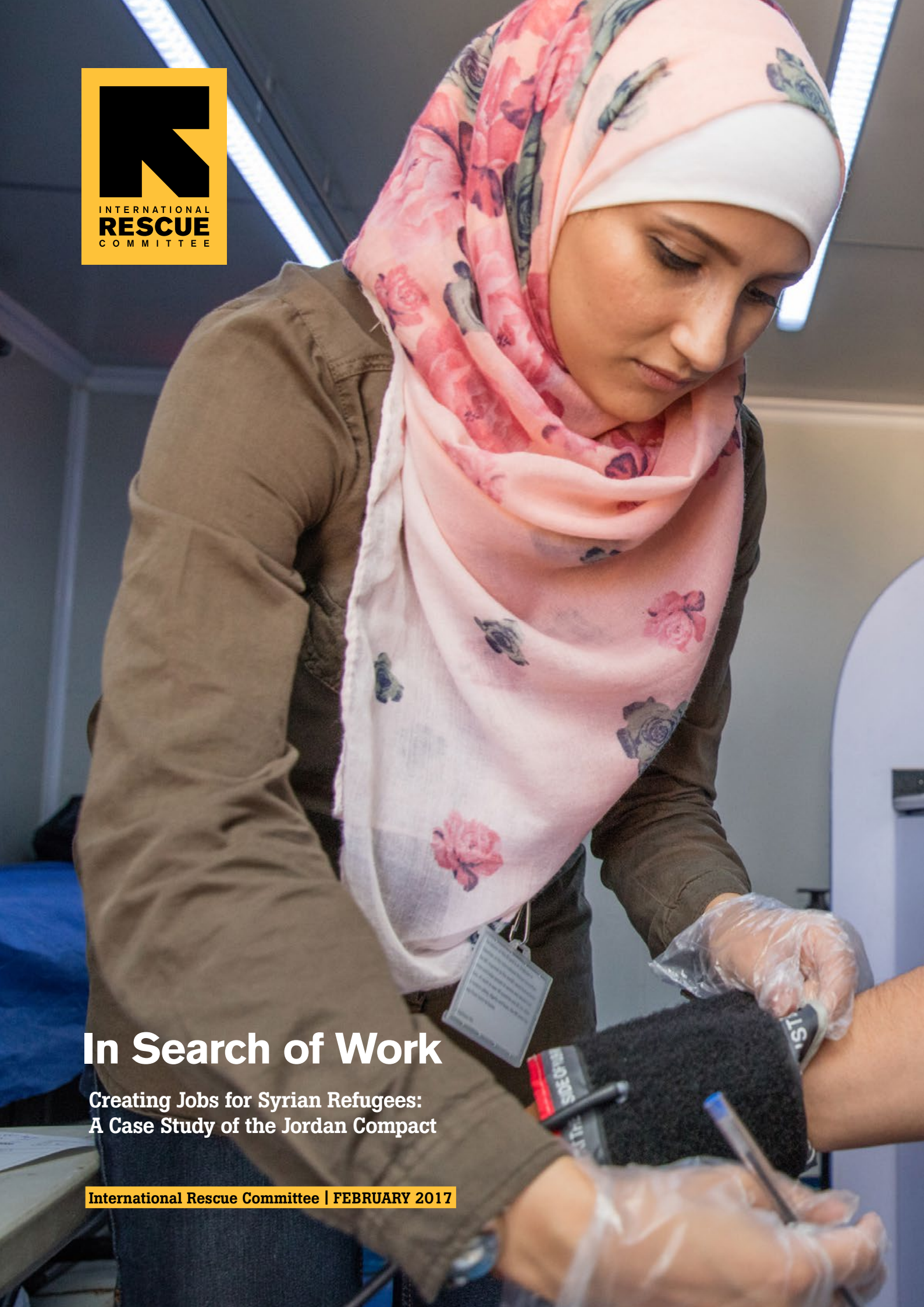
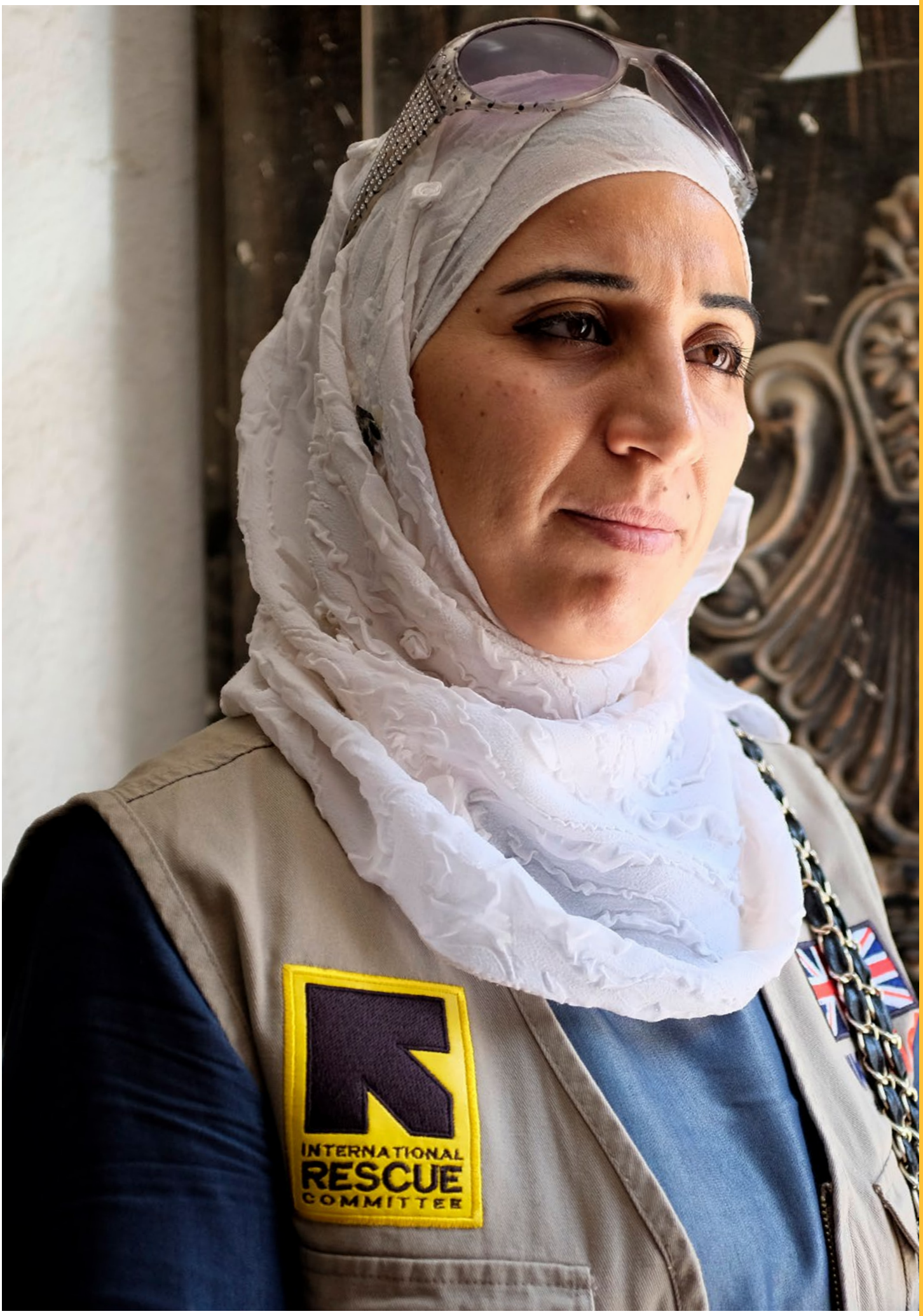


INTERNATIONAL RESCUE COMMITTEE

In Search of Work

Creating Jobs for Syrian Refugees: A Case Study of the Jordan Compact

International Rescue Committee | FEBRUARY 2017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In Search of Work

Creating Jobs for Syrian Refugees: A Case Study of the Jordan Compact

International Rescue Committee | FEBRUARY 2017

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COVER: Nurse Hiba Al Faqih works at a mobile health clinic operated by the IRC. The clinic helps Syrian refugees in an informal tented settlement called Al Mgherby, about 40 minutes outside Mafraq, Jordan, and 6 km from the Syrian border. The refugees in the area are mostly from Hama, Syria, and their most common health problems are diabetes, hypertension and colds. *Ezra Millstein/IRC*

OPPOSITE: Amira, a Syrian volunteer at the IRC clinic in Mafraq, Jordan. Having finished her shift, she is heading home to look after her four children. She left Syria when the war threatened her family's lives. *Timea Fauszt/IRC*

For privacy reasons, the names of individuals featured in this document may have been changed.

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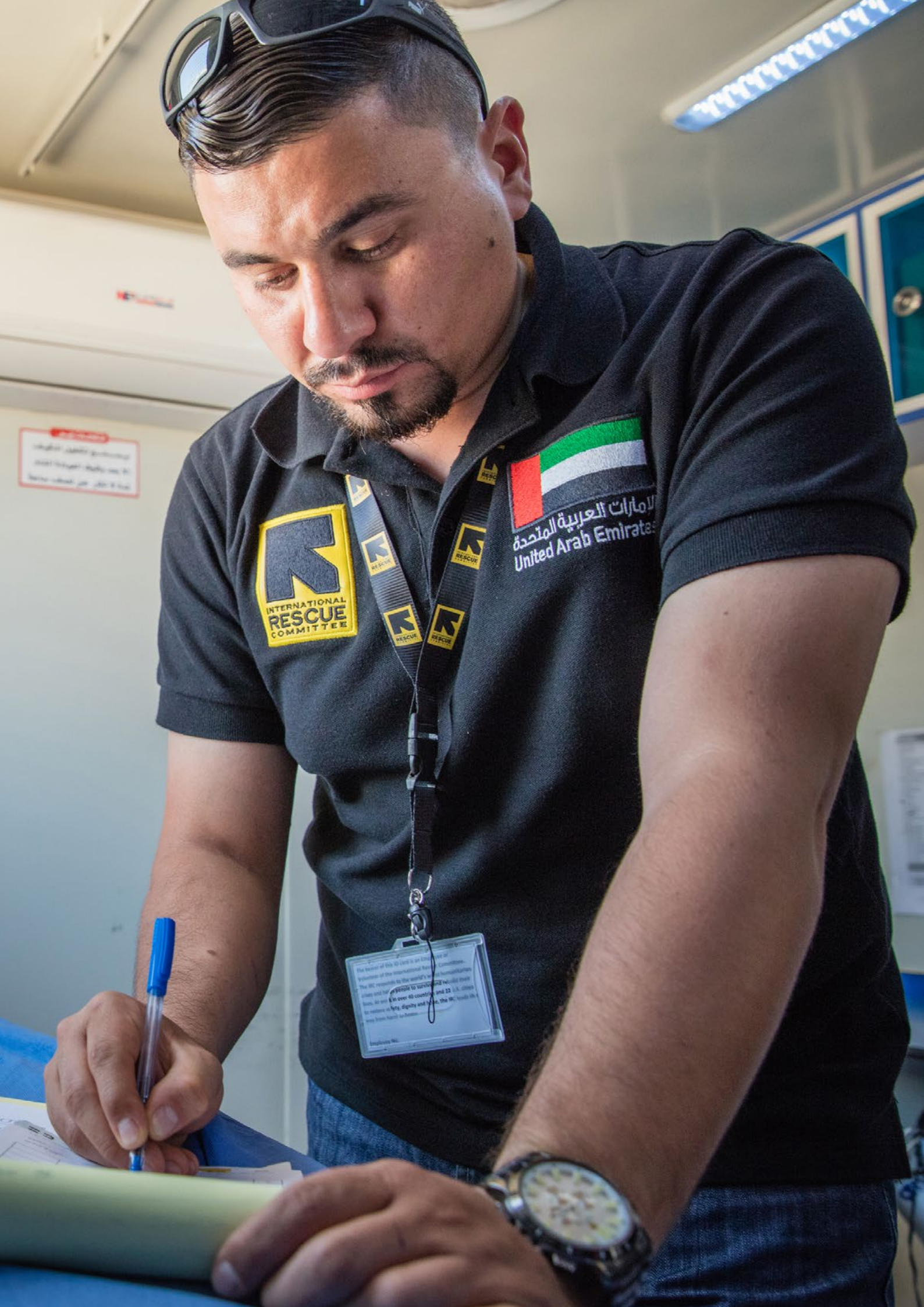
INTERNATIONAL
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United Arab Emirates

Executive Summary

The war in Syria has raged on for six years, causing a staggering 11 million people to flee for their lives — the largest refugee crisis of our time. More than six million are displaced inside the country, and nearly five million have fled to nearby countries in search of safety. But many, including the 1.7 million Syrians registered in neighbouring Jordan and Lebanon, are living in precarious circumstances.

On 4 February 2016, the international community came together at the Supporting Syria and the Region conference in London, hosted by the Governments of the United Kingdom, Germany, Kuwait, Norway and the United Nations (UN) to bring more resources and assistance to meet the immediate and longer-term needs of those affected by the crisis. Participants of the conference stepped up in significant ways: donors pledged US$12 billion in new financing until 2020 plus US$40 million in new loans, and the World Bank negotiated ground-breaking concessional financing agreements with Jordan, Lebanon and Turkey. The conference outcomes and pledges were reflected in three distinct agreements with Jordan, Lebanon and Turkey known as 'compacts'.

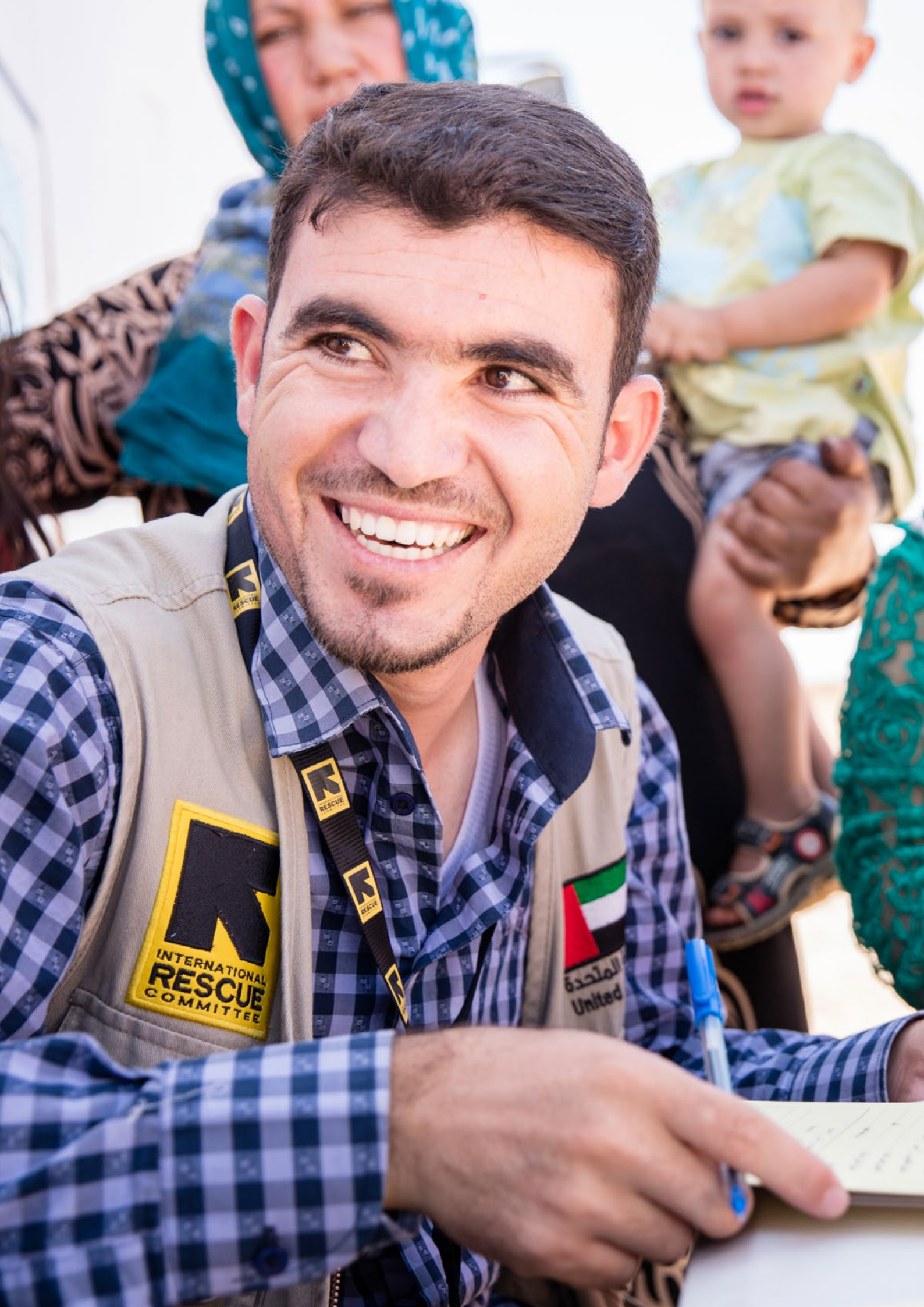
The one year anniversary is an important moment to reflect on progress against these compact agreements, and determine how to ensure better outcomes for refugees and host communities in the immediate and longer-term. This report evaluates progress against the Jordan Compact to date and outlines the lessons the International Rescue Committee (IRC) has learned through its work on refugee livelihoods, including its *Million Jobs Challenge* initiative. Based on these findings, we aim to inform governments, humanitarian and development stakeholders on the challenges still facing Syrian refugees in Jordan who are trying to find work.

We commend the Jordan Compact partners for bringing new financing and making strides towards necessary policy changes; however, progress towards improving economic opportunities for refugees and vulnerable Jordanians has been slow and uneven. The Compact is a new type of partnership which perhaps explains some of this. It also reflects, in part, the economic, social and structural challenges in the Jordanian context, such as high unemployment rates and a poor investment climate, as well as revealing weaknesses in the Compact's design and management.

At the same time, there are opportunities to improve the Compact and better align efforts with the facts on the ground, including refugees' experiences with the work permit and business formalisation processes, and the specific vulnerabilities that women face in search of safe and decent work. We support the overall approach of the Compact because it has the potential to bring real improvement to the lives of refugees in Jordan however, it is important to be clear that this is not a substitute for donor countries meeting their obligations to host refugees within their own borders.

This report concludes with recommendations including an annual review and subsequent adjustments to the Jordan Compact to ensure that more sustainable job opportunities are generated and the needs of Syrian refugees and Jordanians are met. It calls on the Government of Jordan to reform its work permit and business formalisation processes; on donors and the Government of Jordan to modify their investment strategy, accounting for the specific needs of refugees; and on all Compact partners to establish a better accountability mechanism.

OPPOSITE: Dr. Sa'id Majdalawi is a worker at the mobile health clinic operated by the IRC. This clinic is the only source of free medical care for 250 communities in the towns and villages of northern Jordan. Workers identify the sick, and gather information about their symptoms, medical histories and health concerns. If patients are unable to travel, the IRC mobile clinic comes to them. *Ezra Millstein/IRC*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Introduction

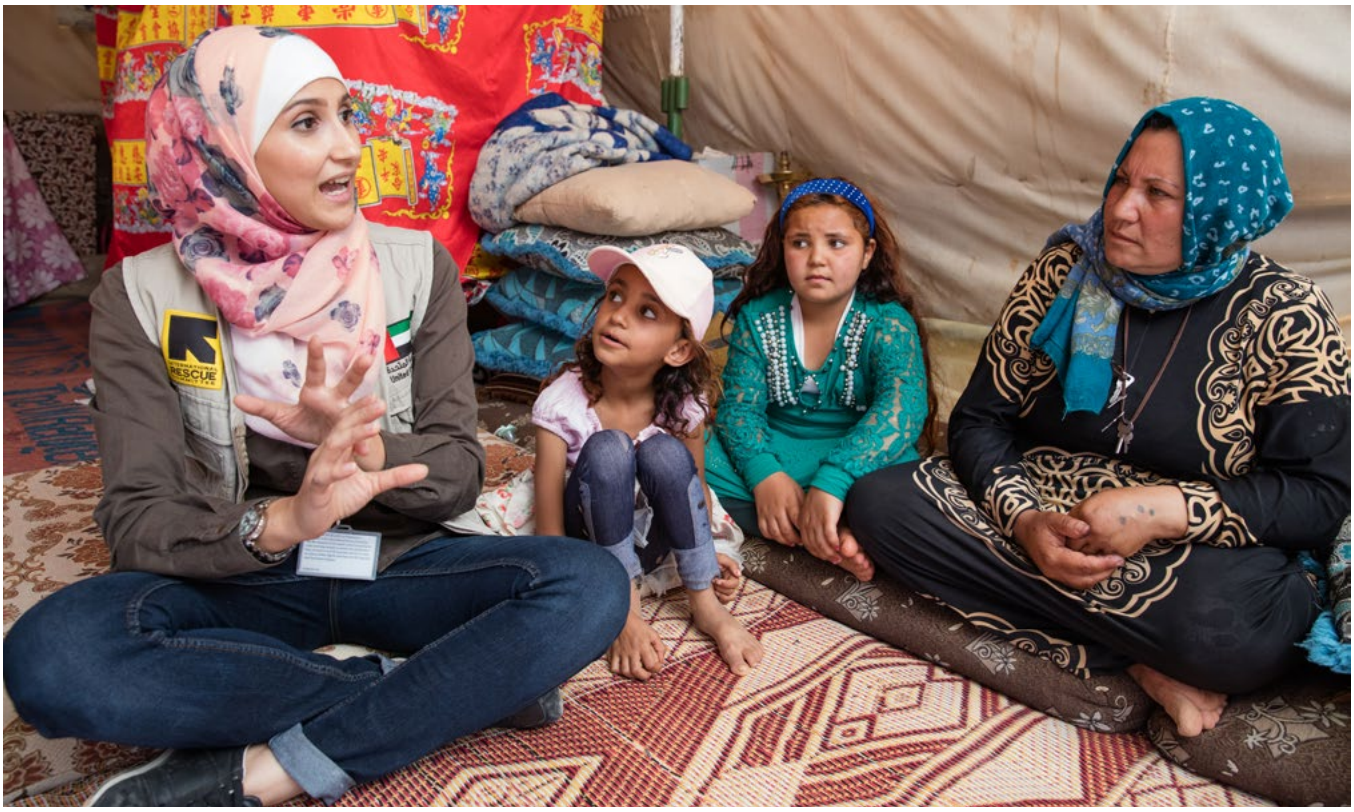
The war in Syria has raged on for six years, causing a staggering 11 million people to flee for their lives – the largest refugee crisis of our time. More than six million are displaced inside the country, and nearly five million have fled to nearby countries in search of safety. But many, including the 1.7 million Syrians registered in neighbouring Jordan and Lebanon, are living in precarious circumstances.[1] Despite the generosity of host countries and the international community, too many refugees are still unable to access public services like quality education or obtain safe, decent jobs. Some 20 per cent of Syrian refugees in Jordan live in camps, with any movements outside the camp restricted.[2] Most of the refugees want to return home to Syria someday when it is safe. But if they cannot work, their children cannot go to school, and their basic needs are unmet then, as they wait for the war to end, refugees' hopes to rebuild their shattered lives will remain distant. This refugee crisis – part of a global displacement crisis in which over 65 million people have fled their homes – is straining the limited resources of host countries, and is threatening global stability.

Today's conflicts burn on for an average of 37 years, making return for the uprooted – who have spent an average of 10 years away from home – an ever-distant prospect.[3] In protracted displacement settings, the importance of supporting refugees' self-reliance while also supporting host communities is increasingly recognised. There is a wealth of research showing that when refugees have the right to work, are in a safe and decent job, and have access to enabling services like education, they have the dignity of providing for themselves and their families and can become net economic contributors to their host economy.[4] In spite of popular narratives around the burden of refugees, studies show that refugees contribute to host economies not only as producers and consumers, but also as entrepreneurs who employ from both refugee and local communities.[5] Yet, in most situations of protracted displacement, there are considerable legal, policy, and financial barriers to unlocking this potential. The Syrian refugee crisis is no exception; a shifting and burdensome work permit process and a lack of job opportunities matching refugees' skills and needs means few Syrians are working in formal jobs – today, more than 90 per cent of Syrian refugees registered in Jordan are living below the national poverty line of 68 Jordanian dinar (US$87) a month.[6] The need to find sustainable livelihoods solutions is clearly an urgent one.

On 4 February 2016, the international community came together at the Supporting Syria and the Region conference in London, hosted by the Governments of the United Kingdom, Germany, Kuwait, and Norway, and the UN.

OPPOSITE: Khaled Al Mohammad, a Syrian volunteer from the Damascus countryside, volunteers at an IRC mobile health clinic. As most Syrian refugees in Jordan live outside formal refugee camps, the IRC operates where they live by providing health care, counselling and medication at no cost. *Ezra Millstein/IRC*

RIGHT: One member of a family who fled from Dara'a, Syria, finding refuge in Ramtha, just across the border in Jordan. A crochet course was organised by the Women's Protection and Empowerment Centre, run by the IRC. The women learned how to crochet in this course, and now they can generate some income with their new skill. *Timea Fauszt/IRC*



The aim was to bring more resources and assistance to meet the immediate and longer-term needs of those affected by the crisis. The Conference aimed to garner commitments from both host governments and donors to increase aid on an immediate and, importantly, a multi-year basis for both the people of Syria and Syrian refugees in surrounding countries, as well as to improve access to jobs and education for Syrian refugees and vulnerable host communities in Jordan, Lebanon and Turkey.

Participants of the conference stepped up in significant ways: donors pledged US$12 billion in new financing until 2020 plus US$40 million in new loans, and the World Bank negotiated ground-breaking concessional financing agreements with Jordan, Lebanon and Turkey.[7] The conference outcomes and pledges were reflected in three distinct agreements with Jordan, Lebanon and Turkey known as 'compacts'. Although compacts are not a new funding modality, these compacts are novel in that they include concessional financing to middle-income countries that are typically ineligible for such financing by the World Bank, and in that they bring multi-year development aid funding and technical assistance to what has been generally considered a humanitarian crisis.

This new longer-term funding, planning, and action to improve the lives of refugees living in countries surrounding Syria is invaluable; importantly, however, countries outside the Syria region must also continue to share in the global responsibility of hosting a fair and equitable number of refugees.

Commitments made at the Supporting Syria and the Region conference have begun to move from rhetoric to action with varying degrees of success. The one year anniversary is an important moment to reflect on this progress, and determine how to ensure better outcomes for refugees and host communities in the immediate and longer-term. This report outlines the lessons the IRC has learned and aims to inform governments, humanitarian and development stakeholders on the challenges still facing Syrian refugees in Jordan who are trying to find work. While we commend the Jordan Compact for bringing new financing and making strides towards necessary policy changes, progress on the ground has been too slow to meet the urgent needs of Syrian refugees and Jordanians alike, and some adjustments are needed to see the Compact be successful in moving forward. Here, we offer recommendations for generating more sustainable job opportunities for vulnerable populations in the second year of the Compact.

ABOVE: Nurse Hiba Al Faqih works at a mobile health clinic operated by the IRC. Women and girls are particularly vulnerable to experiencing violence as refugees. Clinic staff members work to create a bridge of trust between the health clinics and the community. *Ezra Millstein/IRC*

The IRC's Work on Refugee Livelihoods

The IRC has worked in Jordan since 2007. Initially providing aid to Iraqi refugees, we increased our operations in 2012 to deliver crucial humanitarian assistance including healthcare, protection for women and children, and economic programmes to the large influx of Syrian refugees and to affected host communities.

At the start of the Syria crisis, the IRC responded with cash assistance to support refugees in meeting their urgent basic needs. As the crisis has become more protracted, our strategy includes more employment and self-employment support programming to help refugees develop sustainable livelihoods, as well as supporting host communities struggling with unemployment.

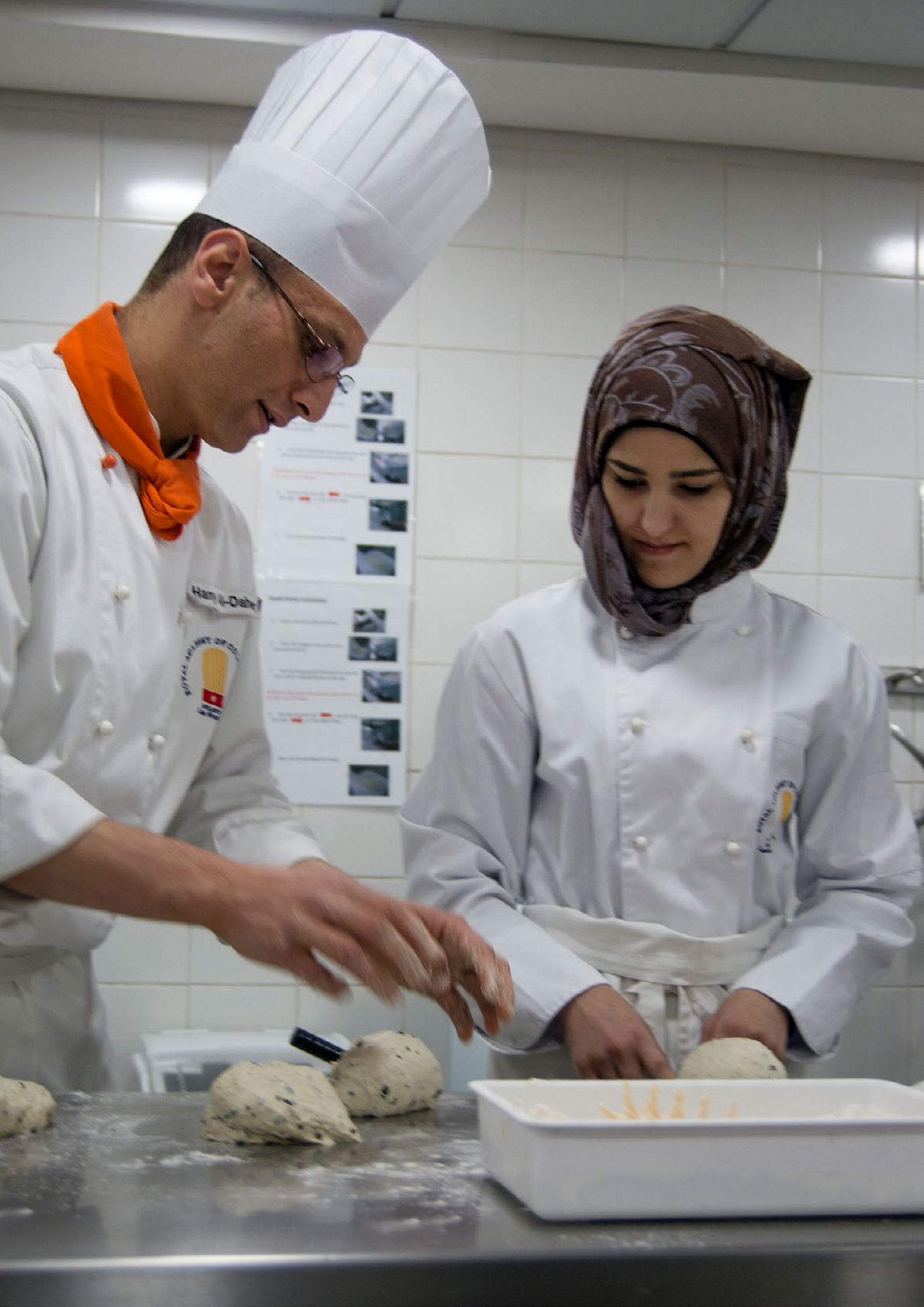
This experience led us to take a particular interest in the jobs focus of the Supporting Syria and the Region conference and prompted the IRC President and CEO David Miliband to call on conference participants to commit to – and then create – at least one million jobs in Jordan, Turkey and Lebanon. We warmly welcomed the conference outcomes to this effect.

Following the conference, the IRC launched the *Million Jobs Challenge* to focus on the actions needed to make these jobs a reality, refining current programming and exploring new innovative solutions to job creation. Drawing on private sector expertise, we have spent the last year investigating constraints and potential policy and business solutions to generate employment opportunities for Syrian refugees and Jordanians. The IRC has interviewed refugees to learn more about their perceived constraints to obtaining a job and engaged with numerous academics, private sector companies and policymakers to promote inclusive and decent employment. While conducting research and exploring new ideas, the IRC has continued to run and expand its livelihoods programmes in Jordan through women's and community centres in Mafraq and Irbid, providing unconditional cash transfers to over 5,000 vulnerable women, as well as employment and enterprise development support through trainings on entrepreneurship, life skills, business management, and start-up capital to more than 1,000 clients – mostly women and youth.

Owing to the unique nature, scale and complexity of the Syria crisis, the IRC recognises the need for more innovative solutions that tackle the bigger questions of how to generate employment for displaced populations quickly and at scale, with an eye for replication globally. Working with Western Union, we are currently testing a prototype project to outsource business tasks (e.g. coding, Arabic services, data entry and verification) to semi-skilled jobseekers able to work remotely. Preliminary findings suggest that refugees have the skills and desire to complete this type of work, but it is critical to find sustainable demand for these services. Learnings from this prototype will inform further partnerships with local and international private sector partners interested in business process outsourcing with communities affected by displacement. In addition, in collaboration with the Overseas Development Institute (ODI), we are continuing to research opportunities specifically for women through the gig economy, which includes on-demand work via apps like Uber or crowd-sourced work. The IRC and ODI's research will focus on examining the feasibility and potential of the gig economy in Jordan as an opportunity for women and vulnerable communities. Finally, we plan to explore a series of supply-side solutions, such as employer insurance schemes and transport and childcare stipends, to address common barriers identified through our research.

This report summarises what we have learned so far regarding the implementation of the Jordan Compact and our own efforts to place refugees and vulnerable Jordanians in jobs.

The results from our related work streams mentioned above will be released in due course.



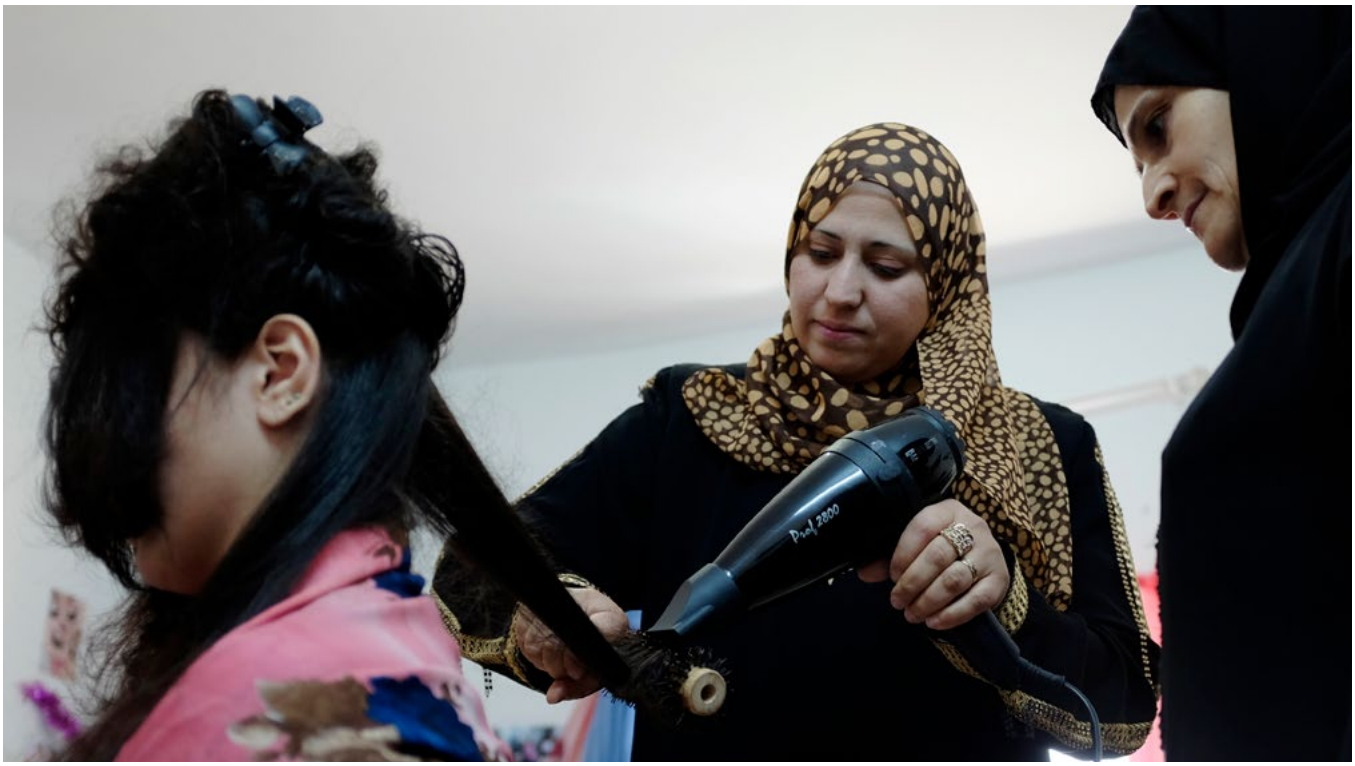
Livelihoods Components of the Jordan Compact

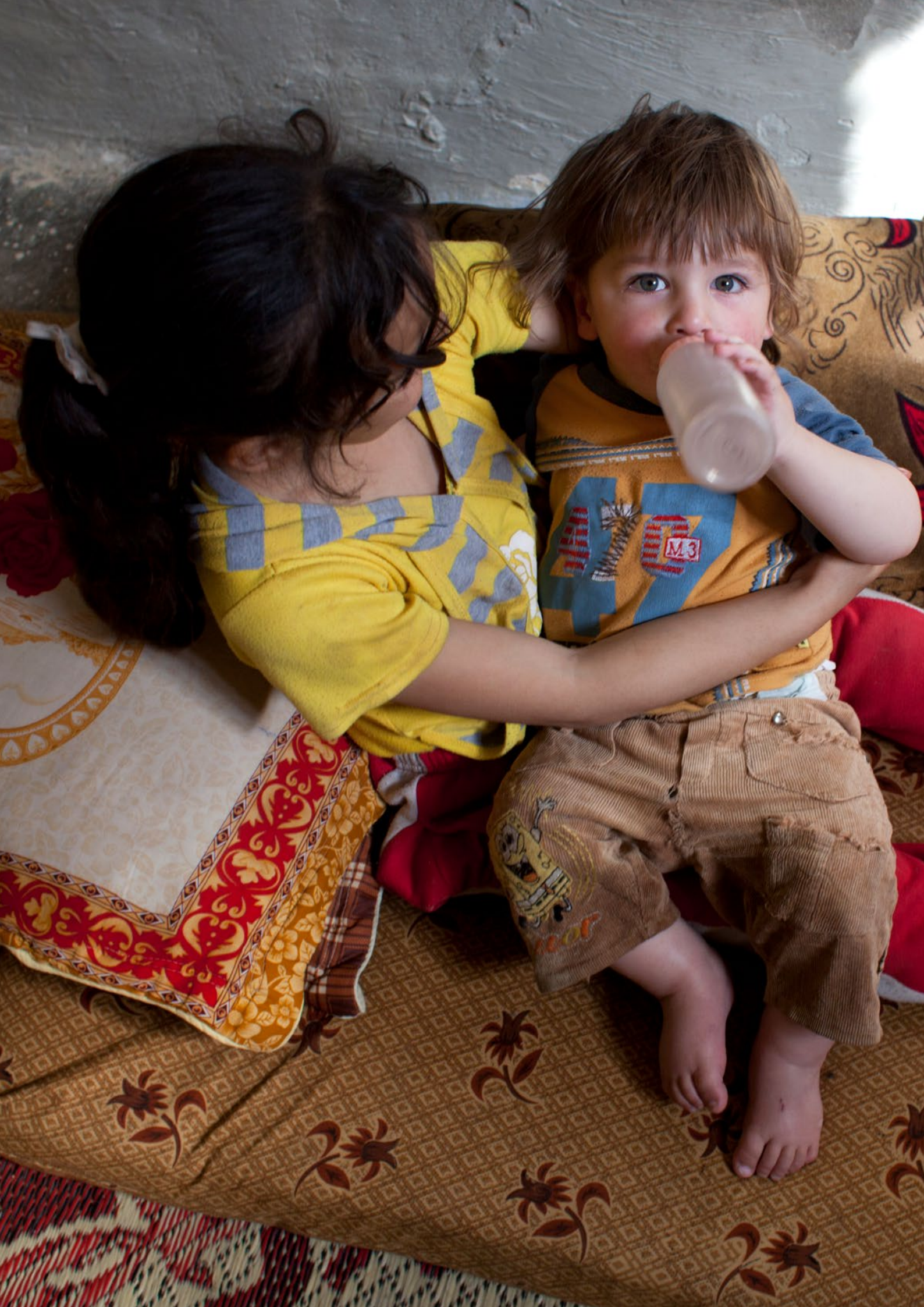
The core livelihoods commitments in the Compact agreement between the Government of Jordan and donors, launched at the Supporting Syria and the Region conference include:

- The Government of Jordan will undertake the necessary administrative changes to allow Syrian refugees to apply for work permits both inside and outside of the zones, and provide work permits for up to 200,000 Syrian refugees.
- The European Union (EU) will simplify its Rules of Origin, improving access to the EU market.
- The Government of Jordan intends, as a pilot, to designate five development zones and provide these with maximum incentives under the new investment law.
- Syrian refugees will be allowed to formalise their existing businesses and to set up new, tax-generating businesses.
- The Government of Jordan will provide for a specific percentage of Syrian involvement in municipal works through private sector employment on a contract basis.

OPPOSITE: 17-year-old Basima dreams of becoming a chef. To help her reach her goal, she was invited to the Royal Academy of Culinary Arts in Amman where she is hosted for the day. The instructor is showing her how to prepare olive bread. *Kaity Kawar/IRC*

BELOW: Anwaar (middle) attends a beauty course in Ramtha. The beauty course takes place in Women's Protection and Empowerment Centre, run by the IRC. Anwaar's instructor, Majida (right) taught her hairdressing and gave her the opportunity to practice. *Timea Fauszt/IRC*





Progress on Implementing the Jordan Compact

Progress towards improving economic opportunities for refugees and vulnerable Jordanians through implementing the Jordan Compact has been slow and uneven. The Compact is a new type of partnership which perhaps helps to explain some of this. It reflects, in part, the economic, social and structural challenges in the Jordanian context, such as high unemployment rates and a poor investment climate.

Importantly, it also reveals weaknesses in the Compact's design and management as well as opportunities for how the Compact can better recognise the reality of constraints and facts on the ground, including refugees' experiences with the work permit and business formalisation processes and the specific vulnerabilities women face in search of safe and decent work.

Although some components of the Compact have been implemented, much remains to be accomplished. The EU trade concessions have been put in place but other barriers appear to be preventing companies from taking advantage of the relaxed Rules of Origin; only three firms have applied to export to the European market. The Government of Jordan has issued roughly 37,000 of the 50,000 work permits it promised to refugees in its first year.[8] In addition, several of Jordan's commitments in the Compact have not yet been acted upon, such as promised business formalisation processes. Too many Syrian refugees and vulnerable Jordanians are still out of work, with unemployment rates and levels of poverty and debt gradually rising.

A Challenging Environment for Job Creation

Jordan's response to the Syria refugee crisis has been shaped by its history of refugee influxes: Jordan hosts approximately two million Palestinian refugees and experienced two waves of Iraqi refugees in 1991 and 2004.[9] Concerns around the permanent displacement of another large refugee population played a role in early policies discouraging integration of Syrian refugees, including their effective exclusion from the workforce. The Compact agreement appeared to move towards more pro-refugee policies; however, negative public perceptions of refugees and their impact on the job market in host communities persist. Many Jordanians believe Syrians are competing for job opportunities and negatively impacting local economies; one more reason it remains so important to programme for vulnerable Jordanian host communities as well as Syrian refugees.

Even before the massive influx of Syrian refugees in Jordan, however, the country faced high unemployment rates. These high rates have continued to gradually climb, from about 14 per cent in 2011 to 22 per cent in 2014.[10] Research shows that these rates are not necessarily due to more Syrians in the country. Most jobs taken by Syrian workers are in the informal economy and are jobs that many Jordanians do not want; any 'crowding out' effect is more likely to be felt by other migrant labourers than by Jordanian jobseekers. That said, the influx of refugees has led to a decline in wages as refugees are often willing to take lower pay due to their constrained circumstances – which can negatively impact Jordanian workers and jobseekers.[11]

A large informal labour market – 44 per cent of total employment in Jordan – combined with slow economic growth and a poor foreign direct investment climate have made the creation of formal jobs all the more challenging.[12] From 2011 to 2014, no one sector created more than 60,000 jobs.[13] While the construction and garment sectors show some promise for growth, there will need to be a careful match between the types of jobs and working conditions created, and the skills and incentives of refugees and Jordanians in order for growth to have a positive impact on vulnerable populations.

OPPOSITE: Child refugees in Mafraq, Jordan. As a result of the conflict in Syria, over 600,000 Syrians have fled to Jordan. Most refugees are living in urban areas where they are depleting their savings to pay rent or sheltering in abandoned buildings. The IRC is assisting Jordan by helping families manage their finances and providing temporary care and shelter for unaccompanied and separated children.

Abbie Trayler-Smith/IRC/Panos/EU-ECHO

Compact Interventions Fail to Address Refugees' Barriers to Employment

As noted above, the Compact's limited and uneven progress is due in part to the design and management of the agreement. While the Compact features a portfolio of interventions that includes traditional humanitarian responses and economic development solutions, many of the interventions that have been implemented so far have been those that aim to generate economic growth rather than those that address Syrian refugees' unique needs and constraints to finding legal employment. This may reflect the fact that refugees' voices went largely unheard at the start of the Compact negotiation process. In addition, solutions that have received the most attention over the last year – namely the EU trade concessions and special economic zones (SEZs) – are very thinly supported by rigorous evidence of what works to support refugees' livelihoods in protracted displacement settings. While important to test new and innovative solutions in these contexts, the Compact has arguably placed too much emphasis on interventions that are high-risk and expensive and has not invested enough in solutions that we know will meet the urgent needs of vulnerable populations.

> "We want to get a work permit, but the process is difficult. For example, my son works but he doesn't have a stable job. He can't reapply [for a permit] every time he goes to work for a different employer. Also, the permit is not for all job sectors."
>
> UM LAITH, A FEMALE SYRIAN REFUGEE ENTREPRENEUR BEEKEEPER AND BENEFICIARY OF THE IRC'S SMALL BUSINESS TRAINING

Work Permits

Through the Compact, the Jordanian Government promised to take the necessary administrative changes to the work permit process. Despite early reforms and policy adjustments, Syrian refugees continue to experience a complicated and cumbersome process to obtain a work permit. In April 2016, the Jordanian Government announced it would waive fees for Syrians applying for work permits.[14] In the past, work permit fees were reported to range between US$170 to US$1,270 depending on the sector – a cost burden that more often fell on refugees rather than employers.[15] Despite this waiver, refugees have reported that the process to get a work permit includes at least a dozen steps that both they and their employers must take. At the same time the permit process requires refugees to produce documents that prove they have legal residency including Ministry of Interior documentation, a process which remains difficult or impossible for many thousands of Syrian refugees. Landlords, for one, do not always cooperate on this front: one refugee interviewed in Amman said they were unable to convince their landlord to provide the required documents because the landlord has avoided registering their apartment to avoid paying taxes on rent.[16] This problem persists among employers, too; firms in Jordan that are not formally registered with the government cannot help refugees obtain a work permit. Other employers, middlemen and landlords exploit refugees for extra payments in exchange for support in the permit process.

A key challenge with the current system is that work permits are tied to a single employer and are valid only for one year. Many refugees rely on a portfolio of work to patch together their incomes, rather than a single formal job, but it would be impossible to obtain a permit for each of their jobs. Even for those willing to acquire a work permit and a single formal job, the one-year rule can have several negative implications. Refugees who plan to stay at the same job for longer than one year – and their employers – will need to go through the cumbersome work permit process every year, and refugees who may want to leave their job before the year is up may face retribution from the employer who sponsored their permit. Syrian women are further confronted with gender-role related barriers, ranging from childcare affordability, cultural pressures and fears of harassment when travelling and working.

There is also a deep misunderstanding and mistrust amongst Syrian refugees about what the work permit process entails, and the consequences of applying. Refugees have expressed fear of losing access to humanitarian assistance or third country resettlement opportunities. Many are concerned that, if the UN Refugee Agency (UNHCR) knows they have a formal job and income, then they would be the first to lose their benefits and may be deprioritised on the list of those seeking resettlement.[17] Whether real or imagined, the low number of resettled refugees and memories of assistance cuts in 2014 and 2015 mean that these fears are likely to persist among Syrian refugees.

Still, many refugees want and believe it is in their interest to obtain a work permit. While some refugees prefer to take their chances on informal work, which although less secure, is more readily available and might better meet their skills, fears of being caught without a permit run high. If a refugee is caught working without a permit they can be sent to Azraq refugee camp, which brings with it significant movement restrictions, and some have been deported back to Syria.[18]

New Employment Opportunities

The Jordan Compact features several potential solutions to scaling-up jobs for refugees and Jordanians. First is an increase in municipal works opportunities for refugees. Public works programmes – while helpful in getting refugees into jobs quickly – typically only last a few months and do not often promote long-lasting benefits in terms of household savings or improved refugee skill sets.[20] In isolation, refugees completing work on public works projects are often no better off than they were before taking the job and no closer to being self-reliant.

The Compact also seeks to drive job growth through a new EU trade liberalisation policy accompanied by promoting investment in SEZs, whereby companies in the zones can benefit from preferential access to the EU market. While the relaxed Rules of Origin policy has been put in place, there has been little movement on the part of the private sector to apply for access under it due to other constraints in the Jordanian economy. We would argue that the Compact places an over-reliance on the potential benefits of this policy change; there is little evidence that trade liberalisation policies support job creation on a significant scale.[21] Furthermore, it could take several years before firms are set up in SEZs in Jordan and meet the Compact's threshold of having at least 15 per cent of their employees be refugees. Many of the existing SEZs are outside of major cities in Jordan. Due to costs and safety concerns associated with transportation and the distance these jobs would be from workers' homes and families, it is unclear whether refugees will be willing to travel for jobs in the SEZs regardless of earning potential. Plus, there are no guarantees that these would be decent jobs: refugees would be expected to work primarily in manufacturing jobs, such as in the garment industry, many of which are known for their poor working conditions, low wages and long inflexible working hours, which may conflict with other household and family responsibilities.

Another concern related to job opportunities that has been expressed by many refugees, but unaddressed by the Compact, is linking employers with potential employees.

The Fear of Deportation: Nadya

Nadya, a 32-year-old mother of five fled Syria due to the war. She is currently living in Irbid, Jordan with her husband, Ahmed and their children. To pay the rent and make ends meet for their family, her husband took a job in a vegetable store; however, he was unable to access an official work permit because of the costs, and has no right to work in Jordan without one. Ahmed was caught working without a permit by the Jordanian police. They told him to leave the store or they would deport him back to Syria. Since then, Ahmed refuses to leave their family home because he is so terrified that he will be caught again by the police and deported back to Syria. Without Ahmed's earnings his entire family is struggling to survive.

Syrian refugees who the IRC interviewed in Jordan repeatedly noted the challenges of searching for jobs and the lack of a centralised source for job information. One woman who lives on the edge of Irbid said that by the time the news of an employment opportunity reached her and she was able to inquire about it, the job had already been filled.[22] Many refugees rely on traditional and inefficient methods to identify job opportunities, such as word of mouth, hindering refugees and women in particular who may lack adequate networks. The Compact misses the mark by failing to include interventions such as physical or digital employment hubs, which can more systematically link jobseekers with companies that are hiring.

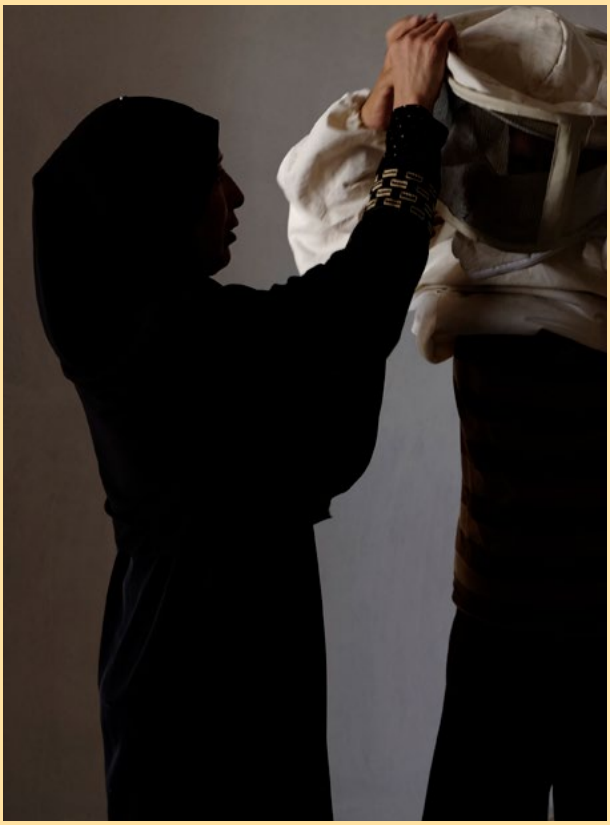
> "I have nightmares about getting caught without a permit."
>
> A SYRIAN MAN WHO HAD TAKEN NIGHT SHIFT WORK IN AMMAN TO AVOID GETTING CAUGHT BY THE POLICE FOR WORKING INFORMALLY[19]

Restarting the Family Beekeeping Business: Um Laith

Um Laith arrived in Jordan's Zaatari refugee camp with her husband and three of their children in 2013. She left behind the war in Syria, one of their sons, and a thriving beekeeping business and land. Um Laith had years of business experience, having learned beekeeping from her mother.

Everything changed in Jordan. She could not work and was struggling to pay the rent, but when she heard about the IRC's small business training, she could not wait to sign up. As she told the IRC, "When we find an opportunity to enhance our lives, we take it".

Through the IRC's programme, Um Laith learnt how to improve her budgeting, bookkeeping and marketing. After successfully completing the course, she was awarded an IRC start-up grant, which enabled her to purchase three beehives. She stretched the money as far as she could, explaining, "I bought the beehive frames separately and made them myself, and we bought only half of the bee suit for 30 Jordanian dinar (US$42)."



> "We want to work, to produce. We want to live a normal life, like other people are living. We want to get a work permit, but the process is difficult."

Initially she struggled to find a location for the hives as Jordanian farm owners were reluctant to allow Syrians to enter their farms and transportation costs were high. However, she eventually found a place on their neighbour's land where they could place the hives. It was not only easier for her husband, who had a recent stroke, but also saved prohibitive transport costs. After three months the family had produced five and a half kilograms of honey. All of it was sold immediately and Um Laith now has a booth at a local chain where she can sell her honey.

Despite her success and determination, Um Laith still wants a work permit. The process is so difficult that she feels frustrated.

Safe and Decent Jobs

Important in identifying viable pathways to support job access and creation for both Syrian refugees and vulnerable Jordanians is to ensure current and new jobs are safe and decent. Jobs must be free from harm, abuse, and exploitation, and support employees' in earning a living wage. As the International Labour Organization (ILO) notes, both refugees and Jordanians are exposed to work-related hazards and exploitation, although Syrian refugees are more likely than Jordanians to perceive their work as dangerous, physically hard, or stressful. Syrian refugees interviewed by the IRC claimed that one of the biggest deterrents of working is the potential of workplace harassment or abuse; many claimed they went unpaid for work completed, were systematically paid less than their Jordanian counterparts, and were fired without notice.[23] Despite employers being required to protect employees from work-related accidents and illness, only 30 per cent of Syrian refugee workers, compared to 43 per cent of Jordanian workers, report being informed of hazards by their employers. When identifying sectors and opportunities, safety and wages must be taken into account and employers should be supported to set up systems that ensure protection of their workers.

Business Formalisation and Start-up

By summer 2016, Syrian refugees were supposed to be allowed to formalise their existing businesses and set up new businesses. However, it is unclear to whether and to what extent this new policy has been implemented. Syrians still appear to struggle to register their businesses. To own and operate a business in Jordan, many foreigners (including Syrian refugees) must register for investor status and demonstrate minimum deposits of 50,000 Jordanian dinar (US$70,500) in a Jordanian bank, depending on the type of business.[24] For most Syrian refugees, this requirement is beyond prohibitive. Another hurdle refugees must overcome to register a business is to demonstrate legal residency status – usually, through a valid passport with an entry stamp and residency card – which most Syrian refugees no longer possess or never had. Furthermore, requiring a Jordanian business partner can prove a critical barrier, and lead to exploitation of the refugee business owner.

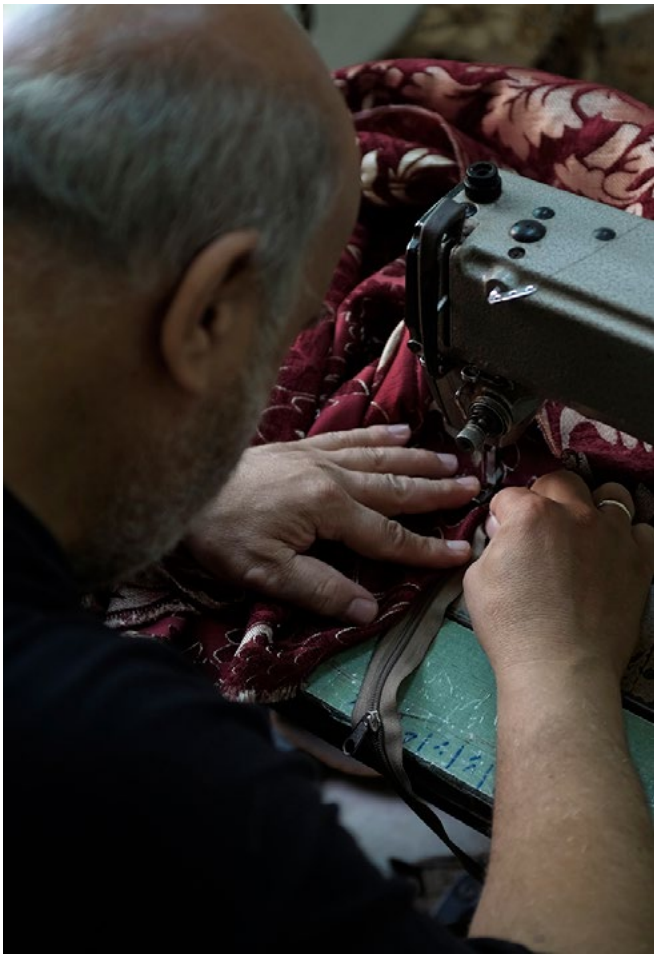
The Compact misses an opportunity to address the need for interventions that can assist refugees and vulnerable Jordanians with business start-up. Supporting self-employment through business start-up or expansion via cash grants is strongly supported by the evidence base of what works to generate employment opportunities and incomes. The option to be self-employed can also provide individuals with the flexibility to work from home, thereby addressing some of the safety concerns especially felt by women.

> "'How can we make sure my Syrian partners get their rights if the business is not registered in their names?"
>
> SAFA'A, A JORDANIAN ENTREPRENEUR PLUMBER AND BENEFICIARY OF THE IRC'S BUSINESS TRAINING COURSES

OPPOSITE TOP: Um Laith helps her husband, Abou Karam, into the protective bee suit they bought with IRC support. *Timea Fauszt/IRC*

OPPOSITE BOTTOM: Abou Karam tends to one of the family's hives in their Jordanian neighbour's garden. *Timea Fauszt/IRC*

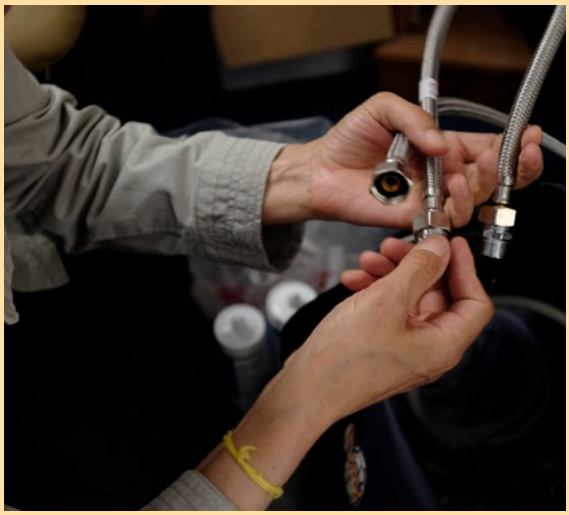
BELOW: Manal, a Jordanian, and her husband Abu Nabeel, a Syrian, run an upholstery business. The family fled from the region of Damascus, Syria and found refuge in Irbid. They ran this same kind of business in Syria. *Timea Fauszt/IRC*

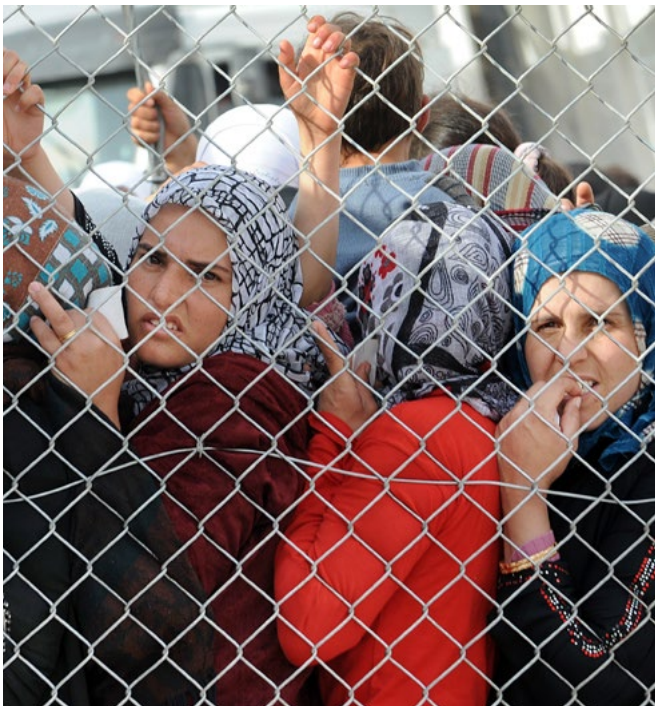


Women-led Plumbing Services: Hala and Safa'a

Hala, a Syrian refugee, and Safa'a, a Jordanian who had been living in Syria, fled to Jordan in 2012. Hala fled with her family after four of her brothers were killed, while Safa'a was forced to return after her husband was arrested and son was wounded. The two women met at a plumbing course for women and, with help from the IRC, started their own business.

They are filling a gap in women-led services in the local market, and helping women overcome the challenges of not being able to have a male plumber into their home if they are alone. In addition, Hala finds that being able to work helps her mental state and keeps her from becoming depressed. However, Safa'a has had difficulty registering their business. Not only are the costs prohibitive, but her partner is a Syrian women, who cannot obtain a work permit but the job sector is technically closed to Syrians. Safa'a is worried about the rights of her Syrian colleagues, asking, "How can we make sure my Syrian partners get their rights if the business is not registered in their names?"





Gender Gap

Syrian refugee women are confronted with numerous barriers to safe and decent work that are unique to their gender. Although many women have a desire and are willing to work, many are not currently doing so; only four per cent of work permits are held by women.[25] This is in part due to cultural barriers; for instance, some male-headed households prohibit their wives from working outside the home. But it is also often because women are the designated caretakers of their children – and they cannot afford childcare – and because they fear sexual harassment at jobs where a male is their boss. One Syrian woman, who was a domestic cleaner, recounted a story of being sexually harassed by the male head of the household where she worked. Before she could report the incident, the man's wife reported to the police that the domestic cleaner was trying to seduce her husband. Without evidence, the Syrian woman was forcibly relocated to a refugee camp.[26]

ABOVE: Women queue up for a blanket distribution in Zaatari refugee camp, Jordan. *Peter Biro/IRC*

LEFT: Hala shows some of the equipment which they bought for their plumbing business. Safa'a and Hala both have a background in art; plumbing is entirely new to them. *Timea Fauszt/IRC*

Recommendations

Donor governments must step up their action on sharing responsibility for hosting refugees. Jordan hosts 87.45 refugees for every 1,000 inhabitants, while the United Kingdom hosts just 1.90 per 1,000, Germany hosts 3.92 per 1,000, and Kuwait hosts 0.19 per 1,000 and Norway hosts 9.67 per 1,000.[27]

The IRC strongly supports the Jordan Compact because, if properly and faithfully implemented, it has the potential to bring real improvement for refugees in Jordan. However, additional financial aid and progress on improving lives and livelihoods in Jordan – or indeed anywhere else – is not a substitute for donor countries meeting their obligations to host refugees within their own borders.

In the midst of the global protracted displacement crisis, the Supporting Syria and the Region Conference provided an opportunity to pledge action for those affected by the Syrian war through new aid, and by opening up access to jobs for refugees. The Jordan Compact provides an innovative and meaningful way for the Government of Jordan and development and humanitarian actors to generate an agreed pathway for job creation. However, one year on, a close examination of progress so far reveals implementation has not matched its potential. There is much at stake and, as the crisis draws into its seventh year, it is imperative the opportunity is not squandered.

Compact partners including the Government of Jordan and development and humanitarian actors must learn from experience to date and reform their way of doing business to deliver fully on their commitments to refugees and Jordanians. To ensure the greatest impact, they should review progress against the Compact annually and make adjustments, starting now by implementing the below recommendations. A "test and learn approach" should be adopted to increasing formal employment, implementing innovative ideas at small scale, rigorously evaluating their impact, and scaling up the interventions that work while abandoning those do not. Financing should support this approach; donors must ensure that funding for pilots and evaluations is available throughout the lifecycle of the Compact.

The IRC recommends that the following actions are taken in 2017—

To overcome policy barriers faced by refugees, **the Government of Jordan should:**

1. Implement a Protection Guarantee to help existing rights become a lived reality, by ensuring refugees have safe, accessible and affordable pathways to obtain Ministry of Interior documentation that allows freedom of movement, and provides a credible basis for formal recourse in the event of exploitation, harassment, or abuse.

2. Immediately delink work permits from one job/employer and expand the number of sectors and professions open to refugees, en route to a general right to work for refugees.

3. Rapidly simplify, incentivise and promote business formalisation processes, especially by improving availability of credit information and access to credit.

To improve the design and implementation of the Jordan Compact, **donors, in conjunction with the Government of Jordan, should:**

4 Support self-employment opportunities by:

- Introducing a Business Booster Package – including cash grant programmes – to stimulate the creation of new enterprises and promote the growth of existing ones; and
- Exploring opportunities in the gig economy and other freelance work that allow for flexible hours and choice.

5 Expand new trade access policies to qualifying firms outside SEZs that agree to meet the current requirement of employing at least 15 per cent of refugees by year one and 20 per cent by year two.

6 Favour investment in SEZs that are most proximate to refugee and host residential areas to maximise linkages with the local economy and in sectors such as technology, that offer higher quality job opportunities.

7 Implement gender-specific employment solutions that reflect the unique constraints faced by women in accessing employment, and enhance support for female labour force participation so that the number of work permits held by women grows from four per cent to at least 15 per cent by the end of 2017.

8 Provide refugees with the material support and information needed to access employment opportunities, such as subsidised transportation and childcare; for example, ensure that SEZs have childcare on site, provide bus passes or free travel for employees, and create a digital portal for employment information.

To improve the management of the Jordan Compact, **partners should:**

9 Consult refugees to better understand and address their unique constraints and needs, and then design interventions that can help them overcome those barriers.

10 Develop an accountability mechanism with an annual review and adjustment process for key actors including Government of Jordan ministries, the World Bank, donor governments and UN agencies, setting out key tasks and measures for implementation for each Compact promise and dates for milestones to be met.

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Note that these statistics include only UNHCR-registered refugees; asylum seekers and internally displaced persons are not included. Palestinian refugees under the jurisdiction of the UN Relief and Works Agency (UNRWA) are also specifically excluded and both their numbers and location are hugely significant; there are over 450,000 Palestinian refugees in Lebanon and over 2,110,000 in Jordan. As many Palestinians were displaced because of the war in Syria, there are now significant numbers of Palestinian refugees in countries outside the UNRWA's limited mandate, such as Egypt and Turkey, where the authorities do not allow them to register with the UNHCR.

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Designed by Ros Mac Thóim.

The International Rescue Committee (IRC) responds to the world's worst humanitarian crises and helps people to survive and rebuild their lives. Founded in 1933 at the request of Albert Einstein, the IRC offers life-saving care and life-changing assistance to refugees forced to flee from war, persecution or natural disaster. At work today in over 40 countries and 29 cities in the United States, we restore safety, dignity and hope to millions who are uprooted and struggling to endure. The IRC leads the way from harm to home.

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