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The Work Permit Initiative for Syrian Refugees in Jordan: *Implications for Policy and Practice*

A Joint Research and Policy Project of the
Boston Consortium for Arab Region Studies and the
United Nations High Commissioner for Refugees

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Executive Summary: Formalizing Work and Providing Job Opportunities for Syrian Refugees

This report provides a critical overview and analysis of the implementation of the work permit initiative for Syrian refugees in Jordan. It is targeted to practitioners who are implementing livelihood¹ and related programming for Syrian refugees in Jordan following the February 2016 Supporting Syria and the Region donor conference in London. It is also intended for the general public, particularly in academic and policymaking fields, who are interested in livelihood programming and work permit initiatives for refugees.

The report delivers a snapshot of the current economic, legal, and institutional environment surrounding the work permit initiative for Syrian refugees in Jordan, and identifies obstacles to its implementation, nearly one year following its inception.

Jordan's rollout of work permits for refugees is a unique experience in terms of solutions put forward by a refugee host country. It provides a concrete example of how host countries and humanitarian actors can attempt to bridge

the gap between humanitarian responses to refugee crises, and long-term development support for host countries and refugee communities.

This report highlights how Jordan's middle-income and "experienced" refugee host status²—particularly in terms of protracted refugee situations—plays a role in the implementation, scope, and challenges to the permit initiative.

This report also evaluates the viability of creating 200,000 jobs for Syrian refugees, as measured by the number of work permits issued, and suggests how this goal could be achieved in the coming years.³

Key considerations for humanitarian and development actors, as well as policymakers, both in Jordan and in other refugee host countries, relate to the following areas:

1. Country Economic Context: Middle-Income Host Countries;
2. Distinctions between Different Groups of Workers;
3. Female Labor Market Participation;
4. Enabling Environments for Female Workers;
5. Small- and Medium-Sized Enterprise and Home-Based Business Formalization;
6. Collaboration with Development and Private Sector Entities;
7. Consideration of and Coordination with National and Local Development Conditions and Initiatives.

Particularly as these considerations relate to Jordan, this report also highlights the necessity of evaluating not only the national and regional context of livelihood initiative implementation, but also the need to evaluate the micro-contexts of cities, towns, and neighborhoods.

In the following sections, this report explores the context of Syrian refugees working in Jordan, areas of initial success in rolling out the work permit initiative, and ongoing challenges to meeting the goals of different stakeholders.

The report concludes with brief considerations for practitioners and policymakers who are implementing work permit and livelihood related programming in Jordan in particular, and in Middle Income Country (MIC) refugee host country contexts more generally.

¹ Livelihood programming for Syrian refugees in Jordan following the implementation of the work permit initiative is now intrinsically tied to this initiative. The term "livelihood" here uses the UNHCR definition from the 2014 report on "Global Strategy for Livelihood": "Livelihood are activities that allow people to secure the basic necessities of life, such as food, water, shelter and clothing" (UNHCR Global Strategy for Livelihood 2014-2018).

² Jordan has historically been one of the largest refugee host states per capita in the world, a status which has been further elevated by the arrival of between 655,000-1.26 million refugees. Additionally, Jordan's refugee policies have often gone beyond typical refugee host state norms, including their policies related to urban refugees, refugee rights, and the nationalization of most Palestinian refugees.

³ Note on data sources: Data on Syrian refugees in Jordan is widely distributed. Estimates of the total number of Syrians range from 655,399 (UNHCR) to 1.26 million (Government of Jordan Dept. of Statistics), for instance, based on differences in the measurements and methods used for data collection. As such, this report aims to provide the most widely accepted and used range of numbers available for a given statistic from the most relevant actors, primarily drawn from humanitarian (UNHCR), development (ILO and UNDP), and government (GoJ) resources.

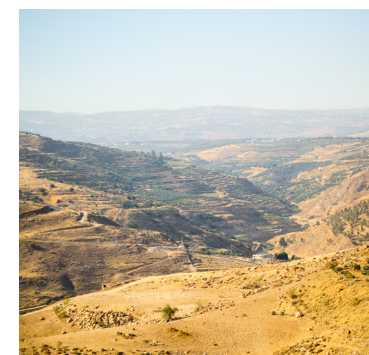
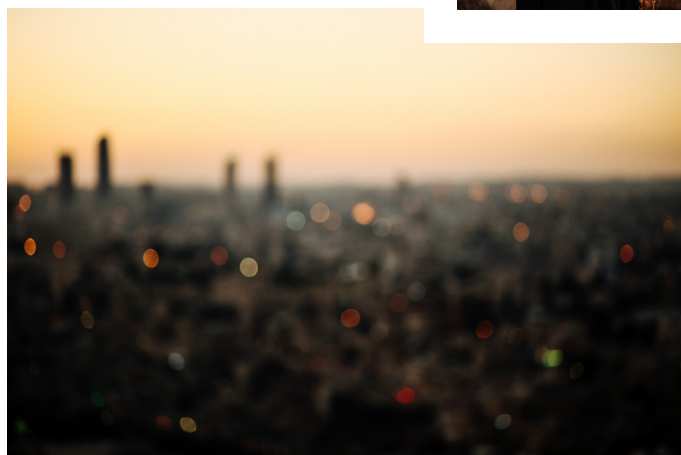
Notes on individual sources' data can be found in additional footnotes and parenthetical references.

METHODOLOGY

The research for this report took place from March 2016-January 2017. The report draws from published and unpublished reports from humanitarian organizations, interviews with a variety of stakeholders, primarily through the UNHCR Livelihoods Working Group, and both published and unpublished data sets.

The BCARS research team attended Town Hall Meetings on the work permit initiative led by UNHCR in June and July 2016, held policy workshops with the UNHCR Livelihoods sector in March 2016 and June 2016, and conducted follow-up interviews in January 2017. Ongoing interviews with members of UNHCR Jordan's Livelihoods sector took place throughout the process, as well as interviews with the Ministry of Labor (MoL), policymakers, and humanitarian practitioners.

This report is intended to provide a snapshot of the first year of the work permit initiative in Jordan. The environment is changing rapidly on the ground, and major updates should be reviewed on the UNHCR Livelihoods Working Group Portal as time progresses.



Glossary of Abbreviations

ALMP	Active Labor Market Programs
EIIP	Employment Intensive Investment Programs
GoJ	Government of Jordan
HBB	Home-Based Business
ILO	International Labor Organization
JD	Jordanian Dinar
JOPMOD	Jordan Occupational Projection Model
JRP	Jordan Response Plan
LD	Labor Directorate
LIC	Low-Income Country
LWG	Livelihoods Working Group
MIC	Middle-Income Country
MoI	Ministry of the Interior
MoL	Ministry of Labor
MoSS	Ministry of Social Security
QIZ	Qualified Industrial Zone
SME	Small- or Medium-Sized Enterprise
SEZ	Special Economic Zone (E.g. ASEZA, Aqaba Special Economic Zone)
UNHCR	United Nations High Commissioner for Refugees

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Introduction: Syrians and Employment in Jordan

In February 2016, Jordan took an unprecedented step among refugee host countries, and pledged to provide formal work opportunities Syrian refugees at the London donor conference (Supporting Syria and the Region Conference). Known as the Jordan Compact, the Kingdom of Jordan pledged to support and facilitate education and work opportunities for Syrian refugees in return for concessionary rates on international loans, trade benefits with the European Union, and investments from donor countries to support the Jordanian economy.

In the context of an increasingly protracted refugee crisis and dwindling humanitarian funds, the work permit initiative is intended to both provide Syrians with the opportunity to support themselves independent of aid, and to capture economic benefits of an expanded formal labor force in Jordan. Under this agreement, King Abdullah II promised that for every job created for a Syrian refugee, five jobs would be created for Jordanians, a total of 1.2 million jobs.⁴ The primary mechanism to measure the number of jobs created for Syrians is the number of formal work permits distributed to the population.

While government leadership and international and domestic actors have been overwhelmingly supportive of the work permit initiative, by the beginning of December 2016 only 35,000 work permits had been issued to Syrian refugees since the initiative's implementation in March 2016.⁵ This report explores the potential of reaching the goal of issuing 200,000 work permits to Syrian refugees in the coming years,⁶ and explores the refugee-level, institutional, and legal obstacles to work permit expansion and refugee job creation in Jordan.

CONTEXT OF THE WORK PERMIT INITIATIVE IN JORDAN

Jordan is one of the largest refugee host countries in the world, both in terms of the absolute and relative size of the refugee population. Jordan, a country with a population of 9.5 million, now hosts between 655,000-1.26 million Syrian refugees, in addition to large populations of Palestinian and Iraqi refugees, among others.

More than 655,000 Syrian refugees are registered with the United Nations High Commissioner for Refugees (UNHCR) in Jordan,⁷ and the Government of Jordan (GoJ) estimates that up to

1.26 million Syrians are living in the country. Syrian refugees in Jordan are a largely urban population, with more than 80 percent living outside the country's refugee camps. The non-camp nature of the Syrian refugee crisis in Jordan provides unique opportunities and challenges in the context of the work permit initiative.

Prior to the Jordan Compact, Syrian refugees almost exclusively found employment in Jordan's informal economy. The informal economy generates approximately 44 percent of Jordan's GDP according to the most recent figures available,⁸ and informal workers are much more vulnerable to abuses, low wages, and exploitation.

Estimates of the number of registered Syrian refugees working informally in Jordan prior to the Jordan Compact range from 120,000 to 160,000 (see section V on "Challenges to Refugee Work Permit Registration," below). The work permit registration process has focused on the formalization of this population of informal workers in its initial phases, although job creation for both Syrians and Jordanians is a central and ongoing concern.

To work formally prior to the Jordan Compact, Syrians had to apply for migrant work permits, which require a passport to register (Jordanian Labour Code 1996).⁹

Due to many Syrians' legal status and lack of access to identification documents, including passports, registering for formal work was almost impossible before the implementation of the work permit initiative. As a result, only about 3,000 formal work permits were distributed to Syrians annually since 2011,¹⁰ highlighting the overall success of stakeholders in registering nearly 35,000 refugees in the initiative by December 2016.¹¹

Under the work permit initiative, Syrian refugees apply for migrant permits at a Labor Directorate with an employer sponsor, and the application fees are currently waived for employers through April 2017. While prior to the initiative, documentation was a serious barrier to work permit access for Syrians, now, Syrian refugees' MoI identity card are accepted as ID for the application, and in September GoJ granted an exemption from additional medical check-ups for Syrian applicants for work permits.

⁴ Reported in: Rana F. Sweis, "Jordan Struggles under a Wave of Syrian Refugees," *The New York Times*, February 13, 2016, <http://nyti.ms/2jqhHuk>.

⁵ Updated figures are available through the Livelihood Working Group document portal on the UNHCR Regional Response Portal: <http://bit.ly/2iFSBX8>; Most recent figures drawn from: Maha Kataa, Support to the Ministry of Labor in Regulating Syrian Workers in Jordan: November Update, report (Amman: ILO, 2016).

⁶ Originally, the Jordan Compact set the goal of distributing 200,000 work permits to Syrian refugees. World Bank introduced a separate target of 130,000 work permits in September 2016, and tied each work permit distributed to a certain amount of aid. For more information, see "Livelihood Working Group Meeting Minutes September 2016."

⁷ Updated figures are available through the UNHCR Regional Response Portal for Jordan: <http://data.unhcr.org/syrianrefugees/country.php?id=107>.

⁸ *The Informal Sector in the Jordanian Economy*, report (Amman: United Nations Development Programme (UNDP), 2013).

⁹ Available in English here: <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/45676/65048/E96JOR01.htm>.

¹⁰ "Interview with Ministry of Labour," interview by author, January 4, 2017.

¹¹ This report refers throughout to the most recently published numbers by ILO (December 2016), which are available on the LWG portal.

The Jordanian economy has struggled under the effects of conflicts in neighboring Iraq and Syria as well as the post-2008 global economic slowdown. Unemployment among Jordanians is approximately 14.7 percent.¹² In the first quarter of 2016, GDP grew at an average of 2.4 percent, below the government projection of 3.7 percent.¹³

Disruptions in regional trade, tourism, and the costs of supporting hundreds of thousands of Syrian refugees have all contributed to slow growth and tensions with Jordanians. Perceptions of Syrians crowding out Jordanians for jobs are widespread, even if there is a lack of empirical evidence for this belief.¹⁴

In a recent survey, 95 percent of Jordanians reported believing that Syrians had to some extent or to a great extent taken jobs that otherwise would have gone to Jordanians.¹⁵ In fact, in governorates with large numbers of Syrian refugees (Amman, Irbid, and Mafraq), the Jordanian participation rate in the labor market is slightly higher than in those governorates with low levels of Syrian refugees, suggesting Syrian refugees largely compete against other Syrians for employment.¹⁶

World Bank recently released a video aimed at mitigating these fears, but outreach efforts among communities will need to be long-term, and economic benefits from shared programs for both Jordanians and Syrians will take time to become apparent.¹⁷

Despite economic challenges related to high unemployment (11.1 percent in 2014 according to the World Bank –the last year for which numbers are available– and 14.7 percent in July 2016 according to the Jordan Department of Statistics) and high ratios of public debt to GDP, Jordan is designated by international financial institutions (World Bank and IMF) as a Middle Income Country (MIC).

According to the World Bank, GDP per capita (in current USD) among Jordanians stood at approximately 4,940 USD (3,504 JD) per year in 2015. As an MIC, it has often been difficult for Jordan to access international financing related to economic development at the same rates as Low-Income Countries (LICs).

MIC or LIC status is based purely on GDP per capita, and does not factor other indicators such as high unemployment, high debt-to-GDP ratios, regional conflict, or refugee host state status.

Jordan's economic hardships due to conflicts in neighboring countries have been compounded by the fact that donor aid pledges in the context of the Syrian refugee crisis and the Jordan Response Plan (JRP) have also fallen short: only 56 percent of the JRP for 2016 was funded by December 2016.

Globally, UNHCR's operations only received 3.82 billion USD of a requested 7.51 billion USD, or 50.9 percent of the total funding needs.

THE JORDAN COMPACT

The Jordan Compact and subsequent agreements between Jordan and its partners have created a unique opportunity for humanitarian actors in Jordan (and other refugee host countries) to address these funding gaps in an unprecedented way. The international community, for its part, pledged \$1.9 billion in grants, donations, investments, and loans to support Jordan's economy and bolster its stability.

Following the London donor conference, the World Bank approved \$100 million in financing for Jordan at concessionary rates normally reserved for low-income countries, making part of the loans essentially grants. In September, the World Bank approved a further \$300 million loan to Jordan in return for its hosting of Syrian refugees, part of the Country Partnership Framework for 2017-2022.¹⁸

In total, multilateral development banks pledged to increase Jordan's access to loans from \$800 million to \$1.9 billion. The European Union also pledged to grant Jordan trade benefits, and a deal was announced in July 2016 to relax rules of origin on 52 product groups for 10 years for manufacturers who employ a minimum quota of Syrian refugees (15 percent initially, increasing to 25 percent in year three).¹⁹

In return, Jordan pledged to create 200,000 jobs²⁰ for Syrian refugees in the country in specific sectors, measured by the number of work permits issued, primarily in construction, agriculture, and manufacturing. Prior to the London Conference, work permits for refugees in general and Syrian refugees in particular were considered a socio-political

¹² Hashemite Kingdom of Jordan, Department of Statistics, "Unemployment Rate during the Second Quarter of 2016," news release, July 26, 2016, <http://bit.ly/2jShUTz>.

¹³ World Bank, "Jordan's Economic Outlook," news release, Spring 2016, <http://bit.ly/2jDKvNr>.

¹⁴ See: Joseph Guay, *Social Cohesion between Syrian Refugees and Urban Host Communities in Lebanon and Jordan*, report (Uxbridge: World Vision, 2015); *Understanding Social Cohesion and Resilience in Jordanian Host Communities*, report (Amman: REACH and the British Embassy, June 2014); Svein Erik Stave and Maha Kataa, *Labour Force and Unemployment Trends among Jordanians, Syrians and Egyptians in Jordan*, report (Amman: ILO and Fafo, November 2015).

¹⁵ ILO and Fafo, 2015.

¹⁶ Ibid.

¹⁷ Video available here: <http://www.worldbank.org/en/news/video/2016/09/27/refugee-economic-empowerment-why-it-s-a-great-opportunity-for-jordan>.

¹⁸ World Bank, 2016, retrieved from: <http://documents.worldbank.org/curated/en/528081467900685594/pdf/102746-CAS-R2016-0124-OUO-9-Box396270B.pdf>

¹⁹ European Commission, "EU-Jordan: Towards a Stronger Partnership," news release, July 20, 2016, http://europa.eu/rapid/press-release_IP-16-2570_en.htm.

²⁰ The goal for 2016 was set at 50,000 work permits in late 2016, and extended to June 2017 at the end of the year.



Syrian Refugees and Work Permits in Jordan: Obstacles and Opportunities

non-starter in Jordan,²¹ and refugees' right to work has never been fully evaluated and tested in a MIC environment.

The Jordanian case is therefore critical for understanding the impact of work formalization on refugee livelihood and responses to protracted refugee situations. Jordan has taken a leadership role in implementing a first-of-its-kind job creation and work permit initiative specifically for refugees.

The initiative of providing formal employment for Syrian refugees while promoting development in the host community should benefit Jordan domestically, and will reverberate throughout refugee host communities in the region and around the world. Bans on legal work exist in most of the major refugee host countries worldwide, including other host countries in the Arab region.²²

Assessing the impact of work authorization and the unintended consequences of permit quotas in the Jordanian context will, in turn, allow for evidence-based advocacy related to best practices in livelihood policies in refugee settings cross-nationally.

The following sections evaluate the possibility of providing 200,000 Syrians with work permits in the coming years, as pledged by the Government of Jordan (GoJ) to its international partners in the Jordan Compact.

The sections both explore refugee-level obstacles to work permit access, as well as the institutional and legal challenges to consider as practitioners and policymakers operate in Jordan's rapidly changing environment.

It concludes with considerations for humanitarian and policy stakeholders, and suggests approaches to programming in the context of a formal labor environment for Syrian refugees.

COMPACT THE ROLLOUT OF THE WORK PERMIT: INITIAL CHALLENGES & SUCCESSES

There is no mention of refugees or asylum seekers under the Jordanian Labor Law of 1996. Prior to the work permit rollout, few Syrian refugees possessed a legal work permit.

Most Syrian refugees were unable to provide key documents such as a passport, a requirement for work permit reg-

istration for migrant workers in Jordan. Following the rollout of work permits for Syrian refugees in March 2016, the legal environment for Syrian refugee workers has changed rapidly.

Refugee work permits are governed by the migrant worker sector-based quota system, which allows pre-set numbers of foreign workers in specific sectors while limiting or closing off sectors where competition with Jordanians may be high.

Open sectors include manufacturing, construction, agriculture, while closed sectors include some sales, education, hairdressing, and most professional sectors such as engineering and medicine.

As mentioned, nearly 35,000 work permits were issued to Syrian refugees between March and December 2016. To facilitate the work permit application process, the GoJ waived the registration fees for annual work permits in April 2016.

This grace period has been renewed multiple times by GoJ, in July and October 2016, and now extends through April 2017. The use of the Ministry of the Interior (MoI)²³ document in place of

²¹ Patricia Ward, "Refugee Cities: Reflections on the Development and Impact of UNHCR Urban Refugee Policy in the Middle East," *Refugee Survey Quarterly* 33, no. 1 (January 28, 2014), doi:10.1093/rsq/hdt024.

²² Global Refugee Work Rights Report, report (Oakland: Asylum Access and Refugee Work Rights Coalition, 2014).

²³ Following registration with UNHCR, Syrian refugees were encouraged to obtain MoI ID cards, which require amongst others a valid asylum seekers certificate and health certificate. These cards grant access to services like education and health, and now are accepted for registration in the work permit initiative.

passports as identification that is accepted by the MoL since April, also decreased the barriers to work permit access for many Syrian refugees who do not have their passports. To obtain a work permit, employers of Syrians must first register at their local Labor Directorate (LD) with the employee's MoI ID card (see box below for details on the work permit application process).

Work permits for Syrian refugees convey several benefits to their holders, including greater protections under the Jordanian Labour Law, the right to a work contract, and with it, guaranteed minimum wages and other employment benefits such as paid maternity and holiday leave, and inspected working environments.

The Work Permit Application Process for Syrian Refugees

Source: Jordan INGO Forum December 2016, Livelihoods Working Group

To apply for a work permit, a Syrian refugee must first (**Step 1**) have registered his or her residence with supporting documents at the nearest police station to obtain a Ministry of Interior identification card.

To certify residence, the refugee must (**Step 2**) present a rental agreement or the landlord's ID or an alternative rental document provided by UNHCR. A medical check (which costs 5 JD through the MoI card application process, or 20-30 JD for the work permit alone) and a security check (which costs 5 JD) must be completed as well (**Step 3**).

Once the checks are complete and the MoI card is obtained (**Step 4**), the refugee's potential or current employer must then (**Step 5**) submit to the local Labor Directorate: a certificate of incorporation,

occupational licensure certificate, a statement from social security confirming the company's registration, and the refugee's employment contract. Employers must also verify that the employee's position is in an open sector and not limited by a quota (**Step 6**).

Employers must then (**Step 7**) register the refugee employee with the Ministry of Social Security (MoSS) and submit the registration information for the business, a signed contract, ID cards and MoI service card, and the first month's payment of 21% of salary. If all of these steps are completed without issue, then the employer may (**Step 8**) return to the LD to retrieve the employee's work permit, valid for one year.

After the year, the employer and refugee must complete Steps 5-8, and possibly Step 3.

As the first work permits reach the end of their validity in 2017, confusion still exists around several aspects of the renewal process.

For instance, will refugees be required to undergo an additional medical or security check and pay the associated fees (Step 3)? Will the fee waiver expire after April 2017? Significantly, it is unclear if renewed work permits for the same Syrian refugees will count towards the goal of 200,000 work permits.

With a work permit, Syrians can now work legally in specific sectors of the economy, often referred to as "open sectors," namely: agriculture, construction, food and beverage, cleaning and domestic work, and manufacturing.

Quotas limit many sectors for foreign workers, which will now includes Syrians. Employers themselves must apply for the permits for their employees, and Syrians are unique in that their employers may apply for their permits without the employee present at the LD; for all other migrant worker nationalities, the employee be present with the employer to apply for a permit.

As of December 2016, most Syrians registered with work permits applied in the sectors of agriculture (10,667), manufacturing (6,383), wholesale retail trade (5,245), accommodation and food services (4,523) and construction (3,022).²⁴

Because of the stringent regulations surrounding work permits, and the international and domestic momentum to register Syrians with formal work permits as quickly as possible, GoJ has permitted innovative programs to enroll Syrian refugee workers in certain

sectors. Rapid rates of Syrian refugee registration in the agriculture sector in May and June 2016, and continuing through the rest of the year, were largely due to an International Labor Organization (ILO) and MoL-run project, which allows bulk registrations of workers via cooperatives in the agricultural sector, rather than with a single employer sponsor.²⁵ Of the 10,667 work permits distributed in this sector by December 2016, the vast majority applied through cooperatives.

These cooperative-sponsored work permits are valid for more than one employer, as workers in the agricultural sector tend to change employers more frequently and work on a short-term basis (less than the one year required by the work permit).

Similar vocation-based initiatives are being explored in the construction sector, based on refugee specializations within specific areas such as carpentry or masonry. There are both benefits and drawbacks to these flexible registrations, particularly related to social security payments, health, and safety. Construction syndicates have expressed willingness to register refugees with work permits, but not to pay the employer contribution to social security. It is also unclear

²⁴ Figures drawn from ILO December Update 2016.

²⁵ The MoL and ILO cooperative program allowed agricultural workers, many of whom change employers frequently or work on different sites seasonally, to register via cooperatives rather than with a specific employer sponsor. This program led to the rapid issuance of over 6,400 work permits, and also allowed employers who had already hired their quota of migrant workers to employ Syrians formally. While a success in terms of registrations, the effects of cooperatives on protections for Syrian workers have yet to be seen in the field. The success was also in part due to the existing exemption for agricultural employers to pay employee social security.

who would be responsible for checking the safety of work environments where refugees with these work permits would be employed, and who would contribute to their health insurance. Proposals to offer health insurance and social security options through the syndicates or cooperatives for refugees require further exploration.

Initially, one of the central challenges to the work permit initiative was information dissemination to refugees, employers, and LDs. To raise awareness about the initiative among refugees, UNHCR sent out 146,000 SMS messages to heads of household and prepared FAQ circulars clarifying the application process.

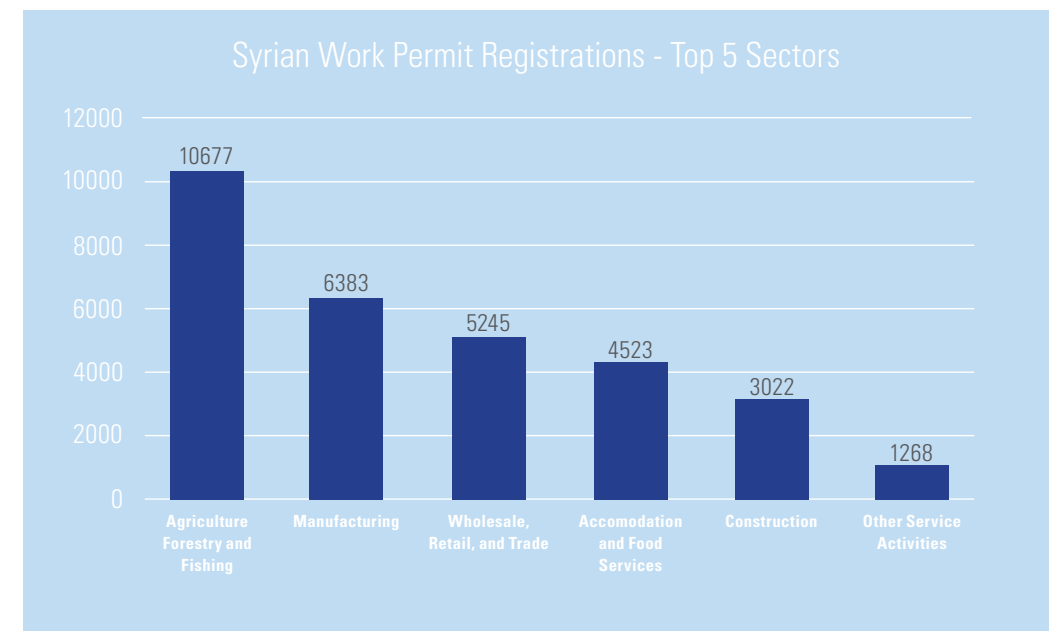
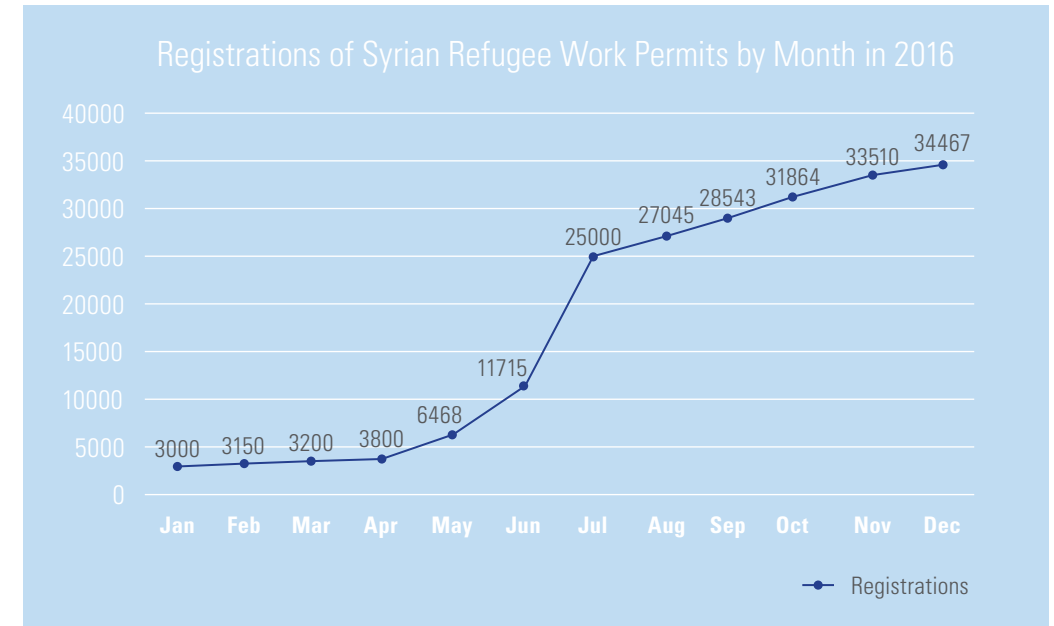
In addition, UNHCR conducted visits to all LDs and held local town hall meetings chaired by LD directors across Jordan to clarify the WP application process and associated questions. At the

town hall meetings, questions surrounding social security fees, employer sponsors, and legal status, among other issues, were addressed, and information dissemination continues.²⁶

UNHCR has been actively working with the MoL: a network of UNHCR livelihood focal points based in the field are tasked with liaising with LDs, and reaching out to Syrian refugees whenever necessary.

The UNHCR Helpline also plays an active role in creating awareness on work permits by answering questions and providing counseling. Development actors such as ILO have taken an increasingly operative and active role in the response.

²⁶ Charles Simpson, Town Hall Meeting Findings: Syrian Refugee Work Permit Obstacles and Policy Recommendations, working paper (Boston: Boston Consortium for Arab Region Studies (BCARS), 2016).



Source for both: ILO December 2016

Institutional Challenges and Capacity-Building

The work permit initiative is reshaping stakeholder roles and coordination in Jordan. The MoL in particular has taken on a new, more direct role in responding to this crisis. Prior to the work permit initiative, MoL did not deal with Syrians as a primary population of concern. Only 3,000 migrant work permits on average were distributed annually to Syrians prior to the work permit initiative, out of a population of over 353,000 foreign workers.²⁷

With the work permit rollout in March 2016, LDs and other MoL staff began working with a new population with unique needs that they had little contact with in the past. Humanitarian actors also must now collaborate and work with new government ministries, including MoL and MoSS.

While the MoL faced many challenges with the roll out, it addressed those challenges immediately in the field and did its best to remedy any and all obstacles it faced. Initial challenges for MoL's expanded role included confusion over certain policies related to the work permit initiative. In several LDs, there have been reports that officials would not accept the health certificate attached to a refugee's MoI document. Instead, refugees who wished to register were made to undergo a separate medical examination that cost them 20-30 JD.²⁸

As of September 2016, Syrians were granted an official exception from the need for a further medical exam for the work permit, which will expire in 2017

and revert to the original cost of 20-30 JD. In one LD, female Syrian refugees reported being told that female migrant workers could not be registered, a misconception that stemmed from the fact that some LDs had not dealt with female (Arab) migrant workers previously.²⁹ MoL headquarters responded immediately to ensure female refugee participation in the labor market nationwide.

Registration in Jordan's Special Economic Zones (SEZs), such as the Aqaba Special Economic Zone (ASEZA), also generated confusion as SEZs do not fall under the MoL, and as such, ASEZA rules regarding employment differ from the rest of the country.

Individual LDs also importantly had different interpretations of which sectors of the economy are open or closed to foreign workers, and at what quota level.³⁰

Access to the national social security program, one stated benefit of work permit registration, is itself problematic. MoL and the Ministry of Social Security (MoSS) do not currently share data systems, and institutional capacity building for closer coordination would help to address confusion around social security payments versus benefits.

For Syrian refugees who hope to leave Jordan eventually, paying into social security may not be seen as advantageous if the fees to receive benefits render them inconsequential to overall welfare. Enhancing the coordination between ministries as well as with humanitarian

and development actors is necessary to address these negative aspects of work permit registration as it relates to social security payments.

As MoL's role in the humanitarian response continues to expand with work permit registration, humanitarian practitioners will need to work with development actors to strengthen the overall capacity of the Ministry to address its expanded workload.

MoL's oversight of foreign labor laws, quotas, and inspection systems for migrant work permits means that it is now

the primary actor tasked with protecting both nationally- and internationally-recognized labor rights. Human as well as technical resources are needed to support the newly established Refugee Unit in MoL. Inspection of work environments and regulation of permits has taken on a new form: a hybrid of ministry, national administration procedures as well as an indicator of refugee protection and rights in Jordan.

As the Government of Jordan aims to increase the number of Syrians working formally, MoL's capacity to protect and inspect must also be increased accordingly.

Institutional Context of the Work Permit Initiative

The Ministry of Labor (MoL) in Jordan previously only registered approximately 3,000 Syrians per year since the beginning of the crisis in 2011 (Ministry of Labor January 2017). There are currently more than 353,000 migrant workers registered with MoL, and Syrian refugees with work permits comprise approximately 10 percent of these workers, and are more than ten times the number of Syrians issued work permits in previous years. MoL and the LDs in the governorates have had to scale up registrations quickly to meet registration targets.

Syrians are unique from other migrant workers in that they do not require a residency permit or additional medical check (other than the one required for the MoI card) to receive a work permit, and the registration fees for employers of Syrian refugees have been waived

several times by the government, now through April 2017. Punishments for Syrians caught working without permits during workplace inspections are also less severe than for other migrant workers, and Syrians are given the opportunity to register for a work permit to remedy the situation. In late 2016, the Ministry of Labor established a Syrian Refugees Unit under the Directorate of Policies and International Cooperation to work specifically on tracking registrations, and collaborating with various partners to increase registrations and revise policies as necessary.

Specific programming has begun to address increasing MoL's inspection and protection capacity, while raising awareness about labor rights and standards of decent work. UNHCR conducted visits to different LDs in May and June

2016 to map common practices and assess areas of confusion and potential collaboration. ILO and Adam Smith International also conducted a workshop in 2016 with LD heads that helped to address numerous discrepancies in policy application across regions, particularly social security fees.

The recently established MoL Syrian Refugee Unit also sends out regular policy circulars to LDs to clarify and update policies, and has planned collaborations with the Employment Directorate, Ministry of Construction and Vocational Training Center, and KfW Development Bank and ILO to increase registrations and work opportunities both for Syrian refugees and for Jordanians.

²⁷ "Interview with Ministry of Labour," interview by author, January 4, 2017.

²⁸ Simpson, 2016.

²⁹ Simpson, 2016; Labor Directorate Visits, 2016.

³⁰ Labor Directorate Visits, 2016.

The Legal Environment and the Quota System

One of the central obstacles to work permit access for Syrian refugees in the current legal environment is the current structure of the work permit quota system. Many refugees work informally or have experience in sectors that are closed to foreign workers. Some of these sectors also have predicted job growth that will outstrip the amount of Jordanians who are qualified to take those positions.

In 2013, the Jordan Occupational Projection Model (JOPMOD) predicted that 407,000 new jobs would be created by 2020, although the model is based on a population projection of 7.6 million people in Jordan by 2020 (the population reached 9.5 million in 2016).³¹ Of these 407,000 jobs, many will be created in sectors where there are not enough Jordanians with the requisite skills to meet the sector's demands and where Syrians may be able to fill these positions.

This suggests that, based upon the best (if flawed) currently available data, the quota system may prevent the Government of Jordan from reaching its targets of registered refugees, as well as fulfill labor market demands. It also may make it difficult to leverage the existing skillsets and informal work of Syrian refugees.

Data collected by UNHCR on Syrian refugees during the course of registrations in the past five years gives another indication of how many potential workers exist in each open sector without

the need for further training.³² Of the registered Syrian refugees who reported occupations (289,963 people)³³, the majority fell under “No Occupation” (77,541) and housekeepers, including housewives (101,068), while the largest paid professions were farm hands and laborers (26,601) and builders (18,597), followed by drivers, salespeople, and general managers.

Males who had occupations in Jordan's open sectors number 47,525 people, while women who reported occupations in open sectors (excluding housekeepers, who are not disaggregated from housewives) number only 3,984.

These numbers suggest some re-training and vocational programming is necessary to formally employ 200,000 Syrians in the current migrant worker sector system, particularly given that many women reported working in educational or medical professions, which are largely closed sectors for migrant workers.

In some areas of the country such as Irbid and Mafrq, where there are shortages of medical professionals and/or teachers, it may be appropriate to revisit the quota system for foreign workers to incorporate Syrians generally (and Syrian women in particular) into currently closed sectors.

An estimated 65,000 Syrians working informally are employed in closed sectors,³⁴ suggesting a reassessment of the quota

system for migrant workers may be a key component of formalization initiatives. Additionally, the quota system was established for migrant workers from Egypt and South Asia, the largest populations of migrant workers in Jordan, who remit much of their earnings home.

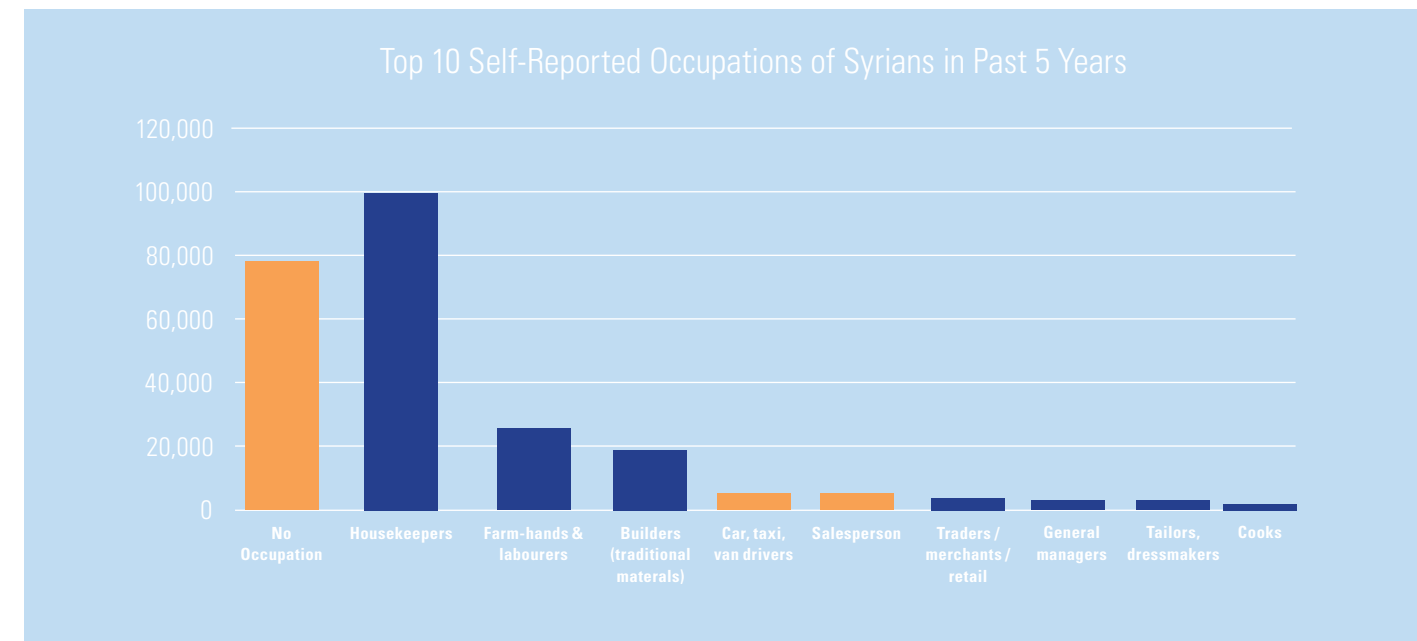
Syrian refugees are more likely to spend more of their earnings in Jordan, because unlike most migrant workers, their families reside with them in Jordan and thus they meet most if not all of their household expenses locally.

Different quotas for Syrian refugees can take advantage of the specific skills and education levels of Syrians as well as capture more economic benefits for the host country based both upon findings in the field as well as official assessments. A preliminary (as yet unpublished) viability assessment based on the JOPMOD suggests that Syrian skills

match areas of the Jordanian economy projected to experience high levels of growth, without an attendant growth in native Jordanians with the necessary skillsets, jobs that could be filled by Syrians.

Different quotas would address a frustration among Syrians about being locked out of professions for which their skills and education qualify them, and in which many may already be working informally.

It would also enhance the ability of stakeholders to reach the current goal of registering 200,000 refugees with work permits, by opening up to additional jobs that Jordanians would not fill based on the JOPMOD data, although these numbers are far from concrete and additional data collection about Syrian skill sets is ongoing.



Source: UNHCR, Self-Reported Syrian Occupations in Past 5 Years (2016)

■ closed / unpaid sectors

³¹ Jordan's Occupational Projection System: Outlook to 2020, report (Ottawa: Conference Board of Canada, 2013).

³² The UNHCR collected self-reported data on occupations held by Syrian refugees in the past five years, giving a rough outline of skillsets.

The data has some key limitations: it is self-reported, and there may have been some misreporting due to fears of loss of aid, for instance; these are also occupations that Syrians may have held for any length of time in the past five years (and thus, varying levels of experience).

³³ Registration data provided by UNHCR and updated as of May 2016.

³⁴ ILO and Fafo, 2015.

Challenges to Refugee Work Permit Registration

In addition to the legal and institutional challenges for refugee work permit registration, reaching the goal of 200,000 work permits is complicated by both structural and household-level factors.

While initial information dissemination efforts about the work permit initiative have been undertaken, ongoing confusion remains among the refugee population due to labor policy changes over time and variance by economic region. Discussions in the field suggest that refugees fear loss of humanitarian assistance if they receive a work permit.

Refugees in a resettlement process also express fears that they will lose their “spot” in line for resettlement if they register for a work permit. Evidence also suggests that refugees fear that their working conditions will actually *deteriorate* if they formalize their contract, tying them to a single employer and giving them less ability to register complaints and to negotiate

their salary and working hours. UNHCR efforts have focused on supporting the GoJ to increase the amount of work permits issued to Syrians.

Initial successes in work permit registration by LDs, UNHCR, and various humanitarian and development actors has been based on formalizing Syrians who are working informally and regularly (see discussion of worker types below). Registrations outstrip other sectors in fields like construction and agriculture, in which many Syrians worked informally prior to the work permit initiative.

Many agencies have put forth estimates of the number of Syrians working informally, but these statistics vary widely due to differences in baseline sources and approaches to measurement of the informal labor force, as well as the inherent difficulties in measuring informal labor (see below).

Of the 655,399 *registered* Syrian refugees, 45.2 percent or 296,240 individuals are of working age (18-59), including those who are not able to work due to disability, illness, or other full-time but unpaid work like caregiving.

Of these working-age adults, if even half were employed informally prior to the work permit initiative, approximately 148,000 informal Syrian refugee workers could already be working and possibly eligible for a work permit.

An ILO survey found that up to 57 percent of Syrian refugee adults were unemployed in 2015, leaving 43 percent or 127,383 registered Syrian refugees who worked informally.³⁵ In June 2015, the Secretary General of MoL estimated the number of Syrians working informally prior to the work permit initiative (both regularly and irregularly) at 160,000-200,000.³⁶

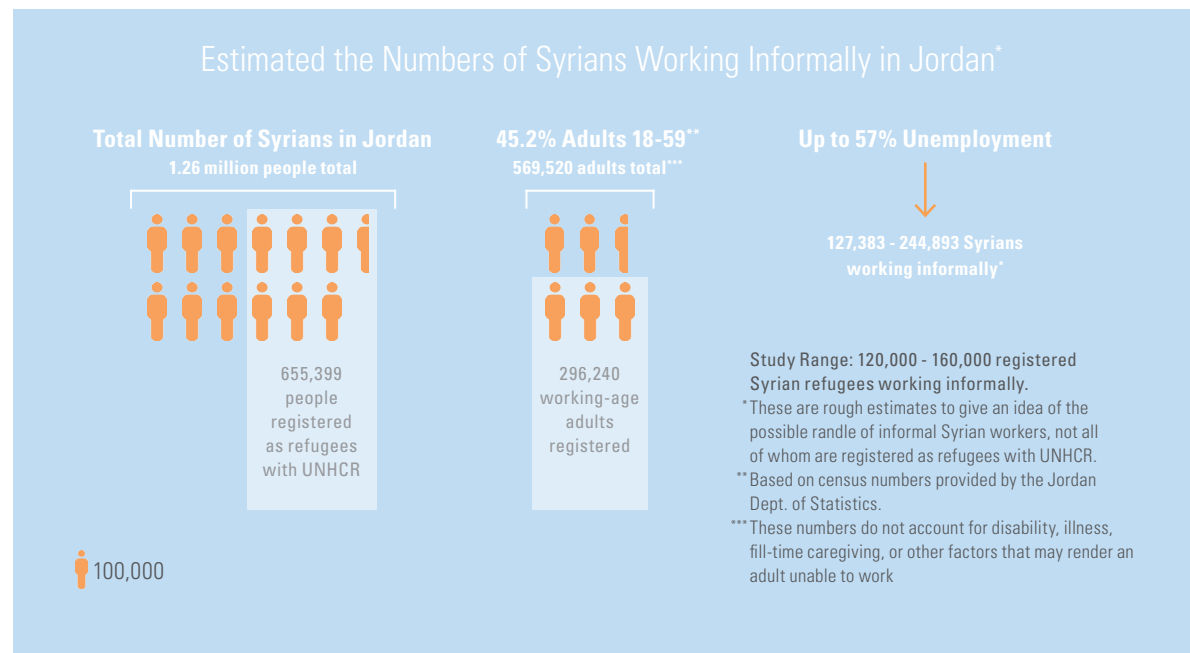
Completely different estimates of Syrians who work informally in Jordan result from analyzing the total number of *both registered and unregistered* Syrians in Jordan. The Jordanian census numbers from 2015 (1.26 million Syrians in Jordan total) would place the total number of employed Syrians at 244,893 (Ministry of Statistics) if 57 percent of all Syrian adults are unemployed.³⁷

These widely varied estimates and statistics point to the challenge for stakeholders in measuring the viability of the pledge to distribute work permits to 200,000 Syrians as outlined in the Jordan Compact. There remains significant confusion around the true number of Syrians working informally, because in all of these figures there are differences in the population being measured: registered versus unregistered refugees, camp versus non-camp, adults or minors, etc.

For the purposes of this report, the reference range of Syrian refugees working informally in the country is 120,000-160,000, based on the UNHCR, ILO, and GoJ figures, and referring specifically to the population of registered refugees.

If, for instance, the trends in informal employment in the Jordanian population are applied to Syrians, then based on the above estimates of registered Syrians working informally (120,000-160,000), at most 50 percent³⁸ of workers will be formalized (60,000-80,000), far from enough to reach the goal of 200,000 work permits.³⁹

Even if 50 percent of both *registered* and unregistered Syrian adults working in Jordan are formalized, at most 122,446 Syrians would be formalized.



³⁵ Calculated by percentage of adult, working-age (18-59) women (approximately 23.6 percent) and men (approx. 21.6 percent), according to UNHCR, Regional Response Portal, January 2017; Unemployment rate from ILO Response in the Region 2016, p. 7.

³⁶ As reported in Jordan Times: “Around 200,000 Syrians Illegally Work in Jordan — Ministry,” Jordan Times, June 20, 2015, <http://bit.ly/2j2FXzt>.

³⁷ Assuming a population of 45.2 percent working-age adults with an unemployment rate of 57 percent, as applied in the calculations of registered refugees.

³⁸ UNDP, 2013.

³⁹ Drawn from the estimates of the total number of informally working Syrians (120,000-160,000).

Regardless of the reference point used for the total population, even using the most generous methods to estimate the working population, counting all adults of working age irrespective of their ability to work, if Syrian formalization rates match those of the wider Jordanian labor market, work permits will fall short of the goal of 200,000.

It may be unlikely that even 50 percent formalization is possible in the current context, as some informal workers are employed in closed or extremely limited sectors such as retail sales and hairdressing, based on anecdotal evidence from the field.⁴⁰ Syrian refugees face much higher barriers to entering the formal labor market than do Jordanians.

Under the current sector and quota system, directing efforts to formalize informal workers alone will likely be inadequate to reach the goal of issuing 200,000 Syrian refugee work permits,

as suggested in the Jordan Compact and subsequent agreements. New jobs need to be created, both for Syrian refugees and for vulnerable Jordanians.

Still, the goal of 200,000 work permits could be achieved with adequate levels of support from the government and international community and appropriate reorientation of programming aimed at transitioning Syrians to the formal labor market.

In addition to targeting 1) Syrians who have already received work permits with additional support, and 2) informal Syrian workers in regular work arrangements, efforts should also be directed to target two other groups of eligible Syrian refugees: 3) Syrians who are working irregularly and informally, and 4) Syrians who are not working currently but who could join the labor market.

Syrian refugees who have already received work permits still require support mechanisms to ensure the original goals of the initiative are met: lifting Syrian refugees and members of the host community out of poverty.

A work permit alone cannot guarantee that workers will earn a living wage for their family. Many Syrian refugees have incurred significant amounts of debt since arriving in Jordan, and have resorted to negative coping strategies to survive.⁴¹ Levels of poverty among both Syrian refugees and their host communities remain high, and the minimum wage is often not enough to cover either living expenses or debts.

Additional livelihood programming is necessary to demonstrate the benefits of formalizing work to the wider refugee community, particularly as the period for the first round of permit renewals approaches.

The second group, Syrians who are regularly employed in the informal labor market, work in arrangements that largely mirror the formal labor market (consistent employer, wages paid per hour, employed four or more days per week, etc.), with the exception of possession of a work permit.

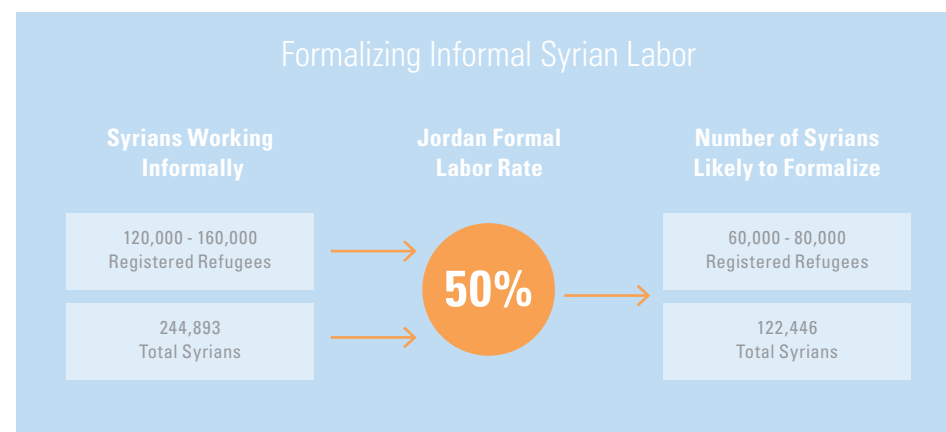
Evidence from the field suggests that formalization of this group of workers has resulted in the bulk of work permit

registrations thus far. Because these work situations mirror those required by the work permit (a single employer, minimum wage, inspected workplaces, etc.), these workers can more easily access the work permit initiative without accommodations.

As stated above, formalizing this population alone (regardless of the reference number used) is unlikely to be adequate to meet the goal of 200,000 work permits.

Syrian adults who are irregularly and informally employed lack both a work permit and a consistent work arrangement. Workers who work informally and irregularly may work for many employers concurrently or change employers frequently, work in temporary positions, work in many sectors concurrently, or work in businesses that are themselves informal.

In the medium- to long-term, humanitarian practitioners as well as Jordanian policymakers should orient their approach to formalizing workers who are working informally *but irregularly*, and may have difficulty obtaining a permit, particularly due to the employer sponsor requirement and other obstacles. The ILO cooperative initiative in the agriculture sector with MoL is one example of a successful work permit registration initiative targeting workers who fall under this category.⁴²



Source: Jordan INGO Forum

⁴⁰ Simpson, 2016; Results of Focus Group Discussions with Syrian Refugees and Employers in Agriculture, Construction & Retail Sectors in Jordan, report (Amman: ILO, April 2016), source Note: these Focus Group findings are based on small sample sizes, and are intended to be anecdotal rather than empirical evidence.

⁴¹ World Bank, 2016.

⁴² Cooperative initiatives to register workers may come with some drawbacks, however, such as not providing the same level of protection for refugees, based on initial anecdotal evidence from the field.

Types of Syrian Refugee Workers in Jordan

1. Syrian Refugees who Possess a Work Permit	2. Syrian Refugees who work Informally and Regularly	3. Syrian Refugees who work Informally and Irregularly	4. Syrian Refugee Adults who Do Not Currently Work
<p>Characteristics: Currently enrolled in a work permit and working.</p> <p>Proposed Interventions: Livelihoods support, decent work conditions, living wages, increased inspection and protection</p>	<p>Characteristics: Consistent employer, regular wages and hours, employed for four or more days per week, etc.</p> <p>Proposed Interventions: Formalization through work permits, outreach to employees and employers</p>	<p>Characteristics: Multiple employers and/or jobs/sectors, temporary or flexible hours, unfixed payment, etc.</p> <p>Proposed Interventions: Innovative registration processes (cooperatives), revision of work permit policy, formalization of SMEs and HBBs</p>	<p>Characteristics: Adult (18-59) who is able to work but does not currently.</p> <p>Proposed Interventions: Support for enabling environments, targeted initiatives for women (ALMPs and EIIPs), formalization of HBBs</p>

Syrians who either work for or operate informal Small- and Medium-Sized enterprises (SMEs) are another viable group to target with this type of programming, based on data regarding the informal labor market in Jordan. SMEs of 5-10 employees are much more likely to employ the informal labor force in Jordan⁴³ and thus provide a viable avenue towards formalizing the Jordanian labor and business markets.

Many jobs held by Syrians in the informal market are temporary in nature, such as jobs in construction, and the work permit requirement of a year-long contract with an employer discourages registrations in these cases. Similarly, humanitarian cash-for-work initiatives with municipalities for infrastructure projects have experienced difficulty in registering Syrians with work permits, due to the temporary nature of cash-for-work programs.

Supporting access to the legal system, financial tools, credit, capital investments, and business registration is a vital component of any initiative targeting SMEs and their informal workers.

Home-base businesses (HBBs), particularly those run by women, also represent a viable avenue to register informal businesses and their workers to contribute to the work permit targets. Significant legal confusion exists surrounding the registration of HBBs for both Syrians and Jorda-

nians, and registration of small businesses has proved too onerous for many of these small businesses.

Clarification and revision of Jordanian laws and policies related to HBBs would contribute to the formalization of both Jordanian and Syrian businesses and workers, and help to achieve the goal of 200,000 work permits.

Syrians who are not currently employed but who could join the labor market include adults who, for an array of reasons, are currently jobless or not participating in the labor market at all. In particular, adult Syrian women have much lower levels of workforce participation and experience unique challenges to entering the labor market.

Female Syrian refugees require supportive programming to increase their access to the labor market, such as childcare programs, education, or Active Labor Market Programs.⁴⁴ Thus far, only 2.0 percent (558) of the 34,467 work permits have gone to Syrian women. In the informal labor market, only **7 percent** of Syrian women access work, compared to **51 percent** of Syrian refugee men.⁴⁵ In limited phone surveys and focus groups, women reported the main obstacles to work being family-related (child care, family objection, household responsibilities) and structural (lack of opportunities, lack of access).⁴⁶

Of the Syrian women who reported their occupations from the last five years (139,077 individuals), the vast majority listed housekeeping as their occupation (100,697), a figure that includes housewives, followed by “no occupation” (28,430). Fewer than 10,000 Syrian refugee women reported working in other professions, and among those who did work prior to the conflict, the majority worked in closed fields. **Of the top 10 self-reported occupations of women prior to the conflict, 7 are in closed sectors, primarily in education, medical, and hairdressing fields.**⁴⁷

Therefore, women represent one of the largest potential populations of adult refugees who are not working and who could join the formal labor market. Initiatives targeting women should simultaneously focus on decreasing barriers to access to work, including Active Labor Market Programs (ALMP), childcare support, and vocational training/job matching where necessary.

Young women of urban and peri-urban origin who still live with the parents could be an interested target population for livelihood initiatives, if adequate protection safeguards are in place.

Employing more adult Syrian refugee women could also have ripple effects on several forms of negative coping strategies, particularly child labor. Minors under age 18 form a group of informal Syrian workers who are not eligible for work permits, a population of approximately 11,098 workers.⁴⁸

Shifting more Syrian adults who are not currently working into the formal labor market—particularly Syrian women—can have a dual effect of increasing household economic welfare while decreasing negative coping strategies such as child labor.

⁴³ UNDP, 2013.

⁴⁴ For more information, see: Manuela Deidda et al., *Employment Subsidies, Informal Economy and Women’s Transition into Work in a Depressed Area: Evidence from a Matching Approach*, Discussion Paper (Bonn: Institute for the Study of Labor (IZA), February 2015); *The Informal Economy: Enabling Transition to Formalization*, report, Tripartite Interregional Symposium on the Informal Economy (Geneva: ILO, November 2007).

⁴⁵ According to ILO Response in the Region 2016.

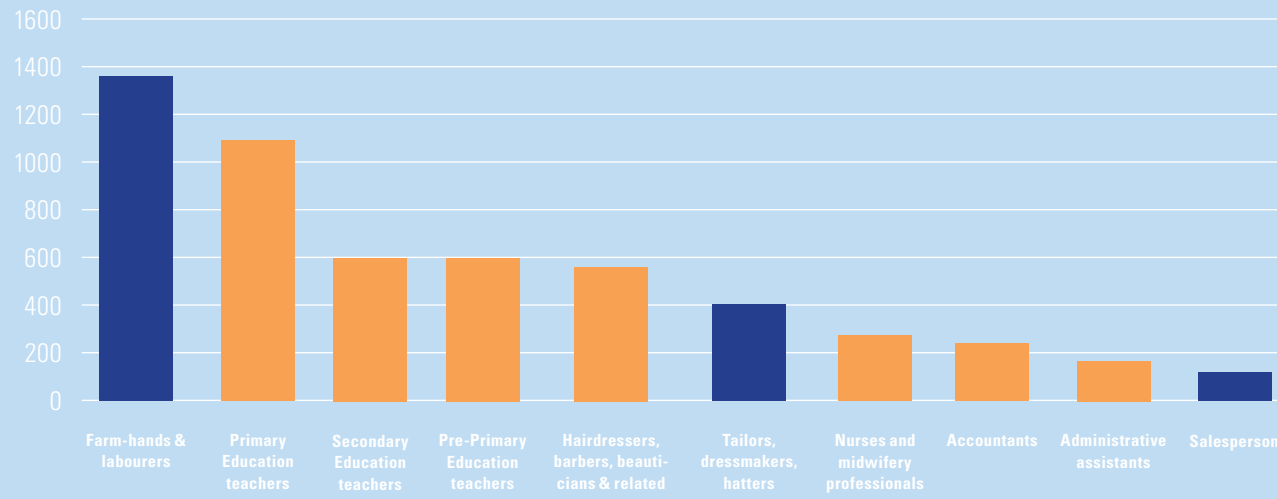
⁴⁶ *Jordanian and Syrian Women’s Labour Force Participation and Perceptions on Employment*, report (Amman: REACH and UN Women, September 2016).

⁴⁷ These occupations exclude “No Occupation” (26,646) and “Housekeepers/Housewives” (79,298).

⁴⁸ *National Child Labour Survey 2016 of Jordan*, report (Amman: Center for Strategic Studies, Ministry of Labour, Department of Statistics, and ILO, 2016).

Household-Level Obstacles to Formalizing

Top 10 Self-Reported Female Occupations by Sector



Source: UNHCR, Self-Reported Syrian Occupations in Past 5 Years (2016)

■ closed / unpaid sectors

Ongoing Employment Intensive Investment Programs (EIIPs) in infrastructure projects provide employment opportunities for Syrian refugees and Jordanians in the short- and medium-term.

Initiatives should focus both on national development projects and on local infrastructure improvements in water, energy, housing, and transportation, areas particularly affected by the increase in population related to the Syrian refugee crisis.

Infrastructure initiatives have a multiplier effect on employment by enabling more people, particularly women, to access the formal labor market.⁴⁹

By increasing the capacity of schools, child care programs, health care clinics, housing markets, and transportation,⁵⁰ Jordanian policymakers and humanitarian or development practitioners can also help to decrease the opportunity costs of accessing work opportunities.

Shared benefits for both Jordanians and refugees from infrastructure improvements can also decrease tensions among communities affected by displacement (i.e. both the host society and refugees), and build trust between host communities, refugees, GoJ, and refugee relief organizations more broadly.

Formal work permits are intended to provide refugee workers with expanded protection when at work: a protected (minimum) wage, and better work environments subject to government inspections; these benefits could be further emphasized in work permit registration outreach. At the same time, it is critical to assess the reasons that lead many Syrian refugees to work in Jordan's informal labor market, and which continue to act as disincentives to seek a permit.

While work permits technically guarantee a minimum wage, initial findings in the field have demonstrated that formal wages are in fact often less than what refugees can make in the informal market, particularly in manufacturing.

A pilot project launched with garment manufacturers by UNHCR and ILO Better Work Jordan earlier this year attempted to get Syrian workers, particularly women, formal jobs at garment factories.

The initiative had disappointing results, in part due to low wages and long commutes to the factories (UNHCR). Syrians in refugee camps (Zaatari and al-Azraq) represent one possible population of Syrian refugees that may be more willing to work in the manufacturing sector, since the cost of living in camps tends to be lower than that in urban areas, and transportation could be arranged from the camps to the factories. This would allow employers to meet the EU quotas for Syrian refugee workers

to receive trade benefits (15 percent of the labor force in the first two years, and 25 percent starting in the third year). Camp-based refugees were initially excluded from programming actively promoting formal work, but a new initiative has been developed to provide refugees living in the camps with work permits that also act as leave permits, allowing Syrian refugees to exit the camp to work in the surrounding area.

Syrians living outside camps struggle with high costs of living and increasing debts, and many turn to negative coping strategies rather than formalized labor to survive. By 2016, World Bank estimates that 69.2 percent of registered Syrian refugees in Jordan live beneath a poverty line of 50 JD per capita, per month. These figures vary by governorate, education level, gender, marital status, family size, and place of origin and destination in Jordan.⁵¹

In Tafilah governorate, with the highest rate of poverty among Syrians, 83 percent live beneath the poverty line; in Amman, with the lowest rate of poverty among Syrian refugees at 59 percent, there are more opportunities for Syrians to work (until now, informally) and earn income. **Localized skills mapping and development coordination is necessary to address this regional variation in vulnerability and employment opportunities.** Despite the variation within the refugee population, across Syrian refugee communities there is “clear evidence of deepening poverty and growing destitution.”⁵²

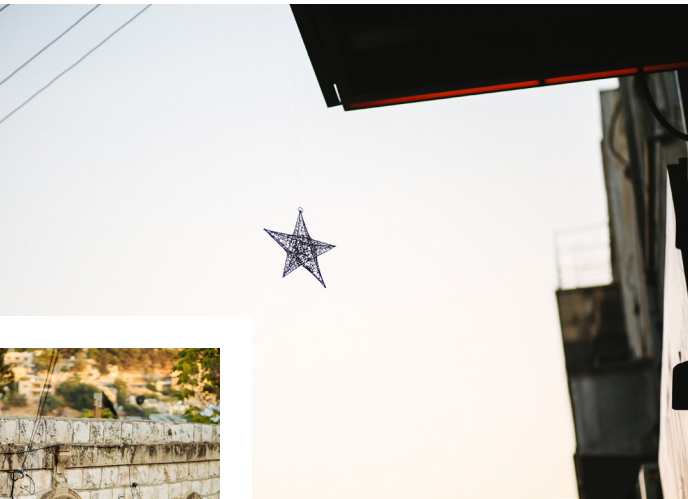
⁴⁹ ILO, 2007; REACH and UN Women, 2016.

⁵⁰ For more on infrastructure improvements and access to work, see “The Informal Economy - Enabling Transition to Formalization”, ILO, available here: <http://bit.ly/2gVQ0Z6>.

⁵¹ World Bank, 2016, p. 65-69.

⁵² World Bank, 2016, p. 124.

Conclusions and Considerations for Practitioners and Policymakers



Many Syrian children work, usually due to parents' or guardians' inability to find adequate work, rendering them unable to support the household, forcing children to contribute in any way possible.

Approximately 8 and 37 percent of Syrian boys ages 9-15 and 15-18 years old, respectively, are economically active, compared to 1.6 and 17 percent, respectively, among their Jordanian peers.⁵³

While work permits may be desirable within the context of sustainable work and income in the future, these immediate-term hardships require refugees' continued access to aid and assistance while these longer-term strategies come to fruition (a "twin track approach"⁵⁴).

While formalizing informal work, preparing for the labor force, or enrolling in training or educational programs, refugees need to continue to be targeted with "livelihood protection" investments and direct assistance. This is also true for Syrian refugees who have already registered in the work permit initiative, because as stated previously, a work permit alone cannot guarantee that a Syrian refugee can support a household, particularly one that includes dependents.

The Syrian refugee work permit initiative in Jordan is groundbreaking and marks a monumental shift away from typical refugee host state policies.

At the same time, the initiative highlights the need for livelihood programming to be developed and framed with attention to the particularity of a Middle-Income Country hosting a protracted refugee population that may now legally work. Moreover, the initiative draws attention to how the usual solutions to protracted refugee situations could be redesigned to include new actors within short- and long-term humanitarian response efforts, such as the MoL.

The goal of registering 200,000 Syrian refugees with a work permit in the coming years—albeit ambitious—can be met in the future, *but only if adequate support is provided to stakeholders to achieve it*. Sharp attention and reframing of current approaches to the following issues may need to be addressed in the short and long term: *refugee formalization versus job creation, institutional capacities, and the quota system*.

Policymakers should further consider whether linking aid and loans to the specific figure of 200,000 work permits is appropriate in the current context. Given the current rate of registrations, the revised goal of 50,000 work permits by June 2017 could be met if rates of registration increase in 2017, after

having slowed in the latter half of 2016. Many of the programs and changes necessary to reach these goals require a long-term as well as local approach.

Based on current estimates, formalization of informal workers alone, an initiative that has received the attention and support of donors due to its measurability, visibility, and viability within a short time horizon, cannot meet the 200,000 goal, even if UNHCR and MoL register 50 percent of informally employed registered Syrian refugees, as this report has shown.

Alternative structures may be considered, such as linking work permit registration goals (at lower levels) to releasing tranches of aid. Humanitarian practitioners will need to find ways of formalizing workers who do not currently meet the requirements of the work permit initiative, such as those who change employers frequently, and Syrian refugee adults who are able to work but do not participate in the labor market.

Context matters. Jordan's local economic conditions must be considered along with the skillsets and education levels of Syrian refugees, and potential collaborations with development and private sector actors. In particular, local contexts are key, as economic conditions vary widely in different governorates and municipalities.

⁵³ Figures from ILO Response in the Region 2016. Jordanian law does not currently allow permits for refugees under age 18. A discussion about under-18 refugee access to apprenticeships and/or traineeships, however, is warranted. Such work is already accessible to Jordanian youth age 16 and over.

⁵⁴ See: Livelihood Support for Syrian Refugees and Host Communities in Jordan: Feasibility Study and Recommendations for Jordan Red Crescent and RCRC Movement Partners, report (Amman: IFRC, Jordan Red Crescent, British Red Cross, 2016).

Policymakers should consider the specific challenges posed by applying the pre-existing regulations on migrant workers to Syrians in Jordan, particularly the quota system. Initiatives to formalize informal workers could benefit from a reassessment of the quota system with the MoL and other relevant GoJ actors in the context of forums like the Livelihood Working Group.

As stated in this report, in some areas of the country such as Irbid and Mafraq, where there are shortages of medical professionals and/or teachers, it may be appropriate to revisit the quota system for foreign workers to incorporate Syrians generally (and Syrian women in particular) into currently closed sectors.

Closed or highly limited sectors should be revisited in an evidence-based exercise by INGOs working together with the MoL and Department of Statistics, to assess the potential benefits of opening or raising the limits on some sectors.

The following considerations represent the key findings of this report for practitioners, policymakers, and other refugee host countries:

1. Country Economic Context: Initiatives and programming in Jordan should be tailored to a Middle-Income Country (MIC) context. Economic initiatives and analyses from other MICs, particularly as they relate to labor market formalization and job creation through public investments, are the most useful *reference points* to orient initiatives. Programming implemented in Low-Income Countries (LICs) are not typically appropriate to the Jordanian context.

2. Distinctions between Different Groups of Workers: This report has outlined four distinct groups of Syrian refugee workers: those who currently possess a work permit, those who are working informally but regularly, those who are working informally and irregularly, and those who are not working but would be eligible to work.

Initiatives should consider the different incentive structures and barriers to formal work that exist for each group of workers, as well as sub-groups (women, adolescents, single men, etc.) within them.

3. Female Labor Market Participation: Initiatives to increase female employment can bolster Syrian labor force participation rates and work permit registration, and decrease negative coping strategies such as child labor. Community- and family-based actions can begin creating a culture of change vis-à-vis women's work and the perceptions on manual, factory-based labor for women and men alike.

4. Enabling Environments for Female Workers: Encouraging female Syrian refugees to join the labor force will not only require shifts in perceptions, but also enabling environments to ensure women have access to support. Humanitarian and development actors should pursue programming focused on vocational training where necessary.

Given relatively high levels of education among female Syrian refugees, stakeholders should also implement programming that includes career counseling, job matching, and wage subsidies to encourage female Syrian refugees to join the workforce, in addition to investing in

supportive infrastructure like education, child care programs, and transportation.

5. SME and HBB Formalization: Business development strategies targeting Jordanian and Syrian owned Small- to Medium-Sized Enterprise (SME) owners can increase formal employment opportunities. Micro- and other finance opportunities (such as informal credit groups), financial tools, access to capital investments and the legal system, and technical training all serve as avenues through which informal SMEs and their employees can pursue formalization.

Home-based businesses in particular often exist in a legal grey area or are completely informal, and their workers are thus also informal. Clarifying and revising policies related to HBBs can help to formalize both Jordanian and Syrian businesses and workers in these enterprises, and are a viable pathway to incorporate more refugee women into the formal labor market.

6. Collaboration with Development and Private Sector Entities: Humanitarian actors should seek new collaborations with private sector entities and development actors when designing livelihood programming.

In particular, vocational training programs should focus on matching curriculum with concrete job placement opportunities in the private sector. Outreach efforts to private sector entities are crucial to reframe refugee employment as an opportunity for businesses, not just for the refugees themselves.

7. Consideration of and Coordination with National and Local Development Conditions and Initiatives: Interventions should be tailored to complement national and local development initiatives. Infrastructure projects that reinforce labor market participation and access are intricately linked with work permit registration and labor market formalization.

Infrastructure projects also lead to shared, long-term benefits for the host community. Additionally, livelihood and employment initiatives should include Jordanians as beneficiaries, and government agencies and humanitarian organizations should conduct community outreach to raise awareness of shared benefits for the host community to enhance social cohesion.

Finally, distinction must be made between the goal of registering 200,000 refugees with work permits and providing decent jobs and pathways out of poverty. A work permit alone, in the current economic and institutional environment in Jordan, cannot itself guarantee decent working environments and wages for either refugees or members of the host communities.

Livelihood support mechanisms for both vulnerable Syrians and Jordanians are necessary to ensure that the economic benefits of a formalized labor force can be realized. The ultimate goal of the work permit initiative is to lift people out of poverty, and a successful outcome will not simply be the distribution of 200,000 work permits to Syrian refugees.



Further initiatives to enhance Jordan's local and national economies and working environments are crucial to complement the largely technical exercise of work permit registration.

The work permit initiative for Syrian refugees in Jordan offers the unique opportunity to test formal work and livelihood programs in a Middle-Income Country.

This is the first time a host country has implemented a specific work permit initiative for a refugee population, and, as the first, Jordan will experience challenges as it seeks to expand refugee permit registration.

Facilitating Jordan's access to international finance, markets, aid, and grants is the first step in recognizing that relative poverty should not be the only feature of a country to warrant international support.

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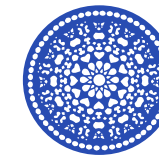
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