



# Policy options for the refugees' self-reliance integration model in Uganda

By the end of 2019, up to 80 million people had been forcibly displaced across the world. Yet the growing threats of climate change, conflicts, hunger, poverty, persecution, and other shocks are set to increase this population; a growth that will particularly exacerbate the already overstretched emergency situations in developing countries, which host 85 percent of the world's refugee population.

With 1.4 million refugees mainly coming from Burundi, the Democratic Republic of Congo and South Sudan, Uganda hosts one of the largest sub-Saharan African communities of refugees. This fast-growing population continues to increase the pressure on land use and food security, and most notably within refugee settlements, where up to 47 percent of households experience insufficient food consumption. By progressively shifting its refugee response paradigm from providing care and maintenance to supporting inclusion and self-reliance, Uganda aims to invest in the development of both refugees' and hosts' capacities to create new livelihood opportunities and promote economic growth.

According to the self-reliance strategies, refugees in Uganda are free to work and decide their place of residence and receive a plot of land for cultivation within the settlements. In this context, social protection interventions are key to make the self-reliance approach successful and provide refugees with both the necessary humanitarian and development assistance. If well-targeted, these interventions are expected to support agricultural systems and create job and market opportunities that are beneficial to both the refugees and the local community.

Using a unique panel survey data on Ugandan refugee communities, this brief provides evidence of the beneficial role of social transfers and highlights beneficiaries' characteristics and contextual features on which the effect of the transfers depends. The brief also offers policy recommendations to improve the refugees' self-reliance strategy and stimulate the growth of the overall economy of the country.



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## KEY MESSAGES

- ▶ Both cash and food transfers are effective in improving refugees' food security and in reducing the likelihood of implementing negative coping strategies.
- ▶ Cash transfers also support agricultural activities, provided that households operate on a sufficient extent of land.
- ▶ Rethinking the land-based self-reliance model is essential to support refugees' integration and to build their self-reliance in the long-term.
- ▶ The transition toward a refugee policy that focuses on a broader food value chain development and off-farm activities' enhancement is recommended to reach both short- and long-term development.

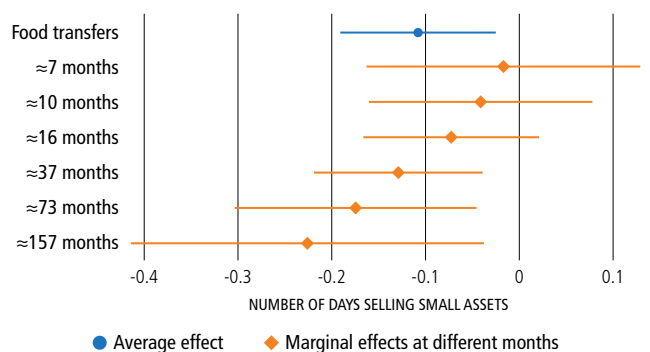
## Social transfers reduce the adoption of negative coping strategies and improve food security

Both cash and food transfer beneficiaries are less likely to adopt a number of adverse coping strategies, including purchasing food for credit, consuming seed stock that will be needed for next season, consuming immature crops, selling small assets and exchanging food for work.

Both types of transfers also contribute positively to improve the beneficiaries' food security. Food-transfers recipients also show a better quality of diet, as measured by a food consumption score.

The time of permanence in the settlement is an important indicator of the effectiveness of transfers on this set of outcomes. The likelihood of adopting negative coping strategies reduces significantly only for beneficiaries that have been living in the settlement for more than 16–37 months (Figure 1). This could depend on the nature of our selected coping strategies, which may

**FIGURE 1. Impact of food transfers on negative coping strategies**



Source: Authors' own elaboration.

become feasible options for households only after a certain period of time. Also, psychological conditions may play a role, as refugees may need time to adjust to their new environment before assistance can have any effect. Finally, the positive effect of cash transfers on beneficiaries' food expenditure is higher for "newcomers", while the impact of food transfers on refugees increases with the length of their permanence in the settlements.

## Cash transfers support agricultural activities for larger-land holders

Beneficiaries of cash transfers are more likely to engage in agriculture (maize production) but only if they hold at least 5 acres of land (Figure 2). Food transfer beneficiaries, instead, are less likely to engage in any agricultural activity regardless of the size of the land operated.

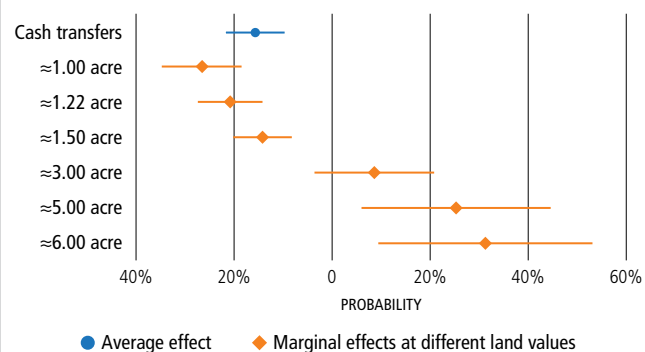
Also, among the households involved in agriculture, beneficiaries of cash transfers exhibit higher maize productivity, and they are more likely to own agricultural assets if they cultivate at least 1.5 acres. Similarly, food transfer beneficiaries involved in agriculture are more likely to use commercial seeds or fertilizers if they cultivate at least 1.5 acres of land.

Nevertheless, no impact of both cash and food transfers has been detected on the probability of earning some income from crop sales, regardless of the size of the land operated.

## Policy recommendations to support the integration of refugees and incentivize Uganda's economic growth

Social transfers contribute to improving beneficiaries' food security and to reducing their recourse to adverse coping strategies in times of emergency. However, these transfers are unlikely to support refugees'

**FIGURE 2. Impact of cash transfers on the probability of producing maize**



Source: Authors' own elaboration.

self-reliance in the longer term. As resources are limited, international organizations and governments should consider both short and long-term development goals that humanitarian and social safety nets may support. This analysis highlights adjustment opportunities, which would help reach the more holistic objective of promoting refugees' integration while simultaneously supporting Uganda's economic growth. Based on the results of our analysis, we recommend to:

- ▲ **Prevent further land fragmentation activities**, contrarily to current practices of dividing plots allocated to refugees into smaller parcels. Agricultural land availability is a crucial limiting factor to obtaining the advantages of cash transfers in agriculture. Also, obtaining some, even temporary, land rights would encourage refugees to invest in agricultural activities and to learn and apply various improvements to stimulate productivity.
- ▲ **Improve social support targeting** by selectively providing land and cash to households able to obtain greater returns in agriculture. Cash/food transfers, combined with other business opportunities, should be promoted for the remaining household profiles.
- ▲ **Promote the development of off-farm activities** (e.g. storage, processing, transport) to stimulate the country's economy and facilitate refugees' integration. Training activities to develop business skills should also be supported to enhance this process of development.
- ▲ **Invest in improving agricultural and food markets to increase the entire food supply chain's efficiency** (i.e. investments in extension and research development, agricultural infrastructure, storage and marketing). These interventions are expected to limit food price fluctuations and to increase better quality and more diverse foods' availability, which may benefit both refugee and host communities.