

## UNHCR SOUTHERN AFRICA CONSULTATIONS WITH NGOS AND MULTISTAKEHOLDERS

10-11 SEPTEMBER 2019

DISCUSSION PAPER

Date: 10 September

Time/Room: 3:30pm-5:30pm/Nelson Mandela Foundation, Main Auditorium

Session Title: Conversation: Resilience Opportunities and Private Sector Opportunities

### Executive Summary:

Recent studies about the economic impact of refugees on host communities show inspiring evidence that refugee settlements have positive economic effects on host societies. With the arrival of refugees, demand for goods and services increases and so the opportunity for host economies to benefit from increased economic activity, particularly when refugees are supported with unrestricted cash transfers by aid-agencies, which allows them to spend money in their immediate host-community. Refugee labor availability helps local economies fill possible gaps in their labor markets. With humanitarian assistance delivery, relief programs for refugees generate development benefits for local communities in the form of clinics, schools, roads, transportation and agriculture. The presence of international humanitarian actors also brings the benefit of innovation, modern technologies and increased efficiencies, as often seen in the financial service sector, renewable energies and telecommunications.

Economic benefits from refugee presence can often be dismissed by concerns and perceptions that refugees are a burden on host countries, and these concerns result in strict government policies, negative public attitudes and xenophobia. If economic efforts for refugees are not accompanied by policy reform, private sector investment or economic negative attitudes and xenophobia could lead to further isolation of refugees. Further, nationals in host communities often experience challenges to the refugees – poverty and unemployment for example – and effort or contributions should thus include refugees and hosts communities. How do we create a learning, empathetic, listening environment for refugees and host communities across the spectrum and across sectors? From the supranational to a local level. From local business to international business. The concepts of identity and inclusiveness will also be explored.

In order to inform the engagement of private sector at the Global Refugee Forum and catalyze business engagement towards the Global Compact on Refugees (GCR), this session will ask speakers and participants to answer both easy questions of why humanitarian actors should partner with private sector companies, complex questions of how shared value partnerships become successful, as well as tough questions around what added value UNHCR and NGOs can bring to partnerships with companies that seek to solve refugee-problems through business models.

Fundamentally, there are four ways in which companies can engage with refugees either directly or through humanitarian organizations: 1) sell products or services to refugees or humanitarian organizations, 2) buy products or services from refugees, 3) employ refugees directly or indirectly through their value chain, or 4) advocate on policy change on a refugee-issue that aligns with their business interest. UNHCR and NGO partners, in the context of the GCR, have a role to play

in increasing the amount of engagement by the private sector in refugee-contexts through these four ways as well as to facilitate the necessary financing.

Concept Note:

Humanitarian and development actors are increasingly starting to pursue partnerships with private sector companies that go beyond traditional procurement and fundraising. While such partnerships are often talked about as necessary to deliver on the whole-of-society-approach laid out in the Global Compact for Refugees, it can be difficult to make such partnerships function in practice, and particularly reaching both scale and financial (self-) sustainability. Fundamentally, there are four ways that companies can engage with refugees through their business as outlined below and each of those present partnership opportunities and challenges for humanitarian organizations that the session will seek to discuss in depth.

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### Selling to Refugees

Refugees are end-users, or consumers, of many different products or service regardless of whether they are provided to them as in-kind aid from humanitarian actors or whether refugees themselves buy them using cash that they have either earned or been given through a cash-based intervention. All products, and many services, that refugees use are produced by companies and UNHCR alone procures more than 1 billion USD worth of goods and services each year of which the majority is distributed to refugees as end-users. Refugees, using cash either earned or given as aid, furthermore consume several billions worth of goods and services produced by companies. As such, refugees - directly or through aid-agencies - represent a market for private sector companies and that means that there are opportunities for UNHCR and other humanitarian actors to collaborate with companies to ensure that refugees have access to the most relevant products and service at the most affordable prices.

### Buying from Refugees

Refugees can sometimes hold certain skills or have access to certain productive assets that could enable them to be suppliers for companies. UNHCR's MADE51 initiative is an example of a "public-private-partnership" platform that seeks to enable more refugee-artisans to supply their products to wholesalers who can then reach global markets for arts and crafts. Some digital work platforms also provide refugees an opportunity, albeit with significant barriers, to offer digital services to companies that outsource certain tasks.

### Employing Refugees

A person's refugee-status should not matter with regards to making a decision on whether to hire them or not, but unfortunately in many countries companies shy away from hiring refugees on the basis of legal or perceived bias. Fortunately, there is a growing body of companies that make public commitments towards increasing their employment of refugees.

### Advocating on Behalf of Refugees

Companies, all else equal, will have a business interest in seeing refugees be fully integrated into the labour market. Companies that have products to sell to refugees will also be interested in having unhindered access to these potential clients and as such will have an interest in refugees having freedom of movement and not live in camp-settings where access to refugees is restricted. A specific issue such as being allowed to open bank accounts is in the interest of the financial service industry.

Companies, including through business member organizations such as federations of employers, are often the most influential special interest group in a given country and as such should be well-placed to drive policy change on behalf of refugees when these align with business interest. Humanitarian actors certainly has a role to play to enter into dialogue with companies to widen the number of companies globally that engage actively in refugee policy debates.

- Objectives of the session

The purpose of this session is to gather key individuals from the humanitarian community who lead on “Shared Value” (non-fundraising) partnerships with private sector companies within their respective organizations in order to achieve the following objectives:

- Inform the private sector partnership aspects of the Global Compact on Refugees
- Share experiences between the organizations on what works and what does not with respect to shared value partnerships with companies
- How do we create a learning, empathetic, listening environment for refugees and host communities across the spectrum and across sectors? From the supranational to a local level. From local business to international business.
- Highlight the importance of creativity/ innovation in solving humanitarian and development problems in an inclusive manner using new and diverse partners
- Share toolkits and guidelines developed by each organization related to private sector partnerships.
- Inform each other on ongoing/planned activities within various sectors (Energy, Wash, Education, Financial Inclusion, Livelihoods, etc.) with significant involvement of private sector.
- Identify comparative advantages in terms of roles between UNHCR and the NGOs in moving forward shared value private sector partnerships.
- Desired outcome of the session: [What would you like to achieve with this session? What would be the follow-up actions to it?]

The Session will serve as a call for humanitarian NGOs to increase its partnership efforts with private sector and as such catalyze private sector engagement and commitment for the GRF and the implementation of the GCR. Concrete outcomes will include follow-up engagement with those NGOs that have interesting and valuable partnerships with companies, as well as the exploration of pledges for the GRF made jointly by NGOs and businesses.

- Methodology & choreography [panel discussion, break-out sessions, and mixture of different elements]

The session will start out with a call to action towards the GRF by UNHCR and presentations by World Bank, INGO, refugee entrepreneur and a private sector entity.

Facilitator – UNHCR

Moderator: Ms Aryn Baker, TIME Magazine Africa Bureau Chief

Speakers:

Mr Sello Hatang, Chief Executive Nelson Mandela Foundation

Mr Jos Verbeek, World Bank Representative and WTO Manager in Geneva

Mr Barend Petersen, DeBeers Executive Chairman, South Africa

Ms Esther Juma, recent graduate, refugee entrepreneur in livestock production in Malawi

Ms Lucie Hrabcova, Field Offices Coordinator Caritas Czech Republic (Zambia)

UNHCR

Mr George Okoth-Obbo, Assistant High Commissioner, UNHCR

H.R.H. Prince Jaime Bourbon de Parme, Senior Adviser, Private Sector Partnerships, UNHCR