# **ZAMBIA REFUGEES ECONOMIES: LIVELIHOODS AND CHALLENGES**

**Study commissioned by the UNHCR Zambia and  
conducted by the Institute of Economic and  
Social Research (INESOR), University of Zambia in  
partnership with the Refugee Studies Centre,  
University of Oxford, United Kingdom, 2017**

**Mushiba Nyamazana (Team Leader), Grayson Koyi, Patricia Funjika and  
Edward Chibwili**

---

## Table of Contents

LIST OF ACRONYMS .....	2
EXECUTIVE SUMMARY .....	3
1.0 Introduction .....	8
1.1 Historical Background .....	8
1.2 Country context .....	11
1.2.1 Economic context .....	11
1.2.2 Refugee legislative framework .....	12
2.0 Conceptual Framework and Methodological Approach .....	15
2.1 Some Conceptual Context .....	15
2.2 Research Methods .....	17
2.3 Limitations of the Study .....	19
3.0 Refugees' Economies and Livelihoods Challenges .....	20
3.1 Primary livelihood activities in Lusaka urban and the rural settlements .....	20
3.2 Refugees' livelihoods diversity by nationality and ethnicity .....	21
3.3 Livelihood Challenges .....	24
4.0 Refugees' Business Networks and Networking .....	27
4.1 Refugee livelihoods as part of intra-settlement networks .....	28
4.2 Refugee livelihoods as part of national networks .....	31
5.0 Refugees Livelihoods and Contributions to Employment and Human Capital Formation .....	36
5.1 Refugees' contributions to employment creation .....	36
5.2 Refugees as creators of human capital .....	41
6.0 Refugees as users of information communication technology (ICT) and energy (power) in primary livelihoods activities .....	44
6.1 Refugees' households access to ICT .....	44
6.2 ICT use in primary livelihood activities .....	46
6.3 Refugees' use of energy services in livelihoods activities .....	50
7.0 Refugee dependency and types of support they seek to improve livelihoods .....	53
7.1 Refugees' households' dependency profiles .....	53
7.2 Types of Support Refugees wish for to improve livelihoods .....	57
8.0 Conclusion and Recommendations .....	59
8.1 Conclusion .....	59
8.2 Recommendations .....	60

## LIST OF ACRONYMS

AAH	Action Africa Help - International
COR	Commission for Refugees, Ministry of Home Affairs, Zambia
CSO	Central Statistical Office
DRC	The Democratic Republic of the Congo
DVD	Digital Versatile Disc
FDI	Foreign direct investment
GDP	Gross Domestic Product
GRZ	The Government of the Republic of Zambia
ICT	Information and communication technology
IMF	International Monetary Fund
INESOR	Institute of Economic and Social Research
IPS	Implementing Partners
ITU	International Telecommunications Union
JCTR	Jesuit Centre for Theological Reflections
K	Zambian Kwacha (un-rebased)
LCMS	Living Conditions Monitoring Survey
MSMEs	Micro, small and medium enterprises
NGO	Non-Governmental organization
TV	Television
UNHCR	United Nations High Commission for Refugees
UNZA	The University of Zambia
ZMW	Rebased Zambian Kwacha

## EXECUTIVE SUMMARY

Zambia has been a peaceful and humane country that has hosted refugees from neighbouring countries, the Great Lakes Region and the Horn of Africa for more than 50 years in different parts of the country where sites were established relatively close to the border with the neighbouring countries in conflict. Many of the camps have since been closed and currently there are only two officially designated refugees' settlement areas at Meheba in Kalumbila district in North-Western Province and Mayukwayukwa in Kaoma district of Western Province. As of December 2016, Zambia was hosting a total of about 57,209 refugees, former refugees and other people of concern - mostly in the two refugee settlements, self-settled in five provinces and other urban areas mostly in the Copperbelt and Lusaka. The refugees from the Democratic Republic of Congo form the largest group at 23,250 people; former refugees from Angola at 19,800; from Rwanda at 6,236 (of whom 4,740 are former refugees); from Burundi at 4,434; from Somalia at 3,064; and from other countries at 389. Angolan refugees were the first to seek a safe haven in Zambia in 1967 and were, for many years the largest and most significant refugee group. However, since 2004, over 132,000 Angolan refugees voluntarily repatriated back to their country of origin. The former Angolan refugees that have opted to remain in Zambia are currently being locally integrated through a local integration programme at both Meheba and Mayukwayukwa settlements.

The economic contribution of refugees to host economies has some controversies. Some scholars posit refugee settlements and camps as housing people who are helpless and dependent on humanitarian assistance. Others disagree and argue that refugee populations are actively engaged with and contribute positively to host-country economies - especially in the recent past when humanitarian budgets to protracted refugee areas (i.e. refugees who have been in exile for more than 10 years) have severely been cut by traditional donors. The recent increase in refugees crises points in the world, especially in Europe, the Middle-East, Central Africa and some parts of Asia have attracted most of the increase in donor support at the expense of the protracted refugee situations. Using extensive qualitative and quantitative methods, Betts *et. al.* (2014) explored refugee economies in Uganda and found that refugees make positive contributions to the Ugandan economy through significant volumes of market exchange, creation of employment and adaptation of appropriate technologies.

The study was commissioned by the United Nations High Commission for Refugees (UNHCR) in partnership with the Humanitarian Innovation Project, Refugee Studies Centre, University of Oxford. This centre had undertaken a similar study in Uganda in 2013. The methodology of refugee economies applied in Uganda focuses on the resource allocation systems of displaced people and how their economic livelihood activities of consumption, production, exchange and finance interact with the host community and potentially affect the national economy of the host country. Effectively, this kind of approach works from "bottom-up" in tracing the various interactions of micro-economic activities of individual refugees' household with the local, regional, national and trans-border economies.

The specific terms of reference for this study were to document the following aspects of refugee economies in Zambia:

- Types of economic activities employed by different groups of refugees and former refugees (Angolans and Rwandese).
- Refugees' capacity to become investors or employers or employees.
- Refugees' participation to the supply chain of micro, small and medium enterprises (MSMEs).
- Refugee consumers' patterns for the purchase of goods and services.
- Refugees' expertise and skills (both formal and informal).
- Challenges facing refugees' economic activities

Despite Zambia's long-history of hosting refugees and being signatory to the 1951 Convention on the Status of Refugees and its 1967 Protocol that defines who is a refugee, their rights and member states' obligations; the country has made reservations to Articles 17 (2) and 26 of the 1951 Convention that limits refugee rights to paid employment and rights to freedom of movement within the country. While the Refugees (Control) Act of 1970 gives the Minister discretionary powers to designate where refugees should reside the practice, however, has been that refugees are required to reside in confined rural settlements and permitted only to move out once they obtain a gate pass from the authorities. Further, Zambia has not made any reservations to article 18 of the 1951 Convention that provides for refugees to engage in self-employment in the host countries. We document the impact and implications of these regulations (i.e. rights of work and free movement) on refugee economies in Zambia. To lighten the refugees' burden from these regulation, the Zambia Immigration Department has administratively reduced the requirements for refugees' investment permits from the statutory US\$250,000 to US\$15,000. Further, refugees with specialist skills in medicine and other scientific fields are exempt from work permit regulations and can be employed wherever there are vacancies.

The study was carried out in three sites: Mayukwayukwa, Meheba (predominantly rural settings) and the City of Lusaka (main urban setting). A mixed methods research approach was adopted that combined quantitative (household survey), qualitative (key informants' interviews, focused group discussions, and some elements of participant observations), and documentation review of official documents and other publications. From the eligible refugees target population size of 22,695 people (during the study design period of September 2016), at 5% margin of error and 95% confidence interval, we calculated a sample size of 378. During field work, we oversampled and ended up with an actual sample of 493 households. This afforded us the ability to drop cases that were not complete without affecting the validity of the sample. We used proportionate sampling using group's population size as weights. The final sample of 493 households comprised Congolese 190 (39%); Angolans 139 (28%); Burundi 93 (19%); Somali 40 (8%) and Rwandese 31 (6%). For reasons beyond our control, the Rwandese community refused to participate in the survey in Meheba settlement.

In urban areas our initial snow bowling sampling approach proved too costly and time consuming as the urban refugees are dispersed over many townships in Lusaka. UNHCR requested their implementing partner AAH to ask refugees to congregate in central locations in the various residential areas where our team then interviewed the refugees. This represented some gender bias in the sample - i.e. more women turned up for the interviews and the men who turned up might not have been those with very active and brisk livelihood activities. In the urban areas, we addressed the possible household sampling bias challenge through key informant interviews and focus group discussion meetings to triangulate some of the key findings.

Our study findings are summarized below by theme.

**Refugees' business networks and networking:** In the rural settlements of Meheba and Mayukwayukwa, there are a lot of intra-settlement livelihoods networks. On average in these settlements the largest customer base for refugee businesses are refugees from a different country of origin; followed by Zambians and finally refugees from the same country of origin. In Lusaka, Zambians are the largest customer base for refugee livelihood activities. Because of restrictions on freedom of movement, the national livelihoods networks are below their potential as a large proportion of the rural settlement population never go outside the camp to buy goods and services and about three quarters of refugees livelihood activities are confined to within the settlements.

For the agricultural activity which refugees in settlements are permitted to undertake, we observed a lot of business networks between the nearest business districts (Kaoma, Manyama, Solwezi) and regional and national markets (DRC border and Lusaka). For certain commodities like maize and cassava, Zambian agri-business dealers travel to the settlements to buy produce and transport it to various markets. For goats, rice, village chickens, dry caterpillars and other commodities, refugees themselves buy locally and travel to markets in various parts of the country to trade their wares. This they do, with or without a gate pass that allows them to leave the settlement area.

**Contributions to Employment and Human Capital:** The refugees' micro and small livelihood business activities contribute to employment creation. We argue from the derived demand for labour theory, i.e. the demand for labour is derived from the demand for goods and services that employers produce by combining labour with other factors of production to produce outputs that are in turn sold to consumers. In that sense, the purchase by refugees' primary livelihood persons of the various stock-in-trade items and services that they use in their respective primary livelihood activities and for household consumption contribute to the Zambian economy's capacity to create additional jobs to meet this demand. The report also shows that given the severe refugees employment regulations restrictions, most refugees rely on self-employment. The report presents data that shows that both rural settlements and, especially, Lusaka urban refugees' livelihood activities employ persons from outside the households. On the other hand, we found that refugees provide a lot of labour services to fellow refugees (both of the same country and different country of origin); UNHCR and its implementation partners; and Zambians. On a comparative basis, settlement refugees tend to be employed by other people when compared to those who are based in Lusaka urban.

**Refugees as users of information communication technology and power in their primary livelihoods:** the freedom of movement regulations restrictions may have contributed to relatively high average ICT penetration rates (mobile phones, computers and the Internet), among refugees in our sample at both household and livelihood levels. The refugees' disadvantaged position and the concern for their personal and livelihoods security, may also partly explain why urban refugees tend to invest more on energy access than Zambians. The Lusaka sample shows that refugees have very high electricity access (mains, standby and solar power) at 84% that is almost twice Zambia's average access rate for urban areas. On the other hand, the rural settlements largely depend on wood biomass fuels (charcoal and firewood) for both households and livelihood activities.

**Refugee dependency and types of support they seek to improve livelihoods:** This report present evidence that shows that on account of protracted refugees' situation in Zambia and the concomitant decline in donor support to "protracted" operations, most refugees' direct support has been scaled-down. In the case of former Angolan refugees who opted to settle in Zambia, such support has ceased except for the vulnerable groups and the elderly with no social protection networks of their own.<sup>1</sup> In a country where land is immediately

---

<sup>1</sup> Officially, former Angolan refugees undergoing local integration at both Mayukwayukwa and Meheba have both right to work and freedom of movement once they are granted residence permits. Interviews with Angolan former refugees and documentary evidence during our field work shows a contrary situation: former refugees with pink national registration cards (alien cards or stoke 3) are still required to obtain gate passes from Refugees Officers for them to travel outside the camp. One

made available to refugees by the Government and access to primary health care and education are free of charge, refugees are expected to become self-sufficient within a year from their arrival - and thereby reduce donor dependency.

The main form of external support is cash handouts (corresponding to the Government social cash transfer for vulnerable families) followed by education sponsorship of children at different levels of the educational system. Among those that are currently on external support, the level and depth of dependency is highest in Mayukwayukwa, followed by Lusaka. In terms of nationality, the Congolese are the largest recipients of external support.

In terms of the support they would wish for, financial assistance tops the list, followed by business livelihood-related support, and then education for their children. For Meheba, third country resettlement is the top priority for support being sought. On food aid, Mayukwayukwa has the highest requests, followed by Meheba.

**Refugee economies and livelihood challenges:** We present data on the top livelihood activities by site and refugee nationality. For the rural settlements, farming and livestock rearing; small shops/vending; petty trading; carpentry and brick-laying are the main livelihood activities. For Lusaka, grocery and liquor stores; selling of second hand clothes and wrappers (vitenge); restaurants and kiosks; and petty trading are the main livelihood activities.

For the settlement refugees, while the Congolese are generally into trading and selling they have, in the recent past, diversified into farming (especially market gardening); Angolans into farming and Burundi into farming and livestock husbandry as well as small shops. In Lusaka urban, Congolese are largely still in selling of clothing and general merchandising; Somalis into restaurants, butcheries, medium and large shops, supermarkets and wholesale shops, and factory workers.<sup>2</sup> Rwandese are into medium and large grocery, super-markets and wholesale shops that employ other people, small shops and restaurants. For Burundi refugees, their main businesses in Lusaka are hawking/vending and small shops as well as petty trading in household merchandise.

For both rural and urban refugees the key livelihood challenges include:

- Right to work regulations
- Discrimination/harassment/security/attacks (urban only)
- Rights of movements regulations
- Lack of capital
- Expensive rent (urban only)
- Transport (rural only)
- Low salary (rural only).

The report concludes by providing some recommendations on options for easing the onerous employment permits and the restrictive freedom of movement regulations that could be implemented in the short run by modifying regulations without necessarily amending the refugee control statutes. Proposals on a graduated and differentiated ease of restraints on refugees is proposed. In the main the recommendations made are founded on the fact that

---

of our research assistant who is a former Angolan refugee and his mother is Zambian came on a gate pass for survey training.

<sup>2</sup> Surprisingly, trucking and motor mechanics (the two occupations Somalis are internationally renowned for) did not get mentioned in Lusaka but in the Meheba focus group meeting.

the country has continuously hosted refugees for half a Century and, consequently, donor humanitarian support has tended to decline as such support is directed at new refugees' flashpoints in the world that have become too many in the recent past. In which case, some regulations reforms are imperative to enable refugees to upscale their livelihood activities for them to enjoy some decent living. If the present restrictions are maintained, one outcome is certain: more refugees will violate the regulations and face prosecution that will fill the prisons unnecessarily.



## 1.0 Introduction

### 1.1 Historical Background

Throughout human history, conflicts and civil strife have resulted in involuntary mass movement of people from their home territories to seek refuge in either neighbouring or distant territories that are relatively safer and peaceful. History further shows that host communities do not always welcome refugees in their territories as the latter are often perceived to be a security risk and can also be subjected to prejudices as the new arrivals might not speak the local languages nor share the same values, beliefs and religions of the host communities. This kind of refugees' perception has contributed to the current refugees' crisis in Europe arising from the civil wars in the Middle East and Central Asia (Syria, Libya, Iraq and Afghanistan) and the economic migrants from Africa and Asia. According to Aljazeera media, 2016 represents a year when the world stopped caring for refugees. In its view, "the refugee crisis is now often spoken of in terms of economics and security - especially during election season - as opposed to empathy".<sup>3</sup>

The European refugees' crisis highlights the plight of the growing number of refugees displaced by conflicts around the world. The influx of Syrian refugees into Europe reached crisis point in 2015; the same year the United Nations High Commission for Refugees (UNHCR) provided support to thousands of people displaced by civil conflict or natural disasters in refugee camps across the world; and the UN World Food Programme (WFP) also joined forces with UNHCR to provide food aid, in kind support or cash<sup>4</sup> to the affected refugees. The number of refugees under UN mandate reached an estimated 15.4 million in 2015, the highest level in 20 years<sup>5</sup>. Most of these refugees are in camps located in countries neighbouring the refugees' country of origin.

Figure 1 provides a schematic representation of Zambia's history of hosting refugees from 1967 (just three years after attaining her independence in 1964) to date. The map highlights the fact that Zambia's Southern African neighbourhood is prone to civil strife and political instability - and in more recent times the Great Lakes countries of Burundi and Rwanda; and Somalia in the Horn of Africa. Since independence, Zambia has relatively enjoyed peace and stability when compared to her eight neighbouring countries but, in addition to hosting refugees from the conflict torn neighbours, the country was at the centre of the Southern Africa wars of liberation. Zambia and Malawi were the southern-most independent countries sharing borders with southern neighbours who were either under British, Portuguese or South African colonial rule. Zambia chose to support the liberation struggle and consequently hosted refugees or freedom fighters from five of its eight neighbouring countries - Angola, Democratic Republic of Congo, Mozambique, Zimbabwe and Namibia. After the entire Southern Africa was liberated from colonialism, Zambia continued to host refugees on humanitarian grounds and that explains why she has taken in refugees from far afield -- i.e., Great Lakers region and the Horn of Africa.

Table 1.1 shows that as of December 2016, Zambia was hosting a total of about 57,209 refugees, former refugees and other people of concern - mostly in the two refugee

<sup>3</sup> <http://www.aljazeera.com/indepth/features/2016/12/2016-year-world-stopped-caring-refugees-161227090243522.html>. Visited 29 December 2016.

<sup>4</sup> Hynie M (2016) Life on the edge. Science 351(6272):444-445.

<sup>5</sup> UNHCR (2015) Mid-year trends 2015. Available at [www.unhcr.org/56701b969.html](http://www.unhcr.org/56701b969.html). Accessed October 20, 2016.

settlements camps, self-settled in five provinces and other urban areas mostly on the Copperbelt and Lusaka. The refugees from the Democratic Republic of Congo form the largest group at 23,250 people (41%); former refugees from Angola at 19,800 (35%); from Rwanda at 6,236 (of whom 4,740 are former refugees) (11%); from Burundi at 4,434 (8%); from Somalia at 3,064 (5%); and from other countries at 389 (1%). Angolan refugees were the first to seek a safe haven in Zambia in 1967 and were, for many years the largest and most significant refugee group. However, since 2004, over 132,000 Angolan refugees voluntarily repatriated back to their country of origin. The former Angolan refugees that have opted to remain in Zambia are currently being locally integrated through a local integration programme at both Meheba and Mayukwayukwa settlements (see figure 1-2).

Table 1.1 Population of Refugees and other persons of concern as of December 2016

Location	Nationality	Total refugees	Total Asylum Seekers	Former Angolan refugees	Former Rwandan Refugees	Grand Total
Meheba Settlement	Angolan	0	0	6,973	0	20,388
	DR Congolese	7,442	256	0	0	
	Rwandan	981	0	0	2,846	
	Burundi	1,522	24	0	0	
	Somali	283	11	0	0	
	Others	50	0	0	0	
	Sub Total	10,278	291	6,973	2,846	
Mayukwayukwa Settlement	Angolan	0	0	6,879	0	13,237
	DR Congolese	5,969	0	0	0	
	Rwandan	19	0	0	144	
	Burundi	217	0	0	0	
	Somali	9	0	0	0	
	Others	0	0	0	0	
	Sub Total	6,214	0	6,879	144	
Self-settled (28 Districts in 5 Provinces)	Angolan	0	0	5,890	0	12,404
	DR Congolese	4,429	0	0	0	
	Burundi	400	0	0	0	
	Rwandan	0	0	0	914	
	Somali	700	0	0	0	
	Others	71	0	0	0	
	Sub Total	5,600	0	5,890	914	
Urban	Angolan	0	0	58	0	11,180
	DR Congolese	3,427	1,727	0	0	
	Rwandan	496	36	0	836	
	Somali	1,603	458	0	0	
	Burundi	1,498	773	0	0	
	Others	234	34	0	0	
	Sub Total	7,258	3,028	58	836	
TOTAL		29,350	3,319	19,800	4,740	57,209
Total Angolan and Rwanda former refugees				24,540		

Source: UNHCR (Zambia)

Figure 1-1: Map of Zambia Showing Historical Refugee Settlements



Source: <http://libguides.library.qut.edu.au/zambia>.



Zambia's humanitarian perspective has direct implications for refugees' livelihoods. The country is a signatory to the 1951 Convention on the Status of Refugees and its 1967 Protocol that defines who is a refugee, their rights and member states' obligations. Like other refugee host countries in other parts of the world, Zambia has made reservations, among other reservations, to Articles 17 (2) and 26 of the 1951 Convention which, respectively, limits refugee rights to paid employment and to freedom of movement within the country. With regard to employment, refugees are treated like other foreigners seeking paid or self-employment who, according to the immigration law, are required to apply for a work permit, with a supporting letter from the Office of the Commissioner for Refugees (the Department under the Ministry of Home Affairs responsible for refugees' affairs in the country).

The Immigration Department in conjunction with the Department of Labour (Ministry of Labour and Social Security) can only grant refugees work permits in those occupations where there are no Zambians of similar qualifications and competencies to fill the vacancies. The Immigration Department, the Department of Labour and the Zambia Development Agency (ZDA) further requires refugees and other non-nationals who wish to pursue self-employment as private sector investors have to demonstrate proof to invest up to US\$250,000 if they are starting a new company and US\$150,000 if they are joining an existing company in Zambia.<sup>6</sup> These are tough conditions for most refugees to meet given the fact that most of them left their respective countries under unplanned and very difficult conditions. To ameliorate the situation, Zambia Immigration Department, through administrative action, have moderated the minimum investment threshold for refugees to, at least, K150,000 (i.e. about US\$15,000 at current exchange rates). Additionally, refugees with specialist skills in scientific, medicine and other engineering fields are exempt from work permits and can be employed in the public sector - especially the Ministry of Health for medical specialists.

Zambia's reservations to article 26 of the 1951 Convention means that all refugees are required, under the Refugees Control Act, to reside in designated refugee settlements. Refugees in such designated sites (refugee settlements) must obtain a time-restricted gate pass from the Refugee Officer for them to legally move freely in the country. If a refugee relocates from the designated settlements to urban areas without formal authority, they are subject to detention and prosecution if found by immigration authorities. The restriction on the freedom of movement is one of the primary sources of discontent among the refugees' communities, as it limits their access to essential goods, sources of income and education opportunities. Refugees are allowed to live in urban areas only if they are granted medical, study or work permits by the relevant authorities. This policy tends to adversely affect young refugees who are keen to advance their human capital credentials through tertiary and vocational training that is often located in urban areas.

## 1.2 Country context

### 1.2.1 Economic context

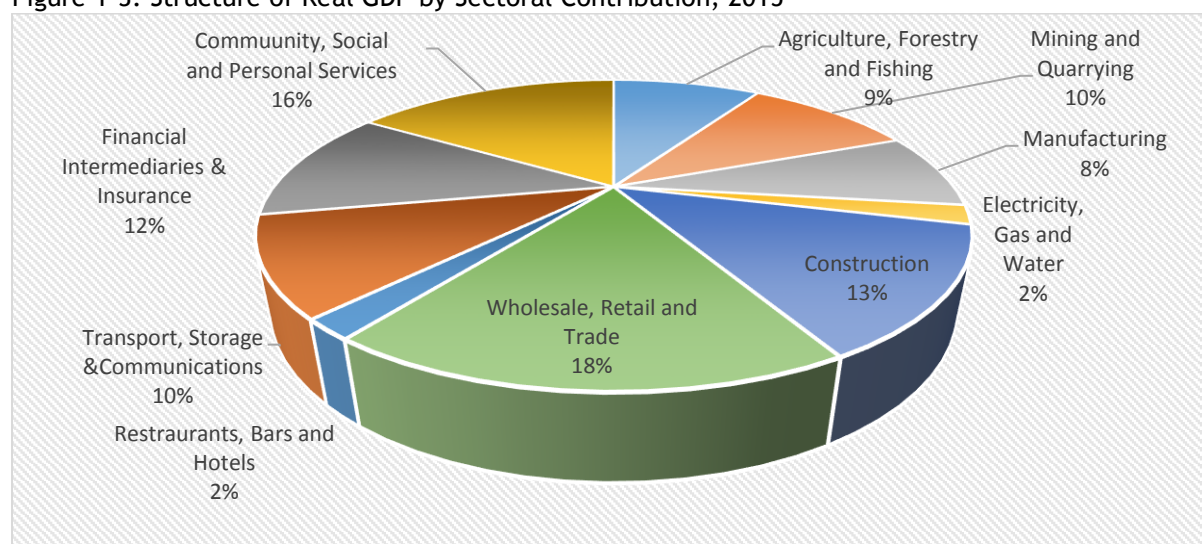
Zambia was reclassified by the World Bank as a lower middle income country in 2011 after posting consistent economic growth of more than 6 per cent per year since 1999. Zambia lost the middle income status in the mid-1970s following the global economic crisis emanating from the oil supply shock of 1972 following the Israeli-Arab war. Being a copper mining and exporting economy (that still accounts for about 75% of total export earnings to date), the copper price collapse in 1975 triggered an economic crisis that resulted in debt crisis in the 1980s and culminated into the change of government in 1991. The new government in 1991 embarked upon far-reaching socio-economic and structural reforms under the support of the IMF, World Bank and other bilateral donors to help the country achieve macroeconomic stability through market liberalization and privatization programs - that for the first time in a generation resulted in single digit inflation being recorded from 2006. The results of these reforms have been mixed but one major outcome has been the fact that since the privatization of the mining industry was completed in 1999/2000 fiscal

<sup>6</sup> [https://www.zambiaimmigration.gov.zm/index.php?option=com\\_content&view=article&id=50&Itemid=57](https://www.zambiaimmigration.gov.zm/index.php?option=com_content&view=article&id=50&Itemid=57) (visited 30 January 2017). In addition to the capital requirements of US\$250,000 and US\$150,000 stated above, the Zambia Immigration website lists additional fees for private sector investment permits as follows: issuance - K2,000; renewal - K2,500; duplicate K2,000; variation - K2,500; and addition of spouse/children - K1,000.

year, the economy has to-date posted positive economic growth upwards of 6% (at 2010 prices) up to 2014 and then at about 3% per year since then. The other effect has been that much of that growth has not been accompanied by structural transformation nor an increase in the economy's capacity to create decent job opportunities to absorb the ever increasing labour force - with the informal economy still accounting for about 84% of the labour force in 2014. As we show later in this report, the absence of decent formal employment opportunities represents a major binding constraint to refugees' livelihoods who are even restricted from most informal economy activities like groceries and other activities.

The structure of the Zambian economy in 2015 (see figure 1-3) is dominated by services with wholesale and retail trade contributing 18.4 percent; community, social and personal services 16%; construction 13 percent; financial services 12%; transport, storage and communications 10%; mining and quarrying 10 percent; agriculture, forestry and fisheries 10 percent; manufacturing 8 percent<sup>7</sup>; etc. Economic growth has been concentrated in capital-intensive industries such as construction, mining, financial services and transport. It has largely by-passed the majority of Zambians who subsist on agricultural and survivalist urban informal economy activities. Accordingly, the 2015 Living Conditions and Monitoring Survey (LCMS 2015) results show national headcount poverty rate at 54.4% and extreme poverty at 40.8%. For rural areas head count poverty was estimated at 76.7%.<sup>8</sup>

Figure 1-3: Structure of Real GDP by Sectoral Contribution, 2015



**Source:** Zambia Human Development Report, 2016

### 1.2.2 Refugee legislative framework

The Refugees (Control) Act of 1970, Chapter 120 of the Laws of Zambia, specifies the rights and obligations of refugees in the country. The Act and subsequent regulations requires all refugees to reside in refugee designated settlements, unless they have obtained a work or study permit, an investment permit or have been given permission to stay in an urban area on medical grounds. Section 12 of the Act specifically restricts refugees' rights to freedom of movement and residence. On account of this provision, the Immigration and Deportation

<sup>7</sup>CSO (Central Statistical Office). 2014. *Living Conditions Monitoring Survey*. Ministry of Finance and National Planning: Lusaka.

<sup>8</sup> See <http://www.zamstats.gov.zm/report/Lcms/LCMS%202015%20Summary%20Report.pdf> (visited 30 January 2017).



Act No. 18 of 2010 of the Laws of Zambia empowers immigration officers to arrest and detain any refugee or asylum seeker who fails to obey any lawful order of the Zambian Commissioner for Refugees (COR) or a Refugee Officer.

Interestingly, Zambia has not made any reservation to article 18 of the 1951 convention that speaks of self-employment:

*... The Contracting States shall accord to a refugee lawfully in their territory treatment as favourable as possible and, in any event, not less favourable than that accorded to aliens generally in the same circumstances, as regards the right to engage on his own account in agriculture, industry, handicrafts and commerce and to establish commercial and industrial companies.*

Article 18 of the 1951 Convention would seem to obligate the Zambian government to provide **“as favourable as possible”** a treatment to lawful refugees and not place them at par with other foreigners. It seems like a contradiction in principle that Zambia’s refugees regulations equates refugees residing in urban areas to other foreigners who are subjected to provisions of section 19 subsections (1), (2) and (3) (of the Immigration and Deportation Act) that compel foreigners to obtain a permit to engage in any gainful employment, prescribed trade, business or other occupations and to study at an educational institution. As stated above, for a refugee to reside in an urban area as a self-employed person, he/she must show proof of investment resources of at least US\$15,000. For refugees without specialist skills like medical doctors and scientific fields, they have to pay for a work permit that costs about US\$450 in total and a study permit of US \$100 - which charges are way above what the majority of refugees can afford. As a consequence, refugees’ socio-economic rights are restricted - a situation that makes urban based refugees’ livelihoods technically illegal and subject to arrest and detention by immigration officials if they are found without proper documentation. Under the local integration programme, however, an alternative legal status pillar has been proposed to provide for granting of residence permits to former refugees - as described in Box 1.

#### **BOX 1: ALTERNATIVE LEGAL STATUS PILLAR UNDER THE STRATEGIC FRAMEWORK FOR LOCAL INTEGRATION OF FORMER REFUGEES**

*This Pillar focuses on legal documentation and concomitant rights that ensure national protection and legal residence in Zambia. Specifically, it entails the issuance of Zambian residence permits (and citizenship documents for some, mainly children with one Zambian parent) in the short term, and eventually citizenship for permit holders who qualify in the longer term (the holder of a residence permit can apply for citizenship after ten years). The objective of the alternative legal status Pillar is to facilitate the legal integration of eligible former refugees. According to criteria published in October 2012, there are six tracks towards legal residence for former Angolan refugees in Zambia. A summary of the criteria is provided below:*

- 1. Children of Citizens of Zambia as per Article 5 of the Constitution of Zambia, Act No. 18 of 1996 provides for children born in or outside Zambia to become citizens of Zambia if at least one parent is a citizen of Zambia. A child born from one Zambian parent is eligible to apply for a Zambian national registration card upon attaining the age of 16 years.*
- 2. Persons Married to Zambian Nationals as per Section 23 of the Immigration and Deportation Act, No. 18 of 2010 provides for the issuance of a spouse permit by the Director-General of Immigration to a spouse of a citizen or an established resident. Angolan refugees married to Zambian spouses are eligible to apply for a spouse permit. The permit is issued initially for a 2 - year period after which, it is subject to renewal for 3 years. After 5 years, a holder of a spouse permit qualifies to apply for a residence permit in accordance with Section 20 (1) (g) of the Immigration and Deportation Act.*
- 3. Investor Permit - as per Section 29 of the Immigration and Deportation Act, No 18 of 2010 provides for the issuance of an investors permit to any foreign national by the Director-General of Immigration if they intend to establish a business or invest in Zambia. The funds come from within Zambia or outside Zambia. All family members 18 years and below may be included in the permit. A holder of an investors permit operating a viable business for a period exceeding 3 years is eligible to apply for a Residence permit. After 10 years on a Residence permit, they qualify to apply for citizenship. If the business is not viable, the applicant is advised to apply for renewal of his investors permit.*
- 4. Employment Permit - as per section 28 of the Immigration and Deportation Act, No. 18 of 2010 provides that refugees who have a professional qualification as prescribed in (Class A) of the schedule could be considered for issuance of an employment permit. A holder of an Employment permit is eligible to apply for a Residence permit after 10 years, and after 10 years, one is eligible to apply for citizenship. Family members 18 years and below may be included in the permit.*
- 5. Long Stay/Continuous Residence -former Angolan Refugees who arrived in Zambia between 1966 and 1986 and have continuously lived in Zambia as well as their children are eligible to apply for a Residence permit. The residence permits are valid for 10 years. A holder of residence permit is eligible to apply for citizenship after 10 years.*
- 6. Persons Married to Refugees of Other Nationalities - in support of the principle of family unity, and to be considered on a case-by-case basis. The self-settled Angolans living in villages and eligible to local integration will be able to remain in their current villages of residence once issued with a residence permit. They will not be requested to move to the resettlement areas. Zambian approval of residence permits is conditional on the former refugees obtaining Angolan passports.*

**Source:** Strategic Framework for the Local Integration of Former Refugees in Zambia (2014:11)

## 2.0 Conceptual Framework and Methodological Approach

### 2.1 Some Conceptual Context

There are some controversies on the economic contribution of refugees to host economies<sup>9</sup><sup>10</sup><sup>11</sup>. The popular perception is that refugee settlements and camps house people who are helpless and dependent on humanitarian assistance. However, some recent studies have shown that refugee populations are actively engaged with and contribute positively to host-country economies in their quest to improve their lot. Alix-Garcia and Saah (2009)<sup>12</sup> consider the impact of refugee camps on agricultural prices in Tanzania and find positive effects on prices of some agricultural products and a decrease in the price of food distributed in kind at refugee camps. Taylor *et. al.* (2016) analyses the economic impacts of refugees on host-country economies within a 10-km radius of three Congolese refugee camps in Rwanda. Simulations using Monte Carlo methods reveal that cash aid to refugees creates significant positive income spill-overs to host country businesses and households. An additional adult refugee receiving cash aid increases annual real income in the local economy by \$205 to \$253, significantly more than the \$120-\$126 in aid each refugee receives. Trade between the local economy and the rest of Rwanda increases by \$49 to \$55. The impacts are lower for in-kind food aid.

Using extensive qualitative and quantitative methods, Betts *et. al.* (2014)<sup>13</sup> explore refugee economies in Uganda and find that refugees make positive contributions to the Ugandan

---

<sup>9</sup> Cassidy J (Nov. 18, 2015) The economics of Syrian refugees. The New Yorker. Available at [www.newyorker.com/news/john-cassidy/the-economics-of-syrian-refugees](http://www.newyorker.com/news/john-cassidy/the-economics-of-syrian-refugees). Accessed December 1, 2016.

<sup>10</sup> Cali M, Sekkarie S (September 16, 2015) Much ado about nothing? The economic impact of refugee “invasions.” Brookings Inst Future Dev Forum. Available at [www.brookings.edu/blogs/future-development/posts/2015/09/16-economic-impact-refugees-cali](http://www.brookings.edu/blogs/future-development/posts/2015/09/16-economic-impact-refugees-cali). Accessed December 2, 2016.

<sup>11</sup> Cortes K (2004) Are refugees different from economic immigrants? Some empirical evidence on the heterogeneity of immigrant groups in the United States. *Rev Econ Stat* 86(2):465–480.

<sup>12</sup> 13. Alix-Garcia J, Saah D (2009). The effect of refugee inflows on host communities: Evidence from Tanzania. *World Bank Econ Rev* 24(1):148–170.

<sup>13</sup> Alexander Betts, Louise Bloom, Josiah Kaplan, and Naohiko Omata (2014) Refugee Economies: Rethinking Popular Assumptions, Humanitarian Innovation Project University of Oxford.



economy through significant volumes of market exchange, creation of employment and adaptation of appropriate technologies.

Most studies suggest that despite undergoing forced displacement and often living in destitute conditions, refugees have productive capacities and assets, and they actively interact with host-country economies<sup>14</sup>. While this may be the case, studies on economic impacts of refugees on host countries remain controversial and little understood. On one hand, this may be because data is usually not readily available. On the other, it is because the question of refugee impacts does not lend itself to conventional impact evaluation methods<sup>15</sup>.

After becoming aware of the refugees' economies study in Uganda, UNHCR Zambia decided to undertake a similar study following a similar methodology. The aim was to better understand refugee economies and their constraints and possibly use the findings to advocate for Zambia's softening or lifting of current reservations to the 1951 Refugee Convention. In that case, the Zambia refugees' economies study follows that of Betts *et al.* (2014) (who defined the concept of refugee economies as 'the resource allocation systems relating to a displaced population') UNHCR Zambia linked the Institute of Economic and Social Research of the University of Zambia (UNZA-INESOR) team with the Humanitarian Innovation Project, Refugees Study Centre, University of Oxford to carry out this study. The use of the refugees' livelihood concept adopts a holistic approach to study the ways in which refugees' economic activities are not simply reducible to livelihoods but are part of a wider system involving, production, consumption distribution, exchange, and finance. In the words of Betts *et al* (2014), "it also reflects an attempt to provide a 'bottom-up' perspective by exploring refugee' economic lives from the perspective of refugees themselves rather than from the 'top-down perspective' adopted in studies concerned primarily with assessing the impact on host economies or informing narrowly defined policy interventions".

In view of the foregoing, the broad research question for this study was "how can we understand the economic lives (or activities) of refugees (including former refugees) living in Lusaka City, Mayukwayukwa and Meheba refugee settlements and resettlements areas and the nature of the relationships between refugee livelihoods and the three respective host economies and national economy?" Specifically, the study was to look at the following areas of inquiry:

- Types of economic activities employed by different groups of refugees.
- Refugees' capacity to become investors or employers or employees.
- Refugees' participation to the supply chain of micro, small and medium enterprises (MSMEs).

---

<sup>14</sup> Werker E (2007) Refugee camp economies. *Journal of Refugee Studies* 20(3):461–480; Altonji J, Card D (1991) The effects of immigration on the labor market outcomes of less-skilled natives. *Immigration, Trade, and the Labor Market*, eds Freeman R, Abowd J (The University of Chicago Press, Chicago); Clemens M (2013) The effect of foreign labor on native employment: A job-specific approach and application to North Carolina farms. CGD Working Paper 326. Available at [www.cgdev.org/publication/effect-foreign-labor-native-employment-job-specificapproach-and-application-north](http://www.cgdev.org/publication/effect-foreign-labor-native-employment-job-specificapproach-and-application-north). Accessed December 3, 2016.

<sup>15</sup> Glitz A (2012) The labor market impact of immigration: A quasi-experiment exploiting immigrant location rules in Germany. *J Labor Econ* 30(1):175–213.

- Refugee consumers' patterns for the purchase of goods and services.
- Refugees' expertise and skills (both formal and informal).
- Challenges facing refugees' economic activities

The study will make recommendations on policy options that may help integrate refugees in the local host and national economies.

## 2.2 Research Methods

To explore refugee economies in the context of Zambia, we conducted field research in October 2016 (the dry and hot season) when most agricultural activities are off-season to ensure adequate response rate among the refugees' settlements households. As stated above, we adapted to Zambian conditions the methodology developed by the Humanitarian Innovation Project, Refugees Studies Centre, University of Oxford in Uganda that combines qualitative and participatory approaches, and quantitative methods based on a representative refugee household survey of 487 refugee households in rural refugees' settlement areas of Meheba and Mayukwayukwa, and the City of Lusaka (urban). The eligible target refugees' population was 22,695 (after adjusting for those aged up to 18 years who were not eligible for this study and refugee nationalities that were too small and likely to be missed during sampling).

Statistically, the acceptable minimum sample size for a target population size of 22,695 at 5 percent margin of error and 95 percent confidence interval is 378. Table 2.1 compares the target and actual number of households (samples) surveyed by location, nationality and variance in the three study sites. Our actual sample size of 493 households was 30% more than the target sample of 378 households. The Rwandese community refused to participate in the Meheba settlement scheme and that necessitated us to over-sample the Burundi community by a factor of almost 4 times (278%) to make up for the Rwandese community who we felt had similar characteristics.<sup>16</sup> In Lusaka urban, we decided to over-sample the Rwandese community and under-sample the Burundi community as a way of balancing up the sample. Overall, the actual sample was above the minimum acceptable threshold and thus sufficiently representative. Further, the reasonably large sample size enabled the study team to drop cases that might not be complete without adversely affecting the representativeness of the sample.

In each of the three research sites, we drew upon a wide range of qualitative research techniques including unstructured and semi-structured interviews, focus group discussions, transect walks, and participatory mapping. We conducted livelihood mapping exercises to understand general and specific features of refugees' economic activities in relation to their socio-economic status. During this part of our research, we spoke to Angolan, Congolese, Rwandan, Burundian, and Somali refugees and former refugees and interviewed a wide range of non-refugee stakeholders, including Zambian nationals, Zambian government representatives, staff of the United Nations Office of the High Commissioner for Refugees (UNHCR), self-settled former refugees and UNHCR implementing partners. In total, 10 key informant interviews were conducted, 11 focus group discussions held and 3 case studies conducted (one in each site).

---

<sup>16</sup> The main reason for the Rwandese former refugees' community refusal to participate in the survey was the selection of a Burundi refugee research assistant instead of one of their own.

Table 2.1: Actual vs. Target Samples

	Congolese	Angolan	Rwandese	Burundian	Somali	Row Total
Lusaka: Actual (A)	60	0	28	25	40	153
Target Sample (T)	52	0	17	28	28	125
Variance (A/T - 1)%	15%		65%	-11%	43%	22%
Mayukwayukwa (A)	60	60	0	0	0	120
Target Sample (T)	48	51				99
Variance (A/T - 1)%	25%	18%				21%
Maheba (A)	70	79	3	68	0	220
Target Sample (T)	54	52	30	18		154
Variance (A/T - 1)%	30%	52%	-90%	278%		43%
Column Total	190	139	31	93	40	493
Target Sample (T)	106	103	47	46	28	378
Variance (A/T - 1)%	79%	35%	-34%	102%	43%	30%

Respondents for the household survey were drawn from the largest nationalities in each of our three sites: Mayukwayukwa - Angola and Congolese; Meheba - Angolan, Congolese, Burundian and Rwandan respondents; and Lusaka - Congolese, Rwandan, Burundian and Somalis. We relied on the latest UNHCR provided database of refugees distributions in the three study sites and, accordingly, we generated a representative sampling strategy for each site. For the two rural settlements, an interval random sampling approach was employed to select households by nationality in different zones of the settlements.

Sampling in Lusaka was a major challenge. It was very difficult to locate and reach refugee households in the various high-density and unplanned residential areas of Lusaka where most of them reside. To resolve the problem, it was decided to enlist AAH support to mobilize respondents in central locations - mostly at Catholic Church centres where refugees were met and interviewed. The centralized interviews and focussed group discussions were held at Kanyama, Chaisa, Chipata, Matero and Chawama compounds. We also worked with community leaders for each refugee nationality group who helped mobilise refugees for focussed group discussions, particularly among the Congolese, Rwandan and Somali refugees and (former refugees) communities. The interviews and focus group discussions took place during week days when most men among refugee communities were out earning livelihoods for their families. Consequently, close to two-thirds of urban household respondents were females (63%) which contrasts with about a quarter (27%) in the two rural refugees' settlement sites.

To address the language and sensitivity concerns associated with this study, refugees' and former refugees' community research assistants were recruited to help our team to collect data in the three sites. A team of 10 such research assistants were identified, with the help of UNHCR Field Offices, and trained in participatory research methodologies by the University of Oxford representative Dr. Naohiko Omata with support from the UNZA-INESOR research team members. The team of research enumerators included Angolan, Congolese, Rwandese, Burundian and Somali refugees and former refugees. The criteria for selecting the community-resident research assistants included reasonable academic credentials, multi-lingual capability, prior experience, and some extensive networks within the respective research sites. The research assistants were closely supervised on a daily basis by the UNZA-INESOR team during field data collection.

## 2.3 Limitations of the Study

The subject of refugee economies is a complex one and requires a lot of resources and time to document the various relationships and interlinkages than was allocated to this study. Basically, this study represents a first attempt at unpacking deeper and pervasive refugees' livelihoods and challenges that was undertaken over a relatively short period of time when compared to the Uganda one that took up to a year to collect data. That said, the deployment of mixed-methods data collection approaches (triangulation) resolved some of the potential shortcomings that would have ensued had the study relied on the household surveys only.

Again triangulation approach helped maintain the rigour of the Lusaka urban survey where the initial snowball approach turned out to be costly and inefficient in terms of time. To expedite household sampling and interviews, AAH, a UNHCR implementation partner, was requested to mobilize refugees and former refugees' respondents at central locations where our teams conducted interviews and led focus group discussions.

To further improve the validity of the research and its findings, our team decided to oversample by up to 30% to enable us drop, where necessary, some cases that were not complete without adversely affecting the final target sample. In our view, these measures have contributed to making our findings robust enough to inform public policy debates.

## 3.0 Refugees' Economies and Livelihoods Challenges

### 3.1 Primary livelihood activities in Lusaka urban and the rural settlements

In the course of our study, we observed livelihoods similarities across the three research sites. The similarities of livelihood activities for the two rural settlement areas - for Meheba and Mayukwayukwa - were striking. Again, the refugees' livelihood activities are largely conditioned by the restrictions imposed on their freedom of movement and employment. To some extent, refugees' livelihoods activities depend on customer good will to come to the settlement areas to purchase, for example, agricultural produce and other products. This, on the other hand, disadvantages refugees as it can easily create a monopsony (single buyer) problem where the buyer has better price negotiating advantage since the refugee sellers are not free to move their wares to competitive markets in other parts of the country.

In Meheba settlement, the main livelihood activities can be classified as follows:

1. Grocery trading and vending (hawking) and small shops (locally referred to as tuntemba).
2. Farming: both cropping (maize, vegetables, bananas, rice, sweet potatoes, etc.) and livestock rearing (chickens, goats and pigs).
3. Petty trading (selling fish, dry caterpillars, tomatoes, vegetables, vitumbuwa (doughnuts), sweet potatoes, kapenta, natural calcium supplements (soil for licking - especially for pregnant women), etc.).
4. Food and beverages - bars and restaurants.
5. Personal and beauty services - hair salons, barbershops and DVD/video services micro "cinemas".

For Mayukwayukwa, the main livelihood activities include:

1. Farming, market gardening and livestock rearing (chickens, goats and cattle)
2. Personal and beauty services - barbershops/salons.
3. Grocery trading
4. Bricklaying /carpentry and timber trading.

For Lusaka Urban, the following are the most popular livelihood activities:

1. Grocery and liquor/bar trading.
2. Selling fabrics and second hand clothes (salaula).
3. Restaurants/kiosks
4. Petty trading (selling tomatoes, vegetables, vitumbuwa, sweet potatoes, dry fish and caterpillars, kapenta, natural calcium supplements, etc.).

Farming and livestock rearing are the two dominant livelihood activities for both Meheba and Mayukwayukwa settlements. On the other hand, grocery trading especially tuntemba/small shops and petty trading are very popular in both Lusaka Urban and the settlements. Interestingly, selling of second hand clothes (salaula) is more prevalent among refugees in the urban areas - largely on account of better effective demand in urban than rural areas.

### 3.2 Refugees' livelihoods diversity by nationality and ethnicity

Table 3.1 shows although there are some similarities in the main livelihoods activities in the refugee settlements across different nationalities, the activity concentrations are different: Angolan former refugees are over-concentrated in farming both for household consumption (subsistence farming) and commercial purposes accounting for about a total of about 60% of the sample. The Burundi refugees are also concentrated in farming (for selling and animal husbandry) and then small shops and petty trading. The Congolese refugees on the other hand are relatively concentrated in hawking/vending, small shops and petty trading with farming for commercial purposes as the second major activity.

Historically, the Angolan former refugees are famous for their farming pedigree - especially for cassava, maize, sweet potatoes, vegetables and groundnuts for both home consumption and for sale. One Meheba settlement Commissioner for Refugees official remembers that:

*At one time the sweet potatoes which were being sold in Lusaka were all originating from Meheba. It was at the height of the refugee program. We had about 60,000 Angolans in here. Tracks queued up in the settlement to transport the sweet potatoes to Lusaka, so that is one example on how the land has been worked on by the refugees.*

Table 3.1 Rural Settlements - livelihood activities by refugees' nationality  
(percent distribution of top three livelihood activities by refugee nationality)

Livelihood activity	Percent
<b>Congolese</b>	
Farming own plot (for selling)	9.4
Hawking/vending (not owning any shops)	7.1
Small shop (petty trading of HH merchandise)	5.5
<b>Burundi</b>	
Farming own plot (for selling)	32.1
Small shop (petty trading of HH merchandise)	17.9
Animal husbandry	12.8
<b>Angolan</b>	
Farming own plot (only for household consumption)	38.7
Farming own plot (for selling)	21.4
Housework (for his/her own HH)	12.5

To help the Angolan former refugees' community to diversify its livelihoods activities, of late CARITAS Czech Republic, a UNHCR partner NGO, has been working with Angolan youths in Meheba in providing technical, vocational and entrepreneurship training to build capacity and provide support to other income generating activities. After training, the youths are supported with start-up capital for their respective businesses. For the vocational training that is part of this program, the youths have been learning automotive mechanics, metal fabrication, carpentry, tailoring, general hospitality and bricklaying. Arrangements for attachments, apprenticeship and employment have not been very successful on account of employment rights restrictions placed on refugees and former refugees; and the absence of diversified industrial structure in the district that is largely dominated by large-scale and capital-intensive copper mining activities.

The Burundians and Rwandans are both farmers and entrepreneurs. The Burundians for example are into beans, rice and vegetable growing as well as goats and chicken rearing (broilers and village chickens). The Rwandans on the other hand are the major growers of



rice and they sell their produce in Solwezi. In order to boost their livelihood activities, the Ministry of Agriculture is supporting the refugees by giving them livestock (off springs of goats, pigs and chickens), seeds and fertilizers under the Farmer Input Support Programme (FISP). This support, to-date, has not been adequate to sufficiently propel agricultural livelihood activities of the affected refugees.

Being generally business and entrepreneurial minded, both Burundi and Rwandese refugees often leave the settlement in pursuit of business opportunities without authority from the Refugees Officer. The small shops and other business activities they open up in places like Solwezi that are technically illegal at law often lands them in some trouble with immigration and police authorities. There are only a few of them that have papers like investor and work permits, but the majority do not have sufficient capital to pay the required fees to obtain those permits. The urge for survival is often greater than the fear of immigration regulations and that makes some refugees to risk prosecution and convictions for violating the law.

One Commission for Refugees official in Meheba summed up the refugees' livelihoods predicament when he observed that:

*The encampment policy has made it very difficult for refugees to excel in their entrepreneurship. Why? Our policy requires that they live here but as I indicated earlier on, out of 20,000 refugees in Meheba ... only 1,000 receive Social Cash Transfer Support. The 19,000 have to fend for themselves and not all of them are peasant farmers who till the land. Here is a Rwandan, he has grown 10 bags of rice this year, he has to take the rice to Solwezi to sell, he needs to come to [our] office to get authorisation to venture out. Once in Solwezi, he is required to pay for the vendors which is okay they do that. The council fee he pays and sells. When a Rwandan goes with rice and then an idea pops up in his head that I should open a kantemba here, he opens a kantemba and it grows into a grocery shop, poor guy he is now and again being harassed by the authorities why? He has no trading licence but he is enticed by the booming economy in Solwezi. There's a lot of cash flow and he is doing very well, he takes the risk and they are there in hundreds. Now and again they are being arrested and locked up then they pay a fee and come out but there's no food for them in Meheba but they still go back to risk, so they play hide and seek with the authorities.*

*I have been around for a while, I think what the President talked about in New York is the way to go. UNHCR is not assisting many of them here and they are doing a good job out there, they are paying their taxes. If they can pay the tax then let them be out there. So that's the drawback, the law does not allow them to trade freely.*

Although the Congolese refugees' livelihoods have historically been dominated by trading and vending businesses and less agricultural activities like growing of crops and livestock (goats and chickens), table 3.1 however shows that they have since diversified into market-oriented farming (i.e. farming own plot for selling). In this regard, one Commission for Refugees official at Meheba description of the Congolese trading acumen may have, in large part, been motivated by that historic pattern when he said that:

*The Congolese nationality don't like agriculture related type of activities, they don't like farming, and they feel it is a waste of time, but after trying to find out why, we discovered that it was how they lived where they came from. They like quick money, they go to look for diamonds or ways to make money, so to them it is like they are used to that kind of life. They always want to have quick money in their hands, so most of them don't like engaging into agriculture.*

*One thing I have seen is that the Congolese doesn't do much farming, and he is more of a trader. He wants to be selling things here in the settlement and even outside you will find a Congolese is a tailor, he is carrying his trade out in the townships. These are people who want fast money, fast projects than projects which are seasonal. They like to buy things here and take them to Lusaka to sell.*

For Lusaka urban, table 3.2 shows the Somalis as having a more diversified livelihoods activities portfolio than any other refugees' community. That said, there are a lot of

similarities among the four nationality groups covered in our study in Lusaka urban: grocery and small shops; and hawking and vending seem to be a common thread. Restaurant and Medium/Large shop (employing other people: super-market, wholesale trading, etc.) is particularly, popular among Somalian and Rwandese communities.

Table 3.2 Lusaka Urban - livelihood activities by refugee nationality (percent distribution of top three livelihood activities by refugee nationality)

Livelihood activity	Percent
<b>Congolese</b>	
Hawking/vending (not owning any shops)	28.6
Small shop (petty trading of HH merchandise)	21.4
Selling clothing/textiles/shoes/accessories	14.0
<b>Somali</b>	
Restaurant	25.0
Small shop (petty trading of HH merchandise)	17.5
Butchery	17.5
Medium/Large shop (employing other people: super-market, wholesale trading, etc.)	10.0
Factory workers	10.0
<b>Burundi</b>	
Small shop (petty trading of HH merchandise)	41.7
Hawking/vending (not owning any shops)	37.5
<b>Rwandese</b>	
Small shop (petty trading of HH merchandise)	34.4
Medium/Large shop (employing other people: super-market, wholesale trading, etc.)	25.0
Restaurant	18.8

One key informant observed some of the major livelihoods activities orientation differences among the different refugees' nationalities when he said:

*Some refugees are just business minded like the Rwandans and Burundians who run groceries with ease. The Rwandans and Burundians are very good and disciplined people, you would give them a little something to start a grocery within a few months/years you would see how they would just progress because of their disciplined minds and lifestyles.*

The Rwandans and Burundians mostly run grocery shops, some rent those groceries and others are fortunate enough to own the same groceries. They are a disciplined people and lead disciplined lifestyles, a thing which helps them in managing capital and profits. *They say that their money is best kept in such a business like grocery, wholesale or shop.* In both the Rwandese and Burundi communities, women are not active in the management of the family shops and that makes men more visible than women in these businesses.

Selling clothing/textiles/shoes/accessories is a speciality of the Congolese and most of them are into the selling of textiles like chitenge materials. The 'affair' between the Congolese and chitenge materials goes back a long way. They have demonstrated their tenacity to keep going back to the DRC border to re-order the same materials for resale. They already have contacts and as we know contacts are not difficult to make from the source where they get these materials.

The gender business roles among Congolese refugees does not discriminate against women. In fact, there seem to be some specialization with women concentrated in vitenge, salaula and personal and beauty services (hair salons). One key informant observed that "*sometimes*

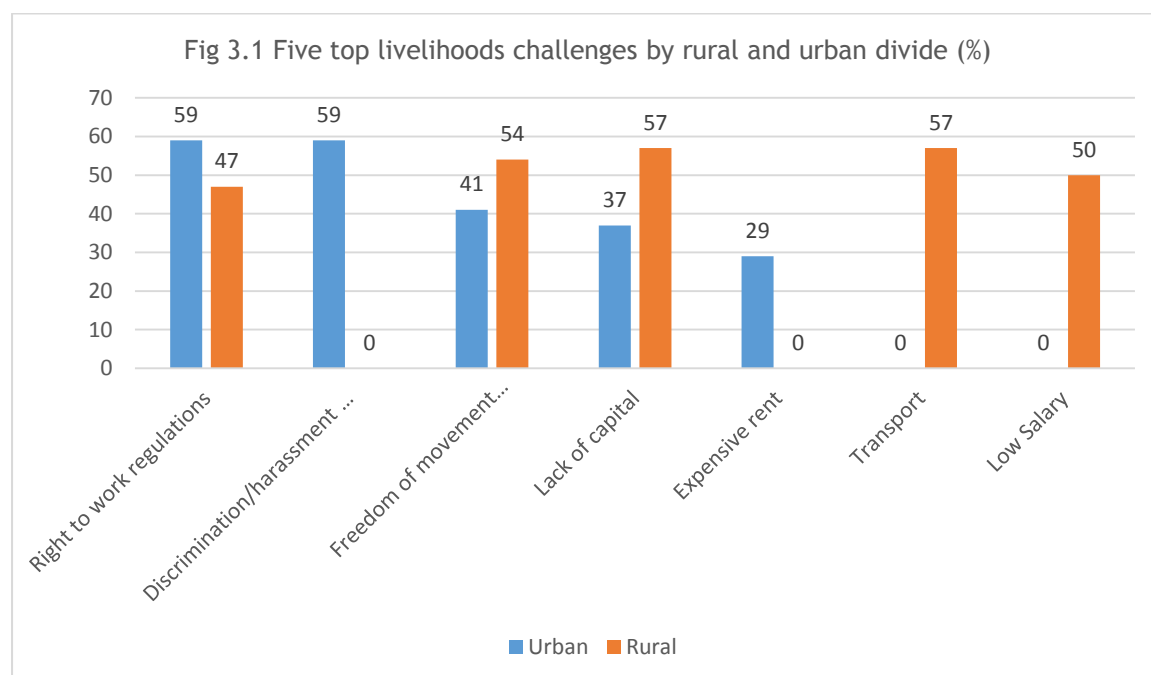


*we see husband and wife even having two separate shops, the husband sells at COMESA market and the wife is at City market doing the same kind of business”.*

### 3.3 Livelihood Challenges

Location (whether rural or urban) seem to have a major influence on the particular livelihoods challenges. Figure 3.1 shows that because urban based refugees enjoy relatively better freedom of movement “privileges” than their rural settlement counterparts, right to work regulations are the most severe challenges for urban based refugees. For rural refugees, lack of access to capital is the most severe challenge followed by transportation. Challenges that relate to freedom of movement are rated third; low salary (possible arising from exploiting their restricted right to work) fourth and right to work regulation are rated the least. This effectively reflects the limited formal sector job opportunities in rural areas and that the main livelihood activities are dominated by agriculture and petty trading.

For urban refugees, after right to work regulations, discrimination/harassment/violence and exploitation is rated as the second challenge (that is directly linked to the first challenge of right to work); freedom of movement is rated third; lack of capital fourth; and expensive rent as the fifth. The rental costs are totally an irrelevant issue in rural areas.



As outlined in sub-section 1.1 above in historical background, Zambia’s reservations to the 1951 Convention on the Status of Refugees has curtailed refugees’ freedom of movement and access to employment (Encampment policy). These regulations limit refugees’ livelihoods and their contribution to the national economy. Without exception, all focus group discussions we held with all refugees and former refugees in the three study sites included concerns on right to work and freedom of movement regulations and their concomitant consequences of cultivating the rent seeking behaviour among enforcement institutions. The validity of gate passes is very short and that is further accentuated by the work permit challenges that most refugees find expensive both in terms of time, procedures and cost.

An official familiar with the difficulties refugees experience regarding freedom of movement and right to work, summed up their situation as follows:

*The criteria that is used for them to be allowed to stay in the urban and to move freely there is very strict because we have the encampment policy. Every person who has been given refugee status should reside in Meheba or Mayukwayukwa for now but there are other factors that would make a refugee want to stay in the urban areas (health reasons, protection reasons and livelihood reason etc.). For those living in the urban areas they need to be in possession of the urban resident's card which is the white electronic card which also has a period of validation so if it expires it means a refugee has to go back to the settlement. They have to renew it before it expires else they risk arrest if immigration authorities find them with expired permits. This limits freedom of movement, access to formal employment and most of all the freedom to engage in livelihood activities freely.*

*To have access to formal employment they need to obtain an employment permit to get a formal employment contract; so it's very limited and as long as they work and are confined in the settlement they have to work on the refugee wage which is K360 per month, this is regardless of being full time or part time.*

*The other complaint is that most of their businesses are not registered, so they feel they must have registered businesses. I have seen that most of them do not have access to the banking system, so how they keep their money is also a challenge. They have a high risk because they keep most of the money at home; the other challenge is that they feel they should do business elsewhere apart from the settlements, so they would rather go to Manyama where there are mines and do business there but then again the law seems not to be on their side in terms of doing business that is their biggest cry. There is also a challenge of access to the outside market they feel there is more money there, so most of them have gone out like to Kyawama in Solwezi there and in Manyama but what they do there, their businesses are more like illegal, but they risk doing that though they feel it should be something that should come out clean by the government to allow them to do business outside as well.*

Yet another official observed that:

*There are serious economic challenges in the settlements and there is a lot of money out there. The mines have mushroomed around the [Meheba] settlement and the money is flowing in the markets around them, the refugee wants to tap into that, so there is a pull in that there is a lot of cash from a paid miner where a refugee can get something if he sells his produce and there is a push factor out of the settlement. Firstly, UNHCR and the government are not feeding all of them, they are not providing food to all of them. Secondly, not all the refugees can till the land and thirdly the lands are tired. For instance, Meheba settlement was opened in 1971 and the refugees have tilled the same pieces of land. They will tell you that the fields that have been subjected to mono-culture for a long time are not producing as much as they once did, so those reservations and developments around them are in serious conflict.*

The urban refugees face other regulatory livelihood challenges. For example, to open a restaurant, refugees' applicants are required to have a company name; pass heavy a much more strict health inspections; and contend with constant harassment from national security authorities. Sometimes, the refugees are arrested and charged admission of guilty fees even when they have all the documents as long as the permit expired even just for a few hours before. The authorities do not even consider how long one has lived in the country (even those that have been here for 30 years are treated the same).

**Lack of access to capital** represents one of the major challenge for both the old and the newly recognised refugees, and those refugees that would want to integrate into the Zambian community. Most refugees may have the experience and outstanding entrepreneurship skills but are constrained by lack of capital that is compounded by low stipends they are paid for sustenance, with little prospects for building up savings to start a business.

**Transportation** is a serious challenge for rural settlements as it represents a binding constraint on market access as well as access to vital supplies that are critical to the success

of the various livelihood activities. The cost of moving goods to the outside market is very high and it affects their sales profit margins.

The other major challenge could be associated with markets and marketing. The refugees are confined to very small markets in Meheba and Mayukwayukwa settlements where very little money is in circulation (no reliable sources of income - poor population with high poverty rates). The herding effect (i.e. refugees in settlements tend to produce same agricultural produce) result in seasonal gluts that result in price collapses that are accentuated by remoteness and poor state of feeder roads. **Supply chain management networks could help improve the returns to farming and other livelihood activities that take place in refugees' rural settlement areas.**

## 4.0 Refugees' Business Networks and Networking

The fact that most countries in the world that host refugees are “reluctant” hosts and, given a chance, would want to confine refugees to restricted areas and restrain their free movement has created a global stereotype that views refugees as displaced people living in isolated camps or settlements, located in designated remote areas away from the hive of economic activity. Betts *et al.* (2014) succinctly observes that:

*“When multiple populations are squeezed into one camp or settlement, the perception is of refugees living in isolated socio-economic blocks, divided from each other on national, ethnic, or religious lines. In non-camp environments, refugees are perceived to survive in enclosed ‘enclave economies’ - in which each national group remains isolated in stark socio-economic segregation. From these stereotyped images, refugees are in turn assumed to be largely physically and economically isolated from their host communities”<sup>17</sup>.*

Our findings suggests that even under restricted freedom of movement regime of Zambia refugees here, like their Uganda counterparts who have relatively better latitude on freedom of movement, are neither economically isolated from the host communities nor the national economy. **The refugees in the rural settlements and Lusaka urban have significant business networks with settlements/local host areas, nationally and internationally.** The refugees in Meheba and Mayukwayukwa settlements cross nationality, ethnic, and religious lines on a daily basis to trade and exchange good and services. Evidently, despite the remote location of Meheba and Mayukwayukwa refugee settlements, these sites are intertwined with the local Zambian economies, attracting goods, services, people, and capital from outside into active internal settlements markets. In the urban setting of Lusaka, self-settled refugees are even more directly connected to the wider host economy and international business networks.



A light truck in Sector 49 in Mayukwayukwa Settlement loads maize purchased from refugees for onward sale in Mongu

<sup>17</sup>Alexander Betts, Louise Bloom, Josiah Kaplan, and Naohiko Omata (2014) Refugee Economies: Rethinking Popular Assumptions Humanitarian Innovation Project University of Oxford.

#### 4.1 Refugee livelihoods as part of intra-settlement networks

While refugees of the same nationality tend to cluster in specific areas of both Meheba and Mayukwayukwa, we found evidence of significant economic interactions between refugee communities of different nationalities within those settlements. Since most refugee settlements have been closed in Zambia, the two existing settlements host refugees and former refugees from different countries. As of December 2016, Meheba was host to refugees and former refugees from seven different countries (Angola, DR Congo, Rwanda, Burundi, Somalia, Sudan and Uganda) while Mayukwayukwa mainly hosts refugees and former refugees from four countries (Angola, DR Congo, Rwanda and Burundi) - with the majority being Angolans and Congolese. According to our survey findings, on average across these two rural settlements, 52.3% percent of regular customers to refugee businesses are refugees of other nationalities. Customers from refugees of own nationality only account for 13.6% of the regular customers of the businesses - a figure that is much lower than the 18.2% of Zambians who serve as customers to refugees businesses in settlement camps. Given their remoteness, both settlements have an active in-kind and cash economy based on internal trade across their refugee populations, and carried out via a network of trading centres and markets, including a maize bulking centre within Mayukwayukwa.



In Meheba the largest market in Block D (Road 36) that houses the settlement's administrative offices has a large and diverse market that sells foodstuffs; alcoholic and non-alcoholic beverages; household supplies; wholesale shop; locally refugee grown rice; goats and chickens; etc.





An Angolan woman selling vegetables at Block D market in Maheba

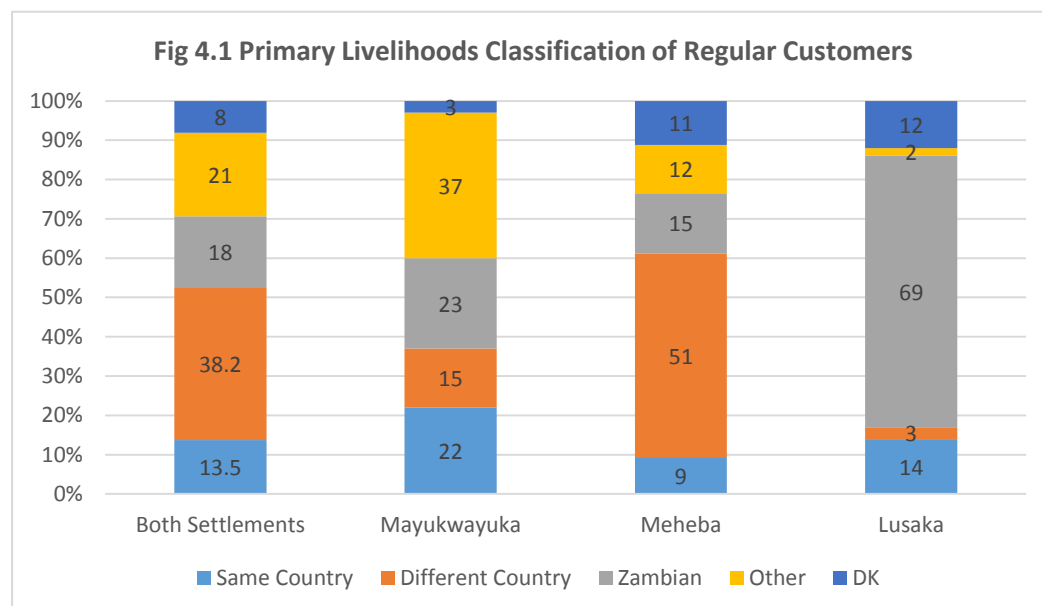


Burundian lady inside Block D market in Maheba

Figure 4.1 shows that the geographic location of the two settlement camps seem to influence the structure of primary livelihoods persons' regular customers' base. In Mayukwayukwa, other (non-settlement customers) are the largest regular customers at 37% (i.e. by value for mostly agricultural produce - maize and cassava trading - that is normally purchased by outside commodity dealers for resale elsewhere in the country); customers from refugees of same nationality 22% compared to 15% of refugees from other nationalities. This contrasts with the Meheba situation where 51% of refugees businesses rely on refugees of other nationalities as regular customers; 15% on Zambians and 9% on own nationality refugees customers. For both settlements, refugees from a different country of origin at 38.2% represents the main regular customer base for primary livelihood persons' regular customer base, followed by Zambians at 18%, and then refugees from the same country of origin at 13.5%. In Lusaka urban where refugees tend to be self-selecting and concentrated in certain locations, the customer base structure is very different: about 69% of regular customers are Zambians; 14% are refugees from the same country of origin; and 3% refugees from other countries. Both Lusaka and Meheba are more cosmopolitan than Mayukwayukwa as demonstrated by the relative proportion of regular customers, at 12% and 11% respectively, of whom the primary livelihood persons do not know their nationalities.

We observed economic interdependence between refugees operating in these markets and trading centres. For example in Mayukwayukwa, stalls in the main market in Zone 1 - display rows of agricultural produce (tomatoes, cabbage, and beans); second hand clothes; charcoal and electronic accessories. Although the majority of Congolese refugees do not engage in farming, that situation is gradually changing as a number of them have begun market gardening/farming own plot for sale (see table 3.1 above). Despite this evolving livelihood structure among the Congolese refugees, many of them still rely on purchasing agricultural produce from Angolans and other refugee/former refugee farmers in the settlement.

Angolan former refugees, in turn, benefit from the opportunities provided by Congolese second hand clothes, chitenge and other fabrics, and hair saloon businesses. However, both Congolese and Angolan former refugees purchase certain types of merchandise, such as soft drinks and mealie meal, from a well-stocked market stall owned by a Zambian business lady operating in the settlement. When they need to travel to Lusaka and Mongu, Mayukwayukwa refugees also use an Angolan-owned mini-bus service - 'Moo Blessings'. Occasionally, stall owners at the Mayukwayukwa main market pool resources and hire a light truck to ferry their goods from Lusaka. This costs them about ZMW5000 (i.e. equivalent to about US\$ 510).



Fish for sale in Meheba market

At Meheba camp main gate that is located at the road junction on the Solwezi-Mwinilunga highway, a visitor there is greeted by a taxi and light trucks rank of vehicles that transport people and goods from the main road into Meheba. The vehicles are owned by both refugees and locals and provide a service to both visitors and residents of Meheba to access the camp administrative centre that is located some 18 kilometres from the main tar road.<sup>18</sup> The

<sup>18</sup> While passenger transportation from the highway into Meheba center is available largely on a hire basis (an expensive option), the transportation of produce and other goods from the settlement to markets or passengers out of the camp is a major binding constraints as most transporters are non-residents and have to be hired from either Manyama or Solwezi. That raises the cost of transportation both in terms of cost and time.

Meheba settlement economy is sophisticated and diversified with large portfolio of markets. The fresh market gardening largely feeds into the nearby Lumwana and Kalumbila mines supply chains as well as the Solwezi municipal area. Goats and village chickens that are supplied and sold at DRC border at Kipushi border post and the Copperbelt are either sourced within or transit the settlement on their way to the markets. Rice, maize and sweet potatoes are other major products that Meheba supplies to North-Western Province and the rest of Zambia.

## 4.2 Refugee livelihoods as part of national networks

In addition to networks of economic interaction between refugees of different nationalities within the two settlements (Meheba and Mayukwayukwa), there are also livelihoods linkages to the wider Zambian national economy. Both Meheba and Mayukwayukwa refugee settlements are located in rural areas characterized by remoteness, long distances and poor roads from their respective nearest urban commercial centres of Solwezi and Kaoma. Refugees in both settlements, on average, tend to confine themselves to their respective settlement borders when conducting their livelihood activities. Figures 4.2 to 4.4 shows where primary livelihoods persons purchase their daily household goods and where they conduct their business activities. In the two settlements, a combination of low incomes, remoteness (i.e. mobility/transport problems) and restrictions on freedom of movement may explain why about 42% of refugees never go outside the settlements to purchase daily household goods. In terms of places of conducting businesses, about 78% of refugees in settlements conduct their businesses only inside the settlements, while 87% of Lusaka urban based refugees conduct their businesses within Lusaka.

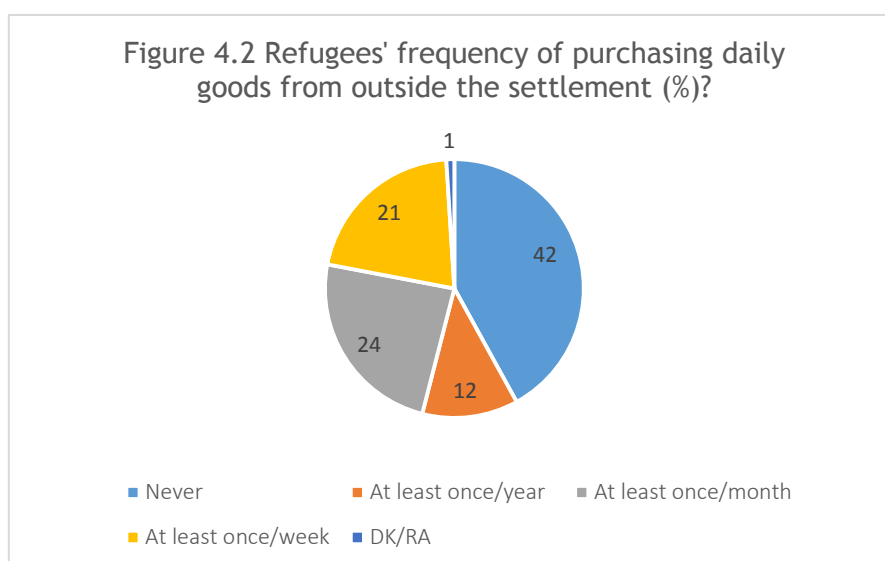




Figure 4.3 Settlements - Places where primary livelihood persons typically conduct their business (%)

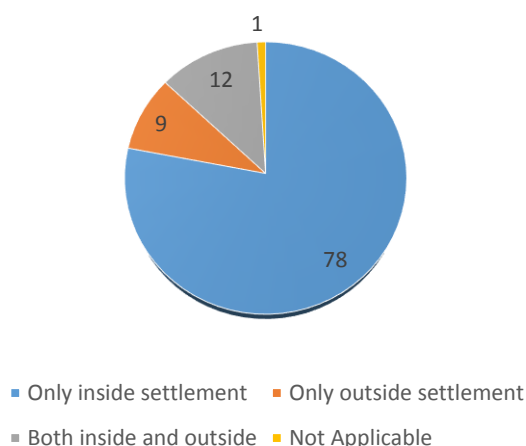
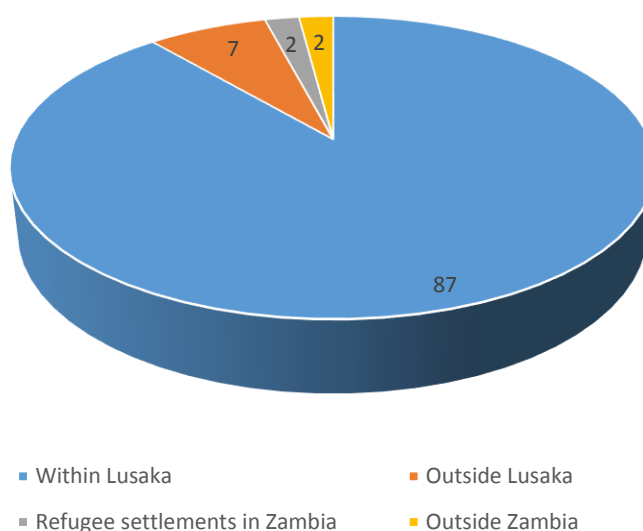


Fig 4.4 Lusaka - Places where primary livelihood persons conduct their business (%)



Despite the restrictions on freedom of movement and [self] employment, the refugees are by no means isolated economically from the broader Zambian economy: in refugee settlements a combined total of about 45% of the heads of households go outside the settlements for purchase of daily goods either once a month or once a year: about 21% primary livelihood persons in settlements conduct their businesses either exclusively outside the settlements (9%) or both inside or outside (12%). For Lusaka based refugees, about 8% of primary livelihoods persons conduct their businesses either outside Lusaka or in refugee settlements or internationally (i.e. mostly through a combination of the deployment of ICT/Internet solutions; agents; or customers traveling into Lusaka from outside).

As shown in figure 4.1 above, Zambians are important customers to refugees' livelihood activities in settlement areas. On a daily basis, a significant number of Zambians visit refugee settlements from neighbouring villages and towns such as Manyama, Solwezi, Kaoma, Mongu, and Lusaka to purchase agricultural produce and other services. The

Zambian regulations do not prohibit refugees in settlements to engage in farming and pastoral activities nor do they restrict Zambian nationals to freely move in and out of settlements to trade with refugees. Such interactions play an important role in refugees' livelihood activities. As illustrated in Figure 4.1, when asked who the most important customer is for their business, 18.2 percent of the refugee survey respondents in Meheba and Mayukwayukwa identified Zambian nationals as their largest buyers.



Some Zambians agricultural commodities traders regard the two refugees' settlement areas as good business opportunities. Some Zambian agri-business persons we interviewed anecdotally made reference to the high yields of good-quality agricultural produce in both Mayukwayukwa and Meheba. A Ministry of Agriculture official at Meheba observed that *"Burundian and Rwandese rice growing skills have transformed Meheba into a major rice producing area and created the "Meheba rice" brand"*. The two settlements are situated in rural areas with relatively fertile soil that can support maize, soya beans, cassava, and sweet potatoes. Surpluses of these agricultural crops attract Zambian agri-business middlemen and crop traders into the settlement markets. The refugees' regulations permit refugees to engage in agricultural activities as a safety net to ensure that such refugees are not perpetually dependent on hand-outs nor vulnerable to external shocks that might arise from assistance fluctuations. In that case, refugees with prior farming experience have the option to engage in such farming activities.

The Zambian agri-business dealers and traders take the maize and other agro-produce to national and regional markets in Manyama, Mongu, Solwezi, Lusaka and neighbouring countries (Angola, DRC, Namibia, Malawi and Zimbabwe). One key informant from Meheba remembers that:

*At one time the sweet potatoes which were being sold in Lusaka were all originating from Meheba. It was at the height of the refugee program. We had about 60,000 Angolans in here. Trucks queued up in the settlement to transport the sweet potatoes to Lusaka for sale at the national agricultural fresh produce wholesale market there (Lusaka) popularly known as Soweto market. So that is one example of how the land has been worked on by the refugees [in this settlement] and fed into the national trading cycle.*

During these exchanges, the image of isolated and inwards-looking refugees engaged solely in 'subsistence farming' get transformed into a networked reality - one in which refugee farmers are linked to national and even sub-regional supply chains of agricultural production.

Maize is just one avenue through which Zambia's refugees are linked to their host country's broader economy. Our research reveals multiple examples of the dense economic linkages between Zambian nationals and refugees living inside the settlement. In Meheba and Mayukwayukwa, refugees are also involved in caterpillar harvesting and trading and fish farming and bee keeping for trade inside and outside the settlement even though aquaculture and honey production have not yet reached their full potential. **Despite their relative geographic remoteness, our observations of day-to-day life in Meheba and Mayukwayukwa, therefore show refugee settlements functioning as nodal centres of economic activities, attracting people and capital from all over Zambia and, in turn, playing a crucial role in the agricultural supply chain of the country. Therefore, if refugees were allowed to move more freely, it is likely that they would potentially serve a larger Zambian clientele.** Box 2 outlines the case study of a successful farmer and trader with demonstrated intra-settlement, national and transnational connects.

The two refugees' settlement areas are ideal for those refugees who were engaged in farming activities in their respective home countries prior to coming to Zambia. For those who were not engaged in farming activities in their home countries before coming to Zambia as refugees, the settlement areas that are dominated by farming and other agricultural activities are not ideal for these category of refugees. An occupational profiling of refugees before they came to Zambia suggests that about 25% of the settlement household sample were engaged in cropping/gardening or livestock farming, while another 20% was engaged in vending/small shops businesses in their home countries. Those in brick-making/laying and general construction constitute about 5% of the settlements sampled households. That the settlement areas' refugees' livelihoods are dominated by agricultural activities and vending/small shops is therefore not surprising as it reflects their historical livelihoods of the majority of refugees in those two areas.

In both Meheba and Mayukwayukwa, the potential for refugees to be major social change agents has been demonstrated:

- In Mayukwayukwa, the Angolan former refugees and settlers have demonstrated that cassava can be grown on a semi-commercial basis (and a staple foodstuff) that has the potential to reduce high rates of extreme poverty in the province.
- In the Mumena chiefdom (one of the chiefdoms hosting Meheba refugees' settlement area) of North-Western province, **Burundian refugees have trained host community farmers in rice growing techniques as well as making burnt clay roof tiles and, thereby, transforming some livelihoods and quality of life among some members of the host communities.**
- In Lusaka, some Burundian women have formed clubs to teach communities in rural parts of Chongwe and Kafue in roof tiles clay moulding and kiln burning.

## **Box 2: Case of successful trader with intra-settlement, national and transnational connections**

*Abraham is a 60 year old farmer who has lived in Mayukwayukwa Refugee Settlement since 1966. He came from Angola with his parents as a young boy, then only aged just 9 years old. Despite calls for Angolans to repatriate back to their home country, he has opted to remain in Zambia as he considers this country his home. He has form three level of education. He has six children that were all born in Zambia and four sister siblings within the camp. Other relatives opted to return to Angola during the repatriation programme.*

*Abraham is involved in various economic activities. He is a farmer and grows maize, cowpeas, soya beans, beans and seedlings which he supplies to other residents of Mayukwayukwa, Mongu and Lusaka. In addition, he also practices animal husbandry. “At one time, I had 25 heads of cattle and pigs”, he notes. He is also involved in timber trading with a wide range of customers from as far as Lusaka, Chisamba, Kafue and South Africa. On average, he makes up to K16, 000 per month in profit from his farming activities. In the settlement where the average cost of living is between K500 to K1000 per month, this makes him relatively wealthy. He purchases his farming inputs through the local settlement cooperative society. He is a beneficiary of the Fertilizer Input Support Program (FISP). His children have integrated into the Zambian society with all his sons currently employed as teachers, drivers and radio station personnel in Mongu and Lukulu.*

*Abraham’s case provides testimony to the fact that refugees are neither economically isolated nor inward-looking and just confined to “subsistence farming”. His success story demonstrates some refugees’ livelihoods networked reality - one in which refugee farmers are linked to national and even sub-regional supply chains of agricultural and timber production. He employs at least 20 former refugees within the settlement on his farms that are located within the settlement and in the local integration settlement area, and he interacts with the local host community in the farming clubs and cooperatives in the area. He has also formed business partnerships with Zambians in his timber business. He is also involved in humanitarian works within the settlement and usually provides free maize to the other former refugees when they are faced with hunger. Abraham does not receive **any** support from UNHCR nor any other NGO but if he could get any support from any organization, he wants to get a wood miser so that he can cut his timber into planks and help the communities with wood products, especially cheaper coffins. He cites hard work and focus as the main factors of his success.*

## 5.0 Refugees Livelihoods and Contributions to Employment and Human Capital Formation

There is an international debate on the common characterization and perception of refugees being a burden on host nations (Betts et al, 2014). This may be the case at the start of refugees' arrivals when host nations are not prepared and ready for their arrival. However, once such refugees have been helped to settle and get on with their lives in their new found homes, global experiences suggest that they can contribute positively to the host nations. In this section, we present empirical evidence on whether refugees' livelihoods make positive contributions to the Zambian economy even in conditions where their freedom of movement is severely restricted and are, by law, prevented from employed as employees or own-account workers. We have already demonstrated in section 3 and shown in figure 4.1 above, that refugees provide a sizable market for Zambian owned businesses in the two rural settlements and in Lusaka urban. Section 4.2 above discussed refugees' livelihoods in the context of the national economic networks - i.e. where they conduct their livelihoods and purchase their stock-in-trade goods and services in Zambia.

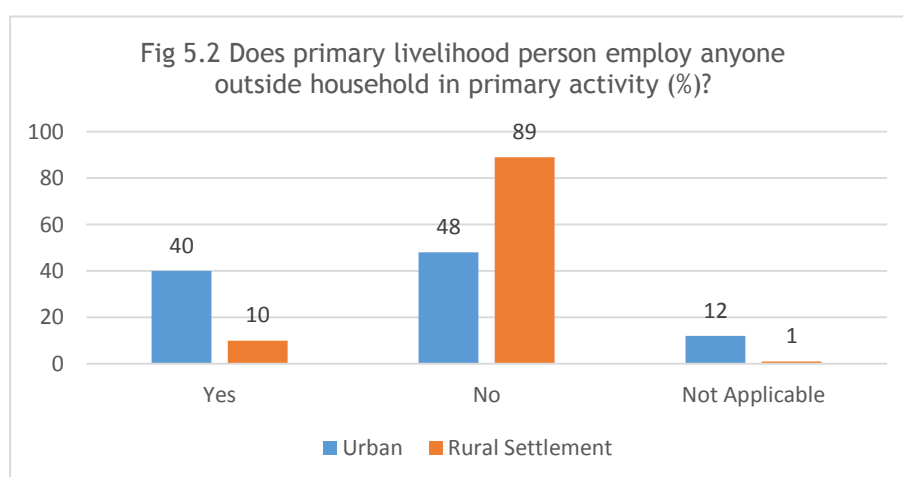
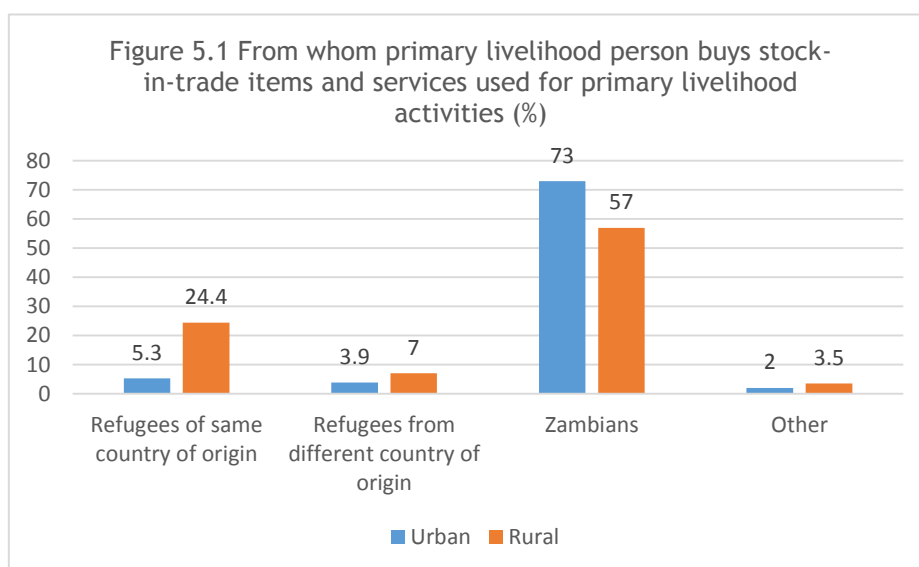
For the remainder of this section, we demonstrate refugees' livelihoods as creators of employment and human capital. We make the case that **if the current strict regulations on freedom of movement is eased and some consideration made to allow refugees to participate slightly freely in designated economic activities that represent their "comparative advantages" the likelihood of refugees' expansive contribution to the national economy can be enhanced further.** More fundamentally, the restriction on refugees' freedom of movement and employment creates a rich avenue for rent seeking behaviour among some refugees regulatory and enforcement agencies who may enrich themselves through bribes at the cost of the Zambian state that could benefit from increased fiscal revenues arising from increased refugees' economic intermediation.

### 5.1 Refugees' contributions to employment creation

Economic theory posits that the demand for labour is derived from the demand for goods and services that employers produce by combining labour with other factors of production (capital, land and entrepreneurship) to produce outputs that are in turn sold to consumers. In that sense, the purchase by refugees' primary livelihood persons of the various stock-in-trade items and services that they use in their respective primary livelihood activities and for household consumption contribute to the Zambian economy's capacity to create extra jobs to meet this demand. Figure 5.1 shows that the largest source of refugees' stocks-in-trade are Zambian businesses at 57% for rural settlements and 73% for Lusaka urban. In urban areas where refugees are dispersed and less concentrated, sourcing from refugees of the same country of origin is much lower at 5.3% for Lusaka urban and 24.4% for the two rural settlements; and even much lower from refugees from different countries of origin.

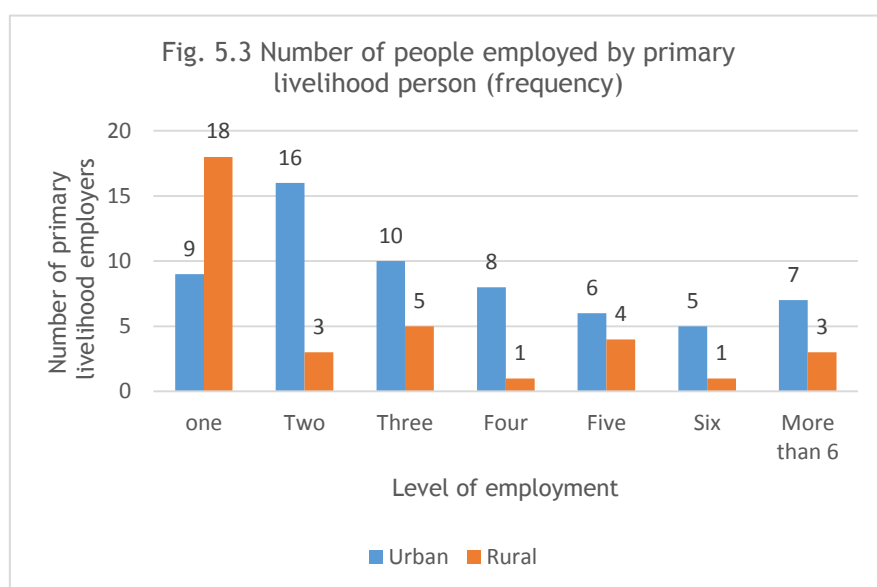
In terms of direct employment creation by refugees' business and primary livelihood activities, empirical data from the survey (figure 5.2) shows that a higher proportion of urban based refugees (at 40%) employ people from outside their households than their rural based counterparts at 10%. The highest communities with the highest employment of persons outside the households in primary livelihood activities were Somalis at 75%; followed by Rwandese at 67% and Burundians at 24%. The rural based livelihood activities tend to be on a much smaller and micro scale when compared to small and medium enterprises (SMEs)

for urban based refugees.<sup>19</sup> This is demonstrated by figure 5.3 that shows that rural settlement primary livelihood activities on average employ just one person from outside the household. The number of rural settlements livelihoods activities employing more than one person reduce dramatically as the level of employment increases towards 6 and more. On the other hand, the urban based refugees' businesses employment of individuals from outside their households is much more concentrated on those who employ either two or three people. At all levels of employment greater than one employee, urban refugees' businesses employ more than the rural ones in the ratio that ranges from 1.5 times to 8 times, respectively. **More interestingly, the greatest majority of employees in primary refugees' livelihoods activities in Lusaka urban are Zambians and not fellow nationals of those refugees nor other refugees from other countries - i.e. the greatest beneficiaries from urban refugees primary livelihood activities in terms of employment are Zambians.**



<sup>19</sup> In rural settlements primary activities, the largest employer of persons outside the households are former Angolan refugees at 12%. Interestingly, out of the 3 Rwandese respondents in Meheba, two of them (i.e. 67%) employed persons outside the household in primary livelihood activities.

As would be expected, given the strict regulations imposed on refugees' livelihood activities, the dominant form of employment is self-employment (figure 5.4) in both urban (89%) and rural settlements (62%) - which, according to the provisions of the immigration regulations is an illegal activity as all refugees are expected to have employment permits for them to engage in both informal and formal forms of employment. Most refugees complained of the strict specificity nature of the work permits - if such a permit is granted to a church minister, he would be committing an offence if he engages in any other forms of earning a livelihood that is outside the church ministry. Another frequent example they cited is the running of grocery stores whereby if the permit is granted to the husband, the wife would be committing an offence to stand behind the counter and sell goods to customers. Consequently, many refugees and some key informant respondents feel expressed some concerns in relation to the human rights of refugees and former refugees. One government official warned that being a refugee is not by choice but is forced upon the many who find themselves in such a situation. In which case, the officer wondered as to whether Zambians would like to be subjected to the same kind of treatment were they too, one day, find themselves as refugees in some neighbouring countries.



The restrictions on both freedom of movement and employment makes refugees vulnerable to abuse by both government officials and the Zambian populace. Some refugees, in both settlements and Lusaka urban, spoke of police and immigration officials' repeatedly harassing and detaining refugees for repeated violations of travelling without proper documentations and working without work permits. We witnessed this first hand at the offices of the settlements' Refugees Officers that were always crowded by refugees throughout the day seeking gate passes to allow them to travel outside the settlements. However, immigration officials key informant respondents, when told of this pattern, stated that they find themselves in a very difficult position: they are employed to enforce the immigration laws and regulations that require refugees to have proper documents and permits to travel and engage in various livelihood activities outside the designated settlement areas - even if the individuals concerned are repeated offenders or not.





The empirical data on average monthly total household incomes from all livelihood activities shows that most refugees live at the bare minimum of survival. The Jesuits Centre for Theological Reflections (JCTR) estimates the basic need basket for a family of five for most provincial centres in Zambia and the City of Lusaka. Lusaka, at K5,005.14 for November 2016 was the highest followed by Solwezi at K4,079.79 and the least was Kasama at K2,966.39. Even if we set the basic needs basket for rural areas at a third of the lowest provincial centre (in this case Kasama and K1,000.00), table 5.1 shows that up to 92% of rural settlements refugees live below this subsistence threshold - a situation that contrasts with urban refugees where only 36% live below the K1,000/month threshold. Table 5.1 further demonstrates the income disparities between rural and urban based refugees - with the latter skewed towards the high end of the income scale while the former is skewed towards the lower end of the income scale.

Table 5.1 Monthly total average household income from all different sources of income for both rural and urban based refugees

	Lusaka Urban		Rural Settlements	
	Frequency	Percent	Frequency	Percent
0-50kwacha	3	2.0	21	8.2
50.1-100 Kwacha	2	1.3	27	10.6
100.1-150 Kwacha	2	1.3	22	8.6
150.1-200 Kwacha	3	2.0	22	8.6
200.1-250 Kwacha	3	2.0	26	10.2
250.1-300 Kwacha	6	3.9	30	11.8
300.1-350 Kwacha	1	0.7	13	5.1
350.1-400 Kwacha	1	0.7	13	5.1
400.1-500 Kwacha	10	6.5	30	11.8
500.1-1000 Kwacha	25	16.3	31	12.2
1000.1-2000 Kwacha	23	15.0	9	3.5
2000.1-3000 Kwacha	17	11.1	5	2.0
3000.1-4000 Kwacha	12	7.8	1	0.4
More than 4000 kwacha	39	25.5	4	1.6
Missing value/RA	4	2.6	1	0.4
DK	2	1.3		
Total	153	100.0	255	100.0



The very low rural settlements income levels compared to the urban ones explains why the urban areas have strong pull factors for rural based refugees and also why the strict freedom of movement and employment of refugees regulations will, unless modified, continue to be violated as refugees have to earn livelihoods whether within or outside the provisions of the laws governing their hosting in Zambia. The young refugees who have graduated from tertiary and other higher institutions of learning, while grateful to UNHCR and other sponsors, are seriously concerned about the restrictions placed on their employment prospects in Zambia. For some of them, they have been born and bred in Zambia and are at a loss to appreciate why the denial of some right to work and freedom of movement priviledges.

The case study of the Rwandan businessman in Lusaka and that of the Congolese trader in Mayukwayukwa shows refugees' resilience and determination to make a living in Zambia. Both case studies point to the refugees' restrictions as a major constraint to their livelihoods. In the case of the Rwandese businessman in Lusaka, it is quite clear that the man is an entrepreneur whose potential to contribute to Zambia's national output and employment could be enhanced if adequate supportive environment improves for people like him. That he currently employs 10 Zambians in his various businesses is a pointer to positive macroeconomic contributions refugees can make to the national economy.

### CASE STUDY: RWANDAN BUSINESSMAN IN LUSAKA

Ben is a Rwandan refugee who has been living in Zambia since 1999. He came to Zambia via DRC and settled here. He has been granted asylum. He is a father of three who has secondary level of education that, unfortunately, he could not complete on account of the tragic events in his country in the 1990s. Ben describes his life in Zambia as follows:

*" ... We found it difficult when we first arrived, we started struggling with a lower capital and all. In time, we came to know better and had very big support with the locals, knowing the language was also another step, this time I can say we are stable..."*

In terms of his livelihood activities, Ben started out with a grocery shop in 1999/2000 that he eventually grew into a supermarket. Unfortunately, his shop was frequently attacked by armed robbers and that forced him to relocate to another part of Lusaka where he changed his business to liquor off-taker/take-away and bar. To supplement his income, he also sells second hand cars. In total, he employs about 10 Zambians in his businesses. He plans to expand his businesses and relocate from the high density area where he is currently operating to upmarket areas of Lusaka.

In 1999/2000 when he started his business, the investor's permit was K250 (K250,000 then before the kwacha was rebased). Since 2001 he has been renewing his work permit that costs him K2,000 (US\$200 equivalent at present exchange rates) as an application fee and K2,500 for the permit itself (i.e. a total of K4,500). His last work permit renewal was in April 2016. For the liquor licensing fees he pays K1,000 for the bar and K800 for the liquor off-taker/take-away licenses that are valid, each, for three years. These fees are currently being reviewed.

His average monthly turnover from his various businesses is at least K30, 000.00 - a figure that is much higher than the typical salaries of most Zambians. His purchases liquor within Lusaka from COMESA market and other liquor dealers such as Kazuma General Dealers. For groceries he orders his merchandise from Indian wholesalers in the famous Kamwala Trading area of Lusaka. His main challenges are inadequate capital to expand his business further as well as security concerns given his experience with aggravated robberies.

He interacts a lot with other refugees and former refugees in Lusaka and he acknowledges the Rwandese community spirit that enables them to support each other through micro group-lending schemes, locally known as 'chilimba'. He also interacts with the locals and other nationalities through business partnerships and he is currently hosting casino machines from Chinese nationals, on a commission basis, at his bar. When business opportunities arise, he teams up with Zambians to engage in short term business ventures where

profits are shared equally. In general, he describes his relationships with Zambians as being ‘...fine, very fine indeed...’



Casino machines run  
by Chinese nationals  
at Ben's bar

He is now completely self-supporting and the only support he received from UNHCR was when he first arrived in the country at the time he was applying for asylum that has, since, been granted. He realises significant income disparities among refugees but mentions that through hard work and fate, there is potential to create a good life for oneself. He is very concerned with low incomes among refugees arising from the restrictions placed on their employability that presents them to apply their various skills and competencies. It is his hope that someday the Zambian Government will ease some of the restrictions currently affecting refugees.

## 5.2 Refugees as creators of human capital

The refugees' contribution to human capital as employees both within and outside settlements is more pronounced in the rural areas than in Lusaka urban (see figure 5.4 above that shows that 25% of rural primary livelihood persons are employed by others that contrast with 11% for urban refugees). In the settlements (figure 5.5), refugees are a major source of labour for the nearby villages - with refugees from the same country of origin; refugees from different country of origin; and UNHCR/UNHCR IPs/NGOs as major employers each using services provided by about 16% of the refugees. For this category of employers, their levels of employment is much lower inside the settlements than outside the settlements areas. Zambians relatively employ more refugees inside the settlements than in the nearby villages. From refugees' accounts, the low employment rates among Zambian could arise from the mistrust refugees have about Zambian employers. The latter allegedly agree payment terms with refugees but refuse to honour their sides of the deal once the work has been completed and threaten to report refugees to authorities for working without work permits.

As stated above, the Burundi refugees in Meheba have worked closely with host community (in the Mumena Chieftdom) to train and transfer intensive rice-growing skills to the latter. Such interactions have increased rice production in the Chieftdom and helped raise levels of incomes among the beneficiary farmers. It can be argued from this case that some relaxation of the refugees work permit regulations to enable refugees to relocate to other areas of high rice production potential (e.g. [Western, Luapula, Northern, Muchinga, Central, Copperbelt and Eastern provinces](#)) such human capital transfer schemes could result in positive and significant multiplier effects on rice production. In this context, the refugees would act as innovators and change agents and thus positively contribute to the diversification of Zambia's agricultural sector.

## Case Study: Congolese Trader in Mayukwayukwa

Bertha is a refugee from DRC who came to Zambia in 2003 and was based in Maheba Refugee Camp until 2010 when she was relocated to Mayukwayukwa Refugee Camp. She ran away from DRC as a result of the war which killed her husband, sister and three of her five children. Before she came to Zambia, she used to sell second hand clothes (salaula) in Congo and moved from province to province with her wares and has never been to school. She describes her life in Zambia as difficult but she is trying her best to raise funds for her two children.

In terms of livelihood activities, she was able to access a loan of K5, 000.00 from the Ministry of Community Development and Social Welfare in Mayukwayukwa and she used the capital to invest in her salaula business and to buy caterpillars for resale in Lusaka. She has been engaged in these two livelihood activities for over a year and raises more money from the sale of caterpillars than from the salaula business. In an average money, she is able to raise about K700.00 per month which is sufficient to buy the basic necessities for her household in the refugee camp.



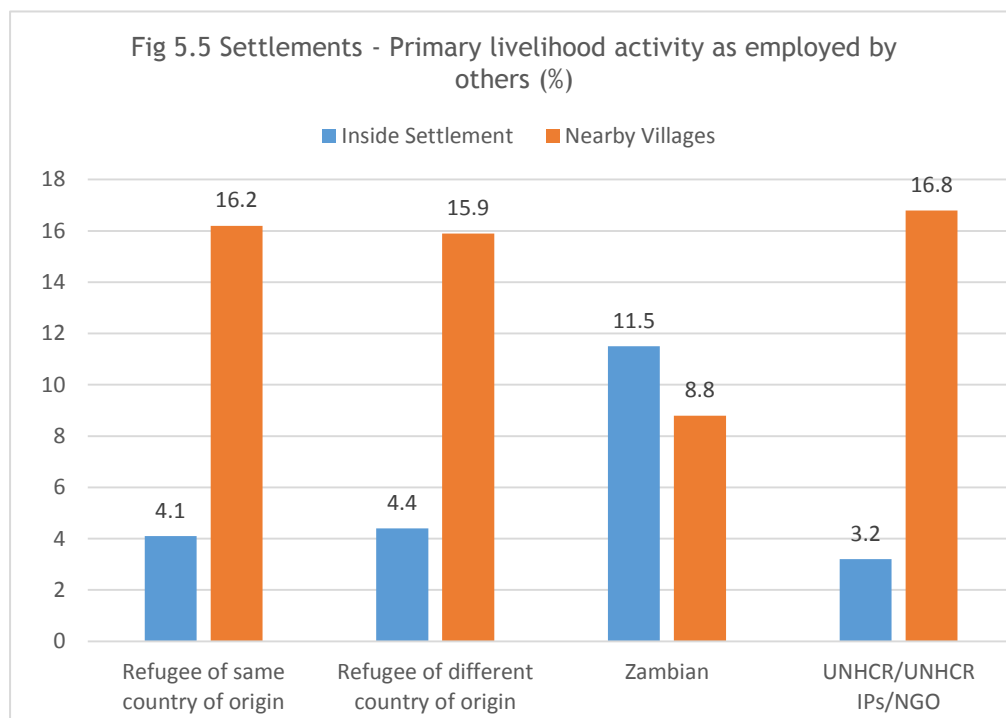
Bertha's salaula stall at the market in Mayukwayukwa

She attempted to trade in charcoal but was allegedly assaulted in Lusaka when she brought the charcoal for sale for being a foreigner and has since concentrated only on salaula and caterpillars. She purchases the salaula from Zambians and other nationalities at Soweto Market in Lusaka and also brings the caterpillars for sale there. However, she is always cautious when she is in Lusaka and avoids certain areas for fear of xenophobic attacks and harassed by immigration authorities:

*'... They (immigration officials) say yes you have a gate pass but this does not allow you to come and sell things in Lusaka... how will I survive if I am not allowed to work? I came here for peace but anyway I just have to pray and be strong...'*

Despite the fear she has of Lusaka, in the settlement she lives well with the host community and notes that the Zambians in the settlement are some of her best customers and they offer each other support in terms of social activities such as funerals and weddings.

She is struggling to repay the MCDSW loan because of the low returns on her salaula business. She is also looking for support towards the costs of education for her two children.



## 6.0 Refugees as users of information communication technology (ICT) and energy (power) in primary livelihoods activities

Do refugees, given the restrictions on freedom of movement, rely on ICT for both household and livelihood activities to moderate the adverse impact associated with such regulations? Would refugees use of tele-commuting (i.e., work remotely using e-platforms to engage with clients) in their livelihood activities ameliorate their burden? In this section we present evidence on ICT penetration rates among refugees in Zambia, ICT literacy and the extent to which ICT platforms are used in their livelihood activities. The International Telecommunications Union (ITU) estimates that over 94% of developing countries had mobile phones technology in 2016 (ITU, 2016a). For Zambia, ITU (2016b) estimates mobile phone penetration rate of 70.5% which has been a major jump over the last 16 years from almost zero in the year 2000. We present data below that shows that, on average, refugees have higher mobile phone technology penetration rates than the national Zambian average penetration rate.

### 6.1 Refugees' households access to ICT

Our survey findings show (table 6.1) that mobile phones have the highest penetration rates (of all ICTs) among refugees' households in both Lusaka urban and the settlements. In Lusaka urban, about 94% of households interviewed have a mobile phone. Among individual refugees sub-groups, Burundi and Rwanda have universal mobile phones ICT access rates (100%); followed by Somalis at 95% and DRC are the least at 88%. In both Mayukwayukwa and Meheba, DRC refugees have higher mobile phones penetration rates than Angolans; while Burundi refugees have the highest mobile phones penetration rate in Meheba. The high and concentrated mobile phones penetration rates in the two settlement areas provide economies of scale that have motivated the mobile phones service providers to install repeater masts to improve signal strength and quality in both locations.

Radios are have the second highest rate of penetration with the rural settlements having the highest rates: Mayukwayukwa (43%) and Meheba (37%) and Lusaka (35%). This would be expected as terrestrial television signals are either very weak or non-available in remote parts of the country. For Lusaka, access to digital television services have tended to eclipse radio as the main means for entertainment and news. In terms of group dynamics, Angolans have the highest radio penetration rates compared to all other groups in the settlements. In Lusaka, Rwandan refugees have the highest penetration rates followed by DRC and then Burundi. In the Somali community it seems like radios are not popular as none of the households interviewed had a radio as part of their households' assets. The above patterns confirm the rural-urban digital divide in Zambia. Intermedia (2011) estimated that access to radio and television in urban areas is about equal (85% for radio and 79% for TV) while in the rural area the difference is more significant (68% for radio and 26% for TV).

Understandably, use of computers in households has the lowest penetration rates - especially in the rural settlements where electricity access is close to zero. Computers require electricity to function or to be charged regularly. Even in Lusaka, the penetration rate is only about one fifth on account of the fact that most refugees reside in relatively poor high density neighborhoods that are not well served with utility services like electricity. That said, the Somalis living in urban Lusaka have the highest household computer

penetration rate of 50% (i.e. 1 out of 2 Somali households on average have a computer) that is distantly followed by Rwandese at 21%.<sup>20</sup>

The household computer penetration rate among urban refugees of about 21% is more than three times the average for Zambia. The Central Statistical Office (CSO) 2015 Living Conditions and Monitoring Survey (LCMS 2015) found that computer ownership was not among the top ten reported household assets. The LCMS 2010 estimated 6.8% and 0.4% of urban and rural households, respectively, owning a computer. Actually, the urban refugees' households are, on average, relatively much closer to the developing countries' estimated computer penetration rate of 35.2% than the Zambian average for households (ITU, 2016a).

Table 6.1: Household ICT penetration rates (frequency and %)

		Lusaka Urban		Mayukwayukwa		Meheba	
		N	%	n	%	n	%
Use Mobile in Household	Total	144	94.1	88	73.3	173	79.0
	Angola	-	-	39	66.1	55	69.6
	Burundi	25	100.0	-	-	59	86.8
	DRC	53	88.3	49	80.3	58	84.1
	Rwanda	28	100.0	-	-	1	33.3
	Somali	38	95.0	-	-	-	-
Use Radio in the household	Total	54	35.3	52	43.3	81	37.0
	Angola	-	-	41	69.5	42	53.2
	Burundi	10	40.0	-	-	17	25.0
	DRC	29	48.3	11	18.0	21	30.4
	Rwanda	15	53.6	-	-	1	33.3
	Somali	0	0	-	-	-	-
Use Computer in the Household	Total	32	20.9	3	2.5	17	7.8
	Angola	-	-	2	3.4	10	12.7
	Burundi	3	12.0	-	-	2	2.9
	DRC	3	5.0	1	1.6	5	7.2
	Rwanda	6	21.4	-	-	0	0
	Somali	20	50.0	-	-	-	-

<sup>20</sup> Compared to other refugees' groups, the Somalis seem to be the most affluent and running larger and more diverse primary livelihood activities. In which case, their ability to purchase computers for use in their primary livelihood activities is the highest. Further, the fact that Somali community is globally more diverse provides an impetus for Internet communications platforms for them to be in touch with their brethren in other parts of the world.



## 6.2 ICT use in primary livelihood activities

While the rest of the global economy has increasingly adopted ICT and the Internet for commerce, trade and industry, the African region lags behind the rest of the world in this regard. ITU figures show that Internet penetration rates for developed countries is estimated at 81% and 41% for developing countries (ITU, 2016c). On the other hand the Internet World Stats estimated, for 2016, Internet penetration rate for Zambia at 20.4% and for the rest of Africa at 28.7%. As of June 2016, the website estimated Internet use in Africa at 9.3% versus the rest of the world at 90.7%.<sup>21</sup>

The Internet is a resource for both households and livelihood activities. Table 6.2 shows that in Lusaka, the respondents that reported that someone in their household used the Internet was almost one in two refugees' households (46.4 percent); and one in four (25%) households reported the use of the Internet in their primary livelihood activities. In Meheba, 38.8 percent reported some household members using the Internet but only 11.8 percent used it in their livelihood activities (i.e. communicate with suppliers, customers and business partners). The reported lowest Internet use of members of the households was in Mayukwayukwa at 26.9 percent; and 0.8 percent in livelihood activities. This would be expected as Mayukwayukwa is the most remote location compared to Meheba. In Lusaka, the Rwandese and Somali communities have the highest Internet penetration rates (with DRC as the least Internet penetrated group). In the settlements, DRC refugees have the highest Internet penetration rates, followed by Burundians (in Meheba) and Angolan former refugees were the least.

The Internet penetration rates among refugees, when compared to ITU and Internet World Stats figures, shows much higher penetration rates among refugees than the Zambian national average. It follows that refugees are pathfinders when it comes to integration of ICTs in households and primary livelihood activities.

Table 6.2: Use of Internet Technology by members of refugee households and primary livelihoods activities

	Lusaka Urban				Mayukwayukwa				Meheba			
	Household		Livelihood		Household		Livelihood		Household		Livelihood	
	n	%	n	%	N	%	n	%	n	%	n	%
<b>Total</b>	71	46.4	39	25.5	32	26.9	1	0.8	85	38.8	26	11.8
<b>Angola</b>	-	-	-	-	16	27.6	0	0	27	34.2	7	8.8
<b>Burundi</b>	13	52.0	6	24.0	-	-	-	-	29	42.6	5	7.4
<b>DRC</b>	9	15.0	6	10.0	16	26.2	1	1.7	29	42.0	14	20.3
<b>Rwanda</b>	21	75.0	15	53.6	-	-	-	-	0	0	0	0
<b>Somali</b>	28	70.0	12	30.0	-	-	-	-	-	-	-	-

On account of the lack of a national fibre optic Internet backbone, the most common route to accessing the Internet is through the use of the most expensive mobile phone services (table 6.3). In Lusaka, 43.1 and 23.5 percent reported using their mobile phones to access Internet for their social (household) and livelihood activities respectively. The use of mobile phones to access the Internet in Lusaka, for social reasons (i.e. household members) was highest amongst the Somali population at 72.5 percent; while the Rwandese community had the highest reported use of Internet services in livelihoods activities at 50%. As already

<sup>21</sup> [www.internetworldstats.com](http://www.internetworldstats.com) - visited 4 January 2017

stated, Internet access among household members was lowest in the DRC refugees' community; for livelihood activities, the Burundi community had the lowest rate at 6% in Lusaka urban.

The Internet penetration rates were lowest in the rural settlements. In Meheba, 36.4 percent reported using their mobile phones to access the Internet for their social and household activities with a lower proportion (9.1 percent) using it for their livelihood activities. Only a quarter of the households in Mayukwayukwa used their mobile phones to access the internet for the household activities and 1.7 percent used it to access the internet for the livelihood activities.

Picture 6.1: Barbershop owner using his mobile phone in Mayukwayukwa



Table 6.3: Mode of accessing the Internet

MODE OF ACCESS	NATIONALITY	LUSAKA URBAN				MAYUKWAYUKWA				MAHEBA			
		Household		Livelihood		Household		Livelihood		Household		Livelihood	
		N	%	N	%	N	%	n	%	n	%	n	%
Mobile Phone	Total	66	43.1	36	23.5	30	25.0	2	1.7	80	36.4	20	9.1
	Angola	-	-	-	-	14	23.3	1	1.7	25	31.3	8	10.0
	Burundi	10	40.0	4	6.0	-	-	-	-	27	39.7	2	2.9
	DRC	7	11.7	6	10.0	16	26.7	1	1.7	28	40.6	10	14.5
	Rwanda	20	70.4	14	50.0	-	-	-	-	0	0	0	0
	Somali	29	72.5	12	30.0	-	-	-	-	-	-	-	-
Computer	Total	36	23.5	21	13.7	1	0.8	1	0.8	7	8.4	11	5.0
	Angola	-	-	-	-	1	1.7	1	1.7	6	7.5	6	7.5
	Burundi	4	16.0	1	4.0	-	-	-	-	0	0	1	1.5
	DRC	3	5.0	5	8.3	0	0	0	0	1	1.4	4	5.8
	Rwanda	11	39.3	5	17.9	-	-	-	-	0	0	0	0
	Somali	18	45.0	10	25.0	-	-	-	-	-	-	-	-
Internet cafe	Total	14	9.2	8	5.2	0	0	0	0	14	6.4	8	3.6
	Angola	-	-	-	-	0	0	0	0	4	5.0	3	3.8
	Burundi	5	20.0	2	8.0	-	-	-	-	4	5.9	1	1.5
	DRC	4	6.7	3	5.0	0	0	0	0	6	8.7	4	5.8
	Rwanda	5	17.9	3	10.7	-	-	-	-	0	0	0	0
	Somali	0	0	0	0	-	-	-	-	-	-	-	-

In both Lusaka and the settlement areas, the second most reported mode of accessing the internet for household and livelihood use was through the use of a computer at 23.5 percent and 13.7 percent, respectively, for Lusaka. In Meheba, 8.4 percent used computers to access the internet for their household activities but only 5 percent used it for their livelihoods activities. As shown in table 6.3, the use of Internet cafes to access the Internet was lowest amongst all the refugee groupings in the study and for Lusaka, none of the Somali households reported going to an Internet café to access the internet.

Table 6.4: Internet use in livelihoods activities

Type of livelihood activity		Lusaka Urban		Mayukwayukwa		Meheba	
		N	%	N	%	N	%
Market information	Total	27	17.6	0	0	12	5.5
	Angola	-	-	0	0	5	6.3
	Burundi	1	4.0	-	-	1	1.5
	DRC	4	6.7	0	0	6	8.7
	Rwanda	15	53.6	-	-	0	0
	Somali	7	17.5	-	-	-	-
Transfer Money	Total	8	5.2	0	0	6	2.7
	Angola	-	-	0	0	4	5.0
	Burundi	0	0	-	-	1	1.5
	DRC	3	5.0	0	0	1	1.4
	Rwanda	2	7.1	-	-	0	0
	Somali	3	7.5	-	-	-	-
Communication with customers and suppliers	Total	36	23.5	1	0.8	17	7.7
	Angola	-	-	1	1.7	4	5.0
	Burundi	4	16.0	-	-	2	2.9
	DRC	6	10.0	0	0	11	15.9
	Rwanda	14	50.0	-	-	0	0
	Somali	12	30.0	-	-	-	-
Learn New Business Skills	Total	19	12.4	0	0	10	4.5
	Angola	-	-	0	0	2	2.5
	Burundi	1	4.0	-	-	-	-
	DRC	2	3.3	0	0	8	11.6
	Rwanda	10	35.7	-	-	-	-
	Somali	6	15.0	-	-	-	-

The use of Internet platforms is mostly for communicating with customers and suppliers (for Lusaka urban refugees), followed by market information and then e-learning (table 6.4). The Rwandese community in Lusaka urban is by far the largest user of Internet in livelihoods

activities than any other refugees' group. There is a limited use of the Internet in livelihoods activities in Meheba (with DRC community as the largest user). In Mayukwayukwa, the Internet is almost not used at all in livelihoods activities.

Given the mobile phone is the most common piece of ICT available in Zambia, it therefore represents the most common tool for communications related to livelihoods activities (table 6.5). In Lusaka, for example, all the respondents from Burundi, Rwanda and Somalia (the most recent groups of refugees to arrive in Zambia) confirmed using their mobile phones for their economic activities. Among the DRC community, only 61.7 percent of them use mobile phones for their economic activities. In Mayukwayukwa, 41.7 of the Angolan respondents reported using mobile phones in their businesses in comparison to 28.3 percent of refugees from DRC (a pattern that is somewhat confusing as DRC community in that settlement dominates the trading business). In Meheba, the Burundians had the highest use of mobiles phones for economic activities at 64.7 percent.

Like the Internet, table 6.6 shows that mobile phones are mostly used for communicating with customers and suppliers, and for market information. Mobile money is still not used extensively among refugees' communities. Again, the Somalis, Rwandese and Burundi communities in Lusaka lead the pack in terms of the importance of mobile phone communications in livelihoods activities. In Meheba settlement, the DRC community is the largest user of mobile phones for business activities. For Mayukwayukwa, as we would expect from its remote location, uses mobile phones mostly for market information.

Table 6.5: Proportion of respondents who use Mobile Phone in their livelihoods

		Lusaka Urban		Mayukwayukwa		Meheba	
		n	%	n	%	N	%
Use Mobile Phone in the Business	Total	128	86.1	42	35.0	114	51.8
	Angola	-	-	25	41.7	31	38.8
	Burundi	25	100.0	-	-	44	64.7
	DRC	37	61.7	17	28.3	38	55.1
	Rwanda	28	100.0	-	-	1	33.3
	Somali	40	100.0	-	-	-	-

Table 6.6: Importance of Mobile Phones in Individual Livelihoods Activities

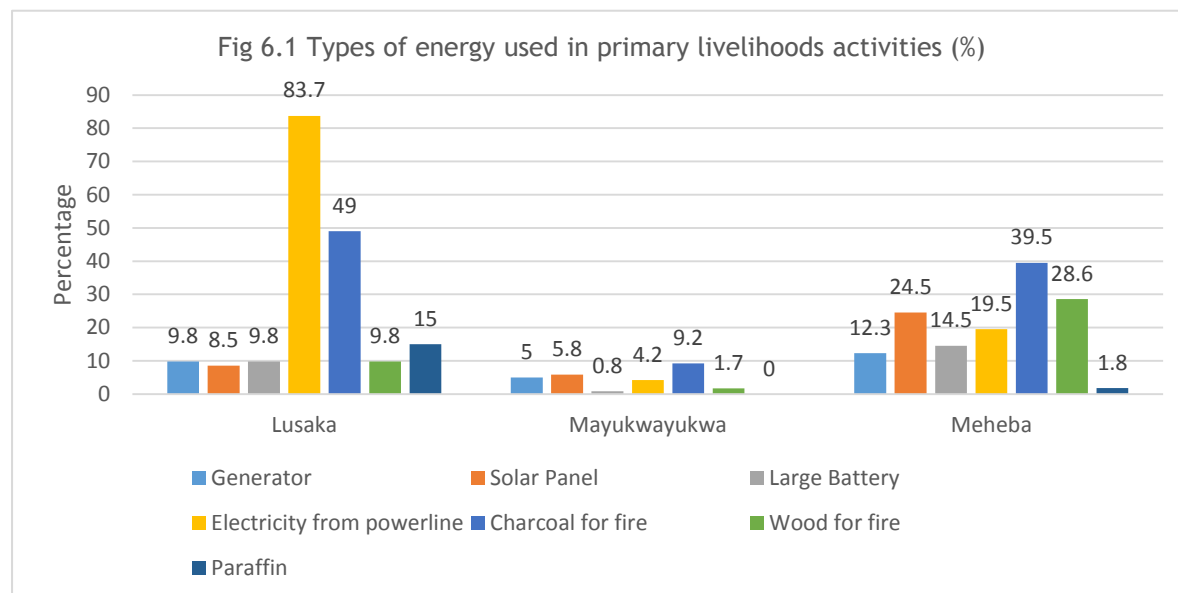
		Lusaka Urban		Mayukwayukwa		Meheba	
		N	%	n	%	n	%
<b>Market information</b>	Total	62	40.5	24	35.0	37	16.8
	Angola	-	-	15	25.0	3	3.8
	Burundi	9	36.0	-	-	10	14.7
	DRC	19	31.7	9	15.0	23	33.3
	Rwanda	22	78.6	-	-	1	33.3
	Somali	12	30.0	-	-	-	-
<b>Transfer Money</b>	Total	23	15.0	3	2.5	13	5.9
	Angola	-	-	3	5.0	3	3.8
	Burundi	7	28.0	-	-	5	7.4
	DRC	3	5.0	0	0	5	7.2
	Rwanda	10	35.7	-	-	0	0
	Somali	3	7.5	-	-	-	-
<b>Communication with customers and suppliers</b>	Total	115	75.2	12	10.0	88	40.0
	Angola	-	-	5	8.3	25	31.3
	Burundi	16	64.0	-	-	25	36.8
	DRC	37	61.7	7	11.0	37	53.6
	Rwanda	22	78.6	-	-	1	33.3
	Somali	40	100	-	-	-	-

### 6.3 Refugees' use of energy services in livelihoods activities

Access to clean, reliable and affordable energy services has been a major determinant of economic growth and improvements in the standards of life world over. That Africa is the least region of the world with access to clean, reliable and affordable energy services is directly linked to the continent's high rates of poverty, diseases burden and general poor standards of living. In this context, would we expect refugees who are generally vulnerable in host nations to have optimal and different access rates to energy services when compared to the national average access rates? Our empirical data shows (fig 6.1) that refugees in Lusaka have better energy access rates than the national averages. For Lusaka, electricity from the national grid, at 83.7%, is the main source of energy used in primary livelihoods activities; followed by charcoal for cooking and space heating at 49 percent (the charcoal rates are closer to LCMS 2015 urban charcoal use for cooking and space heating). The energy situation in the two rural settlements is dominated by wood biomass: charcoal for cooking and space heating (9.2 percent in Mayukwayukwa and 39.5 percent in Meheba). However, the use of firewood at 28.6% in Meheba and at 1.7% in Mayukwayukwa is in stark contrast to the national average of over 80% reliance on wood fuel biomass in rural Zambia (CSO, LCMS 2015).<sup>22</sup>

<sup>22</sup> The very low use of firewood for primary livelihood activities in Mayukwayukwa seem to suggest that baking/"confectionary" types of livelihood activities are not very widespread.

Solar panels (for lighting, charging cell phones, powering radios and DVDs, etc.) are another significant source of energy for those in the settlements with 7.8 percent of those in Mayukwayukwa adopting them and 27.7 percent in Meheba.



Picture 6.2: Solar panels in use outside two shops in Mayukwayukwa



The Rwandese community is the largest user of generators and solar panels in Lusaka for their livelihoods with 35.7 percent using generator sets and 21.4 percent using solar panels, respectively. This is in line with their main livelihoods activities which involves running grocery shops and taverns which need refrigeration for alcoholic and other beverages as well as lighting given the massive load shedding and the need for them to remain in business late into the evening. Congolese top other nationalities in the use of charcoal, at 90%, in their livelihoods activities in Lusaka. Somalis were least likely to report using charcoal in



their businesses and this is again in line with their core livelihood activities. A total of 7.8 percent of the respondents in Lusaka across nationalities reported using torches, candles and rechargeable lights for lighting in their businesses.

In both settlements, wood biomass is the main source of energy for livelihood activities. In the case of the Mayukwayukwa settlement, the DRC refugees' community lead in the use of generators and solar panels in livelihoods activities - i.e. 6.6% each, respectively. In Meheba, DRC refugees also have the highest penetration rates of clean sources of energy (generator, solar panels and electricity from power line); while the Burundi community rely mostly on charcoal.

Picture 6.3: Charcoal baking oven owned by Angolan women in Mayukwayukwa



## 7.0 Refugee dependency and types of support they seek to improve livelihoods

Betts et al. (2014) argue that refugees are often alleged to be completely reliant on external assistance for their survival. De Vries (2006) shows that complete reliance on external assistance (be it for refugee or country) often leads to a dependency syndrome. The economic development literature is awash with donor dependency syndrome and the pains associated from graduating from such a syndrome. Individuals, like countries, can experience significant turbulence to break free from the trap of reliance on aid for survival. In the context of dwindling humanitarian support from traditional refugees donors and macroeconomic challenges in most refugees host nations - like Zambia that has hosted refugees continuously for over 50 years - “permanent” humanitarian support via hand-outs to refugees is neither efficient nor sustainable. That realisation partly motivated the search for durable solution for Angolan former refugees, some of whom arrived in Zambia in 1966 and remained after the Cessation Clause was invoked by the Zambian Government in 2012. As stated in section 1 above, the implementation of the Strategic Framework for the Local Integration of Former Refugees in Zambia in 2014 sought to resolve long-term refugees’ problems of dependency by integrating up to 10,000 Angolans into the Zambian host communities in Meheba and Mayukwayukwa (Kambela, 2016).

### 7.1 Refugees’ households’ dependency profiles

The refugees’ donor dependency syndrome is not borne out by facts. The Uganda and other similar country studies show that refugees are quite resilient people in the face of severe adversity and find ways and means to earn livelihoods in host communities. Our study findings (table 7.1) show that the vast majority of refugees and former refugees in Zambia do not receive any aid from international organisations. However, we did find that the most of the former refugees, especially in the settlements, strongly felt abandoned and vulnerable and had not fully accepted the withdrawal of financial support from the UNHCR and other international agencies. One of the key informants in one of the rural settlements observed that:

*...them as refugees, they deem themselves to be vulnerable, so when you say vulnerability differs, it does not apply to them. They want to be on assistance just sitting like that. So it has not been easy to wean them from the cash assistance, to say go and stand on your own because everyone will say I am vulnerable, no I need to be assisted, they don’t want to stand on their own...*

*My experience has been that the refugees are coming from a background of too much dependency from the UNHCR and so they are not confident of themselves to take life in their own hands and control it. They do not believe in themselves. They feel that even when they can be asked to take life in their own hands and given assets in their hands which can help them to take life in their own hands. They still feel not confident about it, as a result they perpetually appear to be in a syndrome of dependency.*

Our focus group discussion findings suggest that donor dependency is highest among DRC refugees’ community and elderly Angolan former refugees. Some form of vulnerability assessments in terms of age (the elderly) and social safety nets (i.e. number of off-springs and other relatives in close proximity) are used to ascertain as to which households and individuals qualify to receive aid from international organizations. Table 7.1 also shows that DRC, being the community with the largest number of recently arrived refugees, is the largest beneficiary community at close to 60% in Mayukwayukwa and close to 50% in Lusaka urban. Table 7.1 further shows that Mayukwayukwa, at 38%, has the highest recipient

households of aid from international agencies; followed by Lusaka at 25%; with Meheba the least at 17%. In Meheba, the Burundians received the most aid at 29.4 percent.<sup>23</sup>

Table 7.1 Households receiving aid from international organisations

	Lusaka Urban		Mayukwayukwa		Meheba	
	N	%	N	%	n	%
Total	39	25.5	46	38.3	35	17.2
Angola	-	-	11	18.3	12	15.0
Burundi	5	20.0	-	-	20	29.4
DRC	29	48.3	35	58.3	3	4.3
Rwanda	3	10.7	-	-	0	0
Somali	2	5.0	-	-	-	-

Cash hand-outs are the most dominant form of aid to refugees. Table 7.2 shows that cash handouts, at 22% of the total value of external support, is the main form of external support in Lusaka urban. This conforms to the neoclassical theory of welfare economics that paying individuals cash for them to decide on what bundle of goods and services to buy in pursuit of their individual happiness is the most efficient approach. Support to education training comes second at 12%. In Mayukwayukwa settlement, non-food item at 30%; cash at 25% and medical care at 20% are the three largest forms of external support to refugees - a pattern that demonstrates the high prevalence of vulnerable households and individuals in this settlement area. On the other hand, Meheba has the least external support for each and every type of support.

Table 7.2: Type of assistance received from international agencies

	Lusaka Urban		Mayukwayukwa		Meheba	
	n	%	N	%	n	%
Money/ Cash	34	22.2	30	25	16	7.3
Food items	3	2.0	2	1.7	2	1
Non-food items	8	5.2	36	30	17	7.7
Medical Care	8	5.2	24	20	19	8.6
Job Training and business advice	0	0	4	3.3	11	5
Education	18	11.8	13	10.8	4	1.8
Legal Services	2	1.3	0	0	0	0

The amount of cash handouts received by households differ according to location: households in Lusaka receive K250 per month (that is paid per quarter in advance, i.e., K750.00) while those deemed vulnerable in the settlements and qualify for external support

<sup>23</sup> According to UNHCR data, in 2015 and the early part of 2016, Burundian refugees accounted for the largest share of new arrivals in Meheba. The situation has since changed, with DRC refugees being the largest group of new arrivals.

are paid in the range of K50 to K100 per month per individual.<sup>24</sup> As stated above, the support has conditioned some refugees to dependency on ‘hand-outs’ even though it is usually given to individuals that are deemed vulnerable and in need of help.

A nationality analysis of variance of external support receipts, collaborates the focus group discussion findings mentioned above. DRC refugees received the most support from the international agencies in Mayukwayukwa. In terms of monetary (cash) support, they account for up to 66.7 percent of the total support given to all the respondents in the settlement. For medical care, job trainings and education, they received all (100%) the support in the settlement. They (DRC refugees) also received the most support in terms of non-food items (88.9 percent). The former Angolan refugees are no longer eligible for receiving any support from the international agencies.<sup>25</sup> This has created resentment and a feeling of being discriminated against among the Angolan former refugees’ community who live side by side with the refugees from the DRC.

In Meheba, on the other hand, the Burundi refugees’ community received the most support in both monetary and non-monetary: for cash about 32% of Burundi refugees receive support; while for medical care, job training and education support, the Burundi community received the largest share at 28 percent, 11 percent and 3 percent, respectively.

When asked to assess how dependent the households in Lusaka were on external support, 20.9 of the households who received aid said they were not dependent; 3.9 percent were somewhat dependent; while 0.7 percent said they were very dependent. **This finding raises some questions on to whether urban support is well targeted or not: with one fifth of recipient households saying that they are not dependent on external support, it means that a sizable share of support from international organizations (including UNHCR) goes to households that may have other viable means of livelihoods.** In the settlement, the story was different with 32.5 percent of the households who received aid saying they were very dependent and 42.2 percent being somewhat dependent. Only 24.1 percent said they were not dependent.

In terms of intra-community support from friends, relatives or neighbours, very few refugee households receive this type of assistance. In Lusaka, table 7.3 shows that only 5.9 percent

---

<sup>24</sup> In the wake of the recent increase in the cost of living in Zambia, we understand UNHCR is currently reviewing this amount. The difference in the levels of amounts of support between urban and settlements arise from the fact that urban refugees’ stipend that is slightly higher also caters for rental costs - which component is not included in settlements as new arrivals there receive an arrival kit. The K100/person/month in settlements is just meant for food and other provisions as refugees there do not pay for housing, land, health and education services.

<sup>25</sup> Angolans in both Mayukwayukwa and Meheba as well as Rwandans in Meheba are classified as former refugees as their respective home countries are considered safe for refugees to return. For the former Angolan refugees, they have had the option since 2012 to go back home. Those who decided to stay, the Government has offered them the local integration and have been helped with some targeted livelihoods capacity building support such as agricultural and skills training and farmer inputs support programme that is extended to other Zambian small-scale farmers. Some former refugees have also received new shelter support in the new resettlement scheme. Angolans and Rwandans cannot, therefore, be part of the formal support system except for those, in their respective communities, who might be highly vulnerable.

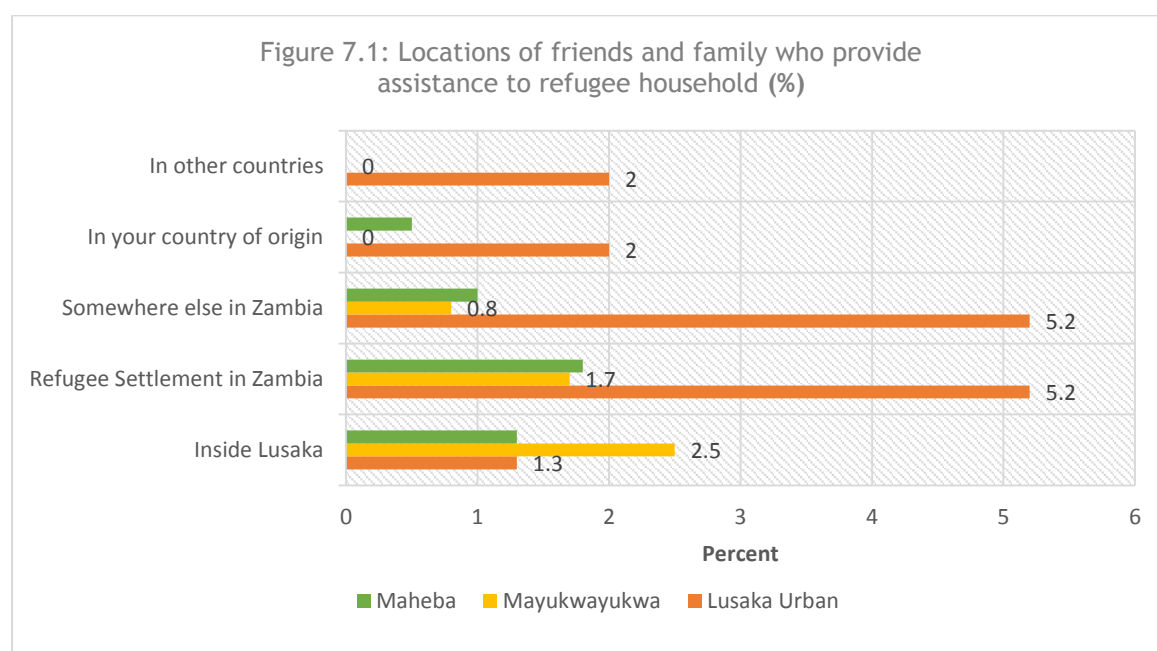
of all respondents reported receiving community assistance - with only Burundi and Rwandese communities having the highest community receipts at 12% and 7%, respectively. The community support receipts for Lusaka urban refugees is on average between K400 and K500 per month, rising to a maximum of over K2,000 per month. According to figure 7.1, the providers of such community assistance were located either in refugee settlement areas or elsewhere in Zambia.

Table 7.3 Households that receive community assistance

	Lusaka Urban		Mayukwayukwa		Meheba	
	N	%	N	%	n	%
Total	9	5.9	6	5.0	6	2.7
Angola	-	-	6	10.0	2	2.5
Burundi	2	12.0	-	-	2	2.9
DRC	3	5.0	0	0	2	2.9
Rwanda	2	7.1	-	-	0	0
Somali	1	2.5	-	-	-	-

In Mayukwayukwa, Angolan former refugees are the only community assistance recipients. They reported receiving an average of K75 in community support per month. The remittances were received mainly from Lusaka and from within the refugee settlement. Meheba had the lowest levels of community assistance receipts both in terms of the proportions of the total sample and the actual value of receipt - at 2.7 percent and an average of less than K50 per month. The assistance was mainly received from within the settlement and from those who reside in Lusaka.

The foregoing clearly shows that the majority of refugee households across the three study sites do not receive any remittances. By implication, they rely on their primary livelihood activities for sustenance and thus the restrictions on freedom of movement and employment raises their vulnerability and poverty risk profiles.



## 7.2 Types of Support Refugees wish for to improve livelihoods

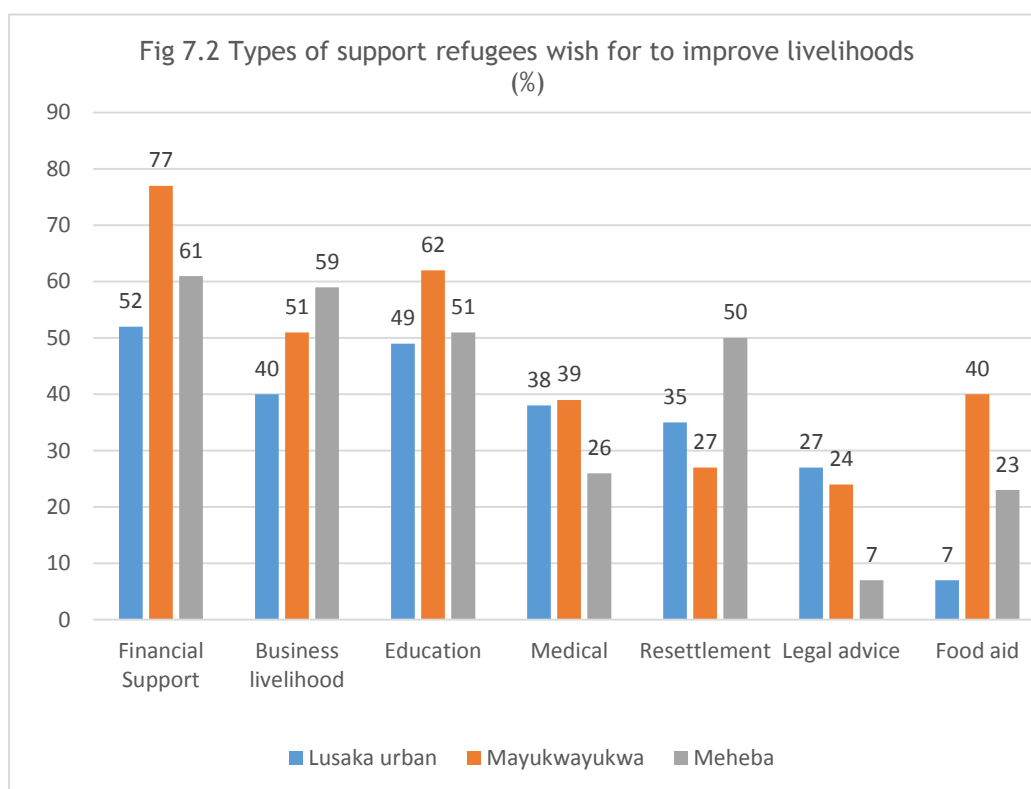
The type of livelihoods support refugees wish for seem to be directly related to those that are likely to improve the viability and scale of their existing livelihoods activities and those that reduce vulnerability in the long-term. Figure 7.2 shows that **financial support (i.e. access to credit) followed by education and business-livelihood-related support services (i.e. other business development services - value chains and market linkages support) are the three highest forms of support refugee households would wish for.** Mayukwa-yukwa that seem to be the poorest of the three study sites has highest proportion of respondents prioritizing financial support (especially Angolan former refugees more than the DRC refugees). For Meheba, the Burundi community place the highest premium on financial support, business-livelihoods related support services, educational and resettlement in a third country as top priorities (ranging from 60% for resettlement to 84% for financial support). Among former Angolan refugees, the highest premium is placed on business-livelihoods related support services; financial/access to credit services; and human capital development in terms of education. For the DRC community, resettlement in a third country has the highest priority, followed by financial support and then education.

That financial support has the highest prioritization by all refugees in the three sites can be attributed to two factors:

1. The financial exclusion they experience as they cannot access banking and other formal credit systems simply because of lack of acceptable identity documents. Most banks and other non-bank financial institutions do not accept the refugee card as a valid form of identity. We experienced this first hand when we wanted to send research assistants' fees through mobile money services when we were advised by the research assistants that they will have difficulties collecting the money on account of the refugee identity cards they carry.
2. The rational expectations theory: if access to credit and financial support services is expedited, prosperity and success of the various livelihood activities would follow. Rarely are other factors considered that may equally be as binding as financial constraints on business viability. In this regard, the perception of financial support challenges is not unique to refugee households only but applies equally to Zambian households as well.

To many in the refugees' communities, the types of support shown in figure 7.2 are critical to ensure reducing dependency on handouts as such support would contribute to improving their respective capacities to earning their livelihoods independently. However, without easing the freedom of movement and self-employment restriction, it still may be difficult to transform their livelihood potentials that would guarantee improvements in their quality of life.





Given the unfortunate events of April 2016, the refugees in Lusaka urban would also like support towards better accommodation (shelter) and protection from xenophobic attacks, be integral members of the Zambian society and proper documentations (work and residency permits) to enable them to work and move freely in pursuit of livelihoods. In the settlements, other main type of support requested was agriculture/farming inputs support as well as freedom to move in and out of the camps without recourse to gate passes.

## 8.0 Conclusion and Recommendations

### 8.1 Conclusion

The main objectives of this study was to inquire into economic livelihoods activities of refugees in Zambia in terms of intra- and inter-refugees economic interactions, but also with Zambians and assess as to whether refugees have the capacity and potential to become investors of note that could help contribute to Zambia's economic situation. The economic intermediary role of refugees as consumers, producers, creators and users of information communication technologies as well as providers of human capital in terms of skills and innovations have been documented in this report. This report has also provided an analytical description of the various livelihood challenges face in refugees' quest to engage in productive livelihood activities that would support their adapting and settling in Zambia's host economy.

In many parts of the world foreigners in general and refugees in particular have, in recent years, largely been seen as job grabbers, security risk and harbingers of social and cultural practices that do not conform to mainstream believes, norms and values of host nations. To some commentators, the current refugees' crisis in Europe, for example, has transformed the refugees' narrative from empathy to economics and security - especially during times of economic downturns and national electoral cycles.

Zambia is signatory to the 1951 Convention on the Status of Refugees and its 1967 Protocol that defines who is a refugee, their rights and member countries' obligations. The country has continuously been host to refugees and freedom fighters for the past 50 years. Yet, despite that record and being signatory to the 1951 Convention, Zambia has made reservations to Articles 17 (2) and 26 of the 1951 Convention which, respectively, limits refugee rights to paid employment and to freedom of movement within the country. In this regard, the employment of refugees as employees or own-account self-employees is placed on the same footing as other foreigners who are required to apply for a work permit, with a supporting letter from the Office of the Commissioner for Refugees. Under the Immigration and Refugees Control statutes, refugees who want to establish businesses have to apply for investor permits that cost up to US\$15,000 per permit. That is simply beyond the reach of many refugees, most of whom left their countries as a matter of life or death and not as potential investors. We have, however, demonstrated that Zambia has not made any reservation to article 18 of the 1951 Convention that permits refugees to be given favourable treatment when compared to other foreigners and thus be allowed to set up own-account self-employment livelihood activities.

The human survival instinct is such that regulations that threaten survival are bound to be ignored, especially in the context of protracted refugee situations that have increasingly experienced declining humanitarian aid assistance, diverted to new conflict zones in other parts of Africa and the world. In which case, refugees have devised survivalist livelihoods strategies amongst themselves that interact with the local host and national economies. This report has presented data that shows that refugees' economies have even transcended Zambia's borders through regional trading networks in the SADC region. Refugees provide an important customer base for Zambian businesses operating within or near refugee settlement areas; they provide labour to host economies; they purchase their livelihoods stock-in-trade supplies from Zambian owned businesses; and, in most cases, their livelihood activities tend to employ more Zambian nationals than refugees themselves.

***Refugees are making these wider economic contributions despite the severe restrictions placed on their freedom of movement and rights to employment (both as***

*employees and self-employees). On a comparative basis, refugees' economic livelihoods documented in this report show that in certain instances refugees are innovators and agents of change.* For example, through their rice growing skills and ability to impart knowledge on local farmers, Rwandese and Burundi refugees have trained farmers in Mumena chiefdom of Kalumbila district (where Meheba Refugee Camp is located) rice growing skills that have transformed the crop diversity of the chiefdom and improved returns to farming, since rice is a superior good with higher price than maize and cassava.

The livelihood challenges refugees experience in pursuit of livelihood activities largely emanate from Zambia's reservations to the 1951 Convention on the Status of Refugees that deny them rights to freedom of movement and employment. Consequently both rural and urban refugees experience the following livelihood challenges: right to work regulations; discrimination/harassment/security/attacks (urban only); rights of movement regulations; lack of capital; expensive rent (urban only); transport (rural only); and low salary (rural only).

To be a refugee is circumstantial. In that case, the words of one official in the business of refugees' protection and welfare are instructive: "would Zambians want to be subjected to the same treatment they are currently subjecting refugees to if, one day, they were to find themselves as refugees in a neighbouring country?"

## 8.2 Recommendations

The findings of this study prompt the following few recommendations:

1. **Make refugees' rights to work and freedom of movement less onerous:** even before Zambia's reservations to the 1951 Convention on the Status of Refugees are removed, the country can relax the stringent rights to work and to freedom of movement for refugees to give them sufficient space to engage in productive livelihood activities that enhance economic intermediation and their contributions to the national economy.
  - a. As a starting point, Zambia could link the easing of the two key conditions to the length of time a refugee has been in a country - i.e. refugees of up to 5 years; those between 5-10 years; and those above 10 years continuous stay in the country could have a graduated and differentiated rights to freedom of movement and rights to work. Since Zambia has not made any reservations to article 18 of the 1951 Convention; and the Refugees (Control) Act of 1970 does not make any reference to prohibiting self-employment, the opportunity to allow self-employment for refugees could be a viable starting point for micro and small businesses. As the businesses become medium scale, the refugees' operators can then graduate to formal work permits arrangements as they would have settled and demonstrated their business acumen pedigree.
  - b. Explore options to lengthen the validity of the gate pass to say, 6 months and/or 12 months periods per each issue with automatic renewal if there are no security concerns with the refugee in question. This would reduce transaction costs on both sides (the state and the individual refugees) and also provide refugees sufficient time to establish and run livelihood activities in different parts of the country.
  - c. Develop a banking and other business development-related services referral system that is linked to refugees' livelihood performance to enable refugees to open and maintain bank accounts. Financial transactions have increasingly migrated to e-platforms and keeping refugees outside the banking system is not helping their business opportunities.

2. **Socialize benefits from refugees' livelihoods activities:** as presently designed, the technically "illegal" refugees' livelihood economic activities are anchored on operators paying "protection" fees to some officials in the various refugees oversight institutions. It is high time that the regulations are eased so that refugees begin to pay fees and levies directly into the public purse as opposed to the current practice of paying bribes to public officials.
3. **Need for more long-term and longitudinal refugees' economies studies:** consider commissioning a long-term longitudinal studies to document refugees' economies over time to have a better handle and sense of the key issues and constraints that need resolution to unlock the refugees' potential to contribute meaningfully to the national economy. Such studies could focus on how, for example, to integrate and transform refugees into "residents" in case the former decide to make Zambia their permanent home and, accordingly, design an appropriate support regime to make such transformation effective and efficient.