



Livelihood Programming in UNHCR: Operational Guidelines

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The UNHCR Operational Solutions and Transition Section (OSTS) is part of the Division of Programme Support and Management (DPSM) at UNHCR headquarters in Geneva. It supports the UNHCR mandate to protect persons of concern through a focused approach to self-reliance and empowerment, and the establishment of partnerships. UNHCR sees the creation of durable solutions for refugees as important for consolidating peace and preventing the recurrence of displacement. Socio-economic empowerment recasts refugees as agents of their own long-term development. Refugees who have socio-economic interaction with local communities are more likely to rebuild their own societies sustainably when they return or to integrate successfully while they are displaced. UNHCR believes that catalysing development assistance to refugee-hosting and returnee-receiving areas will foster a long-term enabling environment for both refugees and returnees. UNHCR works with development actors and host governments to promote the socio-economic rights of refugees.

FOREWORD

The Operational Guidelines for livelihood programming draw on lessons learned in supporting urban and camp operations, collected by the Livelihood Unit (OSTS/DPSM) and by regional livelihood officers since 2008, and on consultations with UNHCR field offices and partners during regional trainings and review workshops from 2009 to 2011. The guidelines are also based on key documents and frameworks used in the livelihood sector at large.

The purpose of these Operational Guidelines is to provide practical guidance and advice to field staff and partners on:

- UNHCR's livelihood approach;
- Key elements of the livelihood programming cycle, and partnership options;
- The range of livelihood interventions relevant to UNHCR operations.

In particular, the guidelines underline the importance of:

- Recognising *diversity in refugee populations* in terms of economic and social capacities and livelihoods;
- Understanding the refugee context, in particular the *policy environment* and *market opportunities* of the host area;
- *Building upon positive coping strategies* developed by individuals, groups and communities;
- *Facilitating access* to livelihood opportunities and related services;
- Acknowledging the *complexity* in designing and implementing sound economic interventions and the sequencing and targeting that quality programming requires;
- *Engaging non-traditional actors* from the private sector and public institutions; and
- *Advocating for the right and access to work* of refugees as the basis for all livelihood programming in refugee hosting areas.

These Operational Guidelines are aimed primarily at UNHCR Field Operations, starting with multi-functional teams (MFT) that include senior managers, Protection, Programme, Community Services, Field and Livelihood Officers, where applicable, as well as government counterparts, operational and implementing partners (IP), and donors. Representatives and senior managers in field operations, regional representations and decision-makers in headquarters are also addressed (see Chapter 1). Staff, partners, and consultants are encouraged to use this document as a reference tool in the process of planning and implementing a comprehensive livelihood strategy. The guidelines also seek to inform UNHCR's traditional and potential partners about livelihood issues in regard to refugees and the organization's role in and approach to livelihood programming. New partners may include microfinance institutions, the private sector, foundations and academic institutions.

The guidelines are complemented by a short module specifically for urban areas, *Promoting Livelihoods and Self-Reliance: Operational Guidance on Refugee Protection and Solutions in Urban Areas* (UNHCR 2011), and by Practical Guides on microfinance (*Investing in Solutions: A Practical Guide for the Use of Microfinance in UNHCR Operations*, 2011), on advocacy for the right to work (*Advocating for the Right to Work: A Practical Guide*), and by a range of templates and tools (template for assessment and strategic planning; template for ToRs; project briefs). All documents are available through the livelihood unit or on UNHCR intranet (Protection and operational themes > Livelihoods).

The document focuses on refugees and asylum seekers, but in some contexts will be relevant to returnees, internally displaced persons (IDPs) and stateless persons. In this document the term **refugee** is used predominantly for ease of reading.

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CHAPTER 1: UNHCR LIVELIHOOD APPROACH

I. RATIONALE

A. Challenges

The reduction of dependency through economic empowerment and the promotion of self-reliance are at the heart of UNHCR's protection mandate. Advocating for refugees' right to work and to pursue livelihoods falls under this mandate and therefore warrants priority in all refugee settings.

In refugee operations, protection and livelihoods are closely intertwined. Forcibly displaced people need to acquire goods, services and cash every day, but many aspects of refugee settings make the pursuit of livelihoods challenging and risky. Host government policy often makes it illegal for refugees to work or to own property or businesses, though there are services available to support them. Even in situations where refugees can legally work, access to decent employment continues to be hugely problematic, particularly in countries with high unemployment rates. Encampment policies restrict refugees' freedom of movement. Cases of discrimination and harassment by the state (police, immigration authorities) also make it difficult for refugees to move around freely to work or engage in economic activities.

Anti-migrant (xenophobic) attitudes may exist within the Government and the local community. Refugees often face greater expenses than other poor people because of costs associated with bribes, often related to the lack of documentation; they may be discriminated against by local landowners or landlords, who often require higher rents or extra "fees", and by employers who use them as cheap labour. Refugees are targeted by criminals, who know they are less likely to seek recourse. Accessing public social services like health and education may pose a financial burden on refugees that exceeds the burden experienced by other poor, for example because of discrimination against refugees or restrictions on freedom of movement. In many cases financial shocks come in the form of school fees and hospital bills that exceed their monthly income and may leave them indebted to service providers, to their community or to employers.

In camps and rural areas, livelihoods can be further restricted or negatively affected by a number of factors. These include limited access to arable lands and natural resources, limited transportation and facilities, and situations of generalised poverty. Displacement can have a negative socio-economic impact on hosting areas, both rural and urban. This can exacerbate tensions between refugees and local populations, bringing about further protection challenges.

Livelihood Risks

For the Myanmar Rohingya and other refugee groups, protection concerns represent the most significant challenge of working in Malaysia. When asked about challenges they faced in trying to earn an income, all refugees questioned mentioned the frequency of raids by the immigration department and RELA, its voluntary border control brigade. Both paid frequent surprise visits to companies, factories, and worksites known to hire immigrants. During each raid, several arrests were made and those arrested were deported after a stay in a detention centre. When deported, refugees typically rehire agents to renegotiate entry into Malaysia. Refugees lost savings and regained debt on a tremendous scale. One man noted that his family in Myanmar was forced to return all the remittances he had sent them over the years that he had lived in Malaysia so he could afford the agent's fees.

Source: OSTIS mission report, 2009, and Sridharan, 2010.

In such environments, refugees struggle to pursue livelihoods and become even further impoverished without them. Productive assets such as cash savings or transportable goods are rapidly eroded. In leaving their homes, refugees and other persons of concern (PoC) lose access to some of the human and social capital that sustained them before they were displaced. Credit lines are cut, business partnerships lost, skills acquired for the life in the home country become irrelevant in hosting areas (particularly if a refugee moves from a rural to an urban area) and diplomas previously obtained are often not recognised by host governments. Households and individuals that used to be "better off" (at the higher end of the economic spectrum in their home communities) slip into poverty and the poor become more vulnerable.

Poverty creates new protection risks. The poor are more likely to engage in **risky coping strategies**, including illegal and criminal activities such as prostitution, smuggling, and child labour. Cutting household expenditures, a key *coping strategy*, may lead to new protection challenges. For example, it is common in urban areas for households to save money by sharing housing, but living in close proximity with people other than family members can create risks for the physical well-being of women and children. In camps, lack of economic opportunity may lead refugees to leave the area to seek work – but this movement has security implications (exposure to harassment outside camps) as well as financial ones (e.g., cost of transportation).

Like the poor in most developing countries, refugees pursue livelihoods largely in the **informal sector**. Protection risks related to informal sector work are usually associated with a lack of health and safety regulations and social security, low salaries, long working hours and unstable and sometimes dangerous jobs. Poor working conditions are more risky for refugees because they lack some of the safety nets available to the resident poor in surrounding communities. Refugees tend to create and join community networks and organizations that provide a great deal of support, but not all of them are able to benefit from community-based support, leaving many with no support from either their own community or the host government.

Community-based support system

In Cairo, refugees from South Sudan and Darfur have formed a strong community support system, based on the willingness of other Sudanese refugees to help them when they run short of money for daily expenses and rent. Male refugees commonly live in shared houses (usually of six or seven men) where they pool their income to pay for rent and food. Newcomers from Sudan are given a place in the house and supported until they find work and can contribute to household income. At the community level, southern Sudanese (many of whom have been in Cairo for fifteen years or more) are highly mobilised. According to one community leader, refugees from conflict-affected regions of Sudan have formed over 45 different mutual help associations (*rabta*) in which monthly contributions are dispersed to those in need.

Source: Adapted from Jacobsen, 2010.

Beyond meeting protection objectives, advocating for livelihood rights and supporting refugees in fulfilling those rights is appropriate and necessary for UNHCR in all settings for the following reasons:

- The pursuit of livelihoods helps restore the **dignity and independence** of refugees.
- Livelihood programmes promote and preserve the use of **skills and assets**, which can prevent households and individuals from slipping into poverty, and enables them at the same time to support their own communities.
- Livelihood programmes that also **benefit local populations** can address the host government's concerns about the presence of refugees (economic competition, pressure on resources, etc.) and improve the asylum environment.
- Increasing the **economic capacity** of households can promote *self-reliance*, which underpins durable solutions, particularly successful repatriation or local integration. Refugees who can build and protect their livelihood assets are more able and more likely to return to their home countries when it is safe to do so.

What is self-reliance? Why does it matter?

Self-reliance is the ability of an individual, a household or a community to meet essential needs and to enjoy social and economic rights in a sustainable manner and with dignity. Through its livelihood programmes, UNHCR encourages men and women to protect and strengthen their livelihood skills and options. By becoming self-reliant, refugee and displaced persons lead active and productive lives and are able to weave strong social, economic and cultural ties with their host communities, rebuild hope and prepare for the future. Self-reliance can, if undertaken properly, assist in ensuring that persons of concern are better protected by strengthening their capacity to claim their civil, cultural, economic, political and social rights. Self-reliance can therefore be seen as an essential tool for enhancing protection.

B. Key Principles for Livelihood Programming

The key principles are based on global best practice and standards¹, on good practices emerging from UNHCR field operations² and on UNHCR's age, gender and diversity (AGD) approach, which advocates for a participatory, rights- and community-based strategy. The key principles, which follow below, also draw on these documents:

- UNHCR Handbook for Self-Reliance (August 2005).
- UNHCR Policy on Refugee Protection and Solutions in Urban Areas (September 2009).
- Promoting Livelihoods and Self-Reliance: Operational Guidance on Refugee Protection and Solutions in Urban Areas (UNHCR 2011).
- Investing in Solutions: A Practical Guide for the Use of Microfinance in UNHCR Operations (UNHCR, 2011).
- Small Enterprise Education and Promotion (SEEP) Network: Minimum Economic Recovery Standards (Second Edition, 2010).
- Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings (Women's Refugee Commission, 2009).

1. Advocate the right to work and the removal of any legal barriers to self-reliance

under UNHCR's protection mandate and other relevant human rights Treaties. Ensure that refugees have the right to work and enjoy the freedom to choose employment strategies that allow them to generate income to cover essential needs without harassment, discrimination, exploitation, or intimidation from state authorities or local communities.³

1 Small Enterprise Education and Promotion (SEEP) Network: Minimum Economic Recovery Standards, Second Edition, 2010.

2 Livelihood assessments and the development of programme strategies have been conducted in Armenia, Argentina, Burundi, southern Chad, Costa Rica, Egypt, India, Jordan, Kenya, Malaysia, Mexico, Senegal, and, Yemen 2008-2011.

3 See 1951 Geneva Convention: Chap III Gainful Employment (Art. 17: Wage-earning employment; Art. 18: Self-Employment; Art. 19: Liberal Professions); International Covenant on Economic, Social and Cultural Rights (Article 1, 3, 6, 7, 11); International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (Article 24, Article 25); Guidelines on Advocating for the Right to Work, UNHCR (draft 2010).

2. Use quality data to guide programme strategies, obtained through comprehensive livelihood assessments that identify:

- The policy environment and social or political processes that enable or inhibit access to work and other livelihood opportunities, and possible ways in which this environment can be made more conducive to refugee livelihoods.
- Diversity in the refugee population, in terms of their socio-economic status, i.e., the livelihood assets and strategies that households and individual men and women use to survive as well as the protection challenges they face.⁴ Livelihood support must build on people's perceived strengths and opportunities rather than focusing on their problems and needs.
- Institutions and programmes that support or can potentially support livelihood development and create economic opportunities in the hosting areas.

3. Use analytical and programming frameworks and tools that are recognised by the global community of practice, e.g., the Sustainable Livelihoods Framework⁵, and Minimum Economic Recovery Standards (SEEP, 2010).

4. Conduct a livelihood assessment and convene internal and external stakeholders around its results to jointly identify livelihood support opportunities. Choose a multi-functional team approach (MFT) and include all relevant UNHCR sector units (i.e., senior management, programme, protection, registration, durable solutions and community services), as well as a broad range of stakeholders, including development partners, UN and bilateral agencies, the donor community, private sector institutions and refugee and local community representatives.

5. Develop a comprehensive multi-year strategic plan and coordinate its implementation, monitoring and evaluation according to the comparative advantage of different partners and stakeholders. Strategic plans will comprise short- to long-term objectives and related activities, as well as implementation arrangements. They should include:

- Operational partnerships that increase refugee access to existing facilities, services, and programmes at no additional project costs for UNHCR, e.g., access

4 Guidance on socio-economic profiling is presented in the operational guidelines. The UNHCR Participatory Assessment methodology, as it stands, does not provide information on socio-economic profiles, and efforts will be made to address this.

5 See DFID, Sustainable Livelihoods Guidance Sheets, <http://www.nssd.net/pdf/sectiont.pdf>

to employment services or to training or other initiatives planned and resourced by development agencies, government ministries or private sector institutions.

- Capacity building investments, preferably towards national or local service providers, whether public or private, to increase their outreach to and inclusion of refugees. These may include language and skills training, entrepreneurship building, financial literacy, business support services, job placement and apprenticeship schemes, legal aid and documentation services for work purposes.

6. Target livelihood support on the basis of socio-economic profiling as early as possible. Match programme interventions with corresponding levels of livelihood capacity (existing livelihood assets such as skills, and past work experience) and needs identified in the refugee population, as well as the demands of the market. Targeted interventions should support entrepreneurs and skilled refugees, and promote the skills and experience of youth and women exposed to protection risks associated with the lack of formal employment opportunities. *“Graduation approaches”*, which match support with an individual’s capacities and adapt as their skills and assets develop, are strongly encouraged.

7. Assist refugees in becoming self-reliant, including during the emergency phase. Cash / food / rental assistance provided by UNHCR and partners should be short-term and conditional and gradually lead to self-reliance activities as part of longer-term development. They should aim to assist refugees to move from grant-based and in-kind contributions to more sustainable forms of support. Households and individuals at heightened risk who qualify for social assistance should be identified during the needs assessment and supported with the ultimate goal of integration into national social welfare systems where applicable. A policy dialogue with governments should be initiated to influence restrictive laws and directives and to assist refugee households and individuals at heightened risk. Until positive change materialises, UNHCR may provide assistance to cover basic needs.

8. Avoid the provision or creation of parallel services. Use advocacy and capacity building measures to enhance refugee access to private and public services and institutions that can boost livelihood development and self-reliance. This can come through investing in and building the capacity of local institutions, thus allowing them to provide quality services to both locals and refugees. These may include banks and/or *microfinance institutions* (MFIs) that offer a range of financial services such as savings, loans and transfers; *business development services* providers; entrepreneurship training facilities; formal vocational and technical education and training institutions; informal

skills training institutions; employment services and information providers in regard to the labour market; apprenticeship and job placement schemes; legal services relating to employment, work permits or business registration; agricultural extension services; and other institutions that can link refugee producers to markets.

- 9. Develop area-based approaches** in settings with high numbers of refugees or returnees by using the *livelihood zone* approach. Invest UNHCR resources in local services and institutions willing to accommodate refugees and/or attract them to offer their services in those areas.
- 10. Contribute to local development plans and processes** such as national Poverty Reduction Strategy Papers (PRSP), the Consolidated Appeals Process (CAP), the United Nations Development Assistance Framework (UNDAF) and other mechanisms with the objective of advocating for and raising awareness of livelihood development for refugees and the surrounding local population. This will gain the support of host governments, help to foster social cohesion between refugee and host communities and establish sustainability of short-term humanitarian interventions.
- 11. Regularly monitor and evaluate progress** towards programme objectives and expected outcomes in view of a gradual disengagement from direct support, a necessary shift of strategy and approach as well as resulting resource requirements. Monitor changes in both refugees' livelihood development and the institutional and policy context and identify households and individuals able to avail themselves of local services, employment or self-employment opportunities with reduced UNHCR/partner assistance.
- 12. Increase interaction with refugee communities** and communicate on a regular basis; organize outreach activities and inform communities about their livelihood support options and eligibility criteria as those evolve.
- 13. Develop a phase-down and hand-over plan** within the comprehensive strategic plan by gradually adjusting programme and budget targets, with the main purpose of:
 - Shifting UNHCR's interventions from resource-intensive grant-based support to longer-term livelihood support.
 - Reducing the number in need of assistance and livelihood support through the attainment of self-reliance.

C. Livelihood Programming across UNHCR Operational Contexts

UNHCR has dramatically increased its engagement in livelihood interventions in recent years. In 2012, the organization's global budget for this sector (covering 79 countries) will reach USD 200 million, an increase of USD 80 million (or 66 per cent) in just two years. In 2012, it is expected that 18 operations will have budgets ranging from USD 4 million to USD 24 million for livelihood interventions.⁶

Two-thirds of all livelihood interventions are planned in refugee operations, and 20 per cent in operations involving IDPs. Some 80 per cent of the global livelihoods budget is directed at operations in Africa and Asia.

While UNHCR is not mandated to support the local population, it is generally acknowledged that this community should be included in activities planned in areas with a high concentration of refugees, as livelihood initiatives will fail without their being taken into consideration. Socio-economic profiling of local populations in respective livelihood areas will be considered during the assessment phase to gain a better understanding of the local context and identify factors affecting refugees resulting from their status. Fostering social cohesion underpins UNHCR's livelihood approach and should feature as a key principle in all country-based strategies and plans.

1. Emergency response

During displacement, people carry with them assets such as cash and tools, but also skills and networks. They may also have assets in their country of origin. At the onset of an emergency, refugees seek to acquire cash to provide for themselves and their families. This means that they may sell some of their assets or even engage in harmful coping mechanisms, as they are not able to use their skills and experience to gain livelihood.

In line with UNHCR's protection mandate, it is crucial to design **early livelihood interventions** to avoid depletion of assets. Livelihood programming, and hence the strategic planning process, thus needs to begin as early as possible, after immediate humanitarian needs have been met and as people begin to settle.

UNHCR should map existing assets, develop an understanding of local markets, and design early livelihood interventions, including during contingency planning, to reduce the risk of long-term damage or loss of livelihoods of newly displaced persons. Early livelihood

⁶ The largest livelihood programmes are planned in Afghanistan, Chad, Congo, the Democratic Republic of the Congo, Ethiopia, Georgia, Liberia, South Sudan, Sudan and Uganda.

interventions will also allow for a smooth transition from emergency and relief to sustainable development.

Emergency response in Tunisia

UNHCR's livelihood programme in Tunisia shows that to achieve long-term objectives, activities should be initiated at the very onset of an emergency. Under the purview of the Ministry of Social Affairs, UNHCR is engaging multiple partners, including the ILO, national microfinance institutions and banks, economic development actors and business skills providers in an innovative programme to boost micro, small and medium-sized enterprises in the refugee-hosting areas bordering the Libyan Arab Jamahiriya.

The objective of the programme in Tunisia is to expand economic activities, mainly in agriculture, crafts and services. It incorporates *business skills development*, institutional capacity building and the creation of a network among collaborating partners. It also endeavours to deliver benefits to host communities, in recognition of their efforts to accommodate refugees and migrants who fled from Libya.

UNHCR works closely with other UN agencies and IOM to ensure a complementary and harmonised approach. Moreover, major donors such as the Japan International Cooperation Agency (JICA) and the Swiss Agency for Development and Cooperation (SDC) are involved in the search to find a sustainable means of expanding the programme to other areas.

2. Protection and mixed solutions

As the situation stabilises and evolves towards "mixed solutions", UNHCR needs to look into longer-term livelihood support options that can open refugees' access to economic opportunities in the country of asylum, whilst preparing their return or resettlement. It is important at this stage to understand whether refugees have access to formal employment and self-employment opportunities, and in what sectors, and whether they have access to employment-related services (business development services, financial institutions, formal training providers, employment services). If the *right to work* is restricted in the country of asylum, a policy dialogue should be initiated with national authorities in the earliest stages, before a situation becomes protracted (see Chapter 3 on Advocacy).

The key objectives for livelihood programming in this phase will be **employment promotion** and **small enterprise development**, through a combination and/or sequencing of interventions such as formal and informal technical and vocational training, entrepreneurship training, microfinance, development of value chains, capacity building of cooperatives and job placement. Partnership with established public and private sector institutions is key in creating opportunities in protracted situations. UNHCR's role in a repatriation context should also be to ensure involvement of development partners in supporting local development in returnee areas.

In the framework of local integration, the social, political and economic lives of refugees become fully integrated with those of the host community. In urban settings this means refugees have unrestricted access to training, employment and business opportunities, microfinance, legal documentation, health care and education services. In a rural environment this is also likely to imply that refugees have access to natural resources (land, livestock, water) and services, production inputs and markets and can participate in local groups and cooperatives, and in cash-for-work (CFW) and other employment schemes.

UNHCR's existing programmes should be examined carefully with regard to their livelihood impact. In particular it is worth examining how resettlement programmes are influencing refugee engagement with livelihood activities. In refugee operations with active resettlement

Yemen / Aden / Shop owner supported by a UNHCR livelihood project in Basateen, a neighborhood in which Somali refugees make up 30% of the population / UNHCR / 2010



programmes, the hope of becoming resettled can interfere with people's willingness to pursue livelihood options (and to repatriate). Refugees may ignore or even avoid livelihood opportunities in case these interfere with their eligibility for resettlement. One of the most problematic situations is where refugees deliberately make themselves "vulnerable" in order to increase their chances of resettlement, by giving inaccurate accounts about their capability and understating their level of earnings. Such practices, as well as an apparent lack of motivation to take on, and succeed in, economic support projects make it almost impossible for UNHCR to know the true *vulnerability* of refugees and establish a sound diagnostic on which to define adequate support options.

3. Urban situations

Livelihoods pose specific protection concerns in urban settings. Many refugees come to cities because they possess social and human capital – and often physical or financial assets - which are more effectively utilised in urban settings than in camps or rural areas. With the steady increase in the number of urban refugees worldwide, the need to open their access to safe and sustainable economic opportunities has become a pressing protection concern. Asylum seekers may be exposed to even higher protection risks due to the often lengthy process of recognition or rejection of their status. UNHCR must therefore ensure that due attention is paid to livelihood issues, and that livelihood initiatives are understood as important protection tools.

Given the dynamic nature of urban refugee settings, livelihood programmes need to be constantly monitored and adapt to changes as they arise. The operational context, namely the socio-economic profiles of the refugee population and the surrounding policies, institutions, and processes (PIPs) need to be monitored at regular intervals, preferably yearly, as these have a direct influence on the relevance and suitability of livelihood support strategies and plans.

D. Objectives of Livelihood Programming

Livelihood programming aims to enable refugees to accumulate assets and capabilities and empower them with the ability to make choices that affect their own lives. Livelihood programming includes advocating for the right to work, as well as delivering a range of support activities. Livelihood interventions can support multiple objectives. Some have a direct and immediate effect and others a longer-term, indirect effect on people's capacities and livelihood options. Short-, medium-, and long-term objectives in livelihood programming are usually mutually reinforcing. As outlined below, these objectives can be attained through three broad types of activities that are themselves interconnected.

Objectives of Livelihood Programming:

1. Livelihood provisioning interventions have a *direct and immediate* effect on people's socio-economic wellbeing, aiming to reduce vulnerability. Their objective is to:

- ✓ **Meet basic needs** by providing in-kind goods such as food aid, or cash.
- ✓ **Minimise expenditure** by providing basic services and goods free of charge or subsidised via cash or vouchers.

2. Livelihood protection interventions have a *direct* and short- to medium-term effect on people's socio-economic wellbeing, aiming to help people increase or diversify their sources of income, and prevent negative coping strategies. Their objective is to:

- ✓ Help people **recover or protect their livelihood assets** (e.g., subsidised production support, cash or vouchers for work, community contracting, conditional grants for micro-business development, developing savings schemes).
- ✓ **Adapt to new environments** (e.g., local language training, life-skills, documentation, legal and employment counselling).
- ✓ Medium-term objectives are to **build or improve people's livelihood assets and strategies** (e.g., targeted vocational and technical skills training for service delivery, agricultural production, construction work, or crafts; entrepreneurship training, and providing access to microfinance).

3. Livelihood promotion interventions have an *indirect* and medium to long-term effect on people's socio-economic wellbeing, aiming to facilitate access to the labour market and create an enabling environment for livelihoods in the host/return area. Their objective is to:

- ✓ **Improve people's access** to key institutions, markets and services (e.g., building capacity and investing in training institutions, production infrastructure, financial services, trade cooperatives and community-based organizations), and to information (services, entitlements and rights).
- ✓ **Promote favourable policies** (e.g., to promote the right and access to work).

Livelihood support activities will usually work towards a combination of provisioning, protection, and promotion objectives, and do not fit clearly into one single category.

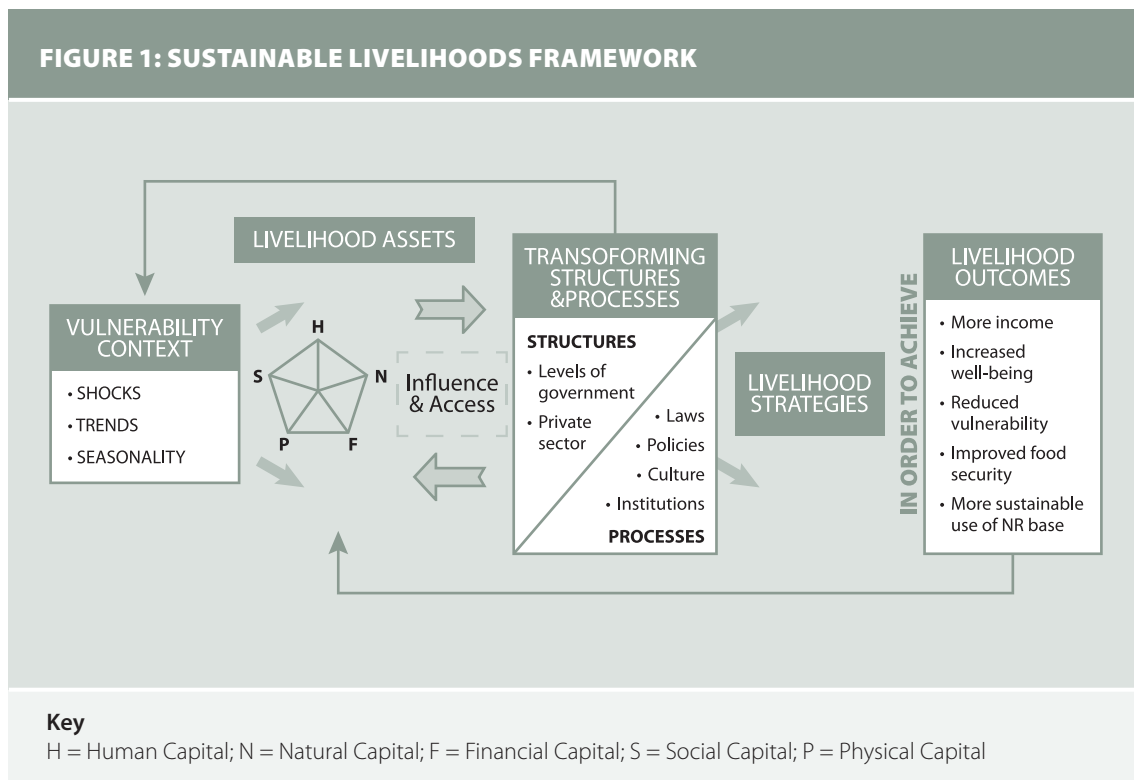
Source: Adapted from Jaspars, 2010, p.27

II. LIVELIHOOD FRAMEWORK

A. Sustainable Livelihoods

Sustainable Livelihoods (SL) is an approach that links poverty reduction strategies, sustainability of interventions and empowerment processes (e.g., community participation, women's empowerment and good governance). The SL approach originated in the 1990s and is largely attributed to DFID (Solesbury, 2003). Its appeal comes from its applicability to different contexts and because of its consultative and participatory process, which allows a cross-fertilisation and synergy of approaches, strategies and programme planning among various stakeholders. The approach is flexible, allowing users to understand and tap into the adaptive responses of those living in extreme poverty and outside the formal labour market and utilise them as entry points for policy making (Hoon, Singh et al, 1997).

The *Sustainable Livelihoods Framework (SLF)* is captured in the now widely used diagram in Figure 1.⁷



7 Source: DFID, Sustainable Livelihoods Guidance Sheets <http://www.nssd.net/pdf/sectiont.pdf>

The SLF enables an in-depth analysis of livelihoods, in particular:

- Providing a **checklist** to identify livelihood assets and strategies of populations residing in a given area, both at the household and community levels.
- Drawing attention to **core influences and processes** that shape the use of those assets and strategies.
- Emphasizing the **multiple interactions** among the various factors that affect livelihoods.

As such the SLF is useful for assessing the contribution to livelihoods made by existing or planned activities. This approach assists in understanding the situation of refugees, returnees and IDPs, but it is important that each group be analysed separately, as different processes are relevant in each case. For example, IDPs and returnees, as citizens, are subject to different government policies than are refugees from other countries.

B. Policies, Institutions and Processes

Livelihoods are influenced by the wider socio-political and legal-regulatory context, i.e., “Policies, Institutions and Processes” (PIPs). By identifying and understanding PIPs that affect the ability of refugees to pursue livelihoods, opportunities for advocacy, cooperation and programme implementation can be identified. Since PIPs change or evolve over time and are often related to political changes, it is important that they are regularly checked and information kept updated. These components are introduced below; see Chapter 2, Section I.C for more detail.

From a livelihood perspective, the *Right to Work* is the most important fundamental right, with direct implications for refugees. Access to land, property and shelter are also essential to livelihoods, as are other supporting rights such as access to education and health. Therefore, UNHCR must understand, analyse and continuously monitor the respective **policies** of the host government and other aspects such as the employment situation in the host country, documentation requirements for refugees and availability of land.

In any setting, a range of **institutions** contribute to livelihood opportunities of refugees. They include, among others:

- Government ministries and departments with relevant national programmes.
- Local government and municipalities.

- Humanitarian and development organizations, including
 - UN and bilateral agencies.
 - Local and international non-governmental organizations (NGOs); and
 - Civil society and community organizations.
- Private sector (foundations, businesses, organizations, etc.).
- Chambers of Commerce.
- Labour and trade unions.
- Academic institutions.
- Markets and financial systems.

National **processes** influencing livelihoods are the general development planning processes that target all people residing in a country, including refugees. These may include national PRSP, the UNDAF, the CAP and sector-related planning processes coordinated by the government and/or bilateral donors. It is important that UNHCR advocates for the inclusion of refugee livelihood issues to increase access and opportunities. Other processes that enable or limit and obstruct refugee livelihoods, such as changing attitudes of the host population and local authorities, are detailed in Chapter 2, Section I.C.3.

An analysis of how these processes affect livelihood opportunities should be included in livelihood assessments and factored into decisions about interventions supported by UNHCR and partners.

C. Livelihood Assets

Livelihood assets are defined to include human, social, physical, natural and financial capital. The portfolio of livelihood assets out of which people construct their living and that enable them to pursue different livelihood strategies to achieve their livelihood objectives comprises both tangible assets and resources and intangible assets such as claims and access. It is useful to identify both the assets refugees own or have access to and those they possess but are not able to utilise. A refugee might possess specific skills (human capital) but is unable to utilise them because the host government has a restrictive policy and does not allow him/her to work. Alternatively, credit facilities might be available in a particular setting, but refugees are unable to access them because they lack required documentation.

The SLF traditionally identifies the following five types of assets (= capital):

- **Human capital:** includes skills, knowledge, work experience, physical ability to work (i.e., good health) and education. At the household level, human capital is the amount and quality of labour available, which varies according to factors such as household size and the dependency ratio (i.e., number of workers to number of dependents), skills level, leadership potential and health status.
- Human capital is both a livelihood asset, that is, a “building block” for achieving *livelihood outcomes*, and an end in itself. Many people regard ill-health or the lack of education as core dimensions of poverty; thus overcoming these conditions may be a primary livelihood objective. A skills profiling should be part of registration and assessment exercises so that teachers, crafts people, mechanics, and other skilled workers can be identified.
- Information about household demographics and composition is part of a household’s “human capital”. The human workforce is considered a key asset for a household, because it has a direct influence on how much a household can work, and therefore on its income. A household’s ability to access work opportunities is measured by the dependency ratio.

Household Dependency Ratio

In assessing the ability of the household to pursue livelihoods, a widely used measure is the dependency ratio, which measures the number of actively contributing household members compared to the total number in the household (e.g., children, non-working adults). Since children often contribute income in poor households, it is important to identify working children.

The dependency ratio should be calculated in:

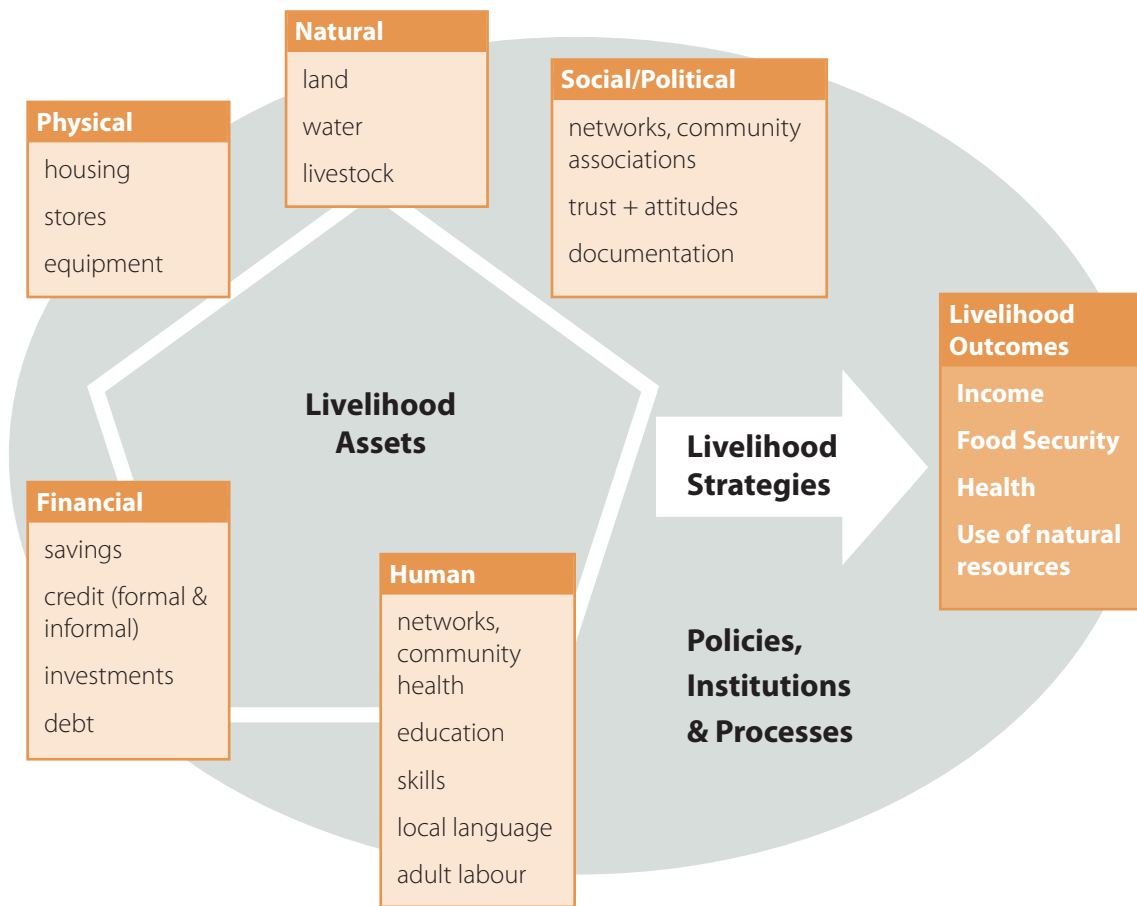
- *actual terms*: current number of income earners/total number in household

- *potential terms*: potential number of income earners/total number in household.

- **Financial Capital:** includes savings, credit, insurance, remittances and cash flows as well as stocks. Financial capital contributes to household production and consumption, and is as such an important livelihood building block that is needed on a daily basis. Its availability influences people's choices and their ability to improve their livelihood strategies (e.g., by investing in their own skills training for example, or deciding to expand a business, or to reduce food insecurity, or to live in safe and decent accommodation). Also, financial capital is unique among other livelihood assets in that it can be converted into other types of capital, for instance into political influence or into new skills and knowledge.
- **Natural Capital:** the natural or environmental resources from which livelihoods are derived. The variety of resources making up natural capital ranges from intangible public goods, such as clean air and biodiversity, to assets used for production, such as trees and grazing land. Other natural assets include marine resources, water, erosion protection, waste assimilation, and storm protection. In urban settings, key natural resources would be air and water quality (which affect health).
- **Physical Capital:** the infrastructure and physical environment that supports livelihoods and enables people to meet their basic needs and be more productive. Physical capital includes houses, cars, tools and equipment, and the following components of infrastructure:
 - Affordable transportation.
 - Secure shelter and buildings.
 - Adequate water supply and sanitation.
 - Clean, affordable energy.
 - Access to information and communication.
- **Social Capital:** the social resources upon which people draw to pursue their livelihood objectives. These include:
 - Networks and connectedness, either vertical (between patrons or clients) or horizontal (between individuals with shared interests), which increase people's trust and ability to work together and expand their access to wider institutions such as political, civic, or cultural bodies.
 - Membership in more formal groups, which entails adherence to commonly accepted rules, norms and practices.

Relationships of trust, reciprocity and exchange that facilitate cooperation, reduce transaction costs and provide the basis for informal safety nets amongst the poor.

The diagram below zooms in on the different livelihood assets:



D. Livelihood Strategies

Livelihood strategies are the combination of activities that refugees undertake to achieve their livelihood goals. They include productive activities, investment strategies and reproductive choices. A household's choice of livelihood strategies is determined by its assets and the extent to which the use of those assets is constrained by PIPs. In every setting, the mix of assets and PIPs will yield different livelihood strategies and a range of income sources. A livelihood approach therefore tries to identify and understand people's strategies in order to reinforce the positive aspects and prevent and reduce constraints caused by PIPs.

CHAPTER 2: UNHCR LIVELIHOOD PROGRAMMING

Strategic planning for livelihood interventions starts with identifying the needs and capacities of refugees as well as the livelihood potential of the host- or return-areas, in line with national regulations and laws. Based on this assessment, an informed selection of appropriate interventions for chosen target groups can be implemented in a carefully designed sequence.

The process of strategic planning requires:

- **Assessment** of the livelihood context as well as refugees' livelihood assets and strategies;
- **Design and planning** process involving identification of partners and stakeholders and joint development of a viable strategic plan for livelihood support;
- **Implementation** of the strategic plan, including tracking progress and outputs and making necessary adjustments ("adaptive management"); and
- **Monitoring and evaluation** of the impact of programme outputs, and feedback into the programming process.

The rest of the chapter lays out these steps in more detail.

I. ASSESSMENT

A. Steps of a Livelihood Assessment

Much of the information required to assess people's livelihoods and the socio-economic context can be drawn from UNHCR reports and databases, such as *Participatory Assessments*, *Country Operation Plans*, *Annual Statistics Report*, and the *proGress database*. This information is part of the secondary data that is reviewed during a livelihood assessment process.

The following steps are necessary to conduct a comprehensive assessment:

- Defining the scope of the assessment;
- Assessing the livelihood context;
- Wealth ranking;
- Identifying Strengths, Weaknesses, Opportunities, and Threats, including protection challenges; and
- Making actionable recommendations.

A livelihood assessment is a **consultative process** involving the participation and contribution of representatives of the refugee and host communities, the public and private sector and relevant organizations such as UNHCR's Implementing Partners (IP) and Community-Organizations (COs). It is likely that new partners will be identified in the process. The assessment should be carried out by a team of UNHCR staff, selected partners, and, if required, external experts (e.g., a consultant recruited locally, regionally, or internationally).

External expertise (a consultant or a consultancy firm) should be brought in if:

- The assessment is complex, e.g., its scope covers multiple population groups and livelihood areas;
- The capacity of UNHCR field offices is inadequate in terms of expertise and experience.

A consultant can lead and coordinate the assessment and, if required, the planning process with the close involvement of UNHCR staff and partners. A dedicated UNHCR counterpart should work closely with the consultant throughout the deployment period. Feedback sessions should be scheduled at regular intervals with UNHCR decision-makers.

Consultants should be tasked with training staff from the field operation and its partners, and with providing methods and templates that can be used after the consultant's departure. Their deployment should last not less than three months. Template Terms of Reference for livelihood assessments are available on the Livelihoods intranet pages.⁸

8 https://intranet.unhcr.org/intranet/unhcr/en/home/protection_and_operational/livelihoods.html

Within UNHCR a **Multi-Functional Team approach** is strongly recommended, as staff contributions from Protection, Programme, Community Services and Registration Units – in addition to specific livelihood staff, if available – are critical to the success of livelihood programming, starting with the assessment process.

B. Scope of a Livelihood Assessment

Deciding on the scope, i.e., the zone and population groups targeted by the assessment, will determine:

- **Timetable and resources** required for the assessment;
- **Methodology to be used** to collect information, e.g., focus group discussions and/or survey methodology or other assessment methods.

The above can be done several weeks or months ahead of the start of the assessment, to allow time to allocate staffing and financial resources and to recruit a consultant, if needed.

1. Target Groups

Target groups should be determined at the beginning of the assessment process. In particular, assessment teams have to decide whether the assessment will cover both refugees and surrounding local populations. Including local communities will provide a “yard-stick” or reference as to what to expect in the target area, in terms of different levels of income and available livelihood opportunities – however this may not be necessary if national poverty assessments are available. The range of public services available to the local community will be a determining factor in programming, as UNHCR programmes aim to enable refugees to access these services as well.

The populations of concern to UNHCR often consist of different nationalities and ethnic groups. In many cases IDPs, refugees or returnees live side-by-side. Therefore, the decision of whom to include in the assessment is important, since this will determine the time required to gather primary data.

2. Livelihood Zones

The concept of “*livelihood zones*” is central to assessment methods. It draws on *household economy approaches (HEA)*, as recommended in a The Practitioner’s Guide to HEA (RHVP, Save the Children, and the Food Economy Group, 2008). Once a livelihood zone is defined and demarcated, a small but representative sample of households can be assessed (i.e., through focus-group discussions or a survey), and then the findings can be extrapolated to the whole zone.

The characteristics of a livelihood zone where refugees and the local population live include:

- Demographic and geographic information;
- Socio-economic information;
- Occupation patterns;
- Infrastructure and resources;
- Institutional capacity; and
- Social and cultural information.

A livelihood zone is an area in which:

- Households make up different socio-economic groups, or “*wealth-groups*” that share similar characteristics, livelihood strategies and vulnerabilities;
- Households have access to market opportunities that are specific to the zone; and
- Households are exposed to similar challenges, trends and seasonal changes.

Livelihood zones can cut across administrative or political divisions, and are not necessarily contiguous – they can be separated by other zones by physical obstacles such as water or mountains, and form a series of “islands”..

The demarcation of the livelihood zone is initially done with the help of resource persons who have in-depth knowledge of the geography of a specific area with a high concentration of refugees, such as partner field staff and local authorities. *Mapping tools*, such as **Geographical Information Systems (GIS)**, can be used to capture this information and demarcate livelihood zones. Such tools however are not a prerequisite.

Urban mapping using Geographical Information Systems

UNHCR Yemen carried out an urban mapping exercise using GIS (Geographical Information System) technology, with the support of the Field Information and Coordination Support Section (FICSS) at UNHCR Headquarters. In Sana'a, the exercise involved the participation and support of UNHCR staff from Data Management, Livelihoods, Community Services, Health and Protection. The aim of this exercise was to identify areas in which refugees are concentrated, and included search criteria such as nationality, age, year of arrival, and percentage of vulnerable households. Geographical coordinates of local services (such as schools, Technical and Vocational Training Centres, universities, health facilities, as well as community centres run by UNHCR Implementing Partners) were also captured and mapped into Google Earth. This mapping exercise provided UNHCR and its partners a better understanding of the geographical distribution of the registered refugees and the facilities around them, thus allowing in the future a better tailoring of the services provided.

Economic mapping of returnee women's business activities

As part of a partnership in technical cooperation with UNHCR, ILO carried out an economic mapping of women returnees' business activities in Mexico, Angola. In addition to providing a baseline for existing entrepreneurial activity, the mapping produced information on crops and commodities that could expand economic opportunities for the region and the country in general.

Source: R. José Sande, 2004.

C. Analysing the Context

The strategic planning process begins with a comprehensive understanding and assessment (or mapping) of the livelihood context for the target population. This must be done at three analytical levels:

- Policy, institutional context;
- Livelihood assets and strategies;
- Protection challenges.

The policy and institutional context affecting refugee livelihoods comprises:

- **Government policies**, laws and regulations, and international instruments supporting livelihoods and regulating refugee access to employment markets, services and commodities;
- **Institutions** such as financial and social institutions, local government, development and humanitarian organizations, community based organizations, academic institutions; and
- **Processes** such as the levels of tolerance or enforcement of restrictive policies and general local community attitudes towards refugees; market trends, including the labour market, as well as trends in demand and supply of goods and services.

Livelihood strategies are the combination of activities that refugees undertake to achieve their livelihood goals. A household's choice of livelihood strategies is determined by their assets and the extent to which the use of those assets is influenced by PIPs. Protection challenges that refugees face also need to be assessed. The remainder of section I illustrates each of these elements in turn.

1. Policies

Livelihoods are influenced by State policies vis-à-vis refugees and legal provisions in regard to the *right to work*. Therefore it is important to start with an analysis of government policies, laws and the legal environment, and to understand how it constrains or enables refugee livelihoods. Relevant questions include:

- Is the government a signatory to the Refugee Convention?
- Does the host country have reservations to Articles 24, 17 and 18 in the 1951 Convention that relate to employment?
- Do refugee laws or directives exist?
- Are there agreements/references to the "right to work" for refugees?
- What are local practices in regard to refugee work/employment?
- What are the local labour laws with regards to minimum age?
- What are the restrictions on the types or areas of employment or businesses that are allowed for foreign workers?

- What are the restrictions on owning property?
- Are work permits available for refugees and on what terms⁹?
- What is the level of enforcement of restrictive policies? Do the authorities “turn a blind eye”- i.e., tolerate employment or self-employment in the informal sector? When and where is enforcement more likely to occur?
- Is there a requirement for refugees to live in certain locations (e.g., in camps or designated areas of a city)?
- Do refugees have freedom of movement?
- Do refugees have access to land, property, and shelter regulated?
- Do refugees have access to other supporting rights such as education and health?

Policy on Refugee Employment

Egypt has signed and ratified the 1951 Convention, with reservations on five articles. One of them, Article 24, is related to “labour legislation and social security” but reservations have not been made on Articles 17 and 18 on “wage-earning employment” and “self-employment” respectively. Legally, therefore, Egypt’s reservations do not affect the ability of refugees to work; however, *de facto* restrictions prevent refugees and asylum seekers from joining the formal labour market in Egypt; and Egypt has high unemployment rates, making it difficult for refugees to find jobs.

Source: UNHCR, 2009, “Strengthening Livelihood Capacities of Refugees and Asylum Seekers in Egypt, Livelihoods Assessment”.

Specific areas to investigate include:

- **Employment situation in the host country:** The informal sector holds more employment prospects for refugees, which is why this sector should be regularly monitored, particularly the types of work refugees are most likely to have access to (e.g., farm labour and agriculture, livestock production, domestic work, childcare, security guards, messengers, etc.).

9 Practices differ from country to country: some allow refugees to work but not asylum seekers; others, like Argentina, allow both refugees and asylum seekers to work; some governments prohibit refugees in camps from earning an income.

- **Employment situation for IDPs:** The right to work is not a legal issue for IDPs as they are citizens and entitled to all the rights of citizens. However, IDPs can be faced with discrimination or other constraints that create livelihood obstacles, such as reduced access to information or employment opportunities.
- **Documentation requirements**, including:
 - Refugee ID - the requirement that refugees carry or show identity cards or other kinds of documents to gain access to services or to obtain licences;¹⁰
 - Skills and education certificates, credit history, land title or other documents from the country of origin. Such documents are often lost during flight and this can limit access to employment, banks, small business and trade.¹¹

It is useful to document information on:¹²

- Refugee population with legal residency and/or work permits, if known;
- Number of refugees who are currently employed or self-employed;
- National and local unemployment rates; and
- Cases of arrest and deportation due to work-related/income-generating activities.

2. Institutional Mapping

In any refugee operation, a range of institutions and organizations contribute to (or limit) livelihood opportunities of refugees. A mapping exercise should identify all that are relevant and explain which organizations are doing what and for whom, including both existing and planned programmes that could be linked up with to support refugee livelihoods. An organizational mapping includes an analysis of organizations, local markets and financial systems.

10 In Senegal, the refugees hold only the presidential decree document which is not recognised anywhere as ID and which cannot allow them access to services such as banks.

11 In the Gambia, integrated adult refugees have been issued with residential or work permits; but it is still extremely difficult for foreigners to find employment, even for those who have work permits. Some refugees who are self employed (e.g., traders) are harassed with taxes, and asked to pay more than nationals.

12 Employment and self-employment of refugees/IDPs are FOCUS impact indicators under the Self-reliance and livelihoods objective. Guidance on measuring them is provided in the FOCUS guidelines.

a. Organizations

- **Government programmes**, such as:
 - National poverty reduction programmes;
 - Vocational, skills and education programmes;
 - Employment promotion programmes.

- **Humanitarian and development organizations** that are directly or indirectly involved in livelihood support, or whose programmes can inadvertently affect livelihoods, such as:
 - UN agencies;
 - NGOs;
 - Community Organizations (CO) and associations;
 - Bilateral agencies;
 - Donor community;
 - Other civil society organizations such as labour unions and academic institutions.

- **Private sector**, especially commercial entities or businesses potentially relevant for refugee livelihoods, such as:
 - Businesses that are known to hire refugees, or which are owned by refugees and might be potential source of employment;
 - Business associations and cooperatives;
 - Business development organizations or services (BDOs, BDS) that offer training in business skills such as marketing or accounting, or that act as “business incubator”, or provide other financial and non-financial services
 - Employment services and employers/trade unions;
 - Technical and Vocational Education and Training (TVET) institutes;
 - Chambers of commerce.

b. Local Markets

The most important economic institution in any country is the market, including employment markets in the formal and informal sectors, as well as the supply and demand of goods and services. Understanding the local markets for specific livelihood activities is crucial for success and sustainability. Market assessments are a key element of a livelihood assessment.

Market assessments provide information and data about the demand for and supply of goods and services, how these patterns are changing and what market niches are emerging. Demand for goods and services among refugees (and humanitarian agencies) as well as among local communities should be assessed. This information is critical to identify sustainable livelihood activities and design livelihood interventions. The box below illustrates why market assessments in vocational training are important.

Market Assessments in Vocational Training

Continuing to teach the same few skills leads to labour supply saturation in some industries, causing the prices for goods and services to decrease. Vocational Training (VT) tends not to be innovative in its core skills offering and fails to respond to dynamic markets. As a result, participants are often unable to find jobs. For VT practitioners, accurate market information will determine course offerings and shape the complementary services offered during training and post-training necessary to improve prospects for a sustainable livelihood. For participants in VT programmes, information about current and emerging market needs is essential to making more informed decisions and selecting an appropriate and marketable vocation.

Source: WRC, 2009, p. xiv-xv.

In most refugee operations, market assessments have been conducted by a range of actors, including government bodies (Ministry of Labour/Technical Education/Training, Chambers of Commerce), NGOs, commercial entities and development agencies. UNHCR should identify existing assessments before embarking on new ones. Where market assessments are lacking or inadequate, UNHCR should work with local institutions that have a proven capacity in market research or that already have such information available. In some cases, it may also be possible to train UNHCR field and partner staff on how to conduct market assessments. Other stakeholders, too, can be engaged.

Youth Participation in Market Assessments in Southern Sudan

The International Rescue Committee (IRC) trained youth in Southern Sudan to work alongside a project team to conduct a basic market assessment and determine potential profitable microenterprises. Youth participants learned how to identify key market gaps and areas for growth, a skill set they can continue to use as markets change with time. Youth also had the opportunity to engage with community leaders, business owners and local consumers during the process. The market assessment therefore provided youth—a population often excluded from but anxious to participate in the decision-making process—with an opportunity to become an asset to their communities and local governance structures. Involving communities in the market assessment process supports the long term sustainability of livelihood interventions; ensures project team consideration of the needs and interests of its participants; generates a stronger local commitment to microenterprise projects; and offers a better transfer of knowledge as community members learn how to conduct analyses independently in the future.

Source: WRC, 2009, p. 201.



Support to agricultural production and to micro and small enterprise helps local markets adapt to new demand created by incoming refugees. Cash-based programmes are often suitable when local food supplies are sufficient / UNHCR / 2011

Value Chain Analysis

An important part of market assessment is *value chain analysis*, which involves mapping a product from production to market and assessing the value added – and the actors involved – at every stage. Value chain analysis should be a fundamental part of livelihood programming, as it can provide a clear picture of where interventions (technical assistance, training, marketing) are needed and where new players might enter the chain.

Steps of value chain analysis include:

- Selecting an industry with high growth potential
- Researching the industry or sector
- Mapping the value chain:
 - Who are the participants?
 - What is each one's function?
 - What are the product flows?
 - What are the inputs at each stage?
 - What are the marketing, distribution, and transportation channels?

Where a market analysis needs to be done, tools relevant to humanitarian settings are available.¹³

EMMA Method of Market Analysis

A useful approach is the 'EMMA' method (Emergency Market Mapping and Analysis), which analyses the market system related to the target activity. A market system is the "web of people, businesses, structure and rules that take part in producing, trading and consuming any product or service" (EMMA, p. 5). Any product or service is associated with a particular market system, which can be mapped in terms of its value chain, market actors and linkages. By understanding the gaps and linkages in this market system, the potential success and sustainability of a particular livelihood activity can be better predicted and problems more quickly addressed.

Source: Emergency Market Mapping & Analysis, Introduction and Overview of the EMMA Toolkit; http://www.microlinks.org/ev.php?ID=38407_201&ID2=DO_TOPIC

13 Other tools and resources for conducting a market assessment can be found in the Annex under "Tools and Templates".

Lessons learned from past UNHCR projects

Sandhira is a refugee in a major city in Asia. She participated in an income generation project under the Self-Reliance programme organized by UNHCR and its partner. She drafted her business plan for tailoring and submitted it to UNHCR. Once the business plan was clarified, the UNHCR partner offered its support. Sandhira requested to borrow a sewing machine. Initially her business was not going well, and a few months after the grant, she was still producing more clothes than she could sell. Problems included lack of customer interest, and the fact that her house was too small to run her sewing business. Her knowledge of the local language was limited. During a monitoring visit, UNHCR's partner realised that Sandhira did not take any customer measurements for clothing. UNHCR's partner assisted Sandhira in taking language and sewing classes. She rapidly learned how to take body measurements, make patterns, embroider materials after cutting, and upgraded her sewing skills, thus improving her productivity and relationship with clients and local traders.

c. Financial Systems

Knowledge of the local formal and informal financial system is one of the most important elements for refugee livelihood programming. Having access to money transfer services (sending and receiving remittances), or savings and credit facilities is important in starting or sustaining livelihoods. Access in this context refers to the ability of refugees to:

- Save in a safe environment (and not be easily targeted by criminals);
- Improve and expand their businesses; and
- Receive cash and in-kind assistance from relatives overseas.

These services are usually available informally (i.e., they are unregulated by a financial authority) and through formal and semi-formal institutions such as banks and Microfinance Institutions (MFIs).

Financial services should be mapped as part of an assessment.

FINANCIAL SERVICE PROVIDERS:			
	Formal	Semi-formal	Informal
Savings + credit facilities	Banks (including village banks) MFIs	INGOs, cooperatives, unions MFIs Moneylenders	Rotating Credit and Savings Associations (ROSCAs)
Remittance facilities	Banks Post offices Money transfer operators: Western Union, Moneygram	MFIs	Hawallah
Insurance	Insurance companies	INGOs and MFIs Health Mutuals	-

Informal services such as community remittance groups (known as *hawallah* in eastern-African and Middle Eastern countries), rotating savings and credit associations and savings groups have the advantage of being available to and more convenient for refugees, but they are not necessarily cheaper than formal services. Moneylenders (the most common form of credit) charge high rates – but these rates are determined by the market and moneylenders are likely to continue services in the long term.

Formal and semi-formal services may be safer or more reliable and sustainable than informal institutions but they are not always available to refugees. Banks may not allow refugees to open savings accounts or obtain loans and MFIs might make it difficult for refugees to obtain credit because they are viewed as too much of a risk in terms of repayments. However, as a result of UNHCR’s sensitisation activities, some banking institutions have changed their attitudes. It is important to identify and map the financial institutions and services that the refugees are actually using, as well as any restrictions (or discriminatory practices) experienced by them.

3. Processes: Social and Cultural Context

Processes such as cultural and social norms relating to work can be captured through key informant interviews, and through focus group discussions. This can be done at the same time as gathering all the other information on household livelihood assets and strategies, as well as during participatory assessments. Focus on assessing in particular:

- **Attitudes of the host population and local authorities:** Attitudes often become more antagonistic over time, if the numbers of refugees increase (for example due to a sudden influx following a crisis), replacing initially welcoming and generous attitudes. Local resentment can stem from economic competition with refugees for scarce resources such as jobs, trade or housing, or when refugees compete with nationals for education and health services.
- **Discriminatory practices:** Refugees are often subject to higher fees and rents from landowners, landlords, employers and public services, and they often face greater pressures from local authorities to pay bribes than do citizens.
- **Cultural and gender norms:** Cultural practices and gender inequalities in local and refugee populations regarding work and employment may constrain livelihoods.

Gender attitudes related to work

In Malaysia, many Rohingya women and girls are confined within their immediate community because of the language barrier and fear of detention, in addition to cultural practices. In focus groups, almost all married women said they would only consider working outside the community if there was an emergency (i.e., husbands falling sick or being detained). Some women however expressed an interest in securing an additional income to the household.

Source: UNHCR, 2009, "Assessment Report and Livelihood Strategy for Urban Refugees in Malaysia".

Overcoming gender stereotypes

Economic empowerment of women refugees and internally displaced women is a key aspect of enhancing the protection of refugee women and girls. By providing a source of income and increasing access to, and control over, resources such as land, women can obtain more control of their own lives. A case from Mexico illustrates this point.

“In the process of integration, we have had the opportunity to reaffirm the skills we have acquired throughout the different stages of asylum. In the last few years, we have demonstrated that, as women, we can also organize and manage our own income generation projects and not just take care of our homes and children. An example of this is the first community credit scheme established in Los Laureles refugee settlement. At the beginning, it was difficult to organize ourselves, since we had never had this opportunity, and our husbands discouraged us telling us and making us believe that we would never be able to manage any projects. Now we realise that we have learned many things, from operating a calculator, to writing cheques, depositing and withdrawing money from the bank, applying for loans and assessing whether a project will succeed or not. We can do the paperwork, voice our concerns and vote on issues not just in the meetings of our organizations but also in large community gatherings. We now have the courage to participate, and our male colleagues have started to realise and to be conscious of the importance, for our families and for our communities, of our participation.”

Esperanza Vázquez, Member of the Technical Committee of the Social Welfare Revolving Fund (FORBIS), Campeche, in *The Integration of Former Guatemalan Refugees in Mexico: A Multi-Faceted Experience*, edited by Edith F. Kauffer-Michel (San Cristóbal de las Casas, Mexico: El Colegio de la Frontera Sur, 2002.)

Source: UNHCR, 2005.

4. Livelihood Assets and Strategies

In any population, wealth and poverty are usually expressed by what people own, and what they do for a living. In a livelihood assessment, this information is gathered systematically, through a combination of methods. Initial information about livelihood assets and strategies can be gathered through key informant interviews, for example. However, details about households' assets (what they own) and livelihood strategies (what they do for a living) should be captured through organized focus group discussions with households from similar "wealth-groups" or surveys, or a combination of both.

Once the wider context of *policies, institutions and processes* is captured and documented, the next step is to identify the *main wealth-groups* within the assessed population. The criteria used to identify different socio-economic groups in the targeted populations are:

- Household's livelihood assets (as defined in Chapter 1, Part II); and
- Household's livelihood strategies (as discussed in this section).

The household is the main unit of analysis in this step. A household can be defined as:

"a group of people who contribute to a common household economy, and who rely on the income from that economy for at least the greater part of their essential needs and expenditures".

Single person households: In urban settings, populations of concern often include single adults or youth who migrate to cities for economic reasons and who send money back to their relatives in other locations, including camps. In such cases, the individual would be considered a household, with a size of "one". Money that is sent to relatives is counted as expenditure.

An initial, broad identification of the main socio-economic groups in the refugee population can be sketched out through interviews with key informants (i.e., individuals and organizations with good knowledge of the refugee populations). It is recommended that the interviews take place with several key informants to cross-check the information gathered. This information can also be validated and completed with a review of existing surveys, reports from assessments in other sectors (health, nutrition, food security, education, etc) and other secondary information.

Common categories include:

- **Extremely poor or destitute individuals and households** (people with no means of income or very limited social support). Such groups commonly include older persons, the terminally ill or persons with disabilities with little social/family support;
- **Economically active poor households.** Main income provided from the sale of labour, with few household assets, reduced number of economically active household members, no longer-term coping mechanisms in periods of hardship;
- **Medium-income households.** Diverse and somewhat regular income sources, ability to borrow money and lend small amounts, own or have access to productive assets – equipment and skills; some receive remittances;
- **“Better off” households.** These households are able to lend money to others in the community, have a higher public profile, employ others in the community, and have diverse household, productive assets and skills, with extensive social and economic links outside their immediate community/locality; and
- **Other groups** that do not fit into these categories may warrant attention – including households that are wealthy in relation to the “better off” refugee category.

Sri Lanka / Returned IDPs /
Muthunagarasa shattered his right arm
during an artillery attack and now runs
an ice stand. Oddusudan, Mullaitivu
district / UNHCR / D. Seneviratne / 2010



a. Livelihood Levels: Wealth Ranking

The information about refugee households' livelihood assets and strategies gathered through initial key informant interviews and detailed through focus groups and/or surveys should be analysed in view of identifying socio-economic levels. Livelihood assessments often show that livelihood assets and income sources (and by extension, livelihood strategies) are broadly similar for individuals and/or households that belong to the same socio-economic or *wealth-group*¹⁴. While differences do exist within the same socio-economic groups, assessments seek to identify overall trends and present the typical range of "average values" for a particular data set.

In analyzing the range of livelihood strategies used by each wealth-group, it is important to note:

- **What strategies are used by men and women respectively.** Men and women have different contributions to a household's sources of income, either by force of culture, or by necessity. The division of labour can change completely in a displacement context. These changes in gender roles, together with the introduction of new livelihood strategies, can expose men and women to a broad range of new protection risks. Due consideration should also be given to age and diversity, to understand how youth, elderly, people from different ethnic background or people with disabilities engage in livelihood activities.
- **How strategies change over time.** Asset erosion can be linked to changes in strategies. When people's savings are used up, households can engage for example in more maladaptive strategies to ensure income. The respective roles of men and women can also change through time, with either positive or negative outcomes.

The table below shows the main assets and income sources for four wealth-groups identified in Basateen urban zone, on the outskirts of Aden, Yemen. The respective contributions of women and men are also clearly visible in this table. Changes in livelihood assets, strategies, gender roles, and changes in the proportion of household under each category can be more easily tracked through time if the same presentation tool is used to analyse livelihood data every year.

14 The term "wealth-group" is widely used in Household Economy and other food security assessments. For the purpose of these guidelines however, we have chosen to use the term "socio-economic" ranking, which is more frequently understood and used by UNHCR staff and their implementing partners.

WEALTH RANKING" YEMEN, 2009:				
Livelihood group	Extremely poor	Poor	Middle	Better-off
Proportion of households per category	20-30% (mostly single parent household)	30-35%	20-25%	10-15%
Household size	7-8	6-7	6-7	3-4
Human Assets				
Education	Mostly illiterate parents Mostly none attend school	Mostly illiterate 50% attend primary school from age 6 to 9 and then drop out to help the family Some parents are primary-secondary school educated	Literate and mostly educated parents All attended primary school while 30-50% completed secondary education Few completed higher school (15-20%)	All children go to school All attend primary school; Between 50 and 80% attend secondary and between 50% and 60% continue higher educated
# Working Adults	0-1 mostly engaged in domestic work and begging	1-2 (day labourers & some child labour) mostly engaged in car washing, domestic work and garbage collection-	1-3 mostly engaged in wage employment & trading	2 mostly business people (shops, restaurants, communication offices, private transportation business), or engaged in relatively high wage-employment
Skills	Very Low skills profile	Some has skills in sewing, weaving, car mechanic & plumbing	Driving Mechanics Coiffeur, sewing, secretarial work for females Interpreter skills Trading skills	Computer & language skills Teaching Trade and business skills Carpentry Mechanics/plumbing Electrical appliances repair and maintenance
Physical Assets				
Housing/Shelter	One-room plywood structure with corrugated tin roofs or bush huts Some of them homeless (sleep in proximate farm)	One-two plywood structure with corrugated tin roofs	Concrete block house with average 2-3 rooms, including kitchen and bathroom	Concrete block houses with average 3-5 rooms, including kitchen and proper bathroom

Physical Assets				
Productive assets	NA	NA	1-2 Sewing machines 1-2 goats	Computer Carpentry tools & equipments - Cooking equipment (restaurants) 2-4 goats
Access to infrastructure	Access to local market Access to water well	Access to local market Access to inadequate water and electricity	Access to local market Between 50% and 70% have access to water and electricity network	Access to local market Connected to fixed communication line All have access to water and electricity network
Social Assets				
	No participation in self-help groups or community organizations activities. Rare financial support from relatives	Small percentage has memberships in community organizations (youth union, leaders committee)	Active memberships in community organizations (youth union, leaders committee)	Between 10% and 20% are active in community organizations (youth union, leaders committee) Transfer money to relatives abroad
Financial Assets				
Approx. income range	NA	5,000-10,000 YR per day	10,000-15,000 YR per day	20,000-30,000 YR per day
Sources of Income	<u>Female</u> Begging <u>Male and child</u> Car washing	<u>Female</u> Domestic work Door-to door clothes trading <u>Child labour</u> Garbage collection <u>Male</u> Casual workers Other service jobs	<u>Female</u> Sewing, social and community activities Incentive work <u>Male</u> Small shops Vegetable and food sales, cloth sales Incentive work	Micro business/self employment mostly in mechanics and electrical works. Teachers
Savings	0	0	Cash (50% hhs)	Cash (all hhs)
Remittances	0	From relative	From relatives	Overseas remittances
Pensions or rental income from country of origin	0	0	0	Around 10%
Loans	0	0	Access to micro-credit	Access to micro credit
Assistance	Alms /offerings	Alms /offerings	0	0

The choice of livelihood strategies is a dynamic process in which refugees combine several activities to meet their changing needs. **Coping and adaptive strategies** are pursued by individuals and communities as a response to external shocks and stresses such as civil strife and policy failures.

- **Coping strategies:** usually short-term responses to a specific shock. For example, if a worker gets ill, the household might pursue temporary income earning activities to supplement the lost income. Taking a child out of school and moving him/her into casual or regular labour is a common “negative” coping strategy.
- **Adaptive strategies:** entail long-term behavioural changes in response to a shock or stress. A common example is the way agro-pastoralists adapt to changing conditions of climate, water and vegetation by optimizing the mix of cattle, sheep, goats and camels in their herds. Migration itself is an adaptive livelihood strategy, as is resettlement.ⁱ

i In the Gambia, a “strategy mix” including cows and agricultural tools, use of cow dung to produce biogas and organic fertilizer for horticulture is currently being piloted in ten villages and the capital Banjul.

b. Income Sources

Economic activity, including in refugee settings, generally takes three main forms: **production, service and retail**. Production relates mainly to the secondary industry (construction and manufacturing, transformation of goods extracted in primary industry). In rural areas production falls mainly under the primary (raw materials extraction) industry. Service and retail, both part of the tertiary industry, are more prevalent in urban areas, though they can also be an important part of livelihoods in camps and settlements.

EXAMPLES OF ECONOMIC ACTIVITIES IN PRODUCTION, SERVICE AND RETAIL:

Production	Service	Retail
Metal work	Tea shop	Grocers
Tinsmith	Hotel	Vegetables
Tool making	Milk selling	Beer
Aluminium casting	Car repair	Wholesaler
Welding	Bodywork repair	Street vendor
Soldering	Puncture repair	Wood seller
Wood furniture	Sign making	Kerosene seller
Upholstery	Artwork	Second hand clothes
Tailoring	Screen painting	General retail
Shoes/cobblers	Varnishing	Electrical store
Embroidery	Typing	Fuel suppliers
Mattress	Letter writing	Bricks
Butchery	Teaching English	Soft drinks
Bread making	Dentistry	Livestock trade
Sweets	Hairdressing	Nursing
Soap	Builder	Stone cutter
Fuel briquettes	Taxi	Pharmacy
Poultry rearing	Land cultivation	Mudstoves

A household's or an individual's livelihood strategy comprises any combination of economic activities and the resulting range of income sources, choices regarding expenditures and the management of assets – including deciding who will work and where, and how money will be invested. Such strategies include splitting the family so that different sets of assets can be accessed, for example through humanitarian assistance in refugee camps and employment in nearby urban areas.

When camps are near urban centres, refugees use them strategically, leaving some family members in the camps to access humanitarian assistance, while others move to urban areas to find work or engage in entrepreneurial activities. These camp-based strategies (which

can also be observed in rural areas where refugees settle) are an important factor in refugee livelihoods, and should be included in livelihood assessments.

For refugees, the range of *income sources* includes income from different kinds of work, but also from rents (from productive assets including those held elsewhere, such as land or housing in other places), transfers (including humanitarian assistance, grants, government programmes) and remittances from families back home or abroad.

Refugees' economic activity is usually based in the informal sector, where different activities are undertaken to diversify income and meet household needs. Three main forms of work are *self-employment*, *casual labour* and *regular waged labour*. Each is associated with particular protection risks.

- **Self-employment or micro-enterprise:** Self-employment means people can choose their own time and place to work (which is to women's advantage if childcare is a problem). However, income from self-employment is highly variable, and working alone can mean being exposed to hidden dangers, including discrimination, extortion, theft and non-payment;
- **Casual labour:** Income from casual labour is more predictable and usually somewhat higher than self-employment, but work is often "under the table" which means that if employers are abusive or refuse to pay wages, the employee has no recourse to authorities. The casual labour job market is highly competitive and unregulated, which often means work conditions can be bad (no leave, long hours and instant dismissal). Key work sectors include construction, camp services provision, trading and commerce, domestic work (a widely used strategy for men and women refugees in many cities) and working as security guards;

Refugees and the construction industry

In Malaysia, many (Burmese) *Rohingya* refugees work on building sites on the fringes of various urban centres, sometimes living onsite in makeshift shacks they build for themselves. Some refugee construction workers spend the working day and after-work hours onsite, but sleep in the surrounding jungle, where they are less vulnerable to immigration raids. The hierarchy of a Malaysian construction site is rigid. Pay scales and benefits are tied closely to the job description. A "general helper," someone engaged in heavy labour, is at the bottom of the job ladder; electricians and other handymen are one level up; roofers are at the top of the pay scale, and their work is the most desirable – but also the most dangerous—construction job.

Source: Adapted from Sridharan, 2010.

- **Regular labour:** Regular labour promises a safe and reliable income but it is mostly cheap labour—and often carried out by children. (In Afghanistan, child labour includes assistants to mechanics, in garages, or as shop-boys (Schutte, 2005, p. 7)). Regular labour for adults includes NGO services, health and education services, commercial agriculture, neighbourhood waste-pickers paid by the community, guards or cleaners in government or private offices, or as shop helpers or drivers for local offices.

Refugees, like other poor, will typically combine several economic activities. For example, in the early mornings workers will wait a couple of hours at identified areas for a possible employer (casual labour), then if no work appears, they will engage in self-employment activities.

D. Understanding Protection Challenges

The mix of assets and strategies can create specific needs or protection risks depending on the wider PIP context. For example, savings is primarily a financial asset, but having savings can create protection risks if refugees do not have a safe place to keep the money. Refugees can become targets for crime if criminals know that they cannot open savings accounts and must keep their cash on them or in their homes.

1. Identifying Protection Risks

Different strategies create risks for particular groups (men, women, youth, minority groups, etc.). Certain coping strategies in particular can be negative or maladaptive, such as prostitution, child labour (see below) or begging. It is important to identify *existing* and *potential* risks, such as domestic violence resulting from changing gender roles (see Annex 3 – Livelihoods and SGBV). Future risks can be linked to political developments in the host country. An upcoming disputed election may signal potential problems for refugees or IDPs in terms of violence surrounding election results, which may put their businesses at risk.

UNHCR's *Heightened Risk Identification Tool* (HRIT)¹⁵ is helpful in identifying protection risks associated with livelihood activities of individuals, communities and groups with specific needs, such as women and girls, children and adolescents, older persons, survivors of violence and torture and persons with disabilities, in order to plan corrective measures to

15 The Heightened Risk Identification Tool (HRIT) has been developed to enhance UNHCR's effectiveness in identifying refugees at risk by linking community-based /participatory assessments and individual assessment methodologies. It has been designed for use by UNHCR staff involved in community services and / or protection activities (including resettlement) and partner agencies. UNHCR, June 2008; <http://www.unhcr.org/refworld/docid/46f7c0cd2.html>

mitigate such risks and their impact. From a livelihood perspective, relevant questions are those related to “physical violence/harassment while conducting daily activities”, “other threats to self/family” (e.g., due to business activities), “lack of food, water, shelter and other basic needs”, “trafficked, transferred or harboured by means of threat, or force for the purpose of exploitation”.

The International Committee of the Red Cross (ICRC) approach to integrating protection and livelihoods in Darfur may be useful:

Integrating Protection and Livelihoods

A useful example of an integrated approach to linking livelihood and protection is ICRC’s operational framework in Darfur:

- Identify protection concerns for refugees.
- Analyse which livelihood groups are affected and in what ways.
- Identify the humanitarian consequences of violations.
- Identify who is responsible for the violations.
- Identify a potential protection vector – i.e., a humanitarian response which could mitigate the humanitarian consequences of violations, while at the same time creating the foundations for protection dialogue.
- Identify which perpetrators or actors can be approached in order to create a dialogue on protection issues.

The ICRC distinguishes between ‘*authority-centric*’ and ‘*victim-centric*’ activities. Authority-centric activities aim to make the authorities aware of, or help them fulfil, their responsibilities; victim-centric activities help lessen the vulnerability of people at risk. Joint protection and livelihood programmes can have the following objectives:

- Preventing the occurrence or recurrence of violations or abuses that impact on people’s livelihoods (authority-centric).
- Reducing people’s exposure to violations (victim-centric).
- Reducing the need to engage in strategies that entail risks (victim-centric).
- Limiting the humanitarian consequences of exposure (victim-centric).

Source: Adapted from Jaspars and O’Callaghan, 2010

2. Specific Needs

“Not all people with disabilities, not all widows, refugee returnees, or people living in areas with relatively worse services are poor or vulnerable. People have different endowments and different capacities to deal with vulnerability and structural constraints.” (Schutte, 2005).

In trying to determine specific needs, it is the individual household rather than groups that should be the unit of an analysis. However, there may be group-level vulnerabilities too. In most camps and cities there are one or two dominant refugee groups (e.g., Sudanese in Kenya, Somalis in Yemen, Mauritians in Senegal) and a number of smaller groups of other nationalities. Differences in the livelihood experience and specific needs of these groups should be identified. As shown in the example below from Cairo, a much larger proportion of Somali refugee households are in the ‘Extremely Poor’ category than Sudanese, Ethiopian or Iraqi refugees.

INCOME GROUPS BY NATIONALITY IN CAIRO:				
Nationality	Extremely poor (< 200 units per day)	Poor (from 201 to 400 units per day)	Medium (From 401 to 800 units per day)	“Better off” (From 801 and above)
Sudan	20-25%	35-40%	20-25%	20-25%
Iraq	5-10%	20-25%	10-15%	50-55%
Somalia	70-75%	15-20%	2-5%	10-15%
Ethiopia	15-20%	45-50%	10-15%	15-20%

Source: UNHCR 2009, Strengthening Livelihood Capacities of Refugees and Asylum Seekers in Egypt, Livelihoods Assessment (adapted by OSTs).

Note: 200 units of earnings per day correspond to 1 USD.

Typical vulnerability criteria, such as single-headed households or widows, need to be weighed against socio-economic factors. A single-headed household or a widow from the “better off” Iraqi community may be less economically vulnerable than a five-person Somali household with two working adults earning less than a dollar a day.¹⁶

¹⁶ See: IOM028/2007 FOM 30/2007 and related guidance on the use of standardised specific needs codes to help in choosing the criteria.

Small-scale livelihood projects targeting groups with specific needs, such as women at risk (i.e., ex-sex workers), survivors of human trafficking and sexual and gender-based violence (SGBV), older persons, persons with disabilities, etc. should be developed, preferably alongside wider livelihood approaches.

Targeted livelihood project

In Esmeraldas, Ecuador, a unique project, implemented with an association of sex workers, provides small business loans to this population group. A main objective is to assist prostitutes to develop an alternative to their risky trade and to improve their livelihoods. In addition to providing loans, the project also provides peer training in entrepreneurship and basic health issues.

A similar project is being piloted in Uganda that delivers entrepreneurship training to urban sex-workers, in the objective of helping targeted individuals to gain valuable entrepreneurial skills and attitudes, such as analysing the market and calculating risks, and identifying viable livelihood strategies for themselves. Furthermore the project guides trainees in the design of business projects.

Refugees with Disabilities in Pakistan Maintain Livelihoods

In Peshawar, a local NGO has helped reduced the stigma against refugees with disabilities and proved they can successfully use their economic potential to benefit the community. After conducting an assessment of market demand, capacities and available work opportunities, the agency provides vocational training for trades that do not require much mobility, such as tailoring and carpet weaving. Basic education is also provided. Upon completion of the programme, graduates are provided with complete toolkits so that they may enter the labour market with less difficulty. In a survey, the implementing NGO found that over 90 percent of the trained refugees with disabilities are now earning a decent livelihood.

Source: WRC, 2009, p. 34.

Many children play an active role to earn income for their families, or to provide for themselves or their dependants. If not involved in regular work, children do petty trade, shoe-polishing, car washing, working in the fields or herding animals outside camps, or begging. **Child labour** is a major source of worry for parents and a key protection risk. In many cities, fear of kidnapping is a significant concern, and sending children onto the street is a strategy that reveals a degree of despair. In some cases there appears to be little choice as often young boys are the sole breadwinners of a household.

Specific protection risks associated with child labour need to be identified. Some forms of work violate children's rights; other forms of work do not. Often employment has both positive and negative elements for children that cannot easily be identified. The worst forms of child labour, as defined by ILO Conventions, damage children's health, threaten their education and lead to further exploitation and abuse.¹⁷ Article 32(1) of the *Convention on the Rights of the Child* (1989) recognises the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.

It is important to understand, taking into account children's views, what is identified as child labour and why it happens, in order to understand the protection risk associated with livelihood strategies or roles undertaken by children. As pointed out by Plan International, work situations can be viewed as lying on a continuum, with varying degrees of harm and of benefits.¹⁸ Some are exploitative, dangerous, harmful or morally intolerable. Plan's paper suggests some helpful key points to assessing rights and wrongs. UNHCR programming should be based on a practical understanding of rights. A possible approach can be to facilitate a safe combination of school with part-time work that does not interfere with the child's education.

17 ILO Convention 182 and Recommendation 190 provide guidelines for identifying the "worst forms".

18 Bourdillon, Levison, White and Myers. 2009. *A Place for Work in Children's Lives*. Plan International: Toronto. <http://plancanada.ca/downloads/A%20place%20for%20work%20in%20children's%20lives.pdf>

Reaching out to unaccompanied minors

One of the unique features of the Burmese refugee population in India is the presence of a large number of unaccompanied and separated children (about 700) in Delhi, including both male and female refugees and asylum seekers. The majority of the young unaccompanied males live together in small groups in shared single-room apartments. The girls are placed by the community with other Burmese refugee families, and there are concerns about exploitation, as they often contribute their subsistence allowance to the family and work for them as de facto domestic help. One of UNHCR's implementing partners, Don Bosco Ashalayam, implements a "learn and train" scheme for the unaccompanied minors that includes both academic and vocational skills. The scheme, however, serves only slightly more than 10 percent of the target population, with an enrolment of 77 (40 males and 37 females). An expansion of the project that links skills training with life-skills, entrepreneurship training for youth, and job-placement can further strengthen its impact.

E. Strengths, Weaknesses, Opportunities and Threats

The results of the institutional mapping and identification of assets and strategies should be compiled and analysed in a systematic way. A "SWOT Analysis"¹⁹ identifies **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats of a particular livelihood context and can then identify adequate responses to be undertaken by UNHCR and partner agencies.

- **Strengths and weaknesses** relate to internal aspects, which correspond to livelihood assets and strategies.
- **Opportunities and threats** relate to external aspects, which correspond to the Policies, Processes, and Institutions (PIP) that influence economic activities and/or create protection problems.

The two examples below, from Yemen and Chad, analyse livelihood assets and strategies within the population of concern, alongside contextual aspects.

19 SWOT analysis is a strategic planning method used to evaluate the Strengths, Weaknesses, Opportunities, and Threats involved in a project or in a business venture. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favourable and unfavourable to achieve that objective. The technique is credited to Albert Humphrey, who led a convention at Stanford University in the 1960s and 1970s using data from Fortune 500 companies. http://en.wikipedia.org/wiki/SWOT_analysis accessed 8 December 2010.

SWOT ANALYSIS OF LIVELIHOOD ASSETS AND STRATEGIES - YEMEN

Assets	<i>Strengths</i>	<i>Weaknesses</i>	<i>Opportunities</i>	<i>Threats</i>
<i>Human</i>	Teachers and trained carpenters amongst refugees	Their certification is not recognised by host government	Teachers can mobilised to form urban schools for refugees; Carpenters can mentor apprentices	Perceived competition by local teachers; Authorities might resist refugee schools
<i>Social/political</i>	Strong community bonds; established diaspora network	Ethnic tensions amongst PoC	Utilise Diaspora for training, assistance	Ethnic tensions could undermine mobilisation
<i>Financial</i>	Tradition of savings groups and expressed desire by refugee women to start groups	High level of poverty and little savings	Support savings groups with IGAs; work with banks to enable savings accounts	External funding (microcredit) could undermine groups; Ethnic tensions could undermine mobilisation
<i>Physical/natural</i>	Refugees own livestock	Livestock not permitted in urban areas	Livestock-related jobs could be supported	Government objections – need to be addressed
Strategies	<i>Strengths</i>	<i>Weaknesses</i>	<i>Opportunities</i>	<i>Threats</i>
<i>Informal employment</i>	Earn income; Work available	Low wages, exploitation	Work with government to enable work permits and transition to legal employment	Working can lead to deportation
<i>Microenterprise</i>	Generate some income	Erratic income; permits needed	Value chain integrate/ advocate with host state to enable permits	Risk that locals perceive competition and create problems = opportunity for advocacy

SWOT ANALYSIS OF LIVELIHOOD ASSETS – SOUTHERN CHAD				
Assets	<i>Strengths</i>	<i>Weaknesses</i>	<i>Opportunities</i>	<i>Threats</i>
Human Assets	Household size; Dependency ratio; Access to health and primary education	Production capacities; Illiteracy; Women head of household; Secondary education Malnutrition	Demography; Education and technical and professional training	Quality of education; Adult Literacy; Economic dynamism; Vocational training match with market
Social and political Assets	Groups and committees; Self-help committee; Lending and borrowing within the community; Humanitarian assistance	Usage of French; Community participation	PTA and mothers association; Peaceful coexistence, relationship with authorities; Local Development Plans, small factories	Administrative and institutional capacities; Conflicts between cattle breeders and farmers
Financial Assets	Variable saving capacity; Loans (moneylenders, tontines, community)	Concentrated financial capacities; Seasonality and loan amounts	Microfinance (MFI) and community credit unions; 5% committee	Financial literacy and household economy; Investment; MFI capacities
Physical Assets	Variable level of access to transportation and communication	Tools and agricultural equipment	Programme « Multi-functional platforms » by UNDP/FAO	Transportation

A SWOT analysis can also be undertaken for specific livelihood projects. For example, a market analysis could reveal that supporting childcare services by women could be a safe and potentially sustainable livelihood project. Childcare can be provided in different women's homes (the group of participants will decide the modality of this rotation scheme) and can both provide income for the providers and enable women with children to work for some hours during the day or participate in training schemes.

SWOT ANALYSIS OF CHILDCARE SERVICES (HYPOTHETICAL EXAMPLE):

<i>Strengths and Opportunities</i>	<ul style="list-style-type: none">▪ High demand for child care▪ Good potential supply of providers (women in their homes)▪ Presence of IPs/NGOs which could provide training and certification▪ Culturally appropriate for refugee population and locals▪ No need for special skills or language
<i>Challenges/Constraints/Weaknesses</i>	<ul style="list-style-type: none">▪ Legal permission for conducting the service may be difficult▪ Lack of adequate infrastructure▪ Potential for abuse▪ Need for start-up funds



Sudan / Darfur / Donkeys and other working animals are valuable livelihood assets, but cattle can become a liability in conflict situations, exposing their owners to theft and violence. The loss of cattle and other productive assets is significant in conflict situations / UNHCR / 2011

II. PROGRAMME PLANNING

A. Strategic Planning and its Objectives

Once the livelihood assessment has been completed, the next step is to engage in the strategic planning process, again in consultation and coordination with a broad range of partners and stakeholders. Strategic planning for livelihood support does not imply that UNHCR and its traditional partners will carry out all activities. Rather, it ensures that the full scope of needs and potential activities is captured and agreed upon, and that there is consensus on which actors are best placed to implement them (Chapter 3 provides more detail on potential partners and coordination).



Tanzania / Seedlings for fruit trees, fodder, and shade trees are a source of income in themselves. Environmental protection is essential in ensuring that livelihoods are sustainable in rural settlement and camp situations. Natural resource management is part of a comprehensive plan for livelihood support / UNHCR / 2009

This consultative process will ensure that the strategy for supporting refugee livelihoods enjoys broad-based ownership, coherence and sustainability and is well coordinated with other initiatives in camp or urban settings. Partners and stakeholders who should participate in planning meetings include:

- Local and national public and private service providers;
- International development community, including donors;
- Representatives of refugee and host communities.

UNHCR field operations often lack the human resources required to lead coordination processes. However, in the context of a strategic planning process for livelihood-support, it is critical that UNHCR convenes a wide pool of actors to establish common goals and synergies between humanitarian and development actors, and facilitates the inclusion of refugees into national development programmes supported by the international community. This coordination effort may require additional human resources for the duration of the assessment and strategic planning process, as noted previously.

Beyond the planning phase, once the strategic plan is being implemented, UNHCR and key partner staff should continue to play an active role in livelihood coordination forums that may be led by government and development agencies.

Objectives of Strategic Planning:

- Achieve consensus on the **findings of the livelihood assessment**, including the full range of livelihood challenges and opportunities confronting different wealth-groups;
- Agree on the **key components** of the strategic plan: overall purpose, scope (including the number of years required to achieve objectives), key principles, strategic objectives, activities and their expected outputs;
- Agree amongst all stakeholders on the **actions and resources** required to attain the objectives over multiple years, and on the distribution of roles, functions and responsibilities among stakeholders and partners. Partner responsibilities and activities should be detailed in a multi-year “Strategic Results Framework”; and
- Define and agree on **implementation arrangements**, including programme management, coordination, and monitoring and evaluation procedures throughout the implementation period.

An example of a strategic planning process is provided by UNHCR in Jordan:

Developing a Strategic Plan for Livelihood-Support

In order to better coordinate livelihood activities amongst NGOs, UNHCR Jordan formed a team of international and national staff members from the programme, community services and education sections. Key Implementing Partners associated with livelihoods-related activities were then invited to discuss livelihood issues. This consultation helped identify existing resources and initiatives and it was agreed that a joint strategic plan should be developed.

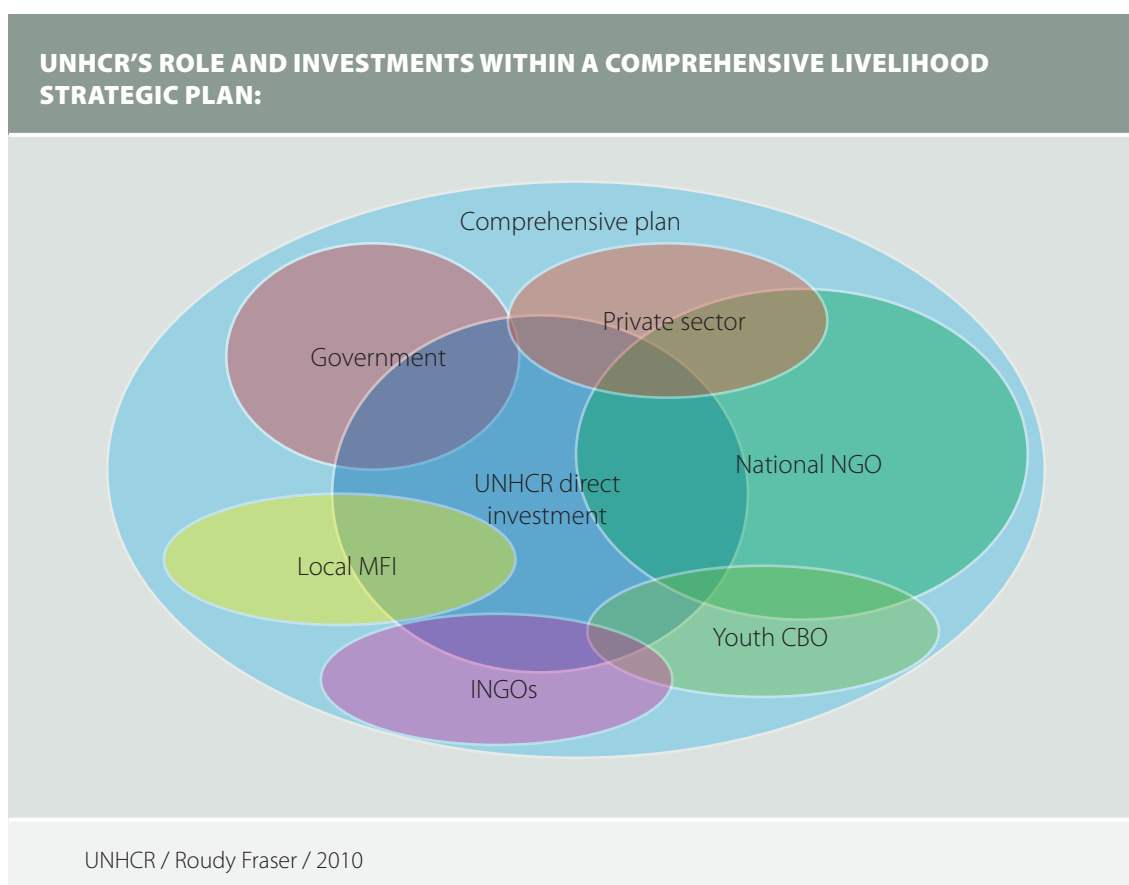
UNHCR proceeded to consult further with the main stakeholders in view of undertaking a joint assessment. NGOs were interviewed about the successes and challenges of existing livelihood programmes. Focus group discussions were conducted with women, men and refugee youth. This participatory approach helped define which activities the refugees regarded as useful and which activities particularly matched the full range of different needs, competencies and ambitions. Furthermore, existing data and information from other organizations was reviewed, including household surveys, employment studies and reports detailing the country of origin and country of asylum. The Livelihood Unit at UNHCR headquarters assisted in the process, which ended with a multi-stakeholder workshop with all partners and donors to discuss assessment findings and strategic directions. After the workshop, all inputs were included in an “Assessment and Strategy Document”.

The time spent on this process was useful for the monitoring of ongoing livelihood projects. UNHCR Jordan was also able to learn more about the refugee and local community at large. Implementation is coordinated by a *Livelihood Working Group* in which UNHCR participates.

UNHCR’s role during the planning process is to:

- Facilitate and/or (co-)lead the process, encouraging participation from the full range of relevant stakeholders;
- Assist in the development and design of a comprehensive strategic plan, including targeted projects, and achieve consensus on the most effective division of responsibilities among partners;

- Identify the organization's own role and responsibilities and decide on the best suitable partnerships for the implementation phase. Depending on the context UNHCR's contribution may be minor - such as leading coordination and advocacy activities or setting up information, communication and referral systems (i.e., referring refugees to vocational and financial services, etc.).



While UNHCR may take a lead role in **planning** a comprehensive strategy, this role will usually diminish when it comes to **implementing**. A comprehensive plan will be developed, to include everything that is required to support refugee livelihoods over a certain time-frame and towards a stated goal. Multiple activities will be identified in a Plan of Action. Some activities will be carried out by local organizations, international NGOs, the private sector or government bodies, without UNHCR's direct investment. Activities that are highly relevant but have no means of being implemented by others should fall squarely under UNHCR's area of responsibility, and their implementation will usually require both implementing and operational partnerships with various actors, as illustrated above.

B. From Assessment Findings to Action

The final step of the assessment process is the formulation of **recommendations** based on the findings. These recommendations include a *summary of the main challenges and opportunities*, which provide the justification for the chosen strategic objectives. Strategic objectives essentially aim to address challenges and build on opportunities identified during the assessment. The specific strengths/capacities and weaknesses/needs relevant to each wealth-group, and for men, women and youth should be specified, as they determine the gaps, the means of addressing them, and the relevant target groups.

Assessment recommendations seek to:

- **Build on existing opportunities and address external threats:** Recommendations that seek to address “external” challenges (relating to PIPs) aim to create a more enabling political, social and economic environment by *influencing policy* through advocacy, e.g., promoting the right to work and access to financial institutions, access to markets and services, for example by investing in trade cooperatives/organizations, and increasing access to information about existing services, entitlements and rights; and
- **Build on existing strengths and address internal weaknesses:** Recommendations that seek to address “internal” weaknesses (relating to livelihood assets of households or individuals in specific income groups) will usually seek *to create or build assets* while helping to meet basic needs in the meantime. For example, an entrepreneurship skills training, delivered by a local business development service (BDS) provider, will serve to protect and to promote livelihoods. The capacity of the BDS provider will be built or strengthened to promote livelihoods for refugees while at the same time enhancing the capacity of refugee participants to make sound investment decisions.

The table below provides an example of how to arrive at a strategic plan while describing overall challenges and formulating objectives:

LIVELIHOOD CHALLENGES AND STRATEGIC OBJECTIVES BANGLADESH (2010-13)	
<i>Overall challenge / justification</i>	<i>Strategic objective</i>
Coordination and cooperation is on-going but this needs to be strengthened particularly as the UNDAF begins to roll out livelihood activities.	Effective implementation through strengthened planning and coordination interventions.
Government restrictions on the right to work for refugees and asylum seekers. A high national unemployment rate further prevents their integration in the workforce.	An enabling environment for refugees and host communities to lead productive lives is created.
Lack of access to education, health care, other basic services including employment and poor infrastructure remain key compounding factors for the population of the district.	Enhanced human and social capital.
Poverty in the district is the highest in the country. The poverty cycle is reinforced by the above factors (education, health care). Access to livelihood/self-reliance opportunities will help reduce poverty.	Sustainable enterprise and productive employment.

Information about PIPs should be analysed by determining **how they enable or limit and obstruct** refugee livelihoods. This analysis should be factored into decisions about livelihood interventions supported by UNHCR and partners.

Livelihood interventions must try to work around obstructive norms and find ways to work within existing constraints to continue supporting refugees (and host communities where applicable). It is recommended that UNHCR supports services that have been identified as real needs by both refugee and local communities and do not significantly challenge existing political, cultural and gender norms. UNHCR may provide funding, equipment and training for such services, and could also identify partnerships with the private sector. Examples of such services may include:

- Home-based child care services: provided by women (kindergarten, day care);
- Self-help refugee schools: identify teachers and provide education space in cooperation with Parents-Teachers Associations, NGO partners, local education authorities, municipalities;

- Farms: rehabilitate unused or waste land for community agriculture in collaboration with municipalities, community organizations and NGOs;
- Recycling initiatives: in partnership with youth groups, community-based organizations and the local government.

Supporting Value Chain

In Costa Rica, home-based community day care centres support refugee mothers and low-income Costa Ricans (mostly single women heads of household) who require care for their young children so they can work during the day. The three existing centres are run by refugee women, who in turn use profits to support their families.

Protection concerns should also be taken into account, based on assessment findings. Built-in protective elements should be factored into livelihood interventions, especially with regard to risks of SGBV. Recommended measures include:

- Addressing situation-specific factors in livelihood programmes;
- Involving men and boys as clients, allies and agents of change in livelihood programmes;
- Addressing social norms in livelihood programmes; and
- Designing targeted livelihood interventions, using a graduated model.

C. Outputs of the Strategic Planning Process

The strategic planning process should result in a *Plan of Action*, underpinned by a set of principles. This plan should be widely disseminated and made familiar to UNHCR staff, donors, key government ministries and implementing partners, as well as the refugees themselves. Its *key components* are:

- **Purpose** or overall goal;
- **Scope** is the geographical location that the strategic plan aims to cover, the targeted groups, and the duration, in number of years, expected to achieve the strategic goal. For comprehensive livelihood strategies, this is usually around three years;
- **Location** of the proposed strategic plan within existing national frameworks and plans, and UNCT/UNDAF processes. The way in which the proposed livelihood strategic plan will reinforce, complete and/or contribute to existing development plans should be specified;
- **Principles** underpinning the strategic plan. These will emerge during discussions, and might include:
 - Building on capacities of local organizations, by investing in local services and goods providers, NGOs and COs, public and private service providers;
 - Promoting social cohesion between refugee and local communities by supporting joint livelihood activities and the participation in programme planning and monitoring;
 - Giving priority attention to youth and women and persons with specific needs.
- **Objectives** resulting from the SWOT analysis. Keep to an achievable number of objectives (4-5).
 - At least one long-term national-level objective should be included, which seeks to address policy and legal issues through advocacy and awareness raising activities. This lays the foundation for all other objectives and planned activities;
 - The other objectives will seek to strengthen livelihood assets and access to working opportunities, with short, medium to long-term timeframes;
 - In addition, one management-level objective can be included, which covers the internal organizational and coordination activities that will be required for programme implementation.

The table below provides an example of a *multi-year strategic plan* for livelihood support developed by UNHCR and partners:

MULTI-YEAR LIVELIHOOD STRATEGIC PLAN – SOUTHERN CHAD (2011-14)				
Pillar 1: Provision				
Wealth group	« Poor »	« Middle »	« Better-off »	Specific objective
	Replace food distribution by cash transfers or vouchers. Conditional cash transfer for education and health (regular monitoring to be established)			1.1 Ensure safety nets for the poorest
	Support the self-help committee			1.2. Reinforce community solidarity
Focus output : Support to persons with specific needs provided				
Pillar 2: Protection				
Wealth group	« Poor »	« Middle »	« Better-off »	Specific objective
	Functional literacy classes for adults and out-of-school youth			2.1 Increase adult literacy skills
	Training and sensitisation to domestic budgets, crop management, and financial literacy			2.2 Improve households' financial literacy and domestic economy management
	Sensitisation to savings and operations of local credit unions			2.2 Improve households' financial literacy and domestic economy management
	Training on agricultural production techniques (production, land and soil management, natural resources), mainstreaming issues around environment (livestock management, reforestation, integrated farming) Sensitisation to utilisation of natural fertilizers			2.3 Increase value of agricultural production while preserving natural resources
	Support to production groups, i.e., <i>groupement</i> (agricultural inputs and equipment). Provide guidance and information about growing markets, transformation activities and sales and marketing	Reinforce group strengths in project and organizational management Provide guidance and information about growing markets, transformation activities and sales and marketing Progressive development of multifunctional platforms, based on UNDP, FAO experience and approach		2.3 Increase value of agricultural production while preserving natural resources

Pillar 2: Protection				
Wealth group	« Poor »	« Middle »	« Better-off »	Specific objective
	Rural micro-entrepreneurship training, level 1			2.4 Develop entrepreneurship potential to diversify sources of income
	Rural micro-entrepreneurship training, level 2 based on participation in level 1.	Rural micro-entrepreneurship training, level 2 and dedicated support and counseling for two years		2.4 Develop entrepreneurship potential to diversify sources of income
	Analyse domestic fuel sources and assess possibilities for local production of fuel-efficient stoves, solar cookers and eco-friendly briquettes or other domestic fuel			2.4 Develop entrepreneurship potential to diversify sources of income
	Provide advice to young people about local job market. Propose professional training (provided by local institute) to out-of-school youth (pre-selection by UNHCR and partners, interview process with local institute)			2.5 Develop vocational and professional training for youth
	Engage youth in training programmes linked to literacy classes and skills Propose an entrepreneurship training component and an apprenticeship/ traineeship programme in local small enterprises and craftsmen for students of the vocational centre (see Chamber of Commerce directory). Ensure follow-up of alumni			2.5 Develop vocational and professional training for youth
	Promote day-care community arrangements to help mothers participate in activities Improve support to mothers' association (provide guidance on marketing and sales, and revise contribution system)			2.6 Promote women's participation in economic activities
Focus output :	Access to training and learning enabled Local language training for livelihood purposes provided Vocational training / technical skills provided Access to agricultural / livestock / fisheries production enabled Access to self employment / business facilitated Access to financial services facilitated (formal and informal) Entrepreneurship / business training provided			
Pillar 3: Promotion				
Wealth group	« Poor »	« Middle »	« Better-off »	Specific objective
	Access to national welfare system (non-existent?)	Access to land Promote access to employment, including public and local para-public institutions (health centres, schools...)		3.1 Advocacy for access to livelihoods
		Strengthen veterinary services Support local health centres		3.2 Promote access to local services
	Promote access for refugees to locally available financial services and promote quality services			3.2 Promote access to local services

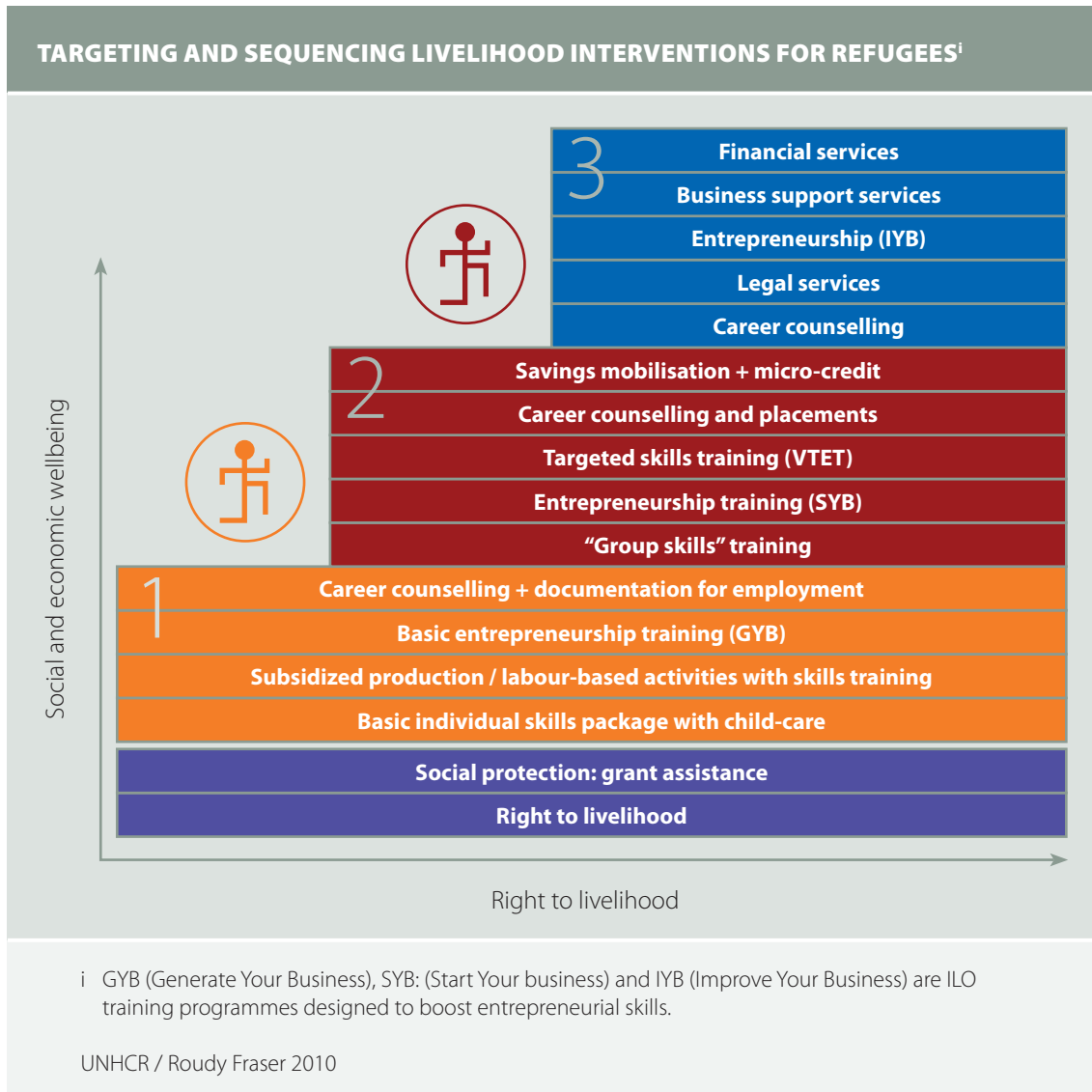
Pillar 3: Promotion				
Wealth group	« Poor »	« Middle »	« Better-off »	Specific objective
	Access to national welfare system (non-existent?)	Access to land Promote access to employment, including public and local para-public institutions (health centres, schools...)		3.1 Advocacy for access to livelihoods
		Strengthen veterinary services Support local health centres		3.2 Promote access to local services
	Promote access for refugees to locally available financial services and promote quality services			3.2 Promote access to local services
	Identify and support local growth market niche (peanuts, shea nuts...) with other development actors Ensure information on high potential markets is integrated in training design mentioned in pillar 2 Revise training offered by the VTC to better match training with market needs and employment opportunities			3.3 Support local development
	Promote refugees', host villages' and authorities' participation in designing local development plans (EU funding)			3.3 Support local development
	Develop an action plan for education with MoE, IDEN and UNICEF, promoting quality and training of teachers linked to a revised incentive scaled and recognition of community schools by MoE. Increase attendance monitoring, linked to conditional cash transfers. Increase access to secondary education. Dosseye needs specific attention. Ensure recruitment of teachers or assistants speaking Fulbé dialect.			3.4 Increase access to and quality of education
	Resume the programme on « integration villages », to encourage a small number of refugees to settle in three pilot villages (access to road and lands)			3.5 Promote socio-economic integration of refugees
Focus output:	Access to self employment / business facilitated Access to financial services facilitated (formal and informal) Access to work facilitated through removal of legal barriers Assessment and analysis undertaken Access to agricultural / livestock / fisheries production enabled			

D. Selecting and Targeting Livelihood Activities

A comprehensive strategic plan for livelihood support will usually seek to achieve short-, medium- and longer-term objectives by implementing a range of activities; some of these will be targeted, and others will support all refugees regardless of capacities. The table below presents some of the activities that can support chosen objectives within a comprehensive strategic plan, and illustrates how these objectives can be supported by a range of activities. All of the activities in the table fall under the four sub-sectors of livelihood interventions, which are presented in Chapter 3 (productive assets, employment, enterprise development and financial services).

Programme Objective	Indicative activity
Livelihood provisioning	
To meet basic needs and minimise expenditures	Grant assistance (in cash or kind) in emergency situations, subsidised housing and basic services, cash-for-work or food-for-work
Livelihood protection	
To protect and build human capital	Individual skills training such as functional literacy, numeracy, basic financial literacy, local language skills, basic IT skills, life skills
To prevent asset depletion and negative coping strategies	Labour-based activities in reintegration or camp settings (cash or food-for-work for infrastructure construction, community contracting)
To prevent asset depletion and negative coping strategies	Job placement of skilled persons (providing health, educational, translation, registration and other essential services to refugees)
To protect productive capital (human, social, natural, physical) and diversify income sources	Conditional grants with skills training to support sustainable use of natural resources (home-gardening, agriculture, livestock, fish-farming, beekeeping, timber or forest-product harvesting, brick-making, stone or sand harvesting) for consumption or sale
To protect productive capital (human, social, natural, physical) and diversify income sources	Temporary subsidies for production activities (natural resource use, crafts and manufacturing)
To protect and build human and social capital, and decent work strategies	Targeted training packages to build skills for workmanship, manufacturing, retail, and service delivery (infrastructure construction and maintenance, equipment installation, computer maintenance, electrics or vehicle repairs, health and education services, child-care, Information and Communication Technologies (ITCs))
To protect and build social capital	Group skills training, such as leadership, management, formation of associations, community organization and social organization, using ITCs
To protect and build human capital	Entrepreneurship training
To protect and build financial capital, and stabilise and diversify income sources	Sponsoring access to financial services (savings, money transfers, loans)
Livelihood promotion	
To improve human and social capital and promote decent work strategies	Career counselling and employment support services includes sponsoring apprenticeships, traineeships and other forms of job-placement, and supporting community-based employment networks
To improve human and social capital, and promote decent work strategies	Facilitating access to business support services including legal, financial, and networking advice for business start ups and "incubator" support
To improve political and social capital, and promote decent work strategies	Access to legal services relating to employment, work permits or business registration permits
To improve financial capital and promote decent work strategies	Facilitating access to (formal) financial services

The box below shows how different activities can be planned to meet different levels of existing capacity and needs within a population group. It also introduces the notion of “graduation” from one package of support to another as people’s capacities and needs evolve through time.²⁰



A “graduation approach” to livelihood programming:

Levels 1, 2, and 3 correspond to the main wealth-groups identified in the target community, e.g., poor, middle, and better-off. The support activities layered in steps 1-3 are generic, and need to be adapted to each situation, based on the capacities and related support needs identified for each wealth-group during the livelihood assessment.

Interventions that target women, men, and youth in particular should also be specified (and

20 More information on graduation models developed by the World Bank’ Consultative Group to Assist the Poor (CGAP) is available on <http://graduation.cgap.org/>

formulated as “expected outputs”, e.g., increased number of women-owned enterprises and services such as child-care facilities).

Advocacy and Social protection (purple) are ongoing activities, which provide the foundation for all other forms of support within a comprehensive strategic plan. While advocacy activities may increase in time, the amount of grant assistance would be expected to diminish gradually over the implementation time-frame.

Step 1 combines most of the grant-based, capacity building support delivered to the poorest households and individuals.

Step 2 targets economically active individuals who have acquired solid skills from Step 1, or who have existing capacity (productive skills and previous work experience) and show readiness for Step 2 support options. These households would normally have graduated out of grant assistance, although most would still qualify for free or subsidised access to education and health care in the longer term. They would benefit from more upstream support to be able to develop their small enterprise, and eventually employ others, and/or to access work permits in order to utilise existing skills and experience in the local job market.

Step 3 targets economically active, “better off” individuals who show a high capacity for successful economic and social integration in the host community, but who need time-bound support in order to become fully self-reliant and avoid losing key assets and slipping back into poverty.

E. Strategic Results Framework

Activities and time-frames required to meet the chosen objectives can be presented in a Strategic Results Framework. The results framework is a tool for planning and coordination. Its purpose is to facilitate discussions about “*who does what*” amongst partners and agreement on roles and responsibilities for successful implementation. It should be updated through yearly or bi-annual coordination meetings.

An example of a Strategic Results Framework is provided in *Livelihood Assessments and Strategies, Template Checklist and guiding principles, OSTs, UNHCR 2009* (see list of tools and templates in Annex 2).

III. MONITORING AND EVALUATION

Monitoring and Evaluation (M&E) are essential components of UNHCR's Results-Based Management (RBM) system, and as such are critical to livelihood programming. Regular and consistent monitoring is necessary to:

- Evaluate the level of implementation of the strategic plan;
- Prepare informed day-to-day management decisions;
- Guide adaptation to changing contexts and circumstances;
- Improve communication and coordination with partners and stakeholders.

An effective livelihood monitoring and evaluation system must ensure that:

- Measurable *output targets* and *performance indicators* are defined within the strategic plan. UNHCR's Results Based Management software, FOCUS, provides list of relevant outputs and performance indicators (listed under the Livelihood and Self-Reliance objective);²¹
- Targets can be monitored and reported easily through established minimum standards & indicators;
- The livelihood plan includes the timing and frequency of monitoring and evaluation activities, and the human, operational and budgetary resources required;
- The key findings of livelihood assessments, in particular the livelihood profiles (assets and livelihood strategies) of different wealth-groups are updated on an annual basis to *track changes* in household livelihood capacities, opportunities, and income levels;
- Changes in surrounding policies, institutions, and processes that affect livelihood opportunities are recorded and documented yearly;
- Reviews and evaluations of livelihood activities and mechanisms take place and strategies and programmes are modified to reflect the new realities on the ground.

The new list of outputs and performance indicators, under the Livelihoods Objective in FOCUS, is presented below. Note that all outputs and indicators were formulated with a view to using them in urban situations, as well as in camp situations.

²¹ FOCUS is UNHCR's Results Based Management (RBM) software and the objective is to enhance the quality, effectiveness and efficacy of UNHCR's programmes. FOCUS will seek to achieve measurable results through integrated monitoring of programme implementation, budgeting, monitoring and evaluation as well as knowledge management.

A. Monitoring

To monitor project results, livelihood indicators have been developed as follows:²²

Objective: Level of livelihoods and self-reliance improved	
Outputs (reformulated and new)	Performance indicators
Comprehensive livelihood assessment, strategic planning, and monitoring	<p>Socio economic profile and livelihood capacities of PoC (women, men, youth) defined and monitored</p> <p>Strategic plan for livelihood programming informed by SWOT analysis</p> <p>Market survey / labour sector survey conducted or available</p> <p># Projects supporting livelihood capacities of men, women, and youth defined and implemented</p> <p># of public sector partners engaged in strategic planning and implementation</p> <p># of private sector partners engaged in strategic planning and implementation</p> <p># of development agencies engaged in strategic planning and implementation</p> <p># of host community members targeted in livelihood-support projects</p> <p># of humanitarian organizations engaged in strategic planning and implementation</p> <p># of livelihoods coordination meetings led or attended by UNHCR</p>
Access to work facilitated through removal of legal barriers	<p># of PoC receiving work permits</p> <p># of PoC businesses registered</p> <p># of advocacy interventions implemented</p> <p># of PoC provided with legal advice for accessing work opportunities</p>
Recognition of diplomas by host state facilitated	<p># of PoC with recognised diplomas from their country of origin</p> <p># of PoC with recognised diplomas working in a related sector</p> <p># of PoC provided with information on diploma recognition processes</p>
Access to wage earning employment facilitated	<p># of PoC provided with guidance on labour market opportunities</p> <p># of PoC registered in job placement services</p> <p># of PoC enrolled in apprenticeship / on-the-job training schemes</p> <p># of worker's associations formed / supported</p> <p># of PoC earning incentives / wages from IPs and from community contracting projects</p> <p># of PoC gaining employment in CTA Centres</p>

22 Available in FOCUS at the end of 2011.

Objective: Level of livelihoods and self-reliance improved	
Outputs (reformulated and new)	Performance indicators
Access to self employment / business facilitated	<ul style="list-style-type: none"> # of PoC provided with guidance on business market opportunities # of PoC receiving conditional grants for business start up # of PoC using business development services (marketing, networking, info on business market, incubator) # of small business associations formed / supported
Entrepreneurship / business training provided	<ul style="list-style-type: none"> # of PoC provided with entrepreneurship / business training
Access to agricultural / livestock / fisheries production enabled	<ul style="list-style-type: none"> # of PoC receiving production kits / inputs for agriculture/livestock/ fisheries activities # PoC with access to arable land and other productive natural resources
Access to training and learning enabled	<ul style="list-style-type: none"> # of PoC enrolled in formal national institutions for certified skills training # of PoC provided with training and learning grants for livelihood purposes # of PoC provided with adult/functional literacy training for livelihood purposes # of PoC provided with financial literacy training for livelihood purposes # of PoC provided with e-learning formal education in CTA Centres # of PoC receiving life-skills training for livelihood purposes
Vocational training / Technical skills provided	<ul style="list-style-type: none"> # of PoC provided with technical skills training # of PoC provided with vocational training appropriate to needs, capacities and local market conditions # PoC receiving certification in TVET
Local language training for livelihood purposes provided	<ul style="list-style-type: none"> # of PoC provided with local language training

Objective: Level of livelihoods and self-reliance improved	
Outputs (reformulated and new)	Performance indicators
Access to financial services facilitated (formal and informal)	# of PoC participating in community-based group savings / loans / insurance schemes # of PoC clients in national MFIs or banks # of PoC receiving loans through UNHCR partners (in current year) BY GENDER # of PoC receiving other financial services through UNHCR partners (in current year) BY GENDER Total # of clients (nationals and PoC) of the partner institution for all financial services % of money loaned to and repaid by PoC clients (repayment rate) % of money loaned to and repaid by national clients (of same institution) Average loan taken by a PoC / GNI per capita (%) Average loan taken by a client (nationals and PoC) of the MFI / GNI per capita
Access to Information and Communications Technologies enabled	# of PoC receiving computer training # of PoC using Community Technology Access centres # of PoC using other (non-CTA) computer facilities # of PoC with subsidised or free access telephone services/equipment # PoC receiving certification in computer literacy
Access to transport and mobility facilitated	# of PoC with subsidised or free access to transport equipment

Monitoring activities should also track changes in the operational context, focusing on:

- **Identifying changes in the policy or legislation**, their impact (positive or negative) on the PoC or in some groups of concern in accessing services and support. Ensure that discriminatory policies and attitudes are reported and addressed by the relevant actor (e.g., government, UN development agencies, private sector, trade unions);and
- **Identifying changes in the local economy** and the impact (positive or negative) on the PoC or in some groups of concern (affordable housing, access to land or market, access to education, health). Ensure that local authorities and key partners are involved in finding viable alternative solutions.

Financial monitoring of the projects shall be conducted as per donor requirements and the implementing agency's financial monitoring regulations. For UNHCR, financial verification and monitoring shall be conducted on a quarterly basis. Activity and output

(quantifiable deliverables) monitoring shall be conducted quarterly, at least twice per calendar year through visiting refugee homes or shelters and businesses, vocational training centres, and through observations and interviews with the beneficiaries and implementing agency staff.

Impact monitoring shall be conducted by implementing agencies and UNHCR (through multi-functional teams) at least once per year through interviewing beneficiaries and visiting their households to assess socio-economic profiles, including the household's livelihood assets, livelihood strategies and levels of income. Based on the initial findings of the livelihood assessment, profiles should be reviewed for comparative reasons (using the socio-economic profiles table for the exercise). Implementing agencies will be responsible for measuring the impact in terms of employment, income, family/household budget and spending trends/priorities.

The Role of Monitoring and Data Tracking

Since 2001, UNHCR has supported an implementing partner, MicroFinS, in the provision of self-reliance assistance through business micro loans to refugees and IDPs in Pančevo, Serbia. The weak local economy and the difficulty refugees and IDPs have in getting bank loans have made for a difficult situation for persons of concern. The aims of the project include providing sustainable access to loans for those refugees and IDPs who wish to become entrepreneurs and have concrete business plans; offering loans at favourable conditions; and supporting the participation of female borrowers.

To date, the project has met with success; by introducing micro loans in Serbia, UNHCR has enabled access to a steady source of financing, viable self employment and livelihood to persons of concern, and women represent 35%-40% of the clients, while almost 50% of the loan users are first-time borrowers. Among the lessons learned: monitoring is an important component, especially in the early stage of the loan, and a good quality **Loan Tracking System** secures easy data processing and enables early prevention of delinquency.

Source: <http://www.unhcr.org/4ad732a59.html>

B. Evaluation

Joint evaluation teams, including donors and members of a *Livelihood Coordination Group*, if established, will undertake an overall evaluation of programmes and projects and assess the impact for the target groups. UNHCR should consider seeking out external resources and expertise, such as those provided by WRC and development partners, to assist in evaluation.

Evaluations can be conducted either at mid-term or at the end of the programme, upon completion of activities. Given the nature of livelihood interventions, it is obvious that many desired impacts cannot be attained in a short time period. The immediate result may be, for example, the acquisition of skills, while the mid-term impact might be securing a regular income, whereby the longer-term impact would be a visible improvement in a household's overall well-being.

Evaluations should measure **outcomes** and evaluate whether expected results/targets have been achieved. It is recommended to use approaches and methods that produce timely and credible evidence of programme outcomes and impacts that can inform future action, and to assess change over time and using a counterfactual. Joint evaluations can be conducted by involving government authorities at the national or local level, other UN agencies, donors, implementing partners and communities.

IMPACT INDICATORS (AVAILABLE IN FOCUS AT END 2011)

% PoC (18-59 yrs) with own business / self-employed for more than 12 months

This indicator measures the level of self-employment/own business as a livelihood strategy. This includes all forms of self-employment such as agriculture, fisheries and livestock activities. The level of business-worthiness is indicated by the duration of the business beyond a 12 month period. This indicates the success of UNHCR's interventions in support of self-employment, through facilitating access to business services, entrepreneurship training, and financial services.

% PoC using banking services (e.g. savings, loans, transfers)

In the medium to long term, the main objective of livelihood support strategies should be to facilitate and promote access to financial services. In refugee and IDP situations, where the needs are similar to those of the local poor, this is achieved primarily through facilitating and promoting access to the services provided by microfinance institutions (savings, credits, transfers, micro-insurance). The main objective of these interventions is to help protect and build financial capital of an individual or household, and expand their livelihood opportunities and socio-economic wellbeing.

Extent PoC have formal access to work opportunities in host country

This indicator informs us about the level of enjoyment of socio-economic rights in the country of asylum. It is useful for orienting livelihood programming and advocacy messages and activities. Enhancing the right to work is seen as an integral part of a comprehensive strategic plan for livelihood-support in refugee settings. Advocating for the right to work is important to the fulfilment of UNHCR's protection mandate and its efforts to promote compliance with refugee law. The scale for measuring this extent indicator is given in the new FOCUS guidelines.

% PoC(18-59) who do not need cash/food assistance 12 months+ after arrival/displacement

This indicator provides an idea about the overall level of self-reliance in the PoC, as well as on the effectiveness of the initial support PoC has received to become more self-reliant.

% PoC (18-59 yrs) earning at least minimum wages for more than 6 months per year

This indicates the relative weight of wage earning employment as a livelihood strategy, and stability in such. This indicator does not tell us about the quality of such employment, however.

IV. PHASING DOWN AND HANDING OVER

Grants-based livelihood interventions such as cash assistance or heavily subsidised training programmes depend on donor support. When donor priorities change, such programmes risk running out of funding, leaving refugees in the lurch. To prevent this, a comprehensive strategic plan for livelihood support should include a “phasing down and out strategy” (also called “exit strategy”), based on phasing out interventions once benchmarks of success have been attained, and introducing more sustainable modalities. To begin with, conditions for successfully phasing-down will have to be met.

A. When? Conditions for phasing-down

A well-planned phasing out strategy, based on realistic and achievable benchmarks, will prevent the abrupt termination of livelihood support projects when resources run out. A number of conditions relating to the external environment and to the mind-set of refugees and hosting communities need to be met however, that will enable UNHCR-supported projects to be phased down without negative consequences. Sustained advocacy and dialogue with the authorities and refugee and hosting communities are of course critical in creating such an enabling environment from the early stages of UNHCR’s interventions. The table below offers examples of such enabling conditions and their related indicators:

EXAMPLES OF CONDITIONS AND INDICATORS FOR PREPARING PHASE-DOWN	
Possible conditions sought	Indication that conditions are in place
Government, operational partners and local authorities committed to initiatives that progressively strengthen refugee/returnee and local community self-reliance	<ul style="list-style-type: none"> Self-reliance initiatives reflected in operational plans, regional and national development plans, etc. The quality of public or private sector services is at least equal to that delivered by UNHCR/ development assistance
Refugees/returnees committed to increasing their self-reliance, and believe the necessary resources are/will be available	<ul style="list-style-type: none"> Existence of active community groups implementing self-reliance activities Refugee/returnee representative participation in livelihood development forums
Hosting/receiving populations supportive of self-reliance initiatives among refugee/returnee populations, and believe mutual benefits will accrue	<ul style="list-style-type: none"> Existence of joint committees or reciprocal participation in local committees Examples of mutually beneficial collaboration between refugees/returnees and local communities

EXAMPLES OF CONDITIONS AND INDICATORS FOR PREPARING PHASE-DOWN

Possible conditions sought	Indication that conditions are in place
Host governments remove all major barriers to refugees' participation in the local economy and encourage involvement in development activities	<ul style="list-style-type: none"> • Policy dialogue succeeds in opening access for refugees to national public sector services, and to private sector services such as banks or MFIs • Appropriate legislation and policies in place that permit refugees to pursue livelihood opportunities • Demonstrated commitment to availing the necessary technical, natural and other raw resources to refugees
Receiving governments incorporate returnees into local development processes and provide full resources and rights to enable their reintegration	<ul style="list-style-type: none"> • Financial and material resources availed, access to natural resources provided • Social, financial and technical services provided without discrimination
UNHCR playing a progressively smaller role in the identification and design of self-reliance initiatives	<ul style="list-style-type: none"> • Operational partners taking initiative for identifying, planning and seeking funding for self-reliance activities
Competent agencies, to take over responsibility for self-reliance initiatives and for implementing effective projects with refugees/returnees and local population, are present in the area	<ul style="list-style-type: none"> • Participating humanitarian agencies have developed/strengthened relevant capacity and/or development agencies drawn in to the programme • Operational agencies have adopted appropriate, effective and sustainable strategies • Local NGOs established and registered, with credential established
Donors committed to financing self-reliance initiatives coordinated by implementing agencies, government or community-based organizations	<ul style="list-style-type: none"> • Appropriate budget line established in-country • Donors' commitment to self-reliance/livelihood development demonstrated • Donors committed to financing self-reliance initiatives through operational partners and government, etc. (rather than UNHCR)
Government extension and other technology transfer agencies providing sustainable services to refugees/returnees and local communities	<ul style="list-style-type: none"> • Government departments (and other agencies) actively involved in extension, training and other technology transfer activities with refugees/returnees as well as local communities
Refugees/returnees and local communities able to maintain and further develop self-reliance initiatives without external technical or financial support	<ul style="list-style-type: none"> • Refugees/returnees in an economically productive and socially stable environment with productive activities advanced • Local service providers and coping mechanisms established • Commercial activities (e.g., marketing of crops, businesses) contributing substantially to the local economy

B. How? Means of phasing-down and out

The goal of a phasing-down and out strategy is to create a path out of poverty and away from dependence on humanitarian aid and to promote an attitudinal shift towards self-reliance. This means gradually scaling down livelihood-provisioning type of activities such as direct support and subsidies, and simultaneously increasing livelihood-protection and livelihood-promotion initiatives. Refugees that have secured suitable productive assets (cash, equipment, skills, land / livestock in rural settings, social networks, and relevant infrastructure) through UNHCR's assistance should be supported and informed about opportunities to access public- and private sector-based services such as commercial microfinance, business development services, employment services, and national training or employment promotion programmes. These relevant services and support programmes might be sponsored by development partners or directly by national, local or community-based institutions. The basic means of phasing-down and out can be summarized as follows:

- Build assets and capabilities through targeted livelihood-provisioning and livelihood-protection measures, whilst promoting access to services and sustainable livelihood opportunities through livelihood-promotion measures.
- Invest in local public and private sector institutions, such as national or local vocational training institutes, microfinance institutions, community based organisations, and business development services as a preferred modality and from the outset of a livelihood programme, rather than contracting parallel services from partners that are heavily reliant on funding from humanitarian donors.
- Gradually reduce UNHCR's investment in livelihood-promotion measures, so as to hand over programmes to development or government actors.
- Work with partners to act as interlocutors/intermediaries that refer refugees to local services, ensuring their access before stopping support.
- Monitor project-level benchmarks to identify individuals/households that have insufficient capacity to "graduate" out of livelihood-provisioning and livelihood-protection programmes and that will require long-term social assistance.

The graduation model presented in section II.D is central to preparing for successful phasing-down from the onset of the planning cycle. The use of such an approach allows refugees from "middle" and "better off" wealth-groups to benefit from support that is relevant to their existing capacities and needs. Targeted support, such as market-driven skills training, sponsored internships, and access to savings and loans services will enable these individuals to maintain or continue to accumulate assets and to become self-reliant, thus moving their household out of the caseload of UNHCR-supported projects:

- Poorer and most vulnerable households will require longer-term assistance to help them meet their basic needs. This assistance, provided in cash, in kind, or by means of vouchers, or through a combination of these, can be phased out only when benchmarks for self-reliance have been met. Benchmarks are project-specific (see below).
- It is important to realise however that, like in any society, a proportion of very poor households and individuals will never have the physical or psycho-social capacity to live in dignity without some form of social safety net. Very poor households that do not have the capacity to meet their basic survival needs in the long term will need continuous assistance, whether this is met by UNHCR support or by national safety net programmes. A phasing-out strategy should also seek to identify the number of households and individuals that are likely to need sustained assistance beyond phase-out.
- Reintegration and resettlement will of course contribute to phasing-out UNHCR's direct support during displacement, and should be factored into the phasing-out strategy. However, these options may not be accessible to all refugees and asylum seekers in a given situation, nor to internally displaced persons.

C. Benchmarks and indicators for phasing-out

At the project level, benchmarks for initiatives supported by UNHCR should be decided and agreed upon by stakeholders. For example, benchmarks for credit cooperatives (such as women's group savings and loans) may include:

- Two-to-three successful cycles of loan rotations to each member of the group;
- Desire of all the members to expand the group or increase the monthly contributions;
- Successful completion of business development or training.

The attainment of these benchmarks will indicate that the group is ready to move away from direct support by UNHCR to the next stage, which might be to become clients of a local microfinance institution or a bank.

At the programme and strategy level, two measures can be used to assess the effectiveness of a phasing-down and out strategy:

- Number of PoC in need of assistance and livelihood support interventions provided through the UNHCR programme.
- Level of UNHCR financial contribution towards longer-term livelihood support.

Pakistan / An Afghan boy sells naan bread in Quetta. The price of wheat flour to make the naan is on the rise, and street vendors are struggling to adapt / UNHCR / D.A. Khan / 2011



The following list can be adapted to the conditions of a specific operation:

Area / Issue	What should be in place?
UNHCR programme level	<p>Strategy for durable solutions</p> <ul style="list-style-type: none"> • UNHCR and partner staff trained on livelihoods programming • Multi-year strategy for livelihood-support planned with stakeholders • Benchmarks for livelihood provisioning and livelihood protection activities developed • Medium to long-term livelihood protection and promotion measures are more cost-effective than short-term livelihood provisioning measures
Issues to address with host/receiving government	<p>Policies on asylum and/or reintegration</p> <ul style="list-style-type: none"> • Analysis of govt. policy/strategy for refugee asylum • Physical location is conducive to self-reliance • Returnees included in national reconstruction and development <p>Legal aspects for durable solutions</p> <ul style="list-style-type: none"> • Access to land, other assets accepted by government • Legal aspects of access to employment, business registration, education, training, and financial services addressed
Issues to address with humanitarian and development actors	<p>Government support</p> <ul style="list-style-type: none"> • Links between refugee/returnee department and other government departments established • Working relationships with relevant Ministries developed • National development plans include displacement issues <p>Donor agency assistance</p> <ul style="list-style-type: none"> • Main donors identified • Funding mechanisms established for supporting self-reliance through government, local authorities and NGOs <p>UN agencies involvement</p> <ul style="list-style-type: none"> • Resident Rep. briefed and support sought in integrating refugees/returnees in UNCT concerns • UNHCR country objectives support country UNDAF objectives • Discussions initiated with UN agencies for possible cooperation, joint planning/programming <p>NGO/civil society participation</p> <ul style="list-style-type: none"> • Local and international NGOs working in refugee-hosting areas identified • Use of local expertise is being maximised <p>Management information systems</p> <ul style="list-style-type: none"> • Inter-agency mechanism for info collection on existing humanitarian and development programmes in-country is in place • Key agencies involved in relevant activities identified

Area / Issue	What should be in place?
Issues related to field planning	<p>Strategic Plans</p> <ul style="list-style-type: none"> • Plans for self-reliance initiatives integrated into local, regional and national development plans • Long-term sustainability and capacity building mechanisms adopted • Area-based approaches widely adopted in refugee-hosting or returnee areas
Issues related to implementation	<p>Community development processes</p> <ul style="list-style-type: none"> • Community development activities promoting community organization have been established • Refugee/returnee and local community structures are linked <p>Livelihood-support interventions</p> <ul style="list-style-type: none"> • Packages to enhance economic self-reliance (benefitting men and women) through provision of productive assets have been developed • Projects in place to protect productive assets (skills, equipment, networks) and strengthen positive coping mechanisms • Packages to enhance economic self-reliance (benefitting men and women equally) through job placement, job creation, and enterprise development have been developed <p>Further aspects of self-reliance are being addressed</p> <ul style="list-style-type: none"> • Food security is being addressed • Infrastructure is being developed • Integrated services are being provided for health care, formal and non-formal education, psycho-social support

CHAPTER 3: LIVELIHOOD INTERVENTIONS AND PARTNERSHIPS

All interventions seek to achieve short-, medium- and longer-term objectives. As highlighted in chapter 2, some of these interventions will be targeted and others will support all refugees regardless of capacities. Beneficiaries will be selected based on wealth groups identified in a livelihood assessment.

Interventions should **build on existing opportunities** and **address “external” challenges** (relating to PIPs) to create a more enabling political, social and economic environment by influencing policy. Examples of interventions include:

- Identifying and facilitating access to microfinance [Protection]
- Lobbying for the right to work [Promotion]
- Building the capacity of business services providers [Promotion]

UNHCR should also aim to **build on existing strengths** and **address “internal” weaknesses** (relating to livelihood assets of households or individuals in specific income groups) to create or build assets while in the meantime helping to meet basic needs. Examples of such interventions include:

- Job placement and provision of vocational training [Protection]
- Promotion of savings [Protection and Promotion]
- Temporary subsidies for production activities [Provision]

The wide range of interventions UNHCR can implement or facilitate can be broadly categorised into four main areas, according to the Minimum Economic Recovery Standards (MERS):²³

- Productive assets and livelihood consumables;

23 The Minimum Standards for Economic Recovery were developed by the SEEP network, in association with humanitarian and development organisations. The MERS articulate the minimum level of technical and other assistance to be provided in promoting the recovery of economies and livelihoods affected by crisis. The MERS handbook became a “companion guide” to the SPHERE standards for humanitarian response in 2011. The SEEP network is an association of more than 80 international organisations that support micro- and small enterprise development programmes around the world (see www.seepnetwork.org)

- Employment;
- Enterprise development; and
- Financial services.

This chapter provides an overview of each of these programming areas. Analysis and assessment are a prerequisite for all areas of intervention, and advocacy is a cross-cutting issue to facilitate access to work, recognition of diplomas, access to land or right to own properties. This chapter also provides general guidance on how to conduct advocacy for the right to work. Such guidance is further detailed in “Advocacy on the Right to Work: A Practical Guide” (OSTS, UNHCR, 2011). The third part of this chapter offers advice on choosing the right partners for the implementation of livelihood programmes.

I. LIVELIHOOD PROGRAMMES

Designing programmes in line with the results of the assessment will allow reinforcement of the positive aspects of assets and strategies, and prevent and reduce constraints caused by PIPs. UNHCR should ensure interventions are coordinated and in line with the strategic plan. Recall the importance of bringing in partners with specific expertise. UNHCR and its partners should also find less conventional ways of supporting people’s assets and circumvent obstacles to sustainable livelihoods, by diversifying their interventions, working with non-traditional stakeholders (such as young people or entrepreneurs), and taking a pro-active approach to the private sector.

A. Productive assets and livelihood consumables

Productive assets are resources used to generate income and profit, while livelihood consumables are used to meet basic needs. Cash can be transformed into both productive assets and livelihood consumables such as food. After a crisis, assets such as tools, money, equipment and infrastructure may be lost or destroyed. Replacing them will help household economic recovery. Assets must also be protected from being consumed, sold, or lost.

Short-term asset interventions aim for basic replacement and preservation of existing productive assets, as well as for provision of basic needs. Long-term projects result in asset growth due to beneficiaries’ improved economic capacity. Interventions can take many forms: distribution of cash or vouchers, direct transfer of assets to beneficiaries, or rehabilitation of key infrastructure which can be associated with for-work programmes.



Democratic Republic of Congo /
Repatriation / Congolese women operate
a rabbit breeding enterprise in Uvira after
attending a business training organized
by Women for Women International.
Rabbits are not common in this area,
and the business training underlined
the importance of marketing and
communication / UNHCR / M. Hoferi / 2010

Key considerations

- **In emergency situations**, households must be able to meet their basic, immediate needs, such as food, water and shelter (even if this is through provision of assistance) before they can invest into livelihoods activities which may not yield immediate results. As soon as basic needs are covered and during the very early stages of emergency, securing and protecting assets, facilitating communications and encouraging investments in livelihoods activities such as supporting food production (with simple kitchen gardens and small livestock) should be given priority. Note that some assets can turn into liabilities if not secured: Examples:
 - Grazing/water for cattle can be a high security risk in conflict situations;
 - Financial assets and livestock can attract thieves.
- **Programme goals**: clearly communicate programme goals and guidelines regarding the use of assets by beneficiaries, any restrictions that apply, and any penalties for ignoring programme rules.
- **Groups**: Identify whether providing access using a group-based methodology is relevant and adequate, and if the formation of cooperatives or groups will enhance people's livelihoods or security. The use of pre-existing groups can save time and resources, but it is important to evaluate the equity and transparency of pre-existing structures to determine potential biases or exclusions that could later be points of contention.
- **Diversification of assets** is important to avoid distortion of markets, and encourage people to diversify their livelihood activities so they are better prepared to cope with shocks and stress. Understand local conditions (land tenure, ownership regulations, access to safe storage, environmental conditions) and practices. Projects should be driven by demand, not market supply (availability of seeds, material). Promote market linkages along the value chain, and facilitate access to inputs, suppliers or sellers.
- **The security and protection of displaced people**, including women and vulnerable groups, should be of paramount concern. Assess risk of physical danger from carrying and storing cash and assets, risk of social conflict amongst beneficiaries or with the host community.
- **Ensure protection of assets** (vaccination for livestock, safe storage places), mitigate environmental impact, and integrate risk-reduction strategies.
- **Adopt a holistic approach**. Participants' access to credit, including subsidised credit, may be necessary for successful enterprises. Credit, and a safe place for participants to save, can be secured through linkages with local service providers and financial institutions. *Financial literacy* and *skills development* should also be considered.

Pilot Poultry Project in Remote Eastern Democratic Republic of Congo (DRC)

In the DRC's North Kivu province, UNHCR and Vétérinaires Sans Frontières implemented a pilot project to raise the nutritional levels of female-headed households, abused women, people with disabilities, older people and the young. The pilot project gives families 20 egg-laying hens, feed and medicines, as well as assistance to build a hutch and chicken run. One of the biggest challenges has been introducing the concept of commercial exploitation of hens. While many Congolese rear a few chickens at home, they are often unaccustomed to using chickens to generate income. To ensure long-term sustainability and self-reliance, UNHCR is offering training for the displaced poultry farmers in chicken feed processing techniques using local ingredients and making feed from kitchen leftovers. The programme has suffered from a major logistical constraint: the late delivery of feed and medicine, which have to be flown to the North Kivu provincial capital, Goma, and then trucked to distribution points in this remote, conflict-affected region.

Adapted from WRC Field Manual

Cash transfers (financial assistance) for refugees in Jordan

Since 2008, UNHCR has provided unconditional financial assistance to refugees in Jordan, to cover for their basic needs. The project is run through a public-private partnership with a commercial bank, and the monthly payment can be drawn from ATMs in two instalments. The beneficiaries are targeted based on socio-economic criteria which include vulnerability and income. An impact evaluation shows that most of the grant is used to cover for basic needs, mainly rent and food, and that beneficiary satisfaction is extremely high. Very little however is invested in productive assets, given Iraqi refugees are not allowed to work without work permits and access to market networks is limited.

Resources

- Women's Refugee Commission, "Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings", 2009, chapter on Supporting Agrarian Interventions, pp. 28-56.
- Paul Harvey and Sarah Bailey, "Cash Transfer Programming in Emergencies", Humanitarian Practice Network, Overseas Development Institute ODI, HPN, June 2011.
- UNHCR Geneva and CARE International, "Handbook for Promoting Sound Agricultural Practices: Livelihood Options in Refugee Situations", 2002 (also available in French.)
- UNHCR, "A Practical Handbook for Improved Management: Livestock-Keeping and Animal Husbandry in Refugee and Returnee Situations", Geneva, August 2005 (also available in French.)
- World Food Programme, "Vouchers and Cash Transfers as Food Assistance Instruments: Opportunities and Challenges", 2008.

Minimum Economic Recovery Standards – Productive Assets

Standard 1: All Asset Programming

Asset programming responds to beneficiary needs without undermining local markets and addresses issues of transparency, equity, and longer-term impact.

Standard 2: Assets for Reviving Livelihoods

Programmes intended to help beneficiaries restart existing livelihoods enable beneficiaries to replace pre-existing productive assets and improve their economic capacity, without undermining the local economy.

Standard 3: Assets for Livelihoods Expansion and Development

Programmes intending to assist beneficiaries to expand or develop new livelihoods enable them to take control of their economic recovery and growth in order to improve their long-term economic circumstances and take advantage of new economic opportunities.

Standard 4: Asset Protection

Asset programming helps beneficiaries protect their existing assets from the impact of recent crises and increases beneficiary resilience to future crises.

B. Employment

Employment activities include initiatives aimed at creating temporary jobs, such as cash-for-work (CFW) programmes; promoting employability, such as vocational training programmes and apprenticeship programmes; and job creation programmes.

1. For-work programmes

Cash-for-work refers to short-term temporary employment remunerated in cash. CFW is often used in infrastructure reconstruction or similar temporary jobs such as harvesting, where labourers are paid in short-term intervals. The overall goals are to transition from dependence on aid to self-sufficiency, build assets and infrastructure, generate provisional employment rapidly and inject cash into the community. *Food-for-work* (FFW) refers to short, temporary employment, where workers receive up to 50% of their remuneration in kind. FFW can also be provided in the form of self-help activities, where workers are offered an incentive that can be entirely in kind.

Key considerations:

- **Cash is cost-effective** and has lower transaction and logistical costs than food-for-work (which has high transport costs, disrupts the existing food market, and can become a source of exploitation and dependence when there is no food emergency). Cash can be distributed by contracted institutions, such as local banks, money transfer agencies and post offices, or by the implementing agency if it has the capacity to do so.
- **Local markets should be capable of absorbing the increased demand** that will be caused by cash distribution without encountering shortages or inflation. Programmes should reflect long-term labour market needs. Participants should be developing skills that will be in continued demand in their community or in places of return or resettlement post-displacement.
- **Wages** should be set based on the legal minimum wage, cost of living and market indicators. Women and men must be paid equal wages for participating in for-work programmes, even though this may not be a local practice.
- **Ensure safety** when distributing cash, vouchers or food, and mitigate risks of SGBV. Ensure that the rapid infusion of cash or increased demand for goods will not fuel conflict within displaced communities or with their host community, or exacerbate existing armed conflicts. Ensure that CFW projects also respond to host community needs (e.g., infrastructure).

- **Community involvement:** the design of for-work projects is location-specific, and cannot be duplicated from one location to another. The local community should be involved in planning and administering for-work projects. Pay proper attention to gender, age and ability when selecting and working with participants.

Resources

- Women’s Refugee Commission, “Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings”, 2009, chapter on For Work Programming and Building in Camp Economies, pp. 56 – 113.
- World Food Programme, “Vouchers and Cash Transfers as Food Assistance Instruments: Opportunities and Challenges,” 2008.

2. TVET, apprenticeships and job placement

Displacement situations can lead to the depletion of human capital and the erosion of skills. Training and placement programmes can facilitate sustainable livelihoods by providing refugee populations with the practical tools needed to boost their human capital and avail themselves of economic opportunities.

Technical and vocational education and training (TVET) projects—formal training for occupational skills development—should be followed by either apprenticeships or job placement assistance to ensure that participants apply the skills and knowledge gained in training. Apprenticeships, however, can be offered independently of TVET programmes, can provide on-the-job training and may enable displaced people to enter the labour market while not necessarily providing income at the outset. Job placement projects create and use networks with private enterprises and public services to help refer and place participants into jobs where they can use the skills they have acquired through TVET or apprenticeships. Refugees can also be referred to specialised job-placement agencies.

Key considerations

In order to be successful, TVET, apprenticeship and job placement projects for displaced people must include these essential elements:

- **Create demand-driven skills training** with strong links to market needs. Building on market assessment, programmes must produce graduates with marketable skills that will meet labour demands in the communities where they currently live or are likely to live. Attainment of employment should be the main objective.

- **Identify innovative and new markets for occupations.** Identify new and growing markets when designing training and placement programmes for participants. This can reduce market saturation in common trades and may create more jobs with longevity and higher earning potential.
- **Ensure the involvement of participants and the community.** When choosing which training courses or apprenticeship programmes to offer, it is important to survey the interests, existing skills and desires of trainees, and to learn what skills community members perceive as particularly valuable. The most effective training and placement programmes include a career counselling component that ensures participants have a clear understanding of the occupational options available, job opportunities for each occupation and their earning potential.
- **Ensure the transparent selection of participants according to their level of access to market, education and motivation.** Efficient announcement of training and transparent selection of participants can prevent potential misunderstandings about favouritism and reduce tension within the displaced and local communities. Any training and placement programme that assists the displaced population should also attempt to assist the local population, as it may ease local employers' concerns that the placement programme poses threats to the employment needs of the local population. The selection of participants for training programmes should be based upon their education and motivation, as well as an appropriate level of access to the market. For participants who are marginalised and/or have little market access, programmes should make provisions for their specific needs to ensure their access and participation.
- **Ensure adequate duration of training and apprenticeships to acquire competency.** Programme length should be conditional on the time it takes to master a skill in order to be competitive in the job market. Programmes that are relatively short-term (up to three months) may not impart adequate skills and knowledge necessary for viable livelihoods. Yet extended training can inhibit trainees from completing programmes, as the time spent in training often prevents income generation.
- **Provide preparatory skills training.** When necessary, participants should be further prepared for employment through the provision of employment readiness and life skills training, which may help vulnerable groups and individuals with no previous education or training to compete in the labour market. This is particularly important for young members of the community or those who have grown up in conflict settings.
- **Support trainees' interest in entrepreneurship.** Trainees interested in starting their own small businesses will require training in small business management, along with a loan and/or seed grant, and eventually access to savings and credits, to cover their

start-up and running costs until they establish themselves in the market. If these small businesses are successful, they could in turn provide apprenticeship opportunities for future trainees in occupations where labour market demand is high.

- **Build upon and develop partnerships with existing initiatives.** Rather than creating parallel services, whenever possible, existing TVET, apprenticeship and job placement initiatives within the community— whether locally led or implemented by the public or private sector, or NGOs— should be built upon and further capacitated.
- **Adopt a gender-sensitive approach.** Interventions that target women need to recognise their often already overwhelming workloads and household responsibilities, and try to avoid imposing further burdens on them. Based on discussions with the community, consider supporting women with access to child care or flexible work hours to accommodate their responsibilities.
- **Advocate to facilitate the recognition of diplomas, professional certifications and skills,** for refugees to be able to practice their profession as teachers, doctor, nurse, engineer or other jobs. Advocate for partners, local institutions to hire refugees with qualifications, in order for them to enhance their experience and not to lose their skills.
- In increasingly knowledge-based societies, **highly qualified individuals are needed to sustain durable solutions,** be it local integration, reintegration or even resettlement, as well as reconstruction and peace. UNHCR should support tertiary education, through partnerships with universities to facilitate recognition of diplomas and give access to higher education and professional institutions, partner with private sector and foundations to support sponsorship, and with students and academia networks for advocacy,



Chad / Carpentry training at the GTZ-UNHCR vocational training centre in Beureh village, southern Chad, where refugees and local youth can enroll in a 9-month programme / UNHCR / A. Rehl / 2010

Building skills and facilitating employment through Community Technology Access (CTA)

In Georgia, UNHCR supports 11 CTA centres to enhance access to education and livelihoods. The benefits include not only training in Information Technology (IT) skills for internally displaced and refugees, but also language classes, and better quality of education for children and youth who can attend complimentary classes. Members of the local communities can also access the computers and enrol in classes. For refugees and locals alike, IT skills are important assets for job-hunting at a time of economic hardship and high unemployment rates.

In a remote location such as Rwanda or Bangladesh, CTAs are powered with solar panels. In Rwanda's Kiziba camp, the centre gives refugee students access to IT literacy and other computer-based skills that are part of the formal and national Rwandan curriculum. Vocational training is also provided through the centre to adults and youth who have dropped-out from school during non-schooling hours.

Supporting tertiary education and professional skills development

UNHCR provides a limited number of scholarships for refugees at the tertiary level in universities and polytechnic institutions through the Albert Einstein German Academic Refugee Initiative Fund (DAFI), funded by Germany. The purpose of the DAFI Programme is to contribute to the self-reliance of refugees by providing them with a professional qualification for future employment. DAFI Scholarships are granted only for studies in the country of asylum, in developing countries with a significant refugee population, mostly in Africa and Asia. For professions in high demand such as communication technology, medicine or education, many refugee graduates have succeeded in securing employment and permanent residence permits allowing them an interim solution, as long as full naturalization is not available. In Zambia, where 50 students are currently benefiting from a DAFI scholarship, the Zambian Government has provided permanent residence and work permits to skilled refugees

Resources

- Women's Refugee Commission, "Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings", 2009, chapter on Training and Placement Programmes, pp. 28-55.
- INEE, Minimum Standards for Education: Preparedness, Response, Recovery.2010 (<http://www.ineesite.org>)
- INEE, Guidance Note on Teacher Compensation, 2010.

Minimum Economic Recovery Standards - Employment

Standard 1: Decent Employment

People have equitable access to decent work opportunities with fair remuneration and in conditions of freedom, equity, security, and human dignity. These employment opportunities should not jeopardise the resources they need for their livelihoods.

C. Enterprise development

Enterprise development is focused on strengthening both the existing and growing private sector in order to enhance local economic development and expand job creation. This kind of intervention also lays the foundation for displaced people to develop their **business skills** and rebuild their income sources through strong, vibrant enterprises linked to markets. It can involve directly supporting businesses, but also refers to interventions that help an entire market system or value chain function more effectively, and enables beneficiaries to raise their incomes.

Key considerations:

- **Regulatory framework for enterprises:** Identify specific legal constraints associated with business creation and management by refugees, and try to address them with relevant authorities. If informality is widespread and tolerated in the environment, link up with other agencies to support advocacy and promotion of more formal structures.
- **Create horizontal and vertical market linkages:** Enterprises are part of larger market systems and require access to a range of products and services in order to succeed, as identified in market and value chain assessment. Transport, finance, storage, packaging, communication and repair services are examples of business services that an enterprise may require to be successful.

- **In a camp**, relief substitution can help diffuse cash and provide skills development and economic opportunities. Encourage production of tools, soap, clothes and other products and services identified by the community as fitting their needs. Battery chargers, mobile phone use or money-exchange services are also examples of spontaneous entrepreneurial activities matching local needs. For long-term sustainability, programmes should be creative in identifying niche markets: be aware of a potential backlash following the end of a “relief boom”. Areas such as production of efficient stoves, provision of technology services (internet cafes), outsourcing IT services to external markets, and solar tea stalls have proven innovative and profitable. Support to livestock breeding as an economic activity can also be considered.
- **Entrepreneurship training is essential to enterprise profitability.** Supporting income-generating activities alone is not sufficient to help refugees achieve sustainable livelihoods. Business skills development is also needed to help refugees start, sustain or expand businesses and ensure that seed funding or loans yield positive results. **While not all refugees engaged in entrepreneurship training will launch a new business, they will have acquired new skills and attitudes that are important assets to have in a new environment, and to successfully shape household and individual livelihood strategies. Online learning and access to business information can be explored through CTA. Partnership with ILO – Start and Improve your Business Programmes - is key to ensuring quality assurance and capacity building.**
- **Access to credit and financial services:** It is preferable for businesses to have access to credit to purchase necessary equipment, regulate their cash flow and to expand their businesses, but in-kind grants can be a substitute if microcredit or other financial services are not available, and can be used as a means of preparing new entrepreneurs to access financial services.
- **Women’s entrepreneurship development:** Women face greater barriers in starting or developing their businesses because of constraints in accessing credit, training, information on business opportunities, support programmes, supply and market networks. They might also face difficulties in mobility due to socio-cultural obstacles. Entrepreneurship development activities therefore should be designed in a flexible and creative manner to address and include women. UNHCR’s approach should not be women-specific, but gender-sensitive, and should not inadvertently alienate men. Livelihood programming should include men while prioritising women, to ensure their support for the projects and prevent negative consequences of the transformation of gender roles.

Entrepreneurship opportunities

In June 2011, UNHCR Cameroon launched with its partner the first Entrepreneurship Development workshop involving 18 urban refugees in Yaoundé in June 2011. The initial objectives of the programme consisted in boosting the capacities of urban refugees who graduated from a local vocational training programme run by UNHCR partner and accredited by the Ministry of Employment and Vocational Training, in sectors such as fashion design, hairdressing, mechanic, hospitality and catering. The programme is designed to increase their business and management skills, and generate new micro businesses owned and managed by refugees. Beneficiaries are young and women between 18 to 40 years old.

Activities focus on sensitization to entrepreneurship as the solution to create self-employment, trainings in business development, mentoring and microfinance. A start-up kit in kind composed with necessary equipments needed in each line of business is part of the seed capital support.

UNHCR involved many partners, including Youth Business Cameroon, an ILO/UNDP accredited Entrepreneurship Training provider, and Adventist Development Relief Agency in charge of monitoring and microfinance.

Following the first training, participants created joint micro ventures, partnering in small groups. Less than 6 months later, 5 micro businesses had been set up, generating new jobs for 15 refugees.

Resources

- Women's Refugee Commission, "Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings", 2009, chapter on Enterprise Development, pp. 190 – 221.
- Women's Refugee Commission, "Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings", 2009, chapter on Building in Camp Economies, pp. 56 – 113.
- ILO, "Start and Improve your Business Programme". www.ilo.org/siyb
- ILO, "Women's Entrepreneurship Development (WED) and GET Ahead for Women in Enterprise Training Package and Resource Kit", 2004. www.ilo.org/wed

Minimum Economic Recovery Standards – Enterprise Development

Standard 1: Understanding Market Risks and Returns

Enterprise development activities are based on periodic market assessment and carried out with an understanding of profitability, the enabling environment, and potential returns and risks.

Standard 2: Sustaining Programme Impact

Organizations design and implement enterprise development activities with long-term sustainability in mind.

Standard 3: Supporting Viability and Growth of Enterprises

Programmes address critical needs for enterprise viability and growth.

D. Financial services

Microfinance is the provision of financial services such as savings, credit, money transfers and micro-insurance to economically active poor and low-income people. People living in poverty, like everyone else, need a diverse range of financial services to run their businesses, build assets, smooth consumption, and manage risks.

Microfinance has the potential to be a powerful tool for supporting livelihoods among refugee populations, if and when the minimum conditions exist²⁴. Through the provision of much-needed financing for livelihood activities, microfinance can lead to increases in household income and build economic self-reliance. While increased earnings are by no means automatic, reliable sources of credit provide a basis for planning and expanding business activities, which can help refugees better manage their cash flows. In addition, access to a variety of *financial products* such as savings schemes, loans for learning or training, insurance and remittances can help reduce the target population's risks by helping them diversify their income sources to meet basic needs and cope with economic shocks. *Access to finance* has the potential to help refugees and their host communities.

24 Investing in Solutions, chapter 3, when is microfinance an appropriate tool.

Depending on the demand and supply of financial services in a particular setting, microfinance intervention can take two forms:

1. Indirect: UNHCR's support through advocacy and networking.
2. Direct financial support to an institution either to contribute to its loan capital and/or build its capacity to deal with refugees.

Key considerations

- **Is microfinance an appropriate tool?** Certain minimum conditions must prevail. Relative political stability, local market economies based on cash transactions, economic activity and the demand for microfinance, and the existence of specialised financial institutions (MFIs, banks, cooperatives...) are *sine qua non* conditions for a microfinance intervention.
- **Undertake a full market assessment:** First, the policy environment should be analysed; second, the target market identified and household profiles determined; third, demand for financial services among the target population characterized; and last, supply of financial services mapped. The market assessment will provide detailed information on the key opportunities and challenges in the market and any gaps where a UNHCR-supported microfinance intervention could add value. It should also provide a good picture of the key stakeholders in the market and opportunities for potential collaboration.
- **Do no harm:** A microfinance intervention is supposed to reduce the vulnerability of the targeted population. Badly designed interventions can be the cause of increased vulnerability due to indebtedness. Better not to include a microfinance component than to include one that is poorly designed.
- **Financial education** will promote savings and encourage the use of safe financial services and better management of a household's incomes and expenditures. It may also help to discuss within the household the management of and control over resources, especially between men and women. Sometimes refugees receive remittances from abroad, which is an important source of funds. These transfers are used for daily subsistence needs, health care, housing, and sometimes education, as well as paying off debt, or investing in rebuilding assets. Inform refugees about accessible financial services and encourage them to use part of their remittances for a productive purpose.

- **Sustainability:** Identifying the right partner financial institution is critical. It should be a strong local microfinance provider who, with the proper support, has the interest in and capacity to provide sustainable access to financial services to the target population.

Promoting Existing Structures in the Gambia

In the Gambia, UNHCR cooperates with the National Association of Cooperative Credit Unions of the Gambia (NACCUG). As the umbrella organization for credit unions in the Gambia, NACCUG has an extensive nation-wide membership, and its financial services include savings mobilisation and loans. The project implemented with NACCUG is aimed at facilitating Liberian and Sierra Leonean refugees' access to microfinance services and providing capacity building trainings on income generation activities. The objective is to enhance the targeted refugees' livelihoods and their prospects for local integration. Through sensitisation, the target population is encouraged to register with the credit unions, which gives them access to financial services such as savings mobilisation and credit. Training on financial education and entrepreneurship provides the refugees with enhanced skills that help them pursue entrepreneurial activities.

Resources

- "Investing in solutions: A practical guide for the use of microfinance in UNHCR operations", UNHCR, 2011.
- Consultative Group to Assist the Poor (CGAP). <http://www.cgap.org/p/site/c/home/>
- MixMarket, the first source of financial and social performance data. www.mixmarket.org
- The Microfinance Gateway, <http://www.microfinancegateway.org>

Minimum Economic Recovery Standards: Financial Services

Standard 1: Demand for Financial Services

Financial services are initiated or reinstated as soon as client demand and institutional capacity are present and verified.

Standard 2: Institutional Capacity to Deliver Appropriate Financial Services

Financial service interventions are based on the capacity of the financial service provider.

Standard 3: Good Financial Services Practice

Financial service providers adhere to good, accepted financial service practices.

Standard 4: Client Protection

Financial service providers adhere to accepted norms for client protection.

Standard 5: Institutional Crisis Planning

Financial service providers have policies in place to protect the organization and clients from effects caused by crisis.



Rwanda / Kiziba Camp / Young women and men can learn computer skills and access distance learning programmes in the Computer Technology Access (CTA) centers / Jesuit Refugee Services / 2010

II. ADVOCACY

The *right to work* is a human right established in the Article 23.1 of the *Universal Declaration of Human Rights* and in the Article 6 of the *International Covenant on Economic, Social and Cultural Rights*. It allows men and women of all ages and backgrounds to live in dignity, free from discrimination, and to become self-reliant. The right to work includes refugees according to Articles 17, 18 and 19 of the 1951 *Geneva Convention*.

A. Challenges

Advocacy and awareness raising activities are an integral part of a comprehensive strategic plan for livelihood support. UNHCR's advocacy strategy aims at addressing *right to work* and legal issues at the national level, especially in relation to documentation, access to services and programmes already available for nationals.

Host governments might be reluctant to support livelihood interventions benefiting refugees because they may fear livelihood interventions will create "pull/stay factors," and/or promote "local integration" above other durable solutions promoted by the government (resettlement, repatriation).

Host governments and donors may see livelihood support as development interventions, whereas refugees and IDPs are regarded as a "humanitarian concern" to be managed by humanitarian agencies like UNHCR. Governments might resist including refugees in their development agendas and exclude them from local/national recovery, poverty reduction, and development plans.

Without access to legal employment, however, refugees are more likely to resort to **negative coping strategies** such as crime, sex work and unsafe labour in the informal sector, all of which substantially increases their vulnerability, while reflecting negatively on the refugee community as a whole. Moreover, if and when forced to operate outside the law, with no access to capital and no way to prosper, refugees will create or participate in a parallel economy that does not facilitate local economic development through the collection of taxes, business registration fees, etc.

Advocating for the right to work is therefore a core protection activity for UNHCR in its efforts to promote compliance with refugee law and ensure equal access and enjoyment of rights to asylum seekers and refugees. Advocacy should target the host government, key institutions (such as financial institutions), the private sector, media and civil society, UN developing agencies, humanitarian actors, local communities and refugees.

Advocacy and awareness-raising are also fundamental in **urban areas**, where most, if not all, of the economic opportunities are linked to employment, whether formal or informal. UNHCR's policy on urban refugees underlines the Office's responsibility in "*exploring every opportunity to encourage the authorities to be more flexible in the legalisation and to facilitate the economic activities of urban refugees (...) UNHCR will place a high priority on establishing an environment which is amenable to urban refugees to establish sustainable livelihood*".²⁵ UNHCR's role as coordinator and facilitator of livelihood initiatives in urban areas within a wider pool of actors needs therefore to be reinforced. Practical guidance on how to develop and implement an advocacy strategy to support the right to work is available for UNHCR staff.²⁶

B. Advocacy Objectives

Overall UNHCR advocacy objectives in support of livelihoods are:

- Achieving the right and access to work;
- Attaining access to livelihood assets (e.g., land);
- Reducing discrimination and exploitation;
- Promoting favourable work conditions;
- Eliminating parallel systems;
- Strengthening national programmes; and
- Promoting social cohesion between refugee and local communities.

C. Key Messages

Any successful advocacy strategy must be built around a few key messages. In the context of livelihood development for refugees, the key messages are:

- **Livelihoods promote durable solutions** by increasing the economic capacity of refugee households, particularly in preparation of repatriation. Refugees, who can build and protect their livelihood assets, are more able and more likely to return to their home countries when it is safe to do so. Having a livelihood means being able to pay your way home!

25 UNHCR Policy on Refugee Protection and Solutions in Urban Areas, September 2009, para. 104, page 17.

26 "Advocating for the Right to Work: A Practical Guide", OSTS, UNHCR, 2011.

- Allowing refugees to work **enables international assistance to be used in a different way**. Instead of providing refugees with subsistence allowances in cash or kind, donor funding can be used to improve and expand **economic opportunities for both refugee and host communities**, through upgrading vocational training centres, supporting existing micro-finance institutions, etc.
- **Livelihoods promote the use of skills and assets** which in turn helps to preserve them and can thus prevent households and individuals from slipping into poverty. Refugees who are able to pursue their own livelihoods have their dignity and independence restored, are better able to support themselves and their communities and ensure their own protection. Enabling their economic success also strengthens the communal safety net they provide for other refugees, and **minimises the risk of negative coping mechanisms** that may include illegal trading works (prostitution, exploitation, child labour, drug trafficking, human trafficking, petty crime, etc). This is particularly true for groups with specific needs or at heightened risk, e.g., women, children, youth, persons with disabilities, Lesbian, Gays, Bisexual and Transsexuals (LGBT), and older persons.
- **Livelihoods boost the local economy**. Economically active refugees and asylum seekers with access to the **formal labour market** can become “*agents of development*” and contribute to local development. Refugees possess skills and abilities that can help to fill the needs and gaps of local markets. Micro-entrepreneurs, small business owners and vendors can make significant contributions by expanding available services, introducing new skills and even hiring others. When refugees have income, they spend money on food, shelter, transportation, health care, education, clothing and entertainment. Data on household cash flow shows that refugees purchase goods and services from local traders, money-lenders and service providers, thereby stimulating the local economy.²⁷ Remittances from family members home or abroad are also spent in local markets.
- **Livelihoods benefit local populations** and therefore address host governments’ and local populations’ concerns (economic competition, pressure on resources, etc.) about the presence of refugees in their communities and improve the asylum environment.

A project in Afghanistan provides a clear example of livelihoods benefiting both returnees and the local community in which they live.

27 Evidence of this is in the livelihoods assessments from Egypt and Yemen (see Bibliography).

Benefiting both returnees and local communities: Beekeeping in Afghanistan

UNHCR and other agencies have been undertaking income generation activities to address livelihood problems of returnees and support their reintegration and sustainable return. In 2006, UNHCR launched an income generation project of beekeeping training and honey production in Laghman and Nangahar provinces. As the initiative was very successful, UNHCR implemented similar projects in 2008, this time targeting different areas. At the end of the project, each beneficiary receives beekeeping kits and four bee boxes, and each village has one honey production machine. After the completion of the project, UNHCR's implementing partner, the Afghan Agency for Integrated Development (AAID) continues to follow up on monitoring and supervision to ensure that the beneficiaries can sustain proper honey production. AAID also supports beneficiaries in the marketing of their production.

The project not only helps vulnerable returnee families to have a regular source of income and to improve their livelihoods. It also contributes to the economy of the village as a whole. In turn, this positively impacts the sustainable reintegration of returnees in the community.

Source: <http://www.unhcr.org/4ad72cae9.html>

III. PARTNERSHIPS FOR IMPLEMENTATION

A. Implementing and Operational Partners

Livelihood support is a complex combination of economic and social interventions that require **dedicated expertise** and the **right choice of partners**. In most refugee operations, UNHCR lacks in-house expertise to work on livelihoods in general and on specific elements in particular, such as entrepreneurship building, vocational and technical education, cash-based responses and microfinance.

To increase UNHCR's capacity, field staff (Programme, Protection, Community Services and Field Officers) need to participate in *livelihood workshops and trainings* to gain basic knowledge of livelihood programming and to be able to identify and engage with partners that have technical expertise, such as:

- **microfinance institutions**
- **development agencies**
- **national technical institutions**
- **private companies**

It is important to look beyond "traditional" implementing partners (e.g., humanitarian INGOs), for example to local organizations, both to find this expertise and to foster partnerships that will be effective and sustainable in the longer term.

It is particularly important to recognise the distinct objectives and modus operandi of humanitarian organizations (short-term) and development entities (long-term), and respect their different mandates, roles and approaches. This is especially true of microfinance projects. In most cases where refugee organizations (NGOs or community organizations, COs) have tried to implement microfinance activities, these have been unsustainable due to short-term commitments (short programme and funding cycles) and lack of specialised expertise. By contrast, Microfinance Institutions, both public and private, non-governmental and for-profit, aim to create a broad range of financial services (including savings, credit and micro insurance) that remain sustainable over the long term.

Financial services therefore should be managed only by specialised institutions and planned as part of a broader, carefully targeted set of interventions that include or link with financial and entrepreneurship training in order to increase successful project outcomes. For more

information on assessing MFIs, see UNHCR Microfinance Guidelines (Investing in Solutions: A Practical Guide for the Use of Microfinance in UNHCR operations, 2011)

If “access to savings and credit” is identified as a need during a livelihood assessment and is one of UNHCR’s strategic objectives, the choice of an implementing agency should be based on a careful review of the institutions involved in financial services in the area. UNHCR’s engagement in such activities should not be considered automatic. In return areas in particular, there are no legal restrictions to returnees’ accessing financial institutions, and therefore no reason for UNHCR to partner directly with an MFI or bank, and provide the loan capital for returnees. UNHCR can however be engaged through exchanges of information about people’s needs, and propose **complementary activities** such as entrepreneurship training to reinforce the capacity of returnees to reintegrate successfully.

Support to market research for returnees

In Afghanistan, UNHCR supported a sampling survey of clients of financial institutions to determine the extent to which returnees have access to financial services. The survey was carried out by two experienced microfinance NGOs in four of the country’s major cities. The results showed high rates of return on loans among the sampled clients, the majority of whom were women. Loans were used in a wide variety of sectors, mostly supporting micro-enterprise and trading. The information from the survey has been widely disseminated by UNHCR to demonstrate the success of microfinance in supporting refugee reintegration and the national strategy of mainstreaming returnee needs into national programmes.

Given the wide range of actors in refugee operations, it is important to consider the potentials and benefits that *operational partnerships* can provide, with entities that can deliver services to PoC on their own terms, outside of a formal sub-agreement with UNHCR. This leaves other opportunities for UNHCR to invest its funds in activities that are equally needed, but for which there are no service providers in the short- to medium-term.

During the strategic planning exercise, relevant stakeholders (governments, donors, IPs, refugees, COs) should be encouraged to present innovative ideas for reorienting or expanding livelihood opportunities and identifying new partners, and to communicate any challenges they meet in their work.

Selection criteria for partners to implement self-reliance projects include the following:

- Status of the organization (is it registered/authorised to work in this area?)
- Reputation of the organization (is it likely to have a good relationship with the communities with which it will be working? Does it have a good track record for sustainable initiatives?)
- Experience of the organization (does it have experience with refugees/returnees and host communities?)
- Capacity of the organization (does it have effective administrative and financial control systems in place?)
- The organization's approach (does it have the vision, objectives and strategies necessary to work effectively with refugees/returnees and local people, and support their ambition for self-reliance? Is it efficient, with relatively low overheads for work undertaken in the field?)

B. Community Organizations and Local NGOs

UNHCR often partners with *Community Organizations* (CO), both local and refugee-run, some of which may be registered with the government, others not.²⁸ While COs often lack capacity and resources, they are closely linked to the host community, and are able to articulate refugee needs and offer opportunities to link up with the local community and with government structures. Examples of community-based activities include efforts to secure housing tenure, and community groups and associations acting as local decision-making bodies. Those groups and associations may potentially become UNHCR IPs to promote specific activities such as job placements and employment services.

Local volunteers and community leaders are well placed to identify job opportunities within their own network or use local channels (newspapers, job sites) to find vacancies. They can function as middlepersons (brokers), and help to convince potential employers to hire refugees. They can also advocate and monitor fair treatment and non-exploitation.

²⁸ In Cairo for instance, there are currently seven COs working with UNHCR, only two of which are officially registered with the responsible Ministry of Social Solidarity.

CO and job placement

In Kuala Lumpur, Malaysia, the *Kachin Community Organization* recommends its members to potential employers and serves as a guarantor (build relations of trust). The *Bless Community* has been working with Myanmar refugee communities (in teacher training and school feeding programmes) and is currently conducting small scale job-placement for refugees in addition to social activities for refugee children. They also wish to engage in *income generating activities* for women. Provided they receive some capacity building support, this CBO would be a good implementing partner for UNHCR.

Source: UNHCR Malaysia 2008, "Livelihood Assessment Among Urban Refugees and Asylum Seekers in Malaysia."

One way in which CO know-how may be progressively utilised in the future is through *community-based financing schemes* that enable refugees to access cash. In India and elsewhere, many low-income groups manage collectively organized credit cycles or saving schemes at village level. Many households participate in these schemes, which raise substantial sums pooling small amounts of money on a monthly basis. The pooled money is redistributed regularly to one or two participating households at a time, and the scheme continues until every household has had its turn of being paid from the common cash pool. This system requires high levels of trust and responsibility as well as good organizational and management skills. At the same time it builds up these attributes through "learning by doing". Apart from increasing financial capacity, community-managed schemes such as this one contribute to social cohesion and the building of reliable social networks.

Community-based microfinance

In Ecuador, the Catholic Union supporting Community Development (UCADE in Spanish) oversees a network of leading institutions in the microfinance field, providing financial services to entrepreneurs in order to ensure their economic growth and improve their quality of life. Through their "Solidarity Women Programme" they offer community-based loans to groups of women in poorer parts of the country. Loan proceeds are used for businesses in the following sectors: production, agriculture and the service industry. Since 2003, over \$340,000 has been given out in loans to refugees, with a repayment rate of 95%.

Seed funding to enhance community self-reliance

In 2009, UNHCR-Malaysia established the Social Protection Fund (SPF) as a way to help refugees improve their situation. Refugee CBOs or self-help groups submit proposals for small, time-bound grants (maximum 12,000 MLR, or about 4,000 USD). To date these have included small-scale income-generating activities (e.g., an IT training centre, a baking cooperative) as well as other initiatives focusing on health, education, shelter and fostering improved relationships with the host community. By working directly through refugee CBOs, UNHCR is helping to empower them to run their own projects and build skills such as management and planning. Initiatives like the SPF also have the potential to improve the relationship between UNHCR and refugee communities by demonstrating concrete contributions by the agency towards projects that refugees themselves have identified as priorities. Such programmes also have important protection aspects: for example, as part of SPF, some refugees have been able to open bank accounts, via letters of introduction from UNHCR, thus enhancing their financial security.

Good **communication and transparency** are key aspects of working with refugee leaders and COs, both on the promotion of self-reliance in general and on livelihood issues in particular. An example from New Delhi illustrates one way in which UNHCR has approached some of the challenges of transitioning to a social protection model.

Communication with Refugee COs and Leaders

UNHCR's open house meetings with each of the refugee groups, meetings with community leaders, staff availability at the Women's Protection Clinic and weekly rotation at implementing partner staff offices have improved understanding about the services available as well as about the resettlement process. This increased transparency has, no doubt, helped refugees recognise that developing their skills and earning incomes does not negatively affect the chances they may have for resettlement. So, while initially resistant to the changes implemented, the new approach appears to have changed refugees' attitudes and expectations and has allowed UNHCR to serve larger numbers of refugees and tailor its assistance based on refugees' vulnerability and need.

Source: WRC, July 2011, p. 8.

C. Private Sector

In most cases, neither UNHCR nor its implementing partners have the technical expertise or manpower to set up “stand alone” production chains or business projects, such as the local production of sanitary wear, soap or school furniture. It is therefore worthwhile exploring linkages and identifying partnership opportunities with the corporate world in support of such and other enterprises. There is much scope for exploring new and creative partnerships with profit-oriented and commercial institutions and companies in the private sector. Doing so will increase UNHCR’s implementation capacity and can also help with hands-on monitoring and evaluation.

A number of corporations have established foundations and assist refugees and displaced populations through their *Corporate Social Responsibility (CSR)* programmes. UNHCR’s *Private Sector Fundraising (PSFR)* works with a large number of foundations and international companies. According to Nike’s CSR website, for example, the company is a founding member of the *UNHCR Council of Business Leaders*, which includes representatives from Manpower, Microsoft, PWC and Merck, and whose goal is to leverage their business skills to support the office in its efforts to become more effective and better resourced in addressing the needs of refugees.²⁹

Many CSR activities are aimed at refugees in camps, and promote specific activities related to the corporation’s interests (such as sports development by NIKE or IT projects by Microsoft) but some national companies also promote social entrepreneurship and recruitment that is broad enough to include refugees and asylum seekers. As part of a livelihood strategic plan, UNHCR should increasingly approach corporations with CSR projects in view of initiating *social entrepreneurship* and livelihood activities in areas hosting refugees (see examples below) targeting both the local poor and refugee communities.

29 http://www.csrwire.com/press_releases/24977-Nike-Celebrates-Partnership-with-UN-Refugee-Agency-and-Other-Companies-to-Support-Refugee-Youth, accessed December 9, 2010.

Recruitment by Private Companies

In Argentina, UNHCR and partners signed a Memorandum of Understanding (MOU) with private entities promoting the concept of “first employment”. This MOU offers refugees and asylum seekers the opportunity to receive training from partners and afterward, access to employment in local restaurants in the city of Buenos Aires. Since this first MOU was signed, in 2009, additional agreements have been signed with other businesses, including a consortium of carwash companies and the ACCOR group of hotels.

In South Africa, the temporary recruitment agency Manpower has played an innovative role in finding employment solutions for refugees, as a result of their commitment to neutral and fair evaluation of competencies and placement. South Africa has an enabling policy of promoting inclusion for South African disadvantaged, whilst maintaining open doors for refugees from neighbouring countries. However, the law strongly privileges the native workforce. Manpower has been able to identify areas of the labour market that have a shortage of local talent, and to match skilled refugees with those opportunities. Due to its extensive network of clients, Manpower is well placed to know which companies are most receptive to employing refugees, and which are not. Manpower is actively engaged in regional and global-level dialogue with UNHCR and with NGOs to seek ways of assisting in the economic integration, or in resettlement of refugees around the world.

Source: Communication from Manpower, 2011.

Social Entrepreneurship development

In 2009, a new contract modality was developed between UNHCR and a private social enterprise, Hathay Bunano. The enterprise was already well established in Bangladesh, with a network of over 30 rural co-operatives, employing women to produce hand-crafted items for an international children’s toy and clothing market. The project, funded through the *Women Leading for Livelihoods* initiative, enabled UNHCR to make a financial contribution towards the expansion of Hathay Bunano’s production centres in refugee-hosting areas, on the agreement that the enterprise will hire refugee women to work alongside women from the host community. UNHCR’s initial investment helped to create five new centres, employing 530 women, either part or full-time, 43% of which were refugees. Women were able to acquire new skills whilst earning safe and predictable incomes and strengthening social ties with one another. The profitability of the enterprise has ensured that UNHCR’s initial investment was a one-off payment.

Private MFIs can also play an important role in providing technical expertise and *access to capital* to meet the specific needs of refugees seeking financial services for their business activities. UNHCR's role in such cases may be primarily one of awareness raising, training and facilitating the relationship between the MFI and persons of concern.

Helping to Remove Perceived Risks Among MFIs

UNHCR Jordan entered into a project agreement with MicroFund for Women (MFW), a well known Jordanian MFI, to facilitate access to and use of loans to Iraqi and national female refugees. The project was meant to address MFW's reluctance to serve this population, whose mobility and weak social ties were perceived to present a greater risk than the usual MFW clientele. The two parties agreed to define the target population as Iraqi women with significant ties to Jordan: long term stay, official asylum seeker status, marriage with a Jordanian national, and to provide preparatory support such as information sessions and business training to help better manage their business and future credit obligations.

One of the underlying goals of this project was to build the MFI's capacity to assess and mitigate the risk of working with refugee populations, without the need for a guarantee fund, so that access to financial services would continue to be available for refugees beyond the life span of the project. In order to ensure buy in and ownership by the MFI, UNHCR support to MFW was limited to financial contributions toward the costs of the new lending window, the costs of an awareness raising campaign among the refugee population about benefits of access to financial services, and the delivery of business training. The loan capital, however, came entirely from MFW.

Source: UNHCR Investing in Solutions: A Practical Guide for the Use of Microfinance in UNHCR operations, 2011

D. National and Public Institutions

National and public institutions, such as national banks, training centres, universities, chambers of commerce, labour and trade unions and others are potential partners in livelihood development and can be instrumental in increasing refugees' human and social capital.

Working with banks to enable refugees to gain access to their services has been successful, among other places, in Costa Rica and Venezuela.

Access to National Banks

Refugees have access to credit to facilitate their integration in Costa Rica. In 2005, the Constitutional Chamber of the Republic of Costa Rica ruled that the rejection of a Colombian refugee's 2003 loan application was discriminatory and violated his rights. The Chamber declared that refugees are entitled to receive credits from national banks, noting that they are considered temporary residents in Costa Rica under the country's migration law.

Source: <http://www.unhcr.org/427f76712.html>

Microfinance Programme

Banco del Pueblo Soberano is the main public microfinance institution in Venezuela. It helps refugees with low-interest loans to set up small businesses in agriculture, fishing, farming and small-scale manufacturing. These loans are also granted to Venezuelans in host communities. During 2008, 120 people benefited from loans, of whom 42 were asylum seekers and refugees. As a governmental institution, BPS has served as a bridge for the resolution of other problems that refugees and asylum seekers face. For instance, BPS lobbied financial institutions to allow refugees and asylum seekers to open bank accounts and perform financial transactions with their temporary IDs. This initiative has helped sensitise key institutions (banks, public registries, etc.) to the problems refugees and asylum seekers face.

Source: <http://www.unhcr.org/4ad7331d9.html>

Given their commitment to uphold workplace rights and improve working conditions for all, labour unions could be important partners of UNHCR in addressing refugee livelihood issues. This is already happening, for example, in Brazil.

Labour Unions

Serviço Social do Comércio (SSEC) and Serviço Nacional de Aprendizagem Industrial (SENAI) are two public institutions sponsored by the Chamber of Commerce with branches throughout Brazil. Both offer short, relevant vocational training courses. SESC focuses on the health and human services sectors (including child care) while SENAI specialises in industrial trades. SESC in San Paulo has signed an MOU with UNHCR and has developed a training module to teach refugees the Portuguese language. This MOU is applicable to both asylum seekers and refugees and, in addition to dedicated training slots, also includes opportunities for social and cultural events, free internet access and reduced cost for meals provided during the training period. The trainings are very competitive and participants have a high probability of obtaining employment upon completion.

Academic and other learning institutions can be crucial partners in helping to secure refugees' *right to education* and their access to the schooling and training that are fundamental to sustainable livelihoods. Possible initiatives include seeking higher education scholarships for refugees at local universities or technical colleges, as UNHCR has been doing for many years with the support of the German Government³⁰.

This type of scholarship project for refugees may be extended to *Technical Education and Vocational Training* (TEVT) Centres. Local TEVT Centres are a good option for refugees, and offer an alternative to the creation of parallel services in which special courses are set up only for refugees. UNHCR's investment can benefit both refugees and the host population by supporting local centres in exchange for scholarships or positions for refugees. One recent example is the joint initiative undertaken by UNHCR and the NGO Intersos in Yemen, in which UNHCR paid for the upgrading of a Governmental Technical Institute in exchange for refugee places at the centre.

30 UNHCR provides a limited number of scholarships for refugees at the tertiary level in universities and polytechnic institutions through the Albert Einstein German Academic Refugee Initiative Fund (DAFI), funded by Germany. For more information, see <http://www.unhcr.org/pages/49e4a2dd6.html>

Memorandum of Understanding between UNHCR Yemen and the Ministry of Technical Education & Vocational Training (MoTEVT)

In 2009, UNHCR, Intersos and the Ministry of Technical Education and Training in Yemen entered a MoU under which it was agreed that UNHCR will provide funds to renovate and upgrade the facilities of two Governmental Technical Institutes by launching an *Aluminium Blacksmith* course; in return, refugees will have access to and be integrated into the training centres. It was agreed that 92 refugees per year over a period of 5 years (460 refugee students in total) would be given free access, and beyond this, refugees would pay the same as other students. In 2010, an extension of the MoU was signed between the same parties on the same basis to open a *Sewing & Cutting specialisation* course in Aden, allowing 5 women refugees per year to be included over a period of three years (15 refugee students in total). In 2011, a second extension of the MoU will allow more refugees to access to the Commercial Institute and Community College of the MoTEVT.

While encouraging integration, UNHCR recognises the increased burden this may create on public services, particularly when there are large concentrations of refugees in certain areas. UNHCR should discuss and identify with the government and/or municipalities what support is needed to increase the capacity of public institutions and improve the quality of their services. Such support can include provision of equipment and supplies, legal advice, support to information management, integration of government staff in relevant UNHCR workshops and trainings, and the deployment or temporary appointment of UNHCR staff in national institutions.

UNHCR may also facilitate access to **information sessions** on refugees' rights for national counterparts and civil servants in order to increase public services outreach to refugees. Support can also be negotiated with public institutions to develop specific services such as language and skills training, entrepreneurship building, financial literacy, business support services, job placement and apprenticeship schemes, legal aid and documentation services for work purposes that would serve both local populations and refugees.

E. Development Agencies

A number of UN development agencies, notably UNDP, IOM, and the ILO already support livelihood programmes. In some regions UNDP and UNHCR are already working on **joint strategies** to assist recovery processes in areas of return, or to implement joint refugee-hosting area programmes.

Collaboration to promote regional stability

UNDP and UNHCR are joining forces in Afghanistan to collectively improve the reintegration conditions for the more than 4.5 million refugees who have returned to Afghanistan. The two agencies will spearhead a collaborative design and implementation process coordinating the work of six key Afghan ministries and five UN agencies to improve reintegration of returning refugees. Donor resource mobilization, fund disbursement, implementation and progress monitoring against set benchmarks will be undertaken through a multi-donor trust fund.

The improved reintegration of returning refugees in Afghanistan will have a measurable multiplier effect. Through joint programming, the two organizations will improve the reintegration of people who have already returned voluntarily to Afghanistan, thereby promoting stability and sustainable return. Moreover, this will improve the absorption capacity for future returns as well as lessen the burden and strengthen asylum space in Afghan refugee hosting countries, and in particular, Afghanistan and Iran. In Pakistan, UNHCR and UNDP have been implementing a Refugee Affected and Hosting Area (RAHA) Programme with substantial donor support since 2009 under the “UN Delivering As ONE” initiative.

Transitional Solutions Initiative (TSI)

The benefits of investing in the self-reliance of people of concern to UNHCR are increasingly visible, not least in the strong partnerships that such strategies facilitate. In Eastern Sudan, UNHCR and UNDP have developed a Joint Programme to promote self-reliance among the long-staying refugees and the host communities around twelve camps. The programme revolves around microfinance, enterprise promotion and skills building. Three camps will be transformed into self-sufficient communities by the end of 2011, with more to follow in the coming two years. The UNHCR-UNDP Joint Programme is part of the overall Transitional Solutions Initiative (TSI) that builds on the multi-year self-reliance strategy for eastern Sudan developed in 2009. Under this framework, UNHCR cooperates with the Japan International Cooperation Agency (JICA) to provide refugee farmers with technical training in Abouda Camp, and with the World Bank to expand livelihood options for refugees, IDPs and host communities in Wadi Sharifey Camp and surrounding villages. The latter is a three-year project.

Joint assessments are often good entry-points for establishing the basis of longer-term collaboration between two agencies. For example, in Eastern Sudan, UNDP and UNHCR jointly funded a Microfinance consultancy under UNDP's *Livelihood and Sustainable Natural Resource Management Programme for Kassala* and as part of UNHCR's *Self-reliance Strategy*.

Interagency Cooperation to Define Livelihood Interventions

An area-based approach was applied by UNHCR in Eastern Sudan in partnership with UNDP to assess the microfinance options in two states (Kasala and Gedaref) where large numbers of refugees, IDPs, rural and urban poor have very limited access to financial services. The two agencies, together with the Central Bank of Sudan, commissioned a market mapping and a SWOT (Strengths Weaknesses, Opportunities and Threats) analysis of the microfinance sector. The study aimed to define the nature and components of future support of UNHCR and UNDP to strengthen the provision of microfinance in eastern Sudan. This initiative is part of a broader strategy for self-reliance and area-based development, jointly defined by UNHCR and UNDP.

In pursuing support for livelihoods, UNHCR should partner with other UN agencies depending on their specific focus or group; for example, partnering with the ILO to support microfinance or entrepreneurship projects.

Entrepreneurship Training

Small businesses created by refugees generate income for the refugee populations and create employment opportunities for local and refugee populations alike. Entrepreneurship, therefore, is an important enabling factor for social cohesion in refugee operations. Several pilot projects on entrepreneurship training were launched in 2009 in Bangladesh and in 2010 in Mali, Togo, Uganda, and Cameroon, through partnerships between UNHCR and accredited Entrepreneurship Training providers (national NGOs or business service providers). The ILO holds a list of Master Trainers in Entrepreneurship throughout the world, all of whom are trained in the ILO Entrepreneurship package that includes a range of modules tailored to different levels of need: Generate Your Business Idea, Start Your Business, Improve your Business. A training programme tailored for women in business is also available.

F. Coordination

Many agencies and donors launch livelihood projects requiring an efficient coordination mechanism that is critical to ensure complementarities among different partners and programmes. Coordination will prevent overlapping services and duplication of activities and improves joint planning, monitoring and evaluation.

If suitable coordination mechanisms are not in place, establishing a *Livelihood Coordination Group* will help to perform key tasks of facilitating exchange of information and lessons learned, ensuring consistency in designing, targeting and implementing the projects fundraising, monitoring and evaluations. A coordination body should consist of UN bodies, donors, government, implementing and operational partners.

Terms of Reference (TOR) can be suggested for a livelihood coordination group:

- Facilitate exchange of information
- Share experiences and lessons learned
- Ensure consistency in designing, targeting and implementing livelihood projects and programmes
- Facilitate inter-agency referral of beneficiaries to take advantage of complementary services
- Prevent duplication and overlapping services – the Coordination Group will consist of UN bodies, donors and NGOs
- Coordinate fundraising efforts
- Develop a joint fundraising strategy (see below)
- Advocate to approve and develop refugee laws and to include refugees in other UN/ bilateral livelihood development programmes
- Provide policy guidance for implementing partners with respect to poverty alleviation, food crisis response, and income/employment generation priorities
- Monitor the implementation of livelihood programmes/activities and evaluate progress, performance, synergies with other related activities and impact
- Harmonise reporting, evaluation and monitoring mechanisms to ensure efficient coordination among actors in all livelihood activities targeting refugees

Such coordination groups have been established in Jordan, Bangladesh, and Yemen.

An important part of coordination is the development, early on, of a *joint funding strategy*. Such a strategy can help ensure that UNHCR and its partners take the most efficient approach to finding and using scarce resources.

Key steps to develop a Joint Funding Strategy include:

- Maximise the use of existing resources
- Decide when you are ready to involve donors and technical cooperation agencies on the ground (the sooner the better)
- Agree on a common strategy and develop joint proposal for the promotion of self-reliance
- Start with local donors
- Seek alternative arrangements to ensure greatest funding flexibility and support
- Finalise operational arrangements including roles and responsibilities



Democratic Republic of Congo /
Repatriation / Congolese women formed
a cooperative after attending a business
training workshop organized by Women
for Women International in Uvira, and
are producing and selling handmade
cloth; "people come even from Bukavu
and Bujumbura to order from us" /
UNHCR / M. Hoferi / 2010

ANNEXES

ANNEX 1 – DEFINITIONS

Business Development Services (BDS)³¹

Business Development Services are designed to help micro, small, and medium-sized enterprises and cooperatives overcome barriers to increase profitability. This is done by improving their productivity and access to high value markets. In this way, they can create and sustain productive, remunerative and good quality jobs, as well as reducing poverty, and contributing to the development of local economies. These services include training, consultancy and advisory services, marketing assistance, information, technology development and transfer, business linkage promotion, and linkages to finance and financial services.

Coping Strategy

Coping strategy refers to the range of options available to respond to a shock using the capacities at one's disposal (productive and non-productive resources, human capital, income, and social capital) and the ability to use a wide range of assets. People affected by slow-onset disasters (food shortage/crises) respond with a progression of coping strategies, making use of all available options in as many ways as possible. Different wealth-groups in different areas can rely on different assets and capacities. This makes some wealth-groups more vulnerable to certain threats rather than others.

Graduation approaches³²

The original graduation approach was developed by BRAC in Bangladesh. Over the past five years BRAC's Ultra-Poor programmes have reached 800,000 households. Over 70% of them are expected to be food secure and manage sustainable economic activities. The graduation model targets the "ultra poor"—people who have no assets and are chronically food insecure. The BRAC graduation programme combines support for immediate needs with longer term investments in training, financial services, and business development so that within two years ultra poor people are equipped to help

31 ILO-Employment: Job Creation and Enterprise Development Programme, SEED.

32 CGAP-Ford Foundation Graduation Programme <http://www.cgap.org/p/site/c/template.rc/1.26.1467/>

themselves “graduate” out of extreme poverty. Adaptations of this approach are to be piloted in UNHCR operations in Sudan and in Yemen.

Household Economy Approach

The Household Economy Approach (HEA) was developed to predict the effect of a “shock” on people’s ability to maintain their income and to meet their survival and developmental needs. It is based on a quantitative and qualitative description of the economy of a defined population. It does not require an extensive survey, but relies mostly on key informant interviews and focus group discussions with individuals representing households from different socio-economic, or “wealth” groups. It uses a simplified data set, with only one “typical” household defined in each wealth-group. The standard HEA and its adaptations are used by governments, donors (e.g., USAID, DfID), NGOs and UN agencies to inform livelihood and food security programming (FEG Consulting and Save the Children, 2008).

Income Generating Activity (IGA) and Micro-enterprise

IGAs are the type of micro-entrepreneurial activities, especially in rural areas, referring to micro-entrepreneurial and subsistence-type self-employment. The income derived from IGAs usually supplements the main sources of household income. Income generating activities usually involve part-time seasonal activities, based on traditional technologies, local materials and local markets, often with limited potential for growth, and they predominantly engage only women (Dube and Koenig, 2005). They are usually confined to the informal economy.

Micro-enterprises are not seasonal by definition, and can be permanent and sustainable sources of income. The income derived from micro-enterprises can be the single or main source of income for a household. Micro-enterprises engage few (around five) permanent family workers, apprentices, or external workers. They can be based out of a home. They are a mix of traditional and ‘more modern but obsolete’ technologies. They often lack access to capital, have modest technical skills and limited management skills. They are linked with markets, serving those both local and nearby. Therefore they are often found in large villages, rural towns and urban contexts, and can be part of the formal economy.

Note: There does not appear to be an established definition that distinguishes IGAs from micro-enterprises as such. Micro-enterprises evoke a more durable and promising endeavour that responds to market opportunities and can sustain a household over time. For this reason, UNHCR will promote the use of the term “micro-enterprise” over the use of “IGA” as much as possible, to encourage staff and partners to think beyond

small, informal, temporary solutions and aim for quality and more sustainable results. For instance, a livelihood project that seeks to boost self-employment should aim to strengthen skills and assets for micro-entrepreneurs, thus linking micro-entrepreneurs with markets, resources, and skills; whereas a project that seeks to support IGAs will typically concentrate on skills-training and asset provision for a small number of people, with little consideration for longer-term market opportunities.

Livelihoods

Livelihoods comprise the capabilities, assets (human, natural and capital, financial, physical and social) and activities required for a means of living. Livelihoods enable individuals, households, and communities to cope with and recover from stress and shocks, maintain or enhance their capabilities and assets, and provide sustainable opportunities for the next generation. A livelihood is made up of the following attributes: the possession of human capabilities (such as education, skills, health and psychological orientation); access to tangible and intangible assets; and the existence of economic activities. Livelihoods are sustainable when they contribute net benefits to local and global communities and in the short and long-term.

Livelihood Outcomes³³

Livelihood outcomes are the achievements or outputs of people's livelihood strategies. We, as outsiders, investigate, observe and listen to the exact nature of the outcomes that people pursue – rather than making hasty judgements. In particular, we should not assume that people are entirely dedicated to maximising their income. Rather, we should recognise and seek to understand the potential of livelihood goals. This, in turn, can help us to understand people's priorities, why they do what they do, and where the major constraints lie.

Livelihood Zone

The Livelihood Zone is an area defined by common characteristics:

- Type of economic activities, wealth standard, housing density, security.
- Proximity to important economic, social or political elements such as markets, military units or industrial areas.
- Access to public services such as health, education and the public transportation system.

33 DFID (Department for International Development), Sustainable Livelihoods Guidance Sheets.

Microfinance

Microfinance is the provision of financial services to people with low incomes. Microfinance is broader than micro-credit, encompassing services such as micro-savings, micro-insurance, payment and remittance transfer services.

Micro-credit is the provision of credit services to low-income entrepreneurs. Micro-credit can also refer to the actual micro-loan. Micro-insurance is the protection of low-income people against specific perils in exchange for regular monetary payments (premiums) proportionate to the likelihood and cost of the risk involved. Micro-savings are deposit services that allow people to store small amounts of money for future use, often without minimum balance requirements.

Self-Reliance

Self-reliance is the social and economic ability of an individual, household or community to meet basic needs (including protection, food, water, shelter, personal safety, health and education) and to enjoy social and economic rights in a sustainable manner and with dignity. Self-reliance, as a programme approach, refers to *developing and strengthening livelihoods* of persons of concern and reducing their vulnerability and long-term reliance on humanitarian or external assistance. Within UNHCR operations, self-reliance provides the basis for durable solutions, a foundation for working towards the Millennium Development Goals (MDG), and capacities contributing to the realisation of the Agenda for Protection (UNHCR, 2005).

Skills Development

Skills development generally refers to the transfer of (technical) skills and know-how in a non-formal way. Skills development qualifies predominantly at the semi-skilled level. Upon completion, trainees receive an internal certificate of participation that is acknowledged by appropriate vocational training authorities. Skills development may be course-based or enterprise-based and is usually accessible without any formal education certificate.

Vocational Training

Vocational training refers to the transfer of technical skills and know-how in a formalised way, following accredited curricula and leading to certificates or diplomas acknowledged by appropriate authorities (usually National Training Boards, the Ministry of Education or Ministry of Labour). Vocational training may be institution-based or enterprise-based and is usually accessible to youth with a formal education (primary or secondary school certificate).

Vulnerability

Vulnerability is traditionally defined as the lack of ability to cope with stress or shocks, and consequently the likelihood of being affected by events that threaten livelihoods and security. Situations of displacement provide many stress factors and shocks; therefore vulnerability is a central issue to address in the livelihood context (De Vriese, 2006).

Wealth-groups

Wealth-groups are sets of households that have similar asset holdings and employ similar strategies to gain access to food and cash income. They are designated using local criteria (WRC, March 2011).

ANNEX 2 - TOOLS AND TEMPLATES

Resources within UNHCR:

- For a model of how to present the data collected, see: “Livelihoods Assessments and Strategies: Template, Checklist and Guiding Principles”, Operational Solutions and Transition Section (OSTS) Livelihoods Section, UNHCR, 2010³⁴
- UNHCR Guidelines for Microfinance, 2011 (“Investing in Solutions: A Practical Guide”)
- UNHCR Guidelines for Advocacy on the Right to Work, 2011 (“Advocating for the Right to Work: A Practical Guide”)
- UNHCR Handbook for Self-Reliance, 2005
- Consultant database/TOR at HQ
- Toolkit for Livelihood strategic planning workshops
- “Livelihood Success Stories” <http://www.unhcr.org/pages/4ad2e7d26.html>
- In-house expertise

External resources:

- A useful guide for livelihood programming is:
 - “Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings”, the Women’s Refugee Commission, 2009. <http://womensrefugeecommission.org/programs/livelihoods>³⁵

34 This document is a checklist with guiding principles on livelihoods assessments and livelihood strategies. Staff and consultants are encouraged to use this document as a reference tool in the process of planning and conducting a livelihood assessment, and developing a comprehensive livelihood strategy. The template is based on and includes examples from best practices from the field: *Yemen (2008), Jordan (2009), Armenia (2009), Bangladesh (2008), Malaysia (2008), Zimbabwe (2008) and Eastern Sudan (2008)*. The template is divided into eight sections to facilitate the documentation process. Each section begins with a brief overview of what is to be included, followed by a breakdown of specific requirements for that section. Current examples can be found throughout the document to help understand the types of assessments and information that are required. Key definitions are highlighted throughout the document and can also be found in the annex.

35 This field manual has been developed to provide practitioners with usable information and helpful tools so that they can design and implement more effective livelihood programmes—programmes that are based on market demand and are contextually appropriate; programmes that build on existing skills and experience within the target population; and programmes that enhance dignity and options for the displaced.

- For a useful tool for conducting a market analysis see:
 - “EMMA: Emergency Market Mapping & Analysis, Introduction and Overview of the EMMA Toolkit”, 2009. http://www.microlinks.org/ev.php?ID=38407_201&ID2=DO_TOPIC³⁶
 - “Linking Vocational Training Programs to Market Opportunities. Market Assessment Toolkit for Vocational Training Providers and Youth”, Women’s Commission for Refugee Women and Children and School of International and Public Affairs, Columbia University, 2008. <http://womensrefugeecommission.org/search?q=market+assessment>

- For a comprehensive guide to using the Household Economy Approach, see:
 - “The Practitioners’ Guide to the Household Economy Approach”, Food Economy Group Consulting and Save the Children, 2008. <http://www.feg-consulting.com/resource/practitioners-guide-to-hea>

36 EMMA is a set of tools and guidance notes designed by a group of NGOs (Practical Action, Oxfam, IRC) to assist humanitarian staff to better understand, accommodate and make use of market systems. EMMA tools are adaptable, rough-and-ready, speed-oriented processes designed to provide guidance to staff who are not specialists in market analysis. Although the EMMA toolset is intended for sudden-onset emergencies, it can easily be adapted for use in urban settings.

ANNEX 3 - LIVELIHOODS AND SGBV

Issues

When men and women are displaced³⁷ due to conflict or human rights abuses, they adopt new strategies to provide for themselves and their families. These new strategies may place them at risk of gender-based violence (SGBV), including sexual exploitation and abuse, rape and domestic violence. SGBV may affect women, men, girls and boys, but predominately affects women and girls due to unequal power based on gender roles.

The links between SGBV and livelihoods include:

- 1. Gender-based violence as economic harm.** SGBV is an abuse of power and is rooted in power inequalities. This includes economic harm, such as preventing access to inheritance rights and education, destruction of women's property, or withholding money.
- 2. Livelihood strategies that are directly harmful to persons of concern.** Refugees flee with few resources and arrive with no safety net. Their primary concern is to earn a living. To survive, some refugees resort to harmful strategies, such as commercial sex work or forcing their daughters into early marriage.
- 3. Situation-specific factors that increase risk of SGBV** when refugees try to survive, such as informally hawking goods on unsafe streets.

Preventing SGBV involves addressing the underlying causes, such as:

- Social and cultural acceptance of inequalities and discrimination against women. Violence may be committed with impunity against women and girls in the name of culture or tradition.
- Shifts in power dynamics, caused by displacement. Men may suffer from a loss of status and feel inadequate as they can no longer provide for their families. When women become primary breadwinners, domestic violence can increase as male partners try to maintain control over their household and seek to control women's earnings.
- The desire of perpetrators of SGBV to maintain privileges, power and control over others.

³⁷ In this document the term refugee is used predominantly for ease of reading, but the content is relevant to all persons of concern, be they refugees and asylum seekers, IDPs, returnees or stateless persons.

Preventing SGBV also involves addressing the situation-specific factors that increase the risk of SGBV for refugee women and girls trying to survive. For example:

- Lack of legal rights, such as the right to work. Refugees are pushed into the informal economy, where the possibility of exploitation and abuse is higher and legal recourse is non-existent.
- Dependence on others for meeting basic survival needs.
- Limited economic resources may force persons of concern to seek income opportunities that put them at risk of exploitation and abuse.
- Weak systems of justice, where perpetrators of SGBV are not held accountable and bribery is prevalent.

Recommended measures

Preventing SGBV involves, in the long-term, addressing the underlying causes, and in the short-term, addressing situation-specific factors. The risk of SGBV can be heightened as refugees try to earn a living. Livelihoods programmes can, however, also provide an opportunity to implement targeted and sound interventions to support sustainable livelihoods and mitigate risks. Recommended measures include:

1. Addressing situation-specific factors in livelihood programmes. Programmes should identify:

- The specific types of SGBV that may be occurring when women, men, girls and boys earn income or access services.
- The specific risk factors for each type of SGBV.
- Possible protection strategies to mitigate risk. Women and girls can advise on the scale and size of these risks and suggest ways to manage them.

- *Assess protection challenges associated with livelihoods strategies: transportation, work at night, asymmetrical power relationships with local authorities, issues related to documentation. Work with local authorities and community to find ways to mitigate risks (acknowledgement of documentation, collective transportation...)*
- *Prevent negative coping strategies by avoiding the abrupt collapse of a livelihood programme such as consumption support or grants when resources run out.*
- *Not all women have the capacity to launch their own business; others may be able to work only from home, at least initially.*
- *Ensure UNHCR-funded skills trainers and facilitators sign a Code of Conduct and ensure a safe and harassment-free learning environment.*
- *Provide safe places for women to save—so that they can maintain control over the resources they earn.*
- *Teach them basic financial literacy skills, such as principles of money management, building and safeguarding assets, to ensure greater control over resources.*
- *Consider peer education, home-based activities (child care, handicrafts), distance learning training, as possible interventions to safely build livelihood strategies.*
- *In job placement programmes, ensure decent work opportunities and employers' monitoring.*

At the policy level this may include:

- *Advocating to host governments and policy makers to grant refugees legal status and the right to work in their countries of refuge in order to enhance protection of women against harm or violence.*
- *Promoting programmes that serve both the host community and refugees to help ease tensions between the two communities and as a platform from which to advocate with the government to reduce restrictions on refugees' work.*
- *Promoting decent work, in partnership with authorities, private sector and relevant organizations such as the ILO.*

- 2. Involving men and boys as clients, allies and agents of change in livelihood programmes.** Men are generally the dominant figures in society and thus have the power to challenge unequal gender norms and enable a supportive environment where women and girls can empower themselves. They are often influenced by societal expectations on how they should behave as ‘real men,’ which includes expectations on providing for the family or exerting physical power over others.

To prevent SGBV, such as domestic violence, in livelihood programmes men must be engaged as:

- *Clients, where men and women participate in programs together.*
- *Allies, where men cooperate with women to make shared decisions.*
- *Change agents, where men reflect on harmful practices against women and girls and promote positive, alternative behaviour towards women and girls.*

However, male participation should not overshadow female participation. This may mean building social networks to reduce social isolation of marginalised and vulnerable women so that women can meet and discuss their issues and aspirations.

- 3. Addressing social norms in livelihood programmes.** In order to effectively prevent violence and harmful practices, the social norms that uphold discrimination based on gender need to change. Change is long-term. One approach is to include discussion groups in livelihood programmes to create safe spaces for men and women to discuss shared values, practices and behaviour about women’s economic decision-making.

- 4. Designing targeted livelihood interventions, using a graduated model.** Livelihood interventions, targeting persons of concern from the onset of an emergency, are crucial protection tools that prevent men and women from losing their assets or allow them to quickly recover them in displacement situations. These interventions are key to preventing women and children from engaging in harmful livelihood strategies such as prostitution or child labour, or from falling into trafficking networks. However, refugees are not a homogeneous group. They have different resources, skills, and needs. Refugees should be connected to livelihood services, whether in the formal or informal sector, specific to their level of vulnerability.

- *UNHCR should first conduct a livelihood assessment to assess refugees' vulnerability to poverty and risk to GBV and design safe and effective livelihood interventions graduating refugees out of poverty.*
- *For vulnerable households, protecting household assets, smoothing income flows, and regularising consumption patterns may be of greater immediate importance. This requires supporting immediate needs through food assistance, social protection, and legal protection, while simultaneously developing longer-term livelihood strategies through financial services.*
- *For less vulnerable or better-off households, growing their assets and income may be more appropriate. This requires providing opportunities for employment or small business growth through skills building, market linkages, business development services and access to financial services.*

5. Responding to SGBV: In terms of response to SGBV, livelihood-support to SGBV survivors may take several forms, ranging from livelihoods provisioning (e.g., cash grants) to skills training, job placement, or access to business development services or loans. Nevertheless, psycho-social support and training and development of self-confidence might be necessary to facilitate social re-integration before undertaking any additional step towards economic empowerment.

This document draws on recommendations from the Women's Refugee Commission (WRC) publication: *Peril or Protection: The Link between Livelihoods and GBV in Displacement Settings* and the forthcoming WRC e-learning tool, *Preventing GBV, Building Livelihoods*. More recommendations and examples are highlighted in the report available here (<http://www.womenscommission.org/programs/livelihoods>) as well as on UNHCR Livelihoods Intranet pages.

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ANNEX 5 – ACRONYMS

AGD	Age, Gender and Diversity
BDO	Business Development Organization
BDS	Business Development Services
CAP	Consolidated Appeals Process
CO	Community Organization
CSR	Corporate Social Responsibility
DFID	Department for International Development
DPSM	Division of Programme Support and Management
GIS	Geographical Information System
HEA	Household Economy Approach
HRIT	Heightened Risk Identification Tool
ICRC	International Committee of the Red Cross
ICT	Information and Communication Technology
IDP	Internally Displaced Person
IGA	Income-Generating Activity
ILO	International Labour Organization
IOM	International Organization for Migration
IP	Implementing Partner
LCG	Livelihood Coordination Group
LGBT	Lesbians, Gays, Bisexuals and Transsexuals
M&E	Monitoring & Evaluation
MDG	Millennium Development Goals
MERS	Minimum Economic Recovery Standards

MFI	Microfinance Institution
MFT	Multi-functional Team
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
OSTS	Operational Solutions and Transition Section
PIP	Policies, Institutions and Processes
PoC	Persons of Concern
PRSP	Poverty Reduction Strategy Plan
PSFR	Private Sector Fundraising
RBM	Results-Based Management
ROSCAS	Rotating Savings and Credit Associations
SGBV	Sexual and Gender-Based Violence
SLF	Sustainable Livelihoods Framework
SWOT	Strengths, Weaknesses, Opportunities and Threats
TVET	Technical and Vocational Education and Training
TOR	Terms of Reference
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
VT	Vocational Training

