

Finance in Displacement (FIND)
Exploring and Strengthening Financial Lives of Refugees

Inception Report

Revised Version
(comments from Kick-off Meeting addressed,
21 June 2019)

Prepared by
Hans-Martin Zademach and Swati Mehta Dhawan (KU Eichstätt-Ingolstadt, Wirtschaftsgeographie),
Kim Wilson, Radha Rajkotia, and Julie Zollmann (Tufts University, The Fletcher School),
Daphne Jayasinghe and Sana Khan (International Rescue Committee)

Table of Contents

1	Introduction.....	3
1.1	Project Overview and Objectives	3
1.2	Project Objectives	3
1.3	Objectives and Structure of the Report	4
2	Literature Review.....	4
2.1	International Context.....	4
2.2	Progress Made to Advance Financial Inclusion of FDPs	5
2.2.1	Key Policy Frameworks	5
2.2.2	Engagement of the Private Sector	6
2.2.3	Further Challenges.....	6
2.3	Mapping of Key Stakeholders	7
2.4	Jordan Profile	7
2.4.1	Refugee Population	7
2.4.2	Policies for Economic Inclusion.....	8
2.4.3	Financial Inclusion.....	8
2.4.4	Key Stakeholders	8
2.5	Kenya Profile	9
2.5.1	Refugee Population	9
2.5.2	Policies for Economic Inclusion.....	10
2.5.3	Financial Inclusion.....	10
2.5.4	Key Stakeholders	10
3	Theoretical and Analytical Framework	11
3.1	Theoretical Framework	11
3.2	Analytical Frameworks.....	11
3.2.1	Research Framework	11
3.2.2	Research Questions	11
3.2.3	Data Required	12
4	Approach and Methodology.....	14
4.1	Refugee Research.....	14
4.1.1	Sampling Methodology.....	14
4.1.2	Research Tools for Refugees Subjects	15
4.1.3	Data Analysis.....	16
4.1.4	Ethical Issues.....	16
4.2	Ecosystem Analysis.....	16
4.2.1	Research Tools for Ecosystem Analysis	16
4.3	Policy Analysis	17
4.3.1	Landscape Mapping and Forcefield Analysis	17
4.3.2	Stakeholder Workshop	17
4.3.3	Theory of Change and Policy Strategy Development	18
4.4	Dissemination.....	18
5	Work Organization.....	19
5.1	Timeline and Deliverables	19
5.2	Reporting Schedule and Project Workshops.....	19
5.3	Core Team and Coordination	19
5.3.1	Core Team Composition	19
5.3.2	Monitoring, Quality Control, and Coordination.....	21
5.4	Quality Control and Risk Management	21
	References	23
	Annex.....	25
	Annex 1 - Research Questions	25
	Annex 2 – Timeline and Deliverables.....	26
	Annex 3 – Terms of Reference of Steering Group	27

1 Introduction

1.1 Project Overview and Objectives

The project is a partnership between Catholic University Eichstätt-Ingolstadt, Tufts University, and International Rescue Committee, supported by the German Federal Ministry of Economic Cooperation and Development (BMZ). The team will conduct original empirical research in two selected German Development Cooperation countries, Jordan and Kenya, to provide insights on access to financial services and day-to-day financial practices of forcibly displaced people. The research will focus on individuals and households, as well as overarching conditions, including service providers and the policy environment.

By doing so the project aims to close gaps in understanding the interface between forced displacement, humanitarian response, and financial systems. As the time of displacement has lengthened—with some refugees residing in host countries for twelve or more years—fresh approaches are needed to improve their economic well-being and reduce their burden on host communities. Increasingly displaced people are living in cities and towns, rather than in refugee camps. On the one hand, dispersion can make it more difficult for aid agencies to deliver humanitarian assistance and it can place new burdens on existing social services. On the other hand, dispersion means refugees may have the opportunity to integrate into local economies, becoming more independent. Appropriate financial services can help enable refugees to improve this long term resilience. They allow displaced people to safely store money, access loans, and receive remittances and other payments. Together these services support refugees' economic lives: it helps them find better stability, mitigate risks and invest in business, education, training, and other essential assets.

1.2 Project Objectives

In the context of forced displacement, financial services have so far received little attention in the international policy and research agenda. Though a policy dialogue has been initiated at the international and national level, and research and pilots have been implemented, gaps remain in understanding the financial needs of refugees and how existing financial service markets are meeting those needs. This gap in understanding — particularly gaps in how refugees manage various stages of transition — makes it difficult for humanitarian and development actors to phase their interventions, design appropriate financial products or create supporting policy environments. Financial sector players' engagement with this market has been fragmented, most often focused on limited-duration programs like cash transfers. This research project will explore the financial and economic lives of displaced people using approaches appropriate for the sensitive context of forced displacement. It will engage key stakeholders and service providers in making sense of the implications of these insights for their own work, in focus countries and beyond.

The project will seek to answer three core questions: What financial strategies do refugees use at different stages of displacement? How do refugees access financial services (formal and informal) and what is their experience at the very last mile? What policy and programming initiatives could better integrate refugees financially into different settings?

To answer these questions, the project seeks to:

1. **Conduct empirical examination through intensive field studies in two partner countries of the BMZ / German Development Cooperation – Jordan and Kenya.** In Jordan development cooperation projects focused on inclusive financial systems are already underway in partnership with the Central Bank of Jordan. The existing project to improve access to financial services for refugees provides a concrete opportunity for direct application of research results. At the same time, other research on the economic inclusion of refugees (see literature review section) provides a good base to delve deeper into aspects of financial inclusion for refugees.

Kenya is an important receiving country in East Africa, with almost half a million refugees and asylum seekers, the majority of whom have been displaced for very long periods. About 80,000 officially registered refugees live in Nairobi, potentially with larger numbers of unregistered refugees. Kenya has a robust financial sector in which low-cost mobile financial services reach most of the population. While officially registered refugees are able to use these financial services, the government restricts refugees' rights to work and—more importantly—to live outside camps. Those who choose to do so face harassment and extortion

from police. Kenya offers an opportunity to understand economic and financial adjustment over a long period of displacement and in a context of a vibrant, innovative financial sector.

2. **Support BMZ in further developing evidence-based interventions** at the interface between forced displacement and financial system development and improve effectiveness of BMZ projects in the partner countries. This research will generate ideas for priority activities suited to refugees and their host communities.
3. **Make contributions to the international debate**, e.g. in the context of recommendations drawn up during German G20 leadership, by closing the gaps in knowledge and understanding of financial services in forced displacement context.

The research questions are further expanded in Section 2.

1.3 Objectives and Structure of the Report

This report clarifies details about the research approach through a preliminary literature review, theoretical and analytical framework, and a detailed approach and methodology. The report seeks to gather feedback from and pose critical questions to the project partners early-on and ensure that all members remain on the same page. Some of the components of the inception report, such as research questions, sampling criteria, and research tools will remain open to change based on preliminary feedback from stakeholder consultations.

The report is divided into the following sections:

Section 2: Literature Review, including country profiles and mapping of key stakeholders

Section 3: Theoretical and Analytical Framework, including research hypothesis and research questions

Section 4: Approach and Methodology, covering primary research and policy influence model

Section 5: Work organization, including workplan, reporting schedules, quality control and risk management

2 Literature Review

2.1 International Context

Forced displacement and migration are central themes of our time, with complex challenges especially in the field of international cooperation and development policy. Worldwide, there are now 68 million people displaced, more than ever before. While the focus of public discussions in developed countries is on the challenges and consequences for their own societies, it is the mainly developing countries that are hosting more than 85% of the refugees, challenged by the enormous economic burden given their limited resources.

At the same time, many mis-conceptions surround those who are forcibly displaced thereby restricting their potential for integration. They are often perceived as a homogenous group of poor, low-skilled, aid-dependent, temporary residents. Host country citizens and politicians worry that large numbers of displaced people may overburden social services (such as schools and hospitals), disrupt local labor markets, and even jeopardize security. In reality, there is growing evidence that refugees can make significant positive contributions to the host economy when they are allowed to pursue livelihoods and encouraged to integrate socially and financially (Betts, Bloom, Kaplan, & Omata, 2014) (Clemens, Huang, Graham, & Gough, 2018). Refugees are as credit-worthy as the host community for microfinance loans (Pistelli, 2018). In most countries, they are not very different from the host communities, as many displaced people either come from neighboring countries with similar cultures or have long been resident in the country.

Refugees often arrive with varying skills and assets – human, social, and financial. To be able to contribute to the host economy, it is essential that they are able to build skills and capacities (given that a large majority are in the working age group), build assets, start small businesses, engage in income generating activities, and build social and institutional support networks. Apart from access to labor market, housing, education, and health, access to financial services also plays an important role in living a dignified life and achieving economic independence. However, legal and regulatory barriers often restrict refugees' access to these services. Even when refugees are allowed to access them, providers may not serve them, make services accessible, or offer the right kinds of services at the right time.

Access to services as well as needs depend on context. Contrary to popular perception, majority of the refugees are self-settled, with about 60% living in individual private accommodation at end of 2017. The majority, 58% of all refugees, lived in urban areas at end of 2017, while in rural areas, 79% lived in camps or camp-like settlements (UNHCR, 2018).¹ Even within camp situations, e.g. Zaatari in Jordan and Kakuma in Kenya (International Finance Corporation, 2018), refugees are engaged in a vibrant informal marketplace and running businesses. Self-settled refugees need to assimilate faster as they are likely to have lost humanitarian assistance. But at the same time self-settlement in urban areas offer greater economic opportunities.

Table 1: Phases of transition for displaced people (Hansen, 2018)

Phase	Needs	Indicative segment size
Phase 1: Arrival (<6-12 months)	Focus on immediate basic needs for protection, shelter, food, health, and communication to reconnect with family	12% 4.4 million new arrivals during 2017, net 3.12 million
Phase 2: Initial displacement (6/12-18/24 months)	Focus on access to housing, education, learning the language, work, or business start-up.	Estimated 3% 3.4 million new arrivals in 2016, net 0.7 million
Phase 3: Stable/protracted displacement (19/25-36 months)	Focus on making an increasingly better living.	Estimated 12% 3.8 million new arrivals in 2015, net 3.1 million
Phase 4: Permanence (>36 months)	Focus on integration/ assimilation (i.e., livelihood building) to ensure the best life possible for self and family.	73% 19.1 million refugees in exile at end 2014. 16.1 million in UNHCR-defined protracted displacement.

Apart from this, their needs also depend on the phase of displacement that they are in. Table 1 summarises the refugee segments by displacement phase. Clearly, the bulk of the refugees have stayed in host countries long enough to be fully assimilated. But, the actual speed of assimilation depends on the national policy frameworks of the host countries, such as enabling freedom of movement, recognizing refugee IDs, allowing them to work and set-up businesses, allowing them to bank accounts. Research has also shown that national and trans-national social networks², knowledge of host-country language, and marketable skills assist refugees in the integration process.

2.2 Progress Made to Advance Financial Inclusion of FDPs

2.2.1 Key Policy Frameworks

As an important milestone of global solidarity, the New York Declaration for Refugees and Migrants was adopted by all 193 member states of the UN in 2016. The declaration lays out the Comprehensive Refugee Response Framework (CRRF) which is expected to create a more predictable and comprehensive response to refugee crises. Though it does not address financial inclusion, it calls overall inclusion of refugees, providing access to education and labor markets, and enable self-reliance—helping them thrive, not just survive. So far, 15 countries in Africa and Central America, and Afghanistan have agreed to apply the framework (UNHCR, 2016).

Following up on the New York Declaration, UNHCR proposed a (non-binding) Global Compact on Refugees in 2018, in order to strengthen and coordinate international response. One of its four key objectives is to “enhance refugee self-reliance” (United Nations, 2018). The Compact addresses financial inclusion by calling on member states to “support access to affordable financial products and services for women and men in host and refugee communities, including by reducing associated risks and enabling low-cost mobile and internet access to these services where possible; as well as to support the transfer of remittances” (UNHCR).

¹ Based on information available for about 85% of the refugee population.

² Social networks of nationals, in and outside of the host countries play an important role in promoting economic and financial resilience of displaced populations. For example, the Somali diaspora, has invested in hotels, real estate, and transport in Kenya’s and Uganda’s formal sector, generating jobs for Somalis and nationals. It is also investing in the rebuilding of infrastructure in Somalia. The Syrian International Business Association wants to mobilize Syrian diaspora to invest in small businesses of Syrians in host countries and eventually in Syria. Since 2011, Syrians have invested more than USD 330 million in the Turkish economy, and there are 10,000 Syrian-owned businesses in Turkey, employing 9.4 people each on average (Building Markets, 2017).

Countries such as Rwanda and Uganda have set benchmarks with their progressive policy frameworks allowing faster integration of refugees and opening up the labor markets. Countries in Europe such as Germany and Belgium have allowed refugees to access basic banking services. The UNHCR registration card is being recognized as a valid document to open accounts in more and more countries, recently in Zambia and Malawi. Jordan, which is also one of the two countries studied as part of this research, has taken a lead with announcing the Jordan Compact, which envisaged 200,000 work permits for Syrians over the years. Subsequently many reforms have been introduced such as allowing camp-based refugees to work outside, move between employers and sectors, and allowing home-based businesses in specific sectors (UNHCR, 2018).

2.2.2 Engagement of the Private Sector

The private sector has also made notable commitments to better include refugees. Some of the important ones in the context of this study include (Hansen, 2018):

- The Tent Partnership for Refugees is a coalition of more than 80 companies making commitments to include refugees through jobs, integration in supply chains, delivering services to them, advocating for policy reforms, commissioning research, and providing small grants. Partnership commitments have provided support for nearly 200,000 refugees across 34 countries, including employment, education, investments in refugee entrepreneurs, and provision of financial services.
- Center for Global Development (CGD) is partnering with the Tent Foundation to identify sustainable ways for global businesses to engage in refugee issues (Huang, 2017).
- The Open Society Foundation has pledged up to USD 500 million in private investment to address the challenges of migrants, including refugees, and their host communities, and will pilot a project in Jordan.
- Building Markets supports a network of refugee-led SMEs in Turkey and Lebanon, providing an entry point for impact investors interested in these countries.
- Mobile Network Operators, payment service providers, and fintechs have been important partners in delivering humanitarian cash assistance, telecom and payment services to refugees.

2.2.3 Further Challenges

Despite the progress made in last few years, there are still challenges and barriers to full and meaningful financial inclusion of refugees. There is still a need to:

- Provide information that can inform the business case for financial service providers (FSPs), such as data on economic participation and livelihoods of refugees, financial needs and demands, and credit-ready refugee segments. This data and information need to address the questions of FSPs (e.g. recent studies by FSDA, IFC and UNCDF looking at refugees as economic actors) rather than just looking at the humanitarian perspective.
- Address legal barriers and promote policy reforms to facilitate rights to work, recognition of IDs, free movement of refugees, and so on.
- Encourage strong national policies to guide FSPs, such as through the inclusion of forcibly displaced persons under national financial inclusion strategies.
- Governments and central banks to provide clear guidance on acceptance of refugee IDs for Know-Your Customer (KYC) verification by financial institutions.³
- Encourage investment by matching investors and investees, and offering tools to lower risk in refugee-related investments, such as political risk insurance, first-loss capital, and loan guarantees.
- Provide technical assistance to help FSPs understand the segment better, and adapt their processes and systems.
- Complement financial services with provision of non-financial services, such as enterprise training and financial literacy.

³ Providing access to bank account and formal financial services is difficult due to KYC regulations, which are implemented as part of efforts to counter terrorist financing and curb money laundering. As a result, refugees and asylum seekers are not allowed to use IDs issued by UNHCR or other non-state actors to access all or some financial services. In some cases, while the government might allow to use refugee IDs, the ambiguity in the regulation provides scope for financial institutions to avoid these customers because of higher perceived risk.

2.3 Mapping of Key Stakeholders

The economic integration of refugees is a crosscutting issue which requires coordination among many local, national, regional, and international stakeholders. At the national level, the **government** is responsible to set the refugee protection policies, asylum laws, and define labor market participation. Government is supported by the **humanitarian and development sector**, wherein, as already noted in the GPFI Policy Road Map for FI of FDPs, there is still a need to build bridges and ensure better coordination.

Also, from the perspective of financial inclusion, given the complexities intrinsic in the case of refugees (especially the lack of clear legal and stable residence status), it is imperative to forge partnerships among stakeholders beyond the financial sector, such as national identification authorities, NGOs and civil society, and the Anti-Money Laundering and Countering the Financing of Terrorism (AML-CFT) community at national, regional, and international levels (e.g. financial intelligence units, FATF, and its regional bodies).

Research scholars and academia has a critical role in bridging the knowledge gap at the interface of forced displacement and financial inclusion. They shoulder a responsibility to delve deeper to bring out the perspectives of refugees and encourage evidence-based policy and programming.

Another key stakeholder is the **private sector, including financial service providers and technology companies**, that extend their financial services to refugees or develop new products that enhance access to financial services. These include not only traditional banks, fintechs, and tech start-ups (e.g. developing block-chain based digital identity). The private sector could also include **companies** and organisations involved in improving livelihood opportunities for refugees.

Key Stakeholders

1. National government
2. Humanitarian organisations (e.g. UNHCR)
3. Development organisations (international organisations and local organisations working on livelihoods, financial education, and financial inclusion; micro-finance institutions) such as World Bank, UNCDF, GSMA, GIZ, etc.
4. Financial regulators and Alliance for Financial Inclusion (AFI)
5. International standard setting bodies
6. Research scholars and academia
7. Private sector (financial service providers, fintechs, tech start-ups, business incubators and trainers, private companies)

2.4 Jordan Profile

Jordan is an upper middle-income country, with a population of 9.7 million and low GDP growth of 2% in last few years (World Bank, n.d.). High unemployment (18%), high dependence on grants, and declining remittances from the gulf countries remain some of the major challenges (World Bank, n.d.).

2.4.1 Refugee Population

- As of Feb 2019, hosting 762,420 refugees and asylum seekers of which from 57 different nationalities, with majority from Syrian (88% of total), and remaining from Iraq, Yemen, Somalia, Sudan (UNHCR, February 2019)⁴. Of these 68.4% arrived between 2012 to 2014, which implies that they are in the protracted state remaining in Jordan for five or more years.
- Of the total, 83% are self-settled among the host population in urban and rural areas, and remaining 17% reside in three camps – Zaatari, Azraq, and Emirati Jordanian Camp. Among the urban refugees, majority are settled in Amman and Irbid, followed by Mafraq and Zarqa.
- There are equal number of men and women in total and across different age groups. Majority in working age group of 18-59 years (47.7%) and minor age group of 0 to 17 years (47.8%). A small proportion (4.5%) are 60 years or above (UNHCR, January 2019).

⁴ The break-up for the non-Syrian are as follows: Iraqis – 8.9%, Yemen – 1.9%, Sudanese – 0.8%, Somalians – 0.1%, Other – 0.2%. The non-Syrian persons of concern (POCs) receive limited access to assistance compared to Syrian refugees at similar levels of vulnerability. The Jordan Compact also does not cover non-Syrian POCs and they are not eligible for subsidized health care from the Jordanian government. The most vulnerable are supported by UNHCR, however, as most funders focus on Syrian refugees, in 2015 and 2016 UNHCR could only 33% of its target beneficiary goal for non-Syrians. During the same period, it achieved 90% of the goal for Syrian refugees (Mennonite Central Committee, November 2017).

2.4.2 Policies for Economic Inclusion

- Jordan is a non-signatory to 1951 Refugee Convention, however, has created policies for economic integration, especially for Syrian refugees notably through – 1) Jordan Compact, which envisaged 200,000 work permits for Syrians, and 2) Jordan Response Platform for the Syria Crisis, under which the Jordan Response Plan was developed which provides a three-year vision for better coordination of humanitarian measures, linking short term and longer term initiatives, and strengthen local and national resilience capacities. However, despite the initiatives, the number of new work-permits issued (especially to women) remain very low.

2.4.3 Financial Inclusion

- Overall rate of account ownership in Jordan was 33% in 2017. Among refugees only 7.5% have formal account, 2.5% borrowing formally, 10.9% with insurance as of 2017; remittances shows higher penetration at 24% of refugees using formal remittance services (Central Bank of Jordan, 2018).
- Existing surveys from 2017 and 2018 show income and expense profiles for refugees. Median and mean net employment income is JD 200 and JD 220 per month (highest in Amman and lowest in Mafraq). The expenditure basket varies between camp and non-camp situations (JD 217 versus JD 385) (UNHCR, 2018), (Tiltne, Zhang, & Pedersen, 2019).
- 23% of the Syrian refugee households have severe level of food insecurity and 30% have mild or moderate food insecurity. As per a 2015 survey, 86% of Syrian refugee individuals and two-thirds of households were below poverty line.
- Savings remain low with 2% of households with savings. Debt is prevalent with two-thirds of households having a median debt of JD 450 (mainly informal credit from friends, family, store credit, or owing to landlord). Usage of formal remittances is not accurately known with one study reporting 6% and another reporting 24% of their respondents using it.
- Monthly cash assistance was distributed to 133,895 persons in January 2019, of which 126,072 persons were Syrians, 5,671 persons were Iraqi and 2,152 persons were of other nationalities (UNHCR, February 2019). Majority of the cash assistance is delivered through the Common Cash Facility which is based on an innovative public-private partnership between UNHCR, the Cairo Amman Bank and the biometrics company IrisGuard. Refugees can withdraw cash from cash points using iris scanning without the need for a card or PIN.
- Refugees are allowed to open mobile wallets with identity card issued by Ministry of Interior. At national level there were 320,000 wallets (32% active) and 1,300 agents (72% of which are active) as of March 2018.
- Financial education trainings are run by GIZ, Child Finance International, Danish Refugee Council, and by Norwegian Refugee Council as part of vocational trainings. Studies note that poor financial capabilities on part of refugees is a key barrier to uptake of formal financial services.
- For livelihood support, there are 25 UNHCR supported Community Support Committees (CSCs)⁵ across Jordan which especially support self-settled refugees through training, counselling services, material, and in some cases financial support.

2.4.4 Key Stakeholders

Category	Institutions and their Role
Government	<ul style="list-style-type: none"> • Central Bank of Jordan, responsible for National Financial Inclusion Strategy • Ministry of Planning and International Cooperation has been leading the Jordan Response Platform for the Syria Crisis • Jordan Investment Commission leads on attracting foreign direct investment • Ministry of Interior issues legal identity to refugees

⁵ CSCs are run by dedicated volunteers from host and refugee communities, while UNHCR provides external support through funding and technical guidance. More information is available here <https://reliefweb.int/report/jordan/jordan-community-support-committees-cscs-march-2019>. In 2017, 25 CSCs (covering all 12 governorates) reached out to a total of 63,249 individuals (62% women) within refugee and host communities through 1,227 educational, awareness, training, recreational, sport and cultural activities.

International organisations	<ul style="list-style-type: none"> • UNHCR plays an active role in coordinating humanitarian aid. Other key international organisations working in Jordan are Danish Refugee Council, Norwegian Refugee Council, GIZ's Digi#ances project, Mercy Corps, and IRC. • UNHCR and SIDA have developed a joint programme to facilitate access to financial services for refugees and their hosts, implemented by The Grameen Crédit Agricole Foundation (GCAF). They have conducted a country assessment and will offer debt finance and TA to FSPs. • SANAD Technical Assistance Fund, working on a digital identities pilot in Jordan. • Funders and investors such as the World Bank Group, IFC, IMF, Islamic Development Bank, EIB, EBRD Germany (GIZ & BMZ), US, UK (DFID), the European Commission, Sweden (SIDA), Japan, France (AFD), Norway, Netherlands, Denmark, Kuwait, OeEB, the Gates Foundation provide the GoJ and humanitarian agencies with financial support (loans, grants, contributions to the GCFF and in support of the Jordan Compact) as well as technical and partnership support, among other initiatives. Support is often linked to progress made on agreed economic reforms. • BMZ and GIZ have long-term engagements in Jordan and are doing substantial work on water issues. • UNRWA and the Harvard Humanitarian Initiative are starting to do some important work on the protection of refugee data, which is becoming an important issue especially if refugees are ever able to return to Syria.
FSPs, fintechs, and Mobile Network Operators (MNOs)	<ul style="list-style-type: none"> • Microfund for Women (MFW) offers loans to Syrian refugees. • Dinarak, offering m-wallet services to refugees and also a TA partner of GIZ. • Mahfazti, the m-wallet service of telecom Umniah, is partnering with UNHCR to deliver cash assistance. • Microfund for Women, Vitas, FINCA Microfinance Jordan, MasterCard Foundation, Citi Foundation, Western Union, MoneyGram are other financial sector stakeholders providing services to refugees. • Three major mobile network operators offer services across Jordan including Zain, Orange and Umniah (all with almost equal share of the market).

2.5 Kenya Profile

Kenya is a lower middle-income country in East Africa with a population approaching 50 million and GDP growth of 4-6% regularly since around 2010. As of 2015/2016 median monthly per capita consumption was KES 5,830 (about US\$58) (Kenya National Bureau of Statistics 2018a). The overwhelming majority of workers in Kenya work in the informal sector (83%), which is growing significantly faster than the formal sector (Kenya National Bureau of Statistics 2018b). Regionally it is known for its growing ICT sector, large banks, and mobile money system, M-PESA, which has transformed remittances and other payments throughout the country and, increasingly, the region.

2.5.1 Refugee Population

- As of December 2018, the country hosted 471,724 officially registered refugees and asylum seekers, 16% of whom (75,742) reportedly living in urban areas (UNHCR). This official number may underrepresent urban refugees, as Kenya's encampment policies prohibit most refugees from settling in urban areas, encouraging those who do to settle themselves informally to avoid detection.
- The largest camp, Dadaab, is nearly all Somali, while the second largest camp, Kakuma, is more diverse with South Sudanese representing the majority.
- Due to limited work opportunities inside camps, large number of Somali refugees—official and undocumented—reside in Nairobi, with a particularly heavy concentration in the Eastleigh neighborhood, which is also home to many ethnically Somali Kenyan nationals.

Country	Number	%
Somalia	257,318	54.5%
South Sudan	115,286	24.4%
DRC	41,305	8.8%
Ethiopia	27,701	5.9%
Burundi	13,322	2.8%
Sudan	10,106	2.1%
Uganda	2,412	0.5%
Eritrea	1,803	0.4%
Rwanda	1,740	0.4%
Others	731	0.2%

2.5.2 Policies for Economic Inclusion

- Kenya’s policies towards refugees have become increasingly hostile, especially towards Somali refugees, following a series of terrorist attacks perpetrated by Al Shabaab. The government has announced multiple times closure of the Dadaab refugee camp, however, this has been postponed multiple times.
- Government of Kenya requires that refugees should remain in camps. The Kakuma and Dadaab refugee camps were created, assuming the displacement situations will be temporary. Refugees require special work permits and travel documents to leave camp or seek employment.
- The “voluntary” repatriation programme of UNHCR which has repatriated 82,925 refugees to Somalia (UNHCR) between December 2014 and September 2018 has faced criticism. There are reports of forced return by cutting food aids (Fick 2017) and use of force by police (Muhumed 2014).
- In June 2017, Parliament passed a bill that would give refugees living in camps the right to work and use land (though without rights to sell or alienate land). President Uhuru Kenyatta vetoed the bill claiming insufficient public participation in its drafting.
- Though less visible, refugees from DRC, South Sudan, and Ethiopia are also subject to encampment policies and risk police harassment and extortion for violating these policies and living and working in Nairobi.

2.5.3 Financial Inclusion

It is important to note that 36% of Kenyans live under the national poverty line of consumption expenditures below KES 3,252 (US\$32) and KES 5,995 (US\$60) per capita per month in rural and urban areas, respectively.

- Many studies have focused on camp environments, but an important study from Oxford-based researchers also included Nairobi (Betts, Omata, and Sterck 2018). They found that in urban areas, refugees had lower incomes than the host community, however, the host community was defined as the neighborhood in which refugees live, which already represented better-than-average economic conditions in Nairobi. For example, they estimated that Somali refugees who were working were earning about KES 15,000/month, well above the average consumption per capita of less than KES 6,000 per month. Though the two are not quite the same metric, this is indicative of an important gap.
- This study and others also note that, on average, refugees in Dadaab and Kakuma are often faring better than host communities in those areas. Refugees have better access to schools and often have higher levels of education and sometimes have disproportionate access to humanitarian aid.
- Research on refugee livelihoods in Kenya points to a few key determinants of economic outcomes for refugees, beyond the high-level policy issues already discussed, including country of origin, social networks, education levels, years in displacement.

2.5.4 Key Stakeholders

Category	Institutions and their Role
Government	<ul style="list-style-type: none"> • Ministry of Interior and Coordination of National Government (and within this Ministry, the Commissioner for Refugees, the Refugee Affairs Secretariat, Immigration): Develop and implement economic and governmental reform policies, oversee and manage refugee response. • The President, his advisors, and the Minister of Interior and Coordination of National Government have decision making power and are policy/advocacy targets.
International organisations	<ul style="list-style-type: none"> • UNHCR, UNDP, OCHA, ILO, DRC, NRC, Oxfam Provide direct assistance to refugees in line with the GoK’s regulations and/or work on economic reforms with the GoK which include increasing livelihoods for refugees. They also conduct policy advocacy around the situation for refugees and advocate for required reforms. • Donors and investors such as the World Bank, IFC, African Development Bank, the Gates Foundation, Denmark (DANIDA), Norway, the Netherlands, UK (DFID), US provide the GoK as well as humanitarian and development actors with financial and technical guidance around economic policy but also response to the needs of refugees and vulnerable Kenyans. • IFC is working with KfW in Kakuma on economic activities for refugees, while GIZ supports refugees and host communities with life skills training in both Dadaab and Kakuma.
FSPs and fintechs	<ul style="list-style-type: none"> • Equity Bank distributes cash assistance to refugees in camps in Kenya through Equitel and they have branches in Eastleigh and Kakuma. • Mobile operators: Safaricom (especially M-Pesa team), Airtel, Telkom

	<ul style="list-style-type: none"> • MasterCard Foundation and Western Union have supported establishment of digitally connected refugee camps • Dahabshil and WorldRemit are important players in the cross-border remittance space • Digital lenders: Branch, Tala, and others
--	---

3 Theoretical and Analytical Framework

3.1 Theoretical Framework

Integration of refugees and forcibly displaced people is a complicated affair with many dimensions. Understanding refugee integration means understanding the experiences of the refugees themselves. As Mihaela Robila writes in her report to UNDESA, “There is in general a lack of understanding of the diversity and the range of experiences refugees bring with them. Protective factors that can support their social integration include key resilience characteristics such as personal agency, beliefs that life has meaning, goal direction, sense of purpose, and motivation...” (Robila, 2018). It is these experiences that the research team wishes to probe.

We will keep in mind “friction of distance” theory where human activities organize with respect to their geographic location. This theory describes the spatial organization (Janelle, 2012) of human activities as a function of distance. Space adjusting technologies, notably transportation and communication, can reduce these frictions and thus change how people settle (Abler, Janelle, Philbrik, & Sommer, 1976).

Also informing our theoretical framework is a livelihoods approach, widely adopted by such agencies as DFID, CARE, UNDP, IFAD. As Robert Chambers, a proponent of the approach, wrote in 1992, “a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term” (Chambers & Conway, 1992). Members of the team have applied this approach in researching refugees (Collins, Amoah, Wilson, Hassan, & Mutinda, 2018) and have found it useful in organizing and describing key factors in refugee lives but less useful as a tool of analysis. Critics of the approach have shown concern about its muted discussion of power relations. The team will mitigate this weakness by applying a range of theories related to power (Krystalli, Hawkins, & Wilson, 2018).

3.2 Analytical Frameworks

3.2.1 Research Framework

Our overarching research approach is based on Grounded Theory. Grounded Theory is an approach to qualitative research that constructs theory inductively from emerging patterns in data rather than from deduced hypotheses. The data, once analysed, informs the theory, not the other way around (Glaser & Strauss, 1967). We believe this approach is a key tool for discerning the lived experiences of refugees themselves.

3.2.2 Research Questions

This project, which uses a combination of repeated in-depth interviews, ecosystem analysis, and policy influence, aims to pursue three categories of research questions. The objective of these questions is to gather deep insights into the financial lives of refugees through periods of protracted displacement and resettlement, understand how these are influenced by their ecosystem, and identify ways to better meet their needs.

There are three main research questions are presented below, which are further elaborated into sub-questions (Annex 1). Please note that these questions will be modified in the two countries, based on the context as well as existing research. This will be important to ensure that the project builds upon the existing research and address further knowledge gaps.

- A. **Financial coping strategies:** What financial strategies do refugees use at different stages of displacement, particularly after they have settled in the host country, i.e. between 2-4 years of arrival. How do

these strategies change as refugees move through different stages of displacement? This will look at how refugees earn and spend money, how they access and navigate through the labour market, what strategies they use in doing so and what factors influence their choices. It will also look at the role of identity in the coping strategies, as well as how these strategies differ depending on gender.

- B. Access to and use of financial services:** How do these populations access financial services (formal and informal) and what is their experience at the very last mile? This will explore the current experience of refugees in accessing financial services and which intrinsic (e.g. skills, knowledge, behaviour) and extrinsic (e.g. cash-in/cash-out infrastructure) factors affect their usage.
- C. Impact of policy and institutional interventions:** What policy and programming initiatives could better financially integrate refugees into different settings? This will explore the role of support agencies (humanitarian, private sector, government, development) in shaping the financial outcomes of refugees, key aspects of national policies that impact access to financial services (e.g. identity), promising experiments and policy actions, and possible interventions.

3.2.3 Data Required

The table below summarises the data that must be collected in order to address the above-mentioned research questions:

<i>Research question / Data to be collected</i>	<i>Research tool / Method</i>
Financial coping strategies:	
<ul style="list-style-type: none"> • Income sources (aid, employment, transfers) • Expenditure basket (essential and non-essential) • Assets and existing liabilities • National and trans-national networks; networks between camps and urban areas • Factors influencing income potential • Seasonal variations in income and expenses • Financial stress points and strategies used • Factors influencing actual strategies – intrinsic (skills, knowledge, behavior) or extrinsic (policy, infrastructure, supply) • Short to medium term plans (livelihood, return/re-settlement) • Co-relation with stage of displacement, gender, age, country of origin, engagement in labor market, status and stability of identity proof, family configuration, status of employment. 	<p>Individual background characteristics: (Interview 1)</p> <ul style="list-style-type: none"> • Country of origin; • Family background; • Education; • Gender; • Age; • Legal status; • Household situation; • Languages. <p>Financial history interviews highlighting: (Interview 1)</p> <ul style="list-style-type: none"> • Income sources over time; • Key financial devices over time; • Important networks over time across phases of transition; • Financial stress points and coping mechanisms; • Economic milestones & strategies for achieving them. <p>Economic well-being & activities at time of study: (Interviews 2 & 3)</p> <ul style="list-style-type: none"> • Income statement showing magnitudes and frequencies of income sources at time of study; • Balance sheet at time of study; • Key networks for trade, remittances, borrowing, and other; • Close to real time recording of financial stress, milestones, livelihood shifts and how participants navigate these changes; • Medium-term plans & strategies for fulfilling them. <p>Social network mapping</p> <ul style="list-style-type: none"> • (Sub-sample) kinship finance network mapping • Remittance network mapping, including sender & receiver identity, channels, values, & purposes

	<ul style="list-style-type: none"> • Systematic tracing of 3-4 key network questions, which may include: <ul style="list-style-type: none"> ○ What was your first stop on arrival in this location? Why? ○ Who do you trust enough to call in an emergency? ○ How did you get your first work opportunity here?
Access to and use of formal and informal financial services:	
<p>On the demand side:</p> <ul style="list-style-type: none"> • Sources of borrowing and current debt level • Saving mechanisms and current savings level • Insurance • Remittances / money transfers (including international money transfers), channels, and preferences • Transaction patterns in use account/mobile wallets/ATM cards (for cash-assistance or beyond) • Sources of information • Trans-border transactions • Reasons for preference of formal or informal • Factors affecting last-mile experience (ease of access, customer service, cost, privacy, etc.) • ID cards (access, use, challenges related to transparency and security) • Entry/contact points (places of institutions) during arrival and integration • Behavioral factors and perceptions influencing choices over channels and formal/informal financial options <p>On the supply side:</p> <ul style="list-style-type: none"> • Level of financial inclusion • Details of financial products offered • Business case perception of FSPs • Non-financial services offered (e.g. financial literacy) • Assessment of the financial infrastructure (e.g. quality of cash-in/cash-out networks) • KYC requirements and challenges (related to transparency and security) • Data collected on displaced people; levels of data protection for displaced people. 	<p>Financial history interviews highlighting: (Interview 1)</p> <ul style="list-style-type: none"> • Historic use of financial services, especially for hitting key milestones and coping with financial challenges; • Use of financial services through phases of transition; • Key information sources around financial services through phases of transition. <p>Economic well-being & activities at time of study: (Interviews 2 & 3)</p> <ul style="list-style-type: none"> • Balance sheet at time of study, including usage levels of formal & informal services; • Close to real time recording of financial stress, milestones, livelihood shifts and how participants navigate these changes with financial tools; • Experiences attempting to use various financial services; • Financial service preferences and perceptions. <p>Ecosystem research:</p> <ul style="list-style-type: none"> • Desk review of financial inclusion levels & product offerings • Interviews with key informants in financial service providers; • Interviews with regulators • Mystery shopping on the displaced person experience attempting to access a range of services

4 Approach and Methodology

The research initiative sketched in this proposal will take a deep look into the financial lives of non-camp-based refugees in protracted displacement and resettlement. The team will work alongside financial sector policymakers and service providers to tease out implications relevant to their work and to help them develop appropriate responses. Original research digs deeper into the financial lives of refugees and at same time studies the policy and supply side, to suggest possible interventions.

4.1 Refugee Research

The literature reveals gaps in understanding of how refugees experience financial and economic services at the last mile, how they cope with services and their own do-it-yourself strategies. Our research will explore access to financial services from the perspective of refugees as they perform various financial and economic tasks to manage protracted displacement.

Given the sensitive nature of the research questions, our approach will be to **conduct multiple interviews** with the same set of respondents over a period of **one year**. This will allow us to observe any changes in the financial needs and strategies due to season, stage of displacement, or life-cycle events. **Three rounds of interviews** will be conducted with **90 households** per country over a period of **one year**.

We will conduct **initial research** at the beginning of the core research. This initial research will explore the research topic and questions at varying depths to refine the research design, sampling methodology, and data collection methods. This will include thorough review of literature, stakeholder consultation, and some semi-structured interviews with refugees.

4.1.1 Sampling Methodology

We will interview a total of 90 households in each country. We will sample purposively aiming to cover important characteristics of variation that existing literature tells us shape the economic and financial experiences of refugees: length of displacement, economic situation, country of origin, education level, age, and gender.

The table below provides a break-up based on the most important characteristics of the sample. Apart from this, the sample will ensure:

- A. **Time of displacement:** Respondents will be selected to ensure a range of experiences based on their time of arrival and length of displacement. Given the protracted nature of displacement in both Jordan and Kenya, this range might be different from the two to five years outlined in the initial research approach. Nonetheless this range will be finalized based on the existing realities and data. For instance, the refugees in Jordan have been there for 4.6 years, on average.
- B. **Different developmental levels:** Respondents will include **an array of demographic profiles, reflecting income and asset levels, entrepreneurial and skilled backgrounds, and education levels**. The team will work to include respondents that **represent low, lower-middle, and middle-income households** to understand the different ranges of financial coping mechanisms available and used. For instance, a useful sampling strategy could be based on an existing segmentation studies. In Jordan, a study on microfinance for Syrian refugees segmented them into stable, developing, and vulnerable households based on their income (volume and stability), type of employment, level of integration, stability of location (Making Cents International, December 2017).⁶ The exact numbers to be covered in the sample will be finalized during field recruitment. However, utmost care will be taken to ensure a diversity in the sample.
- C. **Links to camps and camp-based respondents:** While since the start the study has been focused on non-camp based refugees (which are also the majority, more than 80%), we understand that there has been interest from BMZ to cover camps, especially in Kenya. The team will try to get as good and robust information as possible on the situation in camps via the respondents who have lived in camps or relatives/ friends etc. there. In addition, the team will explore how the work and existing linkages of GIZ into Kakuma can be further explored for the purpose of this study.

⁶ Results of the study indicated that roughly 16% of Syrian refugee households in Jordan could be classified as Stable, 13% as Developing and 71% as Vulnerable.

	Jordan	Kenya
Country of origin	As diverse as possible, with a majority from Syria	Somalia: 30 DRC: 25 South Sudan: 20 Others: 20
Youth (18-30)	~40	~40
Gender	45 Men 45 Women	45 Men 45 Women
Female household heads	At least 5	At least 5
Education Level	At least 5 less than primary At least 5 with some tertiary education	At least 5 less than primary At least 5 with some tertiary education
Special targets: (Be sure to include)		
• Particularly struggling	At least 5 particularly struggling	At least 5 particularly struggling
• Particularly thriving	At least 5 particularly thriving	At least 5 particularly thriving

Participation in the study will be voluntary. We will recruit respondents using a variety of methods:

- Introductions to refugee groups through the International Rescue Committee’s existing programs in both locations;
- Introductions through local leaders, community health workers, and youth organizations; and
- Snowballing referrals.

Interviewers will screen participants during the consent process to be sure that participants fit our criteria and that they are participating voluntarily. Actual full-length interviews will be scheduled at times and locations that are convenient for participants (and safe for interviewers).

4.1.2 Research Tools for Refugee Subjects

The Tufts Internal Review Board (IRB) requires that we submit all strategies, methods and tools for data collection to them for their approval. They will review each component in relation to ethical issues (not in relation to research quality issues — those are left to the team and the steering committee).

Assuming IRB approval, the team will deploy a range of qualitative research techniques including:

- **Interviews** which will include journey mapping, experience plots, and financial statements. **Journey mapping** is a simple technique where either the interviewer or the subject maps out their financial journeys. Journeys can begin in the respondent’s home country or later, depending from which point in time the researcher wants to probe. **Experience plots**, tested by the Tufts’ team study in Dallas, are a simple way of structuring a life-history interview that matches financial ups and downs with the experiences of individuals and the financial strategies used to reach important milestones and navigate hardship. **Financial statement** components will record transactions to construct household balance sheets and cash flow statements, helpful in understanding individual and household behaviors.
- **Focus group or family discussions.** Focus groups are a good way to 1) do initial fact finding to inform the interview guides, 2) test a prototype or idea that might emerge as a possible solution, 3) examine family dynamics, 4) brainstorm issues where collective synergies are more valuable than individual inputs.
- **Tools of financial ethnography.** These tools can be used at the household level or in focus groups. They include “object-centered interviews” that explore values, norms around money management, issues of shame, and more.

Except for using our interview guides for 90 participants per country, we will not use all tools for all respondents in each round of interviews. Instead, we will see where conversations lead us and deploy the best tools to cull the most useful information.

4.1.3 Data Analysis

Because the data points will be large (90 interviews over three data collection points per country), the team leaders for each country—Swati Mehta, Jordan and Julie Zollmann, Kenya—will use a qualitative coding program (either nVivo or Dadoose). Both software programs are similar in that they allow a coder to classify information into major categories and multiple levels of subcategories, and weight them. The platforms are able to process text, photos, videos, and spreadsheet data.

When it comes time to analyze the data, coders and other members of the team can run different reports. For example, we can crosstab access to remittances with gender, or income with age. We can filter information in any number of ways so that the information we do process is valuable to our stakeholders.

4.1.4 Ethical Issues

The research team ascribes to Lean Research⁷ principles. These principles were developed by the Fletcher School and MIT's D-Lab in 2014. Many tools on how research can be made lean are available on the Lean Research site. The basic principles are:

- **Rigor** – Research must be rigorous according to the discipline or field of practice of the researcher. For example, if the researcher in Kenya (Zollmann) is using anthropological methods, her research must conform to what is considered to be rigorous in anthropology. In another case, a researcher might be a practitioner for an NGO, in which case, following a livelihoods approach would be considered to be rigorous.
- **Respect** – Research must respect the interview respondents. Respondents must feel that their constraints — time, location of interview, need for compensation, issues around child care etc. — are respected. But, Lean Research principles ask us to go farther and ensure that respondents are “delighted” by their experience.
- **Relevance** – The research must be relevant beyond academia. It must have currency with many stakeholders. To the extent possible, the researchers must be able to identify relevant stakeholders who will use the research to help them make decisions in policy formation or in practice as service delivery organizations.
- **Right-sizing** – The size of the sample, the length of the inquiry of individual respondents, must fit the research objectives. Large sample sizes may be unnecessary if the research objective is exploratory. But large sample sizes may be required for an economic experiment. When it comes to the survey instrument, we have found most are too long to either here to the principles of respect or relevance.

4.2 Ecosystem Analysis

4.2.1 Research Tools for Ecosystem Analysis

The Tufts Internal Review Board (IRB) will also need to review materials designed for key informants and key actors in the financial and economic ecosystems in which refugees conduct their lives. The methods we will submit for review will include:

- **Key Informant Interviews.** Researchers will interview financial service providers and regulators to better understand their offerings in the market, their experiences trying to serve refugee clients, their perceptions of displaced people as a market, and the challenges they face in providing inclusive, useful services.
- **Direct Observation.** Direct observation is a non-intrusive method of collecting information which researchers observe a location for a defined period of time. Direct observation can be an excellent way

⁷ For more, see Lean Research: <https://d-lab.mit.edu/research/lean-research/lean-research-tools-resources>

to gauge how long a refugee stands in line to receive a remittance, or to observe the stages of obtaining a work permit or an ID.

- **Mystery Shopping at-the-last-mile.** Mystery shopping can take a variety of forms. Our approach will be qualitative, where enumerators, likely trained refugees, attempt to access various services, such as remittance or humanitarian cash distribution services, or cash retrieval at ATMs. Participants role play a pre-determined scenario and report back on their experiences related to those tasks, e.g. the length of time standing in line for cash assistance; treatment by local money agents; whether the task could be accomplished at all and what stood in the way of accomplishing them; and, what were specific points where the enumerator felt gratified or frustrated, or worse, shamed?⁸ Note: This method may not gain approval from Tufts IRB as it involves deception.

4.2.2 Scope of Ecosystem Analysis

The team will determine ecosystem actors once it has engaged with respondents to better understand which actors are most important or with which refugees interact most frequently. We imagine actors will include various retail points for: financial services, obtaining IDs, work permits, finding apartments, obtaining bus tickets. Actors can also include health services, schools, and other civic actors. A broad view will be taken to include non-bank institutions that play critical role in delivery of financial services, such as telecommunication companies which provide platform for mobile money. Apart from this, based on the refugee research and informant interviews, most significant entry-points will be identified (places and institutions). The humanitarian side actors, and their interaction with the development side actors) will be given attention in the landscape mapping. Regulations around KYC and refugee ID will also be studied to better understand its impact on last-mile access.

4.3 Policy Analysis

It is vital to situate the findings of the research in both national and global policy contexts so that it may inform policy initiatives to increase refugees' financial inclusion. In order to fully understand the policy environment and develop an evidence-based influencing strategy, there are a number of approaches that the project team will take.

4.3.1 Landscape Mapping and Forcefield Analysis

The first step that the project team will take is to flesh out the stakeholder mapping that is included in sections 2.4.4 and 2.5.4 above. This will be the policy landscaping will document who the actors are, what role they play in relation to the financial and economic integration of refugees and what specific initiatives they have supported or plan to support.

In order to identify what needs to change and how to influence that change, the project team will brainstorm the drivers and barriers to change through a forcefield analysis. This may include policy initiatives as well as politics. This simple exercise will provide a useful grounding for setting parameters for potential change objectives.

4.3.2 Stakeholder Workshop

The team will bring together a small, multi-stakeholder group to review the landscape mapping in the context of stakeholder influence, alignment and opposition to greater refugee financial inclusion. This will help identify diverse stakeholder's interests and their interaction with/influence over each other. This will also help prioritize stakeholders for further, in country interviews. The workshop will also be used to review the forcefield analysis to ground truth potential barriers or enablers for change and identify any potential tactics for influence.

A calendar of key national, regional and global strategic influencing moments is vital to identify when the evidence generated can be best drawn on to influence the policy agenda.

⁸ For more on the kinds of shaming and bullying that takes place in humanitarian cash assistance, see the work of UNWP-UNHCR on [Mitigating Risks in Abuse of Power in Cash Assistance](#).

4.3.3 Theory of Change and Policy Strategy Development

Based on the mapping of stakeholders, drivers and barriers and key dates, the team will construct an advocacy theory of change and associate strategy. While we expect that some influencing opportunities will emerge as the research team becomes more known in each of the field sites, we expect that there will be a clear set of starting objectives and associated tactics that we can plan to use through the course of the project and when we have final results. The theory of change will consist of pathways to take to reach the change goal and the pre-conditions for success.

These and other advocacy tools that can be used as approaches to policy influencing can be found [here](#).

4.4 Dissemination

In close cooperation with BMZ, the research results are to be communicated at different stages of the project by means of formants tailored to specific audiences and the use of suitable media for communication. The dissemination will target both the national and international debate on the topic. Accordingly, the following dissemination materials will be produced (subject to changes based on actual results and need):

- **Blog posts and essays:** The emerging findings and findings on specific aspects of financial strategies of refugees will be documented in blog posts and essays. This will be done on an ongoing basis during the research, as and when findings are available to engage the stakeholders and solicit feedback.
- **Contributions to scientific bodies:** Suitable publications such as research monographs, journal articles and essays will be developed and published in reputed scientific journals. These include state of learning from Kenya and Jordan, and a joint state of learning.
- **International events, workshops, and conferences:** The team will participate in important conferences and workshops at the regional and international level to share the findings from the research.

4.5 Insights into Action

As discussed in the last two sub-sections, it is key for the project to continuously disseminate the findings to relevant stakeholders and inform the national and international policy initiatives to improve refugees' financial inclusion. To this end, the project seeks to share findings with key partners, including the German Development Cooperation and other important stakeholders in the two countries based on the refugee research, ecosystem analysis and policy analysis. The project team proposes to achieve this in the following way:

- **On-going dissemination and consultation:** As noted in 4.4 above, the findings of the research will be disseminated on an ongoing basis through the research phase through e-mails, blogs, webinars, face-to-face meetings. This will provide not only crucial feedback for the research, but also provide opportunity to discuss possible interventions and identify low-cost easy-to-implement design ideas that government, NGOs, and financial service providers can undertake. It will also ensure continuing buy-in from the important stakeholders. A combination of dissemination channels will be used based on the objective and the type of stakeholder to be addressed.
- **Steering committee meetings:** The steering committee meetings will be leveraged to provide further platform for stakeholder consultation. Project partners able to attend the meetings will be updated on the process and key insights. The partners which are not on the steering committee may be invited to listen-in to relevant discussions or a webinar could be organized after the official steering committee to reach a broader audience.
- **Recommendations for existing and new pilot projects:** The policy component of this project will identify specific stakeholders who will benefit from the research findings for programmatic and policy applications. The project will create policy and programming recommendations in the second year of the project that will be shared with key stakeholders such as GIZ and their partners, as well as key private sector and civil society partners. It is also important to note that this research project has inspired interest from OSF to fund IRC and Tufts to undertake similar research in Uganda, Ethiopia, and Mexico, with implementation pilots planned for Uganda. This will allow for cross-learning between the different projects to identify possible pilots and recommendations. These pilots can be undertaken by government, international and local NGOs, and/or financial service providers.

5 Work Organization

5.1 Timeline and Deliverables

See Excel Spreadsheet in Annex 2

5.2 Reporting Schedule and Project Workshops

To ensure coordination and quality of the efforts, the frequency and mechanism of reporting has been elaborated in the tables below.

Table 2: Proposed reporting schedule

Report	Timeline	Description
Draft Inception Report	April 3, 2019	Detailed description of research approach, questions, early literature review, workplan
Kick-off Meeting with BMZ	April 10, 2019	Review inception report, discuss key project decisions, plan coordination mechanisms
Final Inception Report	April 30, 2019	Revised inception report completed
Project Progress Reports (BMZ)	See interim workshops below	Project team will provide a 2-3 page update on key project developments and learnings and raise key issues for discussion or decision for each interim workshop
Final Project Report and Workshop	December 2021	Presentation of final project including full financial report in addition to the further research deliverables sketched above).

Table 3: Workshop schedule

Workshop	Objectives	Timing	Indicative Attendees
Kick-off Meeting with BMZ	Agree on approaches, timelines, key decisions	April 2019	KU, Tufts, BMZ, IRC
Internal meeting	Review round one and agree on coding structure	November 2019/ December 2019	
Interim Workshop 1	Debrief after first round of interviews and make adjustments	December 2019/ January 2020	KU, BMZ
Interim Workshop 2	Update on fieldwork progress & emerging insights	May 2020	KU, BMZ
Interim Workshop 3	Review findings & agree on key messages in final reports	November 2020	KU, Tufts, BMZ, IRC
Final Workshop	Share findings throughout BMZ and with key stakeholders	December 2021	KU, BMZ, External partners

5.3 Core Team and Coordination

5.3.1 Core Team Composition

The project will be carried out by a consortium consisting of scholars and experts from three institutions, with proven expertise in the fields of forced displacement and financial systems development. The participating institutions are Catholic University (KU) Eichstätt-Ingolstadt, Tufts University, and the International Rescue Committee (IRC). The core team comprises of seven members, supported by their respective administrative teams.

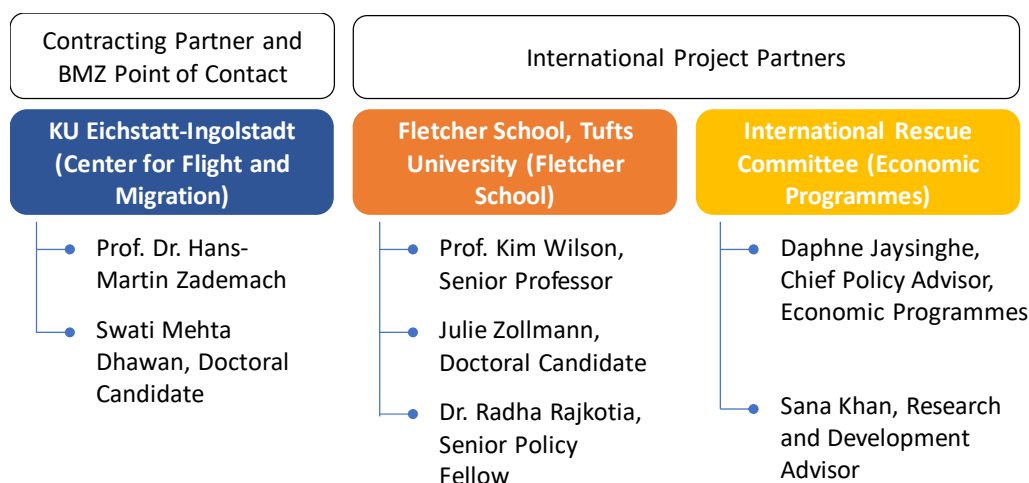


Figure 1: Consortium partners and team members with their current positions

The members have proven track of records with their previous work in the subject of this research and have managed to build relevant networks of international actors that work in the field of financial inclusion and forced displacement. Together the team brings experience of scientific research and development policy consulting. The table below briefly describes the project partners, their expertise, and role in the project.

Core Team Member	Relevant Expertise	Role
<p>KU is a leading international institution, which established its Center for Flight and Migration in 2016 as an inter-disciplinary research and transfer platform in the dialogue between science, teaching, and practice in field of migration and forced displacement. KU will remain the consortium lead and the central contract person for BMZ. KU will be specifically responsible managing the research and stakeholder engagement in Jordan.</p>		
Hans-Martin Zademach	<ul style="list-style-type: none"> Geographical globalization and financialization research Regional development and sustainability Financial systems development Qualitative research 	<ul style="list-style-type: none"> Primary point of contact for BMZ, reporting project progress and complete contractual requirements Inputs in theoretical framework, research methods, tools, and data analysis Oversee and guide the Jordan research and produce outputs (case study and academic papers) Input for and review of all joint outputs
Swati Mehta Dhawan	<ul style="list-style-type: none"> Financial systems development in developing countries Forced displacement and financial inclusion Qualitative research 	<ul style="list-style-type: none"> Focus on field research, transcription, data analysis, documentation, dissemination, and stakeholder engagement for Jordan Develop, pilot and review research tools Manage local research team Inputs in inception report and all joint outputs Inputs in data coding and analysis
<p>Tufts University has contributed significantly to the research landscape on financial services in the context of flight. They have played critical role in conceiving this project and preparing the proposal and approach. Tufts will be involved in all parts of the project and will be specifically responsible for managing the research and stakeholder engagement in Kenya.</p>		
Kim Wilson	<ul style="list-style-type: none"> Economic development Microfinance Forced displacement and human security 	<ul style="list-style-type: none"> Produce joint state of learning document, incorporating Jordan and Kenya pieces with other partners Review research tools Develop coding framework and guide data analysis Conduct ecosystem analysis, specific focus on mystery shopping
Julie Zollmann	<ul style="list-style-type: none"> Technology and livelihoods 	<ul style="list-style-type: none"> Develop, pilot and review research tools Lead IRB protocol development and coordination

	<ul style="list-style-type: none"> ○ Forced displacement and financial inclusion ○ Qualitative research and financial diaries 	<ul style="list-style-type: none"> ○ Focus on field research, data analysis, documentation, dissemination, and stakeholder engagement for Kenya Develop, pilot and review research tools ○ Develop coding framework and guide data analysis Manage local research team in Kenya ○ Inputs in inception report and all joint outputs ○ Lead on writing Kenya case study
Dr. Radha Rajkotia	<ul style="list-style-type: none"> ○ Humanitarian and economic development ○ Forced displacement and financial inclusion ○ Evidence based policy 	<ul style="list-style-type: none"> ○ Inputs in theoretical framework, research approach and review of research tools ○ Mapping policy ecosystem and identify policy recommendations ○ Prepare dissemination products for policy influence
<p>IRC is a not-for-profit, with an excellent network in field of humanitarian programming, research and policy. They have already worked on projects with Tufts conducting action research to identify evidence-based policy measures and project interventions to improve the economic situation of refugees. IRC will be involved in all parts of the project, and will be specifically responsible for the policy research and policy strategy implementation</p>		
Daphne Jaysinghe	<ul style="list-style-type: none"> ○ Humanitarian and economic development ○ Evidence based policy ○ Gender 	<ul style="list-style-type: none"> ○ Mapping policy ecosystem and identify policy recommendations ○ Prepare dissemination products for policy influence
Sana Khan	<ul style="list-style-type: none"> ○ Research and evaluation ○ Humanitarian and economic development 	

5.3.2 Monitoring, Quality Control, and Coordination

The entire team will work collaboratively to develop research methods, tools, data analysis frameworks, and recommendations. This will be ensured through regular review meetings, accompanied by progress reports as elaborated in the previous section.

To ensure high standards of quality control and coordination, the steering committee which comprises mainly of the core team (involving key partners such as GIZ and OSF when required) has agreed upon a terms of reference (ToR). The ToR lays out the frequency, scope, and methods of coordination within the team (available in Annex 2).

5.4 Quality Control and Risk Management

In order to ensure high levels of data quality, the team has divided responsibility for data collection and quality control between the two university partners, with KU closely managing implementation in Jordan and Tufts in Kenya. We will pay particular attention to giving interviewers detailed feedback on their first three interviews, so that issues can be addressed immediately and proactively. Members of the team will directly participate in and observe at least 15% of the interviews. All interview notes/transcripts will be reviewed within five days of interview completion, and any questions or incomplete information will be corrected through follow-up phone calls and/or visits as appropriate.

Table 4: Risk assessment and management

Potential risk	Proposed risk mitigation strategy
<p>Delays in IRB clearance. It can take a long time to prepare protocols for IRB review and to obtain final approvals after revisions. Following the Tufts IRB, a local IRB process must be undertaken in Kenya to obtain a local research permit. This may entail further delays beyond the team's control.</p>	<p>The team will initiate these processes as quickly as possible and will undertake as many preparatory activities as possible in parallel with the IRB clearance process, including the preliminary literature review, initial stakeholder consultations, and recruiting of local research teams.</p>

Substantive changes requested by local IRBs must also be approved by the Tufts IRB.

Difficulties in recruiting participants. We may find that displaced people in our target cities are reluctant to participate in the study out of concerns of exposure or simply because of the time commitment.

We will work to recruit participants through trusted sources, develop protocols that protect participants' privacy, and train researchers in respectful research that turns the research into a fun, engaging process.

Participant retention. This research involves three rounds of interviews and some participants may choose not to continue following the first or second round.

Our researchers will clearly articulate time commitments for this research from the start. They will schedule interviews at convenient times and places for respondents. We will also thank respondents with small gifts acknowledging their investment in this research. A sample size of 90 households per country is quite substantial, and we will still have plenty of data even if we experience attrition of up to 20%.

Political risk. A policy change in either project location may make participants feel insecure, encourage them to relocate, or otherwise interfere with research plans.

We will stay in close touch with the local operating environment to proactively address these issues as they arise using the steering committee to help navigate these risks.

Intractable policy barriers. We may find that the key barriers to refugees' financial service access and economic integration are at a policy level where domestic and international political concerns completely prohibit productive change.

We will be looking for potential solutions and interventions at many levels, even where those solutions may only offer marginal gains for refugees. Advocacy that might change seemingly intractable policies will require robust, grounded data like that coming out of this study.

References

- Abler, R., Janelle, D., Philbrik, A., & Sommer, J. (1976). Human geography in a shrinking world. *New Zealand Geographer*, vol. 32, no. 2, 201–202.
- Betts, A., Bloom, L., Kaplan, L., & Omata, N. (2014). *Refugee Economics – Rethinking Popular Assumptions*. University of Oxford. Retrieved from <https://www.findevgateway.org/library/refugee-economies-rethinking-popular-assumptions>
- Building Markets. (2017). *Another side of the story: a market assessment of Syrian SMEs in Turkey*. Retrieved from https://buildingmarkets.org/sites/default/files/pdm_reports/another_side_to_the_story_a_market_assessment_of_syrian_smes_in_turkey.pdf
- Central Bank of Jordan. (2018). *National Financial Inclusion Strategy 2018-2020*. Amman: Central Bank of Jordan. Retrieved from <http://www.cbj.gov.jo/EchoBusv3.0/SystemAssets/PDFs/2018/The%20National%20Financial%20Inclusion%20Strategy%20A9.pdf>
- Chambers, R., & Conway, G. (1992). Sustainable rural livelihoods: Practical concepts for the 21st century. *IDS Discussion Paper 296*.
- Clemens, M., Huang, C., Graham, J., & Gough, K. (2018). *Migration is What You Make It*. Center for Global Development. Retrieved from <https://www.cgdev.org/publication/migration-what-you-make-it-seven-policy-decisions-turned-challenges-opportunities>
- Collins, D., Amoah, R., Wilson, K., Hassan, M., & Mutinda, S. (2018). *Refugees and Their Money: The Business Case for Providing Financial Services to Refugees*. FSD Africa.
- Glaser, B., & Strauss, A. (1967). *The Discovery of Grounded Theory: Strategies for Qualitative Research*. Aldine Transaction.
- Hansen, L. (2018). *Finance for Refugees: The State of Play*. Inclusive Finance Platform. Retrieved from www.inclusivefinanceplatform.nl/documents/Documents/npm%20report_finance-for-refugees_the%20state%20of%20play.pdf
- Huang, C. (2017). *Global business and refugee crisis: A framework for sustainable engagement*. Center for Global Development, Tent. Retrieved from https://static1.squarespace.com/static/55462dd8e4b0a65de4f3a087/t/59c29cf4f09ca498814fa9e9/1505926390072/TENT_GlobalBusiness_%20V5SinglePages.pdf
- International Finance Corporation. (2018). *Kakuma as a Marketplace: A consumer and market study of a refugee camp and town in northwest Kenya*. International Finance Corporation. Retrieved from https://www.ifc.org/wps/wcm/connect/8fb8fab4-af24-4b09-bdff-2109d2c45974/20180427_Kakuma-as-a-Marketplace_v1.pdf?MOD=AJPERES
- Janelle, D. G. (2012). Space-Adjusting Technologies and the Social Ecologies of Place: Review and Research Agenda. *International Journal of Geographical Information Science*, vol. 26, no. 12, 1-13.
- Kenya National Bureau of Statistics. 2018. *Basic Report on Well-Being in Kenya. Based on the 2015/16 Kenya Integrated Household Budget Survey (KIHBS)*. Kenya National Bureau of Statistics (KNBS).
- Krystalli, R., Hawkins, A., & Wilson, K. (2018). 'I Followed the Flood': a Gender Analysis of the Moral and Financial Economies of Forced Migration. *Disasters*, vol. 42, no. S1, S17–S39.
- Pistelli, M. (2018, June). 5 Things You Should Know About Financial Services for Refugees. *FinDev Gateway Blog*. Retrieved from <https://www.findevgateway.org/blog/2018/jun/5-things-you-should-know-about-financial-services-refugees>
- Robila, M. (2018). *UNited Nations Department of Economic and Social Affairs Division for Social Policy and Development United Nations Expert Group Meeting, New York 15-16 May 2018 "Refugees and Social Integration in Europe"*. City University of New York.
- Tiltne, Å., Zhang, H., & Pedersen, J. (2019). *The living conditions of Syrian refugees in Jordan: Results from the 2017-2018 survey of Syrian refugees inside and outside camps*. FAFO. Retrieved from <https://data2.unhcr.org/en/documents/download/67914>
- UNHCR. (2016, September). *Comprehensive Refugee Response Framework*. Retrieved April 2019, from UNHCR: <https://www.unhcr.org/comprehensive-refugee-response-framework-crrf.html>
- UNHCR. (2018). *Economic Inclusion of Syrian Refugees in Jordan*. Retrieved from <https://data2.unhcr.org/en/documents/download/67915>
- UNHCR. (2018). *Global Trends Forced Displacement in 2017*. UNHCR. Retrieved from <https://www.unhcr.org/5b27be547.pdf>

- UNHCR. (2018). *The 2017 Population Survey Report: Sector Vulnerability Review*. UNHCR, Cash Based Interventions Unit. UNHCR. Retrieved from <https://data2.unhcr.org/en/documents/download/65404>
- UNHCR. (February 2019). *Jordan operational update*. UNHCR. Retrieved from <https://data2.unhcr.org/en/documents/download/68303>
- UNHCR. (February 2019). *UNHCR Fact Sheet*. Retrieved from <https://data2.unhcr.org/en/documents/download/68302>
- UNHCR. (n.d.). *Global compact on refugees*. Retrieved from <https://www.unhcr.org/5b51fd587>
- UNHCR. (January 2019). *Registered persons of concern: Refugees and asylum seekers in Jordan*. Retrieved from <https://data2.unhcr.org/en/documents/download/67844>
- United Nations. (2018). *Global Compact on Refugees*. Retrieved April 2019, from Refugees and Migrants UN: <https://refugeesmigrants.un.org/refugees-compact>
- World Bank. (n.d.). *Data Portal for Jordan*. Retrieved April 2019, from World Bank: <https://data.worldbank.org/country/jordan>
- World Bank. (n.d.). *Jordan Overview*. Retrieved April 2019, from World Bank: <http://www.worldbank.org/en/country/jordan/overview>

Annex

Annex 1 - Research Questions

What financial strategies do refugees use at different stages of displacement?

- What are the financial tasks that need to be performed at different stages of coping and settlement? What are the financial stress points and possible solutions during those stages?
- How do refugee groups stitch together income and assistance from aid agencies, family remittances and loans, formal and informal work, personal savings, the sale of assets, and business and other income?
- How do they initially enter the labor market and move between jobs/businesses, and how does that change over time? To what extent do financial goals and priorities motivate their livelihood choices. (Ex: Is there a preference for formality/informality among certain types of groups? Is there simply a need to get to work fast, without having the time to explore different kinds of opportunities? How does that change with time?)
- How do they manage various forms of identity (documents) and even identities of power and submission in accessing resources?
- How do refugees manage expenses and build savings and other assets (if they do)? How do spending patterns overtime change refugees' needs for cash assistance? When are they expected to send money home and for what purpose (reunification, family support)?
- Do strategies initiated by women versus men matter? Does age matter? Do countries of origin matter? How do strategies of those with ties to a community from their source country differ from those without similar ties?
- How do they access information—accurate and inaccurate, good and bad—about financial management, financial services, and labor markets?
- Are there distinct stages of economic resettlement that policy makers should pay attention to? What are the characteristics and needs of each phase? What distinctive financial challenges do they face, and how do they navigate them? What are the low-hanging/easy to address financial hurdles that many face versus the more entrenched challenges?

How do these populations access financial services (formal and informal) and what is their experience at the very last mile?

- What is the experience of the refugee at the last mile of interaction with formal and informal providers?
- How do they access services across borders? What obstacles do they face? Where has access worked well?
- What are the skills of more successful and less indebted refugees? Can we build those skills in others?
- Is the distinction between formal and informal jobs important to displaced populations? Are more informal jobs attractive to displaced populations who may be nervous about their legal status?
- What advocacy efforts have resulted in increased local work permits for refugee populations and have those efforts led to improved household income?

What policy and programming initiatives could better financially integrate refugees into different settings?

- What role are support agencies playing in shaping financial strategies and outcomes? How do identity regimes differ across contexts and how do these requirements enable or inhibit refugee access to financial services, labor markets, and business opportunities in their new homes (or other places they might move in search of livelihoods)? What policy and programming initiatives could better financially integrate refugees into different settings?
- What new experiments in building refugee financial health appear promising? What private sector, government or aid actions support these cases? What policy actions and policy actors support these cases?

Annex 2 – Timeline and Deliverables

project month number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36				
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22				
Start up																																								
Contracting/subcontracting	x																																							
Lit review – global – what do we know, situates research, state of learning (Swati, RA)			x																																					
Planning meeting – Initial design (sampling, discussion guides, planning timing)	x																																							
Policy landscape, policy analysis for each of the countries (Radha/Daphne)			x																																					
Stakeholder engagement calendar/strategy (Kim, Radha)			x																																					
Preparation of IRB protocols; IRB review – Tufts				x																																				
Local IRB reviews (Kenya & Jordan)					x																																			
Fieldwork phase																																								
Recruiting					x																																			
Training the teams						x																																		
Data collection round 1 – interviews & notes/transcription								x																																
Data collection round 2 & notes/transcription												x																												
Data collection round 3 & transcription/notes																x																								
Mystery shopping (2 rounds)								x							x																									
Analysis & Writing																																								
Blog – emerging findings													x			x																								
Dataset cleaning and coding																						x																		
Deliverables																																								
Inception report	x																																							
Research methods piece: lessons on method																																								
Jordan case																																								
Kenya case																																								
Joint final report																																								
Financial biographies 6/country																																								
Topical essays																																								
Fact sheets: Intervention ideas / policy ideas and engagement																																								
Workshops/Convenings																																								
Kickoff meeting	x																																							
Internal convening after round 1 – initial insights, coding classifications													x																											
Interim workshop (KU & BMZ, Tufts Virtual)																																								
Interim workshop (KU & BMZ, Tufts Virtual)																																								
Interim workshop (Germany) – work through initial findings & key messages																																								
Final workshop & report																																								
Dissemination																																								
Steering committee sessions	x			x						x																														
Ongoing engagement with key stakeholders																																								
Mid-term engagements with providers, service institutions, etc.																																								
Project closure																																								
Closing project (KU only)																																								

Annex 3 – Terms of Reference of Steering Group

Summary of Project

The “Finance in Displacement” project is a multi-pronged initiative aimed at building evidence, designing and testing interventions, influencing policy discussions and drawing attention to the integration experiences of refugees across multiple contexts.

The project will take a deep look into the financial lives of refugees in protracted displacement to understand issues of economic, social and civic integration. We will examine their lives in relation to their host communities in several host country contexts, which offer diversity in encampment and refugee policies, labor market opportunities, and social and civic integration policies. While many insights will be context-specific, the multi-country approach allows us to envision broader interest from practitioners and policy-makers working at a global level.

Project Structure and Governance

FIND is based on a core partnership between International Rescue Committee (IRC), Tufts University and Katholische Universitat (KU).

FIND is funded by two core grants from the German Federal Ministry of Economic Cooperation and Development (BMZ) and the Open Society Foundation (OSF). The BMZ grant is managed by KU. The OSF grant is managed by IRC. Each of the grant-holders are expected to lead on donor communications and reporting. Both grants are expected to be signed in the first half of 2019.

Research activities for BMZ will be conducted in Jordan (KU lead) and Kenya (Tufts lead). Research activities for OSF will be conducted in Uganda and Ethiopia (Tufts lead), with intervention pilots in Uganda (IRC lead). Policy research and influencing activities will take place in all locations as well as the global level (all partners).

Steering Group Purpose and Membership

The FIND Steering Group consists of key stakeholders who will be responsible for shaping and coordinating the scope of FIND activities. The steering group will not be a decision-making body as it relates to contractual obligations of specific grant-holders, but will steer the design and implementation of project activities to ensure quality, relevance, feasibility and consistency as well as leverage communication and dissemination activities across the two grants.

The steering group will be made up of the following individuals: Kim Wilson (Tufts), Julie Zollman (Tufts), Radha Rajkotia (Innovations for Poverty Action), Hans-Martin Zademach (KU), Swati Mehta (KU), Joscha Albert (GIZ), Daphne Jayasinghe (IRC) and Sana Khan (IRC). The steering group will also include Natascha Beinker (BMZ) and Roxanne Nazir (OSF) in observer status, with a guiding strategic voice in communications and influence planning.

The Co-Chairs for the Steering Group for 2019 will be Radha Rajkotia and Kim Wilson.

Steering Group Scope

The key tasks of the steering group are to:

- Provide review and input on the research protocol and survey instruments for the research
- Respond to requests for guidance to problem solve any issues that arise during the course of the study and data collection
- Provide review and input on the coding classifications and initial insights
- Review analysis of all findings
- Provide review and input on intervention design recommendations, as well as findings from intervention pilots
- Contribute to prioritization of policy messages, targets and collectively identify key moments to influence policy change at the national and global level
- Contribute to prioritization of media and communications messages, outputs and targets

The Steering Group will convene in-person once annually over a two-year period, as well as through remote web-based calls for regular project updates:

- April 2019: inception/ kick-off workshop (Berlin)
- July 2019: review of stakeholder mapping and identification of potential policy targets;
- December 2019: Analysis of preliminary findings from Round One interviews
- March 2020: Analysis of preliminary findings from Round Two interviews

In addition to these meetings, the Steering Group members will also be asked to provide their advice and/or feedback via email.