

Decent work for whom?

Economic integration
of refugees and other foreign
nationals in the Middle East

This paper analyses the level of economic integration experienced by Syrian refugees, refugees of different nationalities and other foreign nationals (including those sponsored under the Kefala system), particularly in light of recent efforts to improve access to decent work in the region. In doing so, this paper argues that, while some groups may be better positioned than others to reach a certain degree of economic integration, none of them have the opportunity to fully achieve it.

The Mixed Migration Centre (MMC) was established in February 2018. It brings together various existing regional initiatives – hosted or led by the Danish Refugee Council (DRC) – engaged in data collection, research, analysis and policy development on mixed migration issues into a new global network of mixed migration expertise.

For more information visit:
mixedmigration.org

Contents

Introduction	3
Key Messages	3
Methodology	4
Displacement, migration, integration	4
Formally-employed refugees	6
Informal work for foreign nationals	10
Migrants within the sponsorship (Kefala) system	12
Conclusion	15
Recommendations	15

Introduction

After the 2016 London Conference on “Supporting Syria and the Region”¹, both Jordan and Turkey moved forward with new policies promoting easier access to formalised employment for Syrian refugees, with the aim of establishing more stable and sustainable livelihoods. Programmes in this area have been hailed as important steps towards the local integration of Syrian refugees facing protracted displacement in neighbouring countries. As of 2017, however, the initiatives have not fully achieved their aims. While thousands of work permits have been issued to Syrian refugees, most working Syrians continue to do so in the informal sector, as do foreign nationals from other countries.

This paper analyses the level of economic integration experienced by Syrian refugees, refugees of different nationalities and other foreign nationals (including those sponsored under the Kefala² system), particularly in light of recent efforts to improve access to decent work in the region. In doing so, this paper argues that, while some groups may be better positioned than others to reach a certain degree of economic integration, none of them have the opportunity to fully achieve it.

Key Messages

- Economic integration for foreign nationals in the Middle East is negatively impacted by a fundamental understanding of migration as temporary, regardless of legal status or underlying motivations.
- Across the Middle East, foreign nationals are subjected to systemic discrimination patterns in the labour market. However, the case of domestic workers under the Kefala system is particularly striking, as they suffer unique restrictions to their freedom of movement derived by their “live-in” status.
- Easier access to regular employment for Syrian refugees to the labour market can impact labour migrants already active in the labour market, thereby transferring vulnerability from one group to another.

1 The conference was co-hosted by the UK, Germany, Kuwait, Norway and the United Nations. Its main goals were to raise funding to support people affected by the Syrian conflict and create educational and economic opportunities for them, including through support to the countries hosting them.

2 In the Kefala system, migrant workers are a sole and direct responsibility of their sponsor (employer), who provides for their work permit fees, transportation, housing and all basic expenses. The system creates strong power imbalances between an employer and employee, leading to protection risks. The system will be discussed in depth later in the paper.

Methodology

This paper analyses available secondary data, including academic, media, humanitarian and development reports, on the economic integration of foreign nationals in the Middle East. While the paper will have a stronger focus on Jordan and Turkey, it will also refer to laws and realities in Lebanon. These countries were chosen as case studies as all three host diverse populations of foreign nationals, who are integrated into the local workforces to varying degrees. Jordan hosts a large population of registered Syrian refugees, some of whom have been granted formal work permits, as well as refugees of differing nationalities and other foreign nationals who work informally, and migrant workers formally employed under sponsorship schemes. Lebanon hosts a significant migrant worker population under the Kefala scheme, but has provided extremely limited formal work opportunities to Syrians, many of whom lack legal status, and other refugees. In Turkey, sponsorship schemes are less widespread, but informal work among foreign nationals of particular nationalities is commonplace, due to limited formal work schemes. While special provisions for Syrians exist, a majority of them still work informally.

Information on the situation of some neglected vulnerable groups, like refugees of other nationalities, but also migrant workers outside the domestic work and construction sectors, tends to be limited. There is a growing body of literature on efforts made to integrate Syrian refugees into formal work systems, as well as the challenges presented by widespread informal labour in the region. Sponsorship schemes too have received significant attention in recent years. Nevertheless, few resources comprehensively investigate the economic integration of both refugees

and other foreign nationals. While the paper attempts to fill this gap, it is limited by a lack of information on the work situations of smaller refugee populations, and migrant workers outside of the domestic work and construction sectors. For this reason, Syrian refugees are disproportionately covered in this paper compared to other groups.

Displacement, migration, integration

Within the general context of migration, integration refers to the process by which migrants are incorporated into the social, economic, cultural and political life of their host society.³ It is a two way process of mutual adaptation between migrants and host societies, although debates exist as to what extent the responsibility lies with the receiving society or with the migrant.⁴ Dominant sociological models of integration have been mostly designed with countries from the Global North in mind. Although they differ in the degree of adaptation expected from migrant communities in a given society and of inclusion from receiving societies,⁵ models tend to include one or more of these three dimensions: legal-political, socio-economic and cultural-religious.⁶

Broader understandings of migration and integration feed into the specific concept of local integration as a durable solution to protracted displacement situations. According to Jeff Crisp, local integration in this sense, envisions the permanent settlement of refugees in the country of first asylum, after their immediate protection needs have been met and the prospects of voluntary repatriation or resettlement are limited.⁷ Integrating refugees also

3 IOM (2017) [Integration and Social Cohesion](#), Global Compact Thematic Papers.

4 Hellgren, Zenia (2015) [Immigrant Integration as a Two-Way Process: Translating Theory into Practice](#), Interdisciplinary Working Group on Immigration, Working Paper No. 23, Spring 2015.

5 Isaakyan, Irina (2016) "Integration paradigms in Europe and North America", in Triandafyllidou, Anna (ed.) *Routledge Handbook of Immigration and Refugee Studies*, Routledge.

6 Penninx, Rinus and Blanca Garcés-Mascareñas (2014) "The Concept of Integration as an Analytical Tool and as a Policy Concept" in Garcés-Mascareñas, Blanca and Rinus Penninx: *Integration Processes and Policies in Europe: Contexts, Levels and Actors*, Springer.

7 Crisp, Jeff (2004) [The local integration and local settlement of refugees: a conceptual and historical analysis](#), New Issues in Refugee Research, Working Paper No. 102, April 2004.

involves economic, socio-cultural and legal-political processes,⁸ but emphasises the role of the host government and/or society to accept and integrate refugees. Refugees should be enabled to establish sustainable livelihoods and a standard of living “comparable to the host community”, to participate in the social life of the host country and attain a wide range of rights in the host state.⁹ However, local integration of refugees can also be obtained de facto, when “self-settled refugees become unofficially integrated after they have lived in and been accepted by the community, and have attained self-sufficiency”.¹⁰ This implies a process without direct or official government or international assistance frameworks.¹¹ As host governments have not always welcomed local integration in theory, de facto integration of refugees after protracted periods of displacement has been more prevalent to date than organised, state-driven integration programmes.¹²

In both migration and refugee contexts, the economic aspect of integration is key. It pertains to the access that migrants and refugees have to the labour market and financial services.¹³ For refugees in particular, the concept of sustainable livelihoods is particularly important. A sustainable livelihood allows individuals to cope with and recover from stress and shocks, and to maintain or enhance capabilities and assets to provide the same opportunities for the next generation.¹⁴ Livelihoods are also vital in the migration context, but because there is a strong tendency to associate migration with temporary forms of mobility, the sustainability aspect of the concept is often not stressed.

A set of key indicators of economic integration have emerged in scientific literature, survey studies and in policies on and approaches to economic integration of

foreign nationals, including those focused on the Middle East region. The following is not an exhaustive analysis of indicators, but can be useful to examine policies and processes of economic integration of vulnerable groups on the move in the Middle East context.

One important indicator is access to formalised employment. Formalised employment offers a certain degree of protection from labour exploitation, access to a minimum wage, social security and the possibility of joining unions. However, when forms of exploitation are institutionalised and inherent to a system of employment, the mere element of legality/formality does not guarantee the protection of labour rights, as is the case with the Kefala system that is common in Jordan, Lebanon and the Arabian Gulf countries. It is therefore important to also consider access to unions, legal redress and social security benefits when deciding on whether legal employment conditions are actually just and decent. Social security, for example, implies to a certain extent that a worker is entitled to some benefits beyond the employment relationship, such as access to social services or longer term benefits to be enjoyed upon retirement. To be able to put their skills to use, then, educated migrants should be able to access high-skilled positions. Highly qualified foreign nationals are more likely to be overqualified for the job they do in a host country when compared with the local population tasked with the same job.¹⁵ Work experience and qualifications from foreign institutions tend to be unrecognised or undervalued, and/or more difficult for potential employers to assess.¹⁶ Access to professional and vocational training can offer a refugee or migrant the possibility to receive a recognised qualification in the host country, enhance his or her skillset and foster upward mobility.¹⁷ Vocational training is also often cited as important in the context of protracted refugee

8 [Ibid.](#)

9 [Ibid.](#)

10 Meyer, Sarah (2008) [FMO Research Guide to Local Integration](#), Forced Migration Online, August 2008.

11 Jacobsen, Karen (2001) [The forgotten solution: local integration for refugees in developing countries](#), New Issues in Refugee Research, Working Paper No. 45, July 2001.

12 Fielden, Alexandra (2008) [Local integration: an under-reported solution to protracted refugee situations](#), New Issues in Refugee Research, Working Paper No. 158, June 2008.

13 IOM (2017) [Integration and Social Cohesion](#).

14 De Vriese, Machtelt (2006) [Refugee livelihoods: A review of the evidence](#), EPAU/2006/04, February 2006.

15 OECD (2014) [How can migrants' skills be put to use?](#) Migration Policy Debates, No. 3, December 2014.

16 [Ibid.](#)

17 Council of Europe (1997) [Measurement and indicators of integration](#), Directorate of Social and Economic Affairs, Council of Europe Publishing, 1997.

situations. Finally, the opportunity to be self-employed and to establish one's own business, possibly also creating livelihoods for others, is also considered a sign of economic integration, as businesses presume a long-term commitment to remain in a place.¹⁸

For foreign nationals in the Middle East, the interaction of these indicators varies by country and status. The following sections explore different levels of economic integration experienced by refugees with formal employment, refugees and other foreign nationals working informally and those employed through sponsorships schemes.

Formally-employed refugees

Formal employment for refugees remains limited in the Middle East region, although a recent set of initiatives to engage Syrian refugees in decent work has been rolled out by the Jordanian and Turkish governments. In 2016, the Government of Jordan, within the context of the Jordan Compact,¹⁹ set out a series of initiatives to ease the entry of Syrian refugees into the labour market. The Compact officially sought to improve access to work permits, create jobs in special economic zones which would benefit Syrians and Jordanians alike, and provide Syrians with access to public work programmes. Moreover, the Compact foresaw an increase in vocational training opportunities²⁰ and, not long after forming the Compact, the Jordanian government lifted

an informal ban on livelihood programming for Syrian refugees.²¹ Overall, 37,000 work permits were issued in 2016, missing the 50,000 target.^{22 23} In Turkey, new provisions aimed at easing regulations for Syrians to access the labour market were passed, including new provisions to access work permits and a special scheme to allow Syrian medical personnel to work regularly in migrant health centres for Syrian refugees.

Work permits tied to one employer

Both Jordan and Turkey have tried to increase the number of Syrians engaged in a regular employment relationship. In Jordan, the government has simplified the regulations for Syrian refugees to access work permits. It has removed the requirement that applicants produce a passport and proof of legal entry into the country, allowing them to use their Ministry of Interior (MOI) card as documentation. Furthermore, it dropped the requirement for a medical certificate costing JOD 30 – 40 (US\$42 – 56) and temporarily waived work permit fees until the end of 2017.²⁴ By eliminating these requirements, the Jordanian government has removed two of the biggest obstacles hindering Syrian refugees from regularising their work status, although problems in obtaining an MOI card still exist;²⁵ these are mainly linked to a lack of necessary documentation.²⁶ Moreover, Syrians are entitled to social security benefits paid for by the employers.²⁷ The Turkish Regulation on the Work Permit of Foreigners under Temporary Protection²⁸ allows Syrian refugees to access work permits for the first time, although in contrast to Jordan, no incentives

18 Ibid.

19 The Jordan Compact was agreed upon during the London conference. Its stated aim was to transform the Syrian refugee crisis in a development opportunity for Jordan with support from the international community. Besides creating new work opportunities for Syrian refugees and vulnerable Jordanians, it aimed at attracting new investment to Jordan and facilitate the access of Jordanian products to the EU market.

20 Government of Jordan (2016) [The Jordan Compact: A New Holistic Approach between the Hashemite Kingdom of Jordan and the International Community to deal with the Syrian Refugee Crisis](#), 7 February 2016.

21 Bellamy, Catherine et al. (2017) [The lives and livelihoods of Syrian refugees: A study of refugee perspectives and their institutional environment in Turkey and Jordan](#), HPG Commissioned Report, Overseas Development Institute, February 2017.

22 The missed target was partly due to misinformation about the programme.

23 Kellberer, Vicky and Denis Sullivan (2017) [Challenges and Successes of Jordan's Work Permit Program for Syrian Refugees After One Year](#), Atlantic Council, 27 March 2017.

24 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

25 Amjad, Renad et al. (2017) [Examining Barriers to Workforce Inclusion of Syrian Refugees in Jordan](#), ILO Better Work discussion paper, No. 21, July 2017.

26 NRC and IHRC (2016) [Securing Status: Syrian refugees and the documentation of legal status, identity, and family relationships in Jordan](#), November 2016.

27 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

28 The Regulation on the Work Permit of Foreigners under Temporary Protection was passed in 2016, and allows "foreigners under temporary protection", a category that applies only to Syrians, to work legally in Turkey.

are provided to employers for hiring Syrians.²⁹ Employers must apply for work permits for Syrian employees, while in the case of self-employment the application is made by the refugee themselves. A refugee must have a valid kimlik (residency card), and must have arrived in the city of employment at least six months prior to the date of application submission. There are two important aspects of this law: firstly, employees cannot be paid less than minimum wage; and secondly, the number of refugees under temporary protection employed cannot surpass 10% of the number of Turkish individuals employed.³⁰ Syrian refugees with permits can access vocational training opportunities through the government employment agency, although these are not necessarily designed to cater to their needs, and do not enhance their skills or livelihood goals.³¹

In Jordan, incentives make it more attractive for employers to hire Syrian refugees over refugees of other nationalities and migrant workers. The government even discouraged labour migration by focusing on the absorption of Syrian refugees into the labour market,³² and limiting the flexibility of employers to hire Egyptian workers, who have traditionally formed the largest migrant labour group in Jordan. These restrictions were lifted in the agricultural sector in October 2017.³³ Restrictions on labour migration for non-Syrian migrants resulted in migrants on a one-year work visa being prevented from leaving the country for longer than 90 days. Seasonal migrants were barred from waiting out the remainder of the one-year permit in their native country. They were also prevented from taking up another job for the remaining time left on their work permit.³⁴ Despite these actions which incentivised employers to favour Syrians

workers, the permits still raise several issues in terms of economic integration, and could potentially lead to exploitative working conditions comparable to those experienced by other migrant workers in Jordan.

Though the legislative environments for labour integration of Syrian refugees is distinct between Jordan and Turkey, challenges exist for Syrians in both contexts. Firstly, the permits tie a worker to a specific employer for a year in Turkey and Jordan.³⁵ In case the employer cannot provide full-time work for the employee, the latter cannot legally change jobs or employer using the same permit, even if s/he is fired or decides to quit (perhaps in the absence of decent working conditions, for instance). This system of employment is at odds with the needs of refugees who tend to work multiple part-time jobs to generate enough income to survive. Even though exceptions have been made for seasonal agricultural work in both countries and in construction work in Jordan, the annual work permit cycle negatively impacts sectors like construction, where demand for labour can fluctuate.³⁶ In Jordan, problems also arise in the domestic work sector, where work is sometimes only needed on a temporary or part-time basis.³⁷ Most importantly, annual, single-employer work permit schemes reflect an underlying understanding of migration – and by extension, the presence of Syrian refugees in the country – as temporary and bound to employment. This is the opposite of what integration as a durable solution foresees, namely the permanent settlement of refugees in the country of first asylum.

Being tied to an employer for the annual work cycle leads refugees into a weaker position to bargain for a higher wage, fairer conditions and to protest ill-treatment and exploitation. This is further exacerbated by a lack of access

29 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

30 [Ibid.](#)

31 [Ibid.](#)

32 Abaza, Jihad (2016) [Egyptian workers face clampdown in Jordan as Syrians join labour market](#), Middle East Eye, 29 August 2016.

33 Namrouqa, Hana (2017) [Recruitment of foreign workers in agricultural sector resumes](#), Jordan Times, 31 October 2017.

34 Ellouk, Bernard (2017) [One man's curse is another man's blessing: How Egyptian guest labour suffers from Syria crisis](#), Jordan Times, 23 August 2017.

35 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#); Rezzaz, Susan (2017) [A challenging market becomes more challenging: Jordanian workers, migrant workers and refugees in the Jordanian labour market](#), ILO Regional Office for Arab States, 2017.

36 ILO (2017) [Jordan issues first-of-their-kind work permits to Syria refugees in the Arab region](#), Press Release, 9 August 2017; Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

37 Rezzaz (2017) [A challenging market becomes more challenging](#).

to legal support against mistreatment. An ILO study on Jordan in 2015 found that Syrian refugees are more likely than Jordanians to perceive their work as dangerous, physically hard or stressful. Syrians are systematically paid less than their Jordanian counterparts, while some go unpaid for completed work.³⁸ Only 30% of Syrian refugee workers, compared to 43% of Jordanian workers, report being informed of work-related hazards by their employers.³⁹ Such findings show systemic discrimination patterns that can offset the benefits of opportunities to access regular work. Similar problems are reported in Turkey, where Syrian refugees tend to work longer hours than nationals and for lower wages, sometimes going unpaid. Work is not secure, and, in the case of skilled refugees, it is likely not to reflect their skill set.⁴⁰

Paradoxically, the requirement to receive social security benefits can actually discourage some refugees to seek a permit in the first place. Social security leads to an increase in costs for the employer and an automatic deduction from the salary of an employee. Syrians whose priority is to return home believe they will never be able to draw on these benefits.⁴¹ This aspect is very important, as it highlights that for some refugees, being more integrated within the socio-economic fabric of the host country is not as important as earning a readily available income, rendering informal work a more viable solution, despite the associated insecurity. To some extent, the increase in municipal work opportunities offered by the Compact in Jordan could prove attractive to them. Such opportunities can help refugees access work quickly, on a temporary basis, despite not contributing to long-term economic integration and not offering opportunities for savings or skills improvement, and not promoting self-reliance.⁴²

Seasonal agricultural and construction work

In both Jordan and Turkey, refugees working in the agricultural sector are not bound to a single employer. In Turkey, they are not even required to have a work permit.⁴³ In Jordan, they have access to permits sponsored by cooperatives, rather than a single employer.⁴⁴ Recently, flexible work permits were also introduced in the construction sector.⁴⁵ In contrast to the employer-bound work permits discussed above, this flexibility allows refugees more freedom to switch employers if they are not satisfied with the work conditions, reflecting the seasonal nature of the agricultural sector jobs they are in. As we have seen, however, other employment sectors would also be better served by flexible permits. The reason why these conditions exist in construction and agricultural work is likely because of an acute need for a cheap, foreign labour force on a seasonal or temporary basis.⁴⁶

High skilled professions

As opposed to agriculture, where you have maximum flexibility for refugees, high-skilled employment and key professions remain out of reach for most Syrians in Jordan and Turkey. In Jordan, foreigners including Syrians can only be employed in a limited number of industries and roles. Key professions, such as teaching, engineering, accounting, medical work and skilled blue-collar jobs in car mechanics and hairdressing are reserved exclusively for Jordanians. Skilled Syrians have to either work informally or apply for a work permit that does not reflect their real occupation.⁴⁷

38 Stave, Svein Erik and Solveig Hillesund (2015) [Impact of Syrian refugees on the Jordanian Labour market: Findings from the governorates of Amman, Irbid and Mafraq](#), ILO Regional Office for Arab States and Fafo Institute for Applied International Studies, 2015.

39 IRC (2017) [In Search of Work: Creating Jobs for Syrian Refugees: A Case Study of the Jordan Compact](#), February 2017.

40 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

41 Kellberer and Sullivan (2017) [Challenges and Successes of Jordan's Work Permit Program for Syrian Refugees After One Year](#).

42 IRC (2017) [In Search of Work](#).

43 İçduygu, Ahmet (2016) [Turkey: Labour Market Integration and Social Inclusion of Refugees](#), Policy Department A Study, IP/A/EMPL/2016-13, December 2016.

44 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

Rezzaz (2017) [A challenging market becomes more challenging](#).

45 ILO (2017) [Jordan issues first-of-their-kind work permits to Syria refugees in the Arab region](#).

46 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

Rezzaz (2017) [A challenging market becomes more challenging](#).

47 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

By contrast, Turkey offers some more opportunities, albeit to a limited extent. Highly skilled Syrians can access the Turkish labour market through the framework of the International Labour Force Law, passed in 2016.⁴⁸ This law is designed to attract skilled migrants, applies to all nationalities and omits special provisions for refugees, who may lack documentation of their qualifications or face challenges in having them recognised. However, the government started an accreditation programme for Syrian medical professionals with support from the WHO in 2016.⁴⁹ This programme is designed to enable recognised Syrian doctors and nurses to formally work at migrant health centres, which the government has set up in areas with large Syrian populations.⁵⁰ While this initiative creates opportunities for Syrian medical personnel to work legally, thereby advancing their economic integration to some extent, it also bars them from working outside a pre-determined framework, thereby excluding them from the regular, domestic labour market more broadly speaking.

Self-employment

Another important aspect of economic integration is to give refugees the opportunity to set up their own businesses. Jordanian company law does not impose extra requirements on non-Jordanians seeking to establish a business legally. However, they must demonstrate legal residency status, usually through a valid passport with an entry stamp and a residency card. Most refugees lack this type of documentation.⁵¹ Furthermore, for a refugee to start up his or her own business, he or she must identify a Jordanian business partner, who should own at least 49% of the company in some sectors, an additional hurdle and one that could lead the refugee to be exploited at the hands of the business partner.⁵²

In addition, many applications by Syrians to establish businesses get rejected.⁵³

Despite such issues and a strong demand for self-employment among Syrian refugees, the Jordan Compact makes no provision for self-employment. Similarly, there is no provision clarifying the legal framework for home-based businesses, which could greatly support the integration of female refugees into the national workforce, as most Syrian women consider working outside the home to be either unacceptable or irreconcilable with childcare duties.⁵⁴ This has important implications for the self-reliance of a household, as a single male breadwinner working in formal employment at or near the minimum wage will likely not earn enough to meet the expenditures of a typical household.⁵⁵

Due to its larger economy in terms of GDP and, according to the World Bank, better conditions for starting businesses, Turkey has presented Syrian refugees with more opportunities in this area. From 2011 to early 2017, Syrians started over 6,000 new formal businesses, and an estimated additional 10,000 informal ones. In the first four months of 2017 alone, new Syrian-owned companies numbered 677, which could mean over 2,000 additional new companies by the end of 2017. The share of new Syrian-owned firms among all new foreign-owned firms in Turkey has also steadily increased; this figure was 39% in 2016. Syrian entrepreneurs do not need a local partner, although studies show that those who have one tend to be more successful. What is more, no formal regulations to facilitate the creation of Syrian businesses have been established thus far. Among the challenges faced by Syrian entrepreneurs are problems in getting visas, a lack of information about relevant legislation and regulations, language barriers and insufficient guidance on how to establish companies.⁵⁶

48 İçduygu (2016) [Turkey: Labour Market Integration and Social Inclusion of Refugees](#).

49 WHO (2017) [World Refugee Day: WHO training enables Syrian doctors and nurses to provide health care in Turkey](#), Press release, 19 June 2017.

50 *Ibid.*

51 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

52 *Ibid.*

53 *Ibid.*

54 *Ibid.*

55 Kellberer and Sullivan (2017) [Challenges and Successes of Jordan's Work Permit Program for Syrian Refugees After One Year](#).

56 Building Markets and Syrian Economic Forum (2017) [Another Side to the Story: A market assessment of Syrian SMEs in Turkey](#), 20 June 2017.

Provisions for fostering formal employment in Jordan and Turkey have opened up some new opportunities for the economic integration of Syrian refugees by allowing and facilitating their legal employment and thus their access to benefits like social security and vocational training, as well as basic protection against exploitation. However, the single-employer, annual work permit scheme can still result in exploitation, and does not necessarily protect against systemic discrimination. Legal, high-skilled employment remains difficult to achieve. Formalised work can yield mixed results for refugees who do not plan to settle in their host countries for the long-term. Informal employment among Syrians remains the norm for a number of reasons including misinformation (Jordan), or a lack of incentives to hire Syrians (Turkey). The following section will expand further on these while analysing the economic integration of informal foreign workers, including Syrian and non-Syrian refugees, as well as migrant workers.

Informal work for foreign nationals

Whereas some refugees in Jordan and Turkey have managed to secure formal work permits, which yield mixed results in terms of economic integration, most other refugees and other foreign nationals in other countries neighbouring Syria are only able to access informal work, if at all.⁵⁷ In Lebanon, it is almost the only option for refugees. Although Syrians could once work freely in Lebanon under the terms of a 1993

bilateral agreement, their access to legal status, let alone formal work, has been heavily curtailed since 2015.⁵⁸ The new regulations affected not only new arrivals, but also refugees already regularly present in Lebanon, who, after 2015, lost their regular status.⁵⁹ At the same time, the Lebanese government urged UNHCR to stop registering Syrian refugees.⁶⁰ According to the 2017 Vulnerability Assessment of Syrian refugees in Lebanon, only 31% of Syrian refugees answered that one household member or more held a legal residency permit.⁶¹

Who is working informally? And why?

Loss of legal status is only one cause leading to informal work arrangements. Situations of informality are common in all three countries, even among nationals, and can arise in many different circumstances, fostered by a lack of enforcement measures against irregular employment, such as in Turkey.⁶² Sometimes, the employer cannot provide a one-year contract or make the social security contributions necessary for a work permit in the first place. In other situations, a formal employer-employee relationship can devolve into an informal one, because the employer did not renew a previous work permit, or because the worker ran away from an exploitative employer.⁶³ While such situations rarely result in severe consequences for the employer, informal workers caught by authorities can face protection risks such as detention and deportation, as well as other risks inherent to irregular situations.⁶⁴ The vast majority of refugees, including Syrians, in the

57 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

58 In 2015, the entry regulations in Lebanon tightened and Syrians were allowed into Lebanon only if their permanence fitted approved entry categories. The category for "displaced" persons required compliance with one of the other categories, or with the Government's "humanitarian exceptions criteria", which do not necessarily apply to all Syrians. Moreover, a USD 200 fee was raised every six months instead of every year as was the case prior to 2015. Additionally, a number of documents had to be presented, including a complicated process to prove legal housing arrangements. Syrian refugees got divided in two groups: those registered with UNHCR, and those who were not. Those registered with UNHCR had to sign a pledge not to work in front of a notary, which was lifted only in 2016. Those not registered with UNHCR needed a Lebanese sponsor. In February 2017, the USD 200 fee was waived for all refugees registered with UNHCR. While these represent two thirds of all Syrian refugees in Lebanon, one third (500,000 people) remained excluded. UNHCR stopped registering Syrian refugees in 2015, at the urge of the Lebanese government.

59 Government of Lebanon and the UN (2017) [Lebanon Crisis Response Plan 2017 – 2020](#), January 2017.

60 HRW (2017) [Lebanon: New Refugee Policy a Step Forward: Open the Door to Legal Status for All Syrian Refugees](#), 14 February 2017.

61 OCHA (2017) [Lebanon: Humanitarian Bulletin](#), Issue 29, 31 October 2017.

62 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

63 Migrant Forum in Asia (2012) [Reform of the Kafala \(sponsorship\) System](#), Policy Brief No. 2, 2012.

64 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

region are without access to formal work, and join other foreign nationals working in the informal sector, where they face similar challenges in terms of exploitation.

Both Turkey and Jordan host a substantial population of refugees of diverse nationalities, who face unique challenges in accessing formalised work. As of 30 September, 145,000 Afghans, 140,000 Iraqis, and 32,000 Iranians are registered as “conditional refugees” in Turkey, who should ultimately be resettled by UNHCR, a process that may take many years.⁶⁵ In theory, conditional refugees can access legal employment, but are subjected to restrictions in their freedom of movement, unlike Syrians. They are also limited in their access to livelihood options, making formalised work difficult in practice.⁶⁶ Conditional refugees are dispersed across a number of so-called “satellite cities” assigned to them by the Turkish government, and require permits to leave these cities. Every two weeks conditional refugees need to check in with local authorities. If they fail to check in three times in a row, they risk having their asylum application withdrawn. Istanbul, Ankara, and Izmir, Turkey’s largest cities where the greatest number of livelihood opportunities can be found, are not listed as satellite cities. Even when they can find work in satellite cities, many conditional refugees lack documentation, due to the lengthy bureaucratic procedures involved in acquiring such documentation.⁶⁷

Similarly, in Jordan, refugee minorities such as Sudanese, Yemeni, and Somalis work informally, because employers do not have the same incentives to hire them legally as they do for Syrians.⁶⁸

Non-Syrian irregular migrant workers are also an important feature of the informal economy in the region. In Turkey, migrants from Central Asia and the Caucasus have long been a feature of the informal labour market.⁶⁹

Most often they find themselves in Turkey, in transit, waiting to leave for third country destinations. Others enter Turkey within the context of seasonal migration movements. In both cases, they may be in the country illegally, or on visas that do not allow them to work. For this reason, their presence in the country has always been understood as temporary.⁷⁰ In Lebanon, the majority of migrants working in the informal sector have been of African and East Asian nationality.⁷¹ In mid-2016, of the 800,000 foreign workers active in Jordan, only 300,000 had regular permits.⁷² Irregular migrant workers in Jordan are typically Egyptian or from south and southeast Asia.⁷³

Characteristics of informal work

Informal jobs tend to be found in the service industry: in unskilled sectors like construction, cleaning and domestic work, in skilled fields like carpentry and textile production, and in skilled and unskilled agricultural work. These are sectors that have traditionally been open to foreign labour. Informal jobs can be full-time, but they are often part-time and seasonal (for example, construction work), or with infrequent shifts (as is the case in bakeries in Jordan), where employees work on call to meet spikes in demand.⁷⁴ In Turkey, some sectors, such as tourism

65 UNHCR (2017) [Factsheet](#), October 2017.

66 Izza Leghtas and Daniel Sullivan (2016) “[Except God, we have no one](#)” [Lack of Durable Solutions for Non-Syrian Refugees in Turkey](#), Refugees International Field Report, February 2016.

67 [Ibid.](#)

68 Mixed Migration Platform (2017) [Displaced Minorities: Part II: Experiences and needs of Somali, Sudanese and Yemeni refugees and other migrants in Jordan](#), Feature Article, April 2017.

69 Kirisci, Kemal (2003) [Turkey: A Transformation from Emigration to Immigration](#), Profile, Migration Policy Institute, 1 November 2003.

70 Toksöz, Gülay et al. (2012) [Irregular labour migration in Turkey and situation of migrant workers in the labour market](#), IOM, October 2012.

71 De Bel-Air, Françoise (2017) [Migration Profile: Lebanon](#), EUI Robert Schuman Centre for Advanced Studies, Issue 2017/12, May 2017.

72 De Bel-Air, Françoise (2016) [Migration Profile: Jordan](#), EUI Robert Schuman Centre for Advanced Studies, Issue 2016/06, November 2016.

73 Olwan, Mohamed Y. (2008) [Irregular Migration in Jordan – A Policy of No Policy](#), EUI Robert Schuman Centre for Advanced Studies, CARIM Analytic and Synthetic Notes 2008/60 – Irregular Migration Series, Legal Module, 2008.

74 Government of Lebanon and the UN (2017) [Lebanon Crisis Response Plan 2017 – 2020](#); Mixed Migration Platform (2017) [Displaced Minorities](#); Toksöz et al. (2012) [Irregular labour migration in Turkey and situation of migrant workers in the labour market](#).

and construction, are highly reliant on the work of these migrants.⁷⁵ High-skilled work in the informal sector, however, is difficult to access.⁷⁶ In Jordan, many foreign workers in the informal sector also often work only at night or on weekends, when labour inspectors are less likely to patrol.⁷⁷

A number of self-employed Syrian refugees work informally. There are an estimated 10,000 informal Syrian-owned companies in Turkey alone.⁷⁸ In Jordan, home-based businesses run by Syrian refugee women are not formalised, but rarely detected. Most home-based enterprises focus on food preparation and small-scale craftwork, such as occasional pieces of embroidery or sewing work for neighbours.⁷⁹

Informal worker integration

Opportunities to set up and own businesses in the informal sector create some opportunity for strengthening at least de facto integration. There have been reports of integration outside the channels of formal employment in Istanbul that should not be ignored, although they are still linked to a certain degree of precariousness that comes with the informal nature of employment.⁸⁰

Most of the time, the informality of employment translates into less opportunities for integration. This is linked to a lack of job security and a stable income, a lack of (basic) legal protection against exploitation and discrimination, and the inability to access long-term benefits such as social security, unions and legal redress channels.⁸¹ Additionally, the fact that high-skilled jobs are largely unavailable in the informal sector causes many educated migrants

to work in professions that do not match their skill level. This is the case for Syrian refugees, especially in Turkey, but also for Sudanese in Jordan.⁸²

The three countries examined in this paper have large informal economies and nationals often work in the informal sector; such employees tend to come from lower-income backgrounds.⁸³ As a result, refugees and other foreign nationals in the informal economy are forced to compete with nationals for low-wage jobs, leading to possible animosity and negative attitudes towards refugees. The Jordan Compact promises to combat this through simultaneous employment creation for vulnerable Jordanians.

Despite the lack of protection and limited opportunities, informal employment, in some cases, can better address the needs of refugees for immediate income and temporary and flexible working schedules. These facts are particularly striking when compared with exploitative forms of formal employment, which will be discussed in the next section.

Migrants within the sponsorship (Kefala) system

A form of labour migration widespread in the Levant and the Gulf states (but not in Turkey⁸⁴) is the Kefala, or sponsorship, system. In both Jordan and Lebanon, the Kefala system only allows foreign migrants to work in such low-skilled professions as domestic work, manufacturing, agriculture and construction.

75 Toksöz et al. (2012) [Irregular labour migration in Turkey and situation of migrant workers in the labour market](#).

76 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

77 [Ibid.](#)

78 Building Markets and Syrian Economic Forum (2017) [Another Side to the Story](#).

79 [Ibid.](#)

80 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#).

81 Gatti et al. (2014) [Striving for Better Jobs: The Challenge of Informality in the Middle East and North Africa](#), Toksöz et al. (2012) [Irregular labour migration in Turkey and situation of migrant workers in the labour market](#)

82 Bellamy et al. (2017) [The lives and livelihoods of Syrian refugees](#); Mixed Migration Platform (2017) [Displaced Minorities](#).

83 Berti, Benedetta (2017) [Lebanon's Short-Sighted Refugee Policy](#); Gatti, Roberta et al. (2014) [Striving for Better Jobs: The Challenge of Informality in the Middle East and North Africa](#), World Bank Group, Directions in Development: Human Development, 2014.

84 While foreigners are tied to a single employer in Turkey, there are no widespread practices of exploitation and total control. This does not mean that they necessarily do not occur, but they are less common and remain under the radar.

In Lebanon, the majority of permit holders are domestic workers from Southeast Asia.⁸⁵ In Jordan, the labour market is largely comprised of two main groups: females, from South and Southeast Asia, who work primarily in domestic work or the garment sector, and males, mostly Egyptian, who work in agriculture and construction.⁸⁶

In the Kefala system, migrant workers cannot enter the host country legally without being sponsored by a national (the employer). Because the worker's immigration status is tied to the employment contract, the worker cannot change jobs nor leave the country without first obtaining explicit, written permission from the employer.⁸⁷ If the migrant worker tries to leave without the permission of the employer, they may have to forfeit earnings or other claims they are owed, such as their return ticket home. Workers may, nevertheless, be refused permission to leave or be detained.⁸⁸ Although theoretically illegal, the practice of retaining a worker's identity documents and passport is common.⁸⁹

Economic integration in the Kefala system

Because the Kefala system places full responsibility for the migrant worker on the employer, it creates an extreme power imbalance between the two. As a result, the rights of

migrants are strongly curtailed, which prevents them from accessing the kind of protection that would foster their economic integration. While there are some cases in which the migrant worker can unilaterally withdraw from the work arrangement, these are difficult to achieve in practice, due to language barriers and a lack of legal support.⁹⁰ Rights to collective bargaining are similarly limited - in Jordan, migrant workers may join (but not found) a union, whereas in Lebanon they have no such rights.⁹¹ Domestic workers are considered particularly vulnerable to exploitation, as they are almost exclusively female, and often live in isolation as they are prevented from leaving the house.⁹² The case of domestic workers in Lebanon is particularly striking, as they are explicitly excluded from the labour code, and are thereby excluded from minimum wage requirements.⁹³ This is not the case in Jordan, which was the first Arab country to integrate domestic workers into their labour laws.⁹⁴ As a result of these precarious working conditions, several migrant-sending countries (Ethiopia, the Philippines, Nepal and Madagascar) have banned their nationals from emigrating to Lebanon (or the broader region) as domestic workers.⁹⁵ The bans reflect concerns that migrant domestic workers will likely be exposed to mistreatment and exploitation in Lebanon as a result of the lack of labour protection and legal redress in Lebanon.⁹⁶

85 De Bel-Air (2017) [Migration Profile: Lebanon](#).

86 De Bel-Air (2017) [Migration Profile: Jordan](#).

87 Frantz, Elizabeth (2012) "Jordan's Unfree Workforce: State-Sponsored Bonded Labour in the Arab Region" in *The Journal of Development Studies*, 49(8), 2013.

88 Ellouk (2017) [One man's curse is another man's blessing](#).

89 ILO (2017) *Migrant domestic and garment workers in Jordan: A baseline analysis of trafficking in persons and related laws and policies*, ILO Fundamental Principles and Rights at Work Branch, 2017; KAFA (2012) [Policy Paper on Reforming the "Sponsorship System" for Migrant Domestic Workers: Towards an Alternative Governance Scheme in Lebanon](#), January 2012.

90 Mansour-Ille, Dina and Maegan Hendow (2017) [Lebanon Case Study: Migrant Domestic Workers and the 2006 Crisis](#), ICMPD Migrants in Countries in Crisis, 2017.

91 ILO (2017) [Migrant domestic and garment workers in Jordan](#).

92 KAFA (2012) [Policy Paper on Reforming the "Sponsorship System" for Migrant Domestic Workers](#).

93 *Ibid.*

94 SDC (2014) [Labour Migration in Jordan](#), December 2014.

95 Mansour-Ille and Hendow (2017) [Lebanon Case Study](#).

96 Hamill, Kathleen (2011) [Trafficking of Migrant Domestic Workers in Lebanon: A Legal Analysis](#), COSV, KAFA, Permanent Peace Movement (PPM) and the Lebanese Center for Human Rights (CLDH), March 2011.

Despite its flaws, the Kefala system is socially accepted in receiving countries because it underlines the temporary nature of labour migration, and limits it to the duration of work contracts.⁹⁷ In this sense, it is a system that prevents and clashes with the very concept of integration and acceptance of a migrant within society. Even if a worker lives in the country long-term, s/he does not acquire the right to apply for citizenship, which is often understood as the ultimate step for achieving full integration. These realities allay host community fears about the negative impact of immigration on social cohesiveness and help to protect the domestic labour market from foreign competition.⁹⁸ In practice, however, migration under the Kefala system is often far from temporary, and leads to the segregation of large numbers of migrant workers from the socio-economic fabric of the society, regardless of how long they have been in a country. This leads to significant minorities of long-term or permanent de facto residents, as well as a number of second-generation migrants without a residency status.⁹⁹

Fake sponsorships: a grey area between Kefala and informal work

Because of the reliance on sponsorship for recruiting foreign labour, some workers enter into fake sponsorship relationships in order to formally acquire a regular status and enjoy the flexibility that is typically associated with informal work. This phenomenon occurs in both Lebanon and Jordan. In Jordan, under the alternative, black market sponsorship work permits, workers pay Jordanian individuals to act as sponsors for the purpose of the work permit without having a true employment relationship.

Workers buy these black market sponsorship work permits to maintain formal migration status, while seeking whatever employment is available, often moving between multiple employers. Based on estimates of the number of non-Jordanians working in Jordan, the number of work permits issued, and estimates of the extent of black market sponsorship, the majority of the non-Jordanian workforce fall outside of the formal workforce. As little as 17% of non-Jordanians are estimated to hold a work permit that matches their actual employer and occupation.¹⁰⁰ In Lebanon, many domestic workers pay a “fake” sponsor who acts as their guarantor in front of the authorities, and work independently, on an hourly wage.¹⁰¹ These workers are referred to as “freelancers” and are exposed to risks, including being cheated out of their money or being caught, detained and deported.¹⁰² At the same time, they enjoy more personal freedom than workers in the Kefala system, and are less exposed to exploitation, in the sense that they can change their employer more easily. If their arrangement with the fake sponsor holds, they can enjoy a certain degree of protection from deportation as their status is legal on paper.

The Kefala system shows how the mere legality of an employment relationship cannot be taken as a golden standard for integration. In this specific case, it possibly leads to less integration than informal employment would. Despite the lack of security, informal arrangements can leave migrants with more personal freedom (such as to switch employers). That is why fake sponsorship relationships, or even informal work, can be attractive to migrants, despite bearing significant risks.

97 Migrant Forum in Asia (2012) [Reform of the Kafala \(sponsorship\) System](#)

98 Ellouk (2017) [One man's curse is another man's blessing](#).

99 KAFA(2012) [Policy Paper on Reforming the “Sponsorship System” for Migrant Domestic Workers](#).

100 Rezzaz (2017) [A challenging market becomes more challenging](#).

101 ILO (2016) [Intertwined - An study of employers of migrant domestic workers in Lebanon](#), ILO Fundamental Principles and Rights at Work, Labour Migration Branch, 2016.

102 Mansour-Ille and Hendow (2017) [Lebanon Case Study](#).

Conclusion

In 2016, Turkey and Jordan passed new laws to facilitate the legal employment of Syrian refugees. While such policies have had both positive and negative effects on refugees and host communities alike, there has been little consideration of the interaction of deeper economic integration for Syrian refugees with the economic integration of other vulnerable groups on the move.

In all three countries examined, economic integration is yet to be achieved for refugees and other foreign nationals. An understanding of migration as a temporary phenomenon is still prevalent, despite large populations of protracted refugees and long-term migrant workers, and impacts all categories, regardless of status.

Another major hurdle to economic integration that affects all foreigners is that of systemic exploitation and discrimination that affects all foreigners in vulnerable situations, though discrimination through the Kefala system is particularly acute in this regard. This is important because it influences the way refugees and other foreign nationals are perceived by host communities (for instance, it can be linked to the causes of wage depression and unemployment).

While still facing challenges, Syrian refugees do, however, enjoy some privileged access to legal forms of employment – at least in Jordan and Turkey – that gives them an advantage over other groups. In Jordan especially, there is a fear that labour migrants traditionally active in some sectors will be pushed out by the facilitated employment of Syrians, transferring vulnerability from one group to another. At the same time, the fact that Syrians do compete for the same jobs as migrant workers who are mostly employed in the Kefala system raises fears about the likely exploitative conditions under which Syrians will be employed, which goes against the overall concept of economic integration.

Recommendations

- Promote vocational and professional training to enhance the skills of refugees and other foreign nationals. Facilitate access to high-skilled professions to those who possess the qualifications to continue their professional development. Help overcome perceptions of refugees and other foreign nationals as unskilled workers.
- Target vulnerable members of host communities with livelihoods initiatives and labour legislation in order to avoid competition and tensions between refugees, other foreign nationals and host country nationals for low-wage, often exploitative jobs.
- Design formal employment schemes to cater to the needs of refugees who do not see themselves settling in their host country. Ensure a degree of flexibility remains (also, for example, in reclaiming benefits when eventually returning), while bringing them under a legal umbrella granting a certain degree of protection.
- Reframe labour market integration policies towards long-term residency. This may be done, for example, through work permits that are not tied to a single employer.
- As more data on the impact of the Jordan Compact will be available, it could be valuable to analyse to what extent working conditions for Syrian refugees differ from those of migrant workers, and if their economic integration has advanced.



The Mixed Migration Centre (MMC) was established in February 2018. It brings together various existing regional initiatives – hosted or led by the Danish Refugee Council (DRC) – engaged in data collection, research, analysis and policy development on mixed migration issues into a new global network of mixed migration expertise.

The Mixed Migration Centre - Middle East & Eastern Mediterranean, provides quality mixed migration-related information for policy, programming and advocacy from a regional perspective. Our core countries of focus are Iraq, Jordan, Lebanon, Syria, Turkey, Israel/OPT and Greece.

For more information visit: mixedmigration.org

SUPPORTED BY:

