

Ready to Work

De Facto Barriers and Opportunities to Refugees' Right to Work in Uganda

August 2026



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The Norwegian Refugee Council (NRC) is an independent humanitarian organisation helping people forced to flee. We work in crises across 40 countries, providing emergency and long-term assistance to millions of people every year. We stand up for people forced to flee, advocating for their rights.

This report was written by Cassandra Mathie with additional research support provided by Claire Birungi Agaba. Jackson Mugazi led the data collection and provided support with analysis.

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Cover photo: Kenneth Mulinde/NRC

Youth skills training in Kyangwali Refugee Settlement, Uganda.



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1 Executive Summary

Background and Purpose

With funding from UNHCR, the European Union and the Government of Norway, the Norwegian Refugee Council conducted a comprehensive assessment legal analysis and participatory consultations during October – December 2025 to examine the operationalisation of refugees' right to work in Uganda. The assessment generated evidence-based insights and actionable recommendations on the barriers limiting refugees' access to decent and protected employment and sustainable livelihoods, with the aim of informing inclusive policies and programming.

Uganda's legal framework formally grants refugees the right to work, to move freely, and to establish businesses. However, evidence from Kampala and Nakivale Refugee Settlement shows that these rights are frequently undermined in practice by administrative systems and labour-market conditions that are difficult to navigate. The findings demonstrate a persistent gap between legal entitlement (*de jure*) and practical access (*de facto*). These challenges arise from a combination of legal ambiguity, administrative complexity, and practical constraints within labour markets.

At the same time, limited disaggregated data on refugees' qualifications, skills and prior work experience, constrains the ability of policymakers, donors and implementing partners to design targeted labour-market integration strategies.

Methodology

The assessment used a mixed-methods approach, combining a household survey of 741 refugee households, (351 in Kampala and 390 in Nakivale), with complementary focus group discussions and key informant interviews. Quantitative data were collected on employment status, education, income sources, and access to support, while qualitative data examined how refugees experience labour-market exclusions, administrative systems, and livelihood decision-making in practice. A legal and policy review complemented the empirical findings and is also complemented by NRC legal aid programme experience on the ground.

Key Findings

Refugees across both Kampala and Nakivale demonstrate sustained engagement with work and clear aspirations for self-reliance, despite prolonged structural barriers to labour-market access. Many possess prior work experience, secondary or post-secondary education and professional skills. These capacities, however, are consistently challenged by structural and administrative barriers that limit access to stable and protected employment.

Across both locations, many refugees remain unemployed or engaged in unstable forms of work, with access to formal employment exceptionally limited. Overall, 61

per cent of surveyed respondents are unemployed. Only 12 per cent were engaged in wage employment (formal or informal), while 27 per cent (195 respondents) relied on self-employment or small-scale enterprise activities. Formal employment is exceptionally rare, affecting just 1.7 per cent (12 respondents) across the entire sample. Time spent in Uganda does not translate into improved access to salaried or career-grade work, indicating that exclusion is structural rather than transitional. Refugees rarely experience employment barriers as single or discrete challenges. Instead, many describe navigating several constraints at the same time, with administrative, economic and social pressures intersecting in ways that shape daily decision-making, mobility and wellbeing.

In response to limited wage employment, refugees increasingly rely on self-employment as their primary livelihood pathway. Approximately one-quarter of respondents depend on self-employment, yet 72 per cent of these activities operate without formal registration. This pattern reflects constrained access to regulated employment, with self-employment functioning primarily as a coping response to administrative and labour market exclusion rather than as a pathway to stability or growth. Most refugee-run activities operate informally, generate low and volatile income, and offer little protection against economic shocks. As a result, livelihoods remain oriented toward short-term survival rather than long-term growth. The data shows how informality is not a choice, but a coping mechanism driven by administrative complexity, legal ambiguity and labour market exclusion.

The assessment identifies a significant divergence between refugees' skills and the opportunities to engage in meaningful work. Many respondents possess secondary or post-secondary education and prior professional experience yet are unable to access work aligned with their qualifications. Two-thirds of employed respondents report working outside their professional field. Loss or non-recognition of educational documentation, combined with unclear pathways for skills recognition, significantly limits access to skilled or regulated occupations. Human capital is therefore under-utilised across both urban and settlement contexts.

Administrative systems emerge as a central driver of exclusion. Uncertainty surrounding documentation, work authorisation and business registration discourages engagement with formal systems. Only 1.7 per cent of respondents possess a work permit, and many report confusion regarding permit requirements. Refugees frequently describe weighing the costs, risks and effort associated with administrative processes against uncertain benefits, leading many to disengage altogether. This dynamic contributes to the persistence of informality and limits transitions into more secure work. Labour-market exclusion is further shaped by social and gendered dynamics. Women face compounded barriers related to lower average earnings, limited access to capital, caregiving responsibilities and social norms that restrict mobility and work options. Persons with disabilities, youth and long-term settlement residents also experience narrower livelihood pathways, reinforcing inequality within refugee populations.

The consequences of these barriers extend beyond income alone. Low and unstable earnings, combined with limited household income diversification, leave many families highly vulnerable to shocks. Psychosocial stress linked to livelihoods is widespread, affecting confidence, wellbeing and the ability to plan. Repeated

rejection, downward occupational mobility and prolonged uncertainty erode belief in the possibility of stable employment, even among highly motivated individuals.

Priority Actions Required

Priority Actions Required

Addressing these challenges requires coordinated action to align legal rights with administrative practice and labour market realities. The priority actions below reflect the core recommendations emerging from this assessment and focus on clarifying work authorisation, harmonising administrative practice, strengthening qualification recognition, improving business formalisation processes, aligning livelihoods programming with labour-market demand and strengthening institutional coordination and accountability.

Roles and Responsibilities

Government of Uganda including ministries, authorities, municipalities

Government leadership is important in supporting the consistent operationalisation of existing legal rights. To strengthen implementation, the Government should prioritise removing de facto barriers by clarifying work authorisation and documentation requirements; strengthening mechanisms for recognition of qualifications and prior learning; simplifying business and tax formalisation processes; improving coordination between refugee management, labour and revenue authorities; and promoting clear and proportionate enforcement practices that build confidence in formal systems.

INGOs and NGOs

To strengthen practical access to the right to work, implementing organisations should prioritise supporting refugees to navigate documentation, work authorisation and business registration processes; monitoring and documenting inconsistent administrative practice; aligning training and employment initiatives with regulatory frameworks and market realities, and promoting inclusive access by addressing documentation, mobility and psychosocial barriers that disproportionately affect women, youth and persons with disabilities. There is also a need to shift from standalone activities towards sequenced, market-linked pathways that connect skills development to income generation and formal economic participation.

Private Sector

To expand demand-side opportunities and facilitate labour-market integration, private sector actors should prioritise recognising refugee documentation in hiring processes; supporting practical skills validation where formal certification is lacking; developing apprenticeship and work-based learning pathways; and strengthening integration of refugee-owned enterprises into local market systems and business networks.

Refugee-Led Organisations and Community Structures

To strengthen trusted information flows and improving service access, refugee led organisations and community structures should prioritise disseminating verified information on work rights and administrative procedures; facilitating referrals to

formal services; and promoting inclusive representation of women, youth and persons with disabilities in leadership and feedback mechanisms.

Donors

To enable sustained alignment between legal rights and labour-market access, donors should prioritise providing multi-year and flexible financing that supports sequenced and integrated livelihoods pathways; investing in financial inclusion and appropriate risk-sharing mechanisms that expand access to capital; funding labour-market evidence and longitudinal outcome tracking; and supporting digital coordination systems that reduce fragmentation and strengthen accountability across actors.

Development Finance Institutions and Multilateral Agencies

To strengthen labour-market systems and institutional capacity so that legal rights translate into sustainable economic participation, development finance institutions and multilateral agencies should prioritise supporting regulatory harmonisation related to work authorisation and business operation; expanding labour demand and private-sector engagement in refugee-hosting areas; strengthening labour standards and skills recognition systems; and investing in labour-market evidence and institutional coordination mechanisms.

Concluding Message

Refugees in Uganda demonstrate strong motivation to work and meaningful human capital, yet they continue to face by administrative, institutional and labour market barriers that restrict access to stable and protected livelihoods. While skill gaps exist in some cases, widespread informality, income instability and under-utilisation of skills and qualifications reflect broader systemic conditions rather than individual shortcomings.

Advancing refugee economic inclusion therefore requires aligning administrative practice, institutional practice and livelihoods support with existing legal rights, so that recognised rights can be exercised consistently and predictably in practice. Doing so would allow refugees to move beyond survival-oriented work and contribute more fully to local and national economies.

2 Introduction and Background

Uganda is one of the largest refugee-hosting countries in the world, providing protection to nearly two million refugees and asylum seekers (1,967,186).¹ Refugees originate primarily from South Sudan, which accounts for just over half of the total population, followed by the Democratic Republic of Congo, which represents approximately one third. Smaller but significant refugee populations originate from Sudan, Eritrea, Somalia, Burundi, Rwanda and Ethiopia.² Uganda's approach to refugee protection is widely recognised as progressive, granting refugees the right to work, freedom of movement and the ability to establish businesses under national law – provisions that underpin its' broader commitment to economic inclusion and reduced dependency on humanitarian assistance. The ability to access wage employment and self-employment is not only an economic issue, but also a matter of legal entitlement, dignity and long-term integration.

In recent years, increasing attention has been placed on strengthening refugees' participation in local labour markets, both within humanitarian policy frameworks and Uganda's national development strategies.⁴ Access to employment and sustainable livelihoods is central to these objectives, shaping refugees' ability to meet basic needs, reduce aid dependence and contribute to local economies.

Despite this enabling policy environment, evidence consistently shows that refugees face significant barriers to accessing stable and protected decent work.⁵ These barriers extend beyond labour-market conditions alone and are shaped by administrative systems, documentation requirements, regulatory processes and uneven access to institutional support. As a result, many refugees remain excluded from stable and protected employment, relying instead on informal and low-return livelihoods.⁶

This report approaches refugee employment through the lens of the realisation of the legal right to work. It distinguishes between de jure guarantees, the rights provided under law, and de facto access, which reflects how administrative practice, institutional coordination and market conditions shape whether those rights can be exercised in practice. While Uganda's legal framework provides for the right to work,

¹ Figure as of 30 Nov 2025, UNHCR Uganda- Population Dashboard, Accessed 15 December 2025, <https://data.unhcr.org/en/country/uga>

² Ibid

gaps between law and implementation may limit the extent to which refugees can access decent and protected employment.

These dynamics play out differently across Uganda's diverse refugee-hosting contexts. In urban areas such as Kampala, refugees navigate competitive labour markets alongside complex regulatory and enforcement environments. In settlement contexts such as Nakivale, geographic isolation, limited market integration and constrained opportunities shape livelihood options in distinct ways.⁷ Understanding how these contexts influence employment pathways is essential for designing effective policy and programming responses.

In this context, there remains a need for more detailed and disaggregated evidence on how refugees access work in practice, how legal and administrative systems shape employment pathways, and how refugees themselves experience and respond to these constraints. While previous research has examined refugee livelihoods in Uganda, fewer studies link labour-market outcomes to documentation systems, regulatory processes and lived experience across both urban and settlement settings. This assessment was undertaken to address these gaps and to support more informed policy dialogue, programme design and advocacy related to refugee employment and economic inclusion.

The report examines employment barriers across Kampala and Nakivale through a combined analysis of quantitative survey data, qualitative evidence and legal and policy review. It assesses the extent to which refugees' legal right to work in Uganda is realised in practice, identifying both *de jure* and *de facto* barriers that constrain access to decent and protected employment. The findings aim to inform policy and programming efforts to better align legal rights with predictable and practical access to decent work. By situating employment outcomes within broader administrative and institutional systems, the report contributes to ongoing discussions on how Uganda's progressive legal framework can be more effectively operationalised in practice.

3 Methodology

To ensure analytical rigour and capture both scale and lived experience, the assessment adopted a mixed-methods approach, combining household survey data with qualitative research and legal analysis.

Research Design

The study adopted an integrated mixed-methods design combining a structured household survey, focus group discussions (FGDs) and key informant interviews (KIIs) to enable triangulation across data sources. During October 2025, 741 refugee households were surveyed, including 351 households in Kampala and 390 in Nakivale. The sample size was calculated using a 95 per cent confidence level and 5 per cent margin of error based on population estimates for Kampala and Nakivale. The survey covered demographics, displacement history, education and skills, documentation status, employment and income, perceived employment barriers and livelihood aspirations. Qualitative data were collected through eight FGDs (five in Kampala and three in Nakivale) involving 90 participants from diverse refugee groups, including persons with disabilities, and four KIIs with representatives from local government, civil society, livelihoods actors and community leadership to explore lived experiences, institutional processes, administrative practices and labour-market dynamics.³

Data Analysis

Quantitative data were analysed using descriptive and disaggregated data, including analysis by gender, age, location, nationality, education level, disability status and length of stay. Qualitative data were analysed thematically, with findings triangulated across data sources to strengthen the robustness of results.

Limitations

Key limitations include reliance on self-reported data; potential under-reporting of income, documentation status or employment due to fear, misunderstanding or social desirability bias; expectations of assistance among some respondents; reduced participation by certain key informants; seasonal effects on employment patterns; and language or translation constraints in some FGDs and KIIs. Barriers related to mobility and caregiving responsibilities may also have influenced respondent participation and composition.

Despite these limitations, the mixed-methods approach provides a robust and credible assessment of the de facto barriers to refugee employment in Kampala and Nakivale.

³ See [Annex 1](#): Summary of Qualitative Data Collection

4 Population Profile

This section provides a demographic snapshot of the refugee households included in the study in Kampala and Nakivale. It outlines key characteristics of survey respondents, including household composition, language, education, disability, nationality, displacement history and documentation. All findings refer to survey respondents and are statistically indicative of refugees in Kampala and Nakivale; however, they are not nationally representative of all refugees in Uganda...

The survey covered 741 refugee households, including 351 in Kampala and 390 in Nakivale. Women accounted for 58 per cent of household heads (432 respondents), while men accounted for 42 per cent (309 respondents). Female-headed households were more common in Nakivale (63 per cent) than in Kampala (53 per cent). Most household heads were of working age, with adults aged 25–44 years forming the largest age group. Respondents included married, single, widowed and separated household heads.

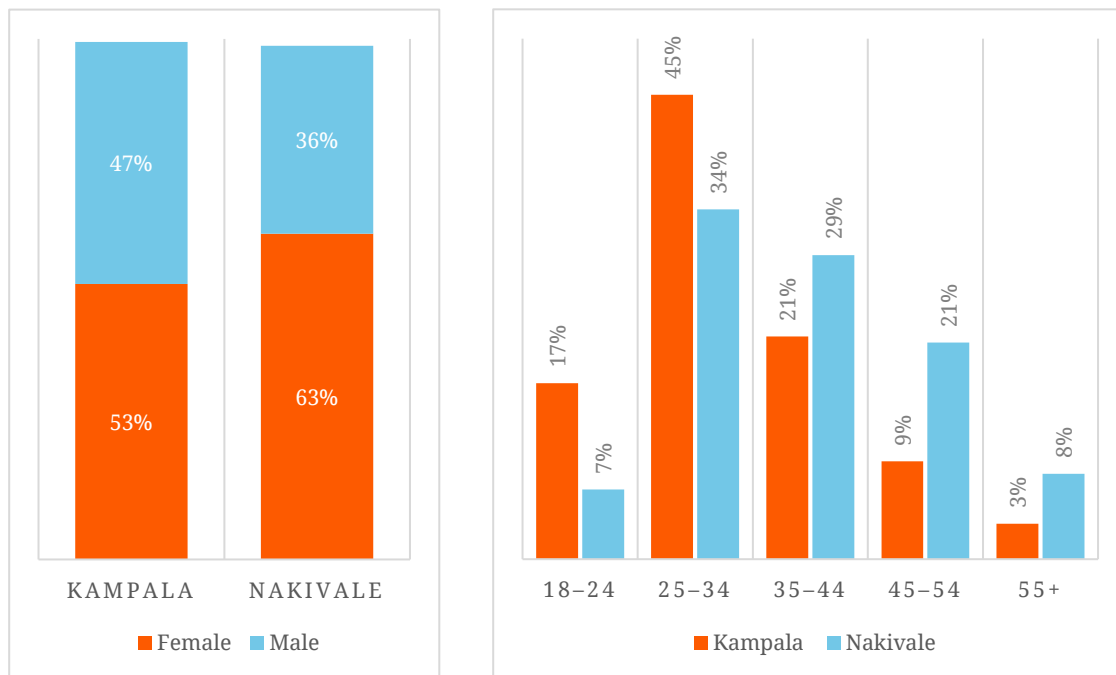


Figure 1: Gender distribution of household heads, by location

Figure 2: Age distribution of household heads, by age

Household Size and Composition

Household size differed by location. In Kampala, households averaged three members, compared with six members in Nakivale. Female-headed households supported slightly larger households on average than male-headed households. Across both locations, households were predominantly youth-heavy, with children

and young people comprising the majority of household members. Foster care arrangements were reported in 13 per cent of households.

Language and Education

Respondents reported diverse language backgrounds. Kiswahili and English were the most commonly spoken languages, alongside a range of regional and national languages. English and Luganda were more commonly reported in Kampala, while Kiswahili and regional languages were more prevalent in Nakivale. 65 per cent of respondents reported a need for language or literacy training, most often in English. Educational attainment ranged from no formal education to post-secondary qualifications, with women more frequently represented among those with no formal schooling.

Disability

Eleven per cent of respondents (82 individuals) reported living with a disability, with higher reporting in Nakivale than in Kampala. Reported disabilities included physical, sensory, psychosocial, neurological and learning impairments.

Nationality and Displacement History

Nationality profiles differed by location. Nakivale respondents were overwhelmingly Congolese (87%), whereas Kampala displayed a diverse nationality composition, with Congolese forming the largest single group but accounting for only 23% of respondents.⁴ Most respondents arrived in Uganda within the past decade, with a concentration of arrivals since 2022, particularly in Nakivale.

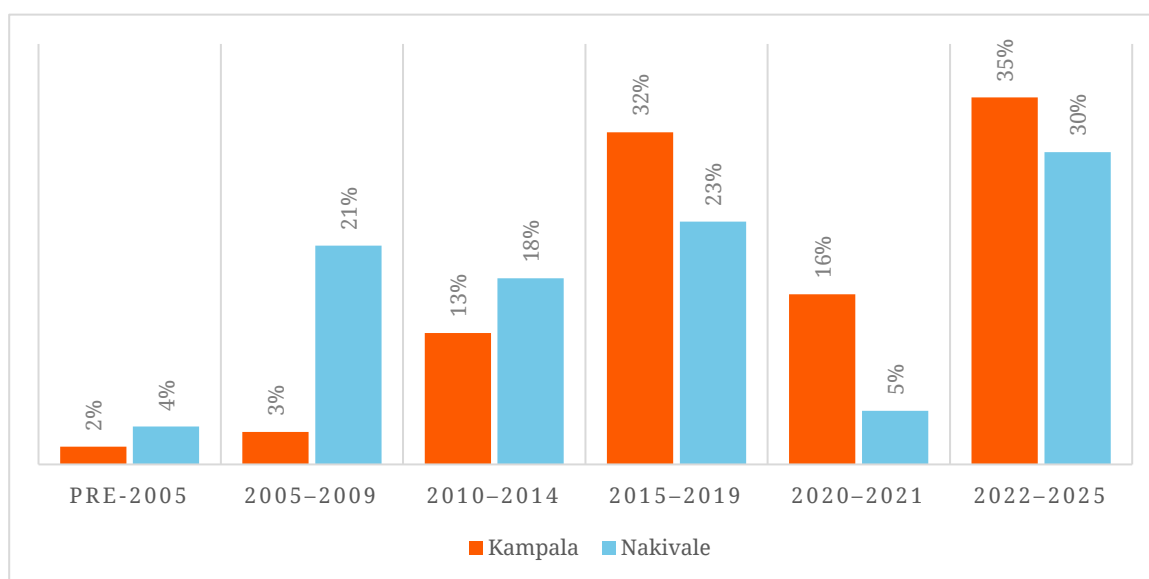


Figure 3: Year of arrival of respondents in Uganda, by location

⁴ Nationality distribution within each location (% of respondents by site). **Kampala:** Congolese (23%), Somali (19%), Eritrean (17%), Sudanese (11%), Ethiopian (9%), South Sudanese (9%), Burundian (9%), Rwandan (4%). **Nakivale:** Congolese (87%), Burundian (6%), Rwandan (6%); other nationalities each below 1%.

Documentation

Documentation coverage among respondents was high. Ninety-eight per cent reported holding at least one form of documentation, most commonly a Refugee ID, often alongside an attestation. Of those holding documentation, 47 per cent were in Kampala (25 per cent female-headed and 22 per cent male-headed households) and 51 per cent in Nakivale (32 per cent female-headed and 19 per cent male-headed households), indicating consistently high coverage across both locations and genders. Overall, only 2 per cent reported having no documentation, with reported gaps concentrated among Congolese respondents in Nakivale.

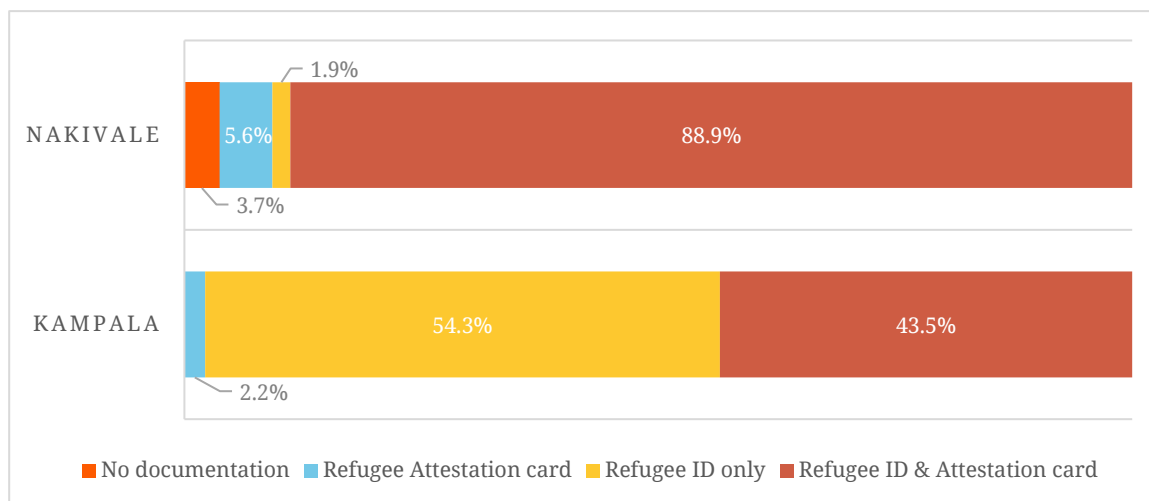


Figure 4: Documentation held by respondents, by location

5 Legal and Policy Analysis⁵

Uganda's legal and policy environment concerning refugee employment is widely recognised as among the most progressive globally. The framework is grounded in the country's international obligations under the 1951 Refugee Convention, its 1967 Protocol, and the 1969 OAU Convention Governing the Specific Aspects of Refugee Problems in Africa. These are domesticated through the Refugees Act 2006 and the Refugee Regulations 2010, which together guarantee recognised refugees the right to work, to establish businesses, and to access social and economic services in accordance with the applicable laws.

Overview of Frameworks

At the national level, the Constitution of the Republic of Uganda 1995 provides the general legal basis for labour rights and economic participation. Article 40 guarantees the right of every person to work in satisfactory, safe, and healthy conditions, to receive equal pay for equal work, and to reasonable working hours. Article 21 prohibits discrimination, while Articles 32 and 33 require affirmative action in favour of marginalised groups and safeguard the dignity of women. Although refugees are not expressly mentioned, these provisions apply to “all persons” within Uganda's jurisdiction and therefore extend to refugees residing lawfully in the country.

The Refugees Act 2006 provides a more specific legal basis for refugee economic inclusion. Section 29(1)(e)(iv–vi) affirms the right of recognised refugees to engage in gainful employment, to practice their professions, and to establish commercial or industrial enterprises, provided that relevant qualifications are recognised by competent authorities. Section 30 guarantees freedom of movement within Uganda, while s 29(2) extends to refugees the same protection as nationals regarding intellectual property and other economic rights. These provisions bring the national law broadly into line with Article 18 of the 1951 Convention, which requires host states to allow refugees to engage in wage earning and self-employment.

⁵ This analysis was based on two internal documents drafted by NRC Uganda.

1. Legal Analysis on Refugee Access to Employment (2025) Legal Analysis on Refugee Access to Employment, Self-Employment and Livelihoods in Uganda.
2. Matrix Table (2025) A Review of the Legal, Policy and Administrative Frameworks Governing Refugee Access to Employment, Self-Employment and Livelihoods in Uganda.

Regionally, Uganda's commitment to inclusion is reinforced through frameworks such as the Comprehensive Refugee Response Framework (CRRF)⁶ and the IGAD Nairobi Declaration, Kampala Declaration on Jobs, Livelihoods and Self-Reliance for Refugees⁷ all of which promote refugee self-reliance and integration into national systems. In parallel to the constitutional and statutory framework, refugee inclusion is embedded within Uganda's broader development architecture, including the Fourth National Development Plan (NDP IV),⁸ which integrates refugee and host-community development into national economic planning. Complementary domestic strategies, including the CRRF Strategic Direction,⁹ the National Financial Inclusion Strategy 2023–2028,¹⁰ the Jobs and Livelihoods Integrated Response Plan (JLIRP),¹¹ and the Private Sector Engagement Strategy for the Uganda Refugee Response,¹² signal an intention to move beyond humanitarian assistance towards durable livelihood solutions aligned with national development policies.

Gaps and Inconsistencies

Notwithstanding the progressive legal framework, contradictions and ambiguities persist between refugee law and other national legislation. A key problem is the lack of harmonisation between the Refugees Act 2006¹³ and general labour laws. The Employment Act 2006¹⁴ and the Labour Unions Act 2006,¹⁵ for instance, do not explicitly mention refugees. Consequently, although refugees have the right to work under the Refugees Act, they are not formally recognised as lawful employees under labour statutes. This omission weakens enforcement and reduces legal clarity

⁶ Office of the Prime Minister (Uganda) *Comprehensive Refugee Response Framework – Uganda*. Office of the Prime Minister. Available at: <https://opm.go.ug/comprehensive-refugee-response-framework-uganda/> (Accessed: 27 February 2026).

⁷ IGAD (2019) *Kampala Declaration on Jobs, Livelihoods and Self-Reliance for Refugees, Returnees and Host Communities in the IGAD Region*. IGAD. Available at: <https://data.unhcr.org/en/documents/details/69790> (Accessed: 27 February 2026).

⁸ National Planning Authority (2025) *Fourth National Development Plan (NDP IV)*. National Planning Authority, Government of Uganda. Available at: <https://doingbusiness.finance.go.ug/sites/default/files/2025-07/FOURTH%20NATIONAL%20DEVELOPMENT%20PLAN%20%28NDP-IV%29.pdf> (Accessed: 27 February 2026).

⁹ Office of the Prime Minister (Uganda) (2021) *CRRF Strategic Direction 2021–2025*. Office of the Prime Minister. Available at: <https://data.unhcr.org/en/documents/details/93224> (Accessed: 27 February 2026).

¹⁰ Ministry of Finance, Planning and Economic Development and Bank of Uganda (2023) *National Financial Inclusion Strategy 2023–2028*. Government of Uganda. Available at: <https://ugandabankers.org/wp-content/uploads/2024/01/National-Financial-Inclusion-Strategy-2023-2028-.pdf> (Accessed: 27 February 2026).

¹¹ Ministry of Gender, Labour and Social Development and Office of the Prime Minister (2019) *Jobs and Livelihoods Integrated Response Plan for Refugees and Host Communities in Uganda (JLIRP)*. Government of Uganda. Available at: <https://data.unhcr.org/en/documents/details/86601> (Accessed: 27 February 2026).

¹² Office of the Prime Minister (Uganda) (2021) *Private Sector Engagement Strategy for the Uganda Refugee Response*. Office of the Prime Minister. Available at: <https://psdpi.finance.go.ug/sites/default/files/publications/Private%20Sector%20Engagement%20Strategy%20for%20the%20Uganda%20Refugee%20Response.pdf> (Accessed: 27 February 2026).

¹³ Parliament of Uganda (2006) *The Refugee Act 2006 (Act 21 of 2006)*. Available at: <https://www.refworld.org/legal/legislation/natlegbod/2006/en/102125> (Accessed: 27 February 2026).

¹⁴ Parliament of Uganda (2006) *Employment Act 2006 (Act 6 of 2006)*. Available at: <https://ulii.org/en/akn/ug/act/2006/6/eng@2023-12-31> (Accessed: 27 February 2026).

¹⁵ Parliament of Uganda (2006) *Labour Unions Act 2006 (Act 7 of 2006)*. Available at: https://media.ulii.org/media/legislation/17988/source_file/5a360d0cb96cb382/2006-7.pdf (Accessed: 27 February 2026).

regarding enforcement and refugees' access to labour-law protections and dispute-resolution mechanisms.

Further inconsistency arises from the Uganda Citizenship and Immigration Control Act (Cap 313), s 59(1),¹⁶ which requires all non-citizens to possess valid entry permits before employment or business engagement. The Act does not explicitly clarify whether recognised refugees, already lawfully resident under the Refugees Act, require additional work permits. While the Refugees Act 2006 affirms the right of recognised refugees to engage in gainful employment, ambiguity persists in how this interacts with the Uganda Citizenship and Immigration Control Act. In practice, inconsistent interpretation has resulted in employers, enforcement actors and administrative offices applying different standards regarding work permits. This uncertainty functions as a de facto barrier to formal employment. Harmonised administrative and policy clarification confirming the scope of employment authorisation for recognised refugees, including whether a valid Refugee Identity Card constitutes sufficient documentation for most forms of employment, would ensure consistency between refugee and immigration legislation and reduce employer uncertainty and inconsistent administrative practice

This ambiguity has led to inconsistent administrative practice: some employers demand permits, while others rely solely on Refugee Identity Cards. Because the work-permit process typically requires a travel document obtainable only for a fee, it introduces further procedural and financial burdens for refugees seeking formal employment.

Professional refugees face further obstacles relating to qualification recognition. Section 29(1)(e)(v) of the Refugees Act requires professional refugees to have their qualifications recognised by competent authorities, yet no clear procedure exists to guide this process. Many skilled refugees arrive without complete documentation, and Uganda lacks a national framework for recognition of prior learning.

Although freedom of movement is legally guaranteed under Article 29(2) of the Constitution and section 30 of the Refugees Act, this right is curtailed in practice by settlement-based management systems. Refugees must often seek authorisation to reside or work outside designated settlements, which can limit access to urban employment and private-sector opportunities in practice.

Financial and enterprise legislation also presents implementation gaps. The Bank of Uganda Know-Your-Customer (KYC) Regulations 2018¹⁷ authorise the use of refugee identification for opening bank accounts, yet several banks still insist on national IDs. Similar inconsistencies are evident in the Companies Act 2012¹⁸ and the Business

¹⁶ Parliament of Uganda (1999) *Uganda Citizenship and Immigration Control Act (Act 3 of 1999, Cap. 313)*. Available at: <https://ulii.org/en/akn/ug/act/1999/3/eng@2015-03-26> (Accessed: 27 February 2026).

¹⁷ UNCDF (2017) *Study on Know-Your-Customer Requirements for Digital Financial Services in Uganda*. United Nations Capital Development Fund (UNCDF). Available at: <https://www.uncdf.org/download/file/127/4273/know-your-customer-requirements-summary-revised-15-09pdf> (Accessed: 27 February 2026).

¹⁸ Parliament of Uganda (2012) *Companies Act 2012*. Available at: <https://ulii.org/en/akn/ug/act/2012/1/eng@2012-09-18> (Accessed: 27 February 2026).

Names Registration Act Cap 109,¹⁹ where registration procedures do not always recognise refugee documents, thereby limiting access to formal business structures and regularity protection.

Implementation and Practice

Institutional enforcement is similarly uneven. The Office of the Prime Minister (OPM) oversees refugee management but operates largely separately from the Ministry of Gender, Labour and Social Development (MGLSD), which supervises labour standards. This fragmentation results in minimal coordination and weak oversight. Labour inspections rarely extend to refugee-hosting districts, and awareness of refugee work rights among both public officials and employers remains low.

Gender considerations

Although national laws prohibit discrimination and guarantee maternity protection (Employment Act 2006, s 74(a)), refugee women working in informal or settlement-based employment seldom benefit from these safeguards.

Enabling Provisions and Opportunities

Despite these challenges, Uganda's legal and policy environment offers significant enabling provisions and opportunities for reform. Section 29(2) of the Refugees Act ensures that refugees enjoy equal protection of intellectual-property rights with nationals, creating a legal foundation for entrepreneurship and creative industry participation.

The Bank of Uganda's KYC Regulations 2018 and the National Financial Inclusion Strategy 2023–2028 explicitly identify refugees as a priority group for financial inclusion, marking a substantial step towards integrating them within the formal financial system. The Financial Institutions (Amendment) Act 2016²⁰ introduced agent banking for commercial banks, expanding access to financial services beyond traditional branch networks. The 2023 Microfinance Deposit-Taking Institutions (Amendment) Act²¹ further extended agent banking to MDIs, including institutions such as Uganda Agency for Development Limited (UGAFODE),²² enabling the expansion of financial services to remote and refugee-hosting areas through authorised agents. These developments provide an expanded regulatory basis for increasing financial access in settlement and rural contexts.

At a policy level, Uganda's commitments under the CRRF and NDP IV link refugee self-reliance to national development planning. These frameworks encourage donor

¹⁹ Parliament of Uganda (1918) *Business Names Registration Act (Cap. 105)*, revised edition as at 31 December 2023. Available at: https://media.ulii.org/media/legislation/120091/source_file/54996c061ed44075/1918-11.pdf (Accessed: 27 February 2026).

²⁰ Parliament of Uganda (2016) *Financial Institutions (Amendment) Act 2016 (Act 2 of 2016)*. Available at: https://media.ulii.org/media/legislation/18377/source_file/b86dcf399879692e/ug-act-2016-2-publication-document.pdf (Accessed: 27 February 2026).

²¹ Parliament of Uganda (2023) *Microfinance Deposit-Taking Institutions (Amendment) Act 2023*. Available at: https://media.ulii.org/media/legislation/106975/source_file/c73d6a83366e9543/micro-finance-deposit-taking-institutions-amendment-act-2023.pdf (Accessed: 27 February 2026).

²² UGAFODE is a licensed microfinance deposit-taking institution regulated by the Bank of Uganda, providing savings and credit services to low-income households and small enterprises.

and private sector partnerships aimed at expanding livelihoods in refugee-hosting districts. Innovative initiatives such as the Financial Inclusion for Refugees (FI4R) project, operating in settlements including Nakivale and Bidi Bidi, illustrate how regulatory flexibility and financial-sector collaboration can increase refugees' access to savings, credit, and digital payment services.

6 Labour Market and Economic Opportunities²³

Although Uganda's legal framework recognises refugees' right to work, the evidence from Kampala and Nakivale shows that realisation of this right is significantly constrained in practice. Economic participation is shaped by a sharp break between past work histories, existing skills and the realities of local labour markets. The patterns that follow, unemployment, skills under-utilisation, informality and income instability, should therefore be understood not merely as labour-market outcomes, but as indicators of the extent to which the right to work is only partially realised in practice. This chapter examines refugees' labour-market experiences and economic opportunities using a combination of quantitative survey data and qualitative evidence. It analyses patterns of employment continuity and disruption, skills and mismatch, job quality, income stability, access to support and future aspirations. The chapter highlights how structural factors, including documentation, labour-market segmentation, informality and limited protection, shape economic outcomes across locations and population groups, and how these conditions influence pathways towards or away from self-reliance.

6.1 Employment continuity and disruption

Many refugees arrive in Uganda with work histories and skills that do not translate into available labour-market opportunities, resulting in a sharp break between past professions and present survival livelihoods. Patterns before displacement, experiences on arrival, and trajectories over time point to a labour market characterised by persistent barriers, adaptation through self-employment, and limited pathways into stable or formal work.

Before displacement

Prior to displacement, many respondents already faced unstable or limited employment opportunities. Across the full sample, 42.5 per cent (315 respondents) reported being unemployed prior to displacement. Unemployment was higher among respondents now living in Nakivale (46.4 per cent) than those in Kampala (38.2 per cent). By gender, rates were comparable, at 44 per cent for women and 40.5

²³ Findings related to employment stability, contracts and social protection are based on a very small number of employed respondents and are therefore discussed narratively rather than used for detailed comparison.

per cent for men.²⁴ Only 14.2 per cent (105 respondents) held full-time employment. A further 28.9 per cent (214 respondents) were self-employed and 11.9 per cent (88 respondents) engaged in part-time wage work. A very small proportion reported other forms of employment. These figures indicate that secure employment was already relatively limited, prior to displacement even among those with skills or education.

Respondents now living in Kampala tended to report somewhat stronger employment histories, while those now residing in Nakivale reported higher rates of unemployment prior to leaving. Women now living in Nakivale showing the weakest pre-displacement labour attachment with only around two per cent reporting full-time employment and just over half unemployed before fleeing.

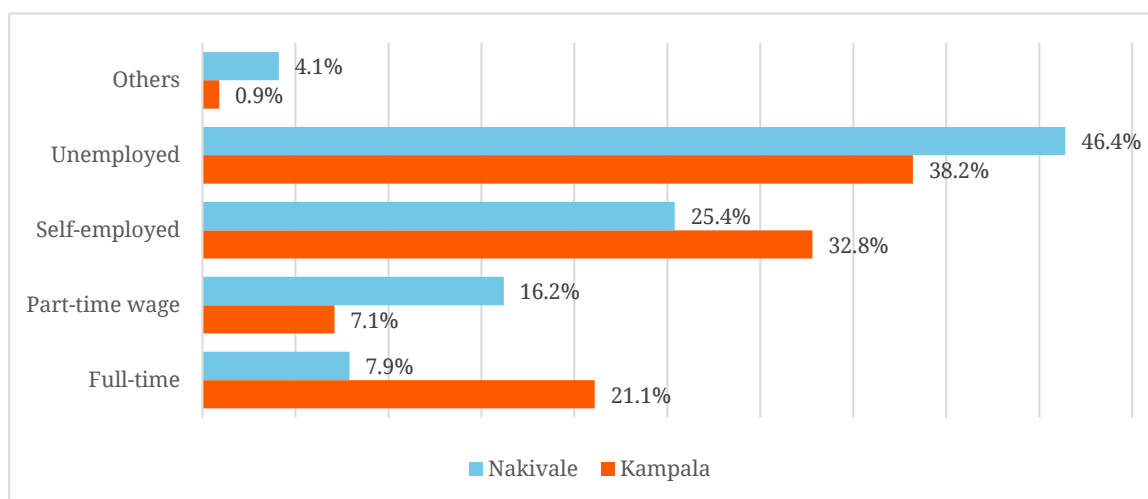


Figure 5: Employment Status Prior to Displacement, by Location

Education shaped pre-displacement employment patterns but did not insulate respondents from insecurity. Those with no or only primary schooling experienced the highest levels of unemployment prior to displacement, with approximately 36-41 per cent unemployed and only around 9-12 per cent in full-time work. Respondents with post-secondary qualifications fared somewhat better, with unemployment closer to 25 per cent, yet stable employment remained limited. Only around one in ten held full-time jobs, indicating that higher education did not guarantee labour-market stability even before displacement.

Age-related differences in pre-displacement employment largely reflect life stage at the time of displacement, particularly among younger respondents who were students or dependants when conflict forced them to flee.

These patterns indicate that many respondents entered displacement from positions of limited labour-market security, with weaker labour attachment especially apparent among women, those who were younger at the time of displacement, and respondents with lower levels of education.

²⁴ Pre-displacement employment status reflects respondents' self-reported situation prior to flight. Some respondents may have been below working age at the time, and reported unemployment may therefore reflect life stage rather than labour market exclusion.

Current employment in Uganda

Current employment outcomes represent a further deterioration relative to pre-displacement conditions. At the time of the survey, 61 per cent (452 of 741 household heads) were unemployed. Only 11.7 per cent (87 respondents) were engaged in wage employment (formal or informal), while 26.3 per cent (195 respondents) relied on self-employment or small-scale enterprise activities. A small minority (0.9 per cent; 7 respondents) reported not seeking work. Formal employment is exceptionally rare, affecting just 1.6 per cent (12 respondents) across the entire sample.

Employment outcomes varied markedly by location. In Nakivale, unemployment affects more than two-thirds of respondents (67.7 per cent), compared with just over half of respondents in Kampala (53.6 per cent). Formal employment is almost absent in the settlement context (0.8 per cent), compared with 2.6 per cent in Kampala, reflecting limited access to regulated labour markets outside urban areas,

Women experienced particularly high levels of labour-market exclusion. Overall, 63.4 per cent (274 women) are unemployed, compared with 57.6 per cent (178 men). Women are also less likely to be self-employed, especially in Nakivale, where only 17.4 per cent (43 women) report self-employment. Men are somewhat more likely to access informal employment or self-employment, but male unemployment still ranges from around half to two-thirds across locations.

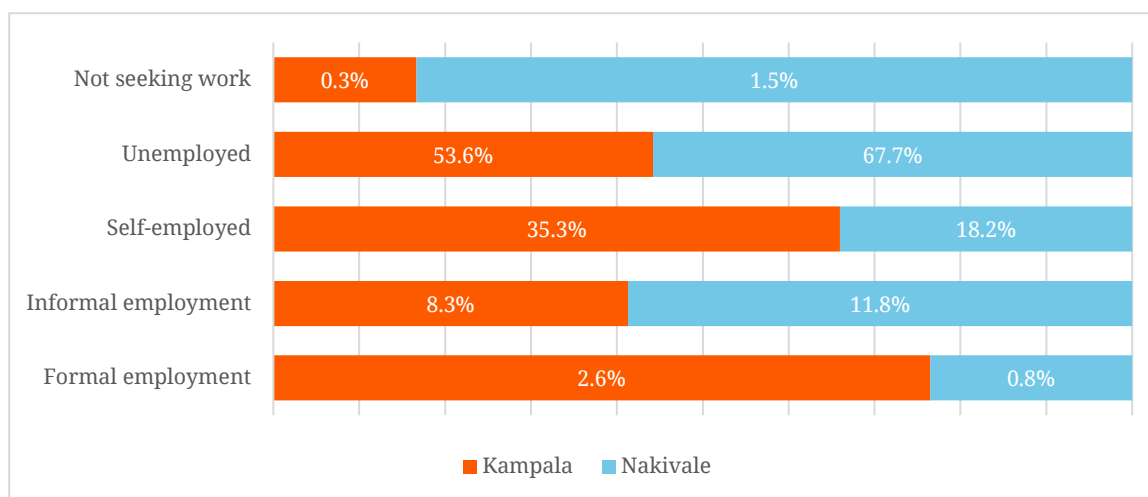


Figure 6: Current Employment Status by Location

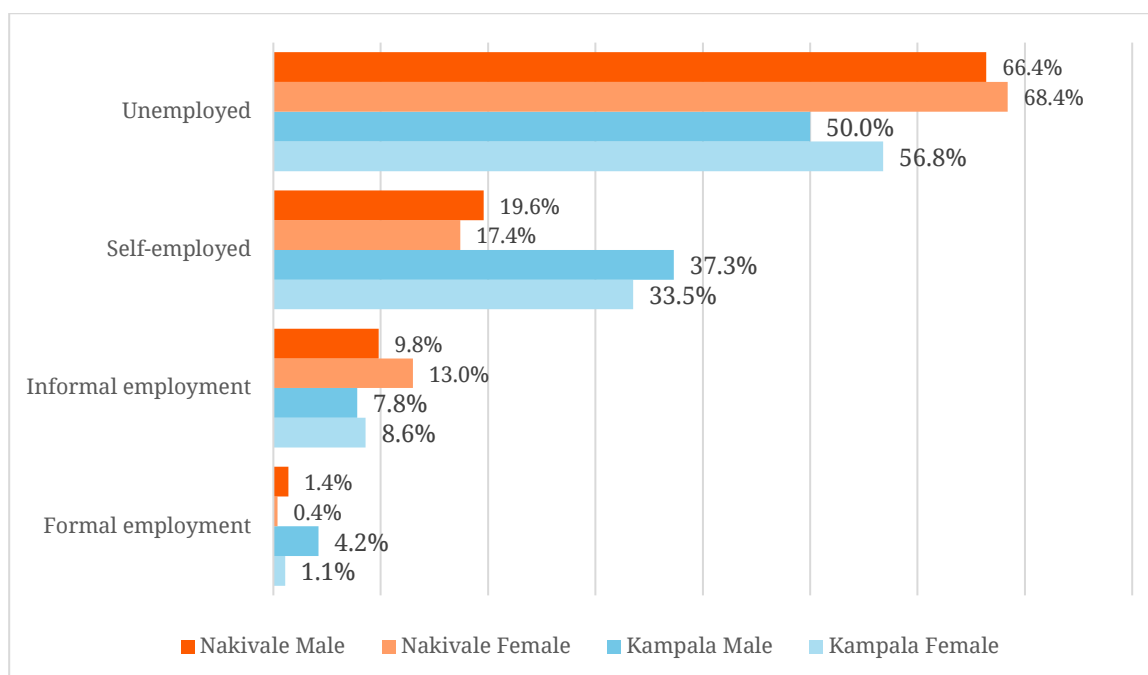


Figure 7: Current Employment Status, by Gender and Location

Qualitative accounts underline how displacement and constrained labour markets have shifted many refugees into survival-oriented activities that differ substantially from their previous work or training. A Congolese participant in Kampala explained:

“People have learned to create for themselves small jobs to survive... but that is not the work we trained for; here we forget our qualifications and focus on how to put food on our tables.” - Congolese Refugee in Kampala

In Nakivale, a woman described being forced to recreate her profession outside formal systems:

“I was a nurse in Congo but when I reached Uganda I failed to get a job, started my private clinic.” - Female Refugee in Nakivale

These narratives highlight how refugees’ professional identities are often displaced alongside their geographic movement, with limited pathways back into regulated employment. Household labour participation: single earners and shared vulnerability

Employment exclusion at individual level translates into limited labour participation at household level. In nine out of ten households, no other working-age member apart from the respondent was engaged in employment in Uganda, leaving most households dependent on a single income source or none at all. This pattern was consistent across both Kampala and Nakivale.

Where additional earners were present, they were dispersed across a wide range of low-paid and informal activities, with no single sector absorbing significant numbers. This dispersion reflects the absence of stable secondary employment opportunities within refugee households, rather than diversification across viable income streams.

As a result, most households relied on a single income source or none at all, increasing vulnerability to income shocks, health emergencies, eviction risk and fluctuations in local markets.

Time in Uganda: adaptation without integration

Time spent in Uganda influences how refugees engage with work, does not substantially improve access to stable or formal employment. Among respondents who arrived within the previous year, unemployment is extremely high, affecting over four in five respondents (81.1 per cent). While engagement in work remains limited, fewer than one in five respondents (17 per cent) report either informal employment or self-employment, and none report access to formal employment.

For respondents who have been in Uganda between three and five years, unemployment declines but remains the dominant outcome (59.4 per cent). Self-employment becomes more common (24.5 per cent (52 respondents), while access to wage employment remains limited and formal jobs remain rare (3.3 per cent). Among long-term residents who have lived in Uganda for more than five years, unemployment continues to affect more than half of respondents (56.7 per cent). Self-employment reaches its highest level in this group (30.7 per cent) while formal employment remains marginal (1.2 per cent).

Longer duration in Uganda is associated with increased reliance on self-employment rather than with meaningful expansion of formal employment. Unemployment declines modestly over time, but remains the dominant outcome even among long-term residents.

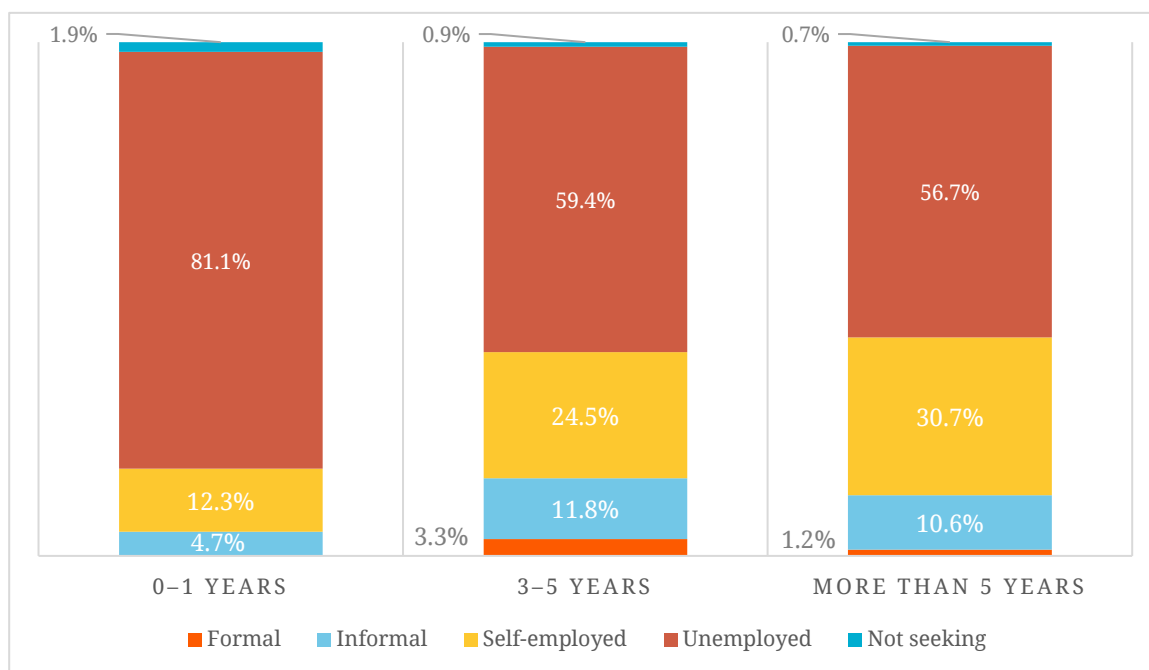


Figure 8: Employment Outcomes by Length of Stay in Uganda

Evidence indicates that time alone does not resolve exclusion, as structural barriers to recognition, licensing and labour market entry remain in place. A refugee leader in Kampala explained:

“The fact is that your level of education, whether Masters, PhD, it doesn’t matter... they will not recognise the degrees of other countries, so people just sit without work.” - KII Kampala, Refugee Leader

In Nakivale, participants highlighted how language barriers further erode professional continuity:

“Formal skills like doctors and engineers have lost their professions due to language barrier... their degrees in French system not English.” - Male Refugee in Nakivale

These patterns indicate that employment disruption is not confined to the immediate period following displacement but persists over time. While refugees demonstrate adaptability, particularly through increased reliance on self-employment, structural barriers related to recognition of qualifications, language, documentation and access to labour markets continue to constrain meaningful employment recovery, even among long-term residents.

These findings indicate that the right to work, while formally guaranteed, does not translate into predictable access to protected or career-grade employment. Employment continuity is disrupted not only by displacement, but also by systemic constraints in labour-market entry and recognition.

6.2 Skills and mismatch

Refugees in this study possess substantial skills and educational experience, yet these assets translate poorly into employment outcomes in Uganda. The evidence indicates that limited employment outcomes are not driven by a lack of human capital, but by structural barriers that constrain how qualifications and skills can be recognised and used.

Education profiles and labour outcomes

Respondents display a mixed but relatively strong educational profile. Around one-third (29.3 per cent) of surveyed household heads have completed secondary education, and around one-fifth (21 per cent) report post-secondary qualifications. These include diplomas (56), bachelor’s degrees (53) and postgraduate qualifications (10). Kampala hosts the highest concentration of tertiary-educated refugees, including all respondents with postgraduate qualifications. Most qualifications were

obtained outside Uganda, and only 30 respondents report holding Ugandan qualifications, complicating recognition and access to local labour markets.

Despite this profile, education does not translate into improved labour-market outcomes. Unemployment remains high across all education levels. More than half of respondents (57 per cent) with secondary education are unemployed, and a substantial share (40 per cent) with post-secondary qualifications are also without work, indicating a clear disconnection between education and employment opportunities in both Kampala and Nakivale.

These patterns indicate that education alone is insufficient to secure employment in the absence of systems that support recognition, documentation and access to regulated labour markets.

Why qualifications do not translate: documentation loss and non-recognition

Low utilisation of qualifications is closely linked to widespread barriers in accessing educational documentation. Across the sample, the vast majority of respondents (91 per cent) report that they cannot access their educational certificates, with only a very small minority report that they can. Documentation barriers are more pronounced in settlement contexts, with respondents in Nakivale significantly more likely to report non-access than those in Kampala (63 per cent compared with 37 per cent).

Contrary to common assumptions, translation or authentication is not the primary constraint. Very few respondents identify language or translation as the main reason for non-access. Instead, the most frequently cited reasons relate directly to conflict and displacement. Respondents most often report that documents were never issued, were lost or damaged during conflict or flight, were seized or destroyed, or were left behind during displacement.

Women are disproportionately affected by these barriers. Across nearly all categories of non-access, women report higher levels of document loss or non-possession than men, reinforcing gendered constraints on re-entering skilled or formal employment pathways.

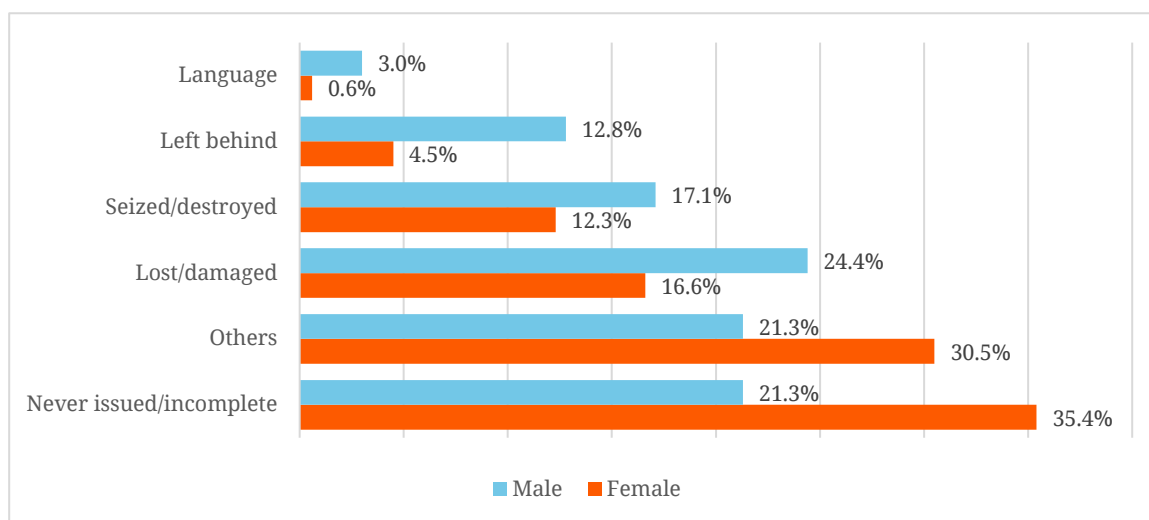


Figure 9: Reasons for Non-Access to Educational Certificates, by Gender

A participant in a Kampala focus group with persons with disabilities described the lived impact of this disconnect:

“Some of our people are teachers, economists, electricians, but they are just at home or doing small business because their qualifications are not considered here in Uganda.” - Refugee in Kampala

Skills under-utilisation and occupational mismatch

Under-utilisation of skills is widespread. More than half of households (57 per cent) report that the main work being undertaken is not aligned with available skills or qualifications, while only a very small minority (3 per cent) report good alignment between work and training.

Mismatch is also evident among the small group of respondents in formal employment. Most respondents in formal employment (66.7 per cent) report working outside their field of professional training, indicating that access to employment does not necessarily translate into appropriate or skilled work. Mismatch is present in both Kampala and Nakivale and is more pronounced among men, who make up the majority of those working outside their field of expertise. These patterns indicate that skills under-utilisation is not confined to informal or self-employment, but also affects the limited formal work accessed by refugees.

Skills acquisition in Uganda and its limits

Despite high levels of mismatch, relatively few households report acquiring new skills since arrival. Only around one in five households (22 per cent) report that they or a household member have taken up a new skill or trade in Uganda since arriving in Uganda. Skills acquisition is more common in Nakivale than Kampala (27 per cent compared with 16 per cent) (56 households) in Kampala, likely reflecting a combination of programme availability and differences in livelihood options across settlement and urban contexts. Qualitative evidence indicates that training alone rarely translates into improved livelihoods.

A young FGD participant in Nakivale described repeated exposure to the same forms of vocational training without the resources needed to apply them:

“Most trainings are the same, we just learn tailoring but there is no machine to start work.” – Young refugee in Nakivale

Women expressed similar concerns, highlighting the gap between training and practical application:

*“They train people and give no tools, so people stay the same.” -
Female refugee in Nakivale*

These experiences align with later findings on self-employment constraints that suggest that skills acquisition efforts are constrained not by low motivation, but by limited access to capital, tools and workspace, restricting the extent to which training can translate into income-generating activities.

Perceived skills in demand

Respondents identify a clear set of skills they believe are in demand within Ugandan labour markets, spanning both professional and vocational fields. These perceptions reflect refugees’ assessments of where opportunities exist, even if access to those opportunities remains constrained.

In professional and formal sectors, refugees most frequently identify ICT, finance, teaching, health and office-based roles, reflecting awareness of demand in skilled and service-oriented occupations.

Perceived demand is strongest for vocational and practical trades, particularly tailoring, hairdressing, carpentry, mechanics, welding and catering or hospitality. These preferences align with sectors that are more accessible through informal and self-employment pathways.

Perceptions vary by location and gender. Respondents in Kampala more frequently identify ICT, finance, sales, marketing, beauty services and hospitality, reflecting an urban service economy. Respondents in Nakivale emphasise tailoring, carpentry, agriculture, security and logistics, consistent with a settlement-based labour market. Women more often identify teaching, nursing, office roles, beauty services and tailoring, while men more frequently cite ICT, mechanics, welding, construction and carpentry.

Despite identifying demand in both professional and vocational fields, many refugees remain unable to access work aligned with these skills. As one FGD participant in Kampala explained:

“When I was in Congo, I was a teacher... here I tried to apply in schools but because I am a refugee and my papers are from there, it’s very hard for me to get a job.” - Congolese Refugee in Kampala

These perceptions highlight a persistent gap between recognised labour-market demand and refugees’ ability to access employment aligned with their skills, reinforcing the role of documentation, recognition and regulatory barriers. The scale of skills under-utilisation demonstrates that barriers to recognition, documentation and licensing operate as de facto restrictions on the exercise of the right to work in skilled professions.

CASE STUDY: From doctor to informal trader: professional skills blocked by licensing barriers

Dr Samar is a 28-year-old Sudanese refugee who arrived in Uganda in March 2024 and settled in Kampala to pursue work in her profession. Trained as a medical doctor in Sudan, she chose to remain in the city rather than relocate to a settlement, hoping this would improve her chances of practising medicine and supporting family members back home.

Soon after arrival, she approached several hospitals seeking employment. Each required a Ugandan medical licence. She was informed that obtaining one would involve sitting an equivalency exam costing approximately USD 500, an amount she could not afford. Attempts to seek guidance on document translation and accreditation were discouraging, with unclear procedures and limited assistance.

Unable to access regulated work, Dr Samar shifted into informal self-employment. She began preparing food for sale within her community and later used small savings to open a boutique selling women's clothing. The business provides basic income but remains precarious and far below her skill level.

"I wanted to work as a doctor, but everything depends on licences and money I do not have."

Her case illustrates how licensing systems and cost barriers systematically block professional refugees from regulated sectors, regardless of qualification.

6.3 Job quality and structural barriers

Access to work does not equate to access to decent work for most refugees in this study. Where employment exists, it is largely informal, insecure and poorly protected, shaped by structural barriers related to contracts, social protection, discrimination, business formalisation and work authorisation.

Informality, contracts and lack of protection

Employment among refugees is overwhelmingly informal and insecure. Across employed and self-employed respondents, the majority describe their work as one-off, seasonal or highly variable, while only a very small minority report stable employment.

Formal employment is extremely limited. Only a very small number of respondents report holding any form of formal employment. Among this small group, around half report having a written contract, although numbers are too small to support meaningful comparison by location.

Social protection is almost entirely absent. Almost all formally employed respondents report that their work does not provide contributions to social security, insurance or other forms of employment-linked protection.

These conditions leave workers highly exposed to exploitation, arbitrary dismissal and unsafe working environments. A FGD participant in Kampala described this insecurity clearly:

“Jobs we get are informal, without contracts. They can chase you any time, pay you less than agreed, and you have nowhere to report.” - Congolese Refugee in Kampala

These patterns indicate that formal employment access, where it exists, rarely provides the protections required for stability or security. As shown in the following section on income and livelihood stability, insecure employment arrangements are closely associated with low and volatile earnings.

Pay, discrimination and working conditions

Low job quality is reinforced by unequal pay and discriminatory treatment. Respondents in both locations describe performing similar work to nationals while receiving lower wages or poorer conditions. A participant in a youth focussed FGD in Nakivale explained:

“We work the same as Ugandans but get paid less.” - Young refugee in Nakivale

Qualitative accounts from Kampala echo this experience, with refugees reporting long hours, unpredictable pay and limited ability to challenge unfair treatment. An INGO representative in Nakivale confirmed that refugees are often concentrated in informal roles with fewer protections and lower wages than host-community workers.

These experiences align with wider patterns of limited labour protection and weak enforcement of employment standards. Discrimination related to nationality, documentation status and language compounds existing labour-market exclusion and further undermines job quality.

These accounts indicate that poor job quality is shaped not only by informality, but also by unequal treatment within the workplace.

Self-employment, registration and business constraints

Given the scarcity of formal work, self-employment has become the primary pathway into income generation for many refugees. However, most refugee-run businesses operate outside formal regulatory systems. Across both locations, most self-employed refugees (72 per cent) report operating without formal business registration for tax or licensing purposes.

Levels of formalisation differ by location. Business registration is more common in Kampala than in Nakivale, (33 per cent compared with 20 per cent) but remains the exception rather than the norm in both settings.

Women appear to face slightly greater barriers to registration. In urban contexts, women are somewhat more likely than men (71 per cent compared with 63 per cent) to operate unregistered businesses, while in settlement contexts informality affects the majority of both women and men.



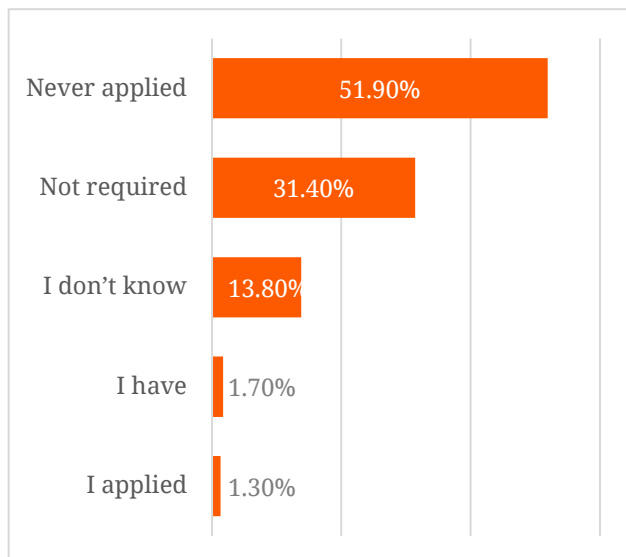
When asked about challenges to running a business, respondents most frequently cited lack of capital, (35 per cent), followed by low market demand (21 per cent) and difficulties accessing business space (18 per cent). Language barriers, supply-chain challenges and transport costs were also reported, particularly in Nakivale.

These findings indicate that self-employment functions primarily as a coping strategy in the absence of salaried work, rather than as a pathway to secure or formal livelihoods.

Figure 10: Formal Business Registration, by Location

Work permits and access to formal employment

Legal authorisation to work remains a major structural barrier to formal employment. Only a very small minority of respondents (1.7 per cent) report holding a valid work permit. More than half (51.9 per cent) report never having applied, while others (13.8 per cent) report uncertainty about permit status.



Permit possession is slightly higher in Kampala than Nakivale, but remains extremely low in both locations. Women and younger adults aged 18 to 34 are least likely to report holding permits. Among those who attempted to apply, respondents most frequently cited lack of information, procedural complexity, long delays, documentation gaps, language barriers and discrimination.

Figure 11: Work Permit Status among Respondents

Reports of high costs, travel risks and corruption were also raised, though less frequently. Most reported application attempts come from Kampala, reflecting differences in proximity to administrative offices, access to information and

exposure to formal employment opportunities between urban and settlement settings.

These quantitative patterns are reinforced by refugees' own accounts of confusion and deterrence around the permit process. As an FGD participant in Kampala explained:

“Getting a work permit is almost impossible... the process is expensive and unclear.” - Congolese Refugee in Kampala

These experiences help explain why so many respondents report never applying for a permit or being unsure of their status, and why the legal right to work does not translate into a practical pathway to formal employment for most refugees in this sample.

The persistence of confusion around permit requirements, including whether a Refugee ID alone is sufficient for certain categories of employment, contributes to employer reluctance and refugee disengagement from formal pathways. Clear, harmonised and publicly communicated guidance on work authorisation would reduce de facto exclusion from regulated work.

Job quality, protection gaps and future trajectories

Patterns of job quality differ by location, but labour protection gaps are evident in both settlement and urban contexts. In Nakivale, work is more likely to be informal, seasonal and disconnected from regulatory oversight, with minimal access to contracts, social protection or grievance mechanisms. In Kampala, employment opportunities are more diverse, but protection remains limited. Even where refugees access formal or semi-formal work, written contracts and contributions to schemes such as the National Social Security Fund are rare, leaving workers exposed to dismissal, underpayment and unsafe conditions.

These conditions have important implications for displacement-affected populations. Reliance on informal and unprotected work undermines income stability, weakens household resilience and constrains pathways to self-reliance, particularly for women and young people. Without access to labour protections, employment does not translate into longer-term security or upward mobility.

Current patterns suggest that, without targeted intervention, these conditions are likely to persist. While the Ugandan legal framework provides refugees with the right to work, practical access to protected employment remains constrained by permit systems, weak enforcement of labour standards in informal markets and limited inclusion within labour-market institutions. Although some government, municipal and humanitarian actors are engaging in skills training, business support and urban livelihoods programming, particularly in Kampala, these efforts have not yet resulted in widespread improvements in job quality or labour protection, especially in settlement contexts.

CASE STUDY: Building opportunity in the settlement: tailoring, training and community leadership

Asma is a 29-year-old Burundian refugee living in Juru zone, Nakivale settlement, with her husband, three children and an additional dependent. After fleeing violence in Burundi, her family arrived in Uganda following a prolonged journey through the region and were eventually allocated land in the settlement.

Initially reliant on casual labour, Asma began tailoring from home to support her household. With time and external support, she expanded her activity into a small tailoring workshop. She now produces garments for local sale and trains young women and girls in tailoring skills, retaining some trainees as paid workers. Her workspace is organised, equipped with multiple sewing machines and regularly used for practical instruction.

Access to information and counselling helped her navigate settlement requirements and register her business. While challenges remain, particularly access to capital and late customer payments, Asma describes increased confidence, stability and recognition within the community.

"I want my business to grow so I can train more youth and give them skills."

Her experience illustrates how sequenced, market-linked support can enable livelihood progression, in contrast to the limited impact of stand-alone training models.

6.4 Income and livelihood stability

Employment does not consistently translate into stable or sufficient income for refugees in this study. Low earnings, income volatility and limited diversification combine to create persistent livelihood insecurity across both urban and settlement contexts, even among those who are economically active. In this context, the formal right to work does not equate to access to decent work. Legal permission alone is insufficient without effective labour protections, functioning administrative systems and labour markets that can translate both existing and newly developed skills into decent employment.

Income levels and gender disparities

Income from work remains limited. Among respondents in Kampala reporting income from work, the average individual monthly income is USD 64. These figures reflect self-reported income from current work and were collected in Kampala only.

Gender disparities are pronounced. Women report average monthly earnings of USD 50, compared with USD 82 among men. This gap reflects women's concentration in lower-paid and informal activities, more limited access to start-up capital, and the need to balance income-generating work with care responsibilities. While comparable income data are not available for Nakivale, earlier findings on job quality, informality and limited income diversification suggest that settlement-based

refugees face similarly constrained, and in some cases more precarious, income conditions.

Drivers of low and unstable income

Low-income levels and income volatility are closely linked to the nature of available work. As discussed in Section 6.3, most employment is informal, uncontracted and poorly protected. The majority of employed and self-employed respondents describe their work as seasonal, one-off or highly variable, while only a very small minority report stable employment.

While low pay and informality characterise many labour markets more broadly, displacement compounds these dynamics. Restricted access to work permits, limited recognition of qualifications and weak bargaining power reduce refugees' ability to secure better-paid or more secure work. Refugees therefore participate in labour markets from a structurally disadvantaged position, even where similar forms of informal work are undertaken by host-community workers.

Groups facing multiple barriers experience the sharpest impacts. Women, youth, persons with disabilities and refugees living in settlement contexts report more limited access to higher-earning opportunities and greater exposure to income volatility.

Among the very small number of respondents in employment, most report temporary or insecure arrangements, including time-limited contracts or work without contracts. Only a few report permanent positions with contractual protection, all of whom are based in Kampala.

Given the very small number of employed respondents, these findings are interpreted as indicative of widespread employment fragility rather than as a basis for detailed comparison by location, contract type or employment category.

Household income structure and coping capacity

Limited household labour participation has direct implications for income stability and resilience. Reliance on a single earner or irregular income source reduces households' ability to absorb shocks, smooth consumption or invest in livelihoods.

Where income is disrupted, households often report having few internal buffers. Coping strategies described by respondents include borrowing, reducing food consumption or selling productive assets, indicating constrained capacity to manage even short-term shocks.

Remittances provide partial support for some households, but access is uneven. Around one in five households report receiving financial assistance from family or friends abroad, with support far more common in Kampala than in Nakivale. Settlement-based households therefore rely almost entirely on local income sources that are themselves low and unstable.

These patterns point to high household-level vulnerability, where even minor income disruptions can have immediate and lasting effects on wellbeing and livelihood security.

What these income patterns mean for refugees

Limited and volatile income shapes everyday decision-making and longer-term prospects for refugees. Low earnings restrict the ability to meet basic needs consistently, invest in education, skills development or business expansion, or plan. Income instability increases exposure to debt, food insecurity and asset depletion following even minor shocks.

If current labour-market conditions remain unchanged, these income patterns are likely to persist. Without expanded access to protected work, capital and income-stabilising mechanisms, employment alone will remain insufficient to deliver sustained self-reliance.

For many respondents, particularly women, youth, and refugees living in settlement contexts, livelihoods remain oriented toward short-term survival rather than longer-term development. These findings underscore the importance of addressing not only employment access, but also job quality, income stability and household-level resilience within refugee livelihood programming.

6.5 Awareness, and access to employment and livelihoods support

Awareness of work rights and livelihood opportunities among refugees is relatively high, but weak information pathways and limited institutional support constrain refugees' ability to translate this awareness into effective access to employment and livelihoods assistance.

Awareness of work-related rights among refugees and asylum seekers is relatively high, though uneven across locations. Overall, 71 per cent of respondents report being aware that refugees and asylum seekers are legally allowed to work in Uganda. Awareness is higher in Kampala than in Nakivale Refugee Settlement (78 per cent compared with 64 per cent), potentially reflecting differences in information environments and institutional presence. No gender differences are observed, with equal levels of awareness reported among women and men. However, this level of awareness does not correspond to effective access to employment or livelihoods support in practice.

Awareness of the legal right to work

Among respondents who were aware of the legal right to work, information is obtained primarily through humanitarian organisations and informal networks, notably NGOs (80 per cent), UNHCR (62 per cent), and friends and family (63 per cent), with limited reliance on state-led channels. Differences by location persist, with greater use of social media and employers in Kampala and heavier reliance on NGOs in Nakivale Refugee Settlement.

Many refugees are aware that employment and livelihoods support exists. However, awareness rarely translates into access to meaningful assistance. Fragmented information flows, informal referral systems and limited programme reach mean that most refugees navigate employment-related challenges without sustained institutional support.

Awareness and information pathways

Across the full sample, around two-thirds of respondents (66 per cent) report being aware of organisations or groups that provide employment or livelihoods support. Awareness is higher in Kampala than in Nakivale (77 per cent compared with 55 per cent), which may be linked to differences in information environments across locations, and slightly higher awareness among women than among men.

Despite these awareness levels, information about employment-related support is accessed primarily through informal channels. Refugees most often rely on friends, relatives, community leaders, churches and mosques to learn about opportunities. Formal entry points help desks or referral mechanisms are rarely identified.

A FGD participant in Kampala described how this shapes access:

“Most information moves by word of mouth. If you don’t know the right person, you miss the chance. There is no clear place to go and ask about work or business support.”

- Congolese Refugee in Kampala

A refugee-led organisation representative reinforced this point:

“Information and referral pathways are not consistent. Many refugees do not know where to start or which office to approach.”

- KII Kampala, RLO Leader

Reliance on informal information channels creates uneven access, favouring those with stronger social networks while leaving others excluded, even when programmes are available.

Access to employment-related support and who receives it

Despite relatively high awareness, actual access to employment-related support remains very limited. Only around one in ten household report that they or a household member has received any support related to employment, livelihoods or work-related documentation. The large majority report receiving no such assistance.

Access is higher in Kampala than in Nakivale (13.4 per cent compared with 6.9 per cent). Gender differences are also evident, with men more likely than women to report accessing support, reflecting differences in mobility, time availability and the design of many programmes.

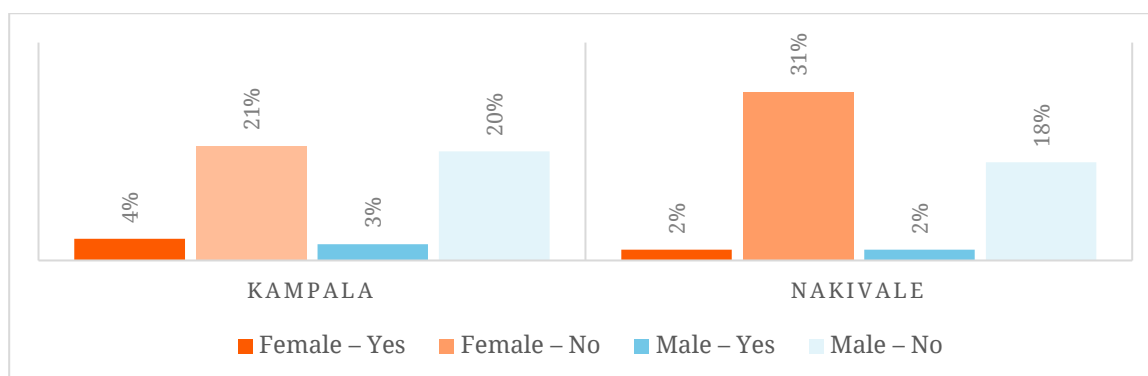


Figure 12: Receipt of Employment-Related Support, by Location and Gender

Among the small number of households that did receive support, sources are highly fragmented. Assistance most often comes from international NGOs, relatives outside Uganda, UN organisations or other refugees, with very limited engagement reported from municipal or government institutions.

These patterns indicate that access to support is often mediated through informal contacts and isolated programme encounters, rather than on coordinated or transparent systems.

Consequences of weak referral pathways

Weak and informal referral pathways have direct consequences for employment outcomes. When refugees do not know where to start, which organisations provide which services, or how to move from one form of support to another, opportunities are easily missed. This contributes to repeated training without progression, delays in accessing employment documentation, and prolonged reliance on informal or low-return livelihoods.

For newly arrived refugees, women, persons with disabilities and settlement-based populations, these barriers are particularly acute. Physical distance from service providers, unclear eligibility criteria and lack of follow-up further reduce access.

As a result, employment-related support reaches a small and uneven subset of refugees, while the majority remain unsupported despite clear demand for assistance.

What access patterns mean for employment outcomes

Limited access to employment and livelihoods support reinforces the labour market constraints described earlier in this chapter. Without clear information, structured referral mechanisms or sustained assistance, refugees are more likely to remain in informal, low-paid and unstable work. The absence of coordinated pathways linking skills training, documentation support, capital and job placement limits the potential impact of existing programmes.

If current access patterns persist, employment and livelihoods support is likely to continue benefiting a small number of refugees, primarily in urban areas and through informal networks. Improving employment outcomes will therefore require not only expanding programme availability, but also strengthening information systems, referral pathways and coordination across actors in both urban and settlement contexts.

6.6 Future pathways: aspirations, self-employment and policy alignment

Despite prolonged labour-market exclusion, refugees in this study express strong and sustained aspirations for work and self-reliance. These aspirations are reported across locations, genders, age groups and among persons with disabilities, suggesting that limited employment outcomes cannot be explained by lack of motivation alone.

Motivation to work and develop livelihoods

Across the full sample, most respondents (71.8 per cent) report that they are either actively looking for a job or want to develop a new income-generating activity. This level of aspiration is evident in both Kampala, with around three quarters of respondents in Kampala (76.9 per cent) and around two thirds in Nakivale (67.2 per cent) expressing positive intentions.

Gender differences are modest. Women and men report similarly high levels of interest in work and livelihood development, suggesting that differences in labour-market participation are not driven primarily by lower aspirations among women.

Age patterns are more pronounced. Aspirations are highest among respondents aged 25–34 (78.1 per cent) report active interest and remain high among those aged 18–24 and 35–44. Even among respondents who have been in Uganda for more than five years, around three quarters (72.6 per cent) continue to express interest in work or livelihood development, indicating that prolonged displacement does not substantially erode motivation.

These quantitative findings are reflected in how refugees describe their own futures. A FGD participant in Kampala explained:

“Sometimes it’s discouraging... but we still hope that one day we can get decent jobs or grow our businesses and stop depending on help.”
- Somali Refugee in Kampala

Persons with disabilities also report strong aspirations. Across both locations, most respondents identifying as having a disability report active interest in work or income-generating activities, reinforcing earlier findings that barriers relate to accessibility, discrimination and programme design rather than absence of intent.

Self-employment as a preferred and necessary pathway

For many respondents, aspirations centre not only on finding jobs but on developing self-employment and small businesses. This reflects interest in income-generating activities alongside recognition of the limited availability of salaried work. Women, settlement-based refugees and long-term residents are particularly likely to frame their aspirations around business development and income-generating activities.

Women’s aspirations in this regard are closely linked to household responsibilities and the need for flexible livelihoods. As one FGD participant in Kampala noted:

“Yes, women and young mothers are equally seeking for jobs because they want to support their children.” - South Sudanese Refugee in Kampala

These aspirations align with earlier findings on the centrality of self-employment in refugee livelihoods. However, they also expose a persistent gap between aspiration and feasibility. Limited access to capital, tools, workspace and business registration continues to constrain the translation of self-employment ambitions into viable livelihoods.

Uganda’s legal and policy framework formally supports refugee self-employment, including the right to establish businesses under the Refugees Act and commitments to refugee inclusion under national development and financial inclusion strategies, as outlined in the legal and policy analysis chapter. This creates a supportive framework in principle, even though implementation gaps persist in practice.

Emerging and underserved aspirations

Beyond traditional trades and micro-enterprise, some respondents’ articulate aspirations linked to emerging sectors, including digital work, services, logistics and care-related activities. These aspirations are most visible among youth and among refugees with secondary or post-secondary education.

Some respondents also express aspirations to work beyond Uganda, either through eventual return to countries of origin or through opportunities in third countries where refugees are legally permitted to work. These transnational aspirations reflect pragmatic livelihood planning and should be understood as complementary to engagement in local labour markets.

Several of these aspirations are broadly consistent with Uganda’s development priorities, including private-sector growth, digital transformation and regional integration. This suggests that refugee aspirations are not inherently misaligned with national plans, but that access barriers limit participation in these trajectories.

What aspirations reveal about future trajectories

The evidence in this section shows a clear mismatch between high aspirations and constrained opportunity. Refugees across genders, age groups and abilities consistently express a desire to work, develop businesses and improve their livelihoods. The persistence of these aspirations over time points to sustained effort and engagement, even in contexts of prolonged displacement.

If current barriers persist, many of these aspirations are likely to remain unmet, reinforcing cycles of informal, low-return work. Conversely, targeted investment in self-employment support, inclusive skills development, accessible finance and clearer labour-market pathways could enable a substantial share of refugees to realise their stated goals and contribute more fully to local, national and regional economies.

7 Lived Experiences and Cross-Cutting Barriers

The labour-market barriers described in the previous chapter illustrate gaps between the legal right to work and its realisation in practice. These barriers are not experienced only as employment outcomes; they shape refugees' daily lives, influencing mobility, wellbeing, social relations, confidence and perceptions of what feels possible. In both Kampala and Nakivale, the search for work is intertwined with administrative uncertainty, discrimination, economic pressure and sustained stress, revealing how de facto barriers extend beyond formal employment access into broader social and psychological dimensions of exclusion.

This chapter shifts the focus from labour-market participation to lived experience. Drawing on survey data and qualitative evidence, it examines how structural barriers cluster and interact in practice, and how they are felt at personal, social and emotional levels. It shows how documentation systems, market conditions, social dynamics and psychosocial pressures combine to shape everyday decision-making, constrain opportunity and influence resilience over time.

Rather than treating barriers as isolated challenges, the chapter highlights how they reinforce one another, producing cumulative effects that extend beyond employment alone. It also examines the coping strategies refugees rely on in the absence of predictable systems, and the forms of support they identify as most important for restoring dignity, stability and forward momentum.

7.1 A snapshot of employment barriers and how they cluster

Refugees rarely experience employment barriers as single or discrete challenges. Instead, many describe navigating several constraints at the same time, with administrative, economic and social pressures intersecting in ways that shape daily decision-making, mobility and wellbeing.

Survey findings indicate that barriers to employment are widespread across both Kampala and Nakivale. However, refugees' own accounts suggest that the significance of these barriers lies less in their individual presence than in how they combine and accumulate in practice.

Barriers are reported across genders and age groups, reinforcing the sense that employment exclusion is systemic rather than confined to particular profiles.

Refugees describe similar patterns of constraint at different life stages, though the form and intensity of these pressures vary.

Refugees most frequently describe barriers related to skills and experience mismatches, limited job opportunities, documentation and permit requirements, language barriers and discrimination.

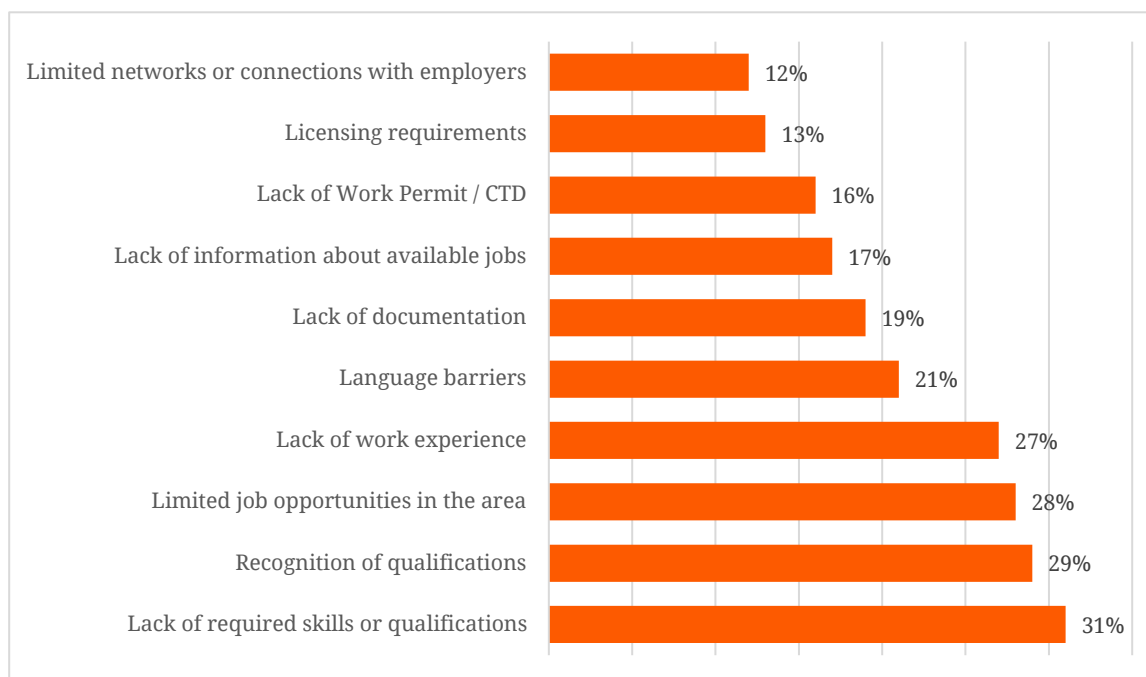


Figure 13: Top ten Reported Barriers to Employment in Preferred Field (*Respondents could select multiple barriers; percentages therefore exceed 100%*)

Exclusion operates cumulatively, with documentation uncertainty, labour-market segmentation, administrative opacity and social discrimination reinforcing one another and narrowing viable livelihood pathways over time. Refugees describe lacking recognised qualifications while also facing unclear documentation requirements, limited information, transport costs or fear of enforcement. Together, these pressures narrow the range of work that feels accessible, safe or worthwhile to pursue.

7.2 Documentation and administrative frictions as de facto barriers

Although Uganda's legal framework recognises refugees' right to work and operate businesses, refugees describe documentation and administrative systems as major barriers in practice. Rather than being experienced as clear or navigable procedures, these systems are described as sources of uncertainty, delay and risk, shaping whether and how refugees attempt to engage with formal employment or business opportunities.

Many refugees describe avoiding administrative processes altogether, citing uncertainty about requirements and disengaging due to confusion, cost or fear of negative consequences.

Exclusion from formal employment is experienced not only through formal refusal, but also through uncertainty and deterrence, with refugees weighing the risks of engagement against uncertain benefits where information is unclear or inconsistent.

These dynamics are reflected in how refugees describe their experiences. A focus group participant in Nakivale explained:

“They tell you to get a work permit but the process is expensive and unclear.”

– Male refugee, Nakivale

Uncertainty about documentation requirements further shapes how refugees navigate work and mobility, including which documents are needed for particular activities, how long they remain valid and how they are interpreted by employers or authorities.

In practice, this uncertainty discourages engagement. Even where documentation is held, refugees describe hesitating to approach employers, travel to certain areas or pursue opportunities due to fear of enforcement, fines or loss of livelihood assets.

These concerns are closely tied to mobility and visibility in public space. As one refugee leader in Kampala explained:

“People without documents face many barriers... sometimes they fear even to move in town.”

– KII, Kampala, Refugee Leader

Refugees who have attempted to engage with administrative processes describe barriers that are primarily procedural rather than legal, including unclear procedures, lack of guidance, long waiting times and complex requirements. Language barriers, discrimination and fear while travelling to offices further discourage engagement.

In Kampala, participants frequently described navigating multiple offices without receiving consistent information, leading many to abandon the process altogether. As one FGD participant explained:

“The process is too long and unclear... you move from one office to another without results.”

– Somali refugee, Kampala

In Nakivale, distance to offices and transport costs compound these challenges, making engagement with administrative systems feel inaccessible. Many rely on neighbours or NGOs to interpret requirements, reinforcing dependence on informal systems and discouraging attempts to formalise livelihoods.

Administrative uncertainty also shapes everyday mobility, with refugees describing deliberate avoidance of certain areas, job types or opportunities due to fear of enforcement or asset loss. The same uncertainty extends to attempts to formalise small businesses. Refugees describe unclear steps, costs and fear of unintended legal consequences as reasons for remaining informal, particularly where livelihoods depend on daily income and cannot absorb disruption. A refugee trader in Kampala described the risks involved:

“I know that you have to be with a license or being registered with the KCCA. I don’t have all those things because I do door to door business. If KCCA finds you, they take your business. It’s risky, but that’s how I work.” - Congolese refugee, Kampala

Across both Kampala and Nakivale, refugees consistently describe being constrained not by the law itself, but by the way that administrative systems operate in practice. These frictions shape confidence, planning and mobility, influencing which forms of work feel possible, safe or worth pursuing.

7.3 Economic and market-based constraints and survival livelihoods

Once refugees engage in work, their livelihoods are shaped by fragile markets, narrow profit margins and limited opportunities for progression. Across both Kampala and Nakivale, refugees describe livelihoods that are oriented toward short-term survival rather than growth or stability. Income is described as unpredictable and easily disrupted, shaping daily decisions about spending, borrowing and risk. Refugees describe work that fluctuates from day to day, with earnings dependent on demand, health, weather and access to customers.

In Kampala, market-based constraints are shaped by intense competition, rising costs and saturation in low-capital sectors. Refugees commonly engage in casual labour, petty trade, food vending, tailoring and other small-scale services. High transport costs, rent and commodity prices reduce already thin margins, leaving little scope for saving or reinvestment. A FGD participant described the daily pressure this creates:

“What we get is too little; after rent and food nothing is left... we borrow to finish the month.” - Sudanese Refugee in Kampala

Daily-wage workers describe income that fluctuates sharply with demand. Even short disruptions such as illness, police operations, rain or reduced foot traffic can eliminate earnings for days at a time.

In Nakivale, economic constraints are shaped by a different set of factors. Refugees describe geographical isolation, long distances to markets and limited integration with surrounding economies. Transport costs are high relative to income, and opportunities for wage labour are scarce. Many households rely on agriculture, which is highly vulnerable to environmental shocks. A key informant highlighted how these pressures interact:

“The livelihood capacities depend on agriculture... prolonged drought affects production of food and increases prices.” - KII, Nakivale, NGO

Across both locations, lack of start-up capital emerges as a central constraint. Women and youth in particular describe having skills but lacking the tools, materials or stock needed to use them. In Nakivale, participants frequently describe repeated training that does not translate into income due to lack of equipment or inputs.

Market saturation further restricts mobility. Refugees describe being pushed into overcrowded sectors with low entry barriers, where competition is intense and profits are minimal. Those without capital or networks are concentrated in the lowest-value segments of these markets, reinforcing cycles of underemployment.

These economic and market-based constraints create a livelihood environment defined by instability rather than progression. Most households manage income day by day, with limited capacity to save, invest or absorb shocks. These pressures reinforce the administrative and social barriers described earlier and shape the psychosocial impacts explored in the next section.

7.4 Social and discriminatory barriers shaping access to work

Access to employment is shaped by not only skills, documentation and markets, but also by social relations, perceptions and power dynamics. In both Kampala and Nakivale, refugees describe how nationality, gender, age and disability influence who is trusted, who is excluded and whose skills are recognised.

Survey findings indicate mixed perceptions of host-refugee relations. Around half of respondents (46.9 per cent) describe relations as positive, while many others characterise them as neutral. A smaller but significant share report negative experiences, particularly in urban settings where competition and visibility are higher (22 per cent compared with 13 per cent in Nakivale).

Negative social relations are frequently associated with discrimination in employment, housing and daily economic interactions. In Kampala, refugees describe progressing through recruitment processes only to be excluded once their nationality or refugee status becomes apparent. A refugee leader explained:

“There is always discrimination. When they go for job opportunities, they are left out because they are refugees.” - KII Refugee Leader

Nationality-based stereotypes are a recurring theme. Respondents describe assumptions that refugees from certain countries are less educated, less trustworthy or less capable, regardless of individual qualifications or experience. A FGD participant noted:

“Employers assume people like us from South Sudan cannot do what Ugandans are doing. They think the education standard is low.” - South Sudanese Refugee in Kampala

Somali, Sudanese and Congolese respondents similarly describe being judged by accent, appearance or origin. These perceptions shape not only hiring decisions, but also wages, job security and treatment at work, contributing to a sense of conditional acceptance rather than equal participation.

Many respondents identify women and persons with disabilities as facing greater difficulty accessing work. When asked directly, around two thirds report that these groups are disproportionately affected. These perceptions are echoed in qualitative accounts describing employers questioning women’s availability due to care responsibilities and expressing doubts about the productivity of persons with disabilities, particularly in physically demanding or informal roles.

Views on gendered access to work are divided. Around one third of respondents believe men and women have equal access to employment, while others perceive advantages for either men or women depending on context, household responsibilities and type of work.

In Nakivale, social barriers operate through different mechanisms. Respondents describe inter-group hierarchies, language-based favouritism and host-refugee tensions influencing access to opportunities. Youth report uneven hiring patterns linked to nationality and language use, while host-community attitudes shape access where refugees are perceived as competing for scarce jobs or resources.

Informal gatekeeping further constrains access to work in both locations. Respondents describe opportunities being mediated through personal connections, favouritism and informal payments, disadvantaging those without networks or financial means. For many, exclusion is experienced less as open rejection and more as repeated invisibility within informal recruitment processes.

Age and disability introduce additional layers of exclusion. Older refugees describe being overlooked for programmes or employment opportunities due to age limits, despite comparable needs. Persons with disabilities describe both attitudinal barriers and physical constraints, including inaccessible workplaces, long distances and lack of adapted roles. A FGD participant in Kampala explained:

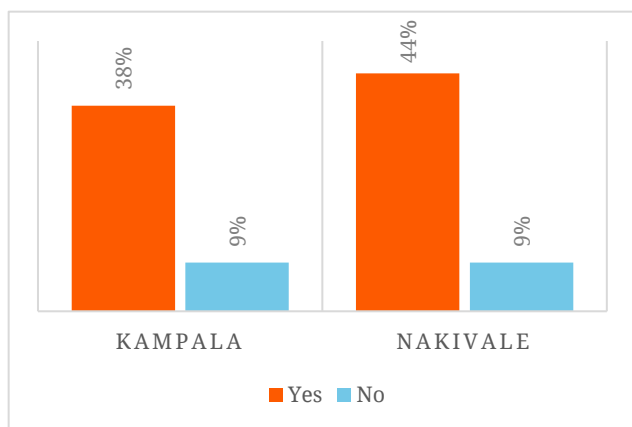
“People look down on us because of disability. They think we cannot work.” - Refugee with a disability in Kampala

Across both Kampala and Nakivale, these social and discriminatory barriers operate as structural forces rather than isolated incidents. Nationality, gender, disability, age and language background interact to shape trust, opportunity and treatment, influencing where refugees feel safe to look for work, how confident they feel engaging with employers and whether labour-market participation appears worthwhile.

7.5 Personal and psychosocial constraints shaping engagement with work

Economic exclusion is experienced not only as material hardship but also as sustained psychological pressure. Uncertainty, repeated rejection and prolonged income insecurity shape refugees’ confidence, motivation and daily capacity to pursue work. These pressures interact with administrative, economic and social barriers, influencing how refugees assess risk, opportunity and effort over time.

Survey findings indicate that stress and anxiety linked to livelihoods are widespread, with the large majority (86.2 per cent) of respondents reporting stress related to employment or income insecurity across both Kampala and Nakivale. These psychosocial effects are not separate from employment barriers; they are direct consequences of prolonged exclusion from stable and protected work.



Many refugees (62.6 per cent) describe how past experiences of conflict and displacement continue to affect their ability to work or seek employment, particularly in settlement contexts, where prolonged uncertainty and limited opportunities intensify emotional strain.

Figure 14: Respondents Reporting Employment-Related Stress or Anxiety, by location

Confidence in finding decent work reflects these pressures. Very few refugees (11.7 per cent) describe feeling confident about securing decent or stable work. Many explain that repeated applications, unstable informal work cycles and lack of feedback gradually erode belief in their prospects. A participant in a youth focussed FGD in Nakivale explained:

“They are not confident as they apply to most jobs and don’t get any feedback.”

— FGD Nakivale, Youth

Psychosocial strain is also tied to downward occupational mobility and loss of professional identity. Respondents with education or skilled backgrounds described the emotional impact of working far below their qualifications, often under supervision by less-qualified individuals. A woman in Nakivale illustrated this experience:

“A degree holder working as a cleaner supervised by a senior sex leaver.”

- Female Refugee in Nakivale

Household dynamics can intensify these pressures. Refugees describe mixed levels of household support for job seeking, with encouragement often co-existing alongside expectations related to caregiving, safety and social norms. Survey findings indicate that around one third of respondents describe their families as very supportive, while over half report only partial support, and a smaller share report little or no support.

These household and social pressures are particularly visible for young women and young mothers. A participant in a youth focussed FGD in Nakivale explained described cultural expectations that limit women’s participation in job searching, skills training and income-generating activities, often prioritising marriage and caregiving over economic engagement:

“Some cultures do not allow girls to engage in job creating or job looking... pressuring them to get married.” - Young refugee in Nakivale

Young refugees also described discouragement from family members who questioned the value of skills training or vocational pathways, particularly in contexts where employment outcomes appear uncertain. One young participant recalled being told:

“You are studying computer, where will you use the skills?” - Young refugee in Nakivale

7.6 Future aspirations, support needs and community-based coping systems

Despite persistent barriers, refugees across Kampala and Nakivale express strong motivation to improve their livelihoods and move beyond survival strategies. Aspirations for work, business growth and skills development remain high, even in contexts marked by prolonged exclusion, uncertainty and limited formal opportunities.

Survey findings indicate that most respondents (71.8 per cent) are actively looking for work or seeking to develop income-generating activities. Aspirations are particularly strong among youth and are evident across genders and locations, with slightly higher reported engagement in Kampala than in Nakivale (76.9 per cent compared with 67.2 per cent)

Motivation to acquire new skills is similarly high. The vast majority of respondents (95.8 per cent) report strong motivation to learn new skills. This contrasts sharply with actual access to opportunities. As documented earlier, only a minority of households report that a member has acquired new skills since arrival, pointing to a persistent gap between aspiration and access. A FGD participant in Kampala captured this tension:

“Sometimes it’s discouraging, but we still hope that one day we can get decent jobs or grow our businesses and stop depending on help.”
- Somali Refugee in Kampala

Aspirations differ by location and gender. In Kampala, respondents more frequently describe ambitions linked to business expansion, hospitality, ICT and service-sector work, reflecting exposure to a more diverse but competitive urban economy. In Nakivale, aspirations concentrate around hands-on trades, agriculture and small enterprise, shaped by settlement-based constraints, limited markets and fewer wage-employment pathways.

Women articulate particularly strong aspirations for self-employment. Small businesses are widely seen as the most realistic route to income, flexibility and autonomy, especially where childcare responsibilities, mobility constraints and safety concerns limit access to wage labour. However, these aspirations are consistently constrained by lack of capital, tools and workspace. A female refugee in Nakivale explained:

“We want to start our own businesses but there is no support.” -
Female Refugee in Nakivale

When asked what would most help them achieve their employment goals, respondents most frequently prioritise financial support (55.7 per cent) and skills

training (20.4 per cent), followed by networking, mentorship, career guidance, language training and documentation support.

Language emerges as a critical crosscutting enabler. Many respondents (64.5 per cent) identify language or literacy training as essential to improving employment prospects, particularly in Nakivale and among women. Respondents emphasise that limited language proficiency restricts access to jobs, training opportunities and communication with employers and authorities.

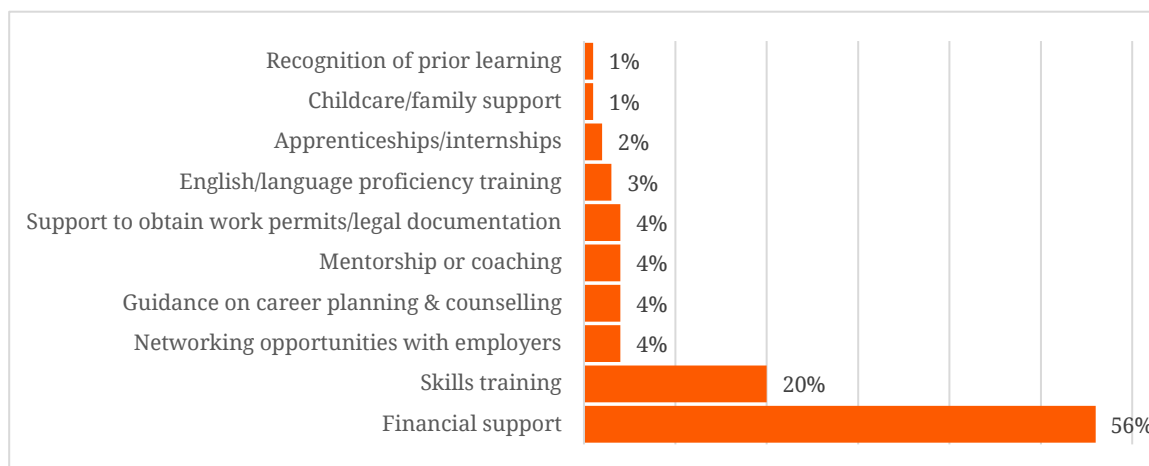


Figure 15: Most Helpful Support to Achieve Career and Employment Goals

Disability intersects with aspirations in distinct ways. Respondents identifying as persons with disabilities report similar levels of motivation to work as others, but describe narrower perceived pathways due to mobility constraints, inaccessible workplaces and limited inclusion in programme design. This reinforces the finding that aspiration is not the binding constraint; access is.

Alongside formal support needs, refugees rely heavily on community-based coping mechanisms, which differ across locations and genders. In Kampala, coping strategies are shaped by the demands of a cash-based urban economy. Refugees rely on peer networks for information and referrals, informal savings groups to manage rent and daily expenses, and religious institutions for both material and emotional support. Rapid access to small loans, short-term work opportunities or referrals often determines whether households can absorb sudden shocks.

In Nakivale, coping mechanisms are more closely tied to kinship and nationality-based networks, shared food, collective labour and informal childcare arrangements. Geographic isolation and limited market access mean that refugees depend more on mutual support within communities and on mediation by community leaders or humanitarian actors. These mechanisms help households manage scarcity but offer limited protection against prolonged income loss or major shocks.

Coping strategies are also gendered. Women are more likely to rely on informal savings groups, borrowing within trusted social networks and support from religious or community groups. These strategies reflect both constrained access to capital and the need for flexible mechanisms compatible with caregiving responsibilities. Men more often describe coping through diversification of short-term income activities, temporary mobility in search of work and reliance on peer networks for job information, even where such strategies carry higher risk.

A refugee leader in Kampala framed aspirations in terms of progression rather than immediate outcomes:

*“When you start somewhere, you can start as a waiter, but with time you can become a supervisor, then manager and CEO.”- KII
Kampala, RLO Leader*

These aspirations are pursued within contexts of sustained stress and uncertainty, which shape how much risk refugees are willing or able to take when seeking new opportunities.

This section shows that strong aspirations coexist with constrained opportunity. Refugees continue to plan, adapt and invest hope in future livelihoods, but structural barriers limit the extent to which motivation translates into stable or progressive outcomes. Community support, coping strategies and personal resilience help households manage immediate pressures, but they do not substitute for inclusive labour-market systems.

The lived experiences documented in this chapter demonstrate that barriers to work operate beyond policy and administrative rules, unfolding through cumulative social, economic and psychological effects. When the right to work is restricted in practice, the consequences extend beyond income loss to affect dignity, identity, confidence and long-term planning. Aligning administrative practice and labour-market institutions with existing legal rights is therefore central not only to economic inclusion, but for restoring predictability and agency in contexts of displacement.

8 Administrative, Legal and Institutional Systems

Administrative systems and legal frameworks shape the practical conditions under which refugees work, move and build livelihoods. While Uganda's legal landscape is widely recognised as progressive, evidence from Kampala and Nakivale shows that access to these rights depends primarily on how documentation, work permits, registration systems and institutional processes operate in practice, including how work authorisation requirements are interpreted and applied. These processes involve multiple state actors, including the Ministry of Gender, Labour and Social Development (MGLSD), the Office of the Prime Minister (OPM) through the Department of Refugees, the Ministry of Internal Affairs and the Directorate of Citizenship and Immigration Control, each of which plays a role in shaping access to work and documentation pathways.

Recent directives and policy communications from OPM emphasise refugee self-reliance and economic inclusion as central to Uganda's refugee response. Translating these commitments into predictable administrative practice, however, requires closer harmonisation across immigration, labour and local government systems.

This chapter does not restate labour market outcomes described earlier. Instead, it examines the administrative and institutional mechanisms that shape them. A central pattern emerging from the evidence is the link between limited access to work permits and registration and the persistence of informal self-employment. In this context, informality functions as a structural response to systems that are costly, unclear and unpredictable to navigate, rather than as a transitional stage or individual preference.

The implications of these systems differ by location. In Kampala, enforcement practices and uncertainty around compliance influence mobility and business behaviour. In Nakivale, costs, distance and uneven access to information constrain engagement with formal processes. Across both settings, gaps between policy and implementation render legal rights conditional, with consistent access more feasible for those with greater resources and institutional support.

The sections that follow examine how documentation systems, permit pathways, institutional coordination and administrative burdens operate in practice, and how they reinforce the de facto barriers to economic inclusion identified in earlier chapters.

8.1 Documentation, Legal Identity and Everyday Economic Life

Documentation shapes refugees' ability to move, rent, trade and work, yet the systems governing its renewal, replacement and recognition often operate unpredictably, creating a decisive constraint on economic participation.

Survey findings indicate that while most respondents possess some form of refugee documentation, uncertainty around validity, renewal and required procedures is widespread. Many respondents report being unsure of their documentation status or disengaging from renewal or replacement processes due to unclear information, anticipated delays or cost.

These patterns indicate that documentation challenges arise less from initial access than from the ongoing management of legal identity over time.

In practice, refugees rely on different forms of legal documentation with uneven recognition, as reflected in both survey data on document possession and qualitative accounts of how documents are treated in daily interactions. Refugee IDs provide the strongest form of legal identity and are the most widely held. Attestation documents are often used temporarily during registration or renewal processes, but are less consistently recognised by landlords, employers and local authorities.

Expired or pending documents increase exposure to enforcement and restrict access to housing, mobility and work opportunities.

These distinctions shape how refugees navigate daily economic life, particularly in informal labour markets where documentation is checked inconsistently but punitively. The consequences of documentation uncertainty differ by location. In Kampala, respondents described enforcement-related risks, including checks and confiscation of goods, which discourage travel to commercial areas and reinforce reliance on nearby informal activities.

In Nakivale, documentation challenges are more closely linked to cost, distance and uneven access to information across settlement zones. Fees associated with replacement, translation or registration accumulate quickly, and uncertainty over requirements reduces engagement with formal processes.

Documentation challenges also undermine housing stability, which in turn affects economic security. Expired or pending documentation can jeopardise rental agreements, increase the risk of eviction and force households to relocate to less secure areas. One FGD participant explained:

“When my ID expired the landlord refused to renew the agreement.”
- Congolese refugee, Kampala

Documentation barriers contribute indirectly to the persistence of informal self-employment.

Where documentation status is uncertain or renewal processes are difficult to navigate, refugees are less likely to pursue regulated employment or business registration. Informal activities that minimise interaction with authorities therefore become the most viable option, even when returns are low and insecurity is high.

In this way, documentation systems operate as gatekeeping mechanisms that shape economic behaviour and reinforce informality. Overall, documentation functions as a conditional enabler of rights.

Refugees may legally hold the right to work, move and rent, but the complexity, cost and predictability of documentation systems determine whether these rights can be exercised consistently. These dynamics set the foundation for the challenges examined in the following sections on work permits, business registration and institutional access.

CASE STUDY: Self-employment without recognition: informality shaped by documentation barriers

Rukundo is a 32-year-old refugee living in Juru village, Nakivale settlement, where he supports a household of four as the sole income earner. He arrived in Uganda from Rwanda in 2001 and has lived in the settlement since being granted refugee status.

Rukundo runs a small unisex salon in the trading centre, earning around UGX 10,000 per day depending on customer demand. He gradually built the business by saving from earlier salon work and later received support to expand operations. He has skills and certification in hairdressing and has trained young people informally for a small fee.

Despite this progress, administrative barriers limit further growth. He reported being unable to obtain a Tax Identification Number (TIN) due to documentation requirements and confusion around licensing fees. Without a TIN, he cannot contract with organisations seeking local trainers, and fears enforcement despite unclear rules.

“Without a TIN, I lose opportunities even though I have the skills.”

His case illustrates how documentation systems push refugees into persistent informality, constraining livelihoods despite entrepreneurship and experience.

8.2 Work Permits, Business Registration and Practical Access to Formally Recognised Work

Work permits²⁵ and business registration are formally established under national legislation as pathways into regulated employment and enterprise. However, their application to recognised refugees remains unclear in practice and they remain largely inaccessible due to cost, complexity, fragmented guidance and weak referral mechanisms.

Survey findings show that only a very small minority of respondents hold a valid work permit, while many report never having applied or being unsure of their status. This pattern reflects widespread perceptions that permit processes are unclear, costly and unlikely to result in approval, rather than lack of interest in formal work. For households with unstable incomes, these perceptions create a rational disincentive to engage with formal systems.

Qualitative accounts reinforce this picture. Respondents in both Kampala and Nakivale described work permit procedures as difficult to understand, with inconsistent information on eligibility, required documents and application steps. Delays and lack of feedback further reduce confidence in the system, discouraging sustained engagement and reinforcing reliance on informal alternatives. One FGD participant explained:

“We have never had the chance to understand clearly how these procedures work.” - Congolese refugee, Kampala

Barriers to business registration follow a similar pattern. Although self-employment is widespread, only a minority of refugee-run enterprises are formally registered. Respondents cited registration fees, multiple administrative steps, contradictory instructions and fear of making costly mistakes as key deterrents. In Kampala, enforcement practices increase the risks associated with informality, but do not consistently encourage formalisation when registration pathways remain opaque. In Nakivale, affordability and distance are more prominent constraints, with even basic registration costs exceeding what many micro-enterprises can absorb.

These dynamics are reinforced by weak and fragmented referral pathways. While inter-agency working groups, sector coordination mechanisms and livelihood or legal support platforms exist at national and sub-national levels, refugees rarely experience them as clear or accessible entry points into permit or registration processes. Information about where to apply, who can assist and how different

²⁵ This report adopts the interpretation that, under the Refugees Act 2006, recognised refugees should be able to engage in employment on the basis of lawful residence and Refugee ID documentation, without requiring additional work permits except where specific professions are explicitly regulated by law. The absence of harmonised and publicly communicated guidance has allowed divergent interpretations to persist.

requirements intersect is dispersed across multiple actors, with limited alignment across protection, livelihoods, legal aid and municipal governance.

As a result, refugees frequently rely on informal sources of information, including peers, community leaders or ad hoc advice from organisations, rather than structured referral systems. Those without strong social networks, including women, persons with disabilities and recent arrivals, are more likely to be excluded from support. Fragmentation across institutional mandates means that assistance related to documentation, permits, business registration and livelihoods is often delivered in isolation rather than as part of a coherent pathway towards formal work or enterprise.

In this context, the persistence of informal self-employment reflects a structural response to administrative systems that are difficult to navigate and weakly supported. Limited access to work permits, unclear registration pathways and fragmented referral mechanisms restrict access to formal employment and enterprise. Informal self-employment therefore becomes the most predictable livelihood option, even when it offers low returns and limited protection, constraining transitions into regulated work and reinforcing economic insecurity over time.

8.3 Administrative Burdens, Costs and the Predictability of Procedures

Administrative procedures shape refugees' willingness and ability to engage with formal systems, with predictability often mattering as much as legality or cost. Across both Kampala and Nakivale, processes related to documentation, permits and registration are commonly experienced as difficult to plan around, with inconsistent information and limited clarity on timelines or outcomes.

For households with unstable incomes, repeated visits to offices, transport costs and time away from income-generating activities represent significant barriers to engagement. These burdens affect refugees differently by location. In Kampala, respondents emphasised the cumulative cost of transport, time and uncertainty, particularly where multiple offices must be visited without clear guidance. Delays and lack of feedback discourage sustained engagement, especially for those relying on daily income. In Nakivale, distance to administrative offices, limited operating hours and uneven communication across settlement zones are more prominent constraints. Even where individual fees are relatively small, their accumulation makes compliance difficult for low-capital households.

Uncertainty emerges as a central feature of administrative engagement. Procedures are often characterised by unclear documentation requirements, uncertain timelines and unpredictable outcomes. A key informant described how these requirements function in practice:

“Registration barriers are widespread; many refugees simply cannot meet the requirements.” - KII Kampala Refugee Leader

This lack of predictability undermines confidence in formal systems and shapes behaviour. Rather than investing scarce time and resources in processes perceived as unreliable, many refugees rely on informal pathways that offer clearer expectations and more immediate returns, despite their insecurity.

Concerns about unclear charges, requests for unofficial payments and inconsistent enforcement further reduce confidence in administrative engagement. For persons with disabilities and older refugees, mobility barriers and inaccessible facilities intensify these burdens, turning administrative inconvenience into effective exclusion.

Overall, administrative burdens influence not only access to formal rights but also refugees’ economic strategies. Where procedures are experienced as unpredictable, costly and weakly accountable, formal systems are widely perceived as unreliable. In this context, informality often emerges as a rational and adaptive response, reinforcing disengagement from formal processes and continued reliance on low-return livelihoods.

8.4 Quality, Relevance and Accountability of Institutional Support

Institutional support for livelihoods and employment plays an important role in shaping refugees’ economic opportunities, yet its effectiveness depends on relevance, sequencing and accountability rather than availability alone.

Survey findings indicate that only a minority of households report participation in livelihoods or skills-related support since arrival. This limited reach helps explain why institutional support has not translated into broader improvements in employment outcomes or income stability.

Among those who did receive support, experiences varied. Many respondents described training programmes as short-term or repetitive, particularly where tools, start-up capital, certification or follow-up support did not accompany them. In such cases, participation did not substantially alter livelihoods, as households lacked the means to apply newly acquired skills in practice.

Qualitative accounts indicate a consistent pattern in perceived effectiveness. Support models that combined training with tangible inputs, such as equipment, small grants, mentoring or referrals to markets or employers, were more often associated with improved confidence and greater scope for livelihood progression. By contrast, training delivered in isolation was commonly described as having limited impact, particularly in saturated informal markets or where capital constraints were acute.

Youth and women frequently described uncertainty about how participation in workshops or short courses would translate into employment, business growth or

formalisation. In Nakivale, some respondents also highlighted unclear selection criteria, which reduced trust and willingness to engage with future programmes.

Accountability and feedback mechanisms emerged as a further constraint. Respondents often reported submitting applications or expressions of interest without receiving responses, updates or explanations. For households with limited time and resources, repeated engagement with programmes that did not yield tangible results reduced confidence in institutional channels.

Despite these challenges, examples of more effective practice were identified. Where organisations provided sequenced support, combining skills training with inputs, follow-up and market linkage, respondents reported greater confidence in their ability to sustain or expand livelihoods. However, such approaches were described as limited in scale and unevenly accessible.

These findings suggest that constraints in livelihoods support stem less from lack of interest among refugees than from gaps in coverage, relevance and accountability. Low participation rates, combined with stand-alone training, limited follow-up and weak feedback mechanisms, reduce the likelihood that support translates into sustained livelihood improvement. Where assistance is not aligned with market conditions, capital constraints and administrative realities, its impact is likely to remain short-term and uneven.

8.5 Policy–Practice Gaps and the Conditions for Self-Reliance

Uganda's legal framework grants refugees the right to work, freedom of movement and the ability to operate businesses. Evidence from both Kampala and Nakivale shows, however, that gaps between policy intent and administrative practice constrain the extent to which these rights can be exercised in predictable and meaningful ways.

Across both locations, respondents demonstrated awareness that Uganda offers a comparatively enabling legal environment. Freedom of movement, access to markets and the possibility of engaging in economic activity were widely recognised as important foundations for livelihoods. In practice, access to these rights is rendered conditional through documentation systems, permit processes, registration requirements and fragmented institutional coordination, which mediate how and whether legal entitlements can be exercised.

The right to work is most directly affected by ambiguity surrounding work permit requirements and limited clarity regarding regulatory pathways into formal employment. Although formal work is legally permitted, the perceived requirement for work permits and the opacity of related administrative systems are widely described as costly and difficult to navigate, resulting in low engagement with formal application processes. For skilled refugees, this gap is compounded by licensing and certification requirements that restrict entry into regulated professions, even where education and experience exist. As a result, many refugees remain excluded from formal employment pathways despite holding qualifications that would otherwise support labour-market participation.

Freedom of movement is similarly shaped by administrative practice. In Kampala, uncertainty around documentation validity and enforcement environments influences daily mobility decisions, reducing willingness to travel to commercial areas, workplaces or administrative offices. In Nakivale, movement constraints are more closely linked to transport costs, distance and inconsistent administrative communication across zones. In both settings, movement is formally guaranteed but practically constrained, shaping where and how refugees pursue livelihoods.

The right to operate a business is affected through registration, licensing and taxation systems that are perceived as costly and unclear. While self-employment is legally permitted and widely practised, most refugee-run enterprises remain informal. Respondents described attempting to engage with registration processes but abandoning them due to fees, contradictory guidance or fear of unintended legal consequences. Informality therefore functions as a structural condition rather than a temporary phase, limiting access to protection, growth opportunities and integration into wider markets.

These policy–practice gaps have direct implications for self-reliance. When access to work, movement and business rights depends on navigating complex and unpredictable administrative systems, households face constraints on planning, investment and asset-building. Economic activity remains oriented towards short-term survival rather than progression. In this context, self-reliance is shaped less by individual motivation or capacity than by the cumulative effects of conditional access to rights.

8.6 Aligning Systems with Rights: Implications for Policy and Practice

Findings across this chapter indicate that constraints on refugee economic participation arise primarily from the design and operation of administrative and institutional systems rather than from the absence of legal rights. Documentation processes, interpretations of work authorisation requirements, registration requirements, coordination mechanisms and information systems collectively shape how, when and whether refugees can exercise their rights to work, move and operate businesses.

Across both Kampala and Nakivale, administrative complexity and cost reduce predictability. When procedures are unclear or require repeated visits, refugees face trade-offs between compliance and income generation. This encourages avoidance of formal systems and reinforces reliance on informal arrangements that appear more navigable, even when they offer weaker protection and limited growth potential. In this way, administrative systems shape labour-market behaviour as well as outcomes.

Institutional fragmentation further compounds these effects. Livelihoods support, documentation services, regulatory functions and protection mechanisms often operate in parallel rather than as integrated pathways. Refugees may therefore engage with multiple actors without receiving coherent guidance on how to progress

from informal coping strategies towards more stable or protected forms of economic participation. Weak referral systems and inconsistent communication limit the cumulative impact of otherwise well-intentioned interventions.

These dynamics have uneven effects across the refugee population. Women, youth, persons with disabilities and recent arrivals are more likely to be excluded by high transaction costs, limited information and rigid procedural requirements. For these groups, administrative barriers intersect with care responsibilities, mobility constraints and discrimination, narrowing already constrained livelihood options.

Aligning systems with rights therefore requires attention not only to policy frameworks, but also to how procedures function in practice. Simplification, clarity, coordination and predictability emerge as central conditions for enabling access to work, business formalisation and mobility. Without such alignment, legal entitlements and livelihoods programming will continue to operate within structural constraints that limit their effectiveness.

9 Comparative Unemployment Outcomes Between Ugandans and Refugees

Uganda is widely recognised for having one of Africa's more progressive refugee protection frameworks. The Refugees Act, 2006 provides recognised refugees with the right to engage in agriculture, commerce, establish businesses and, importantly, access employment opportunities and engage in gainful employment. UNHCR similarly confirms that refugees and asylum-seekers in Uganda have access to employment opportunities.

However, the existence of a legal right to work has not translated into equal labour-market outcomes. Available comparative evidence demonstrates a substantial and persistent employment gap between refugees and Ugandan host-community members. The 2018 Uganda socioeconomic survey, analysed by the World Bank and UNHCR, found that only 29 percent of refugees were employed, compared with 64 percent of host-community members: a gap of 35 percentage points. The disparity remains significant after accounting for differences in age, gender and education.

The divergence is similarly pronounced in labour-force participation. Only 42 percent of working-age refugees participated in the labour force, compared with 69 percent of host-community members, representing a 27-percentage-point gap. Even after controlling for age, gender and education, the participation gap remained approximately 26 percentage points. Among those participating in the labour market, refugees also experienced substantially higher unemployment: 31 percent compared with 7 percent among host-community members, a difference of 24 percentage points.

These findings are particularly significant because Uganda's legal framework is designed to facilitate refugee economic inclusion. The World Bank has previously described Uganda's approach as providing refugees with freedom of movement and the right to work, while also documenting refugees' participation in agriculture, trade, self-employment and other economic activities. Yet the same evidence shows that refugees remain considerably less likely than Ugandan nationals to participate in and benefit from the labour market.

9.1. Youth unemployment: a particularly significant disparity

The employment gap becomes even more concerning among young people. UNHCR and World Bank analysis found that refugee youth were approximately three times more likely to be unemployed than Ugandan youth, with unemployment at 44 percent among refugee youth compared with 14 percent among Ugandan youth.

Gender-disaggregated evidence points to an equally substantial disparity. Among young refugees, unemployment has been reported at approximately 50 percent for males and 41 percent for females, compared with 14 percent for Ugandan males and 16 percent for Ugandan females. These figures indicate that refugee youth are not simply experiencing the general difficulties faced by Uganda's young jobseekers; they face an additional disadvantage associated with displacement and refugee status.

This is particularly important in Uganda's wider demographic context. The country already faces significant pressure to generate employment for a rapidly expanding young population. The additional barriers faced by refugee youth therefore risk creating a generation that remains economically excluded despite having the legal right to work and, in many cases, skills and qualifications that could contribute to the Ugandan economy. UNHCR notes that Uganda's economy would need to accommodate approximately 600,000 new jobseekers annually by 2040, highlighting the scale of the broader employment challenge.

9.2 Education does not necessarily translate into employment for refugees

Another striking feature of the refugee labour market is the relatively weak relationship between educational attainment and access to employment. Evidence from research on refugee employment in Uganda indicates that refugees with secondary education experience unemployment rates of approximately 43 percent, compared with roughly four times lower unemployment among similarly educated Ugandans. Refugees with some tertiary or college education have an unemployment rate of approximately 35 percent, still around twice the rate for comparable Ugandan nationals.

This finding is important because it challenges the assumption that skills development alone will resolve refugee unemployment. While education and vocational training remain important, the evidence suggests that refugees may possess qualifications without being able to convert those qualifications into appropriate employment.

The problem is therefore not necessarily a lack of skills. It can also be a question of recognition, documentation, networks, discrimination, employer perceptions and the ability to demonstrate qualifications obtained outside Uganda. UNHCR's analysis

identifies discrimination, limited recognition of foreign qualifications, language proficiency, lack of social networks and prolonged periods outside the labour market as factors that can contribute to the persistent employment gap.

9.3 The documentation and work-permit dilemma

The gap between law and practice is particularly visible in relation to documentation and work permits. Section 29 of the Refugees Act provides recognised refugees with the right to access employment and engage in gainful employment.

Nevertheless, research indicates that refugees and employers can face uncertainty regarding the documentation required to formalise employment. A 2025 assessment of urban refugee policies in Uganda reported that few refugees possess Convention Travel Documents (CTDs) and that the CTD has been used in practice in connection with the work-permit process. The same assessment reported that only about one in four employers were aware of refugees' legal right to work.

More recent research similarly identifies the practical difficulty of obtaining the documentation associated with formal employment. Although the work-permit fee for refugees may be waived, obtaining a CTD can itself involve costs and administrative requirements. This creates a situation in which a right that exists in law may nevertheless be difficult to exercise in practice.

This distinction is particularly important following the 2026 judicial developments concerning refugees' right to work. The legal analysis should therefore not characterise refugees simply as being legally required to obtain work permits. Rather, the stronger argument is that administrative and documentation practices can create practical barriers to exercising the statutory right to work, particularly in the formal labour market.

9.4. Employer awareness, discrimination and skills mismatch

Employer perceptions constitute another important barrier. Even where employers are willing to employ refugees, limited knowledge of the legal framework can discourage recruitment. Refugees may consequently be excluded from vacancies because employers assume that employing them involves additional immigration procedures or legal risks. Evidence from Uganda also identifies discrimination, language barriers, lack of documentation, poor access to professional networks and limited interview opportunities as constraints on refugee employment.

Qualification recognition is another significant issue. Refugees who previously worked as teachers, health professionals, engineers, lawyers, technicians or other skilled professionals may struggle to have their foreign qualifications recognised or may face lengthy procedures before they can practise their profession. The Refugees Act itself recognises the right to practise a profession where qualifications have been recognised by the competent Ugandan authorities, but the practical process of recognition can still create a barrier to labour-market entry.

Consequently, refugees are often pushed towards informal employment and self-employment even where they possess qualifications that could allow them to participate in higher-skilled occupations. This contributes to skill mismatch and underemployment, whereby individuals work below their level of education and professional experience.

9.5. Does time in Uganda close the employment gap?

There is evidence that the labour-market gap narrows as refugees spend more time in Uganda, but the improvement is incomplete. Longitudinal analysis found that unemployment differences between refugees and Ugandan nationals become statistically insignificant after approximately 10 years of residence. However, the employment gap does not disappear: after 10 years, refugees still experienced an employment gap of approximately 20 percentage points compared with Ugandan nationals.

This distinction is important. It suggests that refugees may gradually become more economically integrated as they develop local networks, language skills, knowledge of the labour market and familiarity with institutions. However, even prolonged residence does not necessarily result in full labour-market parity. The initial disadvantage therefore has long-term consequences.

9.6. Implications for programming and policy

The evidence suggests that the refugee employment challenge in Uganda cannot be addressed through skills training alone. A more comprehensive employment strategy should address both supply-side and demand-side barriers.

First, interventions should strengthen qualification recognition and professional licensing pathways, particularly for refugees with secondary, tertiary and professional qualifications. Secondly, programmes should address documentation barriers and provide clear, practical information to refugees and employers concerning the legal framework governing refugee employment.

Thirdly, employer engagement should become a central component of refugee employment programming. Employers need clear information on refugees' legal status, their right to work and the procedures for employing them. This is particularly important given evidence that employer awareness of refugee work rights remains limited.

Fourthly, employment programmes should move beyond generic vocational training towards job matching, internships, apprenticeships, recognition of prior learning, certification and direct engagement with employers. Evidence from Uganda already points towards interventions designed to influence firms' perceptions and willingness to hire refugee workers, demonstrating the importance of addressing employer-side constraints rather than focusing exclusively on refugee skills.

Finally, particular attention should be given to refugee youth and educated refugees, who appear to experience some of the most pronounced forms of labour-market exclusion. The exceptionally high unemployment rates among refugee youth, combined with the weak translation of higher education into employment, indicate that employment interventions should deliberately target the transition from education and training into decent work.

9.7. Conclusion

The comparative evidence presents a clear paradox: Uganda provides refugees with a relatively strong legal framework for economic participation, yet refugees continue to experience substantially poorer labour-market outcomes than Ugandan nationals. Refugees are less likely to participate in the labour market, significantly more likely

to be unemployed, and considerably less likely to obtain employment even when they possess secondary or tertiary education.

The most significant gaps are observed among young refugees and among refugees with higher levels of education. These patterns demonstrate that the problem cannot be explained simply by low skills or lack of willingness to work. Instead, the evidence points towards a combination of documentation barriers, weak recognition of foreign qualifications, employer awareness gaps, discrimination, limited professional networks, skills mismatch and the structural disadvantages associated with forced displacement.

The central policy lesson is therefore that legal access to employment is necessary but not sufficient. Closing the refugee-host employment gap requires moving from a model that guarantees the right to work towards one that actively enables refugees to exercise that right. This means removing administrative barriers, improving employer awareness, recognising refugees' qualifications and prior experience, strengthening job-matching mechanisms, and creating targeted pathways into formal employment. Without these complementary measures, Uganda's progressive refugee policy risks producing a significant gap between rights on paper and economic inclusion in practice.

10 Conclusion and Recommendations: From Rights in Law to Practice on the Ground

Across the report, a consistent pattern emerges. Refugees in Kampala and Nakivale demonstrate sustained engagement with work and diverse skills yet face persistent barriers that prevent these capacities from translating into stable and protected livelihoods. While Uganda's legal framework provides important rights related to work, movement and business, the exercise of these rights is mediated by administrative systems that are complex, costly and unevenly applied. In this context, informality should not be understood as transitional or voluntary, but as a rational response to administrative opacity, regulatory ambiguity and segmented labour markets.

The evidence shows that de facto barriers arise from the cumulative effects of documentation requirements, permit processes, administrative burdens, market conditions and fragmented institutional support. These factors shape everyday economic decisions, encouraging reliance on informal and low-return activities that prioritise short-term survival over longer-term progression. Informality, income instability and underutilisation of skills therefore emerge as systemic outcomes rather than individual shortcomings.

Advancing refugee economic inclusion requires moving beyond recognition of rights in principle toward enabling their consistent and predictable use in practice. Improving livelihoods outcomes depends on clarifying and simplifying administrative procedures, strengthening coordination across actors and aligning support interventions with labour-market and institutional realities. The recommendations that follow translate these analytical findings into concrete actions aimed at reducing de facto barriers and supporting more predictable, inclusive and sustainable pathways to economic participation.

Priority Actions for Strengthening Refugee Economic Inclusion

The findings show that while refugees demonstrate strong motivation to work and clear livelihood aspirations, systemic barriers related to documentation, administration, labour markets and service access continue to limit economic participation. Uganda's legal framework provides important rights related to work, movement and business, yet these rights are not consistently realised in practice. The

priority actions below outline practical steps across government, UN actors, NGOs, the private sector, refugee-led organisations, donors and development actors can take to reduce de facto barriers and create clearer, more predictable pathways into dignified work and sustainable livelihoods.

Government of Uganda (OPM, MGLSD, Ministry of Internal Affairs, District Authorities, KCCA)

Objective: *Create enabling administrative conditions across relevant institutions so that existing legal rights can be exercised in practice.*

Clarify and operationalise the right to work

(Short-term: Administrative clarification and communication)

- Issue and publicly disseminate clear guidance confirming that a valid Refugee ID constitutes sufficient legal documentation for accessing wage employment and self-employment, in line with existing law, and specify any limited circumstances where additional authorisation may be required.
- Ensure consistent recognition of the Refugee ID across OPM, Immigration, labour offices, district authorities, KCCA structures, employers and enforcement agencies to reduce discretionary interpretation and unnecessary verification steps.
- Disseminate guidance widely through district offices, labour offices, KCCA structures and employer associations to reduce employer hesitancy and misinterpretation.
- Address existing legal ambiguity by issuing formal, harmonised guidance clarifying the relationship between the Refugees Act and immigration legislation, specifying any narrowly defined professions or sectors where additional work authorisation may legally be required. Where such authorisation applies to recognised refugees, ensure that procedures are simplified and provided free of charge for holders of a valid Refugee ID.

Align administrative practice across institutions

(Short-term: Institutional harmonisation clarification)

- Establish harmonised, cross-ministerial administrative procedures to ensure consistent application of clarified guidance on Refugee ID documentation and work authorisation requirements.
- Train inspection and enforcement authorities to apply these distinctions consistently and proportionally.

Reform work permit systems to reflect refugee legal status

(Medium-term: Administrative system reform)

- Where specific professions legally require additional authorisation, update the work permit application system to include a dedicated refugee category allowing use of the Refugee ID without requiring a Payment Registration Number or inapplicable fees.
- Operationalise existing fee exemptions within digital and manual systems to ensure consistent application.
- Simplify procedural requirements for refugees applying for permits in professions where permits remain legally required.

Strengthen access to tax registration and business formalisation

(Short-term | Administrative reform)

- Reinstate acceptance of the Refugee ID as sufficient documentation for obtaining a Tax Identification Number (TIN), without requiring a work permit.
- Clarify that tax registration is a compliance mechanism linked to business operation procedures, not a substitute for or precondition to work authorisation.
- Strengthen coordination between OPM, the Ministry of Internal Affairs and Uganda Revenue Authority URA to ensure consistent documentation requirements across systems.

Improve institutional coordination and accountability

(Short-term: Administrative reform)

- Strengthen district-level Livelihoods Working Groups through joint planning, harmonised training calendars and shared labour-market assessments.
- Establish formal, safe and accessible feedback and grievance mechanisms related to administrative decisions and service delivery.
- Ensure refugee inclusion in district development and livelihood strategies, especially for Wakiso and Mukono.
- Reduce duplication by requiring NGOs to report activities into coordinated referral and tracking and information-sharing systems.

Correspondence Trail on Refugee Work Permits and Tax Identification Numbers

The correspondence documents reviewed capture a policy advocacy process involving the Office of the Prime Minister (OPM), the Ministry of Internal Affairs (MIA), and the Uganda Revenue Authority (URA) concerning two interconnected barriers to refugee economic inclusion in Uganda: access to work permits and Tax Identification Numbers (TINs). The engagement followed a meeting held on **24 October 2025**, chaired by Hon. Eng. Hilary Onek, MP, Minister for Relief, Disaster Preparedness and Refugees, with participation from senior OPM officials and the World Bank's Fragility, Conflict and Violence (FCV) Global Team, which was in Uganda for a review mission of the World Bank Window for Host Communities and Refugees (WHR). During the meeting, the World Bank raised concerns that practical difficulties faced by refugees in obtaining work permits and TINs were limiting their participation in the formal economy and undermining the broader objective of refugee self-reliance, within the context of Uganda's commitments under the Global Compact on Refugees. Following the meeting, OPM initiated formal engagement with the relevant government institutions to explore solutions.

OPM engaged the Ministry of Internal Affairs on the possibility of enabling refugees holding valid identification documents issued by the Department of Refugees to obtain **prima facie or simplified work permits**, recognising that the existing work permit process constituted a significant administrative barrier to formal employment and economic participation. OPM also engaged URA regarding challenges refugees faced in obtaining TINs through the online instant TIN application system, which was not adequately configured to accommodate refugee identification documents and relied primarily on the National Identification Number (NIN) system applicable to Ugandan nationals. OPM requested the establishment of a mechanism allowing refugees to apply for TINs using their Refugee Identification Numbers and offered to provide relevant refugee data to support verification. In its response of **23 February 2026**, URA acknowledged the concern and agreed in

principle to extending the instant TIN application facility to refugees and asylum seekers, subject to establishing a reliable mechanism for verifying Refugee Identification Numbers.

URA proposed either integration between its systems and those of OPM to enable real-time verification or the provision of a structured and reliable data set from OPM to establish a secure verification repository and expressed willingness to engage the relevant technical teams to determine the most feasible approach. The correspondence therefore provides concrete evidence that barriers to refugee economic inclusion are recognised at senior institutional level and that government institutions are exploring practical administrative and technical solutions. However, significant gaps remain, including the absence of a documented response from the Ministry of Internal Affairs on the proposed work permit arrangement and the fact that URA's commitment remains at the level of agreement in principle, without a confirmed implementation timeline, technical modality, institutional responsibilities or data-sharing arrangements. The correspondence consequently represents an important policy advocacy milestone, but continued follow-up is required to translate these commitments into practical reforms.

OPM should therefore follow up with the Ministry of Internal Affairs to obtain a formal position on *prima facie* or simplified work permits, convene technical discussions with URA to agree and operationalise the preferred TIN verification mechanism, establish clear timelines and responsibilities for implementation, develop harmonised guidance on documentation requirements for refugees seeking employment and TIN registration, and monitor implementation to determine whether refugees are able to access work permits and TINs without unnecessary administrative barriers. Overall, the correspondence provides a strong advocacy entry point for addressing systemic barriers to refugee economic inclusion, with its ultimate impact dependent on sustained inter-agency coordination and the translation of institutional commitments into accessible, predictable and functioning administrative systems.

UNHCR and OPM

Objective: *Ensure coherence between protection, documentation and livelihoods systems.*

Strengthen documentation pathways

(Short-term: Operational reform)

- Ensure consistent issuance, renewal and recognition of refugee IDs and attestations, and address documentation backlogs, particularly in large settlements.
- Integrate livelihoods screening into documentation processes to identify individuals requiring fast-track support.

Improve information systems

(Short-term: Operational reform)

- Produce unified, verified information packages on work rights and administrative procedures, disseminated through community leaders, refugee-led organisations, radio and SMS.
- Train community structures to ensure information accuracy and reduce misinformation.

Align livelihoods programming regulatory clarity

(Medium-term: Systems coherence)

- Ensure that livelihood programming is aligned with clarified work authorisation and business registration requirements to prevent contradictory guidance to refugees and employers.
- Promote coordination between protection, documentation and livelihoods actors to reduce fragmentation and ensure that economic inclusion pathways reflect existing legal frameworks.

Strengthen monitoring, evaluation and learning

(Medium-term: Systems strengthening)

- Encourage partners to use tools such as the Self-Reliance Index to track longer-term outcomes.
- Establish learning platforms in Kampala and Nakivale to document and scale promising pilots.

INGOs and NGOs (including livelihoods and protection actors)

Objective: *Strengthen practical access to the right to work through coordinated legal, informational and institutional support.*

Strengthen support for documentation and work authorisation

(Short-term: Operational support)

- Provide legal information and assistance on documentation, work permits and business registration requirements.
- Support refugees to navigate administrative procedures related to employment and self-employment.
- Monitor and document inconsistent application of work authorisation requirements and escalate systemic issues to relevant authorities.

Align livelihood programming with regulatory realities

(Short-term: Programmatic alignment)

- Ensure that training and employment support initiatives are aligned with existing legal and regulatory frameworks governing work and business registration.
- Prioritise pathways that facilitate formalisation where legally required, including support for tax registration and compliance processes.
- Avoid duplicative training in sectors where market saturation limits viable income generation.

Promote inclusive access to the right to work

(Crosscutting)

- Ensure that persons with disabilities, women and youth receive targeted support to overcome documentation, mobility and administrative barriers to employment.
- Integrate psychosocial and protection considerations where barriers to work intersect with vulnerability.

Private Sector (Local Employers, SMEs, Market Associations)

Objective: *Expand demand-side opportunities and diversify entry points into the labour market.*

Reduce barriers to hiring refugees

(Short-term: Partnership development)

- Develop and adopt inclusive hiring practices that recognise Refugee ID documentation and reduce unnecessary verification barriers to support refugee recruitment.
- Pilot employer-mediated apprenticeships or work-based learning pathways in sectors with demonstrated demand, including hospitality, welding, retail and logistics.

Improve recognition of skills

(Medium-term: Partnership development)

- Support practical skills assessments and validation for refugees lacking formal certificates.
- Facilitate engagement between refugees and sectoral associations to improve pathways in to regulated professions.

Strengthen business integration

(Medium-term: Market systems support)

- Enable refugee-owned businesses to access business associations, cooperatives, savings groups and local market networks
- Promote inclusive market participation without creating parallel economic structures.

Refugee-Led Organisations, Community Structures and Faith-Based Institutions

Objective: *Strengthen trusted information flows and service access, reduce misinformation around work and documentation.*

Improve access to accurate information

(Short-term: Community systems strengthening)

- Disseminate verified information on rights, documentation, work authorisation and business registration processes and
- Serve as referral points linking refugees to formal administrative and employment programmes and support services.

Strengthen inclusion and representation

(Short-term: Governance strengthening)

- Ensure women, youth and persons with disabilities are represented in leadership and feedback processes.
- Support inclusive referral practices that reduce gatekeeping and unequal access to information.

Donors (Bilateral Agencies, Foundations)

Objective: *Align financing structures with long-term systems reform and predictable economic inclusion.*

Provide multi-year, flexible financing

(Medium-term: Financing reform)

- Provide multi-year funding that enable sequenced pathways into employment and enterprise development rather than short-term, stand-alone activities.

- Reduce rigid budget structures that limit adaptive programming in response to labour-market realities.
- Support sustained engagement in both urban and settlement contexts to prevent location-based exclusion.

Strengthen financial inclusion through appropriate risk-sharing instruments

(Medium-term: Financial architecture reform)

- Support blended financing models combining grants, savings mechanisms and responsible microcredit tailored to refugee income volatility.
- Fund capital-access components linked to labour-market analysis and competency-based training rather than standalone cash interventions.
- Encourage risk-sharing mechanisms that incentivise financial institutions to extend services to refugee-owned enterprises.

Invest in long-term evidence and accountability

(Medium-term: Knowledge investment)

- Fund longitudinal outcome tracking on employment, income stability and enterprise growth.
- Support transparent digital coordination and referral systems to reduce duplication and improve accountability across actors.

Development Finance Institutions and Multilateral Agencies²⁶

Objective: *Strengthen labour-market systems, regulatory coherence and institutional capacity so that legal rights translate into sustainable economic participation.*

Support policy–practice alignment and regulatory harmonisation

(Medium-term: Policy and systems reform)

- Provide technical assistance to harmonise refugee, immigration and labour frameworks related to work authorisation and business operation.
- Support simplification and digitisation of work permit, tax registration and licensing systems to reduce procedural barriers and improve predictability.
- Facilitate inter-ministerial coordination mechanisms linking refugee management, labour oversight and local government authorities.

Expand labour demand and private-sector development

(Medium-term: Market systems development)

- Invest in value-chain development, SME growth and private-sector expansion in refugee-hosting districts.
- Integrate refugee economic inclusion within national employment and private-sector development strategies.
- Support infrastructure and local economic development initiatives that benefit both refugees and host communities.

Strengthen labour standards and skills recognition systems

(Medium-term: Labour systems strengthening)

²⁶ Sarzin, Zara Inga, 2025. "[Advancing the Jobs Agenda : Toward Self-Reliance in Refugee Situations](#)," [Policy Research Working Paper Series](#) 11246, The World Bank.

- Support clarification of work authorisation pathways to reduce employer uncertainty.
- Strengthen labour inspection and enforcement mechanisms to promote equal protection and reduce exploitation.
- Develop recognition of prior learning and certification pathways for displaced professionals and skilled workers to address skills–employment mismatch.

Promote financial system inclusion

(Medium-term: Financial systems reform)

- Expand access to inclusive banking, digital financial services and SME finance using recognised refugee documentation.
- Integrate refugees within national financial inclusion strategies and monitoring frameworks
- Strengthen linkages between refugee-owned enterprises and formal market systems.

Annex 1: Summary of Qualitative Data Collection

Location	Method	Group / Key Informant	Participants
Kampala	FGD	Congolese	12
Kampala	FGD	Persons with Disabilities (PWD)	6
Kampala	FGD	Sudanese	14
Kampala	FGD	South Sudanese	12
Kampala	FGD	Somali	12
Kampala	KII	Refugee Leader	1
Kampala	KII	RLO Representative	1
Nakivale	FGD	Adult Men (Congolese)	12
Nakivale	FGD	Adult Women (Congolese)	12
Nakivale	FGD	Mixed Youth (Congolese)	12
Nakivale	KII	NGO Representative	1
Nakivale	KII	INGO Representative	1