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Host Communities and Refugees in the East and Horn of Africa and the Great Lakes

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PART I

Host Community Impact and Refugee Opportunities in the East and Horn of Africa and the Great Lakes

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ABSTRACT

This JDC Digest explores the impacts of forced displacement on host communities in the EHAGL region, as well as opportunities to facilitate opportunities for refugees and other forcibly displaced persons through mobility, assistance and inclusion into national services. Our review unveils how refugee presence can spur development and enhance service infrastructure while reshaping local labor dynamics. Central to our findings is the crucial role of refugee self-reliance and mobility in fostering economic and social integration. However, the review also underscores the need for further research, particularly regarding the inclusion of refugees into national systems and the specific challenges facing returnees and internally displaced persons (IDPs). Offering a comprehensive view, this Digest aims to inform balanced policy decisions in the region.

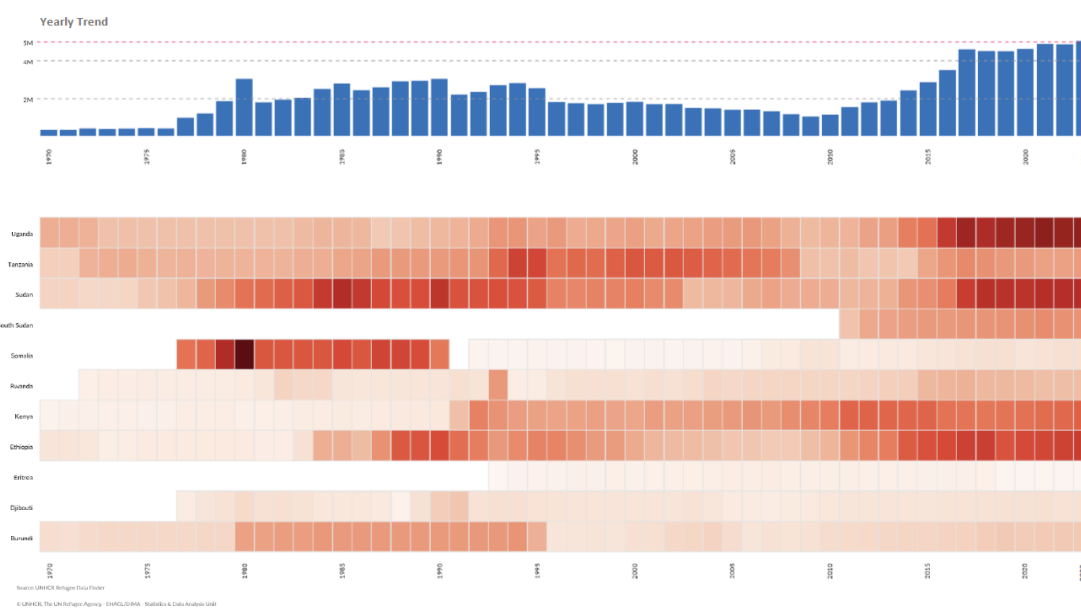
Keywords: Forced displacement, East Africa, Self-reliance, Mobility, IDPs.

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Introduction

Forced displacement has had a recurrent and lasting imprint on the [East and Horn of Africa and the Great Lakes](#) (EHAGL) region.¹ Beginning in the mid-1970s, the Ethiopian Civil War (1974-1991) saw substantial displacement into neighboring countries, followed in the next decade by emerging conflicts in Uganda (Civil War, 1980-86; Lord’s Resistance Army insurgency, 1986-present) and Sudan (Second Civil War, 1983-2005). By the early 1990s, these grew to include civil wars and displacement out of Rwanda (1990-1994), Somalia (1991-present), Burundi (1993-2005) and Eritrea (1991-2002). In the early 2000s, a period of relative stability saw expanded access to [durable solutions](#) for refugees – return to the county of origin, third-country resettlement and local integration – leading to a steady decrease in the number of refugees regionally. This period ended around 2010 with the renewed instability in Somalia, civil war and famine in South Sudan, the expansion of conflict in the Democratic Republic of Congo (DRC) and the Burundi electoral crisis in 2015. Following the unrest in Northern Ethiopia in late 2020 and outbreak of conflict in Sudan in April 2023, forced displacement in the region has risen to record levels and is increasingly driven by climate change.² In all, recent decades have seen large refugee populations originating from eight out of eleven countries hosted at different points by nine of often the same countries in the region (Figure 1).

Figure 1: Chronology of forced displacement in EHAGL since 1970



Source: EHAGL Regional Bureau, UN Refugee Agency (UNHCR), [Refugees and asylum seekers by country of asylum \(1970-2023, >1000\)](#). The upper figure is the total number of refugees in the region by year. The lower figure is a heatmap indicating the intensity of hosting by country by year.

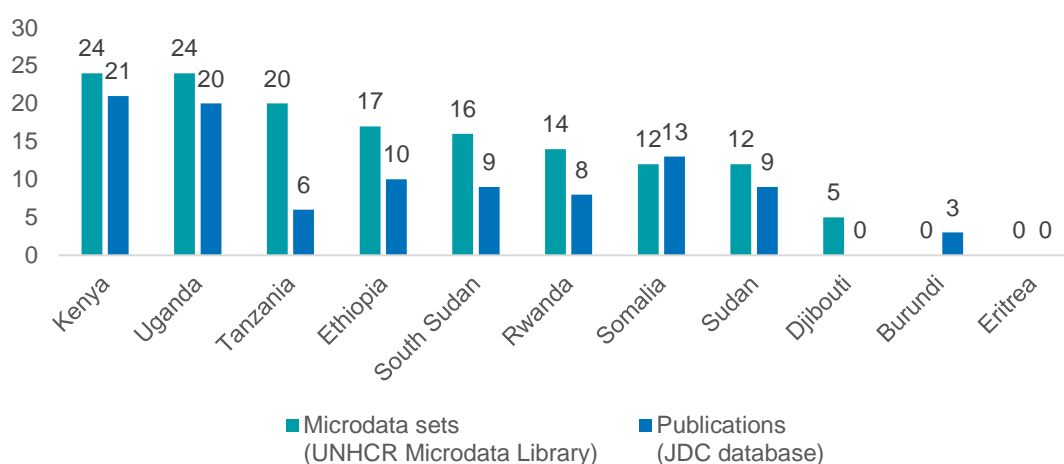
¹ EHAGL region includes 11 countries - Burundi, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Tanzania (United Republic of) and Uganda.

² UNHCR Focus Area Strategic Plan for Climate Action 2024-2030

Today, the region is host to 5.2 million refugees and asylum-seekers (around 13% of the global total), the majority originating from [Burundi](#), Eritrea, [Somalia](#), [South Sudan](#) and [Sudan](#), 17.5 million internally displaced persons (IDPs) mainly from [Ethiopia](#), Sudan, Somalia, and South Sudan (around 18% of the global total) and nearly 580,000 refugee returnees.³ Refugees and asylum seekers live mostly in rural areas (84 percent), with 60 percent in camps or managed sites. Women and children comprise 79 percent of the population. while 61% of refugees and asylum seekers are in protracted situations (more than five years in asylum) and 25% were born in asylum.⁴ Refugee populations are shown to experience higher rates of poverty than national populations due to their specific vulnerabilities, loss of assets, trauma, limited rights and access to opportunities: in Ethiopia, Kenya and Uganda refugees are on average 33 percentage points more likely to be poor than national populations (62 to 29 percent).⁵

The Global Compact on Refugees calls for reliable, comparable, and timely data and evidence to improve socio-economic conditions for refugees and host communities, address the impacts of forced displacement and identify and plan appropriate solutions.⁶ Within the region, the geographical coverage of microdata and publications is uneven (Figure 2). Coverage is most significant in locations with either a relevant presence in the development economics literature (Kenya, Uganda, Ethiopia) leading to larger numbers of quantitative studies, or significant humanitarian presence (Somalia, Sudan, South Sudan) which results in a greater number of case and qualitative studies. Even within countries, variation exists: in Kenya, dozens of publications have focused on refugees in Turkana County, which includes the Kakuma Camps and Kalobeyei Settlements, and Nairobi, while far fewer have taken place in Dadaab.

Figure 2: Number of microdata sets and publications, by country



Source: Joint Data Center on Forced Displacement Literature Review Database, UNHCR Microdata Library

³ [UNHCR EHAGL Regional Operational Update \(October - December 2023\)](#)

⁴ Based on UNHCR calculations.

⁵ [2023 Global Compact Indicators Report](#)

⁶ [Global Compact on Refugees \(2018\)](#)

This Digest will focus on three areas where the greater number of quantitative publications from the past five years were available: i) addressing the impacts on host communities, ii) reinforcing opportunities for refugees and iii) areas in need of more research.⁷

Addressing Impacts on Host Communities

The arrival of large numbers of refugees often creates a significant shock for host communities. Over time, the socioeconomic impacts may be negligible, but in the short and medium term the impacts depend largely on initial conditions, the number and demographics of new arrivals and responsiveness of policy.⁸ The studies discussed here focus on three main types of impact: markets, services and social cohesion, and economic and development outcomes.

Markets

Focusing on [Rwanda, Loschmann, Bilgili, and Siegel \(2019\)](#) consider broader socio-economic effects, particularly in labor markets and economic welfare. They find a shift towards wage employment and increased non-farm business opportunities for those living near camps, coupled with a rise in self-employment among women, suggesting a shift in gender roles. Additionally, households in close proximity to camps are more likely to own more assets and experience economic benefits, although this does not alter their subjective economic status perception. In their long-term study of [Tanzania, Nsababera, Dickens, and Disney \(2023\)](#) observes a modest but significant urbanization effect – defined as an increase in settlements and in non-agricultural economic activity – in host locales extending up to 100 km from refugee camps between 1985 and 2015. This urbanization predominantly involved non-tradeable goods and services and did not lead to major structural economic transformations.

Services and social cohesion

The conditions outside of Congolese refugee camps in Rwanda are again explored in [Bilgili et al. \(2019\)](#), this time with a focus on education and learning of children in host communities. Their study reveals improved educational outcomes due to enhanced infrastructure and resources, such as new classrooms and additional teaching staff. This approach reflects the Rwandan government's strategy to include refugees into local education systems, highlighting the positive contributions of refugees to resource-limited settings. Both Rwanda studies underscore the positive impact of the Rwandan government's inclusive approach to refugee settlement on local communities, in terms of education, labor market adaptation and economic welfare.

⁷ [Gender](#) was also covered by a separate version of the Digest, so is not discussed in detail here. Several of the studies below were also produced through the [Social Cohesion and Forced Displacement](#) initiative under the World Bank-UNHCR-FCDO Building Evidence on Forced Displacement Research Programme.

⁸ [Verme and Schuettler \(2021\)](#)

Expanding on this approach, [Zhou, Grossman, and Ge \(2023\)](#) offer a comprehensive analysis of the impact of refugees on host communities in [Uganda](#). By blending geospatial data on refugee settlements and longitudinal data on primary and secondary schools, road density, health clinics, and health service utilization, they present two principal findings. Firstly, it observes that host communities near refugee settlements experienced notable improvements in local development, including enhanced public service delivery. Secondly, the study utilizes public opinion data to examine local attitudes towards refugees and inclusive policies towards refugees, revealing no significant association between refugee presence and negative (or positive) perceptions among host communities. This research demonstrates the impacts of development engagement to mitigate the impacts of hosting refugees and underscores the potential benefits of refugee presence in host communities. In doing, it challenges the notion that refugees compete with locals for resources and services and highlights the importance of thoughtful development planning in refugee-hosting areas.

The [World Bank \(2020\)](#) report further takes up the social impact of hosting refugees in Ethiopia, providing a more nuanced illustration of the relationship between the refugees and their hosts. Refugee inflows and humanitarian presence are generally associated with an increase in commercial activities and a redistribution of skills from the country of origin to the hosting region. Trading activities and market interactions are more important in building the social fabric amongst communities in and around camps, but less pronounced in urban contexts, as the authors observed in Addis Ababa. Not all impacts are positive: A refugee influx creates a population shift in the local community, which can lead to unintended consequences like environmental degradation. Issues like this can impact social cohesion with the host community. Yet despite these challenges, preliminary findings from the forthcoming [Socioeconomic Survey of Refugees in Ethiopia \(2023\)](#) show that forced displacement does not always lead to poor social cohesion between refugees and hosts. While some hosts have indicated negative attitudes towards refugees, most are generally positive, and many hosts think refugees should have the right to work, to live where they want in Ethiopia, and to free primary education and healthcare.⁹

Economic and development outcomes

A separate set of papers addresses economic and development outcomes. [Coniglio, Peragine, and Vurchio \(2023\)](#) use geo-referenced panel data across Africa to contrast areas with refugee camps with the areas without between the years 2000 and 2014. Their work indicates that there is an initial association between the formation and growth of refugee camps and a rise in social unrest and demonstrations. This phenomenon, however, does not persist over an extended period. In contrast, the initial adverse effects caused by the sudden increase in population due to incoming refugees gradually give way to economic development. This positive economic change is credited to heightened local demand and the active economic engagement of refugees, which consequently results in the expansion of urban areas surrounding these camps. Moreover, the study examines the two-fold

⁹ [Socioeconomic Survey of Refugees in Ethiopia \(forthcoming\)](#)

influence of refugee camps on social discord and economic advancement within the host communities. It highlights the critical role played by these camps, under the management of national governments with support from UNHCR, in providing essential assistance, while also suggesting that the economic contribution from emergence of refugee camps can mitigate risks related to social cohesion.

Conversely, [Sonne and Verme \(2019\)](#) research highlights intergenerational health impacts, particularly on stunting and height-for-age, linked to early childhood exposure to refugee camps. This study, using data from the Tanzania Demographic and Health Survey, found that mothers exposed to refugee camps in their first five years had children with lower health outcomes 15-20 years post-crisis. Together with the earlier study on Tanzania, this work underscores the complex, multifaceted impact of refugee camps on host communities, in terms of urban development, economic activities, and health outcomes across generations.

Reinforcing opportunities for refugees

Most forced displacement situations in the region last for years, even decades, making it important to think about the long-term impact on the displaced themselves, as well as the host communities in which they live. The World Development Report 2023 on Migrants, Refugee and Societies identified three main pathways to sustainably support refugees and refugee situations: self-reliance, internal mobility and delivering services through national systems.¹⁰ What evidence has been produced from EHAGL countries in these areas?

The socioeconomic success of refugees in host countries depends largely on their ability to move, work freely and access basic services.¹¹ Globally, two-thirds of refugees have full access – in law – to the labor market, while 64% have more or less unrestricted movement *de jure*.¹² Around 73% of refugee students at primary level and 67% in secondary can access education under the same conditions as nationals: within the EHAGL region, this rate is 80% for primary school students (in 8 or 11 countries). Despite these legal assurances, practical and administrative barriers abound. Around one-quarter of refugees regionally can access wage-earning employment without practical restrictions or open bank accounts using UNHCR or government-issued ID. One-third have the right to use land for agriculture, register a SIM card, or license and operate a business.¹³ However, even where permitted, many employers are reluctant to hire refugees.¹⁴

¹⁰ [World Bank. 2023. World Development Report 2023: Migrants, Refugees, and Societies. Washington, DC : World Bank.](#)

¹¹ [UNHCR. Refugee Livelihoods and Economic Inclusion: 2019-2023 Global Strategy Concept Note](#)

¹² [UNHCR. 2023 Global Compact on Refugees Indicator Report](#)

¹³ Author's calculations based on [UNHCR Global Survey on Livelihoods and Economic Inclusion Report](#) (December 2023); [2023 Global Compact on Refugees Indicator Report](#)

¹⁴ [OECD. 2018. Engaging with Employers in the Hiring of Refugees](#)

Self-reliance and assistance

With the contraction of aid budgets and ever more frequent reductions in food and other assistance, self-reliance is increasingly critical to sustain refugee response efforts and social cohesion with host communities.¹⁵ These factors have in part informed a strong push away from camps towards integrated settlements, with a focus on labor market integration, freedom of movement and targeted assistance.

Guided by the vision of the [Kalobeyei Integrated Social and Economic Development Programme \(KISEDP\)](#), a multi-agency collaboration to develop the local economy and service delivery in Turkana Country, [Kenya](#), the [Kakuma Refugee Camps](#) and [Kalobeyei Settlement](#) are often held up as examples of the shift from camps to integrated settlements and area-based responses. As part of these efforts, three quasi-experimental impact evaluations led by the University of Oxford Refugee Studies Center stand out as some of the first efforts to adapt quantitative research tools to refugee settings. Today, they continue to offer important insights for localities seeking to reinforce self-reliance through new approaches to humanitarian assistance.

Established in 2015, Kalobeyei Settlement was designed to improve the socioeconomic conditions of refugees and host communities through the integration of services catering to both refugees and hosts and a shift away from restricted modalities of humanitarian assistance, such as food and distribution of core relief and other non-food items. The reemergence of the conflict in South Sudan and use of distinct cutoff dates to settle refugees between the sites in 2015-17 allowed [MacPherson and Sterck \(2021\)](#) to compare and contrast the “traditional” humanitarian assistance model used in Kakuma with more flexible forms of cash assistance distributed largely through mobile applications in Kalobeyei. Using a regression discontinuity design, they find that refugees benefiting from the new approach have better diets – they eat more vegetable and fish, more food overall, and are less food insecure (though still face significant challenges), are happier and have more independence from humanitarian aid than those in Kakuma Camps. Yet, most remain extremely poor, with little improvement in assets or employment. The switch from food rations to cash transfers and – to a smaller extent – wider promotion of small-scale agriculture through kitchen gardens are some of the possible factors responsible for these findings.

Expanding on this, [Siu, Sterck and Rodgers \(2023\)](#) use a natural experiment to compare consumer choice and welfare outcomes for one group of refugees in Kalobeyei who received monthly cash stipends restricted to food with another who received unrestricted cash assistance.¹⁶ The results show that restricted transfers led to lower non-food expenditure, expenditure on temptation goods and subjective well-being as well as dramatic increases in the sale of food on the secondary market – at a loss of 18-38% below market price. The authors find no evidence that

¹⁵ [OECD. 2024. INCAF Facts and Figures Series: ODA final data and trends for 2022 in relation to fragile and conflict-related contexts](#)

¹⁶ From 2016-2019, all refugees in Kalobeyei received \$14 per month by mobile money, restricted to food items (excluding non-food items, alcohol and tobacco). In 2019, this restriction was lifted for a share of recipients, creating the conditions for a national experiment.

restrictions deliver better nutrition outcomes, however, they do find an association between unrestricted cash and indebtedness. [Delius and Sterck \(2024\)](#) further examine practice of limiting cash purchases under the restricted cash modality to a limited number of licensed shops. These licensed businesses are shown to have much higher revenues (+175%) and profits (+154%) and charge higher prices than unlicensed businesses, a cost born by cash recipients. Together, these three studies provide important insights into the use of restricted and unrestricted food and cash assistance modalities in the promotion of self-reliance.

Mobility

Many refugees, particularly those in camps, face significant barriers to movement, from outright prohibition on movement to administrative requirements, such as permits. At the same time, refugee camps tend to be in isolated areas with weak labor markets and limited opportunities. Allowing greater movement to urban areas where jobs are more plentiful potentially offers many benefits. What can we learn about mobility policies from the literature?

“Internal mobility has the potential to dramatically change the way refugee crises are managed. It reduces the mismatches between the skills that refugees bring and the demands of the labor market by allowing refugees to access more opportunities. And it allows them to make larger contributions to the local economy. Meanwhile, it dramatically reduces the adverse impacts on the communities in areas of first arrival—in terms of jobs, prices, services, infrastructure, and social cohesion—by reducing the share of refugees in their population.” (WDR 2023, p. 219)

Contrasting the living experience of Somalia refugees in Kenya – those in the Dadaab camps with those living in Eastleigh, Nairobi – and host community members, [McAteer et al. \(2023\)](#) study wellbeing using quantitative and qualitative methods along five dimensions (bodily, economic, political, social and psychosocial, and wellbeing). The wellbeing metrics and quantitative survey findings demonstrate that the biggest differences between Dadaab and Eastleigh-based refugees are in the bodily, economic, and social wellbeing dimensions, with refugees based in urban areas at a distinct advantage compared to those based in the camp. The political and psychosocial dimensions also favor urban populations, though the differences are much smaller. Lack of free movement emerges as a key theme in the qualitative and quantitative work, among both those in the camp and urban areas, where the risk of arrest and threat of return to camp is prominent. Camps are perceived as safer, but offer fewer opportunities. The authors argue that Kenya’s revised policy on refugees under the Refugee Act 2021, which speaks of rights to participate in gainful employment, “designated areas” of residence and refugee identification cards with the status of other foreign nationals, has the potential to improve refugee wellbeing, but only if it includes mobility.

While urban areas offer many possibilities, improving living conditions for refugees requires both rights *and* opportunities. In Ethiopia, [Betts et al. \(2019\)](#) use quantitative

household survey data to document the precariousness state of refugees living in Addis Ababa.¹⁷ Prior to the 2019 Refugee Proclamation, refugees were not permitted to work or register businesses, resulting in high levels of unemployment (79 percent for Eritrean refugees and 93 percent for Somali refugees), average incomes significantly lower than that of the host community and a high dependency upon remittances among the refugee population. A sense of boredom, idleness and hopelessness prevailed among these populations, with over 90 percent of refugees aspiring to migrate to Europe, North America or Australia. The authors argue that creating sustainable socio-economic opportunities for refugees is crucial to improving welfare outcomes and offering alternatives to onward migration. To make good on the promise that urban areas offer for refugees – including better employment opportunities and access to services – requires rights as well as opportunities: in this, the creation of area-based urban programs, strengthening socio-economic opportunities in secondary cities outside of Addis Ababa, including refugees in planning processes and expanding resettlement and alternative migration pathways all play important roles.

Mobility also emerges strongly as a feature of the self-reliance model in Uganda, where refugees are allowed to work and select their location of residence ([Betts et al. 2019](#)). In contrast, those in Kenya are required to live in designated camps and apply for work permits, which are difficult to obtain in practice. Yet, a comparison of Somalia and Congolese refugees across sites in the two countries demonstrates the nuance: while those in Uganda are not, in fact, significantly more mobile (around 25% reported leaving the settlement in the past year, compared to 15% in Kenya), they are able to do so at much lower risk and transaction cost (for example, due to police harassment) and employ different economic strategies, such as splitting families (where women and children remain in the camp receiving assistance, while men work in cities, sending money home and visiting intermittently). In turn, mobility and the more inclusive regulatory environment contribute to better welfare conditions of refugees in Uganda overall.

Inclusion into national systems

The third component of a more sustainable refugee response is inclusion into national systems – such as those for health, education, vocational training, and social protection – of which inclusion into national statistical systems is an important foundation¹⁸ Here, a series of additional factors come into consideration, including visibility of forcibly displaced persons in national, sector and partner development plans, their specific needs, and the cost and quality of services. The first is addressed by a recent report by the OECD which finds that 28% of refugees and IDPs globally hosted in lower and middle income countries are included into national

¹⁷ At the time of publication in 2019, there were two primary refugee populations living in Addis Ababa: 17,000 Eritrean refugees under the Out-of-Camp Policy (OCP) based on their capacity to be self-reliant and 5,000 Somali refugees mostly under the Urban Assistance Programme (UAP).

¹⁸ See [Expert Group on Refugee, IDP and Statelessness Statistics \(EGRISS\) Annual Report 2022](#) for more discussion and examples of statistical inclusion.

planning ([OECD 2023](#)).¹⁹ Yet, the literature on this is just emerging and few studies from the region have taken a quantitative approach to this question.

One of the few well documented examples is again of Somali and Congolese refugees in Uganda and Kenya (Betts et al. 2019). The authors find some evidence that service provision may be stronger in Kenya than Uganda, in part due to the greater involvement of the international community in parallel service delivery in Kenya compared with direct national government provision in Uganda. Using regression analysis and controlling for other variables, refugees in Nakivale (Uganda) are associated with three years less education than those in Kakuma (Kenya) for refugees who arrived before the age of sixteen. Yet, generally, refugees living under liberal policy regimes are shown to be more likely to be employed, while refugee children are more likely to be enrolled in school and able to read and write ([World Bank 2023](#)).

More is needed to show the benefits in terms of socioeconomic development opportunities and costs, as well as to document the challenges, including potential changes in service standards. It is possible that these topics are better suited to case studies and evaluations, rather than quantitative studies.

What needs more work?

Return

As one of few quantitative studies of return as a durable solution, [Ruiz and Vargas-Silva \(2022\)](#) present a comprehensive analysis of the impact of refugee repatriation on social cohesion in Burundi, identifying several areas that require further exploration. While the study provides significant insights, it also uncovers complexities and gaps that necessitate additional research.

Firstly, the study highlights the relationship between the return of refugees and pre-existing societal divisions. The reintegration of returnees into communities where identities and allegiances have shifted during their absence creates potential for both the re-emergence of old conflicts and the development of new societal fractures.

Secondly, it points to the need for a deeper understanding of how returnees, and those who never left, perceive each other, and the impact this has on social cohesion. A complex web of clan, ethnic, regional, or class lines persisted throughout the conflict and continue to influence interactions post-conflict. These factors are crucial to understanding the social dynamics of these communities and the potential for either reconciliation or further discord.

Lastly, the economic implications of refugee return are another aspect requiring further investigation. The return of refugees to communities with limited resources can exacerbate competition for these resources, impacting social cohesion. Consequently, development programs should be designed to contribute to sustainable return by investing in health, education, market development and other opportunities for the entire population, where appropriate. Anticipating the intentions and returnees and matching them to the availability of services is one promising area where data and evidence can identify and promote effective investment.

¹⁹ In EHAGL, this figure is around 39%.

While this study sheds light on the challenges of refugee repatriation post-conflict, it also underscores the need for more targeted research on the social, economic, and identity issues inherent in these situations.

Internally displaced persons (IDPs)

Similar to returnees, internally displaced populations (IDPs) also suffer from a lack of visibility in the quantitative literature and statistics, as illustrated by the [World Bank's \(2019\)](#) extensive report informing durable solutions for internal displacement in Nigeria, Somalia, South Sudan, and Sudan. A critical issue is the need for sustainable employment opportunities for IDPs, particularly in places where livelihoods are precarious and safety nets weak. The report notes that IDPs are often less active in the labor market and less likely to be enrolled in education compared to urban residents. This highlights the importance of creating salaried employment opportunities, for instance, through public works programs, which can integrate new workers into urban labor markets. Additionally, the report emphasizes the need for programs that combine skill development with vocational training and cash transfers, which can address psychosocial challenges like trauma and depression that impede IDP participation in the labor market.

The report also stresses the importance of a gendered approach to employment that considers social norms and domestic labor burdens, especially for women. These interventions should aim to reduce exposure to violence, discrimination, and gender-based violence (GBV). From a targeting perspective, most IDPs are categorized as productive but poor and concentrated in specific pre-war regions. This uneven distribution underscores the necessity for region-specific strategies to achieve durable solutions for IDPs. The variation in the vulnerability of households across different regions suggests that a one-size-fits-all approach may not be effective. Tailored interventions that consider regional characteristics and needs are essential to improve the living conditions and economic opportunities for IDPs.

Despite the comprehensive analysis presented from the Burundi returnee paper and the World Bank's (2019) regional report looking into IDP situations, there is need for more expansive research in these areas. Both studies identify data gaps that can hinder the development of effective, durable solutions for displaced populations. The complexity surrounding the reintegration of refugees and IDPs, their interaction with pre-existing societal structures, and the economic and resource challenges they face call for more data-driven research.

The World Bank's report, for example, demonstrates the importance of including IDPs in national statistics with the appropriate identification and definitions – now consolidated into the International Recommendations on IDP Statistics (IRIS). There is also some asymmetry in cross-country comparisons and reliability of data. This highlights the need for standardized socioeconomic microdata collection and analysis to better understand the nature of forced displacement and its impact on the displaced and host communities. This approach is crucial for improving the visibility of IDPs, understanding of their specific vulnerabilities and needs and designing interventions that can lead to sustainable, long-term solutions. Addressing these gaps will not only aid the formulation of effective policy but will also contribute to a deeper understanding of the dynamics of displacement scenarios. Thereby, more research on returnees and IDPs is essential to inform policies that address the challenges of displacement and support the development of cohesive, resilient communities.

Conclusions

Significant progress has been made in understanding the impacts of forced displacement on host communities in the East and Horn of Africa and the Great Lakes region. Despite challenges, particularly in the short term, hosting refugees presents opportunities for market development, economic growth and improvements in service delivery. At the same time, mobility is an important feature of self-reliance, especially where job opportunities are scarce. Going forward, it will be important to continue building on this work, particularly in the nascent areas of inclusion into local and national systems, returns and internal displacement. Greater understanding is also needed on the shift from camps to integrated settlements and on the impact of policy changes – for example, freedom of movement and improved labor market access – on development, protection and solutions.

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PART II

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The effects of refugees' camps on hosting areas:

Social conflicts and economic growth

Nicola Daniele Coniglio, Vitorocco Peragine, and Davide Vurchio

World Development, Volume 168 (2023), Article 106273

<https://doi.org/10.1016/j.worlddev.2023.106273>

This article **investigates the effects of refugee camps on the occurrence of social conflicts and on economic growth in the Africa region**. The authors investigate the effect of 140 refugees' camps listed in the UNHCR Camp Mapping Database in 22 African countries, located within 100 km from a border. Most of the camps are in Ethiopia (26 camps), Sudan (22 camps), Chad (22 camps), South Sudan (9 camps), and Cameroon (9 camps).

The authors employ a counterfactual approach, comparing 50 x 50 km geographical cells that host a camp with other similar cells that do not host a camp but are equally exposed to shocks in neighboring countries, and conduct a panel event study (difference-in-difference approach). The analysis draws on geo-referenced panel data covering 54 African countries for the period from 2000 to 2014, including: (1) data on the frequency of protests, armed conflicts and other organized violence events from Google Global Database for Events, Language and Tone (GDELT) and UCDP Georeferenced Event Dataset (GED) databases; and (2) data on the location of camps from the UNHCR Camp Mapping Database.

Main results:

- **Refugee camps increase the occurrence of protests, but the effect is short-lived.** On average, there is an increase in the incidence of protests in the two years following the establishment of a camp. In subsequent years, there isn't any evidence of an increase in social conflict or organized violence events. Looking only at the most severe conflicts, i.e., organized violence events resulting in casualties, there isn't any evidence of a significant increase in conflicts in areas with refugee camps at any time.
- **The establishment of camps boosts the growth of host localities.** On average, areas hosting camps (within 10 km of the camps) experienced higher growth of built-up areas compared to areas further away with similar distance from the border and a similar infrastructure endowment. However, there is a high degree of heterogeneity across host localities, with the least-performing areas being highly marginal areas with low population density.

The authors conclude that **a sudden population shock initially increases social tensions with host communities. Over time, however, the easing of tensions might be related to the increased socioeconomic interactions between refugees and hosts and the diffusion of benefits stemming from the proximity of a ‘camp-economy’ to host communities.**

Is the Education of Local Children Influenced by Living Nearby a Refugee Camp? Evidence from Host Communities in Rwanda

Özge Bilgili, Sonja Fransen, Craig Loschmann, and Melissa Siegel

International Migration, Volume 57, Issue 5(2019)

<https://doi.org/10.1111/imig.12541>

This paper **examines the effects of Congolese refugees in Rwanda on access to schools and educational outcomes for host community children.** There are approximately 70,000 Congolese refugees in Rwanda (UNHCR, 2022), most of whom have been in protracted displacement since the mid-1990s. The Rwandan government’s policy is to integrate refugees into local schools (where possible) and strengthen facilities by building classrooms and providing additional teachers and materials.

The analysis draws on household survey data, community surveys and focus group discussions covering host communities in the vicinity of the three largest refugee camps: Gihembe, Kigeme, and Kiziba. The analysis relies on a comparison between host community members residing closer to (less than 10 km) and further away (greater than 20 km) from the camps.

Main findings:

- **Children living within 10 km of a refugee camp are significantly more likely to attend school**, compared with children living further away. 71 percent of all children 18 years or younger residing within 10 km of a camp regularly attend school, compared to 61 percent of the children living further than 20 km from a camp.
- **Children living within 10 km of a refugee camp that has more local integration (Gihembe and Kigeme) are significantly more likely to benefit from school feeding programs**, compared to children living further away. Only about four percent of the children within communities outside 20 km of the nearest refugee camp are provided food assistance at school compared to 23 percent of the children located within 10 km of a camp.
- **Children within 10 km of a refugee camp have better educational outcomes.** On average they have completed more years of schooling and are more likely to have completed primary school. However, other factors may explain these outcomes such as increased investments in public education and/or overall economic development in the country.

- **Locals residing closer to the camps have mostly positive views on the effects of refugees on local education.** Respondents particularly emphasized government's investments in education in areas surrounding the camp.

The authors conclude that **the presence of Congolese refugees has an overall positive impact on the education of children living in areas surrounding the refugee camps.** These positive effects are attributed to the integrated approach to education pursued by the Rwandan government coupled with increased national spending on education.

Considering the benefits of hosting refugees: evidence of refugee camps influencing local labour market activity and economic welfare in Rwanda

Craig Loschmann, Özge Bilgili and Melissa Siegel

IZA Journal of Development and Migration, Volume 9, Issue 5 (2020)

<https://doi.org/10.1186/s40176-018-0138-2>

This article **examines the impact of Congolese refugee camps on host communities in Rwanda with a focus on labor market activity and economic welfare.** There are approximately 70,000 refugees in Rwanda (UNHCR, 2022), most of whom are living in one of five refugee camps.

The analysis is based on a household survey conducted in May 2016 in three Congolese refugee camps (Gihembe, Kigeme, and Kiziba) and surrounding host communities. The dataset includes information on labor market activity and economic welfare of 1,632 working-age individuals (aged 16 to 65) active and employed in the labor market, within 913 households. The authors compare individuals and households in host communities at various distances from the refugee camps (within 10 km and beyond 20 km), and consequently with varying levels of exposure to the refugees. The analysis focuses on the effects of refugee exposure on primary and secondary labor activities, asset ownership, and subjective assessment of economic wellbeing.

Key findings:

- **Rwandans living closer to a refugee camp are more likely to be engaged in wage employment compared to subsistence farming or livestock production.** Living within 10 km of a refugee camp increases the likelihood of being in wage employment compared to subsistence agriculture and livestock production by 14 percent, and this result is significant for both men and women.
- **Females living in proximity to a camp have a higher likelihood of self-employment in business both as a primary and secondary activity.** Women living within 10 km of a refugee camp increases the likelihood of being in self-employment compared to subsistence agriculture and livestock production by 7 percent. Additionally, host women who are engaged in agriculture as their primary economic activity are 9 percent more likely to be involved in self-employment (trading and selling) as a secondary activity when they live in proximity to a refugee camp.

- **Living near a camp is associated with greater household asset ownership.** Both female- and male-headed households benefit similarly relative to their counterparts residing further away.
- **There is no indication that proximity to a camp influences subjective perceptions of the household's economic situation.**

The results suggest an overall adjustment within the local labor market, with Rwandans shifting away from subsistence agricultural activities in the presence of the refugee population, possibly due to greater non-farm business opportunities and/or the ability to hire low-skilled labor to perform subsistence agricultural work. In the long term, local population dynamics may also influence gender roles due to the inclusion of women in the labor market.

The authors conclude that **the presence of refugees benefited host communities in Rwanda.** Even in cases where they do not find a clear positive influence of living near a refugee camp, they do not find any clear negative consequence either. They suggest that the integrative approach of the Rwandan government with regard to refugee settlement and the absence of forced boundaries between refugees and the local community have led to a more unified labor market.

Intergenerational Impact of Population Shocks on Children's Health: Evidence from the 1993–2001 Refugee Crisis in Tanzania

Soazic Elise Wang Sonne and Paolo Verme

World Bank Policy Research Working Paper 9075 (2019)

<https://openknowledge.worldbank.org/entities/publication/bc910d14-61fa-5e7e-9a22-5a87a9f007e8>

Between 1993 and 2001, northwestern Tanzania hosted large numbers of refugees from Burundi, Rwanda and Congo, the majority in temporary camps near the border and a short distance to Tanzanian villages. This paper **explores the long-term intergenerational effects of early childhood exposure to refugee shocks.** The authors exploit spatial and temporal variations in exposure to the refugee shock to examine whether mothers' exposure to refugees during their early childhood led to lower health outcomes of their children 15-20 years later.

The analysis is based on data from the 1991, 1996 and 2015/16 Tanzanian Demographic and Health Survey (DHS). The datasets include information on the anthropometric measures of children under five and mothers' and fathers' demographic and socioeconomic characteristics, including labor market participation, wealth, years of education, land/house ownership, and decision-making on health care of mothers and fathers. The 2015/16 also includes information on the migration history of parents and geo-referenced data on the location of each household cluster, making it possible to assess the intensity of the refugee shock based on the distance between households and each of the 13 historical refugee camps.

Key results:

- **Children of mothers exposed to the 1993-2001 refugee crisis in their early years are more likely to be stunted.** Almost 15 years after the refugee influx, children under five born to mothers who were themselves under five during the 1993-2001 refugee crisis and living closer to refugee camps have lower Height-for-Age Z-scores and are more likely to be stunted than a comparable sample of children whose mothers were more than five years old at the time of the refugee crisis.
- **The magnitude of the adverse effects is more pronounced for mothers who were still in utero during the refugee shock.** Mothers who were in utero and less than 24 months at the time of the high refugee influx period (1993-1996) are more likely to give birth to children who are stunted, with the magnitude of the adverse effects progressively decreasing for children of mothers who were 0-2 and 3-5 years old.
- **There was an increase in female labor force participation of women during the refugee crisis, potentially suggesting a trade-off with childcare at home.** Grandmothers in 2015/16 who were mothers in 1996 (during the crisis) had higher labor force participation than those who were mothers in 1991 (before the crisis). There was no increase in the labor market participation of grandfathers during the same period.
- **Mothers exposed to the refugee crisis during their first five years were less likely to complete secondary education, less likely to own land and housing, and more likely to participate in the labor market later in their life.** Increased labor force participation can potentially translate into reduced childcare at home and poorer anthropometrics of their under five-year-old children.
- **Parents in their early age during the refugee influx suffered from decreased nutritional standards and increased morbidity.** Children in refugee receiving areas in 1996 had lower Weight for Age, Weight for Height, and Biomass Index scores, and were more likely to be wasting, underweight, have diarrhea or fever. This is expected to affect the anthropometrics of their own children in 2015-2016.

The authors conclude that Height for Age is inversely related to the exposure of mothers to a refugee shock in early childhood. The results suggest that the lower anthropometrics of young children born to women who were exposed to the refugee shock as children is explained by the mothers' increased participation in the labor market, lower educational attainment, and lower likelihood of owning assets. All these factors have been shown in the literature to have adverse effects on young children's development.

Impact of Refugees on Hosting Communities in Ethiopia: A Social Analysis

World Bank (2020)

<https://documents1.worldbank.org/curated/en/635601596178405461/pdf/Impact-of-Refugees-on-Hosting-Communities-in-Ethiopia-A-Social-Analysis.pdf>

This report examines the impact of refugees on host communities in Ethiopia. As of January 31, 2024, Ethiopia was hosting more than 970,000 refugees and asylum-seekers, 99 percent of them from South Sudan, Somalia, Eritrea, and Sudan (UNHCR, 2024). Most live in camps located in five regional states: Afar, Benishangul-Gumuz, Gambella, the Somali Regional State (Somali Region), and Tigray, near the borders of their respective countries of origin. Apart from Tigray, these are the least developed states in the country, and the refugee camps tend to be in the least-developed areas of these states.

Ethiopia is in the process of making significant changes to its refugee policies, including the adoption of a new refugee proclamation in 2019, with a view to transitioning from a purely camp-based approach toward a more sustainable response that enables refugees to become more self-reliant and integrated into society and the economy. Ethiopia has also made pledges to help refugees gain greater mobility, improve access to services, especially education, expand access to livelihoods, jobs, and irrigable land, and facilitate the local integration of long-term refugees.

Field research for this report was carried out in four refugee-hosting regions—Addis Ababa, Benishangul-Gumuz, Gambella, and Somali Region—using a combination of qualitative research instruments. At each location, data were collected using semi-structured interviews, focus group discussions, key informant interviews, and a collection of life histories. Community consultations were also carried out to verify the data collected.

Main findings:

- **The social impacts of displacement are shaped by the unique context of each refugee-hosting region**, including its history of displacement, settlement patterns, interactions between communities, and responses to displacement. Additionally, individual and community experiences are influenced by factors such as class, age, nationality, ethnicity, and gender. In Gambella, the social and political context is particularly complex due to a history of conflict over land and political power, with the presence of refugees playing a significant role in these dynamics.
- **Distinguishing between refugees and hosts in Ethiopia is challenging** due to long-standing cross-border mobility, economic connections, shared kinship, language, and ethnicity, and fluid national identity. Host communities have emerged in response to the arrival of refugees, creating new opportunities for commerce and trade. Intragroup conflict among hosts and refugees can significantly impact the social dynamics of displacement, particularly in regions with preexisting tensions among various ethnic groups. While refugees are generally poorer and live in inferior housing, they have access to water, sanitation, health, and education services that are on par with or better

than host communities. In some areas, host communities may be more deprived than refugees, particularly in Gambella and the Somali Region.

- **Overall, the arrival of refugees and large-scale humanitarian operations have led to the expansion of commercial activity and trade in refugee-hosting areas.** Refugees also bring skills in construction, interior-decoration, and information technology to the hosting areas, contributing to cultural changes. Refugees and hosts that can access resources through social networks are better able to benefit from the economic transformation of refugee-hosting areas. Remittances received by refugees create demand for local businesses, but some hosts perceive them to be inequitable and believe they have caused local inflation and increased khat and alcohol consumption, especially in Addis Ababa. The economic relationships between refugee and host communities are delicately balanced, with changes to the legal regime likely to transform these dynamics.
- **Accessing reliable income-earning opportunities is a challenge for both refugees and hosts, with significant differences between urban and rural areas.** Refugee livelihoods are most constrained in Gambella and Benishangul, leading to contestation over resources, environmental degradation, insecurity, and theft. Refugees rely more on aid, while hosts primarily earn a livelihood from agriculture and wage-earning employment. Livelihood patterns are highly gendered, with women and girls disproportionately involved in petty trade and collecting wood and materials from forests, making them vulnerable to gender-based violence. The presence of refugees has increased pressure on the local environment, leading to tensions between refugees and hosts.
- **Generally, refugees and hosts enjoy positive relationships, but there are significant differences between the groups.** Somali refugees report having the best relationships with host community members, while South Sudanese are least likely to report positive relationships with hosts. During periods of social tension, ethnolinguistic and gender identities become more salient, leading to interethnic tensions and gender-based violence affecting women from both host and refugee communities.
- **Repeated social and material interactions between refugees and hosts shape the relationship and build trust between communities.** Refugees and hosts interact through trade, religious ceremonies, social and sporting events, and when accessing shared social services. Trade and meetings in markets is the most important form of social interaction in camp contexts, and intermarriage plays an important role in creating social connections between communities. Instances of localized insecurity, including petty theft and violence, were noted in each of the study sites, with the most significant and widespread issues in Gambella.
- **The impacts of displacement are gendered,** with differentiated impacts on men and women in terms of access to services, health, livelihood opportunities, and victimization. The presence of refugees and relief operations is sometimes associated with improvement in the access to services for women, and NGOs and international organizations have raised community awareness about women's rights, child marriage, and early pregnancy.
- **The presence of refugees in the research sites has led to improved access to services, particularly in education and health.** However, there are tensions around perceived inequities in access to and quality of services for both refugees and hosts, except in Addis Ababa where both groups use integrated public systems. While none of

the three types of services provided to refugees—water, education, and health—are fully integrated across the research sites, hosts and refugees can access services such as schools, hospitals, and water sources that are meant for the other group to varying degrees. Refugees would like greater access to electricity, finance, and justice. Even though hosts recognize the role of refugees in the expansion of service delivery, inequities in the quality of services that can be accessed by hosts and refugees remain sources of tension, especially due to the real and perceived environmental, economic, and social pressures associated with hosting refugees.

The report concludes with several policy implications. It notes that **support for refugee livelihoods and self-reliance might lead to tensions** with host communities due to increased competition over trade, jobs, and land. **This requires carefully calibrated responses** that include targeted support programs for economically marginalized groups. It notes that creating greater and more extended opportunities for interaction and exchange is likely to help build intergroup trust. Improving access to health, education and water services should continue to be a policy priority, and refugees have also expressed a desire for greater access to justice delivery mechanisms, electricity, and financial services. **The report emphasizes the benefits of integrated service delivery to mitigate perceived inequities and grievances around differential access to services.** Moreover, shared services facilitate social interaction between refugees and hosts and can be a factor in improving intergroup relationships. Policies need to be sensitive to the differential impacts of displacement, by addressing adverse impacts on groups with the lowest access to resources and social networks, whether refugees or hosts. Finally, the needs of refugees and displacement-affected communities must be integrated into national and local government development planning.

Inclusive refugee-hosting can improve local development and prevent public backlash

Yang-Yang Zhou, Guy Grossman, and Shuning Ge

World Development, Volume 166 (2023), Article Number 106203

<https://doi.org/10.1016/j.worlddev.2023.106203>

This paper **examines whether the presence of large numbers of refugees in Uganda affects the provision of public services in nearby host communities, and whether improvements in public services in turn shapes attitudes toward migrants and migration policies.**

Uganda hosts around 1.4 million refugees, making it the fourth-largest refugee-hosting country in the world and the seventh largest on a per capita basis (UNHCR, 2020). Uganda has implemented progressive policies towards refugees including maintaining an open-door policy, allowing refugees to move freely within the country and self-settle, allowing refugees to participate in economic activities, granting plots of land for permanent shelters and farming, providing refugees with access to health and education services, while also ensuring that host communities benefit from refugee-related aid.

The authors exploit the spatial (across parishes) and temporal (annual) variation of refugee settlement within Uganda using a difference-in-difference approach. The analysis draws on several sources of longitudinal, geocoded data including: (a) refugee settlements from UNHCR; (b) citizen attitudes from Afrobarometer; (c) data on primary schools from the Uganda Education Management Information Systems and other sources; (d) data on secondary schools from the Uganda Ministry of Education; (e) data on health facilities from the Uganda Bureau of Statistics and the Ministry of Health; (f) road data from NASA and WFP; and (g) violent events from ACLED.

Main findings:

- **Parishes with a greater refugee presence had worse public goods provision prior to the arrival of refugees.** Therefore, it is unlikely that refugees chose to settle in these areas to access better public goods.
- **Host community parishes with a greater refugee presence have better access to social services.** Access to primary and secondary education, access to health care and health care utilization, and roads significantly improved for Ugandan residents living near refugee settlements, particularly after the 2014 arrival of over 1 million South Sudanese refugees. This result is consistent across alternative measures of proximity to refugee settlements.
- **The presence of refugees does not lead to a backlash against refugees or refugee policies.** A larger refugee presence does not appear to increase (or decrease) support for restrictive migration policies, although in some years it is associated with a heightened sense of personal insecurity. These fears are unfounded, as no evidence is found of changes in actual likelihood of violence in parishes with greater refugee presence.

The authors conclude that, overall, host communities near refugee settlements in Uganda experience positive spillovers. Even if living near many refugees can make residents feel less safe (and may be associated with other negative externalities not examined in this paper), **resource allocation policies that benefit nearby communities can reduce potential backlash against refugees and improve social cohesion between host communities and refugees.**

The persistent urbanizing effect of refugee camps: Evidence from Tanzania 1985-2015

Olive Nsababera, Richard Dickens, and Richard Disney

Spatial Economic Analysis (2023)

<https://doi.org/10.1080/17421772.2023.2274859>

This paper **examines the long-run urbanizing effect of refugee camps in Tanzania**. Between October 1993 and April 1994, Tanzania experienced a mass influx of more than 800,000 refugees from Burundi and Rwanda, who were settled in camps located in the remote regions of Kagera and Kigoma. The population of these regions increased by more than a third and this was followed by a proliferation of humanitarian aid agencies and expatriate workers.

Exploiting the sudden and unanticipated nature of the refugee influx and their settlement locations, the authors employ a spatial difference-in-differences strategy that compares settlement patterns and spatial economic data both during and after the period of the camps' operation. The authors compare localities in proximity of the camps with localities further away.

The analysis draws on several sources of data for the period from 1985 to 2015: (1) information on the geographic location of refugee camps and the dates of their operation from Maystadt and Verwimp (2014), Zhou (2014) and UNHCR; (2) high-resolution satellite data from the World Settlement Footprint Evolution (WSF) dataset showing the evolution of built-up areas each year at a high degree of spatial resolution; (3) spatial economic data on output from the Global Gridded Geographically Based Economic Data (G-Econ) dataset; and (4) spatial data on employment and consumption from the 2008, 2012 and 2015 Tanzania Living Standards Measurement Survey (LSMS).

Main findings:

- **Refugee camps in Tanzania had a modest but persistent urbanizing effect on built-up areas within a 100 km distance of the camps, although the effect reduces with distance from camp.** The built-up area within 100 km of a refugee camp increases on average by about 6 percent from the average pre-camp level of built-up area during the lifetime of the camp, and this increase largely persists after the camp has closed. The impact increases as the radius from the refugee camp is reduced. The effect is also greater the longer the camp is in existence and persists for years well beyond the closure of the camp.
- **The urbanizing effect of refugee camps is higher in rural localities.** Camps do not appear to have a significant urbanizing effect on localities that were urban before the camps' existence, although most camps were situated well away from existing urban areas.
- **Local economic activity grew faster in the region where camps were located than elsewhere.** Areas with camps had significantly faster growth in regional output during the time camps were operational.

- **Camp closure appears to shift employment away from non-agricultural activities in the long term.** The likelihood of being in wage or salaried employment is lower around camps that closed long ago while the likelihood of engaging in unpaid or self-employment in agriculture is higher. However, there is no statistically significant difference in consumption around areas with camps that closed earlier compared to those that closed later.

The results demonstrate that refugee camps in Tanzania had a small yet enduring urbanizing effect on rural areas. Although regional output in areas with camps experienced faster growth during the operation of the camps, the increased likelihood of engaging in unpaid work and self-employment in agriculture long after camps closed suggests that the activity induced by camp was primarily in non-tradeable goods and services. The authors conclude that **refugee camps in Tanzania resulted in “urbanization without growth” and did not bring about any structural transformation in the local economy.**

The impact of hosting refugees on the intra-household allocation of tasks: A gender perspective

Isabel Ruiz and Carlos Vargas-Silva

Review of Development Economics, Volume 22, Issue 3 (2018), Pages 1461-1488

<https://doi.org/10.1111/rode.12383>

This paper **examines the impact of hosting refugees on the intra-household allocation of tasks across genders in Tanzania.** In the early 1990s, more than 800,000 refugees from Burundi and Rwanda sought refuge in western Tanzania, many settling in the Kagera region.

Exploiting the exogenous nature of the location of refugee camps in Kagera, the authors employ a difference-in-differences strategy that compares pre-shock (i.e., 1991) and post-shock (i.e., 2004) periods. They examine the impact of the refugee shock on three categories of household tasks: (1) unpaid household chores, specifically fetching water and collecting firewood; (2) farming, including cultivation for both household consumption and for income-generating purposes; and (3) outside employment, including as an employee or self-employed person. The analysis is based on the Kagera Health Development Survey (KHDS) for 1991-1993 and 2004, which covered 51 communities spread across all districts of Kagera.

Main results:

- **The refugee shock led to women being more likely to engage in household chores and farming, and less likely to engage in employment outside the household relative to men.** The presence of refugees leads to women being close to 9 percentage points more likely to engage in farming and fetching water/collecting firewood and 18 percentage points less likely to engage in outside employment than men.

- **The results differ by (pre-shock) literacy and math skill.** For women who could read and perform simple written mathematical operations the refugee shock resulted in a higher likelihood of engaging in outside employment. In contrast, higher exposure to the refugee shock resulted in illiterate women being more likely to engage in farming and household chores.
- **The results are substantially different across the age cohorts.** The results appear to be driven by those 30 years of age or younger. For those over 30 the refugee shock does not have much of a gender-specific effect.
- **The refugee shock appears to have an impact on girls by raising their participation in household chores.** Higher household exposure to the refugee shock is associated with girls dedicating additional time to outside employment and collecting firewood/fetching water relative to boys. The refugee shock has no impact on school attendance, which suggests that the increase in time dedicated to other activities does not come at the expense of schooling.

The analysis demonstrates that **hosting refugees had different impacts on tasks and time allocation for women and men.** In general, **greater exposure to the refugee shock resulted in women being less likely to engage in outside employment and more likely to engage in household chores and farming compared to men.** This is likely due to the additional competition for natural resources represented by refugees and the need to walk further to find firewood and water. The analysis also reveals that the impact of the shock on women varied across literacy and skill levels, with women who could read and perform simple mathematical operations being more likely to gain outside employment because of the refugee shock. The authors conclude that these women were better able to take advantage of the additional supply of cheap labor by refugees to help with household chores. In contrast, illiterate women were more likely to engage in farming or collecting firewood/fetching water.

Empowering refugees through cash and agriculture: A regression discontinuity design

Claire MacPherson and Olivier Sterck

Journal of Development Economics, Volume 149 (2021)

<https://doi.org/10.1016/j.jdeveco.2020.102614>

This article **assesses the impact of the development approach promoted in the Kalobeyei refugee settlement in Turkana County in Northwest Kenya.** Opened in 2016 just 3.5 kilometers from the Kakuma refugee camp, the Kalobeyei refugee settlement was envisaged as a model for a development-oriented approach to refugee assistance, with programs to foster self-reliance and integration. For example, in-kind food assistance has been almost entirely replaced by mobile-money transfers (known as Bamba Chakula) and rain-fed agriculture is widely promoted as a way of supplementing and diversifying refugee diets. As of February 28, 2021, Kalobeyei hosted 41,000 refugees and Kakuma refugee camp hosted over 165,000 refugees. Most refugees in Turkana County are from South Sudan and Somalia, with smaller numbers from DRC, Burundi, Ethiopia, and Sudan.

The authors take advantage of the fact that from one specific day (May 14, 2016) refugee households were settled in Kalobeyei settlement instead of Kakuma camp. This enables the authors to compare the socioeconomic outcomes of refugees who arrived shortly before and after the cutoff date and interpret any discontinuity in average outcomes as resulting from the differing programs between the two sites. The authors also study 24 possible mechanisms driving these results grouped into four categories: (a) involvement in productive activities; (b) mobility and household composition; (c) human and physical capital; and (d) access to services. They also study the differences in prices and in the modalities of food assistance.

The analysis is based on data from a representative household survey of refugees living in Kakuma camp and Kalobeyei settlement in September and October 2017, focusing on households that registered 15 months before and after the opening of Kalobeyei settlement. The sample includes 1,874 South-Sudanese refugees (960 in Kakuma and 914 in Kalobeyei) in 1,126 households.

Main results:

- **Refugees in the Kalobeyei settlement have better diets than refugees in the Kakuma camp.** Their diets are more diverse (including more vegetable and fish), they eat more food (measured in calories and monetary terms), and they are less food insecure (even though food insecurity rates remain high in both sites).
- **There isn't any evidence that refugees in Kalobeyei accumulate more assets or increase spending on non-food items.** Asset holding is very low, especially for recent arrivals. Less than half of households reported non-food expenditures, consistent with extremely high levels of poverty in Kakuma and Kalobeyei.
- **There is some evidence of a positive effect on subjective wellbeing.** There is suggestive evidence that refugees living in Kalobeyei feel happier and more independent from aid than refugees in Kakuma.
- **Overall, the "Kalobeyei effect" encompasses improvements in dietary diversity, calorie intake, food consumption value, food security, subjective wellbeing, and perception of independence from aid.**
- **The "Kalobeyei effect" is not driven by differences in employment, differences in accumulation of human or physical capital, nor access to finance or remittances.** Employment is dramatically low in both camps: only 7 percent of South-Sudanese recent arrivals have an income-generating activity. Employment levels are particularly low for very recent arrivals.
- **Kitchen-garden agriculture appears to improve refugee diets and food security but does not increase calorie intake.** 71 percent of households who arrived less than a month after the cutoff date had a kitchen garden at the time of the survey—this percentage is only 33 percent for those who arrived less than one month before the cutoff date. There is suggestive evidence that improvements in dietary variety and food security in Kalobeyei are partly due to kitchen gardens. However, there is no significant difference in calorie intake between refugees who grow their own food and those that do

not. A possible explanation is that the types of food grown are dense in nutrients but not in calories.

- **Most of the “Kalobeyei effect” can be attributed to different modes of food assistance offered in Kakuma and Kalobeyei.** In Kakuma, refugees receive in-kind food assistance (13 kg of a mix of cereals, pulses, and oil) and frequently resell some of their food rations at low prices to purchase preferred food types or non-food items. In contrast, refugees in Kalobeyei receive mobile money transfers that allow them to buy the food they prefer without additional transaction costs.

The results suggest that **the development approach to refugee assistance promoted in Kalobeyei is having positive effects, possibly due to the wider promotion of cash assistance and kitchen gardens.** The authors argue that cash assistance is not only associated with better nutritional outcomes for refugees, but also more cost efficient than in-kind transfers. In 2017, the World Food Program (WFP) estimated that the total cost of delivering US\$1 to beneficiaries was US\$1.18 for Bamba Chakula transfers compared to US\$1.94 for in-kind food assistance. The authors calculate that WFP could save US\$17 million if it were to replace in-kind assistance with Bamba Chakula transfers in Kakuma and Dadaab camps. In addition, there would be positive spillovers to local communities.

Thrive or survive? Explaining variation in economic outcomes for refugees

Alexander Betts, Naohiko Omata, and Louise Bloom

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This paper **explores the variation in economic outcomes for refugees in Uganda.** It addresses three questions: (1) what distinguishes the economic lives of refugees from other populations; (2) what factors explain the variation in income levels among refugees; and (3) how does entrepreneurship influence refugees’ economic outcomes? The authors argue that understanding these factors is crucial for developing interventions that enhance market-based opportunities for refugees, by focusing on their skills, capacities, and agency rather than solely on their vulnerabilities.

The authors employed a mixed methods approach, utilizing both qualitative and quantitative research methods. The paper draws on data from a representative survey of 2,213 refugees in Uganda across several contexts: urban (Kampala), protracted camp (Nakivale and Kyangwali), and emergency camp (Rwamwanja). Additionally, the authors conducted qualitative research to gain a deeper understanding of the context and to explore the experiences and challenges faced by refugees.

Main findings:

- **Refugees in urban areas generally have higher income levels and lower dependency on aid compared to those in protracted and emergency camps,**

indicating that the institutional context influences economic outcomes for refugees. The more opportunities refugees have to integrate into the mainstream economy, the more positive their economic outcomes are likely to be. For example, Congolese refugees have an average monthly income of US\$120 in Kampala, US\$39 in Nakivale and Kyangwali, and US\$17 in Rwamwanja. In Kampala, only 9 percent of respondents consider their households to be "very dependent" on support from UNHCR, in contrast to 59 percent in Nakivale and Kyangwali, and 78 percent in Rwamwanja.

- **There is significant variation in income levels across nationality groups, even when controlling for gender, age, level of education, and length of time in Uganda.** On average, Somalis have the highest incomes, followed by Rwandans and then Congolese. The relative success of Somali refugees may be attributed to the high levels of trust within clan-based networks, the existence of informal rule-based structures such as the Somali Community Association, and the common use of remittances. Rwandans often do well in Uganda, likely due to their close cultural ties to Ugandans, proficiency in English, and well-established diasporic networks within the country. Congolese refugees have less clearly defined community-based structures for regulating and supporting their economic activity.
- **Differences in economic outcomes between and within nationality groups are linked to educational attainment.** On average, each additional year of education is associated with a 3 percent increase in income. The type of education also plays a role, with primary education associated with a 1 percent increase in earnings, secondary education to a 10 percent increase, and tertiary education to a 27 percent increase. Completing primary school is linked to a 30 percent rise in income. However, the impact of education on income varies significantly by nationality, with each year of education associated with only a 0.1 percent increase in income for Congolese refugees, but a 2.2 percent increase for Somali refugees and a 2.4 percent increase for Rwandan refugees. Additionally, educational attainment and the number of children significantly influence refugees' choice of residence, with each year of education increasing the likelihood of living in Kampala by 22 percent compared to living in a settlement, while each child reduces this probability by 21 to 36 percent.
- **The economic outcomes of refugees in Uganda are influenced by the duration of their stay in the country, their employment status, and gender.** On average, each year spent in Uganda is associated with an increase in income ranging from 4 to 8 percent. Additionally, primary earners who are self-employed and not engaged in farming tend to earn 4 to 24 percent more than employed refugees and self-employed farmers. Furthermore, female primary livelihood earners with similar education levels, nationality, duration of stay in Uganda, and location, earn an average of up to 15 percent less income than their male counterparts.
- **The economic outcomes for refugees are influenced by the extent of their networks.** Locally, refugees engage in important economic interactions with other communities, such as buying and selling with refugees of different nationalities or local Ugandans. At the national level, refugees are connected to various parts of the country through trade into and out of the refugee settlements. Additionally, different refugee groups have varying degrees of transnational network connections, as evidenced by remittance receipts and mobile phone use.
- **The scale and quality of refugee entrepreneurship significantly impact economic outcomes, creating opportunities for both refugees and host country nationals.** In

Kampala, 21 percent of refugee businesses employ others, with 41 percent of their employees being Ugandans. Somali entrepreneurs are more likely to scale their businesses, contributing to 74 percent of Somalis finding employment in the businesses of others. In contrast, most Congolese businesses do not employ others and are based on petty trading with low margins. In the settlements, Congolese and Rwandan refugees are primarily engaged in agricultural activities, while Somalis are involved in a wide range of entrepreneurial activities. The main barriers to scaling businesses include lack of access to finance and capital, high government business permit costs, xenophobia and discrimination, and language barriers.

The authors conclude that **variation in refugees' economic outcomes is influenced by a variety for factors, including the regulatory context, education, occupation, social networks, gender, and length of time spent in exile.** The authors propose several policy implications: (i) support market-based interventions that build on what already exists; (ii) reevaluate the role of the private sector, recognizing that displaced people can also be considered part of the private sector; (iii) create an enabling environment by enhancing refugees' access to education, skills development, microcredit, financial markets, business incubation, transportation, infrastructure, and internet connectivity; (iv) invest in research and data on the economic lives of refugees in various regulatory environments and phases of displacement crises; and (v) analyze the political context and advocate for more favorable state policies.

Refugee Economies in Addis Ababa – Towards Sustainable Opportunities for Urban Communities

Alexander Betts, Leon Fryszer, Naohiko Omata, and Olivier Sterck

Refugee Studies Centre, ODID, University of Oxford (2019)

<https://www.rsc.ox.ac.uk/publications/refugee-economies-in-addis-ababa-towards-sustainable-opportunities-for-urban-communities>

This report **examines the economic activities of Eritrean and Somali refugees in Addis Ababa, their interactions with the host community, and prospects for a sustainable urban response.** While Ethiopia has maintained an open-door policy towards refugees, it requires refugees to live in designated areas. Only 22,000 registered refugees live in the capital Addis Ababa, comprising 17,000 Eritrean refugees falling under the Out-of-Camp Policy (OCP) who are self-sufficient or supported by relatives, and 5,000 Somali refugees primarily benefiting from the Urban Assistance Programme (UAP) due to specific medical, protection, or humanitarian issues that cannot be addressed in camps. While UAP refugees receive financial assistance, OCP refugees do not.

The research was conducted prior to the 2019 Refugee Proclamation that expanded refugee's de jure rights. Under the earlier Refugee Proclamation of 2004, refugees were unable to access formal employment, obtain business licenses, own mobile property, or open a bank account without a letter of permission from the Agency for Refugee and Returnee Affairs (ARRA).

The quantitative research involved a representative survey of 2,441 refugees and host community members (from 1,233 households) in Addis Ababa. It collected data on a range of socio-economic indicators, including employment status, income levels, education, food security, physical and mental health, and access to education. The survey also included questions about social networks and interactions with the host community. In addition to the survey data, qualitative data was gathered through focus group discussions and interviews with refugees, host community members, and stakeholders.

Key findings:

- **Refugees in Addis Ababa face extreme economic challenges, including low incomes and high unemployment levels, in comparison to the surrounding host communities.** 79 percent of Eritrean refugees and 93 percent of Somali refugees were unemployed, compared to 43 percent of the surrounding host community. Among those who are employed, average income levels are significantly lower than those of surrounding host communities. The majority of employed Eritrean refugees (86 percent) work as employees, with only 14 percent being self-employed. Similarly, 57 percent of employed Somalis are employees, while 43 percent are self-employed. Additionally, the few refugee-owned businesses that do exist are typically unregistered, do not pay taxes, were established without significant start-up capital, and rarely employ staff.
- **Refugees also have much poorer welfare outcomes than hosts, including mental and physical health and child school enrolment.** Reported physical and mental health levels were significantly worse for both refugee communities than for surrounding host communities. Additionally, parents in both refugee communities were far more likely than the host community to keep eligible children out of education.
- **Refugees in Addis Ababa rely on three main social networks: connections with the host community, relationships among fellow refugees, and transnational networks.** Hosts are generally sympathetic to refugees, and some share the same ethnicity as refugees. Ethiopians often register businesses on behalf of refugees in exchange for a share of profits. Additionally, Ethiopians act as citizen 'guarantors' for refugees, vouching for their ability to support themselves, which is a condition for OCP status. Refugees also engage in mutual self-help, with those with limited means often pooling resources by living together, and many refugees are reliant on remittances in the absence of work. While these connections may not significantly improve overall welfare outcomes, they provide a crucial social safety net.
- **Refugees in Addis Ababa feel a sense of boredom, idleness, and hopelessness, which they attribute to the lack of economic opportunities.** This has a detrimental effect on their physical and mental health. In this context, most see no future in Ethiopia, and over 90 percent of refugees aspire to migrate to Europe, North America, or Australia, although only 60 percent believe this is realistic, and an overwhelming majority would prefer to take legal rather than illegal migration routes.

The authors conclude that, **despite the different criteria for Eritreans and Somalis to live in Addis Ababa, both refugee communities are facing extreme precarity.** The authors argue that creating sustainable socioeconomic opportunities for refugees will be crucial to improving welfare outcomes and offering alternatives to onward migration. They suggest several policy implications including: (1) expanding legal rights to work; (2) investing in urban job creation for refugees and host communities; (2) strengthening opportunities outside

Addis, including through employment creation in refugee-hosting border regions, integrating refugees into the development strategies of secondary cities in other regions, and strengthening the industrial zones model envisaged by the Ethiopia 'Jobs Compact'; (3) developing an urban refugee program to support better socio-economic opportunities for refugees and hosts; and (4) expanding opportunities for resettlement and legal pathways for migration.

Somali Refugees in Kenya: Increasing camp-urban mobility

Boel McAteer, Patricia Garcia Amado, Akvile Krisciunaite, and Michael Owiso

International Institute for Environment and Development (IIED) Working paper (2023)

<https://www.iied.org/22186iied>

This working paper **examines the wellbeing and 'displacement economies' of Somali refugees living in protracted displacement in Kenya, comparing those living in camps to those living in urban areas.** Kenya is home to approximately 280,000 Somali refugees, of whom 230,000 live in the Dadaab refugee camp complex in Garissa County, and around 24,000 living in the Eastleigh neighborhood of Nairobi. The research was conducted during the period when the 2006 Refugee Act, which enforced Kenya's encampment policy, was still in effect. Kenya has since adopted a new Refugee Act in 2021 (which came into force in 2022) that provides for the establishment of 'designated areas' for refugees but does not explicitly contain an encampment requirement.

The authors developed metrics for five dimensions of refugee wellbeing, including bodily, economic, political, social, and psychosocial wellbeing. 'Displacement economies' refers to livelihoods, entrepreneurial activity, and refugees' contributions to society.

The quantitative analysis is based on a survey of 382 refugees in Dadaab, 315 refugees in Eastleigh and 156 Kenyan nationals in Eastleigh. The data reveals that, on average, Dadaab respondents were slightly older, had larger household size, and had lower educational attainment and literacy rates compared to refugees living in Nairobi. In addition to the quantitative analysis, the authors conducted interviews with refugees, refugee and host-run enterprises, and key informants in Nairobi and Dadaab.

Main findings:

- **Refugees in Nairobi have higher bodily wellbeing compared to those living in Dadaab.** This gap is driven by higher food insecurity in Dadaab, where 60 percent of respondents reported insufficient food in the preceding week, compared to 41 percent of women and 25 percent of men in Nairobi. Female-headed households were more food insecure compared to male-headed households in the same locations. Additionally, Dadaab residents were at a disadvantage in the areas of shelter and WASH. Maternal health was also an area of concern for female respondents, particularly in Dadaab.
- **Refugees in Dadaab have lower political wellbeing scores compared to those in Nairobi,** with 78 percent not believing they can work legally and 42 percent believing

they can't open a business legally, compared to 33 percent and 16 percent of respondents in Nairobi, respectively. Additionally, 16 percent of respondents in Nairobi feel 'not at all' or 'hardly' represented, compared to only 6 percent in Dadaab. While refugees in Nairobi are not legally prevented from moving around the city, their mobility is constrained by police harassment, arbitrary arrests, abusive inspections, and bribes.

- **Refugees in Nairobi have higher economic wellbeing than refugees in Dadaab.** In Nairobi, 34 percent of refugees reported a comfortable financial situation, compared to only 5 percent in Dadaab. Additionally, 47 percent of refugees in Nairobi can cover their household expenses through work income, while only 11 percent of respondents in Dadaab can do the same. Almost all respondents in Dadaab (99 percent) did not have savings, compared to 41 percent in Nairobi. Furthermore, 84 percent of respondents in Dadaab were unable to borrow, compared with 28 percent of those in Nairobi. Individuals in Dadaab also had lower wealth scores than those in Nairobi. However, refugees in Nairobi had a much wider spread of economic wellbeing scores, and there are still many refugees in the city who are struggling economically.
- **Gender disparities in economic wellbeing are pronounced in both Nairobi and Dadaab,** with male refugees exhibiting higher economic wellbeing scores than female refugees, particularly in Nairobi. Female-headed households in Nairobi are especially vulnerable.
- **Social wellbeing is lower in Dadaab and higher for refugee residents sampled in Nairobi.** The difference between hosts and urban refugees is less significant.
- **Psychosocial wellbeing scores are similar in Dadaab and Nairobi,** with refugees in Nairobi having only slightly better psychosocial health despite better bodily, economic, and social wellbeing. Refugees in Nairobi frequently feel unsupported and like second-class citizens. Long-term camp residents described Dadaab as a prison and a place where it is difficult to feel at home or be hopeful about the future.
- **Refugees in Nairobi have greater livelihood assets compared to those in Dadaab,** with higher scores associated with years spent in Kenya and living in the city, and lower scores associated with being female or older.
- **Work is the main source of income for many refugees, especially in Nairobi where aid distribution is low.** More than half (54 percent) of refugees in Nairobi were working compared to 25 percent in Dadaab. Only 2 percent of refugee households in Nairobi reported receiving aid, compared to 68 percent in Dadaab. 83 percent of refugee households in Nairobi reported businesses or wages as a main source of income. **Livelihoods in Dadaab camp are largely dependent on humanitarian aid provision,** with only 33 percent of surveyed men and 16 percent of women working.
- **Refugee businesses in Dadaab make a positive contribution to the local economy,** as they are registered with, and paying taxes to, county authorities, getting supplies from host businesses and middlemen, and contributing to the local economy. However, mobility restrictions imposed on refugees impact negatively on livelihoods and wellbeing, and the ability to overcome these restrictions is dependent on networks, particularly trade networks connecting Dadaab and Nairobi.
- **In Nairobi, Somali refugee entrepreneurship has thrived due to partnerships with Somali Kenyans and investment and remittances of the Somali diaspora in a growing local economy.** However, female refugee entrepreneurs generally receive less support and find it difficult to access trade networks. Urban refugees are mainly self-

employed in trade activities, and the enactment of the 2021 Refugee Act is increasingly enabling them to register their businesses, but there are still issues with refugee documentation and information on rights.

Overall, the results show that **refugee wellbeing in Dadaab is consistently lower than in Nairobi, across all wellbeing dimensions, demonstrating the limitations of the camp environment in Dadaab compared to that of Nairobi**. Limited out-of-camp mobility for refugees in Dadaab is a key hinderance for both livelihoods and wellbeing within the camp. The authors conclude that, despite the difficulties that come with living as an urban refugee in Nairobi, the city is where refugees find opportunities. The research also highlights the ways in which **refugee businesses make positive contributions to the local economies in both Garissa County and Nairobi**, through taxes, employment creation, and stronger national, regional, and international trade links.

Refugee return and social cohesion

Isabel Ruiz, Carlos Vargas-Silva

Oxford Review of Economic Policy, Volume 38, Issue 3 (2022), Pages 678–698

<https://doi.org/10.1093/oxrep/grac016>

This article examines the impact of refugee returns on social cohesion in Burundi.

Burundi experienced a major conflict, the mass displacement of refugees, and their mass return after more than a decade abroad. Burundi also has a scarcity of fertile land, which could contribute to competition and affect social cohesion when refugees return in large numbers.

Returning refugees may amplify divisions that contributed to conflict (for example, clan, ethnic, regional, or class differences), introduce new sources of tension between those who fled and those who remained during the conflict, or exacerbate tensions due to increased competition for scarce resources such as land.

The analysis is based on data collected in 2015 covering households in 100 communities across Burundi, including detailed information on violence and reconciliation, trust, and participation in community groups. Social cohesion is measured by: (a) measures of support across households; (b) feelings towards conflict and reconciliation; (c) trust in others and in specific groups; and (d) participation in different community organizations. The analysis considers differences between communities with more or less ethnic diversity, more or less pre-war land scarcity, and more or less negative attitudes towards migrant return.

Main findings:

- **Refugee return has a negative impact on the perception that community members help each other.** A 10-percentage point increase in the population share of returnees in a community leads to a 10-percentage point reduction in the likelihood of stating that community members mostly help each other. The effect is larger in communities with

more negative attitudes towards return, which are less ethnically diverse and with less pre-war land availability.

- **Refugee return has a negative impact on the feeling that community members could borrow money for emergencies from non-household members.** A 10-percentage point increase in the population share of returnees decreases the possibility of borrowing money this way by 8 percentage points. The effect is larger for more ethnically diverse communities, for communities with more positive attitudes towards return, and for communities with less pre-war land availability.
- **Refugee return has a negative impact on the feeling that the community is peaceful.** A 10-percentage point increase in the population share of refugees leads to a 6-percentage point reduction in the likelihood of perceiving the community as peaceful. The effect is similar across more and less diverse communities. The effect is stronger in communities with more negative attitudes towards return.
- The estimated impacts of refugee return on measures of trust and participation in community groups are mostly statistically insignificant.

Overall, the results suggest that **the process of refugee out-migration and return could lead to new divisions in society based on the location of individuals during the conflict.** The authors highlight the need for a nuanced and context-specific approach to promoting social cohesion in communities experiencing high levels of refugee repatriation.

Informing Durable Solutions for Internal Displacement in Nigeria, Somalia, South Sudan, and Sudan—Volume A: Overview

Utz Johann Pape and Ambika Sharma

World Bank (2019)

<http://documents.worldbank.org/curated/en/761091557465113541/Volume-A-Executive-Summary>

This report **presents findings from comprehensive microdata surveys covering IDP and host populations in Nigeria, Somalia, South Sudan, and Sudan.** Refugees in Ethiopia from Somalia, South Sudan and Sudan were also surveyed.

The analysis includes detailed profiles of IDPs and hosts, covering displacement history, demographics, poverty, food insecurity, living conditions, access to services, livelihoods, social capital, and return intentions. This allows for comparisons across countries, between IDPs and host communities, and the analysis of differences among IDPs. The report also classifies households into three groups (support-dependent, productive but poor, and self-reliant) based on their ability to generate income. Additionally, the report utilizes Multiple Correspondence Analysis (MCA) to draw different profiles of IDPs based on their past conditions, present situation, and future intentions, providing insights into tailored solutions for displacement.

Key findings:

- **Conflict, violence, and insecurity have been the primary causes of displacement of IDPs in Nigeria, Somalia, South Sudan, and Sudan**, except for 40 percent of Somalis who were displaced due to climate events.
- **IDPs are displaced close to their original residences.** IDPs tend to be displaced within their own state or region.
- **The majority of IDPs are children under 15 years.** Consequently, IDP households have high dependency rates, especially among female-headed households.
- **IDPs are generally poorer and more vulnerable than host communities**, with more than 8 out of 10 IDPs in Somalia, Nigeria, South Sudan, and Sudan living below the international poverty line of US\$1.90 per person per day. This is in contrast to Nigeria, where hosts are similarly poor. Poverty is also widespread among non-displaced populations in rural areas.
- **IDPs are highly food insecure, often more so than hosts.** 6 in 10 IDP households are highly food insecure. Almost half of the host community households also face high levels of food insecurity.
- **IDPs, especially in camps, have access to basic facilities but still face poor living conditions.** Few IDPs have access to improved housing, apart from IDPs in protracted displacement in Sudan. Displaced households have similar or slightly better access to basic services such as water sources, health facilities, schools, and markets compared host communities, overcrowding often diminishes the quality of these services. Many IDPs have access to health care, though less than hosts. IDP children are less likely to be enrolled in school than host children. About half of IDPs are literate and their literacy rates are comparable to hosts.
- **IDP and refugees have significantly lower access to land, livestock, and income-generating assets than they did before displacement.** This loss of productive assets limits their ability to create employment opportunities and become self-reliant.
- **Social relations between IDPs and residents are generally positive**, except for the South Sudanese. IDPs in Nigeria, Somalia, and Sudan consistently report good relations with non-displaced communities. However, South Sudanese IDPs and refugees residing in Ethiopia experience more challenging social ties.
- **IDPs face risks differentiated by sex.** Displaced women are more food insecure, with 70 percent experiencing high food insecurity, compared with 57 percent of displaced men. Women are often responsible for collecting of water, exposing them to increased risk of gender-based violence (GBV). This task also leads to missed education and labor opportunities, resulting in poorer education and labor outcomes for women compared to men.
- **IDPs with agricultural or pastoralist backgrounds struggle to adapt to urban labor markets and have higher poverty rates than IDPs with urban backgrounds.** Before displacement, a higher percentage of IDPs (42 percent) relied on agriculture as their primary livelihood compared to hosts (26 percent). Displacement leads to a shift in livelihoods away from agriculture in all countries except South Sudan. IDPs with agricultural or pastoralist backgrounds are poorer (82 percent compared to 75 percent of

non-agricultural IDPs) and are more likely to wish to return to their original residence, possibly reflecting a desire to restore agricultural livelihoods.

- **IDPs living in camps are more likely to be poor, have lower access to services, and are more dependent on aid compared to hosts and IDPs outside camps.**
- **Inequality and heterogeneity among hosts can affect their perceptions of IDPs.** Host communities with high levels of inequality are more likely to believe that the arrival of IDPs has negatively affected job prospects. More prosperous host communities have better social relations and more favorable perceptions of IDPs. Heterogeneity along characteristics other than income also affects a community's perceptions: areas with higher proportions of female-headed households report better social relations but worse perceptions of employment opportunities; higher literacy of household heads is associated with less favorable social relations and perceptions of employment prospects; employment of household heads is associated with less favorable employment perceptions and attitudes towards IDPs; and having aid-receiving host households in the area leads to more favorable perceptions of IDPs.
- **IDPs displaced further from their original residence are more often non-agricultural, have been displaced longer, and prefer to return.**
- **Most IDPs wish to stay in their current location or return to their origin;** few want to resettle in a new location. 50 percent of IDPs in Sudan, 58 percent of IDPs in Nigeria, 58 percent of IDPs in South Sudan, and 70 percent of IDPs in Somalia wish to remain in their current location. 23 percent of Somali IDPs, 33 percent of South Sudanese IDPs, 25 percent of Nigerian IDPs, and 25 percent of Sudanese IDPs wish to return. IDPs identify security as the most important factor in any future decision.

The authors conclude **that policy and programming interventions are urgently needed to improve living conditions by investing in food security, housing, sanitation, and education.** Additionally, improving security and increasing economic opportunities in return and host areas are critical for durable solutions. The authors note that contextual analysis is crucial—the country cases of Nigeria, South Sudan, Sudan, and Somalia (see below) provide key insights.

Informing Durable Solutions for Internal Displacement in Nigeria, Somalia, South Sudan, and Sudan—Volume B: Country Case Studies

Utz Johann Pape, Ambika Sharma, Taies Nezam, Benjamin Petrini, Menaal Fatima Ebrahim, Jacob Udo-Udo, Felix Konstantin Appler, Andrea Fitri Woodhouse, Verena Phipps-Ebeler; Alexander Benjamin Meckelburg, and Syedah Aroob Iqbal

World Bank (2019)

<http://documents.worldbank.org/curated/en/968141557465726421/Volume-B-Country-Case-Studies>

These case studies are **stand-alone displacement profiles that depict the socioeconomic conditions of IDPs and non-displaced communities.**

Nigeria Case Study

Nearly two million people are internally displaced in Nigeria. About 60 percent of IDPs live in host communities and 40 percent live in camps. The Nigeria IDP Survey (IDPS) 2018 covered IDP and host households in six northeastern states where most IDPs are living (Adamawa, Bauchi, Borno, Gombe, Taraba, and Yobe). IDPs were surveyed in two settings: in camps and among host communities. About 1,400 IDP and 1,400 host households were interviewed.

Key findings:

- **Armed conflict is the main cause of internal displacement.**
- **95 percent of IDPs have fled within their state of origin**, but outside their local government area.
- **The majority of IDPs are children.** 57 percent of IDPs are children under age 15.
- **Nearly 40 percent of IDP and host households are headed by women.** Female-headed households tend to be smaller with higher dependency ratios.
- While the religious composition of IDPs is largely uniform (95 percent Muslim), **IDPs belong to various ethnic tribes.** Most IDPs identify with the Kanuri tribe, and many are from Hausa and other smaller tribes.
- **Almost all IDPs are poor, food insecure, and doing badly on a range of basic living outcomes.** 87 percent of IDPs live below the international poverty line, and poor IDPs consume less than 30 percent of the poverty threshold. 61 percent of IDPs are highly food insecure. IDPs suffer from overcrowding, in terms of housing and sanitation. Displaced women are less likely than host women to give birth in a hospital or clinic. IDPs have lower school enrollment rates, and many IDP children have not attended school for three years or more and some not since their displacement. Most IDPs lost homes that their families had owned for many years, and now live in worse housing conditions than they did before. Many IDPs lost agricultural land owned by their households.
- **Though slightly better off than IDPs, host communities face widespread poverty and poor living standards.** Host households are more likely to own homes and agricultural land than IDPs, though their home ownership rate is only about 50 percent. They have higher primary and secondary enrollment rates, are more likely to use a doctor or clinic for childbirth and are less likely to have overcrowded sanitation facilities. Hosts and IDPs have a similar level of access to water, sanitation, schools, and markets. However, despite faring better than IDPs on most welfare measures, host communities face significant challenges. 8 out of 10 host households are poor, consuming on average less than 40 percent of the poverty threshold. 48 percent of host households are highly food insecure, and one in five working-age hosts do not participate in the labor force.
- **IDPs in camps have worse living standards than IDPs in host communities.** While IDPs in camps and IDPs in host communities have similar poverty levels, the latter are slightly better off on several dimensions. IDPs in camps face slightly more overcrowding in dwellings, and substantially more overcrowding in toilets (nearly 70 percent share a toilet with more than four households, and over 40 percent share with more than ten households). Camp-based displaced women who are members of male-headed households are less likely to give birth in a clinic or hospital. Camp-based children are

more likely to stay out of school for longer than children in host communities; about half the children in camps have been out of school for over 3 years compared to only 16 percent of displaced children living in host communities.

- **A majority of IDPs in camps wish to return home, while most IDPs living in host communities intend to stay.** 60 percent of IDPs (70 percent of IDPs in host communities, 20 percent of IDPs in camps) wish to remain in their current location while 40 percent prefer to return to their homes.
- **IDP and host women have worse educational and labor outcomes than men, but displaced women face additional challenges.** About 60 percent of IDP households send girls/women to collect water (compared to 43 percent of host households) which often involves long waiting times, with the opportunity cost of educational or labor force engagement. Water collection chores can also increase the risk of GBV. Displaced women are more likely than host women to deliver babies at home without a doctor/nurse/midwife. School enrollment rates are lower for girls than boys, and women have lower educational attainment than men. Women are also more likely than men to be inactive in the workforce.
- **65 percent of IDPs are employed, mostly in agriculture.** 46 percent of working-age IDPs are employed, and 19 percent are employed and enrolled in education. 20 percent of working-age IDPs are unemployed or inactive in the labor force, which is similar to inactivity rates in host communities. 70 percent of IDP households rely primarily on agriculture for their livelihoods, compared to 50 percent before displacement. IDPs have lost agricultural land, but renting land from host communities could be allowing them to maintain agricultural livelihoods. IDPs who are inactive cite a lack of opportunities, skills, and capital, while host communities primarily cite a lack of opportunities.
- **Both IDPs and host communities agree that they enjoy good relations,** with the latter feeling that IDPs do not get enough aid.
- **Both IDPs and host community households rely on their social networks for credit,** which they perceive as difficult to tap.
- **IDPs are less likely than hosts to participate in public meetings or meet community leaders.**
- **IDPs living in host communities and in Borno are most likely to be support-dependent.** 71 percent of IDP households are productive but poor, 19 percent are support-dependent, 10 percent are self-reliant. Host communities have a slightly larger proportion of self-reliant households, but most households are productive but poor. IDPs living in host communities are more likely to be support-dependent than hosts and camp-based IDPs. Support-dependent IDP households are concentrated in Borno state.
- **IDPs have two distinct typologies, which can be identified from their locations and return intentions.** Both groups came from similar places of origin, had similar living standards at origin, and were displaced by the Boko Haram insurgency. However, prior to their displacement, Group 1 (74 percent of IDPs) was more engaged in wages or non-farm business, while Group 2 (26 percent of IDPs) was more engaged in agriculture. Group 1 households are more likely to have smaller household sizes, higher dependency ratios or unemployed women as household heads. Group 1 is more likely to live in host communities, while Group 2 is more likely to live in camps. Group 2 IDPs are more likely to rely on agriculture and receive assistance compared to Group 1, although both groups are equally poor and food insecure. Group 1 has higher levels of satisfaction with the

current situation, preferring to stay in the current location. Group 2 is more likely to have lower levels of satisfaction with the current situation, feel less safe, feel more pessimistic about the future, and prefer to return to their origin. Group 1 households require more access to safety nets and gender-responsive programs. Group 2 IDPs can benefit from increased access to agricultural land and skill building to diversify their income.

The authors conclude that substantial investment is required to improve living conditions among host communities and sustain their ability to accommodate disadvantaged and vulnerable IDP groups. Coupled with raising hosts' living standards, durable solutions for IDPs must prioritize security, both in displacement and return areas, and address the specific needs of the most vulnerable groups: women and IDPs in camps. Additionally, dependable, and accurate information is an important resource for IDPs and should form part of a broader humanitarian response plan.

Somalia Case Study

Of Somalia's total population of 14 million, about 2 million people are internally displaced. Insufficient rainfall over four consecutive rainy seasons, combined with clan-based conflict, and violence by armed non-state actors, caused a surge in displacement from late 2016 to late 2017. The Somali High Frequency Survey (HFS) 2017–18 sampled the Somali population in secure areas (Middle Juba was excluded due to insecurity) including: (a) IDPs in settlements; (b) host communities in urban areas adjacent to IDP settlements; and (c) non-host urban and rural populations. Several households originally part of the urban or rural sample, self-identified as IDPs, resulting in data on IDPs outside of settlements.

Key findings:

- **Climate events and conflict are the main causes of displacement cited by IDPs.** 38 percent of IDP households are displaced due to climate events (drought, famine, flood) and 40 percent due to conflict.
- **About 7 in 10 IDP households live in the same districts as they did originally,** and fewer than 1 in 10 are in a different region, federated member state, or country.
- **Most IDPs are in urban areas** (75 percent of IDP households) and in formal settlements (62 percent of IDP households).
- **IDPs, like the rest of the Somali population, are overwhelmingly young.** Over 50 percent of IDPs are under 15 years and less than 1 percent are above age 64, driving high dependency ratios (larger than 1 in 1).
- **Like the national population, every second IDP household is headed by a woman.**
- **The incidence and depth of poverty are greater among IDPs than urban residents, but about the same as among rural residents.** 74 percent of IDPs live below the international poverty line, compared to 63 percent of urban residents and 70 percent of rural residents. The poverty gap among IDPs (35 percent) is higher than that of urban residents (24 percent) and the national population (27 percent), but similar to that of rural residents (32 percent).
- **Hunger is more common among IDPs.** 55 percent of IDPs experienced hunger, compared to 43 percent of rural residents and 17 percent of urban residents. More than half of IDP households are food insecure.

- **IDPs have worse living conditions.** One in four IDPs have access to improved housing, which is much worse than among the national population, and host and non-host communities, but similar to the share among rural residents (18 percent). IDPs have better access to improved sanitation and health care than rural residents. However, IDP settlements are severely overcrowded, which largely negates access to improved drinking water and sanitation. IDP settlements are also located further from essential facilities than host communities.
- **Displaced children have lower levels of human capital.** Displaced children are less likely to attend school than children from host communities or children in urban areas. Displaced adults have lower literacy rates than non-IDP adults in urban areas.
- **IDPs participate in the labor force at similar rates to the urban and rural population.** Women are much more likely than men to be economically inactive. Most IDPs do the same work they did before being displaced, but about half of the poorest IDPs and those outside settlements have had to change their main employment.
- **IDPs receive relatively low remittances,** indicating a lack of safety nets.
- **Most IDPs feel safe and report good relations with communities around them.**
- **73 percent of IDPs are productive but poor, 26 percent are self-reliant, and less than 1 percent are support-dependent.** Host communities have a larger share of self-reliant households. Household vulnerability varies by region: almost all IDPs in lower Juba are self-reliant, whereas most households in Banadir, Middle Shabelle, Gedo, Woqooyi Galbeed, and Bay are productive but poor.
- **Somali IDPs have two distinct typologies.** Group 1 (40 percent of IDPs) are more likely to come from agricultural backgrounds and to have been displaced by drought, and their living conditions before being displaced were generally worse than their current living conditions. Group 2 households (60 percent of IDPs) were less dependent on agriculture, had better housing quality before being displaced, and are more likely to have been displaced by conflict. Currently, Group 2 households tend to be less poor, less food insecure, and in better housing conditions than Group 1 households. 70 percent of households in both groups prefer to stay in their current location rather than return to their place of origin or relocate. For both groups, security is the main factor driving preferences to stay, return, or resettle. The typology suggests different home and livelihood restoration efforts for the two groups. Resilience to drought would be key to a durable solution, especially for Group 1.

The authors highlight several priorities for durable solutions for IDPs in Somalia including: investments in human capital to prevent lifelong gaps in social and economic development; improvement of hosts' living conditions; substantial investment in infrastructure (particularly in urban and peri-urban areas where most IDPs reside) to prevent a decline in service and livelihood quality of hosts and IDPs and preserve positive IDP-host community relations; support to rural development and resilience to drought to enable IDPs to return or relocate to rural areas; and support to enhance access to education and employment opportunities, especially for the younger population.

South Sudan Case Study

The conflict in South Sudan that began in December 2013 has displaced an estimated 4 million people including about 2.1 million refugees and 1.9 million people IDPs, 15 percent of

whom are in camps. The Crisis Recovery Survey (CRS) was conducted in 2017 in four of the largest Protection of Civilian (PoC) sites, all in urban areas (Bentiu PoC in Upper Nile, Bor PoC in Jonglei, Juba PoC in Central Equatoria, and Wau PoC in Western Bahr-el-Ghazal). The fourth wave of the High Frequency Survey (HFS) South Sudan 2017 allows for comparisons of IDPs to urban residents, and represents urban areas in 7 of the 10 pre-war states of South Sudan. HFS 2017 does not cover two of the pre-war states (Jonglei and Unity). Consequently, comparisons are drawn at the overall urban and IDP level.

Key findings:

- **IDPs predominantly fled due to armed conflict** (79 percent of IDP households).
- **IDPs tend to be younger than urban residents, driving high dependency ratios.** About 45 percent of IDPs are under 15, compared to 32 percent of urban residents.
- **IDPs and urban residents have fewer adult men than women.**
- **IDPs are mostly from the Nuer tribe**, which is associated with the opposition group.
- **Most IDPs are displaced within their state of origin and have not travelled far.**
- **About 37 percent of IDP households and 30 percent of urban households have separated members.** IDP households have less contact with separated members, and most do not have access to family reunification mechanisms.
- **Poverty is widespread among IDPs and rural residents.** More than 90 percent of IDP households are poor, compared to 86 percent of rural residents and 75 percent of urban residents. IDPs have deeper poverty gaps: 54 percent for IDPs compared with 51 percent for rural and 40 percent for urban residents.
- **Despite being poorer, IDPs are less hungry than urban residents.** About 24 percent of IDPs have experienced hunger three or more times during the four weeks prior to the survey compared with 32 percent of urban residents. The lower hunger rates among IDPs may be due to more predictable and stable access to food due to aid.
- **IDPs have experienced a drastic deterioration in living standards—their current living conditions are significantly worse than those of urban residents.** Before displacement, 43 percent of IDPs had improved housing, and 86 percent owned their home. The pre-conflict housing conditions of IDPs were better than those of urban residents today; 21 percent of urban residents occupy improved housing and 78 percent own their dwelling. Now, almost all IDPs live in overcrowded tents/temporary shelters. Severe overcrowding in dwellings and sanitation facilities reduces living standards, contributes to the spread of communicable diseases, and increases the risk of GBV.
- **IDPs have better educational outcomes than rural residents but worse than urban residents, and men are more likely to be literate.** 53 percent of IDPs above age 14 are literate, compared with 33 percent of rural and 62 percent of urban residents. Women are much less likely than men to be literate in all three groups. While more than half of IDPs are literate, few have studied beyond primary school. About one in four IDPs has a secondary school or university education.
- **Displaced youth are more likely to be idle.** Displaced youth have lower labor force participation than urban youth (32 percent and 63 percent, respectively). One in four displaced youth are idle—neither working, nor looking for work, nor studying.

- **Sex-based disparities in the working-age population are starker for IDPs.** Young women have higher labor force participation and lower educational enrollment than young men. This is particularly evident among IDPs: 51 percent of young men are in education, compared to 28 percent of young women. Among displaced adults, labor force participation trends are reversed; men are more likely to be active in the labor force while women are more likely to be idle.
- **IDPs have lost most of their income-generating assets and depend on aid.** Access to agricultural land fell from 0.8 acres per household before the conflict to about 0.2 acres today. Livestock holdings fell from 42 to 2 livestock units per household. More than 75 percent of IDP households rely on aid as their main source of livelihood.
- **Many IDPs do not feel safe in the camps, and perceptions of safety are quite low.**
- **58 percent of IDPs wish to stay in their current location, 34 percent wish to return to their place of origin and 7 percent wish to resettle in a new location.** IDPs who wish to stay are motivated by better security, services, and assistance in the camps. Security and services are also the most important concerns for IDPs who wish to leave their current location.
- **13 percent of IDP households are support-dependent, 64 percent are productive but poor, and 23 percent are self-reliant.** Urban resident and IDP households are equally likely to be support-dependent, but urban households are four times more likely to be self-reliant than IDP households.
- **IDPs have two typology profiles.** Before displacement, Group 1 households (40 percent) were more likely to derive their income from wages and businesses. Group 2 households (60 percent) were more likely to have agricultural livelihoods, and worse housing quality. Group 2 households tend to be larger, poorer, more aid dependent, and with higher dependency ratios. They also feel less safe in their current environment and are more confident of returning or resettling soon. However, Group 1 households are more optimistic about their future. Group 1 households are primarily located in Juba and Bor PoCs, while Group 2 households are concentrated in Bentiu and Wau PoCs. Both groups reported the need for regular and reliable information about the security and political situation in origin areas, as well as in potentially new areas.

The authors highlight several priorities for durable solutions for IDPs in South Sudan including: preserving human capital by strengthening food security, improving living conditions, and improving access to health care, education and employment opportunities; improving access to services and humanitarian assistance; and reliable information provided to displaced populations about the security and political situation in their original place of residence, as well as in any new re-location area where better living conditions. However, any solution will depend on the improvement of security conditions in the country.

Sudan Case Study

Current estimates suggest that as many as two million individuals, five percent of Sudan's population, are internally displaced. The Sudan IDP Profiling Survey 2018 represents IDPs in two camps near Al Fashir. The two camps, Abu Shouk and El Salam, are in the sub-urban and peri-urban areas of Al Fashir, the capital city of the North Darfur state. The host population (residents of Al Fashir) is also represented in the survey.

Key findings:

- **Most surveyed IDPs were displaced at the height of the Darfur conflict in 2003–04.** About half wish to remain where they are. Most working-age IDPs engage in income-generating activities in or around the camps. Many IDPs who wish to remain in the camps cite concerns about security, but IDPs also appreciate the health and education services offered in the camps. Almost one in two IDPs were either not born or below the age of five at displacement and have grown up in the camps.
- **IDPs are young—their demographic profile resembles that of non-IDP populations more than that of newly registered IDPs.** 43 percent of IDPs are less than 15 years of age, compared to 40 percent of hosts. Protracted IDPs are older than what is typically observed among newly registered IDPs.
- **IDPs and hosts are extremely poor.** More than 8 out of 10 IDPs and 6 out of 10 hosts fall below the international poverty threshold.
- **Food insecurity is higher among IDPs (64 percent) than among hosts (31 percent).**
- **IDPs' dwellings are permanent structures are similar to their houses before the conflict.** 99 percent of IDP households live in tukuls (traditional dwellings with circular mud walls and a roof), or other permanent mud or wood structures.
- **While access to many services in the camps is better than at IDPs' places of origin, access to food and electricity is often deficient.** Most IDPs have access to improved sources of drinking water and improved sanitation facilities, as well as health centers, schools, and markets—though they have lower school enrollment than hosts. However, 60 percent of IDPs have high levels of food insecurity and only 9 percent of IDP households have electricity in their homes.
- **Literacy rates among IDPs are similar to those of the host population, but there are significant gaps between men and women.** While IDPs have lower levels of educational attainment, literacy rates among IDP and host populations are similar (70 percent). 78 percent of displaced men are literate, compared to 62 percent of displaced women. Members of female-headed households are less likely to be literate.
- **Employment levels are similar for adult IDPs and hosts, displaced women are more likely to work than host women, and displaced youth are more likely to be working than to be in education.**
- **Before displacement 95 percent of IDP households depended on agriculture as their main source of income; currently less than half of IDP households depend on agriculture.** IDPs who currently rely on agriculture tend to be the poorest. Only one in three IDP households has access to agricultural land and only one in five IDP households owns livestock.
- **6 percent of IDP households depend on aid as their main source of income, and only 20 percent receive any aid at all.** This independence is generally positive, but also reflects limitations on aid access. IDPs largely generate their own income, yet it is barely enough: IDPs who wish to relocate frequently cite the lack of employment and livelihood opportunities in the camps as their main reason.
- **Relations between IDPs and hosts are mostly perceived as good or very good on both sides.**

- **IDPs feel considerably less safe in their neighborhoods than hosts.**
- **Neither IDPs nor host communities exhibit high levels of civic engagement.**
- **IDPs remain economically vulnerable and more so than hosts, despite being productive.** About 70 percent of IDP households are productive but poor, 10 percent are support-dependent. Only 50 percent of host households are productive but poor, and only 4 percent are fully support-dependent.
- **IDPs have two distinct typologies, which can be differentiated based on their displacement year, location, and return intentions.** Before being displaced, Group 1 (39 percent of IDPs) relied more heavily on agriculture. Group 1 IDPs are more likely to have been displaced in 2003-2004. They are more likely to live in a shelter provided by the camp and are therefore closer to services and more likely to have access to an improved water source. However, Group 1 households have a higher poverty rate and a deeper average poverty gap. They are more likely to face food insecurity and to rely on assistance. Most Group 1 households want to relocate, primarily to obtain better access to employment. In contrast, most Group 2 households prefer to stay where they are for security reasons. More than half of Group 2 households are headed by women. Group 2 also seems to have less access to services and worse housing, perhaps because most of them are located far from the main centers of the camps. Supporting Group 1 IDPs implies improving their skills to help them diversify their incomes. Group 2 households require gender-responsive programs, increasing their access to safety nets and better living conditions.

The authors conclude that a durable solution for protracted displacement in Al Fashir must: (a) improve living conditions for hosts and IDPs in camps that have become a permanent residence for many; (b) improving the security situation and expanding economic opportunities in return areas; and (c) business skills development and better access to employment opportunities, mainly for agricultural IDPs.

Refugees and internally displaced persons in development planning: No-one left behind?

OECD/UNHCR

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This paper **documents the extent to which refugees and internally displaced persons (IDPs) are included in development planning and explores how inclusion can be strengthened.**

The review covers 58 low- and middle-income countries with more than 100,000 forcibly displaced people. Collectively these countries host more than 87 million forcibly displaced people representing 80 percent of the global total. Within these 58 countries, the report covers 54 national development plans, 132 sector plans (47 health plans, 47 education plans and 28 technical and vocational education and training plans), international

development co-operation strategies of 30 Development Assistance Committee (DAC) members and 3 DAC participants, and 54 UN Sustainable Development Cooperation Frameworks (UNSDCFs).

Documents were classified into three categories according to the following criteria: (1) inclusion of forced displacement mainstreamed throughout planned activities; (2) significant mention of inclusion; and (3) no significant mention of inclusion. Each document was coded according to the number of references to refugees, IDPs, and host community, and how these references relate to development planning, including: (a) the national context; (b) development financing; (c) health; (d) education; (e) jobs/private sector development; (f) safety and security; (g) social protection; (h) domestic revenue mobilization; and (i) whether there were any specific indicators referring to forced displacement.

Main findings:

- **Less than a third of national development plans from displacement-affected LICs and MICs include refugees or IDPs.** Only 28 percent of LICs and MICs referenced refugees and/or IDPs in their national development plans. None of the development plans mainstreamed inclusion throughout the planned activities. Fragile states were more likely to reference refugees and IDPs in their national development plans. Refugees were more likely to be significantly referenced in development plans than IDPs. References were mostly related to health, safety and security, and education. None of the development plans included comprehensive costing of services and support to forcibly displaced populations.
- **There is a markedly higher rate of explicit inclusion in sector development plans of low- and middle-income countries.** 56 percent of education plans, 40 percent of health plans, and 39 percent of technical and vocational education and training plans make significant reference to displaced populations. In addition, 38 percent of education plans, 32 percent of health plans, and 21 percent of technical and vocational education and training plans mainstream inclusion throughout planned activities.
- **More than half of global donor development cooperation strategies include refugees and IDPs.** 52 percent of DAC members and participants (17 of 33 countries) include refugees and IDPs as a significant aspect of their strategies. However, none mainstreams inclusion across their entire development cooperation strategy. The most common referenced sectors in relation to inclusion of refugees and IDPs are social protection, and safety and security. Health and education are referenced less often.
- **More than three quarters of UNSDCFs include refugees and IDPs.** Specifically, 76 percent of UNSDCFs make significant reference to inclusion of refugees and/or IDPs, with 15 percent mainstreaming inclusion throughout planned activities. Inclusion in UNSDCFs is primarily focused on social protection, access to jobs and private sector development, followed by health, safety, and security. However, UNSDCFs do not place significant emphasis on the value of inclusion in domestic revenue mobilization through taxation.
- **The total number of forcibly displaced people in a country and the intensity of fragility are strong predictors of inclusion in development planning.** Countries with a larger population of forcibly displaced people are more likely to prioritize their inclusion in their development plans. Additionally, countries that are more exposed to extreme

fragility are also more likely to reference forced displacement in their development planning.

- **There is a notable mismatch between national development plans, and donors' high-level development co-operation strategies.** Donors tend to prioritize inclusion in social protection, while LICs and MICs rarely focus on this sector. LICs and MICs prioritize inclusion in health and education, which is not emphasized by donors. The inclusion of refugees and IDPs is not consistently addressed in policy dialogues between donors and their partner countries.

The authors conclude that **the inclusion of refugees and internally displaced persons (IDPs) in development planning processes is still in its early stages**, lagging behind other inclusion policy areas. They highlight that a significant opportunity for advocating for more inclusion arises when development strategies or plans reach their end, requiring revision, redrafting, and presentation to parliament.

The report provides several policy recommendations to strengthen the inclusion of refugees in development planning. These include:

- Ensuring that policy dialogue and regular development planning and cooperation in LICs and MICs affected by forced displacement include refugees and IDPs.
- Engaging with sector leaders, civil society organizations (such as vocational groups, humanitarian and human rights actors, faith-based organizations, and political parties), and the private sector, who have shared interests in the inclusion of the forcibly displaced and the ability to influence development planning.
- Strengthening government ownership and accountability for the inclusion of refugees and IDPs at the country level. This includes empowering refugees and IDPs to become a constituency with a voice in development planning and ensuring their inclusion and disaggregation in national statistics and household surveys.
- Continuing data-based monitoring of inclusion in development planning, programming, and implementation over time, disaggregated by displacement status.
- Systematically assessing the feasibility of including forcibly displaced populations in national systems, labor markets, and related development planning at both the country and sub-national levels.
- Undertaking contextualized research and evaluation of the impact of effective inclusion cases on the displaced and host communities, and disseminating the findings.

Do legal restrictions affect refugees' labor market and education outcomes? Evidence from harmonized data

World Bank Poverty and Equity Global Practice

Leveraging Harmonized Data to Improve Welfare among Forcibly Displaced Populations and their Hosts: A Technical Brief Series (2023)

<https://documents1.worldbank.org/curated/en/099062123080037343/pdf/P1780290fb9f100f20994e093835a004429.pdf>

This paper **estimates the impact of refugee policies on labor and education outcomes in developing countries that host refugees.**

The analysis is based on two main data sources. The first is the Developing World Refugee and Asylum Policy (DWRAP) Dataset, which includes national laws related to refugees and asylum seekers in 136 African, Middle Eastern, South Asian, and Latin American countries from 1951 to 2017. The dataset categorizes refugee and asylum policy into five domains and further breaks them down into 14 policy strands.

The second source of data is harmonized survey data from 10 countries across five regions that hosted refugees between 2015 and 2020. The countries included in the analysis are Lebanon, Jordan, the Kurdistan Region of Iraq, Chad, Niger, Uganda, Ethiopia, Peru, and Ecuador. The surveys collected information from 177,261 individuals in 35,711 households, with 66,212 of them being refugees. The outcomes of interest in the dataset include labor force participation and employment for working-age individuals, as well as school attendance and education outcomes for school-age children.

The data reveals that:

- There is significant variation in refugee policy and outcomes across different countries and contexts. Uganda and Ecuador are quite liberal along all policy dimensions, while Peru and Ethiopia are also relatively liberal but less so in the livelihoods domain. Niger, despite being less liberal overall, has relatively liberal policies for services and livelihoods. On the other hand, Jordan, Lebanon, and Chad are relatively illiberal in their policies.
- Employment rates for refugees vary markedly across countries and contexts, and these differences are not just driven by differences in employment rates among locals.
- Female refugees generally have lower employment rates compared to male refugees in all countries, but the gender gap is particularly pronounced in Iraq, Jordan, and Lebanon.
- In the Middle Eastern countries and in Niger, non-refugees tend to have better literacy rates and school attendance compared to refugees. However, in other countries, there is no significant difference between refugees and non-refugees in terms of literacy and school attendance.

Main empirical findings:

- **The employment rate of refugees relative to locals is higher in countries where policies are more liberal, compared to other countries in the same region.** For example, Uganda, with a DWRAP policy score of 0.51, has a higher likelihood of employment by about 4.5 percentage points compared to Ethiopia, which has a policy score of 0.33.
- **Freedom of movement is a more important driver of better employment outcomes than policies directly capturing the right to work.**

- **The positive association between policy liberality and employment is mostly driven by female refugees.** A 0.18 difference in the overall policy score between Uganda and Ethiopia would result in a 10-percentage point increase in the employment rate for female refugees, while there would be no increase for men.
- **The liberality of education policy predicts a positive likelihood that refugee children are currently in school and whether they can read and write.** For example, the 28-point difference between the education score of Uganda (0.5) and Ethiopia (0.22) would be associated with almost a three-percentage point increase in the likelihood of being in school and being able to write.

The authors conclude that **refugees in countries with more liberal policies have better socioeconomic outcomes. The study finds that de jure access to the labor market and free movement are positively related to employment. Additionally, refugee children in countries with more generous educational rights for refugees are more likely to be in school. The positive relationship between liberal policy and employment outcomes is particularly pronounced for women**, likely due to their weaker attachment to the labor market and greater labor supply elasticity.