UNHCR
The UN Refugee Agency

THE ECONOMIC CASE FOR WELCOMING REFUGEES

Did You Know

A growing body of evidence shows refugees contribute to host communities. With inclusive policies, sustainable financing and opportunities to become self-reliant, refugees can drive economic growth, enhance public finances, and create more dynamic labour markets.

Refugees Boost Local Economies and GDP

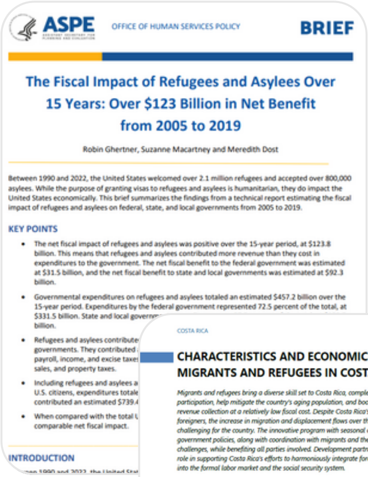
- In **Kenya**, the UNHCR-World Bank Yes in My Back Yard report estimates refugees increased the host county's gross regional product by 3.4%, created jobs, and improved health and education services for locals communities. Giving refugees the right to work and move freely is believed to have increased the host economy's per capita income by 6%.
- In several **Latin American** countries, Venezuelan refugees and migrants are believed to have boosted annual GDP growth in the largest hosting countries by 0.10 to 0.25 percentage points on average since 2017, the IMF's Regional Spillover report estimates. It suggests that if Venezuelans fully integrate into local labour markets, their economic activity could raise host countries' GDP by up to 4.4% by 2030.
- In **Brazil**, a UNHCR and FGV DAPP study shows Venezuelan refugees and migrants boosted the hosting state Roraima's GDP by 2.3%, surpassing by 1.4% the average growth of other Brazilian states. Roraima also saw greater economic diversification, higher tax revenues, and more international trade.

Refugees Can Positively Impact Public Finances through Contributions and Taxes

- In the **United States,** the Department of Health and Human Services reported that refugees and asylees had a $124 billion net positive fiscal impact from 2005 to 2019, with $31.5 billion benefiting the federal government and $92.3 billion to state and local governments. In addition, Clemens' research found that sharply lower refugee admissions starting in 2017 cost the U.S. economy over $9.1 billion per year and public coffers over $2 billion per year, net of public expenses.

- In **Costa Rica**, the IMF estimates the net fiscal impact of refugees and migrants, mainly from Nicaragua, was positive, averaging 0.5% of GDP from 2017 to 2021. Social security contributions and tax revenue reached 1.1% of GDP, exceeding the 0.6% spent on social services for them.

- In **Colombia**, Ibanez et al. show that regularized Venezuelan refugees and migrants boosted consumption and tax revenues, reducing by 42% the net fiscal costs of hosting them compared to those in irregular situations.


ASPE OFFICE OF HUMAN SERVICES POLICY BRIEF

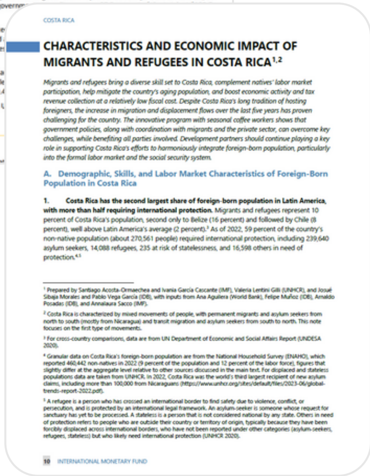
The Fiscal Impact of Refugees and Asylees Over 15 Years: Over $123 Billion in Net Benefit from 2005 to 2019

Robin Ghertner, Suzanne Macartney and Meredith Dost

Between 1990 and 2022, the United States welcomed over 2.1 million refugees and accepted over 800,000 asylees. While the purpose of granting visas to refugees and asylees is humanitarian, they do impact the United States economically. This brief summarizes the findings from a technical report estimating the fiscal impact of refugees and asylees on federal, state, and local governments from 2005 to 2019.

KEY POINTS

INTRODUCTION


COSTA RICA

CHARACTERISTICS AND ECONOMIC IMPACT OF MIGRANTS AND REFUGEES IN COSTA RICA[1,2]

A. Demographic, Skills, and Labor Market Characteristics of Foreign-Born Population in Costa Rica

INTERNATIONAL MONETARY FUND

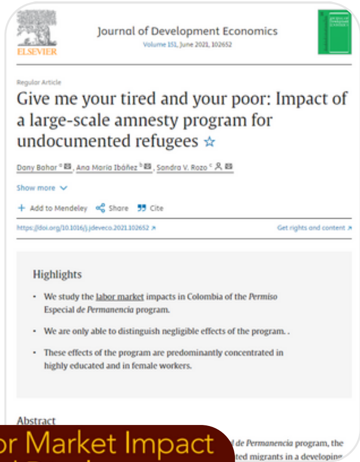
When Refugees Bring Complementary Skills, they Support Local Employment

- Looking at the labour market impact of forced displacement, the World Bank finds that in **Colombia**, **Ethiopia**, **Jordan** and **Uganda**, host community workers are overall unaffected or benefit from the opportunities brought by the arrival of refugees. However, some groups, such as low-skilled workers, may face adverse impacts, pointing to the need for targted policies to address these challenges.

- In **Jordan**, Fellah et al. find that Jordanians in areas with high numbers of Syrian refugees saw no worse labour outcomes than those less exposed to the influx. In fact, many Jordanians in these areas experienced higher wages and a shift from informal to formal jobs.

- In **Colombia**, Bahar et al. find that a Venezuelan regularization programme led to employment gains for refugees with minimal impact on the local workforce. Where there were negative impacts, these were seen most in highly educated and in female workers, showing the need for targeted support for specific sub-groups.

- Several studies in East Africa find that refugee camps in **Kenya**, **Rwanda**, and **Tanzania** often stimulate local economies, create new jobs and shift host communities from subsistence farming to wage employment, thanks to increased trade and business activities near camps.


Journal of Development Economics

Regular Article

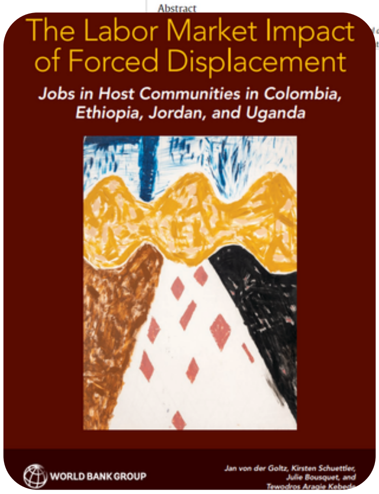
Give me your tired and your poor: Impact of a large-scale amnesty program for undocumented refugees

Dany Bahar, Ana María Ibáñez, Sandra V. Rozo

Highlights

- We study the labor market impacts in Colombia of the *Permiso Especial de Permanencia* program.
- We are only able to distinguish negligible effects of the program.
- These effects of the program are predominantly concentrated in highly educated and in female workers.

Abstract


The Labor Market Impact of Forced Displacement

Jobs in Host Communities in Colombia, Ethiopia, Jordan, and Uganda

WORLD BANK GROUP

Jan von der Goltz, Kirsten Schuettler, Julie Bousquet, and Tewodros Aragie Kebede