

Regional Program on Enhancing the Investment Climate for the Economic Empowerment of Refugee, Returnee and Host/Return Community Women in the East and Horn of Africa and Great Lakes Region



Annex: Roadmap

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PEACE, PROSPERITY AND
REGIONAL INTEGRATION



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Background

This document is an annexure to the Regional Report on the Regional Program on Enhancing the Investment Climate for the Economic Empowerment of Refugee, Returnee and Host and Return Community Women in the East and Horn of Africa and Great Lakes (EHAGL) Region.

It has been compiled under a program funded by the African Development Bank (AfDB) and produced under the management of a Steering Committee comprising the UNHCR Regional Bureau for East and the Horn of Africa and the Great Lakes Region, the East African Community (EAC) Secretariat, and the Intergovernmental Authority on Development (IGAD) Secretariat.

This document serves as an Annex to the program's Final Regional Report. While the Report itself reviews the challenges facing the affected communities in the region, this annex is a forward-looking document proposing a roadmap for actions to be taken by various member governments of the region as well as supporting entities, including the African Development Bank. The proposed actions aim to address the challenges identified in the main report.

Common recommendations among the countries in the region

The accompanying Regional Report has identified several areas that would enhance opportunities for refugees, returnees, and their host communities (collectively referred to as "affected populations") to

participate effectively in the host economy. These areas have been identified in the Pathway to Economic Inclusion. The Pathway to Economic Inclusion, depicted in Figure 1, is an analytic tool developed after a review of common challenges to refugee inclusion. It enables

analysis of several critical areas related to refugee economic empowerment. While the tool follows a conceptual refugee path, progress along this path is not linear or sequential across the region's countries.

Key aspects of the Pathway



Non-sequential and non-linear progression

These layers do not represent a sequential or linear journey towards full economic inclusion. Progress can occur simultaneously across multiple areas, with varying rates of advancement based on local contexts and priorities.



Interconnectedness and holistic approach

Each layer is connected to and influences the others. Improvements in one area can catalyze progress in others, regardless of their position in the diagram. Full economic inclusion requires attention to multiple facets simultaneously.



Country-specific progress

Different countries may excel in some areas while lagging in others, reflecting the diverse challenges, capacities, and priorities across different contexts.



Illustrative examples

The points listed under each layer are not exhaustive, but rather illustrative examples of what each area entails.



Ideal vs. Reality

While the Pathway represents an ideal framework for refugee economic inclusion, it acknowledges that actual implementation often involves simultaneous, non-uniform progress across different elements.



Figure 1. Pathway to Economic Inclusion



REFUGEE DOCUMENTATION

- Registration of refugee status
- Access to Refugee ID cards
- Awareness of refugee rights

FREEDOM OF MOVEMENT

- Encampment policy and movement restrictions
- Access to travel documentation

ENABLING BUSINESS ENVIRONMENT

- Conducive business laws and regulations
- Incentives for investors (e.g. tax, visa)
- Property rights
- Critical for both host community and refugees

ACCESS TO EDUCATION

- Access to quality education at all levels
- Recognition of prior skills and qualifications

LOCAL INFRASTRUCTURE QUALITY

- Availability of quality infrastructure to facilitate business activity (e.g. transport, energy, water, ICT)

RIGHT TO WORK AND DO BUSINESS

- Right to work, access to work permit
- Right to open business / obtain business license
- Access to productive land
- Driver's license

ICT & FINANCIAL INCLUSION

- Telecommunications access
- Access to finance: Opening bank accounts, Applying for credit/loans

FULL ECONOMIC INCLUSION

FULL ECONOMIC INCLUSION OF WOMEN

The Pathway encompasses the following key areas, moving from the outermost layer inward, with illustrative examples for each:



Refugee Documentation: Examples include proof of registration, refugee identity documents ideally issued by the national identification registration authority or including a national ID number, and other relevant civil documentation



Freedom of Movement: Illustrated by addressing barriers like encampment and exit restriction policies, and ensuring access to travel documentation.



Enabling Business Environment: Illustrated by conducive business laws, investor incentives, and property rights. These examples show the types of policies and regulations that can facilitate refugee economic participation.



Access to Education: Examples include access to certified primary and secondary education through infrastructure development and teacher recruitment and training, university scholarship programs, recognition of prior qualifications and targeted skills development.



Local Infrastructure Quality: The example of infrastructure to facilitate business activity (e.g., transport, energy, water, ICT) illustrates the types of physical and technological foundations necessary for economic inclusion.



Right to Work and Do Business: Examples include access to work permits, business licenses, productive land, and driver's licenses, and other legal and practical rights needed for economic participation.



ICT & Financial Inclusion: Illustrated by telecommunications access and financial services like bank accounts and loans, key elements of digital and financial integration.



Full Economic Inclusion: This represents the culmination of all previous layers working together.



Full Economic Inclusion of Women: Emphasizing gender-sensitive service delivery as the ultimate goal of the pathway.

Full refugee inclusion requires sufficiently strong performance on each of these criteria. Each set of issues constitutes a potentially binding constraint. For example, if refugees are empowered to work in a society and infrastructure is upgraded but the business-enabling environment remains poor, little benefit will result. Conversely, if the business-enabling environment is robust,

but refugees are not empowered to participate in the economy, they will not benefit.

It is important to note that the representation of these layers does not indicate a linear progression. For instance, efforts to improve ICT & Financial Inclusion might occur alongside or even before addressing certain aspects of Freedom of Movement. The enabling business environment might be developed concurrently with efforts to ensure the right to work and do business.

This non-sequential nature allows for flexible and context-specific approaches to refugee economic inclusion. Depending on the specific situation in a country or region, policymakers and support organizations might prioritize different layers or work on multiple layers simultaneously.

Finally, to empower women, the information and services must be provided in a format and manner that they can access and use. This may require additional considerations such as targeted outreach, gender-sensitive service delivery, and addressing cultural barriers that may impede women's participation. The progress in this area may also vary significantly between countries and should be considered as a cross-cutting issue across all stages of the Pathway. The focus on women's economic inclusion reinforces the need for gender-sensitive approaches across all Pathway elements.

The Regional Report reveals significant variation in the degree of support for refugee economic inclusion among countries of the region, and each country has opportunities to make progress in one or more key areas. This report outlines a roadmap that addresses barriers to economic empowerment for these vulnerable populations and increases private sector engagement in refugee hosting and return areas, identifying critical areas for action and providing detailed country-specific programs.

The numerous interviews and focus group meetings conducted for this study yielded a wealth of valuable suggestions from interviewees and experts. These insights have been captured in the various working papers developed throughout the research process. While this analysis cannot present all proposals made, the number of ideas collected demonstrates the study's comprehensive nature.

To drive meaningful progress in refugee empowerment, this Roadmap focuses on presenting the highest priority actions, enabling early implementation of key initiatives.

A more comprehensive set of actions for consideration is available in the accompanying working papers.



01



1. First Steps on the Roadmap

For any investment by the AfDB or other investor to have an impact in supporting refugee economic inclusion, there are two prerequisites, both of which have clear guidance on the actions required. Implementation in both of these areas will need to be undertaken by the governments at multiple levels, with support from several institutions.

Very few countries in the region have made sufficient progress in these areas for investment by the AfDB and others to have a positive impact. For example, where refugees do not have the right to take employment or start a business, or where it is challenging for even locals to do business, investments by the AfDB and others can have only limited impact on refugee empowerment. For most countries, early progress in these areas is a prerequisite for establishing an enabling environment in which private sector investment can positively impact achieving refugee economic empowerment, so changes in these areas can have a strong positive impact.

The two areas of prerequisite progress are:

- i) Refugee management legislation must be supportive of economic empowerment; and
- ii) The national economic enabling environment must include laws, regulations and institutions supporting investment.

Only once these two objectives are attained can public and private investments in infrastructure, human capital, and other elements of the economy and society be expected to have positive impacts on refugee economic empowerment and the broader society.

1.1 Aligning Refugee Management with Economic Empowerment

The Regional Report, of which this Roadmap is an annex, notes that as of 31 October 2024, the region hosted over 5.55 million refugees and asylum seekers – nearly one sixth of the global refugee population.

This number of refugees, together with a further 21.4 million IDPs, means that approximately 10% of the regional population are presently displaced.

In response, countries in the East African region have demonstrated strong political support for refugee empowerment, recognizing the importance of refugee management legislation that supports self-sufficiency. Many countries allow refugees to live in urban areas or designated refugee locations, with those in designated areas receiving basic necessities, including health and education, through UNHCR and international support. Self-settled refugees are generally expected to provide for themselves. However, some countries maintain encampment policies, restricting refugee movement and hindering economic participation.

The region's commitment to refugee empowerment is evidenced by several regional protocols that have been signed, with additional commitments made at the 2019 and 2023 Global Refugee Forums. These include:

- IGAD Regional Migration Policy Framework, July 2012
- IGAD Policy Framework on Refugee Protection, October 2023
- Nairobi Declaration on Durable Solutions for Somali Refugees and Reintegration of Returnees in Somalia, March 2017
- Djibouti Declaration on Refugee Education in IGAD Member States, December 2017
- Kampala Declaration on Jobs, Livelihoods & Self-reliance for Refugees, Returnees & Host Communities in IGAD Region, March 2019
- The Protocol on the Establishment of the East African Community Common Market, November 2009
- IGAD-EAC Ministerial Declaration on Durable Solutions for Refugees in the East and Horn of Africa, June 2023
- IGAD Regional Qualification Framework, adopted May 2024

These commitments provide a strong foundation for aligning refugee management with economic empowerment. To build upon this progress, Regional Economic Communities (RECs) can play a crucial role in strengthening existing monitoring and evaluation frameworks to support effective implementation:



Training and Capacity Building

Train focal persons within member states to effectively use M&E frameworks, enabling more systematic monitoring of refugee economic empowerment initiatives. This is particularly important for tracking progress on commitments made in the various regional protocols.



Leveraging Existing Frameworks

Utilize and adapt existing M&E frameworks that member states have already endorsed through regional agreements. This approach will facilitate easier adoption and consistency in tracking progress across the region, particularly in areas such as education, job creation, and self-reliance as outlined in the Djibouti and Kampala Declarations.



Annual Tracking System

Secure commitment from member states to use a standardized tracking system on an annual basis. This will allow for consistent data collection and analysis, enabling RECs to tie outcomes to specific interventions and policies outlined in the regional protocols and commitments.

A collaborative approach can further support these efforts. Peer-learning opportunities would provide a platform for countries that have made measurable progress in implementing refugee management practices to share their experiences, techniques, and methodologies. These peer meetings can be particularly valuable for sharing best practices on transitioning from encampment policies to more inclusive approaches. In addition, multi-stakeholder engagements, encouraging collaboration between UNHCR, international NGOs, and RECs like EAC and IGAD can support implementation efforts, share best practices, and help address challenges across different national contexts. Finally, promoting coordination between IGAD and EAC on overlapping commitments and shared

member states can ensure consistency in approach and avoid duplication of efforts.

Table 1 in the Annex provides a detailed overview of countries that have signed on to the commitments to address the barriers to refugee economic inclusion by signing on to regional protocols, and by making commitments at the Global Refugee Forums or otherwise. Some of these commitments are made at a REC level and therefore only involve members of that particular REC. Non-members may have committed to similar objectives under another instrument. For reference, Djibouti, Eritrea, Ethiopia and Sudan are not members of EAC, while Burundi, Rwanda and Tanzania are not members of IGAD.

1.2 Legal, Regulatory, and Institutional Foundations for Fostering Investment

This is a second area where there is considerable diversity among the countries in the region, and where much can be learned from the leaders on how they implemented their processes to achieve positive results. Various global and regional organizations have developed indices to measure economic characteristics.

The most focused measure of the impact of laws, regulations, and institutions on small businesses in establishing a foundation for investment is the Doing Business methodology, which will be replaced in September 2024 by the Business Ready methodology.¹

Using the Doing Business methodology, last published for 2020 and now slightly outdated, shows that while some countries in the region have among the most challenging business-enabling environments in the world, a few have among the most conducive.



Two countries, Rwanda and Kenya, have business environments rated by Doing Business as among the top three in Africa with **Rwanda** ranking in the **top 40** globally and **Kenya** within the **top 60**.

These two countries are among several African nations that have made significant efforts in recent years to improve their business environment through dedicated reform programs. Their experience in transitioning from poor business environments to the top 40 serves as best practice examples in the region.


By establishing an environment with positive business laws and regulations supported by institutions that facilitate private sector investment, the countries of the region will have laid a foundation to benefit from investment by the AfDB, other financial institutions, and private businesses.



¹ *Doing Business* has been compiled and published by the World Bank since 2003. Its empirical evaluations of performance by 190 countries on up to 12 key metrics important to investors have formed the bedrock of investment climate assessments, as it has been incorporated into numerous other measures. Following the publication of *Doing Business 2020* in 2019, the World Bank moved to broaden the measure by including various other metrics, including survey information, into a new metric called *Business Ready*, which was launched in October 2024.

02





2. Actions to be Initiated at the Regional Level by EAC, IGAD and UNHCR

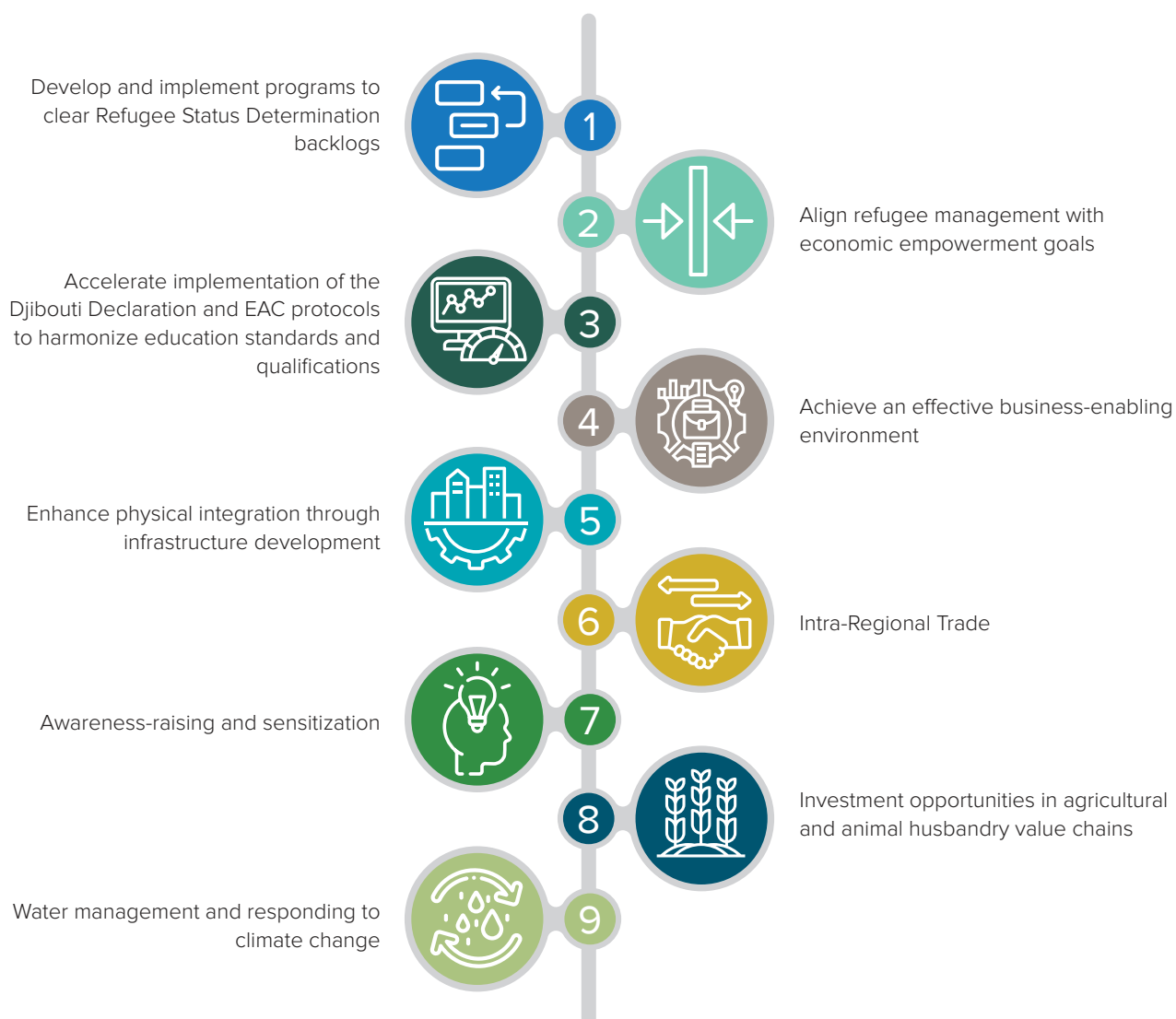
While most of the work to improve refugee economic empowerment and self-sufficiency needs to be undertaken at the national level, many issues lend themselves to regional collaboration, with aspects being supported, or even led, by regional actors.

Regional Economic Communities

Regional Economic Communities (RECs) such as EAC and IGAD play crucial roles in promoting regional integration across member/partner states. Their key responsibilities include:

- **Deepening the regional market:** RECs work towards harmonizing policies, regulations, and institutional infrastructure related to the economic inclusion of refugees. This includes creating a more unified approach to investment, risk mitigation, and development and trade support across the region.
- **Recording progress against commitments:** RECs coordinate member states' commitments to regional strategies, policies, and protocols. This ensures a more cohesive and consistent approach to refugee economic inclusion across the region. They convene meetings to discuss progress and publish reports on the implementation of commitments.
- **Advocacy and implementation:** RECs engage in ongoing advocacy within member states' institutions, parliaments, and administrations. Their focus is on encouraging the adoption, ratification, and particularly the implementation (domestication) of regional and continental policies and protocols tied to the economic inclusion of refugees.
- **Improving livelihoods:** The ultimate goal of these efforts is to improve the lives and livelihoods of all citizens in the region, including refugees and host communities.

In the context of refugee economic empowerment, these responsibilities translate into several specific actions that RECs can undertake.



2.1 Develop and implement programs to clear Refugee Status Determination backlogs

While some asylum seekers are given prima facie recognition as refugees, many others must undergo individualized refugee status determination (RSD) processes. Some host countries have not provided sufficient resources for this process and have allowed severe backlogs to develop, leading to individuals waiting for prolonged periods before an interview, a decision and the issuance of a refugee identity document following the decision. In some cases, after obtaining a decision, the time taken for refugees to

receive their refugee identity documents now exceeds the multi-year validity period of the document itself, so that immediately on receipt, an application must be made for a new replacement document. Since delays undermine access to rights, services, and stability for refugees and exacerbate dependency on humanitarian systems, it is critical that this matter be addressed with the urgency it deserves.



Implementation: While national governments should take the lead in the clearance of the RSD backlog in the national asylum procedures, UNHCR can provide valuable support and, together with appropriate international NGOs, should work with the governments of the region to identify RSD backlogs, craft an achievable program to clear the backlog, monitor implementation of the backlog elimination process, and set in place new protocols and safeguards to ensure that such backlogs do not occur again. This support might include material support, technical advice to the authorities as

well as providing effective communication to communities. For instance, technical support by UNHCR may be needed in prioritizing cases with high presumption of recognition for expedited processing and introducing streamlined, efficient procedures for all other profiles to reduce RSD processing times and operational costs. Support in communication to communities might include disseminating clear and accessible information to asylum-seeking communities RSD procedures, documentation procedures and access to rights and services as asylum-seekers and refugees.

2.2 Align refugee management with economic empowerment goals

Not all countries in the region have refugee management practices that permit effective economic empowerment, but those with good practices can support others through a peer-learning process. RECs play a crucial role in monitoring and supporting progress on commitments related to refugee economic empowerment. IGAD and EAC, with the support of UNHCR, should review the de facto experience of refugees seeking to sustain themselves and identify any legal, regulatory, or administrative obstacles. Within the context of the regional protocols and other commitments made by countries, each national government should be supported in developing a roadmap to address these obstacles.

Common obstacles to refugee economic empowerment include:

- Strict limitations on freedom of movement imposed by host countries;
- Difficulties in obtaining work permits or establishing businesses;
- Challenges in obtaining SIM cards for telecommunication purposes; and
- Barriers to opening bank accounts, obtaining credit, and getting driver's licenses

While governments have legitimate security concerns about importing conflicts from neighboring countries, more effective ways must be identified to address these concerns. This will allow refugees to contribute to reducing their burden on the host community.

As long as severe obstacles to refugees participating in the regional economy remain, at best limited support or investment can be expected from outsiders. On an annual basis, and building on existing M&E frameworks, progress against objectives should be measured and publicly discussed, based on hard information on the experience of refugees seeking to access these approvals. This will show where progress has been made and further support is required. Once significant progress is made in removing obstacles, donors and international financial institutions can be engaged to invest in further refugee self-sufficiency initiatives.



Implementation: IGAD and EAC already have the responsibility to monitor many of the commitments, and already provide valuable information on progress. They are well placed to take the lead in determining measurable variables with which to track progress and convening the meetings to report progress. Actual gathering of data from refugees would best be done by one or more refugee organizations or NGOs with extensive networks, ensuring refugees feel free to speak openly. UNHCR might assist in supporting the process, including possible financial support. The AfDB could support the process by making early investments in countries whose governments achieve agreed-upon minimum targets in refugee management that support economic empowerment.

2.3 Accelerate implementation of the Djibouti Declaration and EAC protocols to harmonize education standards and qualifications

Access to education is important for all, including refugees, and ensuring that host country economies can benefit from the skills brought by refugees is an important economic opportunity presently being foregone. Given that the effects of deprivation of access to education will be felt for many decades to come, a sense of urgency must be injected into the protocols that countries have signed to ensure access to education and to harmonize educational qualifications within the region.

This is also an area where those who have given more attention to this issue will be able to provide support to other countries in the region needing to make more progress. This is an area where the regional economic communities, which have responsibility for monitoring the implementation of the regional protocols, have a considerable contribution to make and should take the lead. Recent progress has been made across the region with the adoption by member countries of IGAD's Regional Qualification Framework (May 2024), while the EAC secretariat has recently produced the Qualifications Framework for Higher Education.

A recent IGAD-UNHCR evaluation of the Djibouti Declaration found that while Member States have established necessary laws and policies for refugee inclusion in education systems, implementation remains challenging. Despite laying the groundwork for sustainable inclusion and workforce preparation, a significant policy-to-practice gap linked to governance and management means that refugees are not yet functionally included in national education systems. Limited fiscal capacity of national governments and insufficient international funding threaten successful implementation. Key recommendations from the evaluation include developing costed cross-sectoral implementation mechanisms and improving international coordination and transparency regarding responsibility-sharing obligations.



Implementation: IGAD and EAC can continue to work with governments to lead a coordinated implementation process focused on harmonizing education standards and improving refugee inclusion in national education systems, possibly with technical support from UNHCR and other members of the UN family.

2.4 Achieve an effective business-enabling environment

A supportive business environment is crucial for empowering refugees to invest and establish businesses. This environment must be conducive not only for refugees but also for local entrepreneurs. The region already has member countries that have successfully improved their business environments through implementing appropriate laws, regulations, and institutions.

Countries with the most improved business environments often rank among the region's most robust and fastest-growing economies.

This presents an opportunity for the AfDB, international NGOs, EAC, and IGAD to facilitate a peer-learning process, enabling countries seeking to enhance their business climate to benefit from the experiences of early adopters.

The Doing Business and recently launched *Business Ready* metrics provide transparent, fact-based measures to

identify deficits in the business regulatory environment and outline priority reforms. Through a peer review process, six-monthly technical discussions could record regulatory reforms to improve the foundations for business and identify where further support is required. The ultimate goal is to work towards achieving supportive business regulatory environments that will attract significant investments from donors and international financial institutions, facilitating refugee self-sufficiency.



Implementation: The AfDB should lead in establishing a technical assistance service for countries seeking support. National governments will drive these reform programs, with IGAD and EAC facilitating Peer Learning programs. This collaborative approach will help create an enabling environment that benefits refugees and host communities, fostering economic growth and inclusion across the region.

2.5 Enhance physical integration through infrastructure development

Reducing isolation through physical integration – specifically through improved roads, energy access, and telecommunications – is crucial for empowering refugee communities and their host regions. Throughout our investigations across the region, a consistent narrative emerged from affected populations: the poor quality of roads connecting refugee settlements to nearby regional centers significantly hampers refugees' economic integration and well-being. Substandard roads inflate transportation costs, driving up the prices of food and other necessities for refugee communities. More critically, they create a barrier that prevents refugees from contributing their labor and products to the national economy. This issue, raised in nearly every country studied, presents a clear opportunity for intervention. The AfDB could play a pivotal role in addressing this challenge by establishing a dedicated fund to support national governments' efforts to physically integrate affected populations into the national economy. Such an initiative would not only enable community members to participate more fully in economic activities but also strengthen the host economy while reducing the costs associated with servicing these communities.

The challenges extend beyond road infrastructure. Most affected populations are not connected to the national energy grid, with many lacking access to effective off-grid solar solutions.

This energy deficit poses immediate safety risks, as refugee markets often rely on generators, creating potential fire hazards. More broadly, the lack of reliable power severely constrains the ability of community members to contribute meaningfully to society. This could be an area where the AfDB could collaborate with the private sector to establish an energy investment fund for these communities. This initiative might benefit from subsidies provided by governments or international NGOs, ensuring a comprehensive approach to energy access.

Telecommunications infrastructure presents another critical area for improvement. Remote areas near country borders, where many refugee communities are located, frequently struggle with poor coverage by national telephone and telecommunications systems. This digital divide further isolates these communities from economic and social opportunities. In response, the AfDB could partner with leading mobile phone providers to bolster the physical infrastructure necessary for effective ICT communications in these areas. As with the energy initiative, support from international NGOs could play a valuable role in realizing

this goal.



Implementation: Implementing these initiatives will require the AfDB to take a leading role, spearheading the overall strategy in close cooperation with national governments that would serve as the primary drivers of individual projects. The involvement of international NGOs and private sector entities, particularly in the energy and ICT sectors, could provide crucial support and expertise. International NGOs and private sector entities, particularly in the energy and ICT sectors, can provide critical support and expertise.



2.6 Intra-Regional Trade

The development of intra-regional trade instruments, particularly driven by EAC and IGAD, has been an area of considerable effort and success in the region. However, effective trade instruments alone are insufficient; physical connections between countries and awareness of trade opportunities among refugees are equally crucial.

Refugees, with their unique knowledge of multiple countries sharing common borders and connections in different societies, present a significant opportunity for enhancing regional trade. This, in turn, could considerably strengthen the economic growth of the region. To capitalize on this opportunity, the African Development Bank should take the lead in working with EAC, IGAD, and national governments to strengthen cross-border trade infrastructure, including roads and border posts. Simultaneously, efforts should be made to ensure that appropriate small business trading regimes are in place and operational to facilitate vibrant cross-border trade, particularly benefiting refugees and their hosting communities.

A key component of promoting intra-regional trade involves implementing awareness-raising campaigns targeted at refugees about the Simplified Trade Regime (STR) and the list of common traded goods. Similarly, customs and security officials at and around border locations would benefit from greater awareness of the rights of refugees including the provisions of the STR. Capacity building

and sensitization programs would help both officials and refugees understand and access the benefits of the STR, enabling them to participate more effectively in cross-border trade. In addition, Member States should be encouraged to consider extending the radius from which goods eligible for the STR can originate. This expansion could significantly increase opportunities for refugee participation in cross-border trade, further enhancing regional economic integration.



Implementation: IGAD and EAC play the lead role in deepening cross-border trade in the region, securing support from governments, private sector, and AfDB for cross-border infrastructure investments. UNHCR, INGOs and other institutions with a wide footprint can support awareness-raising efforts among refugee populations about trade opportunities and regulations. The African Development Bank should focus on supporting infrastructure development, while national governments will need to actively participate in implementing and harmonizing trade policies to ensure their effectiveness. Through these collaborative efforts, the region can leverage the unique position of refugees as potential facilitators of cross-border trade, contributing to both refugee self-reliance and regional economic growth.

2.7 Awareness-raising and sensitization

A critical component of refugee economic empowerment is ensuring that all stakeholders are fully informed about refugee rights, available services, and economic opportunities. This awareness is crucial for the effective implementation of policies and for fostering an environment conducive to refugee inclusion. To address this need, comprehensive awareness campaigns should be launched to educate refugees about their rights, available services, and economic opportunities. These campaigns should cover crucial areas such as work permits, business registration processes, access to financial services, and education options.

Equally important is the sensitization of government officials, local authorities, and private sector players and others who serve host communities. Programs should be conducted to inform these groups about refugee rights and highlight the potential economic benefits of refugee inclusion. By increasing understanding among all stakeholders, these initiatives can help bridge the gap between policy and practice, facilitating smoother integration and economic participation of refugees.

These awareness and sensitization efforts should be ongoing and adaptable, responding to changes in policies, opportunities, and challenges faced by refugees and host communities. They should use various communication channels, including local media, community gatherings, and digital platforms, to ensure widespread reach and effectiveness.



Implementation: UNHCR and INGOs should take the lead in developing and implementing awareness campaigns, working closely with national governments and regional bodies. EAC and IGAD can play a supportive role by incorporating awareness initiatives into their broader refugee inclusion strategies. National governments should actively participate in and support these campaigns to ensure their effectiveness and reach. Regular evaluation of the programs should be conducted to assess their impact and to make necessary adjustments, ensuring that the information provided remains relevant and beneficial to all stakeholders involved in refugee economic empowerment.

2.8 Investment opportunities in agricultural and animal husbandry value chains

A common feature across much of the region is the opportunity for greater agricultural production and value chain development. The region has areas of high horticultural potential and arid zones suitable for animal husbandry. However, challenges in establishing effective cross-border agricultural and animal husbandry value chains are prevalent. This is exacerbated by a poorly developed energy network despite high solar potential.

These conditions present multiple opportunities to design and implement stronger agricultural and food value chains across the region. The AfDB should lead this effort, working with the private sector, FAO, IFAD, CGIAR centers, and others to develop and implement supportive strategies for more effective private sector contribution.

These investments would include solutions for power shortages, cross-border trade, climate-smart agriculture and market solutions. Stand-alone opportunities might exist in solar power generation. Access to finance for growing small businesses is also a common problem, potentially solvable at both regional and country-specific levels.

Land ownership, property rights, and access to agricultural land are challenges across the region. This requires advocacy for policies and inclusive, sustainable approaches to promote equitable land access and tenure security, and encourage responsible land management practices to prevent soil degradation and ensure long-term productivity.

Both policy and community-based advocacy are crucial for achieving greater stability, improving livelihoods, and addressing tensions around land and natural resources. Women and children are particularly vulnerable to tenure insecurity and have limited land rights, necessitating gender-sensitive legal frameworks.



Implementation: Private sector investment opportunities, particularly in agricultural and animal husbandry value chains, are strong across the region. National governments should facilitate their investors, but for cross-border initiatives, AfDB should lead in investigating and supporting major value chains, with support from EAC and IGAD. Secure land access will be important for refugees to contribute to land-based agricultural growth. International advocacy groups should lead in disseminating positive results from countries providing land access to refugees.

2.9 Water management and responding to climate change



Much of the region experiences alternating periods of flood and drought. Water management needs to be addressed at the river basin level, rather than by individual countries.

Action is necessary for several reasons: to address environmental degradation in areas of high population density; to meet adaptation needs resulting from climate change; to serve as a resource-base for irrigated and rainfed agriculture; and as a resource for the daily needs of refugees.

EAC and IGAD can serve as convening forces, working with the AfDB and others to investigate the potential for improved water management on a river basin basis. This approach could reduce flood-related costs, help recharge underground water supplies, and enable surface irrigation programs.








Implementation: This opportunity is critical to unlock much of the region's economic potential and preserve physical assets. The AfDB should lead, with strong support from EAC, IGAD, national governments, UN agencies, and international partners.

Some actions addressing barriers to refugee self-empowerment will also have a positive impact on opening areas of investment, as discussed in Section 3.

Table 2 lists areas best addressed at a regional level, following the Pathway to Economic Inclusion framework. This pathway tracks the typical refugee journey from arrival

and identity registration through seeking employment or establishing a business, securing necessary permissions and permits, and leveling the gender playing field. While all activities are important for refugee economic empowerment, high-impact actions that can be commenced first are denoted in green for prioritization purposes.


Table 2 Regional Actions and Responsible Parties

Pathway Element	EAC and IGAD	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Develop and implement a plan to clear RSD backlogs and set targets for implementation		Lead		Technical support	
 Freedom Of Movement					
Countries with encampment policies to consider options to increase openness, even if only gradually starting with some classes of refugees	Sponsor peer learning	Explore opportunities to open	Invest where prospects are strong	Support actions to open	
Undertake a comprehensive review of implementation progress of various regional EAC and IGAD refugee declarations		Support		Lead	
 Enabling National Business Environment					
Launch peer learning process involving leading and lagging countries	Support	Support initiative and drive reform	Consider leading and funding		
 Access To Education					
Achieve full implementation of the Djibouti declaration (2017) and EAC protocols on education.	Support	Lead			
Lead discussions to achieve harmonization of qualifications across the region, with re-certification opportunities as needed	Lead	Support		Support	
 Local Infrastructure Quality					
Launch a regional initiative to establish a fund to support road upgrading from all major refugee areas to local towns to reduce unnecessary remoteness		Support	Lead	Support	Support

Pathway Element	EAC and IGAD	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Rights To Work And Do Business					
Review the de facto experience of refugees, who seek work permits and to establish businesses	Support peer learning	Lead and drive reform		A valuable role for INGOs and UNHCR	
 ICT And Financial Inclusion					
Ensure rights to obtain a SIM card for all refugees.		Lead		Support	Support
Refugee areas in peripheral regions frequently have poor ICT coverage. UNHCR can drive a process with affected national governments, private sector operations and AfDB can address this	Support	Support	Lead	Support	Support
 Gender Focus					
Drive initiative to understand how service delivery should be adjusted to enable female refugees to benefit equally	Support peer learning	Support	Support	Lead	
 Infrastructure Investment Priorities					
Intra-regional trade is an important opportunity, requires attention to both physical and regulatory support.	Lead	Support	Support		Support
 Investment Opportunities					
Agriculture and animal husbandry are major drivers of growth across the region – review value chains on a regional not national basis	Support	Support		Lead	Support
Water management is a major cross-border issue which can help to address both flooding and mitigate droughts	Support		Lead	Support	
Energy is a serious concern, in a region blessed with considerable solar radiation		Support		Support	Lead

A photograph of a woman and a young child standing in front of a makeshift shelter. The shelter is constructed from wooden poles and white plastic sheeting, which appears worn and torn. The woman is wearing a grey headscarf and a white dress with green and yellow patterns. The child is wearing a purple and white patterned shirt. They are standing on a dirt ground. The background shows a clear blue sky with some clouds. The entire image is framed by a green border.

03



3. Addressing Challenges Faced by Women

Women and children constitute the majority of refugee populations, facing greater challenges than men in refugee communities. UNHCR, governments, and service providers must reassess their service delivery methods to ensure effective reception by women.




Governments have made significant progress in establishing legal frameworks for gender equality, as documented in the AfDB's Africa Gender Index and the World Bank's Women Business and the Law publication. However, community attitudes in marginalized groups lag behind legal advancements. International NGOs and UNHCR can lead efforts with governments to raise awareness of women's and refugees' rights, recognizing that refugee communities may hold different attitudes from host communities.



The project produced a comprehensive "Regional Gender Analysis Report", a working paper based on extensive field research in all nine countries targeted for this study. This working paper draws on the extensive face-to-face meetings held under this program to outline the challenges women face in pursuing economic self-sufficiency in refugee environments. It encompasses both refugee-specific issues and host community challenges. Many of these issues extend beyond investment climate concerns and cannot be directly addressed through legal or regulatory action.

Public sector and international service providers should develop their delivery modalities to ensure easy access for women refugees, considering their current challenges. To expedite progress, an International NGO and UNHCR should collaborate with refugee organizations to review and enhance the gender sensitivity of refugee services. UNHCR can also support governments in disseminating information on gender and refugee rights.

The gender report highlights five key areas where early progress is most likely to positively impact women's economic empowerment in refugee areas.

Table 3 Gender Focus: Pathway to Economic Inclusion

Pathway Element	EAC and IGAD	National Government	AfDB	UNHCR and INGOs	Private Sector
 Education					
<ul style="list-style-type: none"> • Provide teachers with stable contracts, defined roles, and responsibilities; and PSEA accountabilities • Female role models and qualified female teachers, or teaching assistants where qualified teachers are not available, to influence youth aspirations and gender attitudes, and promote classroom safety. • Support improved teacher capacity through investments in qualifications and continuous professional development • Provide bursaries for primary and secondary participation; full scholarships and higher education loans for university education in contexts where opportunities for economic participation on graduation are present • Expand gender-sensitive educational infrastructure, equipment and supplies, including technology where feasible • Engage communities on the socio-cultural and economic practices that lead to low attendance and school dropouts; provide targeted support to female students to support their attendance and completion. • Extend or expand counseling services in schools. 	Support	Lead	Support	Support	Support
 Technical And Vocational Training Centres (TVETs)					
<ul style="list-style-type: none"> • TVETs to boost local economies by upskilling and reskilling adults and youth with business management skills. • Training programs to collaborate with local employers to meet the specific demands of the job market. • Needs assessments of TVETs to identify equipment, teacher training, and material strengths and deficiencies. • The micro enterprise & business set-ups to be supported with start up grants for startup materials, tools and training. 	Support	Support	Lead	Lead	Lead
 Financial Services					
<ul style="list-style-type: none"> • Encourage banks to offer Sharia-compliant loans to ensure financial inclusion for Muslim women, and empower women by aligning repayment schedules with income patterns to reduce defaults. 	Support	Support	Lead	Lead	Lead

Pathway Element	EAC and IGAD	National Government	AfDB	UNHCR and INGOs	Private Sector
 Cooperatives and VSLAs					
<ul style="list-style-type: none"> Support refugees and host communities through legally registered cooperatives, associations, and business formalization methods. Develop cooperative systems to enhance trade and higher value chain productivity in the agricultural and livestock sectors through better irrigation, warehouses, transportation, agro-vet training, and milk processing equipment. Enable refugees to observe market activities for innovative business ideas. Boost exposure of women's artisan, livestock, and farming products to expand market reach and improve profit margins. Extend Bureau of Standards services to refugees in remote areas, ensuring product compliance. Support informal businesses in formalizing through branding and quality control programs. 	Support	Lead	Support	Lead	Support
 Gender Gap in Employment					
<ul style="list-style-type: none"> Simplify e-portal applications, ensure functional cybercafes near refugee camps, expedite RSD and refugee ID issuance, and harmonize ID serial numbers while providing KRA pins, work permits, and driving licenses. Address obstacles to women's employment such as leadership, flexibility, childcare, and gender equality compliance. Integrate GBV prevention and gender norm change into social programs, and establish referral systems for S/GBV survivors to access medical, mental health, legal, and police support. Enhance cross-border trade by addressing gender-specific challenges, mitigating risks like confiscation, bribery, and theft, and ensuring women have access to tools and resources for redress. Train men on equitable resource sharing to support women's economic efforts. Improve security and safety for women through better roads, electricity, water, healthcare, and education infrastructure and services in camps and host communities. 	Support	Support	Support	Lead	Lead



04

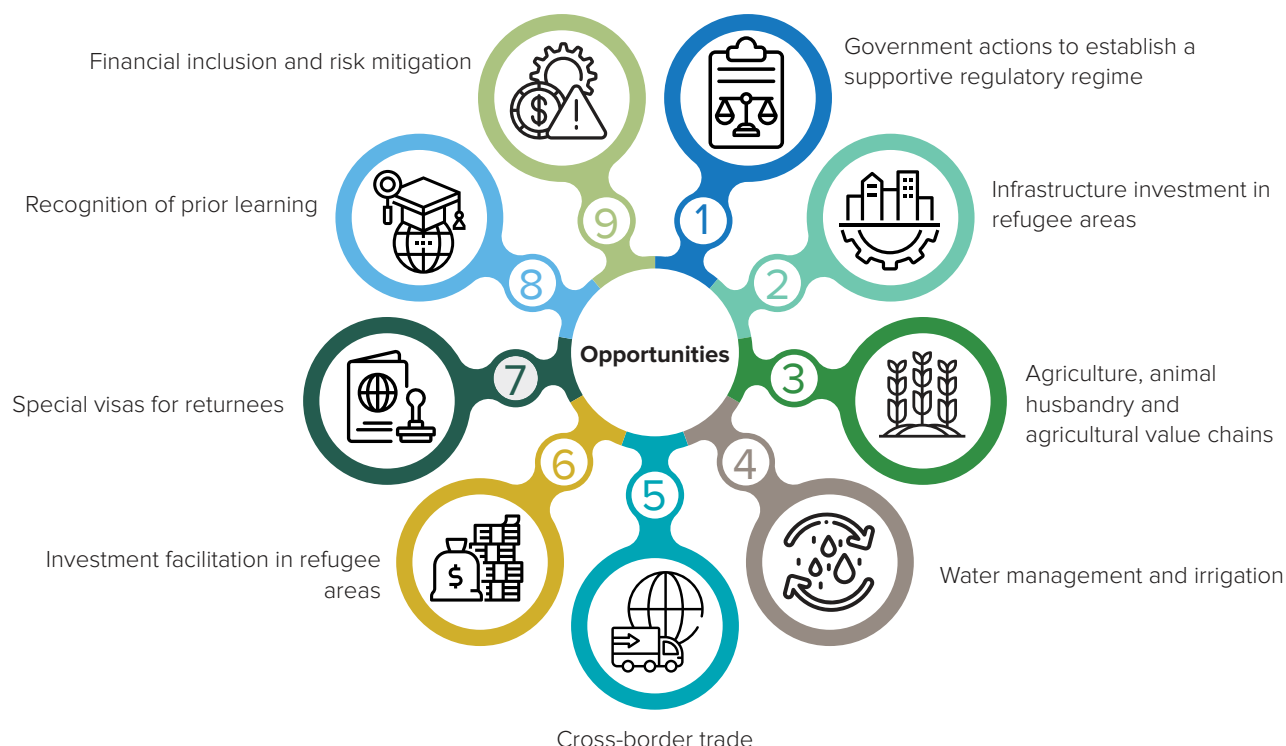


4.Unlocking Investment Opportunities – Common Opportunities Across the Region

While the previous section highlighted challenges facing refugees and host communities in the region, this section focuses on opportunities for private sector investment that can support national economies and benefit both refugee and host communities.

Many of these opportunities are common across the studied countries. Before outlining the specific opportunities for each country, this section briefly outlines some common opportunities. Where relevant, these will be referenced in the country-specific sections that follow.

Every country has potential for increased private sector investment. The AfDB and other International Financial Institutions regularly assess these opportunities. The World Bank and IFC's Country Private Sector Diagnostic series has been particularly useful for this report, as it identifies industries with current and potential investment opportunities in each country.



4.1 Government actions to establish a supportive regulatory regime

Establishing a business-enabling environment is necessary for refugees, returnees and host community members to invest. Business-enabling reforms can unlock wide-scale investments by small and medium investors who identify market opportunities. While these investments may not attract as much attention as large-scale projects, they are fundamental to strengthening the economy and promoting equitable growth. Such reforms also signal to potential large-scale investors that there is a national commitment to creating and maintaining a modern investor-friendly regulatory regime.

The experiences of Rwanda and Kenya demonstrate that positive economic and income growth associated with their investment climate reform programs can help generate the economic growth needed to sustain additional workers, including both returnees and refugees. The region's government and business leaders can draw on Rwanda and Kenya's success as global leaders in managing business regulatory reform, while using Business Ready and previous Doing Business Reform Memoranda as guidance on national obstacles to develop and implement successful reform programs in each country.

4.2 Infrastructure investment in refugee areas

Investing in critical infrastructure to better integrate refugee communities into the regional economy is itself an important source of economic activity. Critical infrastructure needs often include access roads to the nearest regional town; electricity (grid-connected or off-grid solutions); and investment in market infrastructure in refugee communities.



Many refugee communities have developed into medium or large towns, requiring urban infrastructure as well as commercial and light industrial spaces.

4.3 Agriculture, animal husbandry and agricultural value chains

Agriculture is a promising investment area across the region. Depending on the location, this would comprise horticulture – fruits and vegetables, grains, animal husbandry fisheries, timber or even hydroponics.

For example, FAO has noted the potential of South Sudan to serve as the bread basket for East Africa.²

Much of the necessary agricultural investment comprises investment in the value chains, including the development of the cold chain, distribution of agricultural inputs, safe storage facilities which can dramatically reduce post-harvest losses, and packaging facilities. Access to land with land tenure security and communally held land paves the way for refugee participation. Permissive legal frameworks allowing refugees to be members of cooperatives are also often vital for small farmer engagement, and provide an entry point for refugees in locations with restricted tenure.

4.4 Water management and irrigation

Many locations across the region face water management challenges. Typically, this leads to life-threatening floods, alternating with crop-destroying droughts. In many countries, greater investment in water management facilities would improve production levels and reduce the

damage and costs of flooding. Opportunities also exist for irrigated agriculture, while in other places, improvements in animal husbandry services, including veterinary services, slaughter facilities, and the development of the cold chain would be beneficial.

4.5 Cross-border trade

Intra-regional trade is widely recognized as a significant potential driver of growth across the region. Necessary investments to support this are complex, and include appropriate road investments, border crossings, efficient border facilities, introduction of small-scale cross-border trading regimes, and investments in quality certification facilities at national level. Both EAC and IGAD have made substantial efforts to support cross-border trade in the region. As this trade deepens, the cross-border networks

established by refugees can play a significant role in improving trade relationships.

As this trade deepens, the cross-border networks established by refugees can play a significant role in improving trade relationships.

4.6 Investment facilitation in refugee areas

Current legislation and restrictions on refugees have resulted in significant underinvestment in refugee areas, including goods and services frequently sought by refugees. The project identified at least three techniques to encourage investment in these areas.

All three approaches are based on the premise that there is a market to be served in refugee locations, but entrepreneurs face difficulties in researching and identifying opportunities.

By subsidizing research and additional startup costs, these programs facilitate the establishment of pilots to demonstrate the opportunities in refugee areas, encouraging both expansion of the pilot programs and further investments.

These models can be considered for expansion into other refugee locations.

² Qu Dongyu, head of the Food and Agriculture Organization of the United Nations (FAO) during a visit to South Sudan in 2023, quoted in “Can Africa one day help feed the world’s growing population?”, *Financial Times*, 3 April 2024.



**The
SHARPE
facility**

Funded by the United Kingdom and implemented by a consulting firm, this facility identifies goods and services in high demand in refugee locations in the Somali district of Ethiopia. Examples include raising chickens, small animal veterinary services, and solar-powered charging facilities. After identifying a need, the facility reaches out to one or more companies in Ethiopia that could supply the service and invites them to consider establishing operations.

The donor program covers the exceptional startup costs related to project evaluation and establishment in a refugee location. Once these initial costs have been covered and the business has successfully passed its startup phase, support services and subsidies are withdrawn, allowing the business to grow on its own momentum.

**The
Challenge
Grant
facility**

Operated by IFC at the Kakuma-Kalobeyei community in Kenya, this facility adopts a similar approach. The administrators identify areas they believe to be appropriate for investment, which the market has not yet considered.

They then advertise a challenge for investors to consider establishing a service and offer to subsidize startup costs. Investors compete based on the quality and size of the investment they offer, as well as the size of the subsidy they would need to make the investment.

**Private Sector
Foundation
Program**

In Uganda, the Private Sector Foundation implements a program funded by the MasterCard Foundation to encourage established Ugandan-branded companies to set up outlets for their manufacturing or service activities in underserved rural areas.

The facility offers assistance in developing franchising arrangements, quality control procedures, training, and startup costs to enable these early investments, which provide quality and branded solutions. While these services are not yet offered in refugee areas, a World Bank project has now undertaken to finance the extension of this program into refugee areas.

4.7 Seasonal migrant passes for returnees

The Tanzanian government has made notable progress in formalizing the seasonal migration process, with amendments to the Immigration Regulations under the Immigration Act (Chapter 54, 2016 Revised Edition) ensuring the protection of migrant workers' rights. The country's Seasonal Migrant Pass System is designed to address labor shortages in critical sectors by facilitating the temporary entry of foreign workers. It is an essential mechanism for meeting workforce demands during peak periods in agriculture, construction, hospitality, and forestry.

By enabling employers to hire workers from neighboring countries, the system ensures that industries facing seasonal labor gaps can operate smoothly, contributing significantly to Tanzania's economic growth.

The refugee-hosting Kigoma region has historically benefitted from migrant labor from Burundi, and continues to do so in key sectors like agriculture and the services industry.

While restrictions are in place for refugees in Tanzania to engage in employment while holding refugee or asylum seeker status in the camps, opportunities exist for (prospective) returnees to engage in (seasonal) labor in Tanzania following repatriation. Existing legal frameworks, including the seasonal migrant labor pass (as provided for under the Immigration Act) and provisions as stipulated in the EAC Common Market Protocol, could be leveraged to facilitate the movement of labor across the border.

4.8 Recognition of prior learning

The background and experience of refugees are at least as diverse as those of host communities. By treating refugees as an undifferentiated group of asylum seekers and ignoring the variety of their skills and experience, countries deprive themselves of the opportunity to benefit from the expertise refugees bring. At least one country has developed an effective program for recognizing prior learning, which enables refugees to qualify to work as teachers or in other professions where they have experience. Both IGAD and EAC have made valuable contributions towards developing a harmonized skills framework across the region.

The IGAD Qualifications Framework, for example, aims to enhance transparency, comparability and recognition of qualifications across IGAD member states. It serves as a regional mechanism for harmonizing qualifications, facilitating credit transfer and mobility, creating common standards, and improving quality assurance in education and

training systems within the IGAD region. The framework is designed to support member states in developing their own national qualifications frameworks while promoting regional integration, lifelong learning opportunities, and improved employability for learners and workers across East Africa and the Horn of Africa. Similarly, the EAC introduced the East African Qualifications Framework for Higher Education in 2015 to streamline education and training systems and harmonize the recognition of qualifications across the region.

Through implementing such recognition programs and frameworks, countries can unlock the potential of incoming refugees and better integrate their skills into their societies. (It is worth remembering that Steve Jobs, who introduced personal computing to the world, is the son of a Syrian refugee.)

4.9 Financial inclusion and risk mitigation

Refugees face significant challenges in obtaining credit due to their limited assets for collateral and the perception that they may return to their home countries, making debt recovery difficult. Among the countries reviewed, several approaches were identified to address these challenges, the most successful of which included one or more of the following approaches:

- Training banking staff in cash flow lending techniques to compensate for the lack of collateral.

- Implementing group lending models, where prominent individuals or groups jointly underwrite a borrower's debt to mitigate flight risk.
- Engaging donors to offer risk-sharing guarantees, where they underwrite a portion of the first loss for lenders extending loans to refugee communities.

These approaches have encouraged more lenders to enter the market, thereby reducing barriers for refugees to access credit.



There is significant potential to expand lending to refugees for productive purposes by adopting these principles more widely.

A photograph of a smiling woman with short dark hair, wearing a white top with a decorative yellow and blue patterned neckline. She is holding a young child in a yellow shirt. In her right hand, she holds up a small blue card with some text and a logo. The background is an outdoor setting with trees and a building. The image is framed by a teal border.

05

5. Actions to be taken by the African Development Bank



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DÉVELOPPEMENT

The objective of this review is to identify actions for consideration by the AfDB that can support the economic empowerment of refugees, returnees, and host communities in the EHAGL region, with a particular focus on women. These actions aim to contribute to the self-sufficiency of affected populations.

It is beyond the scope of this study to identify specific investments that would be appropriate for the AfDB at this time. Indeed, the identification, preparation, assessment, and evaluation of investment projects is demanding and protracted, and this is even more the case in refugee areas where there is limited experience in private and public investment.

IFC has recently made a celebrated investment in the refugee area of Melkadida in the Somali state of Ethiopia to support a multi-year US\$100 million grant from the IKEA Foundation to support private sector agriculture. Assessing this particular private sector grant activity took IFC more than 18 months, with many visits by an array of experts anchored by a team in-country.

However, even without a detailed assessment of individual projects, at least five areas can be highlighted as providing opportunities for the AfDB to play an important role in critical areas of activity needed to support refugee economic inclusion. These are listed below:



5.1. Establishing an empowering refugee regulatory environment

The task of reviewing national legislation to ensure that refugee management legislation meets the political realities in a country, addresses security concerns, and empowers refugees to contribute economically and increase their self-sufficiency lies primarily with the national government. Governments can be aided and supported by drawing on the examples of others who have found it possible to establish laws and regulations which harmoniously meet

these multiple objectives. Regional bodies, including the IGAD and EAC, with UNHCR and other international NGOs, can support this work. The AfDB's role here would be limited to observing and encouraging progress, such as by defining milestones in a country's reform journey that would trigger additional grant or loan support, including support for the implementation of reform actions.³

5.2 Establishing a conducive business-enabling environment

Investment by refugees, returnees, and the entire host population can only thrive within a framework of laws, regulations, and institutions that support private sector investment.

Most countries in the region still have considerable work to do in establishing economic regulations that foster private sector investment and growth. While governments bear the primary responsibility for this effort, experience has demonstrated that technical assistance and financial support can be invaluable.

Such support can help governments learn from others' experiences, draft appropriate regulations, and establish necessary institutions.

A significant precedent for this approach was set following the 2005 Report of the Commission for Africa. This commission included the Presidents of Tanzania and Ethiopia and other African leaders, and was chaired by the then UK Prime Minister. In response to this report, the AfDB established an Investment Climate Facility. This facility, upon request, provided advice and assistance to

African governments seeking to enhance their investment environments. The work of this time-bound entity contributed to the wave of investment climate reform as many African governments updated their investment climate laws, regulations, and administration to encourage increased investment.

A vital element of this process was peer learning, enabling African countries to learn from one another in addressing shared challenges.

Building on this successful initiative, the AfDB could support the establishment of a Peer Learning mechanism in the region. This mechanism would leverage the convening power of RECs and the UNHCR. It would be further enhanced by technical assistance from international NGOs and both technical and financial support from the AfDB and other development partners. AfDB could support this in multiple ways – by financially supporting the costs of a Peer Learning process, by funding technical assistance to countries reviewing and revising their business regulations, and by lending funds to support the establishment of needed business regulatory institutions.

³ The World Bank's *Doing Business* report has been a significant driver of reform. During his tenure, World Bank President J.D. Wolfensohn regularly acknowledged countries' reform achievements in World Bank-IMF meetings with national leaders, demonstrating institutional support for these initiatives. This practice helped strengthen support for reform initiatives. Subsequently, the World Bank has undertaken "Policy Based" grant and lending operations, where significant funding is triggered by the implementation of key economic reforms, including those recorded by *Doing Business*.

5.3 Investment in infrastructure in remote areas

These remote areas house refugees and returnees, particularly linkage infrastructure such as access roads, power and telecommunications, is essential to link these remote areas into the national economy, but also to support cross-border links to strengthen the regional economy.

This is an area of priority for investment by the African Development Bank, which has a leading role to play in providing funding to design and implement public investments in infrastructure, and in encouraging and supporting private sector players in the ICT and energy sectors active in this space.

5.4. Investment facilitation services

These services are essential to support and derisk pioneer investors by underwriting much of the perceived excess risk of investing in remote and under-researched locations to serve vulnerable populations.

Three robust services have been identified in the region: the SHARPE project, IFC's challenge fund in Kakuma Kalobeyei, and the Private Sector Foundation Uganda's program. These initiatives offer excellent support to incubate the private sector in refugee areas, each with a slightly different focus. AfDB should consider supporting these programs to expand into other refugee locations and additional countries in the region.



This support would not only help establish numerous new businesses but also enable AfDB to identify promising private sector endeavors that could be supported in their further growth.

5.5 Extension of business credit to refugees


Throughout the region, the program identified numerous examples of microfinance institutions and even banks that have developed methods to offer credit to promising small businesses and start-ups, including those in host, refugee, and returnee communities.

These credit offerings are generally implemented through a combination of cashflow lending, group lending, and risk-sharing facilities. The AfDB can support these endeavors by providing additional funding through lines of credit, including risk-sharing arrangements. Furthermore, the AfDB can showcase successful cases and provide further training on SME lending practices to other financial institutions seeking to enter this area of business.





06



6. Actions to be Undertaken at the National Level

Sections 3 and 4 outlined the major areas of activity needed to support refugee economic empowerment in the countries of the region. However, each country faces a different set of needs and opportunities.

The most important of these are briefly summarized below. For each country visited, a three-part roadmap is laid out, comprising a set of highest priority actions, followed by a table indicating which institutions should play lead and support roles, followed by a more extensive listing of the actions which could be undertaken by each institution to improve the opportunities for refugee economic empowerment in that country.





Thereafter the industries which show most promise for investment are listed. In the table, the activities which appear to hold the most promise for improving refugee economic empowerment are shown in green. Once again, the objective here is not to set out a comprehensive listing of every action which should be implemented, but rather to focus on a grouping of high potential actions which if implemented will have a strong positive impact on refugee, returnee and host community refugee women and men.

Once a momentum in implementing a commitment to such reform is developed, many more positive actions will become appropriate and possible.



6.1 BURUNDI

- Burundi has taken positive steps in refugee management, particularly through its recent relaxation of movement restrictions on refugees, and should be encouraged to continue further relaxation. Building on this progress, the country would benefit from reviewing its systems for registration of both refugees and returnees to simplify efforts to obtain necessary documentation needed to access services and engage in economic activities. The current process for obtaining refugee IDs, national identity documents for returnees, and birth certificates for children born abroad is complex. Part of the problem stems from incomplete data collection during initial registration, resulting in significant delays in accessing services. Adjusting regulations to enable refugee participation in the workforce will help address key skills constraints.
- Burundi can make much progress by improving its business-enabling environment, currently ranked at 166 out of 190 in the world. Once significant progress is achieved, Burundi can look to attract the attention of major investors;
- Burundi has established a valuable cooperative system. Further streamlining this system, and strengthening the access to finance it provides, can open access to land for returnees and refugees.;
- Strategic investments in energy and ICT infrastructure would enhance operation of the cold chain for agricultural value chains, a strong potential source of growth.
- With appropriate reforms, Burundi has solid opportunities for growth, particularly in the agricultural value chain, cross-border trade, and possibly in the exploitation of its mineral resources.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Develop and implement a plan to eliminate RSD backlog					
Benchmark against others to find ways to reduce challenges in obtaining documents	Support	Lead		Support	
 Freedom Of Movement					
Continue progress in relaxing restrictions on freedom of movement		Lead		Support	
 Enabling National Business Environment					
Benchmark against leading reformers in the region to guide improvements in the business environment, facilitating more investment.	Support	Lead			Support
Review challenges in operation of cooperative system.		Lead		Support	
Expedite cross-border trade on the Central Corridor, including Simplified Trade Regime	Support	Lead	Support		Support
 Access To Education					
Harmonize education certificates and recognize skills and education obtained abroad by returnees to facilitate reintegration	Support	Lead			
 Local Infrastructure Quality					
Upgrade key ICT, energy and water infrastructure to help integrate refugees		Lead	Support		
 Refugee Rights To Work And Do Business					
Streamline current refugee rights to work, particularly for camp-based refugees	Support	Lead			
 ICT And Financial Inclusion					
Strengthen ICT infrastructure to allow greater penetration		Lead	Support		Support
Encourage financial institutions to expand SME cash flow-based lending programs, and pursue risk-sharing partnerships		Support	Lead	Support	Support
 Gender Focus					
Provide better information on the rights of women and of refugees		Support		Lead	
 Private Sector Investment Areas					
Strong potential in agri-business chains		Lead			
Good opportunities for cross-border trade	Support	Lead	Support		
Opportunities to grow financial institutions		Support	Lead		

Recommendations

Government of Burundi

- 1) Strengthen documentation and mobility by implementing a digital refugee and returnee registration system with trackable ID cards to enhance security and facilitate economic participation.
- 2) Review and update the Comprehensive Policy Framework and nationality laws, particularly concerning returnee children.
- 3) Streamline work permit processes, especially for camp-based refugees, to reduce barriers to formal employment.
- 4) Develop infrastructure and trade by prioritizing infrastructure projects that improve connectivity in refugee-hosting areas, particularly in Ruyigi Province; upgrading ICT and telecommunications infrastructure in underserved areas to support digital inclusion; and fully implementing the Simplified Trade Regime between Burundi, DRC, and other neighboring countries.
- 5) Prioritize resolution of returnee land access and rights issues while advancing broader economic inclusion by working with ANACOOOP to bridge the gap between legal rights and practical implementation of refugee-only cooperatives; reviewing policies on arrears payments for returnees rejoining cooperatives to facilitate their economic reintegration; and investing in agricultural technology and value chain development for key crops (rice, beans, maize, coffee, and nuts).
- 6) Enhance skills development through private sector-aligned TVET programs, expanded access to digital skills training in refugee-hosting areas; enhanced capacity of national TVET providers; and comprehensive financial literacy programs for refugees and returnees.

Regional Economic Communities (EAC, IGAD)

- 1) Support Burundi's integration into regional trade initiatives, such as the EAC's Central Corridor project.
- 2) Facilitate the harmonization of cross-border trade policies to benefit refugees and returnees engaged in small-scale trade.
- 3) Share best practices in refugee economic inclusion among member countries.

African Development Bank (AfDB)

- 1) Continue investing in critical infrastructure projects, particularly those enhancing connectivity in refugee-hosting areas.
- 2) Support the development of agricultural value chains, focusing on key crops identified in Burundi.
- 3) Burundi's historical very high population puts it significantly at risk for challenges deriving from climate change.
- 4) Provide technical assistance for developing digital financial services and infrastructure in underserved areas.
- 5) Support initiatives to strengthen and diversify Burundi's financial sector, with a focus on increasing access to credit for small businesses, including those run by refugees and returnees.

Development Partners

- 1) Support the formation and strengthening of Village Saving Loans Associations among refugee, returnee, and host communities.
- 2) Assist in developing gender-sensitive training programs to address the specific barriers faced by women.
- 3) Conduct studies on the economic impact of refugees and returnees to inform policy decisions.
- 4) Support the establishment of innovation incubators and start-up hubs to foster entrepreneurship among refugees and returnees, including through current programs supported by IFIs.



Private Sector





- 1) Engage actively in the redesign of TVET programs to ensure alignment with market needs.
- 2) Develop partnerships with refugee-led cooperatives and businesses to integrate them into value chains.
- 3) Invest in agricultural technology and processing facilities in refugee-hosting areas.
- 4) Collaborate with financial institutions to develop products tailored to the needs of refugees and returnees, such as alternative collateral models.



6.2 DJIBOUTI

- Djibouti demonstrates a strong commitment to refugee protection through its open-door refugee policy. A highlight of this is the inclusion of refugees and asylum seekers in the national financial inclusion strategy. However, both groups face practical challenges in accessing these rights, such as employment opportunities. Additionally, a significant backlog in adjudicating asylum applications prohibits many refugees from benefiting fully from this positive environment. During 2023 and 2024 government has made sustained efforts to reduce this backlog, but further support is needed before it is cleared.
- The high unemployment rate and large shifting population make increasing employment a priority. The government needs to accelerate a business regulatory reform program, potentially making use of peer learning.
- Substantial infrastructure investments create opportunities for supplier development programs which, if energetically pursued, can increase employment and competitiveness of the economy.
- Government should continue efforts to improve and liberalize the energy and ICT sectors, while also investing in other infrastructure.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Develop and implement a plan to eliminate RSD backlog of applications and streamline documentation procedures	Support	Lead		Support	
 Freedom Of Movement					
Policies enable wide freedom of movement –advise others on its effects	Lead	Support		Support	

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Enabling National Business Environment					
Learn from others on how to improve the generally weak regulatory environment	Lead	Support	Support		Support
 Access To Education					
Integrate qualified refugee teachers into the national education system		Lead		Support	
Expand TVET system, ideally aligned to supplier development programs, ensuring refugee inclusion		Lead	Support	Support	Support
 Local Infrastructure Quality					
Upgrade access roads between Hol Hol and Ali Addeh to Djibouti City		Lead	Support		
Improve water infrastructure in refugee areas.					
 Refugee Rights To Work And Do Business					
Legally refugees have the right to work, but informal practises block access. Need to increase employment levels		Lead	Support		Support
 ICT And Financial Inclusion					
Open Open ICT sector to refugee employment opportunities		Lead	Support		Support
Ensure refugees qualify for financial inclusion strategy		Lead	Support		Lead
 Gender Focus					
Develop sensitization programs to provide information on gender legal rights		Support		Lead	
 Infrastructure Investment Priorities					
Ensure current projects for electrical infrastructure upgrade includes access to refugee hosting areas, off-grid solar solutions. Ensure current projects for electrical infrastructure upgrade include access to refugee hosting areas, incorporating off-grid solar solutions		Lead	Support		Support
Continue focus on energy and ICT investments. Align regulatory environment to leverage improvements.		Lead	Support		Support
 Investment Opportunities					
Include a commercial transportation hub in the SEZ bordering Ethiopia		Lead			
Develop a major supplier development program linking local businesses to military bases, port and other major international logistics businesses		Lead	Support	Support	Support
Leverage existing ICT infrastructure to develop comprehensive data processing sector, including regional data center operations.		Lead			Support

Recommendations

National Government

- 1) Streamline refugee documentation processes by eliminating registration and RSD backlogs, ensuring timely birth certificate issuance, negotiate with the Ministry of Interior to enable access to driving licenses, and amend laws to clearly define rights of refugees and asylum seekers regarding access to financial services. Government has undertaken a major review of refugee needs, streamlined access to drivers licences, and clearly documented the rights and obligations of refugees.
- 2) Enhance infrastructure through reduced administrative barriers to electricity and ICT services, investing in the highway project to enhance connectivity and trade, and developing a commercial transportation hub in the SEZ bordering Ethiopia.
- 3) Strengthen economic inclusion by incorporating refugee rights into the national financial inclusion strategy (with distinct priorities and resources), and reviewing current ICT sector regulations to expand investment and employment opportunities.
- 4) Advance skills development through implementation of a comprehensive national TVET strategy based on regional best practices and informed by targeted skills gap analysis that identifies priority areas for workforce development.

Local Authorities

- 1) Collaborate with national government on water infrastructure projects, particularly in Ali Sabieh region.
- 2) Prioritize improving road connections between refugee villages (Hol Hol and Ali Addeh) and Djibouti City.
- 3) Support the implementation of green energy projects, such as solar power, in refugee-hosting areas.

Regional Economic Communities (EAC, IGAD)

- 1) Support the implementation of cross-border trade initiatives, particularly for the livestock sector in the Halal market.
- 2) Facilitate the harmonization of cross-border trade policies to benefit refugees engaged in small-scale trade.
- 3) Share best practices in refugee economic inclusion, focusing on skills development, among member countries.

African Development Bank (AfDB)

- 1) Invest in infrastructure in refugee-hosting areas through rehabilitation of roads; support for energy infrastructure projects, especially solar power expansion; water and irrigation infrastructure development; and support the development of the commercial transportation hub in the SEZ bordering Ethiopia.
- 2) Support financial inclusion through providing risk capital and de-risking mechanisms for fintech expansion, establishing guaranteed bank loan funds, and implementing blended finance models to support business formalization and broader financial services.
- 3) Support the development and implementation of the national TVET strategy, enhance capacity of national TVET providers and fund programs to build local training capacity in priority sectors.
- 4) Support private sector development through multi-year supplier development programs linking foreign investments to local suppliers, developing ICT sector capabilities to position Djibouti as a regional data processing hub, and training artisans to develop products for the growing tourism sector in refugee-hosting areas.

Development Partners

- 1) Support the implementation of comprehensive awareness programs about refugee rights for all stakeholders.
- 2) Assist in developing gender-sensitive training programs to address specific barriers faced by women.
- 3) Provide technical support for the creation of job-matching platforms that include refugees and enhance use of national platform that is open to refugees
- 4) Support initiatives to formalize the care economy and strengthen workers' rights.



Private Sector

- 1) Engage actively in the design and implementation of TVET programs to ensure alignment with market needs.
- 2) Develop partnerships with refugee-led businesses to integrate them into value chains, particularly in growth sectors like logistics, service economy and the blue economy.
- 3) Collaborate with financial institutions to develop products tailored to the needs of refugees, such as mobile banking solutions.
- 4) Invest in agricultural processing and fishing sector development, facilitate labor mobility within this industry, and develop ship repair and maintenance facilities in SEZ.



6.3 ETHIOPIA

- Ethiopia has made significant progress in recent weeks to give effect to the Government's policy commitments of 2016, 2019 and 2023 to include refugees in the economy, allowing them to start businesses and obtain work permits. This implementation phase creates opportunities for enhanced cooperation with development partners.
- Urgent action is needed to support Ethiopia with the necessary resources to eliminate its backlog in processing refugee applications, and providing the necessary identity documents to enable refugees to access all the necessary services.
- Support is also needed to the government in its efforts to integrate refugees into the national Civil and Vital Statistics system and other national systems.
- Ethiopia has made progress in easing encampment policies and is encouraged to proceed towards fuller relaxation. The country could benefit from reviewing the approaches of other governments like Uganda and Rwanda, who have pursued more open refugee management systems that might help Ethiopia achieve its objectives.
- Ethiopia has taken steps towards integrating refugees with their host communities and should advance these initiatives swiftly. The government has valuable experience in Melkadida settlements in the Somali region, where both refugees and host communities are benefiting, providing an excellent example of peaceful co-existence. The 2023 GRF pledges build upon these good practices.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Strengthen national capacity for refugee registration, documentation, and RSD through additional staffing, advanced training, adequate resources, and streamlined processes to clear existing backlogs		Lead		Support	
 Freedom Of Movement					
Accelerate the phasing out of area restrictions and the encampment policy for refugees		Lead		Support	
Permit local Ethiopian business representatives free access to refugee settlements to provide goods and services		Lead		Support	Support

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Enabling National Business Environment					
Continue current economic reform agenda	Support	Lead	Support		Support
Participate in Peer-Learning programs with leading reform countries	Support	Support	Lead		
 Access To Education					
Track policy reforms and new school development in refugee areas		Lead	Support	Support	
 Local Infrastructure Quality					
Continue efforts to integrate refugee camps with communities, and expand power and other infrastructure		Lead	Support		Support
 Refugee Rights To Work And Do Business					
Relax restrictions on refugee work permits	Support	Lead		Support	
 ICT And Financial Inclusion					
Address RSD process backlogs and expand network facilities to resolve refugee ID barriers for SIM card access		Lead	Support		Support
Opportunities to expand access to finance, including with derisking programs		Support	Lead		Support
Develop derisking programs to enhance financial service access		Support	Lead		Support
 Gender Focus					
Implement extensive sensitization to educate on gender rights, and bring community attitudes into alignment		Support		Lead	
 Infrastructure Investment Priorities					
Supplement major industrial parks with smaller scale manufacturing and business facilities in towns		Lead	Support		Support
Extend urban infrastructure to integrate refugee and host communities. Kebribeyah refugee camp is a pilot		Lead	Support		Support
 Investment Opportunities					
Agriculture and livestock value chains, including in the Melkadida region					
Solar power offers opportunities in off-grid locations					
Expand on investor facilitation services and business support services in refugee-hosting areas		Support	Support	Lead	Support
Enhance cross-border trade opportunities, including in the livestock value chain, supported by business services	Support	Lead	Support		Support

Recommendations

National Government

- 1) Support the adoption of additional subsidiary legislations related to the Ethiopia Refugees Proclamation No. 1110/2019 to clarify refugee entitlements.
- 2) Strengthen national capacity for refugee registration, documentation, and RSD through additional staffing, advanced training, adequate resources, and streamlined processes to clear existing backlogs.
- 3) Institutionalize the issuance of residence permits for refugees.
- 4) Update the National Financial Inclusion Strategy to address refugee and IDP financial inclusion.
- 3) Invest in infrastructure (roads, water, digital connectivity) to reduce the cost of doing business in refugee areas and incentivize more financial institutions to open branches in these locations.
- 4) Develop de-risking and innovative financing mechanisms to encourage financial institutions to provide funding and financial products suited to the unique needs of refugees and host communities.
- 5) Encourage improvement of data collection and dissemination at all levels of government, including the national census, and harmonizing data between government and multinational and private sector partners, to improve planning.

Local Government (Somali Region)

- 1) Encourage national government to facilitate access for private sector companies to enter refugee camps.
- 2) Address infrastructure and communication needs of remote refugee and IDP hosting areas in regional development plans.
- 3) Promote social cohesion between host and refugee communities.

Regional Economic Communities (EAC, IGAD)

- 1) Facilitate regional collaboration on refugee and forced displacement issues.
- 2) Share best practices and lessons on refugee integration and economic inclusion from other member states, such as Uganda and Rwanda.

African Development Bank (AfDB)

- 1) Consider funding the integration of the Kebribeyah refugee camp with the adjacent host community in the Jijiga region. Extensive research has identified the implications of integrating these communities, offering a compelling basis for an AfDB-funded project.
- 2) Invest in the Melkadida region, building on the pioneering work of the IKEA Foundation and the recent investment by IFC. This investment could support an extensive program in infrastructure and productive activities such as agriculture, livestock, and solar energy.

UNHCR and Development Partners

- 1) Support the government in clearing the RSD backlog and backlogs of refugee ID issuance and business license approvals.
- 2) Provide support to the government in implementing recent decisions to provide work permits and support business establishment by refugees, and to support integration of refugees into national systems.
- 3) Develop programs to derisk investments made by the private sector in refugee and IDP hosting areas.
- 4) Provide technical assistance for the development of refugee-specific financial products.
- 5) Support awareness creation programs on refugee rights and financial inclusion opportunities.



Private Sector









- 1) Develop tailored financial products and services for refugees and host communities.
- 2) Invest in infrastructure and businesses in refugee-hosting areas, leveraging support from development partners like the support from the International Finance Corporation (IFC). The experience of IFC and IKEA Foundation intervention in Melkadida settlements of Somalia region of Ethiopia is a good practice that can be scaled-up.
- 3) Participate in skills training and employment programs for refugees and host community members.
- 4) Enhance artisanal value chains, improve production and quality, and enhance sourcing of products from refugee-hosting areas.



6.4 KENYA

- Kenya has produced a progressive Refugee Act in 2021, and has recently adopted the supporting regulations in 2024 for implementation of the legislation.
- Kenya seeks to replace refugee camps with settled communities, building on the model piloted in the Kakuma-Kalobeyei region. It seeks funding for such a development program that will benefit refugees and citizens through the Shirika Plan, still under development. The GISED P strategy would guide implementation in the Dadaab region.
- The country faces challenges with a significant asylum-seeker backlog of 220,000 (and growing), therefore RSD backlog clearance remains a priority.
- Kenya has a strong business environment, positioning it to support others through a peer learning process.
- Kenya can harness its robust private sector to provide a strong foundation for refugee empowerment.
- The country's established financial services infrastructure can be leveraged to provide credit facilities for refugees.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Clear existing RSD backlog through enhanced processing capacity	Support	Lead		Support	Support
Digitize refugee information and include in national systems					
Share experience of mobile Biashara Centers which help refugees meet documentation needs.	Support	Lead		Support	
 Freedom Of Movement					
New Refugee Act provides freedom of movement, supported by Refugee (General) Regulations 2024	Support	Lead		Support	

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Enabling National Business Environment					
Good practice – support others through a peer learning process	Support	Support	Lead		
Strong business environment can be transmitted to refugees based on Refugee Act		Lead	Support	Support	
 Access To Education					
Harmonization of qualifications supported by inclusion of Somalia in EAC	Lead	Support		Support	
Development of education and health facilities to support settlement of community		Lead	Support	Support	
 Local Infrastructure Quality					
Integrate refugee and host community, implement GISED P as an integrated community following Kakuma-Kalobeyei model		Lead	Support	Support	Support
Upgrader poor water and power facilities		Lead	Support		Support
 Refugee Rights To Work And Do Business					
Develop and adopt regulations to implement Refugee Act 2021		Lead		Support	
Finalize validation of Shirika Plan and implement		Lead	Support	Support	Support
 ICT And Financial Inclusion					
Opportunities for further expansion of financial services leveraging Kenya's mobile money infrastructure to create refugee-specific digital financial solutions		Lead	Support		Support
Refugee ID or passport needed for SIM card – so backlog and slow processes limit access		Lead		Support	Support
 Gender Focus					
Implement sensitization programs on gender legal rights and support community transformation		Support		Lead	
 Infrastructure Investment Priorities					
Upgrade Garissa-Dadaab road to enhance accessibility and integrate community		Lead			Support
 Investment Opportunities					
Significant opportunity to integrate refugee and host communities to establish viable towns		Lead	Support		Support
Upgrade veterinary services and the livestock value chains		Lead	Support		Support
Opportunity for better water management to address both floods and droughts		Support	Lead		Support

Kenya Recommendations

Government of Kenya

- 1) Continue progress on implementing the Refugee Act No. 10 of 2021, supported by the newly gazetted Refugee (General) Regulations 2024.
- 2) Advance the Shirika Plan from Draft 1 through stakeholder engagements and public participation, moving toward implementation of this 943M USD, 12-year initiative.
- 3) Progress development of the government-owned Refugee Database and Management System that will integrate with other government databases.
- 4) Complete the digitization of refugee ID to improve verifiability and access to services, including development of Maisha Namba digital ID system with provisions for refugees, integration of Refugee ID cards into the Integrated Population Registration System (IPRS), and recognition of Refugee IDs on par with Alien Cards for government services
- 5) Continue advocacy with the Central Bank of Kenya to revise prudential guidelines and anti-money laundering laws to enhance refugee financial inclusion, building on progress with KRA, Financial Reporting Centre, Communications Authority, and other service providers.
- 6) Prioritize infrastructure development in the newly chartered municipalities of Kakuma and Dadaab, particularly for water, energy, environmental conservation, waste management, health, education and economic development.

Local Authorities (Garissa County)

- 1) Prioritize the upgrading and surfacing of the Garissa-Dadaab road, identified as a key priority area under both the Shirika Plan and GISED P to enhance security, accessibility, and economic activity.
- 2) Collaborate with national government and international partners on water infrastructure projects, such as strategic megadams.
- 3) Support the implementation of the Garissa Integrated Socioeconomic Development Plan (GISED P).

Regional Economic Communities (EAC, IGAD)

- 1) Support regional initiatives that facilitate the economic inclusion of refugees across member states.
- 2) Facilitate the sharing of best practices in refugee economic inclusion among member countries.

- 3) Collaborate on cross-border infrastructure projects enhancing trade opportunities for refugees.
- 4) Support the implementation of the EAC Common Market Protocol to facilitate free movement of goods, services, and people across borders.

African Development Bank (AfDB)

- 1) Invest in infrastructure projects that enhance connectivity in refugee-hosting areas, particularly in Garissa County (including the key priority of the Garissa-Dadaab road).
- 2) Support the establishment of loan guarantee funds and group lending strategies to mitigate perceived risks for refugee borrowers.
- 3) Support systems that enhance business infrastructure and ecosystems for refugee entrepreneurs.
- 4) Support infrastructural development in the newly chartered municipalities of Dadaab and Kakuma, particularly for water, power, and essential services.

Development Partners

- 1) Support the digitization of refugee services in collaboration with Kenya's ICT Authority and the Department of Refugee Services.
- 2) Facilitate ecosystem analyses of refugees' financial inclusion to identify and address systemic barriers.
- 3) Provide technical support for cooperative development, including assistance with business plan creation and financial management training.
- 4) Implement comprehensive financial education programs for refugees and returnees.











Private Sector

- 1) Develop financial products tailored to refugees' needs and cultural practices, including Shari'a-compliant financing options.
- 2) Participate in supplier development programs to provide goods and services to large international investments in refugee-hosting areas.
- 3) Invest in renewable energy projects, particularly solar and wind farms, to provide sustainable energy solutions for Dadaab.
- 4) Engage in designing and implementing TVET programs to ensure curricula remain responsive to industry needs.
- 5) Enhance linkages with artisan producers to generate income opportunities for women in the camps.



6.5 RWANDA

- Rwanda demonstrates good practices in integrating refugees into national services and maintains the best investment climate regulations in the region. It can make marginal improvements to its refugee management and should consider reviewing the refugee experience in its refugee locations to identify improvements that can be made on the ground. In particular, it should focus on ensuring that its high quality of services are accessed as easily by women as by men.
- Regarding its investment climate, Rwanda can contribute best by sharing its own experience in investment climate reform with others in the region.
- Rwanda should best focus on improving its already fair infrastructure in refugee areas. It has put in place the Jya Mbere project to upgrade infrastructure in refugee areas and should encourage the AfDB to participate in this program. The Mahama camp would particularly benefit from upgrading the road to Kirehe, creating additional education facilities, establishing produce market infrastructure, strengthening the ICT infrastructure, and finding a better energy solution.
- Rwanda could consider an investment facilitation service to encourage the establishment of more businesses serving refugees in the camps and other remote areas. It could encourage greater private sector involvement with its cooperative structures and could explore ways to increase the availability of credit to support refugee and host community businesses. The government has a good program to continue strengthening its economy in high growth areas including agri-business value chains, tourism and housing and construction.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Good RSD system: address awareness gaps at local implementation level and support peer learning process	Support	Lead		Support	
 Freedom Of Movement					
Best practice - support peer learning process	Lead	Support		Support	
 Enabling National Business Environment					
Best practice - support peer learning process	Lead	Support		Support	
 Access To Education					
Support harmonization of standards	Support	Lead		Support	
 Local Infrastructure Quality					
Upgrade Mahama-Kirehe road		Lead	Support		
Increase school facilities (e.g. classrooms, laboratories)		Lead	Support	Support	
Improve energy solutions to benefit both refugees and host communities and consider linking Mahama to grid		Lead	Support		
Strengthen ICT base		Support	Support		Lead
Consider other projects scoped for Jya Mbere project, incl. Kirehe water supply system to Mahama Refugee Camp		Lead	Support		
 Refugee Rights To Work And Do Business					
Best practice – focus on dissemination of information		Lead			
 ICT And Financial Inclusion					
Consider enhancements for SME lending		Lead	Support		
Investor facilitation program			Lead		
 Gender Focus					
Review female access to services		Lead		Support	
 Infrastructure Investment Priorities					
Upgrade Mahama-Kirehe road, and other local infrastructures		Lead	Support		
 Investment Opportunities					
Agri-value chains – high value horticulture, coffee, tea		Lead	Support		
Affordable housing in urban centers is an investment opportunity		Lead	Support		
Tourism, incl. integration of refugee-made products into tourism marketing and distribution channels		Lead	Support		

Recommendations

National Government

- 1) Prioritize the rehabilitation of critical roads, particularly the Mahama-Kirehe town connection, to improve connectivity and access to markets and services.
- 2) Support the connection of Mahama camp to the main electricity grid to ensure stable power supply.
- 3) Expand irrigation systems in dry areas hosting refugees to boost agricultural productivity.
- 4) Construct additional schools, TVET facilities, and health centers in RHAs to reduce overcrowding and support the integration of refugees into national systems.
- 5) Implement comprehensive financial education programs for refugees, including the development of a financial literacy book in local languages.
- 6) Build on inclusion of refugees in the 2024 FinScope Survey and expand to include refugees in other national surveys.
- 7) Continue to support and expand initiatives like the Rwanda National Investment Trust that provide secure savings options for refugees.
- 2) Support economic and financial inclusion by enhancing refugee participation in high-potential sectors, funding start-up capital and kits for refugee entrepreneurs (particularly TVET graduates), and establishing a revolving fund or derisking mechanism for refugee financial inclusion.
- 3) Provide technical assistance in designing and implementing refugee-inclusive economic policies, including development of robust monitoring and evaluation frameworks for refugee-focused projects.
- 4) Build on and complement existing initiatives by investing in identified but unfunded projects that complement current programs like Jya Mbere and are ready for implementation.

UNHCR and Development Partners

- 1) Support the implementation of comprehensive awareness programs about skills development rights and benefits for refugees.
- 2) Assist in developing and implementing gender-sensitive training programs, including flexible schedules and childcare support.
- 3) Help improve coordination among development stakeholders supporting refugees and host communities.
- 4) Support the establishment of an information platform providing on-demand access to business opportunities and support services for refugees.

Private Sector

- 1) Engage actively in skills development by developing training programs aligned with market needs, with entrepreneurship focus in TVET programs, and partner with relevant actors for curriculum development and skills gap identification.
- 2) Explore opportunities in high-potential sectors (food production, value addition, tourism and hospitality, professional arts, and ICT) through mutually beneficial partnerships with refugee-inclusive cooperatives, providing stable market access for cooperative products and mentorship for business development.
- 3) Financial institutions to develop refugee-friendly financial products and services through innovative funding and risk mitigation options (incl. insurance coverage), cash-flow-based lending approaches, improved outreach and information dissemination about available services, and expanded MFI presence in refugee-hosting districts.

Regional Economic Communities (EAC, IGAD)

- 1) Support regional initiatives that facilitate economic inclusion of refugees and IDPs across Member States.
- 2) Share best practices in refugee and IDP economic inclusion among member countries.
- 3) Collaborate with national governments and international organizations to develop cross-border infrastructure projects to enhance refugee trade opportunities.
- 4) Participate in and support public-private dialogues focused on improving the investment climate and economic opportunities for refugees in member countries.
- 5) Assist in disseminating information about regional economic opportunities, particularly those relevant to refugee populations.











African Development Bank (AfDB)

- 1) Invest in infrastructure development in refugee-hosting areas, prioritizing rehabilitation of critical roads, energy (particularly Mahama camp grid connection), water and irrigation systems, construction of education/TVET/health facilities, marketplace infrastructure, and cross-border trade infrastructure, leveraging AfDB's regional project expertise.



6.5 SOMALIA

- Somalia has made significant progress in developing its refugee policy, particularly with the enactment of the Refugee Law, and should enhance administrative efficiency by clearing the RSD backlog and providing refugee identity documentation to facilitate refugees' access to essential services.
- Somalia focus on building effective and inclusive institutions provides an opportune moment to establish sound legal, regulatory and institutional structures, ensuring that as the state strengthens, it does so on robust, efficient and effective economic infrastructures.
- Energy access represents a critical priority for development. Given Somalia's abundant solar resources, investors should be encouraged to establish off-grid solar facilities, which can later be integrated when circumstances permit.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Increase efficiency and speed in RSD processes and delivery of refugee documentation, and facilitate IDP documentation needs		Lead		Support	
 Freedom Of Movement					
No legal constraints – demonstrates best practise					
 Enabling National Business Environment					
Establish basic regulatory and institutional foundations for business regulation and the economy	Support	Lead	Support		
 Access To Education					
Participate in REC-led harmonization processes	Lead	Support			
 Local Infrastructure Quality					
Need additional education facilities		Lead	Support		
Power is critically needed, solar is an option		Lead	Support		Support
All infrastructures need upgrading		Lead	Support		
 Refugee Rights To Work And Do Business					
No legal constraints, very limited opportunities					
 ICT And Financial Inclusion					
No legal impediments – only need to expand ICT facilities		Support	Support		Lead
Only gender obstacles, and expand services and access		Lead	Support		Lead
 Gender Focus					
Address many legal obstacles, benchmark against other selected countries with similar cultural values.		Lead		Support	
 Infrastructure Investment Priorities					
All elements of infrastructure need development and expansion		Lead	Support		Support
 Investment Opportunities					
Off-grid solar installations		Support	Support		Lead
Develop market-aligned training programs		Support	Support		Lead
Expand credit and other financial products		Support	Lead		Support

Recommendations

Government of Somalia

- 1) Strengthen the capacity of the National Commission for Refugees and IDPs (NCRI) at federal and state levels to manage refugee and IDP situations, including enhancing systems for proper and timely documentation, facilitating access to public services, and protecting fundamental rights and ensuring inclusion of refugees and asylum seekers in the ongoing national ID program implementation.
- 2) Implement a comprehensive business license inventory and reform program to simplify processes while remaining revenue neutral.
- 3) Separate revenue collection from business registration to encourage businesses to emerge from the informal sector.
- 4) Advance the investment regulatory regime, particularly for energy in the Mogadishu area.
- 5) Develop an integrated and harmonized TVET curriculum.
- 6) Prepare for the upcoming national census, incorporating critical data points on IDPs, refugees, returnees, and diaspora.

Local authorities

- 1) Enhance capacities to reach rural areas for business registration.
- 2) Standardize requirements across states and promote mutual recognition of business permits.
- 3) Engage local community leaders in census enumeration to enhance buy-in and data quality.
- 4) Simplify the registration of diaspora businesses at national and local level.

National Commission for Refugees and Internally Displaced Persons (NCRI)

- 1) Conduct a comprehensive assessment to evaluate skills and identify gaps within the organization.
- 2) Implement digitalized systems of the blockchain information management system to streamline operations and enhance efficiency.
- 3) Assist in developing Standard Operating Procedures outlining roles and responsibilities of different entities involved in refugee and asylum seeker protection.
- 4) Assist in the operationalization of the One-Stop-Shop Concept to ensure refugees, IDPs, and returnees receive timely and efficient referral access and safe zones for the exercise of their rights.

Development Partners

- 1) Support the digitization of refugee services in collaboration with Somalia's ICT Authority and NCRI.
- 2) Implement comprehensive financial education programs for refugees and returnees.
- 3) Continue and expand financial literacy programs and IT SME business support.
- 4) Provide technical support for cooperative development, including business plan creation and financial management training.
- 5) Support the formation of women's cooperatives and professional associations.

Private Sector

- 1) Participate in developing market-aligned training programs, including an entrepreneurship focus in TVET.
- 2) Invest in renewable energy projects to increase quality and quantity of power supply.
- 3) Develop financial products tailored to refugees' needs, including Shari'a-compliant options.
- 4) Engage in supplier development programs to provide goods and services to large international investments.

African Development Bank (AfDB)

- 1) Facilitate investment in renewable energy to support households, businesses, and industrial establishments.
- 2) Support the securing and servicing of land to accommodate IDPs and host communities.
- 3) Invest in infrastructure projects that enhance connectivity in refugee-hosting areas.
- 4) Provide risk capital and derisking mechanisms to support financial institutions serving refugees and IDPs.
- 5) Support the development of a secure Land Registry and property titles to attract private investment.



Regional Economic Communities (EAC, IGAD)









- 1) Support regional initiatives that facilitate economic inclusion of refugees across member states.
- 2) Facilitate the sharing of best practices in refugee economic inclusion among member countries.
- 3) Support the implementation of the upcoming EAC Data Policy to harmonize and enhance coordination with regional mechanisms.
- 4) Collaborate on cross-border infrastructure projects enhancing trade opportunities for refugees.



6.7 SOUTH SUDAN

- South Sudan has achieved notable progress in establishing a legal and regulatory system in the new government, and it now needs to focus considerable effort on streamlining regulatory issues. Government can benefit from emulating the leaders in government regulation in the region. EAC membership will support this.
- Critical infrastructure gaps are evident across the country, requiring a sustained program, and as conditions permit, greater private sector investment
- Education and TVET remain important areas for future development and need greater focus to meet national development objectives.
- The country has established an exemplary legal framework for refugee protection and inclusion, which can be further strengthened through continued administrative progress.
- Improved identification procedures and computerization of government processes will strengthen access to finance and business regulation.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Review the refugee documentation experience and consider strategies to address the procedural delays	Support	Lead			Support
 Freedom Of Movement					
No legal constraints – demonstrates good practice	Support	Lead			
Implement comprehensive communication program to sensitize officials about refugees' legal rights		Lead		Support	

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Enabling National Business Environment					
Implement comprehensive business environment reforms, drawing on successful practices from neighboring countries	Support	Lead	Support		
 Access To Education					
Good practice - integration into the local education system,	Support	Lead			
Address the critical shortage of teachers and educational facilities		Lead	Support		
 Local Infrastructure Quality					
Widespread need for infrastructure investment		Lead	Support		Support
 Refugee Rights To Work And Do Business					
Legal rights to do business represent good practice – but regulatory environment presents obstacles for many businesses, particularly startups and small enterprises	Support	Lead			
 ICT And Financial Inclusion					
Limited banking institutions leads to reliance on VSLAs. Build on existing VSLA networks while expanding formal bank account access through flexible KYC requirements.		Lead	Support	Support	Support
Accelerate implementation of proposed refugee ID system to enhance financial inclusion		Lead		Support	
Support expansion of digital financial services by strengthening infrastructure in refugee-hosting areas		Lead	Support		Support
 Gender Focus					
Generally good legal rights, but administrative and practical barriers including access to IDs exacerbate women's challenges		Lead		Support	
Expand women's economic opportunities through targeted TVET programs and business support services		Lead		Support	Support
 Infrastructure Investment Priorities					
Design and implement an infrastructure development program		Lead	Support		Support
Establish system to incentivize greater private sector investment in infrastructure		Lead	Support		Support
 Investment Opportunities					
Promising opportunities in agriculture, requires government support framework		Lead	Support		Support

Recommendations

National Government

- 1) Streamline business registration and licensing processes to reduce costs and administrative burdens, particularly for refugees and returnees trying to establish livelihoods.
- 2) Develop and implement a comprehensive national infrastructure plan, with clear performance indicators and timelines, focusing on climate-resilient infrastructure.
- 3) Increase investment in education, particularly in refugee-hosting areas, by constructing additional schools and learning facilities at both primary and secondary levels.
- 4) Address teacher shortages by improving salaries and working conditions to attract and retain qualified educators.
- 5) Strengthen the Technical and Vocational Education and Training (TVET) sector by standardizing recruitment procedures, expanding TVETs to all regions, and providing practical tools and facilities.
- 6) Develop flexible approaches to Know Your Customer (KYC) requirements that maintain system integrity while promoting financial inclusion for refugees and low-income individuals.
- 7) Implement the new refugee documentation ID system to enhance financial inclusion for refugees.

Regional Economic Communities (EAC, IGAD)

- 1) Support South Sudan in aligning its national qualifications framework with regional standards to facilitate better recognition of skills and qualifications, including those of refugees and returnees.
- 2) Facilitate regional power-sharing agreements to enhance South Sudan's energy infrastructure.

African Development Bank (AfDB)

- 1) Support the development and implementation of a comprehensive, climate-resilient national infrastructure plan. Focus on critical areas such as road networks, water management systems, and energy infrastructure, given South Sudan's low IAG scores in these sectors.
- 2) Assist in developing and implementing a Public-Private Partnership (PPP) policy framework to encourage private sector participation across all infrastructure

sectors, particularly in renewable energy and telecommunications.

- 3) Support the expansion of rural connectivity through investments in road networks and telecommunications infrastructure, enhancing access to markets and information for underserved areas and refugee-hosting regions.
- 4) Invest in key agricultural infrastructure, including storage facilities, markets, and irrigation systems, to improve value chains and reduce post-harvest losses.
- 5) Provide technical assistance and funding for the development of climate-smart agricultural practices, including reforestation and agro-forestry initiatives.
- 6) Assist in the development of digital financial solutions to enhance financial inclusion in refugee-hosting areas.

Development Partners

- 1) Support the expansion of Village Savings and Loan Associations (VSLAs) and other community-driven financial initiatives, particularly those empowering women.
- 2) Invest in programs that enhance agricultural value chains, including improved preservation methods and market linkages.
- 3) Fund comprehensive financial education programs to build trust in formal financial services and empower residents to make informed financial decisions.
- 4) Support initiatives to strengthen early warning systems for disease surveillance and control measures in the livestock sector.



Private Sector



- 1) Invest in renewable energy solutions for agricultural operations to increase efficiency and sustainability.
- 2) Develop tailored financial products and services for marginalized groups, including refugees and IDPs.
- 3) Participate in public-private partnerships for infrastructure development, particularly in the energy and telecommunications sectors.
- 4) Engage in initiatives to support TVET graduates with gradual capital injection for their ventures, helping newly skilled individuals apply their knowledge practically.



6.8 SUDAN

- Sudan possesses exceptional agricultural potential, with 70% of its arable land still uncultivated, offering significant opportunities for development and economic diversification once conditions allow
- The ongoing conflict since April 2023 has severely impacted development initiatives, disrupting critical economic sectors including agriculture, mining, and services.
- Future economic recovery and growth prospects remain contingent on achieving a coordinated peace process and restoring political stability, with multiple regional and international initiatives currently working toward this goal.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Develop streamlined system for issuing formal Refugee IDs, an essential requirement to access employment and financial services	Support	Lead		Support	
 Freedom Of Movement					
Establish legislative framework to provide refugees with work and property rights to complement existing freedom of movement		Lead		Support	





Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Enabling National Business Environment					
Pre-war Sudan had a very poor investment environment, not conducive to non-resource seeking investment	Support	Lead	Support		
 Access To Education					
Address overcrowding and limited facilities in both host and refugee areas		Lead	Support	Support	
 Local Infrastructure Quality					
Improve White Nile State's infrastructure deficits in road connectivity, electricity supply, water and sanitation, education and healthcare facilities, and communication infrastructure		Lead	Support		Support
 Refugee Rights To Work And Do Business					
Simplify work permit application processes		Lead		Support	
Clarify regulations for refugee business registration					
 ICT And Financial Inclusion					
Remove documentation barriers to banking and telecommunications access		Lead		Support	
 Gender Focus					
Women face legal obstacles on free movement, in the workplace and remuneration. Community norms exacerbate legal challenges		Lead		Support	
 Infrastructure Investment Priorities					
Pre-war Sudan faced huge infrastructure shortfalls. Plan for comprehensive infrastructure rehabilitation and development program once stability is restored		Lead	Support		
 Investment Opportunities					
Once stability is restored, Sudan has significant opportunities in agriculture and agri-business		Lead	Support		Support
Renewable energy, micro-finance, minerals and even tourism present additional development opportunities		Lead	Support	Support	Support
A stable and internationally recognized state can implement extensive programs to foster rapid socio-economic development	Support	Lead	Support		







The development of institutional recommendations for refugee economic inclusion is contingent on stabilization of local conditions and stakeholder engagement.



6.9 UGANDA

- Uganda's progressive refugee management approach is coming under considerable strain as refugee numbers increase, with a significant registration backlog of over 45,000 cases affecting integration and inclusion efforts.
- Uganda is seeking to shift the economic base for refugees more toward light manufacturing and services, given the mounting pressure on land in certain locations. This accentuates the need for sufficient power, ICT and transport services.
- With a strong agricultural base, Uganda needs to expand into the development of cottage industries and strengthen and deepen value chains, supported by facilities for light manufacturing in rural areas.
- Relaunching Uganda's previous reform agenda will be necessary for economic growth beyond agriculture.
- Opportunities exist for the expansion of credit facilities to meet demand, including in the housing sector.

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Refugee Documentation					
Uganda has exemplary refugee management processes, but should review refugee experience in accessing refugee IDs and continue clearing the RSD backlog		Lead		Support	
 Freedom Of Movement					
Demonstrates good practice – share experience with others	Lead	Support		Support	
 Enabling National Business Environment					
Uganda's reform momentum has stalled. Fair business environment could be improved	Support	Lead	Support		Support
 Access To Education					
Good access to primary education, but severe shortage of schools for recent migrants.		Lead	Support	Support	

Pathway Element	RECs	Government	AfDB	UNHCR and INGOs	Private Sector
 Local Infrastructure Quality					
Prioritize investment in energy and roads in refugee areas and surrounds, i.e., Nakivale and Isingiro District		Lead	Support		
 Refugee Rights To Work And Do Business					
Good practice – share experience with others	Lead	Support		Support	
 ICT And Financial Inclusion					
Expand access to finance – currently limited by shift from finance cards to IDs for credit monitoring, without recognizing refugee IDs		Support	Support		Lead
 Gender Focus					
Excellent laws – Building on strong legal foundations, focus more on sensitization of gender laws and norms		Support		Support	
 Infrastructure Investment Priorities					
Expand energy infrastructure to support agricultural value chains		Lead	Support		Support
 Investment Opportunities					
Opportunities to expand credit, ideally with risk sharing			Support		Lead
Expand services and light manufacturing and housing, building on a strong agricultural base		Lead	Support	Support	Support

Recommendations

National Government

- 1) Enhance refugee documentation processes through upgraded Refugee Eligibility Committee facilities, expedite issuance of refugee ID cards by investing in more efficient printing equipment, and advocate for broader recognition of refugee IDs across all sectors and services.
- 2) Prioritize infrastructure by supporting the establishment of the Nakivale Industrial Park through feasibility studies and infrastructure development, extending the electricity grid to remote areas including refugee settlements, developing irrigation systems in refugee-hosting areas leveraging water resources like Lake Nakivale and Lake Kagera, and accelerating delivery of the Uganda Digital Acceleration Programme through the National IT Authority..

- 3) Foster economic inclusion by reviewing and simplifying laws, regulations, licenses, and permits affecting refugee businesses; developing a “Guide to Doing Business in Refugee Areas of Uganda”; and integrating refugee identification numbers (RINs) into national systems that currently only accept national identification numbers (NINs).
- 4) Strengthen skills development by redesigning TVET programs in collaboration with the private sector to align with market demands and expanding access to digital skills training in refugee-hosting areas.

Local Authorities

- 1) Collaborate with district planners and the Ministry of Land to create a systematic layout for refugee settlements, designating areas for residential, agricultural, and commercial use.

- 2) Improve road infrastructure, particularly expanding tarmac roads from Isingiro town council to Nakivale settlement.
- 3) Support the establishment of the Nakivale Industrial Park by addressing land allocation and compensation issues and participate in the collaborative working group for the Nakivale Industrial Park development.
- 4) Support the establishment of community-based training centers in different zones of refugee settlements.

Regional Economic Communities (EAC, IGAD)

- 1) Support Uganda's integration into regional trade initiatives that can benefit refugee-hosting areas. For example, support the implementation of the EAC Simplified Trade Regime to facilitate cross-border trade for refugees
- 2) Facilitate the harmonization of cross-border trade policies to benefit refugees engaged in small-scale trade.
- 3) Share best practices in refugee economic inclusion among member countries.

African Development Bank (AfDB)

- 1) Invest in infrastructure by funding rehabilitation of critical roads in refugee-hosting areas (particularly farm-to-market roads), supporting energy infrastructure projects focusing on extending the power grid to refugee settlements, and investing in water and irrigation infrastructure in refugee-hosting areas.
- 2) Support economic inclusion through provision of loan guarantees with increased ceilings to de-risk lending to refugee MSMEs including refugee-owned businesses, and supporting the development of a comprehensive information portal for business-related information and opportunities.
- 3) Provide technical assistance by supporting the creation of a central database linking refugee data to credit information and financial records, providing technical assistance for the development of the Nakivale Industrial Park (including pre-feasibility studies and investment planning), and scaling up climate-smart programs such as the Energy Access project piloted by PSFU and GIZ.

Development Partners


- 1) Support the expansion of business membership organizations into settlements and coordinate robust Business Development Services.
- 2) Implement comprehensive financial education programs for refugees and host communities.
- 3) Assist in developing gender-sensitive training programs to address specific barriers faced by women.
- 4) Support the establishment of innovation incubators and start-up hubs in refugee-hosting areas.
- 5) Provide technical assistance for the development of sub-regional investment plans.

Private Sector

- 1) Engage actively in the redesign of TVET programs to ensure alignment with market needs.
- 2) Develop partnerships with refugee-led businesses to integrate them into value chains, including in the artisanal sector.
- 3) Collaborate with financial institutions to develop products tailored to the needs of refugees, such as alternative collateral models.
- 4) Invest in agricultural technology and processing facilities in refugee-hosting areas.
- 5) Develop financial products tailored to refugees' needs, including Shari'a-compliant options and movable asset-based lending.
- 6) Private Sector Foundation Uganda (PSFU) to seek support to establish a refugee information desk to provide information on business setup and formalization, and continue implementing projects like GROW to support women entrepreneurs in refugee spaces.



07



7. An Action Plan for Enhancing Refugee, Returnee, and Host Community Women's Economic Empowerment

The regional report identified a range of obstacles that limit economic empowerment in refugee-hosting areas, and this roadmap has identified actions to address these challenges at both the country level and across the region.

The following table outlines a structured program for implementing these actions. Many of these actions will require establishing a dedicated working group of knowledgeable officials or persons to focus on specific areas. In some cases, existing bodies with appropriate membership may already be addressing related purposes and can be empowered to take on these activities.

Refugee Economic Inclusion Support Program - Detailed Workplan

Components/Sub-Components & Activities	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Progress Monitoring & Evaluation Framework												
1.1 UNHCR, RECs, AfDB and interested donors establish a High-Level Body on Refugee Inclusion to monitor and track progress on refugee economic inclusion, including actions 2-5, meeting annually to take stock and celebrate progress												
1.2 UNHCR, RECs, AfDB and interested donors establish a small working group associated with one partner to meet virtually periodically to monitor progress												
1.3 Recruit a small team to manage this program for the 3-year period, under supervision of the working group												
1.4 Develop a logical framework to track activities, outcomes, and impacts for items 2-5 intended to promote refugee inclusion												
1.5 AfDB to establish a program and budget with defined objectives to initiate priority-focused working groups to develop bankable funding submissions in the ambit of the working group												
2. Refugee Policy & Regulatory Framework – Identify and address constraints												
2.1 Establish a Regional Technical Working Group of country refugee management authorities, REC, UNHCR & Dev Partners												
2.2 Record refugee management practices which limit economic participation by refugees, whether in law or in administrative practice, and document how different countries address them (see Regional Report for Phase 1)												
2.3 Initiate a series of issue-focused Peer-Learning meetings where countries compare and discuss the mechanics of their management practices to identify paths to unlock barriers												
2.4 UNHCR to establish with donors a working group to monitor achievements of investment facilitation initiatives in refugee areas and encourage expansion												
2.5 Report progress bi-annually to High Level Body (1.1) on current status, and future program												

Components/Sub-Components & Activities	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3. Establishing Conducive National Investment & Business Environments												
3.1 Establish a Regional Technical Working Group of country Finance and Investment authorities, REC, IFIs & Dev Partners, with a technical secretariat												
3.2 Use Doing Business and Business Ready reviews to identify issues where improvement is needed, and identify national approaches to follow – in the region and out												
3.3 Motivate and establish an Investment Climate Improvement Fund at AfDB or other IFI to support regulatory reform and institutional establishment with grants and loans												
3.4 Hold a series of issue-focused review peer-learning meetings to highlight good regulatory models and design reform pathways for lagging member countries												
3.5 Schedule annual High-Level Review meetings, including national investment climate reform champions												
4. Regional Cross-Border Infrastructure and Trade, Infrastructure & Value Chains												
4.1 RECs and national governments with IFIs and interested donors establish regional technical body to lead development of cross-border regional and trade initiatives												
4.2 Review regional transport links and border facilities to identify priority needs, and prepare project concepts for consideration by funders												
4.3 Review legislation and regulations inhibiting intra-regional trade												
4.4 Establish working group to address ICT quality in refugee and other border areas and work with private sector to identify solutions – explore use of soft funding to incentivize private sector to upgrade hard and soft ICT infrastructure												
4.5 Establish working group to accelerate harmonization and recognition of skills and qualification standards across the region												
4.6 Establish working group to review river-basin development opportunities which might cross borders, to address climate change impacts, reduce flooding and harness water for domestic, industry and agricultural use												
4.7 Establish working group of agricultural departments, with interested donors, to prioritize regional extension of selected agricultural value chains												

Components/Sub-Components & Activities	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5. National Initiatives												
5.1 Establish dialogue in each country of refugee authorities, UNHCR, and AfDB to introduce national refugee inclusion supporting initiatives into the funding dialogue												
5.2 Mirror AfDB refugee-funding dialogue with other IFIs and interested donors (or add them to the national-AfDB dialogue)												
5.3 AfDB to consider establishing dedicated envelope(s) for national programs to draw upon to fund refugee inclusion supporting initiatives including for: <ul style="list-style-type: none">• Upgrading road between refugee settlements and regional centers• Digitization of refugee cards and inclusion or harmonizing with national ID systems• Upgrading power connections and off-grid solutions• Establishment of documentation systems (i.e., Kenya’s Biashara Centers and Hudama offices)• Establishment of TVET systems better coordinated with skills and labor market needs• Establishment of integrated host-refugee settlement infrastructure												
5.4 AfDB (with others) to establish a regional fund to support SME lending practices, including training of financial intermediaries, risk-sharing, and provision of lines of credit, on which AfDB national programs can draw to supplement their envelope												
5.5 UNHCR to work with national refugee agencies to disseminate accurate information on refugee rights to refugees in each country, and service providers and national security staff and customs officials												
5.6 UNHCR, RECs and AfDB work with national refugee management agencies and national finance ministries to present country-specific investment opportunities including those noted in this Regional Report and Roadmap for AfDB and other IFI and donor funding												
5.7 UNHCR with others establish working groups in each country to review the ability of women to access services, both public, private and business-support, with convenience and safety, given other obligations – and where necessary motivate for improvement												

Annex

Table. Regional Protocols and National Commitments on Refugee Management ⁴

Pathway Element	Burundi	Djibouti	Eritrea	Ethiopia	Kenya	Rwanda	Somalia	S Sudan	Sudan	Tanzania	Uganda
Refugee Documentation											
Kampala Declaration on Jobs, Livelihoods & Self-reliance for Refugees, Returnees & Host Communities in the IGAD Region (Kampala Declaration): Focuses on refugee registration and documentation.	-	Yes	-	Yes	Yes	-	Yes	Yes	Yes	-	Yes
IGAD Policy Framework on Refugee Protection (2023): Emphasizes the importance of refugee documentation.	-	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Regional Migration Policy Framework (2012): The framework emphasizes the importance of providing migrants, including refugees, with proper documentation.	-	Yes	-	Yes	Yes	-	Yes	-	Yes	-	-
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): The declaration supports providing refugees and IDPs with the necessary documentation to access rights and services.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Global Refugee Forum (GRF) 2019: Commitments towards improving refugee documentation.	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
Global Refugee Forum (GRF) 2023: Commitments to improving refugee documentation.	-	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
Freedom Of Movement											
Kampala Declaration: It advocates for the enhancement of refugees' freedom of movement to support their economic integration and self-reliance.	-	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
IGAD Policy Framework on Refugee Protection (2023): The framework advocates for the facilitation of refugees' freedom of movement within host countries and across borders in the region.	-	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Regional Migration Policy Framework (2012): The framework supports the facilitation of freedom of movement within the region.	-	Yes	-	Yes	Yes	-	Yes	-	Yes	-	-
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): The declaration emphasizes the importance of facilitating the freedom of movement for refugees and IDPs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GRF 2019: Commitments towards enhancing freedom of movement for refugees.	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
GRF 2023: Commitments to improving the freedom of movement for refugees.	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes	Yes

⁴ Many of these protocols result from agreements made at the EAC or IGAD level, or at the Global Refugee Forum (GRF), held every four years in Geneva, and represent undertakings which Governments intend to introduce into legislation. Implementation rates vary. UNHCR compiles a very informative Refugee Policy Review prior to each GRF, which records the implementation status of these pledges.

Pathway Element	Burundi	Djibouti	Eritrea	Ethiopia	Kenya	Rwanda	Somalia	S Sudan	Sudan	Tanzania	Uganda
Access To Education											
IGAD Policy Framework on Refugee Protection (2023): The policy framework highlights the right to education for refugees, ensuring that they have access to educational opportunities at all levels.	-	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Djibouti Declaration on Regional Conference on Refugee Education in IGAD Member States (2023): The declaration underscores the importance of ensuring that refugee children and youth have access to quality education.	-	Yes		Yes	Yes	-	Yes	Yes	Yes	-	Yes
GRF 2019: Commitment to enhancing access to education for refugees	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes	Yes
GRF 2023: Commitments to improving educational opportunities for refugees.	-Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes	Yes
Refugees Right To Work											
Kampala Declaration: Supports refugees' right to work.	-	Yes	-	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Regional Migration Policy Framework (2012): The framework supports the integration of migrants into the labor market, including facilitating their right to work in host countries.	-	Yes	-	Yes	Yes	-	Yes	-	Yes	-	-
IGAD Policy Framework on Refugee Protection (2023): The framework supports the right of refugees to work and engage in economic activities.	-	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	Yes
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): The declaration supports the right of refugees and IDPs to work and contribute economically.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GRF 2019: Commitment to improving refugee employment opportunities.	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes	Yes
GRF 2023: Commitments to enhance employment opportunities for Refugees	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	Yes	Yes
Refugee Rights To Register A Business											
Kampala Declaration: The declaration emphasizes the importance of enabling refugees to engage in economic activities and achieve self-reliance.	-	Yes	-	Yes	Yes	-	Yes	Yes	Yes	-	Yes
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): The declaration promotes economic opportunities and self-reliance for refugees and IDPs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GRF 2019: Commitments to facilitate business registration for refugees.	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
GRF 2023: Commitments to supporting refugee entrepreneurship and business registration.	-Yes	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
Refugee Rights To Own Property											
GRF 2019: Commitments towards improving refugee property rights.	Yes	-	-	Yes	-	Yes	-	-	-	-	-
GRF 2023: Commitment to improving access to property for refugees.	-Yes	-	-	Yes	-	Yes	-	-	-	-	-

Pathway Element	Burundi	Djibouti	Eritrea	Ethiopia	Kenya	Rwanda	Somalia	S Sudan	Sudan	Tanzania	Uganda
Refugee Rights To Open Bank Accounts											
GRF 2019: Commitments towards enhancing refugee financial inclusion, including the right to open bank accounts.	Yes	-	-	Yes	Yes	Yes	Yes	-	-	-	Yes
Refugee Rights To Driver's Licenses											
GRF 2019: Commitments to facilitate access to driver's licenses.	-	-	-	-	-	Yes	-	-	-	-	-
GRF 2023: Commitments to facilitate access to driver's licenses	-	-	-	-	-	Yes	-	-	-	-	-
Livelihoods											
Kampala Declaration: Focuses on supporting refugees' access to livelihood opportunities and economic self-reliance.	-	Yes	-	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Regional Migration Policy Framework (2012): Promotes economic integration and livelihood support for migrants, including refugees.	-	Yes	-	Yes	Yes	-	Yes	-	Yes	-	-
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): Supports initiatives to enhance livelihood opportunities for refugees and IDPs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GRF 2019: Commitments focusing on initiatives to enhance refugee livelihoods and economic inclusion.	Yes	Yes	-	Yes	Yes	Yes	-	Yes	Yes	-	Yes
GRF 2023: Commitments focusing on initiatives to enhance refugee livelihoods and economic inclusion.	-Yes	Yes	-	Yes	Yes	Yes	-	Yes	Yes	-	Yes
Gender Focus											
Kampala Declaration: Emphasizes gender-specific protections for refugees.	-	Yes	-	Yes	Yes	-	Yes	Yes	Yes	-	Yes
IGAD Policy Framework on Refugee Protection (2023): Addresses gender issues by emphasizing the need for gender-sensitive approaches.	-	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Regional Migration Policy Framework (2012): Includes considerations of gender in the context of migration.	-	Yes	-	Yes	Yes	-	Yes	-	Yes	-	-
IGAD-EAC Ministerial Declaration on Durable Solutions (2023): The declaration promotes gender equality and protection against gender-based violence.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GRF 2019: Commitments towards promoting gender equality and addressing specific needs of refugee women and girls.	-	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes
GRF 2023: Commitments to address gender-specific needs among refugees.	-	Yes	-	Yes	Yes	Yes	Yes	-	-	-	Yes

