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Pakistan's urban refugees: steps towards self-reliance

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Although Afghan refugees in Pakistan enjoy considerable freedom of movement and access to livelihoods, the absence of a national legal framework for refugee management creates challenges for urban refugees and local authorities alike.

Pakistan's northwestern province of Khyber Pakhtunkhwa hosts more than 50% of the country's 2.7 million Afghan refugees, 32% of whom currently reside inside refugee camps. The remaining 68% live outside the camps, mostly in and around major urban centres, primarily because of the need to access livelihood activities.¹

Economic access and contribution

Almost all urban refugees in Pakistan are involved in some sort of livelihood activity. The majority are engaged in the transport business but cannot obtain driving licences,



Afghan refugee woman engaged in carpet weaving.

which leaves them vulnerable to extortion by city transport authorities. Gemstones trading is primarily run by Afghan traders based in the city of Peshawar, and constitutes a considerable part of Pakistan's export activity, generating US\$27.5 million over the last five years. Similarly, Afghan refugees also run more than 70% of the renowned carpet weaving industry in Khyber Pakhtunkhwa. This industry has also contributed significantly to Pakistan's

economy and has suffered greatly as a result of the refugee repatriation that has taken place over a period of time, which has reduced carpet production by 5%.

Despite this contribution to the urban economy, it was only recently that the Government of Pakistan allowed Afghan refugees with a valid Proof of Registration (PoR) card2 to open a commercial bank account. Previously, Afghans used Pakistani citizens as proxies to register their businesses and conduct financial transactions. Some even used illegal banking channels for money transfers and some used local goldsmiths as banks where they would deposit their earnings. This new authorisation is a milestone in many ways: not only will it boost Afghan businesses but also, more importantly, it will put an end to their vulnerability to potential exploitation by those acting as proxies.

Urban refugees in Pakistan are wrongly perceived as criminals and as a burden on the economy. Such claims are unsubstantiated: from 2014 to September 2016, of the more than 10,000 cases that appeared in court in Khyber Pakhtunkhwa province, just 134 involved Afghan refugees.³ A German-funded study⁴ is currently underway to determine how much Pakistan has spent on its protracted hospitality towards Afghan refugees, which will also highlight the contributions refugees have made to Pakistan's economy.

Education challenges

Since 90% of Afghan refugee households moved to Pakistan between 1979 and 1985, the majority of the registered refugee children and youth are second- or third-generation Afghans and have been born in Pakistan. Today, nearly half the urban refugees in Pakistan are children, and early childhood development, basic education and skill

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development are therefore top priorities. However, with a staggering 22 million Pakistani children out of school, it is a challenge for Pakistan to accommodate refugees.⁵

The situation is even worse in the case of higher education. While the Government of Pakistan is generously offering thousands of scholarships to Afghan nationals who are living in Afghanistan, it offers just 14 scholarships to Afghan refugees living

in Pakistan. Afghan refugee applicants can otherwise only be admitted if they surrender their PoR card and replace it with an Afghan passport. The intention is to encourage Afghan refugees to give up their POR card and obtain an Afghan passport – but surrendering the refugee card means losing other rights, and as a result students abandon their dreams of higher education.

The higher education scholarship programme DAFI, run by the UN Refugee Agency (UNHCR), plays an important role in addressing this challenge, granting fullyfunded university scholarships to refugee undergraduates. With the support of different donors and in partnership with Pakistan's National Vocational and Technical Education Commission, UNHCR is also extending an existing programme of technical training in various skills to thousands of young refugees across the country. Such steps are crucial for helping refugees to become self-reliant and contribute to the economy although, given the sheer numbers of young refugees, much more is needed.

Addressing tensions

Urban refugees in Pakistan face a number of challenges, including friction between host and refugee communities (because of competition over limited resources) and 'hosting fatigue', a common phenomenon in cases of protracted displacement. Such



Jewellery produced by an Afghan refugee who established a successful mineral and gem business from his home in Peshawar.

a situation is undesirable for both the refugees and the host communities.

In order to tackle the tensions that exist around urban refugee hosting, the Government of Pakistan, with UNHCR, has initiated a unique development programme - the Refugee-Affected and Hosting Areas programme (RAHA). RAHA was launched in 2009 to undertake interventions in refugeehosting communities across different sectors such as health, education, skills development, water and sanitation, environment and social protection. \$220 million has so far been spent, benefiting more than 12 million people, of whom 85% are Pakistani citizens and 15% are Afghan refugees.6 It is little wonder that the RAHA programme has created a lot of good will for the refugees living in urban areas.

The Commissionerate for Afghan Refugees, the agency responsible for refugee affairs in Pakistan, has, again with UNHCR, recently developed a Refugee Management Portal to help practitioners, donors and policymakers make evidence-based decisions. It will also provide a digital platform for all urban refugees, connecting them with different service providers, including those offering job placements and internships. Moreover, a Refugee Youth Policy is currently being devised jointly by the Commissionerate and UNHCR which will focus on the social, economic and political empowerment of refugee youth living in urban centres.

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Afghans are hardworking and enterprising, making excellent entrepreneurs; indeed, there are many success stories among Afghan businessmen. Given the right support, most Afghans would be able to contribute positively during their stay in Pakistan. The recent decision by the Government of Pakistan to allow Afghan refugees to open bank accounts is a positive step towards their financial inclusion and protection, but more such steps are needed to ensure urban refugees have access to some of the very basic services like health, education, trade and business. The current refugee management framework needs to be reviewed, and Pakistan should consider adopting a national refugee law, which would enable the different authorities to more effectively manage urban refugees. While granting

citizenship to Afghan refugees may still be a long way off, efforts should be made to enable refugees to live comfortable, dignified lives.

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