

Which side are you on?*

*Discussion paper on UNHCR's
policy and practice of incentive
payments to refugees*

** Inspired by the song of the same name written in
1931 by Florence Reece in support of a mine workers'
strike in Harlan, Kentucky*

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Executive summary

In many contexts, refugees are engaged by UNHCR and by partners as “incentive workers” to undertake jobs in connection with the provision of assistance and services to the displaced community, both within and outside camps. Such work is often characterized as volunteering rather than employment and the compensation described as an “incentive”, which is generally lower than a wage and is intended to acknowledge the volunteer’s effort but not provide full compensation for their labour. Although incentive payments are widely used in UNHCR operations, there is no formal guidance on approaches to and standards for incentive work.

There is some debate as to whether refugee incentive payments should be approached within a framework of volunteering or employment. A volunteering approach is grounded in the idea that refugees should actively participate in efforts to support their own communities, which is seen to promote empowerment rather than dependency. An employment approach is grounded in the right of refugees to work, based on the 1951 Convention and international human rights instruments, and in the recognition that the promotion of refugee livelihoods and self-reliance fosters protection and solutions. The choice of appropriate approach to incentive payments should be carefully considered in the particular context, with reference to the skill and time required local employment context and impact on community initiative. Wherever feasible and appropriate, UNHCR should support the paid employment of refugees and encourage the fair remuneration of those engaging in incentive work.

In any event, humanitarian agencies should conform to certain minimum standards to ensure that incentive activities take place in conditions of decent work.

This paper outlines the following suggested guidelines for the programming of incentive payments:

Adopt a rights-based approach

- Advocate for the recognition and promotion of refugees’ right to work.
- Ensure safe and dignified conditions for incentive work.
- Establish transparent recruitment processes and conditions of engagement.
- Promote equitable access to incentive work opportunities, taking into consideration age, gender and diversity.
- Consult concerned populations in developing incentive work schemes, and institutionalize procedures for participants’ feedback.

Consider the local context

- Assess local labour markets and consider needs and expectations of host community regarding employment opportunities with humanitarian agencies.

Build skills and self-reliance

- Wherever possible, design incentive programs that build upon workers’ existing skills and help them to develop transferable skills that can promote longer-term economic security.

Provide fair compensation

- Provide compensation that is fair taking into account the time, skills and experience required and market context.
- Harmonize incentive scales amongst humanitarian organizations, to enhance transparency and reduce turnover.

It is recommended that formal guidelines be developed to assist the field in relation to incentive payments.

Introduction

1. In many refugee contexts, refugees are engaged by UNHCR and by partners as "incentive workers" to undertake jobs in connection with the provision of assistance and services to the displaced community, both within and outside camps. Work undertaken by refugees with humanitarian agencies is frequently characterized as volunteering, and the compensation described as an "incentive payment", which is generally lower than a wage and is intended to acknowledge the volunteer's effort but not provide full compensation for their labour. Incentives may take the form of cash, vouchers, or in-kind goods as payment for work or services. Incentive workers are engaged for a wide variety of tasks, including school teachers, translators, community outreach workers, health workers, sanitation and construction workers, security guards, cleaners, distribution clerks, and office staff.
2. Although incentive payments are used in most UNHCR operations, there is no formal guidance on approaches to and standards for incentive work. The process and criteria by which refugees are recruited, the conditions of their engagement and their levels of remuneration vary not only between operations, but in many cases between different agencies working in the same refugee context.
3. The lack of coherent policy has had a range of negative implications. These include frustration amongst refugee workers at a perceived lack of transparency in relation to incentive schemes, high turnover of incentive workers and resulting deterioration in quality of services, and potential protection risks arising from the absence of clearly articulated rights and obligations of incentive workers and humanitarian agencies.
4. It is difficult to state with certainty how many refugee incentive workers are engaged in UNHCR operations. A selection of cases may provide some indication of the scale of the practice. In Dadaab, Kenya - a large and established camp situation - there are approximately 6,000 incentive workers, comprising about 3.5% of the population of working age (18-59 years) out of a total population of almost 450,000. In the Bangladesh operation, there are over 650 incentive workers, representing around 5% of the working age population out of a total camp population of approximately 30,000. If these examples are representative, out of the global figure of almost 3 million refugees currently living in camps,¹ there are likely to be tens of thousands engaged in incentive work in camp settings.
5. While incentive payments seem to be more often used in camps, they are also used in urban refugee operations. For example, in Lebanon, approximately 330 refugee community outreach volunteers were mobilized as of mid-2014, with the aim of increasing this number to 1,000 by the end of 2014. This will represent a ratio of close to one refugee outreach volunteer to every 1,000 refugees in Lebanon. In Jordan, Community Support Committees have been established comprising Jordanian and Syrian volunteers, undertaking outreach to Syrian refugees throughout the country. At the time of writing, there were 60 Syrian refugees and 72 Jordanians engaged in these committees, reaching out to an out-of-camp population of over 440,000 Syrian refugees. As UNHCR becomes

¹ UNHCR Statistical Yearbook 2012, p54.

more engaged in responses outside camps, in accordance with the Policy on Alternatives to Camps, the engagement of incentive workers in urban and other non-camp contexts seems likely to increase.

6. The scope for engagement of incentive workers, and issues arising from this practice, may vary significantly according to context. Refugees' access to livelihood opportunities – and the role of incentive work – will be affected by a range of factors, including whether refugees reside in camps, rural areas or urban settings, whether they enjoy freedom of movement and the right to work, the skills they possess, their relations with the host community and the economic conditions of the hosting area. It is relevant that in many contexts refugees' right to work is a politically sensitive issue, particularly where refugees are seen to compete with host country nationals for limited employment opportunities. Many refugees reside in states where their rights to work are either restricted or not recognized; the extent to which these restrictions are enforced also varies.

7. Across these various contexts, the use of incentive payments raises a number of issues. First is the question of how refugee incentive payments should be approached, and whether they are best seen within a volunteerism or a livelihoods/employment framework. A second issue is what rights and obligations should apply to incentive workers, UNHCR and its partners, and what standards should apply in the engagement of incentive workers. This discussion paper seeks to examine some of the issues and current practices surrounding incentive payments to refugees, with a view to informing the development of a more coherent approach to the issue. Whilst recognizing that there can be no one-size-fits-all approach, this paper seeks to outline a range of suggested guidelines that may be of assistance to UNHCR offices and partners in the use of incentive payments.

8. The methodology used was a desk review of existing literature and policies, together with consultations with UNHCR colleagues from DPSM, DIP, and several field locations. Colleagues in selected UNHCR and partner offices were consulted by email and phone interviews to learn about existing practice.

Framing incentive payments

9. Some disagreement exists on the question of whether the use of incentive payments should be considered within a framework of volunteerism or work. This section will consider each of these approaches and their implications.

Volunteerism and community participation

10. When refugees are engaged in tasks related to humanitarian operations, they are commonly considered to be “volunteers”. In this case, the payment of an “incentive” is intended to reimburse refugees for out-of-pocket expenses incurred in connection with their volunteer activities (such as transport, phone calls and meals) and to recognize the time devoted to volunteering. The engagement of refugees as volunteers is understood to be a means of encouraging refugee community involvement and ownership in assistance activities, in contrast to an approach in which refugees are seen as passive and dependent recipients of aid.

11. The view of refugee communities as active participants rather than passive recipients is consistent with UNHCR’s community-based approach.² This approach is founded on the principle that refugees are entitled to participate in making decisions that affect their lives, and should be empowered to exercise their rights.

12. However, the relationship between the use of incentive payments and the promotion of community responsibility is debated. The protection policy paper, *Understanding Community-Based Protection*, notes: “The option of paying community members to work on projects should be weighed very carefully. Though work should be valued and compensated in principle, as soon as cash payments become the norm it becomes extremely difficult to persuade community members to work without them.”³ The paper notes that the infusion of even a modest amount of cash may distort motivations for engagement in community activities “monetize helping behavior” or discourage community initiative. For example, in Bangladesh, retaining appropriately skilled refugees on the Camp Management Committee became difficult because they did not receive an incentive for their role, while monetary compensation was available for other forms of work within the camp.

13. The protection policy paper thus recommends clarifying at the outset what is expected in terms of unpaid community contributions. These unpaid contributions may become particularly important in out of camp contexts, where significant numbers of refugees are engaged as outreach volunteers, representing an important component in fostering self-help within the community. While in most contexts outreach workers are paid an allowance for transport and communication, their work itself is seen as voluntary and a contribution from the community.

14. However, refugees have questioned the notion they should be eager to assist their own communities without the expectation of compensation. Kakuma News Reflector argues, “in countries around the globe, nurses, teachers and social workers serve their compatriots

² See UNHCR, *A Community-Based Approach in UNHCR Operations*, 2008, and UNHCR, *Understanding Community-Based Protection*, 2013.

³ UNHCR, *Understanding Community-Based Protection*, 2013, p23.

and are paid for their services. It is unclear why refugees should not be entitled to salaries because they also serve 'their fellow citizens'."⁴ The article goes on to question the notion that refugee settlements are necessarily cohesive communities, noting that they are often comprised of people from vastly different backgrounds who are not necessarily bound by a community identity and spirit. Verdirame and Harrell-Bond argue, "expecting refugees to work without pay, which is premised on a communitarian spirit that would be hard to find even in affluent and well-established neighbourhoods, [is] not only against human rights law but also ill-advised."⁵ The rights referred to here include the right to work and to enjoy certain conditions of work, discussed below.

15. Refugee volunteers often perceive themselves to be exploited workers, and humanitarian agencies have been accused of simply using refugees as a source of cheap labour.⁶ Sceptics argue that humanitarian agencies hide behind the rhetoric of community empowerment but take advantage of the fact that dubbing refugee workers as volunteers relieves them of the obligation to pay a decent wage and meet other obligations generally required of employers.

16. In contexts where refugees lack the right to work, framing incentive work as volunteering may be considered a necessity, providing a means by which refugees can earn an income without formally abrogating the prohibition on refugee employment. Where the term "refugee volunteer" is utilized because formal employment is prohibited, rather than because refugees are expected to engage in the activities for altruistic or community-minded reasons, there is a strong argument that the activities should be seen as a kind of informal employment, rather than as volunteering proper.

17. Regardless of whether the activities concerned are considered to be volunteering, incentive payments may be an important, and sometimes the sole, source of income for those refugees receiving them. Incentive payments play a role in "refugee economies" and have implications for refugee livelihoods. Thus, UNHCR's commitments regarding the promotion of refugee livelihoods are also relevant to the practice of incentive payments.

Refugee livelihoods, self-reliance and the search for solutions

18. Livelihoods and the promotion of self-reliance have been recognized as an integral component of UNHCR's protection mandate, as well as the search for solutions. The reduction of dependency through economic empowerment and self-reliance can decrease the likelihood that refugees will be placed at risk of engaging in negative coping strategies, and helps to promote their dignity and independence. Hence one of the current Global Strategic Priorities of UNHCR is to improve the protection and wellbeing of persons of concern by promoting human potential through education, training, livelihoods support and income generation (GSP2).⁷

⁴ Kakuma News Reflector, "Are Refugees Entitled to Equal Pay for Equal Work?", Jan 2009, available at: <http://kanere.org/2009/01/31/are-refugees-entitled-to-equal-pay-for-equal-work/>

⁵ Guglielmo Verdirame & Barbara Harrell-Bond, *Rights in Exile: Janus-Faced Humanitarianism*, Berghahn Books: New York & Oxford, 2005, p221.

⁶ Kenya: A Voice from the voiceless - Dadaab refugee camps, 2010, available at: <http://pambazuka.org/en/category/refugees/63737>

⁷ See also UNHCR, *Conclusion on Local Integration*, 7 October 2005, No. 104 (LVI)(m) - 2005, para (m); UNHCR, *Conclusion on Women and Girls at Risk*, 6 October 2006, No.105 (LVII)- 2006, paras (k) (ii) and (o)(iii); UNHCR, *Conclusion on International Cooperation and Burden and Responsibility Sharing in Mass Influx Situations*, 8 October 2004, No. 100 (LV)- 2004, para (l)(v); UNHCR, *Conclusion on*

19. The promotion of refugee self-reliance is also considered a central element of the search for solutions for refugees. It is now well recognized that, given the protracted nature of many refugee situations, prolonged ‘care and maintenance’ approaches to assistance within refugee camp settings may have a range of detrimental effects. These include negative impacts on local economies, environment, security, and refugees’ ability to manage their own lives. Efforts to reduce dependency on humanitarian assistance and promote self-reliance are thus seen to facilitate refugees’ ability to establish independent lives and find eventual solutions, whether this be in the country of origin, country of asylum or a third country. As stated in the UNHCR Policy on Alternatives to Camps, “Refugees who have maintained their independence, retained their skills and developed sustainable livelihoods will be more resilient and better able to overcome future challenges than if they had spent years dependent on humanitarian assistance, whatever solutions are eventually available to them.”⁸

20. Supporting refugee self-reliance may also create significant benefits for host states. Refugees bring valuable skills and assets, and can make a positive economic contribution as producers, purchasers and employers.⁹ As noted by the Oxford University Humanitarian Innovation Project, “refugee communities are often integrated within vibrant and complex economic systems. Recognising and understanding this represents an opportunity to turn humanitarian challenges into sustainable opportunities.”¹⁰

21. The engagement of refugee incentive workers is rarely considered within a framework of supporting refugee livelihoods, self-reliance and solutions, or as a component of a broader refugee economy in a given context. These approaches are valuable because they consider incentive work not from the perspective of the immediate programming needs of humanitarian agencies, but instead from the perspective of refugees within a longer-term timeframe. Importantly, a livelihoods perspective encourages an approach to refugee incentive payments that is grounded in the broader legal and institutional framework relating to refugee employment, and the realities of refugees’ access to work in practice. Each of these elements is considered in turn below.

Refugees and the right to work

22. The right of refugees to work is protected both in the 1951 Convention on the Status of Refugees and in a variety of international and regional human rights instruments.

23. The right to work is enshrined in the Universal Declaration of Human Rights (Article 23) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (Article 6),¹¹ and is supported by the Convention on the Elimination of All Forms of

Children at Risk, 5 October 2007, No. 107 (LVIII) – 2007, para (h)(viii); UNHCR, *Conclusion on Refugee Women and International Protection*, No. 64 (XLI) – 1990, para (ix).

⁸ UNHCR Policy on Alternatives to Camps, para 3.8.

⁹ Betts, A. et al, *Refugee Economies: Rethinking Popular Assumptions*, Humanitarian Innovation Project, Oxford, 2014.

¹⁰ *Ibid*, p6. See also Asylum Access, *Global Refugee Work Rights Report*, 2014, available at: <http://www.refworld.org/docid/542903a64.html>

¹¹ The ICESCR refers to the rights of “everyone”, not only citizens or nationals, and are to be exercised without discrimination of any kind, including on the basis of national or social origin (Article 2). However, Article 2(3) provides: “developing countries, with due regard to human rights and their national economy, may determine to what extent they would guarantee the economic rights recognized in the present Covenant to non-nationals.” For an argument that this provision does not justify a blanket prohibition on the right to work for refugees in developing countries, see

Discrimination against Women (Articles 11, 13, 14), the Convention on the Elimination of All Forms of Racial Discrimination (Articles 2, 5), the Convention on the Rights of the Child (Articles 18(3), 19(1), 31(1), 32), the Convention on the Rights of Persons with Disabilities (Articles 8.2(iii), 27), and the International Convention on the Protection of the Rights of All Migrants Workers and Members of their Families (Articles 1(1), 3(d), 7, 15, 25, 45, 70). Further, regional instruments which support this right include the Cartagena Declaration on Refugees (items (h) and (i)), the Charter of Fundamental Rights of the European Union (Article 15), the Arab Charter on Human Rights (Article 30), and the African Charter on Human and People's Rights (Article 15).

24. Chapter III of the 1951 Convention on the Status of Refugees relates to gainful employment, and provides for the right of refugees to engage in wage-earning employment (Article 17), self-employment (Article 18) and in the liberal professions (Article 19). Article 17 states that "the contracting states shall accord to refugees lawfully staying in their territory the most favourable treatment accorded to nationals of a foreign country in the same circumstances, as regards the right to engage in wage-earning employment." Article 18 governs the rights of refugees to engage in self-employment and guarantees "treatment as favourable as possible and, in any event, not less favourable than that accorded to aliens generally in the same circumstances". Article 19 requires states to accord to refugees lawfully staying in their territory treatment as favourable as possible with regard to practicing a liberal profession.

25. The Michigan Guidelines on the Right to Work ("Michigan Guidelines") state: "Refugees 'lawfully staying' in states party to the Convention include those recognized as refugees through individual refugee status determinations (RSD) or as *prima facie* refugees... whether by the state or by UNHCR; asylum-seekers in a state that fails to determine or to comply with an RSD system or where the procedure is unduly prolonged; and refugees waiting for resettlement in another state."¹²

26. There are 145 states party to the 1951 Refugee Convention, and 146 states party to the 1967 Protocol. Twenty-eight states have entered reservations to Article 17 of the Convention, one state to Article 18 and one to Article 19. Of the reservations to Article 17, nine states express that they consider the provisions to be recommendations rather than obligations, or that they do not consider themselves bound by the Article. A number of states also entered reservations to the effect that they did not consider Article 17 to require them to automatically exempt refugees from the obligation to obtain a work permit. In addition, 13 countries entered general reservations relating to the most favourable treatment standard in the Convention, exempting special regional, customs, economic or political agreements.

27. Nevertheless, as noted in Executive Committee paper EC/55/SC/CRP.15 on Local Integration and Self-Reliance:

Matthews, P. *Reworking the Relationship between Asylum and Employment*, Oxford: Routledge, 2012, pp103-134.

¹² University of Michigan Law School, *The Michigan Guidelines on the Right to Work*, 16 March 2010, para 8, available at: <http://www.refworld.org/docid/4bbaf1242.html>. See also UNHCR, *Note on the personal scope of article 32 of the 1951 Convention relating to the Status of Refugees: the meaning of "lawfully in"*, 10 July 2012, available at: <http://swigea56.hcrnet.ch/refworld/docid/4ffbf2192.html> and UNHCR, "Lawfully Staying" - A Note on Interpretation, 3 May 1988, available at: <http://www.refworld.org/docid/42ad93304.html>

The logic of the Convention framework is that, with the passing of time, refugees should be able to enjoy a wider range of rights, as their association and ties with the hosting State grow stronger. In this sense, the 1951 Convention gives refugees a solid basis on which they can progressively restore the social and economic independence needed to get on with their lives.¹³

28. The Michigan Guidelines express that “work is interrelated, interdependent with, and indivisible from the rights to life, equality, the highest attainable standard of physical and mental health, an adequate standard of living, the right to social security and/or social assistance, freedom of movement, freedom of association, and the rights to privacy and family life, among others.”¹⁴ In case law, the right to work has also been linked to the right to dignity.¹⁵ As stated by one delegate during the drafting of the Convention, “without the right to work, all other rights were meaningless.”¹⁶

Refugees’ access to work in practice

29. There are currently more than 11.7 million refugees across the globe,¹⁷ of which 49% are between the ages of 18 and 59 years.¹⁸ This means that there are over 5.7 million persons of concern of working age.

30. State practice regarding the right to work for refugees varies widely. Many countries have enshrined the right of refugees to work in national legislation.¹⁹ Yet refugees’ enjoyment of the right to work depends not only on the prevailing legal framework in the host country, but also on a range of other factors including the economic climate, social

¹³ UNHCR, *Local Integration and Self-Reliance*, 2 June 2005, EC/55/SC/CRP.15, section 11, available at : <http://www.refworld.org/docid/478b3ce12.html>

¹⁴ University of Michigan Law School, *The Michigan Guidelines on the Right to Work*, 16 March 2010, available at: <http://www.refworld.org/docid/4bbaf1242.html>

¹⁵ *Minister of Home Affairs and Others v. Watchenuka and Another*, (010/2003) [2003] ZASCA 142 (28 November 2003), South Africa: Supreme Court of Appeal, 28 November 2003, available at: <http://www.refworld.org/docid/47fdfb093a7.html>; *Somali Association of South Africa and others v. Limpopo Department of Economic Development, Environment and Tourism*, (48/2014) [2014] ZASCA 143, South Africa: Supreme Court of Appeal, 26 September 2014, available at:

<http://www.refworld.org/docid/5425522d4.html>. See also the UNHCR intervention in the lower court in the same case: UNHCR, *Expert opinion of UNHCR on issues of the right to work for refugees and asylum-seekers in the case of [South African Somali Association vs Limpopo Department of Economic Development, Environment and Tourism] in the North Gauteng High Court, Pretoria, South Africa*, 14 March 2013, 12/HCR/RSA/ADM/594, available at: <http://swigea56.hcrnet.ch/refworld/docid/5215d0734.html>

¹⁶ Statement of Mr. Henkin of the United States, UN Doc E/AC.32/SR.37, 16 Aug 1950 at 12.

¹⁷ These statistics are for the year 2013. UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), data extracted: 2 Oct 2014, available at: www.unhcr.org/statistics/populationdatabase

¹⁸ As demographic breakdown was not available for 2013 at the time of writing, this percentage breakdown has been extrapolated from 2012 data. UNHCR, *Statistical Yearbook 2012*, “Table 14: Demographic composition of refugees and people in refugee-like situations, end 2012”, p126.

¹⁹ Member states of the Council of Europe, and most other industrialized states formally grant the right to work, along with many other social and economic rights to recognized refugees. As well as European states, Australia, Canada, New Zealand, and the USA grant refugees the right to work. The rights granted to asylum seekers vary considerably. Other countries recognizing in legislation the right to work of refugees include Burundi, Cameroon, Democratic Republic of Congo, Gabon, Guinea, Mali, Mauritania, Republic of South Africa, Rwanda, Senegal, Uganda, Argentina, Brazil, Peru, Ecuador, Mexico, Bolivia, Paraguay, Chile, Panama, Venezuela, Costa Rica, Uruguay, Israel.

attitudes towards refugees, and ability to satisfy bureaucratic requirements and associated costs.

31. For instance, in South Africa and Ecuador, refugees formally have the right to work, yet many employers refuse to recognize refugees' documents, and xenophobia and discrimination pose significant barriers.²⁰ In Greece and Iran, refugees are officially permitted to obtain a work permit, but asylum seekers are not, and the lack of a fully functioning asylum system means that only a small proportion of asylum seekers are able to obtain refugee status.²¹ Further, in Greece, a negative economic climate and tough competition in the job market makes access to employment difficult for both nationals and foreigners. In Egypt, to obtain a work permit refugees must pay high fees, obtain sponsorship from an employer and demonstrate that the work could not be performed by a local worker; requirements which in practice are extremely difficult for most refugees to meet.²²

32. A number of refugee hosting countries are not signatories to the 1951 Refugee Convention, and lack national legislation relating to refugees. Some of these states display general tolerance and hospitality towards refugees, such as India, which permits mandate refugees to apply for work permits and long-term visas.²³ Some such states accept – or at least, do not hinder – the employment of refugees and asylum seekers in the informal sector. Nevertheless, lack of formal rights leaves persons of concern vulnerable to exploitation and abuse.

33. In Malaysia, asylum seekers and refugees (even those registered with UNHCR) are considered on the same footing as illegal immigrants. While asylum seekers and refugees are often tolerated to work in the informal sector, they are vulnerable to efforts to curb irregular migration, such as immigration raids, arrests, detention and prosecution for immigration offences. Similarly, in Thailand, refugees are required to live in camps, where they do not enjoy the right to engage in employment, and those who choose to live and work outside the camps lack recognized legal status.²⁴ The only means by which foreigners, including refugees and asylum seekers, may obtain permission to work is by registering as a migrant worker, which is both costly and requires a temporary passport from the country of origin, an option not available to all.

34. Refugees' ability to engage in employment is closely related to their right to freedom of movement. The 1951 Convention provides in Article 26 that refugees lawfully in the territory should be accorded the right to choose their place of residence and to move freely within the territory, subject to any regulations applicable to other foreigners in the same circumstances. The right to freedom of movement is also enshrined in the International Covenant on Civil and Political Rights (Article 12). Nevertheless, many refugee hosting states require refugees to live in camps, where they are sometimes afforded formal

²⁰ Women's Refugee Commission, *No place to go but up: Urban refugees in Johannesburg, South Africa*, 2011; Asylum Access, *"To have work is to have life": Refugees' experience with the right to work in Ecuador*, 2014.

²¹ Human Rights Watch, *Unwelcome Guests: Iran's violation of Afghan refugee and migrant rights*, 2013; Asylum Access and Refugee Work Rights Coalition, *Global Refugee Work Rights*, 2014, p26-28.

²² Feinstein International Center, *Refugee Livelihoods in Urban Areas: Identifying Program Opportunities: Case study Egypt*, 2012.

²³ However, the treatment of asylum seekers and refugees varies according to location of residence and country of origin.

²⁴ Human Rights Watch, *Ad hoc and inadequate: Thailand's treatment of refugees and asylum seekers*, 2012.

permission to engage in income generating activities (as in Tanzania²⁵), but sometimes are not (as in Thailand). Despite such restrictions, many refugees have little choice but to pursue livelihoods outside camps, where they face various risks relating to their irregular status.²⁶

Implications for refugee incentive payments

35. In *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*, the Women's Refugee Commission states that: "The development of relief substitution and incentive work interventions can help to infuse cash into the camp economy and enable refugees... to lessen their dependence on aid in order to gain economic self-sufficiency and food security."²⁷ The manual goes even further by suggesting that, "When other employment and livelihood opportunities are not an option due to governmental restrictions or geographical constraints, operational agencies *have a responsibility* to provide opportunities to refugees and IDPs through the use of relief substitution and incentive work programs" (emphasis added).²⁸ Wherever feasible and appropriate, refugee incentive work should be approached as an opportunity to enhance refugee livelihoods and self-reliance, and should be integrated into livelihoods planning in refugee operations.

36. Incentive work for humanitarian organizations may be a crucial source of income for refugees, particularly in contexts where they lack access to formal employment in the local economy. Yet incentive payments can provide support to only a small proportion of the refugee population, and in reality many refugees seek work in the local economy, often in the informal sector where they lack legal protections. This highlights the importance of ensuring that any practices of incentive payments are consistent with and embedded within a broader livelihoods strategy in a given operation, including continued efforts to address the structural, policy and practical barriers to refugees' pursuit of livelihoods. In particular, advocacy for the recognition and enjoyment of refugees' right to work must be a priority, and may include efforts to build the capacity of refugee communities to engage in advocacy for recognition of their rights.²⁹

37. In addition to advocacy efforts, UNHCR and its partners must avoid engaging in practices that undermine or are inconsistent with the right to work enshrined in the 1951 Convention and international human rights instruments, regardless of whether these are incorporated into the domestic legislation of refugee hosting states. This does not mean that UNHCR and partners are obliged to create employment for refugees, or to act in contravention of host government laws, but it does require that when refugees are engaged in work-like arrangements, they are treated in accordance with certain standards, discussed below.

²⁵ It is in theory possible for refugees to obtain a permit to work outside the camps; however, the conditions for such a permit (sponsorship by an employer, proof that no local could fill the position, payment of large fee) make this option inaccessible to almost all refugees in practice. (Asylum Access, *Global Refugee Work Rights*, 2014, p34.)

²⁶ UNHCR Policy on Alternatives to Camps, UNHCR/HCP/2014/9, 22 July 2014, available at: <http://www.unhcr.org/5422b8f09.html>

²⁷ Women's Refugee Commission, *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*, 2009, p95.

²⁸ *Ibid*, p95.

²⁹ UNHCR, *Cash in hand: Urban refugees, the right to work UNHCR's advocacy activities*, 2011, PDES/2011/05, available at: <http://www.refworld.org/docid/4e4b75ed2.html>

38. This does not imply that refugees can never engage in unpaid voluntary work, or that the use of incentives should never be considered within a volunteerism rather than an employment framework. There will remain situations in which activities for which incentives are paid are properly considered to be given in recognition for voluntary community service activities. However UNHCR and partners must carefully consider the appropriate approach to be applied in a given context.

39. Factors that would weigh in favour of considering the task within a work framework include:

- Where activities involve a high degree of skill and experience;
- Where activities are full-time or exclude the possibility of engaging in other livelihoods activities; and
- Where refugees are engaging in activities that would normally be considered as remunerated employment in the local context, or where locals are being engaged by humanitarian agencies to undertake the same job as refugees on an employment basis.

40. Factors that would weigh in favour of considering the task within a volunteer framework include:

- Where activities are initiated by the community; and
- Where treating the activities as work would undermine community initiatives or monetize helping behaviour.

41. The lack of agreement over whether incentives should be considered as compensation for work or for volunteer activities has led to a great deal of disagreement regarding the rights and obligations that should be expected of incentive workers and humanitarian organizations.

42. For instance, ambiguity in the status of incentive work has created difficulties in terms of determining partners' obligations with respect to local employment laws. In Rwanda, Jesuit Refugee Services (JRS), a partner of UNHCR, was requested by the government to pay employment taxes on the incentives paid to refugees. UNHCR's Legal Affairs Service advised that UNHCR could not express a view as to what extent local labour laws would be applicable. The advice given was that the sub-agreement required JRS "to at its own expense, comply with all laws and regulations of its country of residence or operation," but that UNHCR could consult with the government and try to solve the matter informally, and to "see whether they agree that the contractual relationship between JRS and the refugees is not an employment relationship".

43. Whether incentive workers are considered to be volunteers or workers in a given operation, this should be clearly articulated, and the implications for refugees' and humanitarian organizations' rights and responsibilities carefully considered.

Standards for incentive work

44. Regardless of whether incentives are considered to fall under a volunteering or a work framework within a given context, UNHCR and partners should conform to certain standards in the treatment of incentive workers.

45. The right of everyone to work in "just and favourable conditions", including the right to equal pay for equal work, is enshrined in the Universal Declaration of Human Rights (Article 23) and the International Covenant on Economic, Social and Cultural Rights (Article 7). Article 24 of the 1951 Convention provides that refugees who are lawfully staying and employed in the host country should enjoy the same standard of treatment as that accorded to nationals, including with respect to remuneration, social security, working conditions, benefits, taxation, pensions and other matters.

46. In principle, international labour standards apply to refugees as workers. This is reflected in the Memorandum of Understanding between UNHCR and the International Labour Organization, which recognizes work and other social and economic rights as an integral component of international protection, and notes that, "in areas such as access to employment, conditions of work, equality of treatment and acquisition or preservation of social security rights, the standards defined in international labour Conventions also apply to refugees in so far as they are workers."³⁰

47. Under the ILO Declaration on Fundamental Principles and Rights at Work (1998), all ILO members commit to four principal values, regardless of whether they are signatories to the relevant ILO conventions.³¹ These are: freedom of association and effective recognition of the right to collective bargaining; the elimination of all forms of forced labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

48. The concept of "decent work" was developed by the ILO's constituents (governments, employers and workers) to capture the priority objectives with respect to work, based on the notion that work is central to individual dignity and can promote broader social and economic objectives.

Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns,

³⁰ Memorandum of Understanding between the Director-General of the International Labour Organization and the United Nations High Commissioner for Refugees, 21 Oct 1983, available at: <http://www.ilo.org/public/english/bureau/leg/agreements/unhcr.htm>

³¹ The eight "fundamental" ILO conventions are the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); the Right to Organise and Collective Bargaining Convention, 1949 (No. 98); the Forced Labour Convention, 1930 (No. 29); the Abolition of Forced Labour Convention, 1957 (No. 105); the Minimum Age Convention, 1973 (No. 138); the Worst Forms of Child Labour Convention, 1999 (No. 182); the Equal Remuneration Convention, 1951 (No. 100); and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.³²

49. ECOSOC Resolution 2007/2 on *The role of the United Nations system in providing full and productive employment and decent work for all* calls on UN agencies to mainstream the goal of decent work in their policies, programmes and activities.³³ The concept of decent work is reflected in the *Minimum Standards for Economic Recovery*, which establish minimum requirements for assistance promoting economic recovery in post-crisis contexts. They articulate the following standard in relation to employment: “People should have equitable access to decent work opportunities with fair remuneration and in conditions of freedom, equity, security and human dignity. These employment opportunities should not jeopardize the resources they need for their livelihoods.”³⁴

50. While the concept of decent work was clearly developed to apply to the context of employment, it nonetheless articulates an objective that UNHCR and humanitarian agencies should strive for in the engagement of incentive workers, regardless of whether they are considered within a framework of work or volunteerism.

51. It is increasingly recognized that volunteers, whilst clearly distinct from staff in certain respects, are nonetheless entitled to certain rights in the course of their volunteer activities. The People in Aid Code of Good Practice in the Management and Support of Aid Personnel (“The Code”) sets out certain standards for humanitarian and development organizations in the treatment of their personnel, and explicitly applies to both staff and volunteers. The premise is that these organizations must be accountable not only to donors and beneficiaries, but also to staff and volunteers.³⁵

52. The guiding principle of the Code states: “We recognize that the people who work for us merit respect and proper management, and that the effectiveness and success of our operations depend on the contributions of all salaried and contract staff, and volunteers.”³⁶ The Code goes on to articulate a number of principles to guide the management of humanitarian and development workers, including the importance of developing of an effective, fair and transparent human resources policy; providing adequate support and management; engaging in consultation and communication; maintaining fair and transparent recruitment procedures; supporting learning and development; and promoting the health, safety and security of workers. These principles are consistent with the promotion of a decent work approach, including the core elements of fairness, safety and dignity in relation to conditions of work; empowerment and participation in decision-making; and the development of workers’ skills and capacities.

53. Thus, regardless of whether incentives are considered to fall under a volunteering or a work framework within a given context, certain minimum requirements apply to UNHCR and partners. These are discussed in the following section.

³² ILO, “Decent Work”, available at <http://www.ilo.org/global/topics/decent-work/lang--it/index.htm>

³³ UN Economic and Social Council (ECOSOC), UN Economic and Social Council Resolution 2007/2: *The role of the United Nations system in providing full and productive employment and decent work for all*, 2007, E/RES/2007/2, available at: <http://www.refworld.org/docid/4d90615f2.html>

³⁴ The SEEP Network, *Minimum Economic Recovery Standards*, 2nd ed, 2010, p93.

³⁵ People in Aid, *Code of Good Practice in the Management and Support of Aid Personnel*, 2003.

³⁶ *Ibid*, p7.

Programming guidelines for incentive payments

54. Consistent with the framework of rights set out in the preceding section, the UNHCR Global Livelihoods Strategy 2014-2018 sets out eight guiding principles for livelihoods programming. These are:

- **Protection:** Promote respect for human rights, support an operation's overall protection strategy, and foster people's dignity as linked to economic independence and self-reliance.
- **Age, Gender and Diversity:** Ensure the active participation of diverse groups of refugees, ensure inclusiveness and accessibility for specific groups of concern.
- **Equity:** Ensure that refugees have equal opportunity to participate in livelihoods interventions, and prioritize vulnerable people where possible.
- **Access:** Support refugee access to local services and programmes in parity with the host community.
- **Sustainability:** Plan programmes for long-term self-reliance, help people build the knowledge and skills pertinent to their mid-term and long-term goals.
- **Community empowerment:** Refugees and host communities should participate in all stages of planning, needs assessment, implementation, monitoring and evaluation in order to design appropriate and sustainable programmes.
- **Appropriateness and reliability:** Programmes should be tailored to context, and take into consideration refugees' strengths and needs, and the economic status and interests of the local population.
- **Enhance local markets:** Strive to strengthen the local market, work with local stakeholders to build on existing market opportunities, benefiting both refugees and host communities.

55. Whilst recognizing that there can be no "one-size-fits-all" approach, the following guidelines have been developed to indicate issues that should be considered by UNHCR and partners in the development of incentive schemes, taking into account the exigencies of each particular context. Even where refugees are engaged in incentive work by partners, and not by UNHCR directly, UNHCR should nonetheless take a leadership role in promoting a coherent and principled approach to incentive payments within a given operation.

Box 1: Suggested guidelines for the programming of incentive payments

Adopt a rights-based approach

- **Advocate** for the recognition and promotion of refugees' right to work.
- Ensure **safe and dignified conditions** for incentive work.
- Establish **transparent recruitment processes** and conditions of engagement.
- Promote **equitable access** to incentive work opportunities, taking into consideration age, gender and diversity.
- **Consult** concerned populations in developing incentive work schemes, and institutionalize procedures for participants' feedback.

Consider the local context

- **Assess** local labour markets and consider needs and expectations of host community regarding employment opportunities with humanitarian agencies.

Build skills and self-reliance

- Wherever possible, design incentive programs that build upon workers' existing skills and help them to **develop transferable skills** that can promote longer-term economic security.

Provide fair compensation

- Provide **compensation that is fair** taking into account the time, skills and experience required and market context.
- **Harmonize incentive scales** amongst humanitarian organizations, to enhance transparency and reduce turnover.

Each of these issues is considered below.

Advocate for the right to work

56. If UNHCR is to take a rights-based approach to refugee incentives, the use of incentive payments must be consistent with respect for refugees' right to work. In contexts where refugees are not formally granted the right to work under national legislation, UNHCR offices should advocate for the recognition and enjoyment of refugees' right to work. This is consistent with Objective 1 of the Global Livelihoods Strategy, which lists specific activities that can be undertaken to promote the right to work.³⁷ Key activities in the pursuit of this goal include engaging in advocacy and policy dialogue to build a favourable policy environment for refugee self-reliance, including recognition of rights to employment and freedom of movement. In addition to being an important aspect of promoting refugee rights and protection, such activities may serve to counter the perception that UNHCR and partners are taking advantage of refugees' lack of employment rights.

³⁷ See UNHCR Global Livelihoods Strategy 2014-2018, p19-21, available at: <http://www.unhcr.org/530f107b6.pdf>

Ensure safety, dignity and protection at work

57. All refugees receiving incentive payments, whether considered workers or volunteers, have a right to enjoy conditions of safety and dignity in the course of undertaking incentive activities. This includes ensuring that refugees are free from threats to their health and wellbeing during such activities, including attending to any particular protection risks based on age, gender and diversity considerations.

58. Protection risks must be considered in relation to the manner of payment of incentives, which are usually in the form of cash. A joint WFP/UNHCR study on the use of cash assistance and cash-for-work programmes identified “some serious ethical and protection dilemmas” arising from working with cash.³⁸ While incentive work is not generally considered a form of cash assistance or cash-for-work-programming, many of these issues are relevant to incentive payments. Issues of safety (of workers, staff and large amounts of cash) should be considered in deciding how, when and where to disburse payments to incentive workers. Safety and fraud-related issues can be addressed by using ATMs or even mobile phones to transfer funds, although the use of technology may be challenging in some contexts.

59. It has been argued that refugee incentive workers do not enjoy sufficient labour protection and entitlements, such as provisions for sick leave, holidays, and collective bargaining with respect to pay and working conditions. Another consideration is whether and how to compensate workers or their families in the event of work related injuries or death, and whether the costs of medical care should be assumed by the programme. It appears that this is not the case in any of the UNHCR incentive programmes. The WFP/UNHCR study in Bangladesh noted that the “absence of mechanisms to address injury on the job, except for allowing a substitute to work on behalf of the injured person . . . could lead further to unintended depletion of meagre household assets.”³⁹ A case study in Pakistan also noted that it was a cause for concern for participants that there were no provisions for paying for medical care in the case of work-related injuries.⁴⁰ These are decisions that must be made in the specific context of each operation, but the position should be made clear to refugee incentive workers from the outset.

Establish transparent recruitment processes and terms of engagement

60. Whether refugee incentive workers are considered to be volunteers or workers, they are entitled to clearly know their rights and entitlements relating to their incentive activities. This is not only related to considerations of fairness, but is also consistent with UNHCR’s community-based approach, which holds that persons of concern have a right to expect information and transparency from UNHCR and partner staff.⁴¹ This requires that humanitarian organizations establish transparent and well-publicized policies relating to recruitment procedures, rights and entitlements at work, and also the responsibilities of

³⁸ *Examining Protection and Gender in Cash and Voucher Transfers, Case studies of the World Food Programme (WFP) and the United Nations High Commissioner for Refugees (UNHCR), Summary*, 2013, http://www.cashlearning.org/downloads/EXAMINING-PROTECTION-AND-GENDER-IN-CASH-AND-VOUCHER-TRANSFERS_Summary_March2013.pdf

³⁹ Michelle Berg, Hanna Mattinen & Gina Pattugalan, *Examining Protection and Gender in Cash and Voucher Transfers*, 2013,

<http://documents.wfp.org/stellent/groups/public/documents/communications/wfp260028.pdf>

⁴⁰ *Ibid*, footnote 22.

⁴¹ UNHCR, *A Community-Based Approach in UNHCR Operations*, 2008, p5.

incentive workers. One good practice taking place in operations such as Bangladesh is that incentive workers are required to sign a Code of Conduct which clearly sets out their obligations. Another good practice that is elaborated upon in the boxed text below is the use of formal employment contracts in the case of refugee interpreters. These contracts should clearly set out the conditions of service and refugees' entitlements, such as in the case of illness or injury.

Box 2: Guidelines on refugee interpreters

The only area in which specific UNHCR-wide guidelines have been produced is in relation to the use of refugee interpreters in IOM/FOM 2009/05 *Interpreting in a refugee context: Guidelines for the field on recruitment procedures, conditions of service, training and supervision of interpreters*. In light of the critical role that interpreters may play in core UNHCR activities, including refugee status determination, resettlement and counseling on protection issues, guidelines were produced in order to minimize risks of misrepresentation and similar issues. The guidelines cover recruitment procedures, conditions of service, training and supervision. The guidelines note that refugee interpreters should be appropriately skilled, provided with a formal contract and appropriate financial compensation. The guidance states: "Each office must find a consistent approach with regards to contracts for interpreters. The same type of contract should be used for those working in the same country unless different treatment is justified by objective reasons, such as differences in duties and responsibilities."

The provisions of the guidelines indicate that refugee interpreters should be engaged on terms more closely resembling employment than volunteerism, stating that:

In order to ensure that interpretation services provided to UNHCR are of high quality as well as to prevent fraud, ad hoc arrangements with interpreters whereby they are formally regarded as volunteers should normally be avoided. Interpreters should be issued formal contracts which should include, as a minimum:

- *The duration of the contract;*
- *The terms of reference, specifying duties and responsibilities as well as working hours;*
- *The remuneration and modalities of payment (i.e. per hour, week, month);*
- *The conditions of service: for Individual Contractors' contracts, field offices may provide for annual or sick leave, if this is deemed necessary due to local customs;*
- *Signed copies of the Undertaking of Confidentiality and Impartiality and UNHCR's Code of Conduct, and a confirmation that the Secretary-General Bulletin, ST/SGB/2003/13 of 9 October 2003 concerning "Special measures for protection from sexual exploitation and sexual abuse" has been read and understood.*

The guidelines provide that interpreters should receive a financial compensation by UNHCR for their services, and in-kind payments should be avoided. These guidelines apply to all interpreters, and in the majority of cases, interpreters employed by UNHCR are refugees. For reasons of impartiality it is generally preferable to employ non-refugees

as interpreters for RSD procedures.⁴² However, in situations where there is no alternative but to employ refugees as interpreters, "UNHCR should make every effort to employ refugees who have a legal status in the host country allowing them to work, or refugees who have been accepted for resettlement to a third country and are awaiting travel."⁴³ If UNHCR has no other viable option than to select refugee interpreters who do not have the right to work " all possible efforts should be made by the Office to negotiate the issuance of a work permit to the person concerned on exceptional grounds on the basis of existing national law provisions."⁴⁴ It is not clear to what extent the guidelines for interpreters have been implemented consistently by field offices as there is no consistent monitoring of these practices. As noted in the Annex, some offices such as Yemen and Egypt have implemented the guidelines, while it would appear that others have more informal arrangements.

The guidelines for interpreters highlight the importance of transparently setting out the rights and duties of incentive workers and the agencies that engage them. It also highlights the importance of considering provisions for training and supervision in relation to skilled refugee workers, particularly where the quality of their work has protection implications for other persons of concern.

Promote equitable access to incentive work opportunities, taking into consideration age, gender and diversity.

61. While only a small proportion of the refugee community is usually engaged in incentive work in a given operation, humanitarian organizations have an obligation to consider whether there are equitable opportunities to access incentive work. Consideration should be given to whether any particular groups are systematically excluded from incentive work opportunities, and whether measures can be put in place to address barriers to participation. For example, the Women's Refugee Commission suggests that providing child care or offering flexible working hours may facilitate the engagement of women in incentive work.⁴⁵

Consult concerned populations in developing incentive work schemes, and institutionalize procedures for participants' feedback

62. UNHCR and its partners have been criticized for approaching incentive work not as an opportunity to build refugee skills and livelihoods, but instead as a way of meeting their own programming needs. Linked to this is the fact that refugee incentive workers are often not consulted or empowered in their work, for instance not being invited to participate in decision making processes with regard to the refugee incentive programmes.⁴⁶ While Age, Gender and Diversity participatory assessments are globally implemented by UNHCR to feed into programme planning, refugees are not always engaged in the planning of incentive payment schemes.

⁴² It should be noted that a 2010 OIOS audit of anti-fraud controls in registration, refugee status determination and resettlement recommended that offices not engage refugee interpreters.

However, in practice, most offices have no choice but to engage refugee interpreters.

⁴³ Para 11.

⁴⁴ Para 23-24.

⁴⁵ Women's Refugee Commission, *Building Livelihoods*, p100.

⁴⁶ Kenya: A Voice from the voiceless - Dadaab refugee camps, Apr 2010.

63. The Women's Refugee Commission *Building Livelihoods* guide recommends, "Displaced participants should be able to convey the types of projects they would be interested in, as well as what the needs of the community may be."⁴⁷ The participation of the refugee community in the planning of incentive schemes will help to build trust and community ownership.

64. The WFP/UNHCR study on the use of cash assistance recommended that a complaints mechanism be put in place and made known to the population to address any concerns arising from the programme, and this could also apply to incentive worker programmes to improve transparency and responsiveness.

Assess local labour markets and consider needs and expectations of host community regarding employment opportunities with humanitarian agencies

65. Developing a clear understanding of the local context is a crucial step in establishing incentives schemes that are fair, appropriate and consistent with a broader livelihoods framework. This should include an assessment of wage rates, demand and supply for different types of labour (including seasonal trends), the skills profile of refugees, and any social, cultural and environmental factors that may bear upon livelihoods. An understanding of the local context is essential to enabling the establishment of compensation levels that are fair, commensurate with the cost of living, and which do not distort local markets. It also enables the planning of incentive payments to be viewed within a broader livelihoods context, and supports the identification of protection issues associated with refugees' engagement in employment and/or incentives activities. The design of incentive schemes should be consistent with this broader analysis, in order to enhance the coherence of humanitarian efforts and to support rather than hinder the goal of self-reliance.

66. Another important aspect of the local context is the needs and expectations of the host community regarding their access to employment opportunities in humanitarian operations. In contexts where local livelihood opportunities are limited and there are high needs amongst the host population, considerations of equity and of promoting peaceful coexistence may require that employment opportunities created by humanitarian organizations should be open to host community members as well as refugees. UNHCR and partners should consider what constitutes an appropriate balance between employment of refugee incentive workers and employment of local host community in a given context.

Wherever possible, design incentive programs that build upon workers' existing skills and help them to develop transferable skills that can promote longer-term economic security.

67. While training and skill development are often considered in the design of livelihoods interventions, they are rarely considered with respect to incentive work, which is often designed with greater reference to the programming concerns of humanitarian agencies than the capacities of refugees. When seen as a component of broader efforts to promote self-reliance, incentive work can be seen as an opportunity to enable refugees to utilize and develop skills that may help to support more sustainable livelihoods. While not all incentive activities will involve the exercise of marketable skills that will support livelihoods in the longer term, humanitarian organization may consider capacity building measures such as trainings in life skills and financial literacy. For instance, the Women's

⁴⁷ Women's Refugee Commission, *Building Livelihoods*, p98.

Refugee Commission suggests incorporating a savings programme that allows participants to save a certain amount each month may help incentive workers to offset future risks.⁴⁸

68. Providing training opportunities may also help to motivate incentive workers, and may represent a form of non-monetary compensation that may increase the value of incentive activities to workers and improve retention.⁴⁹ The provision of training and certification for interpreters by UNHCR Kenya and Sudan in cooperation with the University of Geneva and InZone, an NGO, is an example of the provision of non-wage benefits that can develop long-term skills (see Annex 1).

Provide compensation that is fair taking into account the time, skills and experience required and market context.

Challenges regarding compensation of incentive workers

69. There is great variation in practices in relation to compensation of incentive workers. In some operations, UNHCR offices have taken the initiative to develop remuneration scales for refugees which are intended to ensure consistency in compensation across different agencies. Several examples of existing UNHCR practice can be found in Annex 1. However, there has been little overall guidance on a global level. Addressing this gap in the context of planning for programmes and building livelihood activities would be valuable to UNHCR, partners and persons of concern.

70. UNHCR's practices with respect to incentive payments have attracted various criticisms. Commentators have argued that there is a lack of transparency and fairness in the level of incentive payments and the conditions of incentive work, and some go as far as arguing that the practices of UNHCR and its partners may be inconsistent with human rights standards and local labour laws.⁵⁰

71. Refugees and their advocates frequently argue that the incentives paid are too low. For instance, refugees in Dadaab complain that they are "exploited," stating that "individuals should be paid wages that are both living wages and appropriate for their jobs and their level of expertise and experience."⁵¹ Another criticism of the amount of incentive payments is that they are often lower than the wages received by locals for the same work. This particularly creates friction where locals and refugees are working side-by-side for humanitarian organisations, as is often the case in refugee schools. This has been a cause of disruption, including through strikes. In Malawi, refugee teachers sued UNHCR's implementing partner, Jesuit Refugee Service (JRS), alleging discriminatory practices because refugee teachers are paid less than the Malawian teachers.

72. In some cases, the setting of incentive payments appears to be either lacking transparency or arbitrary. For instance, in Algeria the incentive level for refugee teachers was determined by simply dividing the budget amount available for teacher stipends by

⁴⁸ *Ibid*, p99.

⁴⁹ *INEE Guidance Notes on Teacher Compensation in Fragile States, Situations of Displacement and Post-Crisis Recovery*, 2009, p3.

⁵⁰ Fahamu Refugee Legal Aid Newsletter, October 2011, available at:

<http://frlan.tumblr.com/post/12163988982/unhcrs-incentive-salary-policy-violates-international>; Verdirame and Harrell-Bond, *Rights in Exile: Janus-Faced Humanitarianism*.

⁵¹ Kenya: A Voice from the voiceless - Dadaab refugee camps, 2010.

the number of teachers, and the stipend has not increased in several years.⁵² It was further noted that local teachers are paid 20 times more than refugee teachers.

73. The low levels of refugee incentives have a range of negative effects. It may create difficulties in retaining skilled workers in jobs for which incentives are paid, particularly if better remuneration is available elsewhere or where the same incentives can be obtained for less demanding work. Low incentives may undermine morale and quality of work, particularly where the level of payment is seen to reflect poorly on the status of incentive workers, who may feel that their work is not valued or respected.

74. It has also been suggested that where incentives are too low workers may be encouraged to supplement their incomes, sometimes through undesirable means. For instance, refugees in Dadaab suggested that low incentive levels encourage food distribution workers to steal food, thereby exacerbating the shortages of food available for general distribution.⁵³ It is also well-recognized that a lack of secure livelihoods may lead refugees to engage in income-generating activities that have negative protection implications.

75. Challenges associated with setting compensation levels for incentive workers include establishing amounts that are both fair and sustainable, and at the same time finding ways to budget and plan for this amount. The dilemma between paying market rates and finding adequate funding has been squarely confronted by UNRWA. UNRWA employs more than 30,000 staff, the vast majority Palestine refugees, including 20,000 educational staff and 4,000 health care workers.⁵⁴

76. UNRWA's policy is to match public sector wages of the host country, although the pay policy does not incorporate public sector benefits (for example, access to universities for staff children or subsidized consumer purchasing), and are well below market wages in some key professions and technical posts.⁵⁵ This policy has made UNRWA vulnerable to budget crises when host countries increase salaries.⁵⁶ According to UNRWA's Commissioner General, "Finding a balance between fair wages and fiscal prudence is imperative, and UNRWA is conducting consultations with its stakeholders, including staff unions, to address this matter."⁵⁷

77. While UNRWA's mandate and working context is different to UNHCR in several ways, UNHCR must also find a way to implement an incentive policy that attains such a balance. In some instances, UNHCR has considered national wages in formulating incentive rates. For example, in Ghana, teachers' incentives are based on a Ministry of Education approved incentive scale and incentives for health workers are based on a Ministry of Health incentive scale. In Syria, Iraqi community outreach workers were paid

⁵² American Institute for Research, *Algeria Trip Report: UNHCR/AIR Teacher Retention Study*, 2013.

⁵³ Kenya: A Voice from the voiceless - Dadaab refugee camps, 2010.

⁵⁴ UNRWA, 2010; available at <http://www.unrwa.org/userfiles/2010011791015.pdf>

⁵⁵ Commissioner-General's opening statement to UNRWA Advisory Commission, June 2012, available at: <http://www.unrwa.org/etemplate.php?id=1376>

⁵⁶ Norway's statement on the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), held by Permanent Representative Geir O. Pedersen on 6 November 2012; available at <http://www.norway-un.org/Statements/Committee-Meetings/C4-United-Nations-Relief-and-Works-Agency-for-Palestine-Refugees/>

⁵⁷ Statement by the Commissioner-General of UNRWA to the Fourth Committee of the United Nations General Assembly (Special Political and Decolonisation Committee), November 2012; available at <http://www.unrwa.org/etemplate.php?id=1490>

an amount commensurate with the minimum wage, while in Lebanon, they were paid an amount that was less, which was characterized as a volunteer stipend. In other contexts, such as Bangladesh, payment of the minimum wage was thought to be prohibitively expensive.

78. UNHCR has been known to refer to budgetary constraints as a reason for paying incentives, as opposed to salaries that are commensurate with local wages, however it is unclear to what extent the budgetary implications are considered when planning programmes. There is limited information on how much UNHCR and its partners spend on payments to incentive workers. However, it appears that the percentage of UNHCR's budget dedicated to incentive payments is relatively low. For example, UNHCR Bangladesh and its implementing partners employ 663 incentive workers (5% of the working age population) for an overall budget of USD 165,749. This represents just over 2% of the overall budget of UNHCR Bangladesh.⁵⁸ Some operations engage large numbers of incentive workers. For example, UNHCR Kenya engages 5,925 refugees in Dadaab and Kakuma, and increased incentive payments would have to be carefully budgeted for. In dealing with these constraints, UNHCR and partners should consider avenues for incorporating community involvement in decisions regarding budgeting and payment for incentive work, including mechanisms for cost-sharing with the community.

79. Perhaps unsurprisingly, many refugees are not convinced by the argument that UNHCR cannot pay higher incentives due to budgetary constraints.⁵⁹ The stark differences between the amount of refugees' incentive payments and the wages of UNHCR national staff have not inspired confidence on this issue and have contributed to a sense of resentment. The establishment of clearer guidelines for compensation, and increased transparency by UNHCR and partners in the setting of incentives scales, would help to address this issue.

80. One issue that arises is whether there may be negative implications of pegging incentive rates to local wages in contexts where refugees lack the right to work. In some operations, political sensitivities around refugee employment and livelihoods may bear upon harmonization of refugee incentives with local wage rates. It may be that alternative approaches to refugee compensation, such as the establishment of savings mechanisms, may be used in contexts where refugee remuneration is restricted. These are issues that must be determined according to their particular context, but merit a further discussion within the agency.

⁵⁸ According to FOCUS, the Operation Level for Bangladesh in 2012 was USD 8.2 million.

⁵⁹ Fahamu Refugee Legal Aid Newsletter, October 2011, available at

[:http://frlan.tumblr.com/post/12163988982/unhcrs-incentive-salary-policy-violates-international;](http://frlan.tumblr.com/post/12163988982/unhcrs-incentive-salary-policy-violates-international)

Verdirame and Harrell-Bond, *Rights in Exile: Janus-Faced Humanitarianism*.

Box 3: Compensation for refugee teachers

Many of the incentive workers employed by UNHCR and implementing partners in refugee contexts are teachers.⁶⁰ Some inter-agency guidance is available on teacher payments in the form of *INEE Guidance Notes on Teacher Compensation in Fragile States, Situations of Displacement and Post-Crisis Recovery*. UNHCR's Education Unit commissioned a study on teacher retention, which included a comprehensive literature review, field staff surveys and field visits. A survey of over 550 refugee teachers indicated that the level of compensation was perceived to be unsatisfactory. In the survey, 73% of teachers stated that their incentive level was either low (26%) or very low (47%); 80% stated that compensation was one of the top three areas requiring improvement and 29% stated that they would leave their jobs as teachers if offered the chance. In many refugee contexts, teachers complained that other workers were paid the same amount for much less stressful work, such as sanitation workers.

Many UNHCR operations report high attrition rates for teachers. For example in Dadaab, 20% of teachers leave their jobs each year, and focus group discussions usually cite the low level of incentive payments as a primary cause of discontent. This high turnover means that investment in teacher training must be continued every year. The failure of incentives to keep pace with the increasing cost of living, along with the lack of increments to reward experience and education, are cited as demotivating factors for teachers, lead to lower morale, and teacher absenteeism.⁶¹

While teacher incentives should be developed in the context of more comprehensive guidance, there are some particular factors to consider. The INEE Guidance Notes on Teacher Compensation state: "Even in the most fragile of contexts teacher compensation will be shaped by market forces. The value and form of compensation will be affected by the cost of living, the demand for teachers and other professional jobs, wage levels in other similarly qualified professions (especially healthcare) and the availability of teachers or other qualified personnel. In order to be sustainable, strategies for teacher compensation need to take into account these market forces rather than simply reaching agreements between donors, education authorities and other employers of teachers. This is particularly pertinent in situations of displacement where qualified teachers are mobile and thus more likely to move in response to market forces..."⁶²

The INEE Guidance Notes emphasize the importance of building consensus between all relevant stakeholders regarding who is eligible for compensation and what pay scales are appropriate. Payments should take into account the qualification levels and years of experience, and the base wage levels should not be set below that of other skilled workers in the same situation. The wage should be sufficient to allow teachers to focus on their professional work, rather than necessitate seeking additional sources of income; they should also be affordable and sustainable for the employer.⁶³ The Guidance Notes also

⁶⁰ Exact numbers of teachers versus other incentive workers are not readily available. However, in low-income country education budgets, up to 90% of the budget is devoted to teacher salaries and teachers make up the majority of civil servants. By contrast, 18% of the incentive workers in Bangladesh (the only country operation where we could track this information) are teachers.

⁶¹ UNHCR, *Refugee Education: A Global Review*, November 2011, available at:

<http://www.refworld.org/docid/510a718e2.html>

⁶² *INEE Guidance Notes on Teacher Compensation in Fragile States, Situations of Displacement and Post-Crisis Recovery*, 2009, p4.

⁶³ *Ibid*, p12.

state that non-monetary forms of compensation should be carefully considered, including opportunities for training or in-kind support.

In keeping with these guidelines, in Malaysia in 2010, UNHCR harmonized teachers' pay scales in an effort to support education of refugee children in community based schools that had been established by community based organizations and were run by refugees. The incentives paid to teachers in these schools were harmonized with those of teachers in schools run by NGOs as implementing partners of UNHCR. The initiative was undertaken in recognition of the fact that teachers were often compelled to juggle two jobs in order to survive, thus limiting their ability to focus on teaching, and was part of a larger effort to ensure that refugee children had access to education. Key to the success of these efforts were consultations with stakeholders, including partners and refugee teachers throughout the process.

Existing guidelines and experience with respect to teacher incentives highlights the importance of considering refugee incentive payments in the broader market context, in light of the fact that highly skilled workers in particular often have high levels of mobility and alternative employment opportunities. It also underlines the merits of taking a comprehensive and harmonized approach to the setting of incentive rates that appropriately acknowledges the skills and experience of refugee workers, and how demanding their role is.

Determining appropriate compensation levels

81. The Minimum Standards for Economic Recovery require humanitarian organizations to "determine fair wage levels based on current market realities". The INEE Guidance Notes on Teacher Compensation similarly state that compensation for teachers in situations of displacement should be determined with reference to the cost of living, local wage levels and local market forces. The Women's Refugee Commission states that humanitarian agencies should ensure that "compensation is set at an appropriate and non-exploitative level in order for them to build a sustainable livelihood for themselves and their households."⁶⁴

82. It has been argued that refugee incentive payments should be less than the local wage because refugees receive assistance in the form of food, healthcare and shelter. This has been said to justify a "discount" in the amount that they are compensated for their work within camp settings, because effectively their cost of living is said to be lower than for members of the local community.⁶⁵ The provision of humanitarian assistance can certainly be taken into account in determining the cost of living for refugees, providing the incentive level is regularly revised to account for changes in the cost of living (with reference to the relevant local price index) and the level of assistance provided, which generally decreases over time.

83. It should also be noted that refugee and IDP incentive workers are also engaged by UNHCR and its partners in non-camp settings where, depending on the context, the argument for a discounted incentive based on assistance may not apply.

⁶⁴ Women's Refugee Commission, *Building Livelihoods*, p99.

⁶⁵ Verdirame and Harrell-Bond, *Rights in Exile: Janus-Faced Humanitarianism*, p219.

84. In summary, the following considerations are relevant to the determination of compensation levels.

The level of incentive payments should be appropriate and non-exploitative, taking into account:

- *The cost of living*
- *Local wage rates for comparable work*
- *The level of skills and experience required for the job*
- *The nature and demands of the job*
- *The level of funding available*
- *Non-monetary compensation that can be provided (e.g. training)*

Harmonize incentive scales amongst humanitarian organizations

85. The harmonization of incentive scales amongst humanitarian organizations helps to enhance transparency and accountability, and can reduce perceptions of unfairness that may arise from differential payment for similar incentive work. It also helps to avoid high levels of turnover of incentive workers moving between different agencies in search of higher incentives.

86. A comprehensive incentive scale should consider differentiated rates to compensate for specific skills and experience so as to allow for retention of skilled workers such as teachers and health-care workers. This will likely improve the quality of services provided and will also reduce the cost to agencies of continuously recruiting and training incentive workers for highly skilled jobs.

87. The practice of developing harmonized incentive scales has been implemented in a number of UNHCR operations, including Bangladesh, Ethiopia, Ghana and Kenya have developed harmonized approaches, particularly with regard to the level of payments; more detail is provided in Annex 1.

Conclusion

88. As UNHCR strengthens its commitment to supporting refugee livelihoods and self-reliance, exploring innovative means of promoting solutions, and encouraging community participation and empowerment, it is timely to consider how the use of incentive payments in UNHCR operations can further these objectives. It is recommended that formal and comprehensive guidance be developed on the use of refugee incentives in UNHCR operations, including the rights and obligations of incentive workers, and the levels of remuneration. This discussion paper is intended to inform the development of such guidance.

89. While it is frequently argued that incentive work should be undertaken on a volunteer basis in order to build community ownership, in many cases refugees do not subscribe to this view and in some instances argue that they are being exploited by the very institutions that are supposed to protect and serve them. This paper has suggested that the relationship between incentive payments, volunteering and livelihoods should be carefully considered in each operational context, and that where feasible UNHCR should seek to promote the paid employment of refugees in its operations.

90. In determining the appropriate approach to incentive work, factors to consider include the degree of skill and experience required for the work in question, whether the activity is full time, and whether the work is an activity that would normally be remunerated in a non-refugee context. This will necessarily require assessment of the various factors which affect refugees' access to livelihood opportunities, which include their location, skills, the labour market in the country of asylum, and importantly, whether they have the right to work. As incentive payments may represent an important source of income for refugees, humanitarian agencies should be alert to their implications for refugee livelihoods, and should ensure that their use is consistent with the overall livelihoods strategy of an operation, regardless of whether the incentives activities are considered within a work or volunteering framework. The approach to incentives must also be consistent with the protection strategy of the operation, taking into account age, gender and diversity considerations.

91. In all contexts, refugee incentive activities for humanitarian agencies should conform to certain standards of decent work and fairness. Even where refugees are engaged in incentive work by partners and not by UNHCR directly, UNHCR should nonetheless take a leadership role in promoting a coherent and principled approach within a given operation.

92. This paper has suggested guidelines for the programming of incentive payments, based around adopting a rights-based approach, consideration of local context, building skills and self-reliance, and the provision of fair compensation. Advocacy for the right to work is a key protection component of, and is consistent with the UNHCR Global Livelihoods strategy. Safety and dignity in the workplace should be ensured, and fair and transparent human resources and recruitment policies developed.

93. Equitable access to incentive opportunities should be promoted, taking into account protection, age, gender and diversity considerations. In the refugee context, any incentive or other employment system should be designed in consultation with the concerned

community. The local livelihoods context should be assessed and consideration given the appropriate balance of opportunities to be provided to host and refugee communities.

94. Wherever possible, learning and development to support longer-term self-reliance should be considered. And, importantly, the levels of incentive payments should be fair and appropriate in the local context, and harmonized across humanitarian agencies. There is some existing guidance and examples of good practice in this regard with regards to teachers and interpreters, and in addition several country offices have developed harmonized incentive levels throughout operations.

95. While the desk review and research undertaken so far can guide policy development, certain questions warrant further discussion and study. These include:

- How do we ensure resources to enable sustainable livelihood interventions and fair levels of payment?
- How can refugees' labour rights be realized and respected where incentive work takes place in contexts where they formally lack the right to work? In such situations, what level of incentives can be paid, avoiding on the one hand exploitation and on the other giving wages at the level of formal employment?
- How can incentive payments be used in a manner that does not undermine efforts to advocate for recognition and practical realization of refugees' right to work?
- How can incentive payments be utilized in a manner that does not undermine community initiative and volunteering? What are good practices in addressing these issues amongst UNHCR operations?

96. While many of these challenges must ultimately be resolved with reference to their specific operational contexts, the formulation of a clearer set of principles and guidelines would provide a framework within which they could be more coherently and transparently addressed, seeking ultimately to ensure fairer and more sustainable outcomes for persons of concern.

Annex 1: Examples of UNHCR practice with respect to incentive payments

The area where UNHCR's practice is most developed is with regard to interpreters and to some extent teachers. The following are some examples, which could serve to inform more comprehensive policies in the future.

UNHCR **Yemen** has contracted with a company to provide interpreter services at rates of USD 36-48 per day. The contract does not specify who the interpreters are, but it is likely many are refugees. In **Egypt**, refugee interpreters are paid approximately USD 20 per day under a service contract.

In **Kenya**, refugee interpreters in Nairobi are paid the same as Kenyan interpreters (USD 410 per month) but are considered to be on an incentive contract. However, in 2012, staff complained that refugee interpreters in Dadaab were paid a minimal amount, 250 KSh/day (approximately USD 3/day), which is much less than other incentive workers are paid in Dadaab. One entry point for fraud in the resettlement process is the pressure that can be brought to bear on refugee interpreters, and it was recommended by the OIOS audit that the use of refugee interpreters be discontinued. It is not feasible to engage non-refugee interpreters in the Kenya operation, but increasing the wages paid to refugee interpreters in the camps could serve to reinforce the message that they are valued and trusted partners in the resettlement process and thus relieve some of the pressures.

There have been some interesting initiatives with regard to non-wage benefits, such as training. UNHCR **Sudan** and UNCHR **Kenya** engaged with the University of Geneva and InZone, an NGO, to provide formal training to interpreters through a workshop and an on-line course over a 12 month period. The course will give the interpreters a recognized qualification, which could be useful as a professional qualification, as well as recognition for their work in Sudan and Kenya.

Several field offices have guidelines on payment scales to refugee workers other than interpreters. These guidelines have usually been implemented with a view to harmonizing treatment by several implementing partners.

For example, in **Bangladesh**, UNHCR formed an incentive working group in 2012, as agencies wanted to harmonize the approach to setting incentive rates. In 2012, there were 663 incentive workers out of a population of 12,200 refugees, about 5% of working age population. All are engaged by UNHCR partners. Agencies agreed to share lists of incentive workers to avoid double hiring. Incentive workers are required to sign the code of conduct. Agencies have different policies regarding leave, although it was suggested amongst agencies that no paid leave be given. Community representatives cannot be incentive workers.

The selection criteria for incentive workers includes that they speak English, and are willing to "volunteer", are not volunteering at other agencies. Working hours per week varied from 15 (repair volunteers, cleaners) to 84 (security guards). Incentive levels varied from USD 12.70 (messengers who worked 60 hours/week) to USD35 (teachers who worked 36 hours/week). The Bangladesh minimum wage is USD 58/month (2010), but this is considered too costly in terms of budget, and since formal employment of refugees

is not permitted, there were concerns that following the minimum wage might also imply an obligation to provide other benefits.

UNHCR **Ethiopia** in conjunction with a taskforce of partners undertook an assessment in August 2009, and issued inter-agency guidelines in January 2010. The new levels were introduced because incentive payment levels had not changed since establishment of camps in 1991 and 1994, and they were influenced by IRC guidelines. The Ethiopia guidelines state that it is “important to note that incentive is not a salary”; and are a means to promote volunteerism and community participation.

The guidelines are in principle followed by UNHCR, WFP and all implementing partners. They provide three levels of incentive, ranging from USD 25-50 monthly. One of the reasons to standardize payment scales, based on qualifications and experience, was to help motivate refugees. It was also noted that since the introduction of the standard incentives, there is less movement of refugee workers to higher paying agencies. Prior to the introduction of the guidelines, there had been several strikes, in particular by teachers.

UNHCR **Ghana** implemented an incentives policy in 2011, at the time of the Ivorian influx. Teachers’ incentives are based on a Ministry of Education approved incentive scale and incentives for health workers are based on Ministry of Health incentive scale. Other “refugee workers” are paid 40% of what is paid to Ghanaian staff because “refugees benefit from UNHCR protection and assistance”. Incentive scales are from USD 31 per month (unskilled) to USD 482/month (managerial). Refugees have the right to work in Ghana, but require a work permit to engage in employment outside the camp. If working outside the camp, they should be paid the same as other persons and pay taxes.

In **Lebanon**, Iraqi refugee outreach workers were required to sign an oath of confidentiality, and were paid USD 100 per month, which was much lower than the minimum wage in Lebanon of USD 450 (less for domestic workers). The amount was not intended to be a wage, but to cover transportation and telephone costs and “to support the volunteers.” In **Syria**, Iraqi outreach workers were paid an allowance to cover communication and transport costs that was commensurate with the minimum wage.

According to several sources, UNHCR **Kenya** has developed a working document on harmonized incentive scales.⁶⁶ According to Kakuma refugees there are disparities in the incentive levels paid in Kakuma and Dadaab.⁶⁷ The incentive scale ranges from 2,500 to 7,500 Kenyan shillings (USD 30- USD 90) per month in Kakuma, and up to USD 120 per month in Dadaab. According to Kanare, the top level is 20% of what Kenyan teachers and nurses earn.

In **Burkina-Faso**, UNICEF proposed to pay Malian refugee teachers the equivalent of USD 61 per month, but the government objected as this was less than the minimum wage. The negotiation was complicated by the fact that the Malian teachers continued to be paid their salaries in Mali, even though they could not collect them. All partners urged the strong need for coordination.

⁶⁶ PDES was unable to obtain a copy of this document.

⁶⁷ Kakuma News Reflector, *Incentive Pay Raises and Terminations Targeting Incentive Staffs*, <http://kanere.org/2011/08/21/incentive-pay-raises-and-terminations-targeting-incentive-staffs/>

Annex 2: Relevant guidelines from other sources

The *Minimum Standards for Economic Recovery* suggest a number of key actions:

- Assess local labour markets to learn wage rates, seasonal trends, demand and supply for various types of labour, and growth potential of specific labour markets in the short and long term.
- Determine security and cultural concerns required for safe and decent working conditions.
- Design employment programs that consider the capacity and longer-term needs of beneficiaries.
- Determine fair wage levels based on current market realities.
- Assess the wider operating environment and factor it into project design.

The following “essential elements” in the programming of incentive schemes can be found in the Women’s Refugee Commission publication, *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*:

- Projects should be developed in consultation with the concerned population and should institutionalize procedures for participants’ feedback. This will better meet the needs of the community and can strengthen community ownership of the programmes.
- Policies regarding recruitment and workers’ rights should be transparent and well publicized. Access to opportunities should be promoted by posting job openings publicly.
- Equitable access to employment opportunities should be ensured for all refugees, particularly for women and vulnerable groups. This may necessitate special measures such as the provision of child-care or transport facilities, and liaison with community service providers to identify participants. Further, while it is important to employ women and men, the employment of women should include consideration of the quality of employment, not just the number of women included in incentive programmes.
- Payment should be at an “appropriate and non-exploitative level” to support long-term stability and ensure that refugees can build a sustainable livelihood.
- Incentives should be harmonized among organizations, taking into account different pay scales according to the skills and experience of refugee workforce. This can help to enhance transparency and accountability and counteract perceptions of unfairness. It may also help to reduce high turnover due to movement of workers between humanitarian agencies.
- Incentive work should build upon workers’ existing skills and help them to develop transferable skills that can promote longer-term economic security. Skills development opportunities can be seen as a form of non-monetary compensation

and can help to improve the motivation and retention of workers.⁶⁸ They can also increase refugees' sense of empowerment and enable people to access government and other services.⁶⁹

- Agencies should develop exit strategies that enable incentives activities to phase out in a manner that does not leave workers vulnerable.

⁶⁸ INEE *Guidelines on Teacher Compensation in Fragile States, Situations of Displacement and Post-Crisis Recovery*, 2009.

⁶⁹ Berg et al, *Examining Protection and Gender in Cash and Voucher Transfers*, 2013,
<http://documents.wfp.org/stellent/groups/public/documents/communications/wfp260028.pdf>