



# Livelihoods Programme for Refugees

## Executive summary



### Context/background

The majority of refugees in Thailand have no access to legal employment or income-generation opportunities, to external education or vocational training. Dependent on subsistence-level humanitarian assistance they lead lives of poverty, frustration and unrealized potential. As a result many seek work informally, though any refugees caught outside the camps are liable to arrest and deportation.

It is increasingly acknowledged that all stakeholders benefit from allowing refugees the opportunity to realise their human potential. By doing so refugees can contribute to the host country economy during their exile; be better prepared if they are given the opportunity to resettle in a third country; and contribute to the rebuilding of their own country when their day comes to return home. At present, however, refugees' lack of skills limits them to simple manual labour, and they remain ill-equipped for integration, resettlement or repatriation.

There have been encouraging signs in recent years of an interest on the part of the Royal Thai Government (RTG) to work in cooperation with UNHCR and other partners in improving the situation of refugees. In particular, the RTG appears increasingly open to the possibility of vocational training, income-generation projects, and limited forms of legal employment for refugees.

UNHCR and partners felt it was essential to support and inform these welcome policy developments by funding a livelihoods research and strategy development activity in cooperation with the ILO in Thailand. The project, which is being supported by a financial contribution from the US Government, builds on existing NGO work in this area and draws on the technical expertise of the ILO with the aim of producing a comprehensive strategy for facilitating refugee self-reliance while maximizing the benefits to Thai society.

UNHCR and ILO have cooperated on this activity to better understand the current situation with regards to refugee livelihoods, and to propose some means to improve this situation. The project focuses on two refugee-hosting provinces of Tak and Mae Hong Son on the Thai-Myanmar border, which together host approximately 130,000 individuals.

The resulting Livelihoods Programme (LHP) is prepared in response to a request from the Committee for the Coordination of Services to Displaced Persons in Thailand (CCSDPT), and aims to facilitate and inform action on the part of the Royal Thai Government, NGOs, UNHCR and other UN agencies, as well as governmental and private donors.

The LHP is outlined in **three documents**. The first two documents provide an analysis of the current situation in terms of refugee livelihoods, gaps and opportunities, in the two provinces under consideration: Tak and Mae Hong Son. These two documents are presented as Part A and B in Volume One of the LHP reports. The third document, developed in light of this initial analysis, outlines the recommended strategy to improve the existing situation in a manner beneficial to both refugees and local Thai communities, and is contained in Volume Two.

The LHP is designed to ensure efficient, effective and relevant skills development based on local demand. It focuses on a range of target groups, confronts issues squarely, seeks solutions in a dynamic manner and applies innovative strategies within and immediately outside the various refugee camps. The intention is to have Non-Governmental, United Nations and RTG bodies, along with Employers' and Workers' organizations, collaborate to support this Livelihoods initiative.

## Volume 1: Situational analysis

The first stage of the livelihoods project focused on research, consultation and analysis to better understand the situation. Some of the key findings are noted in this summary, and the full report is detailed for each of two provinces in the Volume One report (parts A and B).

The potential to improve livelihoods is acknowledged by provincial and local government officials as an agreeable and necessary approach to relieve the social dislocation in communities concerned, both inside and outside the refugee camps.

Existing NGO services include provision of food, health services, education for children and some skills training for adults. A concern for all is that programmes and projects oriented to meet immediate needs are insufficiently resourced if they are to meet longer term solutions directed toward increased self reliance and possible income generation. Food supplied, whilst meeting nutritional minimum standards, lacks variety. As result heads of household and other economically active members resort to a variety of means to work informally both inside but mainly away from the camps to supplement their needs. Existing youth, women and adults' skills are not being utilized because of the absence of a labour market, limited opportunities for farming and very little access to other waged or self employment.

**A major conclusion from this research** is that the main means to improve the protection and quality of life of refugees in these camps would be to improve their access to opportunities for skills development as a means of increasing self reliance and income generating opportunities in a legally sanctioned context.

There are two key barriers to achieving this:

- The limitations on movement that are written into existing legal and regulatory documents established by the Royal Thai Government and interpreted and applied by camp commanders, local government and private sector enterprises.
- The current level and capacity of NGOs working in the camps to deliver skills development and economic opportunity development projects and facilities.

### Part A) Tak Province

This section of the report focuses on the situation in Tak province: in three camps (Mae La, Umpiem Mai, and Nu Po) and the surrounding Thai host communities.

The research covered assessment of non government organizations (NGOs) and related Thai Government (RTG) activities that:

- (a) Have the potential to provide increased self reliance and
- (b) Can increase the potential of refugees to participate in income earning and income generation activities.

Opinions and possible solutions were sought from local Thai people impacted by the presence of the refugee camps in their communities. Local and provincial government officials with potential to assist and to advise were also consulted along with employers' and workers' organizations.

### *Findings: Tak*

There are a considerable number of potential options to improve livelihoods, to increase an individual's income, and hence improve the overall quality of life for camp residents. The amount of data and range of documentation is extensive. However as this is focused on a narrow and oft-times donor-driven mandate, comparisons are difficult, though all the NGO contributions are very well-intentioned.

At camp level the amount of informal economic activity is significant. Camp residents have adapted to the restrictions of the RTG and basic goods and services are available in each location. Trading in a wide range of products can be readily observed. A small but significant number of residents are working actively with NGOs and receive small stipends. A small number of residents have camp passes/work permits and are earning an income outside the camp, and a similar number are illegally engaged in various forms of wage employment outside the camps, albeit at very low daily rates of pay.



It appears that this informal system has developed to overcome shortages in food supply as well as other personal and family needs. In the first instance the goods and services provided, whilst considered a minimum to sustain a family by Thai Burma Border Consortium (TBBC), lack variety, do not cover other personal needs and finally do not provide those refugees who are capable of working with any opportunity to lead active and dignified lives.

Each camp has unique characteristics which impact the type and scale of any proposal to increase self-reliance and income-generation initiatives. Each camp requires specific solutions as well as those that can be applied universally. Isolated locations, for example, would limit the amount of opportunities for waged employment. Access to land for any increased agricultural programme would involve the local community, who may be reluctant to engage actively with the camp residents. The conclusion is that when any future livelihoods-related projects are being designed, consideration must be given to the specific characteristics of the target location(s) in question.

Any future income-generation initiatives, such as those noted in the Comprehensive

Plan of CCSDPT/UNHCR and those resulting from this consultancy need to be cognizant of the fact that the income generated at the moment whilst low and in potentially exploitative circumstances, provides a large number of residents with goods and services that they would not otherwise be able to afford. Should future projects be based on a more “formal” approach to income-generation outside the camps and a more equitable wage was struck, the informal structure, as it currently operates would be jeopardized resulting in fewer people benefiting.

A major conclusion is that any further and more formal income-generation initiatives should be introduced in a selective, phased manner, be piloted with equitable participation of local Thai and camp residents and have transparent funding and remuneration policies and practices. The remuneration during the pilot must match the current in-camp rates being applied by NGOs and those of the informal economy outside.

ZOA Refugee Care (an international NGO) has previously piloted structured vocational training in the camps. This VT programme was a response to a need when there was limited possibility of work experience and virtually no employment inside, let alone outside the camps. With the emerging possibility of launching pilot activities for income-generation, the training should be revisited to ensure skills are relevant to the opportunities, and that additional resources to exercise the skills (raw materials and tools) are available

Initial discussions have been held with the Thai authorities on the skill needs within the country. Initial impressions are that to meet Thai national skills standards the increased financial and human resources required will be extensive. Realistic targets for training needs will have to be established in consultation with local employers. Training courses with the potential to lead to wage or self-employment should be improved incrementally. The various camp committees and the respective NGOs need to determine what skills are needed, establish what it is the user is prepared to pay and, if work is to be possible outside the camp, conduct a similar assessment in close collaboration with local enterprise managers at the community level.

The major constraint to any existing or future proposal that has the potential for significant change in the present system of income-generation, is the official position of



the RTG. The National Security Council (NSC) policy, as applied by the Ministry of Interior (MOI), officially restricts the refugee community to the camps. Unless a more public and flexible approach is forthcoming from the RTG at the national level and that approach is clearly communicated to the provincial level, the momentum for change will be lost. In the absence of legal authority or official permission, there is also a reluctance on

the part of some major private-sector stakeholders at the provincial and local level to be

pro-active as employers or training providers.

The conclusion is that, although CCSDPT/UNHCR are prepared to take the initiative by preparing a programme containing a compendium of potential income-generating projects, there must be an early and positive response to this initiative from the senior levels of the RTG. Without this response any written document, no matter how relevant at the time of publication, will rapidly lose relevance as the dynamics of the situation changes daily.

### ***Recommendations: Tak***

There needs to be acceptance and agreement on the need for a LH Programme which adopts an **incremental approach, through pilot projects**, with existing NGOs as the potential implementing partners.

Three elements are required: willingness on the part of the RTG to allow the implementation of pilot livelihoods projects; recognition from donors that the LHP is an attempt to facilitate refugee self-reliance which requires additional funding; and willingness on the part of existing NGO/UN stakeholders to take responsibility for implementing pilot projects.

The preferred option of the RTG (and the majority of refugees) is to focus livelihoods-related activities on **agriculture**. Agricultural activities have the greatest potential for work and income generation by refugees, and pilot projects should be implemented with this focus in mind.

At the strategy level it is recommended that:

- A strategy be developed that informs all existing and potential stakeholders so that each may make a judgment concerning future participation.
  - NGOs who express interest be assisted to prepare Project submissions to seek support for their initiatives. The various livelihoods-based submissions be consolidated by Project activity.
  - NGOs delivering self reliance and income/earning generation courses/activities be benchmarked in an agreed format so that comparisons can be made across the complete spectrum.
  - Pilot activities be incorporated into each Project as a means of demonstrating field-testing. Proposed projects demonstrate how they are linked with other projects.
  - CCSDPT should maintain a technical data base of skills development initiatives in a standardized format. This data should be linked to monitoring and evaluation tools developed to measure progress and impact.
  - Donors be required to commit allocations and distribute them annually over a three year schedule subject to satisfactory predetermined targets.

- **UNHCR and ILO** approach the RTG to determine the intentions of the MOI with respect to the movement of refugees in and out of the refugee camps.
- The **MOI** be requested to respond in writing explaining the rules that will allow refugees to be able to seek income earning/generation employment inside and outside the refugee camps.
- A Livelihoods Management Committee be established that meets alternatively in each province on an agreed schedule.<sup>1</sup>

The identification of a suitable organization/institution/NGO willing to accept the responsibility of coordinating the various projects within the LHP is also an issue that will be considered in Phase II.<sup>2</sup> With the possibility of a Livelihoods Programme being included in the existing network of the CCSDPT it is considered necessary to form a separate CCSDPT sub committee.

At the provincial level the following is recommended:

- A solid working relationship be built with the local community to promote and improve self reliance and income earning and income generation opportunities.
  - This should bring together, on the one hand, camp residents, UN and NGO stakeholders, and on the other hand, local Thai villagers as well as representatives from business, labour organisations and the RTG.
- Skills development is focused on courses that have a direct relationship to improving self reliance and income generation for refugees and the local Thai residents.
- The in-camp formal education system be required to introduce students to the concepts of business development.
  - Core skills be focused on within the formal curricula as a means of preparing graduates to engage in useful activities in the camps.
- Adult education programmes be provided as a means of improving access to other capacity building programmes in the camps.
- The potential for waged employment with the local community be followed up with key stakeholders on a pilot basis.
- NGOs who are prepared to extend their existing programmes to support the Livelihoods Programme be given direct financial support

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<sup>1</sup> See the Volume Two report (Appendix 3) for a proposed ToR for this Committee

<sup>2</sup> For further details on LHP institutional arrangements, see the Volume Two Report at 1.2

## Part B) Mae Hong Son Province

This section of the report covers four refugee camps in Mae Hong Son province including Ban Mai Nai Soi (BMN), Ban Mae Surin (BMS), Mae La Oon (MLO) and Mae Ra Ma Luang (MRM), hosting areas and 11 hosting communities nearby. The research took place from February through May 2007.

The research looked at the hosting communities' labour market, local Thai citizens' economic coping strategies, and local environmental conditions. Research with camp residents focused on their current labour market activity, skills, and opportunities for increased livelihood activities in general.

With regard to the refugees, the emphasis was on their ability to access the labour market, including the informal sector; existing related initiatives, economic coping strategies, existing skill levels, skills that should be developed to increase the likelihood of self-reliance, and potential income generating activities that should be promoted.

The methodology included focus group discussions, meetings, interviews, informal discussions, and documentary research.

### *Findings: Mae Hong Son*

The refugees and villagers in most of the nearby hosting communities are of the same ethnicity and they share common language, religion and traditions as farmers and forest dependent people. The camps and majority of hosting communities are located in very remote areas deep in the forest with bumpy unimproved roads or trails and no telecommunication links.

There are various skill development and livelihoods initiatives in the camps including vocational training, Thai language courses, Community Agriculture and Nutrition projects and training for extremely vulnerable individuals organized by the NGO's ZOA, JRS, TBBC and COERR. The Thai Ministry of Education Office of the Non-Formal Education Commission (ONFEC) is also present



Findings on the general environment, labour market and coping strategies of camp residents and hosting communities include:

- Agricultural practices among the Karen and Karenni hosting communities are based on traditional methods of rotation cultivation depending on rainfall.
- Many refugees from all four camps are working as illegal seasonal labourers in nearby hosting communities which are short of farm hands. Youth are also found



- to work outside of camp during their vacation.
- Other coping strategies of refugees include self-employment, micro-enterprise, and incentive work. Self-employment and micro-enterprises include power generating services, VCD renting and movie shops, groceries, basketry, cloth-weaving, leaves roof-making, rice wine making, boat-taxi operation and animal raising.
- Although the hosting communities have to compete with the refugees for natural resources, they gain significant benefits from having seasonal labour available and also gain from trade and barter with the refugees.
- As well, access to medical services in the camps provides added health care which is generally better than found in villages. Some Thai children also attend school in the refugee camps.
- NGOs working with the four refugee camps have occasionally provided rice, blankets, sport equipment, and school supplies to some hosting communities.
- Local government service providers have provided services such as training in agricultural skills, agricultural production, small business development, micro-finance, revolving fund management, income generating activities, life skills, non formal education, vocational skills, and marketing.

### ***Recommendations: Mae Hong Son***

All recommendations will provide greater mutual benefits from the expansion of opportunities to improve livelihoods, self sufficiency, self reliance and income generating activities through better systems and organization that promotes mutual understanding and work between the refugee camps and hosting communities.

- Refugees already make a significant contribution to the local economy working as seasonal labour. Therefore, they should be allowed by the MOI to work legally outside the camp.
- Work outside the camps should be regulated formally, through a Livelihoods Management Committee at the local level. This committee would comprise members of the village committee, camp committee, representatives of seasonal labourers, TAO and representatives of potential employers, the camp commander, UNHCR and CCSDPT. The framework for work should be the existing Registered Migrant Workers framework.
- Skills development is required to ensure camp residents have the skills to meet both employment and potential livelihood improvement opportunities. Specific skills such as agriculture, masonry etc. are required, as well as training on the formation and management of self employment groups, cooperatives, revolving funds or credit schemes.



- A key prerequisite for many adult residents is literacy, initially in Karen or Karenni, so that they can make the best use of further skills training. All training provided should be available to both refugees and local Thai villagers.
- As there are many school age students in the camps, curriculum on organization and management of cooperatives and group activities could be added, along with a student run savings cooperative. Scholarships to allow graduates to further their agricultural education in Thai universities are also recommended.

There are a number of **potential economic opportunities**, including:

- Food processing in camps by camp residents, using materials brought in by Thai contractors.
- In-camp micro enterprises, which would require some start up assistance
- Energy products, including solar panel maintenance, mini hydro, biogas etc.
- Health care
- Environmentally sound and sustainable agricultural practices
- Engaging qualified refugees to meet the need for English language teachers in local Thai primary schools.

## Volume 2: Programme Response

Responding to the findings of the first stage of this project, UNHCR/ILO proposes a Livelihoods Programme (LHP) as a second stage. The Programme is described in a comprehensive strategy document which was developed in response to the situational analysis, conclusions and recommendations contained in the Volume 1 reports.

The strategy builds on the significant expertise and achievements of the existing NGO projects through the Coordinating Committee for Services to Displaced Persons in Thailand (CCSDPT). The LHP which is detailed in the Volume 2 report is a **framework for action**, and provides both a comprehensive framework and individual project ideas which can be drawn upon by stakeholders interested in expanding or strengthening existing initiatives to improve refugee livelihoods.

### *Programme Objective*

The objective of the LHP is implementation of a comprehensive strategy to strengthen refugee self-reliance. Improved self reliance consists of increasing the quality and variety of food available to residents, providing residents with improved skills and the opportunity to use those skills productively, and ensuring equal benefits to residents of each of the host communities. The overall strategy must be adapted to the unique circumstances found in each camp.

The LHP intends to provide effective, efficient and relevant skills development that is responsive to employer needs, acknowledges the aspirations of the refugees and supports the Royal Thai Government's policy requirements for refugees and local Thai poor. In doing so the expectation is that implementing partners (NGOs) in collaboration with the UNHCR/ILO will deliver a LHP that improves self reliance, and is directed towards the local internal and external labour market needs.

The programme will raise the standard of living for refugees and that of local Thai citizens. By providing financial and technical support to cover identified gaps, more efficient, effective and relevant self reliance and income earning and income generation will result.

NGOs that currently provide assistance and who would require additional resources to meet the objectives of the LHP will have an opportunity to request additional resources to expand their current services or provide new ones, within the overall framework.. <sup>3</sup>

### *Delivery strategy*

The LHP strategy is based on initial small scale pilots that are expected to improve income generation. Initial activities will focus on agricultural skills and work experience.

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<sup>3</sup> Approval for additional NGOs to provide services in the refugee camps will need to be sought from the RTG.

The scope of each pilot will be determined in collaboration with the Thai authorities in each camp with subsequent adaptation and replication in other locations for a larger number of participants when and if permission is granted. Acknowledging the sensitive nature of this endeavour, a time scale of at least three years is proposed, as this would provide sufficient time to pilot a range of Project activities and in particular allow for a number of agricultural cycles.

### *Specific components of the Livelihoods Programme*

The LHP is made up of eight individual components (project areas) which have been designed to respond to the current context in refugee camps and hosting areas along the Thai-Myanmar border. These projects seek to both build on existing initiatives, and to respond to recent policy developments by piloting new activities to strengthen refugee livelihoods.

Projects are designed to be mutually supporting: for example, strengthening/reorienting vocational training programmes could equip refugees to either undertake new agricultural activities, and/or initiate their own micro-enterprises to sell certain products.

For each of the eight components, the LHP sets out specific activities, indicators of success, and tangible outputs (this is described in detail in Section D of Volume 2).

Interested delivery partners can use these project outlines as **'blueprints' for designing their own projects:** agencies would need to specify project location(s), beneficiaries, budgets etc., but the basic project design is contained in the LHP.

In summary, the eight project components are;

Agriculture inside the camps	To strengthen the self reliance capacity of the refugees to supplement their diet through house based technical support and training with increased supplies of basic ingredients.
Agriculture outside the camps	To develop the capacity of the refugees to undertake additional agricultural training leading to the production of additional quantities of crops, fruit, vegetables and livestock To collaborate directly with the local Thai population by sharing the resources to train and engage in production of goods and services between the camps and the local community. To provide access to women to share equally in the Project To provide child care facilities to enhance the possibility of participation of refugee women.
Skills Development	To adapt existing vocational training courses to meet demands within the camp for improved or different

	<p>skills.</p> <p>To identify the skill levels of the local labour market in anticipation of agreement to allow access to local employment opportunities outside the camp.</p> <p>To meet minimum skills standards of trainees and instructors in accordance with local Thai certification criteria.</p>
Appropriate Technology	<p>To provide services to existing owners of systems involving the use of new and renewable energy sources.</p> <p>To assess and field test the use of alternative appropriate technologies to improve the supply of goods and services within the camps and to the local population.</p>
Disabled Services	<p>To identify and mainstream the disabled into each other project where they can increase their self reliance</p> <p>To assess the potential of skilled disabled to enter into a self-employment or a micro enterprise.</p> <p>To ensure that the disabled are given equitable access to all other Projects</p>
Micro enterprise Development	<p>To provide services to refugees and local Thai on the complete cycle of training and support services related to starting or improving existing micro and small enterprises.</p>
Waged Employment Service	<p>To establish and maintain links with employment opportunities within each of the economic sectors making up the local labour market</p> <p>To match supply with known demand and provide guidance and counseling to job seekers.</p>
LHP Coordination Unit	<p>To provide overall coordination of livelihoods Projects funded under the LHP.</p> <p>To ensure that all Projects are linked and supportive of each other.</p> <p>To supervise the Waged Employment Service Project's pilot activities</p>

### ***Methodology and institutional framework***

In addition to designing these project 'blueprints', the LHP also proposes a general methodology and institutional framework for coordinating and implementing these initiatives (at Section B of the Volume 2 report, parts 10-13). The main features of this framework include:

- Overall coordination for the LH Programme to achieve both objectives through the appointment of a Programme Coordinator with expertise in both livelihoods development and policy advocacy.

- Ongoing policy liaison with the responsible authorities in Thailand and provision of reports and information that will positively influence policy change.
- Establishment of a dedicated livelihoods sub-committee of the existing CCSDPT, with resources and staff to improve coordination,
- Development and implementation of consistent results management tools for use in all NGO Project activities related to livelihoods
- Sharing of best practices information across all organizations.
- Establishment of camp livelihoods committees and strategies, involving local communities.
- Coordinated and phased launching of pilot projects, with permission, on a range of livelihoods issues (reflecting the priorities and decisions of each camp strategy and the permissions granted).
- Careful documentation of each Project's impact and issues for incorporation into subsequent pilots/expansion activities.
- Delivery of each of the pilot services through existing NGO's based on their interests and capacities.

### ***Associated risks***

It should also be acknowledged that there are significant risks. The LHP proposal assumes that (a) small scale pilots will be permitted at the outset and (b) that there is willingness and capacity to adjust national policy based on acceptable results from pilots. This is far from being a certainty, particularly given Thailand's present political environment. There is also a risk that by being over-assertive in implementing this Programme the existing informal economic systems and their benefits to camp residents and hosting communities may be threatened.

The arrangements currently in place need to be respected for the benefit of both the camp residents and local communities. Those refugees who have developed adequate coping mechanisms must not feel that their current strategies for securing access to paid work and additional sources of food and income is under threat.

### ***Funding and implementation***

The executing agency for the LHP as a whole and for individual projects could be selected from a variety of choices. Some project streams may be better accomplished through RTG ministries. Others could be well-supported with technical assistance from UN agencies such as FAO, ILO, UNDP or UNHCR. The possibility of joint UNHCR-ILO collaboration may be an option. Existing or additional NGOs or bilateral development agency partners may wish to expand their current programmes. This needs to be determined once the scope of the proposed LH Programme is agreed by all the stakeholders and implementing partners are identified.

To implement the entire programme, the donor funds sought would amount to approximately US\$ 4,500,000 over three years. However, if the political environment is not conducive to change and the LH Programme's objectives are difficult to achieve or circumstances change, the project will be reviewed and adapted to meet these changes.

At present, it appears that a **phased approach will be pursued in the short to medium-term**, with the activities described implemented as **pilot projects in selected locations**. This will reduce the immediate funding requirements, and also has the advantage of meeting the preference of the RTG for an incremental approach. The longer-term implementation plan can be determined in line with future policy decisions of the RTG and the availability of funds.

