

KNOWLEDGE GIFT TITLE:
Entrepreneurship and market systems in forced displacement

COUNTRY(IES) / REGION:
Ethiopia

LEAD ORGANISATION:
ILO

CHALLENGE / PROBLEM

Poor emerging economies host the largest number of refugees and forcibly displaced. As refugees spend an average of more than 15 years in exile, longer-term solutions that support economic self-reliance in the hosting country are urgently needed yet thus far rarely provided by humanitarian interventions.

MAJOR ASSUMPTIONS MADE

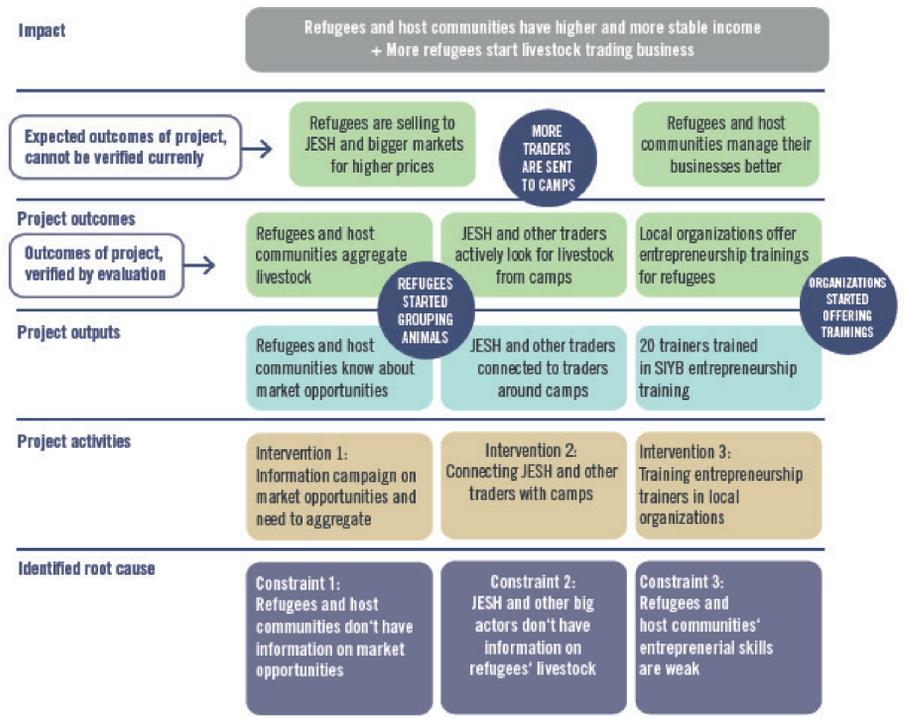
Regions in which this could be implemented are accessible and market analysis can be done in order to understand core underlying constraints and market opportunities. Host governments and possible armed groups allow access for program implementation.

SOLUTION OFFERED

With funding from BMZ, the ILO implemented a new approach to support refugee livelihoods in the Jijiga region of Ethiopia. By combining market analysis and an understanding of market incentives with key entrepreneurship support services in refugee camps, the project was successful in developing a new and innovative implementation model using a "push and pull" approach. Focusing on the small ruminants sector, push interventions targeted the development of key skills and capacities among the target population to increase their ability to access economic opportunity in the livestock sector. Simultaneously, pull interventions worked to improve the functioning of the local small ruminants value chain by enhancing linkages between refugee livestock traders and local markets as well as to an export abattoir.

ILLUSTRATION / VISUAL

Graph 4: Theory of Change and Project Evaluation



OUTPUTS CREATED

New project implementation model
New guide on entrepreneurship promotion in forced displacement settings
Evaluation report that distills lessons learned for entrepreneurship promotion in fragile settings. Available here: <https://www.ilo.org/empent/Projects/refugee-livelihoods/lang--en/index.htm>

INDICATORS / SCALE / IMPACT

With modest funding of \$ 300,000 the project was able to train 21 trainers that reached 60 refugees and host community entrepreneurs within the first 2 weeks of training activity and are expected to reach 600 entrepreneurs by end 2019. The project also strengthened market linkages of local livestock herders to a local abattoir and regional markets. As the model is new however, comparable impact data is not yet available.

PARTNERS

GiZ
Mercy Corps
UNHCR
ARRA
NGOs working in refugee camps (e.g. LWF, IRC, NRC)

KEY RECOMMENDATIONS / UNIVERSAL PRINCIPLE

- understand local market realities and market potential
- work on existing incentives and competencies of local actors
- develop an understanding of key underlying issues
- use entrepreneurship support in a targeted way
- put a strong emphasis on choosing and selecting implementation partners based on incentives

REPLICATION POTENTIAL / SUSTAINABILITY

At least on the donor side, the model has found strong acceptance. The implementation model is now being replicated by a larger EU-funded project and is partly being taken up by a large Dutch-funded project.

TOPICAL FOCUS

- MSME segmentation & entrepreneur-centred approaches
- Interplay between financial & non-financial services
- MSME support in digital era
- Entrepreneurial eco-systems & local advisory service providers
- New trends in MSME development

SUB-TOPIC SELECTED

- Green
- Gender
- Fragility

Facilitated by:

