



Systemic Approach to Inclusive Markets (SAIM)

Factsheet - Djibouti

Background

Djibouti is currently hosting over 27.000 refugees and asylum seekers. Of this number, 78% are based in three camps, Ali Addeh, Holl Hol and Markazi, and 29% are settled in urban areas, mostly in Djibouti City. The largest number of refugees, 15.442, are located in Ali Addeh camp. The majority of the refugees in Ali Addeh camp were originally from Somalia, 67% and a substantial percentage are from Ethiopia, 30%. Eritreans living in the camp make up 3% of the population. The profile of the refugees living in Holl Holl camp is similar to that in Ali Addeh camp, but the total number is smaller. Of the total of 2.274 refugees 51% were originally from Somalia, 41% from Ethiopia and 7% from Eritrea. The third camp is Markazi, in the Obock region. The great majority of the 2.145 refugees in Markazi camp, 98%, are from Yemen.

Djibouti has a deeply dualistic economy. On the one hand, it has a sophisticated, rapidly growing modern sector, based mainly on rental revenue from the ports and foreign military bases. On the other hand, it has a large number of people in unemployment and a growing informal sector where productivity levels and incomes are low. Drought is driving increasing numbers of rural people towards the urban areas, accentuating this dualism.

Djibouti has for long lacked a fully-fledged body of law governing refugee issues. Up until now refugees are often arrested in police round ups and detained for one or two days before they are released and ordered to return to the refugee camp. Refugees do not, in practice, enjoy access to formal employment, or to education and training opportunities. However, a new Refugee Law, promulgated on 5 January 2017, has, in theory, radically changed this situation. The law provides refugees with rights that places them on an equal footing with the citizens of the country.

Problem analysis

While the new Refugee Law promulgated in early 2017 is now in effect, it is likely that enforcing this new law requires further work. In particular, it cannot be assumed that all employees of all concerned institutions (police, coast guards, training centers, banks, employment services, etc.) receive information about the new law and have the relevant know-how to enforce the law. A lack of information and know-how of relevant institutions will in effect make it hard for refugees to exercise their newly gained rights and hamper their livelihood options. Equally, it is unlikely that information about rights and opportunities that the new Law provides will trickle down automatically to refugees. Without knowledge and information about the new Law, refugees will miss out on opportunities created by the new legal framework.

The market assessment showed that within Djibouti, significant regional differences exist with regard to livelihoods opportunities. The camps of Holl-Holl and Ali Addeh are situated in marginalized locations far away from Djibouti's commercial and transport hubs where very few livelihood opportunities exist. Opportunities exist in the region of Obock in the fisheries sector as well as in Djibouti City, mainly in the services sector. With regard to the fisheries sector in Obock, refugees, up until now, did not have the possibility to apply for fishing licenses. They therefore either engage in informal small-scale fishing in hidden

spots around the camp, or work for locals with licenses which results in dependence of these locals and reduced income. The new Refugee Law should in principle make it possible for refugees to apply for fishing licenses. This however will require working with the relevant authorities, as well as with the local fishermen association to make sure that the new Law is understood and enforced. Refugee fishermen report furthermore that necessary material for fishing (nets, boats, maintenance equipment, etc.) is only available in Djibouti City. Refugees' and host communities' livelihoods opportunities in the fisheries sector are further hampered by limited access to markets and limited information about potential markets. For lack of means to transport the fish to more profitable markets, refugees often sell the fish within the camps. But demand for fish within camps is often limited and as no cold storage facilities exist within the camps, refugees are often forced to give the fish away for free. Even fishermen of host communities suffer from volatile markets and price fluctuations, making it hard for them to maximize profits.

Opportunities also exist in a variety of service sectors in Djibouti City. It was reported that there is large unsatisfied demand for childcare services and day care centers that could be exploited, particularly by refugee women. Furthermore, several refugees have successfully opened restaurants and particularly Yemeni cuisine is very popular in Djibouti. Refugees are currently not fully exploiting these opportunities, seemingly for lack of information about these opportunities.

Recommendations

It is recommended to focus interventions on spreading information about provisions of the new Refugee Law to relevant institutions and to refugees themselves, and on the promotion of livelihood opportunities in Djibouti City and the region of Obock where opportunities exist in the services and fisheries sector respectively. Recommended interventions can be grouped into three broad categories as outlined in the following:

Information and sensitization on the new Refugee Law:

- Launch information campaign about new Refugee Law with relevant institutions, police and coast guard to ensure that all relevant institutions know about refugees' newly gained rights and are ready to respect these
- Launch information campaign for refugees to inform them about their rights and opportunities under the new Law and ensure they understand implications of these

Strengthen access to services and skills development opportunities for refugees:

- Establish reception centers in Djibouti City to that will inform refugees about their rights, advise on opportunities on the market and direct them to relevant public services such as trainings, microfinance, employment placement services, etc.
- Liaise with relevant public and private institutions to guarantee access of refugees to services and reinforce capacity of these institutions to provide effective services such as entrepreneurship trainings, technical trainings, microfinance, coaching, employment placement services, etc.

Develop fisheries sector to promote employment creation for refugees and host communities:

- Improve access of refugee and host community fishers to necessary input material (boats, nets, maintenance equipment, etc.) by creating links to suppliers in Djibouti City
- Connect fishers to potential off-takers, commercial buyers and/or processors in Djibouti City for improved access to markets
- Promote the integration of refugees in fishery cooperatives in Obock and reinforce capacity of cooperatives to better service their members, including through cooling infrastructure