

# Assessing the Socioeconomic Impact of COVID-19 on Forcibly Displaced Populations

Thematic Brief No. 1: The case of Kenya\*

### **Key Insights**

- New microdata from a high-frequency phone survey in Kenya shows pandemic-induced anxiety is especially high and increasing over time among refugee households compared to the surrounding host community.
- The employment gap between refugees and nationals was considerable even before the pandemic, and it remains large throughout the pandemic due to widespread job losses.
- Although refugee employment is recovering, it is taking place at a slower pace than that of nationals, and the crisis has widened the gender employment gap among refugees.
- Cutting food intake is a common response reported by both refugees and nationals to cope with the loss of income. Notably, the share of refugees reporting going an entire day without food is higher than nationals and suggests severe food insecurity among refugee households.
- ➤ UNHCR's livelihoods response in Kenya aims to address the disproportionate effect of COVID-19 on refugees and other Forcibly Displaced Persons (FDP) through the distribution of masks and hygiene items as well as cash assistance. The delivery of these and other immediate and medium-term support is planned with an eye towards sustainable economic development inclusion and self-reliance.

The COVID-19 pandemic has inflicted devastating consequences across the globe. In low- and middle-income countries where most refugees reside, the pandemic has placed additional burdens on host governments and relevant stakeholders, complicating efforts to address what is today considered the worst forced displacement crisis since World War II. While the virus itself does not discriminate, the measures to curb the pandemic are believed to disproportionally affect Forcibly Displaced Persons (FDPs) due to their pre-existing vulnerabilities and often precarious circumstances. Recent studies by the Center for Global Development (CGD) and Norwegian Refugee Council (NRC) highlight how the effects of the pandemic on FDPs are likely exacerbated by their limited access to formal labour markets and social protection programs in most countries, leading to the loss of employment and income and as a result an increase in poverty.

The current crisis has underscored the fundamental need for timely socioeconomic data in displaced settings to fully understand the conditions of FDPs under UNHCR protection and inform appropriate programmatic responses. However, the availability of data that is both representative to the wider

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<sup>&</sup>lt;sup>1</sup> UNHCR (2020). "Global Trends. Forced Displacement in 2019".

<sup>&</sup>lt;sup>2</sup> Dempster, H., et al. (2020). "<u>Locked Down and Left Behind: The Impact of COVID-19 on Refugees' Economic Inclusion</u>" and Gorevan, D. (2020). "<u>Downward Spiral: the economic impact of COVID-19 on refugees and displaced people</u>".



displaced population and comparable to nationals has long been a challenge. Even before the COVID-19 pandemic, UNHCR has worked closely with key partners, including the World Bank, to support the inclusion of FDPs in existing national surveys. These efforts have taken on greater urgency since the pandemic, with UNHCR and the World Bank collaborating through the newly established <u>Joint Data Center on Forced Displacement</u> to incorporate refugees in the initiative called "High-Frequency Mobile Phone Surveys of Households to Assess the Impacts of COVID-19". As of Q1 2021, a total of 12 countries either have completed or are in the process of collecting comparable data among both refugee and host populations, with more countries planned for throughout 2021.

This series of thematic briefs takes advantage of the newly available socioeconomic data originating from the high-frequency phone surveys (HFPS) along with other relevant household surveys identified (see Box 1) to examine the impact of COVID-19 on FDPs in a few critical country cases. While not exhaustive, the aim is to provide evidence of how FDPs are coping in this new reality compared to nationals and across times where possible, focusing on relevant sectors identified as priorities by regional and country operational partners. In the case of Kenya, we concentrate attention on how refugees' livelihoods and well-being have changed since the outbreak of COVID-19. Considering the underlying goal is to encourage a more evidence-based response, we begin with a stocktaking of relevant programmatic activities for refugees in Kenya in order to contextualize the findings and feed into a more well-informed policy discussion.

#### **Box 1: Data sources**

Kenya has been a model case when it comes to integrating displaced populations into socioeconomic surveys. The analysis presented in this note primarily relies on household survey data collected as part of the Rapid Response Phone Survey (RRPS) conducted by the World Bank in collaboration with the Kenya National Bureau of Statistics, UNHCR and researchers from the University of California, Berkeley. Due to social distancing measures, data were collected by phone interviews to produce a nationally representative sample of the Kenyan population as well as refugees registered with UNHCR residing in both camp-based and urban areas. Data collection began in May 2020, with separate survey rounds completed every two months. To date, five different waves among the FDPs have been completed (Wave 1: 14/5/2020-8/7/2020; Wave 2: 16/7/2020-18/9/2020; Wave 3: 28/9/2020-30/11/2020; Wave 4: 15/1/2021-25/3/2021; Wave 5: 29/3/2021-13/6/2021). In addition, where possible, the analysis relies on household surveys conducted before the COVID-19 pandemic among the same refugee populations residing in Kalobeyei and Kakuma camps. The Kalobeyei and Kakuma Socioeconomic Surveys provide comparable, nationally representative data for refugees and host communities, allowing for a great understanding of living conditions in both locations.

## How has UNHCR responded to COVID-19 in Kenya?

Kenya is now the fourth largest refugee-hosting country in Africa after Uganda, Sudan and Ethiopia and mainly hosts individuals from the region. As of June 2021, Kenya hosts around 522,000 registered refugees and asylum-seekers from Somalia (54%) and South Sudan (25%). Figure 1 shows that while most of the displaced population resides in either Dadaab or Kakuma camps (84%), the number of individuals in urban areas, including Nairobi, has been steadily increasing over the past five years. The

<sup>&</sup>lt;sup>3</sup> World Bank (2020). "<u>High Frequency Mobile Phone Surveys of Households to Assess the Impacts of COVID-19:</u> Overview (English)".

<sup>&</sup>lt;sup>4</sup> UNHCR, "Kenya: Registered Refugees and Asylum-Seekers as of 30 June 2021," 2021.



emerging crisis in Ethiopia and fluid situations in other major refugee-producing countries in the region makes it unlikely that the number of refugees in Kenya will decline significantly in the near term.

Kenya has been one of the hardest-hit countries in the region by COVID-19, with more than 237,000 confirmed cases (~4,500 cases per million people) and 4,700 confirmed deaths (~90 deaths per million people) as of August 2021.<sup>5</sup> The pandemic resulted in widespread lockdowns which included movement restrictions in and out of all camps and settlements hosting refugees, and these are still in place with limited humanitarian access allowed. Although necessary to slow the spread of the virus, the strict measures are also understood to have caused considerable loss of jobs for refugees and host communities in and around camps and contributed to an adverse socioeconomic environment. Following Oxford's COVID-19 Government Response Stringency Index, which takes into consideration a range of response indicators (e.g. school closures, workplace closures and travel bans), the Kenyan government's measures in response to COVID-19 were strictest at the outset from late March to late June 2020, with slight easing taking place in January 2021. For instance, all grade-level schools resumed in-person learning in January 2021. However, in response to the third wave of outbreak, the government announced in March 2021 further restrictions on five counties (Nairobi, Kajiado, Machakos, Kiambu, and Nakuru) that remain in effect until further notice. At that same time, Kenya received the first COVID vaccines and launched its national campaign with 2,807,945 doses administrated so far and 806,404 fully vaccinated, corresponding to 1.5% of the overall population.<sup>6</sup>

In response to the challenges associated with COVID-19, UNHCR has worked closely with the government and partner organizations to provide meaningful support to basic services. For instance, UNHCR procured 2,000 personal protective equipment (PPE) for health workers, of which 900 have been shipped to Dadaab and 1,000 to Kakuma. In addition, UNHCR distributed more than 10,000 masks and boxes of soap to refugees and provided foodstuff and household items to urban refugees. Radio lessons which combine pre-recorded KICD (Kenya Institute of Curriculum Development) content and interactive live sessions with teachers are provided in Kakuma, Kalobeyei and Dadaab to support refugee children's education with over 75,000 learners reached so far. Finally, UNHCR, in cooperation with partners, prioritizes refugee livelihoods and general socioeconomic wellbeing in many ways, including most notably through targeted livelihood support and cash-based interventions. Indeed, the stepped-up livelihoods strategy across the East and Horn of Africa and Great Lakes (EHAGL) region positions livelihoods as a central piece of any COVID-19 response.

Even before the pandemic, UNHCR has supported livelihood activities and the strengthening of self-reliance among refugee and host communities in camp and urban settings. In Dadaab, various assessments conducted in recent years have identified the main livelihood-related problems to prioritize for programming, including (1) lack of employment opportunities; (2) lack of access to financial services; and (3) lack of employable skill-sets. In response to the needs identified, livelihoods programming in this context has promoted agricultural employment and self- and wage employment in non-agricultural sectors through specialized skills training. Moreover, efforts have been made to promote skills-matching and financial inclusion through partnerships with non-traditional actors.

<sup>&</sup>lt;sup>5</sup> Johns Hopkins University, "Johns Hopkins Coronavirus Resource Center's COVID Data as of Sept 2021," 2021.

<sup>&</sup>lt;sup>6</sup> Johns Hopkins University, "Johns Hopkins Coronavirus Resource Center's s Vaccine Data as of Sept 2021," 2021.

<sup>&</sup>lt;sup>7</sup> UNHCR Kenya, "COVID-19 RESPONSE UPDATE," 2020.

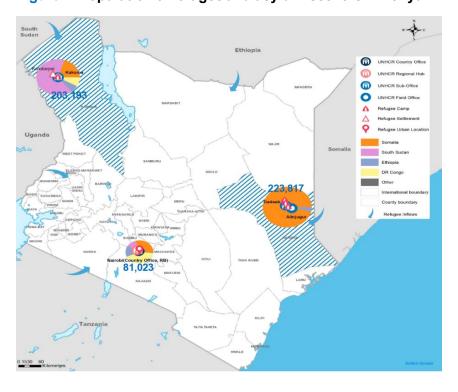


Figure 1 Population of refugee and asylum-seekers in Kenya<sup>8</sup>

Based on available data for Kenya from UNHCR's global livelihoods monitoring tool (Livelihoods Information System) which covers UNHCR-funded programming, in 2019, 120 refugee and host community beneficiaries were selected through targeting to participate in a self-employment programme in Dadaab. The programme led to a reported 13% increase in income and 16% in savings. An additional 156 workers were also hired, indicating a significant employment multiplier effect. 9 While endline figures for activities in 2020 are still pending, in Dadaab again, 243 forcibly displaced persons were targeted to take part in similar self-employment and business activities, including supporting drylands agriculture training, start-up, and grants for VSLA groups and vocational skills training. 10 Kakuma, a total of 2,100 FDPs and 700 host beneficiaries were targeted for either agriculture-based support or assistance to start a new non-farm business in 2020, increasing income (17 percentage points increase) and savings (18 percentage points). 11 In Nairobi, 448 forced displaced persons and 112 hosts were targeted for self-employment or business-related support, including entrepreneurship or vocational training, cash grants for business start-up or expansion, facilitation of access to savings and credit from microfinance institutions facilitation of business licensing and certifications, among others. This led to an increase of beneficiaries' income (14 percentage points) and saving (12 percentage points). 12 While the ongoing livelihood programmes described here are part of a broader strategy such as the KISEDP aiming at supporting greater self-reliance and increased economic

<sup>&</sup>lt;sup>8</sup> UNHCR Kenya-DIMA Unit. Statistics based on UNHCR's Refugee Registration System, ProGres.

<sup>&</sup>lt;sup>9</sup> UNHCR (2020). "Livelihoods Country Analysis Note. Kenya 2019".

<sup>&</sup>lt;sup>10</sup> UNHCR (2020). "Livelihood Monitoring Template. Kenya 2020".

<sup>&</sup>lt;sup>11</sup> UNHCR, "Livelihoods Country Analysis Note– Kenya 2020: Refugees and Asylum Seekers of Various Nationalities in Kakuma Camp," 2021.

<sup>&</sup>lt;sup>12</sup> UNHCR, "Livelihoods Country Analaysis Note – Kenya 2019: Refugees and Asylum Seekers in Urban Areas," 2020.



integration between refugee and host communities, they are also expected to help mitigate some of the medium-term consequences of the pandemic related to loss of job and income.

UNHCR has used Cash-based interventions (CBI) as a way to provide rapid assistance to those individuals most vulnerable to the economic effects of the pandemic. Across the EHAGL region alone, cash expenditure increased by more than 30% year-on-year from August 2019 to August 2020. <sup>13</sup> In Kenya, UNHCR and key partners began the CBI programme in 2018 through unrestricted multi-purpose cash grants aimed to meet refugees' basic needs and enable them to purchase core relief items. By 2020, the CBI programme reached upwards of 37,000 recipients with nearly three-fourths of urban residents indicating it as their preferred modality for assistance. <sup>14</sup> In 2021, UNHCR will target up to 50,000 vulnerable refugee and host community households for one-time cash grants to re-establish their livelihoods, prevent the loss of productive assets, and protect against an additional shock of the loss of social capital. <sup>15</sup> As a measure to guard against the potential negative effects from the COVID-19 pandemic, multi-purpose cash has given families the ability to prioritize their needs to address urgent shortcomings, whether it be with respect to food, rent, utilities and bills, hygiene, healthcare and the like. Moreover, cash-based assistance helps minimize the need to resort to negative coping strategies such as skipping meals, taking on excessive debt levels, child labour, or worse.

## How has COVID-19 impacted refugee households in Kenya?



### Knowledge, behavior and concern

Refugee and Kenyan households are aware of COVID-19 and most have knowledge of mitigative behaviors to minimize the risk of contracting and spreading the virus.

From the outset of the pandemic, people's knowledge about COVID-19 and how one might contribute to curbing the spread of the virus have been a concern. Data from the RRPS shows that awareness of the virus itself has been nearly universal among the refugee and national population from the first round of the survey in mid-2020. Moreover, most surveyed respondents know of the mitigating behavior such as handwashing, use of sanitizer, reducing physical contacts, use of masks, and overall social distancing. Across the three waves of data collected, refugees in camps and urban settings consistently report washing their hands more often than the last week than prior to the pandemic. But among host community members, their self-reported handwashing fell over time. When it came to avoiding large groups such as family gatherings, parties, church/mosque or funerals, the share declines over time across all three groups, with the biggest gain for nationals (Figure 2).

<sup>&</sup>lt;sup>13</sup> UNHCR (2020). "Report on UNHCR's Response to COVID-19".

<sup>&</sup>lt;sup>14</sup> UNHCR (2020). "CBI Post-Distribution Monitoring Report: Kalobeyei Settlement, Kakuma, Kenya".

<sup>&</sup>lt;sup>15</sup> UNHCR (2020). "COVID-19 Supplementary Appeal 2021".

Main reasons for concern in Wave 3

40

60

80

100



Wash your hands more often with soap Avoid groups of more than 10 people 99 98 98 97 92 100 100 85 83 81 78 80 80 60 60 40 40 20 20 0 0 Camp refugees Urban refugees **Nationals** Camp refugees Urban refugees **Nationals** ■ May-Jun 20 ■ Jul-Sep 20 ■ Oct-Nov 20 ■Jul-Sep 20 ■ Oct-Nov 20 ■ May-Jun 20

Figure 2 Behavior change in response to the COVID-19 outbreak

Note: Information only captured in Waves 1-3.

The behavior change likely reflects general anxiety due to the pandemic. Unsurprisingly given their pre-existing vulnerabilities, more refugees report feeling anxious due to COVID-19 than the national population surveyed across all three waves. In particular, urban refugees are considerably more likely to indicate general anxiety than nationals (Figure 3). These alarmingly high levels of unease might be addressed through enhanced psycho-social support or better communication regarding needs and concerns of refugees. When asked, all three groups in Wave 1 emphasized the risk of infection either to themselves or others in the community as the main worry. While the concern of infection remains present over time, the economic concerns related to loss of employment, economic downturn and restricted movement rises dramatically from Wave 1 to Wave 3 for refugees in camp and urban areas. By Wave 3, two-thirds of refugees report having economic concerns, whereas that figure is one-fifth for the national population (Figure 3). A similar pattern emerges in other major categories including fear of food shortages, fear of the effect of school closures, and fear of restricted access to health facilities.

Health

Food

Education

Economic

Disease

0

20

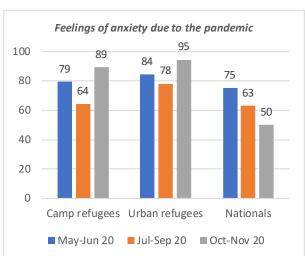


Figure 3 Anxiety due to the COVID-19 outbreak



Note: Information only captured in Waves 1-3.





## Livelihoods, coping strategies and food insecurity

Employment declined sharply in the early months of the pandemic. It has recovered to prepandemic levels though at slower rates for refugees than nationals. Further, the refugee gender employment gap has widened. Reducing food consumption is the most prevalent coping strategy among both refugees and hosts. Food insecurity was alarmingly high in the early months, especially among urban refugees, but has since improved.

The economic concerns of refugees are not unfounded. Both camp and urban refugees face precarious livelihood situations, with fewer refugees than nationals reporting being employed before COVID-19.16 Prior to the pandemic, the employment gap between nationals and camp-based refugees was significant at 46 percentage points (Figure 4). The employment rate for nationals was 71% compared to 24% for refugees in Kakuma and 43% for those in Kalobeyei. In the early months of the pandemic, the results indicated a steep drop in work opportunities for both refugees in camps and nationals. The camp-based refugee employment rate fell from 25% pre-covid to 10% in May-June 2020. And even though the employment rate of urban refugees was initially stable across the separate survey waves, the lack of data before the RRPS makes it infeasible to precisely measure the pandemic's impact income-generating activities for this group. Considering the sectors where they are concentrated are among the hardest hit and where layoffs were most prominent in Wave 1, it is reasonable to assume that job losses for urban refugees have been significant. These sectors include the accommodation and food services, wholesale and retail trade, and arts, entertainment and recreation. 17 The national employment rate gradually improved from mid- to late 2020, reaching 76% by April-June 2021. The refugee employment rate was slower to recover, though both groups showed noticeable gains in the last round of surveys, with camp-based refugee employment reaching the pre-crisis level.

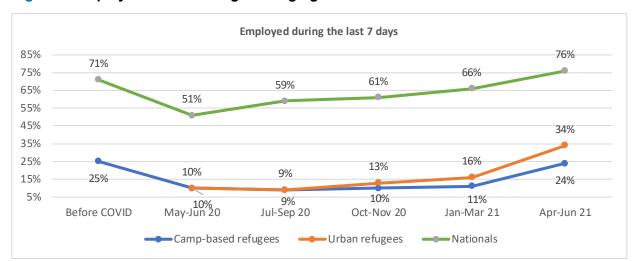


Figure 4 Employment rate among working-age adults

Note: Pre-COVID data is only available for camp-based refugees residing in Kakuma and Kalobeyei. However excluding respondents in Dadaab from Wave 1-5 does not fundamentally alter the trends shown here.

<sup>&</sup>lt;sup>16</sup> Betts, A., et al. (2018). "Refugee Economies in Kenya".

<sup>&</sup>lt;sup>17</sup> ILO (2020). "ILO Monitor: COVID-19 and the world of work. 3rd Edition".



Women suffer disproportionately more when it comes to job and income losses, chiefly due to their over-representation in the hardest-hit sectors. <sup>18</sup> Moreover, when countries begin to recover from the crisis, women may face barriers to finding jobs due to mobility constraints, care responsibilities, and lack of information. <sup>19</sup> In April-June 2021, men's employment surpasses its pre-crisis level (24% versus 30%) in camps, while women's remains below its pre-COVID level. The drop in women's employment due to the pandemic puts at risk progress towards gender equality observed over the past 15 years, resulting from better educational opportunities for women, greater availability of formal jobs in the services sector, migration from rural to urban areas, and lower fertility. <sup>20</sup>

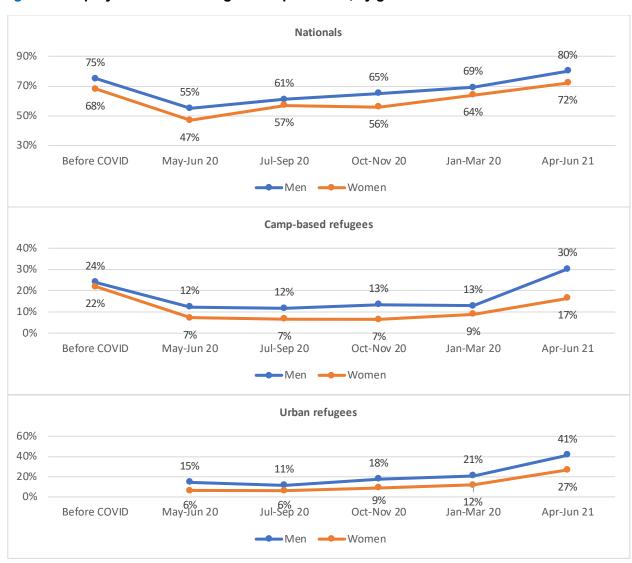


Figure 5 Employment rates during COVID pandemic, by gender

<sup>&</sup>lt;sup>18</sup> ILO, "Building Forward Fairer: Women's Rights to Work and at Work at the Core of the COVID-19 Recovery," 2021.

<sup>&</sup>lt;sup>19</sup> Papa A. Seck et al., "Gendered Impacts of COVID-19 in Asia and the Pacific: Early Evidence on Deepening Socioeconomic Inequalities in Paid and Unpaid Work," *Feminist Economics* 27, no. 1–2 (April 3, 2021): 117–32, https://doi.org/10.1080/13545701.2021.1876905.

<sup>&</sup>lt;sup>20</sup> ILO, "Building Forward Fairer: Women's Rights to Work and at Work at the Core of the COVID-19 Recovery."



The reduced income as a result of lost employment opportunities puts vulnerable groups at further risk of impoverishment. To cope with reduced or disappearing sources of income, some households have had little choice but to sell assets, including livestock. While the share of refugees forced to take this action is relatively less than nationals in the early months of the pandemic (Figure 5), a larger percentage of refugee households sold assets throughout the pandemic in 2020. Looking at another coping strategy such as taking on a loan, urban refugees and nationals show relatively similar levels.

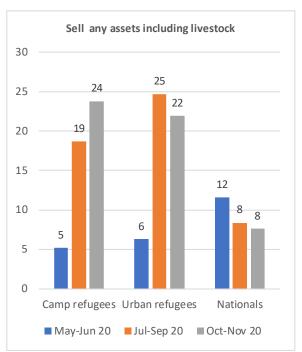
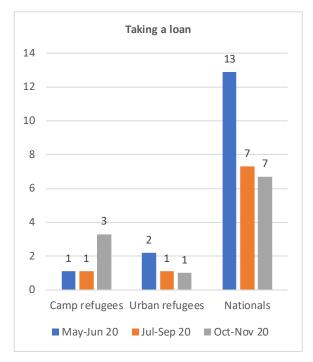


Figure 6 Coping strategies



Note: Information only captured in Waves 1-3.

Aside from selling assets and taking on a loan, households may react to hard times by drastically reducing food consumption. Nearly half of respondents across all groups report cutting food intake in May-June 2020 in response to the COVID-19 crisis, with the figure highest among urban refugees. In May-June 2020, food consumption was reduced by more than half in refugee households, while 38% of national households reduced food consumption. After a decrease in July-September 2020, nearly 60% of camp-based households indicate reduced food consumption in October-November 2020, which is considerably higher than both urban refugees (53%) and nationals (41%). Non-food reduction was the second most used negative coping strategies for both refugees and hosts across the three waves. In October-November 2020, 40% of camp-based refugee and national households reported reducing non-food consumption versus 36% of urban refugee households.

Respondents were also asked about severe food insecurity – whether an adult went a day without eating. In the early months of the pandemic, a more significant percentage of refugee households reported having an adult who spent an entire day without eating than national households (34% for camp-based refugees, 27% for urban refugees, 12% for nationals) (Figure 7). Since the start of 2021, the situation has improved, especially for refugee households. In April-June 2021, only 9% and 7% of camp-based and urban refugee households reported severe food security, respectively. For the same period, a similar percentage of national households reported severe food insecurity (6%).



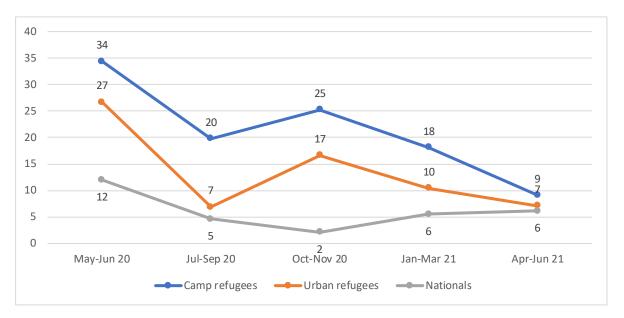


Figure 7 Adults going an entire day without food

#### **Final reflections**

UNHCR's response to COVID-19 can be characterized by support in health, water, sanitation and hygiene services. However, as the analyses here show, one of the most devastating consequences of the pandemic is the loss of income-generating activities and the subsequent need to employ negative coping measures. Immediate support and medium-term programmes targeting sustainable livelihoods are essential to stem and reverse the worst socioeconomic impacts of the pandemic.

In Kenya, UNHCR's livelihoods strategy aims to respond to the disproportionate effect of COVID-19 on refugees and other FDPs. A cornerstone of the strategy is to support refugee households in building back their income-generating activities, including through targeted training programmes and livelihood-linked cash-based assistance. Medium-term programmes that increase economic inclusion and self-reliance will help reverse the unfortunate trends brought to light in this note regarding job loss, negative coping strategies and heightened food insecurity.

Beyond the targeted responses by UNHCR and its partners, the simple truth is that the situation around the world remains precarious until the pandemic itself begins to subside. Therefore, any robust recovery strategy will need to include vaccinations across countries and for all parts of society. Currently, around 76 of the 130 countries UNHCR has a presence in has pledged to include displaced populations in their national vaccination plans. Increasing that number will help slow down the spread of the virus and minimize the socioeconomic damage already inflicted on some of the world's most vulnerable. Similarly, greater efforts to systematically include refugees and other displaced groups into strengthened national social protection systems will help support vulnerable households through the ongoing COVID-19 pandemic as well as future crises to come.



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