

Designing Livelihood Programmes for Displaced Populations in Urban Settings in Afghanistan and Pakistan

Labour Market Assessment in Kabul, Jalalabad, Herat, Kandahar, Charsadda, Mardan, and Peshawar



Samuel Hall. (www.samuelhall.org) is a research and consulting company with headquarters in Kabul, Afghanistan. We specialise in socio-economic surveys, private and public sector studies, monitoring and evaluation and impact assessments for governmental, non-governmental and international organisations. Our teams of field practitioners, academic experts and local interviewers have years of experience leading research in Afghanistan. We use our expertise to balance needs of beneficiaries with the requirements of development actors. This has enabled us to acquire a firm grasp of the political and socio-cultural context in the country; design data collection methods and statistical analyses for monitoring, evaluating, and planning sustainable programmes and to apply cross-disciplinary knowledge in providing integrated solutions for efficient and effective interventions.

This report should be cited using the following reference:

Samuel Hall Consulting, 2013. *“Designing Livelihood Programmes for Displaced Populations in Urban Settings in Afghanistan: Labour Market Assessment in Afghanistan and Pakistan”*, commissioned by the Danish Refugee Council (DRC), Afghanistan.

This publication was commissioned by the Danish Refugee Council (DRC) office in Afghanistan, and edited by DRC headquarters.

Samuel Hall encourages dissemination of its work and will normally grant permission to reproduce portions of the work promptly. For permission to photocopy or reprint any part of this work, please send a request with complete information to development@samuelhall.org.

List of Acronyms

ACCI	Afghanistan Chamber of Commerce and Industries
AFS	Afghanis (official currency of Afghanistan)
AISA	Afghanistan Investment Support Agency
DoLSAMD	Department of Labour, Social Affairs, Martyrs & Disabled
DoRR	Department of Refugees and Repatriation
DRC	Danish Refugee Council
FGD	Focus Group Discussion
GoA	Government of Afghanistan
IDP	Internally Displaced Person
ILO	International Labour Organisation
IMF	International Military Forces
IOM	International Organisation for Migration
KII	Key Informant Interview
KIS	Kabul Informal Settlement
MoHE	Ministry of Higher Education
MoLSAMD	Ministry of Labour, Social Affairs, Martyrs & Disabled
MoRR	Ministry of Refugees and Repatriation
NGO	Non Governmental Organisation
NRC	Norwegian Refugee Council
NRVA	National Risk and Vulnerability Assessment
OCHA	Office for the Coordination of Humanitarian Affairs
PSU	Primary Sampling Unit
UNHRC	United Nations High Commissioner for Refugees
VT	Vocational Training
WHH	Welthungerhilfe

TABLE OF CONTENTS

LIST OF ACRONYMS	3
CHAPTER 1. INTRODUCTION	5
A. CREATING LIVELIHOOD OPPORTUNITIES FOR RETURNEES & IDPs IN URBAN AFGHANISTAN	5
B. OBJECTIVES OF THE STUDY	7
C. METHODOLOGY	11
D. LIMITATIONS	19
CHAPTER 2. REFUGEES' SOCIO-ECONOMIC PROFILE IN PESHAWAR	20
A. ETHNICITY	21
B. MIGRATION PROFILE	22
C. RETURNING TO AFGHANISTAN?	24
CHAPTER 3. VULNERABILITY PROFILE	29
A. EMPLOYMENT	31
B. WOMEN'S EMPLOYMENT	33
C. SOURCES AND LEVEL OF INCOME	34
D. LITERACY	36
CHAPTER 4. FINDING EMPLOYMENT AND TRAINING PREFERENCES OF THE DISPLACED	38
A. PREFERRED ACTIVITIES	39
B. PAST EXPERIENCE OF VOCATIONAL TRAINING PROGRAMMES	41
C. MISMATCHED EMPLOYMENT OPPORTUNITIES AND TRAINING DESIRES	42
CHAPTER 5. LABOUR MARKET SURVEY	44
D. PROFILE OF ENTERPRISES	45
E. LABOUR DEMAND PER SPECIFIC SECTORS	46
F. WAGES	48
G. RECRUITMENT: CRITERIA AND PREFERENCES	50
H. TRAINING AND APPRENTICESHIP	53
CHAPTER 6. ENSURING USEFUL PROGRAMMING IN PAKISTAN?	54
A. MOVING FORWARD ON LIVELIHOOD PROGRAMMES IN URBAN SETTINGS	55
A. DESIGNING LIVELIHOOD PROGRAMMES FOR DISPLACED POPULATIONS IN URBAN SETTINGS	59
ANNEX 1. BIBLIOGRAPHY	65

CHAPTER 1. INTRODUCTION

A. Creating Livelihood Opportunities for Returnees & IDPs in Urban Afghanistan

The urban challenge of integrating returnees and internally displaced populations in Afghanistan has been widely reported¹ – most recently at a high-level National IDP Policy consultation², where the rise of urban informal settlements was singled out as a key concern for practitioners and policy makers. At a time when the political and economic transition are leading to greater migration to urban centres, it is more than ever necessary to zoom in on the feasibility of reintegration and local integration as durable solutions to displacement. One way of doing so is by addressing the mismatch between labour supply and labour demand that currently prevents returnees and IDPs from stepping out of a cycle of enduring poverty.

The urban question is an imperative in a country counting more than 6 million Afghan refugee returnees, and approximately 600,000 conflict and natural-disaster induced IDPs who have chosen to settle in urban locations, with greater access to services, employment and security acting as key pull factors. This forced migratory flux has added pressure and has shown the limited absorption capacity of Afghan urban centres, which have yet to adjust to the settlements of returnees, IDPs and economic migrants. Kabul is a case in point with more than 70% of its land being occupied by informal settlements and a very strong population growth that may lead its population to double in the next five years³. The majority of the displaced have no intention to return to their areas of origin, and are planning to stay in their current locations. Yet, many are suffering from displacement-induced shocks⁴, and are faring worse than the average urban poor.

A 2011 WB/UNHCR research highlights the various forms of deprivation that affect IDPs in urban settings in a more acute way than the surrounding host population, with a clear poverty gap, lower literacy rates, lower levels of income, higher un/under-employment and poorer living conditions. For these households to be able to sustain themselves economically in the cities, it becomes critical for them to quickly adapt skills that adequately align them with the needs of the labour marketplace. The Government of Afghanistan (GoA) is working on a National IDP policy with the support of international actors – but specific interventions will have to address the need for livelihood opportunities for urban returnees and IDPs.

In this context, the Danish Refugee Council (DRC) has commissioned Samuel Hall to recommend bridges between labour demand and supply in areas of high return and IDP presence in 4 Afghan and

¹ MAJIDI, N. (2009) *A research study on the return of refugees in urban settings – Afghanistan*, NRC, Afghanistan ; Majidi, N. (2011) *Urban returnees and Internally Displaced Persons in Afghanistan*, in MEI-FRS; World Bank / UNHCR (2011) *Research Study on IDPs in urban settings*; NRC/IDMC/JIPS/Samuel Hall Consulting (2012) *Challenges of IDP Protection in Afghanistan*; Samuel Hall Consulting (2012) *Sustaining the Working Poor in the Kabul Informal Settlements*, for Solidarités International; Samuel Hall Consulting (2013), *Cash programme review for IDPs in the Kabul Informal Settlements*, for DRC.

² National IDP Policy consultation held on May 22, 2013 in Kabul to finalize the draft of the First National IDP Policy.

³ <http://www.drc.org.uk/>

3 Pakistani urban centres. DRC is increasing its cross-border efforts in both Afghanistan and Pakistan in support of the reintegration of returnees and IDPs, alongside UNHCR and the Government of Afghanistan. With activities starting in 2011, DRC has assisted IDPs squatting in the informal settlements and slum areas of Kabul, carrying out a life skills training programme aimed at employment and self-employment, health and hygiene. In 2013, DRC is aiming to expand its activities across other urban centres of Afghanistan to reduce the gap, and the skills mismatch, between the displaced and their local economic environment.

This survey is the first of its kind in the modern History of Afghanistan and Pakistan, as it will not only highlight the socio-economic differences between Afghan refugees and returnees, but also raise the underlying question of displacement: What are the actual push and pull factors that lead hundreds of thousand people to cross the Pakistani border? Are these people willing and/or likely to come back and “re-integrate” themselves in the Afghan society? Are DRC and other actors’ strategies in line with the fast-changing dynamics of the migration and displacement phenomenon?

B. Objectives of the study

The main goal of the consultancy is to provide a detailed labour market assessment of 1) displaced populations (returnees and IDPs) in select locations in urban Afghanistan and 2) Afghan refugees and economic migrants in urban Pakistan to inform DRC's future programming in both countries. Samuel Hall researchers aimed to assist DRC in planning for its livelihoods programming by answering the following key research question:

What are the segments of the Afghan urban labour market with the biggest labour supply gaps and future opportunities for displaced populations?

A labour market assessment focused on displaced populations in 4 urban centres in Afghanistan (Kabul, Jalalabad, Herat, and Kandahar) and 3 urban centres in the bordering Pakistani province of Khyber Pakhtunkhwa (also known as KPK – Mardan, Charsadda, and Peshawar) allowed the research team to assess:

1. The status of the labour demand on both sides of border

Types of employment opportunities existing in the urban centres, assessment of market prospects, skills required to secure employment;

2. The status of the labour supply in Afghanistan and Pakistan

Challenges faced by employers in securing adequate human resources, current employment patterns of the displaced populations in urban settings, access to, perceptions and preferences of the local labour market;

3. Mismatches between the labour markets, livelihoods & VT programmes, and skills

Review of sectors with labour surpluses and shortages, skills required to find employment, assessment of DRC's livelihoods programmes to date, lessons learned and recommendations for DRC's future programmes;

4. Peoples' perceptions and expectations with regards to both the Afghan and Pakistani labour market opportunities

In a context of political and economic transition, migrants' perceptions of the actual and potential economic opportunities in 4 Afghan and 3 Pakistani urban centres.

Given the gaps discussed in this report between the demand for labour and the displaced populations in the cities, this chapter suggests concrete actions that DRC should take in order to assist its target population of IDPs and returnees through its livelihood activities. Based on the assessments conducted in Kabul, Nangarhar, Kandahar, and Herat provinces, these guidelines have been designed to rationalise the implementation of DRC's livelihood programmes in urban settings, through a series of practical steps supported by two underlying principles: 1) actual replicability; 2) effective sustainability.

Understanding DRC's Programming in Afghanistan/Pakistan: In Afghanistan and Pakistan, DRC primarily focuses on displacement, targeting Afghan refugees, returnees and IDPs. Three main programme objectives guide DRC's activities in the region⁵:

1. *Reducing immediate suffering* of displaced women and men by integrated emergency and protection responses;
2. *Strengthening the capacity of displaced and returnee women and men's to attain sustainable livelihoods* and gain economic empowerment during protracted displacement and reintegration;
3. *Strengthening protection mechanisms and institutional development* in DRC areas of operation to support durable solutions.

Under the second of these objectives, DRC's strategy towards urbanised displaced is twofold:

- **“(P)reintegration and return”**: In line with UNHCR's regional 'Comprehensive Solution Strategy' (2012-2014), DRC started piloting cross-border reintegration support. This includes activities in Pakistan for Afghan refugees living in KPK, with voluntary repatriation information, the development of their livelihood, income and skills, as well as a return support package. This is what we term “pre-integration” or “(P)reintegration”, meaning the start of reintegration activities prior to return.
- **Reintegration and support**: DRC aims to support urbanised returnee and IDP communities by giving households the skills needed for a successful integration in urban settings through a combination of grants, vocational training/skills development, support to social infrastructure, as well as the establishment of a network of Small Medium Enterprises (SMEs).

In other words, DRC's theoretical approach towards Afghan refugees (in Pakistan) and returnees (from Pakistan) can be summarized as follows: *“The assumption is that by training refugees with skills that match the Afghan market, they are more likely to voluntarily return to their home country, as their chances to reintegrate the local urban labour market are greater”*⁶.

However, as logical as it may seem, this strategy relies on three correlated hypotheses:

- **Hypothesis 1**: Will Afghan refugees in Pakistan be willing to return, despite a worsening economic and political context in their home country?⁷
- **Hypothesis 2**: Will Afghan urban centres' job creation and placement capacity be sufficient to absorb an influx of low-skilled returnees from Pakistan?⁸

⁵ See the « Strategic Programme Document 2013-2015 DRC/DDG in the Region of Afghanistan, Pakistan, Iran and Tajikistan », DRC/DDG, p.13.

⁶ UNHCR Field Officer, Jalalabad Office, May 2013.

⁷ SAMUEL HALL CONSULTING. (2013), *Humanitarian assistance in a pre-conflict Afghanistan? A contextual analysis 2013*, commissioned by UNWFP.

⁸ SAMUEL HALL CONSULTING. (2013), *Humanitarian assistance in a pre-conflict Afghanistan? A contextual analysis 2013*, commissioned by UNWFP.

Questioning DRC programming's initial hypotheses? To better assess the validity and legitimacy of the first two hypotheses, it is necessary to bear in mind the likely social, political, and economic scenarios for 2014 and beyond, as they will directly impact the actual outcomes and impact of DRC's strategic choices. Despite perceived and manifest inefficiencies, the official development assistance from the international community does contribute, even indirectly, to the livelihoods of low-income groups, as more than 70% of the GDP is currently funded by external assistance⁹. As such, both the income of the Afghan government and the precarious economic equilibrium of the country are directly dependent on donors' contributions and the country could thus suffer a severe economic downturn in a context of significant aid cutbacks. The main socio-economic consequence of aid cutbacks will be threefold:

- On the national economy as a whole, and more specifically on the services sector, which has been a key driver to the local (urban) economy since 2001. The country is thus expected to have little economic generation capacity by 2014, with the exception of uncertain mineral resources¹⁰ and a still flourishing illegal narcotics trade¹¹. Looking ahead, it is likely that the economy will revert to low-income-country status in the coming years, with an agriculture-based economy.
- On migration to neighboring countries, as urban labour markets will heavily suffer from the deteriorating economic environment. Return and reintegration may not be seen as priorities in today's environment, as: 1) in the medium run, a massive emigration phenomenon to Pakistan and Iran can be expected (from both urban and rural areas) if the security situation does get worse; 2) likewise, in the medium- to long-run, the worsening economic environment may lead a significant proportion of the 400,000 youth who join the labour market every year to migrate to the neighbouring Iran and Pakistan; in urban centres, which will be more impacted by the collapse of the services sector, a massive emigration of the most educated and skilled youth may soon be a reality¹².
- On the willingness of Afghan refugees to return to Afghanistan, as the literature review already shows that "most Afghan refugees who have lived in Pakistan have acquired expectations of what is the necessary level of social services they require in their lives" (Majidi, 2009). This is a population that has benefited over a sustained period of time of better infrastructure (access to water, gas and electricity) and social services (health and education) – and who will therefore be less likely to consider voluntary return to an insecure Afghanistan. The below graph highlights the recent drop-off in assisted returns.

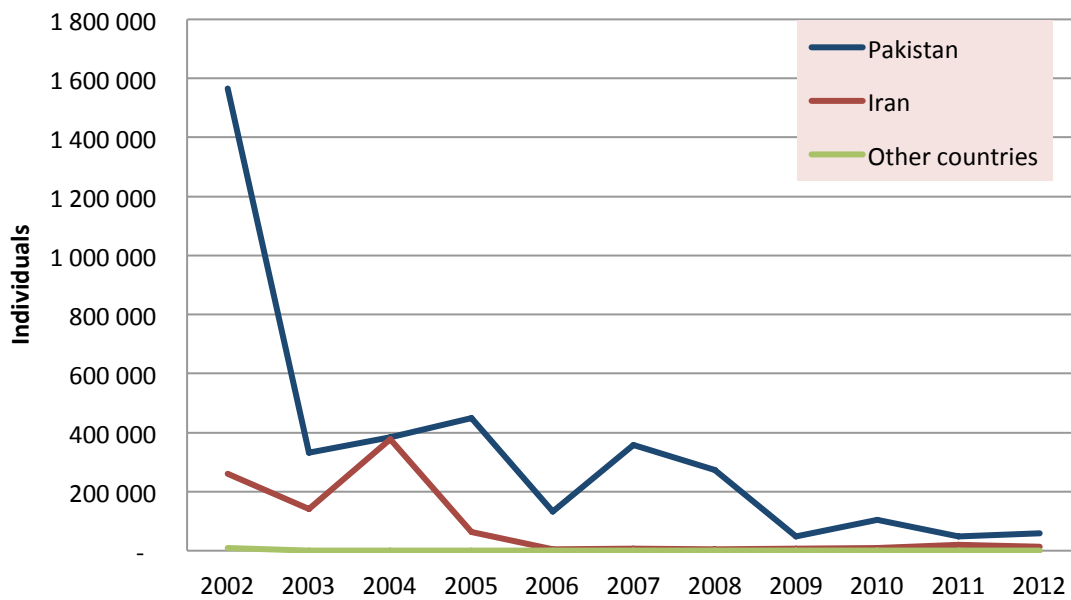
⁹ The most recent figures released by the World Bank and the Afghan Ministry of Finance indicate that the total amount of aid for 2010/2011 amounted to approximately US\$15.7 billion, which represents more than 70% of the overall GDP. See "Transition in Afghanistan: Looking Beyond 2014", The World Bank, November 2011.

¹⁰ See the recent Samuel Hall Consulting report for the ILO: *Afghanistan: Time to Move to Sustainable Jobs* (May 2012), p.19.

¹¹ Unaccounted for in official statistics and larger in size than the formal agricultural sector, the illegal opium sector accounted for an estimated additional 9% of GDP in 2011, according to the United Nations Office on Drugs and Crime: the total farm-gate value of opium production accounted for US\$ 1,407 million in 2011 (*Afghanistan Opium Survey*, UNODC, 2011).

¹² -

Graph 1.1 – Assisted returns to Afghanistan, by country of exile



Source: UNHCR 2013

In today's context, some key assumptions of DRC's cross-boarder strategy in Afghanistan and Pakistan may not be validated and taken for granted by DRC's programming. Do Afghan refugees living in Pakistan have a real social or economic incentive to go back to their home country, where the economic situation is clearly worsening (especially in urban centers) and the political and security situation still extremely volatile? This report will test this hypothesis to better fuel DRC's future strategic orientations in the region.

C. Methodology

The research team used both qualitative and quantitative instruments to draw a thorough and representative picture of the socio-economic and demographic dynamics of the migration phenomenon on both sides of the border:

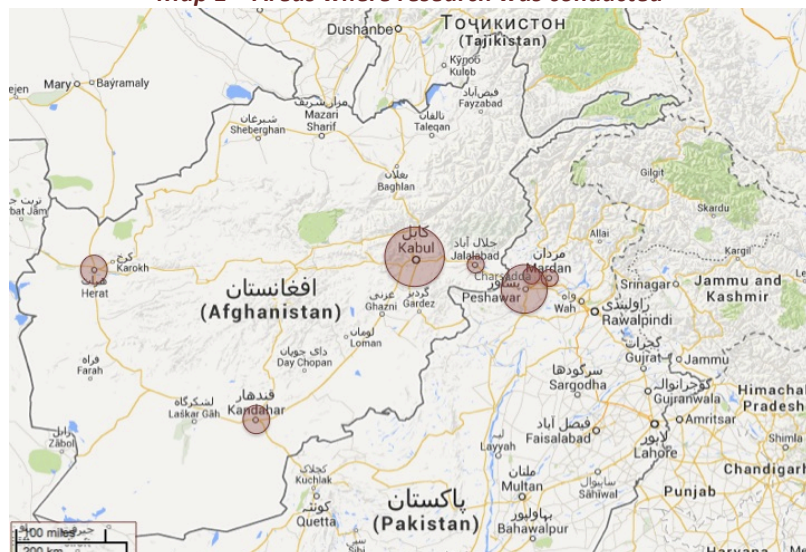
- *Secondary research and desk review on the surveyed communities and the ongoing migration and displacement trends in both countries;*
- *Quantitative survey of 1,528 businesses in 7 urban locations in Afghanistan (4) and Pakistan (3);*
- *Quantitative survey of 1,480 refugee, returnee or displaced households in 7 urban locations in Afghanistan (4) and Pakistan (3);*
- *Complementary focus groups with IDP, returnee, and refugee communities in Afghanistan (20) and Pakistan (16).*

1. Surveyed locations

The primary goal of the consultancy was to inform DRC's future livelihoods programming by providing the organization with a detailed picture of the status of the labour market in four Afghan and three Pakistani urban centres. The choice of the Pakistani urban centres was based on their attractiveness for Afghan refugees, while Afghan urban centres were selected on the basis of both their economic role and their capacity attractiveness for Afghan returnees and IDPs; a second selection criterion was based DRC's existing and planned activities in both Pakistan and Afghanistan. At the time of this writing, DRC's programming in the East and South of Afghanistan has been delayed and has not started yet; however the areas that have been chosen for this study do match NRC's future areas of operations.

In the map below, the Afghan cities of Kabul, Jalalabad, and Kandahar mirror the Pakistani socio-economic hub of the Peshawar area, including the twin and neighbouring cities of Charsadda and Mardan. Peshawar has always been the main destination of Afghan migrants and one can realistically assume that there is a homogenous labour and economic market between Kabul and Peshawar, which both account more than 3 million inhabitants.

Map 1 – Areas where research was conducted



Surveyed Afghan cities: The four Afghan cities offer extremely different profiles. Kabul, Jalalabad, Herat, and Kandahar are four of the five largest urban centres in Afghanistan and the major economic and commercial hubs for the Central, Eastern, Western, and Southern regions of the country respectively. Despite Jalalabad being only a couple of hours from Kabul, and despite the overall transportation and communication linkages having increased tremendously between the four regional hubs over the last few years, the reality of the labour markets and of the displaced populations in each location varies widely. Beyond the linguistic and ethnic differences that exist between the four cities, one finds significant differences in infrastructure. For example, while Kabul and Herat benefit from city power, businesses in Jalalabad and Kandahar must make use of generators to power their workplaces. The extent to which the displaced populations have managed to integrate into the local economy varies even just within one city, affected by their reasons for displacement and time of arrival, not to mention the regional differences that intensify the disparities. Last, it should be noted that the city of Herat was selected on the basis of its relevance for DRC’s regional programming (Iran-Afghanistan-Pakistan), as there is still no rigorous assessment of the local economy, which could naturally inform the strategic and programming objectives of the DRC office in Tehran.

Surveyed Pakistani cities: The map below further focuses on the former “Gandhara valley” and highlights the economic, social, and political ties between Kabul and Peshawar, which are distant from less than 200 kilometres, with the city of Jalalabad halfway. In this regard, the three Pakistani cities that were assessed present some strong socio-economic similarities, as they are all located in a radius of 50km, while being extremely close to the border with Afghanistan. As the provincial capital, Peshawar continues to play a prominent role within North West Frontier Province (NWFP): it houses the provincial parliament, headquarters of all provincial public sector agencies, financial institutions, public and private Universities, Non-Government Organizations (NGOs), industry, various trading houses, and major private sector institutions. As mentioned in a recent World Bank report, “over two million people co-exist in Peshawar in an environment that is marked by a high incidence of poverty, unemployment, poor access to quality social services, alarming levels of air and water pollution, and a worsening law and order situation”¹³.

Map 2 – Areas where research was conducted



Historically, the district of Peshawar has been the most important centre for Afghan refugee settlements, and it has remained so over the past decade. According to AREU, in 2006, “one out of every five people in Peshawar was of Afghan origin”¹⁴. From this point, DRC’s focus on the locations of Peshawar, Mardan, and Charsadda makes full sense, as this triangle has always been the main area of destination, transition or return for Afghan migrants to Pakistan.

2. Secondary research and desk review

A desk-based review of all existing reports and documents on labour market assessments and displaced populations in Afghanistan and Pakistan was conducted in order to better guide the research. This included DRC internal documents, published relevant research papers by government and non-government agencies, and research publications based on similar studies in the region. In Pakistan, available socio-economic information on the KPK province is scarce; as such, the recent study conducted by UNHCR and Ministry of SOFRON¹⁵ was often used by the review team as the official reference and basis for comparison. More generally, the aim of the desk review was to ensure that the study yielded results, which would be able to guide DRC’s livelihoods programming as set out in its regional strategy.

3. Quantitative survey of enterprises and households in seven urban locations on both sides of the border

In order to cover both the demand and the supply sides of the labour market in each of the seven surveyed cities, a two-pronged methodological approach was adopted:

- A labour market survey of 1,528 enterprises (both formal & informal), which aimed at assessing the labour demand (Table 1.1).
- A labour market survey of 1,470 households belonging to the displaced population that aimed at assessing the labour supply (Table 1.2).

Labour market survey of enterprises (1,528 respondents): On the enterprises’ side, the survey gathered information from their profiles, on overall labour conditions, on the state of the demand for various types of labour (particularly in connection with displaced populations), prospects for new entrants to the sectors, entry barriers, future prospects of the business sectors, and the enterprises’ willingness to accept apprentices. These data assisted the study in gauging the overall state of the labour market, the current and future employment opportunities available in the market (specifically for displaced population), and the potential provision of vocational training programmes to the target population. Taking into account the location and size of the commercial areas in the targeted cities, the number of surveys and geographical stratification in each city were determined as follows:

¹⁴ AREU, Afghanistan Research and Evaluation Unit, *Afghans in Peshawar: Migration, Settlement and Social Networks*, study funded by the European Commission (EC) with the support of the UNHCR.

¹⁵

Table 1.1 A – Sample for the Enterprise Survey - AFGHANISTAN

CITY	Primary Sampling Unit	DISTRICT	Sample Size / City
KABUL	Shah shaheed, Karte Naw, Tank logar	PD8	300
	Shor Bazaar, Chindawol, Bagh Qazi, Jadda	PD1-2	
	Khair khana, Sarai Shamali, Koti Sangi	PD 3; 11; 17	
	Dasht Barchi, Pole sokhta, Koshal Khan, Dahan Bagh	PD 4; 5; 6	
JALALABAD	Mokhaberat Chawk, Talashi Chawk, Qul Urdu	PD 1; 4	200
	Chaparhar Hadda, Hadda kohna	PD 2	
	Joy Haft, Kachagarai, Zara Hadda, Torkham Hadda	PD 3; 5; 6 Beshud	
	Sorkhrud district	Sorkhrud	
HERAT	Charso, Mostofiat square, Babaker abad street	PD 1; 3; 10	200
	Spen Adi, Shahre naw, Behzad street, Balahesar	PD 4; 5; 7	
	Darwaza Kandahar, Jama Masjid	PD 2	
	Darwaza Mali, Monarha street	PD 9	
KANDAHAR	Karez Bazaar, Gereshk Zara Hadda	PD 2	200
	Boldak Hadda, Kabul Darwaza, shorandam	PD 3; 5	
	Arg Bazaar, Baro Bazaar, De Khoja street, Landi Bazaar	PD 4	
	Daman District	Daman	
TOTAL			900

Table 1.2 – Sample for the Enterprise Survey - PAKISTAN

CITY	Primary Sampling Unit	SAMPLE SIZE
CHARSADDA	Atmanzai	203
	Charsadda Center	
MARDAN	Barhoti	201
	Jalala	
	Kagan	
	Mardan Center	
PESHAWAR	Badaber	224
	Kababyan	
	Khazana	
	Khorasan	
	Nagman	
	Peshawar Center	
TOTAL		628

In each city, a cluster approach was followed: four primary sampling units (PSUs) were selected based on a) geographical concentration of the businesses and commercial activities; b) proximity to the settlements of displaced population; c) geographical repartition in the city.

Within each PSU businesses were selected and covered companies, enterprises or micro-businesses, self-employed individuals, and the entire range of employment opportunities that exist in the market in the various sectors. Quota of no more than 10% for self-employed, 85% for micro-enterprises (2-5 employees) and 5% for large enterprises (6 or more employees) was set for the survey¹⁶. A slight sampling bias therefore existed in terms of targeting simply those businesses that were clustered in particular areas, however in the context of the urban settings in question, it can be assumed that it will still be representative of the overall realities of the labour market.

In selecting the type of activities to be surveyed, the focus was placed on two types of enterprises: those specifically connected to a vocation and who might take on an apprentice (carpentry, metalwork, vehicle/ motorcycle repair, etc.), and those that might be likely to be entrepreneurial opportunities for beneficiaries, such as the wholesale and retail trade market. A further classification of respondents was made with respect to their position in the enterprise. In order to get a full picture of the labour markets, not only from the perspective of the business owners, both employers and employees were selected for the survey, employers having been defined as the director or deputy-director of the enterprise. By the end, however, 93% of those interviewed across the four Afghan cities and 94% of those interviewed in Pakistan were the director/head or the deputy of the enterprise.

In Pakistan, however, it was more difficult to get the PSU list from the Pakistan Bureau of Statistics and it was thus decided to assess prioritize urban centres as this is where most enterprises were located; researchers first identified the main bazaars, commercial areas, and industrial parks before randomly selecting respondents from the selected neighbourhoods. As such, 79% of those interviewed in Charsadda were from the village of Charsadda, while 84% of those interviewed in Mardan were located in Jalala. Enterprises interviewed in Peshawar were more spread out; the largest group was 41% in Kababyan.

Labour market survey of households (1480 respondents): The second survey was conducted at the household level and focused on DRC's target population in Pakistan, i.e. Afghan refugees, and Afghanistan, "returnees as well as the displaced with a strong urban focus"¹⁷. The survey was designed to address the status of these populations vis-à-vis the labour market, in terms of access to employment, preferences and perceptions of the opportunities that they possess. In Kabul the focus was on the IDP communities living in the Kabul Informal Settlements (KIS) where DRC has been concentrating its efforts over the last year, but also included "areas of high return", as identified by UNHCR. In other cities, the selection of enumeration areas was based on discussions with relevant stakeholders, with whom the research team identified the sites characterized by high concentrations of displaced populations.

The sample size was calculated for each city based on the size and concentration of displaced populations in the area. Within each PSU, interviewees were selected randomly to reduce selection

¹⁶ The number of self-employed enterprises was kept low as they would not be able to provide information on employees, nor would they be interested in taking on workers or trainees. This category, however, was not excluded completely as the information gathered from such businesses helps to inform the status of own-account workers, with useful information

biases based on ethnicity, age and level of vulnerability. **Erreur ! Source du renvoi introuvable.** shows the sites and sample sizes.

In Afghanistan, to ensure the participation of both men and women in each city, a minimum quota of 25% was set for female respondents. Besides, though no specific quota was defined for the respondents to be head of the households, heads of households were given priority as they typically have the most accurate and complete level of information about their family, specifically regarding income and expenses. In accordance with the predetermined target, more than a quarter of the individuals interviewed (28%) were women and 69% of the total respondents self-identified as being the head of their household.

Table 1.3 – Sample for Household Survey - AFGHANISTAN

CITY	Primary Sampling Unit	DISTRICT	Identified w/	Sample Size
KABUL	Chahrai Qambar (Jogiha), Dewanbegi, Qala-e-Wazir	PD 5	DRC	300
	Darul Aman	PD 6	DRC	
	Tape Qasaba	PD 15	DRC	
	Parwane Se	PD 4	DRC	
	Kukakistane Bagrami, Pule Shina	PD 8	DRC	
	Proje Hussain Khail	PD 12	DRC	
	Kuchi Abad	PD 13	DRC	
	Barikab	Qarabagh	DRC	
JALALABAD	Farm Hadda Camp	PD 2		200
	Camp ha	PD 1		
	Majboor Abad	PD 4		
	Saraacha Araban	Beshud	DRC, DoRR	
	Fateh Abad	Surkhrod	DRC, DoRR	
	Meskin Abad	PD 2		
	Bala Bagh	Surkhrod	DRC, DoRR	
HERAT	Shalbafan	PD 7		200
	Robat sozestan, Robat Naw, Dasht Kohdastan	Injeel		
	Ghond yazda	PD 8		
	Charbagh Feroza	PD 10		
	Airport	Guzara		
KANDAHAR	Baba wali village, Mazra Akhond	Arghandab	UNHCR	200
	Haji Aziz Khan	PD 5	UNHCR	
	Loy Wayala	PD 9	DRC, DoRR	
	Mazda Hadda	PD 2	DRC	
	Qalacha	PD 8	DRC, DoRR	
	Shekarpur	PD 3	DRC	
TOTAL				900

In Pakistan, the household profiles were quite similar in the three surveyed areas: 24% (139 out of 580) of the individuals interviewed were women, with a large majority of the respondents (78%) in the 25-65 age bracket and 72% self-identified as being the head of their household. The table below further details the respective sample sizes for each Pakistani location.

Table 1.4 – Sample for Household Survey - PAKISTAN

CITY	Primary Sampling Unit	SAMPLE SIZE
CHARSADA	Atmanzai	150
	Charsada	
MARDAN	Barhoti	201
	Jalala	
	Kagan	
	Mardan	
PESHAWAR	Badabera camp	229
	Kababyan	
	Khazana	
	Khorasan camp	
	Nagman	
	Peshawar	
TOTAL		580

4. Qualitative survey

Focus Group Discussions (FGDs): Given the fact that DRC’s programmes are relatively new and have been relatively small, it was not possible to assess the true impact of these interventions. However, it was useful to collect some qualitative data about individual and collective perceptions of the socio-economic environment; more specifically, in-depth discussions about vocational trainings pointed at some of the strengths and weaknesses of the various approaches taken by organisations to date. Focus group discussions were held with individuals who might or might not have received assistance from DRC and/or other organisations’ programmes. Five to six individuals took part in each FGD, some of who had already participated in the quantitative survey. In each surveyed location, between 3 and 7 FGDs were conducted, at least one of which with females participants. In all, 36 FGDs were conducted in four provinces, each having taken 30-45 minutes to be conducted.

Table 1.5 – Focus Group Discussions in AFGHANISTAN and PAKISTAN

CITY	FEMALE FGD	MALE FGD	EMPLOYERS	TOTAL FOCUS GROUPS	PARTICIPANTS
CHARSADA	2	1	1	4	24
MARDAN	1	1	1	3	17
PESHAWAR	2	3	1	6	33
KABUL	2	2	3	7	40
JALALABAD	2	2	1	5	27
HERAT	1	2	3	6	29
KANDAHAR	1	2	2	5	28
TOTAL	11	13	12	36	198

Key Informant Interviews (KIIs): In order to round off the study and supplement the quantitative and qualitative information gathered from the above-mentioned sources, interviews were conducted with a variety of stakeholders and actors — governmental as well as non-governmental — working with IDPs and returnees in Afghanistan. KIIs were also conducted with entities that are involved with vocational trainings and technical trainings in each city. The stakeholders included: Ministry of Refugees and Repatriation (MoRR, DoRR in the provinces), Ministry of Labour, Social Affairs, Martyrs, and the Disabled (MoLSAMD, DoLSAMD in the provinces), UNHCR, NRC, OCHA, UN-Habitat, HELP, IOM, Solidarités International, and DRC staff members themselves.

D. Limitations

The challenges of doing research on both sides of the border were twofold. The KPK poses several material difficulties to research, and, more generally, planning a study allowing for statistically significant analysis across two countries has inherent difficulties:

Representativeness: UNHCR estimated 1,9 million Afghan refugees and 2 million (estimated) undocumented Afghans in Pakistan. As our study focused on refugee camps only, 97% of the survey respondents had Proof of Registration (PoR) cards. It is therefore important to bear in mind that this study is not representative of the situation of both legal and illegal Afghans living in Pakistan, but only of that of PoR card holders.

Sensitiveness: The current political climate is such that gaining access to the KPK area of Pakistan requires letters of authorization. Even humanitarian organizations are facing increasing difficulties in being present in the region.¹⁸ Getting such letters is not easy – the decision was thus made to go through a trusted partner company for the portion of research in Pakistan. This would remove part of the obstacles, as the research team was Pakistani.

Cognitive bias: Language differences cannot be overlooked: even while the research was conducted in the same language, as those interviewed in Pakistan were Afghans, dialectical differences may have crept in. More generally, the regions where respondents lived differed greatly between Pakistan and Afghanistan – especially if we consider that Pakistan research was confined, as per the plan, to a much smaller area. This could not have been avoided as these are the places where returnees/refugees live; however, it does pose a challenge in interpreting data as contextual differences may impact how respondents answer the same question.

Sampled populations: The same exact questions could not systematically be asked in both Pakistan and Afghanistan as the target populations differed (returnees vs. refugees, Afghan vs. Pakistani enterprises).

Acquiescence bias: Last, in the Afghan and Pakistani context, there is often a risk of acquiescence bias, as most respondents tend to provide interviewers with the “right answer”. This point is crucial as, Afghan people – and especially the poor – are reluctant to criticize the support provided by governmental or international organisations.

CHAPTER 2. REFUGEES' SOCIO-ECONOMIC PROFILE IN PESHAWAR

Looking at the socio-economic profile and relationship with Afghanistan and Pakistan of household survey respondents brings up four major points to keep in mind when planning programming:

1. Peshawar should be considered differently from Charsadda and Mardan in terms of potential programming; people living there are more likely to be drawn to staying there because of potential economic opportunities rather than merely security concerns.
2. While respondents do remain connected to Afghanistan, this connection is of a social nature rather than economic: 87% of those who said that they or a member of their household had made a trip to Afghanistan had done so to reunite with family or friends or for social visits. The fact that social attributes rather than economic seem to govern Afghan refugees' desire to go to Afghanistan contradicts the assumptions made by DRC in planning vocational trainings to encourage returns to Afghanistan.
3. The great majority of respondents (98.4%) do not express a wish to return to Afghanistan (55% say they wish to stay another year in Pakistan and the rest do not know). Those who do not know may be in part unsure because they do not know whether or not the government will allow them to stay. This suggests two things:
 - a. Vocational training programmes geared towards encouraging refugees to return to Afghanistan will not fall in line with their plans.
 - b. Previous returnees to Afghanistan benefitting from financial incentives from the government/IOs to return to Afghanistan may not have truly done so voluntarily but been in essence forced to return due to lack of other financial options.
4. The current and former locations of refugees should be considered in determining which types of programmes to offer. The great majority of refugees in this three districts come from four provinces in Afghanistan: Nangarhar, Kunar, Laghman and Kabul. While these are close to Pakistan and relatively easy to return to from that perspective, Kunar and Laghman both currently present increasingly insecure profiles.¹⁹ Presumably then one might observe more urbanized migratory flows, as refugees who wished to return would go to Nangarhar or Kabul, where many returnees end up in urban centres. The skill sets needed there would be different from those needed if they a) returned to their rural homes or b) stayed in Pakistan, particularly in Charsadda and Mardan.

A. Ethnicity

If we focus on the ethnic breakdown of the surveyed households in the three Pakistani locations, most refugee households are of Pashtun ethnicity (87%), as shown in the table below: 98% in Mardan, 93% in Charsadda, and 74% in Peshawar. It corroborates the findings of the 2012 UNHCR/SAFRON Population Profiling, Verification and Response (PPVR)²⁰, indicating that Pashtuns constitute the majority of the population (82%) followed by Tajiks (5%), Uzbeks (4%) and others groups. This is not surprising if we consider that many Pashtun Afghans share religious, sectarian, cultural, political, and family bonds in Pakistan and *“do not see themselves as asylum-seekers in a foreign land, [as] for Pashtuns on both sides of the border, [Peshawar] was the only major city dominated by their language and culture.”*²¹ Historically, the border (Durant Line) between Afghanistan and Pakistan has been historically disputed and is still a political bone of contention, while many Pashtuns consider the border as an artificial reality that does not make any sense economically or culturally: *“I share the same language, tribal origin, culture, and money with my brothers from Peshawar or Quetta. Politicians in Kabul and Islamabad may tell us that we are different but, honestly, what do I share with people from the North? Absolutely nothing.”* (Focus Group Participant in Kandahar).

Table 2.1 Household Sample by Ethnicity

	CHARSADDA	MARDAN	PESHAWAR
Pashtun	93%	98%	74%
Tajik	1%	0%	8%
Turkmen	0%	0%	4%
Others (Uzbek)	5%	2%	13%

²⁰ Population Profiling, Verification and Response Survey of Afghans in Pakistan, Ministry of SAFRON and UNHCR, Final

B. Migration profile

Focusing on the migration profile of the Afghan refugees in Pakistan, it is worth noting that most interviewed households come from:

- **Rural areas:** Afghan refugee households in the surveyed camps have overwhelmingly (**97.4%**) come from rural or semi-rural locations from Eastern and Southern Afghan provinces: *“My father moved here a long time ago, more than thirty years, because the situation was terrible at that time for us in Logar: our life was at risk and the harvest was poor”* (Refugee, 42, Peshawar).

Table 2.2 Household’s location of origin in Afghanistan

Location	Frequency	Percentage
Urban	8	1.4%
Semi-rural	7	1.2%
Rural	561	97.4%
Total	576	100

- **Eastern provinces:** **84%** of those interviewed originally came from four provinces bordering (or nearly) Pakistan: Nangarhar, Kunar, Laghman and Kabul – as highlighted in the table below: *“It is easy for us to cross the border, because our families have always been on both sides of the border”* (Refugee, 35, Peshawar).

Table 2.3 – Province of origin of Afghan refugees interviewed

	CHARSADDA	MARDAN	PESHAWAR	TOTAL
Nangarhar	33%	8%	48%	30.3%
Kunar	30%	11%	21%	20.1%
Laghman	5%	30%	14%	17.1%
Kabul	27%	27%	9%	16.6%
Kunduz	0%	16%	0%	5.7%
Logar	1%	0%	4%	4.8%
Paktia	1%	4%	0%	1.4%
Jawzjan	0%	0%	3%	1.4%
Takhar	1%	2%	0%	0.9%
Baghlan	0%	2%	0%	0.7%
Badakhshan	1%	0%	0%	0.3%
Faryab	0%	0%	1%	0.3%
Kapisa	0%	1%	0%	0.2%
Paktika	0%	1%	0%	0.2%

If most *households* migrated from Eastern provinces of Afghanistan, almost two-third of the individual respondents (and heads of household) were born in Pakistan, which does have an impact on their *unwillingness* to return to the home country of their household, as often stated in additional

interviews: “I was born in Pakistan. This is my home. I don’t want to go back to Afghanistan.”

born in Pakistan and I have lived in (Mardan), so for me this I where I live and want to live in the future” (Refugee, 19, Mardan) and also “I was born here and my parents raised me in this location. Maybe one day I will work in Kabul or Kandahar, but I don’t know these places, whereas I know Peshawar. My friends are here, my life and work also” (Refugee, 18, Peshawar).

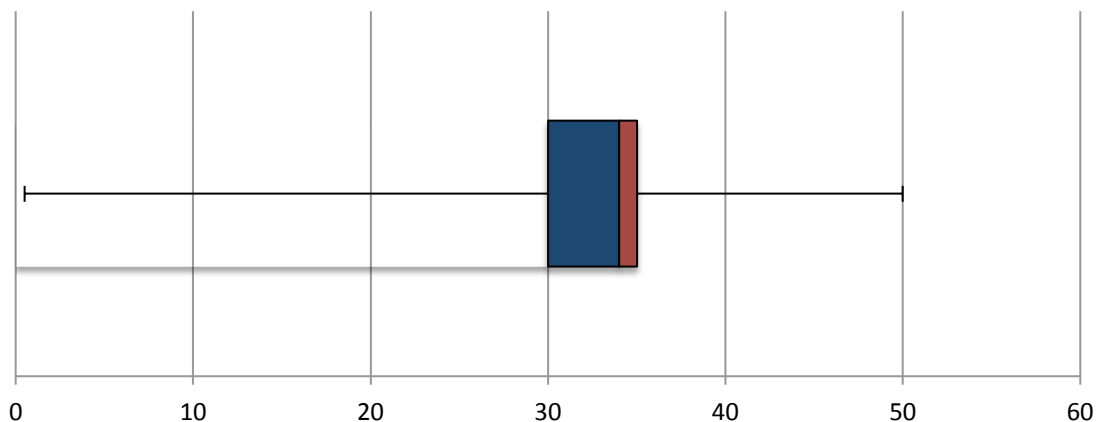
Table 2.4 Country of birth

Location	Frequency	Percentage
Afghanistan	203	35.0%
Pakistan	375	64.7%
Other	2	0.3%
Total	580	100

More surprisingly, household respondents have on average **been living in Pakistan for 32 years**. As the graphs below show, the majority of arrivals coincided with the Soviet invasion (having left Afghanistan between 30 and 35 years ago, so between 1978 and 1983), although internal conflict in the early- to mid- nineties also accounted for some arrivals. In this regard, there are three points to keep in mind:

- These data are consistent with the PPVR, that states that the majority of Afghan households (90%) have moved to Pakistan between the years 1979-1985;
- It probably explains why, in some cases, respondents reported that they had been in Pakistan longer than they had lived – presumably the length of time their family had been in Pakistan;
- Last, those who had been in Pakistan less time were more likely to wish to return to Afghanistan, as the current population has put down more substantial roots.

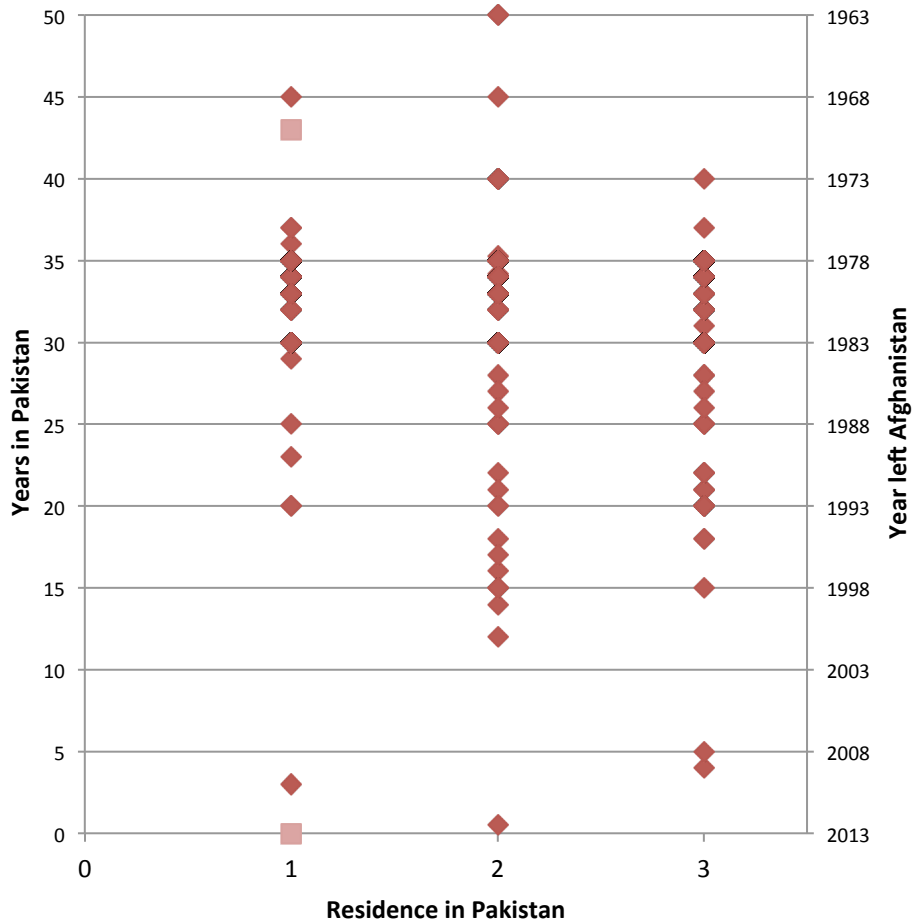
Graph 2.1 – Respondent Time since Arrival in Pakistan (years)



C. Returning to Afghanistan?

As shown in the breakdown by location below, there has been a significant decline in Afghan movement into Pakistan after the year 2000, in the three surveyed locations, with almost no settlement between 2001 and 2008. The more recent influx of Afghan migrants, from 2008 onward, coincides with the worsening security context in the South and East of Afghanistan.

Graph 2.2 – Years in Pakistan, by province (1=Charsadda, 2=Mardan, 3=Peshawar)



Return to home country: 43% report that someone from their household has been back to Afghanistan since their departure (only 29% of those surveyed in Mardan, but 47% of those surveyed in Charsadda and 52% of those in Peshawar). The last occurrences/recurrences of these returns generally took place recently, on average **1.1 years** ago: *“There are many things – family, friends, weddings, and funerals also – which bring us back to Afghanistan”* (Refugee, 27, Mardan).

Purposes of the visit: Out of these 43%, it is worth noting that a large percentage (**87%**) of the visits were for the purpose of reuniting with family and friends or for social visits. Only 31 respondents reported that they or a family member had looked for work in Afghanistan since being in Pakistan

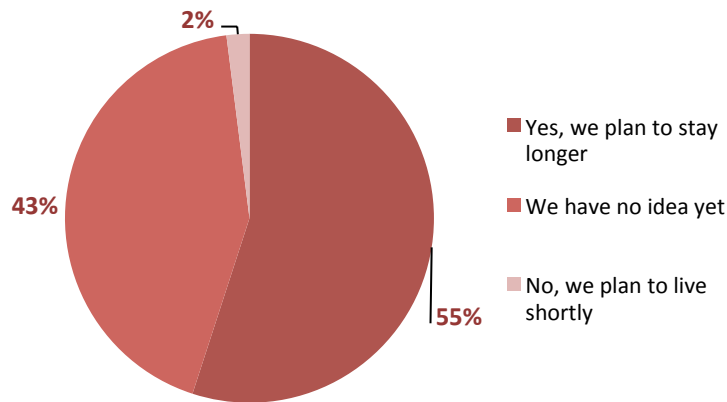
back to Afghanistan is slightly lower, 7828 vs. 9156 Afs/month): “Today, there is no real economic incentive for Afghans who live abroad to come back. Only poor people who are in a debt cycle, like families working in brick kilns or men looking for casual jobs and quick money in Kabul or Jalalabad, would temporarily return” (NGO worker, Kabul).

Lack of economic incentive to return: As such, this survey does not show the same cyclical migration as the 2009 UNHCR report²², which may be: 1) either a factor of the choice of respondents, as the sample included many people settled with their households in Pakistan, while the 2009 survey targeted men travelling alone; 2) or an indication of the relative lack of durable economic incentive for Afghan refugees to come back to their home country.

However, even if it would be tempting to consider the economic context as well as employment opportunities as refugee households’ key criteria to stay in Pakistan or return to Afghanistan, security is definitely the *first* criterion:

- When asked if they intended to stay for at least another year in the refugee camp where they were, more than half of the survey respondents (55%) answered positively, while 43% had no clear idea and only 2% said that they wanted to go to another place. Of these 9 respondents, only three said that they wished to return to Afghanistan.

○ **Graph 2.3 Do you plan to stay for at least another year in this refugee camp?**

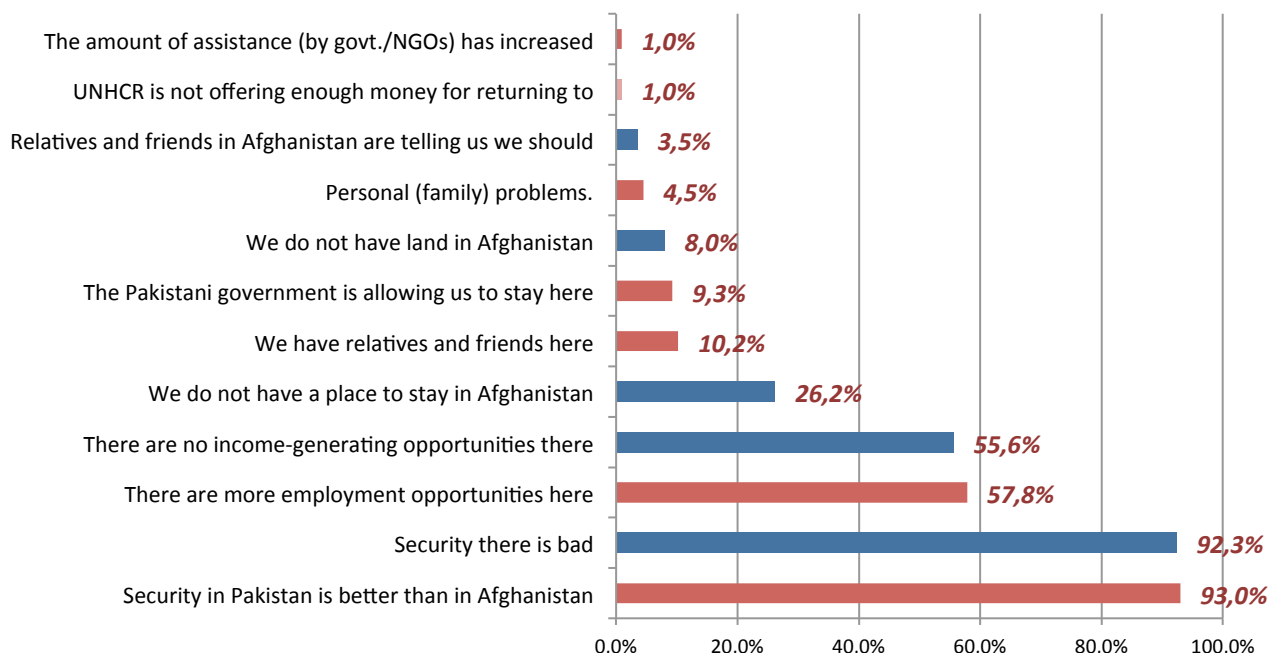


- **Insecurity as a the main deterrent factor...** The 55% (318 households) of respondents who said that they would stay in Afghanistan were asked: **1)** the main reasons why they did not want to return to their home country (in **red** in the graph below) and **2)** correlatively, the main reasons why they wanted to stay in the refugee camps where they had finally settled (in **blue**). As shown in the graph below, security environment was clearly the key parameter in the decision process: 93% consider that security is better in Pakistan and 92.3% that the security context in Afghanistan is “bad”. As mentioned by several focus group participants, the security environment in Afghanistan has clearly worsened over the past few years, especially in the rural areas of Southern and Eastern provinces, and people are clearly informed about this situation. Among the

²² <https://www.unhcr.org/refugees-and-returnees/2010/05/4396262.html>

few newcomers of the Kababyan camp, a small community from Nuristan confirms this trend: *“In my village the ‘vice and virtue police’ came and started beating all the men of the village. We could not stay longer. Some of us went to Kabul and live in the outskirts of the city; others, like my family and I, migrated to Pakistan. Security is better here because it cannot be worse than in our village” (Returnee, 30, Peshawar).*

Graph 2.4 Do you plan to stay for at least another year in this refugee camp?



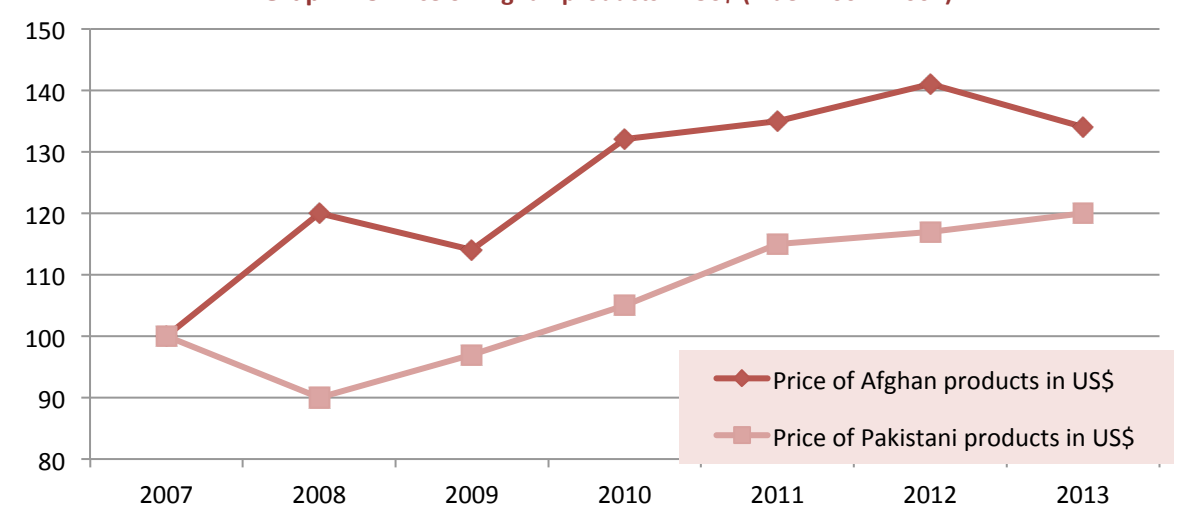
- Such a clear prioritization of the security situation in the return decision-making process echoes another finding of this study: people are generally well informed of the security situation in their home country, through traditional information networks (family, friends, media, etc.), which is probably why almost two-third (65.9%) of the surveyed households tend to consider that the living conditions in their location of origin in Afghanistan of their households are not conducive for return in safety and dignity: *“Why would I put my life at risk. It does not make sense to come back now. My life is here now and my sons and daughters were born here” (Refugee, 46, Mardan).*

Table 2.5 – Security assessment of the community of origin in Afghanistan

Are conditions in the area your household left in Afghanistan conducive for return in safety and dignity?		
	Frequency	Percentage
No, they are not	382	65,9%
Yes, they are	144	24,8%
I do not have enough information	43	7,4%
Did not answer	11	1,9%
Total	580	100%

- If we go back to the graph 2.4, it is worth noting that the fact that Pakistan offers a more favourable economic environment, providing more employment opportunities, was ranked second after the security context: 57.8% of the surveyed households highlighted the job creation potential in Pakistan, while, symmetrically, 55.6% mentioned the lack of income generating activities in their country of origin. The former option was frequently cited in Peshawar (80.2% vs. 52.3% and 32% in Charsadda and Mardan, respectively), where the high number of casual job opportunities is correlated to the strong economic development of the provincial capital of Khyber Pakhtunkhwa. A more in-depth analysis of the economic environment in Afghanistan confirms that:
 - **Life is more and more expensive in Afghanistan...** Double-digit inflation rates combined with a lack of competitiveness vis-à-vis other neighbouring countries have been detrimental to the Afghan economy, while *“in the meantime, life (has gotten) more and more expensive on this (Afghan) side of the border”* (*Economic Analyst, World Bank, Kabul*). Compared with Iran, Pakistan or Tajikistan, Afghanistan’s local currency’s (AFA) official exchange rate with USD has been relatively stable over the same period. In the meantime, inflation rates have been continuously high in the country, which strongly impacts people’s lives, as most products are imported.

Graph 2.5 Price of Afghan products in US\$ (index 100 in 2007)



Source: World Development Indicators (2002-2012) and Samuel Hall’s *“How inflation rates affect the Afghan and Pakistani prices in USD (2007-2013)”*, 2013.

- **And jobs are scarcer and scarcer...** According to World Bank forecasts, the local economic growth is projected to dramatically slow down in 2013 and 2014 *“due to the increased uncertainty surrounding transition and flat growth in the agricultural sector”*²³. In Afghan urban areas, where most refugees living in Pakistan are likely to return, the services, manufacture, and construction sectors have already been negatively impacted by the ongoing withdrawal from international actors and the subsequent reduction of overseas development assistance: casual and low-skilled employment generation will

mechanically suffer from this context of under-investment and heightened economic uncertainty.

- Finally, the perceptions of what makes it desirable to stay in Pakistan reported in Graph 2.4 are fairly consistent across provinces, except on the perception that there are more employment opportunities in Pakistan: 80% of those in Peshawar state this, while only 52% of those in Charsadda and 32% of those in Mardan do. The PPVR survey backs these results up: there, lack of security accounts for 42.7% of responses when asked about obstacles to return to Afghanistan (49.1% of responses in our survey), followed by fear of lack of employment in Afghanistan (27.5% of responses on PPVR).²⁴ Last, as confirmed in Graph 2.4 by the significant percentages of people who say that they do not have a place to stay (26.2%) or a land (8.0%), many may be unwilling to return due to the question of land. Many refugees who left during the Soviet occupation have lost their land, and without access to agricultural land the motivations to return to their original home decrease.²⁵

At this point in time, a majority of Afghan refugees living in the surveyed Pakistani camps do not consider return and repatriation as an option. If we consider the three possible *durable solutions* acknowledged by UNHCR²⁶ – voluntary repatriation, local integration, and resettlement – the surveyed households have clearly developed, voluntarily or not, local integration strategies in Charsadda, Mardan and Peshawar, as a way to secure the political, economic, legal and social conditions needed to maintain life, livelihood and dignity.

- In today's context, the reasons that led Afghan refugees to displacement still prevail, and they would not envision returning until security and economic conditions significantly improve;
- Most households have been living in Pakistan for decades and have recreated a new social and economic network in locations that are not perceived as places of exile anymore but actual homes.

In addition to ensuring that standards of living and security in camps are and remain satisfactory, organisations like DRC could take measures in the camps where they operate to enhance their integration prospects: refugee profiling exercises, market assessments, vocational training initiatives, and job placement programmes – as detailed in the next sections.

²⁴ PPVR 2011 p85

²⁵ AREU *Looking Beyond Repatriation* p33

²⁶ “The means by which the situation of persons of concern to UNHCR can be satisfactorily and permanently resolved to enable them to live normal lives. In the refugee context, this generally involves voluntary repatriation to the country of origin, local integration (including through naturalization) in the country of asylum, or resettlement to another country”

CHAPTER 3. VULNERABILITY PROFILE

The majority of survey respondents cannot be considered well-off by any stretch of the imagination. However, within this group, one can identify differing levels of vulnerability; that is to say, some respondents may be more able to weather further difficulties than others. The UNHCR defines vulnerable persons as “physically, mentally or socially disadvantaged persons who may be unable to meet their basic needs and may therefore require specific assistance.”²⁷ This definition was further outlined as follows in a 2011 UNHCR/World Bank report, which gives more detail around the three broad types of “Extremely Vulnerable Individuals”:

“1. *Physical vulnerability*: Persons who may be handicapped, blind, chronically ill, or drug addicted.”

2. *Psychological and mental vulnerability*: This includes survivors of sexual gender-based violence, torture or traumatic stress. Mentally vulnerable persons include those who suffer from a mental illness.

3. *Social vulnerability*: Persons who do not have the support of their family or community. Generally, they are very poor, without assets and cannot help themselves.”²⁸

These vulnerability levels should be taken into account in planning vocational trainings. While the most vulnerable individuals may appear as prime targets for vocational trainings, an easy place to make a difference, they may be more focused on the here and now than long term improvements. Prior to implementing any programmes, DRC must decide if the profile of targeted beneficiaries is such that it will allow them to participate in these, and if not, should determine methods to allow them to do so.

Vulnerability profiles are important not just in determining target beneficiaries but also in understanding motivations, or lack thereof, to return to Afghanistan. By comparing the vulnerability of refugees in Pakistan and returnees and IDPs in Afghanistan on several metrics, it becomes clear that in general, respondents in Afghanistan are in more vulnerable situations. While the metrics considered below (employment, gender, education, literacy) do not cover all the aspects of vulnerability directly (we did not, for example, inquire whether or not households included a physically handicapped member), they do provide useful indicators to approximate vulnerability level, based on the definition of the types of EVI above. In addition, they are metrics, which can be measured fairly effectively, allowing for a more accurate interpretation of vulnerability level:

1. The differences in employment profile between Afghanistan and Pakistan are crucial to note as they refute some of the hypotheses underlying the plan to use vocational trainings to encourage Afghan refugees in Pakistan to return to Afghanistan. The economic possibilities in Afghanistan appear no more appealing, and in fact, less appealing, than in Pakistan. Employment of the target population in both countries consists for the major part of casual labour and self-employment – generally precarious in both cases. The situation in Afghanistan, however,

²⁷ UN High Commissioner for Refugees (UNHCR), *UNHCR Master Glossary of Terms*, June 2006, Rev.1, available at:

appears more precarious as it is more dependent on casual labour (where work opportunities depend completely on others) and has far greater seasonal variation. For families living with less than a month's worth of savings (in both countries over 90% of respondents report that they could not survive more than a month without borrowing money should their current source of income disappear), this seasonal variation is quite important: casual labourers paid by the day will be making materially less money in winter than in summer, and thus be less able to fulfil their families' needs for a significant portion of the year.

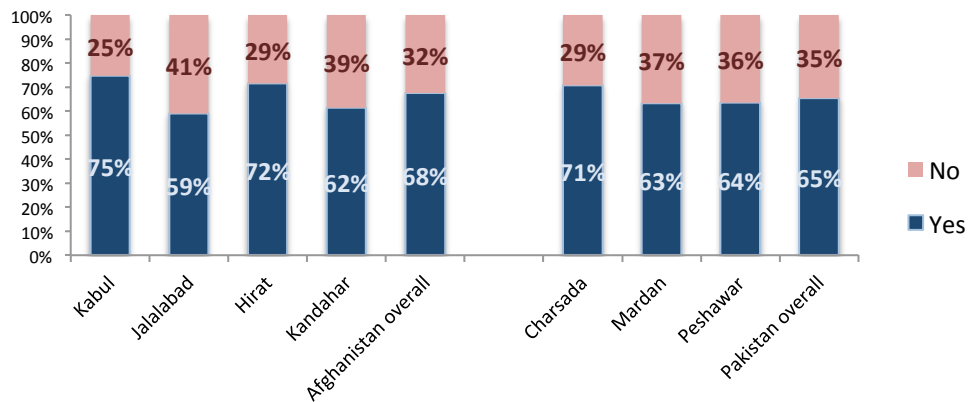
2. Women present clear vocational training opportunities in both countries, but particularly in Pakistan. Underemployed compared to men in both Afghanistan and Pakistan, women are materially less likely to work in Pakistan than in Afghanistan (8% vs. 27% currently employed). This does not necessarily reflect an environment that is much more favourable to women working; there may simply be more opportunities in urban centres for women to work all the while staying close to home (one of respondents' main preoccupation), or it may be more necessary for women to work in Afghanistan for economic reasons. The latter theory is reinforced by the fact that child labour is also more common among the population that has returned to Afghanistan. When asked why they are not working, nearly half of female respondents in Pakistan cite "lack of skills." Focus group discussions also highlighted the importance of family, as several women reported not being allowed to work outside the home. Chapter IV highlights the training preferences of women – these tend towards skills which can be done at home (generally agriculture or handicraft-related). Although such training programmes would presumably have little effect on women's desire to return to Afghanistan (if not a negative one by making their economic situation in Pakistan more secure) they could improve respondents' quality of life.
3. Literacy and school attendance figures also suggest clear opportunities for programming. There is a larger gender gap in both school attendance and literacy rates in Pakistan than in Afghanistan. Further study could help determine whether this is the result of cultural mores (in which case programming could be instituted to help modify these) or security concerns (more difficult to combat).

A. Employment

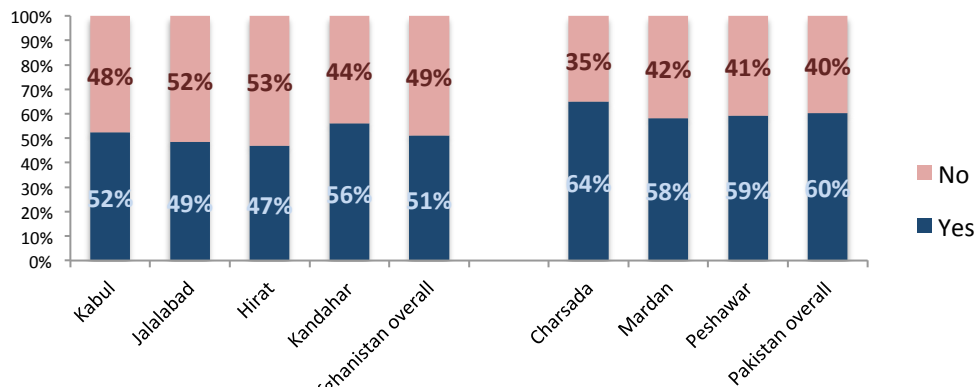
Although respondents in Afghanistan were slightly more likely to have worked in the past year than respondents in Pakistan (68% vs. 65%), respondents in Pakistan were more likely to be currently working (60% vs. 51%). Gap between those having worked in the past year and those currently working is smaller in Pakistan than in Afghanistan (17% vs. 5%). Based on complementary focus group discussions and quantitative assessments, this difference is mainly attributable to:

- **Economic trends:** In many returnee and IDP camps in Afghanistan, it has become more difficult to find even casual jobs in construction and manufacture. On the one hand, jobs have become scarcer, with the on-going transition process and the lack of private investments in the industrial and services sectors that usually fuel the development of Afghan urban areas; on the other hand, the significant influx of displaced populations in the outskirts of urban areas, has created a vast pressure on labour supply;
- **Seasonality:** The different climates of the two countries. Kabul and Hirat, which have the harshest winters of the areas surveys, exhibit the strongest seasonal variability in terms of days and hours worked. Respondents in Pakistan reported very little seasonal variability: on average, in both summer and winter they claimed to work about 5.8 days per week, and the average number of hours worked per day only rose from 7.4 to 7.8 between winter and summer. This suggests additional stability in respondents' work situations in Pakistan.

Graph 3.1 – Did you work in the past year?



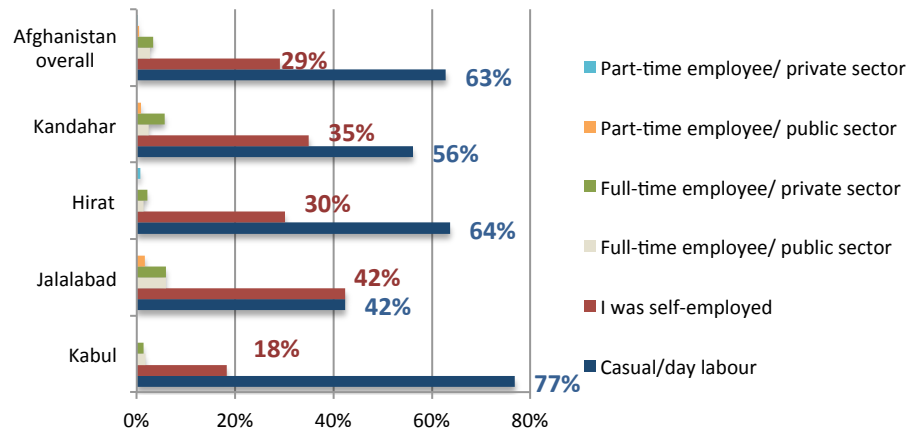
Graph 3.2 - Are you currently working?



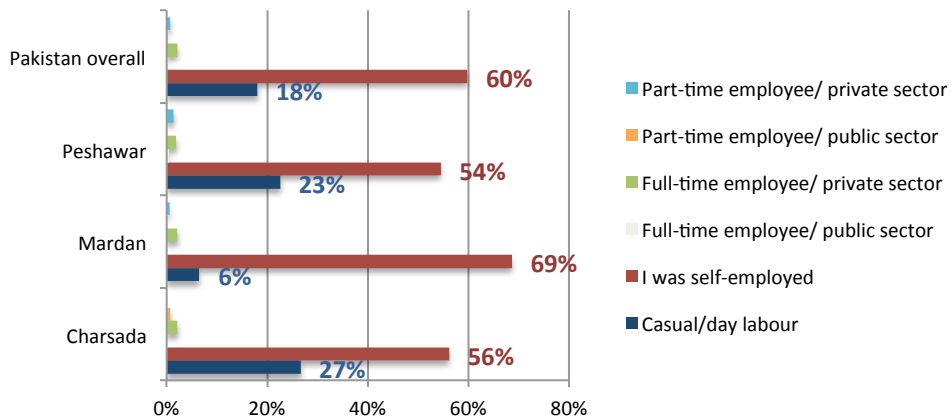
As shown in Graph 3.3 and 3.4, casual labour and self-employment are the main types of employment available to displaced populations in Afghanistan and Afghan refugees in Pakistan. However, their relative popularities differ drastically: while in Afghanistan, 63% reported being involved in casual labour while 29% were self-employed, in Pakistan 60% of those spoken to were self-employed while 18% were involved in casual day labour. PPVR report has 54.3% day labourer and 21.6% self-employed.²⁹ An earlier study by AREU (2006) on Afghan returnees to Nangarhar gives 43% of households as daily wage labour and 37% as self-employment/ small business.³⁰

Such significant differences between the three surveys shall naturally be taken with a grain of salt and may be due to nomenclature and terminology issues; however, it also suggests that while in both countries the prevalence of these sectors shows a certain degree of job uncertainty, the uncertainty may be worse in Afghanistan; self-employment suggests at least some resources (in terms of skills or capital) while day labouring requires neither skills nor extensive contacts.

Graph 3.3 – Type of employment over the past year - Afghanistan³¹



Graph 3.4 - Types of employment over the past year - Pakistan³²



²⁹ PPVR p.51

³⁰ AREU *Afghan returnees from NWFP Pakistan to Nangarhar Province*, 2006, p. 14.

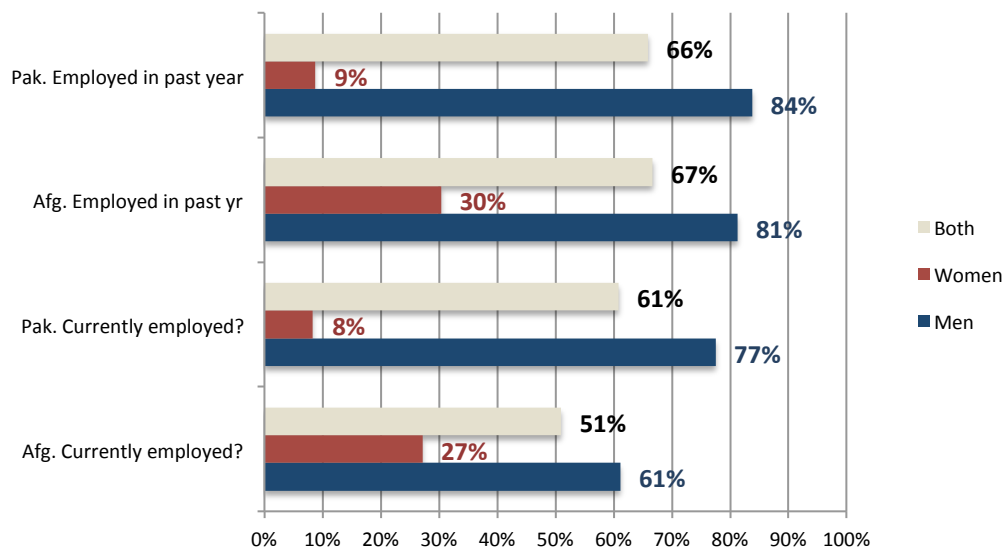
³¹ PPVR p.51

B. Women's employment

Although 65% of respondents reported being employed in the past year, few of these were women. Only 8% of female respondents in Pakistan reported being employed in the past year, and only 8% claimed to currently be employed.

- Women were most likely to list not having any skills as their reason for not working (49%), followed by illness (26%³³). This contrasts with Afghanistan, where business in home and lack of permission from family (particularly among the Pashtun population) were also often cited.
- Focus group discussions in the three surveyed locations suggest a greater influence of family than the survey results; multiple women reported needing to take care of their family or lack of permission from their family as the reason they could not find jobs with their skills.
 - Gulalay, Jalala (Mardan): *"I cannot find the job because my husband does not allow me to work outside but if I get facility to work inside home then I would support my husband."*
 - Laloma, Kababyan (Peshawar): *"yes I can find any kind job but problem is that, that I have children in home and there is no one to look after them so if any kind of job is given to me which is done inside home then it would be easy for me."*
 - Shobina, Utmanzai (Charsadda): *"No I cannot [find a job with my skills] because my husband is strict and he does not give me permission."*
- Being a refugee may account for much of the discrepancy between Afghanistan and Pakistan on the question of women working, as it seems that being a refugee adds to the general cultural opprobrium towards women working: "³⁴

Graph 3.5 – Employment by gender and country



³³ In *Dari*, the same word – *mariz* – is used for illness, sickness, and pregnancy.

³⁴

C. Sources and Level of Income

This section describes the key economic characteristics of the surveyed households. As in Kabul, there was no difference in economic status (measured by total income) based on the length of time since arrival in Pakistan. Unfortunately, this survey does not provide any robust quantitative information on the respective purchasing power of households living on both sides of the border – which may introduce a bias in the comparison between refugees and returnees, as there are significant differences between the two countries in this respect, as shown in Graph 2.5.

- **Source of income:** In households where there is some income, on average, 87% of the household income derives from the contributions of the male members of the household, and 8% from that of children. On average, 1.6 people work per household among Afghan refugees in Pakistan (for an average household size of 9.5). Although the average household income in Pakistan was somewhat lower³⁵ than in Afghanistan (see table 3.1), it should also be noted that this income is generally more consistent in Pakistan. Household size cannot be held solely responsible for this as both Charsadda and Mardan have on average 10 members per household, like in Kandahar. Underrepresentation of women in the workforce may have an impact as this could reduce income sources of households in Pakistan:

Table 3.1 – Average household monthly income (Afs)

City	Average household monthly Income (Afs)
KABUL	7,625
NANGARHAR	12,477
HERAT	6,578
KANDAHAR	14,663
CHARSADDA	8,135
MARDAN	9,976
PESHAWAR	7,551
AFG 4 CITY AVG	10,336
PAK 3 CITY AVG	8,554

- **Economic autonomy:** These income levels do not allow for much savings; 74% of respondents in Pakistan said that they could not last longer than a single month without borrowing money if all their current sources of income were disrupted. An additional 18% add that they could only last one month. These figures are comparable to the situation for returnees and IDPs in Afghanistan, where, depending on the city, between 91 and 98% of respondents report being unable to survive for more than one month without borrowing should their current sources of income be disrupted. In both Afghanistan and Pakistan then, these refugees/IDPs live with precarity (albeit somewhat less, it seems, in Pakistan).

- **Child Labour:** Child labour was probably under-reported by respondents: Of the 460 households with children between the ages of 5 and 15, only six (1.3%) report children working, while the National Child Labour survey conducted in 1996 by the Federal Bureau of Statistics, found 3.3 million of the 40 million children (in the 5-14 years age group) to be economically active on a full-time basis³⁶. It is worth noting that in five of these cases the respondent was a women, and in three of those said woman was the head of household. Presumably then (these cases have limited income information) child labour tends to be reserved for those situations where families are living precariously. By comparison, in the provinces surveyed in Afghanistan, on average 8.5% of households with children between the ages of 5 and 15 report children working.

³⁶[See summary results of the Child Labour Survey in Pakistan \(1996\)](#). "A considerable proportion of the working children in the 5-14 years age group (46 per cent) are working more than the normal working hours, i.e. 35 hours per week, with 13 per cent working 56 hours or more per week. In urban areas, 73 per cent of the working children work more than the normal working hours, which is significantly higher than in rural areas (42 per cent). This shows that working conditions are generally worse in urban areas." This survey is the only of its kind was undertaken with the support of the ILO. Economic activity includes paid and unpaid, casual and illegal work, as well as work in the informal sector, but excludes unpaid

D. Literacy

Literacy rates amongst the Afghan refugees in Pakistan are somewhat higher than among returnees and IDPs in Afghanistan: 33% versus 26%. This difference stems from the male respondents, (42% literate versus 34% literate) as female respondents in Afghanistan were in fact **more** likely to be literate than those in Pakistan (admittedly, in both cases the percentage is quite small – 7.2% of respondents as compared with 3.6%, respectively). This places the population surveyed in Pakistan somewhat above the national literacy rate (set at 26% in the NRVA 2007/8 survey).

Table 3.2 – Literacy rates of respondents, by district and gender

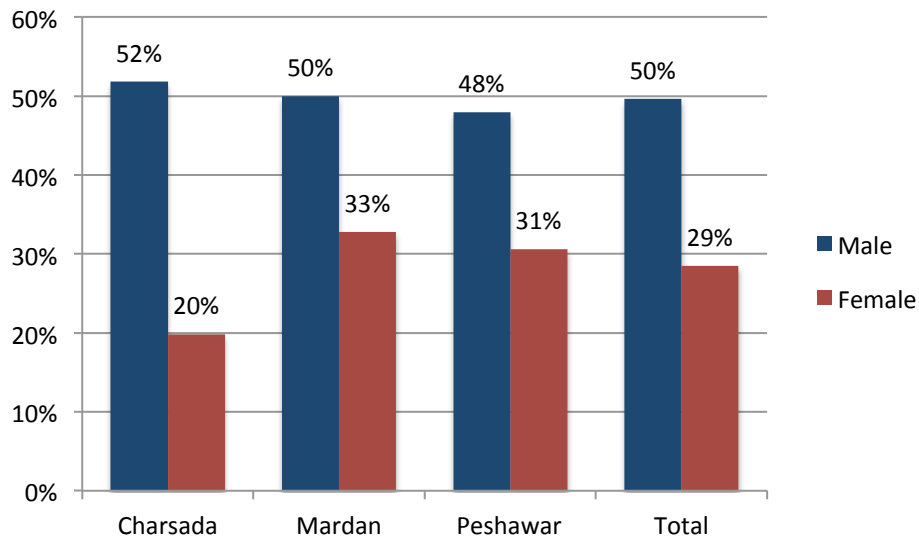
% of respondents who are literate				
		Male	Female	Overall
Afghanistan	Kabul	25%	9.3%	21%
	Nangarhar	46%	10.4%	34%
	Hirat	40%	8.7%	33%
	Kandahar	30%	0.0%	21%
Pakistan	Charsadda	37%	0.0%	28%
	Mardan	41%	4.4%	33%
	Peshawar	46%	5.2%	35%
Overall	Afghanistan	34%	7.2%	26%
	Pakistan	42%	3.6%	33%

School attendance numbers show an equally mixed picture. These figures place Pakistani respondents somewhere in between Afghan provinces in terms of school attendance:

- While Nangarhar and Hirat can boast of 72% and 70% attendance for boys, 42% and 61% for girls, in Kabul only 38% of boys and 28% of girls attend school, and in Kandahar 40% of boys and 24% of girls: *“The school attendance rate in most returnee and IDP camps depends on two correlated factors: first, on the integration of the camp within the urban network and its length of time; secondly, on the demographic pressure of newly displaced households; last, on the opportunity cost of sending children to work vs sending them to school. The latter factor is often the most crucial one” (NGO Country Director, Kabul).*
- The gender gap here is noteworthy: while the rate of school attendance for boys in the responding households in Pakistan correspond to about the average in Afghanistan, that of girls is rather worse, with a smaller rate of school attendance for girls in Charsadda than in Kandahar. While ethnicity may play a role here – 93% of respondents in Charsadda and 98% of respondents in Mardan were Pashtuns, who tend to be more conservative about education for women, this doesn't explain the rate

explanation, as only 74% of respondents in Peshawar were Pashtun: *“Everyone in this community understands the role of education for young girls and women. It is important for their family and also to be good mothers. However, girls’ education has never been the priority of organisations and governmental agencies in this part of Peshawar. And also, education is extremely expensive, even for young girls”* (Elder, 55, Charsadda).

Graph 3.6 - % of children between 5 and 15 attending school



CHAPTER 4. FINDING EMPLOYMENT AND TRAINING PREFERENCES OF THE DISPLACED

When looking for a job in Afghanistan, between 83 and 98% (depending on the province) of respondents cited salary as a key element in choice, versus only 59% in Pakistan. This may be due to more difficult economic conditions in Afghanistan – once again suggesting that refugees in Pakistan do not have much to gain by returning to Afghanistan. It also highlights a short term outlook in Afghanistan, where the immediate salary is of top concern. This suggest two points with regards to vocational training: **a)** respondents may not be able to afford the time to do a vocational training, unless it is remunerated, and **b)** it may be harder to convince respondents of the value of vocational trainings, which depends upon a longer-term outlook.

The overall positive attitude towards training goes some way towards allaying that last fear. Although relatively few respondents have attended trainings in the past, particularly in Pakistan, they were generally appreciated. Respondents agreed that they could get better jobs after (although not better salaries). One point to make sure of is that access to trainings is fair, as several focus group respondents mentioned only those people with influence being able to attend trainings.

The former point, however, leads to additional challenges; while respondents may not be able to afford to spend time doing vocational training without compensation, remuneration for training courses must be done very carefully to avoid incentivizing the wrong actions. Compensation for training, whether monetary or in goods, can lead to people wishing to follow trainings simply for the sake of the compensation. In these cases, the long-term outlook on the impact of trainings would be less positive, as participants would not necessarily care about the trainings themselves. From an employers' perspective, previous research shows that although they are generally willing for employees to profit from training, they are not necessarily willing to pay for said training.³⁷

Finally, the choice of trainings to offer may be challenging. Those trainings which respondents in Pakistan report being most interested in are frequently agriculturally or theoretically oriented – that is to say, trainings of little use when considering the evolution of the urban centres in Afghanistan in which refugees would most likely end up should they return to Afghanistan. This suggests that either **a)** respondents may wish to return to Afghanistan but are unaware of what skills are needed there, or, more likely, **b)** respondents may or may not be aware of what skills are necessary in Afghanistan, but are orienting their own choices towards those appropriate for where they are currently living, suggesting an intention to stay put.

A. Preferred activities

This section focuses on respondents' expectations with regard to the labour market: What are the main drivers of their job search? Which skills do they want to acquire? Are there significant differences between men and women?

Job search criteria: Salary plays a key role when looking for a job: 59% cite it as a main factor in Pakistan. This is however far less than in Afghanistan, where between 83 and 98% of respondents cited it, depending on the surveyed province. In this regard, focus groups in Afghanistan highlight heads of household's higher emphasis on short-term strategies (higher salaries without security of employment): *"I cannot afford not working. I wish I could find better jobs with higher salaries, but the reality is that I have to take whatever job I find to feed my family every day"* (Male returnee, 34, Kabul) and also *"There are fewer jobs today in my sector. Construction companies do not hire us anymore because the situation is difficult in the country (Afghanistan) at the moment. So I try to make as much money as possible, but I take the jobs I can get. And there has not been any for more than a month now"* (Male IDP, 24, Kabul). In this regard, short-term strategies are not a choice but rather the only option for unskilled displaced in a difficult economic context – especially, in Afghan urban locations, as they tend to significantly suffer from the on-going economic slowdown in the services and manufacture sectors.

After "salary", the cost of reaching the workplace was the next most popular response (26%) in Pakistan. The salary seems less important to women (only 15%, *with an indicative sample of 13 respondents only*), who tend to focus more on the cost to reach the workplace (41%) – it is naturally a consequence of families' reluctance to let women work outside their home: *"It is not appropriate for married women and young girls to work outside their home with people their families do not know"* (Female refugee, 33, Charsadda).

Desired skills: The desired skills from vocational training programmes vary somewhat less between provinces in Pakistan than in Afghanistan, although the starkest difference is between countries: tailoring, one of the top choices in Afghanistan, does not make the top 6 desired programmes in Pakistan, and repairing of motor-vehicles is also less popular. On the flip side, poultry-raising and bee-keeping, both frequent choices in Pakistan, are less so in Afghanistan. This may simply be a reflection of the populations interviewed: the respondents in Pakistan were more frequently from rural areas, and neither Mardan nor Charsadda are comparable to the urban centres visited in Afghanistan. They may also reflect awareness of past VT effects, as FGD in Jalala and Utmanzai reported being aware of poultry/livestock projects effected by organization. Of particular note is the fact that "theoretical" skills such as learning English and how to use the computer are rather more popular than in Afghanistan, although more technical skills remain preferred.

Gender-specific preferences: Women across all areas studied in Pakistan prefer skills which can be easily exercised from the home or nearby, generally involving agriculture or sewing/handicrafts. As in Afghanistan, where similar preferences appear, this may be a result of cultural norms discouraging women from working away from the home.

Table 4.1 – Desired skills from VT programmes - CHARSADDA

What skills do you want to learn through VT programmes? - MEN			
Men's first choice		Men (aggregate)	
1	Carpentry (19%)	1	Carpentry (17%)
2	Driving (14%)	2	Driving (14%)
3	Bee-keeping (10%)	3	Poultry raising (11%)
4	Poultry raising (10%)	4	Repairing of vehicles and motorcycles (11%)
5	Repairing of vehicles and motorcycles (9%)	5	Bee-keeping (8%)
6	Electric wiring (7%)	6	Electric wiring (7%)
What skills do you want to learn through VT programmes? - WOMEN			
Women's first choice		Women (aggregate)	
1	Livestock related activities (33%)	1	Livestock related activities (36%)
2	Handicrafts (27%)	2	Tailoring (29%)
3	Tailoring (20%)	3	Handicrafts (29%)
4	Poultry raising (13%)	4	Poultry raising (14%)

Table 4.2 – Desired skills from VT programmes - MARDAN

What skills do you want to learn through VT programmes? - MEN			
Men's first choice		Men (aggregate)	
1	Bee-keeping (12%)	1	Learning Computer (13%)
2	Masonry (12%)	2	Masonry (12%)
3	Learning English (12%)	3	Learning English (11%)
4	Driving (10%)	4	Driving (10%)
5	Poultry raising (8%)	5	Bee-keeping (7%)
6	Repairing of computers (6%)	6	Poultry raising (6%)
What skills do you want to learn through VT programmes? - WOMEN			
Women's first choice		Women (aggregate)	
1	Handicrafts (70%)	1	Handicrafts (70%)
2	Bee-keeping (10%)	2	Bee-keeping (10%)
3	Masonry (10%)	3	Masonry (10%)
4	Sewing/embroidery (10%)	4	Sewing/embroidery (10%)

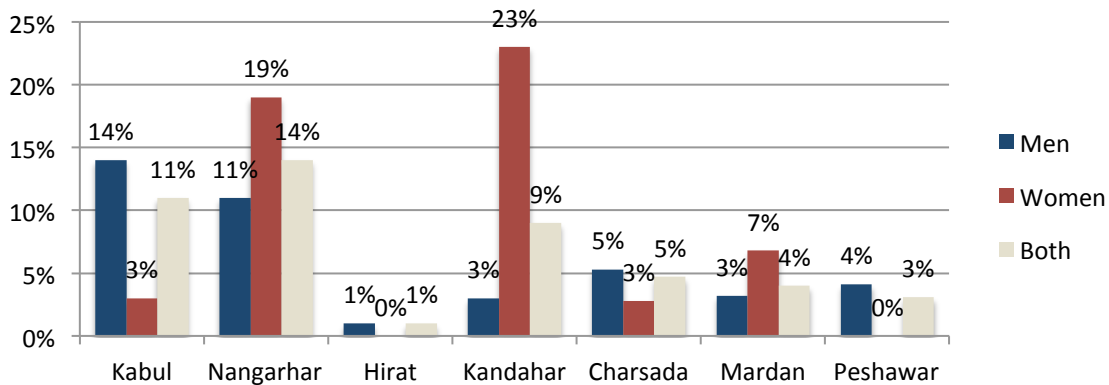
Table 4.3 – Desired skills from VT programmes - PESHAWAR

What skills do you want to learn through VT programmes? - MEN			
Men's first choice		Men (aggregate)	
1	Driving (20%)	1	Driving (18%)
2	Poultry raising (11%)	2	Learning computer (16%)
3	Carpentry (11%)	3	Poultry raising (9%)
4	Learning computer (11%)	4	Carpentry (9%)
5	Bee-keeping (10%)	5	Bee-keeping (9%)
6	Learning English (6%)	6	Learning English (7%)
What skills do you want to learn through VT programmes? - WOMEN			
Women's first choice		Women (aggregate)	
1	Poultry raising (30%)	1	Poultry raising (30%)
2	Tailoring (24%)	2	Tailoring (24%)
3	Livestock (21%)	3	Livestock (21%)

B. Past experience of vocational training programmes

Positive and... Few respondents in Pakistan had received training in the past – 3.8%. Of those who did, less than half reported it improving their income (7/20). These trainings were provided in equal parts by family members (33%) and NGOs (33%), with employers responsible for an additional third. Most focus group participants had heard of vocational training and showed some interest in it, especially men, but only a few refugees had participated in it. Some men in Atmanzai (Charsadda) cited previous DRC training programmes and expressed their willingness to attend others. Several describe them as “good and helpful” or “adapted to (their) needs” (Male refugees, 35 and 53, Charsadda).

Graph 4.1 – Proportion of respondents who have received VT in the past, by district and gender



Negative... One potential problem highlighted by women in Kababyan was of access to training – there, some mentioned “corrupt men” from local organisations, as giving training to their relatives instead of the theoretical beneficiaries of their NGOs. The issue of influence is one that comes up more generally around access to jobs.

Although few conclusions can be drawn from such a small sample, the trainings do seem to have been generally a positive experience, as a majority agreed that they learned many things during the trainings and about half believed that trainings can help them get better jobs (albeit not better salaries). Interesting Afghan refugees in attending VT programmes should not pose a major problem in developing these programmes.

C. Mismatched employment opportunities and training desires

The vast majority of respondents, similarly to in Afghanistan, are open to the possibility of joining in vocational training courses to learn new skills (78% overall). General feeling towards VT programmes seems to be fairly positive as evidenced in FGD. However, those sectors in which Afghan refugees living in Pakistan are most interested in receiving training do not correspond to the sectors most in need of labour in Afghanistan (see **Table 5.1** and **Table 5.2**)

Table 6.1 - % of enterprises requiring additional workers, by sector, Afghanistan

Sector	% requiring additional workers	Sample
Repairing of vehicles and motorcycles	69%	190
Repairing of machineries and equipment	63%	8
Production of edible oil & soap	62%	13
Manufacture of textiles (including sewing & tailoring)	57%	103
Manufacture of fabricated metal products etc.	57%	111
Manufacture of furniture and wood products	56%	85
Hair styling services	56%	18
Plumbing	53%	15
Repairing of consumer electronics and computers	52%	21
Repairing of electric motors, generators, transformers, etc.	48%	27
Manufacture of construction materials	48%	21
Wholesale and retail trade	38%	106
Repairing of bicycles	36%	11
Manufacture of Plastic products	36%	11
Restaurants and food service activities	36%	75

Table 6.2 – Skills respondents wish to learn through vocational training programs, Pakistan

What skills do you want to learn through VT programmes? - MEN			
Men's first choice		Men (aggregate)	
1	Bee-keeping (11%)	1	Driving (13%)
2	Carpentry (10%)	2	Learning computers (12%)
3	Poultry raising (9%)	3	Carpentry (9%)
4	Masonry (8%)	4	Bee-keeping (8%)
5	Learning English (7%)	5	Masonry (8%)
6	Learning computers (6%)	6	Poultry raising (8%)
What skills do you want to learn through VT programmes? - WOMEN			
Women's first choice		Women (aggregate)	
1	Handicrafts (31%)	1	Handicrafts (30%)
2	Poultry raising (21%)	2	Livestock related activities (20%)
3	Livestock related activities (21%)	3	Poultry raising (20%)
4	Tailoring (19%)	4	Tailoring (20%)

Tailoring is the only skill which Afghan refugees in Pakistan frequently stated wishing to learn which directly applied to an area in which there were many employment opportunities in Afghanistan. If the goal of the vocational programmes is in part to better prepare Afghan refugees in Pakistan for a return to their home country, this is problematic. Activities such as poultry raising and bee-keeping may be tempting because they are coherent with both respondents' rural backgrounds and the lack of available land in Pakistan for Afghan refugees³⁸ but not realistic in an urban context. More agricultural activities are viewed positively and as achievable goals: *"Poultry and livestock is a very good profession and I know people running this business"* (Refugee, 32, Utmanzai). Masonry's appeal is explained as follows by focus group respondents: *"Masonry is a good profession; one can engage others on contract as well. It helps one and those hired to earn their livings. Resultantly, Masonry provides more job opportunity to all of us."* (Refugee, 28, Kababiyani).

Conclusion: What do Afghan refugees in Pakistan actually want from aid organisations?

The appeal of training is undeniable – 77.2% of respondents in Pakistan say that they would be interested in joining a vocational training course to learn new skills, if available. However, when looking closely at FGDs and some of the quantitative data, one other aspect pops out: rather than just education/skills (admittedly quite attractive to most respondents), many are also interested in capital to start their business and financial constraints are mentioned in addition to lack of skills in terms of preventing people from achieving jobs they want: *"A good plan would be to give us such help which would raise us, to give us finance so that we may start our own business. It can be threads for making rugs or anything like a photo state machine or a computer which would help in developing business. If I am extended the facility e.g. of a photo state shop machine then I may hire others in this business on wage. Hence all of us would be benefited in the end."* (Refugee, 34, Peshawar – echoed by those who spoke after him). When asked which conditions would be most important in deciding whether or not to join a vocational training course,

- 70.6% of respondents mentioned "Being given capital at the end of the course to help me start my work"
- 66% "Being given equipment at the end of the course to help me start my work"
- 35% "Being given a monthly salary during the course"

Finally, training alone is clearly not enough, and it may not be enough to try to match VT offered to sectors with high demand. As often stated, job placement and follow-up training activities are as important as vocational training sessions themselves.

³⁸ One respondent stating that **Mr. Fazal Haib**: No, farming cannot be easily started because it requires space. We do not

CHAPTER 5. LABOUR MARKET SURVEY

The proportion of enterprises reporting that they believe they will need more workers is lower in Pakistan than in Afghanistan. However, more encouragingly for those living there, the sectors which are most likely to report needing additional workers are those for which trainings have either **a)** been offered in the past (e.g. tailoring, construction) or **b)** seem that they would be relatively simple to set up trainings for (manufacturing of furniture and wood products, for example).

The salaries offered by type of employment highlight once again a disincentive for Afghan refugees in Pakistan to return home: while the cost of living is generally higher in Afghanistan, and wages for high-skilled workers are adjusted accordingly, wages for low-skilled workers are flat across the border. It thus seems unlikely that low-skilled workers would find it appealing to spend money to return to Afghanistan. Trainings could be used to either prepare workers for more high-skilled jobs in Afghanistan, making return somewhat more interesting, or instead should focus on improving the quality of life in Pakistan.

Socio-cultural factors should not be neglected in planning vocational trainings. Biases against refugees and returnees were quite apparent in the research, and women also got the short shrift. Only one enterprise reported having hired women, and only about half of enterprises said they would hire Afghans in the future. One could envision both trainings to make these populations more employable as well as attacking the problem from the labour side of things, as discussed earlier. The issue of trust is prominent here: most enterprises rely on informal networks for hiring, either of family or friendship. When asked why they do not wish to hire Afghan refugees, enterprises respond that they are not trustworthy, or lack guarantors. To improve the quality of life of refugees one might, for example, imagine DRC creating a programme to act as a guarantor for refugees who have gone through trainings. The importance of networks must also be considered in encouraging refugees to return to Afghanistan: if they do not return to their area of origin (challenging for many of the refugees in this region, as discussed above) they may have less of a network than in Pakistan, and thus end up worse off.

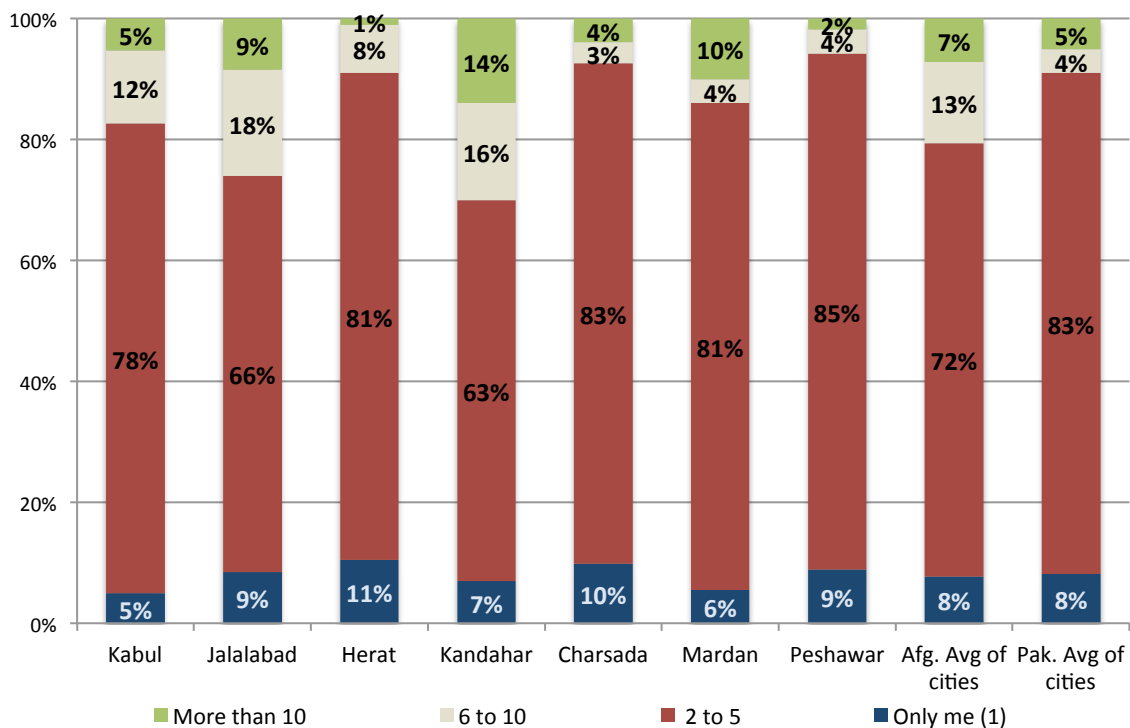
Here it is important to note one difference between districts in Pakistan: enterprises in Peshawar are somewhat less likely to rely on friends and more so on spontaneous applications when hiring. Interpersonal networks are thus somewhat less important in more urbanized areas (similarly in Kabul) and so their importance should not be overstated either.

D. Profile of enterprises

As shown in **Graph 5.1**, the profile of enterprises in Pakistan is fairly constant across locations: the vast majority (91%) have fewer than six employees. Compared to Afghanistan, enterprises surveyed in Pakistan tend to be a little bit smaller, but the difference remains relatively small. More interesting is the lack of variety in terms of size of enterprise in the Pakistani provinces surveyed; Enterprises in Mardan tend to be a little bit bigger but even there the spread remains more similar to the Pakistani average than those of Afghan provinces to the Afghan average.

Five sectors of activity account for over 90% of enterprises surveyed in Pakistan. Nearly one-third (33%) of enterprises surveyed in Pakistan described their activity as “wholesale and retail trade.” 29% were involved in the repair of electric equipment, 15% in “Health,” and 11% in “Repairing of machineries and equipment.” Finally, an additional 4% were involved in “Repairing of vehicles and motorcycles.”

Graph 5.1 – Enterprises by province and number of employees



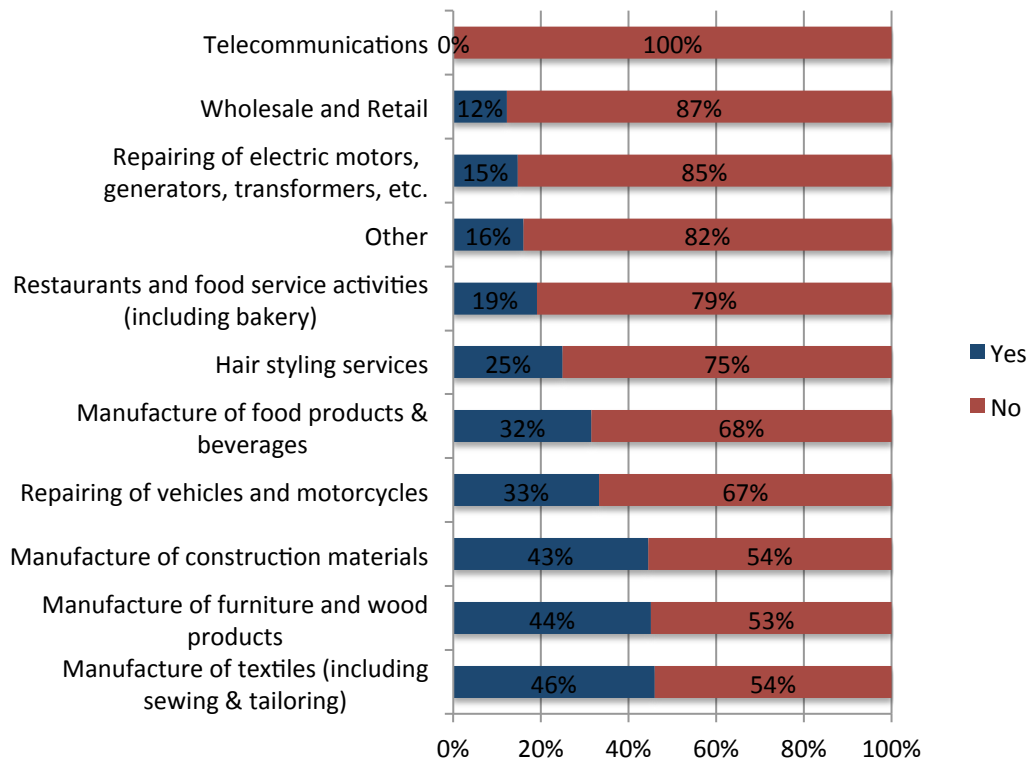
E. Labour demand per specific sectors

At the time of the survey, only 22% of enterprises surveyed in Pakistan reported the need for additional workers. The demand for labour was far lower than in Afghanistan, where, except for in Kandahar, over half of enterprises reported the need for additional workers (53% in Kabul; 55% in Nangarhar; 67% in Jalalabad).

As can be seen in **Graph 5.2** below, the sectors with the greatest demand for labour in Pakistan were as follows:³⁹

- **Manufacture of textiles (including sewing and tailoring):** 46% of the enterprises surveyed in this sector indicated a need for additional workers.
- **Manufacture of furniture and wood products:** 44% of the enterprises surveyed in this sector indicated a need for additional workers.
- **Manufacture of construction materials:** 43% of the enterprises surveyed in this sector indicated a need for additional workers.

Graph 5.2 – Need for additional workers, by sector, Pakistan



Across districts and sectors the majority of enterprises reporting needing more employees only require one more. As in Afghanistan, the emphasis is placed on skilled workers: when asked to choose between high and low-skilled workers, 74% of enterprises stated a greater need for high-skilled workers. In fact, enterprises in Pakistan are somewhat more likely to report only needing workers with high-level skills:

³⁹ For sectors with n>19. Anecdotally, “manufacture of leather and related products” (n=19), “repairing of consumer

- *“(In Kandahar), we would like to improve our techniques and have more-skilled workers, but I don’t think we need it, unfortunately. People do not have a modern mindset and are still too often reluctant to change” (Employer, Manufacture, 40, Kandahar).*
- *“Peshawar is a dynamic city and even if most companies rely on traditional techniques, there is a need for more skilled workers to improve the quality of our products and the way we do business, because there is a lot of competition here and youth are bringing new and innovative ideas” (Employer, Manufacture, 31, Peshawar).*

These figures should be taken with a grain of salt, as most respondents are inclined to promote a positive image of their business and report needing high-skilled workers, even if their activity and the local market do not require more advanced skills; however, it is also representative of a shared awareness of the existing lack of skills and advanced technologies in the surveyed companies and areas. With this – important – caveat in mind, the future outlook is not terribly encouraging: in Pakistan, only 6.3% of respondents believed that in the next two years more workers with high level skills would be needed in their enterprise, whereas in Afghanistan, in all surveyed areas, nearly half of respondents believed the same.

Table 6.1 – Need for workers with high-level skills, low-level skills, or both, enterprises surveyed

		In your business, are workers with high-level skills, low-level skills, or both needed?			
		<i>Need for workers with high-level skills</i>	<i>Need for workers with low-level skills</i>	<i>Need for both</i>	<i>I don't know</i>
Afghanistan	Kabul	31%	16.8%	48%	5%
	Jalalabad	42%	7.7%	34%	17%
	Hirat	15%	18.4%	66%	0%
	Kandahar	28%	14.5%	25%	32%
Pakistan	Charsadda	46%	11.0%	42%	2%
	Mardan	46%	14.3%	35%	5%
	Peshawar	46%	16.9%	31%	5%
Overall	Afghanistan	29%	14.6%	44%	12%
	Pakistan	46%	14.2%	36%	4%

F. Wages

Wages disaggregated by skill level show one of the most interesting contrasts between the current situation in Afghanistan and in Pakistan for respondents.

- Within Pakistan, unlike in Afghanistan, wages are quite constant across provinces, the greatest gap being between newly recruited unskilled workers in Charsadda and Mardan, who earn 72 Afs/ day and 89 Afs/ day respectively. This presumably decreases incentive to move within Pakistan and encourages families to stay put.
- More importantly, while the wages for unskilled workers are quite comparable between Afghanistan and Pakistan, for both newly hired and experienced skilled workers, wages are much higher in Afghanistan (see **Graph 5.3**). This could be a result of several points:
 - As discussed above, enterprises in Pakistan, while as interested in skilled workers as comparable enterprises in Afghanistan, are less likely to need additional workers. It may be that with a lessened demand in Pakistan for skilled workers, they cannot command such a premium on their wages.
 - Afghanistan may suffer from a glut of unskilled labour, enabling enterprises to pay such labourers less than what a comparison to Pakistan would suggest their wages ought to be.
- As the cost of life is higher in Afghanistan than in Pakistan one might expect average daily wages to be higher across the board in Afghanistan. This would suggest that the latter of the two possibilities above is most likely to be the case. If this is indeed the fact, it highlights the need for vocational training programmes prior to encouraging Afghan refugees in Pakistan to return to Afghanistan; financially there would otherwise be a negative incentive for them to do so.

Graph 5.3 – Average daily wages by skill level and country, in Afs⁴⁰



Graph 5.4 – Average daily wage (Afs) by sector, Pakistan 3-province average



A comparison of wages across some of the more popular sectors shows relatively similar trends of both experience and skill as positive factors in wages. They are relatively less important for “wholesale and retail trade” than for “repairing of vehicles and motorcycles” and manufacturing.

G. Recruitment: criteria and preferences

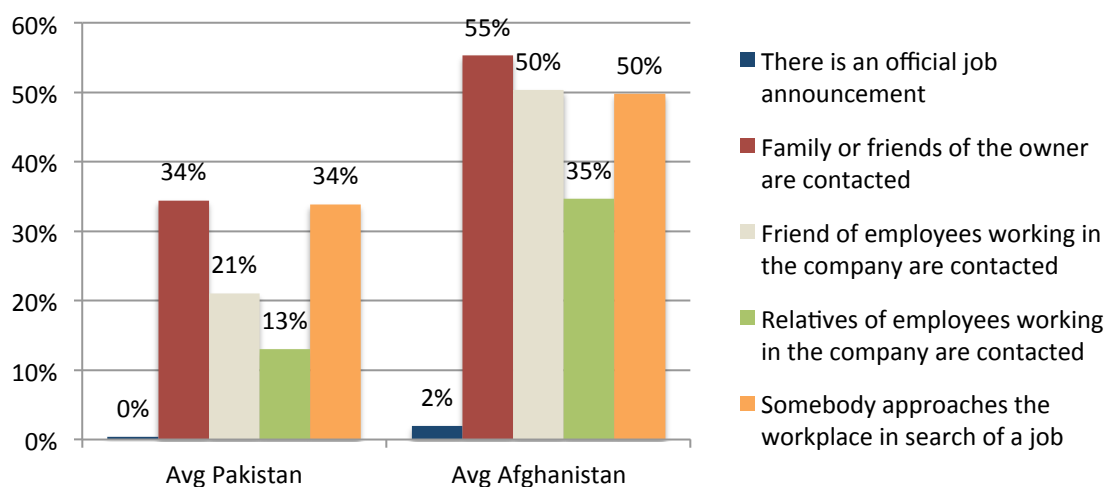
Across Pakistan, similar methods are followed when new employees are required. Enterprises in Peshawar are somewhat less likely to rely on friends of employees, preferring their relatives. Spontaneous applications are also more likely to be a source of employees in this largest of the three cities surveyed. This is similar to Kabul, where informal networks of family and friends are also relatively less important – suggesting that the bigger/more multi-ethnic a city is, the less employers rely on networks to find employees.

Table 5.2 – Hiring process in Pakistan, by district

When there is a need for employees, what do you do?			
	Charsadda	Mardan	Peshawar
Spontaneous applications	32%	27%	42%
Family or friends of the owner are contacted	36%	35%	33%
Friends of employees are contacted	21%	28%	14%
Relatives of employees are contacted	14%	7%	18%
There is an official job announcement	1%	1%	0%
Other	1%	8%	8%

Across the board, enterprises in Pakistan are less likely to report using a variety of methods to recruit than enterprises in Afghanistan. While enterprises state that they consider multiple hiring processes, in actuality blood is thicker than anything else: when one considers the smaller enterprises surveyed, the great majority of them employ relatives (more than half of two-person enterprises, for example, have a relative as the other employee). Asking people how they were hired supports this: 2006 AREU report stated that “most respondents said that they accessed employment in Pakistan through their relatives (39 percent) or through friends (16 percent). A large proportion of the sample (38 percent) stated that they had found their jobs by themselves. This group of respondents was primarily involved in wage labour, hired on a daily basis from various *chawk* (crossroads) throughout the city of Peshawar.”⁴¹

Graph 5.5 – Hiring process, by country



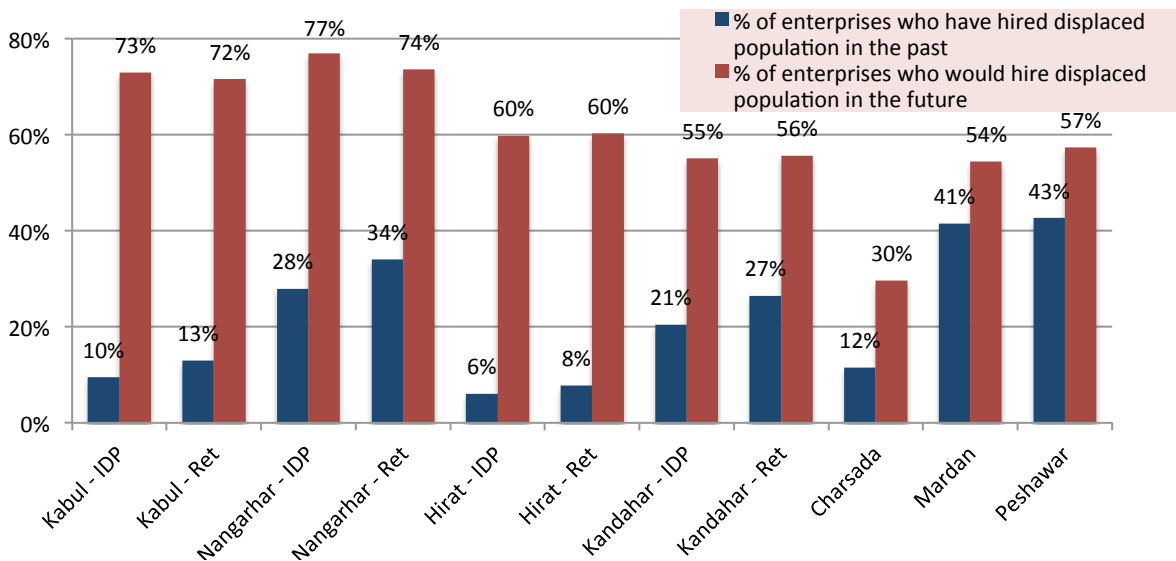
Such a systematic reliance on networks poses a challenge in both Afghanistan and Pakistan to displaced peoples, less likely to have as many contacts within their city. It also provides negative incentive for Afghan refugees in Pakistan to return from Pakistan, where they have in many cases been living for close to thirty years and thus may have been able to recreate some networks, to Afghanistan, where they may not have been able to keep up their contacts.

The most important points considered by employers, were, similarly to in Afghanistan, although to a lesser degree, prior work experience and professional skill (53% and 52%, respectively). Relationship to the owner came in a distant third at 9%. As in Afghanistan, the lack of interest in literacy and education (1% and 2%) suggests that even those enterprise which wish to hire “high-skilled” people are not looking for people with very high skill levels. The technical skills more desired by the Afghan population in Kabul are more relevant than more theoretical skills might be to the job market.

Hiring women: Only 1 firm out of the 513 responding to the question hired women. Few even responded to the question of what the advantages are to hiring women. Women themselves are willing to work, but current social norms seem to prevent them from doing so.

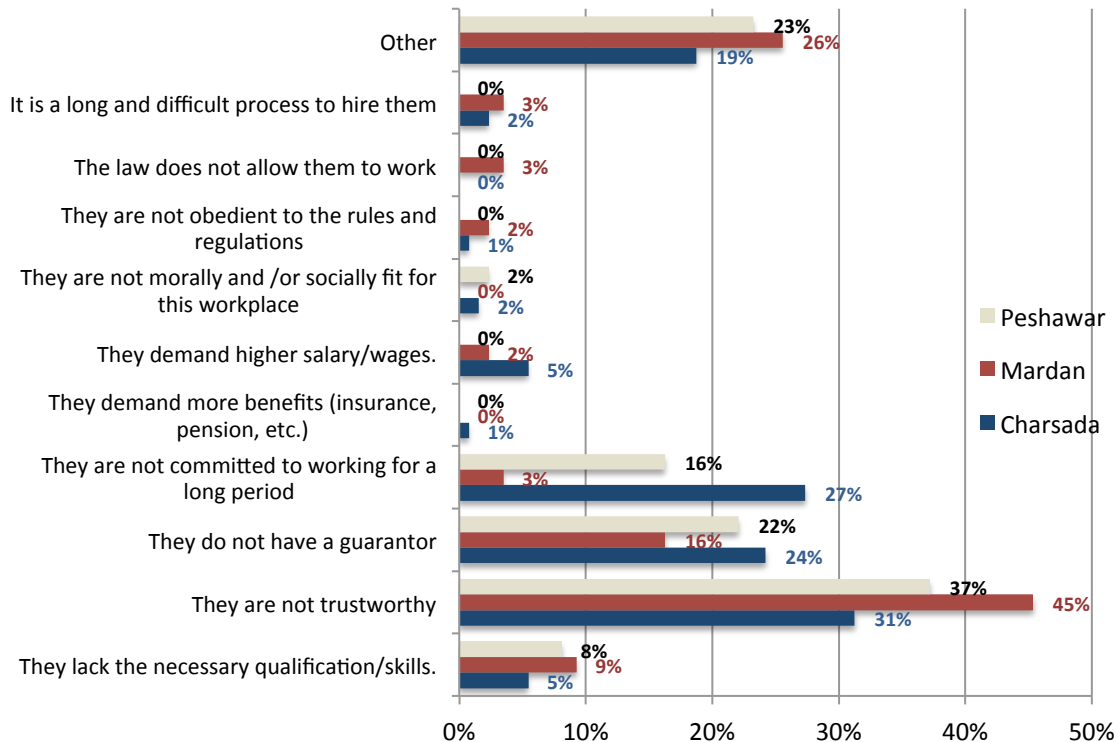
Hiring the displaced: Similarly to in Afghanistan, enterprises did not rate place or origin or ethnicity as major criteria in hiring. While only 48% reported that in the future they would hire Afghans, 32% stated that they had done so in the past. The likelihood of having hired Afghans in the past and being willing to do so in the future varies with the size of the agglomeration where interviews were conducted: Charsadda drives these numbers down, whereas in Peshawar enterprises were most likely to be open to Afghans. Overall, enterprises in Pakistan were more likely to have hired Afghans in the past than enterprises in Afghanistan were to have hired returnees and IDPs. However, enterprises in Pakistan stated that they were less likely to hire Afghans in the future than enterprises in Afghanistan were to hire returnees/IDPs in the future. The higher percentages of Afghans having been hired in the past may be in part due to the relative populations of Afghans: Pakistanis in the areas surveyed vs Returnees/IDPs: non-Returnee/IDPs in the four Afghan provinces considered.

Graph 5.1 – Hiring IDPs, Returnees and Afghan refugees



Like in Afghanistan, the main reasons given for not hiring Afghan refugees were centred around questions of trustworthiness: 32% simply stated that Afghans are not trustworthy, while an additional 18% highlighting the lack of guarantor (see **Graph 5.10**). These were however less frequently mentioned than in Afghanistan (80.1% in Kabul mentioned the IDP/Returnee populations' lack of guarantor), suggesting that this is less of a problem in Pakistan.

Graph 5.2 - Reasons not to hire displaced populations - Pakistan⁴²



The most salient point illustrated by this graph is the issue of trust: “they are not trustworthy” and “they do not have a guarantor” are the answers most frequently given when employers are asked why they do not wish to hire displaced populations. One solution to help displaced populations might be thus not on the supply side but rather the demand side: programming to slowly eliminate some of these biases could prove useful in helping refugees gain employment. DRC might consider incentivizing Pakistani employers to hire refugees so as to disprove these biases. One second point is worth highlighting. A number of those interviewed say of the refugees that, “They are not committed to working for a long period.” This commitment issue may not stem solely from the refugees: the Pakistani government has made it difficult in the past to plan for the long-term as it is not always clear whether or not the refugees will be able to stay. The next section shows that demand for trainees/apprentices at least exists. Mitigating some of the reasons given not to hire Afghan refugees might help reconcile supply and demand.

H. Training and apprenticeship

60% of Pakistani enterprises state that their workplaces accept individuals without the necessary skills as trainees/apprentices. 76% of firms, however, would be willing to take apprentices/trainees if introduced by an organization. This varies significantly by sector (see **table 5.3**).

Table 5.3 – Willingness of largest sectors to take trainees - Pakistan

Sector	Sample	% Yes	% No
Wholesale and retail trade	173	49%	51%
Restaurant and food services (including Bakery)	43	70%	30%
Repairing of electric motors, generators, transformers, etc.	34	62%	38%
Manufacture of textiles (including sewing & tailoring)	37	81%	19%
Manufacture of food products and beverages	38	37%	63%
Manufacture of furniture and wood products	32	72%	28%

The average period of apprenticeship in Pakistan is of 14 months; this ranges from 12.6 months in Mardan to 15.9 months in Charsadda. Training time varies fairly drastically by sector. For example, “restaurants and food service activities” specify an average of 10 months of training, while “manufacture of furniture and wood products” specifies 20. Finally, it is also worth noting the following:

- 42% of enterprises of enterprises that have trainees said they were likely to hire all trainees; an additional 17% said they would hire half or more than half of trainees.
- When the overall group was asked if they would take trainees if expected to employ them after, only 31% said yes – far less than in say, Kabul, where 90% agreed to this.
- More encouragingly, ethnicity and IDP/returnee (refugee) status did not seem to pose a problem, as around 80% said these factors would not prevent them from accepting a trainee.

More generally, and based on qualitative focus group discussions conducted with employers in Peshawar as well as other labour market surveys conducted by *Samuel Hall* in Afghanistan⁴³, one can legitimately assume that Pakistani employers are more likely to take on board trainees and apprentices as part of their business activities and labour force: “It is something

⁴³ See in particular *Economic Assessment: Activities to Support the Design of Vocational Skills Training Program* (Samuel Hall report commissioned by Mercy Corps, 2011) and *Labour Market Survey of Faizabad and Evaluation of SPCE Program* (Samuel Hall report commissioned by the Aga Khan Development Network, 2010).

CHAPTER 6. ENSURING USEFUL PROGRAMMING IN PAKISTAN?

Overall, respondents in Pakistan do not appear to desire a return to Afghanistan, and the general numbers of returns bear this out. It would appear that the majority of those who wish to return to Afghanistan have already done so. Respondents in Pakistan have shifted the central focus of their life to Pakistan, where they now have networks and in some cases property. Confirming this tendency towards wishing to remain in Pakistan is the fact that the main point of concern raised by refugees when they are asked why they do not wish to return, security, does not look likely to improve in the next few years with the departure of foreign troops.

To set up an efficient VT programme in Pakistan and/or Afghanistan, DRC therefore be pragmatic. So while DRC has a cross-border approach to programming, the programming shall not rely on returnees arriving in the coming years but rather on current refugee returnees who have had difficulties integrating locally and assisting IDPs. DRC would then achieve its *humanitarian* goal in line with the first two programme objectives for the region (to “Reduce immediate suffering of displaced women and men by integrated emergency and protection responses” and to strengthen “displaced and returnee women and men’s capacity to attain sustainable livelihoods and gain economic empowerment during protracted displacement and reintegration”).⁴⁴ In this case the goal would be to improve the quality of life of Afghan refugees in Pakistan as well as returnees to Afghanistan and IDPs within Afghanistan, by providing them with skills improving their possibilities of employment and freedom of choice – and movement. Two further questions must then be resolved:

- Is vocational training the best way to achieve improvement in the quality of life of the populations concerned, and
- Should anything else be accomplished prior or simultaneously to the VT programmes to ensure their effectiveness?

The first sub-section will shed the light on the key findings of this survey; secondly, a set of recommendations and guidelines for programming purposes will be presented to help DRC design a vocational training programme targeting returnees and IDPs living in urban centers.

A. Moving forward on livelihood programmes in urban settings

In light of today's context, the counter-factual analysis of DRC Programming's assumptions favours the idea that Afghan refugees' return from Pakistan may not be a priority anymore, as migration is more driven by short-term economic and seasonal drivers, and as long-term economic and political scenarios already create a strong disincentive. Does it mean that livelihood programmes in urban settings are pointless with regards to the reintegration of Afghan refugees and internally displaced migrants? Based on the quantitative findings of the Afghan part of our labour market survey as well as the first findings on the Pakistani side, we would rather argue that its regional experience and technical expertise can help DRC develop an ambitious livelihood generation strategy in urban settings. In line with a politically neutral approach, we would recommend that DRC focus on the *local integration* of Afghan refugees in the Pakistani labour market, while supporting returnees in securing access to the socio-economic network of their home country. This approach is *de facto* the one that DRC has been following in 2013 by: 1) promoting successful reintegration of current refugee returnee caseloads from the *past* few years; 2) supporting IDPs who would like to stay in urban areas and are unable/unwilling to return to their areas of origin.

Beyond local specificities of the various labour markets, there are common traits in the surveyed cities regarding the needs and preferences of employers and labour suppliers. In particular, it appears that:

- There is a **match on sector and skills preferences**, whereby jobs are available in sectors in which displaced individuals are interested to work. Nevertheless, there are particular factors at play, which do not allow for the two sides to meet.
- There is a **mismatch between the demand for skilled labour and the existing skill set** of displaced populations living in these cities.

These market imperfections are important to take into account for programming to mitigate their effects on VT beneficiaries. Market imperfections, particularly in the form of adverse selection, are a common reality of the labour market. Adverse selection is caused by asymmetric information between a business and a job candidate due to the fact that a potential employee's skills, qualifications, work ethic, among others, are not fully known to the employer. The result of this asymmetric information is that in order to avoid adverse selection, employers will often discriminate against certain groups that they believe to be less productive or be less reliable, particularly if the cost of gaining information about the individual applicants is excessive. Such groups might include members of a particular gender, age group, or ethnicity.⁴⁵ In analysing the labour market in Afghanistan's major urban centres, particularly for returnees and IDPs who are often living in distinct settlements, it becomes clear that these behaviours impact negatively on their job opportunities, unless a reference or guarantor can be found to offset the employer's fear of adverse selection.

This section will argue that there is reason to believe that an organisation like DRC can play an important role in partially eliminating these market imperfections with a relevant and appropriate livelihood intervention.

✓ *Labour Shortages Due to a Skills Mismatch*

With the advent of urbanization, the demand for goods and services in the Afghan cities has increased, and along with it, the demand for labour. At the same time, it would appear as though the new urban population is not able to fill this demand due to a **skills mismatch**. To be sure, the newcomers to the cities are mostly coming from rural areas where they had previously been engaged in agriculture-based activities and are thus unable to easily gain access to jobs in the urban centres and turn to casual labour as their mode of employment⁴⁶. This is particularly true of the IDP population, who did not arrive to the cities by choice, but was forced to move there and is thus more unprepared for the labour market than the average economic migrant family, who comes to the city having had time to plan its move and prepare accordingly. Meanwhile, the technical and vocational training options offered in the urban centres around the country, mainly by the private sector, focus on professional skills such as English, computer, and accounting, with little or no emphasis on skills that might help individuals pursue careers in traditional trades such as carpentry, tailoring, metalwork, and so forth.⁴⁷

This increased demand for labour, coupled with a labour supply that does not possess the appropriate skills needed to fill these jobs, has resulted in a **gap between labour demand and labour supply, which translates into a labour shortage, despite the visible presence of many unemployed and underemployed individuals in Afghan cities**, confirmed by the findings of the present study. Consistently, when asked what the major reasons for a shortage of labour in their sector were, employers responded that they believed there to be a lack of interest and motivation in their kind of work, which does not attract people to their sector activity. They also blamed the lack of awareness about the job market, or in other words, the fact that many people did not realize what kinds of jobs had more shortages and demanded more labour. This might be true for a proportion of the population but, interestingly, the present study found that **displaced population expressed interest in many sectors where the employers claimed a shortage of workers with the appropriate skills**.

Conclusion: This mismatch appears to present a real opportunity for providing beneficiaries with appropriate training in order for them to have access to jobs in a variety of fields and professions where labour is needed in the major urban centres surveyed.

✓ *The Opportunity Cost of Acquiring Skills vs. Short-Term Return on Investment*

As DRC seeks to fill the needs of the displaced population by supporting income-generating activities in order to provide sustainable solutions for this vulnerable group, vocational training would appear to be one of the best ways to ensure that these families can provide for themselves. At the same time, training is time-consuming and the consensus points towards an ideal training period of several months. During this period, even if the training only takes up a couple hours a day, for most beneficiaries who are working as casual labour, this means losing an entire day's worth of work. In

⁴⁶ See for example, Majidi, 'Research Study on IDPs in Urban settings - Afghanistan', commissioned by the World Bank and UNHCR, 2011.

⁴⁷ ...

other words, if participating in a training means forgoing a daily wage, most at-risk households will not be interested in such an arrangement. In fact, it is the families who are better off who might actually agree to participate, while the most vulnerable will either choose not to participate altogether, or will sign up and not attend regularly due to their financial circumstances. Indeed, the household respondents' focus on salary as a necessary feature of a vocational training points to the importance of setting up a vocational training programme that does not take away the beneficiaries' income-earning potential without replacing it⁴⁸.

It is certainly true that the long-term value-added of learning a new skill should make up for the short-term loss, but the beneficiaries are too concerned with meeting their immediate financial needs to be willing to forgo the opportunity cost of participating in a training, and prefer going out and earning an immediate income. In order to target the most vulnerable, it therefore becomes imperative for the supporting agency to make up for the opportunity cost of the trainee participating in the training.

At the same time, participants should be reminded that on-the-job training counts as work experience in the eyes of employers and that such work experience will allow workers to step in to the local labour market at a higher entry wage than s/he would have otherwise. As such there is a clear return on investment with an advantageous position acquired through the gain in skills. This is, among other reasons, why Afghan beneficiaries are often adamant about having proper certificates. Such certificates translate into proof of some sort of work experience and are a precious commodity in Afghanistan in terms of improving salaries and one's position in the labour market.

Conclusion: Simply arming the displaced populations with vocational skills and certificates will not be enough, as is demonstrated by the market imperfections related specifically to the social barriers that the displaced living in informal settlements have to contend with.

✓ ***A Gap in Skills But Not Only: Social Barriers and Other Obstacles***

There is a multitude of ways in which the market realities can negatively affect displaced populations without strong ties to their current place.

- **Discrimination towards displaced population:** For one, the fact that 31% of enterprise respondents said that when hiring they would consider a candidate's place of origin as a primary factor, speaks to the prioritization and/or discrimination that exists in the labour market. This problem is compounded by the importance of familial relations, which cannot be underestimated when over half of respondents acknowledged that they had relatives who were also employed in the same workplace.

⁴⁸ DRC's approach is already in line with this recommendation: "DRC does focus on vulnerable beneficiaries in sites such as the KIS where the families' capacity is present to support the beneficiary taking part in the training. We furthermore ensure

- **Recruitment practices:** The fact that most new employees were hired through personal connections, presents an additional challenge to the displaced, who often do not have the necessary social connections that would allow for them to be recruited. The proportion of enterprises that responded that they would not hire a returnee is quite small; however, this does not alleviate the preference for those who are familiar or related.
- **Gender imbalances:** As showed throughout this report, displaced women face acute exclusion from the labour market. It seems that moving to urban centres does not entail a softening of the cultural constraints faced by women living in displaced settlements.

Conclusion: In this context, both national and international actors have a role to play that goes beyond the provision of skills, as these obstacles suggest that acquiring skills will not necessarily be sufficient. It is crucial for organisations like DRC to take that into account in their programming and to play the role of guarantor, reference or the third party middle-man who will introduce the worker to targeted shops in selected sectors, and actively assist in job placement, to overcome this reality.

A. Designing livelihood programmes for displaced populations in urban settings

These guidelines are conceived as tools available for the DRC staff, and particularly DRC provincial Offices, to conduct the necessary assessment of the context, the needs and the main stakeholders that should frame any implementation of a DRC project. They are also designed as instruments to maintain the highest standards of quality and accountability throughout the whole implementation cycle.

Stage of Implementation	General Recommendations
<p>Planning the programming cycle...</p>	<p>Liase with key migration actors (Clusters, IOM, UNHCR, NRC, HELP in Herat, etc.) to keep them informed throughout the programming cycle and identify potential areas of collaboration in the area of livelihood restoration, income generation, or training in urban centers.</p> <p>Liase with key labour organisations. More specifically, in 2014, the ILO will issue three important policy documents that will be endorsed by the government of Afghanistan: the <i>Labour Migration Policy</i>, the <i>National Employment Strategy</i>, and the <i>National Labour Policy</i>. DRC should engage with the ILO to better understand the assumptions and objectives of each of these national policies, as they are likely to impact the work of the organisation.</p> <p>Liase with key vocational training actors (Mercy Corps, AKF, GIZ etc.) and livelihood restoration actors to understand their short- and long-term strategies, objectives and rationale – while benefitting from some of the lessons they have learned.</p> <p>Develop a <u>Partnership Strategy</u> with other Stakeholders on Livelihoods Interventions Having only begun activities in Afghanistan in 2011 and being still only fully operational in Kabul, DRC is a new player on the scene. Other organisations such as HELP and NRC, among others, have been involved with displaced populations and vocational trainings for years and have already established relationships with the various stakeholders and developed methods that are worth emulating⁴⁹.</p>
<p>Planning the project cycle...</p>	<p>Systematically carry out thorough needs pre-assessments before conducting vocational training activities</p> <ul style="list-style-type: none"> • A pre-assessment of the local needs and socio-economic vulnerabilities must be conducted to determine whether the targeted locations are in a situation of chronic poverty, emergency or if the local environment is conducive to some forms of recovery/development. • A socio-economic study to determine whether a demand for particular skills development and products exists. The assessments of Kabul, Kandahar, Herat, and Jalalabad’s labour markets have highlighted many local specificities that should be carefully weighted when identifying the key activities that will be trained in the vocational training sessions.

⁴⁹ DRC would do well to partner with such organisations, particularly with HELP, and thus expand their current work, or perhaps try to replicate it in areas where there is the need. For example, it might be possible for DRC to use HELP’s model and establish a similar programme in Jalalabad, or even in Kabul. In particular, in areas like Jalalabad and Kabul where stakeholders working on VT programmes are numerous, it is important to first conduct a thorough stakeholder mapping, and then proceed based on the lessons learned from such programmes. Based on Solidarités’ lessons learned in Kabul, it can be inferred, for example, that a VT programme efficiency can be limited by an apprenticeship model without a centre-

	<ul style="list-style-type: none"> • Conduct periodic labour market reviews (internally – through Focus Group Discussions) in each area to identify sectors, where an economic demand pre-exists. <p>Systematically coordinate with other national and international actors before launching a vocational training programme.</p> <ul style="list-style-type: none"> • Map of existing programmes of livelihood and vocational trainings in the targeted areas to avoid overlaps <i>while</i> capitalizing on existing initiatives. • Assess gaps in the existing assistance offer to avoid overlaps and fill in gaps. • Identify opportunities for collaboration throughout the “reintegration chain” (see the example of HELP, in Herat). <p>Furthermore, by carrying out a stakeholder mapping (in collaboration with other relevant stakeholders - OCHA, UNHCR, NGOs, IMMAP), DRC can also aim to target displaced populations through second cycles of training, to build on initial skills learnt and to further consolidate skills through apprenticeships. Often times the duration of trainings are seen as a limit to the effectiveness of VT programmes – DRC can aim at collaborating with other stakeholders to see where its livelihood activities can help bridge the gap between a “one-time training” and early recovery opportunities.</p>
<p>Ensuring quality and doing-it-ourselves...</p>	<p>Launch vocational training activities only when DRC is able to <u>guarantee the quality of the centre</u></p> <ul style="list-style-type: none"> • WFP – FFT (Food For Training) activities have shown that an over-reliance on local implementing partners (either governmental actors or NNGOs) was often a counter-productive strategy. • Limit the selection of vocational training centres or job placement centers to areas where DRC is able to directly monitor their functioning without the support of implementing partners. • If/when partnering with neutral and efficient NGOs, consolidate the process of CPs selection through standard criteria of accountability, experience, transparency and efficiency as well as the CP structure and capacity – and systematically avoid affiliations with partners that have worked with stabilisation programmes.
<p>Targeting implementation areas and tailoring approaches to local needs...</p>	<p>Tailoring VT Programmes to local labour markets to avoid the one-fit-all approach</p> <p>This study showed that each of the four cities had its own specific profile. Nevertheless, Kandahar and Nangarhar presented similar features on the one hand, whilst Herat and Kabul presented their own common traits on the other. In order to maximize the chances of success of potential VT programmes and to facilitate programming, DRC should consider developing two models of VT programmes:</p> <ul style="list-style-type: none"> ▪ Focus on Basic VT Programme – Herat / Kabul <ul style="list-style-type: none"> ○ In these two cities, the level of integration of displaced populations is so low that the priority should be put on facilitating the inclusion of these populations rapidly, as increasing livelihood in these settlements is almost a humanitarian priority. This means: <ul style="list-style-type: none"> ○ Prioritize basic traditional skills for an immediate integration in the labour market: in particular tailoring & mechanics for men; ○ Tailoring a specific training component for displaced women, focusing on home-based activities: tailoring, gardening and poultry raising where possible, and – when the interest exists – less traditional activities such as tinsmith; ○ Prioritize on-the-job 6-month apprenticeships to facilitate a swift post-training transition; ○ Provide incentives to cover the opportunity cost that displaced households would not be able to bear; ○ However, as there is a strong demand for semi-skilled workers in both Kabul and Kandahar, it is important to also focus – at year 2 or 3 of the programme implementation in these cities – on more advanced vocational skills.

	<ul style="list-style-type: none"> ▪ Intermediate VT Programme – Jalalabad / Kandahar ○ In these two cities, the level of integration of displaced population is higher and leaves room for opportunity to focus on a higher level of skills—more demanding, but more conducive to sustainable results. This would mean: <ul style="list-style-type: none"> ○ Prioritize intermediate to more technical skills: in particular manufacture of wood- and metal-products; manufacture of plastic products; and business skills. These skills would require longer training that perhaps only displaced households with higher levels of resilience would be able to complete. It is therefore more adapted to Nangarhar and Kandahar where displaced populations living in urban settlements were in less desperate situations. ○ <p>Develop specific business training, supported by literacy training, to strengthen existing sector of self-employment – pilot programme for Jalalabad and Kandahar. To successfully start a business in a particular sector it was considered most important to have experience in the sector itself, as well as to have the appropriate technical skills required. This would prove extremely difficult for a newly trained beneficiary, who would certainly not have much, if any, experience in the sector, and whose skill level would not be on par with more seasoned individuals. DRC could therefore consider capitalizing on the existing interest for self-employment to help displaced populations in Jalalabad and Kandahar to make the most of it. In addition, given the higher income potential in these two locations, and the natural tendency for more self-employed work patterns, a pilot programme can be designed to further support self-employment as a way to step out of the cycle of poverty associated with an unstable source of income resulting from casual labour. In Kandahar in particular, literacy training might be needed and is an extremely important component of such a project in order to ensure its success.</p>
<p>Selecting the “good” beneficiary...</p>	<p>Make clear decisions on who DRC programme beneficiaries should be and explain this strategic choice to all the stakeholders (internally within DRC but also to communities and other development actors). Inaccurate or opaque targeting can lead to tensions in the community (and/with its direct neighbourhood) and adverse impact of the programme. One key strategic question for DRC has to do with the selection criterion: should targeting be based on poverty, by distinguishing sub-categories of vulnerability, or on the potential of individuals to start/restore livelihoods? This was also a key strategic trade-off identified in the <i>DRC Cash Programme Review</i>⁵⁰. DRC should consider following a very pragmatic approach:</p> <ul style="list-style-type: none"> - Favour beneficiaries that are likely to generate some income and enter the labour market (which naturally leads to set aside the most vulnerable among the poor) – while explaining to all the internal and external stakeholders the reasons for this choice. - Respect a replicable and transparent procedure for the selection of beneficiaries based on a clear 'vulnerability ranking'. - Use a transparent beneficiary selection framework to better triangulate the information between communities, households, and DRC teams. Recent good practices from ACTED, Afghan Aid, and Action Aid could for instance be reviewed. - Draw up a personal profile assessing their initial capacities, skills, motivations and objectives. - Sign an individual <i>partnership</i> contract with each beneficiary, stating the milestones in their training in terms of: <ul style="list-style-type: none"> ▪ Skills and education ▪ Employability ▪ Basic (1 year) and Advanced (2-3 years) training plan

⁵⁰ SAMUEL HALL CONSULTING (2013), “Cash Programme Review for IDPs in the Kabul Informal Settlements”, commissioned

<p>Adjusting the pedagogic approach...</p>	<p>Prioritize Apprenticeships Over Classroom Settings for Men. In instructing trainees, the classroom setting is not sufficient and does not show as much promise as introducing trainees directly to a workplace as apprentices. A successful VT programme, therefore, will place less emphasis on the classroom component, and focus more on identifying workplaces that could take on apprentices as the first step in ensuring job placement for its trainees. The individual will be able to observe and be taught the various aspects of the work and, most importantly, practice the skills s/he has learned throughout the day. The selection process for such apprenticeships must be as demand-driven as possible and follow-up by DRC, to make sure that companies do respect the initial commitment.</p> <p>No-compensation policy for trainers (perverse incentive). Although in a classroom setting the trainer must be paid, in the context of a workplace-based apprenticeship, it does not seem necessary for organisations attempting to match apprentices with employers to pay the employer any sort of salary for doing so. The practice of paying the employer a salary for taking on a trainee might simply set up an unsustainable situation and create perverse incentives.</p> <p>Compensation policy for trainees (opportunity cost). Vocational training programmes that target vulnerable people must either remunerate the trainee or be timed so as not to interfere with his/her income-generating activity. To ensure that beneficiaries are able to sustain an income during the training period, when introducing an apprentice to an employer, DRC should consider paying the salary of the trainee for the first half or two-thirds of the training period, sharing the cost of the salary with the employer for the last half or third of the term, and then leaving it for the employer to pay the full amount after the training period has ended. Such a setup would create a situation where the employer would already be used to paying the trainee and would therefore easily be able to transition to paying him/her an appropriate full salary.</p> <p>For livelihood training, provide beneficiaries with <u>non-food items toolkits</u> enabling participants to be trained properly and to start their own production after completion of the training (when micro-entrepreneurship is an option: mechanics or metal workers for instance – and, more generally for manufacture and agribusiness related activities).</p> <p>Develop home-based activities and... <u>conduct actual changes for Women?</u> Activities that are based on women’s traditional agricultural activities in rural areas, are sometimes done for a cash income in cities. However, the employment situation of women – and especially of female returnees and IDPs – is worse in urban areas than in rural ones. Our survey confirmed that most women were interested in agriculture- and livestock-related activities, which represent socially acceptable participation that could be done for an income. However, should DRC focus more on its gender programming, the most successful approach is probably to identify private sector actors (especially urban agribusiness and manufacture factories, as they are more likely to hire low- and semi-skilled female employees). Another interesting approach may be the targeting of women’s groups conducting economic activities.</p>
<p>Linking with private sector...</p>	<p>Improve potential <u>post-training economic integration</u> through linkages with the local private sector to foster employment of trainees and/or the sale of their production.</p> <ol style="list-style-type: none"> i. Prioritize manufacture and agribusiness skills for women in rural or semi-rural contexts, through a mapping of a selected number of pilot partnering factories. ii. Improve the economic integration of beneficiaries: <ol style="list-style-type: none"> a. Link up vocational and livelihood training centres with employment centres (for year 2); b. Progressively set up cooperatives of beneficiaries using the model of self-help groups (at year 2); c. Link up with local institutions and private actors to sell

	job after completion of the training.
Linking with institutions...	Identify key institutional actors supporting local economic production and employment. MoUs and formal agreements between DRC and local AISAs and/or Chambers of Commerce should be favoured, on a case-by-case basis, while approaching unions (in Jalalabad only) and organisations that may help DRC place its trainees.
Linking with communities...	Raise awareness about the project, its duration, objectives and intended benefits to avoid falling into the pitfalls of negative secondary effects of assistance. To do so, DRC should engage with community leaders (Wakils, in urban centers) and ensure their acceptance of the objectives of the programme, ensure they agree with and participate in the elaboration of the criteria discussed with them one by one, and ratification of a memorandum of understanding making them accountable for assistance received and potential diversion. As much as possible, the information should be made public in the camp so that both beneficiaries and non-beneficiaries understand why returnee and/or IDP households are targeted and under which modalities.
Monitoring, evaluating, triangulating...	Develop a multifaceted monitoring and evaluation approach: 1) systematic monitoring by DRC teams; 2) random monitoring by flexible regional or national teams; 3) community based monitoring (in IDP or returnee camps/areas). As already mentioned in the <i>Cash Programme Review</i> , it is recommended that DRC M&E teams: <ol style="list-style-type: none"> 1. Develop a database both prior to the implementation of programmes, and have a comparative impact assessment after; 2. Develop complaint mechanisms for community members, and ensuring regular monitoring of field teams to collect and react to those complaints. 3. Adopt a dual approach: <ol style="list-style-type: none"> a. Longitudinal (across time) – in order to assess the progress of the project, including post cash distribution monitoring assessments, in order to assess the usage of cash, how long it lasted, eventual impacts on market prices, its conformity with the initial objectives⁵¹. b. Comparative, including comparative evaluations with non-beneficiaries in the same camp, and comparison with other informal settlements. This is crucial as external factors – social, economic political – may also impact on the situation and bias the evaluation. 4. Triangulate internal evaluations, external assessments, and community-based ones (direct reporting from beneficiaries, communities, and wakils) to monitor the quality of the work done by DRC vocational training centers and livelihood restoration centres, and check that local authorities, employers and private sector companies play a positive role.
Providing post-training support through job placement...	In addition to providing skills training, seek to act as a linkage between the unemployed and the employers seeking labour, taking on the function not only of providing training, but also of job placement. As demonstrated above, the gap in existing skills of displaced population is not the only obstacle they face when trying to integrate the labour market. The role of the NGO would be to act both as a reference, as well as to introduce its beneficiaries to workplaces in search for labour. <p>Discuss with the MoLSAMD and the ILO the possible revitalization of the Employment Service Centres. MoLSAMD currently has eight Employment Service Centres (ESCs) in Afghanistan and five in the surveyed cities. However none of them is operational in practice due to a lack of full-time staff and sufficient resources. There is scope in Afghanistan to build on the existing network of ESCs to play a coordinating role in the field, rather than introducing another new institutional structure. As ESCs also provide</p>

job seekers with advice on vocational training and self-employment opportunities, they have the potential to further increase the employability of job seekers⁵². A formal agreement may be found between ILO, MoLSAMD and another actor working on migration (IOM, UNHCR) to favor the employability of DRC beneficiaries through revitalized ESCs.

Establish independent job service. This should be developed within various parts of the country. These services would act as a headhunting service and/or job placement agency for individuals with vocational skills. Websites such as jobs.af or the ACBAR jobs website are meant for professionals, while there is no service currently available for individuals with vocational skills. Distributing pamphlets around the market with a phone number to call in case someone is searching for labour with a particular skill would be one way to spread the news and alert employers of this service. Initially, the service could be provided for free with donor funding, but as the service became better known and appreciated by both employers and employees, it could charge a small fee and be financially self-sustainable in the long run. It is also possible that MoLSAMD and/or the Ministry of Higher Education (MoHE) might allocate funding, or at least a free space, to such an entity to serve as a job-placement service, as a government strategy to reduce unemployment.

- As an example, HELP's reputation as a training and placement organisation in Herat resulted in a local firm (Herat Biscuit Company) approaching their office and requesting for 15 individuals to be introduced to them as trainees. The company took these workers on without any qualms and proceeded to pay them a decent salary and provide them with stable employment.
- Taking this logic a step further, DRC could provide post-training support to beneficiaries, particularly provision of grant and business counselling. In addition to the normal toolkits, at the end of the training to trainees, other financial and non-financial support could be offered to trainees who would like to establish a business of their own.

Develop market focal points for women (marketing support). If tailoring, manufacture, agribusiness and other such activities continue to be part of VT programmes for women, in order to ensure success it is crucial to market women's products and provide them with marketing support – by linking up their work, at home, with the sell of their produces on the local market. Often times, this missing link is what prevents VT activities from leading to sustainable income generation for women. Often times as well, men are not aware of the skills gained by women and of the quality of their output – as seen in Solidarités' training for women in Kabul Informal Settlements. Thus it is important to set men as focal points, these men can be relatives of the women being trained. It will allow them to access local markets for the sale of their goods, and furthermore, it will increase the social acceptance of their work by their male relatives. This is a good way to ensure greater buy-in for women's training programmes by integrating men in the early and final stages of training for women, and raising men's awareness and increasing their support to domestic activities for women. Often times men are open to women earning an income – as displaced women often used to work in their rural areas of origin, on their land – and would welcome having a lower dependency ratio. This can be built upon for DRC's programmes targeting female members of displaced households.

⁵² In theory, ESCs also co-operate with employers to identify the skills demanded by the labour market, however, whilst

ANNEX 1. BIBLIOGRAPHY

AREU (2006), *"Afghan Returnees From NWFP Pakistan To Nangarhar Province"*, Afghanistan.

AREU (2006), *"Bound for the City, A Study of Rural Urban Labour Migration in Afghanistan"*, Afghanistan.

Brookings-LSE Project on Internal Displacement (2011) *"From Responsibility to Response: Assessing National Approaches to Internal Displacement"*.

CSO (2008), *National Risk and Vulnerability Assessment 2007/8: A Profile of Afghanistan*, implemented by the Ministry of Rural Rehabilitation and Development and the Central Statistics Organisation with financial support of the European Commission.

Danish Refugee Council (2013), *"Strategic Programme Document 2013-15: Afghanistan, Pakistan, Iran and Tajikistan"*.

MAJIDI, N. (2011), *Urban Returnees and Internally Displaced Persons in Afghanistan*, in 2011 Responding to Conflict-Induced Displacement in Protracted Refugee Situations: Middle East Institute (MEI) and the Fondation pour la Recherche Stratégique (FRS), *"Pathways to Enhancing Transatlantic Cooperation"*.

MAJIDI, N. (2009), Study on cross-border movements between Afghanistan and Pakistan, for Altai Consulting, commissioned by UNHCR.

MOLSAMD (Ministry of Labour and Social Affairs, Islamic Republic of Afghanistan) *An Urban Area Primary Source Study of Supply & Demand in the Labour Market*, January 2009.

NRC/IDMC/JIPS/SAMUEL HALL (2012), *Challenges of IDP protection in Afghanistan: Research study on the protection of internally displaced persons in Afghanistan*.

PHELPS (1972), E. S. The statistical theory of racism and sexism. *American Economic Review*, v. LXII, p. 659-661.

SAMUEL HALL CONSULTING (2013), *"Cash Programme Review for IDPs in the Kabul Informal Settlements"*, commissioned by the Danish Refugee Council (DRC), Afghanistan.

SAMUEL HALL CONSULTING. (2013), *Humanitarian assistance in a pre-conflict Afghanistan? A contextual analysis 2013*, commissioned by UNWFP.

SAMUEL HALL CONSULTING (2012), *Sustaining the Working Poor in Kabul Informal Settlements: Evaluation of Solidarités International's Vocational Training Programme*, Solidarités International, Afghanistan.

SAMUEL HALL CONSULTING (2012) *Afghanistan: Time to Move to Sustainable Jobs*, commissioned by the ILO – Kabul.

UNHCR, *"Afghan Population Profiling, Verification, and Response Survey"*, Pakistan, January 2012.

UNHCR, *"Conflict-Induced Internal Displacement—Monthly Update"*, Afghanistan, June 2013.

THE WORLD BANK/ UNHCR; (2011) *“Research Study on IDPs in Urban Settings”*, research conducted by Majidi, N. and Samuel Hall, May 2011.

THE WORLD BANK. (2011) *“Transition in Afghanistan: Looking Beyond 2014”*, November 2011.

Contacts:

Samuel Hall.

Qala-e-Fatullah, Street 5, #2
Kabul, AFGHANISTAN
14, rue Duvivier, 75007
Paris, FRANCE
development@samuelhall.org

Please, visit us at www.samuelhall.org

