

Living on the Edge

A Livelihood Status Report on Urban Refugees Living in Nairobi, Kenya



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Table of Contents

Map of Urban Nairobi	6
1. Executive Summary	7
2. Background	8
2.1. Evolution of Domestic Refugee Policy	9
3. Conceptual Approach	Error! Bookmark not defined.
3.1. Objectives of the Assessment	12
3.2. Structure of the Report.....	13
4. Steps Followed During the Study.....	13
5. Eastleigh Urban Refugees Livelihoods Baseline.....	15
5.1. Urban Zone Description	15
5.2. Eastleigh Wealth Breakdown	17
5.3. Eastleigh Income Sources	19
5.4. Expenditure patterns	20
5.5. Basic Monthly Food and Non-Food Expenditure	22
6. Kayole Urban Refugees Livelihood Baseline.....	23
6.1. Urban Zone Description	23
6.2. Wealth Breakdown	24
6.3. Income Sources.....	26
6.4. Expenditure Patterns	26
6.5. Basic Monthly Food and Non-Food Expenditure	28
7. Kitengela and Peri-Urban Refugees Livelihood Baseline	29
7.1. Wealth Breakdown	30
7.2. Income Sources.....	31
7.3. Expenditure Patterns	32
7.4. Basic Food and Non-Food Monthly Expenditure	33
8. Comparison of Total Incomes against Thresholds.....	34
8.1. Survival Threshold.....	35
8.2. Livelihood Protection Threshold	37
9. Key Parameters for Monitoring	38
9.1. Monitoring the Expenditure Basket.....	38
9.2. Monitoring Incomes.....	38
9.3. Monitoring Coping Indicators	39
9.4. Monitoring Policy.....	39
10. Recommended Strategy.....	40
10.1. Problem Statement and Rationale.....	40
10.2. Strength, Weakness, Opportunities and Threats (SWOT) Analysis	43
10.3. Strategic Framework.....	45
10.4. Implementation Arrangements	47
10.5. Strategic objectives and activities.....	48
10.5.1. PILLAR 1: Safety Nets and Consumption Support.....	48
10.5.2. PILLAR 2: Access to Skills and (Self) Employment Opportunities	52
10.5.3. PILLAR 3: Enterprise Development	54
10.5.4. PILLAR 4: Advocacy	56
Annex 1: Proposed Three Year Implementation Plan (June 2012 to May 2015)	58
Annex 2: Organisations and Individuals Consulted	61

List of Figures

- Figure 1:** Eastleigh Wealth Breakdown
- Figure 2:** Eastleigh Monthly Income by Wealth Group
- Figure 3:** Eastleigh Annual Expenditure Patterns by Wealth Group
- Figure 4:** Eastleigh Percentage of Annual Expenditure
- Figure 5:** Eastleigh Percentage of Annual Food Needs Purchased
- Figure 6:** Eastleigh Monthly Basic Food and Non-Food Consumption - per Adult Equivalent
- Figure 7:** Kayole Wealth Breakdown
- Figure 8:** Kayole Monthly Income by Wealth Group
- Figure 9:** Kayole Annual Expenditure Patterns by Wealth Group
- Figure 10:** Kayole Percentage of Annual Expenditure
- Figure 11:** Kayole Percentage of Annual Food Needs Purchased
- Figure 12:** Kayole Monthly Food and Non-Food Consumption - per Adult Equivalent
- Figure 13:** Kitengela Wealth Breakdown
- Figure 14:** Kitengela Monthly Income by Wealth Group
- Figure 15:** Kitengela Annual Expenditure Patterns by Wealth Group
- Figure 16:** Kitengela Percentage of Annual Expenditure
- Figure 17:** Kitengela Percentage of Annual Food Needs Purchased
- Figure 18:** Kitengela Monthly Food and Non-Food Consumption - per Adult Equivalent
- Figure 19:** Very Poor and Poor Total Income against Survival Threshold- Eastleigh
- Figure 20:** Very Poor and Poor Total Income against Survival Threshold- Kitengela
- Figure 21:** Very Poor and Poor Total Income against Survival Threshold- Kayole
- Figure 22:** Very Poor and Poor Livelihood Protection Expenditure
- Figure 23:** Very Poor and Poor Households Cash Deficit or Surplus Compared to Cost of Minimum Food and Non-Food basket
- Figure 24:** Quarterly Inflation Rates March 2010 to February 2012

List of Tables

- Table 1:** Eastleigh Reference Year Monthly Expenditure on Basic Food and Non-Food Items per Adult Equivalent by Wealth Group
- Table 2:** Kayole Reference Year Monthly Expenditure on Basic Food and Non-Food Items per Adult Equivalent by Wealth Group
- Table 3:** Kitengela Reference Year Monthly Expenditure on Basic Food and Non-Food Items per Adult Equivalent by Wealth Group
- Table 4:** Monthly Expenditure in Survival Threshold per Adult Equivalent
- Table 5:** Very Poor and Poor Livelihood Protection Expenditure
- Table 6:** Urban Asylum Seekers and Refugee Poor Households' Typical Expenditure Basket
- Table 7:** Summary on Monitoring Urban Refugee Livelihoods
- Table 8:** SWOT Analysis
- Table 9:** Comparison of Reference Year Minimum Food and Non-Food Consumption Deficits or Surplus to Total Incomes

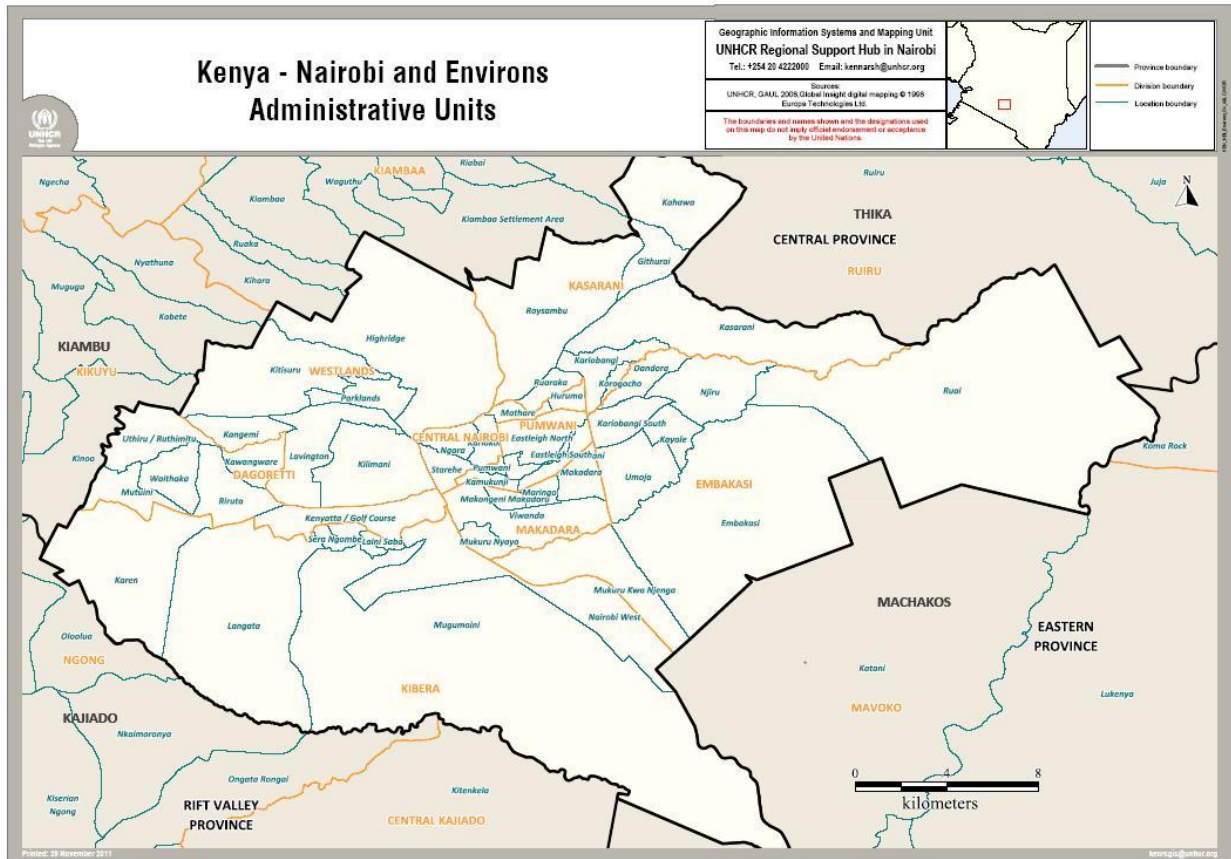
Nairobi Urban Livelihoods Baseline Research Teams		
Technical Coordinator and Report Writing		
Waddington Chinogwenya: Food Economy Group		
Kitengela Peri-urban	Kayole Urban	Eastleigh Urban
Maureen Sulwe	Kellen Mwiti	Rahma Abdullahi Abikar
Mary Magero	Jaqueline Ngugi	Anab Hassan Maalim
Stephen Juma	Michael Meda	Osman Idris Mohammed
Dorothy Mumo	Beryl Ooro	Hilda Kinyanyi
Ibrahim Mohammed Hussein	Paul Okeyo	Paul Jaoko
Mike O'Meara	Francis Kamatu	Jonathan Ikutu
Community Mobilisers		
Moses Serugu	Janviere Dusabinema	Halima Ibrahim Mohammed
James Mutawala	James Birindwa	Karemera Ndayambaje Eugene
Administrative Support		
Achiba Gargule		
Danish Refugee Council Technical Support		
Rose Kanana and Anubha Sood		
United Nations High Commissioner for Refugees Technical Support		
George Omondi Oduor		



Acronyms

ARC	Alien Refugee Certificate
CBO	Community Based Organisation
CaLP	Cash Learning Partnership
CIC	Commission on the Implementation of the Constitution
DANIDA	Danish International Development Agency
DRA	Department of Refugee Affairs
DRC	Danish Refugee Council
EPZ	Export Processing Zones
FPE	Free Primary Education
GoK	Government of Kenya
HEA	Household Economy Approach
IRC	International Rescue Committee
ILO	International Labour Organisation
JRS	Jesuit Refugee Services
KNBS	Kenyan National Bureau of Statistics
Kshs	Kenyan Shilling (1USD = 83 Kshs)
MRC	Mandated Refugee Certificate
RSD	Refugee Status Determination
UNHCR	United Nations High Commissioner for Refugees
WFP	World Food Programme

Map of Urban Nairobi



1. Executive Summary

Asylum seekers and refugees in Kayole, Eastleigh and Kitengela have made great strides integrating into the social and economic life of Nairobi. The livelihoods baseline illustrates that the socio-economic profile of the urban asylum seeker or refugee is not that of desperation and dependence. Rather it is one of incredible resilience in the face of significant odds. The majority are engaged in economic activities in the informal sector, and have made modest gains with limited support from the Government of Kenya or the humanitarian community. A minority are successful entrepreneurs providing much social and economic benefit to the communities they reside in. This minority provide a picture of what asylum seekers and refugees can achieve if they are explicitly conferred the right to work and reside in Nairobi, and with that, access to the necessary services and opportunities.

The majority of the urban poor, including asylum seekers and refugees, find livelihood opportunities in the highly competitive informal sector. Poor regulation, poor physical infrastructure and limited access to institutionalised business support services limit the viability of the informal sector. Those without specialised skills or capital to start a business earn daily wages as casual labourers or as low-level employees. For asylum seekers and refugees the odds are worse, encumbered by a lengthy asylum seeking process, limited engagement with local administrative authorities which deprives them of critical protection and support, and a business community hesitant to engage them as a potential market. Without ownership of fixed assets those seeking to start or grow a business fail to meet the collateral requirements for business loans.

The March 2012 livelihoods baseline indicates that food alone comprises between 45-55% of monthly costs for the very poor. Food and rent together account for between 70-80% of monthly costs. These households consume an average 95% of the minimum food requirements measured against 2,100 kilocalories per person per day. They afford accommodation in one roomed iron sheet housing for an average household of four, with irregular water supply and no sanitation facilities. After spending on food and housing, very little remains for other essentials. Additional expenditure on limited health care, hygiene, energy and water deplete the modest monthly wage. On the high end of the wealth spectrum are the middle and better off households, who separate themselves from the poor through skills and access to capital. These assets facilitate entry into highly profitable business enterprises that earn upwards of 100,000 Kshs per month.

Community based organisations (CBOs) established by refugees and at times in collaboration with the Kenyan community, provide much needed social support. CBOs assist with food and temporary accommodation on arrival, provide Kiswahili lessons and life skills, and facilitate links to labour opportunities. Better established CBOs receive external funding and organisational support to initiate income generating projects targeting asylum seekers, refugees and Kenyans.

United Nations High Commissioner for Refugees (UNHCR) and the urban refugees' livelihoods working group, with limited funding and experience, are implementing a range of livelihood projects. To improve the effectiveness of current livelihoods programmes, resources are required to build partner technical capacity in designing, implementing, and evaluating interventions, institutionalising the use of best practices, and scaling up. The urban refugee's livelihoods strategy seeks to promote asylum seeker and refugee community self-reliance through short-term consumption support, complemented by institutional capacity building and income generation to address the underlying causes of livelihood

insecurity. An advocacy component will accompany the strategy to promote policies that recognise the rights of asylum seekers and refugees to reside and be economically productive in Nairobi with the protection and support of the Government of Kenya (GoK) and the international community. Integrating Kenyan host community concerns in all interventions to build community understanding and combat xenophobia is a key component of the strategy.

2. Background

Macro-economic environment: 60% of Nairobi's 3.1 million inhabitants live in poorly serviced informal settlements plagued by high levels of poverty and insecurity.¹ An Oxfam GB 2009 report estimates that between a third and half of Kenya's urban population lives in poverty, and with growing urbanisation, the urban poor will represent half of the total population in Kenya by 2020. Kenya's economy has witnessed a steady slowdown from a gross domestic product (GDP) annual growth rate of 7% between 2006 and 2007, to 3.5% in 2011.² Weakening economic growth fails to create the conditions necessary for formal sector job growth to absorb the estimated 500,000 people who join the labour force annually.³ The result has been a rapid expansion of the informal sector, and as of 2003, the share of urban employment in the informal sector was around 75% nationally, one third of this in Nairobi.⁴ The number of people engaged in the informal sector increased by 38% from 2001 to 2005 to an estimated 1,548,100 (KNBS 2006). The 2005/06 Basic report on wellbeing in Kenya estimated that 44% of the Nairobi population lived below the poverty line, with 68% of this population working in the informal sector. Inflation is eroding the purchasing power of wages. Inflation has been on an upward trend from 4% in 2010, to 5.42% in January 2011, and 15.6% in March 2012.⁵ It is within this context of rising urban poverty and growing importance of the informal sector as a source of employment that asylum seekers and refugees are joining the ranks of Nairobi's urban poor, seeking much the same opportunities as casual labourers, petty traders, and small business owners and in various semi-skilled self-employment activities.

Access to Education: The GoK introduced the Free Primary Education Policy (FPE) in 2003 to encourage poor parents to enroll children in school. The elimination of school fees has resulted in positive gains in public primary school enrolment, though incidental costs that include uniforms, transport, food and levies remain prohibitive for some parents. Asylum seeker and refugee children are eligible to enroll and benefit from FPE. Legal refugee documents are required however, for children to sit national examinations. UNHCR works with GoK's Department of Refugee Affairs (DRA) to provide documentation that authorises school administrators to permit children without birth certificates or mandate certificates to write national examinations.

In light of increased school enrolment, initiatives are required to address the challenges of high student to teacher ratio's, shortage of desks, and lack of water and sanitation facilities in schools. Enrolment in the more expensive private primary school option has also increased with the introduction of the FPE policy, as parents who can afford to opt for these less congested and better staffed institutions that offer better quality education. A proportion of the poorest asylum seekers and refugees, as with the

¹ Urban Margins. Volume 1, Issue 1.

² Kenya National Bureau of Statistics, www.knbs.or.ke.

³ City of Nairobi Environment Outlook, p. 14.

⁴ Kenya Institute for Public Policy Research and Analysis (KIPPRA), 2003.

⁵ Kenya National Bureau of Statistics.

urban poor, attend non-formal institutions that are not linked to the formal education system. These institutions are not regulated by the Ministry of Education and offer low quality education.

Access to Health Services: The City Council of Nairobi is responsible for providing health services in urban locations. Malaria, diarrhea and respiratory infections are the commonly reported illnesses. A registration fee of 20 Kenyan Shilling (Kshs) provides patients with access to diagnosis and treatment in city council clinics. Kenyatta National Hospital receives referrals for cases that require specialised treatment. Legal refugee documentation is not required for asylum seekers and refugees to receive treatment. Overcrowding and poor availability of medication are the main constraints affecting the quality of public health services. More expensive private health facilities are available to offer better quality medical attention. The private health option is unaffordable for poor refugees.

Water and Sanitation Services: Rapid population increase has led to the growth of informal settlements with poor quality housing. The growth of urban settlements has outstripped the capacity of the city council to deliver services. The supply of potable piped water is erratic and a majority of the poor do not have access to sanitary facilities. Rubbish collection and waste management systems are in a deplorable state in low income urban locations. Earth drains and pit latrines are the commonly available waste disposal facilities shared by several households. Water vendors are the main suppliers of water for household consumption. 20 litre jerry cans filled from boreholes, leaking pipes directly from water bodies are sold to the community. Within this unsanitary environment, the potential for water contamination is high, raising serious concerns about water borne diseases. The majority of diarrhea and respiratory infections reported are related to poor sanitation and hygiene practices.

2.1. Evolution of Domestic Refugee Policy

Establishment of camps to accommodate temporary crises: The GoK established Daadab and Kakuma refugee camps in the early 1990s to accommodate the influx of refugees displaced by conflict in Somalia, Sudan, Ethiopia, and the Great Lakes (Democratic Republic of Congo, Rwanda and Burundi). Daadab was built in North East Kenya, 100 kilometres from the border with Somalia, to accommodate an anticipated 90,000 refugees mainly from Somalia. Kakuma primarily accommodated asylum seekers and refugees from Sudan and Ethiopia in the North West of the country in Turkana District, approximately 100 kilometres from the Sudanese border. The location of both camps is telling that both the Government of Kenya and UNHCR anticipated that the crisis was temporary and eventual repatriation would be facilitated once security conditions permitted.⁶

Growth of the Refugee Population and Push Factors to the City: The influx of asylum seekers and refugees into Kenya did not subside as official policy had anticipated. The inflows continued in greater numbers. Twenty years later, Daadab is the largest refugee camp in the world holding an estimated 465,000 refugees. Kakuma accommodates an additional 85,000 asylum seekers and refugees. Over the years, the refugee population in Nairobi has also been growing. The flow of refugees into Nairobi has been from both the camps and directly from the country of origin.⁷ The reasons for migrating to Nairobi include a combination of livelihood and protection concerns. Insecurity and inter-clan fighting were major concerns in the camps. The search for livelihood prospects and access to better quality education

⁶ Navigating Nairobi. A Review of the Implementation of UNHCR's urban refugee policy in Kenya's capital city, p. 5.

⁷ For a full account of the evolution of GoK encampment policy and the growth of the urban refugee population see *Navigating Nairobi. A Review of the Implementation of UNHCR's urban refugee policy in Kenya's capital city* (UNHCR, 2011).

and health services in Nairobi were particularly appealing to the urbanite section of the asylum seeker and refugee population. Interviews with asylum seekers and refugees now settled in Nairobi indicate that overcrowding in the camps and deteriorating services were additional push factors. Kenya is presently host to 601,761 refugees.⁸ 87% are from Somalia, 7% from Ethiopia, and the remaining 6% predominantly from the Great Lakes and South Sudan.⁹ The UNHCR registration figures estimate that 54,000 of them are residing in Nairobi as of December 2011, though unofficially the numbers are much higher.

Overwhelmed Government Capacity and the Role of UNHCR prior to 2006: The influx of refugees into Daadab specifically put immense strain on the capacity and resources of the Government and the humanitarian community to document new arrivals and adequately provide supplies and services to camp inhabitants. GoK responded to the overwhelming influx by granting asylum seekers from South Central Somalia *prima facie* refugee status- meaning that registration as an asylum seeker became as good as receiving refugee status- and transferring to UNHCR the responsibility to register and determine the legitimacy of individual refugee claims for all other nationalities. UNHCR assumed the predominant role of providing asylum seekers and refugees in Kenya with protection, assistance and solutions (UNHCR, 2011).

Government Responsibility and the Refugee Act 2006: The Refugee Act 2006 marked a turning point with GoK assuming more responsibility in registration and protection. The GoK established the Department of Refugee Affairs (DRA) to manage and coordinate refugee issues. The Refugee Act 2006 conferred progressive rights to refugees, most notably, reaffirmation of the GoK commitment to international refugee conventions, recognition of asylum seekers and refugees along with issuance of a refugee identity card, protection from arbitrary arrest, detention or expulsion, and recognition of refugee rights to economic and productive activities (Refugee Act 2006). While DRA assumed the role of registering asylum seekers, UNHCR retained the function of interviewing asylum seekers above 13 years old for Refugee Status Determination (RSD) and issuance of UNHCR Mandated Refugee Certificates (MRC) valid for two years, after which DRA issues a five year Alien Refugee Certificate (ARC). UNHCR mandates are key protection documents, though refugees observe that Government institutions better recognise the GoK issued ARC. The DRA issued ARC, or the UNHCR MRC, do not confer refugees with the right to work. A separate process to acquire the rarely issued 'Class M' work permit is in place. GoK policy on work permits reflects concerns that granting refugees the right to employment promotes long term residence and introduces competition with local Kenyans in a struggling job market.

Factors affecting DRA and UNHCR capacity to deliver on their mandates: Capacity constraints have bedeviled DRA since inception. Resources for the administration of DRA have not been forthcoming from the GoK saddled with a poorly performing economy, a sizeable domestic population displaced by the 2007 post-election violence, and expectation that the international community will be forthcoming with resources to support GoK institutions assisting refugees. A number of initiatives are in place to do that. Registration and documentation of asylum seekers and refugees have been major concerns. UNHCR has established a capacity building unit to assist DRA with registration of asylum seekers, data management and documentation. DRA and Ministry of Immigration staff receive training on the Refugee Act 2006, international refugee legislation, and city by-laws to promote sensitivity to refugee rights. The International Rescue Committee (IRC) has provided support setting up a computer networking system to improve information dissemination to asylum seekers and refugees. The Danish Development Agency

⁸ UNHCR Kenya Statistics as at December 2011.

⁹ United Nations High Commissioner for Refugees Global Appeal 2010-11.

(DANIDA) provides support with office equipment and office support functions. UNHCR's assistance to DRA is notwithstanding its own constraints to timeously process asylum seekers for RSD. The influx of asylum seekers and refugees has extended an RSD process stipulated not to exceed 6 months, to the current average of 2 years.¹⁰

Growing importance of security concerns: UNHCR and humanitarian agencies had since 2009 begun relocating refugees from Daadab to Kakuma camp to alleviate congestion. The continuing conflict and famine conditions in 2011 in Somalia increased the inflow of refugees into Kenya and Daadab camp in particular. In addition to those from Somalia, asylum seekers were coming from Ogaden region of Ethiopia, and the Eastern Democratic Republic of Congo. "Operation Linda Nchi", (Protect the Country) launched in October 2011 was the GoK's response to eliminate perceived terrorist threats in the Horn of Africa posed by loosely affiliated groups operating from inside Somalia.¹¹ The military operation is part of a broader political strategy that includes creating 'safe zones' inside Somalia to which the growing Somalia refugee population could return.¹² Prior to "Operation Linda Chi" security considerations were increasingly prominent in GoK engagement with asylum seekers from Somalia. Reports of abuse and unlawful detention in the North East border regions of the country followed the closure of Kenya's border with Somalia in January 2007.¹³ With the start of military operations in October 2010 the GoK ordered that Daadab cease reception and registration services. Between December 2010 and October 2011 several security incidents were reported within the camp, which include discovery of weapons, caches, hostile targeting of refugee leaders and bomb attacks aimed at the Kenyan Police. Increased border patrols and cessation of reception and registration did not halt the stream of asylum seekers into Kenya and further to Nairobi and other urban areas.

Draft Refugee Bill 2011 and the prominence of security considerations: The draft Refugee Bill 2011 tabled before the Commission on the Implementation of the Constitution (CIC) signals increased prominence of security considerations in the GoK refugee policy. There is concern within UNHCR and the humanitarian community that the draft Refugee Bill 2011 incorporates wide provisions for exclusion from the ability to enjoy asylum, imposes restrictions on refugee movement and more importantly, potentially violates the principle of *non-refoulement* (forced return). The draft bill tightens conditions for admission as a refugee and provides limited recourse to appeal rejected applications. While GoK has legitimate security concerns, the humanitarian community holds that closing the border to asylum seekers and the *refoulement* (unlawful forced return) of Somali asylum seekers and refugees violates Kenya's fundamental obligations under international and national refugee laws.

¹⁰ Procedural Standards for Refugee Status Determination under UNHCR's Mandate. Section 3.5.3. Also, for a full review of DRA and UNHCR capacity constraints, see *Navigating Nairobi. A Review of the Implementation of UNHCR's urban refugee policy in Kenya's capital city* (UNHCR, 2011).

¹¹ For more on terrorism and radical Islamist movements in Somalia, see Crisis Group Africa Reports N°95, *Counter-Terrorism in Somalia: Losing Hearts and Minds?*, 11 July 2005; N°100, *Somalia's Islamists*, 12 December 2005; and Briefing N°74, *Somalia's Divided Islamists*, 18 May 2010. See also Briefing N°85, *Kenyan Somali Islamist Radicalisation*, 25 January 2012.

¹² International Crisis Group (February 2012), *The Kenyan Military Intervention in Somalia*, Africa Report N°184.

¹³ Human Rights Watch (June 2010), "Welcome to Kenya" Police Abuse of Somali Refugees.

3. Conceptual Approach

The Household Economy Approach (HEA) was used for collecting and analysing field-based livelihood information. Information was collected on livelihood zoning, wealth breakdown, seasonal calendar of the main livelihood activities, and profiling of livelihood strategies. HEA begins with an analysis of livelihood zones, because where people live largely determines their production system and the markets they can access. Livelihood strategies are the combination of activities that people or households engage in to access sufficient food for household consumption, be productive and earn cash income, and spend to access goods and services. This also includes how people manage and preserve assets and how they respond to shocks (i.e., the coping strategies employed).

In HEA, the household is the unit of analysis because that is the primary unit of production and consumption.¹⁴ HEA proposes that if we first understand how households obtain their food and non-food items and how they obtain the cash with which to buy goods and services, then we have an understanding of how people survive and how their household economy operates. This analysis tells us whether a given population is economically insecure, and provides baseline information with which to compare and measure changes in access to food and non-food items. Baseline information enables us to judge a population's vulnerability to different shocks or threats to its livelihood.

There are differences in focus between HEA rural and urban assessments. While the overall objective is the same, to analyse the access that different groups have to food and cash income in relation to their food and non-food needs, the details of the analytical approach typically differ from one context to another. In a rural setting, it is more useful to focus on how different wealth groups (typically defined as Poor, Middle and Better-off) obtain access to food and income. This is because within rural areas members of a particular wealth group generally share the same level of food security and a similar limited set of options for obtaining food and income, employing many of the same strategies throughout the year. The relative homogeneity of rural livelihoods makes enquiry into sources of food and income the most efficient way to generate a rapid understanding of food security in a rural context. The level of homogeneity between wealth groups is less striking in an urban setting. Within an urban setting, the market typically serves as the main source of food and provides more varied income-earning opportunities, thus shifting the focus of enquiry towards questions of cash income and expenditure. In urban areas, there is often a wider range of income sources for each wealth group, and earnings may be less regular than in the countryside. However, while means of income tend to be heterogeneous in urban settings, patterns of expenditure are not. Poorer families tend to spend similar amounts of money on similar items, making enquiry into patterns of expenditure the most useful approach for understanding livelihoods in an urban setting.

3.1. Objectives of the Assessment

This assessment was commissioned in response to UNHCR's growing focus on urban refugee livelihoods. The objectives of the assessment are:

- To analyse the current livelihood strategies of refugee populations in Kitengela peri-urban, East Leigh and Kayole urban locations;

¹⁴ For a full account of the Household Economy Approach, please refer to www.feg-consulting.com.

- To provide a socio economic profile of the displaced population in terms of household composition, livelihood assets, income sources, expenditures;
- To identify the contextual opportunities and constraints for employment/self-employment;
- Select baseline indicators to enable regular assessment of changes in socioeconomic profiles, livelihood assets and outcomes;
- To identify actionable strategies to reinforce and develop displaced populations' capacities, livelihood assets, address capacity gaps, and enhance their access to employment/ self-employment opportunities and establish market linkages.

3.2. Structure of the Report

The report is divided into three sections. The first section focuses on the analysis of income sources and levels, and expenditure and food consumption patterns for the three locations studied. The information presented in the report refers to the *January 2011 to December 2011* reference period. The successive presentation of livelihood baseline findings starts with Eastleigh, followed by Kayole, and finally Kitengela. The second section elaborates on the findings by comparing the total income of very poor and poor households to the cost of the minimum food and non-food basket, and the cost of protecting the household productive asset base. This provides insight into the relative risk of food and livelihood insecurity faced by the poorest wealth groups. The final section presents the urban livelihoods strategy that was the outcome of a two-day workshop convened by UNHCR.

4. Steps Followed During the Study

The teams undertook the following steps during this study:

- **Training:** A training workshop was held in Nairobi from 16 to 20 January 2012. 18 research assistants, 5 staff from the Danish Refugee Council, 1 from UNHCR, and 6 from the urban refugees livelihoods working group received training on the HEA. The topics covered included: HEA framework overview, livelihood zoning, reference year, wealth groups, livelihood strategies (food, income, expenditure), kilocalorie calculations, coping strategies, seasonality, techniques to ensure high quality field information, reviewing and practicing community leader and household focus group interviews, storing baseline data in spreadsheets and data analysis. Data collection tools were field tested on the last day of training to customise them to the local context.
- **Reference Year for the Assessment:** HEA baseline data provides the socio economic and livelihood profile of a population within a particular year. This set of reference information, against which future changes in access to income, food and non-food items will be monitored and analysed, is defined as the reference year. For this assessment, the **reference year was January 2011 to December 2011.**
- **Livelihood Zoning:** The first step in a HEA is to define the livelihood zone within which to conduct the assessment. A livelihood zone is an area within which households broadly share similar livelihood patterns and conduct these activities in the same trade and exchange conditions. The three locations for the study- Eastleigh, Kitengela and Kayole- were purposively selected based on background information regarding asylum seeker and refugee settlement

patterns, information on livelihood activities, and diversity of nationalities residing in the locations. Field work was conducted from January 23 to 18 February 2012. Research assistants were deployed as 3 field teams to respective urban locations to carry out the assessment.

- **Interviews with District Key informants:** The point of entry into the urban locations was the District level key informants. The purpose of this exercise was to introduce the exercise to the local authorities, negotiate entry into the communities, identify and target sub-locations for the study. The interviews garnered additional information on the main economic activities pursued by refugees, their protection concerns, district and location population data, availability and access to health and education services, and ongoing humanitarian interventions. The District Commissioner and Sector heads for education, health, social and gender policy attended each meeting.
- **Interviews with Refugee Community Representatives:** Refugee community representatives were the first point of contact with the asylum seeker and refugee community. The community representative meetings were organised according to nationality to provide a socio-economic profile of the community and the main concerns faced. Using local definitions of wealth, centered on income sources and amounts earned, households are categorised into different wealth groups along with population estimates in each. Working with community mobilisers, who are knowledgeable members of the community, the community representatives identified households for further in-depth interviews. The process of identifying households for the assessment was continuously refined throughout the study.
- **Interviews with Market Representatives:** 4 market assessments were conducted as part of the study; One each in Eastleigh at Gikomba and Kayole markets, and 2 in Kitengela. The purpose of the market assessment was to collect prices of the major commodities, seasonality of supply and demand, main supply markets and the key marketing constraints.
- **Interviews with Key Policy and Institutional Stakeholders (government, private sector and civil society):** These interviews collected on the refugee policy environments and the successes and challenges of ongoing livelihood interventions.
- **Interviews with Household Representatives.** Household representative interviews provided an in-depth picture of household livelihood strategies by wealth group. The interviews collected detailed information on expenditure patterns, income and food sources, coping strategies, and the main hazards. Continuous cross checks throughout the assessment ensured the data collected was coherent and consistent, and reflected a credible picture of the household economy. 41 focus group discussions were conducted in Kitengela. 37 of these were with asylum seekers and refugees from the Great Lakes, particularly the Democratic Republic of Congo, 3 with those from Somalia, and 1 with the South Sudanese. 64 focus group discussions were conducted in Kayole. 46 of these were with asylum seekers and refugees from the Democratic Republic of Congo and 18 with those from Rwanda and Burundi. 71 focus group discussions were held in Eastleigh, where the largest asylum seeker and refugee population resides. Of these interviews, 36 focus group discussions were with Somali refugees, 22 with Ethiopians, 8 with those from the Democratic Republic of Congo, 3 with Rwandese, and 1 each with people from Burundi and Eritrea. The distribution of interviews by nationality endeavored to reflect the proportion of the various nationalities residing in the respective locations.

- **Data Analysis and Livelihood Baseline Report Compilation.** On February 6 and 7 2012, the teams carried out interim data analysis. The process involved developing a picture of household livelihood strategies for the respective wealth groups, refining the inquiry to focus on key issues emerging and developing a common approach to resolve challenges. Final data analysis was from February 21 to 24 2012. A presentation was made to the livelihoods working group at both the interim and final stages of analysis to validate findings and build consensus on the emerging picture.
- **Urban Livelihood Strategy Workshop:** A workshop to develop the urban refugees strategy was convened on March 26 and 27 2012. The UNHCR chaired livelihoods working group and partners from the GoK and private sector developed the three year livelihoods strategy that will guide implementation of urban activities from June 2012 to May 2015.
- **Challenges Faced During the Assessment:** The assessment encountered a number of challenges. Key among them were:
 - Exclusion of the Kenyan host population from the assessment. A decision was made early in the design process, that the limited resources and time would be used to develop a picture of asylum seeker and refugee households in the three selected locations;
 - The assessment also faced initial difficulties mobilising households. Distrust and fear that a GoK operation was underway to identify and deport asylum seekers and refugees contributed to the difficulty. Rapport gradually developed as the assessment progressed and the objectives of the exercise became clearer. Busy household schedules with people seeking to earn their daily wages contributed to difficulties in mobilizing;
 - The assessment encountered less than the anticipated number of asylum seeker and refugee population in Kitengela. The inquiry extended to Mlolongo, a neighboring community, in an effort to locate a larger population, but the numbers were still less than earlier projections.

5. Eastleigh Urban Refugees Livelihoods Baseline

5.1. Urban Zone Description

Eastleigh District has a population of 174,349 spread over four divisions- Eastleigh North, Eastleigh South, Airbase, and a slum area Kiambio.¹⁵ The majority of the asylum seeker and refugee population resides in Eastleigh North and Airbase, both with local population estimates of around 43,000 (2009 census estimate). The majority of asylum seekers and refugees in Nairobi reside in Eastleigh. The influx of refugees into Eastleigh dates back to the early 1990s triggered by insecurity in Somalia, Ethiopia and the Great Lakes region (Democratic Republic of the Congo, Rwanda and Burundi). Asylum seekers and refugees from Somalia are the most populous followed by a sizeable Ethiopian Oromo community and a minority from the Great Lakes, Eritrea, and South Sudan. Eastleigh is the preferred location for Somalis migrating to Nairobi, where the substantial indigenous Somali Kenyan population eases integration into the social and economic life. Ethiopian Oromo's are drawn to Eastleigh by social ties, and a good proportion of them are Muslims sharing a religious identity with the Somalis.

¹⁵ Population figures were provided by the Eastleigh District Commissioner.

The influx of Somalis escalated between 2010 and 2011 precipitated by the combination of increasing insecurity and a severe drought in Somalia. Urban dwellers in the country of origin have a clear preference for migrating to Nairobi as opposed to the camps, where they find better opportunities to utilise their skills to earn an income and access social amenities. Dependence on deteriorating aid rations and services, as well as overcrowding and insecurity in camps also encourages migration to Nairobi.

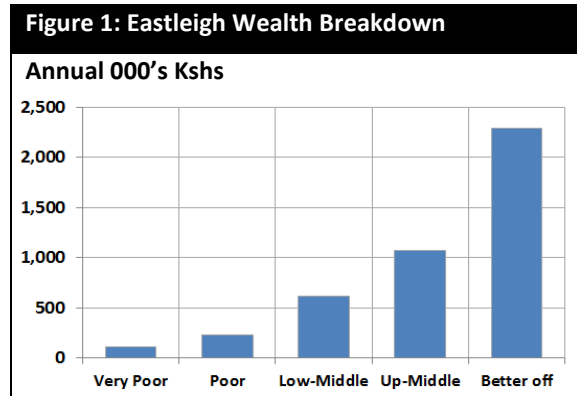
Trade, employment, and labour opportunities are the mainstay of the Eastleigh economy. Kenyan Somalis, at times in partnership with kin from Somalia, dominate the vibrant commercial activity. Proximity to the Nairobi central business District and the Gikomba market - reputedly the largest informal market in Kenya - provides ample opportunities for residents to earn an income. Asylum seekers and refugees own and operate micro, small and medium sized businesses, find daily casual labour opportunities, and are employed in various retail outlets. Residents of surrounding communities such as Mathare and Kariobangi, commute daily into Eastleigh to seek casual work and petty trade opportunities.

Education and health services are available in Eastleigh. There are five public primary schools where enrolment for children- asylum seeker, refugee, or Kenyan - is tuition free. Eastleigh Airport primary school enrolls the highest number of asylum seeker and refugee children in Nairobi. The predominantly Muslim population at times prefers that children forego formal education and attend *madradas* for religious instruction. The gains in increased enrolment provided by the free public education policy are somewhat offset by high student to teacher ratios, limited availability of desks and poor water and sanitation facilities. Poor understanding of asylum seeker and refugee children rights to public education, along with congested classrooms, at times provide school administrators with justification to turn away these children or charge unauthorised admittance fees. For these reasons some children enroll in more expensive private schools, and those from the poorest households stay out of school. Three secondary schools and numerous private colleges provide local language classes, vocational and professional education.

Ten health centers in *Kamukunji* District provide health care to both the local and refugee population for a 20 Kshs registration fee. The most common ailments are diarrhea infections, typhoid and intestinal worms, related to poor access to clean water and the lack of sanitation facilities. The main source of water is jerry cans sold by vendors for 20-30 Kshs per 20 litres to supplement the irregular supply of city council piped water. The jerry cans are presumably filled with borehole water, though the overwhelmed and poorly maintained waste management and sewer system provides numerous points of contamination if water or food are poorly handled and stored.

Asylum seekers and refugees from the various nationalities have established Community Based Organisations (CBOs) to provide respective communities with social assistance, navigating the asylum seeking process and seeking work opportunities. Notable CBO's among the Somalis include the Somali Urban Elders Committee, Iftin and Horseed Women's Groups. Solidarity self-help group is the largest and most prominent for the Great Lakes region population and "OdaaNebee" among the Ethiopian Oromos.

Local authorities and the local population observe the growing social and economic prominence of the indigenous and migrant Somali community apprehensively. The Somali community reports increasing xenophobic attitudes, particularly after the Kenyan military incursion into Somalia in October 2011 and ensuing heightened security awareness in public places. Several explosions in public places over the last year, criminal activity and proliferation of small arms into Kenya and Nairobi in particular is alleged to be the work of *Al Shaabab* and its associates finding cover among sympathisers within the Somali community in Eastleigh



5.2. Eastleigh Wealth Breakdown¹⁶

. On arrival in Nairobi asylum seekers and refugees face a number of ‘unknowns’. They have to immediately secure accommodation, find a job, navigate the opaque asylum seeking process, and in the interim, deal with police harassment and the threat of deportation. For this reason new arrivals often come as individuals, with the hope of establishing themselves first before bringing the family. For this reason, asylum seeker and refugee households in general, and the poorest in particular, are not always composed of nuclear families (husband, wife and children). To cope with the instability and uncertainty of livelihoods and residence status the poor ‘form’ households for resource pooling purposes.

The majority of relatively new arrivals in Eastleigh are of Somali and Ethiopian origin. To an extent, those from Somalia benefit from established social networks to ease the transition. Ethiopian social networks are not as developed and have less resort to this support. For this reason, Ethiopians are less established and are proportionally more likely to be among the very poor and poor wealth groups.

The very poor households originating from Somalia, Ethiopia or the Great Lakes are typically comprised of individuals- originating from the same country- who enter a temporary living arrangement. It is common that they do not have children of school going age within the household. Where there are children, they are not in school from the combination of economic hardship, or fear- stemming from a lack of awareness of their rights, uncertain legal status, or less commonly reports that stalkers from the camps or countries of origin would kidnap their children. Two out of the three household members are economically engaged in irregular daily casual labour jobs as porters, cleaners, *matatu* touts, and domestic workers earning an average 200-400 Kshs per day, and earn a monthly income of between 8,000-9,500 Kshs. At this income level they afford accommodation in semi-permanent iron sheet one room structures, located in crime ridden sections of the community.

¹⁶ All figures presented in the report represent the mid-point of a range.

<p><u>Wealth Group: Very Poor</u> Refugee population: 10-20% Number of income sources: 2 Income generating activities: Casual labour Monthly income: 8,000 - 9,500 Kshs Annual income: 96,000 - 114,000 Kshs</p>
<p><u>Wealth Group: Poor</u> Refugee population: 35-45% Number of income sources: 2 Income generating activities: Casual labour; Petty trade, remittances Capital requirement: 15,000 - 20,000 Kshs Monthly Income: 16,000 - 20,000 Kshs Annual Income: 190,000 - 240,000 Kshs</p>
<p><u>Wealth Group: Lower Middle</u> Refugee population: 15-20% Number of income sources: 2 Income generating activities: Employment, self-employment, small shop owners, remittances Capital requirement: 30, 000 - 35,000 Kshs Monthly income: 47,000 - 55,000 Kshs Annual income: 560,000 - 660,000 Kshs</p>
<p><u>Wealth Group: Upper Middle</u> Refugee population: 20-25% Number of income sources: 2 Income generating activities: Employment, self-employment, small to mid-size shop owner, remittances Capital requirement: 45,000 - 50,000 Kshs Monthly income: 85,000 - 95,000 Kshs Annual income: 1,020,000 - 1,140,000 Kshs</p>
<p><u>Wealth Group: Better off</u> Refugee population: 5-10% Number of Income sources: 1 Income generating activities: Wholesalers and Business owners Capital requirement: 90,000 - 100,000 Kshs Monthly Income: Above 150,000 Kshs Annual income: Above 1,800,000 Kshs</p>

Poor households have an average two economically productive members and earn income from the combination of casual unskilled work and petty trade. A modest injection of 15,000-20,000 Kshs provides entry into small scale trade of vegetables, tea, food or water, with daily returns averaging 400 Kshs. Combined with income from casual labour, the poor earn between 16,000-20,000 Kshs monthly. This wealth group resides in permanent one-room houses.

Asylum seekers and refugees of all nationalities are among the middle and better-off, though the majority is from Somalia. The combination of skills, capital and access to social and business networks separates the middle and better off from the poorer households. Better off households have been in Nairobi longer and are more established. However, new arrival status does not preclude entry into these wealth categories. Households that were better off in their country of origin have a good chance of remaining better off after settling in Nairobi. The combination of savings earned before migration and access to social networks, enables easier recovery on arrival. Among the middle and better off, nuclear families are common, with a number of extended family members under their support. Wealth enables them to mobilise the means to migrate as a family unit and they are less uncertain about how they will make ends meet on arrival.

Households within the middle wealth group have an average of 2 economically active members and 2 children attending school. This wealth group has a wide income band ranging from 45,000-100,000 Kshs each month, earned from two sources. The lower middle earns an average 50,000 Kshs each month,

while the upper middle earns an average 90,000 Kshs per month. Their economic pursuits include employment in CBOs as French to English or Kiswahili translators for the Congolese, or as owners of business establishments. Small retail, tailoring, and commodity outlets for this wealth group have capital requirements averaging 40,000 Kshs for the lower middle and 60,000 Kshs for the upper middle. The middle wealth group rent 2 roomed permanent houses connected to both electricity and water.

Better off households are generally large scale business owners. They operate well-established retail, wholesale, or commodity import and export enterprises that earn at least 150,000 Kshs each month. Capital between 90,000-100,000 Kshs is required to establish ventures at this scale. Partnerships with Kenyans, particularly between Somalis, and membership in business associations facilitate access to

capital and hassle-free business registration and legal protection. Accommodation is in well built houses with more than 2 rooms.

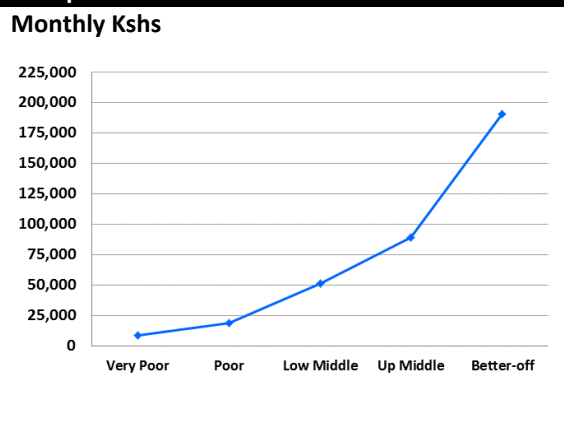
5.3. Eastleigh Income Sources

The vibrant Eastleigh economy offers a variety of income generating activities. Most households seek work on a daily basis and work on most days of the week. Low skilled workers find daily casual labour opportunities in the market supporting business activities and supplying services to the community. Recruiters do not inquire whether job seekers are legally permitted to work, interested only in whether they can get the job done. Wages paid to local Kenyans and to asylum seekers and refugees are not different. Porters, construction workers, domestic workers earn between 200-400 Kshs per day.

Self-employment activities require modest skill level. These activities include tailoring, hairdressing, and barbers. These activities earn on average 300-500 Kshs daily. Working on most days of the week, casual labourers can earn an average 9,000 Kshs each month. Petty trade is a common female activity, selling food, water, handicrafts, and clothes. Depending on the capital injection and the volume of trade, petty traders earn between 350-500 Kshs per day.

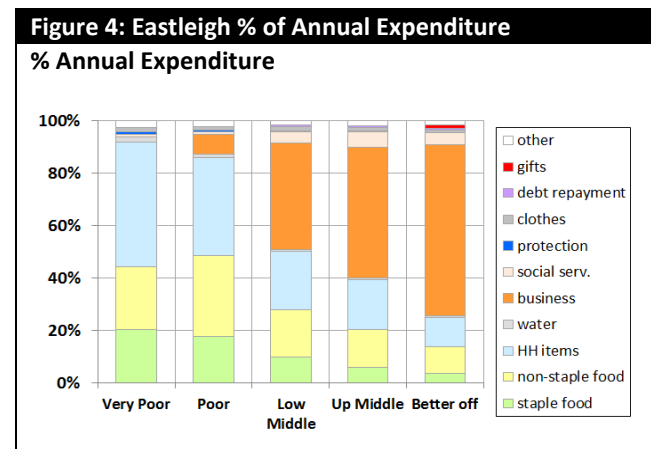
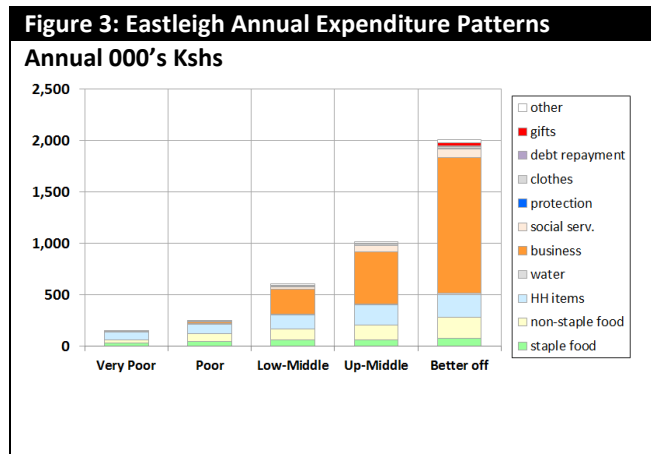
Asylum seekers and refugees from the Great Lakes fill a niche as French teachers and translators. Other employment opportunities are in the retail sector as shop attendants and hotel workers, and as community mobilisers for various CBOs. Employment earns a household an average daily wage of 500 Kshs. Business and trade is the mainstay of the Eastleigh economy, providing employment and wage labour opportunities for the community. Owners of the large-scale enterprises earn more than 5,000 Kshs daily operating on average 7 days per week through the year. Business permits are required to operate the enterprises.

Figure 2: Eastleigh Monthly Income by Wealth Group



5.4. Expenditure patterns

Household food needs are a major expense for asylum seekers and refugees in Eastleigh. The proportional importance of food expenditure to total expenditure decreases with wealth, from 45-50% among the very poor and poor, one third of total for the lower middle, and less than 20% for the upper middle and better off. However, the actual cash spent on food, and the corresponding quantity and quality of the diet, increases with wealth. Very poor and poor households spend an average 65,000-122,000 Kshs respectively on food per year, and up to 280,000 Kshs among the better off. Staple food alone, comprised of maize meal, wheat flour, rice, and pasta, accounts for close to half of the very poor's food expenditure, between 35-40% for the poor and lower middle, and one third for the upper middle and better off. Expenditure on more expensive non-staple food items, which include bread, pulses, oil, sugar, meat, milk, vegetables, potatoes and meals purchased away from home ranges from an average 34,000 Kshs annually for the very poor, 77,000 Kshs for the poor, an average 150,000 Kshs for the upper middle, and over 200,000 Kshs for the better-off (see figures 3 and 4).



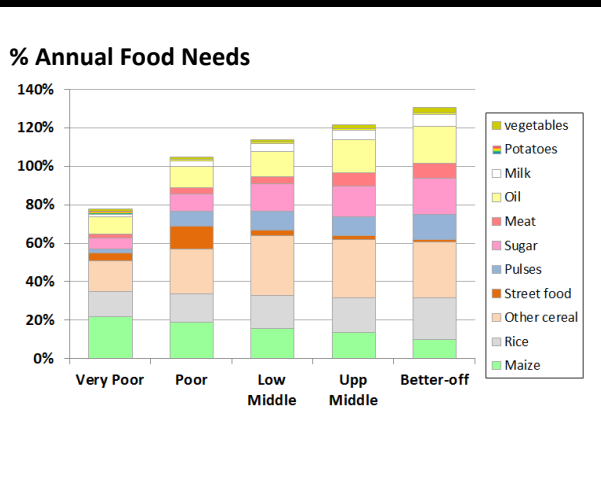
With this level of food expenditure, all wealth groups, except the very poor, access the minimum annual food needs. The poor just barely so, consuming 105% of minimum food needs, while the middle and better off securely consume over 110%. Very poor households purchase close to 80% of their annual food needs, and access an additional 10-15% from labour payments made in food. With 90-95% of minimum annual food needs consumption, the very poor incur an average 5% annual food deficit. The composition of household diets provides further evidence of secure or insecure food access. The proportion of staple food in the household diet is higher for the poorer wealth groups, and inversely, middle and better off households consume a more diverse basket of non-staple food items.

Poorer households consume more maize meal, the cheapest source of calories, in their meals. Wealthier households consume more expensive staple alternatives like rice and pasta. Among the Somalis, rice and pasta are the preferred staples. Poor households from Somalia consume rice and pasta quantities similar to what the middle households from Ethiopia and the Great Lakes consume, who prefer maize meal. Non staple food purchases provide dietary diversity and improve nutritional outcomes. The upper middle and the better off access 66% and 75% of their annual caloric requirements from non-staple food

consumption. The very poor have limited non-staple food consumption, consuming one third of annual food needs from non-staples.

Household items are the next important expenditure after food for the very poor and poor. These items include condiments, hygiene costs (soap and water), heating and lighting (firewood, kerosene, charcoal and electricity), rent and utensils. Household items cost the very poor an average 70,000 Kshs per year, between 90,000-95,000 Kshs for the poor and 135,000 Kshs for the lower middle. Rent accounts for 60-70% of the cost of household items. Rental payments between 3,500-4,000 Kshs each month comprise on average 30% of total household expenditure. Poor households' rental payments range from 4,000- 5,000 Kshs each month equivalent to 20% of total expenditure.

Figure 5: Eastleigh Annual % and Composition of Purchased Food needs¹⁷



After spending on food and household items the very poor remain with limited cash to spend on other essentials. Health costs, protection expenses, water purchases and clothes use up the remaining income. Protection costs refer to the official and unofficial expenses associated with living in Nairobi as an asylum seeker or refugee. This includes transportation costs to register with DRA or UNHCR, appearing for RSD appointments, and later acquiring an ARC. To minimize transport costs asylum seekers and refugees walk to the DRA office in Shauri Moyo or to UNHCR offices. Unofficial costs include bribes to the police. These costs average 1% of total expenditure for the poorest households. The cost incurred navigating the asylum seeking process is however much smaller compared to the hidden costs associated with lacking legal documents. Hidden costs can include lost income from discrimination in the job market, and wages lost during the numerous hours spent traveling and waiting in RSD queues, and exclusion of children from enrolling in schools of their choice. These costs underscore the importance of improving the timeliness of the asylum seeking process.

Capital to invest in business separates the better off from the poorer households. Business costs - input costs, transport costs, wages paid, and registration costs - comprise on average 40% of the lower middle's expenditure and 50% for the upper middle. For the better-off expenditure on business is the largest cost incurred. The lower middle spends close to a quarter of a million Kshs on trade annually, half a million Kshs for the upper middle, and over 1 million Kshs among the better off.

Expenditure on health and education is another point of separation for the middle and better off from the poor. The very poor and poor spend less than 5% of what the better off are spending on health and education, an additional indicator of widening disparities in human development prospects.

¹⁷ In this graph, annual food consumption is expressed as a percentage of 2,100 kilocalories per person per day.

5.5. Basic Monthly Food and Non-Food Expenditure¹⁸

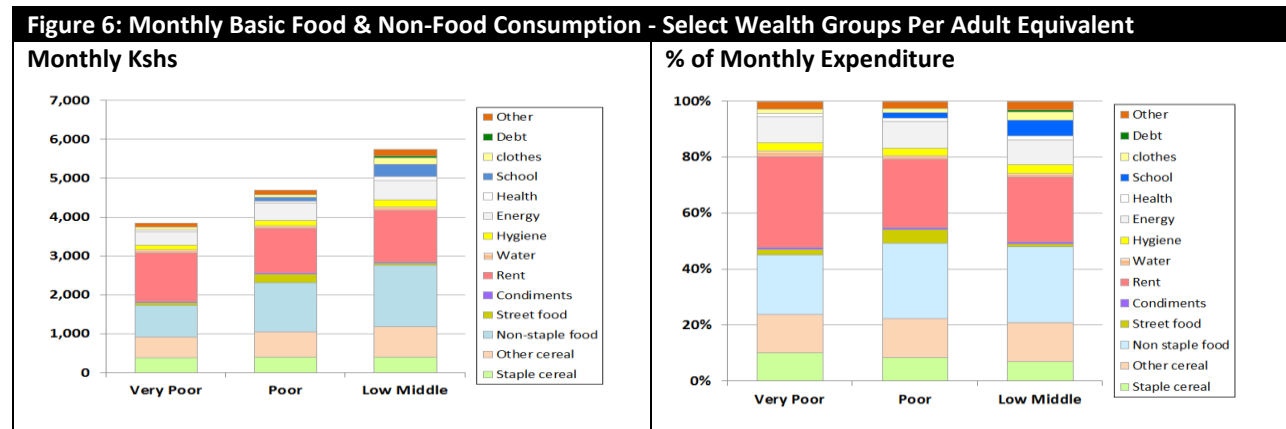


Table 1: Reference Year Monthly Expenditure on basic Food & Non-Food Items per Adult Equivalent by Wealth Group¹⁹

	Very poor	Poor	Lower Middle	Upper Middle	Better-off
Household size	3	4	5	5	6
Staple cereal	397.2	404.1	407	363	268
Other cereal	522.2	647.9	791	863.3	1,032
Non-staple food	822.5	1266.7	1,571	2,200	2,479
Street food	72.2	225	48	43	114
Condiments	32.2	36.6	39.3	47.6	56.1
Total- Food	1,846	2,580	2,857	3,517	3,949
Rent	1250	1145.8	1,333	2,000	1,944
Water	80	65	72	106	133
Hygiene	111.6	125.25	194	225	208
Heat/Energy	355	447.75	495	673	596
Health	44.3	58.25	90	185	229
Education (per child)	0	350 (x1)	809 (x2)	2084 (x2)	3186 (x2)
Clothes	61	73	166	233	259
Debt	0	0	41	103	128
Other	105	114	173	311	429
TOTAL- Non-Food	2,008	2,117	2,889	4,671	4,990
Total Food and Non-Food (Kshs)	3,854	4,698	5,747	8,188	8,939

Figure 6 illustrates the monthly basic food and non-food consumption costs per adult equivalent for households at difference levels of wealth. Table 1 details the expenditure patterns by wealth group. On a month to month basis, food and rent are the most expensive basic items for all wealth groups. Food comprises between 50-60% of these costs for the very poor, poor, and lower middle, and 45% for the upper middle and better off. The proportional importance of rental costs is highest for the very poor, who spend 30% of their monthly budget on accommodation and an average 25% for the other wealth groups.

¹⁸ The basic food and non-food basket does not include business costs or irregular spending, such as debt repayment. As such, proportional importance of expenditure patterns vary from those described in Figure 4 & 5 which illustrate total expenditure. The composition of this basket can be modified to meet analysis requirements.

¹⁹ The figures detailed in this table represent the mid-point of a range.

Energy for heating and lighting is the third largest cost, comprising 10% across the wealth groups, except among the better off where it accounts for 20%. The disparity in investing in long-term livelihoods is evident in education expenditure. The better off are spending on average 3,200 Kshs per child each month on education, ten times more than the poor are spending. Water and hygiene costs are also increasing with wealth from 190 Kshs per month for the very poor up to 340 Kshs for the better off. For some households the cost of water is included in the rental costs. It is also more common for the wealthier households to have access to piped water from the city council to supplement borehole water, while the poorer households have very high dependence on purchasing water in jerry cans.

In sum, the very poor spend on average 4,038 Kshs on basic food and non-food consumption each month per adult equivalent, the poor 4,817 Kshs, and the better-off almost double at 9,087 Kshs per adult equivalent each month. Very poor household incomes in some months do not earn enough to cover their basic food and non-food basket. This deficit is covered by consuming less than the minimum food requirements, living in substandard accommodation, accruing debts and resorting to negative coping strategies.

6. Kayole Urban Refugees Livelihood Baseline

6.1. Urban Zone Description

Kayole location is in Embakasi division. Embakasi has an approximate population of 270,000, of which 230,000 are in Kayole (2009 est.).²⁰ There are two locations in Kayole: Kayole Central and Kayole South. Kayole is the preferred residential location for asylum seekers and refugees from the Great Lakes, with close to three-quarters originating from the Democratic Republic of Congo, and a minority from Burundi, Rwanda and South Sudan. Asylum seekers and refugees have been migrating to Kenya since the mid-1990s escaping insecurity in their home countries. Those who settled in Nairobi migrated directly to Kayole and some passed through the camps. The growing Great Lakes population in Kayole offered social networks that provided assistance with establishing oneself on arrival. Urbanites were particularly averse to relocating to the camps drawn to Nairobi by the prospects of finding opportunities to earn an income and be self-reliant. Avoiding the continuing conflict between rival groups in the camps was a contributing factor.

The main livelihood activities pursued by asylum seekers and refugees include casual labour, petty trade, self-employment and limited formal employment. Casual labourers find work on construction sites, as domestic workers, in hair salons and as watchman. Traders sell vegetables, food, second hand clothes, music CDs and movie DVDs, cosmetics, jewelry and handicrafts, and on the high end, *Kitenge* material for clothes. Self-employment opportunities are available as French teachers, musicians, barbers, making soap, operating and employment in cyber shops, pastors, in the transport sector. The Government District office on occasion assists refugees with access to casual labor opportunities.

20 public primary schools and 6 secondary schools provide education services in Kayole. Over 100 more expensive private and non-formal education institutions are available. The lack of Swahili and English skills is a barrier to the full participation of asylum seeker and refugee children in Kenyan education institutions. Verification and accreditation of academic qualifications attained in foreign countries

²⁰ Population estimates were provided by the Kayole District Commissioner.

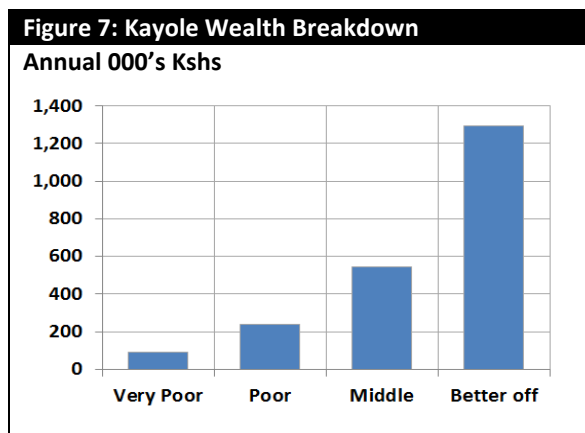
presents additional challenges enrolling children in appropriate classes. Poorer households receive assistance from CBOs and NGOs with uniforms and school supplies. These include Tushirikiane Africa (TUSA), Jesuit Refugee Services (JRS), and German Technical Cooperation (GIZ).

City council clinics and dispensaries provide access to health services. Local clinics refer more complicated cases to the Kenyatta National Hospital. For those who can afford, private hospitals offer better quality medical services. Consultation fees range from 300-1,000 Kshs. The major diseases are diarrhea infections related to poor sanitation and hygiene practices. Poor access to clean and safe water is a major concern. Erratic supply of piped water forces a resort to purchasing water from vendors at 20 Kshs per 20 litres jerry can. Poor waste and sewer management practices increase the risk of water contamination. Boiling or treating the water before consumption is essential to reduce the risk of consuming unsafe water.

There is very limited contact between local authorities and refugees. Limited engagement between local authorities and asylum seekers and refugees encourages a relationship based on mutual suspicion. The District Commissioner noted that during his time in office, he encountered asylum seekers and refugees on only one occasion. Medical staff providing polio vaccinations to children noted poor access to asylum seeker and refugee households who are fearful of government officials. Local authorities pointed out that those asylum seekers who fail to register at Pumwani on arrival raise the suspicion of the GoK. Government operations to find and deport unregistered asylum seekers have contributed to the fear asylum seekers and refugees have of local and law enforcement authorities. Those from Rwanda appeared particularly fearful in light of a 'cessation clause' of the 1951 convention due to take effect later in 2012. The 'cessation clause' argues that asylum seekers and refugees from Rwanda no longer have a well-founded fear of persecution in their home country, and as such must return to Rwanda. District officials acknowledged lacking mechanisms to develop positive relationships with asylum seekers.

6.2. Wealth Breakdown

The main determinant of wealth is household income level. Critical to the amount of income earned is the type of income generating activity, and the number of household members working. The number of economically productive members increases the income flow to a household and reduces the dependency ratio permitting access to necessary goods and services. Skill level and access to capital are essential for entry into higher earning economic activities. The length of stay in Nairobi and the progress made securing legal documentation influences access to livelihood opportunities. There is a slight increase in household size with wealth among asylum seeker and refugees in Kayole. The very poor and poor have an average household size of six, while the middle and better off average seven household members. The size and composition of households - and consequently wealth- are related to the length of stay in Nairobi. The inflow of asylum seekers from the Great Lakes into Kayole has diminished since the 1990's and mid-2000's peak.



At all levels of wealth, the composition of households is a mix of nuclear families with extended relations, and cohabiting arrangements to share resources especially among young adults. Households in the former category tend to be larger than those cohabiting to share expenses. The slight difference in household size by wealth is the result of a higher proportion of cohabiting arrangements among the poor and more stable nuclear families among the middle and better off. Households from the Great Lakes exhibited a high level of participation in Nairobi's social life, a feeling that is particularly prominent among those fluent in Kiswahili who 'blend' into the local population.

All members of working age among the poorer groups are engaged in an economic activity. Among the middle and better off there tends to be on average one member not productively occupied of the three capable of work. The majority of asylum seeker and refugee households have on average two income generating activities. Very poor households are engaged in low-skill and low-paying casual labour jobs. Casual labour is comprised of temporary jobs on construction sites, in barber shops and hair salons, and as domestic workers. Wages range from 200-300 Kshs per day. Wage rates for asylum seekers and refugees are on average 30% of what a Kenyan earns for equivalent work. Delays in securing legal documentation limit options that asylum seekers have to find better paying jobs and claim equal pay. This wealth group earns a monthly income between 10,000-12,000 Kshs and are often in arrears for goods consumed on credit. Anecdotal evidence points to a strong likelihood that a proportion of women within this wealth group are engaged in commercial sex activities. Very poor households mainly reside in Kayole 2, Soweto and Patanisho, where accommodation in one or two roomed iron sheet or concrete houses is slightly cheaper.

The poor are in many ways similar to the very poor, and separate themselves through petty trade activities. Modest access to an average 2,000 Kshs each month provides enough capital to purchase a small amount of vegetables, food items or music CDs and movie DVDs for trade. This wealth group earns on average monthly income of 17,000-22,000 Kshs.

The middle and better off households distinguish themselves from the poorer groups through higher skill level and access to capital for trade. They sell higher value products that earn better incomes. Skilled households with higher education find employment as French teachers, community mobilisers

<p><u>Wealth Group: Very Poor</u> Refugee population: 55 - 65% Number of income sources: 2 Income generating activities: Casual unskilled labour; construction, barbers, hair salon, domestic work Monthly Income: 10,000 - 12,000 Kshs Annual Income: 125,000 - 135,000 Kshs</p>
<p><u>Wealth Group: Poor</u> Refugee population: 20 - 30% Number of income sources: 2 Income generating activities: Casual unskilled labour; construction, barbers, solon, domestic work, petty trade Monthly Income: 17,000 - 22,000 Kshs Annual Income: 200,000 - 260,000 Kshs</p>
<p><u>Wealth Group: Middle</u> Refugee population: 10 - 15% Number of income sources: 2 Income generating activities: Employment (cyber attendants, French teachers, salon work, mid-level employment, trade (Kitenge, clothes, food commodities, handicrafts and accessories) Capital requirement: 17,000 - 25,000 Kshs Monthly Income: 40,000 - 50,000 Kshs Annual Income: 480,000 - 600,000 Kshs</p>
<p><u>Wealth Group: Better-off</u> Refugee population: 5 - 10% Number of income sources: 2 Income generating activities: Trade (Kitenge, clothes, food commodities, handicrafts and accessories) pastors, tailoring, cyber café owners Capital requirement: 35,000 - 45,000 Kshs Monthly Income: 90,000 - 120,000 Kshs Annual Income: 1,000,000 - 1,500,000 Kshs</p>

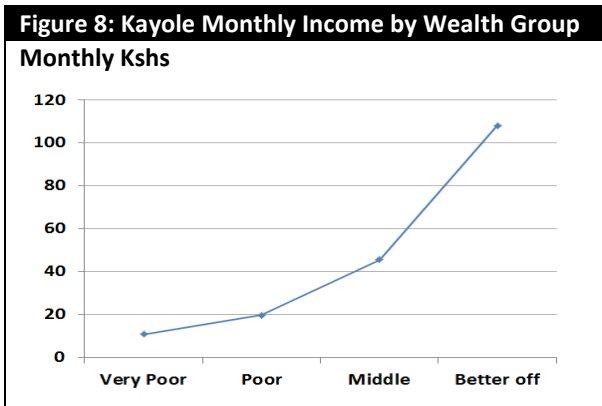
for humanitarian agencies and in cyber cafes. Regular and better paying employment is easier to secure with legal documents. Musicians also make a decent living performing in concerts and selling their CDs. Better-off households are engaged in business. The Kitenge trade (Kitenge is an African garment that is decorated with a variety of colors and prints often worn by women around the waist, chest, or as a head scarf) is one of the more lucrative enterprises. Additional trade opportunities include selling food, jewelry, and handicrafts. Better off traders recruit hawkers to sell their merchandise for a commission. Business premises and operating costs are commonly shared among different enterprises. A business permit is required to operate a business. The middle wealth group invests on average 20,000 Kshs each month and earn a monthly income between 40,000-50,000 Kshs. Middle households reside in 2 or 3 roomed houses with 1 bedroom. The better off invest an average 40,000 Kshs each month and earn between 90,000-120,000 Kshs. The better-off rent houses with more than 3 rooms including on average 2 bedrooms. Refugees often get into partnerships with Kenyans to access permits.

6.3. Income Sources

The main source of income for very poor households over the reference year is casual labour. Casual labour opportunities are predominantly male activities in construction, as porters in the market, and for women as domestic workers. Construction work earns on average 200-300 Kshs per day, and domestic work slightly less at 200 Kshs daily.

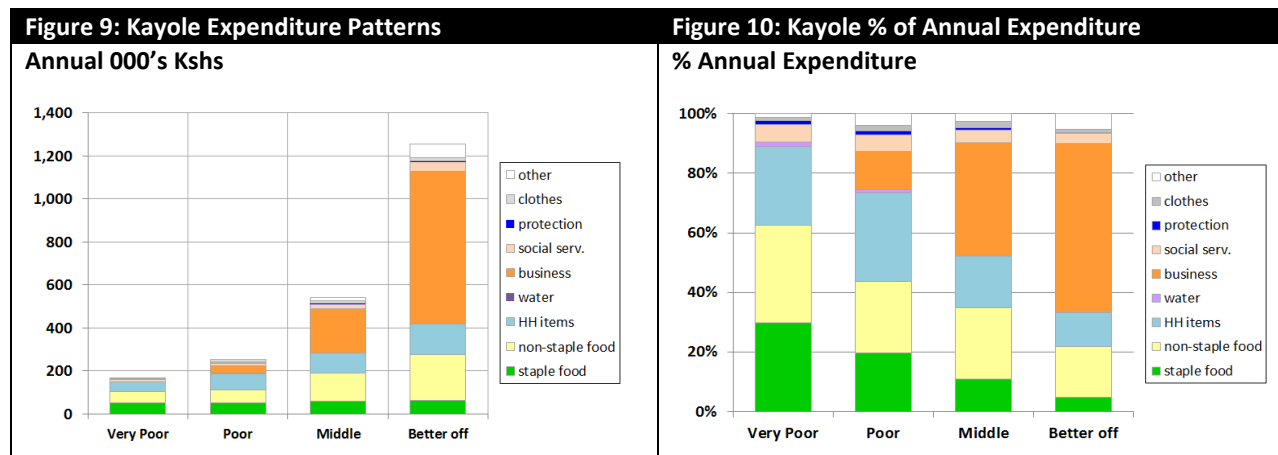
Self-employment opportunities are available as hairdressers, tailors barbers, musicians, and freelance French tutors. Self-employment remunerates between 1,000-2,000 Kshs per day.

Petty trade is a predominantly female activity selling vegetables, food, jewelry, eggs, handicrafts, clothes and other accessories. These activities earn between 350 Kshs to 500 Kshs per day. Employment is found as hotel workers, tailors, in hair salons, as cyber attendants, and drivers. These activities pay up to 600 Kshs per day. Owners of established business enterprises earn the highest incomes, selling clothes, groceries, Kitenges and as cyber café owners. These activities pay between 3,000-5,000 Kshs per day.



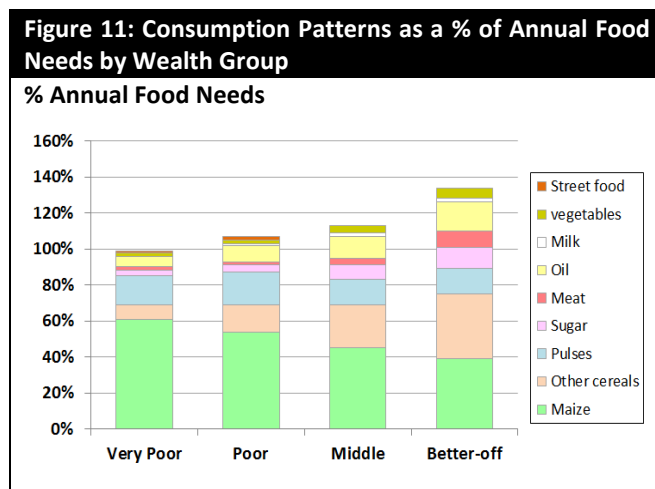
6.4. Expenditure Patterns

Food costs are the largest expense for poorer households over the reference year. The proportional importance of food costs to total expenses is highest for the poorest households. It comprises two thirds of the very poor annual costs and between 45-50% of the poor's. This is equivalent to an average 103,000 Kshs for the very poor and 110,100 Kshs for the poor annually. Just less than 50% of this amount is on staple food - mainly maize and small amounts of rice- and the rest on more expensive non-staple pulses, sugar, oil, vegetables and meat. Total expenditure on food increase with wealth as the quantity and quality of diets improve. Expenditure on non-staple food is much higher compared to that on staple food among the middle and better off. Out of the average 188,000 Kshs spent on food by the middle households, 70% is on non-staple food purchases. For the better off out of the average 274,000 Kshs spent on food annually, 80% is on non-staples.



Food purchases are the only source of food for asylum seeker and refugee households. At January 2011 to December 2011 reference year food expenditure levels, the poor, middle and better off access more than the minimum annual food requirements. Very poor households just fall short of 2,100 kilocalories per person per day, consuming an average 98% of minimum requirements annually (see figure 11). Household items are the second largest cost for very poor and poor households. This includes expenditure on soap for hygiene, water, rent, utensils, food condiments, and heating and energy costs. Expenditure on these items accounts for 25-30% of annual costs. Rent is the most expensive component comprising 80% of this basket for both the very poor and poor.

Business and trade costs are the largest cost for the middle and better off. Business costs increase with wealth as the size and returns of the enterprise increase. The middle households spend on average 205,500 Kshs over the reference year on business, while the better off are spending on average 710,000 Kshs annually. This comprises between 35-40% of total costs for the middle and between 55-60% for the better-off. The poor spend on average 21,000 Kshs annually on petty trade activities, amounting to 10% of household expenditure. Capital investment in business is the critical input separating the middle and better-off from poorer households.



Social services expenditure on education, health and protection averages 5% of total household costs for the very poor and poor, and just less than 5% for the middle and better off. Education expenditure increases with wealth. The very poor and poor spend between 9,000-10,000 Kshs annually on education. With access to free primary education, the largest education cost is school supplies, books and levies. These costs can be prohibitive and some poor households receive education assistance from Tushirikiane Africa (TUSA), GIZ and from churches such as the Kayole Catholic Church. Expenditure on education provides indication of the disparities in long term investment between the poor and better off households. Better-off households spend 3.5 times more on education compared to the poor. Better off

households afford enrolling children in more expensive private schools that offer better quality education and in secondary and tertiary institutions.

Protection costs increase with wealth from an average 2,000 Kshs annually among the very poor, between 3,500-4,500 Kshs among the poor and middle, and up to 6,000 Kshs among the better off. Poorer households have lower transportation costs because they walk to the Pumwani registration office or to the DRA office at Shauri Moyo. Delays in the RSD process expose asylum seekers eager to secure legal documents to the risk of turning to unscrupulous ‘mandate dealers’.

6.5. Basic Monthly Food and Non-Food Expenditure

Figure 12 illustrates the monthly household budget for basic food and non-food items for households in the different wealth groups per adult equivalent. Food expenditure is the largest monthly expenditure for all wealth groups, comprising two thirds of the very poor’s budget, and between 50-55% of the poor, middle and better offs. The second largest recurring expenditure is accommodation. Rental costs are on average 20% of the monthly budget. Energy for heating food and lighting are third in importance accounting for between 5-10% of monthly costs. Spending on health, education and hygiene is evenly distributed at an average 2-4% across the wealth groups. However the actual amounts spent per child vary significantly, with the poor spending 40% per child compared to what the better off spend.

Basic food and non-food items expenditure increases dramatically with wealth illustrating the disparity in living standards among the wealth groups. On the low end, the very poor spend on average 2,864 Kshs each month on basic food and non-food items per adult equivalent, while the better-off are spending an average 8,979 each month per adult equivalent each month.

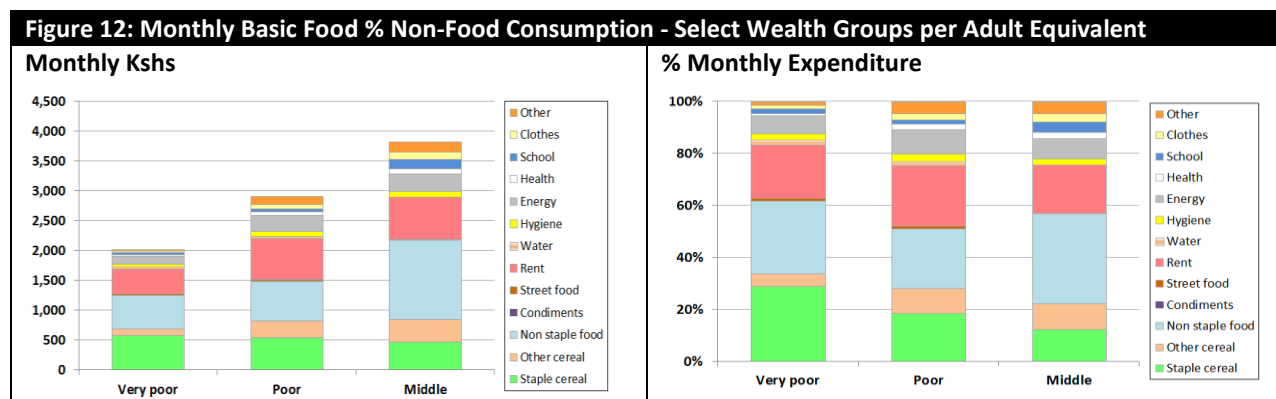


Table 2: Reference Year Monthly Expenditure on Basic Food & Non-Food Items per Adult Equivalent by Wealth Group

	Very poor	Poor	Middle	Better-off
Household size	6	6	7	7
Staple cereal	586	543	475	431
Other cereal	119	340	472	769
Non-staple food	565	661	1,327	2,122
Street food	23	28	-	-
Condiments	0.7	6	10	16
Total Food	1,294	1,578	2,285	3,337

Table 2: Reference Year Monthly Expenditure on Basic Food & Non-Food Items per Adult Equivalent by Wealth Group				
	Very poor	Poor	Middle	Better-off
Rent	417	679	714	1,142
Water	34	42	-	-
Hygiene	51	85	90	171
Heat/Energy	250	279	314	336
Health	14	63	89	89
Education (per child)	375 (x2)	416(x2)	453(x3)	989(x3)
Clothes	28	69	131	167
Other	26	138	172	770
TOTAL- Non-Food	1,570	2,187	2,416	5,642
Total Food and Non-Food (Kshs)	2,864	3,765	4,701	8,979

7. Kitengela and Peri-Urban Refugees Livelihood Baseline

Kitengela is located 40kms south of the Nairobi city center in Isinya District. Isinya District has an estimated population between 200,000 and 300,000 (2009 est.) in 2 divisions, Kitengela and Isinya.²¹ Isinya District is part of a greater wildlife conservancy and the indigenous population is the Maasai. Kitengela has experienced rapid growth over the last five to seven years on the back of a booming construction sector. This is linked to the growing Nairobi population relocating to peri-urban areas in search of cheaper and less congested living space. There are presently 10 cooperatives constructing homes in Kitengela. The Kitengela economy provides opportunities for work in the textiles and flower Export Processing Zones (EPZ). The flower EPZ employs up to 15,000 workers.

The majority of refugees residing in Kitengela are from the Democratic Republic Congo, and a minority from Somalia and South Sudan. The inflow of refugees into Kitengela picked up over the last two years, coming directly from the country of origin, the camps and other locations in Nairobi. Refugees come to Kitengela in search of livelihood opportunities and attracted by the lower cost of living. Of equal importance are reports of less scrutiny from local authorities. Harassment from the police and local authorities is reportedly less common. Kitengela also offers a safer environment with less crime compared to Nairobi where criminals target asylum seekers, refugees and Kenyans for 'protection money'.

The main livelihood activities for asylum seekers and refugees are casual labour, employment in the construction industry and EPZ, and trade. Construction work is available on private construction sites and in the six cement factories in Kitengela. Domestic work and petty trade of food, milk, eggs, fruit and vegetables are common among women. Formal employment in the EPZ is available to refugees. Asylum seekers can get non-formal low paying daily jobs in the EPZ. Better off households find small-scale retail opportunities selling groceries and clothes. Employment in the hotel, retail and restaurant business is also common.

Kitengela has two public and twenty private primary schools, and one secondary boarding school. Education facilities are constrained by a lack of qualified staff, limited classrooms, and high student to teacher ratio. Refugee children who cannot speak English or Swahili face language barriers attending

²¹ Population estimates were provided by the Kitengela District Commissioner.

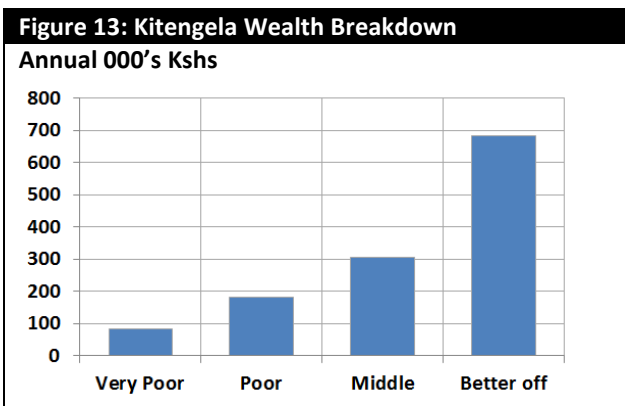
school and integrating. One health centre charges 20 Kshs registration fee to receive medical consultation. Serious medical cases are referred to hospitals in Nairobi or Machakos. A District hospital has been constructed but is not equipped to receive patients. There are two private hospitals - Kitengela Medical Center and Paina Hospital.

The main source of water for residents is boreholes. 20 litre jerry cans filled with borehole water cost 15 Kshs for fresh water, and 10 Kshs for salty water. The EPZ supply of piped water is irregular, provided on average 2 weeks per month. There are serious concerns with waste management in Kitengela. City council water supply and waste management infrastructure to cope with the growing population is still under construction. As a result there is a very high incidence of water, sanitation and respiratory diseases related to poor hygiene practices.

District authorities noted that there is limited contact with asylum seekers and refugees. Local religious officials have some contact with refugees providing food and facilitating access to labour opportunities. There is no official administrative engagement with refugees.

7.1. Wealth Breakdown

Household size among asylum seekers and refugees in Kitengela average five for all wealth groups, except the better off who have six members. Within each wealth group there are two members productively engaged in economic activities, one member seeking employment and two children of school going age. The majority of asylum seeker and refugee households are relatively new to Kitengela. Those who migrated from Nairobi tend to be better established. Households on the lower end of the wealth spectrum are typically comprised of new arrivals to Kenya. Poorer households from the Great Lakes and South Sudan typically find livelihood opportunities as casual labourers in the construction sector, in textiles and flower EPZ. Casual labour wages are between 300-500 Kshs for an 8 hour day. The majority of asylum seekers and refugees are hired on a daily basis without contracts, and earn an average of 150 Kshs per day.



Employers pay lower wages to asylum seekers and refugees in return for not requesting evidence of legal refugee status or Class M work permits. The lack of work permits is a major constraint to access fair wages and better employment opportunities. Women from very poor households work as domestic workers. Very poor households earn average monthly wages ranging from 6,500-7,500 Kshs for an annual income between 78,000-90,000 Kshs. This wealth group rents iron sheet housing or one roomed concrete structures for housing. Female members among the poor wealth group diversify into petty trade of food items, fruit, vegetables, and kerosene, and men work as water and charcoal vendors. Capital requirements for petty trade activities average 3,000 Kshs. The poor earn between 14,000-16,000 Kshs each month. Employment is available as hotel workers as waiters and cooks. Expenditure requirements among the poorer wealth groups generally exceed their income, and unconfirmed evidence suggested that women are involved in commercial sex work to make up for these expenditure deficits.

The middle households earn most of their income from trade and employment. Trade activities at this level require capital averaging 9,000 Kshs. The main difference between the poor households' trade activities and the middle's is in terms of scale. The majority of asylum seekers and refugees from Somalia are traders, and are averse to seeking casual labour jobs. For the Great Lakes community, employment is in barber shops, as shop attendants, and French teachers. The better off and middle earn income from employment, own retail shops and receive remittances. Remittances provide access to capital for investment in business. South Sudanese households who were among the better off, earn significant income from remittances and traveling to South Sudan to trade. Capital requirements for better off businesses average 20,000 Kshs. The average monthly income for the better off ranges from 45,000-58,000 Kshs. Middle and better-off wealth groups rent stone housing with 2 or more rooms.

7.2. Income Sources

The construction industry in Kitengela provides numerous opportunities for casual work for the very poor. Construction workers earn between 300-350 Kshs per day. Earnings from domestic work, porters and in the textile and flower EPZ pay wages that range from 150-200 Kshs daily.

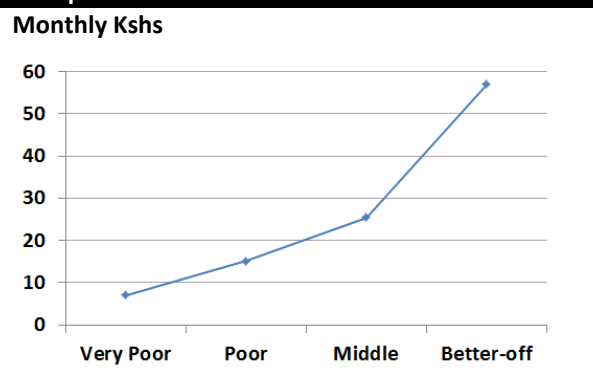
<p><u>Wealth Group: Very Poor</u> Refugee population: 55 - 65% Number of income sources: 2 Income generating activities: Casual unskilled labour; Domestic work Monthly Income: 6,500 - 7,500 Kshs Annual Income: 78,000 - 90,000 Kshs</p>
<p><u>Wealth Group: Poor</u> Refugee population: 10 - 20% Number of income sources: 2 Income generating activities: Casual unskilled labour; Hotel work, Petty trade, employment Capital requirement: 3,000 Kshs Monthly Income: 14,000 - 16,000 Kshs Annual Income: 168,000 - 190,000 Kshs</p>
<p><u>Wealth Group: Middle</u> Refugee population: 10 - 15% Number of income sources: 2 Income generating activities: Casual labour, Trade and Employment Capital Requirement: 8,000 - 10,000 Kshs Monthly Income: 20,000 - 30,000 Kshs Annual Income: 240,000 - 360,000 Kshs</p>
<p><u>Wealth Group: Better off</u> Refugee population: 8 - 12% Number of income sources: 2 Income generating activities: Employment. Trade, Remittances Capital Requirement: 18,000 - 25,000 Kshs Monthly Income: 50,000 - 65,000 Kshs Annual Income: 600,000 - 800,000 Kshs</p>

Most casual jobs are unskilled and found on a daily basis. Work permits are not required for casual jobs and refugees accept lower wages in return for work without a background check.

Self-employment opportunities in hairdressing salons, tailoring, barbers, musicians, and food vending pay on average 400 Kshs per day of work. Women are very active in the self-employment sector.

Along with self-employment, petty trade is also women dominated activity. Petty traders sell fruit and vegetables, food, eggs, jewelry, handicrafts and accessories. Fruit and vegetable vendors earn between 250-300 Kshs per day. Water vendors, charcoal sellers, jewelry and handicrafts enterprises offer higher returns compared to petty trade earning between 500-1,000 Kshs per day of work. Self-employment as French teachers and shop attendants offer more stable wages between 4,000-5,000 Kshs per month, and watchmen and tailors between 3,000-4,500 Kshs per month. Traders operating businesses selling groceries, clothes and Kitenges earn between 1,500-2,000 Kshs per day.

Figure 14: Kitengela Monthly Income by Wealth Group



7.3. Expenditure Patterns

Figure 15: Kitengela Expenditure Patterns

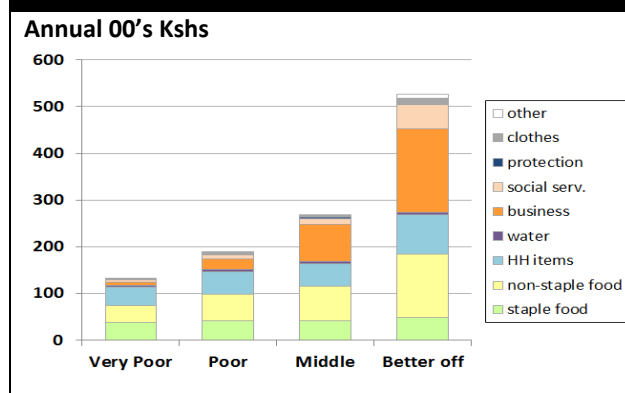
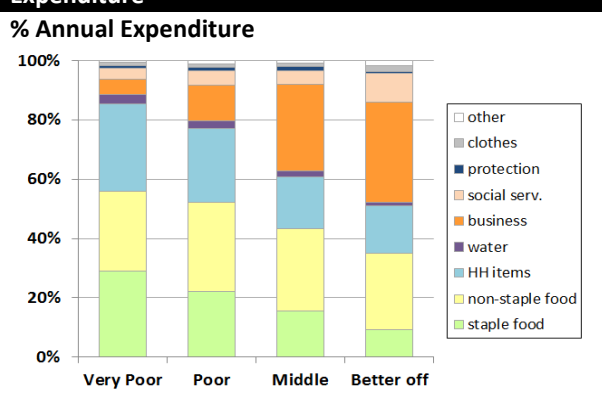


Figure 16: Kitengela Percentage of Annual Expenditure

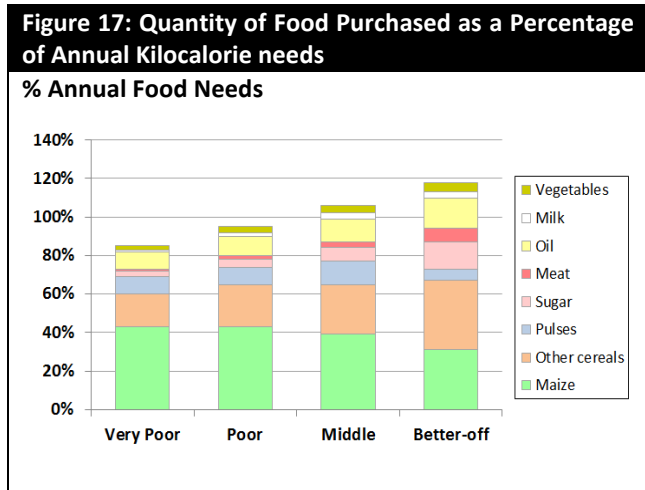


Expenditure on food is the largest cost for asylum seeker and refugee households in Kitengela. For the very poor and poor, food costs comprise 50-60% of annual expenditure, and between 35-40% for the middle and better off. Only among the very poor are food costs split evenly between staple food - maize periodically substituted by more expensive rice - and non-staple food made up of pulses, sugar, oil, meat, milk and vegetables. The very poor spend on average 75,000 Kshs per year on food. Non staple food expenditure grows in importance with wealth. Among the poor non-staple food purchases comprise one third of total expenditure - approximately 58,000 Kshs, and one-fifth on staple food equivalent to 40,000 Kshs. Staple food expenditure declines to 10% of total costs among the better off.

In addition to a more diversified staple food basket, wealthier households have access to a more diversified non-staple food basket. The market is the main source of food for all households. Very poor households spend enough to access 80-85% of minimum annual food needs i.e. 15-20% below the

recommended 2,100 kilocalories per person per day. The poor purchase food to cover between 90-95% of annual food needs. Jesuit Refugee Services (JRS) provides food aid to cover an additional 5% of annual food needs for both wealth groups. JRS food aid targets new arrivals.

Household items comprise the second largest form of expenditure for the very poor and poor, accounting for one quarter and one-third of annual expenditure respectively. Household items cost the very poor and poor an average 37,500-43,500 Kshs respectively over the reference year. Rent though considerably cheaper compared to Nairobi is the biggest household cost accounting for 50% of this expenditure.



Trade and business costs are the second largest expenditure for the middle and better off, accounting for one third of their annual expenditure. The very poor and poor have limited trade costs which comprise 5-10% of annual expenditure respectively.

Protection costs are on average 1% of total household costs. Despite limited engagement with local authorities, there are some reports of police harassment in Kitengela. The growing economy is attracting population inflows from Nairobi, of both local Kenyans and refugees, and not much scrutiny is given to the origin of the new residents. Ample land, employment and trade opportunities mitigate local concerns of competition from asylum seekers and refugees.

Health and education costs are also limited to an average 5% of household expenditure. Most refugee children are enrolled in public primary schools. Education costs include books, uniforms and examination fees of 100 Kshs each three-month school term. The main challenge asylum seekers and refugee children have accessing education is that schools are located far from their residences. Congested classrooms that accommodate an average 80 children per teacher are of concern to the quality of education. Refugee children also enroll in informal schools staffed by teachers without certification, or run by the church.

The main problems noted regarding access to health care include the lack of personnel, equipment and medication. GIZ assists with referrals for refugees requiring more specialised attention.

7.4. Basic Food and Non-Food Monthly Expenditure

Figure 18 looks at the monthly expenditure on basic food and non-food items per adult equivalent for asylum seekers and refugees in Kitengela. On a month to month basis, the staple and non-staple food basket accounts for 60% of expenses for the very poor, poor and middle. Rent is next in importance comprising 20% of monthly basic food and non-food expenses for the very poor, and 10-15% among the poor and middle, and average 10% for the better off. Education costs per child are highest for the better-off who spend an average 2,000 Kshs per child each month. Education costs account for 5-10% of monthly expenditure among the very poor and poor households.

Figure 18: Monthly Food & Non-Food Consumption - Select Wealth Groups Per Adult Equivalent

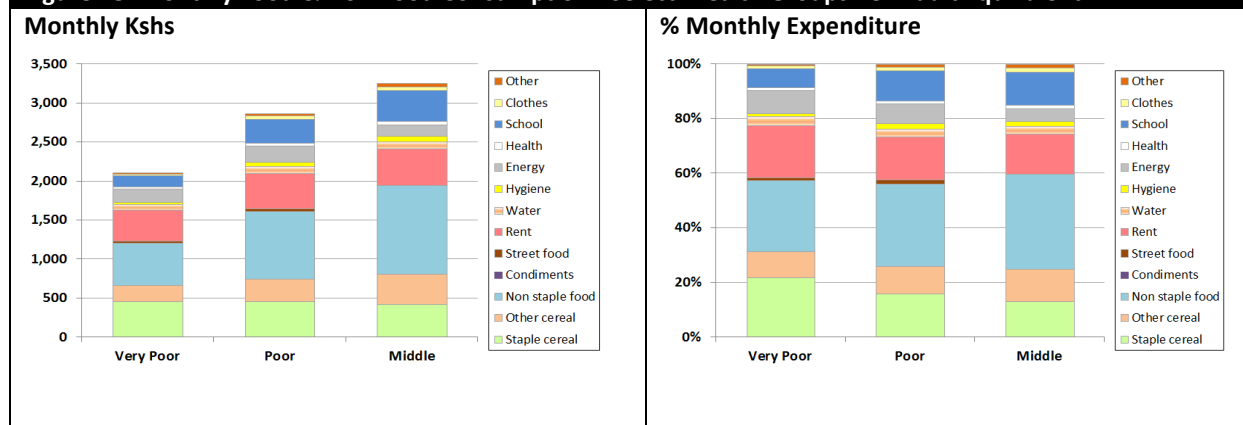


Table 3: Reference Year Monthly Expenditure on Food & Non-Food Items per Adult Equivalent by Wealth Group

	Very poor	Poor	Middle	Better-off
Household size	5	5	6	6
Staple cereal	458	458	427	383
Other cereal	207	277	385	534
Non-staple food	560	883	1,157	1,672
Street food	24	40	-	-
Condiments	78	1.4	2.6	6.3
Total- Food	1,249	1,659	1,970	2,595
Rent	400	450	500	625
Water	70	85	98	124
Hygiene	24	55	77	89
Heat/Energy	148	154	179	167
Health	25	34	38	42
Education (per child)	145 (x2)	312 (x2)	396 (x2)	2025 (x2)
Clothes	22	42	50	156
Other	13	30	42	122
TOTAL- Non-Food	992	1,474	1,776	5,375
Total Food and Non-Food (Kshs)	2,241	3,133	3,746	7,970

8. Comparison of Total Incomes against Thresholds

An important objective of the baseline is to propose actionable strategies to reinforce and develop the capacity of the refugee population to take advantage of livelihood opportunities. The analysis in this section compares the total income earned by asylum seeker and refugee households over the January 2011 to December 2011 reference year to the survival and livelihood protection thresholds. The composition of these baskets can be adapted according to specific programming objectives. In this case, the objective of this analysis is to inquire whether households have access to sufficient income to meet their immediate food and non-food items, and protect their livelihoods in the mid to long term.

8.1. Survival Threshold

The *survival threshold* represents i) the total food and cash income required to cover 100% of minimum food needs (the daily kilocalorie requirement used for the analysis is 2,100 kilocalories per person per day based on the food consumption patterns of poor households); ii) the costs associated with food preparation and consumption; iii) expenditure on water; and iv) the cost of accommodation. The adult equivalent cost of the survival threshold is the same across wealth groups, and differences that arise are the result of difference in household sizes (See table 4). Households with total income that falls below this threshold do not have the means to meet their minimum food and non-food requirements and interventions to support food and non-food consumption are required.

Figure 19: Very Poor and Poor Total Income against Survival Threshold- Eastleigh

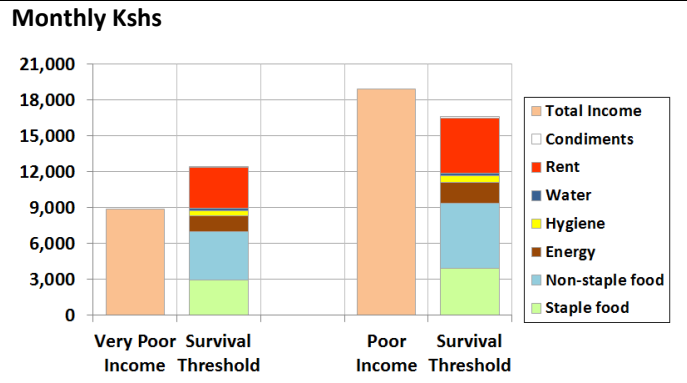


Figure 20: Very Poor and Poor Total Income against Survival Threshold - Kitengela

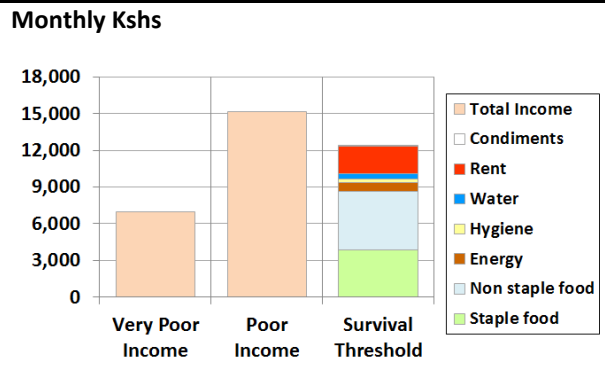
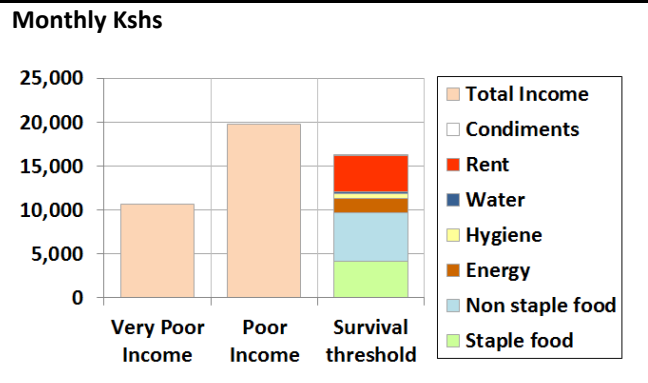


Figure 21: Very Poor and Poor Total Income against Survival Threshold - Kayole



Figures 19 to 21 compare the total household monthly income of very poor and poor households across the three sites to the monthly cost of the survival threshold. The very poor in Eastleigh have a monthly income between 8,500-9,500 Kshs which covers only 70% of the cost of the survival threshold. These households are facing a survival deficit of an average 3,500 Kshs each month. The poor in Eastleigh have a marginal surplus of 2,000-2,500 Kshs each month. The very poor in Kayole are in a situation similar to their counterparts in Eastleigh, earning income that covers 65% of survival costs. They face an average monthly survival deficit of 5,500 Kshs. The very poor in Kitengela also have a survival deficit of an average 5,400 Kshs each month, while the poor manage to cover their minimum needs. For the very poor in Eastleigh, Kitengela and Kayole the survival deficit is primarily evident in the consumption of less than 2,100 Kilocalories per person per day and in living in sub-standard and overcrowded housing.

Table 4 presents the household monthly expenditure required to attain the survival threshold per adult equivalent. To reiterate, the cost of the survival threshold is based on two factors, first, access to 2,100 kilocalories based on the consumption patterns of poor households, and second local prices of the food and non-food commodities comprising the threshold. Eastleigh has the highest minimum food cost, at

an average 2,388 Kshs per adult equivalent because refugees from Somalia consume a more expensive food basket. Somali asylum seekers and refugees consume more expensive rice and pasta as the main staples, compared to Kayole and Kitengela where Great Lakes refugees consume cheaper maize as the main staple. The Somalis also consume more sugar and oil compared to asylum seekers and refugees in Kitengela and Kayole, and oil prices are marginally higher in Eastleigh.

The total food and non-food cost in Eastleigh is 50% and 70% higher than Kayole and Kitengela respectively because of a more expensive minimum food basket, and equally importantly, higher monthly accommodation rental.

Table 4: Monthly Expenditure in Survival Threshold per Adult Equivalent									
Items	Eastleigh			Kayole			Kitengela		
	<i>Quantity</i>	<i>Price/kg</i>	<i>Cost</i>	<i>Quantity</i>	<i>Price/kg</i>	<i>Cost</i>	<i>Quantity</i>	<i>Price/kg</i>	<i>Cost</i>
Maize	3.55	70	248	8.9	55	491	8.4	55	462
Wheat Flour	2.3	70	163	0.34	75	26			
Pasta	1.35	120	162.5	-		-			
Sorghum	-	-	-	0.16	100	17	0.79	60	48
Rice	2.8	140	402	1.35	120	163	2.2	115	253
Bread	1.2	112	132	1.05	115	120	0.3	115	35
Pulses	1.6	80	127	3.2	80	254	1.9	80	150
Sugar	1.5	160	243	0.6	160	96	0.7	150	106
Meat	0.9	300	277	0.5	250	136	0.65	300	193
Oil	0.8	180	149	0.6	160	96	0.8	140	110
Milk	2.9	80	229	0.85	65	55	2	40	80
Vegetables	2.3	60	135.5	4	40	160	7	40	283
Potatoes	0.9	80	67	-		-			
Food Total			2,338			1,614			1,720
Non-Food Items									
Tea	-	-	29	-	-	3.8	-	-	10
Salt	-	-	6.3	-	-	1.8	-	-	1.5
Energy	-	-	448	-	-	279	-	-	154
Soap	-	-	125	-	-	85	-	-	55
Water	-	-	65	-	-	42	-	-	85
Rent	-	-	1,146	-	-	679	-	-	450
Non-Food Total			1,819			1,090			756
Food & Non-Food Total			4,157			2,704			2,476

8.2. Livelihood Protection Threshold

The livelihood protection threshold represents the total income required to sustain local livelihoods. This means total income required to cover expenditure on: (i) basic survival (i.e. all items covered in the survival threshold); (ii) maintain access to services, e.g. health, education and protection costs; (iii) sustain livelihoods in the medium to longer term, i.e. business inputs; and (iv) achieve a minimum locally acceptable standard of living. The cost of protecting livelihoods depends on the asset holding in question, and as such, these costs increase with wealth.

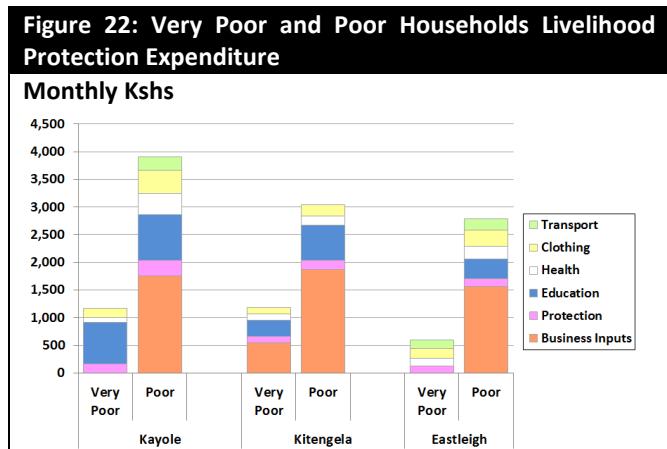


Figure 22 illustrates livelihood protection costs for very poor and poor households in Kayole, Kitengela and Eastleigh. Education and health costs are a major livelihood cost for the very poor households. In Kayole, health and education comprise 70% of very poor livelihood costs and 35% and 22% in Kitengela and Eastleigh respectively. Only the very poor in Kitengela have modest expenditure on business at an average 45% of livelihood protection costs. Kayole and Eastleigh have the highest protection costs associated with higher inflows of recent arrivals seeking registration and mandates and incidence of police harassment. Kitengela is notably a more tolerant location for asylum seekers and refugees. The very poor in Eastleigh have the lowest livelihood protection expenditure because as illustrated in **Table 3** above, Eastleigh is very expensive and after spending on monthly survival costs they have very limited cash remaining to invest in livelihoods.

Business inputs are the largest costs of the poor's livelihood protection basket ranging between 40-60% across the locations. Education and health are the second largest livelihood cost comprising 20-30% across the locations. Business inputs make up between 75-90% of livelihood protection costs among the middle and better-off in the locations, clearly illustrating that investment in business and trade is critical for improvement in wealth status.

	Kayole		Kitengela		Eastleigh	
	Very Poor	Poor	Very Poor	Poor	Very Poor	Poor
Business Inputs	0	1,750	550	1,875	0	1,566
Protection	167	283	108	167	133	142
Education	750	833	291	625	0	350
Health	83	375	125	167	134	233
Clothing	166	416	108	208	183	292
Transport	0	241	0	0	150	208
Total	1,167	3,900	1,183	3,041	600	2,791

9. Key Parameters for Monitoring

One of the objectives for setting up the urban refugees baselines is to identify indicators to monitor changes in access to income and food and non-food items. In order to do this, the livelihoods baseline identifies key livelihood parameters, here defined as livelihood sources that contribute significantly to total household income, such that a change in access to that one source may have a significant effect on total access. This analysis allows one to customise monitoring systems to different wealth groups and to different urban locations if necessary. In rural livelihood zones there is a regular seasonal cycle of production and consumption, and therefore a clearly defined consumption year which typically begins immediately after the main harvest. This is the logical timeframe for analysis. The same is not true of an urban area, where seasonal variations are less marked and the timing of hazards affecting urban livelihoods is less predictable. This means that it makes more sense to monitor urban livelihoods on a regular - usually monthly - basis. The following section discusses ideas on the urban livelihoods monitoring system.

9.1. Monitoring the Expenditure Basket

In order to monitor the cost of living, the first step is to define the food and non-food items that comprise the typical expenditure basket. It is suggested to use an expenditure basket that includes items that poor households are purchasing on a regular basis. Table 6 lists items that comprise the typical poor households' minimum expenditure basket across the urban locations during the January 2011 to October 2011 reference year. The livelihoods working group can collect and analyse prices for these items on a monthly basis to understand how price changes are affecting access to the specified commodities. Monitoring prices is particularly important in light of the prevailing inflation rates. The urban refugee's livelihoods working group can also complement the Kenyan National Bureau of Statistics (KNBS) or the Urban Vulnerability Forum monthly monitoring system used to compile the food poverty and absolute poverty lines. If the decision is taken to rely on the KNBS price monitoring system, ensure that the prices are collected from the markets that asylum seekers and refugees use, and not those where they may not necessarily be purchasing their goods.

9.2. Monitoring Incomes

Changes in prices of key commodities and services must be interpreted relative to changes in access to income. It is not always easy to monitor incomes, particularly because most of the income earned is informal and quantities of available unskilled casual labour (for example, the number of days of work that a worker can find per week or per month), can be difficult to collect. Discussion on how best to approach monitoring incomes will continue as the system fully develops. An initial suggestion is to conduct brief interviews with representatives from the respective occupation groups to collect information on wage rates, and the general trend in availability of work over a quarter. It is proposed that field teams interview different actors in respective sectors to collect incomes and profits in the informal sector. The following categories are suggested:

- To obtain information on trade activities, it is proposed that analysts interview at least 5-7 traders from each category. These include vegetable vendors, water vendors, food and tea vendors, and Kitenge and clothes sellers;
- Interviews with construction workers from at least three construction sites. Company owners, construction material wholesalers and trucking companies can also provide information on how much they are paying asylum seeker and refugee workers;
- Field teams should also visit the market where porters and other daily labourers gather when they are seeking work opportunities;
- Interviews with self-employed individuals operating enterprises such as tailors, hairdressing, barbers, musicians, French teachers and translators;
- Collect data on employment wage rates and interview employers on trends in employment in their sectors. Key activities include retail and wholesalers of groceries and household items, clothes, hotel owners and employees.

Table 6: Urban Asylum Seekers and Refugee Poor Households Typical Expenditure Basket

Food Items	Non Food Items
<u>Staple food</u>	<u>Survival non- food</u>
Maize Meal	Soap
Rice	Water
Pasta	Electricity
Bread	Charcoal
Wheat Flour	Firewood
<u>Non-staple food</u>	<u>Livelihood protection</u>
Pulses	School fees (Primary and Secondary level)
Sugar	Medical Fees
Oil	Transport
Beef	Business costs
Vegetables	Protection costs

9.3. Monitoring Coping Indicators

In addition to specifically monitoring expenditure and incomes, indicators related to coping strategies are also important. These include:

- Consuming fewer meals per day;
- Change in dietary consumption patterns and a resort to less preferred food items
- Increased consumption of precooked/“ready to eat” street food which is cheaper and saves on cooking fuel;
- Moving to cheaper accommodation;
- Non-attendance of school due to failure to purchase school supplies. (Ministry of Education or directly from a few schools);
- Asylum seeker and refugee malnutrition at clinics (City council clinics and referral hospitals)
- Selling assets (only possible for a limited time);
- As a last resort, engaging in undesirable, high-risk, or illegal activities such as begging, prostitution, and theft.

9.4. Monitoring Policy

Monitoring GoK policies on asylum seekers and refugees is important to keep track of changes that may adversely affect access to livelihood opportunities or positively enhance entry into emerging sectors. Key policies of importance are:

- The progress and outcome of the draft Refugee Bill 2011;
- Incidence of police and local authority engagement or harassment of asylum seekers and refugees;
- Progress on integrating asylum seeker and refugee concerns on the national social protection agenda coordinated by the Inter-ministerial taskforce of food subsidies;
- Issuance of Class M work permits;
- Issuance of City Council business permits;
- Asylum seeker and refugee children access to schools.

The table below provides a summary of what is proposed.

Table 7: Summary on Monitoring Urban Refugee Livelihoods	
What to monitor	How to monitor
Cost of a basic expenditure basket of food and non-food items	Kenya National Bureau of Statistics (KNBS) price surveys Monthly market price survey
Income from small businesses and petty trade	Interviews with traders on costs and profit
Income from construction sector	Quarterly survey of incomes/profits in informal businesses Interviews with construction workers on wage levels and days of work available
Formal sector employment and salaries	Government gazettes and interviews with employees from relevant employment sectors
Labour markets	Quarterly survey of incomes/profits in informal businesses Interviews with laborers on daily wage rates and available work
Indicators of 'coping'	Interviews with Households and key informants
Government policy affecting asylum seekers and refugees	Media and Government publications

10. Recommended Strategy

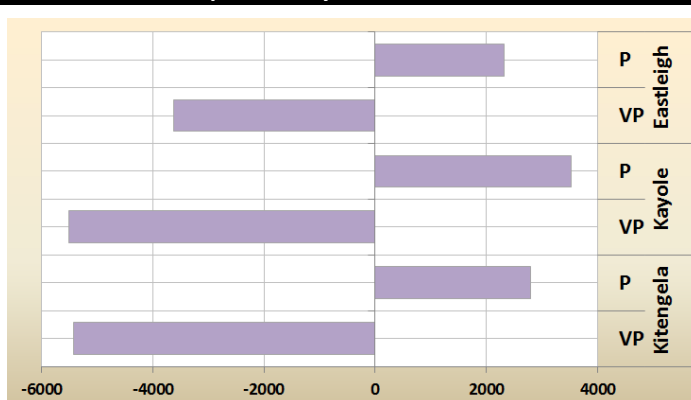
10.1. Problem Statement and Rationale

Kenya now hosts over 600,000 asylum seekers and refugees. Daadab camp was set up to temporarily accommodate an anticipated 90,000 refugees in the early 1990s, but according to, December 2011 UNHCR official planning figures approximate 463,427 refugees live in Daadab, 85,862 in Kakuma, and 52,427 in Nairobi.²² An elusive durable solution to the political and economic roots of the displacement in the Greater Horn of Africa (Somalia, South Sudan, Ethiopia and Eritrea) and the Great Lakes (Democratic Republic of the Congo, Rwanda, and Burundi), has over the years steadily eroded the generosity of the Kenyan Government. The prominence of security concerns in asylum seeker and refugee legislation signals the growing fatigue. Added to this is the upcoming politically charged Presidential and Parliamentary election where weak economic growth, unemployment, rising poverty and insecurity will be the key issues. Urban asylum seekers and refugees are making a living alongside Kenyan hosts equally burdened by high crime rates, rising cost of living, and poor housing infrastructure and service delivery. These factors combine to relegate asylum seeker and refugee well-being on the Government's agenda.

²² UNHCR Kenya Statistical Package as at end of December 2011.

Very poor and poor households comprise 50-60% of asylum seeker and refugee households in Kayole and Kitengela, and an average 15% in Eastleigh.²³ The March 2012 livelihoods baseline indicates that food alone comprises between 45-55% of monthly costs for the very poor. This level of expenditure provides access to an average 95% of the minimum annual food requirements measured against 2,100 kilocalories per person per day. Food and rent together account for between 70-80% of monthly costs. They afford to rent one-roomed iron sheet housing in poorly serviced communities accommodating an average four household members. After spending on food and housing, very little remains for other essentials. Additional limited expenditure on health care, hygiene, water and energy deplete the modest monthly wages.

Figure 23: Reference Year Minimum Food & Non-food Monthly Cash Deficit or Surplus - Very Poor and Poor Households



In these graph '0' represents the cost of the minimum food and non-food basket. A negative number indicates that households in the associated wealth group are unable to meet the cost of this basket. For example in **Figure 25**, the very poor in Kitengela face a cash deficit between 5,500-6,000 Kshs each month, the poor retain an average surplus of 3,000 Kshs.

The very poor find (self)-employment opportunities in the highly competitive informal sector. Poor regulation, poor physical infrastructure, and limited access to institutionalised business support services, undermine the viability of informal sector activities. Over the January 2011 to December 2011 reference year, very poor households earned between 7,000-12,000 Kshs, and faced a monthly cash shortfall between 5,000-6,000 Kshs in Kitengela and Kayole, and 3,000-4,000 Kshs in Eastleigh (see Figure 23).²⁴ The capacity of the very poor and poor to increase incomes is restricted by the lack of specialised skills or capital to start a business enterprise, lack fixed assets to offer as collateral for loans, and have limited local language proficiency and low literacy levels. There is a strong likelihood that households within the poorest wealth groups resort to negative coping strategies to make up the monthly cash shortfalls.

Table 8: Very Poor and Poor Households Comparison of Reference Year Total Incomes against the Cost of Minimum Food & Non-Food Basket

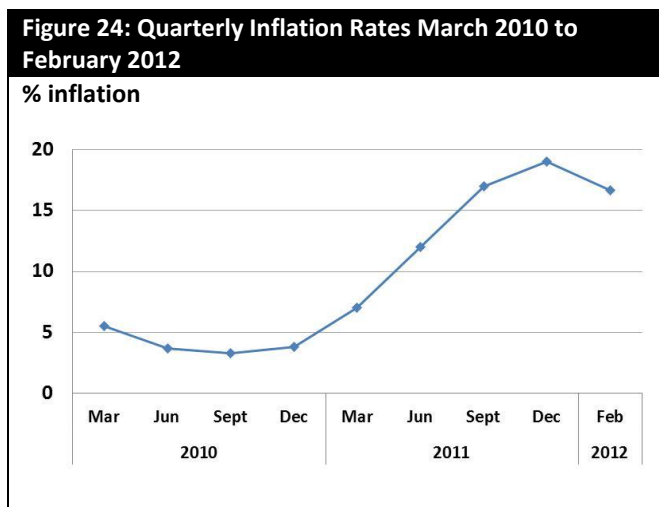
	Eastleigh		Kayole		Kitengela	
	Very Poor	Poor	Very Poor	Poor	Very Poor	Poor

²³ UNHCR is in the process of developing a database of the refugee population by location for Nairobi. There are presently no reliable estimates of the urban asylum seeker and refugee population. As of December 2011, official estimates of the urban refugee population were 52,437. If the assumption for selecting the three urban locations studied is valid, that these locations are representative of the asylum seeker and refugee demographic and settlement patterns in Nairobi, then it is feasible that the predicament of the very poor and poor households under discussion affects at least 50% of asylum seeker and refugee households.

²⁴ See figures 19-21 for a more detailed explanation of the components and cost of minimum food & non-food basket.

Reference Year Income	8,800 Kshs	18,900 Kshs	7,400 Kshs	19,700 Kshs	6,900 Kshs	15,100 Kshs
Reference Year Deficit/ Surplus	-3,620 Kshs	2,322 Kshs	-5,499 Kshs	3,517 Kshs	-5,418 Kshs	2,799 Kshs

Inflation is a key risk factor to urban asylum seeker and refugee livelihoods. Figure 24 shows that the inflation has been on the up since December 2010 when it was 3.8%, to 7% in the first quarter of 2011, and 16.7% by February 2012.²⁵ Inflationary pressures somewhat eased within the last quarter of 2011. With limited opportunities to diversify and increase income, it is likely that with stagnated wages, and *if* inflation continues to rise as it has over the last two years, the size of the cash shortfall will grow for the very poor, and the modest surplus the poor households have will diminish, further imperiling access to basic food and non-food items.



CBOs established by refugees - at times in collaboration with the Kenyan community- provide much needed social support. CBOs assist with food and temporary accommodation for newly arrived asylum seekers, tutor on Kiswahili and life skills, and facilitate links to labour opportunities. Better established CBOs receive external funding and organisational support to initiate income generating projects targeting asylum seekers, refugees and Kenyans.

UNHCR and the urban refugee's livelihoods working group are implementing livelihoods projects targeting refugees and Kenyans. UNHCR developed Operational Guidance on Refugee Protection and Solutions in Urban Areas in 2009 to advocate for and facilitate access to ... quality livelihood services for refugees...²⁶ Among the key principles is to promote refugee integration into public and private institutions and to leverage the comparative advantage of different partners and stakeholders to promote refugee self-reliance. With limited funding and experience, the UNHCR chaired urban refugee's livelihoods working group is implementing a range of livelihood support projects. To improve the effectiveness of current livelihoods programming resources are required to build partner technical capacity in designing, implementing, and monitoring and evaluating interventions, institutionalising the use of best practices and models that are proven to work, and scaling up to reach more beneficiaries.

²⁵ Kenya National Bureau of Statistics. www.knbs.or.ke.

²⁶ Operational Guidance on Refugee Protection and Solutions in Urban Areas, 2009, p. 5.

10.2. Strength, Weakness, Opportunities and Threats (SWOT) Analysis

Table 9: Strength, Weakness, Opportunities and Threats Analysis				
Location	Strengths	Weakness	Opportunities	Threats
Eastleigh	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Limited skills e.g. tailoring <i>Prima facie</i> refugee status for asylum seekers from South Central Somalia 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Low literacy level Limited access to specialised high quality skills Poor Kiswahili and/or English skills Limited access to financial services Limited participation in self-help groups and poor social networks 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Ready access to a vibrant market Availability of support from CBOs and NGOs Availability and access to casual jobs 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Lengthy asylum seeking process Police harassment Poor roads and infrastructure Reliance on irregular casual work Xenophobia associated with Al-Shabaab Pro-security 2011 Refugee Review Bill Inflation and high cost of living Absence of forums for positive engagement with local authorities Fire hazards in low income housing structures
	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Access to social and business networks Access to capital and potential to increase incomes provide better coping capacity Reunited with nuclear family Access to remittances 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Fear of being cheated by their Kenyan counterparts Fear of deportation 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Potential for business growth High level of business management skills Financial aptitude to access capital Ownership of fixed assets for collateral Membership in social and business associations High educational achievement 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> More vulnerable to bigger problems such as piracy and terrorism Weak macro-economic growth affects demand Political instability Pro-security 2011 Refugee Review Bill
Kayole	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Membership in CBOs and self-help groups such as solidarity Physical strength for labor opportunities 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Lack of skills Lack of UNHCR mandates and legal documentation Lack of Kiswahili and English skills 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Good market access 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> High crime rates Pro-security 2011 Refugee Review Bill Discrimination by employers getting equal wage for equal work

Table 9: Strength, Weakness, Opportunities and Threats Analysis				
Location	Strengths	Weakness	Opportunities	Threats
	<ul style="list-style-type: none"> Cultural identity shared with local population 	<ul style="list-style-type: none"> High HH dependency ratio amongst HH members Poor awareness of asylum seeker and refugee rights High mobility and lack of settled residence 		<ul style="list-style-type: none"> Poor water & sanitary facilities Lack of humanitarian assistance especially affecting old refugees. Weak macro-economic environment
	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Employment and self-employment skills Business management skills Ownership of fixed assets Participation in CBOs and self-help groups 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Denied fair wages Limited capacity of self-help groups 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Access to work in the construction sector 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> High crime rates Pro-security 2011 Refugee Review Bill Weak macro-economic environment
Kitengela	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Increased recognition of refugees by GoK Low capital requirement to start enterprises Availability of household labour 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Low skills and low wages among the very poor Lack ownership of productive assets No access to financial services Limited participation in self-help groups 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Good market access Access to electricity Access to business permits Access to basic health and education Low cost of living in Kitengela Access to employment opportunities due to growth and development 	<p><u>Very Poor and Poor</u></p> <ul style="list-style-type: none"> Limited access to water Poor sanitary facilities Limited contact with local administration Pro-security 2011 Refugee Review Bill
	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Low investment capital in Kitengela Access to capital to purchase assets 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Limited availability of quality services 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Lower population density giving them access to social services 	<p><u>Middle and Better-off</u></p> <ul style="list-style-type: none"> Limited contact with local administration Pro-security 2011 Refugee Review Bill Poor macro-economic environment

10.3. Strategic Framework

UNHCR and partners in the livelihoods working group and the humanitarian community convened a workshop in April 2012 to develop the urban asylum seeker and refugee livelihood strategy for 2012 to 2015. The urban refugee's livelihoods strategy seeks to promote asylum seeker and refugee community self-reliance through short-term consumption support complemented by institutional capacity building and income support initiatives to address the underlying causes of chronic livelihood insecurity. An advocacy component will accompany the strategy to promote policies that recognise asylum seeker and refugee rights to reside and be economically productive in Nairobi, with the protection and support of the Government of Kenya and the international community. Integrating Kenyan host community concerns in all interventions is a key component of the strategy. This is critical for building asylum seeker, refugee and Kenyan host community understanding through collaboration on poverty alleviation interventions

The strategy will be achieved through:

I. Interventions to support short-term food and non-food consumption and build resilience through community based safety-nets:

Short-term consumption support will ensure that very poor and poor asylum seeking, refugee and Kenyan host community households attain a minimum acceptable standard of living without resorting to negative coping strategies. The assistance will have a clearly defined time frame and exit strategy to avoid creating dependency. School feeding programmes will provide a transfer to households of the value of the food distributed. Cash grants will to cover household non-food expenditure deficits. Building the capacity of CBOs and self-help groups to better deliver social assistance is central to the exit strategy.

II. Livelihood promotion to build self-reliance:

The strategy adopts an integrated three-part approach to address the underlying causes of chronic livelihood insecurity and build household self-reliance. The three parts are: *a)* building staff capacity to design and implement quality livelihoods programmes; *b)* skills training for programme beneficiaries and facilitating linkages to (self) employment opportunities; and *(c)* micro-enterprise development to increase income through promoting access to business development services. Progress implementing the livelihood promotion component will provide direction on when to phase out short-term consumption support discussed in the section above.

a) Building the capacity of the urban refugees livelihoods working group to design and implement livelihoods programmes

To improve the effectiveness of current livelihoods programming resources are required to build partner technical capacity in designing, implementing, and monitoring and evaluating interventions, institutionalizing the use of best practices and models that are proven to work, and scaling up to reach more beneficiaries and achieve greater impact.

b) Skills Development and Access to (self)employment



Access to skills is critical for entry into higher and regular earnings in the formal and informal sector. Three conditions are crucial for the success of skills training interventions. Firstly to deliver skills training in partnership with accredited institutions. Secondly, the sectors selected for skills development must be informed by market demand and opportunities for growth. Thirdly, to facilitate job

placements and apprenticeships for graduates to ease entry into productive employment.

Formal sector employment requires a Class M work permit. In light of GoK restrictions issuing permits to fill employment opportunities that Kenyans can ably perform, the focus of the intervention will be on promoting access to training in professions with low recruitment rates, and specialised skills. In consultation with DRA and the Ministry of Education, teacher training is a prospective field. Poor incentives and the lack of resources to deploy trained teachers contribute to low recruitment of qualified personnel. Contributing to improve the quality of public education by promoting enrolment of qualified asylum seekers and refugees into teacher training colleges potentially addresses a key public sector objective.

Informal sector (self) employment opportunities have less stringent entry conditions. Business permits are easier to acquire compared to Class M work permits. The informal sector promises easier entry, wider opportunities and the potential for higher wages. Vocational and professional skills in hotel and catering, tailoring, motor mechanics, teaching, computer repairs and programming, are all prospective fields for higher incomes.

c) Micro-Enterprise Development

Micro-enterprise development is a broad sector that includes securing resources for technical assistance, identifying sources of funding and linking products to markets. Providing this package of support to programme beneficiaries and business development service providers will enhance the competitiveness of asylum seeker and refugee enterprises.

III. Advocacy to improve policy environment:

There will be two key audiences for advocacy messages. First is the GoK - particularly the DRA - and cooperating line Ministries to ensure recognition of asylum seeker and refugee rights to reside legitimately in urban areas and access livelihood opportunities. Secondly, to encourage the private sector to develop business development and financial products tailored to the unique circumstances facing refugees, namely the lack of traditional forms of collateral, and sensitise them to recognise that DRA and UNHCR issued legal documentation are valid forms of identification and proof of residency.

10.4. Implementation Arrangements

a) The Role of the Livelihoods Working Group:

The UNCHR-chaired livelihoods working group will coordinate the implementation of the three-year urban refugee's livelihood strategy. Implementation partners in the livelihoods working group will - based on relevant institutional experience and expertise - assume technical responsibility and partnership management for different components of the strategy.

b) Linking Livelihood Provisioning to Livelihood Promotion Interventions:

Very poor households are facing an expenditure deficit, and are unable to access the minimum basic food and non-food basket. The rising cost of living is a key risk factor in widening the expenditure deficit of the very poor. Interventions are required to smooth food and non-food consumption shortfalls. Complementary measures to promote an enabling environment for asylum seeker and refugee households, that include promoting skills development and access to business development services, are required to build their self-reliance.

c) Understand link between Protection and Access to Livelihood opportunities:

The lack of legal documentation (Asylum Seeker Registration Card, UNHCR Mandated Refugee Certificate, Government issued Alien Refugee Certificates, Work Permits) limit social and economic mobility. Documentation permits recourse to the legal system for protection, promotes access to free public education, business permits and business development services, and empowers asylum seekers and refugees to claim equal compensation in the labour market. Supporting DRA capacity to assume full responsibility for the protection of asylum seekers and refugees, and expediting the UNHCR RSD process are important in this regard.

d) Institutionalize Evidence-Based Planning:

Timely and sound information on the social, economic and policy dynamics affecting asylum seekers and refugees must inform the design of interventions. Institutionalizing monitoring and evaluation systems to draw key lessons and document best practices, value chain analysis, market assessments and policy studies are critical to achieve impact. Investing in the technical capacity of livelihood staff will improve the quality of programming.

e) Develop Public and Private Sector Partnerships:

Partnerships between GoK, private sector business development service providers, CBOs, donors and the humanitarian community leverages the capacity of various stakeholders for broad-based improvements to livelihoods. This includes fostering coordination and collaboration between Government ministries, financial service providers, vocational training centers and refugee CBOs.

f) Integrate Refugee and Local Development Plans:

Integrating asylum seeker and refugee livelihood initiatives into the local development agenda is an important protection objective. This entails developing common approaches to address asylum seeker, refugee and host community concerns, and that these initiatives are coordinated with the broader local and national development agenda.

10.5. Strategic objectives and activities

10.5.1. PILLAR 1: Safety Nets and Consumption Support

Strategic Objective 1: *To stabilize household consumption of basic food and non-food items and strengthen the capacity of community-based self-help groups to deliver social assistance*

Component 1: Household food consumption supplemented through school feeding programmes

The primary output of this component is to provide meals for children enrolled in public primary schools to supplement household food consumption. School feeding will provide a transfer of the value of the food distributed, and the resulting reduction in food purchases provide direct cash savings to the household. The design and implementation of the programme will be in partnership with the Ministry of Education and WFP. UNHCR has reached 119 city council schools that enroll asylum seeker and refugee children, and this activity will build on progress made to utilise an area-based approach to target schools within locations where asylum seekers and refugees reside and schools enrolling asylum seekers and refugees. Implementation will draw on the lessons learned providing school feeding at Eastleigh Airport primary school where enrolment of asylum seekers and refugees is largest.

Clear targeting criteria based on the findings of the livelihoods baseline will identify children facing the highest risk of hunger. Engaging school administrators and school management committees is essential to build consensus with local authorities and the local community on the objectives of the programme. Representation of asylum seeker and refugee children in decision making will be promoted through initiatives to organise and include refugee parents in school committees. During implementation, exploring opportunities for asylum seeker and refugee parents participating in aspects of the programme, such as their restaurants preparing meals and procurement of supplies, will enhance opportunities for increased household income.

Component 2: Improving access to minimum non-food items through cash grants

Cash grants are an appropriate mechanism to assist poorer household's access basic non-food items. The implementation of this component will draw on widely documented best practices implementing cash transfer programmes. The Cash Learning Partnership (CaLP) is an excellent resource for guidance on developing cash transfer interventions.²⁷ The urban refugee's livelihoods working group will refine the composition of the basic food and non-food items basket and establish a market monitoring system to collect prices on the relevant commodities and wage rates. The value of the basic non-food basket and estimates of household expenditure deficits will inform decisions on the level of cash transfer required.

This process will be closely coordinated with the Ministry of Gender and Social Development and the Inter-Ministerial taskforce on food subsidies. The Ministry of Gender and Social Development is presently providing a monthly transfer of 1,500 Kshs based on the 2005-6 poverty lines. Oxfam GB and Concern International also have cash transfer programmes in Korogocho and Mukuru providing 2,475 Kshs per month to meet the cost of food and subsidise rent and water expenses. Close coordination and

²⁷ www.cashlearning.org. Oxfam GB, the British Red Cross, Save the Children, the Norwegian Refugee Council and Action Against Hunger / ACF International compose CaLP. Its objective is to support capacity building, research and information-sharing on cash transfer programming as an effective tool to help deliver aid.

partnership with the Inter-ministerial taskforce on food subsidies setting appropriate transfer levels will ensure consensus on the objectives of intervention, developing effective communication strategies and establishing structures to manage grievances that may arise. These forums provide opportunities to integrate asylum seeker and refugee welfare concerns into the national social protection agenda.

Clear targeting criteria developed in close collaboration with the community and building on the livelihoods baseline will ensure a transparent and credible process for identifying the most vulnerable households. Spending time sensitising the refugee community on targeting criteria will help preempt potential conflict. Clear timeframes on the duration of the transfer, linked to progress in the livelihood promotion components of the strategy will be critical to minimise the risk of dependency.

The transfer of cash to beneficiaries will be in partnership with private sector institutions that include Safaricom and micro finance institutions. The M-PESA mobile phone cash transfer technology presently has wide coverage and provides a secure, timely and cost effective mechanism to transfer the funds. Alternative options to consider include micro-finance institutions. Cash transfers can be a mechanism for drawing financial institutions into the asylum seeker and refugee market for direct deposits into bank accounts. A market monitoring system is crucial to periodically review the level of cash transfer against the cost of the minimum non-food basket.

Component 3: Enhance capacity of community based self-help groupstodeliver social assistance

This component will reinforce the capacity of CBOs to provide a safety net to assist households facing immediate social and economic problems, and promoting long term economic self-reliance. Working through CBOs supports community initiatives and mitigates the risk of dependence on externally funded short term transfers. Associations comprised of asylum seekers, refugees and Kenyan hosts provide a mechanism for building integration and social cohesion.

Asylum seekers and refugees have established CBOs, at times in collaboration with Kenyan hosts, to provide social assistance to vulnerable members of society. The assistance package typically includes assisting new arrivals navigate the asylum seeking process, a starter food and supplies pack, finding short-term accommodation, linkages to income generating activities, and short term medical and education and medical assistance. More established CBOs receive support from international donors and humanitarian agencies to offer local language classes, literacy and numeracy tutoring, organise associations for group savings and lending and starting income generating activities. The most prominent include Zindua Africa who receives support from KaribuAfrika (Italian NGO), Bible Society of Kenya, and legal support from Kituo Cha Sheria and Refugee Consortium of Kenya. ZinduaAfrica implements programmes setting up income generating activities and facilitating access to skills training. Solidarity group is also prominent and has 1,800 members from 400 families of Great Lakes origin. Solidarity members contribute 50-100 Kshs each month to Tushirikiane (TUSA) who then allocates funds to various programmes that support the most vulnerable households (elderly, disabled, orphans, and widows, chronically ill and female headed households). They also provide education support and income generating activities.

An organisational capacity assessment will inform the development of an institutional capacity development strategy to improve CBO service delivery and economic support initiatives for the most vulnerable. Promoting partnerships with the Ministry of Social Welfare and the Ministry of Youth Affairs and Sports is important to explore resources and funding opportunities available for registered refugee CBOs and self-help groups.

Very poor and poor households, with limited assets and capital, are presently not part of business associations. Linkages will be promoted to encourage the participation of the very poor and poor in business associations serving the middle and better off. Prospects to establish partnerships between the very poor and poor with the middle and better off in business enterprises will be explored.

School Feeding Activities

- Initiate school feeding partnership with the Ministry of Education and the World Food Programme (WFP) to develop the objectives and implementation plan of the intervention;
- Build consensus with local authorities and administrators from target schools to ensure the benefits of school feeding are linked to enrollment of asylum seeker and refugee children;
- Organise and include asylum seeker and refugee parents in the school management committees to strengthen links with school administrators and Kenyan parents, and to manage community grievances;
- In partnership with the school administrators, school management committees and refugee communities, develop targeting criteria and coverage of the intervention. Ensure inclusion of the most vulnerable asylum seeker and refugee households drawing on lessons learned at Eastleigh primary school and global best practices;
- In partnership with WFP, Ministry of Education, school administrators, school management committees determine optimal food rations and the timing of meals;
- Livelihoods working group to establish monitoring and evaluation system to ensure tracking of programme implementation and effectiveness;
- Explore opportunities to integrate school feeding programme with interventions to increase household incomes through participation of asylum seeker and refugee households in different aspects of programme implementation that include procurement and preparation of meals;
- Education assessment to improve understanding of the number of asylum seeker and refugee children in urban Nairobi and the percentage not enrolled in school. The findings of this assessment will inform the expansion of the school feeding programme.

Cash Grants Activities

- Establish partnership with the Inter-Ministerial taskforce on food subsidies and closely coordinate design and implementation;
- Contract external technical assistance to carry out market survey to refine and cost commodities in the minimum consumption basket;
- Lead technical agency in the livelihoods working group to coordinate with findings of the market survey setting up urban livelihoods monitoring system on food and non-food basket and wages to determine appropriate cash transfer level;
- Establish clear targeting criteria in consultation with local authorities and refugee communities;
- Establish committee to handle complaints, community relations and competition for the transfer;
- Contract external technical support to assess impact of the cash transfer on local markets and coordinate with Government or other international partners implementing cash transfer initiatives;
- Initiate discussions with Mobile technology company Safaricom and micro-finance institutions K-REP and Cooperative Bank as potential partners to facilitate the cash transfer. Consider tradeoffs between cost, speed, efficiency, and security risk of the different transfer mechanisms.

Community Self-help groups Activities

- Carry out CBO organisational capacity assessment and develop institutional capacity building strategy to improve service delivery to the most vulnerable by Zindua Africa and Tushirikiane Africa;
- Identify additional prospective partner CBOs;
- Initiate partnerships with Ministry of Youth Affairs and Sports and the Ministry of Social Welfare and explore funding and resource opportunities for registered refugee CBOs;
- Link Very poor and poor households with middle and better off households' business associations.

Targeting

- All very poor asylum seeker and refugee households residing in Kitengela, Kayole and Eastleigh are eligible for school feeding and cash grants, (see figure 19 to 21 and figure 23 for the minimum food and non-food deficits faced by these households);²⁸
- Monitoring information tracking wages and the cost of the minimum *food* and *non-food* basket will inform eligibility of children from poor households;
- Prioritise school feeding programme and cash grants for households at highest risk of hunger and extreme poverty. These include those with a head of household who is disabled, female, elderly and/or chronically ill;
- Organisational development for Zindua Africa and Tushirikiane Africa. Identify additional prospective partners to widen coverage;
- Assist both very poor and poor households from Kitengela, Kayole and Eastleigh become part of identified middle and better off households' business associations.

Partnerships

- Partnership with the Ministry of Education and the WFP to design the school feeding intervention;
- Partner with school administrators and school committees to establish school feeding communication and grievance management structures;
- Partner with the Ministry of Youth, Gender and Social Development and the inter-ministerial taskforce on food subsidies to coordinate with Government interventions;
- Partner with Safaricom to transfer cash grants through M-PESA;
- Partner with K-REP and Cooperative bank to facilitate access to bank accounts for asylum seekers and refugees;
- Partner with the Ministry of Youth Affairs and Sports and the Ministry of Social Welfare to explore opportunities for registered refugee CBOs and self-help groups to access resources and funding opportunities;
- Partner with CBOs Zindua Africa and Tushirikiane Africa;
- Prospective partner Business Associations.

²⁸ The livelihoods working group must coordinate the value of the meals provided through school feeding and the value of the cash transfer. The value of both the food and cash transfer must provide resources that cover the total food and non-food deficit.

10.5.2. PILLAR 2: Access to Skills and (Self) Employment Opportunities

Strategic Objective 2: To transfer skills and facilitate asylum seeker and refugee access to viable (self) employment opportunities that increase household incomes.



This pillar seeks to achieve both economic and social objectives. Economic objectives will be delivered through vocational, literacy, numeracy and language skills training to improve prospects for (self) employment. A non-vocational part will provide youths with life skills training on leadership, HIV/AIDS and social issues.

Component 1: Access to vocational and professional skills training and apprenticeships

The vocational and professional skills component will provide training to enable participation in viable employment and self-employment activities. Partnerships with accredited public and private sector institutions offering high quality technical and professional training programmes are central to the success of this activity. The International Labour Organisation (ILO) is a credible partner with vast experience providing training tailored for informal groups with low literacy levels. Future Force is a prospective partner presently working with Kenyan women associations providing ILO certified training. They have limited experience with refugees though they have been successful at providing training and linking trainees to business development services and higher value markets. Further research will identify private sector institutions to partner with. Within the formal sector, partnership with teacher training colleges potentially provides opportunities for asylum seekers and refugees to enter the teaching profession. French speaking asylum seekers and refugees from the Great Lakes have a potential niche to fill as French teachers. The design of the training will provide appropriate compensation to beneficiaries enrolled in the programmes.

Research on viable market opportunities will inform the selection of sectors to provide technical and professional skills on. A value chain analysis will assist in the identification of sectors with potential for growth. Initial evidence from the livelihoods baseline points to potential in teacher training, hotel and catering, tailoring, motor mechanics, computer repairs and programming. Training programmes will follow up by linking graduates to apprenticeships and job placements for graduates. This is essential to facilitate immediate practical application of skills gained and entry into the job market. A job information center will be established within CBOs that serve the asylum seeker and refugee community. Building and drawing from the experiences of the Center for Domestic Training and Development providing relevant skills and linking trainees to job opportunities will improve the effectiveness of interventions.

Component 2: Access to Life Skills

Language, literacy, numeracy and life skills classes will improve the participation of asylum seekers and refugees in the social and economic life of their communities. Acquiring these skills will enhance opportunities for integration with the Kenyan population, and improve access to social and financial services. These activities will be implemented through CBOs presently providing these services to asylum seekers and refugees. Prospective CBO partners include Zindua Africa, IftinWomen's Group, Saphalo Education Foundation, and Solidarity. An organisational capacity assessment will guide the livelihoods working group how best to assist CBOs improve the quality and delivery of these services.

Associations are key structures in the operations of CBOs. Poor leadership and management of group dynamics limit the effectiveness of the associations delivering quality services. Training and mentoring will be provided to assist CBOs establish appropriate management structures with the requisite skills. Partnership with the *Juakali* association, a Kenyan umbrella body for the informal sector, will be explored for an avenue to improve access to informal sector services and integration of asylum seeker and refugee association concerns into the national development agenda.

Targeting

- Language skills for very poor and poor households;
- Literacy and numeracy skills for all wealth groups;
- Vocational and professional skills training for all wealth groups;
- Apprenticeship and job placements for the very poor and poor wealth groups, specifically the youth, and the disabled;
- Target groups or individuals interested and capable of participating in entrepreneurship programmes.

Activities

- Contract external technical assistance to conduct value chain analysis to identify sectors with opportunities for growth and market demand;
- Identify accredited polytechnic and vocational training centers for skills training;
- Explore partnerships with International Labour Organisation (ILO) and Future Force;
- Facilitate apprenticeships and job placements as integral parts of training programmes;
- Identify and initiate partnerships with CBOs serving asylum seekers, refugees and Kenyan host population;
- Carry out organisational capacity assessment of partner CBOs. Develop organisational capacity development plan to improve CBO management and service delivery;
- Set up Job Information Center in appropriate CBOs linking job seekers to employers;
- Explore partnerships with Government initiatives with the Youth and the *Juakali* association;
- Identify and document practices with stronger and more scalable impact.

Partnerships

- Partner with the Ministry of Education and the Kenya Institute of Education to explore opportunities for all wealth groups to receive teacher training;
- Partner with ILO to provide business training skills to all wealth groups;
- Prospective partnership with Future force to form business associations and provide business development training;
- Zindua Africa, IftinWomen's Group, Saphalo Education Foundation, and Solidarity CBOs to provide life skills and literacy and numeracy skills training to very poor and poor households;

- Link all wealth group business associations to the Juakali Association.

10.5.3. PILLAR 3: Enterprise Development

Strategic Objective 3: To build the competitiveness of asylum seeker and refugee enterprises and secure access to business development services and markets.



Enterprise development encompasses access to technical resources and facilitating market linkages. There will be two capacity building components targeting the livelihoods working group and the beneficiary population. Capacity building for the livelihoods working group will focus on improving the design and implementation of livelihoods programme. The beneficiary population, which includes asylum seeker, refugee and Kenya host population, will receive technical assistance to enhance

business and entrepreneurial skills. The third part of the intervention facilitates access to business development services and markets for enterprises owned and operated by the target population.

Component 1: Building staff capacity to design and implement effective livelihoods programmes

Established in June 2010, the livelihoods working group provides a forum for the coordination of urban livelihoods interventions for the asylum seeker and refugee community. Chaired by UNHCR it comprises the Center for Domestic Training and Development (CDTD), Danish Refugee Council (DRC), Faraja Trust, Jesuit Refugee Services (JRS), GIZ, International Rescue Committee (IRC), International Committee for the Development of Peoples (CISP), and Refugee Consortium of Kenya (RCK). The current livelihoods portfolio covers a wide range of activities which include:

- Entrepreneurship training;
- Promoting access to financial services;
- Income generating projects and market linkages;
- Cash grants;
- Vocational training, apprenticeships and job placements;
- Education support;
- Legal support and advocacy.

This portfolio covers the range of interventions that the livelihood baseline echoes as appropriate to increase the livelihood security of asylum seeker and refugee households. In discussions with the livelihoods working group a number of key challenges emerged. Foremost is the limited coordination of interventions. The livelihoods working group is implementing small-scale interventions spread over several locations and targeting different beneficiaries. There is limited coordination of the thinly spread interventions to provide holistic and meaningful support to beneficiary households. Limited resources for livelihoods programmes are the primary impediment to scaling up interventions. It is crucial to increase the resources allocated to livelihoods programmes to reflect the importance of this sector in

improving asylum seeker and refugee wellbeing. Of equal importance is to ensure that livelihood staff acquire the necessary technical skills to design and implement livelihoods programmes. Resources must be available for staff to attend training and workshops. Technical support can be provided through mentoring and recruitment of short term technical assistance. Training and access to technical support will improve application of best practices in programmes. Most of the current programmes operate without clear goals and effective monitoring and evaluation systems. There is limited documentation whether programmes are achieving desired impact or drawing of lessons learned that can feed into refining ongoing interventions.

Component 2: Promoting access to Business Development Services and Markets

This component will complement the skills building pillar of the strategy (**PILLAR 2**). This will involve linking graduates of the vocational and professional skills training to business development services. Facilitating access to technical resources will improve the quality of products delivered by enterprises and ensure effective business management practices. A market assessment will complement the value chain analysis to identify viable market opportunities. Targeting beneficiary households with the interest and aptitude for business is critical for success. Accredited private sector business management institutions will train entrepreneurs in developing business plans and maintaining financial records that are necessary to monitor whether the enterprises are viable and to support access to financial products. Households unable to secure financial products from formal institutions will be organised to mobilise micro-finance products to fund their micro-enterprises. Ongoing technical support in product development and business management will endeavor to institutionalise entrepreneurial skills in day to day businesses operations.

In line with establishing enterprises with potential for growth is linking beneficiary enterprises to markets. The market assessment and value chain analysis will identify product requirements for entry into higher value markets. IRC micro-franchising programmes with Open Capital offers key lessons in linking small businesses to high value markets. Establishing monitoring and evaluation systems and a market monitoring system is essential to monitor whether enterprises are generating a profit and increasing household incomes.

Component 3: Linking micro-enterprises to financial service providers

This component will draw on best practices in promoting small and medium enterprises' access to finance. A critical constraint to increasing the scale and returns from enterprises is limited access to capital. Asylum seekers and refugee households have low incomes and few assets, and lack formal legal ownership of their businesses. Further, they lack fixed assets such as land or homes required for collateral. K-REP and Cooperative bank have indicated willingness to develop non-traditional loans and micro-finance products for asylum seekers and refugees without traditional forms of collateral. Implementing partners must ensure the beneficiary population fully understand the terms and conditions of the loans and are protected from coercive loan terms. Further due diligence is required from implementing partners to target households who are fully committed to the success of the enterprises and repaying loans as agreed. Targeting women, youth and disadvantaged members of the community is crucial. Caution to include beneficiaries with an entrepreneurial spirit and ambition. Improving the quality of physical infrastructure is also important.

Targeting

- Training on business development and facilitate access to markets and finance for very poor, poor, and middle wealth groups;
- Very poor and poor households organised to mobilise micro-finance products;
- Prioritize participation of Women, youth and disadvantaged members of the community above 18 years old.

Activities

- Contract external technical assistance to assess technical capacity gaps in the livelihoods working group. Provide resources for staff to attend training and workshops, and to recruit short term technical assistance;
- Relevant technical partner to develop implementing partner monitoring and evaluation systems. Set clear goals and indicators to monitor profits and household incomes;
- Recruit external technical assistance to carry out market assessment to complement the value chain analysis in identifying market opportunities. Coordinate with beneficiary skills assessment;
- Explore and initiate partnerships with accredited private sector business management training providers;
- Facilitate access to product development skills providers and link products to markets;
- Facilitate access to finance. Follow up with K-REP and Cooperative bank on potential to offer micro finance to asylum seeker and refugee enterprises;
- Provide ongoing business management support.

Partnerships

- Livelihoods analysis and programming technical training providers;
- Accredited Business Development Service Providers to provide technical resources and facilitate access to markets;
- K-REP and Cooperative Bank to facilitate access to finance.

10.5.4. PILLAR 4: Advocacy

Strategic Objective 4: To promote recognition of urban areas as legitimate places for refugees to reside and exercise the right to access livelihood opportunities

Advocacy Messages:

To the Government of Kenya and the Department of Refugee Affairs

- Promote legal and regulatory environment that recognises that cities are legitimate places for refugees to reside and exercise the right to access livelihood opportunities;
- Promote and recognise the contribution of refugees to the economic growth and national development of Kenya.

To the Private Sector

- Asylum seekers and refugees are a viable market for business development services;
- Develop business development services tailored to address the constraints refugee's face starting and growing businesses.

To the United Nations High Commissioner for Refugees and the Humanitarian Community

- Improve the timeliness of the Refugee Status Determination process;
- Allocate resources for livelihoods programming that reflect the importance of this sector in improving asylum seeker and refugee wellbeing;
- Create fora to promote positive refugee and local authority engagement;
- Create fora to promote refugee and Kenyan business partnerships.

Annex 1: Proposed Three Year Implementation Plan (June 2012 to May 2015)

Activities	2012		2013				2014				2015	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
PILLAR 1: Safety Nets and Consumption Support												
Initiate school feeding partnership with the Ministry of Education and WFP												
Build consensus with local authorities and administrators from target												
Organise and include asylum seeker and refugee parents in the school management committees												
Develop school feeding and cash grants targeting criteria and coverage of the intervention.												
Determine optimal food rations and cash transfer level. Provide transfers.												
Explore opportunities to integrate school feeding programme with interventions to increase household incomes												
Education assessment												
Establish partnership with the Inter-Ministerial taskforce on food subsidies and closely coordinate design and implementation												
Contract external technical assistance to carry out market survey to refine and cost commodities in the minimum consumption basket												
Establish committee to handle complaints, community relations and competition for the food and cash transfer												
Contract external technical support to assess impact of the cash transfer on local markets												
Initiate discussions with Safaricom, K-REP and Cooperative Bank as potential partners to facilitate the cash transfer												
Carry out CBO organisational capacity assessment and develop institutional capacity												

Activities	2012		2013				2014				2015	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
building strategy for Zindua Africa and Tushirikiane Africa												
Identify additional prospective partner CBOs												
Initiate partnerships with Ministry of Youth Affairs and Sports and the Ministry of Social Welfare and explore opportunities												
Link very poor and poor households with middle and better off households' business associations												
Lead technical agency in the livelihoods working group to coordinate with findings of the market survey setting up urban livelihoods monitoring system												
PILLAR 2: Access to Skills and (Self) Employment Opportunities												
<i>Access to vocational and professional skills training and apprenticeships</i>												
Contract external technical assistance to conduct value chain analysis to identify sectors with opportunities for growth and market demand												
Identify accredited polytechnic and vocational training centers for skills training												
Explore partnerships with ILO and Future Force												
Facilitate apprenticeships and job placements as integral parts of training programmes												
Identify and initiate partnerships with CBOs serving asylum seekers, refugees and Kenyan host population												
Carry out organisational capacity assessment of partner CBOs and develop organisational capacity development plan to improve CBO service delivery												
Implement institutional capacity building												
Establish Job Information Center in appropriate CBOs												

Activities	2012		2013				2014				2015	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Explore partnerships with Government initiatives with the Youth and the <i>Juakali</i> association												
Identify and document practices with stronger and more scalable impact												
PILLAR 3: Enterprise Development												
<i>Building staff capacity to design and implement effective livelihoods programmes</i>												
Contract external technical assistance to assess technical capacity gaps in the livelihoods working group												
Provide resources for staff to attend training and workshops, and to recruit short term technical assistance												
Recruit external technical assistance to assess IGA market opportunities												
Identify business development service providers and facilitate enterprise access to technical resources												
Link products to markets												
Facilitate access to finance with K-REP and Cooperative bank												
Ongoing business management support												
Relevant technical partner to develop implementing partner monitoring and evaluation systems												
PILLAR 4: Advocacy												
Government												
Private Sector												
United Nations High Commissioner for Refugees												

Annex 2: Organisations and Individuals Consulted

Name	Organisation	Position	Contact Details
Agnes Asiimwe	Jesuit Refugee Services	Project coordinator-UEP	mikono@jrs.net
Agnes Mutele	United Nations High Commissioner for Refugees	Senior Community Services Assistant	mutele@unhcr.org
Alice Dandi	Center for Domestic Training and Development	Program manager-Eastleigh	domesticworkers@hotmail.com
Alyce Macharia	Kenya Commercial Bank	Head: Group New Product Development	Amacharia@kcb.co.ke
Anubha Sood	Danish Refugee Council	Regional Livelihood Advisor	reg.livelihoods@drchoa.org
Badu S. Katelo	Government of Kenya Department of Refugee Affairs	Ag.Commissioner for Refugee Affairs	badukatelo@refugees.go.ke
Betty C. Korir	K-Rep Bank	Head: Credit Risk & Legal	bkorir@k-repbank.com
Carmeline Wanjiru	United Nations High Commissioner for Refugees	Senior Programme Associate	WANJIRUC@unhcr.org
Charles Muiruri	Government of Kenya	Ag District Commissioner- Kamukunji	charlesmuiruri39@gmail.com
David Kangethe	Danish Refugee Council	Country Director-Kenya	cd@drkenya.org
Gaela Roudy-Fraser	United Nations High Commissioner for Refugees	Senior Livelihoods Officer	roudyfra@unhcr.org.
George Oduor	United Nations High Commissioner for Refugees	Community Service Associate	Oduor@unhcr.org
Habiba Osman	Danish Refugee Council	Livelihood Assistant	livelihoodasst.ddb@drkenya.org
Hassan Ali Bulle	Government of Kenya	District Commissioner -Isinya	dcisinya@gmail.com
Igor Ivancic	United Nations High Commissioner for Refugees	Senior Protection Officer	ivancici@unhcr.org
Irene Waweru	Jesuit Refugee Services	Project Director, UEP- Nairobi	nairobi.director@jrs.net
Jacqueline Parlevliet	United Nations High Commissioner for Refugees	Assistant Representative (Protection)	parlevli@unhcr.org
James Karanja	United Nations High Commissioner for Refugees	Associate Community Service Officer	Karanjak@unhcr.org
Jessica Njau	CISP	B.I.S.C Project Manager	Cisp.bisc@gmail.com
Job Ikwawe	Danish Refugee Council	Monitoring & Evaluation Officer	me.ddb@drkenya.org
Joseph Ndirangu Kariuki	Cooperative Bank	Customer Service Officer	jnkariuki@co-opbank.co.ke
Julius Holt	FEG Consulting	Senior Partner	jholt@feg-consulting.com
Linet Opiyo	United Nations High Commissioner for Refugees	Protection Unit	opiyo@unhcr.org
Maja Munk	Danish Refugee Council	Deputy Country Director	maja.munk@drc.dk
Marco Labruna	C I S P	Project Manager	labruna@cisp-nairobi.org
Moffat Kamau	Danish Refugee Council	Livelihood Coordinator Dadaab	livelihoods.ddb@drkenya.org
Patricia Mbogo	Faraja Foundation	Livelihood Officer	Patricia.mbogo@faraja.net
Paul K. Samoei	Kenya National Bureau of Statistics	Manager Research & Development	psamoei@knbs.or.ke
Pauline Mhonja	International Rescue Committee	Livelihood Officer	paulinem@rescue.org
Peter K. Mbugi	Government of Kenya	District Commissioner- Embakasi	petermbugi@gmail.com
Peter Klansoe	Danish Refugee Council	Regional Director	peter.klansoe@drc.dk
Riva Jalipa	Refugee Consortium of Kenya	Advocacy Programme Associate	riva@rckkenya.org
Rose Kanana	Danish Refugee Council	Livelihood Programme Officer	livelihoods@drkenya.org
Simon Y Konzolo	Refugee Consortium of Kenya	Senior Programme & Advocacy Officer	konzolo@rckkenya.org
Stephan Maurer	Danish Refugee Council	Deputy Regional Director	dep.regdirector@drchoa.org

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