New Responses to the Refugee Crisis: Promises and Challenges in Ethiopia

A case study of World Bank financing for refugee-hosting nations
Community members walk to their homes in a remote village in the drought-affected Somali region of Ethiopia. Woreda: Hinile. Photo by Tyler Jump/IRC.
A New Response to the Protracted Refugee Crisis in Ethiopia
A case study of World Bank financing for refugee-hosting nations

International Rescue Committee | November 2018

Contents

Executive Summary ................................................................. 5
Introduction .................................................................................. 6
Ethiopia’s refugee policy, response, commitments and financing ............ 8
  Overview of Ethiopia’s refugee policy ........................................... 8
  National arrangements and decision-making ..................................... 9
  World Bank refugee-related projects .............................................. 10
Challenges and concerns .................................................................. 12
Recommendations ............................................................................ 14
Executive Summary

In 2016, the Government of Ethiopia made nine pledges to improve the lives of refugees and host communities. Soon thereafter it rolled out the Comprehensive Refugee Response Framework (CRRF) of the New York Declaration on Refugees and Migrants, and became one of the first countries to receive multiyear, concessional financing from the World Bank’s 18th replenishment of the International Development Association (IDA18) sub-window for refugee-hosting nations. Together, these commitments, framework and financing hold the promise of significantly improving the lives of refugees and their host communities across the country.

New policies and programs are underway. The Government is revising its Refugee Proclamation and is expected to expand its policies that will enable more refugees to move freely from camps and access education and jobs. New livelihoods and education projects, supported by the World Bank and UK’s Department for International Development, are being designed to support refugees and host communities. Although still early in his tenure, Prime Minister Abiy Ahmed Ali appears reform-minded and could be a champion of these approaches to the protracted refugee situation.

While progress is being made, there are a number of concerns that, if not addressed, run the risk of hampering impact. The Bank’s working groups for sub-window financed projects are distinct from CRRF working groups, and both appear to have consultative processes that often leave key constituencies, such as refugees, local governments and regional bodies, out of decision-making regarding policies and program design. The World Bank’s earliest investments are weighted towards solutions like industrial parks that do not adequately address refugees’ barriers to decent work and are unlikely to generate enough jobs in the medium term. And the government has not yet passed the Refugee Proclamation—key to ensuring refugees can access their rights, and critical for Bank programs to begin in earnest.

This case study seeks to determine what impact the CRRF and development financing are having—and are likely to have moving forward. Based on these observations, this case study offers recommendations for the Government of Ethiopia, the World Bank, the UN Refugee Agency (UNHCR), Ethiopia’s Administration for Refugee and Returnee Affairs (ARRA), NGOs and other stakeholders. It calls on the Government to swiftly pass the Refugee Proclamation, allowing refugees to move more freely, and access schools and formal jobs. It recommends the World Bank, UNHCR and ARRA streamline their multistakeholder engagement process to ensure key actors, such as different levels of government, regional bodies, refugees, and NGOs can contribute to decision-making processes; and to ensure projects adequately reflect the evidence base, for instance on refugee and host community livelihood skills and needs.
Introduction

Ethiopia is the second-largest refugee-hosting country in Africa. It has maintained an open-door policy toward refugees since the 1990s. Today, Ethiopia is home to 916,678 refugees primarily from Eritrea, South Sudan, Somalia, and Sudan. While most refugees in Ethiopia live in the 26 camps established across the country, tens of thousands of refugees also reside outside of the camps—many in the capital city of Addis Ababa.

In 2010, the Ethiopian government introduced an out of camp policy that permits Eritrean refugees to reside in rural and urban areas so long as they can support themselves financially or are sponsored by a relative or friend. In addition, about 12,500 refugees of a range of nationalities are authorized to live in Addis Ababa; they are not allowed to work but have access to primary schools and other basic services and continue to receive assistance from UNHCR.

Ethiopia is one of the fastest-growing economies in Africa, but remains one of the poorest countries in the region. Although extreme poverty levels have declined significantly from 55 percent in 2000, the poverty rate remains at nearly 30 percent today. Refugees reside in some of the poorest communities, placing additional strains on limited resources for public services and livelihoods opportunities. Refugees are generally much poorer than host community households; two in three refugees live below the international poverty line (US$1.90 per day per person at 2011 PPP), while one in four host community members live below the poverty line.

Despite economic struggles, Ethiopia has recognized the positive impact that refugee integration could have on host communities and local economies and is taking bold steps to include refugees in its national systems and societies outside of camps. Building on commitments to take these steps, made at the 2016 Leaders’ Summit on Refugees, Ethiopia has been among the initial countries roll out the Comprehensive Refugee Response Framework (CRRF) of the New York Declaration on Refugees and Migrants, and is one of the first eight countries to receive additional multiyear financing from the World Bank’s IDA18 sub-window for refugee-hosting countries.

Although it is early, newly elected Prime Minister Abiy Ahmed Ali is reform-minded and could be a champion of CRRF implementation and the World Bank’s engagement. Political developments in the relationship between Ethiopia and Eritrea since Ali took office will also affect the refugee situation—if peace at the border holds and relations are fully reestablished, many Eritreans may wish to return home. Still, most Eritreans who have lived in Ethiopia for more than a decade already will be wary of returning until they can verify it is safe to return and confirm that there are education and other services as well as job opportunities back home. It therefore could be years before returns take place.

As in most refugee responses, there is a shortage of funding in Ethiopia, and it remains unclear whether the government will be able to implement all of its pledges. In 2017, just 20 percent of UNHCR’s $307 million operating plan for the refugee response was funded (for comparison, UNHCR’s total budget for 2017 was 54 percent funded). Recognizing the need for more—and more long-term—funding, Ethiopia sought eligibility for additional resources through the World Bank’s IDA18 refugee sub-window. Eligibility for financing was approved in September 2017, and Ethiopia has been allocated about $200 million for livelihoods programming. The European Union and UK’s DFID have also committed resources. In total, the financing package from donors to support refugees and their host communities totals more than $500 million.
This case study builds on an IRC-Center for Global Development policy brief, *Tackling the Realities of Protracted Displacement: Case Studies on What’s Working and Where We Can Do Better*, which included early findings in Ethiopia. It provides an analysis of Ethiopia’s policy approach to refugees, looking specifically at the World Bank’s recent initiatives and upcoming projects. It offers a range of recommendations, including suggestions for the Bank, the Ethiopian government and NGOs.

The International Rescue Committee in Ethiopia

The IRC opened its Ethiopia office in 2000 in response to a drought that hit the Somali region. Today, the IRC works in over 20 refugee camps throughout Ethiopia and serves in-need Ethiopian communities in six regions. With the help of approximately 1,000 Ethiopian and international staff, the IRC works in eight program sectors, including multi-sector emergency relief, water and sanitation, health, protection, and education. IRC Ethiopia’s FY2018 budget is approximately $50 million, with funding provided by the US government (USAID), European Commission (ECHO), European Union (EU Trust Fund), UN refugee agency (UNHCR), and other UN, government and private donors. In 2017, the IRC served over two million people across Ethiopia.

BELOW: Mohammed, age 6, writing in her notebook during a lesson in Somali taught by Kahijida Abdi in Kebri Beyah refugee camp, Ethiopia. Photo by Aubrey Wade/IRC
Ethiopia’s refugee policy, response framework, commitments and financing

Overview of Ethiopia’s refugee policy

Ethiopia has hosted refugees from neighboring countries for decades, and the government of Ethiopia has long taken a leading role in managing refugee response. The country is a signatory to the 1951 Refugee Convention and the 1967 Protocol, as well as the International Covenant on Economic, Social and Cultural Rights, the Convention on the Elimination of Discrimination against Women, the Convention on the Rights of the Child, and the International Convention on Torture, Inhuman and Degrading Treatment.

At the regional level, it has ratified the African Charter on Human and Peoples’ Rights and the 1969 OAU Convention. At the domestic level, its Constitution and 2004 Refugee Proclamation have occasionally been at odds with one another, including over freedom of movement—which is provided for anyone in Ethiopia under the Constitution, but limited under the Proclamation, which requires all refugees to remain in camps. Other notable limitations under the 2004 Proclamation include the right to marry, the right to work, and relating to education. It is therefore encouraging that Ethiopia is updating the Proclamation.

In recent years, Ethiopia has implemented a relatively open-door policy toward refugees from neighboring countries. The second largest refugee operation in Africa, Ethiopia has refugees spread across 26 refugee camps, urban areas, and settlement areas. However, its current refugee policies have been somewhat prohibitive; they do not allow refugees to work or move freely from camps. Some Eritrean refugees have been permitted to live outside of camps, however they are not allowed to work; meanwhile refugees of other nationalities are not even permitted to live outside of camps. This unequal treatment of different refugee populations has led to unequal outcomes; Eritrean refugees have lower poverty rates and higher standards of living than Somali, Sudanese and South Sudanese refugees, though all refugees remain more impoverished than their host communities.

These prohibitive regulations may change moving forward. In 2016, Ethiopia co-hosted the Leaders’ Summit on Refugees, where it made nine ambitious pledges to improve the lives and livelihoods of refugees and host communities in the country. Among its pledges, the government committed to: expand its out of camp policy; provide work permits to refugees; increase enrolment of refugee children in school; make irrigable land available to refugees; allow local integration of refugees who have lived in Ethiopia for more than 20 years; work with international partners to build industrial parks and generate jobs for refugees and hosts; expand and enhance basic and essential social services for refugees; and provide other benefits including birth certificates, bank accounts, and the option of obtaining a driver’s license.

In February 2017, the government agreed to be one of the first pilots for the CRRF, which serves as the vehicle through which these commitments are expected to be realized. Importantly, the pledges not only align with the goals of the CRRF, but also with the government’s national development plan, the Growth and Transformation Plan (GTP II), which sets the long-term goal of becoming a middle-income country by 2023.

The government of Ethiopia has taken critical steps to fulfill its pledge to issue birth certificates to children of refugees born in Ethiopia—an essential step to their accessing a number of rights related to education, employment and access to health care. The government’s Federal Vital Events Registration Agency (FVERA) and ARRA conducted a joint assessment in late 2016 to determine how to include refugee children in the national registration system. Following this assessment, the agencies proposed an amendment to Ethiopia’s legal framework for the registration of vital events, Proclamation 760/2012, which requires Ethiopians to record major events (e.g., births, deaths, marriages, etc.) with the government. The amendment, which was passed by
Parliament in July 2017, enables ARRA to record and register vital events within the national structure. In addition, the government is currently revising its 2004 Refugee Proclamation to ensure that laws and regulations enable the country to meet its other commitments, including revisions to the out of camp policy. A new draft bill to amend the Proclamation was tabled before parliament in June 2018.

National arrangements and decision-making

There are a plethora of convening groups for Ethiopia’s implementation of the CRRF, the government’s nine Leader’s Summit pledges, and World Bank programming.

The Administration for Refugee and Returnee Affairs (ARRA), the government’s entity for implementing policies related to refugees and returnees, is in charge of implementing the CRRF. To help facilitate the process, a steering committee has been established under the Office of the Prime Minister. This committee is chaired by ARRA, the Ministry of Finance and Economic Cooperation, and UNHCR, and a development advisor from the donors is expected to provide technical expertise directly to the co-chairs. The steering committee members, who provide expertise and support, include representatives from line ministries, donors, national and international NGOs, the World Bank, and other aid agencies, such as the UN Development Programme, the World Food Programme, UNICEF, and the International Labour Organization (ILO). Separately, there is another steering committee to support the Government in meeting its nine pledges. This group is co-chaired by UNHCR and ARRA and also reports to the Office of the Prime Minister. In addition, there is a Development Partners Working Group on Forced Displacement as part of the regular donor coordination mechanisms in place in Addis. Again, UNHCR heads this group; the World Bank participates in meetings.

The National Coordination Committee is formally coordinating various sector-specific technical committees on behalf of the Steering Committee. These groups bring together key stakeholders to make project-level decisions related to the CRRF, and support their implementation, have been established. A number of launch and planning workshops have been held in Addis Ababa to discuss how the technical groups should operate, though they are not yet operational. To date, workshops on health, education, documentation, and jobs and livelihoods have taken place. Some of the technical groups build on existing structures, and will be created from scratch. Importantly, these technical committees are expected to include refugee voices, and are intended to feed into higher level decisions between the Bank, ARRA and UNHCR. Thus far there have been refugee representatives present and participating in the four workshops, though it remains to be seen to what extent their input is taken on at the decision-making levels.

Separate from the livelihoods technical committee, there is a Jobs Compact Technical Working Group that is chaired by the Finance Minister and includes the World Bank and other donor partners, relevant government ministries, UNHCR, and the ILO. The Bank has suggested to the government that the Jobs Compact Working Group sit within the CRRF livelihoods working group; however, a decision on this has yet to be confirmed.

Joint analysis and planning are underway. ARRA has carried out a number of workshops and Refugee Task Force meetings in coordination with UNHCR and the World Bank to analyze policies, map existing programs, and identify gaps and needs of refugees and host communities. To support this effort, UNHCR is adding new field staff to support CRRF implementation and the World Bank has seconded a staff member to East Africa, who is responsible for overseeing the rollout of the IDA18 sub-window funding in the region.

Despite the various coordination mechanisms that are in place, details on how the CRRF is being implemented, implications of the World Bank’s new financing, and progress on both remain vague. There is still much to be explored in terms of roles and responsibilities between the government, NGOs, and newly involved development actors. To this end, the World Bank plans to host a series of information sessions throughout 2018, each examining different topics relating to their work on forced displacement. The first of these events, entitled “Learning Event on Responding to the Forced Displacement Crisis,” was held in March 2018 in Addis Ababa.
World Bank refugee-related projects

The Bank has worked closely with UNHCR and the Ethiopian Government to define what a development approach to displacement should look like. The Bank approach balances three priority areas: policy reforms to provide rights to refugees; the need to support sustainable development for refugees and host communities through infrastructure and environmental programs; and the need to provide better livelihoods for refugees and host communities through improved education, health, jobs and other income generating opportunities for a better quality of life. It is very supportive of Ethiopia’s plan to shift from encampment to long-term economic integration, and will play an important role in supporting the generation of employment opportunities for refugees and hosts. And it remains supportive of Ethiopia’s intention to implement its nine Leaders’ Summit pledges, including changes to national legislation, which will ultimately enable the government to show its citizens that there can be benefits to supporting generous policy approaches for refugees.

The Bank is working with the Ethiopian government and UNHCR to undertake a range of new initiatives related to refugees and host communities. These initiatives draw on the findings and recommendations of a joint World Bank-UNHCR study, Forced Displacement and Mixed Migration in the Horn of Africa, which examined the Bank’s approach in the region and was aimed at supporting UNHCR’s strategic shift in addressing needs of the displaced populations from “care and maintenance” to “social cohesion and self-reliance.” They also build on the Bank’s early experience with displacement-affected populations.

Another flagship project—and one that will continue under IDA18 and the CRRF—is the Development Response to Displacement Impact Project (DRDIP). While DRDIP targets the communities that have hosted refugees for long periods of time, it seeks to implement projects that will ultimately benefit both hosts and refugees.

DRDIP is a regional program covering Ethiopia, Uganda and Djibouti, which aims to improve access to basic social services, expand economic opportunities, and enhance environmental management for host communities. In Ethiopia, the project is implemented in five refugee-hosting regions, including Afar, Benishangul-Gumuz, Ethiopian Somali, Gambella, and Tigray National Regional States, and works with both refugees and host communities. At this stage, the project has only peripheral benefits for refugee communities and is financed through general IDA funds, rather than through the Bank’s new refugee sub-window. In fact, DRDIP’s focus on the needs of host communities is meant to assuage the Government of Ethiopia’s reluctance to borrow from the World Bank for projects that target refugees, and ensure the public that Ethiopian’s needs are meeting met, too.

The important contributions of the project in the near-term are likely to be increased access to potable water and upgrading of schools and clinics in host communities in the proximity of refugee camps; it is too early to estimate the impact of the livelihoods component. DRDIP has also taken on gender issues, urging greater women’s participation amidst constraining social structures and cultural norms. For instance, although woreda and kebele authorities are all men, kebele level committees determining DRDIP plans are required to have 30 percent representation of women. Furthermore, DRDIP projects will aim to address the social, economic, infrastructure, and protection needs of women, particularly with regard to sexual- and gender-based violence. For example, 50 percent of the beneficiaries of the livelihood program will be women.

Planning and projects to be financed by the IDA18 sub-window are underway but in early stages. The pipeline includes efforts to generate jobs for refugees and Ethiopians, with an initial focus on industrial parks and nascent plans to support self-employment and new business start-up; to increase refugee children enrolment in school; and to improve access to and the quality of social services available to both refugees and host communities. The first sub-window-financed project, which is in the livelihoods sector, is slated begin in July 2018, provided the Refugee Proclamation has been passed. While still early days, some progress has been made, highlighting early promises as well as potential challenges ahead.

Economic opportunities

Since early 2017, the World Bank has been working closely with the government, including the Ethiopian Investment Commission and Ministry of Finance and Economic Cooperation, UNHCR, other donors—
including the UK’s DFID, the EU, and the European Investment Bank—and NGOs to develop an economic opportunities project (also known as the “Jobs Compact”). The Compact seeks to generate 100,000 jobs—30,000 of which will be available to refugees—through $500 million in concessional financing. So far, the Compact is being implemented through an Employment Promotion and Protection (EPP) package, which draws on $200 million in IDA financing ($167 million draw from the sub-window) and $78 million in co-financing from DFID, and will be implemented over six years from 2019 to 2025. The World Bank has indicated an EPP pilot targeting 10,000 refugees will be tendered in late-2018; the value of the contract will be $10 million.

The Compact builds on Ethiopia’s national development plan, the Growth and Transformation Plan II (2016-2020), which focuses on large-scale safety net programs, expansion of basic services, and public investment in infrastructure. Among its aims are to improve the broader investment climate; improve infrastructure; increase labor productivity; and improve refugee-related employment and protection guarantees. Critically, this last aim will entail providing the legal basis for refugees to take up employment opportunities, provision of housing, skill development, developing employer and employment matching capability, and oversight mechanisms to ensure refugee rights are protected.

Ethiopia has agreed to utilize the World Bank’s Program for Results (P4R) financing instrument, linking disbursement of funds to the achievement of specific program results and activities. This instrument will be used for only part of the project (with the rest being direct investment), and because it includes indicators directly attributable to the program, there is greater focus on outputs and activities versus outcomes, such as increased sustainable incomes or reduced poverty rates among refugees and hosts. Nevertheless, it is an important step in the right direction in terms of accountability.

At the core of Compact implementation is scaling up industrial parks, including the three already in operation. These are designed to attract foreign direct investments (FDI) and provide opportunities for refugees (targeting up to 5,000 refugees) and host communities. The Bank program under preparation will include a P4R program that will inter alia include agreement with the Government on legislative action on the nine pledges as part of its adherence to the CRRF. In addition, as the Government of Ethiopia begins to realize that the jobs program for refugees needs to go beyond the industrial parks, given in part the difficulty of matching the skills-set of the refugees to those in demand in the parks, the Bank is considering an approach that would pay private service providers to match refugees with jobs.

**Education**

In December 2017, ministers in charge of education in the IGAD Member States agreed to the Djibouti Declaration—an agreement to collectively ensure that every refugee, returnee, and host community member has access to quality education. This committed states—including Ethiopia—to include refugees in national systems and plans and establish minimum standards and targets on access and delivery of quality education at all levels.

On the heels of signing this regional agreement, Ethiopia has identified education as a key sector to be funded by IDA18 sub-window financing. Discussions are nascent, but those involved have indicated that financing may go to improve teacher qualifications; help the Ministry of Education take over management of mixed schools (i.e., schools serving both refugees and host communities, but currently overseen by ARRA or NGOs) and refugee schools; and improve access to primary education and improve adult literacy for refugees and their hosts.

**Registration, documentation and data collection**

Improvements to vital documentation, registration, and data collection have been a key success for Ethiopia since September 2016. Birth certificates for refugees are now being issued and captured in the national system. UNHCR is rolling out biometric registration, with a goal of completing 85 percent by the end of 2018. A census that includes refugees in its surveys is planned for November 2018. Together, these are promising steps towards ensuring there is baseline data against which progress on the integration of refugees and improvement in the lives of refugees and host communities can be measured—and against which success can be determined.
Challenges and concerns

Ethiopia is among the first countries to implement the CRRF and receive IDA18 sub-window financing, and it has made great strides since the start of 2017. Still, the pace of progress is relatively slow and accountability mechanisms are not yet in place to ensure best practices are employed with the overall process, policy reforms, and decision-making and implementation of programs. This section outlines challenges and areas for further analysis.

The Bank is in the middle of an important paradigm shift from purely humanitarian responses to development-led approaches in displacement contexts. Although this shift has been discussed for decades, it is only now taking shape, in part through initiatives like the IDA18 sub-window and the CRRF. Rollout of this new financing and framework in Ethiopia has shown this shift is likely to be messy, and will require agreeing on a set of outcomes as well as a high level of coordination and collaboration to achieve impact.

The World Bank is new to displacement and needs to coordinate with other actors that have more expertise with refugee populations to ensure that it promotes policies that lead to refugees having greater access to their rights. The Bank’s philosophy, at its core, is about economics. It is supportive of human rights and advocates for just policies, but its ultimate goal is to end poverty, and its actions do not stem from the same humanitarian principles that traditional refugee-response actors do. Consequently, the Bank’s mechanisms for accountability focus on measuring economic progress and use of funds, with a dearth of complementary rights-focused monitoring. That said, the Bank has shown its dedication to ensuring Ethiopia improves its refugee policy; it has said it will not rollout its programs under the sub-window until the new Refugee Proclamation is formalized.

While there are numerous working groups that aim to create a consultative process, it appears there are still two key issues that need to be resolved. First, the Bank has created working groups for sub-window-financed projects that are distinct from CRRF working groups (e.g. the Jobs Compact working group and the livelihoods working group) and no clear consultative path for projects funded outside the sub-window (e.g. DRDIP), which could lead to parallel programming and responses that are driving towards different, and potentially competing, outcomes. Second, key decision-makers are missing in the conversation about IDA18 sub-window-financed programs and CRRF rollout. The ILO, UNDP and other development actors are notably absent from planning the longer term response to refugees in Ethiopia. It is also unclear what role the regional body IGAD should and will play; the Bank’s analytics have focused on regional perspectives but there is no clear regional approach to displacement and there is no plan indicating whether IGAD will react to country-specific issues, or take a more proactive role.

The Bank, like many development institutions, is used to taking much longer to plan and implement programs. This can be a challenge in refugee settings, where humanitarian actors typically ramp-up programs much more quickly in order to address very urgent needs and to save lives. At the same time, longer-term funding is more predictable, allowing programs to seek to—and achieve—sustainable changes in people’s lives; people will be able to not just survive, but also rebuild and thrive. Emerging evidence shows multiyear financing, as compared to traditional one year humanitarian grants, is also more efficient and effective in improving the lives of program beneficiaries.

Given the government is its main client, the Bank is used to supporting governments to build their own response—as opposed to traditional humanitarian responses which often create parallel structures. This holds true in Ethiopia, where the Bank is trying to give
the government space to gradually incorporate refugees into its development plans. This is in part a reflection of the Bank’s practice to move slowly, but is also a strategy to avoid scaring a leery public that would react sharply if the impression was given that refugees were getting more assistance than Ethiopians.

While Ethiopia deserves credit for its openness to policies that grant refugees greater freedom of movement and access to work, the implementation of such policies and the programs made possible by them will require an openness by all actors to learn from similar attempts elsewhere. Jordan, where improvements have been made to refugees’ access to work and where livelihoods programming has had mixed results, is an obvious example. While Ethiopia deserves credit for its openness to policies that grant refugees greater freedom of movement and access to work, the implementation of such policies and the programs made possible by them will require an openness by all actors to learn from similar attempts elsewhere. Jordan, where improvements have been made to refugees’ access to work and where livelihoods programming has had mixed results, is an obvious example. 18

The focus on scaling-up the industrial parks in Ethiopia is unlikely to generate significant outcomes for refugees or Ethiopians in the near-term. Although the World Bank is doing due diligence to learn from and improve upon similar efforts to scale up special economic zones (SEZs) in Jordan, several concerns remain around investing in the industrial parks as the primary means for generating livelihoods opportunities for refugees. For instance, the skill set of refugees in Ethiopia may not match well with those needed in factories operating in the industrial parks; most refugees engaged in farming and pastoral activities previously, and will need training to be able to work some factory jobs—plus an overwhelming number of refugees would actually prefer service industry jobs. Refugees in Ethiopia are concentrated in areas far from the industrial parks and transportation could prove too timely, too costly, and unsafe for women and youth. Earning potential for jobs in industrial parks may not be competitive with what refugees can earn in the informal sector; in fact, more than half of refugees surveyed in one study said they would refuse a hypothetical factory job at 750 BIRR because the salary was too low. 19 Furthermore, recent research on factory work in Ethiopia found these jobs are often dangerous and require working longer hours in poor conditions for pay that is no better than agricultural work or selling goods at a market. 20

There are nascent plans to also generate livelihoods opportunities outside of the industrial parks, but investment in and focus on these solutions are lagging. Many of the same Bank staff who worked in Jordan are now helping with the design of Ethiopia’s programs—a positive step in Bank practice—but it is unclear to what extent lessons can and will ultimately translate. Returns to large infrastructure investments are likely to be limited, and it appears that they may do more to jump-start manufacturing than to bring self-reliance or development to refugees.
Recommendations

The **Government of Ethiopia** should:

1. Revise the 2004 Refugee Proclamation immediately to align it with the government’s nine pledges and the CRRF to ensure that refugees of all nationalities have freedom of movement and are able to realize their rights to work and access basic services.

2. Reduce any duplication of and ensure coordination and collaboration across CRRF and IDA18 sub-window working groups that inform and involve the Office of the Prime Minister.

3. Share information more regularly and openly, including with the public.

The **World Bank**, **UNHCR** and **ARRA** should:

4. Develop a mechanism that holds the government accountable to its policy commitments; this would ensure, for example, that the government does not favor one nationality of refugees over another in policy reforms. Proper accountability must also include ways to monitor access to rights.

5. Create a formal process for directly engaging refugees and host communities in the decision-making process around policy changes and programs related to the IDA refugee sub-window the CRRF strategy. Refugee and host community voices must be included in a meaningful way, including through participation in the working groups.

6. Partner with regional bodies, including IGAD, to align strategies for responding to regional refugee crises, recognizing the impact that agreements like the Djibouti Declaration can have on decision-making.

7. Address barriers to refugee employment in industrial parks (e.g., cost and time of transportation, housing, child care needs, and skills matching) from the start of the project.

8. Accelerate support for livelihood opportunities that are not centered on jobs in industrial parks to reach a greater portion of the refugee population. This includes working with the Government of Ethiopia on eliminating obstacles to business ownership and financing.

9. Increase support for data collection on refugee socioeconomic outcomes and needs to inform policy reform and programming decisions. This will link closely with CRRF efforts to improve data collection, and may include contracting staff to sit with the Bureau of Statistics in Addis Ababa or regional capitals.

Other **partners** should:

10. NGOs should collaborate and engage with the World Bank to avoid duplication of programming and ensure refugee experiences are reflected in policy changes and programming.

11. NGOs should build on the leverage of the World Bank to elevate long-standing policy barriers for refugee self-reliance, such as on freedom of movement, rights to work, and other protection issues.

12. Development donors should align their refugee-focused financing against the objectives of the CRRF, and consider where natural linkages can occur to avoid duplication.
References

4. Ethiopia holds reservations to some articles, including Article 17(1)(2), which relates to wage earning employment.
12. Ibid.
13. Ibid.
14. Ibid.
Acknowledgements

Written by Sarah Miller, a consultant to the IRC.
Edited by Lauren Post, IRC Policy & Advocacy.

This report greatly benefitted from the work, support and commentary of staff at the World Bank, the IRC, NGOs and others who shared time and insights for this report. The author is particularly grateful to Victor Odero, Sterling Roop, Max Weihe, and Nicole Walden with the IRC, and Rebecca Lacroix and Jo De Berry with the World Bank.
The International Rescue Committee (IRC) responds to the world’s worst humanitarian crises and helps people to survive and rebuild their lives. Founded in 1933 at the request of Albert Einstein, the IRC offers life-saving care and life-changing assistance to refugees forced to flee from war, persecution or natural disaster. At work today in over 40 countries and 29 cities in the United States, we restore safety, dignity and hope to millions who are uprooted and struggling to endure. The IRC leads the way from harm to home.

New York
International Rescue Committee
122 East 42nd Street
New York, NY 10168-1289
USA

Washington, DC
International Rescue Committee
1730 M Street, NW
Suite 505
Washington, DC 20036
USA

London
International Rescue Committee—UK
3 Bloomsbury Place
London WC1A 2OL
United Kingdom

Brussels
International Rescue Committee—Belgium
Place de la Vieille
Halle aux Blés 16
0300 Brussels
Belgium

Berlin
International Rescue Committee—Deutschland
Walstraße 15A
10179 Berlin
Germany

Geneva
International Rescue Committee
7, rue J.-A. Gautier
CH-1201
Geneva
Switzerland

Bangkok
International Rescue Committee
888/210–212 Mahatun Plaza Bldg., 2nd Floor
Ploenchit Road
Lumpini, Pathumwan
Bangkok 10330
Thailand

Nairobi
International Rescue Committee
IKM Place
5th Ngong Avenue
Upper Hill
Nairobi
Kenya

Join the conversation
Facebook.com/InternationalRescueCommittee
@ IRC
@IRCEurope
Instagram.com/thelRC

From Harm to Home | Rescue-uk.org | Rescue.org