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Sustainable Economic Inclusion for Forcibly Displaced People

Catalyzing Private Sector Development in Displacement and Return Contexts

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Setting the Context

Why is *Self Reliance and Inclusion* relevant:



73% displaced persons live in **low- and middle- income countries**



Humanitarian system is over stretched: not designed to provide long-term solutions



Parallel systems hinder people and communities from realizing human capital and development dividends



GCR is opening up space:

Self reliance and inclusion is not new, rather reinforces the principles of the GCR and commitments made at the GRF in 2019 and 2023

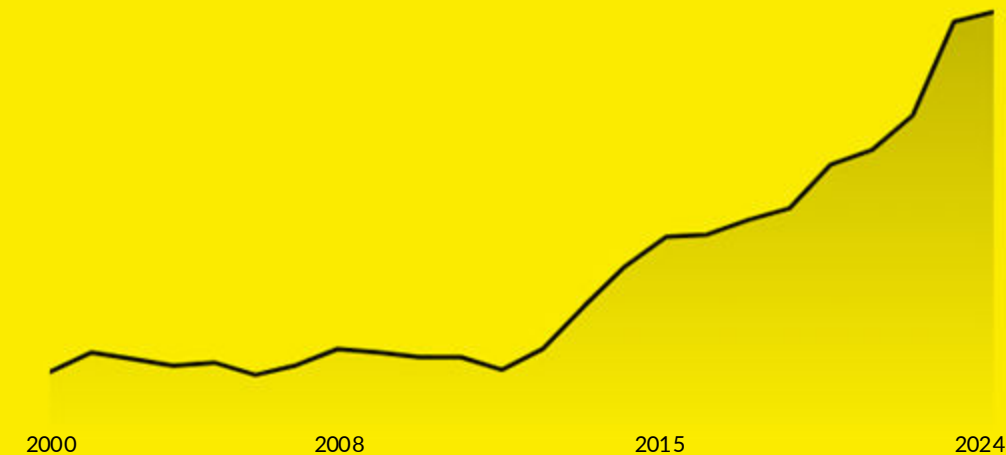


Inclusion approaches are demonstrating important gains and cost-savings

123.2 MILLION

forcibly displaced people worldwide

at mid-2024 as a result of persecution, conflict, violence, human rights violations, or events seriously disturbing public order.



Care & Maintenance

- Risk of **parallel service delivery**
- **Fragmented financing** – limited linkage with development and private sector financing
- **Annual programs**
- **Limited sustainability** – focus on short-term
- **Limited linkage with government** systems and initiatives
- **Not cost-effective** and efficient way of response in the long-term

Essential Elements of Sustainable Responses

Strengthening the **whole-of-government leadership** of the comprehensive response

Multi-stakeholder partnerships – private sector, development actors

Supporting **supportive law, policy and administrative environments** across all sectors

Investing in **timely, reliable socio-economic data & evidence**

Comprehensive responses

Collective efforts and measures, under national ownership, aimed at delivering more sustainable and inclusive responses for displaced and host communities to:

- promote **socio-economic inclusion from the start**
- Enhance **self-reliance and resilience**
- Support conditions in countries of origin for **return in safety and dignity**



Promote Inclusion

through enabling policies and investments in national systems and services



Enhance Self-reliance

by promoting healthy, safe and educated individuals who have the right to work & contribute to their communities



Enable Solutions

by investing in the dignified future for displaced, realizing the goals of the Global Compact on Refugees

SUSTAINABLE RESPONSES

- leverages comparative advantages of HDP actors
- supports government-led strategies for inclusion
- adopts a whole-of-government approach
- integrates international financing for HDP efforts
- prioritizes voluntary returns & resettlement
- ensures timely, reliable socio-economic data
- enhances coordination across HDP & UN system
- empowers self-reliance of displaced & hosts

Areas of Focus



Leverage development partners' political, financial and technical capacities from the onset



Prioritize education and skills development to advance economic inclusion and self-reliance



Shift focus to self-sustained food systems and agricultural opportunities through multi year plans and strategies



Facilitate gradual transition from humanitarian assistance to national social protection systems



invest in building a socio-economic evidence base to inform programming



Reinforce Cash Based Interventions: to increase dignity, protection outcomes, and facilitate inclusion



Renew interest around environmental sustainability and climate resilience in technical areas



Strengthen existing partnerships & explore new opportunities with peace and private sector actors



Data and Evidence

Reliable data informs protection, planning, and policy decisions.

- Data and evidence from the Joint Data Centre (JDC) have shaped national policies and catalyzed major development investments—supporting refugee inclusion, migration governance, and sectoral planning in countries like Ethiopia (work rights), CAR (development planning), Jordan (refugee response), Colombia (integration), Chile & Peru (migration policies).
- JDC evidence has also informed approx. \$3B in development programming across seven countries.

Examples | Economic and Financial Inclusion

- Colombia → **Work permits** for 500,000 Venezuelans → +31% income, +60% consumption, no negative impact on employment.
- Kenya – Kakuma → **Refugee businesses** → +3.4% to GDP, +2.9% to employment.
- Uganda → **Blended Finance Programme** → Access to financial services for 130,000+ refugee and host entrepreneurs.
- Mexico **Local Integration Programme** → partnership with more than 650 companies, 50,000 refugees and asylum-seekers, US\$15M annual fiscal contribution.
- **IFC-UNHCR Joint Initiative** → Kenya: \$20M risk-sharing facility for refugee financial access → Poland: \$17M second-loss guarantee for refugee/host loans.
- **WB/UNHCR Measuring impact** enabling refugees to work delivers a triple win –



Key Partnerships



Pursue deeper partnerships with Bilaterals, IFIs, NGO's, RLO and UN agencies

We've seen progress when countries:

- **Refugee/RLO participation** in policy and program
 - **Leverage global commitments** (MoUs & Policies) for burden- and responsibility-sharing
 - Use **Country-level LoUs to frame predictable collaboration** & harmonized advocacy
 - **Engage the development arm** of agencies to advance inclusion (WASH, Education, etc)
 - **Engage with NGOs** on sustainable responses, including social protection and the inclusion of national systems. protection, emergency response and cluster coordination.
 - Support the elaboration of **UN Sustainable Development Cooperation Frameworks**
- **Regional/Global consultations with forcibly displaced people**
 - **World Bank Policy: Forcibly Displaced**
 - **EU INTPA: Forced Displacement Policy**
 - **German Cooperation: New BMZ Strategy**
 - **Global MOUs with several major NGO partners, including NRC, DRC, LWF, and Oxfam**
 - **ILO: 2016 MOU - Joint Action Plan (JAP) for 23-25**
 - **UNDP: Global Collaboration Framework 23-25**
 - **WFP: Joint Agreement**

Call to Action: The way forward



- Shift focus from broad agreement to practical, context-specific implementation.
 - High-Level Officials Meeting (Dec 2025) to review strategies and progress.
 - Stocktaking of GRF pledges to inform future planning and delivery.
 - Continued support for nationally-led and area-based approaches.
 - Align efforts with national plans and cooperation frameworks for impact.
- UNHCR is committed to working with all stakeholders to enhance PSD for displaced populations.

Together, we can create sustainable economic opportunities and build resilience for refugees and host communities