



► **From hand-outs to inclusive market systems: the journey of the ILO-UNHCR collaboration**
with practical examples from Nepal and Kenya

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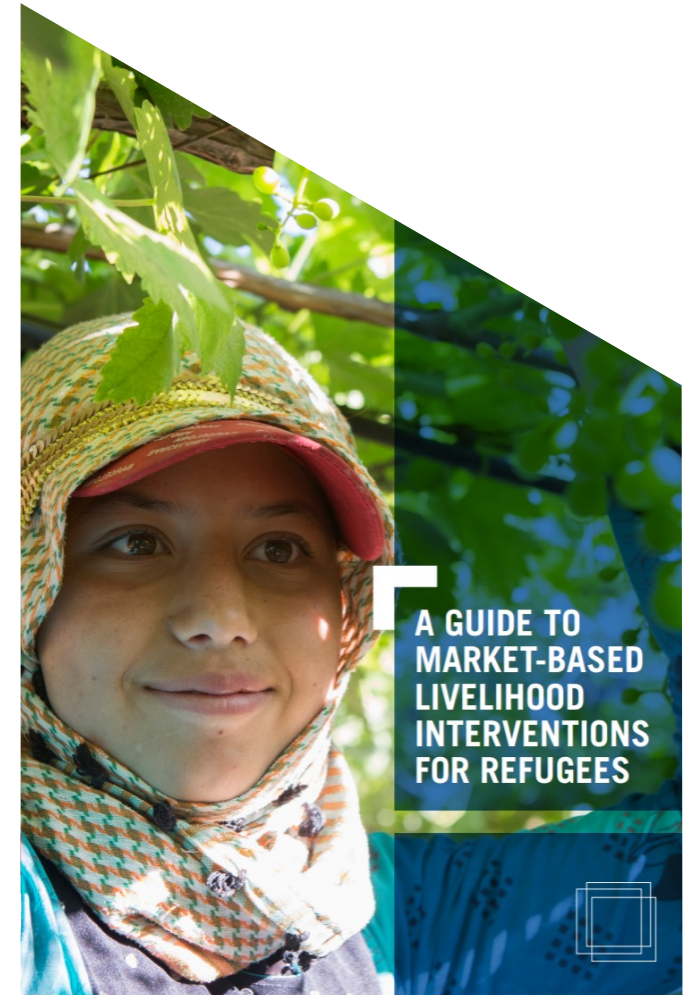
Approach to Inclusive Market Systems (AIMS) – Global Coordination
ILO – MSME Branch

► The start of the ILO-UNHCR collaboration

- UNHCR interested in collaboration to enhance livelihood interventions for refugees
- ILO-UNHCR agreement focused on conducting in-country assessments, 'support-clinics' and capacity building measures for UNHCR staff and partners
- Beginning marred with challenges: different mandates and ways of working, different language made it difficult to find a common vision.

But eventually: collaboration led to design of a joint approach:

'ILO-UNHCR Approach to Inclusive Market Systems (AIMS)'



What does building inclusive market systems mean?

Most projects work here

Through:

- Strengthening skills and capacities
- Access to grants and finance
- Promoting cooperatives
- Etc

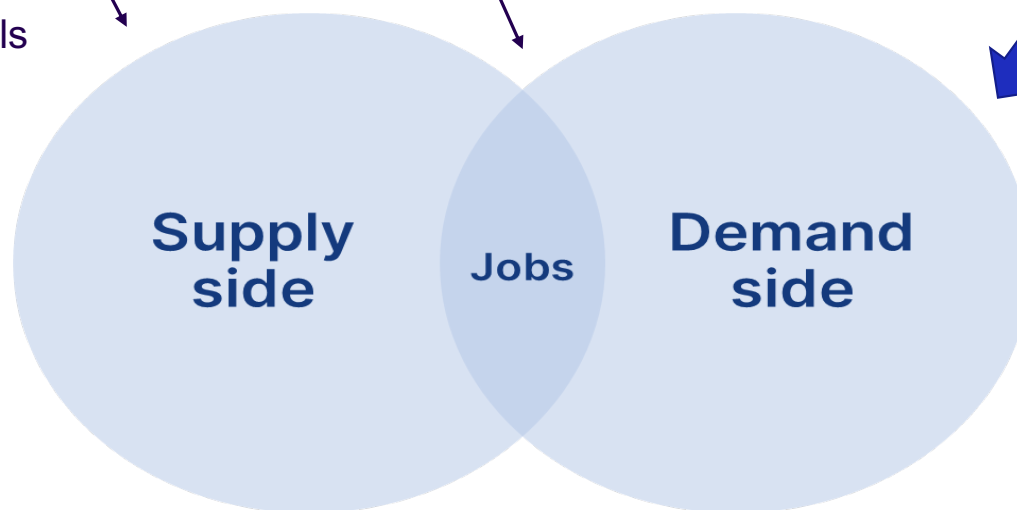
Or here

Through employment services and matching

BUT:

what is really missing is **jobs** and **market opportunities!**

AIMS works to develop sectors with potential to create more opportunities for refugees



► Challenges for collaboration in the HDP-Nexus

- Different mandates: focus on **protection** of refugees at all costs vs focus on labour market **integration**
- Different ways of working: focus on **quick delivery of goods and services** for rapid results vs focus on **long-term market development** which takes time
- Different procurement systems: standing **implementation agreements** with partner NGOs vs **facilitation** for change in collaboration with private sector actors

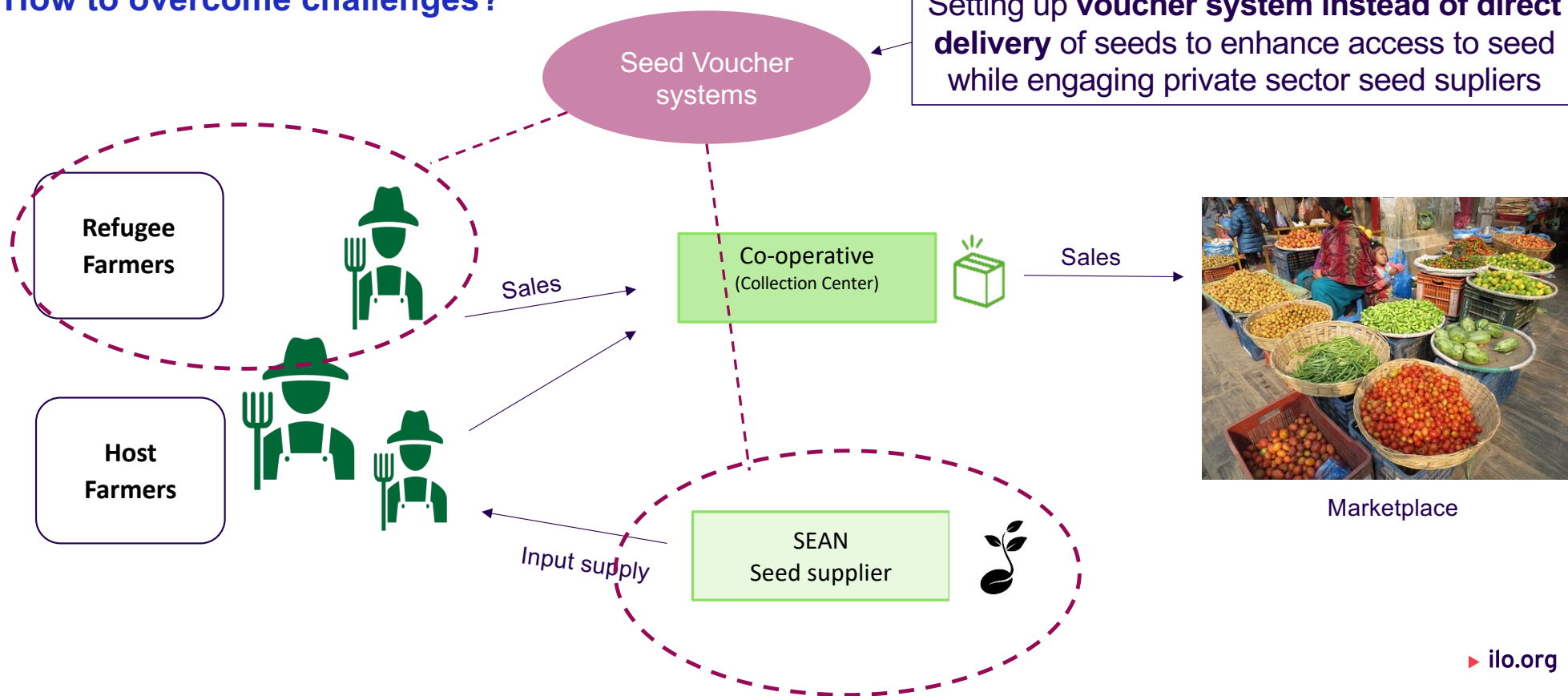


Success factor 1: A common vision for an inclusive and sustainable market system

Nepal

► How to overcome challenges?

Setting up **voucher system** instead of **direct delivery** of seeds to enhance access to seed while engaging private sector seed suppliers

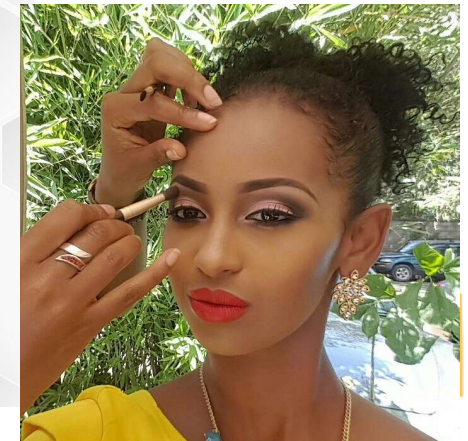
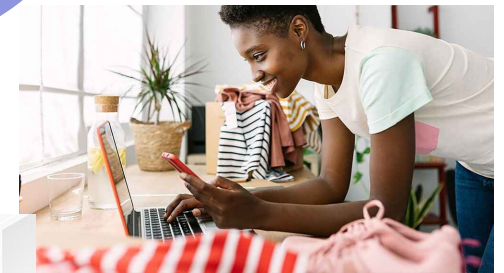


Success factor 2: Clear roles and responsibilities

Kenya

The Push: UNHCR and partners focused on training refugees, facilitating ID cards and documentation

The Pull: ILO facilitates access to clients through integration in digital start-ups and documentation



► The way ahead

Despite massive progress, challenges continue to exist.

What needs to change to improve coherence and collaboration in the humanitarian-development-nexus?

- For development organizations/ MSD practitioners: need to become more agile and faster in translation analysis into action
- For humanitarian agencies: need to focus, wherever possible, on basic needs, rather than livelihood promotion through delivery of inputs and equipment
- For funders: strong role in setting the right incentives by channelling funding for basic needs to humanitarian agencies, and funding for long-term livelihood promotion to MSD practitioners