

Refugee Livelihoods in urban settings

1. The issue

The challenges faced by refugees and other displaced populations in finding decent economic opportunities in urban settings have been subject to growing attention in UNHCR operations, across regions. Efforts to strengthen the organisation's understanding of urban livelihoods and its capacity to deliver adequate support have started in Yemen, Egypt, Malaysia, Armenia, Jordan, India, Kenya, Burundi, Senegal, Argentina and Costa Rica. These country operations conducted in-depth livelihoods assessments to define comprehensive multi-year strategies for livelihoods support. Simultaneously, UNHCR conducted a desk-review of seven urban refugee situations (Syria, Jordan, Kenya, Malaysia, Yemen, Morocco and Ecuador) to identify core issues related to refugee livelihoods and good practice in operational response. The review shed light on what constraints typically arise when urban refugees engage in economic activities, and their protection implications.¹ What follows is a preliminary summary of key lessons learnt from UNHCR's engagement in urban livelihoods to date.

2. Opportunities and constraints for urban refugee livelihoods

Refugees move to cities because of the greater range of opportunities and amenities these locations offer, such as more diversified employment possibilities in both the formal and informal sectors, more accessible markets and better developed infrastructure than in isolated camps or rural settlements, and in principle a greater range of services available such as financial services, transport and communications, training opportunities, etc.

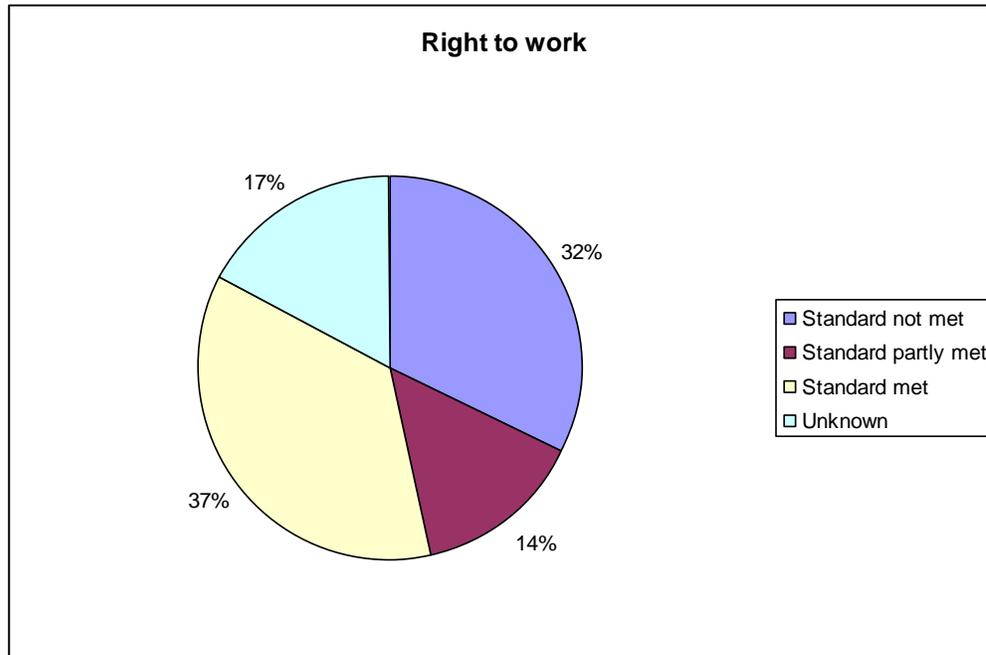
The evidence gathered through UNHCR's assessments and reviews shows that the majority of working-age urban refugees are either employed or self-employed., but they also demonstrate that refugees face a range of constraints when trying to make a living in the cities:

Legal environment in the country of asylum

The national, legal and policy environment in a country places degrees of restrictions on rights to work for refugees. In some extreme cases, refugees and asylum-seekers are formally excluded from the labour market and denied access to educational opportunities and health services. In other situations, although refugees are granted

¹ Urban Refugees' Right to Work: Livelihood options and implications for Protection (Livelihoods Unit, Operational Solutions and Transition Section, UNHCR, January 2009).

work permits, access to sustainable income generating activities is severely limited. Consequently, a significant proportion of refugees are exposed to various forms of exploitation, economic abuse, to arrest and detention. The chart below gives an overview on the current legal situation regarding right to work for refugees in countries of asylum.



The above shows that out of the 214 countries reviewed, 37% meet the international standards which means that all necessary legislation is enacted and enforced and work permits are issued. It further shows that 14% of the countries only partly meet this standard (the countries are party to the 1951 Convention Relating to the Status of Refugees but do not issue work permits on a uniform and standardized manner), and 32% of reviewed countries do not meet the standards, have not ratified the 1951 Convention or any other relevant human rights instruments and do not issue work permits.

This means that in around 100 of refugee-hosting countries, refugees work or attempt to work illegally. In states in which this is tolerated, illegal employment brings about a wide range of protection risks.

Protection risks related to the informal sector

Due to legal restrictions and lack of adequate skills or of other livelihood assets, most of the refugees find the informal sector as the only option to generate income, mostly through daily labouring jobs. Key protection risks related to informal work are lack of

health and safety regulations, lack of social security, low salaries, extended working hours, unstable and sometimes dangerous jobs. In some cases refugees see no other option than working in illegal trades such as survival sex drug and alcohol sales, or sending their children into the child labour market to support the household.

Lack of appropriate assets for sustainable and predictable income

The initial livelihood assets that displaced persons can rely on are mainly their skills and related certification and documentation, financial capital in particular household or personal savings, physical health, and social networks. These are critical in widening their options to access safe and productive work. However, in the challenging context of new urban environments, these assets are either insufficient or irrelevant to urban living, or have been lost during the displacement or preceding crisis, or are eroded by years of displacement.

3. Suggested Interventions

Defining and implementing comprehensive strategies to support refugee livelihoods in urban settings implies that projects and activities will cover a broad range of activities, that respond to both policy and institutional issues as well as household and individual needs. These may include:

- Facilitating access to information and/or legal services relating to employment, work permits or business registration.
- Providing or enabling access to career guidance and employment support, including the sponsoring of apprenticeships.
- Facilitating access to financial services (including savings, money transfers and loans) to help stabilize household cash flows and provide seed money for household investments in business or training.
- Providing or facilitating access to vocational and technical training opportunities, to strengthen skills and entrepreneurship in multiple areas, as recommended by information on market demand (e.g. infrastructure construction and maintenance, equipment installation, electrical or vehicle repairs, information technology and communications, health and education, child-care and other community services, manufacturing and retail).
- Training, including courses in (ITC), through formal institutes and non-formal classes.
- Enabling access to business support services, and entrepreneurship training.
- Financial and in-kind assistance in emergency situations to help secure household assets, prevent depletion of household savings, and prevent emergency sale of assets in the early days of displacement to cover the costs of travel and of setting up in a new location.

4. Lessons learned and recommendations for livelihoods programming in urban settings

- i. A specific methodology is required to conduct urban livelihood **assessments** and carry out a **consultative strategic planning** process which ultimately informs program planning. Guidelines are being developed on the basis of current best practice.
- ii. Extensive **consultations and cooperation** with the UN and non-governmental organisations, other international organizations in the field, local associations, refugee and host communities, and local authorities are critical to ensure their buy-in and long-term engagement. Meetings, reviews, and stakeholder workshops need to be factored into the planning and the implementation process.
- iii. The activities put in place to effectively support refugee livelihoods should not be limited to strengthening people's livelihood assets or capabilities (skills enhancement, access to cash, apprenticeships, or enterprise support). The overarching objective to most of livelihood strategies formulated to date across UNHCR urban operations is *to foster an enabling environment for the economic empowerment and self-reliance of displaced populations*. This implies working on a policy-level with national and local institutions across a range of activities including: expanding refugee access the formal employment opportunities through access to work and/or residency permits; advocating with employer's unions and labour ministries to secure such access – starting if necessary with a targeted group of refugees whose skills correspond to known gaps in the labour market; reinforcing access to legal advice on employment and business registration; awareness raising of targeted private or public sector employers; information campaigns for refugees on work permit registration processes, and market opportunities; conducting market surveys or seeking employment market information in the host area as well as in the expected areas of returns; identifying the educational and existing skills levels of refugees upon registration. To be comprehensive therefore, urban livelihoods strategies need to address the constraints and harness the opportunities provided by the host areas' policies and institutions.
- iv. UNHCR's own role in supporting refugee livelihoods needs to be **selective** – the scope of UNHCR's direct engagement should be defined in view of the presence of other actors from public and private spheres, and of their ability to engage in supporting refugee livelihood needs; the scope of UNHCR's engagement should also be **reassessed on a yearly basis**. Beyond the provision of time-bound support with clearly defined exit strategies aiming to secure livelihood assets in particular for vulnerable households and individuals (such as temporary cash assistance or non-formal skills training projects), UNHCR can work with local institutions

toward increasing **refugee access to existing facilities and services** (whether formal or informal), through partnerships with financial institutions, with technical and vocational training providers, with social services such as day-care centres and career counselling or job placement facilities. As a general principle, therefore, UNHCR projects that are delivered via “traditional” implementing partners from the non-governmental sector should be time-bound and should aim to facilitate future access to existing public and private service providers.

- v. **Seed funding is needed to kick-start priority interventions.** Refugee and local communities that contributed to the assessment and strategic formulation process need to see concrete quick results to remain engaged and positive about the possibilities that were explored with them. Financial and operational support needs to be sought from non-traditional donors and partners that champion innovation and are willing to experiment with new solutions required to deal with urban issues.
- vi. **Multi-year planning and funding** are essential for livelihoods programming and in urban settings in particular. This is because working effectively on social and economic aspects of refugee’s lives requires long-term engagement with development actors, with the private sector banking and business service providers, and with the public sector and community-based organisations – many of which have multi-year planning cycles.
- vii. UNHCR needs a **capacity boost** to deal with livelihoods programming in urban settings. The multitude of partners and initiatives foreseen in multi-year plans requires dedicated staff time within UNHCR to ensure effective planning and coordination, to harness financial resources, and to oversee UNHCR’s own interventions through selected implementing partners and their gradual hand-over as appropriate.