GiveDirectly Uganda's refugee programming

- Uganda hosts the largest refugee population in Africa, providing a haven for nearly 1.8 million refugees from neighboring countries. Despite growing needs, the volume of financing is reducing, which calls for cost-effective solutions for sustainably meeting refugee needs.
- GiveDirectly has implemented programmes targeting refugees in Kiryandongo settlement and Kampala municipality. We have demonstrated that providing large cash transfers (up to \$1,000/household) has a marked impact on refugee self-reliance, on sectoral outcomes (education, food security and health) and boosts local economies.
- Building on this, in 2025 we are launching programmes in Kiryandongo and Nakivale settlements to scale-up and improve the design of large cash transfers. We will be asking 1) Is a large cash transfer feasible for new arrivals, and can it reduce long-term dependence on basic needs assistance, in a context of continuing influx of refugees, and 2) what is the optimal balance of large cash and complementary livelihood interventions to achieve self reliance?
- To amplify these outcomes, we are committed to localisation and partnerships, and to building evidence as a basis for massively scaling large cash transfers. Our vision is for large cash transfers to be embedded within refugee frameworks, donor funding priorities and peers' practices.

Uganda - host to the largest refugee population in Africa

There are **1.79M refugees in Uganda** as of December 2024 (UNHCR). The top countries of origin are ranked in the following order South Sudan, DRC, Sudan, Eritrea, Somalia, Burundi, and Rwanda. **Numbers of new arrivals are high**, with 189,522 individuals registered in Uganda in 2024, 26% of whom are new arrivals from Sudan, 22% from the DR Congo, 17% from South Sudan, and 11% from Eritrea.

Despite these growing needs, **financial resources have been consistently reducing** with only 43% of the \$363M target for the refugee response met in 2024. Illustrating this trend, UNHCR's budget has reduced from \$220 million for 1.4 million refugees in 2017, to \$141 million in 2023. These cuts **require cost-effective solutions for sustainably meeting refugee needs.**

Uganda's 2006 Refugee Act and its 2010 regulations <u>guarantee fundamental rights to refugees</u>, including freedom of movement, access to employment, and the right to education, healthcare, and land ownership. This creates a **highly favourable environment for the economic inclusion of refugees.**

Large cash transfers - a platform for self-reliance

Cash and vouchers have been used at scale by many agencies to meet the basic needs of refugees. However the adequacy of these transfers has been reducing over time due to funding constraints, whilst the demand for basic needs assistance grows. In this context, **GD** is providing a very different model for cash transfers, intentionally providing amounts (approx. \$1,000 per household) which are designed to be transformative and reduce reliance on assistance.

There is <u>strong evidence</u> that large, lump sum cash payments provide a way of delivering lasting economic outcomes, as well as being more efficient, than programs that deliver smaller, more frequent

payments. A large transfer allows for recipients to take care of their **basic needs** with a percentage of the transfer (consumption transfers), as well as allowing a significant percentage to be used for **productive assets and income generating activities.** Smaller transfer sizes, below \$750, usually only accommodate either basic needs or investments; but not both.

Programmes to date: Kiryandongo settlement and Urban Kampala programmes

In 2022-23, GD implemented two large cash transfer programmes, in Kampala and in Kiryandongo Refugees settlement. These are the summary take-aways with further detail in the boxes below:

- 1. **Promote Self-Reliance:** Recipients experience improved independence, as evidenced by higher self-reliance scores in Kiryandongo and strengthened livelihood activities across Kampala.
- 2. **Enhance Sectoral Outcomes:** Urban households report greater access to healthcare, improved food security, and higher school attendance rates for their children.
- 3. **Boost Local Economies:** Cash injections in rural settings have led to increased asset ownership, new businesses, and higher household incomes. In urban areas, refugees invest in businesses, pay rent, and secure educational opportunities for their children.

Status: Closed

Name: COVID-19 Relief for Urban Refugees

Overview:

Program that provided cash to urban refugee households in Kampala from 2022 to 2023.

Many refugees lost their source of income as micro-businesses went bankrupt in the aftermath COVID-19 pandemic. Prices for basic goods also went up, putting extra strain on vulnerable households. Transfers were therefore timed to help recipients rebound from pandemic-related inflation and income losses. The transfer size was \$750 with 1200 recipients reached

Outcome

Recipients reported using the cash they received to re-establish their lost livelihoods — 43.18% invested in their existing business or started a new one. Other common spending areas were housing, education, debt repayment, paying for basic needs, and saving for the future.

Funder: Ikea Foundation Location: Kampala

Name: Cash for Refugees, Kiryandongo Status: Closed

Overview:

Program that delivered cash to refugees and host community members living in and around the Kiryandongo settlement from 2019 to 2022. The program included a randomized control trial to test the impact of the program in helping long-term refugees on their journey to self-sufficiency. The transfer size was \$1000 with 15,000 recipients reached

Outcome

We surveyed recipients 19 months after they received their final cash transfer. The evaluation found that compared to a control group, refugees who received the cash scored higher on psychological well-being and self-reliance assessments. They were also spending 11% more, business ownership increased by 8.2%, and the value of the assets they owned increased by 60%.

Name: Cash for Refugees, Kiryandongo	Status: Closed
Funder: Global Innovation Fund, IKEA Foundation, Swedish Postcode Lottery Foundation, UBS Optimus Foundation	Location: Kiryandongo

Ongoing and upcoming programmes: Nakivale Settlement and Kiryandongo new arrivals

From 2025 onwards, GD will build on these experiences to scale up our large cash transfer programme in Kiryandongo and Nakivale settlements - see detail in the boxes below. We will be seeking to answer two key questions:

- **1. New arrivals:** Is a large cash transfer feasible for new arrivals, and can it reduce long-term dependence on basic needs assistance, in a context of continuing influx of refugees?
- **2. Maximising refugee self-reliance**: what is the optimal balance of large cash and complementary livelihoods interventions?

Name: Cash for new arrivals, Kiryandongo Status: Live (2025)	Name: Cash for new arrivals, Kiryandongo	Status: Live (2025)
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Overview

The programme will serve new arrivals who have arrived at the settlement since December 2023, which is when Uganda faced an influx of refugees into the country. 20% of the settlement's population currently faces acute food insecurity and a further 30% are at risk. While the influx of refugees contributes to this strain, early, targeted and proven interventions can mitigate pressures on the broader refugee community through supporting immediate pathways to self-reliance for new arrivals and enhancing local integration. The program will serve approximately 4600 households, with a transfer size of \$1000 per household - distinct from the smaller (and often conditional) cash transfers provided by others.

Intended objectives

- 1) **Empower skilled refugees:** Large cash grants can empower refugees to pursue professional recertification, continue their careers, or establish new businesses, fostering economic independence and contributing to the local economy.
- 2) **Ease pressures on the existing refugee population:** By providing substantial financial support to the newly arrived refugees, we can enable them to quickly pursue self-reliance, reducing the stress on the resources available to the existing refugee population.
- 3) Protect gains from previous livelihoods investments: By addressing the needs of new arrivals, we can ensure that the progress achieved through earlier cash transfers is not lost, community tensions are not exacerbated and that the community continues on its path to self-reliance.

Funder: FCDO	Collaboration/layering with others: GD cash for
	livelihoods vs WFO cash for basic needs; NRC assisting
	with the translation and equation of certificates, diplomas,
	and degrees and linkages to supporting educational
	agencies

Name: Cash for refugees, Nakivale Status: Live (2025-27)

Overview

The programme is a Randomised Control Trial (RCT) designed to deliver enhanced and sustained impacts of cash transfers on refugees' livelihoods. The program will include complementary intervention(s) to empower cash recipients to make choices that increase the long-term household and community benefits of the cash they receive. Approximately 5,700 households will receive transfers of \$1000 per household

Intended objectives

- 1) **Meaningfully improve the lives of refugees:** Enable them to invest in livelihoods and supporting them on a pathway to sustained self-reliance and graduation from ongoing assistance.
- 2) Generate evidence: The RCT will evaluate the most cost-effective cash-based self-reliance model for refugees, by comparing large cash transfers alone vs cash alongside complementary training, mentorship, and financial literacy support
- 3) **Influencing approaches to refugees' livelihood support globally:** Bring about a meaningful shift towards more dignified, cost-effective and impactful interventions.

Funder: IKEA Foundation	Collaboration/layering with others: GD cash for livelihoods vs WFO cash for basic needs; NRC assisting with the translation and equation of certificates, diplomas, and degrees and linkages to supporting educational agencies
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GD's programmatic attributes

- Localisation and Partnership > GiveDirectly collaborates with Uganda's Office of the Prime Minister, local government, and Refugee-led and community organizations to ensure programs align with national priorities, and to maximise our local socio-economic impact.
- Learning and scaling > GiveDirectly's programme aims to sustainably build refugee self-reliance
 -using inter-agency monitoring frameworks, and modelling the cost-effectiveness and scalability of
 large cash transfers as an alternative to typical graduation models.

Creating the enabling environment for cash for refugees

Based on our robust evidence, we know that large cash transfers are a critical driver of sustainable self-reliance for refugees. We are therefore calling for:

- **1.** Large cash transfers to be included in key policy frameworks including the upcoming refugee policy as well as the Uganda Country Refugee Response Plan (UCRRP).
- 2. Key donors (institutions and foundations) to make policy and funding commitments towards large cash transfers as part of the Comprehensive Refugee Response Framework (CRRF). The impact of large cash transfers on the local economy and refugee self-reliance is fully inline with the CRRF's calls for community-level inclusion of refugees.
- 3. Peer and allies (UNHCR, Refugee-focused NGOs, RLOs) to shift programming towards large cash transfers working through the Cash Working Group, and the Livelihoods and Self-reliance Working group to build a common framework for the use of large cash

Appendix

Detailed Program Objectives

Kiryandongo Part 1 (2019-2022)

GiveDirectly's project in Kiryandongo was a Randomised Control Trial-RCT designed to transform the livelihood of 15,000 households, with cash transfers of \$1000 per household, and also to test the impact of unconditional cash transfers in helping long-term refugees on their journey to self-sufficiency. The program program objectives were to

- 1) Transform the livelihood of 15,000 households by delivering cash transfers to 10,000 refugee & 5,000 host households.
- 2) Test the impact of large unconditional cash transfers in helping long-term refugees on their journey to self-sufficiency using a Randomised Control Trial research.

Urban (2022-2023)

Kampala boasts five divisions that host refugees: Kampala Central, Makindye, Rubaga, Nakawa, and Kawempe. Nakawa and Kewempe were selected due to funding availability. GiveDirectly wanted to serve an entire community as this has been proven to stimulate the economy within the chosen area and thus have a wider impact. 1208 households were served, with a transfer size of \$750 per household. The program objectives were to

- 1) Transform the livelihoods of ~1,000 urban refugee households by delivering cash transfers that will support them to maximise the enabling environment for refugees in Uganda: improving human development outcomes and mitigating shocks from COVID-19.
- 2) Test the operational feasibility of delivering large cash grants in urban refugee settings.
- 3) Share findings and encourage uptake of new, cost-effective models of aid delivery in urban refugee settings.

Detailed outcomes from previous refugee programs.

The findings from the Kiryandongo evaluation demonstrate that large, lump-sum cash transfers to refugees increased:

- a. Households' consumption- The transfer increased the overall consumption of the treatment group by 94 USD Purchasing Power Parity (an 11% increase over the control mean of 858 USD PPP). The largest contributor to this increase was food consumption, which increased by 60 USD PPP.
- b. Asset values- We observed an improvement in assets as the largest use of transfers at the end line, refugee recipients had significantly higher asset values—by 3,937 USD PPP (60%)—compared to those who did not receive the transfer until the end of the program.
- c. Business ownership/business revenue- There was a higher investment in the non-agricultural business. Non-agricultural business ownership was higher by 8.2 percentage points in the treatment group compared to the control group (in which 22% owned businesses). This was driven mostly by transfer recipients starting small retail shops either in the market center or running from their homes
- d. Psychological well-being and self-reliance; even in the context of the dual shocks of the COVID-19 lockdown and WFP ration cuts.

For Urban refugees, large cash transfers helped to improve human development outcomes due to COVID-19 shocks like:

- a. Food: 26% of recipients were able to eat more than two meals/ day, after the transfer 75% were able to eat more than 2 meals/day)
- b. Health (access to needed health care increased by 25%)- Before the transfer only 5% of the recipients were able to receive all the healthcare they needed, after the transfer this number increased to 30%.
- c. Rent- Before the transfer 13% were able to consistently pay their rent month after month, after the transfer this increased to 42% being able to pay their rent.
- d. Education- Before the transfer, 23% of the recipients were able to send all their children to school, after the transfer this increased to 37%. We also saw that before the transfer 29% of recipients were not able to send any of their children to school, after the transfer this reduced to only 5%
- e. Livelihood activities-61% spent their resources on starting/improving businesses. However many of those businesses struggled through the registration and legal formalization of their businesses, affecting business continuity