The Refugee Employment and Skills Initiative

IN BRIEF

ITC’s Refugee Employment and Skills Initiative (RESI) aims to unlock the economic potential of refugees and displaced persons to generate income and improve their lives. Beneficiaries develop commercially viable skills that can facilitate their economic resilience. RESI also brings sustainable economic benefits to host countries, particularly local communities and small and medium-sized enterprises (SMEs).

THE PROBLEM

The number of refugees, internally displaced persons (IDPs) and asylum seekers worldwide exceeds 60 million people. Twenty countries alone are home to 42.5 million refugees and bear a large part of the cost of supporting them. For these people, particularly young persons and women, available options to make a living are limited. Without a skillset linked to employment opportunities, they remain trapped in vulnerability and destitution.

Humanitarian actors traditionally provide literacy and vocational training. However, this much-needed work does not suffice to provide sustainable income opportunities. Supporting productive capacities and employment for the displaced and linking them to markets can be an important part of the solution.

THE ITC SOLUTION

ITC has identified concrete project opportunities to create sustainable livelihoods for refugees in agriculture, ethical fashion, home decor and business process outsourcing (BPO). ITC works with the United Nations High Commissioner for Refugees (UNHCR) and the Norwegian Refugee Council (NRC), as well as with leading social enterprises and non-governmental organizations (NGOs) to make RESI possible.

Operations benefit from the experience of these partners working in refugee settings. Activities take place in their existing facilities and typically involve graduates from their ongoing training programmes. Partner NGOs also handle crucial aspects at the local level such as community consultations, logistics, and project monitoring.

RESI typically involves social enterprises already sourcing from local micro-producers and supports them in linking up with new clients. They source from the project beneficiaries and help them meet production standards. Marketing goes beyond niche ‘fair trade’ outlets by reaching out to large-volume, commercial buyers.

1 GS1 is a neutral, not-for-profit, global organization that develops and maintains the most widely used supply chain standards system in the world. GS1 standards improve the efficiency, safety, and visibility of supply chains across multiple sectors.
Benefits to the host countries accrue through various channels. Productivity improves along the value chain, creating wealth for local tax-paying enterprises and jobs for nationals (in areas such as customer care, quality assurance, sourcing, communications and logistics).

Development work in refugee settings is feasible, albeit complex. Activities only begin after satisfying rigorous supply feasibility-related requirements. The scaling up is gradual, thus reducing both resource requirements and risk exposure. At the same time, partner social enterprises act as market anchors, thus mitigating marketing-related risks while enhancing prospects for sustainability.

RESI arrangements comply with national labour laws by focusing on micro-entrepreneurship or self-employment, which usually requires no work permits. UNHCR offices discuss specifics with government authorities and suggest customized solutions.

**IMPACT**

RESI builds on tried and tested ITC methodologies for enabling poor communities to participate in productive value chains. Actual projects in refugee settings are at the initial implementation stage. For example, ITC has teamed up with UNHCR and the NRC in the refugee settlements of Mentao in Burkina Faso and Dadaab in Kenya. Additional joint initiatives are being designed in the Middle East and Latin America.

Emerging evidence indicates that the approach stands to yield substantive impact, not only for refugee livelihoods development, but also in terms of benefits to the host countries. The experience so far also suggests that RESI’s work does contribute to improving the likelihood of success of refugees returning home in the medium term.

The two projects began with a thorough skills audit. In the case of the Dadaab BPO project, the focus was on computer literacy, English-language skills, typing proficiency and overall business acumen. In Mentao, this appraisal focused on leather tanning, cutting and sewing, as well as on metal-working skills.

Because the results have been positive, pilot initiatives are underway to: (i) provide assignment-specific training, (ii) confirm market potential, and (iii) organize work systems leading to commercially viable production, particularly as regards product design and quality, costs, as well as quantities produced. The next step is to scale up operations and connect the producers (through partner social enterprises) to buyers on a fully commercial basis.

**INITIATIVES SEEKING SUPPORT**

RESI has been made possible through generous seed funding from Germany, as well as from contributions from the Netherlands and UNHCR. Further support is necessary to reach out to the maximum possible number of refugees while optimizing operational scale.

Funding is also required for a project to link Syrian refugees to market opportunities in ethical fashion, handicrafts and information technology (IT)-enabled work. This initiative focuses on the 870,000 persons who have fled violence in the Syrian Arab Republic to settle temporarily in Jordan and Egypt. ITC has collaborated with NRC, Caritas International, the software manufacturer SAP and UNHCR to design refugee livelihood concepts around Alexandria and Cairo, as well as in the Za'atari camp.

The project supports Egyptian and Jordanian SMEs in two sectors with confirmed potential, namely: ethical fashion and BPO. They will receive technical support from renowned fashion houses and companies such as SAP.