Refugees and Trade

PHOTO FEATURE
The beauty of resistance in Afghanistan

SPECIAL REPORT
Incubating the future of business in Iraq

ITC IN ACTION
Weaving into fairness in Mali
Fragile and conflict-ridden settings are on the rise globally. Indeed, the World Bank states that as many as two-thirds of the world’s poorest people could live in such environments by 2030. There are many reasons why such circumstances arise – economic or political instability, armed conflict and terrorism, as well as climate change or natural disasters.

Displacement is a major challenge that can stem from fragility, conflict or climate change. As of 2019, there are 70.8 million people worldwide who have been forced to leave their homes, according to the UN High Commissioner for Refugees – and developing countries are hosting many of these refugees, asylum seekers and internally displaced persons. Increasing numbers and longer durations of displacement bring uncertainty and potential instability in hosting locations, and in the current COVID-19 pandemic there is fear that contagion could be a reality in some of the dense refugee camps in particular. Unsurprisingly, there is a growing push towards finding solutions to address the development goals for both affected communities and their hosts.

The international community is increasingly working together as part of an innovative approach that addresses the nexus of humanitarian, development and peace priorities.

As we continue to work towards sustainable development in the context of continued displacement and fragility, the transformative role of small businesses in trade must be central to the response. This will allow displacement-affected communities to be their own agents of change, moving towards creating economic self-reliance and resilience, rather than relying on aid for their livelihoods.

In this issue of Trade Forum, we give some insight into what some of the actors in this space are doing. They bring new solutions to economic development and job creation and look at the benefits and challenges that refugees and displaced communities are facing when it comes to doing business.

In our spotlight interview, the United Nations High Commissioner for Refugees, Filippo Grandi, reflects on the importance of economic inclusion for refugees and host communities from a global perspective.

This issue also highlights how Mastercard supports the role of the private sector in driving the economic inclusion of refugees, while the Norwegian Refugee Council in Kenya focuses on the humanitarian-development-peace nexus in its crucial role of coordinating humanitarian organizations.

Exploring the relationship between trade and displacement from a macro perspective, the Brookings Institute explores the potential of trade concessions to encourage formal refugee employment, while private agencies Innovest Advisory and Developing World Markets consider impact investing as a tool to mobilize finance for displacement-affected communities.

How is entrepreneurship possible in a displacement setting? 51 Labs in Iraq takes us through the experience of being a start-up accelerator tailored to the needs of entrepreneurs in conflict-affected areas.

Finally, our interview with a former refugee who has recently returned to Somalia to open his e-commerce business sheds light on entrepreneurs on the move.

The International Trade Centre is active as well given that this area is one of our priorities. Here you will find stories of entrepreneurs and business owners accessing new opportunities and markets, despite challenging locations.

In all of our articles, you will catch a glimpse of the complex situation that displaced communities are facing. Can refugees export? Can trade contribute to increasing stability in settings of displacement? Most certainly, yes. These are complicated environments and success requires the expertise of multiple actors from different sectors. Progress takes time, but by working together, inclusive trade can have a catalysing impact.
ITC EMPLOYMENT

ITC is recruiting qualified professionals within different areas of expertise. If you would like to contribute your skills to increasing export competitiveness for developing economies, and are motivated to work in an international environment that promotes diversity, please check our jobs website, which is updated weekly:

www.intracen.org/about/jobs
PHOTO FEATURE

THE BEAUTY OF RESISTANCE
Hidden treasures come to light as Afghans return home

INTERVIEWS

A VIABLE REALITY: INCLUDING REFUGEES ECONOMICALLY ..........14
Interview with Filippo Grandi, UN High Commissioner for Refugees

ENTREPRENEURS ON THE MOVE.........................................................26
Interview with Mohamed Abdullahi, Founder of ifrikia.com, Somalia

ITC IN ACTION

BRINGING ONLINE JOBS TO GAZA’S YOUTH......................................28
Nour Elhayya, Programme Coordinator, Business and Technology Incubator, Gaza, and Evelyn Seltier, Associate Public Information Officer, ITC

SIMPLE MEASURES, BETTER LIVES ....................................................30
Evelyn Seltier, ITC

WEAVING INTO FAIRNESS .................................................................31
Evelyn Seltier and Haram Sidibe, ITC

TAHITI LIMES FROM COLOMBIA TO THE WORLD ....................32
Nicolás Escobar Parra, International Consultant, ITC

PUBLICATIONS 33

EVENTS 34
News Brief

More than one in six young people out of work due to COVID-19

More than one in six young people have stopped working since the onset of the COVID-19 pandemic while those in employment have seen their working hours cut by 23%, the International Labour Organization (ILO) says.

According to the 'ILO Monitor: COVID-19 and the world of work 4th edition', youth are disproportionately affected by the pandemic, and the substantial and rapid increase in youth unemployment since February is affecting young women more than young men.

The ILO says that the pandemic is inflicting a triple shock on young people. It is not only destroying their employment, but also disrupting education and training, and placing major obstacles in the way of those seeking to enter the labour market or to move between jobs.

At 13.6%, the youth unemployment rate in 2019 was already higher than for any other group. There were around 267 million young people not in employment, education or training (NEET) worldwide.

OECD countries invite Costa Rica to join as 38th member

The Organisation for Economic Co-operation and Development (OECD) invited Costa Rica to become a member. Costa Rica’s accession, extending the OECD membership to 38 countries, will take effect after the country has taken the appropriate steps at the national level to accede to the OECD Convention, and deposited its instrument of accession with the French government, the depository of the Convention.

As part of its accession process, Costa Rica successfully completed in-depth technical reviews by 22 OECD Committees and carried out important reforms that have allowed the country to align its legislation, policies and practices to OECD standards in areas such as competition, statistics, anti-bribery, corporate governance of state-owned enterprises, financial markets, tax transparency and industrial chemicals management.

The OECD’s governing Council of member countries invited Costa Rica to open accession talks in April 2015. Costa Rica will become the OECD’s fourth member country from the Latin America and Caribbean region, joining Mexico, Chile and Colombia.

ITC launches 15-point plan to help small businesses survive the pandemic

The International Trade Centre has released a comprehensive 15-point action plan in response to the unprecedented economic challenges the COVID-19 pandemic is posing to micro, small and medium-sized enterprises (MSMEs) in developing countries.

Entrepreneurs, governments, business support organizations and international organizations must take specific measures to survive the effects of the ‘great lockdown’ imposed in the wake of the pandemic in the first months of 2020.

‘Using the information from our data, our analysis and our own COVID-19 related work in the field, we have developed an Action Plan that can serve our partners as a compass through these difficult times,’ ITC acting Executive Director Dorothy Tembo said.
World Bank Group: 100 countries get support in response to COVID-19

The World Bank Group announced that its emergency operations to fight COVID-19 have reached 100 developing countries – home to 70% of the world’s population.

Since March, the World Bank has rapidly delivered record levels of support to help countries protect the poor and vulnerable, reinforce health systems, maintain the private sector, and bolster economic recovery. This assistance, the largest and fastest crisis response in the Bank’s history, marks a milestone in implementing its pledge to make available $160 billion in grants and financial support over a 15-month period to help developing countries respond to the health, social and economic impacts of COVID-19 and the economic shutdown in advanced countries.

Of the 100 countries, 39 are in sub-Saharan Africa. Nearly one-third of the total projects are in fragile and conflict-affected situations, such as Afghanistan, Chad, Haiti, and Niger.

World Bank Group: 100 countries get support in response to COVID-19

Afreximbank and ITC join forces to prepare African businesses grow through trade

ITC is teaming up with Afreximbank to train small business owners and young entrepreneurs in Africa to trade with other African countries as part of the new African Continental Free Trade Area (AfCFTA). The training programme, How to Export within the AfCFTA, is being launched as the new free-trade area comes on stream and amid the economic strain of climate change and the coronavirus pandemic.

The training will give business owners the knowledge and skills they need to engage effectively in cross-border trade under the terms of the emerging free-trade area for Africa. Intra-African trade is structurally low at 15% (compared to Europe at nearly 70%, for example), and the AfCFTA will open a market of 1.2 billion people.

The training programme, run via the ITC multilingual SME Trade Academy platform, under the auspices of the Afreximbank Academy, will be piloted in Nigeria, Rwanda, and Côte d’Ivoire and launched in close collaboration with trade promotion organizations from the three selected pilot countries.

COVID-19 to slash global economic output by $8.5 trillion over next two years

As result of the global pandemic, the global economy is projected to contract sharply by 3.2% this year, according to the United Nations World Economic Situation and Prospects mid-2020 report.

The global economy is expected to lose nearly $8.5 trillion in output over the next two years due to the COVID-19 pandemic, wiping out nearly all gains of the previous four years. The sharpest economic contraction since the Great Depression in the 1930s comes on top of anaemic economic forecasts of only 2.1% at the start of the year.

The report estimates that GDP growth in developed economies is expected to plunge to -5.0% in 2020. A modest, 3.4% growth – barely enough to make up for the lost output – is expected in 2021. World trade is forecast to contract by nearly 15% in 2020 amid sharply reduced global demand and disruptions in global supply chains. Under the baseline scenario, developed economies are expected to contract by 5.0% in 2020, while the output of developing countries will shrink by 0.7%.
Who are...

Refugees?

A refugee is someone who has fled war, violence, conflict or persecution and has crossed an international border to find safety in another country. Refugees are defined and protected in international law as ‘someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion’.

Source: ITC

Internally displaced persons?

They have not crossed a border to find safety – unlike refugees. They stay within their own country and remain under the protection of its government, even if that government is the reason for their displacement. They often move to areas where it is difficult to deliver humanitarian assistance and as a result, these people are among the most vulnerable in the world.

Source for above: UN High Commissioner for Refugees

Migrants?

Migrant is an umbrella term, not defined under international law, reflecting the common lay understanding of a person who moves away from his or her place of usual residence, whether within a country or across an international border, temporarily or permanently, and for a variety of reasons. The term includes a number of well-defined legal categories of people, such as migrant workers; persons whose particular types of movements are legally-defined, such as smuggled migrants; as well as those whose status or means of movement are not specifically defined under international law, such as international students.

At the international level, no universally accepted definition for ‘migrant’ exists.

Source: International Organization for Migration

Source: ITC
Refugees in numbers

There are

**272 million** international migrants globally

Two-thirds migrated for work purposes

107 million did so through irregular or unregulated channels


**272 million** international migrants globally

Two-thirds migrated for work purposes

107 million did so through irregular or unregulated channels


**70.8 million** people have been forcibly displaced worldwide

Developing countries host **84%** of displaced persons

40.3 internally displaced persons

134 Refugee-hosting countries reporting local transmission of COVID-19*

Source: UN High Commissioner for Refugees, *date: 9 May 2020

Conflict, natural disasters, climate change, economic and political instabilities: forces driving many to leave their homes

Source: UN World Tourism Organization and UN Environment

Watch this video

Irene Omondi of UNHCR describes the atmosphere in Zadaari camp in Jordan despite the hardships of the COVID-19 pandemic.
The beauty of resistance

SABRINA HERZOG DE SOUZA LIMA, Associate Programme Management Officer, International Trade Centre

Resilience, independence and heritage are hallmarks of the Afghan people. Decades of conflict have weakened the economy and displaced millions inside the country and abroad. Despite challenges – most recently COVID-19 – returning Afghans resist. It is a beautiful resistance, with roots in the country’s mountainous geography, generous soil and rich tradition in crafting and trading fine silk along the Silk Road.

The International Trade Centre’s Ethical Fashion Initiative works with the fashion and textiles sector in Afghanistan to revitalize traditional designs and artisanship, and bring exquisite garments to clients worldwide. Funded by the European Union, the Ethical Fashion Initiative in Afghanistan also unlocks value in the country’s agriculture: dried fruit, nuts and saffron – a spice so precious it is known as ‘red gold’.

Nurturing opportunities in fashion and food

Artisanal fashion relies largely on highly skilled women, especially for the delicate finishing we find on Afghan garments. Silk weaving and dyeing are traditionally a men’s domain – however, rural women feed the silkworms on mulberry leaves and often spin the yarn. Some cocoons are made into ‘vegan silk’, a process that does...
not kill the silkworms, but allows them to emerge as butterflies. Natural dyes, like saffron, onions and rose petals, give the fabrics their vibrant and earthy colours.

The fine foods sector, involving farmers and small-scale food processors, has enormous potential for creating jobs and opportunities for returning Afghans. The Ethical Fashion Initiative and partner institutions are introducing technical innovation and environmental sustainability into production methods in the fashion as well as food sector. The Initiative’s dual focus in Afghanistan means fashion and food can work in synergy, and valuable skills and innovative approaches can be shared with artisans, farmers and small businesses, raising capacity across the board.

This is possible only with committed local partners such as the agricultural non-governmental organization RAADA, which this year distributed silk worm eggs to 3,500 women in marginalized rural communities, and the Afghan Ministry of Agriculture, which is helping trial climate-resistant food crops. Success depends on talented artisans too, like Saleh Mohammad, an expert weaver and master in natural dyes who learned much of his craft as a refugee in Pakistan.
1. Farmer harvesting saffron flowers.
4. Saffron processing at Talay Sorkh Afghan.
5. Saffron processing at Ariana Saffron.
7. Master dyer, Mohammad Saleh, with a Peace Scarf.
8. Herati weaver at her loom.
11. Silk weaving in Herat workshop.
A viable reality:
Including refugees economically

Interview with FILIPPO GRANDI, UN High Commissioner for Refugees

International Trade Forum had the opportunity to talk with Filippo Grandi, United Nations High Commissioner for Refugees, to discuss the economic opportunities for refugees and host communities and the impact that the COVID-19 crisis has had on them.

Mr. Grandi, how can refugees and host communities benefit from economic inclusion?

Refugees and host communities live side-by-side and depend on each other for market linkages, access to goods and services, and exchange of skills and experiences. Granting refugees access to market systems and the formal labour market, while also implementing programmes that support vulnerable host communities, can bring economic and fiscal benefits to the whole society. Refugees with access to decent work can fill labour shortages, have greater workplace protection, increase their income and spending, and contribute to the host country’s tax revenues.

What are the main channels through which we can achieve refugee economic inclusion?

Refugees’ inclusion into market systems depends on how conducive the host country’s legal and policy environment is to their self-reliance – the rules and regulations governing refugees’ freedom of movement, their legal right to decent work, inclusion in social protection systems and in government training programmes, and access to financial and physical capital. Today, most refugees live in countries where such rights are denied.

By engaging a broad range of public and private sector actors, this can and should be changed. Policymakers have a key role to play in granting refugees access to the labour market, freedom of movement and inclusion in social safety nets. The private sector can provide refugees with training and employment. Financial institutions can assess refugees’ entrepreneurship potential and provide access to financial services, including investment capital. Civil society can advocate for refugees’ inclusion in the workforce – and development finance institutions can support these actions by establishing sustainable, blended financial mechanisms.

How can access to markets, in particular global markets, promote economic inclusion for refugees?

In many countries, refugee camps are located in isolated and/or rural areas with...
limited access to transportation, resources and markets. If the surrounding communities are few or limited in size, there is a risk that markets are saturated, and skills quickly become obsolete. Access to larger, regional or international markets opens opportunities for production, trade and access to goods not available locally. The major challenges that refugees face when taking local products to global markets are complex logistics, trade barriers, limited access to financial solutions and inadequate marketing. An example of an innovative way UNHCR has responded is by building MADE51.

MADE51 is one of UNHCR’s global brand and flagship initiatives that creates livelihood opportunities for refugee artisans by linking their products to international markets. The initiative harnesses refugees’ traditional skills and connects them with local social enterprises that have experience in marketing, exporting products to international consumers, and adhering to Fair Trade standards. For their part, the enterprises receive technical support and gain greater access to international markets.

MADE51 is active in 16 countries, working in partnership with 22 social businesses, and supported by an international network of strategic partners who contribute technical skills and sector expertise. This collaborative model demonstrates the spirit and intention of the Global Compact on Refugees, which aims to enable refugee self-reliance and ease pressure on host communities.

What about integrating refugees into global value chains?
For refugees to access scalable opportunities, beyond limited or local markets, it is important to integrate them as producers, workers and consumers in an effective market system, specifically in value chains with market potential. For effective inclusion, the value chain should be relevant to their skill set and educational background, accessible in terms of rules and regulations, safe in terms of work environment, and respondent to their needs.

Such interventions must be based on a solid understanding of existing market conditions and challenges, as well as follow a holistic approach, combining actions that build the employability and capital of refugees to engage with the economy (such as access to credit, skills development, transfer of assets) and remove market bottlenecks that hinder refugees’ right and access to employment. Moreover, these interventions should demonstrate that refugees can add value to the local economy, as hosting refugees can bring additional private sector and development actor investment that benefits all.

How can refugees or displacement-affected communities and their hosts influence or promote economic inclusion?
Refugees and hosts need to be well informed about rights regarding labour market access and employment. They need to proactively identify opportunities to get certification, participate in mentorship, internship or apprenticeship programmes, seek to learn the local language and use informal job networks through civil society. When given a chance to work or invest in a business activity, refugees can and will contribute to the host country’s economy as producers, buyers and consumers. Access to information through market studies and knowledge sharing has an important effect on promoting the economic inclusion of refugees.

What is the impact of COVID-19 on the progress for refugee economic inclusion and business?
The global challenges posed by the pandemic require international cooperation, through practical immediate and long-term measures to support low- and middle-income host countries whose health and social protection systems are already strained. All marginalized communities are affected by COVID-19. The global lockdown is influencing refugee businesses and formal and informal workers. The International Labour Organization predicts that some 1.6 billion people, nearly half of the global workforce, will lose their livelihoods. Food security, already a challenge pre-COVID, is affecting displaced populations globally.

On top of that, we see that achievements already made towards inclusion in social protection systems, trading and labour markets are impacted and sometimes completely retracted, including the right to seek asylum, as borders are closed. When the whole economy is affected, refugees are often the first to lose their job or trading opportunities.

There are glimmers of hope. Some countries are taking a proactive approach and hiring refugee doctors and nurses to fill key labour shortages. We see refugee entrepreneurs across Africa using their tailoring skills to produce masks and other sanitary equipment for the community. We know that refugees and other populations of concern wish to contribute to the social and economic fabric of their host country and we must do more to support this.

1. UN High Commissioner for Refugees, Filippo Grandi.
2. Jackline Ndayishemeza, 30, weaves baskets at the MADE 51 project in Kalobeyei settlement. Jackline left Burundi when she was young and has been living in refugee camps ever since.
3. Burkina Faso. UN High Commissioner for Refugees visits Goudoukouo camp.
Real capital and digital footing for the forcibly displaced

SASHA KAPADIA, Director, Humanitarian & Development, Mastercard

Giving refugees the financial and digital means to access work

In our global economy, when a crisis hits, we all face the consequences. Although the COVID-19 pandemic brought this phenomenon into sharp relief, it has been true for quite some time now.

In 2015, more than one million refugees and migrants made their way to Europe. The majority of them were fleeing conflicts – either new ones such as Syria, or older ones like Afghanistan.1 The following year, thousands of refugees from South Sudan streamed daily into Bidi Bidi, a refugee settlement in northern Uganda – it now hosts 250,000 people.2 By 2019, 16% of the Venezuelan population, or 4.6 million people, had fled the country.3

Unprecedented levels of forced displacement have dominated headlines over the past five years. To manage the influx, governments have made appeals. In developed countries, they appeal to citizens to be welcoming, to assist with assimilation. In least developed countries, given limited resources, they appeal to the international community to help alleviate the burden.

What often happens, no matter the geography, is that a person flees for reasons of physical insecurity only to land in economic precarity.

Humanitarianism revisited

The humanitarian imperative is based on relief ‘to protect life and health and ensure respect for human beings.’4 Relief should be temporary, but too often, it is not. The average length of displacement
is between 10 and 26 years. It is hardly imaginable to have to rely on irregular handouts for your basic needs and unfathomable to be prevented from pursuing your profession.  

Refugees have skills to contribute and are willing to provide for themselves and their families but are frequently shut out of opportunities to do so. Informal work abounds but offers little to no protection. While relief is critical in the short-term, we need more creative, durable solutions for the long-term. The forcibly displaced need more channels to plug their tools and skills into the global economy.

Here the private sector can play a key role.

The global economy is a digital economy. Digital infrastructure has the ability to shine a light on populations that would otherwise go unseen. Wherever and however possible, humanitarian and development organizations should use technology to empower the forcibly displaced to receive benefits – food assistance, educational support, unrestricted cash transfers – but more importantly, to access a world outside of the relief bubble.

According to Marie Gillespie, a sociology professor at The Open University in the United Kingdom, refugees rank their phones above food in terms of basic necessities. A phone is a lifeline for the forcibly displaced, providing a connection to those left behind, as well as access to vital information and opportunities in their new home.

Putting networks to work

A recently published policy paper, ‘Social Networks in Refugee Response’, delves into the lives of Yemeni and Sudanese refugees in Jordan and their use of networks to survive and thrive. These personal networks beget different kinds of ‘capital’: bonding capital ties refugees to others in similar circumstances; bridging capital involves connections to locals and therefore access to new resources; and linking capital brings in external parties, namely humanitarian organizations.

As we seek to integrate the forcibly displaced into communities and economies, humanitarian organizations, as connectors, should link the forcibly displaced to real capital, or funding for productive activity.

There is no shortage of companies and foundations, both global and local, who have committed to invest in refugees and refugee-owned businesses to encourage their social and economic integration.

- The IKEA Foundation has committed €100 million in grants to improve refugee and host community’s employment and entrepreneurship opportunities, to improve agricultural value chains and to increase the use of renewable energy in homes and businesses.
- In Turkey, home to 4 million refugees, ING, a global financial institution, is providing over $10 million in loans to refugees to help them grow small businesses.
- The Refugee Investment Network seeks to connect investors with refugee ventures and change the narrative around the contribution of refugees.

Mastercard is applying its deep expertise to build digital infrastructure that forges connections for the underserved. It makes business sense – and it is the right thing to do. As a payments technology company, its biggest competitor is not the fintech upstart but cash. By working with the underserved, such as the forcibly displaced, the company can build the knowledge and capacity to address the needs of a new customer set. This allows for the development of targeted and useful products and services.

Digital identity solutions that incorporate the highest privacy standards allow for the forcibly displaced to access critical services. Offline and online payments ensure they receive what they are due. Quality data permit visibility of their needs. For it should not matter where people flee, if we understand who they are and what they wish to contribute.

The coronavirus crisis has demonstrated how quickly virtual and remote work can become the norm for so many of us, even in humanitarian settings. Our goal should be to accelerate the push towards digitization for all – only then will we have a global, digital, and inclusive economy.


1. Syrian refugee Ali Ahmad Farhat holds his MasterCard.
2. The “e-card” programme for Syrian refugees in Lebanon.
Responding to urgent humanitarian and development needs

LILI MOHIDDIN, Regional Cash and Markets Adviser; East Africa & Yemen, and ELIUD MARANGU, Integrated Project Manager, Dadaab, Kenya, Norwegian Refugee Council

Until recently, the contribution of refugees to local economies was overlooked and underestimated. Small formal and informal businesses contribute to creating jobs and business opportunities, enabling households to access basic needs and services, which in turn, stimulates additional economic opportunities and reduces poverty. Although both poor displaced and host populations face multiple barriers when entering and engaging in markets, the challenges faced by the displaced tend to be more systemic, significantly hindering their ability to contribute to the local economy and achieve self-reliance.

With a vast (70.8 million) and growing number of displaced people either as refugees, internally displaced persons, or asylum seekers, and the average duration of displacement between 10 years to 26 years, we need solutions that enable displaced people to earn a living and become more self-reliant. The situation is even more severe in least developed countries, which host one-third of the global refugee population, along with a decline in governments’ political willingness to provide access to protection and assistance.

In response to these growing needs, organizations are collaborating with like-minded humanitarian, development and, increasingly, peace-building agencies – essentially adopting what is known as the ‘triple nexus’ approach. This approach recognizes the importance of tackling root causes and drivers of conflict (including resource competition and poverty) in parallel to responding to the urgent humanitarian and development needs of the local population and the systems they rely on.

Although this triple nexus has the ambition to meet a spectrum of peoples’ needs, mitigate vulnerabilities and move towards sustainable peace, there are challenges related
to operationalizing such an approach. These include coordinating vastly different organizations, clarifying and articulating their roles and added value, and addressing concerns around the increasing competition for funding as more actors emerge. However, there is growing commitment to bring the work of the nexus forward, with donors and international organizations dedicating resources, assigning staff to strategic positions, and the UN taking the lead.

Despite these challenges, the Norwegian Refugee Council (NRC) believes in the value of the ‘triple nexus’. NRC, an independent international humanitarian organization that helps people forced to flee, believes that market-led livelihood programmes focusing on this approach are central to unlocking economic opportunities for displaced communities.

To adopt the triple nexus, NRC identifies specific partnerships with private-sector entities and development-oriented actors to design programmes that address both the needs of the market as well as the complexities of a humanitarian environment. For example, NRC undertakes value chain, skills demand and (self-) employment assessments (including analysis of market-system opportunities and barriers) during programme design with key private and public-sector actors. Local authority, community and private-sector consultations are a vital part of public buy-in and ownership. These consultations also enable NRC to identify and address gender and social norms that can affect the engagement of marginalized groups, women and people living with disability in its programmes. This is particularly important as, while NRC varies its approach to peace building and conflict resolution according to each context, all programmes include social cohesion and community strengthening and empowerment approaches.

**Applying triple nexus principles in practice**

In the Dadaab and Kakuma refugee camps in Kenya, NRC and other agencies have developed an informal triple-nexus practice using an approach in which refugees trained by an agency (including digital and online skills) are linked to private actors and institutions for further internships or apprenticeships. Then, they match these refugees with development or humanitarian partners for cash grants to initiate livelihoods activities, coaching and mentoring. The programme includes community outreach and cohesion activities, with project participation opportunities offered across diverse community groups.

Strengthening this approach, NRC supports refugees in acquiring business permits, documentation, information on policies and legal requirements related to forming self-help groups, start-up registration and, ideally, financial support. To enable employment opportunities upon return to their country of origin following repatriation, or within Kenya if movement restrictions are lifted as part of the Comprehensive Refugee Response Framework (CRRF), refugees have the opportunity to obtain accredited qualifications by the Kenyan Government after completing training courses.

Thanks to these methods, the NRC and partners empower displaced populations to be ‘agents of their own lives and economic futures’. They can only achieve this through the partnerships, support and contributions that the humanitarian-development-peace nexus offers.

Moving forward as we work to respond to COVID-19 in countries with conflict-driven, protracted emergencies and deep-rooted development challenges, the triple nexus approach can, and should, be used to deliver comprehensive solutions and prepare for future shocks.

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1. One example being the contribution of 180,000 refugees in and around Kakuma camp to an economy worth $56 million a year (Kakuma as a Marketplace 2018).
2. UNHCR Global Trends Report on Forced Displacement, 2018 [https://www.unhcr.org/5d08d7ee7.pdf](https://www.unhcr.org/5d08d7ee7.pdf)
4. Ibid. [https://www.unhcr.org/5d08d7ee7.pdf](https://www.unhcr.org/5d08d7ee7.pdf)
6. The “triple nexus” refers to the interlinkages between humanitarian, development and peace actors. In the UN’s “New Way of Working”, these actors are expected to work towards collective outcomes over multiple years, when appropriate. [ReliefWeb 27/04/2020](https://reliefweb.int/report/kenya/when-refugee-displacement-drags-on-is-self-reliance-the-answer-22nd-april-2020)
8. In countries such as Somalia, Afghanistan, Iraq, Yemen where there is active conflict, NRC places a heavier emphasis on peace building and conflict resolution, relying on internal capacity and partnerships.
9. The qualifications are issued by Kenya’s National Industrial Training Authority.

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1. Online Freelancing graduation in Dadaab.
2. At the coworking space in Dadaab.
3. NRC staff member with some members of Wamo Women’s group.

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FORUM ISSUE 2 | 2020 | 19
The COVID-19 pandemic has further revealed the deep vulnerability of refugee populations around the world. The pandemic has exacerbated the precarity of refugees’ lives in terms of access to hygiene and health facilities, decent housing and livelihoods, creating a ‘double emergency’ situation. This compels UN agencies and their partners to double down on mobilizing efforts to support emergency responses. However, as the UN High Commissioner for Refugees Filippo Grandi noted, securing the self-reliance of refugees and the resilience of their host communities remains important. Granting trade concessions to countries hosting large number of refugees would be a novel way to do this.

Overcoming a broken refugee protection system

The 2015-16 European migration crisis revealed the extent to which the traditional refugee-response system — finding durable solutions to forced displacement through local integration, resettlement and repatriation — is broken. This leads to an ever-growing number of refugees finding themselves in protracted situations with limited hope. With the total refugee population now at an all-time high of 25.9 million, nearly 85% hosted in developing countries, it is imperative for refugees to be productive members of society rather than a burden dependent on humanitarian largesse.

The Global Compact on Refugees, adopted in December 2018, provides proposals for improvements. It calls on the signatories to ‘promote economic opportunities, decent work, job creation and entrepreneurship programmes for host community members and refugees’. A growing body of research shows that proper employment prospects and a welcoming business environment for refugees contribute to economic growth in host countries.
Limited success

Given the more than five million Syrian refugees dispersed across countries neighbouring Syria, improving the self-reliance of refugees has increasingly acquired significance within the international community. This policy perspective became part of the Syria Regional Refugee and Resilience Plan for 2016-17, emphasizing the employability of refugees and supporting start-ups.

These programmes have been especially visible in Turkey, which hosts close to four million, mostly Syrian, refugees under temporary protection, the world’s largest refugee population. While livelihood partners have offered numerous Syrians vocational training, Turkish language courses and career counselling, the number of formal jobs with work permits that Syrians have been able to access stood at less than 133,000 at the end of 2019. Instead, an estimated one million working-age Syrians are employed informally, usually under precarious conditions. Programmes primarily focusing on supply-side interventions fall short of generating meaningful, formal employment opportunities. It would be more effective to focus their efforts on spurring demand for formal refugee labor.

Trade concessions

Trade liberalization is a key driver of economic growth and employment. It is not surprising that, as part of responsibility sharing among countries hosting large numbers of refugees, the Global Compact on Refugees suggests preferential trade arrangements. This policy tool, used in particular for goods and sectors with a high refugee participation, could create better and sustainable job opportunities for refugees. The resulting economic growth would also benefit host communities and serve to support social cohesion.

But these ideas need to be operationalized further. Currently, the EU-Jordan Compact is the only functioning arrangement matching trade concessions with refugee labor: the EU agreed to give Jordan facilitated access to its markets, particularly for textile products, in return for issuing work permits to Syrian refugees employed in Jordanian companies. The benefits are two-fold: refugees receive economic opportunities while Jordan’s industrial production base expands through exports. Even while falling short of its full potential, some experts regard the compact as a game-changer for demonstrating an effective response to protracted refugee situations.

The Turkish case offers another opportunity to employ trade concessions to benefit refugees. As COVID-19 damages Turkey’s economy and further exacerbates the situation of refugees working informally, extending trade concessions in return for the formal employment of refugees would incentivize more Turkish businesses to hire them. The modalities of this arrangement should be formulated in a manner that ensures local employment, critical to diffusing the belief of many Turkish nationals that refugees take jobs away from them.

One way to achieve this would be for the EU to grant trade concessions tying Turkish agricultural exports to the formal employment of Syrians. Turkey’s existing customs union with the EU has improved employment and economic growth but covers only industrial goods. Exports of fresh fruits, vegetables and processed agricultural products face taxes and regulatory restrictions. Worse still, Turkey’s agricultural sector suffers from a labour supply shortage as both GDP and employment shift towards non-agricultural sectors. However, trade concessions in the agricultural sector is a politically sensitive topic in the EU. Hence, monitoring and ensuring compliance as well as technical assistance for small businesses would need to accompany concessions, to meet the stringent EU food safety and sanitary standards.

Win-win for all

Cooperation between the EU and Turkey to improve refugees’ self-reliance through decent work and economic inclusion is in the interest of all parties. For Turkey, implementing these policy recommendations would help refugees become productive members of Turkish society, defuse growing public resentment and reduce the likelihood of crime, while also growing the economy.

For the EU, this plan would reduce the likelihood of refugee secondary movements and the need to raise funds for humanitarian assistance. Refugees would benefit by accessing sustainable livelihoods and enjoying the dignity that comes with self-reliance. Finally, it would constitute a concrete example of how the burden sharing depicted in the Global Compact can be implemented in a unique and constructive manner.

1-2. Syrian students in Turkey receive scholarships from SPARK for agronomy short courses.
Anticipating the humanitarian crisis with innovative financial means

SUMA SWAMINATHAN and ALEEM REMTULA, Developing World Markets, and JUSTIN SYKES, Innovest Advisory

Impact investing as a response to long-term displacement

The world is witnessing the highest number of people fleeing conflict since the end of World War II, with approximately 71 million people forcibly displaced. To add to this, as COVID-19 spreads globally, we have seen a disproportionate impact on the world’s most vulnerable populations. Displaced populations facing widespread stigma, discriminatory regulations and restricted access to safety nets, are likely to be the hardest hit. This dramatic rise in numbers, with no foreseeable end to conflict, puts the humanitarian response and financing system under a great deal of pressure.

Distressingly, the amount of time refugees are away from their homes keeps increasing. Today, over 80% of refugees have been displaced for five years and 20% of refugees for over 20 years. The humanitarian system is meant to react to sudden onset crises. In protracted displacement, where individuals are unable to return home for more than five years after a shock, the priorities necessarily shift from life-saving emergency aid to livelihoods, education and economic opportunity. To keep up, the response has to fundamentally change from reaction to anticipation and from aid to economic resiliency.

Anticipating the humanitarian crisis with innovative financial means
The right kind of financing

We need a solution to be market-led to address existing gaps in long-term, scalable and anticipatory financing. Only then will it have the potential to attract capital at scale, including from the private sector. Impact investing, with its emphasis on social and financial returns, could complement the toolkit of crisis response by tapping into a spectrum of capital. By targeting either market-rate or concessional returns, supported through blended finance, the range of flexible instruments expands. Such investments explicitly integrate social impact into the structure, ensuring that all parties are aligned on creating and measuring positive impact.

Financial inclusion as a pillar to enhance self-reliance

Access to finance will be a critical factor in a displaced individual’s ability to be more self-reliant and financially resilient while reducing reliance on aid. For example, a refugee entrepreneur living in a temporary but stable setting needs credit and savings, not just aid, to establish an enterprise. There is clear evidence to suggest that financial services are in demand among displaced populations. Almost 50% of adults displaced in a humanitarian crisis have savings, but only over 7% have these savings at formal financial institutions. Further, the shift to cash transfers by humanitarian agencies alongside an increased usage of mobile phones and technology provides an accelerated entry point for financial services.

Over the last 20 years, Developing World Markets (DWM) has worked with financial institutions dedicated to responsibly serving vulnerable communities. DWM has partnered with Innovest Advisory, a development consultancy focused on fragile contexts, to design a long-term, market-based product to address protracted displacement. Through this partnership and with the help of survey responses from financial institutions, DWM found that appropriately priced capital and capacity building are key requirements to achieving impact targets.

In order to build the market for scaling financial services to displaced populations, financial institutions will need to pilot and test innovative underwriting processes or customized financial products. These initiatives could be supported by a donor-funded, technical assistance facility to help companies implement displacement-inclusive business practices and procedures, with relevant monitoring mechanisms in place. In addition to integrating impact and investment management processes, another innovative structure of linking fund manager incentives with impact performance alongside financial performance has been identified as a powerful tool to align incentives.

These insights guided the design of a proof-of-concept private equity strategy, the ‘Global Displacement Fund.’ Currently in development, the Fund aims to enhance financial resilience and livelihood opportunities for displaced and vulnerable host populations by incorporating structural elements identified from DWM’s and Innovest’s research. It is our hope that as more impact investment pilots are implemented and scaled, we will see an increase in capital flows that address the complex and urgent issue of forced displacement. To respond adequately, there is no other alternative.

1. Street vendor at a market in Delhi, from a visit to clients of PayGo solar company.
2. Women at market in Lusaka, Zambia, taken on a field visit accompanying a local microfinance institution.
3. Client of a PayGo solar company in North India using the company’s off-grid solar system.
Incubating the future of business in Iraq

ALICE BOSLEY and PATRICIA LETAYF, co-founders, Five One Labs, Iraq

Displaced entrepreneurs rebuild their lives thanks to tailored access opportunities

Since 2011, more than 5.6 million people have fled Syria, arriving in Iraq, Jordan, Lebanon and Turkey. Many Syrian refugees are highly skilled, highly educated, and technologically savvy. In fact, a UN survey conducted in 2015 in Greece showed that 86% of Syrian refugees had secondary or university degrees. Despite these skills, countries across the Middle East have either denied refugees the right to work or curtailed it by only allowing them employment in certain labour-intensive sectors. However, Iraq, unlike many of its neighbours, has allowed Syrian refugees freedom of movement and the right to work since the onset of the conflict.

Iraq’s more favourable policy towards refugees comes in spite of its complex humanitarian situation. Over the past several years, the Kurdistan Region of Iraq has struggled to cope with an influx of nearly 250,000 Syrian refugees and over 1.8 million internally displaced persons. However, Syrian refugees are welcome to hold jobs and start businesses. In Erbil, the capital of the Kurdistan Region of Iraq, research shows that the main group of unemployed refugees are those with university or technical degrees. A lower percentage of highly skilled refugees in high-skilled jobs, compared to host community members with the same educational level, highlights the employment access issues that well-educated refugees face.

Entrepreneurship as a path towards rebuilding

Although this highly skilled community has a great deal to contribute, connecting them to job opportunities is a challenge. By setting up their own businesses, refugees can create jobs for themselves and the local
community. Succeeding as an entrepreneur can be difficult and many start-ups consider incubators critical to their future success. An incubator takes the resourcefulness and creativity of the refugee population and supplements it with the business, leadership and human-centered design skills needed to take an idea and turn it into a scalable business. Mentorship and access to a community in a co-working space means that entrepreneurs can be encouraged by like-minded entrepreneurial individuals. Seed funding in the form of grants provides the initial financial boost needed to launch businesses.

Through a variety of programmes in Arabic, English, and Kurdish, Five One Labs reaches a wide range of entrepreneurs with scalable businesses. In Autumn 2019, the project worked specifically with a cohort of founders launching tech start-ups, ranging from digital marketplaces to pharmaceutical product delivery companies.

Programmes of Five One Labs target entrepreneurs from across Iraq and Syria, with the goal of including 50% host community and 50% displaced entrepreneurs in each cohort. Another key priority is working with women entrepreneurs, who often face additional challenges, such as the inability to do face-to-face marketing or take meetings with men because of cultural barriers. Through the Female Founders Fellowship, Five One Labs has provided training, mentorship, support groups, marketing funding and business interns to help women-led businesses scale-up.

**Succeeding as entrepreneurs**

Problem-solving is at the root of entrepreneurship, and through the past five incubator cohorts in Erbil and Sulaimani, the programme has seen entrepreneurs from across Iraq and Syria address wide range of challenges in their local communities. The success of Five One Labs’ incubator model can be seen through the stories of its entrepreneurs.

Znara was an art professor at the University of Damascus before violence forced her and her family to flee to Iraq. Although she lost most of her belongings and savings, she did not lose her passion for art and culture. She joined the Five One Labs’ Entrepreneur Academy evening course to learn how to take her artistic talent and turn it into a business – her goal is to open one of Erbil’s first art galleries, coupled with a studio where she can teach art classes to kids and adults.

After winning the final pitch competition of Five One Labs’ Entrepreneur Academy, Znara hosted her first art exhibit in Erbil, where she displayed her paintings celebrating her hometown of Afrin. She also received a small business grant from Five One Labs thanks to the ‘Entrepreneurship for All’ programme sponsored by the International Organization for Migration and funded by the US Bureau of Populations, Refugees and Migration. She will use the money to launch her studio and art classes.

Wassim is a Syrian entrepreneur with a master’s degree in economics and nearly two decades of finance and accounting experience. Wassim, who like Znara now lives in Erbil, noticed a gap between labour market needs and existing trainings. He wanted to fill that gap by providing practical and interactive training online, so he joined the Five One Labs Arabic incubator programme and launched the Bedayat platform, a website and mobile app offering more than 30 types of courses in three languages (Arabic, English and Kurdish).

During the coronavirus lockdown, Wassim ran four very successful online courses on topics such as IELTS, accounting, Excel, and more. Based on their success to date, Wassim plans to expand into consulting services and a broader array of courses.

These stories not only highlight the resilience of displaced entrepreneurs, but also show that tailored support provides access to economic opportunities, contributes to economic growth and enables these skilled young people to rebuild their lives with dignity.
Entrepreneurs on the move

Interview with MOHAMED ABDULLAHI, Founder of ifrikia.com, Somalia

Mohamed Abdullahi arrived in the Dadaab refugee camp in Garissa County, Kenya in late 2010. Having always wanted to return to his hometown of Mogadishu in Somalia, he was able to do so in late 2019 to start pursuing various business interests. He told the International Trade Forum about his experience as an entrepreneur.

From your experience, why is it important for displaced communities to have access to business and trade opportunities?

Displaced communities are like any other community. The difference is that they fled their homes and now live somewhere temporary. For a community to be successful, it cannot live at the mercy of donations. People should have their own business to improve their lives and the lives of those around them.

For instance, Hagadera camp is one of the best places for shopping in Garissa County. This is because the refugee and host communities can do business. Twenty years ago, when refugees came to Dadaab, it was a desert. Now, it is a small city with hospitals, schools, businesses and an energy system. People are not only able to feed themselves but also to help others. When you give a refugee the opportunity to do business, they make the best of it. They can pay taxes and help contribute to the community.
Most importantly, it is an invaluable learning experience, since refugees are not destined to stay in camps forever. Doing business equips them with the knowledge they need to navigate the challenges ahead.

**How did you get started as an entrepreneur?**

After I finished my secondary school in the Hagadera refugee camp, I worked as a computer instructor. A few months after that, I happened to see an advert for online freelancing training. I applied, joined and started working online, primarily as a translator.

A study tour to Nairobi at the end of the freelancing programme changed everything for me: I met other entrepreneurs who were telling inspiring stories of how they started with nothing. I thought to myself, if these people can do it, so can I. That trip to Nairobi was a catalyst for every action I have taken since then.

Having the idea for an e-commerce platform in Somalia, Ifrikia, I talked to friends who helped me develop the website and then, as my situation stabilized, I was fortunate enough to return to Mogadishu to work on the business. My partners and I did not have any money or network. We mobilized our families for support, for example for borrowing a camera for product photos or building trust with potential clients.

**What challenges are you facing when doing business?**

When we first started, one of the biggest challenges was delivering the products to our customers. There is no company offering delivery services here in Mogadishu – and the city is too big for us to cover on foot or by taxi. Imagine a customer places an order for headsets worth $5, but the transport to deliver this costs at least $3. In this case, we were losing more than we earned.

But, the major challenge I have is lack of capital investment. I need to promote the online business, buy the hardware and establish office space to earn the trust of customers and potential suppliers. I cannot accomplish this if there is no tangible capital.

On top of that, according to data from the UN and the Government of Somalia, a majority of the country’s population are youth. With this comes opportunities for our business to thrive, but many youth are unemployed or have a very low income. As a result, they do not shop online because they do not believe in it or think the prices are inflated. In addition, often the mothers who have little internet experience do the family shopping.

**How are you solving these challenges?**

There is always a solution! We often use our networks and friends. We are currently trying to build trust among the local stores to get them to work with us using the platform.

As for delivery, a friend joined the business and gave us access to a bike, with which we can deliver much cheaper and faster. We have not yet managed to access capital, but fortunately our families support us. We are doing our best to stand out from the crowd, being the one-stop point for all the shopping you need in Mogadishu.

**What’s next on your business agenda?**

We have been online now for five months and we realized that we were not working enough with retail, so we are trying to pivot to engage these businesses and keep building our e-commerce platform.

We are also looking into building a platform that shows all available hotels and logistical tourism needs, so someone interested in travelling to Somalia can book everything they need in one place. We also want to start encouraging local tourism. In 2010, things were completely different. Today the whole city is open. Ten years from now it will yet again be a different place, probably open for tourists. We want to be ready for that and be a leader in the country’s future tourism business. 😊

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1. Mohamed Abdullahi with his ‘bike’.
2. Mohamed taking online freelancing courses in Dadaab Refugee Camp.
Bringing online jobs to Gaza’s youth

NOUR ELHAYYA, Programme Coordinator, Business and Technology Incubator, Gaza, and EVELYN SELTIER, Associate Public Information Officer, International Trade Centre

Han an Abu Zaid’s eyes sparkle when she thinks back to her first sale as an online entrepreneur.

‘I will never forget the feeling I had’, she says. ‘Earning $5,000 is something that I could never have imagined, even in my wildest dreams.’

Han an is one of hundreds of thousands of young women refugees having difficulties in finding a job that pays in the Gaza Strip. Unemployment is at an all-time high in a region that has seen three wars in the past few decades and faces poor socioeconomic conditions.

Education does not equal employment opportunities. Han an studied chemistry and worked as an events coordinator in the United Arab Emirates before returning to Gaza to work for a non-governmental organization. Her company’s co-founder, Niveen Wadi, studied biology and worked as a teacher. However, soon the two young women had to deal with either underpayment or no salaries at all.

‘I was involved in random, low-paid and low-skills jobs since my return from the United Arab Emirates’, says Han an. ‘But I wanted a job that meets my skills and my passion.’

A course in online freelancing was set to change the course of their destinies. The two young women met during vocational training offered at the Business and Technology Incubator.
Part of the Islamic University of Gaza, BTI encourages entrepreneurial ideas and youth start-ups by offering incubation, training, development and networking services.

Incubator (BTI), a leading not-for-profit business start-up incubator in Gaza. Part of the Islamic University of Gaza, BTI encourages entrepreneurial ideas and youth start-ups by offering incubation, training, development and networking services. It looks at creating sustainable jobs that bolster economic development while following transparency, equality and competency.

‘I joined the training thanks to my friend who knew my wish to become an entrepreneur and be self-employed,’ explains Hanan. She participated in the four-month programme, hoping she would grow and generate better income by changing her career.

Helping other young entrepreneurs to be successful

Eventually, Niveen and Hanan set up a digital marketing agency together to help youth and start-ups in Gaza with marketing advice.

‘The power of marketing is unpredictable and limitless. This is something we have learned during our training. And this is our agency’s name: Will Benefit,’ says Niveen.

Since creating Will Benefit, the two entrepreneurs have secured contracts worth thousands of US dollars. Even before founding the agency, they had won contracts as a team. Their first was with Jordan’s Al-Jawarneh training centre. The second was an annual contract worth $500 a month with a Saudi client.

‘This was our first official contract as a company that we earned with the help and guidance of the digital marketing training,’ said Hanan, 30. ‘And with this signature, we launched our company and Facebook page.’

‘We decided to have something bigger instead of working individually,’ Hanan said.

They continue to build up a steady clientele. Niveen recently signed an annual contract as digital marketing manager with Tashbeak that is worth about $400 a month, and Hanan won a similar contract with Bassma (Imprint) that carries the same value. Twenty-nine year-old Niveen says she aims to make Will Benefit the biggest digital marketing company in Gaza – and in the State of Palestine.

The story of Will Benefit is not an isolated incident.

Take Mohammed Abu Saqer for instance. The situation of the 26-year-old from Gaza was precarious before he found BTI’s advertisements online for the classes it offers to hundreds of youth.

‘I was ready to migrate to Jordan to find better working conditions’, he says. ‘The very same day I got my no-objection letter from the authorities to travel to Jordan, I decided to instead try the ‘work online’ project that BTI offered as I had studied information technology’.

Now Mohammed is happy he made that decision.

‘I joined the online-marketing branch of the programme. The trainers were great at instructing and guiding us. During the training, I was able to get online jobs. Three months later, my revenues were encouraging’, Mohammed says proudly.

He continues, ‘The satisfaction of my clients and the numerous incoming offers actually inspired me to gather a team and start an agency that offers professional digital marketing services and consultation, after I had provided consultations and workshops to some of my clients in Saudi Arabia.'

A project that could change the whole country

BTI works together with the International Trade Centre to unlock the potential of refugees, youth, local communities and small businesses in the Gaza Strip, thereby improving their livelihoods and economic conditions.

The project focuses on freelancing skills and self-employment, as investing in this sector is an effective way to boost the Gazan economy, considering the complicated political context and the de facto lack of Gazan control over the borders. By contributing to inclusive growth, the project can contribute to a positive spillover effect in fostering peace and stability. The project entered two phases so far with over 235 trained freelancers, whose income exceeded over $140,000.

1. Mohammed Abu Saqer speaking at BTI.
2. Niveen Wady.
3. Hanan Abu Zaid.
Building a new market provides economic opportunities for women and youth in the host community of Kigoma, Tanzania

When asked about their hopes and dreams, women and youth in Tanzania’s north-western province give very similar and straightforward answers: they want to provide for their families and send their children to school.

But life in Kasulu Town is not easy. And these necessities are not a given.

‘Sometimes it is challenging. It depends on the day. I might only sell half a litre bag and get 500 shilling ($0.22), or I might sell one litre and get 1,000 shilling ($0.43),’ says Paulina Abosi, who sells rounded potatoes at Sofya Market.

Selling agriculture produce is a lifesaver for many women and young people in Kigoma.

‘Selling cassava flour helps me sustain my family’s basic needs, even paying the school fees,’ explains Ashura Maparara, an entrepreneur at Sofya Market.

Lack of infrastructure hinders access to markets

But the local farmers’ biggest challenge is the absence of infrastructure. The solution? Building a new market that improves the business environment for 1,120 women and youth, offering a proper work environment for selling their agricultural products.

‘Sofya market is one of the biggest markets in the Kasulu district. It serves a lot of people,’ says Adili Charles Mlowe, district coordinator of Kasulu Town Council and planning officer of Sofya Markets.

One of the five planned sheds is up and running, which means some sellers are already enjoying the improved working conditions. ITC has been supporting the Kasulu Town Council in building the sheds to protect women and youth against weather conditions and prevent product damages.

‘Selling on the ground means produce is exposed to dirt, so it is difficult to maintain good quality,’ says Mlowe.

Paulina is content with the new conditions: ‘My potatoes used to get dry when they were exposed to the sun all day. When it rained, they got rotten. With the roof, things have changed.’

Another young entrepreneur who sells rice, cassava and potatoes, Saidi Omari Kibaranyi, agrees: ‘Since the renovation of the market, my life has really improved. Now I have enough tables to store and display our produce. This helps me to sell what I want and I can pay the school fees for my children.’

Supporting the host community

Kigoma is one of the poorest and most isolated regions in Tanzania, with a community of over 300,000 refugees coming from Burundi and the Democratic Republic of the Congo. This makes the social situation difficult and employment a challenge – but it also provides an economic opportunity. The government is planning to turn Kigoma into a trade and business hub at the crossroads with its neighbouring countries.

Youth and women’s economic empowerment is crucial to the region in the fight against poverty. ITC, together with 16 other UN agencies, is helping marginalized groups in the host community, who have experienced an influx of refugees, build sustainable livelihoods in the agricultural sector.

The project also indirectly benefits refugees in the region: beneficiaries include women and young refugees as well as host community members. This way refugees benefit too.
Weaving into fairness

EVELYN SELLIER, Associate Public Information Officer, and HARAM SIDIBE, Operations Adviser Burkina Faso and Mali, International Trade Centre

How training in traditional weaving saves lives and, as a plus, the environment

Mali, like its neighbouring countries Burkina Faso and Mauritania in West Africa, is facing waves of migration due to political unrest and the resulting economic instability. With limited job and training opportunities in the North, especially for the young, Malians leave their homes in search of jobs in other parts of their country. These internal migrants face extreme poverty in the light of no income and no chance of improving their situation.

‘Poverty affects us, and everyone migrates in search of a job’, says Hassane Sangho. The 30-year-old teaches weaving techniques he inherited through his ethnic group – Peul Maabo – with masterpieces displayed at the National Museum in Bamako.

But Hassane was not able to find a job in his home town of Saraféré in the North: ‘Two years ago, I left my village to come to Ségou because of the area’s precarious and insecure situation.’

With public schools closed due to the jihadist occupation, Hassane has been relying on his skills in weaving since the age of 14. Weaving is a tradition in Mali, with the first techniques born around 3000 b.c. and passed from generation to generation between nomadic men.

‘Each new generation learns from the master weavers. Once you have acquired a certain level of skills, you have the duty to teach the young yourselves’, explains Hassane.

Once in Ségou, Hassane heard about the Ethical Fashion Project that integrates displaced migrants under decent and secure working conditions. ‘I participated in the first training – and became a certified trainer after that thanks to my skills.’

Professional recognition was a life changer for the young Malian. ‘I now have a craftsman card with my professional status.

The technicians assist us in developing new fabrics and producing orders for various brands. Our incomes are growing and the work is continuous. We also have orders from local customers thanks to the publicity of the project.’

Hassane and other weavers facing similar difficulties are now hopeful and at peace. ‘I am proud and very happy. I weave, I learn, and despite the displacement, I can support my family economically.’

Slow fashion for a better future

Slow fashion is a global trend in the Western world, especially in Europe, given the increased pressures of climate change and the consumerist behaviour of millions worldwide. Artisans skilled in the traditional ‘Bogolan’ (mud dyeing) technique can offer comparative and competitive advantages in a global fashion market where consumers demand environmentally responsible sourcing and manufacturing, along with fair trade goods made in socially equitable working conditions. The trend for handmade artisanal products – made with love and backed by human stories – means that slow fashion is a viable means to replace fast, irresponsible fashion.

And it can help fight irregular migration: ‘A project such as the Ethical Fashion Initiative can help us make a living without being tempted by the perilous adventure outside of the borders’, confirms Hassane.
Tahiti limes from Colombia to the world

Frutas Verdes del Patía focuses on organic, setting an example for other farmer organizations in the country’s most conflict-ridden region

Every day at 6:00 in the morning, Juan Fajardo begins his work in the Tahiti lime fields at his farm ‘La Cabaña’. Despite being only 15 kilometres away, it takes about one hour to drive from the small producer’s farm to the Pan-American Highway in the rural area of El Rosario (northern Department of Nariño), one of 344 Colombian municipalities designated as ‘Most Affected by the Armed Conflict’.

‘As small producers in a post-conflict setting, we face many challenges’, explains Juan. ‘We lack irrigation, have poor road infrastructure and limited access to finance. Very often, my fellow farmers have little knowledge of organic agricultural markets and technology. All of this makes us less competitive in the production and commercialization of our limes.’

Because of these challenges, the 42-year-old Colombian combines his farming activity with leading Frutas Verdes del Patía, a small farmers’ organization which is part of the project ‘Colombia PUEDE: Peace and Unity through Productive Development and Commercialization’, along with 20 other organizations in the municipalities of Leiva, Policarpa, Tumaco and El Rosario.

Thanks to Juan’s leadership, the producers at Frutas Verdes del Patía (literally translated Green Fruits of Patía, a region in Colombia) have become a role model for other farmer’s organizations in the region, with over 180 metric tons of certified organic limes exported to Europe since its establishment in 2018.

However, in recent months, Juan and his colleagues have been facing new challenges, such as buyers’ requirements for new certifications, and the impossibility of selling their limes due to the lockdown caused by the COVID-19 outbreak.

‘Physical distance and personal protection are our greatest defence against a virus that harms us all and is affecting our economy and our daily lives’, says Juan. ‘But together we will get through this.’

As a response, the International Trade Centre (ITC) has launched a plan to spark the economic recovery of its beneficiaries in the Colombia PUEDE project: Frutas Verdes del Patía will double its membership and attract more women and young producers in the next two years. The farmers are receiving support through instructional videos, radio spots and other materials on crop management and post-harvest handling, which they can access on social media during these times of confinement.

Moreover, Juan and 15 other project participants recently achieved the ‘EU Organic’ certification, thus ensuring the sustainability of their sales. The project is also helping them to develop brand names and images that will help them stand out in the market.

‘We have already exported our limes to France, Germany and Poland,’ says Juan joyfully. ‘It is a dream come true. However, there is still a long way to go. We will continue sustainable production processes, not only to protect our natural resources, but also to promote the consumption of healthy food.’

Juan Fajardo is one of 2,000 small producers participating in Colombia PUEDE, an ITC project financed by the European Union, through the European Trust Fund for Colombia.

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Resources on trade and export development for exporters, trade support institutions and policymakers

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GETTING DOWN TO BUSINESS: MAKING THE MOST OF THE WTO TRADE FACILITATION AGREEMENT

Implementing the World Trade Organization’s Trade Facilitation Agreement is a unique opportunity for developing countries and least developed countries to simplify and modernize their trade and border procedures.

This report assists policymakers and traders to understand the benefits, legal obligations and key factors for successful implementation of each measure in the Agreement. It provides technical notes and guidelines for step-by-step national implementation plans and checklists to ensure compliance for each measure.


JORDAN: COMPANY PERSPECTIVES - AN ITC SERIES ON NON-TARIFF MEASURES (IN ARABIC)

More than two-thirds of Jordanian companies face difficulties with non-tariff measures when exporting or importing. Inconsistent application of regulations creates major obstacles for Jordanian exporters. The problems caused by conformity assessment requirements and procedures are a key source of concern. This report recommends strengthening officials’ capacity, increasing assistance to the private sector and deepening the dialogue with Saudi Arabia to facilitate transit and direct trade.


UNSUNG HEROES: HOW SMALL FARMERS COPE WITH COVID-19

The global pandemic has hit small farmers with disruptions in health, food security, transport, finance and demand. It has also increased the cost of doing business. Smallholder farmers, already dealing with the effects of a climate and price crisis, are taking emergency measures for resilience. At the same time, they are preparing long-term strategies to regain competitiveness.

This report relays the message of smallholder farmers on COVID-19 impact and recovery. It provides insights on what support they need from all value chain actors. It builds on 14 interviews with partners of the International Trade Centre’s Alliances for Action programme.


MORE FROM THE CUP: BETTER RETURNS FOR EAST AFRICAN COFFEE PRODUCERS

East Africa produces some of the world’s most valuable specialty coffees, yet only a small share of profits go to coffee producers. Using case studies from Africa and beyond, this report explores how to get better prices for green coffee beans, learn about branding and develop business partnerships in international markets. Direct trade from origin, also feasible through e-auctions, can result in better average prices for green beans. Roasted coffee offers significantly higher margins, but may not be practical to export. New alternatives exist for contract roasting, packaging and outsourced marketing to transform green beans into branded coffee close to the customer.

http://www.intracen.org/publication/more-from-cup/
Agenda

from June 2020*

Upcoming events

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 June</td>
<td>Micro, Small and Medium-Sized Enterprises Day 2020</td>
</tr>
<tr>
<td>15-30 September</td>
<td>The 75th session of the UN General Assembly, New York</td>
</tr>
<tr>
<td>6-9 October</td>
<td>Sustainable Cities Week, Geneva</td>
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<tr>
<td>14-15 October</td>
<td>World Trade Promotion Organizations Conference and Awards, Accra</td>
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<tr>
<td>2-6 November</td>
<td>Geneva Peace week</td>
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<tr>
<td>4-8 November</td>
<td>China International Import Expo, Shanghai</td>
</tr>
<tr>
<td>22-25 November</td>
<td>World Government Summit, Dubai</td>
</tr>
<tr>
<td>6-13 December</td>
<td>World Investment Forum, Abu Dhabi</td>
</tr>
</tbody>
</table>

*subject to cancellation or postponement due to COVID-19.

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