

TURNING POLICY INTO REALITY

Refugees' Access to Work in Rwanda

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About Refugees International

Refugees International advocates for lifesaving assistance and protection for displaced people and promotes solutions to displacement crises around the world. We do not accept any government or UN funding, ensuring the independence and credibility of our work.

Featured Image: A resident carries a carton of wet cement as she assists in construction work at a refugee camp south of Kigali, Rwanda on June 15, 2022. (Photo by Victoria Jones/PA Images via Getty Images)

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Executive Summary

Transitioning from humanitarian assistance to refugee self-reliance has been a major policy objective in Rwanda. The country has been a leader in East Africa in implementing policies towards self-reliance for refugees, emerging as a model in the region and beyond on economic inclusion by granting refugees the right to start businesses and to work, as well as freedom of movement. However, access to formal work is not yet a reality for most refugees in Rwanda, the overwhelming majority of whom still live in camps where job opportunities are scarce and often limited to incentive or volunteering work. The fact that refugees living in urban areas are generally not entitled to financial assistance or housing means that refugees are faced with the difficult choice of relying on humanitarian aid within camps or seeking work outside, at the risk of not being able to make a living.

Rwanda has made some progress in creating opportunities for self-employment and wage-earning opportunities for refugees, both in camps and outside camps. This has been made possible by a policy that allows refugees to access formal employment using refugee identity cards, with no requirement of a work permit, as well as financial services to start and scale their businesses. The ability to move freely is also key to allowing refugees to look for opportunities beyond the camps.

Despite these developments, refugees in Rwanda told Refugees International that they face non-legal barriers such as poor infrastructure within the camps, including a lack of electricity, discrimination, and a lack of access to capital to grow their businesses. Other non-legal barriers include a lack of awareness of refugees' rights to work among some private sector actors, and a lack of data on refugee skills that would help match them with job opportunities in the country. Indeed, even with great plans and forward-looking policies for self-reliance, refugees are still stymied by obstacles that hamper their prospects to work and do business successfully in Rwanda. Rwanda is also vulnerable to the effects of climate change, and there is a need for international donors to support more efforts to combat climate change and to create more opportunities for "green jobs."¹

Applying development solutions to long-term displacement will therefore require more than a simple shift in policy. Rather, a more proactive approach is needed, one that emphasises the potential of refugee populations to contribute to their host communities by explicitly including refugees in employment programs and helping refugees to access jobs outside camps.

¹ The International Labour Organization defines green jobs as "jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency" (see International Labor Organization, "What is a green job?" April 2016, https://www.ilo.org/global/topics/green-jobs/news/WCMS_220248/lang--en/index.htm).

Recommendations

The government of Rwanda should:

- Explicitly include refugees in the upcoming National Strategy for Transformation (NST 2) that will replace the current NST 1 (2017-2024),² which includes job creation and graduating from poverty among its priorities.
- Connect individual homes in refugee camps to electricity.
- With the support of international donors, improve refugee camps' connectivity to nearby urban centers by improving roads and public transportation.
- Given refugees' right to work, ensure that refugees living in camps can work formally as employees of private sector companies, non-governmental organizations, or international organizations, as well as local schools. While account may be taken of the assistance they receive within camps, payment for work performed by refugees should be fair and not limited to incentives.
- Work with international donors to ensure that refugees living in urban areas are able to receive assistance and that members of the host community are also among the beneficiaries of such programs.
- With the support of international donors, lead a campaign to raise awareness among private sector companies on refugees' right to work and access financial services in Rwanda.
- In collaboration with donors, lead an effort to collect data on departures of refugees from camps to take up employment outside, so as to better understand the factors that lead refugees to make such decisions, as well as the challenges they may face.

Donors should:

- Pilot a project that supports refugees to find work outside camp areas for a trial period, after which they can choose to return to the camp and receive the assistance

² Government of Rwanda, National Strategy for Transformation (NST1) 2017-2024, <https://faolex.fao.org/docs/pdf/rwa206814.pdf>

for which they were eligible. This could include support with housing, which has been a major setback for refugees to live and work outside the camps. International donors should fund such a scheme as part of an effort to increase self-reliance for refugees and Rwandans and reduce dependence on humanitarian assistance by enabling refugees to take full advantage of their right to work in Rwanda.

- Increase funding to enhance refugee youth access to higher and specialized education to help them meaningfully participate in the local economy. English language courses would also help refugee youth better access work opportunities in the private sector.
- Increase support towards climate finance to governments and non-governmental organizations (NGOs) to combat climate change and promote the creation of green jobs.

The private sector should:

- Work to increase refugees' access to financial services. Commercial banks should consider accepting guarantees as an alternative to collateral and conduct outreach to refugees living in camps and urban areas.

Humanitarian and development organizations should:

- Assist in linking refugee job seekers to formal employment opportunities by providing or supporting job matching services. This should include establishing a database of refugees' skills and qualifications (with refugees' consent), both for refugees living in camps and in urban settings.
- Expand efforts to hire refugees living in camps as employees, in place of more limited "incentive" or volunteer work.
- Promote specialized and market-driven trainings that prepare refugees and host communities to actively engage and market their skills and capabilities in Rwanda.

Methodology

A In May 2023, Refugees International travelled to Rwanda to research refugees' access to the labor market and financial services. The team visited Kigali and the Nyabiheke camp in the Gatsibo district in eastern Rwanda. The team met with representatives of Rwanda's Ministry in Charge of Emergency Management (MINEMA), which is responsible for refugee affairs, as well as UN agencies and organizations providing livelihood activities and financial services to refugees. The team also met with refugees from the Democratic Republic of Congo and from Burundi in camp and urban settings

This research is part of the "Let Them Work" initiative, a joint project between Refugees International and the Center for Global Development, funded by the IKEA Foundation and the Conrad N. Hilton Foundation.

Background

Rwanda's policies on refugees' economic inclusion stand out as a model with lessons learned for East Africa and beyond. Refugees can access formal employment without a work permit, they have freedom of movement, and they can register businesses and open bank accounts with a refugee identity card.

For the last 20 years, Rwanda has been managing forced displacement issues emanating from protracted refugee situations in the Great Lakes region. As of April 2023, 125,595 refugees were registered with the UN Refugee Agency (UNHCR) in Rwanda, of whom 61 percent are from the Democratic Republic of Congo (DRC) and 38 percent from Burundi.³ The vast majority (91 percent) of refugees in Rwanda live in refugee camps. The Rwandan government has adopted a relatively progressive policy approach to support the economic integration of refugees. The issuance of refugee identity documents (IDs) for people 16 years of age and above and business registrations for refugee entrepreneurs have improved access to various services, including financial services, education, and employment.

The lack of an encampment policy for refugees living in Rwanda means that they have the freedom to move outside their designated camps in pursuit of wage-earning or self-employed activities. This in and of itself is an important step toward economic inclusion, and one where Rwanda stands as a leader in the region.

However, job opportunities for refugees are limited. Despite the liberalization of the labor market, non-policy barriers like prejudice, discrimination, and poor networks hinder their ability to access most jobs.⁴ Within the camps themselves, non-governmental and international organizations hire some refugees, often as incentive workers or volunteers, but such opportunities are limited. Furthermore, incentive or volunteering work pays very little, and is not sufficient to enable workers to be self-reliant. Some refugees are engaged in entrepreneurship, but these are largely small and informal businesses that operate within the camps.

Rwanda is highly vulnerable to climate change, given its geographic characteristics.⁵ The “land of a thousand hills” experiences flooding and massive landslides when it

3 UNHCR, Rwanda Operational Update, April 2023, <https://data.unhcr.org/en/documents/details/100921>

4 Bilgili, Özge and Craig Loschmann. 2018. Refugees and host communities in the Rwandan labour market. *Forced Migration Review* 58. pp. 22-23 <https://www.peiglobal.org/refugees-and-host-communities-rwandan-labour-market>

5 Climate Risk Profile: Rwanda (2021): The World Bank Group, https://climateknowledgeportal.worldbank.org/sites/default/files/2021-09/15970-WB_Rwanda%20Country%20Profile-WEB.pdf

rains heavily, with heavy rainfall expected to increase as climate change worsens.⁶ In 2020, the government relocated hundreds of refugees from the Kigeme refugee camp to the Mahama camp because of risks from environmental degradation.⁷ In 2021, the Rwandan government and UNHCR closed the Gihembe camp and relocated its residents to Mahama as well, due to the risks posed by environmental hazards, including erosion and landslides.⁸

Research by Refugees International and others has found that the more refugees are able to integrate in their host economy, the greater the economic benefits to them and to the host country.⁹ Yet in Rwanda (as in many other countries), progress is blocked by various challenges that are not limited to resources,¹⁰ climate change, and worsening economic times.

6 Climate Risk Profile: Rwanda (2021): The World Bank Group, p.12, https://climateknowledgeportal.worldbank.org/sites/default/files/2021-09/15970-WB_Rwanda%20Country%20Profile-WEB.pdf

7 MINEMA, 620 Congolese refugees relocated from Kigeme camp to Mahama to ensure their protection and improve their living conditions, <https://www.minema.gov.rw/updates/news/620-congolese-refugees-relocated-from-kigeme-camp-to-mahama-to-ensure-their-protection-and-improve-their-living-conditions>

8 UNHCR and MINEMA, Joint Communique: Relocation of refugees from Gihembe to Mahama camp, September 2021, <https://www.unhcr.org/rw/16673-joint-communique-relocation-of-refugees-from-gihembe-to-mahama-camp.html>

9 Sarah Miller and Jimmy Graham, From Displacement to Development: How Kenya Can Create Shared Growth by Facilitating the Economic Inclusion for Refugees, November 2021, https://www.refugeesinternational.org/reports-briefs/from-displacement-to-development-how-kenya-can-create-shared-growth-by-facilitating-economic-inclusion-for-refugees/?gclid=CjOKCQjwoemBhCfARISADR2QCuzVMKckK9r1GRr-o22bUHSObc7ORiYy5uEOkQ9OjtoVwBNgNeB5ecaAsyIEALw_wcB; Martha Guerrero Ble, Izza Leghtas, Daphne Payanotatos and Jimmy Graham, From Displacement to Development: How Colombia Can Transform Venezuelan Displacement into Shared Growth, October 2020, <https://www.refugeesinternational.org/reports-briefs/from-displacement-to-development-how-colombia-can-transform-venezuelan-displacement-into-shared-growth/>; Michael Clemens, Cindy Huang and Jimmy Graham, The Economic and Fiscal Effects of Granting Refugees Labor Market Access, October 2018, <https://www.cgdev.org/publication/economic-and-fiscal-effects-granting-refugees-formal-labor-market-access-brief>

10 UNHCR's unprecedented US\$ 700m funding gap spells catastrophe for millions, 24 October 2022, <https://www.unhcr.org/news/news-releases/unhcrs-unprecedented-us700m-funding-gap-spells-catastrophe-millions>

Refugee Inclusive Policies in Rwanda

Refugee Identification

The Rwandan government has made commendable efforts in the issuance of refugee identification documents, and in 2018 it classified these documents as official identification documents, equivalent to the Rwandan identity card.¹¹ With this ID, refugees can open bank accounts, access financial services, register businesses, and apply for jobs in the formal labor market.

Starting a New Business

Refugees can register businesses within the camps and other economic centers in the country with their refugee ID.¹²

In most of the districts where refugees are hosted, the main economic activities are related to agriculture and livestock farming. In the Gatsibo district, where the Nyabiheke refugee camp is located and which Refugees International visited, the host community is engaged in maize production, cassava, and large-scale banana farming, as well as cattle-rearing.¹³ In the Nyabiheke camp itself, economic activities include small retail businesses and selling food in local markets.

One representative from an organization supporting livelihood activities in Nyabiheke camp told Refugees International: “Many refugee businesses are supported with cash grants. There are many businesses in the camp, including in agriculture, food, tailoring, among others.”

11 UNHCR, The Government of Rwanda and the UN Refugee Agency launch the issuance of national refugee identification cards in Kigali, 30 August 2018, <https://www.unhcr.org/rw/13587-the-government-of-rwanda-and-the-un-refugee-agency-launch-the-issuance-of-national-refugee-identification-cards-in-kigali.html>

12 Rwanda Development Board, Business Registration, <https://org.rdb.rw/business-registration/> and UNHCR, Working in Rwanda, <https://help.unhcr.org/rwanda/services/work/>

13 MINEMA and the World Bank, Rwanda Economic Activity and Opportunity for Refugee Inclusion-2019, p.19, <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/817901558950692659/rwanda-economic-activity-and-opportunity-for-refugee-inclusion>

Access to Financial Services and Financial Inclusion

Financial inclusion plays a key role in economic inclusion of refugees, and Rwanda's National Financial Inclusion Strategy (NFIS) aims to increase the level of access to formal financial services (such as savings, loans, and remittance services) to 90 percent by 2024 from 68 percent nationally.¹⁴ While the NFIS is not a public document, it reportedly includes refugees as a priority group.¹⁵

Refugees' Right to Work

Rwanda's Refugee Law of 2014 provides that "...any person having obtained refugee status in Rwanda shall enjoy the rights and liberties provided for by international instruments on refugees ratified by Rwanda."¹⁶ These include the 1951 Refugee Convention, which grants refugees the right to engage in wage-earning employment and self-employment, and its 1967 Protocol.¹⁷

Rwanda does not restrict the rights of refugees to work, access to education, or to move freely about the country. Refugees can engage in meaningful economic activities outside the camps and integrate with the host community. In 2018, the Rwandan government and UNHCR launched a joint and ongoing exercise to issue identity cards to refugees.¹⁸ The refugee ID is a key policy improvement, and makes Rwanda stand out compared to many other countries in East Africa that require refugees to get a work permit.

"Just like the host community, refugees have equal rights to access job opportunities in Rwanda," a representative from MINEMA told Refugees International. "Access to such opportunities is, however, on a competitive basis, so refugees with the qualifications can apply and get the job on an equal basis."

UNHCR and MINEMA have developed a five-year strategy for refugee economic inclusion with an employment pillar that aims to equip refugees with skills and

14 Alliance for Financial Inclusion, Advancing the financial inclusion of forcibly displaced persons in Rwanda, p.12, https://www.afi-global.org/wp-content/uploads/2020/12/AFI_FDPs_CS_RWANDA_FINAL.pdf

15 Alliance for Financial Inclusion, Advancing the financial inclusion of forcibly displaced persons in Rwanda, p.4.

16 Rwanda: Law N°13 ter/2014 of 21/05/2014 relating to refugees, Article 18.

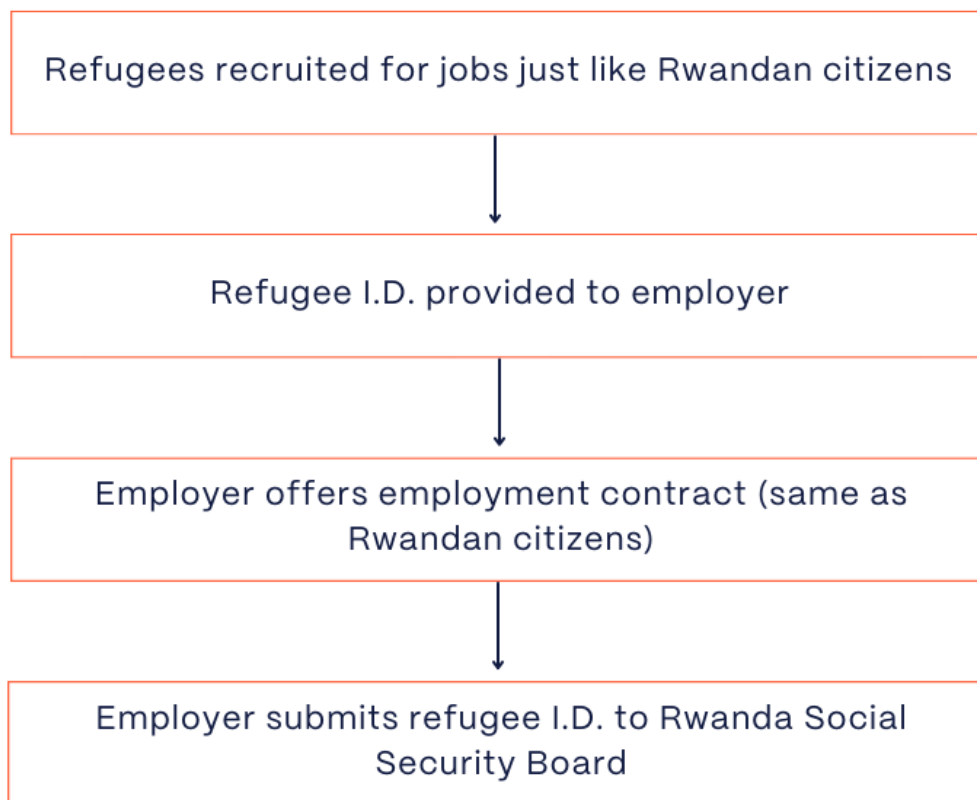
17 Refugee Convention of 1951, Articles 17 and 18.

18 UNHCR, The Government of Rwanda and the UN Refugee Agency launch the issuance of national refugee identification cards in Kigali, 30 August 2018, <https://www.unhcr.org/rw/13587-the-government-of-rwanda-and-the-un-refugee-agency-launch-the-issuance-of-national-refugee-identification-cards-in-kigali.html> and Alliance for Financial Inclusion (AFI), Advancing the Financial Inclusion of Forcibly Displaced Persons in Rwanda, July 2021, p. 13, https://www.afi-global.org/wp-content/uploads/2020/12/AFI_FDPs_CS_RWANDA_FINAL.pdf

knowledge to become self-reliant.¹⁹ A representative of MINEMA indicated that “the government acknowledges that for the refugees to access employment and make them competitive in the labor market, they need to have the required skills and knowledge.”

The Rwandan government’s 2017-2024 National Strategy for Transformation (NST), which sets goals for economic growth and development, includes job creation (with the aim of creating 1.5 million decent jobs over the seven year period) among its priorities.²⁰ Among the set interventions are to “support and empower youth and women to create business through entrepreneurship and access to finance.”²¹ The NST’s Social Transformation Pillar aims to “develop Rwandans into a capable and skilled people with quality standards of living and a stable and secure society,” including through programs to graduate people from poverty and extreme poverty.²²

REFUGEE HIRING PROCESS



19 MINEMA and UNHCR - Joint Strategy on Economic Inclusion of Refugees and Host Communities in Rwanda 2021-2024, <https://data.unhcr.org/en/documents/download/89117>

20 Government of Rwanda, 7 Years Government Programme: National Strategy for Transformation (NST 1), 2017-2024, p. 17, <https://faolex.fao.org/docs/pdf/rwa206814.pdf>

21 NST 1, p.17.

22 NST 1, p. 27.

Rwanda's National Employment Program (NEP) of 2014 set the goals of "creating sufficient jobs that are adequately remunerative and sustainable across the economy: and "equipping the workforce with vital skills and attitude for increased productivity that are needed for the private sector growth" as well as to "provide a national framework for coordinating all employment and related initiatives and activities in the public, private sector and civil society."²³ Programs include vocational training and apprenticeships²⁴ and support to micro, small, and medium enterprises (MSMEs) through mentoring and coaching by Business Development Advisors (BDAs).²⁵ The National Skills Development and Employment Promotion Strategy (NSDEPS) 2019-2024, which follows from the NEP, builds on the NEP's initiatives, including internships and the services of business development advisors.²⁶

However, neither the NST, NEP, nor the NSDEPS explicitly include refugees as part of their target populations, a missed opportunity for increasing the economic inclusion and self-reliance of refugees. In the upcoming NST2, expected in 2024, the Rwandan government should explicitly include refugees in the strategy and associated policy documents.

23 Government of Rwanda, Design of Five-Year National Employment Programme (NEP) for Rwanda, January 2014, p.4, <https://rwandatrade.rw/media/2014%20MIFOTRA%20National%20Employment%20Program%20NEP.pdf>

24 NEP p. 56.

25 NEP p.60.

26 Government of Rwanda, National Skills Development and Employment Promotion Strategy (NS-DEPS) 2019-2024, p.30, <https://lmis.rdb.rw/media/resources/NSDEPS.pdf>

Barriers

Lack of Data

Although Rwandan government policies support refugees' economic inclusion, a lack of data makes it difficult to measure the true impact of these policies. Indeed, refugees are not included in Rwanda's Labor Force Survey Trends.²⁷ Data on the skillset and level of education of refugees living in Rwanda would help tailor employment and vocational training programs to the needs of the labor market, benefiting refugee workers and Rwanda's economy. There is also a need for data on departures of refugees from camps to take up employment outside, so as to better understand how refugees make such decisions, and what challenges and opportunities such moves present.

As stated in a joint MINEMA-World Bank study, "data is required to better understand labor demand and the existing technical and vocational skills of refugees and host communities."²⁸

The Economic Context

Rwanda has set a goal of becoming an upper-middle income country by 2035, and a high income country by 2050.²⁹

The country's economy is driven by sectors such as agriculture, services, manufacturing, and construction. The share of subsistence agriculture in the population outside the labor force was 45.2 percent in February 2023. The share of agricultural workers in the total workforce (employed in agriculture and involved in subsistence agriculture) was 64.8 percent.³⁰ The government has been actively working on improving the business environment and ease of doing business in the country, which has attracted both domestic and foreign investment.

But Rwanda is experiencing economic challenges that are particularly impacting the most financially vulnerable, including refugees.

As of November 2022, Rwanda had an unemployment rate of 16.5 percent, with a higher rate (21.4 percent) among the youth population.³¹ The country is also

27 National Institute of Statistics of Rwanda, Labor Force Survey Trends – February 2022 (Q1), <https://www.statistics.gov.rw/publication/1810>

28 MINEMA and World Bank, Rwanda: Economic Activity and Opportunity for Refugee Inclusion, May 2019, paragraph 136, <https://data2.unhcr.org/en/documents/details/70595>

29 Republic of Rwanda, Vision 2050, December 2020, https://www.nirda.gov.rw/uploads/tx_dce/Vision_English_Version_2050_-31_Dec_2020.pdf

30 DP National Accounts (First Quarter 2023): <https://www.statistics.gov.rw/publication/gdp-national-accounts-first-quarter-2023>

31 Ibid, p. 21-22.

experiencing high inflation with a national average of more than 18 percent as of May 2023, and an even higher rate (28.2 percent) in rural areas, where the overwhelming majority of refugees live.³² Rwanda has been hit with particularly high food price inflation in rural areas, where food prices increased 46 percent between May 2022 and May 2023.³³

As a result of these economic headwinds, humanitarian needs among the refugee population remain acute. According to UNHCR, 94 percent of refugees living in camps were under targeted food assistance as of February 2023, with only 7 percent of refugees classified as “Least Vulnerable” and not receiving any cash for food assistance.³⁴ In 2021, the World Food Program had to reduce cash for food assistance to refugees due to funding shortfalls.³⁵ The refugee response in Rwanda remains underfunded, with only \$26.8 million (30 percent) of the requested \$90.5 million funded as of June 2023.³⁶ As described by a man living as a refugee in Nyabiheke, “the capacity of refugees to buy is decreasing day by day.”

In such a context, the struggle to meet their basic needs can make it less likely for refugees to engage in entrepreneurship or to risk losing the assistance they receive in camps to pursue employment outside.

As one woman living as a refugee in a camp described, “You can’t do business if you don’t have something to eat.”

In Rwanda, assistance in the form of housing and cash for food is contingent on living in refugee camps, with urban refugees (10 percent of Rwanda’s total refugee population) not eligible for financial assistance except in exceptional circumstances.³⁷ This puts refugees in a difficult position when faced with the prospect of looking for work outside camps.

Since 2021, the World Food Program has been providing cash for food to refugees living in camps in Rwanda based on three vulnerability categories: the first category, which is considered the most vulnerable and is the largest at 87 percent of refugees, receives the highest amount of cash for food.³⁸ The second, considered moderately

32 National Institute of Statistics of Rwanda, Consumer Price Index – May 2023, <https://statistics.gov.rw/publication/consumer-price-index-may-2023>. See also Rakesh Gupta Nichanametla Ramasubbaiah, Building shock responsive assistance for refugees in Rwanda: a tale of inflation and chronic vulnerabilities, November 2022, <https://www.unhcr.org/blogs/building-shock-responsive-assistance-for-refugees-in-rwanda/>

33 National Institute of Statistics of Rwanda, Consumer Price Index – May 2023.

34 UNHCR, Rwanda Operational Update, February 2023, <https://www.unhcr.org/rw/wp-content/uploads/sites/4/2023/04/UNHCR-Rwanda-Operational-Update-February-2023.pdf>

35 WFP Cuts Food Rations to Refugees in Rwanda as Funding Declines, 21 February 2021, <https://www.wfp.org/news/wfp-cuts-refugees-food-rations-rwanda-funding-declines>

36 UNHCR Rwanda Operational Update, June 2023, <https://data.unhcr.org/en/documents/details/102174>

37 UNHCR, Rwanda – Refugees and Asylum Seekers (urban), <https://reporting.unhcr.org/rwanda-refugees-and-asylum-seekers-urban-21>

38 UNHCR Rwanda, What We Do, Meeting Refugees’ Basic Needs, <https://www.unhcr.org/rw/what-we-do/meeting-refugees-basic-needs>

vulnerable (6 percent of refugees), receives half of the food assistance value. Another small percentage (7 percent) do not receive any food assistance. UNHCR also provides cash for energy in some camps. In the Mahama and Mugombwa camps, UNHCR provides the majority of households with liquefied petroleum gas (LPG) for cooking.³⁹

Taking on employment outside the camp means giving up assistance many have relied on and leaving behind the social networks they have formed in the camps, with no guarantee that the job will last—a difficult choice. As described by an NGO worker in Kigali, herself a refugee, “In Kigali, you have to pay for everything. It’s very hard when you’re starting in life.”

Barriers Associated with Encampment

In Rwanda, 91 percent of people living as refugees live in refugee camps.⁴⁰ The five camps are located around the country, with populations that range from 11,000 to 58,000.⁴¹

In most camps, the quality of the roads and connectivity to nearby towns is poor, with little or no public transportation, making access to local markets and services difficult and costly to camp residents and traders.⁴²

Access to electricity in Rwanda remains a challenge, particularly in rural areas. Indeed as of 2020, less than 50 percent of the population had access to electricity, and less than 40 percent did in rural areas, according to the World Bank.⁴³

The lack of connectivity to electricity is of particular concern to refugees living in camps. UNHCR has partnered with the group Practical Action to help refugees living in some camps with solar home systems (specifically, basic lighting and charging mobile phones), through local companies (including at subsidised rates).⁴⁴ But individual homes in refugee camps in Rwanda are not connected to the electrical grid, though the official policy as to why is not clear.

As stated in UNHCR’s Rwanda Country Response Plan for 2021, “Access to electricity in shelters in camps remains very low, and more than 95 percent of households

39 UNHCR, Access to Clean Energy for Refugees, Rwanda Case Studies, September 2022, <https://www.unhcr.org/sites/default/files/legacy-pdf/632481844.pdf>

40 UNHCR, Rwanda Operational Update, June 2023, <https://data.unhcr.org/en/documents/details/102174>

41 UNHCR Rwanda, Populations of Concern to UNHCR as of August 2022, <https://www.unhcr.org/rw/where-we-work>

42 MINEMA and World Bank, Rwanda: Economic Activity and Opportunity for Refugee Inclusion, May 2019, <https://data2.unhcr.org/en/documents/details/70595>

43 World Bank, Access to Electricity (% of population) Rwanda, <https://data.worldbank.org/indicator/EG.ELC.ACCS.ZS?locations=RW>

44 UNHCR, Access to Clean Energy for Refugees, Rwanda case studies, September 2022, p.19, <https://www.unhcr.org/sites/default/files/legacy-pdf/632481844.pdf>

have access to Tier 0-2 electricity services only.”⁴⁵ This has a detrimental impact on livelihoods, as “there are many business activities in the camp whose growth is constrained by a lack of energy access.”⁴⁶ Also according to UNHCR, in refugee camps in Rwanda, “89% of shops operate out of a HH [household].”⁴⁷

The lack of electricity was cited as a challenge by some refugees running small businesses in Nyabiheke camp. As described by one group that provides activities to refugees in Nyabiheke camp, “for refugees to be economically stable, there is a need for infrastructure. [We’re] helping them get electrical appliances such as fridges, but they need electricity.”

While some are able to operate their business in the camp’s business center, which is connected to electricity, the demand is higher than the available space. “If I could get a room in the business center, [I could have] milk, some fruits,” said one man who runs a snack bar in the camp. “You need electricity.”

The lack of electricity also restricts the ability of camp residents to be engaged in digital jobs. Indeed, the MINEMA-UNHCR Joint Strategy for refugees’ and host communities’ economic inclusion has identified the IT-sector for wage-earning employment, “particularly the global online labour market for computer programming or coding, micro-work, and data outsourcing.”⁴⁸ Access to electricity and internet in the camps will be key for refugees to be able to access such jobs.

The government has set a target of 100 percent electrification by 2024, with solar home systems and other off-grid solutions playing a key role in achieving it.⁴⁹ To achieve this ambitious goal, which is articulated in the government’s Vision 2050,⁵⁰ including a strategy to connect individual homes of refugees to electricity will be key.

Lack of Regular Wages for Jobs Performed within the Camps

While some refugees living in camps may find work with NGOs, international organizations, or the private sector, such work is often not categorized as employment and paid a salary. Instead, they receive small amounts as “incentive workers” or volunteers. A number of refugees work as teachers in local public schools, but they are

45 UNHCR, Rwanda Country Refugee Response Plan, January – December 2021, p. 7-8, <https://reporting.unhcr.org/sites/default/files/2021%20Rwanda%20Country%20Refugee%20Response%20Plan.pdf>

46 UNHCR, Rwanda Country Refugee Response Plan, January – December 2021, p. 8.

47 UNHCR, Access to Clean Energy for Refugees, Rwanda case studies, p. 20.

48 MINEMA and UNHCR, Joint Strategy on Economic Inclusion of Refugees and Host Communities in Rwanda 2021-2024, August 2021, p. 27, <https://data.unhcr.org/en/documents/details/89117>

49 Ministry of Infrastructure of Rwanda, Rwanda Targets More than 300 MW of Energy by 2024, Minister Gatete, January 2020, <https://www.mininfra.gov.rw/updates/news-details/rwanda-targets-more-than-300mw-of-energy-by-2024-minister-gatete>

50 Government of Rwanda, Vision 2050, https://www.nirda.gov.rw/uploads/tx_dce/Vision_English_Version_2050_-31_Dec_2020.pdf.

paid as incentive workers at a lower wage than Rwandan teachers.

UNHCR's 2017 Standard Operational Procedures (SOPs) for Hiring Refugees as Either Staff or Incentive Workers by UNHCR and Partners in Rwanda states that, "Wherever feasible and appropriate, UNHCR and partners should support the paid employment of refugees and encourage their fair remuneration commensurate with the work to be undertaken."⁵¹ The SOPs recognize that in-camp labor markets had been "organized as parallel labour markets where incentive payments jobs were reserved for refugees and real jobs reservices for non-refugees,"⁵² adding that "with these SOPs UNHCR and partners operating within refugee camps in Rwanda are given the freedom to hire people on market terms."

Yet during Refugees International's visit to Rwanda in May 2023, interviewees informed the research team that the practice of refugees working as incentive workers within refugee camps is ongoing, though there did not appear to be a clear policy explanation as to why.

"I went to school, I got a certificate like the Rwandan youth," a young man living in a camp told Refugees International. "But when we get work in the camp, we get RWF 24,000 [about U.S. \$20] per month, as volunteers."

Access to Capital

Accessing capital is essential for refugees who want to own and grow a business. However, refugees interviewed for this report—both in camps and in Kigali—cited the lack of collateral as a barrier to accessing loans from commercial banks to expand their business. A joint MINEMA-World Bank study on economic activity for refugees in Rwanda had a similar finding: "access to finance is consistently identified as a major constraint to self-reliance by host communities and refugees alike. It is a particular challenge for refugees, who often lack collateral and legal identity and are also considered a flight risk by financial institutions."⁵³

A Burundian bar owner in Kigali told Refugees International that he had applied to commercial banks for loans many times, with the goal of scaling his business. "I have 25 employees," he said, adding that he had an almost equal number of Rwandans and Burundians. "I want to hire more. I want to have a restaurant, a bar, a hotel, a pool." A Congolese business owner, also in Kigali, told Refugees International that she was training people to start their own businesses. "I want to expand the training," she said.

51 UNHCR, Standard Operating Procedures for Hiring Refugees as Either Staff or Incentive Workers by UNHCR and Partners in Rwanda, June 2017, <https://www.unhcr.org/rw/wp-content/uploads/sites/4/2017/07/SOP-for-hiring-refugees-Final-Version.pdf>

52 Ibid.

53 MINEMA and World Bank, Rwanda: Economic Activity and Opportunity for Refugee Inclusion, May 2019, paragraph 136. MINEMA and World Bank, Rwanda: Economic Activity and Opportunity for Refugee Inclusion, May 2019, paragraph 136.

“But without collateral, I can’t get loans from commercial banks.”

“I wanted RWF 2.5 million [around U.S. \$2,100],” one refugee living in Nyabiheke camp told Refugees International. “I presented the project to the bank, they said I did not have collateral.”

Many refugee entrepreneurs obtain loans from the social enterprise Inkomoko, which works with host communities and refugee micro and small entrepreneurs, providing services that include business advice and loans without the requirement of collateral.⁵⁴ Inkomoko explained to Refugees International that a way for them to minimise risk is by getting to know potential borrowers through the training sessions they provide.

Reports of Discrimination

Discrimination is another barrier that prevents refugees from accessing the labor market. Several refugees told Refugees International that they had faced difficulties in getting and keeping jobs as refugees, either because they were not able to apply online for certain jobs because the platforms would not accept their refugee IDs, or due to what they felt was a discriminatory attitude from employers or co-workers.

“It’s very difficult. If you go to apply for a job, they ask if you’re a resident,” said an NGO worker who is a refugee. “Some jobs say they’re just for Rwandans. They see from the number of the ID that you’re a refugee. It’s not easy to get even a volunteering opportunity,” she said.

“There are employers who are suspicious of refugee IDs,” a woman from Burundi who lives in Kigali told Refugees International. “We don’t know why.”

Two refugees living in Kigali who had been employed in the past told Refugees International that they had faced threats and intimidation from co-workers.

Lack of Awareness of Policies

Another barrier to refugees’ economic and financial inclusion is the lack of awareness among certain potential employers and financial institutions about the inclusive policies that grant refugees in Rwanda the right to work and to access financial services with their refugee identity cards.

The 2019 joint MINEMA-World Bank study on refugee economic inclusion in Rwanda found that “many employers – and even refugees themselves – are unaware of the

54 See <https://www.inkomoko.com/>

Green Initiatives

Rwanda's green initiatives reflect the government's commitment to sustainability, climate resilience, and environmental protection. While specific details of each initiative are not provided in this report, the broader landscape showcases efforts in climate change mitigation and adaptation, environmental management in refugee camps, sustainable farming practices, green energy solutions, sustainable infrastructure development, biodiversity conservation, and waste management.

This research has found that there are a number of green initiatives that are relevant to refugee livelihoods in Rwanda. These initiatives collectively contributed to jobs creation while at the same time promoting environmental sustainability, mitigating climate change impacts, and ensuring long-term well-being of refugees and the host community.

An example of initiatives to encourage access to green jobs is the Nyabicwamba marshland project, outside the Nyabiheke camp. With funding from the government of Denmark, UNHCR, in collaboration with the government of Rwanda, is supporting refugees and members of the Rwandan host community farm soybeans and maize using climate-smart agricultural practices on land made available by the local district, who then sell their crops as a cooperative.¹ Such initiatives aim to improve agricultural productivity, while minimizing negative environmental impacts through techniques such as agroecology, which uses ecological and social concepts to design and manage more sustainable agriculture and food systems; resource conservation; and organic farming.²

Finally, one of the biggest challenges in refugee camps is accessing affordable energy for cooking and lighting.³ To solve this challenge in a more sustainable manner, projects in some camps have aimed at introducing alternative sources of energy such as Solar Home Systems and solar street lights for lighting, and liquefied petroleum gas (a safer and cleaner alternative to firewood) for cooking.

1 UNHCR Rwanda, Refugees in Nyabiheke camp and host communities embrace self-reliance drive through a farming project, August 2022, <https://www.unhcr.org/rw/17581-refugees-in-nyabiheke-camp-and-host-communities-embrace-self-reliance-drive-through-a-farming-project-2.html>

2 FAO, Agroecology Knowledge Hub, <https://www.fao.org/agroecology/overview/en/>

3 UNHCR, Renewable Energy for Refugees (n.d) <https://www.unhcr.org/renewableenergy4refugees/>

refugees' right to work and are, consequently, unwilling to employ them.”⁵⁵ The joint MINEMA-UNHCR strategy on economic inclusion of refugees and host communities found that “even though urban refugees have been granted access to the national health insurance and have been issued refugee ID cards, some refugees still report that many employers do not accept refugee ID cards as a valid document.”⁵⁶

According to Inkomoko, “We [Inkomoko] are in touch with many banks locally, and most of the time they’re surprised that refugee identity cards can be used formally for documentations.”

Conclusion

With its inclusive economic policies towards refugees and its progressive approach to self-reliance, Rwanda stands out in East Africa and globally as a country that has many lessons to share. Yet refugees living in Rwanda still struggle to access work, as do many Rwandans in an economic context that presents hardships for all. Turning refugees' right to work into reality would hold benefits for refugees and host communities alike, as efforts should focus on improving infrastructure in and around refugee hosting areas, supporting refugees and Rwandans to find work in the private sector, and improving conditions for refugees to access loans and scale their businesses. This, in turn, would lead to more taxes paid to the government and more employment created.

Despite Rwanda's welcoming narrative towards refugees, no country is immune to prejudice, and the Rwandan government, with the support of international donors and humanitarian and development organizations, should promote equality and non-discrimination between refugees and host communities. The government should explicitly include refugees in policies that would help them better access jobs and training, prioritizing green jobs that will help meet Rwanda's climate and economic goals.

⁵⁵ MINEMA and World Bank, Rwanda: Economic Activity and Opportunity for Refugee Inclusion, May 2019, paragraph 45.

⁵⁶ MINEMA and UNHCR Joint Strategy on Economic Inclusion of Refugees and Host Communities in Rwanda 2021-2024, May 2021, p.4.

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