Exploring new approaches to urban refugee hosting in Kenya

Our research on Somali refugees in Kenya shows that their physical and economic wellbeing is being impacted by restrictions on mobility, lack of work permits and harassment. People in the Dadaab camp complex have few livelihood opportunities and their movement is restricted. They have low levels of wellbeing and feel imprisoned. While average wellbeing scores are higher in the city, many refugees struggle to get documentation and work permits and face harassment and extortion. Female refugee street vendors are especially at risk. Kenya's government is preparing new legislation to implement the 2021 Refugee Act. The new legislation could be an opportunity to improve the lives of thousands of refugees and support them in contributing to Kenya's future.

Kenya hosts 516,437 refugees and a further 95,976 asylum seekers, making it one of the top refugee-hosting countries in Africa. Most refugees in Kenya are from the Horn of Africa and Great Lakes region. The largest proportion is from Somalia (308,367 people or 50.4% of the total), followed by South Sudan, the Democratic Republic of Congo and Ethiopia. Since the opening of the Kakuma and Dadaab camps in the early 1990s, Kenya has operated a de facto encampment policy whereby all refugees are required to live in the camps, which are far removed from urban centres and economic opportunities. However, a significant proportion of refugees — estimated at 16% — have left or bypassed the camps to live in towns and cities.

As part of the Protracted Displacement in an Urban World (PDUW) project (see Box 1), IIED and partners led an extensive data-collection exercise in Kenya. The research aimed to deepen understanding of refugees' experiences of life in the camp and the city.

We developed two main analytical frameworks to draw out findings: wellbeing and displacement economies. We broke down the concept of wellbeing into five components — bodily, social, economic, political and psychosocial — and derived scores for each component for people who participated in a survey. We also developed a displacement economies framework to assess the collective economy created by refugees through their livelihood activities, enterprise, need for services and consumption, and through their mutual support and diaspora inputs.

We gathered qualitative and quantitative data with Somali refugees from two sites:

- The capital city, Nairobi (specifically the neighbourhood of Eastleigh, where many Somali refugees live)
- Dadaab, a camp complex in Garissa County.
A total of 92,778 refugees are officially registered in Nairobi, a city of roughly 4.4 million people. A quarter of them are Somalis, making them the second-largest refugee nationality living in Nairobi. The population of Dadaab has fluctuated considerably since its founding in 1991. According to UNHCR, it had a population of approximately 219,000 registered refugees in 2020, mainly Somalis.3

The quantitative analysis is derived from a random survey of 382 Somali refugees in Dadaab, 315 Somali refugees in Eastleigh, Nairobi, and 156 Kenyan nationals ('hosts') in Eastleigh. We also carried out in-depth qualitative interviews, exploring issues of wellbeing, livelihoods and enterprise in greater depth with 98 people across the two sites. The proportion of women and men surveyed and interviewed was roughly equal.

What did we find?
People in the camp feel imprisoned and have low levels of bodily and economic wellbeing

Dadaab camp is located in Garissa, one of the most underdeveloped regions of Kenya. Our survey showed significantly lower levels of bodily wellbeing for refugees in the camp compared with Nairobi. This was driven by higher levels of food insecurity: 79% of respondents in Dadaab experience stressful, critical or emergency food insecurity, compared with 41% in Eastleigh. Poor shelter also contributes to low bodily wellbeing in Dadaab: around 30% of respondents live in makeshift shelters. Qualitative interviews revealed that people live without shelter in the camp while awaiting registration, which can take many months.

The harsh agro-climatic conditions and weak market linkages in Garissa negatively impact sustainable livelihood opportunities for both refugees and host communities.4 This is compounded by movement restrictions. Refugees need valid government documentation to leave the camps. Obtaining a pass to travel is time consuming, and many people are not able to leave, describing the camp as a prison. To travel without valid documentation, refugees must pay substantial bribes at military and police roadblocks.

Unsurprisingly, given its remote location, restrictions on movement and limited employment opportunities, economic wellbeing is considerably lower in Dadaab than in Eastleigh. On average, only 5% of refugees in the camp reported having a ‘comfortable’ or ‘very comfortable’ financial situation compared with 34% of displaced respondents in Eastleigh. This is despite free rent and services in Dadaab.

Only 33% of men and 16% of women were working in Dadaab, in contrast to 64% of men and 47% of women in Eastleigh. Moreover, of those employed, most are non-governmental organisation (NGO) ‘incentive workers’, which is akin to volunteering. This is often temporary and pays less than a wage. Among in-camp refugees we surveyed, 68% receive humanitarian assistance in the form of cash transfers from the World Food Programme, demonstrating how the camp economy and refugee purchasing power are dependent on aid flows.

Refugees who have managed to establish businesses face mobility restrictions that significantly reduce their earnings and expansion potential and render them dependent on middlemen who exploit the situation to inflate prices. This is particularly problematic in the camp, where refugees’ cash income is so limited.

The Government of Kenya should lift restrictions on movement for people living in camps to enable refugees to build livelihoods outside the camps and contribute to the regional economy.

The city provides more opportunities for a decent life and livelihood — for some

The 2021 Refugee Act allows refugees with a permit to live outside camps. Those who want to work in the formal sector currently need a ‘Class M’ work permit, but in practice, these are difficult to access. As a result, most refugees work in the informal sector, using their networks to find employment. Somali refugees

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**Box 1. Out of camp or out of sight?**

Protracted Displacement in an Urban World’ (PDUW) was a comparative mixed-methods research project focusing on the wellbeing and livelihoods of displaced people in camps and urban areas in Afghanistan, Ethiopia, Kenya and Jordan. It had three main aims:

- To build an evidence base on the opportunities and challenges of hosting displaced people in camps compared with urban areas
- To assess current responses to protracted displacement in towns and cities and to raise awareness of unmet needs and economic contributions of refugees and Internally Displaced People (IDPs)
- To support municipal authorities and other local actors in using participatory planning to co-produce innovative and inclusive solutions to forced displacement in cities.
wanting to establish a business often find it easier to create partnerships with Kenyan nationals of Somali heritage, who formally register the enterprise.

Our interviews suggest that Eastleigh is an environment where refugee enterprises can flourish, potentially expanding from street hawking to eventually owning several businesses, although some refugees remain in a precarious situation for years.

Feelings of self-worth and accomplishment are strong among Eastleigh refugee entrepreneurs, particularly among those who are creating employment for refugees and hosts and supporting new refugee entrepreneurs:

“When you are setting up your business, you will be supported on the do’s and don’ts by other refugees who are already in such businesses, and it is very helpful. They share numbers of suppliers and even sometimes vouch for us.”

Male refugee entrepreneur (age 26), Eastleigh

Our findings suggest support from the Somali community in creatively circumventing regulations and overcoming obstacles is critical to business success in Eastleigh. However, access to networks is mediated by a person’s clan affiliations and position within the Somali community.

**Urban life is tough for many refugees, particularly women**

Our data showed a much wider spread of wellbeing scores in the city than in the camp. While average scores were higher in Eastleigh, many refugees in the city are really struggling to get by. The widely held stereotype of wealthy Somali refugee entrepreneurs does not hold true for all, and there are significant differences between men and women.

In both locations, female-headed households were likely to experience a higher risk of food insecurity than male-headed households in the same locations. This gendered difference is also reflected in our qualitative interviews with women in Nairobi, in which those who were widowed, divorced or separated described serious difficulties in providing for their families. Despite this, a number of women said they chose to go to the city specifically because they were single mothers. In the absence of family support networks in the camp, they saw earning money in the city as the only option for their family’s survival.

Female Somali refugee street hawkers are one of the most vulnerable groups in Eastleigh. Mostly undocumented, with little education, they face rejection from their community which considers it inappropriate for women to work in the streets. Some business owners see street hawkers as a nuisance and unfair competition. They routinely face police harassment and extortion and have their goods stolen. Their lack of Swahili adds to the feeling of being defenceless. For example, refugees can be asked to pay non-existent taxes or fees. In response, women organise rotating savings schemes called ‘ayuutos’ or pool resources to support members when their goods are confiscated, for hospital or school fees, or for business loans. However, those with irregular profits find it difficult to join due to the requirement to make regular payments.

Some refugee women we interviewed referred to sexual harassment on work premises or being assaulted while street hawking. Managing households, childrearing and running a business is a particular problem for women refugees without family support networks. Many such women would benefit from assistance, low-cost childcare and business training. These measures would have knock-on benefits for their children.

“I get really worried whenever I leave my kids. Sometimes I ask people to stand in for me at work so that I can go and check whether my children are okay. I live with my kids alone, and my older daughter who is only 16.”

Female refugee entrepreneur (aged 31), Eastleigh

Because many agencies assume that refugees who have moved to the city are ‘self-reliant’, vulnerable displaced people in Nairobi struggle to receive humanitarian assistance or the services they need. Women street hawkers, for example, would benefit from support from NGOs and other agencies with childcare, adult education, language and business skills. This would lead to improved livelihoods as well as potentially contributing to their safety on the streets.

**Police harassment and problems with documentation limit mobility in the city**

Somali refugees living in Eastleigh report regular police harassment, bribe-taking and threats of detention. Harassment is common for all informal workers in Nairobi, but refugees additionally experience xenophobia due to an
assumed association between Somali refugees and terrorism, piracy and arms smuggling.

Our qualitative interviews highlighted difficulties in obtaining the right ID. Not all refugees interviewed in Eastleigh had managed to register as urban refugees or to transfer their registration from the camp. This can cause problems: several interviewees in the city had been told to ‘go back’ to the camps to access services — even those who had never lived there.

While there are no official restrictions on mobility in Nairobi, all interviewees noted a higher risk of arrest at night and in areas less frequented by Somalis. As a result, refugee mobility is restricted; many described strategies to avoid arrest, including limiting their movements to daylight hours and staying within the Eastleigh neighbourhood.

Police harassment also has a negative impact on livelihoods. Many refugees told us they wanted to register their enterprise to avoid problems with the police or local authorities, who scrutinise their activities, looking to fine them or extort bribes. Lack of ID further exposes unregistered urban refugees to police extortion and can lead to threats of deportation.

While not a silver bullet, refugees would benefit from speedier processes for issuing and renewing IDs in the city and for registering enterprises. This would improve their livelihoods and their wellbeing, as documentation facilitates access to basic services. Both UNHCR and the Nairobi City County Authority should raise awareness among police and service providers about refugee rights and streamlining documentation processes. This has worked in the past: efforts by the UN and Nairobi County in the 2000s resulted in clear benefits for urban refugees.7

Looking forward: recent legislation has the potential to create positive change

A new Refugee Act became law in Kenya in 2021. It does not refer explicitly to mandatory encampment but provides for the establishment of ‘designated areas’ for refugees.8 These areas have yet to be delineated and, according to key informant interviews, camps will likely remain in place. The practicalities of implementing the new law are still being developed.

The Government of Kenya has indicated that the new policy aims to facilitate a transition from the current camp model to ‘integrated settlements’ that will improve service delivery for both refugees and the host community and promote self-reliance and resilience.8 While these commitments suggest an approach premised on enabling refugees to enjoy greater independence, it remains unclear to what extent rights, including freedom of movement, will be granted to refugees within the new settlements approach. The continued focus on camps or settlements ignores the potential for many refugees, with support, to achieve sustainable and dignified livelihoods in towns and cities. In situ support for urban refugees would also help the Government of Kenya achieve its public pledges to increase refugee ‘self-reliance’ while also reducing urban poverty and protecting the most vulnerable displaced men and women.

Kenya is at a turning point with regard to refugee policy. There is a real opportunity for the Government of Kenya to use new legislation to achieve a qualitative shift in the lives of thousands of refugees. Reducing restrictions on refugee movement, fostering an enabling environment for refugee work and business in towns and cities, and supporting the most vulnerable urban refugees would have a profound impact on refugees’ wellbeing and livelihoods. In turn, this would allow refugees to make enhanced contributions to Kenya’s society and economy.

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Notes

1 According to figures from the UNHCR Data Portal, as of May 2023.  
5 For a discussion, see: Earle, L (2023) Why the international community is failing urban refugees: four myths about protracted displacement. IIED, London. iied.org/21631iied  