

HPG Working Paper

The Comprehensive Refugee Response Framework

Progress in Ethiopia

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Acronyms

ARC	Addressing Root Causes
ARRA	Agency for Refugee and Returnee Affairs
BSRP	Building Self-Reliance Programme
CRRF	Comprehensive Refugee Response Framework
CSOs	civil society organisations
DCA	Danish Church Aid
DFID	Department for International Development
DRDIP	Development Response to Displacement Impacts Project
EIB	European Investment Bank
EIC	Ethiopian Investment Commission
EOP	Economic Opportunities Programme
EPP	Employment Promotion and Protection
EU	European Union
GEQIP-E	General Education Quality Improvement Package for Equity
GoE	Government of Ethiopia
IFC	International Finance Corporation
IGAD	Inter-governmental Authority on Development
ILO	International Labour Organization
IPDC	Industrial Park Development Corporation
KII	key informant interview
M4P	Making Markets Work for the Poor
MFIs	Micro Finance Institutions
MoANR	Ministry of Agriculture and Natural Resource
MoFEC	Ministry of Finance and Economic Cooperation

MoLSA	Ministry of Labour and Social Affairs
MSME	Medium and Small Manufacturing Enterprise
NCRRS	National Comprehensive Refugee Response Strategy
NGO	non-governmental organisation
NRC	Norwegian Refugee Council
NRDEP	Natural Resources Development and Environment Protection
OCP	Out-of-Camp Policy
OSD	Organization of Sustainable Development
PES	Public Employment Services
QEP	Qualification and Employment Perspectives for Refugees and Host Communities in Ethiopia
RDPP	Regional Development and Protection Programme
SEE	Save the Environment Ethiopia
SHARPE	Strengthening Host and Refugee Population Economies
SNV	Netherlands Development Organisation
TVET	Technical Vocational Education and Training
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations International Children’s Emergency Fund
WASH	water, sanitation and health
WB	World Bank
ZOA	Zuid-Oost Azie

1 Introduction

1.1 Methodology

This study is part of an IKEA Foundation-commissioned research project by the Humanitarian Policy Group (HPG) at ODI. The overall objective is to contribute towards realising the goals of the Global Compact on Refugees (GCR) and the Comprehensive Refugee Response Framework (CRRF). The research takes stock of current progress towards reaching CRRF goals in Ethiopia, Rwanda, Kenya and Uganda, with an emphasis on refugee self-reliance in each country.

This paper on Ethiopia is one of four country papers, which together inform an overall thematic paper on the CRRF. It draws on an in-depth literature review of published and grey literature as well as 31 interviews with key stakeholders, including from country, national and donor

governments, non-governmental organisations (NGOs) and private sector actors.

1.2 Outline of the report

The paper is structured as follows: Section 2 describes the CRRF and the GCR. Ethiopia's refugee-hosting model and the factors that influence it are discussed in Section 3. Section 4 examines the status of the CRRF in Ethiopia. It explores the CRRF process and application; the degree to which the objectives and principles of the CRRF are being applied in practice; challenges to CRRF implementation; and responsibility for the CRRF. Refugee livelihoods and the prospects for refugee self-reliance in Ethiopia are discussed in Section 5. Finally, Section 6 suggests possible entry points for donors and others advocates of the CRRF approach to support refugee inclusion in Ethiopia.

2 The Global Compact on Refugees and the Comprehensive Refugee Response Framework

On 19 September 2016, the United Nations General Assembly (UNGA) unanimously adopted the New York Declaration for Refugees and Migrants, reaffirming the importance of international refugee rights and committing to strengthen protection and support for people on the move (UNGA, 2016). The Declaration focuses on supporting those countries and communities that host large numbers of refugees and promoting refugee inclusion, ensuring the involvement of development actors from an early stage and bringing together national and local authorities, regional and international financial institutions, donor agencies and private and civil society sectors to generate a ‘whole of society’ approach to refugee responses (UNHCR, 2018a). Many of these concepts are not new. However, the adoption of the New York Declaration is viewed as a welcome sign of continued global solidarity and commitment to comprehensive responses to refugee protection at a time of unprecedented displacement and retrenchment from multilateralism.

The New York Declaration called upon the United Nations High Commissioner for Refugees (UNHCR) to develop and initiate the application of a CRRF in specific situations that featured large-scale movements of refugees and protracted refugee situations, with four key objectives:

- Ease pressure on host countries.
- Enhance refugee self-reliance.
- Expand access to third-country solutions.
- Support conditions in countries of origin for return in safety and dignity.

On 17 December 2018, UNGA affirmed the non-binding GCR, following two years of consultations

(UNGA, 2018). The GCR is a framework for more predictable and equitable responsibility-sharing, in recognition that solutions to refugee situations require international cooperation. The CRRF is incorporated into the GCR and the two frameworks share the same four objectives (identified above).

The GCR sets out a ‘programme of action’ with concrete measures to meet its objectives. This includes arrangements to share responsibilities – mainly through a Global Refugee Forum (every four years, with the first in December 2019) and support for specific situations as well as arrangements for review through the Global Refugee Forum and other mechanisms.

Commentators have highlighted numerous challenges associated with the CRRF and GCR. Critical among them are the exclusion of key actors (such as communities and local authorities), insufficient financial support from the international community and the limited engagement of the private sector (Montemurro and Wendt, 2017; Thomas, 2017; ICVA, 2018). Commentators have noted, along with the other shortcomings, that the CRRF lacks a monitoring framework even though it had been foreseen in the GCR (Huang et al., 2018). In 2018, UNHCR presented a Global Dashboard to assess five outcome areas charting progress towards the CRRF objectives, but noted that it will only be possible to measure this several years after the CRRF’s implementation (UNHCR, 2018b). However, with the first Global Refugee Forum scheduled for December 2019, there is interest among many stakeholders to capture progress under the CRRF.

Ethiopia has been prominent in the CRRF process to date, being one of the co-hosts of the New York summit in September 2016. At the same summit, an Ethiopian Jobs Compact was announced, with more than half a billion dollars of international

funding being promised alongside a series of pledges made by the Ethiopian government to reform their refugee policies and promote refugee self-reliance. This has led, among other things, to the passing of a new refugee law in early 2019.

3 Ethiopia in brief: refugee hosting and its impacts

3.1 Ethiopia's refugee model

Ethiopia has a long history of hosting refugees who are fleeing chronic conflict or drought in neighbouring countries. In the late 1980s Ethiopia hosted some of the world's largest refugee camps, notably Hartisheikh in the east of the country for Somali refugees, and Itang in the west for Sudanese, and encampment remains the core of Ethiopia's approach (see Figure 1). Figure 2 illustrates how this period was followed by a gradual decrease in population numbers, followed by a significant resurgence – by a factor of ten – over the last decade. Ethiopia currently hosts the second-largest refugee population of any African country, behind Uganda. It should be noted that the total population of 905,831 refugees (as of August 2018) has been frozen pending the outcomes of a recent UNHCR-led process to undertake a comprehensive level 3 registration of refugees across the country. There is likely to be a significant decrease in these numbers once this process is complete, although overall proportions are not expected to change significantly.

Figures 1 and 2 also highlight the complexity of Ethiopia's current refugee operations. The country hosts three large cohorts of refugees from different countries (from Somalia, South Sudan and Eritrea), a smaller group from Sudan and a handful of people from other places. These refugees are hosted across five of Ethiopia's nine different regions, as well as in Addis Ababa. This makes for huge variations in how the refugee presence is experienced across the country, meaning that, in practice, there are multiple refugee operations. A snapshot of the three largest groups is provided below (all figures taken from UNHCR data).

South Sudanese refugees primarily reside in the Gambella region. Although there is a small number of older refugees from the 1980s in Pugnido camp, most have arrived since the re-eruption of violence in South Sudan in 2013. A small number have been relocated to Benishangul-Gumuz by UNHCR and the Agency for Refugee and Returnee Affairs (ARRA).

Somali refugees officially reside within Ethiopia's Somali region: around 85% are near Ethiopia's southern border and the rest live closer to the capital of Somali region, Jigjiga (refugees were hosted in this region in the 1980s and 1990s). Around 10,000 Somali refugees live in Kebrebeayah camp and have been in the country since the 1990s; the rest arrived from 2007 onwards, with those around Melkadida largely fleeing the famine of 2011. There are also an unknown but likely significant number of Somalis living in Addis Ababa but not registered with UNHCR.

Eritrean refugees have been subject to a different policy arrangement since 2010, via the Ethiopian government's Out of Camp Policy (OCP). This policy has allowed Eritrean refugees to officially relocate to urban centres, including Addis (where they make up the bulk of official refugees) on the basis of them being self-sufficient through their own networks. They are not provided with direct support, nor do they have the right to work. Eritrean refugees are ethnically diverse, with Eritrean Afaris largely living in Afar region (many of them already settled within permanent settlements) and other ethnic groups predominantly in the north-west of Ethiopia, in Tigray.

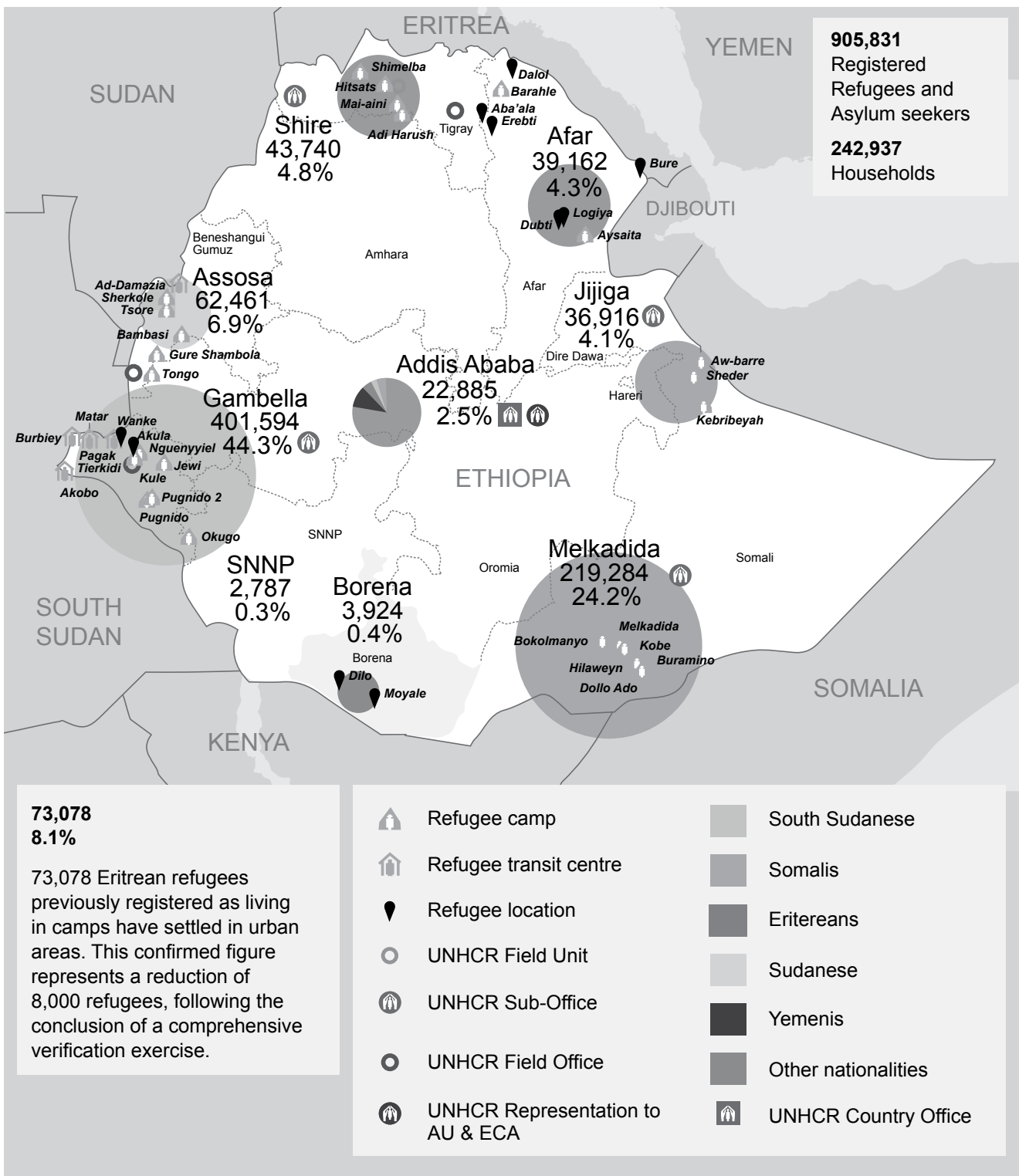
3.2 Factors influencing Ethiopia's approach

Ethiopia's refugee presence needs to be understood in the context of the history and politics of the wider Ethiopian state. As is clear from Figure 1, refugees are largely hosted in the peripheries of the country, often in territory where there is a shared ethnic identity across the border. The existence of such regions speaks to Ethiopia's expansionist past, which has left the country with significant variation between its 'highland' core and 'lowland' peripheries (Bahiru, 1991; Lata, 2004; Markakis, 2011). Indeed, it is often the case that local communities in these regions

have more in common with refugees than they do with Ethiopian citizens from the core of the country. However, the relatively low resource base in these areas still leads to tensions, particularly over access to land and fuel. In Gambella, there are significant tensions between the Nuer and Anuak populations (Feyissa, 2010; 2011), making the refugee operation especially sensitive.

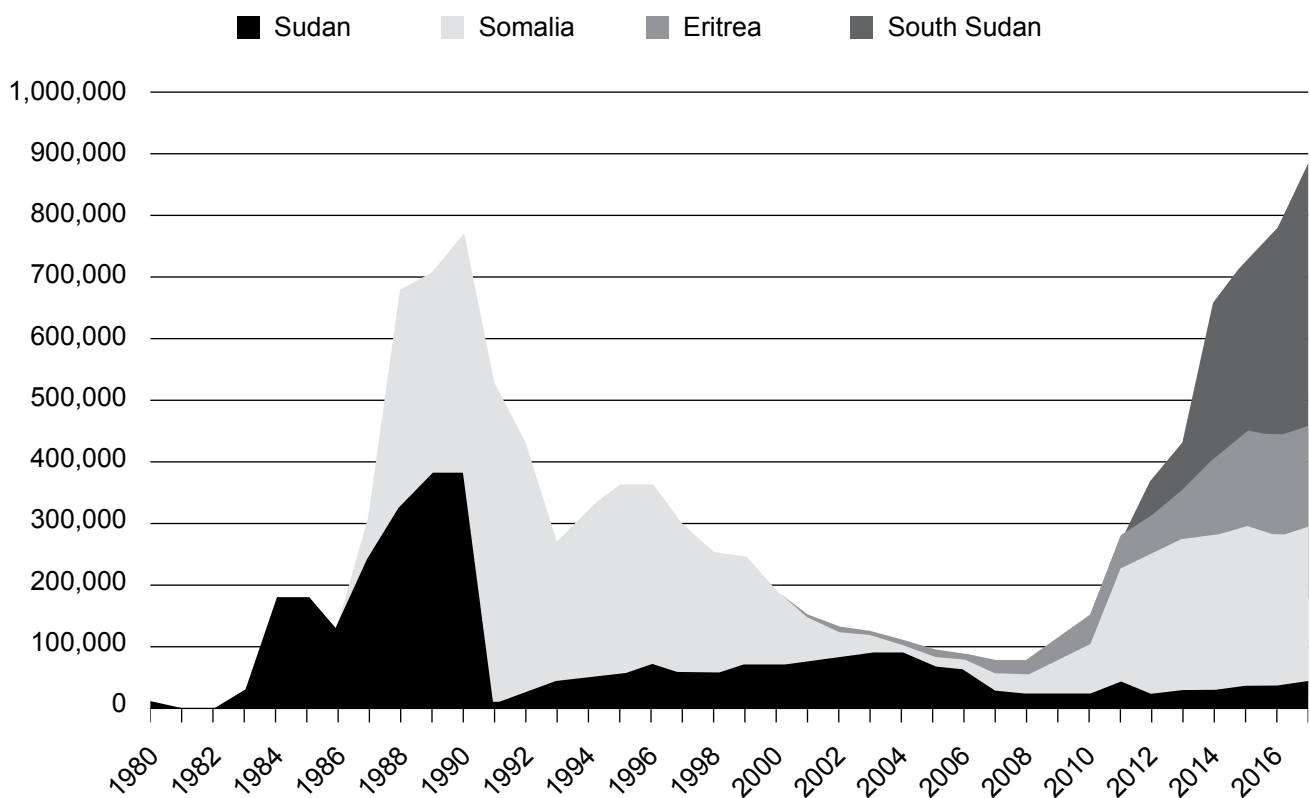
The refugee operation has, since the early 1990s, been managed by ARRA, a part of the Ethiopian government's federal security infrastructure, to ensure that the responsibilities and commitments of the federal government are delivered. Despite this centralised approach, implementation across different camps and regions varies considerably depending on local contextual factors. This also applies to programming

Figure 1: Refugees and asylum-seekers in Ethiopia, by camp



Source: UNHCR (2018)

Figure 2: Chart of refugee numbers in Ethiopia, 1980–2017, by country of origin



Source: UNHCR Population Statistics Reference Database (<http://popstats.unhcr.org/en/overview>)

approaches, with donors and implementing partners having agreed ad-hoc arrangements with ARRA officials in certain locations to undertake activities that sit outside of the traditional encampment approach.

A notable long-term example has been the IKEA Foundation partnership with UNHCR in Dolo Ado, launched in 2011 in response to the influx of Somali refugees. The partnership emphasised refugee self-reliance and integrated approaches to supporting refugees and hosts and had the overall objective

of the 400,000 people in the areas living as one community. Innovative activities have included: an initiative to irrigate 1,000 hectares of land and make the newly productive land available to both refugees and host communities; the establishment of a new teacher training college to support refugee and host teachers, to be under the authority of the Ministry of Education; and the development of cooperatives that sustainably establish and maintain renewable energy in the area. This approach has key differences from those being implemented elsewhere in the country.

4 CRRF in-country: state of play and opportunities

4.1 The CRRF process in Ethiopia

During the UN's Leaders' Summit on Refugees in New York in September 2016, Ethiopia became one of the 17 refugee-hosting states that endorsed the UN Declaration for Refugees and Migrants and signed up to the CRRF. The pledges made in the CRRF reflect a shift in the Government of Ethiopia's policy and response towards refugees from only encampment to a mix of encampment, out of camp and local integration policies. Yet, the reality on the ground is not known and progress remains untracked.

Two separate policy discussions came together in 2016 to create the CRRF process as it currently exists in Ethiopia. On the one hand, UNHCR and its key donors were seeking partners among refugee-hosting countries to demonstrate their commitment to a new way of doing business. On the other, the Ethiopian government was working with a number of donors to take forwards their ambitious industrialisation strategy, with an emphasis on the creation of a number of new industrial parks. The model of the Jordan Jobs Compact – launched in February 2016 – inspired the Ethiopian government and its partners to connect these two discussions. At the summit, they announced 'Nine Pledges' to reform Ethiopia's refugee policy and in return the World Bank, EU and UK government pledged more than half a billion dollars of support for an Ethiopian Jobs Compact, with 30% of 100,000 new jobs in industrial parks to be made available to refugees.

A year later, the government launched its Roadmap for the implementation of the pledges of the Government of Ethiopia for the application of the CRRF (Government of Ethiopia, 2017), with the pledges organised into six thematic areas: Out of Camp, Education, Work and Livelihoods, Documentation, Other Social and Basic Services and Local Integration. The Roadmap outlined the bureaucratic structures that would oversee implementation, set out in Figure 3, emphasising a 'whole of government' approach to delivery

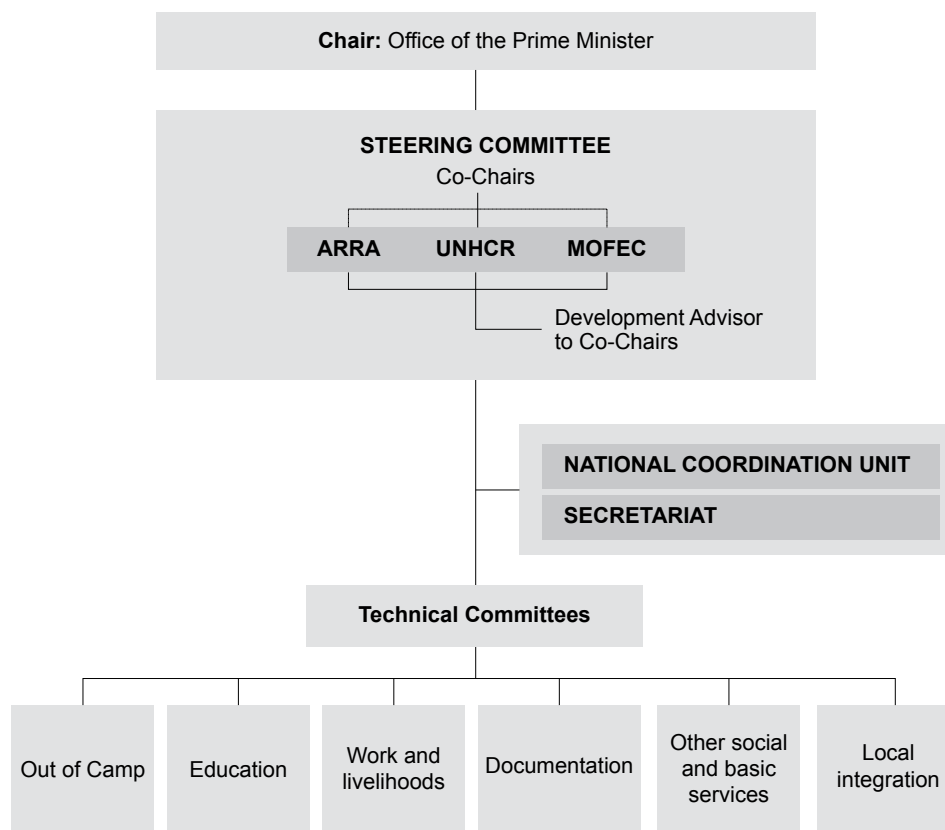
through joint ownership by ARRA and the Ministry of Finance. The steering committee started meeting monthly in early 2018, technical committee meetings were held in Addis for each of the thematic areas, a National Coordination Office (originally referred to as a National Coordination Unit) was established with international support, and launch events were held in each of the five regions where refugees are hosted. Work began on a National Comprehensive Refugee Response Strategy (NCRRS) to provide a clearer vision of how the changes set out in the Roadmap were to be delivered. By mid-2018, a new Refugee Proclamation had been drafted with the support of UNHCR and the key donors to the Jobs Compact.

Since this initial burst of progress, developments have moved more slowly. However, the new Refugee Proclamation was ultimately adopted by parliament in February 2019, the NCRRS went through another round of consultation and is expected to be approved later in 2019, and work is underway on developing secondary legislation to assist with interpretation of the new law. There has been less progress on formal cross-government engagement, with the national Steering Committee last being convened in May 2018. In its absence ARRA has driven the process, while also going through a significant reorganisation and the appointment of a new senior leadership team. There has been some progress at subnational level, albeit with significant variation across the country, however. The Somali Regional State has made most progress, with cross-government CRRF coordination structures established and functioning at regional and woreda level, on the refugees based around Jijjiga.

4.2 The CRRF in context

The CRRF Roadmap described the government as 'taking very commendable measures ... to gradually transform the Ethiopia's refugee operation approach and model from encampment towards

Figure 3: Governance structure for the CRRF in Ethiopia



Source: CRRF Roadmap (2017)

hosting refugees in village-style development-oriented settlements and other alternatives to camps like the Out of Camp policy’ (GoE, 2017). This remains the government’s clearest publicly agreed vision for the CRRF process, but a lack of detail has left key questions unanswered regarding the encampment policy, the legal implications and role of government for these ‘village-style development-oriented settlements’, and the expected progress within the next decade.

The CRRF pledge could potentially envisage a complete transformation of Ethiopia’s refugee policy, with the Proclamation at the heart of this process. The Proclamation represents a significant step forward from Ethiopia’s past refugee law, with key changes including:

- A potential opening up of freedom of movement for refugees.
- A significant liberalisation of the right to work for refugees.
- Greater commitments to the provision of services to refugees, including education.
- Liberalising the asylum application process.

However, there remains a degree of uncertainty about some of these changes. For example, while the law provides refugees with freedom of movement, it also indicates that ARRA ‘may arrange places or areas within which refugee and asylum-seekers may live’. It is unclear how this will be interpreted, but it could mean that elements of the encampment policy may continue. In most circumstances (e.g. self-employment, academia) refugees have the right to work only in line with the ‘most favourable treatment accorded to foreign nationals’. This requires the completion of a relatively complex bureaucratic process with government offices at multiple levels, and will be a considerable hurdle for refugees who may have limited education or may have lost the bulk of their personal records. The only exceptions to this are ‘rural and urban projects jointly designed by the Ethiopian government and the international community to benefit refugees and Ethiopian nationals, including in environmental protection, industry and small and micro enterprises’, where refugees will have the same rights and entitlements (‘equal treatment’) as Ethiopian nationals. This clause theoretically creates the space for the Jobs Compact and similar internationally supported projects.

Clarity is expected to come through secondary legislation and regulations that will provide further detail on the law, the NCRRS and the development of regional action plans – processes all currently underway under ARRA's leadership. The current draft of the NCRRS provides some indication of how policy has evolved over the last two years (see Table 1).

International expectations around the CRRF process are of a strong emphasis on self-reliance, and integration into national systems. However, the NCRRS draft objectives provide a more mixed picture in these areas.

While there remains a strong emphasis on self-reliance with a focus on 'socio-economic integration', the more legal components of self-reliance (in particular the OCP and the local integration pledge) appear to have been de-emphasised. Instead, the focus is on 'community-based public workfare' programmes (pillar 3 above) in the hope that targeted cash-for-work projects will enable refugees to survive without the benefits they receive in the camps, therefore learning lessons from Ethiopia's wider experience with social protection programmes.

The legal frameworks that would enable such a process have not yet been elaborated.

With regards to service delivery, the emphasis throughout the process has been on increasing quality and access to services for refugees, with little clarity on how the relationship between the refugee service delivery system and national systems was envisaged to evolve. Delivery of services to refugees is currently ARRA's responsibility, both in terms of oversight and, in some areas, implementation, leaving the local government with little or no formal role. Without guidance on the future of these arrangements, it has been difficult for local and national actors to determine how to design their support programmes.

4.3 CRRF, responsibility-sharing and financing

The language of responsibility-sharing is central to dialogue around the CRRF, particularly when faced with funding challenges. UNHCR's budgets for Ethiopia have steadily risen with the number of

Box 1: Comparison of the 2016 pledges and draft NCRRS

Pledges: December 2016	NCRRS: Feb 2019 draft
<ol style="list-style-type: none"> 1. Expansion of OCP to 10% of refugee population 2. Increase of education enrolment among refugees 3. Provision of work permits to refugees with permanent residence 4. Provision of work permits to graduate refugees, in areas permitted for foreign workers 5. Making irrigable land available to 100,000 people for crop production, both refugees and hosts 6. Developing industrial parks, with 30% of jobs for refugees 7. Making more documentation available to refugees 8. Enhance the provision of basic and social services 9. Making local integration available to refugees who have been in Ethiopia for more than 20 years <p>(The December 2017 Roadmap translated these into six thematic areas, with pledges 3,4,5 and 6 grouped under Work and Livelihoods)</p>	<p>Objectives</p> <ol style="list-style-type: none"> 1. Enhance capacity to manage sustainable responses for refugees and hosts 2. Ensure refugees and hosts have access to and benefit from diverse economic and livelihoods opportunities 3. Improve the individual capacities of refugee and hosts through access to water, sanitation and health (WASH), nutrition, health and education services 4. Gradually increase the voluntary repatriation and resettlement opportunities through collective responsibility <p>Pillars</p> <ol style="list-style-type: none"> 1. Capacity and System Development 2. Targeted Emergency Humanitarian Responses (TEHR) 3. Productive Safety Net 4. Livelihoods and Job Creation 5. Human Development 6. Durable Solutions: voluntary repatriation and resettlement

Table 1: Largest new CRRF-related programmes in Ethiopia committed since 2016

Project	Donor	Timing	Funding	Sectors/ Approach	Modalities
Jobs Compact	UK Department for International Development (DFID), World Bank, European Investment Bank (EIB), EU	2019–2025	\$550 million	Economic development, industrialisation, jobs and livelihoods	Budget support to the government, overseen by the Ethiopian Investment Commission
Development Response to Displacement Impacts Project (DRDIP)	World Bank	2016–2021	\$100 million	Flexible, with an emphasis on service delivery, natural resources and local infrastructure	Community Driven Development programme focused at kebele level, run by Ministry of Agriculture
Building Self-Reliance Project (BSRP)	DFID	2016–2021	£40 million	Health and nutrition, WASH, education, child protection	UNICEF-led programme, with line ministries and regional governments as key partners
Regional Development and Protection Programme (RDPP)	EU	2016–2020	€30 million	Service delivery, livelihoods, energy	Run through NGO consortia working with host communities and refugees
Support to CRRF and job creation	EU	2018–2021	€20 million	Jobs and livelihoods (Somali region focus), plus core support to CRRF	€10 million committed to an NGO-led livelihoods project in Jigjiga, €4.2 million to UNHCR and ReDSS on CRRF support, the rest to be determined
Support to CRRF	Denmark	2018–2020	\$15 million	Education, Registration, core support to CRRF	Support channelled through UNHCR

refugees (from \$284 million in 2014 to \$347 million in 2019), but the proportion funded has declined over that time: from 62% in 2014 to around 50% in 2017 and 2018. In 2018, the total UNHCR spend on refugees in Ethiopia was \$146 million. In camps, refugees have seen cuts to the provision of food and cash. There is concern that this challenging environment may lead to a further reduction in donors' overall commitments. The Ethiopian government is keen to point out to donors that in passing the new Refugee Proclamation they have demonstrated their commitment to the process: now is the time for donors to do the same.

Under the traditional parallel system it was relatively straightforward to gauge the support being committed to the refugee operation; most was humanitarian funding that came through UNHCR and ARRA. With the funding that has been committed over the past five years, this is no longer the case. It is important to note that this trend began before the formal launch of the CRRF process; donors had already started exploring alternative approaches in response to the concerns around the sustainability and effectiveness of refugee operations that drove the CRRF itself. Table 2 lists some of the most substantial refugee-focused initiatives that have started since 2016.

There are a number of other new commitments yet to be fully signed off that are not included here (many of these are in the livelihoods and job creation sector and more detail is included in Section 5). Outside of the livelihoods sector is a planned commitment of \$60 million by the World Bank to support refugee education through the main development instrument supporting the education sector in Ethiopia (GEQUIP, the General Education Quality Improvement Programme).

While the projects in the table alone total more than \$750 million, it is difficult to be certain to what extent this funding balances out any shortfall to the core refugee operation. There are two key reasons for this:

The largest component of this funding is the support for the Jobs Compact. Most of these funds will be provided in the form of budget support, with tranches being paid when the government meets certain key targets. While there are important targets relating to refugees – notably the provision of 30,000 work permits by the end of the six years – many relate to wider reforms around national employment creation and regulation. As the funds will be provided in unearmarked budget support, these are not guaranteed to go directly to refugee-hosting areas.

The donor community has little clarity on how to support the CRRF's objectives in Ethiopia. These projects present a wide diversity of ideas about how support to refugees should evolve. Some rely on UNHCR as the primary actor and many are delivered through international NGOs, who are being asked to adapt existing interventions or develop new areas of expertise. The World Bank's DRDIP project is focused primarily on host-community interventions, with little direct engagement with refugees, and UNICEF have sought to focus on developing closer partnerships with local government actors. Each project has a different set of geographical priorities. The lack of an overarching framework or approach has resulted in fragmentation, and even confusion, at local levels.

It is therefore almost impossible to know how much funding is really being provided to refugees and refugee-hosting areas, and current trends suggest this fragmentation will continue and potentially worsen. This is the result of a lack of a clear consensus on the part of all stakeholders for how the humanitarian–development nexus is to be practically enacted and the financing arrangements and funding modalities required to deliver this. One approach could be the establishment of a new multi-donor funding instrument aligned to the governance arrangements set out in the CRRF roadmap. While this might not be the right answer

for Ethiopia, wider discussion of these kinds of alternatives might be helpful to provide greater focus on finding the right modalities.

4.4 CRRF achievements and strengths

The CRRF process's primary achievement in Ethiopia has been to open up a new set of possibilities for refugees and those who wish to support them. The Refugee Proclamation provides several possible pathways for greater refugee self-reliance and legal protection, including the potential for greater freedom of movement and to enter the formal employment sector and increased access to services. The CRRF process has allowed stakeholders a space in which to discuss issues which may not have otherwise been possible (i.e. durable solutions, socioeconomic integration, etc.).

The process has also provided opportunities for new actors and new kinds of programming and has no doubt accelerated these processes and encouraged more actors to get involved. There has been a significant expansion in activity on providing refugees and host communities with new economic opportunities, including a number of innovative programmes that seek to involve businesses directly. There is also a much greater recognition of the needs of host communities and the importance of working with regional and woreda government, and of the dangers of neglecting these needs – particularly in environments such as Gambella.

Finally, the CRRF has enabled different kinds of financing to be directed towards refugees and refugee-hosting areas, particularly World Bank lending and grants. The World Bank's refugee sub-window alone is likely to spend upwards of \$350 million in Ethiopia, and while not all funds will go directly to refugees and refugee-hosting areas, this is a significant benefit for Ethiopia as a whole and should partly make up for the decline in humanitarian funding.

4.5 Obstacles and challenges

The key question facing all actors seeking to support the objectives of the CRRF in Ethiopia is how to ensure that the potential described above is delivered upon, particularly as the programming approaches currently being pursued may not be the best way to achieve this.

First, there needs to be a clearer recognition of the complexity of the policy changes under discussion, particularly given wider developments in Ethiopia since the Pledges were announced. While there is strong commitment to the hosting of refugees among both Ethiopian people and their leaders, the country is also facing serious challenges, including generating employment for its large number of young people and managing its subnational arrangements at a time of considerable ethnic tension and internal displacement. Implementation of the CRRF in Ethiopia, as envisaged at the global policy level, requires a recalibration of responsibilities both across different parts of government and between federal, regional and woreda authorities. This is not a straightforward process.

The challenge for the CRRF process in Ethiopia is that while there has been considerable focus on the government's overall vision and securing the right overarching legal framework, there is less clarity on how this vision is to be achieved and over what timelines. This has created considerable anxiety for different government authorities, particularly those responsible for sensitive policy areas that are unclear on where accountability will lie. This anxiety is

potentially exacerbated by the current increase in different programming approaches being pursued by international donors seeking to innovate in various locations using different programming modalities, but without an overall accountability framework. The risk is that if this anxiety grows and creates real implementation challenges over the coming years, it may lead to an overall withdrawal in support for the agenda and, potentially, even a worsening of conditions for refugees and populations in hosting areas.

In this context, it is unsurprising that momentum around the process has slowed somewhat in the last 12 months. The government has other urgent priorities to address and ARRA have been charged with driving the pledges forwards. The strong, sustained cross-government leadership envisaged in the Roadmap document is unlikely to be forthcoming in the near future. Those seeking to support the process may therefore need to recalibrate their ambition and work with ARRA to determine appropriate modalities that ensure closer alignment between policy discussions in Addis Ababa and implementation realities on the ground. Focusing on small, practical gains is the most likely way to build buy-in among key policy-makers.

5 Self-reliance and livelihoods of refugees in Ethiopia: state of play, opportunities and challenges

Ethiopia's new 'open door' policy to refugees and the new legislation of February 2019 has, in principle, enshrined more liberal ideas to help refugees pursue economic engagement. However, this has not historically been matched by a willingness to allow refugees to undertake formal economic activity. Refugees have not been allowed to acquire jobs within the formal sector and own and run businesses. Even the introduction of the OCP in 2010, aimed at Eritrean refugees, did not fundamentally improve economic inclusion as it presumes that those participating have external support and do not need formal employment (Samuel Hall, 2016: 45).

This lack of formal access to employment leaves refugees to engage in ad hoc economic activities and establish informal economic relationships with local communities. This precarious situation has led some analysts to suggest that refugees in camps are 'nearly completely' dependent on humanitarian aid for their livelihood (World Bank, 2018: 7). Yet, research provides a mixed perspective on the extent of refugees' involvement in informal income generating opportunities. While the World Bank's (2018: 31) Skills Survey states that 'over 70 percent of [the refugees] are inactive (neither employed, nor unemployed, nor actively looking for employment)', more qualitative research suggests that this proportion is, in practice, far lower (Nigusie, 2018; Carver, 2019).

It seems likely that a substantial proportion of refugees are able to secure some form of income for themselves. In addition to the 'incentive work' available from international aid organisations inside the camps, this includes: sharecropping arrangements

with local communities (Afar, Tigray); employment with local businesses (Gambella, Afar); opening businesses within and outside camps (Somali region); and establishing mutually beneficial trading arrangements with local communities (Somali and Benishangul-Gumuz). Where refugees bring specific skills or experiences – for example gold miners in Benishangul, or greater experience of wage labour in Afar – these can be particularly valuable to employers. They can also create new markets and remittances from abroad, where available, can provide capital to start small business. Evidence suggests that the stratification of these opportunities is linked to refugees' existing resource bases, in terms of both financial and social capital (Carver, 2019).

There is also significant variation among different refugee groups in terms of their degree of participation in the informal economy. While 'Eritreans are the ones that enjoy more rights compared to others, and, as a result,¹ display higher standard of living and much lower poverty rates, ... South Sudanese are the poorest group on many indicators, including food security, housing, labor force participation, and ties to host community' (World Bank, 2018: 7). Indeed, a study on Eritrean refugees in Shire (Tigray) found them to have established employment, trade, and other forms of economic relationships with the local hosts (Nigusie, 2018). The World Bank's (2018: 34) report also found that Somali refugees have shown 'higher labor force participation and lower dependence on aid compared to other nationalities'.

Urban refugees, although still facing the same legal constraints as those in the camps, benefit from

1 This is not the sole reason – Eritrean refugees have stronger ethnic affinity with highland Ethiopians and therefore greater social capital. They also have higher levels of education.

increased access to economic opportunities. A study conducted by Brown et al. (2018: 30–33) found urban refugees in Addis Ababa, who come from 21 countries, to have engaged in informal employment in Ethiopian-owned firms, informally owned refugee enterprises and formal organisations; to run informal as well as formal (by using business licenses of Ethiopian nationals) enterprises in service provision, retail trade, leisure and hospitality, and construction; to have received business grants and loans, skills and business training programmes; and to be highly dependent on remittances. That said, the lack of legal permission to work has made it challenging to secure employment and has also led to workplace discrimination and exploitation and insecurity of investments and enterprises (Brown et al., 2018: 43). The same study found refugees to have played an important role in the local economy in terms of job creation and development of the local and even international market of Addis Ababa. Likewise, beyond the capital city, refugees' presence has been assessed as critical to the local economies of their respective hosting areas because of the resources they attract, including humanitarian transfers (Cooper, 2018: 49–50).

Remittances are an important source of income for refugees in Ethiopia, although this varies based on the extent of individuals' relationships with those in the diaspora. Somali, South Sudanese and Eritrean diaspora communities are actively involved in sending money to Ethiopia – the impact appears to be particularly significant among Eritrean and Somali refugees (Carver, 2019). Evidence suggests that remittances have been relatively insignificant for urban refugees in Addis Ababa (Brown et al., 2018).

Finally, it is important to note that this is a challenging time for the Ethiopian government to promote increased access to formal employment for refugees. Unemployment, particularly among youth, has become a major concern for both Ethiopian citizens and the government in recent years; indeed, it became one of the key issues driving the popular protests that took place between 2016 and 2018. When the Refugee Proclamation was passed, some anxiety was expressed in parliament as to whether this was the right moment to be making it easier for refugees to find employment when so many Ethiopians remain unemployed themselves.

5.1 Livelihoods approaches and responses: government

The Government of Ethiopia's livelihoods approaches and responses are stated in its 2019–2020 Country Refugee Response Plan (RRP). Key components of the plan include: expansion of access to education at primary, secondary and tertiary levels by integrating refugees in the national educational system (including adult literacy and Technical Vocational Education and Training (TVET)); the local integration of 13,000 refugees who have lived in Ethiopia for more than 20 years; expansion of access to different forms of energy; protection of the environment; improving food and nutrition security by encouraging the use of cash instead of in-kind support; and WASH programmes. There is a particular focus on the self-reliance and livelihoods of refugees through skills development, job matching and private sector participation so that refugees can engage in self- and wage employment opportunities in such diverse areas as agriculture, livestock and small and medium enterprises (UNHCR, 2019a).

The government has also pledged to provide refugees as well as hosting communities with 10,000 hectares of irrigable land in Dolo Ado, estimated to cover around 100,000 people. Following this pledge, ARRA and the Somali regional government signed a Memorandum of Understanding in 2016. To date this has allowed around 500 hectares of land to be irrigated along the Genale River and 1,500 people (both refugees and hosts) to benefit.

5.2 Livelihoods approaches and responses: aid agencies

As set out above, there has been an explosion in programming focused on livelihoods and self-reliance; this section summarises some of the key interventions. It is important to note that many of these have either not yet begun or are in the very early stages of implementation; it is therefore difficult to say in detail how their approach will be enacted. A number have been delayed during the design stage for a range of reasons relating to both Ethiopian government and donor agencies' procedures. Table 3 provides an overview.

Table 2: Key refugee livelihoods and self-reliance programmes

Donor	Programme details	Activity – areas of intervention	Location(s)	Status
IKEA	Implemented by UNHCR	Wage and self-employment in agriculture, microfinance, livestock, and dairy products	Dolo Ado, Somali region	Under implementation
EU	RDPP, implemented by NGO consortia formed of national and international NGOs	Job creation; education (TVET); food-security related assistance; medium and small manufacturing enterprises (MSMEs) creation and support; economic income-generating activities development for both refugees and hosts	Five geographical areas: 1. Shire 2. Dolo Ado 3. Jigjiga 4. Berhale and Asayita 5. Major urban centres in Ethiopia	Under implementation
EU	CRRF project, livelihoods component implemented by Mercy Corps and DRC	Job creation; education (TVET); MSMEs creation and support; internship and entrepreneurship for both refugees and hosts. Mercy Corps approach is based on market systems development	Jigjiga area (Somali Regional State)	Not yet under implementation
World Bank, DFID, EU, EIB	Jobs Compact/ Economic Opportunities Programme (EOP)/ Employment Promotion and Protection (EPP)	Waged employment in or outside an industrial park, self-employment, and new business start-up for both refugees and hosts. EPP is the key element focused on refugees	Three locations, not yet decided	The passing of the revised law has enabled the programme to become active, but key livelihoods interventions are yet to start
World Bank	DRDIP, implemented through the Ministry of Agriculture	Wage employment, self-employment as well as business and entrepreneurship for both refugees and hosts, through local employment creating investments prioritised by communities. Target sectors: agriculture, fisheries, pastoralism, agro-pastoralism, jobs and service enterprises	Hosting woredas and kebeles in Afar, Benishangul Gumuz, Gambella, Tigray and Somali regional states	Started in 2018
DFID	Strengthening Host and Refugee Population Economies (SHARPE), to be implemented by NGO consortium	Wage employment, self-employment, and direct aid. Target sectors: agriculture, fisheries, pastoralism, agro-pastoralism, jobs and small business and enterprises	Gambella, Dolo Ado and Jigjiga	Not yet under implementation, expected to start in 2019
Dutch government	Addressing Root Causes (ARC-HOPE), implemented by Zuid-Oost Azie (ZOA)	The provision of income-generating and livelihoods opportunities, as well as the provision of sustainable basic services for potential migrants, including refugees	Addis Ababa, Shire (Tigray), Jigjiga (Somali Region) and Dolo Ado (Somali Region)	Under implementation
Dutch government	Netherlands Development Organisation (SNV) programme	Wage employment in private sectors, linking Dutch investors with refugees	Addis Ababa	Not yet under implementation

Table 2: Key refugee livelihoods and self-reliance programmes (cont'd)

Dutch government	The Dutch Partnership, a partnership of different UN agencies including the International Labour Organization (ILO), UNHCR, UNICEF, World Bank and the International Finance Corporation (IFC)	Wage employment	Not yet identified	Not yet under implementation
German government	Qualification and Employment Perspectives (QEP), implemented by GIZ	Job creation (for wage employment) and entrepreneurship and business plan development (for self-employment)	Addis Ababa, Jigjiga (Somali Region) and Asosa (Beninshangul-Gumuz Region)	Under implementation

5.2.1 UNHCR

In the past, UNHCR has been involved in a range of small-scale livelihoods related activities with refugees across the country. However, in line with its strategy (UNHCR, 2018b), UNHCR is now focused on a more enabling role in recognition that such activity is not its core strength. In 2019 it conducted a series of key assessments, one on the new legal framework and others focused on better understanding the status of economic activities across different refugee-hosting areas to find economic entry points for refugees. Currently, the most significant refugee livelihoods initiative UNHCR is running is in partnership with IKEA in Dolo Ado since 2011, where agricultural works and crop production, microfinance, livestock, and dairy products have been prioritised and supported. Livelihoods experts have been recently hired in all UNHCR's Ethiopian regional offices (one in each regional office and two in Somali region) to lead on the assessment and coordination work.

5.2.2 The EU

The EU is involved in three different livelihood-related initiatives in Ethiopia: RDPP, what it calls its CRRF project, and the Jobs Compact. The RDPP in Ethiopia was launched in June 2015 and its main objective is to combat and stem the flow of irregular and secondary migration from the Horn of African states into Europe. As such, it tries to address the development needs of refugees, internally displaced people (IDPs), and their local hosting communities. In particular, it aims to improve social cohesion through better access to integrated basic service delivery, improve livelihoods and employment opportunities, and improve protection for Eritrean and Somali refugees (in and out of camp) and their host communities.

The RDPP is being implemented in five geographic areas in Ethiopia: Shire (Tigray Regional State), Dolo Ado area (Somali Regional State), Jigjiga (Somali Regional State), Berhale and Asayita (Afar Regional State), and major urban centres in Ethiopia (Out of Camp/urban refugees). In each area, a separate NGO consortium has been contracted to undertake different components of the work, in many cases building on previous projects funded by UNHCR and others. The lead implementing partners of the RDPP projects include the International Rescue Committee (in Shire area), Plan International (in Shire area and urban areas of Addis Ababa), Danish Church Aid (in Berhale and Asayita areas), the Norwegian Refugee Council (Dolo Ado area) and Save the Children (in Jigjiga area). It is too early to assess the outcome of these projects and reports instead focus on specific outputs and activities, for example: 5,566 jobs created, 8,854 people benefited from professional trainings (TVET) and/or skills development, 166,028 people received basic social services, 3,073 people received food-security related assistance, 253 MSMEs created or supported, 94 job placements facilitated and/or supported, and 8,968 people assisted to develop economic income-generating activities (RDPP Ethiopia, 2019).

The EU's CRRF project is about kick-starting the CRRF process through supporting the process itself at a national level and providing more practical support to implementation in the Jigjiga area specifically. Its livelihoods component focuses on both refugees and hosting communities, intending to work on private sector development, education (TVET), internship and entrepreneurship, job creation and wage employment. Its major implementing partner is Mercy Corps, with

Danish Refugee Council in support. The programme is yet to begin on the ground.

Finally, the EU is also a key donor to the Jobs Compact, more detail on which is given below. The overarching objective of the EU's support is to 'enhance sustainable economic opportunities in Ethiopia' by supporting sustainable industrialisation, creating employment opportunities for Ethiopians and refugees, and improving the refugee regulatory framework in the country (EU, Action Document, 2018).

5.2.3 World Bank

The World Bank has become one of the key actors in refugee livelihoods-related interventions, being the driving force behind the Jobs Compact. Within the Bank's framework, the main mechanism for supporting this is the six-year (2018–2024) EOP, jointly funded by DFID, the World Bank's Refugee Sub-Window, the EU and the EIB. The EU's funding is managed through a closely aligned but separate instrument. Through the EOP, the World Bank aims to 'facilitate access to economic opportunities for Ethiopians and refugees'.

It includes a pilot action, the EPP project, for host communities and refugees, scheduled to run from 2019. The EPP envisions working with specialised service providers to match refugees with jobs, while also working with established government Public Employment Services (PES) to link Ethiopians with economic opportunities. This will include waged employment, potentially including jobs in industrial parks, self-employment or new business start-up. In all forms of employment, refugees are to be supported with job matching and/or job searching, assistance with applications, business plan development, market research, and help in registration of new businesses and access to microfinance or loans. Around 10,000 refugees, across three refugee hosting locations (not yet identified), will be targeted.

The impact of this project will not be clear until implementation begins and its scope goes beyond just job creation and aims at 'developing sustainable industrialisation' across the country. While the EPP has a sharper focus on refugees, the targets for the first three years are modest, with potentially no more than 1,000 refugees receiving work permits, meaning that impact will take time to develop.

The DRDIP is the World Bank's second relevant operation. It is a five-year (2016–2020), multi-level and multi-sectoral investment programme

focusing on the impact of thousands of refugees on the hosting communities in the five national regional states of Ethiopia (Afar, Benishangul-Gumuz, Gambella, Tigray and Somali). The central objective is to mitigate the impact of the refugee presence on the hosting communities across a range of sectors through a community-driven development model, with small grants provided to kebeles close to refugee camps for projects prioritised by them. Its livelihoods component supports interventions aimed at improving the productivity of traditional and non-traditional livelihoods. DRDIP is being implemented through the Ministry of Agriculture and Natural Resource (MoANR). The project has identified host communities as primary beneficiaries and refugees as secondary beneficiaries; in practice, direct engagement with refugees has been limited to date. Women, female-headed households and youth, 'who are disproportionately affected by displacement', are to be given priority in any investment plans (FDRE and MoANR, 2016).

5.2.4 DFID

SHARPE has been developed by DFID as an additional economic intervention programme in Ethiopia, focused on traditional 'livelihoods' activities as opposed to formal employment (as pursued through the EOP). It intends to develop the economic opportunities of both hosting communities and refugees. In its scoping study, SHARPE found a 'significant potential to achieve impact in a way that is far more sustainable and [that] can affect larger numbers of the target group than has been possible with the narrow approach to livelihoods programming that has usually been prevalent in the humanitarian sector to date' (The Springfield Centre, 2017: 29). This is to be achieved through the Making Markets Work for the Poor (M4P) approach, which aims to address the flaws of previous activities understood to be highly fragmented, short-term and without a clear analysis of where market opportunities lie. Instead, such activities should consider sustainability and scale from the start and focus on market drivers and barriers through a more holistic perspective addressing the social, economic, legal and partnership environments (The Springfield Centre, 2017: 7).

Such market systems as wood and wood products, livestock and livestock products, staple crops and fruits, labour markets and fishing have been selected and targeted by the programme for economic interventions. It has targeted Gambella, Dolo Ado and Jigjiga refugee-hosting areas, with a population of 200,000 to benefit within three-and-a-half years (2018–2022) of the programme's implementation.

The programme has not yet started (DFID, 2017; The Springfield Centre, 2017).

5.2.5 The Dutch government

The Dutch have been engaging in the livelihood sector through a number of projects; in addition to those mentioned below, they also act as a lead member state for the EU on the RDPP programme. The Addressing Root Causes project (ARC-HOPE) is focused on the political and socioeconomic root causes of armed conflict and instability, and consequently irregular and secondary migration flows out of Ethiopia; as such, it aims to benefit potential youth migrants from both refugee and host communities in Addis Ababa, Tigray (Shire) and Somali Region (Jigjiga and Dolo Ado) and deter them from migrating to Europe. It is a five-year project (2016–2021) and is being implemented by a consortium of NGOs led by ZOA. Areas of intervention include income-generating and livelihoods opportunities as well as the provision of sustainable basic services to targeted populations (ARC-HOPE, 2017).

ZOA's approach is also focused on market systems development. In addition to refugees inside and outside camps, it works with IDPs, returnees and hosting communities in Tigray, Gambella, Somali and Addis Ababa. ZOA views the private sector as a vital partner in supporting refugees further with on-the-job training and the provision of employment. In addition, it has been active in supporting Eritrean urban refugees who are OCP beneficiaries in Shire by providing them with relevant vocational and business training, start-up funds, and means of production like mini-shops. It is also involved in the environmental protection and conservation work in Gambella refugee camps and the provision of electricity and other energy sources in Shire refugee camps.

The SNV project is a relatively small intervention focused on job creation in the formal sector, primarily for refugees in Addis Ababa. It aims to leverage Dutch investment in Ethiopia (significant in the horticultural sector) and create jobs in private businesses that would be owned by Ethiopians or by a joint venture of Ethiopians and Dutch investors. At present, this is being piloted through the development of a water purification and distribution business that is expected to hire around 10 refugees.

Finally, the Dutch Partnership is a new initiative launched by the Dutch government, with the creation of a consortium between World Bank, UNHCR, UNICEF, ILO and IFC focused on job creation for

refugees and IDPs. The details of approach, funding, geographical focus and implementation modalities are still being designed.

5.2.6 The German government

The German government, through GIZ, have designed the QEP, which focuses on providing vocational training (TVET) to refugees and hosts in public TVET colleges, in fields such as auto mechanics, garment manufacturing and food preparation. After graduation this training is to be followed by job creation (for wage employment) and entrepreneurship and business plan development (for self-employment). QEP aims to benefit both refugees and host communities in Addis Ababa, Jigjiga (Somali region), Asosa (Beninshangul-Gumuz) and Shire (Tigray) areas. QEP is a five-year programme (2017–2022) and has so far provided training for refugees and hosts in Jigjiga and Addis Ababa. The programme was able to open Nifas Silk Polytechnic College, a pilot vocational college in Addis Ababa for refugees and hosts, which saw its first graduates in November 2018, who are now awaiting employment. GIZ is planning to establish an Entrepreneurship Centre in 2019, with the aim of fostering entrepreneurial thinking and business planning along with the vocational training.

5.3 Barriers to refugees' livelihood and self-reliance in Ethiopia

As set out above, a key barrier to refugees' self-reliance in Ethiopia is the legal framework that leaves them reliant on informal systems and networks and, potentially, open to exploitation. Despite the new refugee law being passed, the lack of clarity over its interpretation remains a challenge. Without regulations and directives, it is not possible to put the rights of the Proclamation into practice, or to be clear about what they will mean in practice.

This has presented a challenge given the number of donor-funded initiatives either already under implementation or design. It is clear from the interviews conducted for this research that donors and implementers are trying to determine the most appropriate way forward, but lack clear consensus about how the law is to be implemented and what kinds of jobs will be considered eligible. Even if the law is interpreted in the most generous possible light, there will remain serious challenges for refugees to find work. The World Bank's Skills Survey showed that refugees' relatively low levels of

education remains a problem and, even taking into account the government's pledge to improve access to education, many will continue to face linguistic challenges in finding work in sectors where Amharic is an advantage. Social capital is essential to enter the workplace in Ethiopia and refugees tend to lack this unless they have very strong local connections. The World Bank Skills Survey also found that the likely sources of employment for refugees (i.e. jobs in industrial parks) do not match the skills and aspirations of refugees.

Furthermore, finding employment is a fundamental challenge for all individuals in Ethiopia. The private sector faces considerable difficulties in being an ally in this new model of economic inclusion, which is even more paramount in regions where most refugees are located. These 'emerging' areas (except Tigray) face serious economic, social, environmental and political challenges. The policies of the Ethiopian state over the last 20 years (for example, the country's adoption of and commitment to the 'developmental state' ideology arguably since 2005 has led the state to excessively intervene in the economy so much so that its actions became market-unfriendly (Clapham, 2017)) have also reduced the space for civil society organisations to play an active role in advocating and lobbying for the rights of vulnerable groups, which might otherwise assist refugees.

All these barriers could negatively affect the design and implementation of effective livelihoods and self-reliance interventions.

5.4 Livelihoods approaches and social inclusion

The uneven dynamics of forced displacement among the refugee groups in Ethiopia has been reflected in their respective demographic characteristics (World Bank, 2018: 17). While there is a roughly even split between male and female refugees (UNHCR, 2019a), 70% of refugee households are female headed, and more than 80% of South Sudanese refugees are estimated to be female (UNHCR, 2018c).

Given these proportions, most of the livelihoods approaches, programmes and initiatives mentioned above claim to be gender-sensitive and to have focused on the inclusion of groups such as women and children. Ethiopia's National Strategy on Prevention and Response to Sexual and Gender-Based Violence plans to address the difficulties

facing women in camps (such as sexual and gender-based violence) and empower them by creating conducive living environments in and around the camps (UNHCR, 2019b).

Despite the government's and international aid agencies' decision to include women and other vulnerable groups like children in their programming, it is unclear to what extent their refugee gender-sensitive initiatives have actually helped or empowered these groups. For instance, fewer women than men are currently part of the labour force or actively pursuing an educational opportunity (World Bank, 2018: 32). Social inclusion is particularly important among South Sudanese refugees, found to be economically worse off than other groups in the country.

5.5 Strategic areas for supporting livelihoods and self-reliance

5.5.1 Agriculture and livestock

Agriculture is a major source of livelihood and employment for most Ethiopians. Access to land has not been easy, particularly for youth, with many migrating to urban locations in search of jobs and a 'better life'. The land question remains one of the central issues in the country's political history and it is within this challenging climate that agriculture has become a focus for interventions to improve the self-reliance of refugees. The government has pledged to make 10,000 hectares of irrigable farmland available in Dolo Ado, and around 100,000 people are assumed to benefit in the process. Nonetheless, as the revised refugee law stipulates, 'the use of agricultural and irrigable lands shall be made in accordance with national land use laws, and in agreement with Regional States using a land lease system, subject to payment of lease price, for a period renewable every seven years' (Article 26(5)). This has important implications for (1) accessing land, as the regional states have been provided with a veto; (2) the affordability of the lease price, and raises a question as to who is going to pay this price; and (3) the lease time, with seven years being a relatively short period if the expectation is for sustainable agricultural development.

Although Dolo Ado has been the focus in this sector, interviewees also raised promising examples from other areas. Danish Church Aid (DCA), for example, has irrigated land close to the Awash River around the Asayita camp in Afar region, and refugees have been able to carry out sharecropping by using the

land of host communities to produce cotton, maize and onion. DCA has also been giving e-vouchers to refugees to buy fresh agricultural products from local hosts in Afar region. There have also been examples of sharecropping arrangements being established without external assistance in the Shire area of Tigray. Gambella and Benishangul-Gumuz also, in principle, have significant potential in this area given the regions' untapped arable land. However, tensions over land allocation are high in both areas, particularly around the involvement of the federal government, and so would need to be treated with great care to avoid generating conflict.

Another challenge that needs to be considered in relation to any agricultural projects is the feasibility of market connections and access, given the relatively remote location of many the refugee camps.

Livestock is also a key sector and has been explored in Tigray, Afar and Somali refugee-hosting areas. These areas are characterised by arid and semi-arid geographic climates and high levels of pastoralism. The Somali region also has a significant livestock trade into Somalia and Somaliland, both formal and illicit. Hence, international organisations including DFID's SHARPE programme, NRC, Mercy Corps and DCA have identified livestock livelihoods as an area to focus on in various regions in Ethiopia.

5.5.2 Renewable energies

Refugees in Ethiopia have primarily settled in areas characterised as 'emerging regions' that face pre-existing developmental challenges and resource constraints. Environmental degradation and resource competition have thus become sources of conflict between refugees and hosts across the country, particularly over firewood. As Ethiopia's two-year RRP states:

At present, 4 percent of the refugees households (HHs) have access to fuel saving stoves; 82 percent of refugee households have access to home lighting; 27 percent of the water schemes use solar energy for pumping; 25 percent of the health facilities have access to reliable electricity; 45 percent of refugees HHs have access to street lights; 34 percent of refugee HHs are provided with alternative domestic fuel and 50 percent of the refugees and host communities impacted degraded lands have been rehabilitated. Schools and productive centers do not yet have access to reliable electricity. Wood-fuel remained the primary cooking energy in most of the refugee camps,

which is negatively impacting the environment (UNHCR, 2019b: 25).

As such, the Ethiopian government has planned, in its two-year refugee response plan, to improve and protect natural resources and all shared environmental resources. In fact, protection of the environment has become one of the obligations of refugees under the revised refugee law Article 39(3). This is to be done by making sure that refugee communities have sufficient access to energy and that the natural environment is rehabilitated and protected (UNHCR, 2019b: 25).

To this end, Ethiopia has focused on investment in the development and expansion of alternative energy sources in tandem with the rehabilitation of the physical environment to support safe, clean, and sustainable consumption of resources. For each refugee camp, a project within an existing government office or an NGO has been charged with these rehabilitation activities. In Gambella, Asosa and Shire an entity called Natural Resources Development and Environment Protection (NRDEP) has been set up within government offices that work in areas of environmental protection. In Afar and Somali Region two local NGOs – the Organization of Sustainable Development (OSD) in Afar and Save the Environment Ethiopia (SEE) in Somali region – have been charged with carrying out similar rehabilitation operations. These projects are funded by UNHCR.

Government authorities are said to have invested in alternative energy sources (such as electricity, solar, briquettes and ethanol) in a fragmented manner. Based on the Ethiopian National Energy Policy of 2012 (GoE, Ministry of Water and Energy, 2013), implementing organisations were advised to design and implement alternative energy projects, resulting in a wide variety of activities.

In Shire, NRC has been funded by the EU RDPP project to deliver electricity (e.g. street lighting and household energy) as well as the construction of a communal kitchen for the refugees in Hitsats camp. The Shire Alliance was also established in December 2013 to improve access to energy for host communities, refugees and displaced persons. The Alliance is a public-private partnership (PPP) consisting of three European energy companies (Iberdrola, Fundación Acciona Microenergía and Philips Lighting Spain), UNHCR and international NGOs (NRC and ZOA). It is coordinated by the Innovation and Technology for Development Center at the Universidad Politecnica of Madrid. The central objectives of the Shire Alliance are to connect and

electrify the refugee camps in Shire with the national grid and provide solar lights off grid, partly to ‘create livelihood opportunities that allow host communities and refugees to promote income-generating activities, creation of employment and economic development’ (EU, 2018). Refugees are expected to generate income through this investment in solar and electricity energy.

In Afar, DCA has been the key partner in the electrification of the two refugee camps and the distribution of solar lights. So far, it has been able to carry out the installation work for grid electricity to each household and is now waiting for the supply of electric energy from the Ethiopian electric utility provider. OSD, funded by UNHCR, has been active in Afar by distributing solar lights as well as by producing and distributing briquettes. While a communal kitchen approach has been encouraged in Shire camps, single kitchens are the model in Afar. A local NGO called Gaya Association has been providing refugees with ethanol in Jigjiga and briquettes in Asosa. No data was available as to who is working on energy provision in the Gambella refugee camps, suggesting this is a relatively ‘forgotten’ area. Finally, IKEA Foundation has been involved in the provision of solar lights across the different refugee camps in Ethiopia, ‘on the basis of one dollar for every light bulb bought from an IKEA store’ (Samuel Hall, 2016: 46).

In summary, there is potential for a significant expansion of cost-effective renewable energy in refugee camps across Ethiopia, which will generate livelihood and employment opportunities for refugees if properly planned and executed. Activities to date, however, have been undermined by the lack of a coherent and sustainable approach and many have been dependent on humanitarian aid. It is also important to note that much of this work has originated out of protection and dignity concerns, rather than a desire to strengthen livelihoods. Nonetheless some evidence, for example from Eritrean refugees in Shire, shows that increasing access of refugees in camps to energy, either on or off grid, has helped their pursuit of livelihoods (Nigusie, 2018).

5.5.3 Employment and entrepreneurship

As is clear from the projects outlined in Table 3, employment and entrepreneurship activities have been a core focus in recent years. Nonetheless, initiatives are being designed and implemented in an uncoordinated manner, with different actors targeting various activities and opportunities. Some of these initiatives have been under operation for

some time, while others are still being developed; some focus solely on refugees, while others target both refugees and hosting communities; and some take place within refugee camps, while others are outside. More traditional small-scale livelihoods activities led by UNHCR and NGOs in the past are being phased out, with a new focus on market systems development and engagement of the private sector, but with little evidence as to what will work. Mixes of activities are currently being undertaken: conducting market assessments to find out the nature of labour and business demand; delivery of vocational skill trainings that are understood to be marketable; and the provision of refugees with start-up capital as well as places of work. Unlike in the past, these economic activities are premised on CRRF’s focus on long-term, or at least multi-year, developmental interventions, as opposed to projects with one-year funding cycles. There is also much greater engagement of private sector actors in these projects, although it is yet to be seen what kind of impact this will have.

Legal uncertainties remain a challenge. As ZOA’s operations in Shire reveal, when refugees establish businesses outside of camps, then a ‘right to use’ approach has been followed by local authorities, meaning that refugees are ultimately not allowed to claim ownership of the property they work with. While this does not necessarily undermine the success of these businesses, it raises questions about the long-term impact on refugees if they do not have long-term certainty. Samuel Hall’s (2017: 3) evaluation of the livelihood initiatives of NRC in Shire and Dolo Ado revealed some serious challenges: a mismatch between the livelihood support provided and beneficiaries’ expectations; discrepancy between the resources provided (small size of the cash grants or loans for vocational activities) and the resources required to start up and maintain business; high levels of unemployment for participants post-graduation; and finally, a huge gender gap in favour of male youth in vocational trainings.

With the private partnership model, whereby donor agencies directly partner with private businesses to economically integrate refugees in the local market, refugees will only indirectly benefit from NGO activity. This has been advocated by NRC and Mercy Corps, for example, as the future model for the self-reliance of refugees. After refugees have finished their vocational training, they will be sent to privately-owned businesses or other kinds of establishment to get apprenticeships or in-work training. The first graduates through GIZ’s QEP programme have been assigned to such private

companies, for instance. In some cases, private firms that accept refugees will be provided with capacity-building trainings and some amount of financial support, depending on the available capital of the firm in the discussion.

Financial inclusion is also an emerging area of focus, with micro finance institutions (MFIs) and local banks previously unable to provide formal financial support to refugees. In Dolo Ado there has been innovative work by UNHCR through its agreement with REST/ Dedebit Micro Finance (from the Tigray region), who supplied in-kind support to refugees in the form of a loan to be paid back later. NRC has also negotiated with REST to provide cash support to the same group of refugees. Another model is NRC's support of the Voluntary Saving Loan Association (VSLA) for refugees in Dolo Ado, while DCA are working with women's self-help saving associations in Afar. There is also evidence that under certain conditions refugees have been able to access local financial services directly, or through establishing informal partnerships with local residents.

The emergence of cash-based interventions (CBIs) as an alternative to traditional in-kind humanitarian aid can also support the progress of financial inclusion of refugees in Ethiopia. This has been piloted in some refugee camps since 2017 and, based on the positive results, CBIs have been planned to be operational in all camps in the Tigray, Afar, Somali and Benishangul-Gumuz regions as well as in urban

Addis Ababa. Also, the government of Ethiopia has prioritised the development of a 'common cash delivery mechanism' accessible to all humanitarian partners as well as giving training in financial and technological literacy to the refugee population (UNHCR, 2018d; 2019b).

The revised refugee law, under Article 33, awards refugees the right to access banking and financial services, including opening a personal bank account and depositing, transferring and withdrawing money by using the identification document issued by ARRA. This move might enable refugees to use all banking services, including mobile banking. It remains unclear whether refugees will be allowed to transfer foreign currency, will be free of such restrictions as foreigners employed in Ethiopia (Mehari, 2019), or will be allowed to get loans.

Despite the legal restrictions of the past, NGOs have been able to engage in and support employment, entrepreneurial and financial activities inside and outside of the refugee camps with the tacit agreement of ARRA. Refugees have been able to benefit from these activities but the long-term impact on 'self-reliance' is considered minimal by many stakeholders due to the limits of scope and timescale. The key question, then, is how the new law, and the wave of programming that is coming with it, changes this dynamic, and whether refugees can be provided with greater protection and more secure and sustainable livelihood opportunities.

6 Conclusion

Ethiopia has put in place key building blocks to implement the CRRF. Speedy progress in the initial period has achieved important gains: the preparation of a draft NCRRS, the setting up of the NCO and finally the passing of a revised refugee law in February 2019 are cases in point. The revised law allows refugees the right to work, freedom of movement, acquisition of property and other rights that support livelihoods and self-reliance. The change of law has also encouraged government and non-government actors to support livelihood and self-reliance targets. Interventions have focused on areas including the creation of jobs, self-employment, entrepreneurship and business in diverse sectors such as agriculture, livestock, vocational training, finance and energy. Space has been created for new actors to join the refugee response system and new resources to be attracted.

Nonetheless, momentum has slowed in the last year. Importantly, the revised refugee law has not yet been followed by secondary legislation to clarify how the new law can be implemented to help refugees. Without these regulations and directives, it is not possible to put the rights inculcated in the Proclamation into practice, or to be clear about what they will mean. With increasing numbers of actors involved in policy dialogue and programming discussions, and considerable change in the wider policy-making environment in Ethiopia, the implementation environment is highly complex and activities are difficult to coordinate.

This dynamic is also influenced by the overall funding environment for refugee support, which has been increasingly challenging in recent years. Donors' current approaches make it difficult for the Ethiopian government to have confidence in the overall funding envelope. Serious consideration should be given to developing tools to better articulate and

enable discussion of relevant funding requirements and current funding availability for various sectors in different parts of the country. This should in turn enable more informed and collective policy dialogue.

Accordingly, the CRRF process's achievements in Ethiopia to date have primarily been in terms of potential. While there are already important new programmes in place, many remain under design. Some of the more substantial livelihood programmes, such as the Jobs Compact, have not yet been implemented, leaving refugees with no clear alternatives and reliant on informal economic systems and networks without adequate protections from exploitation. While there is significant potential for refugees to be better integrated into Ethiopia's formal and informal labour markets, much remains to be done to determine sustainable and appropriate approaches. In this regard, the follow-up directives and regulations to the revised refugee law need to be prepared and approved to facilitate the implementation of the right to work and other pertinent rights; the existing informal refugee economies should be identified and developed to enhance and empower refugees' livelihoods and self-reliance; and the private and public sector partnership should be created and consolidated. Such initiatives can only move forwards with strong engagement both at the policy level and on the ground to understand and monitor the complex political economies involved in refugee hosting areas.

Going forward, it will be critical for the CRRF process to be far more coherent, far more grounded and more realistic regarding the current context, even if this means lowering the ambition in the short term. Focusing on small, practical real-world gains would appear to be the most likely way to build buy-in among key policy-makers.

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