
“Towards a global compact on refugees”

Thematic discussion three: Meeting needs and supporting communities

18 October 2017

Panel three: how can we enhance economic inclusion and promote livelihood opportunities for refugees in a way that benefits host countries and communities?

Summary

Some important factors in terms of enhancing economic inclusion and promoting livelihood opportunities highlighted by participants included the following:

- One of the four key goals of the comprehensive refugee response framework (CRRF) is to enhance refugee self-reliance – this is arguably the goal that has seen the most progress in the roll-out of the CRRF to date.
- At the same time, efforts to enhance self-reliance for refugees are not at the expense of ensuring development outcomes for host communities. The programme of action could provide a platform to support States to facilitate refugees’ access to livelihoods, while also providing opportunities for and meeting the needs of host communities. It is important this not create more burdens for hosting countries. In line with this, many of the projects and programmes discussed were targeted at refugees and host communities alike.
- A growing evidence base suggests that when given access to livelihood opportunities, refugees contribute significantly to host country economies and help to grow the economy overall. This evidence base could continue to be strengthened and lessons learned identified.

Suggestions for the programme of action

From the concept note

- Creating an enabling environment that promotes self-reliance
 - Humanitarian and development actors can cooperate to support hosting countries to create livelihood opportunities for refugees and hosting communities – it is important to avoid duplication however.
 - It is important that vulnerabilities, skills and capacities of refugees and host communities be assessed from the outset of a crisis, along with the impact of a refugee influx on markets, the environment and available resources.
 - The creation of a regulatory/policy environment that allows refugees to have access to work permits, open bank accounts or to develop small businesses requires government ownership: the need for local and national context-specific planning was emphasized in this regard.
 - Refugee access to education, vocational training and health care to build up human capital were stressed as important complements to ensure that refugees are able to take up livelihood opportunities and contribute their skills.

- Support to hosting countries for efforts to formalize informal sectors of their economies was requested (also with a view to preventing informal labour market exploitation of refugees).
- Developing strategies to foster self-reliance
 - Strategies are most effective when based on an assessment of labour market needs in the hosting country, including jobs that may be underfilled by nationals.
 - It is vital to look at the labour market as a whole, and to provide structural support to ensure good conditions and wages for nationals as well as refugees.
 - The creation of vocational skills training programmes for refugees was encouraged - these are most effective when based on a long-term vision including with a view to eventual solutions.
- Facilitating private sector engagement with refugees
 - It was agreed that this is essential and could be explored further: the private sector is a key stakeholder in economic inclusion policies. There are several good practices and lessons learned on which to draw, e.g. the Canada employer liaison service. Sector-specific knowledge in the private sector in particular could be better harnessed.
 - The hiring of refugees by private companies and outreach programmes that specifically target refugees could be encouraged: employing refugees can be “good business”.
 - It is important to ensure protection principles are upheld as private sector engagement is expanded.
- Undertaking market and value-chain analyses
 - It was noted that “cooperatives” provide a good model to enhance existing refugee skills.
 - “Indigo Africa” provides a model for facilitating access by artisans to export markets and business education/training which could be replicated in the programme of action.
- Access to financial services
 - Microfinancing organizations can provide essential support to enable access to livelihoods for refugees and hosting communities - however there is little experience to date, as loans to refugees are often seen as “too risky”.
 - The Fondation Grameen – SIDA - UNHCR programme looking at how microfinancing organizations can do more for refugees is a good model, and can potentially demonstrate that refugee populations generally pose no more “risk” than other clients of microfinancing projects.
- Implement the International Labour Organization’s “Recommendation No. 205” (2017) and the “Guiding principles on the access of refugees and other forcibly displaced persons to the labour market” (2016)
 - These instruments were recognized as forming a good basis to develop concrete policies and implementation was supported as part of the programme of action.
 - The “Jordan compact” which provided preferential trade access for Jordanian enterprises to the EU, concessional financing grants and other measures in exchange for granting 200,000 work permits to Syrian refugees contains some important good practices and lessons learned (including the need for more international funding for livelihoods creation).

Additional suggestions for the programme of action

- Support for temporary public work opportunities.
- Promotion of livelihood opportunities specifically for women, including addressing gendered barriers to labour market inclusion.
- The creation of a revolving fund so that refugee and host communities receive access to start-up capital as needed
- Commitment to explore innovative trade and non-aid instruments.
- Commitment to explore further the idea of “development areas” and regional development centres in large hosting countries; as well as “job compacts”.
- Mechanisms for the collection of data on education, skills and credentials of refugees to enable an evidence-based approach to labour market inclusion and access to third country opportunities.
- Facilitation of language training where needed.
- Considering further rights and protection implications in this area, including the right to work and rights at work (labour standards and protection from exploitation for example; also including addressing the needs of those with disabilities); further consideration of the benefits of adopting a rule of law and governance approach was also encouraged.

UNHCR
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