



## ***Enabling economic development and livelihoods in countries affected by the Syrian regional crisis***

### **Summary Report from private sector and civil society roundtable, 21<sup>st</sup> January 2016**

On 4<sup>th</sup> February 2016, the United Nations Office for the Coordination of Humanitarian Affairs, and the governments of the United Kingdom, Norway, Germany and Kuwait co-host an international conference on the Syrian regional crisis. In advance of this, CARE International, the UK Department for International Development, Business Fights Poverty and the Ethical Trading Initiative partnered on a roundtable to discuss key challenges and opportunities from the business and private sector perspective on the livelihoods agenda for refugees and host communities towards the Conference. Key points emerging from business and civil society participants at the roundtable included:

1. *Decent work is critical for investing or expanding businesses* The Decent Work agenda is a deal-breaker for labour-intensive businesses wanting to invest or expand in refugee-hosting countries. Responsible businesses want to make positive contributions to the livelihoods of refugees and host communities in Jordan, Lebanon, Turkey and other countries hosting Syrian refugees. Media stories have highlighted examples of Syrian refugees working in exploitative circumstances in supply chains in countries neighbouring Syria. In addition to the suffering such exploitation brings for the refugees themselves, these stories also have negative impacts on global brands. Thus from a business perspective, ensuring that refugees are employed in decent work is essential to build confidence and scale-up investment.
2. *Support from host governments and the international community is required on auditing, clarifying minimum wage expectations and managing grievances in a proactive fashion* Refugees are often employed in the second or third tier of complex supply chains in countries neighbouring Syria, and oversight is challenging for the companies involved. The international community and host governments need to provide a clear regulatory framework and practical systems to guarantee credible audits of supply chains and enforcement of labour standards. In addition, they should take the lead in clarifying expectations on the minimum wage and how this relates to a 'living wage' in each context, as well as in establishing effective mechanisms to raise and resolve any grievances or challenges as they arise.
3. *A comprehensive approach to support local, national and regional business, as well as export-orientated development and global business investment is essential.* Participants at the roundtable came from global brands that work with local businesses and suppliers in sectors including garments, food processing and finance. While they highlighted specific investment needs to enable exports in their sectors, they also highlighted the importance of local and national business. Investments in infrastructure, such as in energy and transport, should factor in support to micro, small and medium-sized enterprises (MSMEs), and should be not purely designed for export-led development. Steps to support MSMEs should encompass financial inclusion, business advice, education and skills training. Experience from the Ebola crisis and other humanitarian contexts was shared to highlight the importance of providing emergency capital to local business, which can get starved of capital during the crisis. Certain sectors of regional business, such as telecoms, which are currently looking to invest in other regions globally, could also be encouraged to invest closer to home.

4. *Inclusion with a focus on women and youth must be at the heart of this comprehensive approach* Participants called for more systematic and ambitious approach to these twin issues to be at the heart of the Jordan Compact, as well as in next steps on the EU Action Plan with Turkey and related efforts in Lebanon. Female-headed households constitute a high percentage of the Syrian refugee population; and the so-called ‘youth bulge’ is a key demographic trend in the region. Women and youth face specific challenges in accessing vocational training and livelihoods, and this becomes a kind of double-disadvantage for female and young refugees. Various institutions have developed strategies on inclusion, for example through dedicated policies and programmes to promote women’s economic empowerment.
5. *Civil society and the union movement have important contributions to make on livelihoods, education, vocational training, social cohesion and decent work* Non-governmental organisations are already making important contributions to support both host communities and refugees across education, vocational training and livelihoods. They are already partnering with Government and the private sector in these efforts. Civil society also has a role to play in helping to address social cohesion between refugee and host communities, and in supporting the inclusion of women, youth and other marginalised groups. These efforts should be taken to scale. In addition, unions also have important contributions to make, especially in relation to promoting decent work and supporting grievance management and social cohesion. The International Trade Union Congress is supporting a new platform for independent unions in the wider region which could be engaged.
6. *Short-term strategies for crisis response must integrate longer-term strategies to address underlying economic challenges and the protracted nature of the Syrian crisis; including attention to education, standardisation of professional qualifications and economic diversification* Initiatives relating to employment generation, such as work permits or infrastructure to enable business investments, must be linked to wider strategies on education, qualifications standards, vocational training and economic development. Participants highlighted the importance of understanding and addressing underlying national economic dynamics in refugee-hosting countries. For example, statistics in Jordan indicate that high levels of Jordanians had dropped out of the labour market entirely even prior to the crisis, and that it is hard to recruit Jordanians to fill the quota for nationals to be employed in special economic zones. In Turkey, efforts to shift towards higher-value export production have been impacted by crisis and reversed in some sectors. Likewise, given the protracted nature of the crisis, Syrian refugees also face challenges in pursuing education and vocational training given unresolved questions over language (eg. in Turkey) and the compatibility across different national standards and qualifications provided across different contexts.
7. *Establish multi-stakeholder forums beyond the London Conference for policy dialogue and technical cooperation across Government, international agencies, the private sector and civil society* Multi-stakeholder dialogue on policy issues around investment, employment generation and decent work must be continued beyond the London Conference. Convening regular spaces for dialogue between government, business, union, civil society will be important to share good practices, learn from each other, and to anticipate and address any challenges. The Ethical Trading Initiative’s practice of convening government, business and civil society provides one of example of a platform for dialogue; and follow-up to London Conference should build on such models. There is strong business and civil society interest to link informal spaces for dialogue to formal processes such as the dialogue between the international community and the Government of Jordan on the Jordan Compact, the EU Action Plan with Turkey, and similar efforts in Lebanon.