



Funded by European Union Civil Protection and Humanitarian Aid

The Realities of Self-reliance within the Ugandan Refugee Context

An assessment of livelihood barriers and enablers for refugees and host communities in urban and settlement locations





Uganda Learning, Evidence, Accountability, and Research Network



©U-Learn



ABOUT US

U-Learn (Uganda Learning, Evidence, Accountability and Research Network) is designed to promote improved outcomes for refugees and host communities in Uganda. In collaboration with the government and a wide range of implementers and stakeholders, U-Learn focuses on facilitating learning, conducting assessments, and amplifying refugee voice and choice in the protracted refugee crisis. U-Learn is a consortium funded by UKAID under the BRAER (Building Resilience and an Effective Emergency Response) programme and delivered by The Response Innovation Lab (hosted by Save the Children), in consortium with IMPACT Initiatives and the International Rescue Committee. To get in touch with U-Learn, please reach out to info@ulearn-uganda.org or visit the <u>website</u>.

IMPACT Initiatives is a leading Geneva-based think-and-do tank that shapes humanitarian practices, influences policies and impacts the lives of humanitarian aid beneficiaries through information, partnerships and capacity building programmes. IMPACT's teams are present in over 20 countries across the Middle East, Latin America, Africa, Europe and Asia, and work in contexts ranging from conflict and disasters to regions affected by displacement and migration. The work of IMPACT is carried out through its two initiatives - REACH & AGORA and through the provision of direct support to partners regarding Project Assessments and Appraisals (PANDA). For more information regarding IMPACT's work in Uganda and elsewhere, see the <u>resource centre</u>.

The Uganda Livelihood and Resilience Technical Working Group (LRSWG) currently co-chaired by UNHCR and World Vision, provides overall coordination and oversight for effective llivelihoods' and resilience programming for refugees and host populations in Uganda. Membership is open to all UN agencies, government ministries, donor agencies, international non-governmental organizations (INGO), national NGO, contractors and private sector actors implementing, funding or strategically engaging in livelihoods and resilience programmes and activities amongst refugees and the hosting communities. Representatives of all agencies participating in the LRSWG through attendance at the monthly meetings, regular contribution of information through the regularly updated 5Ws and quarterly reporting through Activity Info.

About us	i	- 1
Executiv	e summary	- 3
Recommendations		- 5
List of ab	breviations	6
List of ta	bles and figures	- 7
Introduc	tion	- 8
Methodo	logy	
• Geo	graphic scope	- 10
• Data	a collection methods	- 11
• Anal	ytical framework	_ 12
• Limi	tations	_ 13
Research	n findings	
• Dem	nographics	- 14
• Live	lihood outcomes	- 15
• Live	lihood activities	- 18
• Live	lihood assets and barriers	- 21
	Financial capital	- 24
	Human capital	- 27
	Natural capital	- 31
	Physical capital	- 34
	Social capital	- 37
• Live	lihood programme mapping	_ 39
Conclusi	on	- 41
Annexes		
	Sampling table	
Annex 2:	Indicator table	- 43
Annex 3:	Selection of recreated diagrams from the participatory workshops	_ 44

EXECUTIVE SUMMARY

The refugee crisis in Uganda is becoming increasingly protracted. The country has a long history of hosting refugees, and continues to host around 1.5 million refugees today.¹ Uganda's progressive refugee policies have meant that refugees have been welcomed in settlements across the west and north of the country, and have freedom of movement and the right to work.² However, despite the progressive policies and numerous programmes geared towards supporting refugees and host communities, many households struggle to obtain self-reliance.³ In light of the persisting vulnerabilities and reductions in the humanitarian funding going to the country, **it is important to generate a better understanding of how the livelihoods and resilience of refugee and host community households can be supported**. The main objective of the assessment presented here was to better understand the primary barriers to the sustainable livelihoods of refugees and host communities across urban and settlement contexts, in order to inform how the livelihoods of these groups can be best supported. The assessment covered refugees and host communities in four settlements (Bidibidi, Nakivale, Palabek, and Rhino Camp), four secondary urban centres (Arua, Gulu, Kitgum, and Mbarara), and Kampala.

The Sustainable Livelihoods Framework (SLF) was used to operationalise the research. This analytical framework tries to explain livelihood outcomes through analysing context, structures and processes, and household livelihood assets. Household livelihood assets were the focus of this assessment, though all components of the framework were considered and assessed. In the SLF, the livelihood assets are human capital, financial capital, natural capital, physical capital, and social capital. The assets, as well as livelihood outcomes and activities, were assessed through quantitative household surveys, focus group discussion, in-depth interviews, participatory workshops, and key informant interviews.

Livelihood outcomes, referring to perceived household well-being through performance on indicators related to food consumption, coping strategies, and income, appear to be worse for refugees in the settlements, compared to the other assessed groups. Food consumption in the settlements is generally poor, as 54% of assessed refugee households in the settlements were found to have poor or borderline food consumption scores. The use of negative coping strategies among refugees in the settlements is similarly common. For refugees in urban centres, food consumption and the use of coping strategies appear less severe. On the other hand, the livelihood activities and sources of income on which urban refugees rely appear to be relatively unsustainable and unreliable. Urban refugee households were the most likely to report not engaging in any livelihood activities (17%) and instead were found to commonly rely on remittances or other forms of informal support from friends and family.

Findings suggest that the key barriers driving poor livelihood outcomes across locations and population groups are poor access to formal financial services, markets, and land.

In terms of **access to financial services and credit**, both refugees and host communities typically have access to loans (69%). However, access to loans is typically through informal mechanisms such as Village Savings and Loans Associations (VSLAs), and these kinds of mechanisms are often not able to provide sufficient credit to invest meaningfully in livelihoods. Formal financial credit services are often unavailable or are associated with conditions that refugees, and to a lesser extent host communities, cannot meet.

^{1.} See UNHCR's Uganda Comprehensive Refugee Response Portal.

^{2.} International Rescue Committee (IRC), "<u>An Analysis and Evaluation of Refugee Related Policies and Legislation</u>," May 2022.

^{3.} REACH, WFP, UNCHR, "<u>Vulnerability and Essential Needs Assessment</u>," October 2020.

Access to markets in and around the settlements is hindered by long distances, poor road networks, and limited or expensive public transport options. Among surveyed host community households around the settlements, 46% reported having to travel over 30 minutes to their preferred market. In urban centres, access is more commonly hindered by social barriers such as discrimination and limited social networks. Urban refugees commonly noted discrimination as a key livelihood barrier, and typically have to rely on their social connections with other refugees to access buyers and/or customers.

Access to land is a key barrier to livelihoods, especially for refugees in settlements. The land to which refugees have access is often not large enough for them to produce sufficient food for both household consumption and selling. The median reported land size of households that reported having access to land was only 0.5 acres for refugees compared to 2 acres for host communities around the settlements. Acquiring additional land is often expensive, insecure, and dependent on strong relationships and trust between refugees and host communities.

There are a few contextual and structural factors that influence and complicate access to the assets mentioned above. In the long term, continued influxes of refugees into the settlements will put increasing **pressure on the environment** and the land allocation model, which may put further pressure on access to land, for both refugees and host communities.

Other key structural factors that impact livelihoods include **issues of discrimination, poor host-refugee relationships, and issues related to documentation affect the livelihood opportunities and outcomes of refugees across locations**. Urban refugees are particularly affected by these dynamics as they struggle to access opportunities in the labour market and basic services. For some refugees communities, such as Somali refugees in Kampala, social networks are a key enabler of livelihoods and facilitate access to services and markets.

From the livelihood programme mapping component of the research, the three most common programmatic approaches identified were: skilling, financial inclusion through VSLAs, and support for agriculture. While there is certainly some overlap, these approaches do not align entirely with the the three key livelihood barriers noted above.

In conclusion, refugees in Uganda appear to be struggling more when it comes to livelihoods compared their host community counterparts, despite many refugees having stayed in Uganda for prolonged periods of time. Refugees in the settlements appear to struggle the most to meet their basic needs, hindered largely by limited access to land. Opportunities to engage in non-agricultural livelihoods are further hindered by poor physical access to markets and limited access to formal financial services. Refugees in urban centres have more diverse livelihoods opportunities, but also face barriers when it comes to accessing markets and financial services, such as discrimination and poor relationships with the host community. Host communities across locations face similar barriers as, though they appear to be less affected by issues of discrimination, reliance on social networks, and documentation challenges. **Ultimately, refugees are likely to continue to struggle building sustainable livelihoods if the key barriers are not addressed.**

RECOMMENDATIONS

On the 30th of March 2023, a workshop was organised in Kampala to generate recommendations based on the assessment. Various stakeholders attended the workshop, including representatives from the Government of Uganda, humanitarian donors, UN agencies, international and national non-governmental organisations, and refugees. The workshop consisted of a presentation of assessment findings, as well as presentations related to the policy framework and existing interventions. After the presentations and a discussion panel, workshop participants were organised into six groups to discuss specific findings from the assessment and generate recommendations. The themes for discussion were based on key findings from the assessment. Each group focussed on one of the following themes: 1) access to financial services, 2) access to markets, 3) access to land, and 4) jobs and employment. The groups were asked to consider the different barriers that households may face in urban or settlement contexts. **For each theme, a set of recommendations has been formulated**.

Access to financial services

- Formalisation of Village Savings and Loans Associations (VSLAs) to facilitate access to formal financial service providers by establishing credit history and collateral.
- Standardisation, digitalisation, and interoperability of refugee records and databases to ease Know Your Customer (KYC) requirements of formal financial service providers.
- Provision of financial support to formal financial service providers to assess viability of extension of services to the refugee settlements.
- Increase awareness of current availability of financial services in the settlements.
- Facilitation of formal registration of refugee-run businesses, particularly in urban centres.

Access to markets

- Expansion of physical markets in the settlements.
- Improvement in, and expansion of, aggregation modalities for agricultural produce.
- Investment in market research in urban centres, particularly related to the market activities and opportunities for urban refugees.
- Provision, and awareness raising on the availability, of market-related information to refugees and host communities.

Access to land

- Formalisation of land access agreements between host communities and refugees to improve security of tenure.
- Sensitisation on land tenure arrangements and options.
- Promotion of peaceful co-existence between refugees and host communities.
- Engagement with the private sector to promote large-scale and commercial production.

Jobs and employment

- Engagement and sensitisation with the private sector to facilitate apprenticeships or job placements for refugees.
- Alignment of refugee-related policies with wider labour market policies to address documentation barriers to employment.
- Simplification of certification and work permit processes for refugees.
- Implementation of market-driven approaches to skilling to match labour demand and promote diversity of work opportunities.

LIST OF ABBREVIATIONS

CRRF	Comprehensive Refugee Response Framework
DRC	Democratic Republic of the Congo
FCDO	Foreign, Commonwealth & Development Office
FCS	Food Consumption Score
FGD	Focus group discussion
FSNA	Food Security and Nutrition Assessment
IDI	In-depth interview
INGO	International Non-Governmental Organisation
IRC	International Rescue Committee
JLIRP	Jobs and Livelihoods Integrated Response Plan
KI	Key informant
KII	Key informant interview
LCSI	Livelihoods Coping Strategies Index
LRSWG	Livelihoods and Resilience Sector Working Group
MMC	Mixed Migration Centre
NDPIII	Third National Development Plan
NFI	Non-food item
NGO	Non-Governmental Organisation
RSC	Refugee Studies Centre
SLF	Sustainable Livelihoods Framework
UBOS	Uganda Bureau of Statistics
UGX	Ugandan Shilling
U-Learn	Uganda Learning, Evidence, Accountability, and Research Network
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
VENA	Vulnerability and Essential Needs Assessment
VSLA	Village Savings and Loans Association
WFP	World Food Programme

LIST OF FIGURES ____

Boxes

- Box 1: Defining urban refugees
- Box 2: A note on findings for urban refugees
- Box 3: A note on intra-household dynamics

Maps

Map 1: Locations covered in the geographic scope

Figures

-	
Figure 1:	Overview of data collection methods
Figure 2:	The Sustainable Livelihoods Framework (SLF)
Figure 3:	Definitions of the livelihood assets
Figure 4:	Gender of survey respondents and heads of households
Figure 5:	Percentage of households per Food Consumption Score (FCS), per location type and population group
Figure 6:	Percentage of households per Livelihood Coping Strategies Index (LCSI) score, per location type and population group
Figure 7:	Median normalised income and expenditure (UGX) in the 30 days preceding data collection, per location and population group
Figure 8:	Most commonly reported main livelihood activity of the household, per location and population group
Figure 9:	Percentage of urban refugees that reported remittances or support from friends and family as a source of income in the 30 days prior to data collection, per location
Figure 10:	Among urban refugees who reported remittances or support from friends or family, median proportion of total income, per location
Figure 11:	Average 'capital' scores represented in two formats, per location type and population group
Figure 12:	Among households that reported having access to credit (69%), sources of credit to which households reported having access
Figure 13:	Highest completed education level of the head of household, per location type and population group
Figure 14:	Among households with school-aged children (76%), percentage of households with at least one child that was not enrolled in or regularly attending school at the time of data collection, per location type and population group
Figure 15:	Barriers to access to labour
Figure 16:	Percentage of households that reported at least one member attended training in the 12 months prior to data collection, per location type and population group
Figure 17:	Percentage of households that reported having access to land, per location type and population group
Figure 18:	Among households that reported having access to land (58%), median reported acreage of land to which households have access
Figure 19:	Barriers to access to land
Figure 20:	Percentage of households that reported having to travel over 30 minutes to their preferred market, per location type and population group
Figure 21:	Percentage of households that reported being active members of listed organisations
Figure 22:	Limited physical access to markets
Figure 23:	Most commonly found livelihood programme approaches
5	,

INTRODUCTION

The refugee crisis in Uganda is becoming increasingly protracted. As of January 2023, more than 1.5 million refugees resided in Uganda, hailing primarily from South Sudan and the Democratic Republic of the Congo (DRC).⁴ While new refugees continue to enter the country,⁵ a large proportion of the refugees currently in Uganda arrived over two years ago.⁶ Despite relatively long stays, many refugees are not be economically stable. According to the 2020 Vulnerability and Essential Needs Assessment (VENA) led by REACH, the World Food Programme (WFP), and the United Nations High Commissioner for Refugees (UNHCR), 91% of refugee households in Uganda were found to be highly economically vulnerable.⁷ Many refugee households were additionally found to be highly dependent on humanitarian assistance, with 72% reporting that food assistance was their household's main source of food.⁸

There are several government policies in place that aim to address the economic vulnerabilities and livelihood gaps of refugees and host communities in Uganda. In addition to the core refugee policies (Refugees Act, 2006 and Refugee Regulations, 2010), there are three key policies that address the development and self-reliance of refugees and host communities: 1) the Comprehensive Refugee Response Framework (CRRF), 2) the Third National Development Plan (NDPIII) 2020/21-2024/25, and 3) the Jobs and Livelihoods Integrated Response Plan (JLIRP) for Refugees and Host Communities 2020/21-2024/25.⁹ The CRRF is a whole-of-government and multistakeholder approach to the refugee response. The NDPIII is the country's medium-term planning framework for development and commits to integrating refugee response planning into national planning. The JLIRP is focussed specifically on jobs and livelihoods and is a key part of the implementation of the CRRF.¹⁰

Humanitarian and development donors, United Nations agencies, and international nongovernmental organisations (INGOs) are also increasingly focusing on the need for and potential of livelihood programming.¹¹ This shift is motivated by the persisting vulnerabilities and aid dependencies of refugees in Uganda, as well as reductions in humanitarian funding and the growing humanitarian-development-peace nexus agenda.¹²

To inform decision-making on how livelihoods can be best supported, the Livelihoods and Resilience Sector Working Group (LRSWG), the Uganda Learning, Evidence, Accountability, and Research Network (U-Learn), and IMPACT Initiatives (through its REACH Initiative) conducted a sustainable livelihoods assessment in Uganda. The main purpose of the assessment was to better understand the barriers to sustainable livelihoods for refugees and host communities. In addition to settlement contexts, the assessment also focussed on urban centres and the specific livelihood profiles and barriers that urban refugees and urban host communities face. While some information is available on refugees in Kampala,¹³ very little is known about refugees who have settled in secondary urban centres. Several actors have called for increased focus on this group,

- 9. See footnote 2.
- 10. Ibid.

^{4.} See footnote 1.

^{5.} In 2022, approximately 147,000 refugees arrived in Uganda as per UNHCR's Refugee Influx Dashboard.

^{6.} No current data found, but data from 2017 estimates that 32% of refugees arrived over 2 years prior to data collection, based on a working paper by Development Pathways: <u>Analysis of Refugee Vulnerability in Uganda</u>.

^{7.} See footnote 3.

^{8.} Ibid.

^{11.} See for example the 2019 World Bank report "Informing the refugee policy response in Uganda: Results from the Uganda refugee and host communities 2018 household survey".

^{12.} See for example the Global Compact on Refugees (GCR) factsheet on the importance of the nexus for the implementation of the CRRF <u>here</u> and the United Nations Development Program (UNDP) nexus programming in Uganda <u>here</u>.

^{13.} See for example various papers published by the Refugee Studies Center (RSC) housed by the Oxford Department of International Development <u>here</u>.

especially in light of the rapid urbanisation in secondary urban centres.^{14,15} The assessment was designed to address information gaps related to sustainable livelihoods for refugees and host communities in urban and settlement contexts. The report presented here highlights the key findings from this assessment. Additional information, such as the data set or further analysis, can be made available upon request.¹⁶

Box 1: Defining urban refugees

For the purposes of this assessment, urban refugees were defined as any individual or household that fled their country of origin and is now residing in any urban centre. This is a broader definition than is typically used within the Ugandan refugee response. Refugees in the Ugandan context are typically defined as persons or households who are registered as refugees in either a refugee settlement or Kampala. Accordingly, urban refugees could be understood as exclusively those refugees registered in Kampala. For this assessment, residents of secondary urban centres who have fled from a country other than Uganda were also included. In the survey, to help ensure participation, there were no questions about the registration status of the household. This means that the surveyed households in secondary urban centres may have been registered as refugees in a settlement, may have had asylum seeker status, or may not have been registered at all.



Snapshot of Bidibidi refugee settlement. Photo credit- U-Learn

^{14.} Cities Alliance, "Forum on Migration and Sustainable Urbanization," April 2022.

^{15.} Humanitarian Policy Group (HPG), "<u>The Comprehensive Refugee Response Framework (CRRF): Progress in</u> <u>Uganda</u>," September 2019.

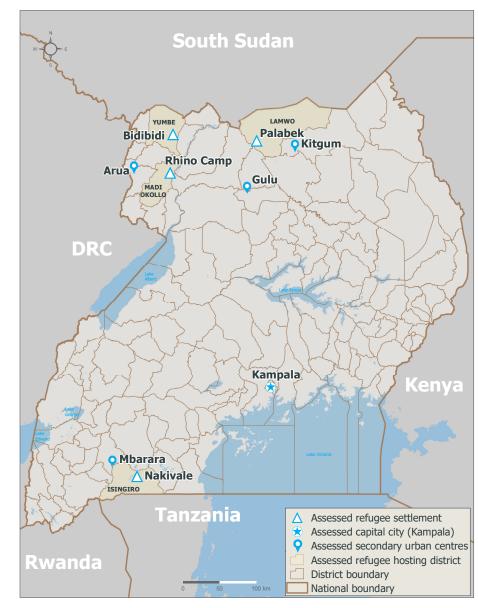
^{16.} See the respective <u>U-Learn</u> and <u>REACH</u> resource centres. In case of any inquiry, please reach out to info@ulearnuganda.org for more information.

METHODOLOGY

The primary objective of the assessment was to inform the understanding of how the livelihoods of refugees and host communities in Uganda, in both settlement and urban contexts, can be best supported. This objective was pursued through a mixed methods approach. The geographic scope, data collection methods, analytical framework, and the limitations associated with the research are all presented in this section.

Geographic scope

The assessment was conducted in nine locations, consisting of four refugee settlements (Bidibidi, Nakivale, Palabek, and Rhino Camp) and five urban centres. The covered urban centres include Kampala and four secondary urban centres (Arua, Gulu, Kitgum, and Mbarara). Location selection was primarily based on the identification of urban centres where refugees had self-settled. Relevant urban locations were identified through a review of secondary sources and consultations with actors engaged with urban refugees. From the identified locations, four secondary urban centres, the selection of settlements was based on proximity to those urban centres. Map 1 illustrates the locations covered by the assessment.



Map 1: Locations covered in the geographic scope

Data collection methods

Various data collection methods were used to operationalise the assessment. All data collection methods were informed by, and triangulated with, extensive secondary desk research. Five different primary data collection methods were employed: 1) Structured household surveys; 2) focus group discussions (FGDs); 3) in-depth interviews (IDIs); 4) participatory workshops; and 5) key informant interviews (KIIs). Sampling tables can be found in Annex 1.



The **household surveys** aimed to improve the understanding of livelihood outcomes, activities, and assets. A total of 2,559 household surveys were conducted between 6th October and 1st November 2022. A detailed sampling table can be found in Annex 1. The sample was established based on a random sampling methodology, with a 95% confidence level and 10% margin of error at location and population group level. The sampling was done through randomly generated GPS points. As a result of the sampling, findings for each population group in each location can be considered representative. In Gulu and Kitgum, the random sampling for refugees was supplemented with purposive sampling. This has some implications for the representativeness of the data, see the limitations section for more information.

The **FGDs** covered questions related to movement patterns and barriers to sustainable livelihoods. A total of 36 FGDs were conducted, four FGDs in each of the nine locations. FGDs were conducted with male and female community leaders from both the host and refugee communities. Groups were separated by gender and population group (refugees and host communities). Each FGD group had approximately six or seven participants.

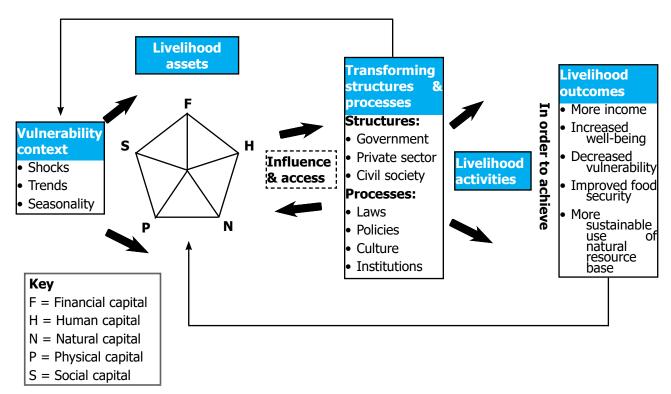
The **IDIs** focussed on the livelihood activities, assets, and barriers to sustainable livelihoods for persons with disabilities and female heads of household. Members of these groups were identified through community leaders. A total of 36 IDIs were conducted, four per location. The IDIs were evenly split between host communities and refugees.

The **participatory workshops** were aimed at understanding the enablers and barriers to sustainable livelihoods. The participatory workshops were full day events where community members were engaged in various brainstorming exercises to elicit unbiased perspectives. A total of 18 participatory workshops were held. In each location, one workshop was held with refugees and one was held with host communities. Each workshop had approximately 20 participants, with an even number of female and male participants. During the workshop, female and male participants were put into separate groups, to help ensure a comfortable space for participants to express their views. The workshop consisted of various exercises, including a mapping of services, creation of seasonal calendars, and forcefield analysis. The forcefield analysis was a brainstorming exercise during which participants were asked to list the livelihoods assets they have access to and the barriers they face, and rank them in order of importace. The final product of each workshop was a set of diagrams per group showing the discussions and exercises. Examples of the diagrams can be found in Annex 3.

The objective of the **KIIs** was to map the most common livelihood programme approaches in the covered locations. Interviews were conducted with implementing partners in all nine locations and supplemented by self-reported data from UNHCR's ActivityInfo. The findings from the mapping were used alongside findings from the other methods to inform the identification of programmatic gaps and priorities.

Analytical framework

The approach for the assessment of livelihood activities, outcomes, and barriers is based on the Sustainable Livelihoods Framework (SLF). The SLF was developed in 1999 by the Foreign, Commonwealth & Development Office (FCDO [Department for International Development at the time]) as a tool to understand and analyse "the livelihoods of the poor".¹⁷ A recreation of the SLF can be found below in Figure 2.





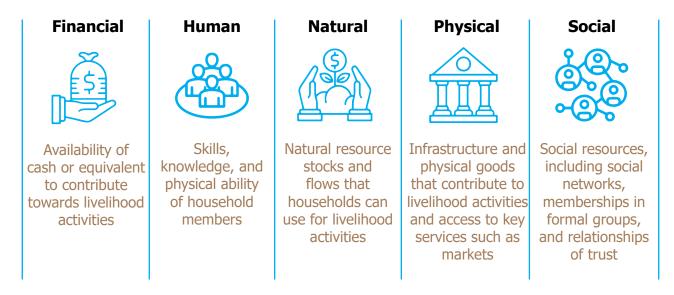
The SLF consists of five broad and interrelated components:

- **1. Vulnerability context**: all trends and stagnant phenomena that make up the environment in which households and other types of actors operate (e.g., climate and population trends).
- **2.** Livelihood assets: the assets that households possess or have access to that are or could be used towards the households' livelihoods. The assessment largely focussed on these assets. Assets are grouped as per the five capitals in figure 2. Definitions of each capital can be found in Figure 3.
- **3. Transforming processes and structures**: the actors and institutions that constitute the operating environment for households. The structures are public, private, and civil society actors. The processes refer to formal and informal rules, such as government policies and cultural expectations.
- **4.** Livelihood activities: the methods and means by which households obtain food and/or money. In the SLF, it is important not only to look at livelihood type and diversity, but also at the livelihood ambitions of household members.
- **5.** Livelihood outcomes: the top-level outcomes of livelihood activities, including income and food consumption.

All the elements of the SLF are closely related. Changes in one element will likely impact other components of the framework. The thin black arrows in Figure 2 indicate direct impacts. For example, if a household's income increases (livelihood outcomes) that would directly impact their financial capital. The block arrows indicate general influence across the framework. For example, climate change (vulnerability context) is likely to impact all other elements in the framework.

Livelihood assets are key to explaining household-level livelihood activities and outcomes. Primary data collection largely focussed on these assets, using secondary sources to better understand and contextualise the findings. The five capitals that constitute livelihood assets can be defined as per Figure 3 below.

Figure 3: Definitions of the livelihood capitals



Limitations

- Limitations associated with the quantitative data:
 - ♦ Data collection for refugees in two locations (Gulu and Kitgum) was not entirely random, because of which the findings for these groups and locations cannot be generalised with a known level of precision and should be considered indicative only. The data for these groups could not be collected randomly because the randomly generated GPS points would often fall in locations where refugees could not be found. The refugee populations were concentrated in certain areas, so data collection was done purposively in those areas.
 - The data is not, and cannot, be weighted because the population sizes of urban refugees in secondary urban centres are unknown. When data is aggregated in any way (e.g., if data is presented for various locations or population groups together), certain groups will be over-or under-represented. For example, host communities in Kampala make up a very large proportion of the total population, but they make up only a relatively small part of the sample. As a result, aggregated data is not representative, and findings should be taken as indicative only.
 - ♦ It may be the case that data could be disaggregated for the gender of the respondent and/or the head of household, however, the sample would be insufficient to guarantee representativeness, hence disaggregated findings are to be considered indicative only.
- The KII data collection on livelihood programmes was entirely dependent on self-reported information, which means that some information may be missing, biased, or inaccurate.
- A full assessment of the context, structures, and processes (in line with the SLF) would require significant and comprehensive research. For this assessment, secondary data sources were consulted, but they may not be complete. Additionally, some of the covered locations are considerably more researched than others, because of which some information gaps, especially for the secondary urban centres, remain.
- No strict definition of refugees was enforced for the assessment (see Box 1). As a result, households that some may consider as migrants are included in the sample.

RESEARCH FINDINGS

The key findings presented in this report draw from various data sources, including the primary qualitative, quantitative, and participatory data that was collected and the secondary sources that were consulted. This section broadly follows the structure of the analytical framework (see Methodology section). Separate subsections will dive into the findings for livelihood activities, livelihood outcomes, and the five household capitals. Additional subsections are dedicated to the demographics of surveyed households and the findings from the livelihood programmes mapping.

Demographics

A total of 2,559 households were surveyed for this assessment. The majority of respondents were female, heads of households, and between 25 and 64 years old. No minors were surveyed.

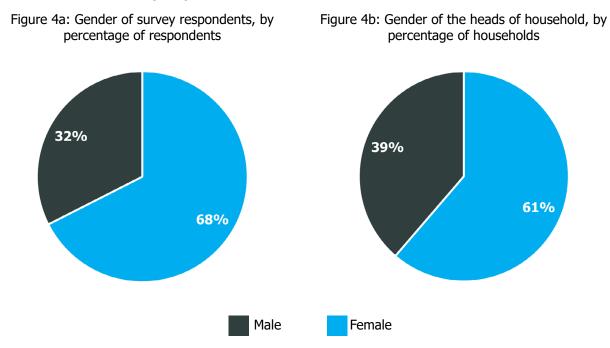


Figure 4: Gender of survey respondents and heads of households

Among surveyed refugee households, country of origin differed considerably between regions. In the West Nile and Northern regions, the large majority of refugees come from South Sudan (96%). In the Southwest region, 58% of refugee households reported originating from the DRC. Refugees from Rwanda and Burundi are also represented in the sample in the Southwest, with 19% and 17% of refugee households respectively. Within the regions, the breakdown of countries of origin was roughly the same in settlements and urban centres. The surveyed refugee households in Kampala were the most diverse in terms of country of origin, though the majority originated from Somalia and the DRC. **Most refugee households reported having arrived in Uganda between three and five years prior to data collection (56%)**. In Nakivale, a relatively large percentage of refugees reported having arrived over ten years ago (41%).

Refugee households that resided in urban centres commonly reported having lived in a settlement prior to settling in their current location (67%). However, this proportion was considerably lower for Kampala compared to secondary urban centres. In Kampala, only 25% reported having lived in a settlement in Uganda. For the secondary urban centres, it appears common for refugees to stay in a settlement first, and then later decide to self-settle in an urban centre. Findings suggest it is also common for families to be split between urban and settlement locations, as 31% of urban refugee households reported having a close family member that resides in a settlement in Uganda.

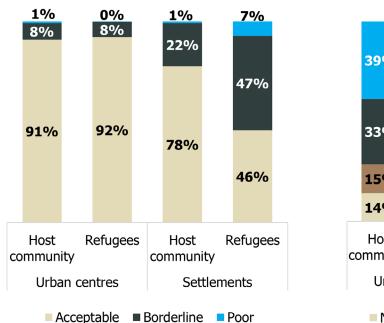
Livelihood outcomes

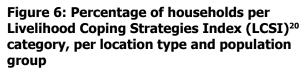
In the analytical framework (the SLF), livelihood outcomes are the result of the interactions between the context, structures, household livelihood assets, and the livelihood activities that households are engaged in. Livelihood outcomes can be measured in various ways, and essentially refer to the well-being of the household members. For this assessment, livelihood outcomes are analysed through food consumption, use of coping strategies, income and expenditure, and ability to meet needs.

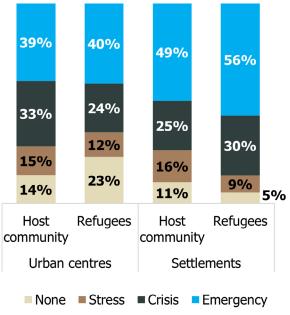
Across all outcome indicators, refugees in the settlements appear to be worse off, compared to the other assessed groups. Overall, 54% of refugees in the settlements were found to have a poor or borderline Food Consumption Score (FCS, Figure 5). According to the Food Security and Nutrition Assessment (FSNA), 45% of refugee households across all settlements had a poor or borderline FCS,¹⁸ a figure lower than the current finding. This difference may be explained by the FSNA covering all settlements, while this assessment covered only four. There were no considerable differences for the FCS between the four settlements covered.

The Livelihood Coping Strategies index (LCSI) shows a similar pattern, as r**efugees in settlements were most likely to report having used any coping strategies** and most likely to have used emergency coping strategies to cope with a lack of food or money to buy food (Figure 6). The most commonly reported coping strategy that was used or exhausted by households in the 30 days prior to data collection was borrowing money, reported by 50% of households. As described in the Financial Capital section, borrowing money primarily happens through informal mechanisms. Other commonly reported coping strategies were purchasing food on credit (48%) and spending savings (45%).

Figure 5:Percentage of households per Food Consumption Score (FCS)¹⁹, per location type and population group







- Ministry of Health (MoH), Uganda Bureau of Statistics (UBOS), Office of the Prime Minister (OPM), and the World Food Program (WFP) © 2022. Food Security and Nutrition Assessment in Refugee Settlements and Kampala, May 2022.
- 19. The FCS is a standardised measure of food consumption. The indicator is calculated based on the frequency that a household consumed certain foods in the seven days prior to data collection. For more information, see <u>here</u>.
- 20. The LSCI is a measure of households' use of coping strategies to meet their basic needs. It is calculated based on a list of coping strategies that are categorised as 'stress', 'crisis', or 'emergency'. A household is placed in a category if they used or exhausted an associated coping strategy in the 30 days prior to data collection. If a household used coping strategies in more than 1 category, they are placed in the most severe category. For more information, see <u>here</u>.

The use of at least one emergency coping strategy was reported by 45% of all surveyed households. The most commonly reported emergency coping strategy was withdrawing children from school (26%). Among refugees in the settlements, the most commonly used emergency coping strategy was begging or relying on charity (33%). Notably, the FSNA reported significantly lower percentages for the use of emergency coping strategies by households in the settlements.²¹ It is likely that the different results are due to different emergency strategies being included in the FSNA. It is recommended to harmonise which coping strategies are included in future assessments.

Overall, 71% of households reported not being able to meet all their basic needs. Basic food needs and the education needs of children in the household were most reported as the needs that households were unable to meet.

Household income and expenditure are important dimensions of livelihood outcomes. Income and expenditure data were collected during the survey by asking households their income and expenditure for a list of categories for the 30 days prior to the data collection. Total income and total expenditure were calculated by summing the categories. The figures presented in Figure 7 on the next page represent the median total income and expenditure per location and group, normalised to take into consideration household size.²² Comparisons with the minimum expenditure basket have not been included in the analysis as there are no current price and basket figures for urban centres.

Two things are important to note when looking at the income and expenditure findings. Firstly, income and expenditure appear generally higher in the urban centres compared to the settlements, with similar income levels for refugees and host communities in the urban centres. **Though income levels are generally comparable between refugees and host communities in urban centres, the gap between income and expenditure is typically smaller for refugees in these locations**. Analysis suggests this difference is generally due to urban refugees reporting higher expenditures for rent than their host community counterparts. Secondly, income and expenditure levels in the settlements differ considerably between host communities and refugees. **Refugees in the settlements consistently earn less income than host community members in the same geographical location**. This disparity appears to be particularly stark in the settlements in the West Nile.

In summary, the livelihood outcome indicators appear to be worse among refugees residing in settlements, compared to other assessed groups, while also hinting at potential economic vulnerability of urban refugees. Compared to the other groups, refugees in the settlements had the poorest FCS, common use of negative coping strategies, and relatively low income and expenditure. Urban refugees appear to do relatively well in terms of food consumption and coping strategies, yet they reported relatively high expenditures in relation to their income and in comparison to host community expenditures. In the next section, livelihood activities of all population groups will be discussed in more depth, including a closer look at the relationship between the livelihood activities and income of urban refugees.

^{21.} See footnote 18.

^{22.} Normalisation of total income and expenditure was done using the <u>square root equivalence scale</u>. Use of this equivalence scale was motivated by the need to account for economies of scale within households.

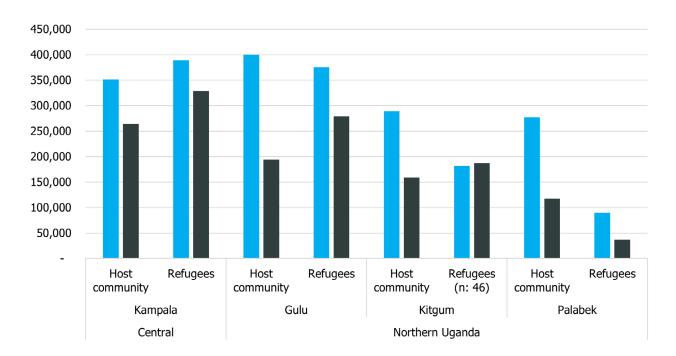
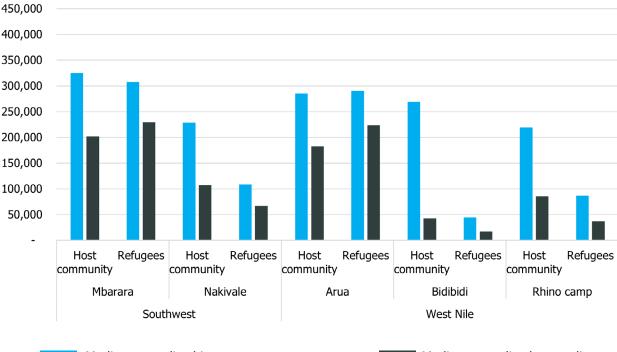


Figure 7: Median normalised income and expenditure (UGX) in the 30 days preceding data collection, per location and population group



Median normalised income

Median normalised expenditure

Livelihood activities

According to existing studies by the UNHCR and the World Bank, refugees in Uganda have considerably lower employment rates than host communities. The UNHCR study reported that 29% of refugees and 64% of the host community were actively working.²³ The World Bank study found that 43% of refugees were employed compared to 90% of Ugandans.²⁴ Despite the differences in the reported percentages, likely due to methodological or definitional differences, the two studies both clearly reflect the gap between the employment rates of refugees and host communities. Note that neither study included refugees in secondary urban centres.

The quantitative findings from the current assessment are in line with the above findings regarding the disparity between refugee and host community livelihoods. **A higher percentage of refugee households reported not being engaged in any livelihood activities than host community households**. Overall, 13% of refugee households reported not being engaged in any livelihood activities compared to only 1% of host community households. Among refugees in urban centres, 17% reported not being engaged in any livelihood activities.

In terms of the types of livelihood activities that households are engaged in, respondent households were first asked about their household's primary source of income and/or food. **Crop production was overall the most commonly reported main livelihood activity (41%)**. Agriculture is generally considered to play a larger role in the Ugandan economy, as the Uganda Bureau of Statistics (UBOS) estimates that 70% of the working population are engaged in agriculture.²⁵ The results for the current assessment are influenced by the over-representation of refugee and urban populations. The next most commonly reported main livelihood activity was running or working in a foodstuff store (5%). Many other main livelihood activities were reported by 3% or 4% of the assessed households, including working in local transport, running a general store, and carpentry. The findings indicate that despite the importance of agriculture, the majority of assessed households primarily rely on other, and diverse, livelihood activities.

I would [like to] increase the size of my business, like open up a big grocery shop instead of selling on a stall to sustain the family and be able to meet other needs."

 Female head of household and refugee in Bidibidi. I used to sell shoes in South Sudan. I tried the same here but it wasn't profitable and I had to stop since I didn't have money. I would love to get back into this."

 Female head of household and refugee in Gulu who reported relying on assistance.

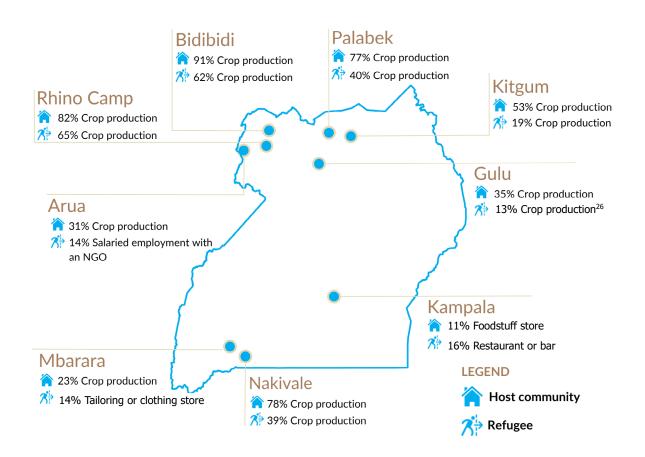
Figure 8 on the next page shows the most commonly reported main livelihood activity per location and group. As can be seen in the figure, crop production was the most commonly reported main livelihood activity in settlement contexts. **Nonetheless, refugees in the settlements less commonly reported crop production as their primary livelihood activity than host communities in the same location.** This indicates that the refugees in the settlements more often have to rely on other forms of income that are not related to their assigned land or agriculture. Note that livestock farming was rarely reported as the primary source of income and/or food for a household (3%). During the IDIs with persons with disabilities, many of the respondents with physical disabilities reported being engaged in livestock farming. These respondents typically reported that other household members were engaged in other activities, but that livestock farming was where they themselves were physically able to support.

^{23.} UNHCR, "Using Socioeconomic Data to Promote Employment Solutions for Refugees in Uganda," July 2021.

^{24.} World Bank, "Monitoring Social and Economics Impacts of COVID-19 on Refugees in Uganda: Results from the High-Frequency Phone Survey First round (October/November 2020)," February 2021.

^{25.} International Trade Administration, "Uganda - Country Commercial Guide," last updated August 2022.

Figure 8: Most commonly reported main livelihood activity of the household, per location and population group



Livelihood activities appear most diverse in urban centres. One finding from Figure 8 stands out in particular. In Arua, refugees most commonly reported salaried employment with a non-governmental organisation (NGO) as their main livelihood activity (19%). This has been flagged as somewhat surprising by actors who have worked with refugees in Arua. It may be the case that this salaried employment is taking place in the household's country of origin rather than in Uganda. This appears especially likely considering that 55% of refugee households in Arua reported that one of their household members regularly travels back to their home country, and 51% of these households reported that household members travel back specifically to work. In Arua, 72% of refugees additionally reported sometimes receiving remittances from family in their home country. Similar trends were seen for other urban centres, particularly in Gulu. In fact, the most commonly reported livelihood activity for refugees in Gulu was salaried work with the government, but this was removed from the analysis as various stakeholders noted that it was unlikely that this is done by refugee household members in Uganda. **For the refugee households that reported salaried employment with an NGO, it is unclear where this work is happening**. The role of remittances is explored more in the remainder of this section.

The breakdown of the income data shows that **urban refugees are especially likely to rely on remittances and support from friends and family for their income**. Overall, 43% of all surveyed households (both refugees and host communities) reported receiving remittances or support from friends or family as a source of income. Among these households (43%), the median reported contribution of these forms of income to their total income was 0.23.²⁷ Among surveyed urban refugees, 66% reported having received remittances or support from friends and family, with a median contribution to total income of 0.55. For refugees in the settlements, only 22% reported receiving remittances or support from friends and family, with a median contribution of 0.27. Urban refugees were additionally least likely to report income from livelihood activities. Figures 9 and 10 show how reliance on remittances for refugees differs between urban centres.

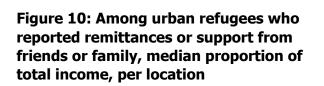
26. As per the main text, the most commonly reported strategy for refugees in Gulu was actually salaried employment with the government. This activity was removed from the analysis as it is not likely an activity that is taking place in Uganda.

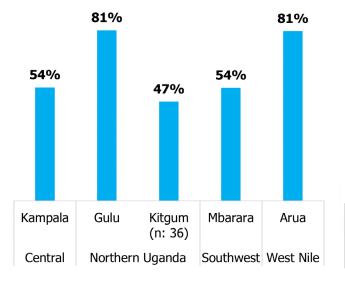
The relatively large proportion of refugees in urban centres who reported relying on remittances or support from friends or family compared to refugees in settlements may point towards the importance of external financial support for refugee self-settlement in urban centres. During the FGDs, the majority of groups with refugees in the settlements mentioned the costs of shelter, land, and services in urban centres as key deterring factors for urban migration. **Refugee households that have access to remittances or other forms of financial support may have been able to self-settle because of this support.**

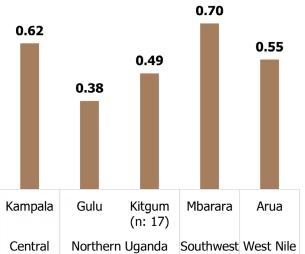
Although remittances are a positive asset, reliance on external forms of income rather than income that is generated through livelihood activities may indicate economic vulnerability. Particularly because financial support coming from South Sudan or the DRC may not be stable or sustainable. Receiving remittances may also lead to a reduction in labour market participation,²⁸ though it is unclear whether that is the case for urban refugees in Uganda.

In summary, livelihood activities apear to be diverse, and differ substantially between locations and population groups. Urban refugee livelihoods seem to be particularly complex, as it appears urban refugees commonly rely on income from external forms of support or family members that have remained in the country of origin. The remainder of this report will focus on explaining what assets are enabling sustainable livelihoods, and what barriers different groups face when engaging in and expanding on livelihood activities.

Figure 9: Percentage of urban refugees that reported remittances or support from friends and family as a source of income in the 30 days prior to data collection, per location







^{27.} I.e., in the median, remittances were reported to be 23% of total household income, among those that reported remittances.

^{28.} Amuedo-Dorantes, "The good and the bad in remittance flows," November 2014.

Livelihood assets and barriers

Livelihood activities and outcomes are facilitated and influenced by contextual factors and their interaction with various kinds of livelihood assets. Livelihood assets are the five household capitals described in the methodology section. This section is dedicated to illustrating how the capitals differ between locations and population groups and how these differences feed into the livelihood outcomes and activities explored above. Each capital in the SLF is explored separately. Linkages with context and structures, as well as other capitals, are made where relevant.

Methodology and calculation

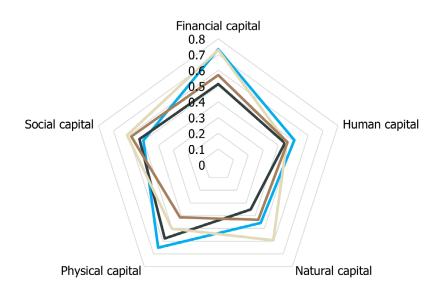
As covered in the methodology section, the five capitals underpinning the SLF are financial, human, natural, physical, and social capital. See figure 3 in the methodology section for a reminder of the definition of each capital. In the assessment, each household received a score for each capital. The score for each capital was calculated based on four or five indicators, all of which were indexed to create a standardised score between zero and one. Aggregated scores for certain locations or groups are based on the average score of each household belonging to that group. Important to note is that the **different capitals should not be directly compared to each other** (e.g., it is not possible to compare the scores to say human capital for the host community in Nakivale is stronger or weaker than financial capital). These comparisons cannot be done because the selection of indicators per capital is not based on a standardised or objective scale. However, comparisons between groups for the same capital are robust and key to the analysis done here. For example, financial capital of the host community in both Nakivale and Mbarara is much stronger than that of refugees.

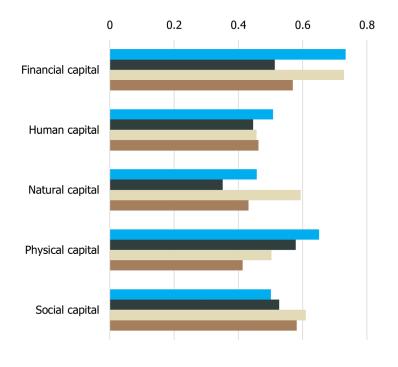
Figure 11 shows the comparative findings for the capital scores aggregated by location type and population group. The two graphs are showing the same data, just in different formats. Note that the figure is purely based on the collected quantitative data, triangulation with other types of data is shown in later sections. A summary of key quantitative findings can be found on page 23.



Participatory workshop with host community members in Kampala, September 2022. Photo credit IMPACT Initiatives/ REACH.

Figure 11: Average capital scores represented in two formats, per location type and population group







Summary of key findings related to the livelihood assets

Overall, the figures are showing that urban refugees generally have weaker household assets than the other groups, as they scored lowest for human capital, financial capital, and natural capital. From the qualitative data, it appears that the livelihood asset most valued by urban refugees is financial capital. In the quantitative analysis, low financial capital scores were driven by households reporting having limited savings and limited access to credit and business capital. Access to financial services, as well as other services, is hindered by factors closely related to social capital and structural factors, such as poor relationships with host communities and discrimination.

Refugees in settlements had similarly low scores for most capitals, and scored particularly low for physical capital. The physical capital scores were low for this group because households reported having low quality shelters and limited ownership of key non-food items (NFIs). Closely related to physical capital are issues associated with limited access to markets. Access to markets was an issue reported by both refugees and host communities and is additionally closely related to social capital. Refugees in the settlements had lower scores than the host communities around the settlements for all capitals except for human capital. The differences between the scores were especially large for financial capital and natural capital. Natural capital scores are closely related to access to land. Limited access to both financial capital and land (a natural capital) causes refugees in the settlements to struggle to generate income through agriculture and access business capital to invest in other kinds of livelihood activities.

In summary, refugees generally had lower capital scores than the host communities. Across all assessed population groups and locations, **the key barriers identified are limited access to financial capital, land, and markets.** The relative impact of these barriers for different population groups differs. The remainder of this report will explore these three barriers as well as additional identified barriers in more depth.

Box 2: A note on findings for urban refugees

The findings suggest that urban refugees do not necessarily have better livelihood opportunities than refugees in the settlements, contrary to what is often assumed. The livelihood outcomes for urban refugees, including food consumption and coping strategy use, are relatively positive compared to refugees in the settlements and host communities in the urban centres. However, urban refugee households were most likely to report not engaging in any livelihood activities (17%). Additionally, urban refugees typically had relatively low quantitative capital scores. The low capital scores seem to indicate poor access to markets and services, including financial services. Access to both services and markets are hampered by documentation and social barriers. Urban refugees reportedly rely heavily on their relationships with host community members and other refugees to negotiate access to buyers and services. Finally, urban refugees appear to often sustain their livelihood outcomes through remittances and other forms of external support. These forms of support may not be sustainable or reliable. Consequently, the livelihood outcomes of urban refugees may also not be sustainable. The findings indicate that refugees who settle in urban centres may not be in a better position to provide for themselves than those in the settlements, especially if they do not have access to remittances.

IMPACT Initiatives is conducting additional research to understand the importance of remittances and regular movements for the livelihood outcomes of refugees.



Financial capital

Financial capital is the stocks and flows of money that households have available to them to invest in their livelihoods. Financial capital scores were consistently much stronger for surveyed host community households than for refugee households. In fact, in all nine assessed locations, the quantitative financial capital score was higher for host communities than for refugees. Assessed host community households around the settlements additionally had a higher financial capital score than refugees in urban centres. Host community households were more likely to report having savings, tended to report higher savings, and had better access to credit.

Overall, 48% of households reported having savings at the time of data collection. Among those that reported having savings, the median reported amount that households had saved at the time was 200,000 UGX. **Host community households were considerably more likely to report having savings**: 59% of host community households and 35% of refugee households reported having savings at the time of data collection. There was no significant variation between urban centres and settlements, though reported savings were typically higher in the urban centres. Host community households in Palabek were especially likely to report having savings (73%). Median reported savings were especially high for the host communities in Gulu and Kampala, where the median reported household savings were 300,000 UGX, among those that reported savings. Savings were least commonly reported by refugee households, especially in Bidibidi (18%), Kampala (21%), Mbarara (22%), and Nakivale (25%).

During IDIs and participatory workshops, limited income and access to capital were the most commonly reported barriers to livelihoods. Interviewed community members during the IDIs would often refer exclusively and repeatedly to limited access to capital as the key reason for being unable to expand or embark on their preferred livelihood activity. The quotes from the IDIs below illustrate the perceived importance of capital for livelihoods. When referring to 'money', the quoted interview respondents were specifically referring to either unconditional cash or business capital that would allow them to make the mentioned purchases (i.e., a milling machine and materials required for making mats).

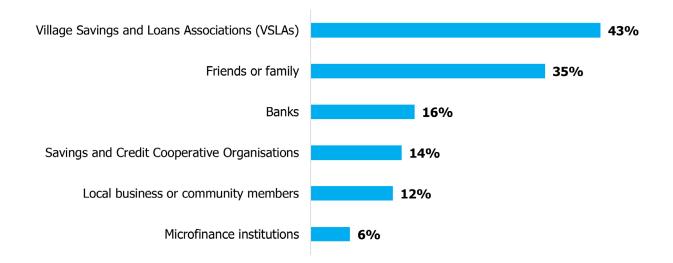
Money is all we need so as to have a better life. If I could get a milling machine, I would also do that business and possibly have a better life."

 Refugee in Palabek whose current income comes from selling food rations and casual farm labour. Currently we have no money but if we got money, we could start buying the materials to make the mats and then we survive. The skills I have, but capital to invest in the mats business is the biggest challenge."

 Refugee in Gulu who is currently selling simsim.

Looking closer at access to capital, **an important distinction emerges between access to credit and access to business capital**. In this assessment, access to credit is defined as access to loans, regardless of the size of the loan or whether the loan is accessed through formal institutions, informal groups, or family or friends. Access to business capital is defined here as access to loans or other lines of credit that are of a sufficient size that they can be used by households to invest in their livelihoods. For the distinction between access to credit and access to business capital, the size of loans is an important factor. Additional research is needed to ascertain what specific size loan (in each location) constitutes business capital. **Access to credit appears to be generally good in all locations**. Overall, 90% of households reported having access to financial service providers. This is considerably higher than the percentage found in the FSNA, though the list of included services may have been shorter.²⁹ Mobile money agents were the most commonly reported financial service provider, reported by 66% of households.³⁰ While not all financial service providers are able to provide loans or credit, reported access to credit is also seemingly strong. Among all surveyed households, 69% reported their household could access loans, without major differences across locations or groups. Both refugee households and host community households tend to only borrow and save informally, for example through Village Savings and Loans Associations (VSLAs).³¹ This is reflected in the quantitative data collected for this assessment (Figure 12).

Figure 12: Among households that reported having access to credit (69%), sources of credit to which households reported having access



Despite reported access to credit, **access to business capital for refugees appears poor**.³² The kinds of business capital required for the purchases mentioned in the earlier quotes might not be easily obtained through informal loan mechanisms. **Mechanisms like VSLAs are incredibly helpful for organising communities and supporting households in their efforts to meet their basic needs, but they may not allow for loans that are large enough to facilitate investments in livelihood activities.**

Formal financial service providers, such as banks or microfinance institutions, may be better placed to extend loans at the size required for business capital. However, the qualitative data and several secondary sources show that access to formal loan mechanisms is limited by availability and the conditions associated with access to formal loans. In the settlements, physical availability and accessibility of formal financial service and credit providers are the key issues.³³ In the urban centres, availability is generally better but as several IDI respondents and participatory workshop participants from Arua, Kampala, and Mbarara noted, interest rates are often high and the demand for collateral can be prohibitive. A refugee IDI respondent in Gulu reported that discrimination and documentation challenges can additionally prevent refugees from accessing financial

^{29.} See footnote 18.

^{30.} See also U-Learn's previous work on Cash and Voucher Assistance (CVA) and financial service provision in the refugee settlements. This work includes infographics per settlement as well as an in-depth report on user preferences.

^{31.} International Finance Corporation (IFC), "<u>Consumer and Market Study in Southwest and West Nile Refugee-hosting Areas in Uganda</u>," December 2021.

^{32.} Rohwerder, B., "<u>Sustainable Livelihoods in Ugandan refugee settings</u>," GSDRC Helpdesk Research Report 1401, 2016.

^{33.} United Nations Development Programme (UNDP), "<u>The Value Chain Market Assessment and Upgrading: Highlights</u> of the Value Chain Assessment and Recommendations in Northern Uganda," August 2022.

services. Limited access to formal loans, particularly for urban refugees, negatively impacts entrepreneurship, access to markets, and access to the labour market.^{34,35,36,37}

It should be noted that to fully understand the barriers related to access to formal financial service providers, the barriers faced by formal providers would also have to be assessed. Banks, for example, may only be able to extend loans to businesses with specific forms of documentation that may be hard for refugees to obtain. Additionally, formal service providers have to consider the risks that may be associated with lending to households that are more likely to move around. For additional information regarding the availability of formal financial service providers in the settlements, see U-Learn's work on private sector engagement.³⁸

In summary, financial capital appears comparatively poorer for refugees than host community members. Nonetheless, access to credit and capital are issues that cut across communities, as issues of availability of providers, size and formality of loans, and loan conditions were commonly raised by data collection participants from all groups and locations. Refugees appear to be particularly affected by these issues, as they typically have less savings and income to pay interest rates or use as collateral. These issues in turn appear to prevent households from investing in their livelihoods in ways that would allow them to be more self-reliant.



Ms. Christine operates her tailoring business in Lyeter market, zone 1, Bidibidi refugee camp. Photo credit U-Learn 2022

34. Easton-Calabria, E., "<u>Refugees asked to fish for themselves</u>': The Role of Livelihoods Trainings for Kampala's Urban Refugees," Refugee Studies Centre (RSC), January 2016.

37. MMC, "4Mi Cities: Data collection on Urban Mixed Migration: Arua City Report," July 2022.

^{35.} Henry J. Leir Institute, Tufts Unviersity and the IRC, "<u>Finance in Displacement: Joint Lessons Report</u>," December 2021.

^{36.} Mixed Migration Centre (MMC), "<u>4Mi Cities: Data collection on Urban Mixed Migration: Kampala City Report</u>," July 2022.

^{38.} U-Learn, "Patterns and Potential of Private Sector Engagement in Strengthening Refugee Livelihoods and Resilience: Desk review of the Uganda refugee response," July 2022.



Human capital

Human capital is defined as the skills, knowledge, and physical ability, including the health, of household members. Human capital is often essential to achieve other kinds of livelihood capitals, despite not being sufficient to safeguard sustainable livelihood activities and well-being on its own.

Variation in human capital scores was limited, indicating that the differences in human capital between the assessed locations and population groups are limited. Nonetheless, host communities tended to have higher human capital scores than refugees. **According to FGD participants, the main barrier to livelihoods in terms of human capital is limited access to education**, which was attributed to both lack of financial access as well as lack of presence of schools offering quality education. While this barrier was reported throughout all demographic groups, it was reported considerably more often in the urban FGDs (reported in 16 groups) compared to the settlement FGDs (7 groups). This difference might be partially explained by the free educational services that are often offered in the settlements. One of the most reported priorities for changes in the community by IDI respondents was improved access to education, specifically to reduce associated costs and improve facilities for children with specific educational needs. This was reported in both urban and settlement contexts.

Figures 13 and 14 show the education status of the head of household and the enrolment/ attendance rates of school-aged children. Interestingly, the two indicators appear to be inversely related in some instances. In urban centres, for example, the heads of households were most likely to be educated, yet non-enrolment rates of children appeared higher. This could possibly be explained by the more educated heads of households wanting and/or being able to afford to relocate to the urban centres but subsequently facing barriers related to access to education for their children, particularly financial barriers. In general, it does not appear that the education level of the head of household is a strong predictor of school enrolment of children in the household, nor overall livelihood outcomes. In order to understand these dynamics better, additional research is needed.

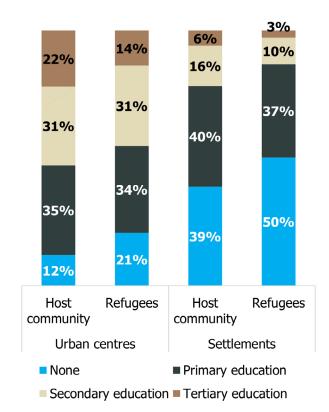
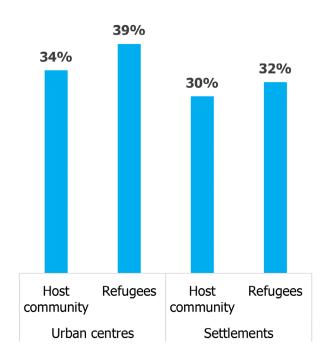


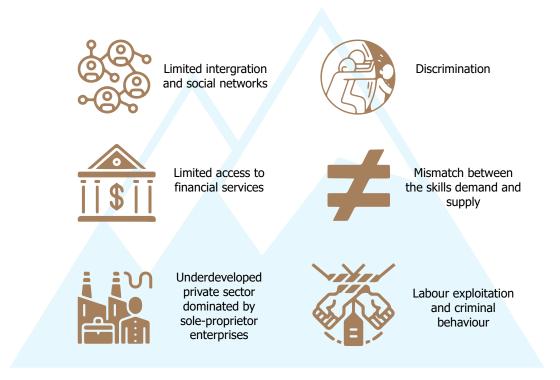
Figure 13: Highest completed education level of the head of household, per location type and population group Figure 14: Among households with school-aged children (76%), percentage of households with at least one child that was not enrolled in or regularly attending school at the time of data collection, per location type and population group



Another important consideration related to these education indicators is what UNHCR has called the **'puzzle of the educated unemployed'** among refugees in Uganda.³⁹ UNHCR found that education and employment rates of refugees in Uganda were inversely related, meaning that refugees with higher levels of education were more likely to be unemployed than less educated refugees. UNHCR also found that refugees were more likely than host community members to accept employment that is below their education and skill level, and they tended to earn substantially less than host community members with similar educational backgrounds.⁴⁰

Access to the labour market for refugees is complicated by discrimination, limited integration and social networks, and limited access to formal financial services.^{41,42} Documentation can also be a key issue for refugees, both in terms of accessing the labour market and establishing their own businesses.⁴³ Both in and around the refugee settlements, the private sector is underdeveloped and dominated by sole-proprietor enterprises.⁴⁴ In urban centres, challenges related to documentation and access to work permits are more pronounced than in the settlements, and the mismatch between the demand and supply of skills in the labour market is also larger.^{45,46} The mismatch of skills pertains to both the level and kinds of skills that households can offer compared to what is in demand on the labour market. Self-settled urban refugees are reportedly particularly vulnerable to labour exploitation and criminal behaviour.⁴⁷

Figure 15: Barriers to access to labour



39. See footnote 23.

40. Ibid.

- 41. Loiacono and Vargas, "Improving Access to Labour Markets for Refugees: Evidence from Uganda," July 2019.
- 42. Tulibaleka et al, "Protracted Refugees: Understanding the Challenges of Refugees in Protracted Refugee Situations in Uganda," January 2022.
- 43. IRC, "Financial Integration in Displacement: Pilot Findings from Yumbe and Kampala," June 2022.
- 44. U-Learn, "Labour Market Assessments Covering Refugee-hosting Districts in Uganda," November 2022.
- 45. See footnote 36.
- 46. See footnote 37.
- 47. World Bank, "An Assessment of Uganda's Progressive Approach to Refugee Management," May 2016.

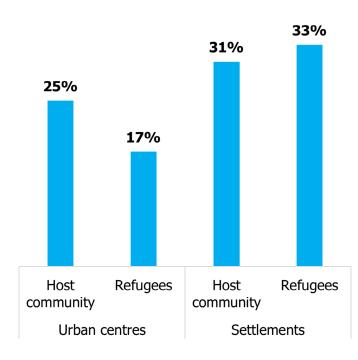


Figure 16: Percentage of households that reported at least one member attended training in the 12 months prior to data collection, per location type and population group

Skilling is a popular approach for organisations aiming to improve human capital and access to the labour market.⁴⁸ Skilling can be defined as any form of training or capacity building that is meant to improve the labour market opportunities of the recipients.

It is meant to address the mismatch between the supply and demand of skills mentioned above. As shown in Figure 15, less than half of the respondents reported that an adult household member participated in any form of training in the 12 months prior to data collection. The percentage of households that attendeds trainings was especially low for refugees in Mbarara (8%) and Gulu (10%). The relatively low percentages for urban refugees are interesting, as the gap between skills supply and demand has been especially noted for this group. Among the 26% of households that attended trainings overall, 40% reported to have attended vocational training. For the 73% of households that did not access training in the 12 months prior to data collection, the most commonly reported reason was that none were available (63%).

In summary, it appears that education of the head of household is not a strong predictor of livelihood outcomes, especially for refugees. Educated refugees may still struggle to send their children to school and face particular challenges in the labour market. The limited variation in the human capital scores across locations and between refugees and host communities, as well as the relatively limited importance ascribed to human capital by qualitative and participatory data collection participants, imply that human capital is not a key predictor of the variations found in livelihood outcomes. Factors that appear to be more important are the various obstacles that refugees face in accessing the labour market, such as discrimination, lack of financial services, and an underdeveloped private sector.

Box 3: A note on intra-household dynamics

The analysis for this assessment is primarily done at household-level, yet the importance of intra-household dynamics should not be neglected. Intra-household dynamics and the role of women within the household are closely related to decision-making and control over resources. In Uganda, men typically own the household's livelihood resources and control the decision-making regarding livelihoods, expenditure, and food.^{49,50} Different forms of intra-household dynamics were reported as a barrier to livelihoods in 12 different FGDs, eight of which had only female participants. Examples of intra-household dynamics that were reported include lack of parental support for youths and male household members discouraging or forbidding women from taking jobs.

In terms of human capital, cultural norms surrounding gender roles also regulate the availability of labour within the household.⁵¹ As one of the female host community participants in an FGD in Mbarara plainly stated:

"Men tend to stop women with qualifications from doing formal jobs".

During the participatory workshops, almost half of all groups raised intra-household dynamics as an issue hindering sustainable livelihoods. The IDIs conducted with female heads of household would often produce discussions related to the numerous pressures that women face that may prevent them from building their sustainable livelihoods. One of the respondents in Kampala noted:

"[The women who face the most difficulties are those] with children below 18 years of age. These women can't have full time engagement in any productive activity while taking care of the young children (preparing for them food, taking them to school and picking them back among others) plus other household chores".

In short, despite not being directly reflected in the quantitative data, intra-household dynamics are likely impacting the human capital of the household as well the division of the gains from livelihood activities.

^{49.} SNV Netherlands Development Organisation, "Intra-household dynamics and dietary diversity: Insights from Sustainable Nutrition for All in Uganda and Zambia," 2018.

^{50.} Nyakato, <u>"Intra-household social determinants of demand for maternal health services in Mbarara district,</u> <u>Uganda,</u>" October 2013.

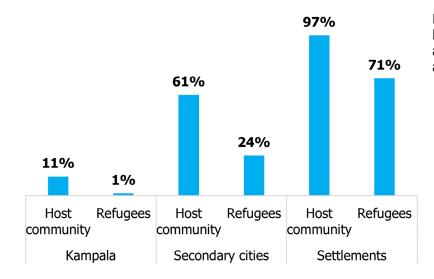
^{51.} Bridges et al, "Labour market and intra-household dynamics in urban Tanzania," June 2018.

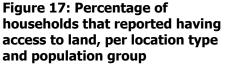


Natural capital

Natural capital encompasses all natural resources, such as water, land, and cattle, that are available to the household and directly or indirectly contribute to their livelihoods. Natural capital, according to the quantitative indexed scores, is generally stronger for host communities and stronger in settlement contexts. Various forms of natural capital fed into the score (see Annex 2), yet land is arguably the most important asset in the Ugandan and refugee response context. Access to land is a central tenant of the Ugandan refugee policy, as refugees arriving in the settlements are assigned a plot of land for them to attain self-reliance.⁵² Additionally, agriculture plays a major part in the Ugandan economy. As land underpins the agricultural sector and the settlement-based approach of the refugee response, and because land was often reported as an important factor in facilitating sustainable livelihoods, this section will focus on land.

During the FGDs, IDIs, and participatory workshops, **land was the most commonly mentioned form of natural capital that was enabling or preventing households from building sustainable livelihoods**. In host community groups during the participatory workshops, access to land was often mentioned as a key enabling asset. On the other hand, issues related to land size and land conflicts were also commonly mentioned as barriers to sustainable livelihoods by both refugees and host communities. The quantitative data indicates that **access to land is substantially better for host communities and in settlement contexts** (Figures 16 and 17).





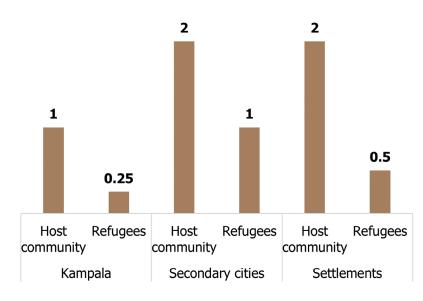


Figure 18: Among households that reported having access to land (58%), median reported acreage of land to which households have access

In the survey tool, access to land was broadly defined to include access through ownership, renting, assigned land, or other communal or informal mechanisms of accessing land. Access to land appears better for host communities than refugees both in terms of the percentage of households that reported having access, as well as the median reported acreage.⁵³ For the reported access to land by households in urban centres, it is unclear from the data whether the plots of land that are accessed are within or outside city limits. Further research is needed regarding how and where urban dwellers access land.

Secondary data has shown that the plots of land that are allocated to refugees in the settlements are often too small for them to produce sufficient food to sell.^{54,55} Access to land is further complicated as refugees are typically not allowed to permanently acquire land, unless it falls under leasehold arrangements.⁵⁶ Additionally, renting land can be fraught for refugees, in part because rent is often expensive.⁵⁷ Renting arrangements are also often insecure. In several FGDs and participatory workshop groups, participants noted that renting land from host community members was often not formalised and agreements were not always respected. Considering these challenges, findings suggest that **relationships with host communities are key for refugees to lease or rent land**. The relationship between refugees and host communities is looked at in further detail in the social capital section.

If you want more pieces of land for agriculture, you have to negotiate with the host community which is sometimes difficult because of the terms and conditions they may give you to use the land."

- FGD group with refugee participants in Bidibidi.

Issues of land conflicts and land tenure are not unique to refugees. Customary land arrangements dominate in Uganda, especially in the Northern and Eastern regions.⁵⁸ Customary land ownership stems from historical land ownership arrangements, and is often related to families or clans.⁵⁹ Although customary land agreements are formally recognised in Uganda, financial and legal institutions often do not respect customary land certificates in the same way as they do individualised land deeds.⁶⁰ This ties to financial capital and access to credit as well, because it may mean that land held under customary arrangements is not accepted as collateral. Customary land conflicts.⁶¹ The migrant influxes in the north, as well as a breakdown in the clan system, has arguably led to an increase in land conflicts.⁶² **Customary land tenure also contributes to the instability of land borrowed or rented by refugees, as the lack of legal enforcement or clarity can lead to refugees being dismissed from the land relatively easily.⁶³**

56. Knowledge, evidence and learning for development (K4D), "<u>Integrated approaches to refugee management in</u> <u>Uganda</u>," January 2020.

58. Musinguzi et al, "<u>Fit for Purpose Land Administration: Country implementation Strategy for Addressing Uganda's</u> Land Tenure Security Problems," June 2021.

^{53.} The findings of land plot size are corroborated by <u>data associated with the Resilience Index Measurement and</u> <u>Analysis (RIMA), 2021</u>.

^{54.} See footnote 15.

^{55.} International Labour Organization (ILO), "Paving the Way for Better Jobs and Improving Livelihoods for Refugees and Host Communities in Arua, Uganda," May 2020.

^{57.} See footnote 33.

^{59.} Ibid.

^{60.} Dieterle, "<u>Global Governance Meets Local Land Tenure: International Codes of Conduct for Responsible Land</u> <u>Investments in Uganda</u>", October 2021.

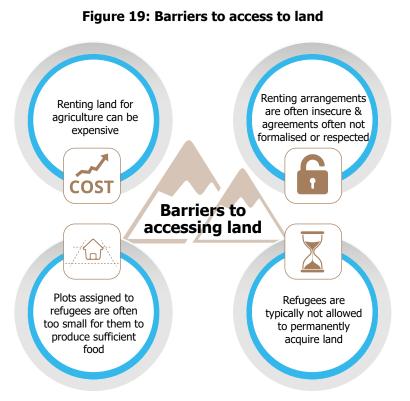
^{61.} International Food Policy Research Institute (IFPRI), "Land tenure and agricultural productivity in Uganda," 2008.

^{62.} International Institute for Environment and Development (IIED), "<u>Understanding changing land access issues for</u> the rural poor in Uganda," 2017.

^{63.} Meinert & Reynold Whyte, "<u>This Land is Not for Sale</u>," January 2023.

Finally, refugee influxes and the associated allocations of land have also had an impact on the environment. Allocations of

land to new arrivals put a strain on the availability of land overall.64 Demand for fuel, often in the form of firewood, has reportedly also led to deforestation around the settlements. Moreover, foreseen environmental changes in the coming years as well as potential new refugee influxes are expected to put a lot of pressure on the land allocation model.65 The current sizes of plots allocated to refugees are already argued to hold limited potential for self-reliance.⁶⁶ With environmental and population pressures on land, the land available for allocation may decrease and cause an additional issue for the selfreliance of refugees.



In summary, access to land is a key challenge for livelihoods for refugees and host communities around the settlements. Refugees are particularly affected by poor access to land because the land that they receive is typically not large enough for them to produce food commercially. If refugees wish to obtain additional land, they are hindered by the fact that they are not allowed to own land, and that renting or borrowing land is often contingent on informal arrangements with the host community.



Ms. Grace prepares her simsim for drying in Zone 2, Palabek settlement. Photo credit U-Learn 2022

^{64.} See footnote 42.

^{65.} Wamara et al, "Refugee integration and globalization: Ugandan and Zimbabwean perspectives," June 2021.

^{66.} RSC, "<u>Refugee economies in Uganda: What difference does the self-reliance model make?</u>," January 2019.



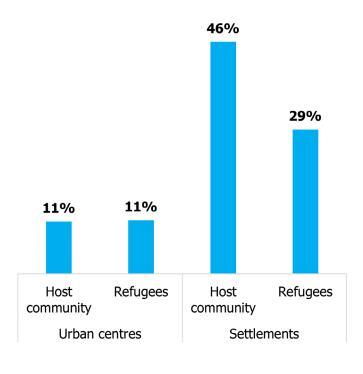
Physical capital

Physical capital is closely related to infrastructure and access to services, as well as ownership of productive and non-productive assets. In each assessed location, physical capital appears stronger for the host community than for the refugees. Additionally, the quantitative physical capital scores were typically higher in urban centres than in settlement settings. The relatively low scores for refugee and host community households in settlement settings were largely driven by insufficient ownership of NFIs. More specifically, **61% of all interviewed households did not own sufficient blankets and/or mattresses in relation to their household size**, according to the Sphere standards.⁶⁷ For refugees in settlements, this was true for 90% of interviewed households.

In terms of livelihood enablers and barriers related to physical capital, **issues related to accessing markets were the most commonly mentioned issue** during the qualitative and participatory data collection exercises. **Access to markets is key for households both as consumers and suppliers**. As many livelihood activities are based on the production of crops and goods (such as crafts), access to potential buyers is of vital importance. Access to markets is an incredibly multi-faceted issue, including dimensions related to supply chains and quality of produce. In the context of this assessment, households primarily cited issues related to physical access to markets, social access to markets, and the price and availability of key commodities.

In terms of physical access to markets, both infrastructural and transport challenges were stressed by data collection participants. During the IDIs, physical access to markets was the most reported asset that respondents had that was enabling their livelihoods (mentioned in 17 of 36 IDIs). Nonetheless, barriers related to physical access were similarly commonly mentioned, with respondents noting **challenges related to distance, transportation, and quality of roads**. Nearly one in four interviewed households (23%) reported having to travel over 30 minutes to their preferred market.

Figure 20: Percentage of households that reported having to travel over 30 minutes to their preferred market, per location type and population group



Host communities around the settlements were especially likely to report having to travel over 30 minutes to their preferred market (Figure 18), particularly in Rhino Camp (57%), Bidibidi (53%), and Nakivale (52%). Access to transport, both public and private, complicates the issue of access to markets. The qualitative data collection exercises confirmed the cost of fuel has driven up the costs of transportation to markets. Public transport, beyond boda bodas (motorcycle taxis), is reportedly only scarcely available, especially in the West Nile. This limited public transport poses particular challenges for persons with specific needs. One of the IDI respondents in Arua noted that persons with physical disabilities are often not able to make use of public transport, which prevents them from travelling around for business or other activities. Finally, poor road networks and road quality are reportedly interacting with these other

67. According to <u>Sphere standards</u>, households should have at least one blanket and one mattress for each household member. Considering that it is common in this context for mattresses and blankets to cover two people, the calculations here were based on a minimum of 1 mattress and 1 blanket per 2 people in the household.

issues to further complicate access to markets as well as services in general. The road network between, for example, Arua and Rhino Camp is said to be minimal.⁶⁸ The quote below illustrates the implications of the mentioned issues and how poor physical access to markets can restrict households' ability to sell their produce and earn market price for their efforts.



- Host community member around Bidibidi

Social access to markets is closely related to social capital, and limited social access can hamper households' the ability to sell and buy key commodities in the same way that limited physical access can. For example, a refugee IDI respondent in Mbarara mentioned that some Ugandan nationals only buy from other nationals. Social access relates also to discrimination, which was mentioned by nine IDI respondents, eight of whom were in urban settings. Notably, discrimination was reported to a similar degree by refugees and host communities. Forms of discrimination mentioned include discrimination based on refugee status, gender, and disability status. During the height of COVID-19 restrictions, refugees in Arua were often not able to access physical markets as vendors at all, as they were typically not formally registered as vendors.^{69,70} Though this requirement to be formally registered does not appear to be an challenge currently, it does show the precarious nature of access to markets for refugees. **Several host community and refugee respondents noted that their personal social networks were key to their ability to sell their produce, products, and/or services**.

Figure 21: Limited physical access to markets



^{68.} See footnote 55.

^{69.} Cities Alliance, "COVID-19: The Challenges of Urban Refugees," April 2020.

^{70.} Lozet & Easton-Calabria, "Counting urban refugees during COVID-19," June 2020.

Finally, challenges related to prices were often mentioned by participants. As consumers, more than half of the IDI, FGD, and participatory workshop participants noted high commodity prices. This was more commonly noted in urban centres, where prices generally tend to be higher. In and around the settlements, participants more commonly reported significant issues with accessing fair prices for their produce and products. **Access to fair prices from buyers is closely related to physical and social barriers to access to markets**. As one of the host community IDI respondents around Nakivale noted, many producers are unable to carry their produce to (large) markets so they instead have to rely on buyers who travel in large vehicles to rural areas. These buyers often pay below market price, which leaves the rural producers with little profit. This practice of vehicles traveling around rural areas to buy produce was also mentioned by respondents in the West Nile. Finally, rural producers also typically struggle to access quality agriinput markets.^{71,72}

In summary, the barriers to accessing markets appear to differ between groups and locations. For host communities around the settlements, physical access to markets is hindered by long distances, poor roads, and limited or expensive public transport. These factors often force households to rely on buyers who travel to their dwelling and offer sub-market prices. They additionally struggle to access basic consumer goods and agri-inputs. Refugees in the settlements are faced with similar barriers andmay also face social barriers to markets. In urban centres, physical access to markets is typically better. Social access, on other hand, is complicated by discrimination and the importance of social networks. Social barriers do not exclusively apply to markets and can generally be problematic for access to services.



A daughter to the chairperson of Liberty SACCO feeding the poultry in zone 1, Bidibidi settlement. Photo credit U-Learn 2022

72. See footnote 33.

^{71.} USAID, "<u>Refugee Rapid Market Systems Assessments Nakivale, Rwamwanja and Palabek Settlements</u>," August 2022.



Social capital

Social capital refers to the social resources at the disposal of a household and on which they rely when seeking to attain their livelihood objectives. Of all the five livelihood capitals, social capital is the most closely interrelated to the 'Structures and processes' component (see the SLF in the methodology section). While social capital can be a product of these structures and processes (for example, organisations can increase their participants' social capital by being conducive to networking), social capital can also influence these structures by facilitating the collaboration of people already connected by common norms and rules who can then influence political and/or policy change.

According to the quantitative data, social capital scores were highest in the West Nile region for both refugees and host communities. The Southwest region scored the lowest on social capital. In the analysis, membership of organisations was partly driving low scores in the groups with the weakest overall social capital scores. **Membership of organisations is an important indicator of social capital, as it relates to access to forms of emotional and social support and social networks**. Overall, 27% of households reported not being a member of any group. Membership of organisations scored especially low among the host community in Mbarara and the refugee communities in Nakivale, Mbarara, Gulu, and Kampala. In Gulu and Kampala, 43% of the refugee respondents reported to not be a member of any groups. As shown in Figure 19, households most commonly reported being a member of a religious organisation.

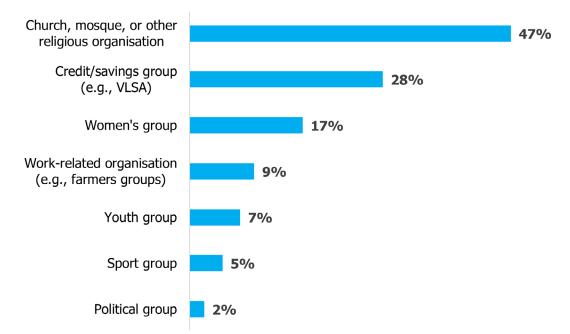


Figure 22: Percentage of households that reported being active members of listed organisations.

Another important dimension of social capital is social cohesion. Indeed, according to the Refugee Studies Centre, healthy social connections and networks are vital for refugee livelihoods, even more so than humanitarian aid.^{73,74} Intra- and inter-group cohesion and trust were assessed during this assessment. Intra-group cohesion was defined as the relationships among refugees and the relationships among the host community in a location. Inter-group cohesion was defined as the relationships between refugees and the host community in a location. The status of these relationships was assessed through various questions that included dimensions of trust, cooperation, and sense of belonging with a community. **Findings suggest that the Southwest regions**. For example, 36% of the surveyed refugees in the Southwest reported not trusting other refugees and 40% of the interviewed host community members reported not trusting other host community members. Between the host communities and refugees, 39% of the host community

^{73.} Betts et al, "Refugee Economies: Rethinking Popular Assumptions," RSC, June 2014.

^{74.} Betts et al, "<u>Thrive or survive? Explaining variation in economic outcomes for refugees</u>," December 2017.

and 35% of refugees reported not trusting members of the other group. The percentages of lack of trust were generally lower in the other regions, though inter-group cohesion also appeared poor in Kampala, where 36% of the host community and 36% of refugees reported not trusting members of the other group. It is unclear from the collected data what causes the reported lack of trust.

In the Northern region, the two host community IDI respondents in Kitgum noted improved social cohesion as a priority change they want to see in the community, with one respondent noting specific challenges related to land conflicts. While quantitative social capital scores were generally higher in the West Nile region, a lack of social connections was mentioned as a barrier to livelihoods by refugee IDI and FGD respondents in Bidibidi and Rhino Camp, with a respondent in Bidibidi mentioning that their social connections are limited specifically due to discrimination. As noted in the physical capital section, several respondents reported that access to buyers was facilitated by their social connections. Some of the refugee respondents in Nakivale and Palabek noted that **their relationships with the host community is key for them to access casual labour and land**, which in turn would mean that a lack of social connections to the host community could hamper such access.⁷⁵

66

I get clients from friends whom I plait, and they eventually recommend their other friends too. Social connections [are] an asset that enable me to provide for my household."

- Refugee in Kampala who plaits hair, after being let go from her housekeeping job because of COVID-19. 66

My household depends on UN food and also the help of my wife and older son. They have social connections with the host community who tend to call them for casual work in the farms."

- Refugee in Palabek whose household relies on humanitarian aid and casual labour.

In the refugee context in Uganda, **social networks are very closely connected to**

nationality.⁷⁶ This has been researched in Kampala in particular, where there is a diverse set of refugee communities.⁷⁷ In Kampala, for example, social networks are especially strong among Somali refugees, and less so for smaller refugee populations.⁷⁸ While social capital is conducive to positive impacts, it may also come with the implication of exclusion of certain groups belonging to different nationalities. For example, disunity between refugee nationality groups has reportedly led to discrimination in the labour market.⁷⁹ Access to the labour market, which was discussed in more depth in the human capital section, appears to be an additional factor for which social cohesion and social capital play an important role.

In summary, the results seem to indicate that social capital is by itself not necessarily sufficient to build sustainable livelihoods, however it appears to play an important role in facilitating access to other kinds of capitals. For refugees in particular, relationships with the host community may be key to accessing land. Social connections among refugees additionally appear to be important for accessing markets to sell products as well as to access to the labour market. Reliance on social networks can be perilous, however, as social networks can be exclusionary and some issues have been reported related to the relationships between refugees and host communities.

^{75.} See footnote 74.

^{76.} Horn et al, "<u>Community based child protection mechanisms amongst urban refugees in Kampala, Uganda: an</u> <u>Ethnographic study</u>," December 2013.

^{77.} See footnote 41.

^{78.} Monteith and Lwasa, "The participation of urban displaced populations in (in)formal markets: contrasting experiences in Kampala, Uganda," October 2017.

^{79.} Baseler et al, "<u>Can Aid Change Attitudes toward Refugees? Experimental evidence from microentrepreneurs in</u> <u>Urban Uganda</u>," 2021.

Livelihood programme mapping

As stated in the methodology section, the objective of the livelihood programme mapping was to understand to what extent programmes are targeting the barriers identified during the assessment. The livelihood programme mapping started with a review of secondary sources as well as UNHCR's ActivityInfo. ActivityInfo contains the self-reported information regarding programmes implemented by UN agencies, INGOs, and NGOs in the humanitarian response in Uganda. KIIs were done in all locations to supplement this information. Most interviews were done with representatives from INGOs. KIs were asked about their own organisation's livelihood programming as well as other programmes in the area. The mapping did not include government programmes.

Across all assessed locations, reported livelihood programmes often fell within three approaches: **1) skilling, 2) financial inclusion programming through VSLAs or similar approaches, and 3) support for agriculture through various methods**. There was some regional variation in how common certain approaches were. There were, in general, more programmes reported in the settlements than in the urban centres. Programmes related to agriculture and financial inclusion were more common in the settlements, while skilling appeared relatively more common in urban centres.

Programmes related to **skilling** cover different vocational and soft skills. Business skills training was most commonly mentioned by the KIs. However, as described in the human capital section, education and skills were not flagged in the results as one of the key factors influencing livelihood outcomes. In secondary urban centres, there does appear to be some mismatch between the demand and supply of skills.^{80,81} It is unclear whether the mapped skilling programmes are addressing this mismatch in skills.

The projects need to be longer, short projects are really not okay. Also [partners need to] focus on activities that are working, and stay focused on that, instead of changing the activities all the time."

- KI from a national NGO in the West Nile

Figure 23: Most commonly found livelihood programme approaches



^{81.} See footnote 37.

Financial inclusion programmes were especially common in the settlements, and typically consisted of the set-up and facilitation of VSLAs. In light of the financial capital findings, these programmes may not be addressing the issue of access to business capital. This of course does not mean that VSLAs do not meet refugee and host community needs otherwise. Some NGOs have cash programming that is more directly aimed at income-generating activities, which may be better suited to addressing the identified barriers to livelihoods.

Various kinds of programmes related to **agriculture** were reported. Examples of these programmes include post-harvest value addition, backyard farming, and block farming. The main barriers identified related to agriculture during this assessment were access to markets and access to land. The reported programmes may address these barriers, if they take into consideration the issues found related to accessing land and buyers for produce.

Overall, **the reported livelihood programmes do not directly align with the identified key livelihood barriers**. In particular, few programmes were reported that were geared directly towards addressing issues of accessing formal financial service providers, physical access to markets, and building good relationships between refugees and host communities.

In summary, it is not possible to say from this mapping how effective, or not, certain programmes are. However, what can be identified are some potential gaps in programming. These gaps appear to be related to formal financial service provision, access to markets, and social relationships as they relate to access to land and services.



A shopkeeper in Rwamwanja refugee settlement attends to a customer. Photo credit U-Learn 2022.

CONCLUSION

This livelihoods assessment has aimed to fill key information gaps related to the livelihoods of refugees and host communities in urban and settlement contexts. In light of the protracted refugee response in Uganda, as well as decreasing humanitarian funding, various stakeholders, including donors and UN agencies, have recognised the importance of promoting sustainable livelihoods. In this assessment, the livelihoods of refugee and host community households, as well as the barriers and enablers related to their livelihoods, were assessed through the lens of the SLF. Quantitative, qualitative, and secondary methods were deployed for the assessment.

Livelihood outcomes appear to be worse for refugee households in the settlements, compared to the other assessed groups. Reported food consumption and use of coping strategies were poorest for this group. Additionally, the reported income of refugees in the settlements was substantially lower than the income of their host community counterparts. Refugees in urban centres, on the other hand, do not appear to have particularly poor livelihood outcomes. On the contrary, food consumption, coping strategies, and income were similar for refugees and host communities in most urban centres. The key difference between refugees and host communities in urban centres was found to be related to expenditure, as refugees typically reported higher expenditures.

Livelihood activities differ substantially between urban and settlement locations. Crop production dominates in settlement locations, especially in the West Nile and Northern regions. The livelihood activities of households in urban centres tend to be very diverse, with no particular activity dominating. Urban refugees were most likely to report not being engaged in any livelihood activities (17%). Some reported livelihood activities of urban refugees appeared to pertain to income generation that was occurring in the country of origin rather than in Uganda. This is supported by findings related to remittances, as **urban refugees were considerably more likely than other groups to rely heavily on remittances.** This raises some questions regarding the sustainability of the livelihood outcomes of urban refugees.

The main barriers to sustainable livelihoods were found to be limited access to formal financial services, markets, and land. Formal financial services are important as the informal service providers to which the majority of households have access are often unable to extend loans that are large enough to facilitate meaningful investments in livelihoods. Barriers to formal financial services include availability and restrictive conditions. Access to markets is a complex issue, as it is hindered by some structural factors, such as poor infrastructure, as well as social factors, such as discrimination and poor social cohesion. Finally, access to land is particularly important for refugee and host community households in settlement contexts. Access to land is complicated by the limited sizes of the plots allocated to refugees and various issues that refugees face when trying to obtain access to additional land. For both land and markets, social capital was found to be an important factor for facilitating access, especially for refugees.

The mapped livelihood programmes do not appear to directly address the three main livelihood barriers that were identified by the assessment. Considering the complexity of the issues identified, there does not appear to be a clear way in which the three key barriers can effectively addressed.

In summary, refugees appear to struggle with their livelihoods considerably more than host communities. The livelihood outcomes of refugees in the settlements appeared to be poor, and refugees in the urban centres commonly reported relying on external forms of income support. The key livelihood barriers that were identified cut across locations and population groups. However, refugees tend to face additional access issues, such as those related to social cohesion, discrimination, and documentation. Sustainable livelihoods will remain hard to obtain for refugees if some of the key barriers are not successfully addressed.

ANNEXES _____

Annex 1: Sampling tables

Region	Location	Host community	Refugee	Total	
Central	Kampala	148	155	303	
	Gulu	153	148	301	
Northern Uganda	Kitgum	156	58	214	
ogunuu	Palabek	138	144	282	
Couthwart	Mbarara	154	133	287	
Southwest	Nakivale	147	152	299	
	Arua	160	138	298	
West Nile	Bidibidi	151	149	300	
	Rhino Camp	143	132	275	
Total		1,350	1,209	2,559	

Number of quantitative household surveys per location

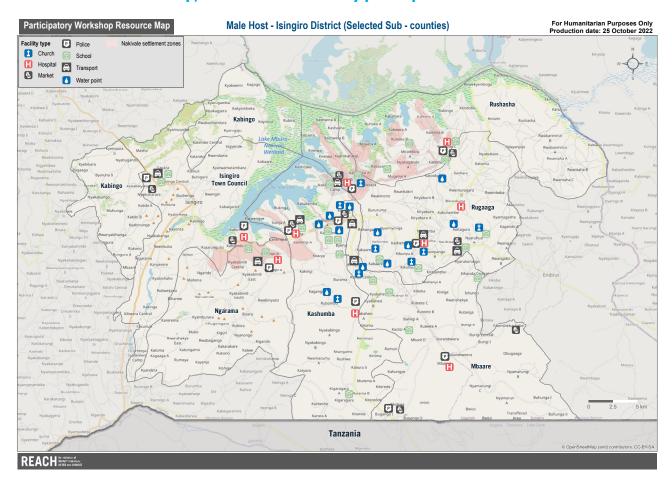
Number of qualitative data collection exercises

Region	Location	FGDs	IDIs	Participatory workshops	KIIs
Central	Kampala	4	4	2	1
	Gulu	4	4	2	1
Northern Uganda	Kitgum	4	4	2	2
Oganda	Palabek	4	4	2	1
Southwest	Mbarara	4	4	2	1
	Nakivale	4	4	2	3
	Arua	4	4	2	1
West Nile	Bidibidi	4	4	2	1
	Rhino Camp	4	4	2	3
Total		36	36	18	14

Annex 2: Indicator table for the asset scores

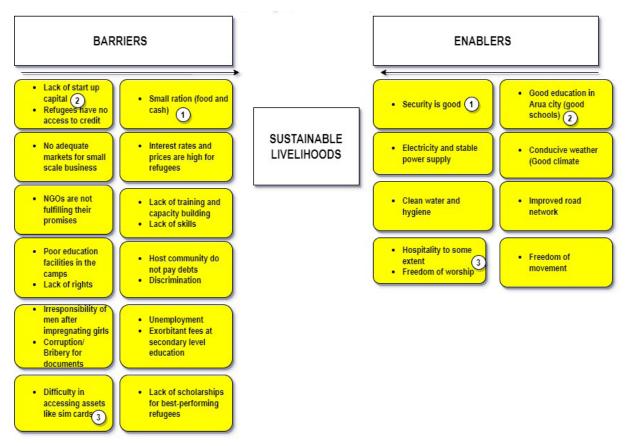
Household asset	Indicators			
	Level of household savings at the time of data collection			
Einancial capital	Number of household-level income-generating activities			
Financial capital	Access to financial service providers			
	Household's access to credit			
	Education status of the head of household			
	Enrollment and attendance of all school-aged children, since the re-opening of schools in January 2022			
Human capital	Access and participation in training for adult household members, in the 12 months prior to data collection			
	Access to a primary health care facility within 1 hour of travel			
	Age-dependency ration			
	Livestock ownership			
Natural capital	Acreage of accessible land			
Natural capital	Access to cooking fuels			
	Access to safe and clean drinking water			
	Adequacy of shelter (type, damage, and overcrowding)			
Dhysical capital	Productive asset ownership			
Physical capital	Household item ownership			
	Time required to reach preferred market (minutes)			
	Membership in organisations			
	Extent of social support networks			
Social capital	Access to local government decision-making			
	Intra-group social cohesion (refugee-refugee and host-host relationships)			
	Inter-group social cohesions (refugee-host relationships)			

Annex 3: Selection of recreated diagrams from the participatory workshops



Recreated resource map, male host community participants around Nakivale settlement

Recreated forcefield analysis, female refugee participants in Arua





Uganda Learning, Evidence, Accountability, and Research Network P.O. Box 12018, Kampala – Uganda.