

# Enabling the Economic Inclusion of Refugees: Lessons on Providing Refugees with Timely Access to Labour Markets

BRIEFING PAPER  
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This briefing paper by the World Economic Forum's [Refugee Employment Alliance](#) builds on its first [briefing paper](#), which examined what enabled the rapid labour market inclusion of Ukrainian refugees to identify globally relevant strategies for refugee employment. That paper focused on the EU's historic enactment of the 2001 Temporary Protection Directive, which provided the legal grounds for those fleeing to access socioeconomic support and employment.

The legal clarity afforded to Ukrainian refugees helped motivate workforce solutions across the private sector. Many employers considered the skills of Ukrainian refugees and adapted vacancies accordingly while also partnering with third-sector partners to meet the wider support needs of those fleeing.

The four takeaways presented below summarize lessons learned, illustrating what public and private sector partners can do to accelerate refugee employment:

## Accelerating refugee employment: Four take-aways from the rapid response to the crisis in Ukraine



Timely access to work



Skills-based hiring



Proactive job matching



Holistic integration support

The centrality of timely access to work in unlocking employment opportunities for refugees motivates this briefing paper. By illustrating how countries can allow refugees access to work while addressing the needs of local economies simultaneously,

the paper invites global leaders to build and accelerate commitments that provide refugees early access to local labour markets. Providing timely access to work is key to the long-term economic inclusion of refugees.

# Enabling timely access to work benefits both refugees and host economies

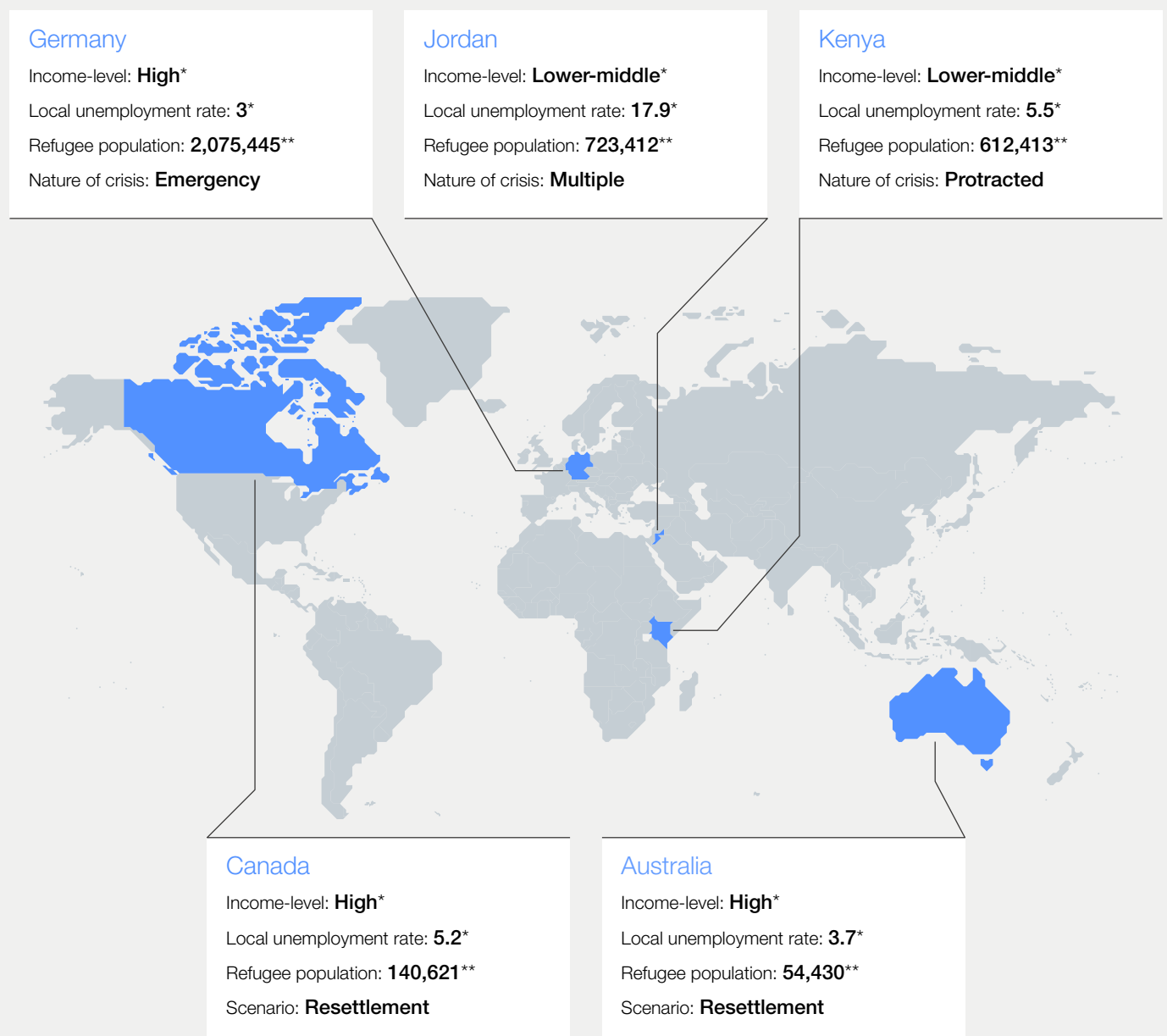
The World Economic Forum's *The Future of Jobs Report 2023* finds that 53% of companies cite the inability to attract talent as one of the main barriers to business transformation, with skills gaps in local labour markets accounting for 60% of the challenge. Despite these pressures to find talent, the employment gap between refugees and migrant groups – commonly referred to as the “refugee gap” – highlights that refugees remain a source of untapped potential for host countries and the global labour market more broadly.

While the cost to refugees is self-evident, countries also have an imperative to provide timely access to work to ensure wider social cohesion and strong national employment outcomes. [Hainmueller et al.](#), for example, find that one additional year of “waiting time” – the period from the submission of an asylum application to a decision on legal status and thus the right to work – reduces the subsequent employment rate by four to five percentage points. This affects the mental health of refugees, their motivation to join the labour market and the likelihood of

their relevant skills atrophying. Streamlining refugees’ access to work can support their ambitions for self-reliance while offering businesses a way forward on talent.

This briefing paper draws on four country case studies to illustrate how national strategies can be developed to enable timely access to work for refugees while delivering on local labour market needs. It also includes two company case studies that highlight opportunities for public-private collaboration, inviting global leaders to consider the policies and partnerships that can accelerate refugee employment.

The countries are selected based on their global relevance as host countries and to provide variation both in terms of the type of refugee crises being responded to and the local labour market context within which inclusion occurs (i.e. in national income and unemployment). In so doing, this briefing paper aims to identify strategies for timely access to work that account for the needs in local labour markets.



\* World Bank, 2022, \*\* UNHCR, 2022

# Inclusion in low and middle-income countries

According to the UNHCR, [76% of the world's refugees are hosted in low- and middle-income countries](#), many of them projected to see a [rise in their working-age populations](#) over the next three decades. In parallel, low- and middle-income countries currently face the largest [jobs gap](#): a

measure of the number of people who would like to work but do not. The following case studies, therefore, explore how refugee inclusion in local labour markets can work in tandem with wider economic development and growth objectives.

## JORDAN

### Crowd-in investments that stimulate jobs for both refugees and the local population

#### Number of refugees impacted

Jordan has played a significant role in responding to the Syrian crisis since its onset in 2011. In 2012, the Za-atari camp was opened to meet the growing need, and at its peak [hosted approximately 120,000 refugees](#). In addition to those in camps (Za-Atari and elsewhere), the estimated number of refugees from Syria in Jordan stood at [670,637 in 2021](#).

#### Key laws and policies implemented

In 2016, influenced by economic estimates of the development opportunity associated with refugee inclusion (see for example, [Bretts and Collier, 2015](#)), the legal and policy landscape shifted in favour of refugees: the Jordanian government and international community signed the [Jordan Compact Agreement](#), which committed over \$2 billion in direct grants and preferential trade agreements with the European Union in return for Jordan's support for Syrian refugees.

As part of the compact:

- Work permit fees were waived and mobile work permit stations were established to ease refugees' access to administrative services.
- Social security and medical health requirements that employers had to complete for prospective Syrian hires were relaxed.
- Agricultural cooperatives and the General Federation of Jordanian Trade Unions were given the right to issue non-employer specific work permits in various sectors (e.g. agriculture and construction), giving Syrian refugees flexibility to travel across the country in search of job opportunities in these sectors.
- The International Labour Organization (ILO) developed [Employment Intensive Investment Programmes](#) to stimulate job creation while expanding the availability of quality infrastructure, targeting both Syrian refugees and local Jordanians for newly created jobs.

#### Results

Between December 2015 and May 2021, [over 230,000 permits were issued](#). The labour force participation rate among Syrians in Jordan increased from 28% in 2014 to 33% in 2018, while unemployment rates fell from about 60% to 8% in the corresponding years. Workplace integration additionally offered a pathway to shift the narrative on Syrian refugees – [when surveyed in 2014](#), 90% of Jordanians believed that Syrians were pushing wage levels down compared to only 65% with the same belief in 2020. In 2014, 12% of Jordanians expressed trust in Syrian refugees compared to 48% in 2018. The Syrian refugee presence [heightened economic vs. "economy" activity](#) in the country with estimates of wholesale trade increasing by 47% between 2011-2016 and retail trade increasing by 38%. According to the Jordan Ministry of Planning and International Cooperation (MOPIC), Syrian investments in Jordan totalled [42 million Jordanian dinars in 2012 and 49 million Jordanian dinars in 2013](#), contributing to an acceleration in real GDP growth.

## Make the economic case for enabling refugee employment to drive support for policy and legislation

### Number of refugees impacted

Kenya is home to [two of the world's five largest refugee camps](#): Kakuma and Dadaab, both of which were established in the early 1990s. The camps continue to host upward of 200,000 people each, primarily from the protracted displacement crises in Sudan and Somalia; [46% of refugees in Kenya are of working age, while 51% are under the age of 17](#), pointing to employment and access to education and skills as twin priorities.

### Key laws and policies implemented

In 2015, [a World Bank study](#) illustrated the beneficial impact of refugees on Turkana's economy (the county in Kenya where Kakuma is located); gross regional product of the region increased by 3.4% while total employment increased by 2.9% as a result of the refugee presence. The study then modelled the economic impact of moving from refugee camps to community integration and hypothesized a 6% increase in per capita income in Kenya. While cash transfers played an important role in driving the positive effect of refugees on the local economy, the impact was sustained once transfers were phased out.

### Results

The context-specific economic modelling focused the policy discussion and in 2017, Kenya signed on to the [Nairobi Declaration](#), acknowledging the need to align humanitarian assistance with local development policies and legislate for the rights of refugees as a result. The [Kalobeyi Integrated Socio-Economic Development Plan](#) in 2018 articulated a regional development plan for the benefit of refugees and the local population that, akin to the experience in Jordan, mobilized international finance. The International Finance Corporation (IFC) launched a \$25 million fund to support small and medium-sized enterprises and local entrepreneurs in Turkana with access to capital, effectively mobilizing job creation in the region.

By affirming the complementarity of refugee protection and economic growth, Kenya was able to incrementally build support for refugees and in February 2022, the Refugees Act came into effect. The legislation gives refugees documentation to protect and formalize their access to services – a crucial step to ensure refugees can access education opportunities for continued skills development and bank accounts to access wider support and investment – both of which are critical factors to enabling the long-term employment and entrepreneurship of refugees.

### Spotlight on public-private cooperation: Skillsoft and iamtheCODE

The World Economic Forum's *Future of Jobs Report 2023* projects that 44% of workers' skills will be disrupted in the next five years, emphasizing the urgency to build and diversify talent pipelines to meet the demands of a rapidly changing labour market. Skill development is key in this time of global change, given the growing skills gap and rising trend in global displacement. A scaled learning approach is vital in equipping displaced peoples with the future skills required to capture employment opportunities offered by the advancing economy.

In March 2022, Skillsoft launched a strategic partnership with iamtheCODE – an African-led global non-profit that is advancing access to STEAM (Science, Technology, Engineering, Arts and Mathematics) education. Together, Skillsoft and iamtheCODE launched a 12-week blended learning programme at the Kakuma refugee camp in the Spring of 2022. Hosted on Skillsoft Percipio, a platform for learning experiences, the curriculum covers four prioritized programming languages in demand by employers. Women and girls who participate in the programme can access the platform in both online and offline modes – a key provision considering the prevalent connectivity issues in refugee camps. Ultimately, they can earn certifications that are highly valued by employers.

Since its inception, the programme at the Kakuma Refugee camp has served more than 6,000 girls, exemplifying how online learning providers can partner with local providers to invest in skills development during times of displacement. This preparation is geared towards labour market entry and enabling refugees to create and access the jobs of the future.



# Inclusion in high-income economies

By the end of 2022, [Europe, including Türkiye, hosted 36% of all refugees](#). As Ukrainian refugees sought refuge in neighbouring countries, the number of refugees in European countries rose from 7 million at the end of 2021 to 12.4 million at the end of 2022. Germany continues to play a substantial role supporting asylum seekers in the region while other

advanced economies, including the United States, Canada and Australia, continue to play a role via resettlement pathways.<sup>1</sup> With ageing populations and continued competition for talent, advanced economies can benefit significantly from refugee talent by focusing on enabling refugees to access to good work.

## GERMANY

### Provide access to work and training while asylum decisions are pending

#### Number of refugees impacted

Germany has supported over [900,000 refugees from Ukraine](#) and currently represents the largest refugee-hosting country in the European Union. But it was the 2015 migrant crisis in the Mediterranean that marked a turning point in Germany's role as a host country: approximately [2.4 million asylum seekers](#) sought refuge in the country.

#### Key laws and policies implemented

Recognizing the asylum processing system was unprepared to deal with the large influx, German policy-makers [enacted a series of regulations to streamline procedures](#) via the Asylum Procedure Acceleration Act of 2015.

A core component of the act was the introduction of a [cluster approach](#), whereby cases were differentiated by likelihood of protection – certain countries have a higher likelihood of asylum applications being approved over others. Those originating from countries likely to be granted asylum were fast-tracked and given immediate access to integration services as well as professional training programmes, without the risk of deportation. For example, the “Refugee Integration Measures” programme created charitable jobs, designed to provide workplace exposure

and professional skills to asylum seekers awaiting formal decisions. Employers were additionally encouraged to offer professional training programmes. If a refugee did not pursue a career with the company that provided training, a further six-months to find new employment was allowed. For those who successfully secured employment, they had the right to a residence permit for two years. Through this, employers had an incentive to invest in the human capital development of those with pending decisions.

#### Results

By 2018, 72% of asylum seekers had been granted protection. By 2020, at least 50% were in work or paid training, illustrating progress but the persistence of unemployment despite high protection rates. In looking further, [studies](#) on the German response point to the role of local labour market matching; refugees who were assigned to counties with high unemployment rates were less likely to be in employment or education five years. Companies who did succeed in hiring refugees found that [refugee hires increased overall employee satisfaction](#) by contributing to a wider sense of purpose within the company and allowing non-refugee hires to meaningfully engage in wider social issues in a tangible way. Those surveyed additionally cited [gains in creativity, productivity and talent retention as direct benefits of refugee hiring](#).

#### Spotlight on public-private cooperation: Randstad and the Municipality of Almere, the Netherlands

In January 2023, [Randstad](#), the Dutch [Central Agency for the Reception of Asylum Seekers](#) (COA) and the Municipality of Almere launched a jobs pilot for asylum seekers that strives to make productive use of the time spent waiting for protection decisions. The programme is open to asylum seekers as well as those refugees who have received a residence permit.

The programme begins with the COA inviting asylum seekers interested in finding work to register their interest. Randstad then interviews candidates to understand their skills and employment aspirations, subsequently matching asylum seekers to employers within the company's global network. To maximize the likelihood of success, Randstad offers intensive guidance up to and including the first six months of work.

The company further facilitates the process by working with employers to process work permits for those in the pilot and has advocated for existing restrictions that limit asylum seekers' access to the labour market for 24 weeks a year to be removed. Since its launch, all those participating in the programme have been matched with jobs while more continue to submit their interest.

1. Asylum seekers apply for protection in the first country they reach. In contrast, resettlement involves relocating to a third country once refugee or equivalent status has been granted.

## Adapt traditional migration routes to give refugees access to global labour markets

### Number of refugees impacted

[Canada, the United States and Australia are traditionally the top three resettlement countries](#), collectively welcoming a large share of global refugee resettlement. Resettlement allows high-income countries to share responsibility with low- and middle-income countries that welcome large numbers of asylum seekers. In 2022, 47,600 arrivals were registered in Canada and 17,300 in Australia.

In addition to traditional resettlement, Canada and Australia have also established pilots to make their skilled migration pathways more accessible for refugees.

### Key laws and policies implemented

In 2022, a multistakeholder, coalition including the governments of Canada and Australia, launched the [Global Task Force on Refugee Mobility](#), responding to the call for additional legal pathways made at the [2018 Global Compact for Refugees \(GCR\)](#). Consistent with the GCR, Canada launched its [Economic Mobility Pathways Pilot \(EMPP\)](#) in 2018 while in 2021, Australia launched its pilot, the [Skilled Refugee Labour Agreement Program](#). Both programmes combine economic migration with refugee protection, meaning refugees and other displaced persons with specified skills access an economic migration route that is adapted to account for their unique circumstances.

In its first iteration, the pilot program in Canada was open to help refugees access three existing economic immigration pathways; in Spring 2023, the pilot introduced a new standalone immigration pathway specific for refugees and displaced people which provided those with a job offer and, in a more limited scope, those without a job offer, the right to live and seek work in Canada. In recognition of the displacement-related barriers that many refugees and displaced people may face when applying for traditional economic immigration programs, the government introduced a number of facilitation measures such as allowing for “past work experience” to be evidenced in small increments over a longer period of time and allowing flexibility in education requirements.

While the relatively high degree of public support for migration and refugees in Canada allows for a consideration of alternative approaches, the persistence of [high vacancy rates across numerous sectors](#) further motivates a search for global talent. To this end, Canada has successfully recruited into the healthcare sector – specifically eldercare – recognizing the transferable skills associated with foreign credentials.

Refugees and displaced people sponsored under Australia’s Skilled Refugee Labour Agreement Pilot program can access several concessions to standard visa criteria aimed at removing barriers to employer-sponsored skilled migration pathways and making it easier for Australian employers to hire from this talent pool. For example, skills assessments, minimum work experience and labour market testing requirements are waived, and flexible arrangements are in place for police checks and travel documents. A minimum income threshold assists in mitigating the risk of the pilot being used to exploit migrant labour.

Both pilots are supported by a network of third sector partners: [Talent Beyond Boundaries](#), for example, plays a key advisory role in the design and implementation of the pilots, while additionally, facilitating employment matches via its Talent Catalogue. The [Talent Catalogue](#) collects comprehensive data on the professional backgrounds of thousands of refugees and displaced people. As at the end of August 2023, there were 70,300 displaced people registered in the Talent Catalogue.

### Results

Since the Canadian pilot started in 2018, 164 total people (60 principal applicants and 104 dependants) have been admitted to Canada. Canada aims to further grow the program to welcome up to 2,000 skilled refugees and displaced people, as well as their families. As of August 2023, the Australian Skilled Refugee Labour Agreement Pilot’s has provided 57 primary applicants and 89 dependents permanent residence in Australia. Australia recently extended the pilot for a further two years (from 1 July 2023 to 30 June 2025) with an allocation of 500 primary places (plus members of the family unit).

# The Road to the World Economic Forum’s Annual Meeting 2024

If policies are designed to meet the needs of local economies and access to local labour markets is provided in a timely manner, refugees can play an instrumental role in contributing to the socioeconomic goals of host economies. The case of Jordan and Kenya highlight how making the case for economic opportunity associated with refugee employment can crowd-in financial support and drive legislative change – factors that enabled refugee employment while stimulating jobs and economic activity in line with local development goals.

Germany, Canada and Australia are among the advanced economies that will see demographic shifts put pressure on the available labour force in the future – allowing refugees immediate access to training and work while asylum decisions are pending (Germany) and building additional pathways to refugee mobility from countries of first asylum (Canada and Australia) are policies that benefit host countries and meet the needs of those displaced.

This briefing paper makes the case for providing refugees timely access to work by illustrating the mutual benefits. The paper adds to the Refugee Employment Alliance’s contribution in

May 2023 to [Putting Skills First: A Framework for Action](#), which illustrated how companies could deploy skills-first approaches and proactive matching strategies to deliver on refugee hiring commitments while advancing business goals simultaneously. Taken together, it is clear that countries and companies are both incentivized to leverage the untapped potential of refugees in meeting the evolving needs of global labour markets today and into the future.

In distilling key strategies to scale refugee employment and socializing a dialogue on these promising pathways, the Refugee Employment Alliance aims to accelerate the pace and extent of refugee hiring. In December 2023, the alliance will join its co-chair, UNHCR, at the [Global Refugee Forum](#), driving towards a collective ambition of supporting 1 million refugees by 2027. In view of this milestone, partners and guests of the alliance are called to build and expand on existing commitments to refugee employment and employability. In January 2024, the alliance will again bring ministers and corporate leaders together at the World Economic Forum Annual Meeting 2024, keeping refugee employment and a proactive response to displacement on the global agenda.

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## Refugee Employment Alliance co-chairs and partners

### Co-chairs

**Kelly Clements**, Deputy, United Nations High Commissioner for Refugees (UNHCR)

**Tolga Öncü**, Manager, Retail Operations, Ingka Group (IKEA)

### Partners

Adecco	Flex	Kale Holding	Tent
Agility	GEP	Limak Holding	The Global Task Force on Refugee Labour Mobility
APCO Worldwide	Globalization Partners	ManpowerGroup	United Nations Educational, Scientific and Cultural Organization (UNESCO)
BP	Greyston	Randstad	Velocity Global
Coursera	International Federation of Red Cross and Red Crescent Societies (IFRC)	SAP	
DHL Group		Skillsoft	

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