

Assessment of Sudanese Businesses, Sudanese Business Owner Capacity,  
and Barriers to Repatriation in Kakuma Refugee Camp, Kenya



Volunteers for Economic Growth Alliance Sudan  
Agricultural Marketing and Enterprise Development Program  
Funded by the United States Agency for International Development  
(USAID)

January 2007

LEADER WITH ASSOCIATE AGREEMENT (LWA)  
**EEM-A-00-04-00002-00**

**Associate Cooperative  
Agreement 623-A-00-05-00314-00**

### **Acknowledgements**

This assessment was conducted by Volunteers for Economic Growth Alliance Sudan (VEGA) team consisting of five long-term consultants (Chris Adams, Safiya Daniels, Kirk Manhin, Susan Pratt, Russell Shockley) and one field officer (Zachary Ileri), all from the Agricultural Market and Enterprise Development (AMED) program.

The project team is grateful for all of the information and support that were provided by the United Nations High Commissioner for Refugees (UNHCR), the Government of Kenya, and the partner NGOs listed in this document, with particular regard to the assistance provided in the coordination and recruitment of participants for the survey administration, focus groups, and the introductions to the Sudanese representatives in Kakuma Refugee Camp.

**Chris Adams, Safiya Daniels, Kirk Manhin, Susan Pratt and Russell Shockley**

**January 19<sup>th</sup>, 2007**

## **Table of Contents**

Abbreviations & Acronyms .....	4
Executive Summary .....	5
1 Background of Assessment and VEGA .....	6
1.1 Objectives of Assessment.....	6
1.2 VEGA Sudan AMED Program.....	7
1.2.1 AMED Program Objectives .....	7
1.2.2 VEGA’s Implementing Organizations .....	8
1.2.3 VEGA’s Business Advisory Services .....	8
2 Kakuma Refugee Camp Background.....	9
2.1 Demographics .....	9
2.2 Security.....	11
2.3 Repatriation efforts .....	11
3 UNHCR Implementing and Operational Partners in KRC .....	13
4 Assessment Methodology .....	16
5 Overview of Business Environment .....	17
6 Findings and Observations .....	18
6.1 Barriers to Repatriation .....	18
7 Survey Development and Administration to Sudanese Business Owners.....	20
7.1 Survey Development.....	20
7.2 Sample Size .....	20
7.3 Survey Administration Methodology.....	20
7.4 Survey Trends and Observations .....	21
8 Focus Group Administration and Methodology.....	24
8.1 Focus Group Administration .....	24
8.2 Focus Group Methodology.....	24
9 Recommendations.....	25
9.1 Proposed Action Plans .....	25
10 Conclusion.....	30
11 Annexes.....	31

### **Abbreviations & Acronyms**

AMED	Agricultural Marketing and Enterprise Development
DB	Don Bosco
GOK	Government of Kenya
GoSS	Government of Southern Sudan
GTZ	German Development Co-operation
IDP	Internally Displaced Person
IOM	International Organization for Migration
IRC	International Rescue Committee
KRC	Kakuma Refugee Camp
KSH	Kenyan Shillings
KSO	Kakuma Sub-Office (UNHCR)
LWF	Lutheran World Federation
MFI	Micro-finance Institution
NCKK	National Council of Churches of Kenya
NGO	Non-governmental Organization
SNADD	Sudanese North American Diaspora Database
UNICEF	United Nations Children's Fund
UNHCR	United Nations High Commissioner for Refugees
USAID	United States Agency for International Development
VEGA	Volunteers for Economic Growth Alliance Sudan
WFP	World Food Programme
WTK	Windle Trust Kenya

## **Executive Summary**

The return and reintegration of Southern Sudanese refugees from camps in surrounding countries is critical to the further development of Southern Sudan. The education and vocational training services offered in these refugee camps provide Sudanese refugees with the very skill sets and business acumen that are needed to rebuild and develop Southern Sudan. Repatriation to the South remains a primary focus among many UN agencies and NGOs but the overwhelming majority is devoted to humanitarian assistance. Hence, Volunteers for Economic Growth Alliance Sudan (VEGA Sudan) identified an opportunity to conduct an assessment of the Sudanese business environment in Kakuma Refugee Camp (KRC) as there has previously been little or no information collected in this topic. This assessment was executed with the intent of collecting demographic and economic data of business owners and to generate broad findings, observations and recommendations that could be shared with the development community. The purpose was, therefore, to assist the community in any new or existing programmatic or strategic planning.

Information gathering efforts for this assessment included the administration of a survey to collect baseline data of Sudanese business owners, the organization of focus groups to collect more personal and in-depth feedback about barriers to repatriation, and personal interviews with mostly UN and NGO staff. As expected, most business owners have a strong desire to return to Southern Sudan, however, they are reluctant due to the lack of information about their home areas, lack of basic services and infrastructure, and the fear of leaving retail inventory behind. Business owners in particular provided feedback that seemed to center around the confusion of customs, duties and taxes, and perceptions of the Government of Southern Sudan's role in the private sector. Many business owners voiced similar concerns about the state and county level as well. Others were simply apprehensive about lack of personal resources (including money) and livelihood opportunities that would in turn increase their current hardships should they repatriate.

A surprising number of survey participants started their businesses in KRC using proceeds from selling their humanitarian food rations indicating a willingness to make sacrifices in the hope of a brighter future. The survey also revealed a distinct need for basic business training in areas such as procurement, logistics and recordkeeping. Such training would hopefully galvanize business owners to start thinking critically about how to make profits in their businesses as opposed to viewing business as purely subsistence. A staggering number of participants were also concerned about security in their home areas and asserted that it was a major barrier to not only their families' repatriation but a threat to their businesses as well.

With the right mechanisms in place and through open communication with GoSS, State, and County government bodies, it is possible to alleviate or remove many of the obstacles that Sudanese business owners and skilled workers in the refugee camps face during the repatriation and reintegration processes. This document outlines both broad and specific recommendations that, if implemented, will assist in the facilitation of the removal of such barriers. It is now the responsibility of Southern Sudanese authorities and the NGO community to engage in an open exchange with refugees about the economic and social climates in their targeted areas of repatriation and establish additional programs and support services to foster economic growth and private sector development in Southern Sudan.

## **1 Background of Assessment and VEGA**

### **1.1 Objectives of Assessment**

The primary goal of this assessment was to collect the data and information necessary to gauge the business capacities of Southern Sudanese entrepreneurs in the Kakuma Refugee Camp (KRC) in Northern Kenya and evaluate the business environment, as well as to uncover the reasons that Sudanese refugees perceive as social, economic and legal obstacles to repatriating and transferring their business models to Southern Sudan. Assessing the needs of these entrepreneurial refugees would be paramount before targeting groups for repatriation or resettlement.

Specific objectives of this assessment include identifying and analyzing:

- The general size (physically and fiscally) of Sudanese businesses in operation
- The business capacities, business skills and vocational skills of Southern Sudanese entrepreneurs
- The obstacles (social, economic, regulatory, etc.) that Sudanese refugees face in repatriating and/or in transferring their business models back to Southern Sudan
- Perceptions refugees have of the livelihood opportunities available to them upon return to Sudan

The intended use of this data and the underlying objective of this assessment are to determine what types of business support services would be needed to encourage repatriation of these groups. The nature of this project and the uniqueness of the findings would provide value to a number of potential stakeholders, including:

- VEGA/AMED volunteers
- USAID
- UNHCR
- GoSS entities: GoSS, State and county levels
- Other NGOs

Once the assessment was approved by VEGA management, The United Nations High Commissioner for Refugees (UNHCR) approved the proposed scope of work for the project and provided copious logistical and technical support. The UNHCR Community Services Unit facilitated the introductions to the Non-Governmental Organizations (NGOs). The District Officer (Government of Kenya) for the Kakuma Division willingly provided the necessary permissions to enter the refugee camps.

The assessment was conducted in Kakuma, Kenya between November 27<sup>th</sup> and December 9<sup>th</sup>, for a total of 10 working days.

The findings and subsequent recommendations listed in this document are intended to foster future projects and initiatives that could directly deliver value to the Sudanese refugee community.

## 1.2 VEGA Sudan AMED Program

The mission of VEGA's Agricultural Marketing and Enterprise Development program is to help achieve comprehensive economic recovery and growth in the presently recovering state of Southern Sudan. The program will achieve this goal through a flexible approach that supports the following project activities:

- Capacity building in agricultural and natural resource systems
- Direct support to private enterprises and producers
- Support to governmental and non-governmental agencies that must facilitate recovery
- Assistance to the GoSS in strengthening its economic policies and support systems
- Drawing upon the skills and participation of Southern Sudan's Diaspora to assist in economic development

The program, funded by the United States Agency for International Development (USAID), commenced in July 2005 and will continue through September 2008.

### 1.2.1 AMED Program Objectives

As Southern Sudan emerges from a period of conflict, it is essential to rebuild its private sector, strengthening its domestic and international trade capacities to lay the basis for an effectively functioning economy. To this end, AMED has two primary objectives:

#### Objective 1: Increased private sector opportunities in urban areas

AMED will improve the environment for increasing private sector employment opportunities in selected urban areas through small business development, skills and asset building, improved governance, and increased business productivity. Activities will focus on selected urban areas – principally Juba, Malakal and Wau – that serve as market centers for areas absorbing returning IDPs. In support of this objective, AMED will focus on: a) improving policy and regulatory frameworks for business and b) strengthening business development services, including business skills training, business mentoring and development, and other services. Objective 1 will address the stabilization and conflict mitigation issues that impede the growth and expansion of the private sector in the main urban areas of South Sudan.

#### Objective 2: Enhanced capacity of local institutions

AMED will support local partners (state governments, NGOs, or others) to build capacity of local (community, county and state level) government and private institutions to provide effective support to reintegration of *Persons affected by conflict, with special emphasis on* livelihood development and employment generation. AMED will work with local level institutions whose actions have immediate impacts on livelihoods and the reintegration of persons affected by focusing on four tasks: prepare/revise reintegration strategies; strengthen the capacity of local government agencies; support local government initiatives to strengthen markets, and; develop agricultural cooperatives and associations; and strengthen agricultural training centers.

### **1.2.2 VEGA's Implementing Organizations**

VEGA is the world's largest consortium of economic growth volunteer organizations, with more than 350 years experience in mobilizing American volunteers to support economic growth in developing countries (including post-conflict and transitional), and in designing and implementing successful technical assistance projects across the spectrum of economic growth activities worldwide. The VEGA/AMED program will draw upon its five implementing organizations' existing field capabilities to achieve the program's stated objectives. The implementing organizations are: Winrock International, ACDI/VOCA, Citizens Development Corps/MBA Enterprise Corps (CDC), Citizens Network for Foreign Affairs (CNFA), and International Executive Service Corps (IESC).

### **1.2.3 VEGA's Business Advisory Services**

The AMED program currently has five long-term consultants in Southern Sudan (Juba and Wau). These consultants (and authors of this report) specialize in business advisory services and are charged with identifying projects and creating programs that will drive private sector development in Southern Sudan. They also provide consulting services to a number of GoSS and state-level Ministries in financial management, strategic planning, organizational development, policy development, and other institutional capacity building activities. In 2007, the long-term consultants will host and deliver several rounds of small business development workshops to business owners in Juba, Wau and Malakal, in addition to providing business advisory services to these owners once the workshops are complete. The small business development workshops will assist entrepreneurs in acquiring the business management skills needed to operate a small business and will cover basic business content, including accounting, competition and markets, assessing market information, business expansion and marketing. The objectives and scope of the assessment in this report were created with the AMED business advisory capacity in mind.

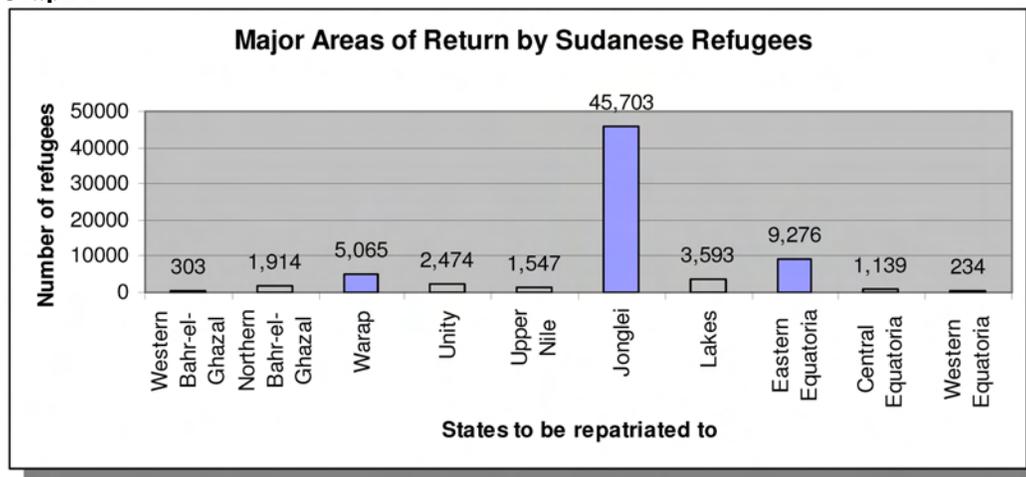
## 2 Kakuma Refugee Camp Background

The Kakuma Refugee Camp (KRC)<sup>1</sup> is located in the Turkana District of North Western Kenya, 95 kilometers south of the Sudan border. It was established in 1992 with the permission of the Government of Kenya (GOK) after the arrival of approximately 12,000 Sudanese refugees. This group primarily consisted of children, who have since gained recognition as the “Lost Boys”. Continued conflict in Sudan fueled the population growth throughout the decade and the closure of several refugee camps throughout Kenya led to an influx of Ethiopian and Somalian refugees. Today Kakuma has four sites: Kakuma I (mixed nationalities), Kakuma II (predominantly Sudanese refugees), Kakuma III (mixed nationalities) and Kakuma IV (predominantly Sudanese refugees).

### 2.1 Demographics

As of 27 November, 2006, the official number of refugees at KRC stood at 87,154<sup>2</sup>. These individuals came from 10 countries, including: Burundi, Congo, Eritrea, Ethiopia, Namibia, Rwanda, Somalia, **Sudan**, Tanzania, and Uganda. The Sudanese caseload represents approximately 80 percent of the total camp population (70,292 as of 27/11/2006<sup>3</sup>). Somalia at 13% and Ethiopia at 5% represent the other significant populations; the seven other nationalities comprise the remaining 2%.

**Graph 1**



As shown in Graph 1, approximately 65% of the Sudanese refugees are from Jonglei state, while an additional 13% are from Eastern Equatoria<sup>4</sup>.

<sup>1</sup> A map of KRC is included in this document as Annex 1

<sup>2</sup> UNHCR Briefing Kit on the Refugee Protection and Assistance Programme in Kakuma Refugee Camp, November 2006

<sup>3</sup> Based on informal conversations with partners, this number is likely to be inflated as many Sudanese refugees leave KRC without informing UNHCR

<sup>4</sup> Numbers provided by UNHCR based on their Intended Places of Return (2004) Kakuma to South Sudan Assessment

As **Table 1** shows, males comprise approximately 60% of the Sudanese population, and almost 50% is under the age of 18.

Table 1

	AGE				Total
	0-4	5-17	18-59	59 & Over	
Male	4,448	15,117	21,732	455	<b>41,752</b>
Female	4,055	10,543	13,302	640	<b>28,540</b>
<b>Subtotal</b>	8,503	25,660	35,034	1,095	<b>70,292</b>
Male	52%	59%	62%	71%	<b>59.4%</b>
Female	48%	41%	38%	29%	<b>40.6%</b>
<b>Subtotal</b>	12%	37.5%	50%	1.5%	<b>100%</b>

In 2005, a total of 8,198 new arrivals came into Kenya from Southern Sudan, while in 2006 (as of the end of October) Kakuma has received 5,294 new asylum seekers. Essentially, since the signing of the Comprehensive Peace Agreement in January 2005, the Sudanese population has **increased** by almost 25%. The major causes attributed to this influx relate to inadequate assistance and a general lack of infrastructure throughout Southern Sudan. Perhaps a more significant pull factor is the camp's vastly superior educational and training opportunities when compared to those of Southern Sudan.

## 2.2 Security

Due to KRC's close proximity to the Sudanese, Ugandan, and Ethiopian borders, the area is vulnerable to political instability. While there are no organized rebel groups operating in the area, cattle raiders do occasionally strike from the neighboring countries. Even though the refugees are not permitted to own livestock (as this could compete with the host community of Turkanas), safety issues still remain. Armed banditry is rampant and has sometimes affected the security in the refugee camp and along the highway to Southern Sudan. Refugees have been both killed and maimed in the camp by armed robbers, while along the highway unescorted vehicles have been ambushed and the occupants either injured or killed.

KRC and the surrounding area are classified as UN Security Phase 3<sup>5</sup>, but the responsibility of the security of humanitarian staff members, refugees, and visitors rests with the GOK. In addition, the GOK also provides armed escorts for all staff convoy movements outside Kakuma, in addition to patrolling the main highway.

## 2.3 Repatriation efforts

Starting in mid-2004, when the prospects for peace in Southern Sudan were promising, UNHCR and its implementing partners carried out a detailed registration of the Sudanese refugee population in Kakuma. Voluntary repatriation began in December 2005 and through September 2006, 1,521 Sudanese refugees have voluntarily returned to Southern Sudan via road and air under the auspices of UNHCR. Repatriates are being flown back at this point, however, because of increased security risks on the roads. Rita Mazzocchi, UNHCR's Repatriation Officer for Kakuma stated that UNHCR planned to operate weekly flights until the end of the year. "Our aim is to have at least 2000 people repatriated by air to mostly Warab, Unity, Jonglei, and Northern Bahr-el-Ghazal states in Southern Sudan by the end of this year," she said.<sup>6</sup> The Officer in Charge of the UNHCR Kakuma office, Mohammed Arif, confirmed plans to repatriate 4000 people **by road** to Jonglei state through the towns of Kapoeta, Torit, and Juba by year-end and hopes to resume this level of repatriation once the security situation has been resolved and clearance has been given from the UNHCR office in Southern Sudan.

There is a protection database that is in the process of being developed that should be capturing most data about existing refugees who have been and would like to be repatriated. Thus far, this database, through its fingerprinting and photographing initiative, has discovered an additional 1,216 Sudanese who have spontaneously returned without assistance from UNHCR. As this program is not yet complete, the agency expects to find significantly more spontaneous returns.

The registration rate for voluntary repatriation averages 40 persons per day, or about 800 per month. Of those choosing repatriation thus far, about 80% have been youth (under 18), many of whom were here 'unaccompanied' (without parents, but usually with some other adult to look after them) whose parents have called them back home. The next most eager groups to go are mothers with young children and the elderly. These vulnerable groups are given special allowances for repatriation and are ensured caretakers, necessary medical supplies, etc. In 2007, UNHCR estimates that 12,000 refugees will voluntarily repatriate.

<sup>5</sup> Phase 3 refers to a "tense operational situation"

<sup>6</sup> From Issue 5 Special Edition November 2006 The Kakuma Update UNHCR

To further facilitate voluntary returns, UNHCR has created a Mass Information Unit which serves to dispense information regarding repatriation opportunities and development in the areas of interest for refugees. Weekly updates are shared with Sudanese as well as NGOs. Although most contact and information sharing remains informal, UNHCR funds and arranges both “Go and See” (visits to Sudan by camp leaders) and “Come and Tell” (visits from community leaders in Sudan to Kakuma). Along with the Mass Information Unit, UNHCR’s Community Services Unit advises NGOs on what ‘should’ be done to implement programs for repatriation.

Once a critical mass of registered refugees is identified by area of repatriation (generally between 30 and 45), UNHCR organizes the return then provides 3 months of food rations from WFP and facilitates access to services from various NGOs on the other side. These returnees are issued a Refugee Status card which entitles them to certain benefits upon return. Without it, they will simply fall under IDP status. Although in most circumstances the luggage allowances are quite strict, advance arrangements can be made for some income generating equipment (tool kits, grinding mills, sewing machines, etc) and equipment for refugees with special needs (i.e. wheelchairs.)

In an effort to reduce the “pull” factor, KSO has moved the registration center from Lokichogio to Kakuma and it has begun reducing services within the camp. Specifically, no new housing is being permitted for Sudanese and educational programs have either been ceased or scaled back. While some of this is due to decreased demand because of returns, much of this is intended to encourage voluntary repatriation in a phased manner. UNHCR has committed to supporting KRC until the 2011 referendum, but it does seek to create an environment that increases the momentum for repatriation. In the meantime, UNHCR, its implementing partners, and the GOK will continue to develop an exit strategy for KRC.

### **3 UNHCR Implementing and Operational Partners in KRC**

Since Kakuma's inception, UNHCR has sponsored a number of agencies and NGOs tasked with a wide variety of responsibilities; however, there are a few major players remaining in the camp. The following list includes information derived from focus groups and personal interviews. This list is not inclusive of all NGOs operating in KRC.

- Don Bosco -Offers vocational training in 11 trades (carpentry, welding, vehicle maintenance, masonry, plumbing, electrical, typing, tailoring, dress-making, computer training, and joinery). They also have a separate training center that offers training in advanced rural development, basic agriculture, farming instruction and a 38 hour business management course. Though Don Bosco does not track its graduates, they estimate that 75% of their students are Sudanese (25% of which are women)<sup>7</sup>. Many of these students enroll in several classes in order to broaden their skill sets and increase their chances of getting work upon repatriation. Graduates from Don Bosco programmes receive certificates recognized by the Kenyan Education Commission.

Don Bosco also manages a micro-finance program funded by UNHCR which consists of group loans for refugees (3 to 5 people) wishing to operate a business within the camp. The loan limit is 80,000 Ksh (about \$1100 USD, roughly the cost of a maize grinder) with an interest rate of 2% per year. The default rate of 33% suggests a significant number of business failures and the subsequent decision to halt funding for the program within the year. In its place, a second incentive program was started only for students enrolled in the masonry, carpentry, plumbing, and electrical classes. Instead of money, these students are given a toolkit of supplies in their respective trades that they can use to start a business.

#### **Prospects for Students**

Many students believed that it was necessary to return to Sudan, get a job, and scout out the opportunities available in their areas before starting a business. They said that a job with the government or an NGO was necessary for self-sufficiency because Southern Sudan was poorly developed. Most agreed that having the promise of employment was necessary before repatriating and eventually starting their own businesses.

DB has worked with some NGOs in Sudan this year to help them recruit trained staff. Most notably, World Vision in Sudan recruited agricultural training graduates to work in Southern Sudan. These types of opportunities are highly coveted by Don Bosco students.

- German Development Co-operation (GTZ) -The German organization offers environmental conservation training, provides seedlings for vegetable gardening, and enhances agro forestry. They promote the use of environmentally friendly charcoal stoves and are responsible for firewood distribution. Extension workers train refugees on agriculture, cultivation, irrigation, and gardening which can be translated into income generating opportunities upon repatriation. They created 6 pilot projects at primary schools teaching children how to cultivate home gardens so that the families caring for them will regard them as valuable members of the household.

<sup>7</sup> From personal interview with Father Sebastian Chirayath at Don Bosco

### Prospects for Students

Students of the kitchen garden program (it involves training people to grow certain vegetables and to harvest seeds on their own property) are able to grow more than they need for personal consumption and, therefore, generate income.

Many of those recruited for GTZ programs are able to return to Sudan and use their skills to find suitable employment. GTZ also teaches these trainers to plant kitchen gardens to plant the vegetables that offer nutrients not found in the rations handed out by WFP (which are often not enough to last the average family the whole month). Some refugees sell the produce from their gardens in the market.

- **International Organization for Migration (IOM)**<sup>8</sup> facilitates documentation and movement of refugees for resettlement to third countries and manages the airlift movements of Sudanese refugees to Sudan. They conduct medical check ups for refugees bound for resettlement.
- International Rescue Committee (IRC) – Responsible for health, sanitation, nutrition, adult literacy, HIV/AIDS prevention and counseling, rehabilitation of physically/mentally challenged and return monitoring. Services also include information gathering and dissemination regarding legal and social developments in Sudan (i.e. key dates (census, elections, etc.), security, employment outlooks, etc.) They have begun door-to-door outreach campaigns for information sharing in addition to billboards (health messages), notice boards and weekly meetings. They developed and implemented a business skills education certification program offering the following curriculum:
  - Bookkeeping
  - Operations
  - Business Planning
  - Management of Business Activities
  - Costing & Pricing

Graduates are issued certificates. These certificates are also in the process of being translated into Juba Arabic for that potential employers know what the course material covered. The goal is to provide live skills to the Southern Sudanese which will create an easier transition for repatriation. They do not have the resources to do follow-up on their students to discover who gets loans and who has started a business.

### Prospects for Students

Since 1996, 8000 people have been certified through this program<sup>9</sup>. Of that number, roughly 29% were women graduates and the majority of those were in the one-month certificate program. Per year, approximately 566 participants attend the two-month training programs and 320 attend the one-month programs. They hope to engage in more monitoring and evaluation activities as they have plans to expand their presence in Southern Sudan.

- **National Council of Churches of Kenya (NCCCK)** -The church council mainly coordinates the efforts of various denominations in Kenya that desire to work in the camp. This organization primarily focuses on HIV/AIDS awareness and reproductive health and concentrating on vulnerable populations. NCCCK has recruited and trained a large number of “reproductive health motivators” among the community to reach

<sup>8</sup> UNHCR co-ordinates its activities with two other UN Agencies namely WFP and IOM

<sup>9</sup> From personal interview with Adult Education Instructors at IRC

out to vulnerable groups (sex workers and brewers) and organize information gathering and dissemination.

NCKK staff offer training in empowering community leaders, youth leaders, and women leaders. In these capacities they help facilitate awareness workshops for vulnerable groups and interested participants. They have organized groups of between six and ten within these vulnerable groups and offered grants of up to 10000 KSh if they generate a legitimate business opportunity. Examples have included selling of fish and beans. These grants (originally loans) intend to offer disincentives for prostitution and home brewery.

- **Lutheran World Federation (LWF)** -The main implementing partner handling camp management, food distribution, education (pre-School, primary and secondary), peace education, water, and community services. Additional training is offered in such areas as:
  - Tailoring (mostly women)
  - Small Business Management
  - Typing (mostly men)
  - Language Training

90% of participants in these training programs are Sudanese with 75% of total participants being women<sup>10</sup>. Graduates sit for nationally-recognized exams and if they pass, they get a recognized certificate. No monitoring and evaluation exists, LWF will gauge the capacity of participants before the class begins and then do another assessment near the end of the class.

### **Prospects for Students**

LWF ran teacher training courses in conjunction with UNISA (University of South Africa) and many teachers have been recruited by government officials from Sudan.

Graduates are loaned sewing machines to be used for the period of one year until they make enough money to purchase their own. Many of their graduates will move on to Don Bosco training programs for further skills development.

LWF often provides graduates with income generating opportunities. For instance, if LWF gets a contract to provide uniforms for guards, NGOs, and students they will pay their graduates to produce these goods. Other students who are able to take their own measurements have started businesses in the camp. Typing graduates have also begun businesses after completing these courses, and have often repatriated to Sudan.

- **Windle Trust Kenya (WTK)** -Offers English Language courses for Adults and runs a scholarship program attached to the World University Service of Canada (WUSC). In addition, WTK in collaboration with the Ministry of Education, Kenya provides special in-service teachers' training program for refugee teachers in Kakuma. The training program is tailored to assist Sudanese refugees develop skills in readiness for the voluntary repatriation program. Also, WTK offers training in paralegal skills, after which examinations are organized by the Examination Council of Kenya and certificates are considered legitimate by the GOK. They also provide scholarships for refugees to study abroad (Canada, Switzerland, U.K.) and teach English.

<sup>10</sup> From personal interview with LWF

#### 4 Assessment Methodology<sup>11</sup>

In addition to several informal interactions with individuals within the Sudanese community, among UNHCR staff and other Kakuma and host community residents, the methods of data collection used for this assessment included focus groups, personal interviews<sup>12</sup>, and a field survey administered to business owners. The survey was developed using available data and preliminary interviews with IRC and UNHCR staff. The specific methods and participants are as follows:

Collection Method	Targeted Respondents
Baseline survey	39 Sudanese Business Owners <sup>13</sup>
Personal Interviews	<ul style="list-style-type: none"> <li>▪ UNHCR – Community Services Unit, Repatriation Unit, Mass Information Unit</li> <li>▪ Don Bosco – Director, Headmaster, Students, Instructors, Graduates</li> <li>▪ IRC-Regional Return Manager, Repatriation Unit Officer, Adult Education Director</li> <li>▪ Windle Trust – Program Manager</li> <li>▪ NCKK-Community Outreach Officers, Program Manager, Community Facilitators</li> <li>▪ GTZ – Program Manager, Field Coordinator</li> <li>▪ LWF – Community Services Officer, Projects Coordinator</li> <li>▪ Sudanese Community Administration</li> <li>▪ Sudanese Business Leaders in Hong Kong Market</li> <li>▪ Some Survey Participants</li> </ul>
Focus Groups	<ul style="list-style-type: none"> <li>▪ Graduates from Don Bosco Agricultural Program (about 30)</li> <li>▪ Women graduates of Don Bosco dressmaking training (8 or 9)</li> <li>▪ LWF women’s groups engaged in tailoring and catering (about 14)</li> <li>▪ Community groups including men and women who had gone through various training initiatives at Don Bosco, IRC and others (+ 20)</li> <li>▪ Vulnerable women assisted and trained by NCKK to create cooperative businesses (10)</li> <li>▪ Teachers trained by Windle Trust as well as graduates (15)</li> <li>▪ Teachers and graduates of IRC adult education certificate programs (10)</li> </ul>

<sup>11</sup> Survey and focus group methodologies are outlined in detail in sections 7 and 8 of this document.

<sup>12</sup> Outside of survey and focus group participants, a listing of persons who provided information is included in Annex 6

<sup>13</sup> Refer to survey questionnaire in Annex 2

## 5 Overview of Business Environment

The largest markets in Kakuma operate in Camp I<sup>14</sup> and are largely segregated by nationality. The largest and most successful markets are in the Somali and Ethiopian communities despite the large population distortion. In addition to many retail operations, these markets offer more advanced services such as cyber cafes, money transfer services, and banking.

The main Sudanese market in Kakuma is the Hong Kong market. It is organized into an informal business association, having a leader and a deputy. The association's main responsibilities involve promoting proper hygiene, maintaining a roster of businesses within the market (31 would be considered 'Big Businesses' and are mostly hotels), and ensuring that shops close down at the proper times. The presence of a business association also seems to promote a strong network amongst the business owners who maintain a more uniform and organized structure than one would see in markets in urban centers in Sudan (i.e. Juba, Rumbek) There are a variety of shops similar to those that would be found in Sudan; however, additional services seem to have sprung up based on new demand and competition from the larger Somali and Ethiopian markets, and has led to better marketing practices (e.g. better signage, cleaner stalls, customer service, etc.). Examples of businesses found in the Hong Kong market include:

- Video Stores
- Photo Studio
- Bicycle Repair Shop
- Electronics & Mobile Accessories
- Restaurant/Bar
- Butcher
- General Stores/Foodstuffs
- Movie House
- Furniture Workshop for Retail
- Tailor
- Lumber
- Hotels

The vast majority of businesses in the market are run by men, and some of them are fairly successful. One hotel operator in particular grosses around 18,000 to 20,000 KSh per day (around \$300). Vocational graduates tend to possess better business acumen and are able to invest soundly enough to grow their businesses. With tool kits and support from Don Bosco, a particular group of refugees interviewed were able to maintain a high quality carpentry shop, although profits were highly influenced by uncertain supply and demand conditions.

The businesses mainly seem to have been started with something small (e.g. food rations, firewood, etc.), and profits have been invested back into the businesses. For example, the \$300 per day grossing hotel operator started with only 50 shillings in 1992 and is now employing 10 people, and the carpentry shop started with only 2 tools in 1999 and is now a fully equipped workshop.

Women in the markets mainly sell tea, bread and mandazi, although there are also some women tailors. Having less access to certain vocational and business training skills, women are less likely to grow their businesses and are relegated to more traditional tasks in the home. Women, however, are more likely to organize themselves into cooperatives in order to increase profits while maintaining their domestic responsibilities. A single woman bread-maker might make 100 shillings or less in a day, but a group of 3 to 5 women might make 500 shillings or more to split amongst themselves.

Most men and women business owners stressed, however, that money earned by the businesses was only for survival.

<sup>14</sup> A map of Kakuma Refugee Camp is included in Annex 1

## **6 Findings and Observations**

The vast majority of people interviewed expressed a strong desire to return to Sudan. Although most of them had not signed up for repatriation, some were very clear and confident about their intent to return and were even able to articulate a timeline for their plans. Many of these were remaining specifically for the purposes of completing education – either secondary school or a specific training program for which they had already registered. Others’ desire to return was more in “theory,” but they were waiting for some combination of issues to resolve themselves. Those who had no interest in returning to Sudan were very few and mainly cited bad memories of witnessing the death of loved ones during the war and the lack of basic infrastructure and services in Southern Sudan.

### **6.1 Barriers to Repatriation**

Although interest in voluntary repatriation by the Sudanese community in Kakuma is increasing, the program is facing limitations. Some of the major constraints that the program is facing are: limited funding affecting the voluntary repatriation operations, limited absorption capacity and inadequate road infrastructure coupled with the problems of land mines.

The following were cited as the main barriers to repatriation:

1. **Government Support** – From a GoSS perspective, the repatriation of refugees is conflicting with their simultaneous effort to reintegrate the IDPs that are currently in Sudan. There are several tribal and cattle issues that arise as a result of attempted resettlement on the part of GoSS. State and county governments are not always providing the necessary help in resettling returnees. The efforts of county commissioners from Sudan trying to hire people from the camp do not appear to be coordinated by the federal or state governments in Sudan.
2. **Security** – Security concerns seemed to be somewhat greater among women than men but were widely cited as a reason why people were not yet ready to return home. The recent outbreak of fighting in Malakal was a particular concern. However, we also received feedback from some people that, although security was a concern, it was not a complete barrier to returning – that, after all, there are security issues in Kakuma and many people have family members who have been living in Sudan throughout the war despite insecurity. It was never clear from any conversations what specific conditions would constitute ‘sufficient security.’
3. **Basic Services** – Health and education were frequently cited reasons for not wanting to go back as Kakuma provides superior access to these and other services that may or may not be available in Sudan. However, there also was recognition by the community that these services would not be developed if people did not return.
4. **Livelihood Opportunities** – Many people were afraid to return to Sudan without being sure of a source of income. This was a particularly important issue for business owners who were unsure of how they would transfer their businesses and for elderly people, particularly widows caring for children. Individuals who had gained training/skills but who were not currently utilizing them in business were interested in finding a job rather than starting their own business, and were mainly looking to NGOs or the government to hire them (interestingly, they were not thinking about private companies). Most people without a businesses, formal income, or skills planned to rely on (subsistence) agriculture as a means of supporting themselves, and most were confident that they would have access to plenty of good land for farming. Not many planned to rely on

large-scale farming as a business, except those who had been formally trained in agriculture, and these were concerned about their ability to get start-up seeds and tools, and cash to pay farm workers.

5. **Inability to transport personal belongings** – This was cited as an issue by most people. The weight restrictions, particularly on flights, are felt to be very burdensome. People would like to take with them the basics they need for setting up house – things such as stoves, but also jerry cans, utensils, etc. It was also clear that the desire to take more household items was also a result of many people fearing having to start from scratch and not having family or friends back home that could assist them with household set up. Transport of goods was especially a problem amongst established business owners who had a lot of inventory and/or tools.
6. **Transport to homestead** – Many people brought up the issue that UNHCR would transport them only as far as the nearest way station and that they would then have to pay to transport their family and belongings the remainder of the journey to their homestead.
7. **Communication** – Many people seemed well informed of the situation in Sudan, and major channels of communication included listening to the radio, reading news, talking with people in Sudan either by phone or two-way radio, and talking to people who had gone back to Southern Sudan and returned to Kakuma. However, many others were uninformed of the situation and were eager to hear from the project team what things were like there in terms of security, living conditions, opportunities, etc.
8. **Skilled tradesmen and women** – Don Bosco, IRC and other NGOs have trained a number of people in various trades as well as in business skills. While some of these individuals have gone on to start their own businesses, many of them are idle in Kakuma because of lack of capital to get started. Most of the Don Bosco graduates have even taken exams and hold certificates honored by the Kenyan government but they may need refresher courses in their trades in order to be brought up to date.
9. **Social Ties** – The war severely disrupted social ties and social networks in Sudan due to the length of time many refugees have been away and the fact that many of them lost all or most of their family in the war. The importance of this should not be underestimated in looking at willingness to return. Social ties provide a security net and the fear of returning home without them can be very great, especially in a society where family is so important. This seems to be a major issue underpinning the reticence to return. The fact remains that there will need to be an extra push to encourage many Kakuma residents that they can have a better life in Southern Sudan. Helping people to believe that they can support themselves and their families in the absence of an extended family network, particularly while relying on a subsistence farming based economy, will be key in accomplishing this.
10. **Gender Issues** – Very few women have received any business or vocational training. This is due in part to the fact that very few of them have any formal education beyond a few years of primary school and also to culturally embedded gender roles which confine women to domestic roles. This is reflected in the dearth of women in the marketplace and is in stark contrast to the current situation in Sudan where a large percentage of the marketplace consists of women business owners, with or without education, and where many men do not work. Women who have had the opportunity to get training in Kakuma seem to have had less opportunity than the men to actually start a business. Some vulnerable women have been targeted by NGOs for income generating activities, but many of these women have extenuating circumstances that may preclude them from returning to Sudan.

## **7 Survey Development and Administration to Sudanese Business Owners**

### **7.1 Survey Development**

A baseline survey was developed by the project team with the goal of attaining a clear understanding of what the Sudanese business environment was like in the KRC.

This involved collecting the following key indicators and data:

- Demographic and social information about the Southern Sudanese business owners
- Their refugee history in the camp
- Their geographical origins in Southern Sudan
- Types of businesses that they operate
- Their business skills and capacity and their perceived challenges in repatriation and transferring their business models back to Sudan.

A copy of the survey, titled the VEGA Sudan Business Assessment Survey, is included as Annex 2 in this report.

The survey consisted of 21 multiple choice questions which were administered directly by the project team. The objective of the survey was basically to attain data about the business climate of Sudanese businesses in KRC that would fill primary gaps in existing information. The project team was careful to phrase the survey questions in a Sudanese context, mindful of the fact there may have been language barriers.

### **7.2 Sample Size**

There were a total of 39 respondents to the VEGA Business Assessment Survey, which was not as large of a sample size as the project team had hoped to target. Many business owners were not available as they could not leave their businesses unattended, one survey date conflicted with food ration distribution, or the location of the meeting was far from the business site or home of the owner. For scheduled survey administration, lack of incentive may have played a significant role in the lower turnout.

### **7.3 Survey Administration Methodology**

Data collection consisted of organized groups of business owners referred to VEGA by many of the NGOs operating in KRC (many of the business owners had been graduates of vocational training programs administered by the NGOs<sup>15</sup>), as well as scouting of the market by the project team. A listing of participants, dates and the partner organizations that referred the participants is included in the annexes of this report (Annex 3). For most survey administration, an overview of our project scope and introduction to VEGA was explained to the respondent before the survey was conducted.

In addition to collecting the survey data, some of these sessions were used to have more in depth conversations with the business owners and probe for further explanations on some of their responses, particularly with their barriers to repatriation and their views on doing business in Sudan. Overall, the participants were highly responsive to the survey questions and often willing to volunteer additional information.

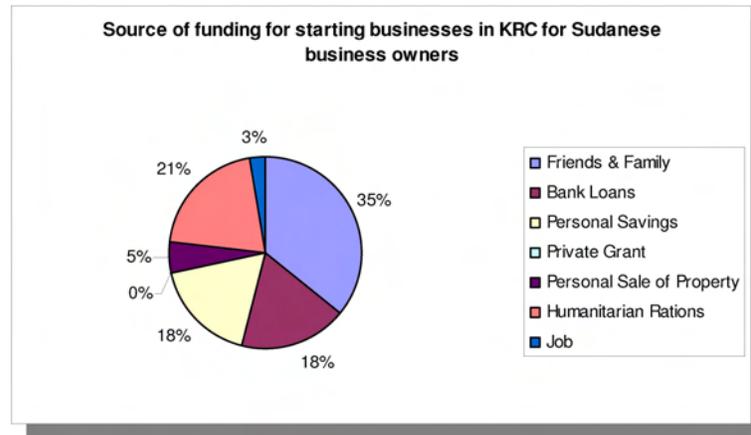
<sup>15</sup> Survey participants for planned sessions were referred by Lutheran World Federation and Windle Trust Kenya.

## 7.4 Survey Trends and Observations<sup>16</sup>

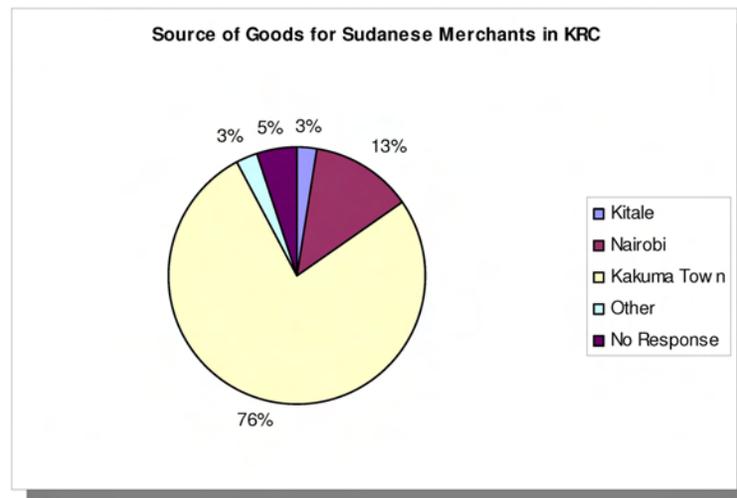
Based on the data collected from the 39 respondents, the project team found the following key observations:

- 21% of respondents started their businesses with seed money from selling their shares of humanitarian food rations (Question 10). This indicates a willingness and desire to succeed despite the absence of resources. There is a recommendation included in this report based on this finding<sup>17</sup>.

□



- If they were merchants, 77% of survey participants procured their goods directly from wholesalers in Kakuma town (Question 7). Although very few are given the opportunity to purchase goods from elsewhere, some fail to realize that the profits being made on the goods are marginal and could be more if they would form cooperatives and/or pool resources to obtain goods from other locations such as Nairobi or Kitale. Procurement and supply chain logistics would be something that the VEGA long-term consultants could assist business owners such as these on the Southern Sudan side<sup>18</sup>.

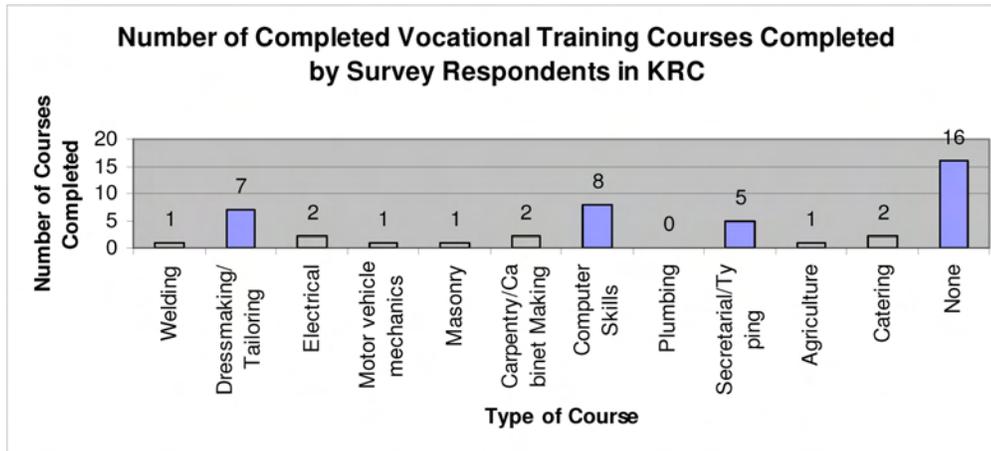


<sup>16</sup> Items 3 and 5 allowed respondents to select more than one multiple choice answer. These responses were cumulated in the data analysis to highlight broad feedback regarding these topics

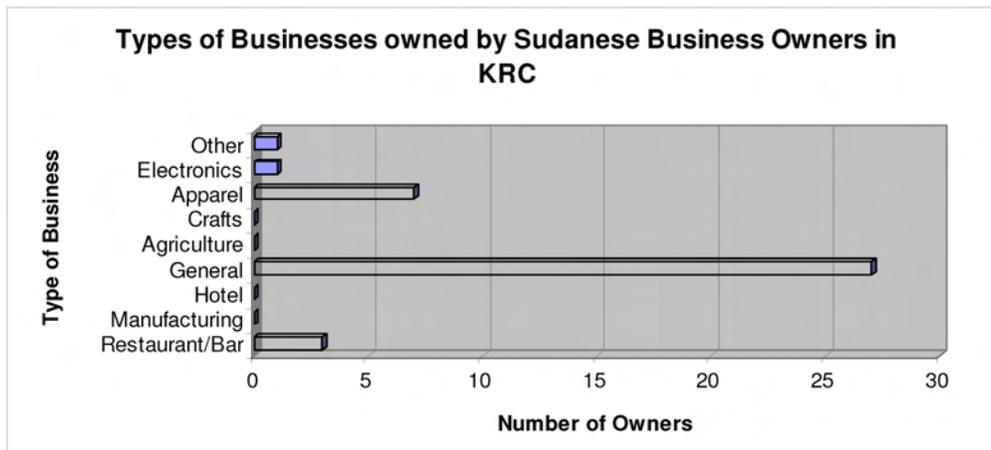
<sup>17</sup> See Action Plan 3 for more details in section 8.1 Proposed Action Plan

<sup>18</sup> See Action Plan 2 for more details

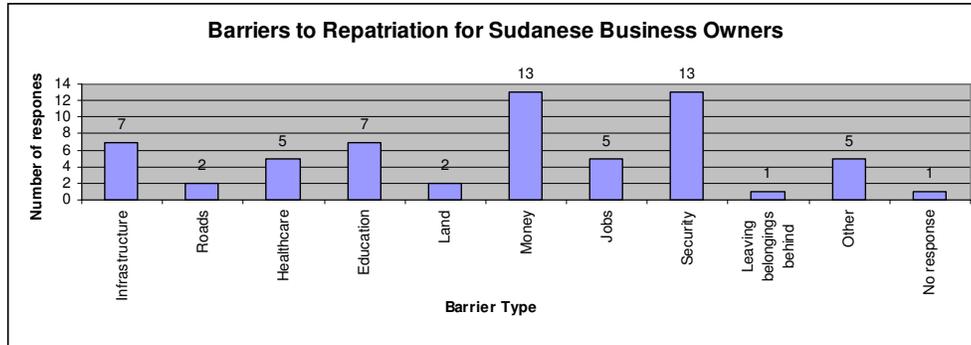
3. There is a definite need for business owners to go through a formal business training course should they decide to repatriate to Southern Sudan. Although only 41% of respondents indicated they kept no records for their business (Question 9), the percentage is likely to be much higher due to the informal environment of KRC and the observation that they is no real motivation to keep records as they own businesses to subsist rather than to make profits and grow their enterprises. A formal business workshop in addition to business support services in Sudan will give them the tools and confidence that they need to succeed in their endeavors. Interestingly enough, 41% of the business owners have NOT been through any sort of vocational or business training (Question 12), further indicating the capacity gap for such training.



4. Based on the survey results, 69% of business owners are in the “general trade/foodstuffs” industry, followed by the apparel trade (18%). Although this is a direct supply and demand issue in the KRC, there are probably opportunities for diversification if the business owners were to be exposed to a more innovative line of thinking or given information and training in additional trades that would be identified as viable and potentially profitable in Southern Sudan.



5. Survey results indicated the top two challenges that Sudanese business owners face regarding repatriation is uncertainty regarding security (21%) and lack of funds (21%). Basic infrastructure and access to education and healthcare were also primary concerns among respondents.



## **8 Focus Group Administration and Methodology**

### **8.1 Focus Group Administration**

The purpose of holding focus groups apart from personal interviews and survey administration was to take advantage of “group-think” type dynamics among various Sudanese populations within the camp. The team felt that, by giving these targeted groups an opportunity to openly discuss their concerns, more issues would be uncovered through a build-up of information sharing. Using information weaned from personal interviews and prior research, the team was able to target the seven groups used in this assessment in the hopes of gaining a more robust understanding of the overall business environment which would meet the stated objectives and would lead to unique recommendations. A large number of focus groups were conducted in conjunction with personal interviews and survey administration. Particularly, the survey was administered to focus group participants among the graduates of the Don Bosco programs, the LWF women’s group, and graduates of the IRC adult education programs who had already started a business. The information gathered from the focus groups was then incorporated into the findings and observations section of this assessment and fed into all three action plans in the recommendations.

### **8.2 Focus Group Methodology**

Most of the focus groups comprised of between 10 and 15 participants, enabling even participation. Questions used for starting points on topics were generated ahead of time and adjusted as the project team collected more information about the Kakuma environment and general obstacles to repatriation for Sudanese refugees. Additional questions were also formulated during the actual focus group session as issues were identified and needed to be addressed. Each focus group was led by one member of the project team with support provided by two or three additional members. At the end of each day, the entire project team met to debrief. These sessions were used to review and discuss the information and material collected during the focus groups, resulting in the re-tooling of questions in order to further uncover underlying barriers to repatriation.

## **9 Recommendations**

While the decision to repatriate is, in the end, an individual or family decision, the Government of Southern Sudan (GoSS), UNHCR, and NGOs can work together to create an environment that is more return-friendly. As VEGA's mandate is to focus on economic development, this assessment targeted Sudanese refugee business owners and Persons with Skills. Therefore, the recommendations outlined in this section reflect this concentration. That is, three Action Plans have been developed by the project team that focus on encouraging the return of these two segments of the refugee population that are critical to the future development of Southern Sudan. Some of the biggest obstacles to repatriation – lack of public services and security – are not addressed. Such concerns are items on which VEGA's AMED program is not focused, nor can it have much impact in reducing as a barrier. These Action Plans are considered to be viable in the current context, and it is believed they would be even more effective given improvements in these other areas.

Each of the individual recommendations that comprise an Action Plan would have an impact in isolation. However, synergies would be attained by approaching each Action Plan as a coordinated strategy rather than individual tactics from which to choose.

Lastly, this assessment was based out of KRC. Moving forward, however, emphasis must be placed on “Sudanese refugees” rather than just “Kakuma Sudanese refugees”. Due to the scope of this particular assessment, the project team cannot comment on other refugee camps with authority, but based on conversations with several refugee experts, similar conditions exist in most of the other established camps that contain Southern Sudanese, particularly those in Ethiopia and Uganda. Therefore, these recommendations target all Sudanese refugees, not just those in KRC.

### **9.1 Proposed Action Plans**

#### **Action Plan 1: Facilitating the Return of Persons with Skills**

As discussed above, there are many programs in refugee camps that empower individuals through skills training. These programs, sponsored by the various UNHCR implementation partners, range from masonry to welding to teaching. Given the current state of Southern Sudan and its dire need for development, these are precisely the people needed within its borders. Therefore, it should be a priority for both GoSS and the NGO community to ensure Persons with Skills repatriate to Southern Sudan. In light of this, it is recommended that the following coordinated plan for GoSS and the NGO community be implemented:

##### **1. Increased linkage of refugee camps and Southern Sudan**

While there is already some bilateral information sharing between the governments and the camps, this channel could be improved. For instance, UNHCR already arranges both “come and tell” (government officials coming to camps) and “go and see” (refugee leaders visiting Southern Sudan) visits. During this study, several problems were uncovered with both types of visits. “Come and tell” visits are often performed by administrators at the state and local levels, not by GoSS officials. The benefit of having visits from GoSS-level officials is two-fold:

- 1) GoSS officials gain a better understanding of the programs within the camps, their value to the future of Southern Sudan, and the value of Persons with Skills; and
- 2) Refugees gain a better understanding of the vision of Southern Sudan and not just that of their desired locale. This serves as a motivation for repatriation.

“Go and see” visits can also be improved. Currently, UNHCR takes leaders from the Sudanese community to an area of interest, allows a brief visit, and then has the person meet with his/her constituency in the camp to discuss the conditions in Southern Sudan. This process could be improved by extending the length of the visit. This would allow more people to gain a more complete understanding of the environment. Therefore, a more complete picture would be available to those considering repatriation. Obviously this is a budgetary issue, but this should be a higher priority. At the very least, the visits of Kakuma community leaders should be longer than their current duration.

## 2. Recognition of training programs/certificates by GoSS

An NGO advocacy/lobbying partnership should be established whose mission it is to educate GoSS and the state and local governments about the details and criteria of the training certificates/programs in the various refugee camps. It is suspected that there is both ignorance and misperception among government officials about the training opportunities available in the camps. If greater awareness existed within the government, the demand for Persons with Skills would undoubtedly be higher. This would further encourage repatriation.

Not only should GoSS receive the details about these programs, but they should be encouraged to recognize the validity of the training certificates and the skill of their bearers. An issue that arose during the assessment was that GoSS will not hire individuals without diplomas or degrees. GoSS should thoroughly examine the training/certificate programs and decide if its needs can be met by such curricula. Additionally, GoSS should make it a priority to have its contractual work completed by fellow citizens who have the skills to aptly perform the work.

## 3. Develop an employment brokerage system

A large number of NGOs in the refugee camps have delivered various training programs to Sudanese refugees. While most of the trainees have not been tracked following graduation, the NGOs do maintain rosters for prior training sessions. Therefore, a registry of persons with skills should be created. Utilizing the training rosters, a database could be created that provides updated information about potential job candidates to the consumer. While further research is necessary to determine what type of registry would prove most beneficial (electronic, paper, etc.), there is little doubt that this would prove useful to both Southern Sudan and persons with skills.

While the registry focuses on the suppliers of labor, a complementary system should be created that would target the consumers of labor. Potential employers (which are mostly NGOs and GoSS currently) with labor needs could submit their needs as a means of gaining Persons with Skills, creating an Employment Notification Registry. If owned by the same organization (or partner organizations), it is envisioned that these complementary registries could be used by government bodies, NGOs, and private companies to provide a formalized channel for matching skilled workers with jobs, thereby encouraging repatriation.

An NGO, Skills for Southern Sudan, does currently keep an employment database, but the outlined plan above suggests that there is a coordinated effort to target persons with skills who are being reintegrated from outside of Southern Sudan. This would warrant increased partnerships with the database owners and the UN agencies and NGOs who are facilitating the repatriation process.

term assignments with projects and programs to build capacity and contribute to the development of Southern Sudan. This database currently houses contacts from North America, but it can be used as a model for establishing a similar database in Southern Sudan or should be expanded to incorporate communities in the region including East Africa, Egypt and other areas where there are significant populations of Sudanese.

#### 4. Establishment of skills cooperatives prior to return

Throughout KRC, there were numerous instances of cooperatives that had been established. For instance, cooperatives were common in both tailoring and catering. This could prove to be a successful model upon return to Southern Sudan. Pre-arranged cooperatives would not only act as a source of income generation and incentive to return, but its social support mechanism upon return could be invaluable.

Using KRC as an example, 65% of the Sudanese refugees are from Jonglei. Many of these are originally from the town of Bor. If individuals trained in tailoring are returning to Bor, then cooperatives could be formed in KRC with three people around a single sewing machine.

One area that would prove invaluable for both Southern Sudan and the individuals involved is the formation of cooperatives around the technical trades. With the technical training occurring in the camps, comprehensive light construction companies could be formed. For instance, there are programs in masonry, electricity, welding and plumbing. If graduates of these programs were to be organized together, forming a cross-functional team, the group could bid on both government and private sector projects. There is much need for this type of assistance in Southern Sudan and much of this work is currently being performed by people from outside of Sudan. This would help spur entrepreneurship and it is our belief that the group would find technical work easier than an individual.

Not only do cooperatives assist in income generation and provide social support, but they also make obtaining financing easier. Many of the financing programs in Southern Sudan will only disperse money to groups. By having a cooperative formed prior to repatriation, it is more likely the group can establish their businesses faster upon return by obtaining both work and financing.

### **Action Plan 2: Facilitating the return of business owners**

During our visit to Kakuma, the project team met many successful business owners who expressed a desire to bring their business models back to Southern Sudan. However, through these conversations, several barriers were identified that prevent the repatriation of business owners. The Action Plan below is intended to address these issues:

#### 1. Define Business Processes

As most of the business owners left prior to the signing of the CPA, many of the refugees were unclear as to what the business processes are now in Southern Sudan. Compounding this was often a lack of information regarding the business environment in their native land. Therefore, GoSS and its state governments should define a clear, simple process for registering businesses. This would help not only the refugees, but IDPs and current business owners inside Southern Sudan. Additionally, business issues and opportunities should be addressed on “go and tell” visits.

## 2. Support for Established Business Owners

Persuading owners of established businesses to repatriate is a sensitive issue. While they often have more financial resources than other refugees, many are doing too well in Kakuma to choose to leave without the proper incentives and assurances. For example, one owner argued that business owners face more risk in returning than non-business owners because they stand to lose more. However, business owners are the type of people Southern Sudan needs to repatriate for development purposes. GoSS and NGOs both have potential roles to play in facilitating this process. GoSS should develop the proper incentives to entice the return of business owners, which could include allotting space for businesses upon return to Sudan. NGOs could provide business training and consulting to those wishing to return either prior to or immediately after repatriation. As our survey shows, there is a need for such training, even amongst successful business owners. Only 36% of the owners we spoke with had received formal instruction and only 59% maintain records for their business.

## 3. Resolve Customs issues

Another issue that, if resolved, could entice the return of business owners is the dissolution of customs charges upon return to Sudan for refugees. As many of the business owners participated in general trade & retail, they were concerned about inventory. Essentially, UNHCR will not bring store inventories into Sudan for them, so if they wish to transfer their business, they must arrange for transportation. Some owners expressed the willingness to do this, but they were concerned with customs and tariffs along the way. From previous discussions with Southern Sudanese business owners, we know that goods can be charged as many as three times (be they legitimate or not) before they reach the sales floor. To encourage repatriation, GoSS should waive customs taxes upon entry and ensure that no charges are collected along the route home. This is suggested only for the initial return entry back into Sudan. There is also a concern that charges will be incurred when leaving Kenya. If this is in fact true, GOK should be persuaded to make exceptions for the initial return transportation as well. To address the concern that refugees are only taken to the way station and left to get to their destinations on their own, local county and state government should assist to provide additional transportation.

## 4. Subsidize the transport of income-generating equipment & goods

The main concern of business owners, other than security, was the ability to transport income-generating equipment & goods. UNHCR has a limit of 30 kg per individual, and often there is not space for equipment and inventory. For instance, many graduates of the LWF tailoring program have saved enough money to purchase their own sewing machine. However, the machine usually does not make the trip back to Southern Sudan, jeopardizing the financial security of its owner upon repatriation. Other examples included grinding mills, hand tools, and store inventories. Therefore, either a subsidy or grant program be devised that will assist these individuals in the transportation of their goods and equipment.

### **Action Plan 3: Increase in microfinance & grant activities in Southern Sudan**

Microfinance activities are scaling down in Kakuma to reduce the pull factor and to encourage repatriation. However, to complement this, there is a need for better access to microfinance and grant programs in Southern Sudan. Coordination with Sudan-based MFIs to set aside funds for returnees could create a pull, particularly for skilled refugees who have not yet started a business in Kakuma. Naturally, a set-aside for refugees has the potential to be controversial. Therefore, an alternative could be a grant program targeting those that are repatriating. Such a program could purchase tools, equipment, or goods and have them waiting for the grantee upon his/her return.

Such a program would also help to alleviate the concerns on the fact that Sudan is more expensive in which to live and to operate a business. This concern was expressed by multiple business owners, and such a program could reduce this anxiety. Loans & grants can provide the vital working capital necessary upon return to re-establish a successful business.

## **10 Conclusion**

### VEGA's Potential Role in Proposed Action Plans

The VEGA AMED program supports USAID's new Foreign Assistance framework and the Economic Growth Objective, which is to "assist in the construction or reconstruction of key internal infrastructure and market mechanisms to stabilize the economy." VEGA is already playing a part in identifying and addressing the needs of returning IDPs, refugees, ex-combatants, and youth by reintegrating them into communities and a private sector-based economy with the capacity to expand and create employment and increased income. Based on the findings outlined in this report, VEGA can also play a significant role in implementing the Action Plans identified above.

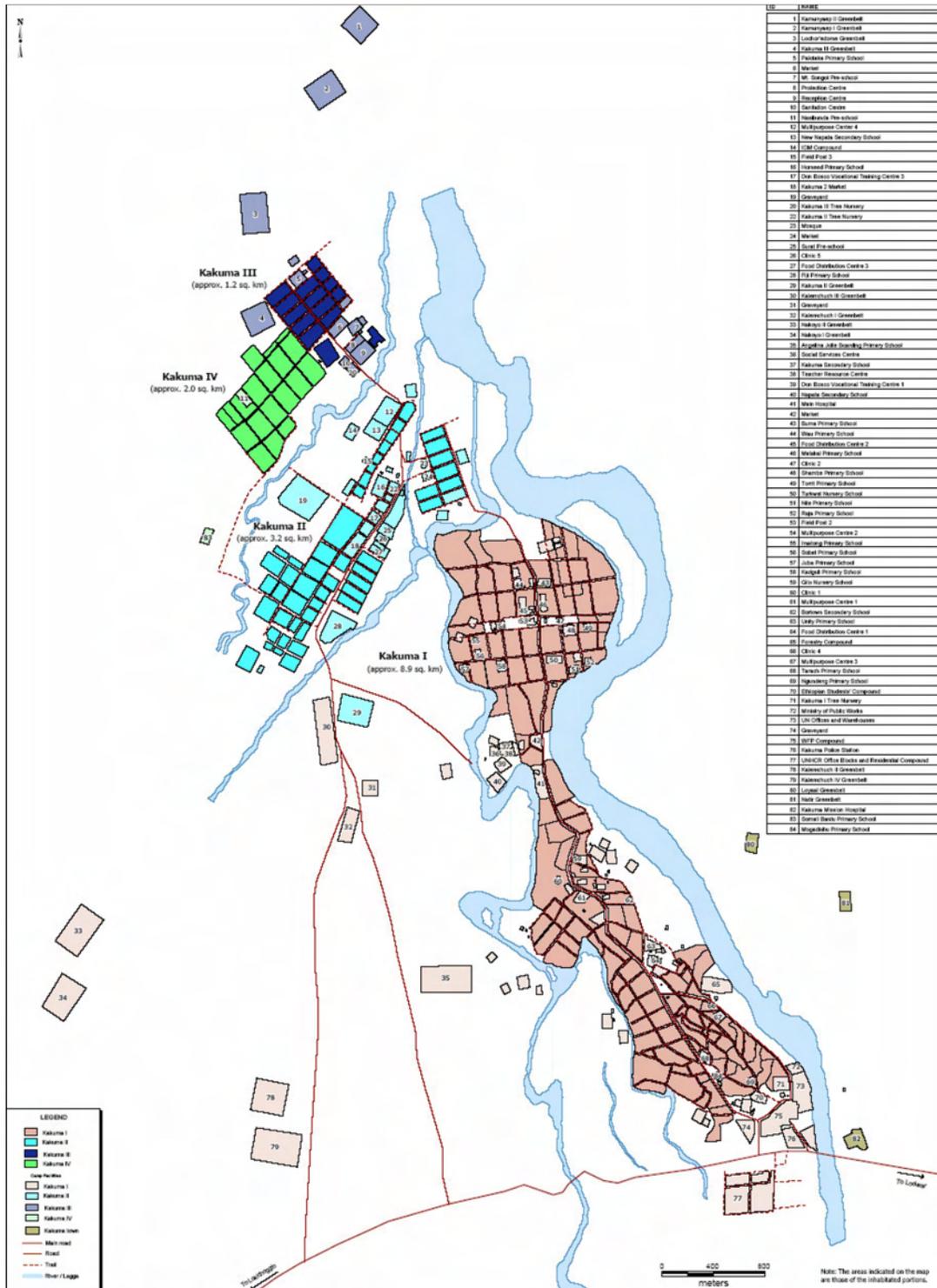
In the end, a more enticing environment can be created for those considering repatriation. The Action Plans, which were developed based on our study of persons with skills and business owners in the Kakuma Refugee Camp, would help to create such an environment.

## **11 Annexes**

### List of Annexes

- Annex 1 Map of Kakuma Refugee Camp
- Annex 2 Copy of VEGA Sudanese Business Assessment Survey
- Annex 3 Listing of Survey Participants
- Annex 4 Survey Results and Data
- Annex 5 Sources of Information
- Annex 6 Listing of Persons who provided information

### Annex 1 – Map of Kakuma Refugee Camp



## Annex 2: Copy of VEGA Sudanese Business Assessment Survey Page 1 of 2



Volunteers for Economic Growth Alliance Sudan

---

### Business Assessment Survey

Name of Respondent:  Occupation:

- 
1. Gender  Male  Female
  2. Age Range  Under 18  18-25  26-35  36-45  46-55  Over 55
  3. Where are you and your family from in Southern Sudan?  
Bahr-EI-Ghazal:  Northern BEG  Western BEG  Warrap  Lakes  
Equatoria:  Western Equatoria  Central Equatoria  Eastern Equatoria  
Upper Nile:  Jonglei  Upper Nile  Unity  
What town or village?
  4. How long have you lived outside of Southern Sudan?  
 Less than 3 years  3-5 years  5 -10 years  10-15 years  15 - 20 years  
 20+ years  I have never lived in Southern Sudan
  5. If you lived in Southern Sudan, did you operate a business there?  
 Yes  No
  6. What is your type of business?  
 Restaurant/Bar  Manufacturing  Hotel  General Trade/Foodstuffs  
 Agriculture  Crafts  Apparel  Electronics  Other:
  7. If you are a merchant, where do you obtain your goods to sell?  
 Kitale  Nairobi  Kakuma Town  Other:
  8. How do you attract more customers than your competitors?  
 Lower Price  Better Quality  Better Service  Bulk Discounts  Credit Extension  
 Other:
  9. Do you currently keep records for your business?  
 Yes  No
  10. What was the primary source of funding to start your business?  
 Friends & Family  Bank Loans  Personal Savings  Private Grant  
 Personal Sale of Property or belongings (cows, goats, land)  Humanitarian Rations

**Annex 2: Copy of VEGA Sudanese Business Assessment Survey Page 2 of 2**

Job

---

11. What is highest level of education that you have completed?

Primary  Secondary  Vocational certificate  No Education

12. Have you had any formal training in running a business?

Yes  No

13. Have you completed any vocational training in Kakuma?

Yes  No

14. Have you completed or had vocational training in any of the following trades?

Welding  Dressmaking/Tailoring  Electrical  Motor vehicle mechanics  
 Masonry  Carpentry/Cabinet Making  Computer Skills  Plumbing  
 Secretarial/Typing  Agriculture  Catering  None

---

15. Do you have any family in Southern Sudan?

Yes  No

16. Do you intend on moving back to Southern Sudan?

Yes  No  Maybe

17. If Yes, when?

1-6 months  7-12 months  Over 1 year  Unsure

18. What part of Southern Sudan would you repatriate to?

Bahr El Ghazal:  Northern BEG  Western BEG  Warab  Lakes

Equatoria:  Western Equatoria  Central Equatoria  Eastern Equatoria

Upper Nile:  Jonglei  Upper Nile  Unity  Do not know

What town or village?

19. What are the challenges that you face in moving back to South Sudan (Check one)

Infrastructure  Roads  Healthcare  Education  Land  Money

Jobs  Security  Leaving belongings behind  Other:

20. Would you consider relocating your business to Southern Sudan?

Yes  No  I would look for a job

21. Do you think you have a good idea of what business opportunities exist in Southern Sudan?

I have a clear idea  I have some idea  I have little or no idea

### Annex 3: Listing of Survey Participants

Date Info Collected	Survey #	Participant Name	Business Type	Referred by NGO
8-Dec	1	Daniel Lak	Shopkeeper	Market Solicitation
8-Dec	2	Matthew Agau Nyok	Shopkeeper	Market Solicitation
8-Dec	3	Lucky George Deteu	Apparel	Market Solicitation
8-Dec	4	Angelo Kongor	Shopkeeper	Market Solicitation
8-Dec	5	Mzee Wilson	Shopkeeper	Market Solicitation
8-Dec	6	James Thiong	Shopkeeper	Market Solicitation
8-Dec	7	John Kot	Electronics	Market Solicitation
8-Dec	8	Arop Deng	Shopkeeper	Market Solicitation
8-Dec	9	Wilson Kwelt	Butcher	Market Solicitation
8-Dec	10	John Mawin	Shopkeeper	Market Solicitation
7-Dec	11	Machot Lual Machot	Shopkeeper	Market Solicitation
7-Dec	12	Kumbo Paul	Shopkeeper	Market Solicitation
7-Dec	13	Akuot Manjok	Shopkeeper	Market Solicitation
7-Dec	14	David Abot	Shopkeeper	Market Solicitation
7-Dec	15	Aleer Pech	Shopkeeper	Market Solicitation
7-Dec	16	Paul Mayel	Shopkeeper	Market Solicitation
7-Dec	17	Daniel	Shopkeeper	Market Solicitation
7-Dec	18	Jacob Bol	Shopkeeper	Market Solicitation
7-Dec	19	Peter Guy	Shopkeeper	Market Solicitation
7-Dec	20	Malual Geu	Shopkeeper	Market Solicitation
7-Dec	21	Daniel Nyuon	Photography Studio/Haircutting	Market Solicitation
7-Dec	22	John Kut	Electronics	Market Solicitation
8-Dec	23	Jacob Thuch	Shopkeeper	Windle Trust Kenya
8-Dec	24	Santo Magai	Shopkeeper	Windle Trust Kenya
8-Dec	25	Ezibon Jodi	Shopkeeper	Windle Trust Kenya
8-Dec	26	Juma Ajojk Chol	Shopkeeper	Windle Trust Kenya
8-Dec	27	David Majok	Restaurant	Windle Trust Kenya
8-Dec	28	David Kyed	Shopkeeper	Windle Trust Kenya
8-Dec	29	Abraham Maker	Shopkeeper	Windle Trust Kenya
8-Dec	30	Gabriel Bor	Shopkeeper	Windle Trust Kenya
8-Dec	31	Mayen Muower	Bicycle Operator	Windle Trust Kenya
5-Dec	32	Getu Kiday	Catering	Lutheran World Federation
5-Dec	33	Mary Adith Por	Tailoring	Lutheran World Federation
5-Dec	34	Rebecca Deng	Tailoring	Lutheran World Federation
5-Dec	35	Elizabeth Ajith	Tailoring	Lutheran World Federation
5-Dec	36	Rebecca Adol	Tailoring	Lutheran World Federation
5-Dec	37	Martha Panpor	Tailoring	Lutheran World Federation
5-Dec	38	Mary Keji	Catering	Lutheran World Federation
5-Dec	39	Este Muchar	Tailoring	Lutheran World Federation

**Annex 4: Survey Data and Results**  
**Total of 39 Respondents**

**Question**

<b>Gender</b>	<b>Male</b>	<b>Female</b>
Number of Responses	31	8
Percentage of Total Responses	79%	21%

<b>Age Range</b>	<b>Under 18</b>	<b>18-25</b>	<b>26-35</b>	<b>36-45</b>	<b>46-55</b>	<b>Over 55</b>
Number of Responses	0	18	18	1	1	1
	0%	46%	46%	3%	3%	3%

	<b>NBEG</b>	<b>WBEG</b>	<b>WARRAP</b>	<b>LAKES</b>	<b>WE</b>	<b>CE</b>
Number of Responses	0	0	1	3	2	1
	3%	0%	3%	8%	5%	3%
<b>Where are you and your family from in Southern Sudan?</b>	<b>EE</b>	<b>JNG</b>	<b>UPNILE</b>	<b>UNITY</b>		
Number of Responses	1	30	0	1		
	3%	77%	0%	3%		

<b>How long have you lived outside of Southern Sudan? (Years)</b>	<b>&lt;3</b>	<b>3-5</b>	<b>5-10</b>	<b>10-15</b>	<b>15-20</b>	<b>&gt;20</b>	<b>Never lived there</b>
Number of Responses	3	2	7	15	7	5	0
	8%	5%	18%	38%	18%	13%	0%

<b>If you lived in Southern Sudan, did you operate a business there?</b>	<b>Yes</b>	<b>No</b>
Number of Responses	8	31
	21%	79%

<b>What is your type of business?</b>	<b>Restaurant/Bar</b>	<b>Manufacturing</b>	<b>Hotel</b>	<b>General Trade/Foodstuffs</b>
Number of Responses	3	0	0	27
	8%	0%	0%	69%

<b>What is your type of business?</b>	<b>Agriculture</b>	<b>Crafts</b>	<b>Apparel</b>	<b>Electronics</b>	<b>Other</b>
Number of Responses	0	0	7	1	1
	0%	0%	18%	3%	3%

<b>If you are a merchant, where do you obtain your goods to sell?</b>	<b>Kitale</b>	<b>Nairobi</b>	<b>Kakuma Town</b>	<b>Other</b>	<b>No Response</b>
Number of Responses	1	5	30	1	2
	3%	13%	77%	3%	5%

<b>How do you attract more customers than your competitors?</b>	<b>Lower Price</b>	<b>Better Quality</b>	<b>Better Service</b>	<b>Bulk Discounts</b>	<b>Credit Extension</b>	<b>Other</b>	<b>No Response</b>
Number of Responses	7	10	8	3	3	5	3
	18%	26%	21%	8%	8%	13%	8%

<b>Do you currently keep records for your business?</b>	<b>Yes</b>	<b>No</b>
Number of Responses	23	16
	59%	41%

<b>What was the primary source of funding to start your business?</b>	<b>Friends &amp; Family</b>	<b>Bank Loans</b>	<b>Personal Savings</b>	<b>Private Grant</b>	<b>Personal Sale of Property</b>	<b>Humanitarian Rations</b>	<b>Job</b>
Number of Responses	14	7	7	0	2	8	1
	36%	18%	18%	0%	5%	21%	3%

<b>What is highest level of education that you have completed?</b>	<b>Primary</b>	<b>Secondary</b>	<b>Vocational certificate</b>	<b>None</b>	<b>No Response</b>
Number of Responses	4	22	7	1	5
	10%	56%	18%	3%	13%

<b>Have you had any formal training in running a business?</b>	<b>Yes</b>	<b>No</b>
Number of Responses	24	15
	62%	38%

<b>Have you completed any vocational training in Kakuma?</b>	<b>Yes</b>	<b>No</b>
Number of Responses	24	15
	62%	38%

<b>Have you completed or had vocational training in any of the following trades?</b>	<b>Welding</b>	<b>Dressmaking/ Tailoring</b>	<b>Electrical</b>	<b>Mother Vehicle mechanics</b>	<b>Masonry</b>		
Number of Responses	1	7	1	1	1		
Number of Responses	0	0	1	0	0		
<b>Have you completed or had vocational training in any of the following trades?</b>	<b>Carpentry/Cabinet Making</b>	<b>Computer Skills</b>	<b>Plumbing</b>	<b>Secretarial/Typing</b>	<b>Agriculture</b>	<b>Catering</b>	<b>None</b>
Number of Responses	1	7	0	1	1	2	16
Number of Responses	1	1	0	4	0	0	0

<b>Do you have family in Souther Sudan?</b>	<b>Yes</b>	<b>No</b>
Number of Responses	29	10
	74%	26%

<b>Do you intend on moving back to Southern Sudan</b>	<b>Yes</b>	<b>No</b>	<b>Maybe</b>
Number of Responses	30	7	2
	77%	18%	5%

<b>If yes, when? (months)</b>	<b>1-6</b>	<b>7-12</b>	<b>Over 1 year</b>	<b>Unsure</b>	<b>No Response</b>
Number of Responses	6	2	7	17	7
	15%	5%	18%	44%	18%

<b>What part of Southern Sudan would you repatriate to?</b>	<b>NBEG</b>	<b>WBEG</b>	<b>WARRAP</b>	<b>LAKES</b>	<b>WE</b>		
Number of Responses	0	0	1	2	1		
	0%	0%	3%	5%	3%		
<b>What part of Southern Sudan would you repatriate to?</b>	<b>CE</b>	<b>EE</b>	<b>JNG</b>	<b>UPNILE</b>	<b>UNITY</b>	<b>DO NOT KNOW</b>	<b>NO RESPONSE</b>
Number of Responses	2	1	25	0	1	1	5
	5%	3%	64%	0%	3%	3%	13%

<b>What are the challenges that you face in moving back to Southern Sudan?</b>	<b>Infrastructure</b>	<b>Roads</b>	<b>Healthcare</b>	<b>Education</b>	<b>Land</b>	
Number of Responses	7	1	3	5	0	
Number of Responses	0	1	1	2	2	
Number of Responses	0	0	1	0	0	
<b>What are the challenges that you face in moving back to Southern Sudan?</b>	<b>Money</b>	<b>Jobs</b>	<b>Security</b>	<b>Leaving belongings behind</b>	<b>Other</b>	<b>No Response</b>
Number of Responses	10	1	8	1	2	1
Number of Responses	1	3	4	0	3	0
Number of Responses	2	1	1	0	0	0

<b>Would you consider relocating your business to Southern Sudan?</b>	<b>Yes</b>	<b>No</b>	<b>Look for Job</b>
Number of Responses	32	3	4
	82%	8%	10%

<b>Do you think you have a good idea of what business opportunities exist in Southern Sudan?</b>	<b>Clear idea</b>	<b>Some idea</b>	<b>Little/No idea</b>
Number of Responses	13	9	17
	33%	23%	44%

### **Annex 5: Sources of Information**

- United Nations High Commissioner for Refugees (UNHCR), 2005 Global Refugee Trends, June 2006
- UNHCR Brief Kit, Kakuma Sub-Office, July 2006
- UNHCR Briefing Kit on the Refugee Protection and Assistance Programme in Kakuma Refugee Camp, November 2006
- The Kakuma Update, UNHCR, Issue 5, Special Edition, November 2006
- Rapid Assessment of Learning Spaces Draft Report, GoSS Ministry of Education, Science and Technology and UNICEF, November 2006

### **Annex 6: Listing of Persons who provided information**

- Fr Sebastian Chirayath, Project Manager, Don Bosco
- Erica DePiero, Regional Return Reintegration Advisor, Sudan, IRC
- Dorcas, Project Coordinator, NCKK
- Mazengia Getahun, Business Training Instructor, IRC
- Isaac Igeui, Programme Manager, Windle Trust Kenya
- Francis Kahihu, Regional Return Manager, IRC
- James Karanja, Community Service Unit, UNHCR (Nairobi)
- Seda Kuzucu, Protection Officer, UNHCR
- John Macheche, Windle Trust Kenya
- Rashmi Mathias, Associate Community Services Officer, UNHCR
- Rita Mazzochi, Repatriation Officer, UNHCR
- Matueny Mayen, Acting Vice Chairman, Sudanese Administrative Center
- Simon Chol Mialith, Return Counterpart Manager, IRC
- Arif Mohammad, Officer in Charge, UNHCR
- David Mwangi, Information Assistant, UNHCR
- Fortunata Ngonyani, Community Services Officer, UNHCR
- Raphael Nyabala, Project Manager, NCKK
- Mark Oloya, Field Officer, GTZ
- Augustus Omalla, Community Services Clerk, UNHCR
- Charles Otieno, Community Services Office, LWF
- William Pembu, Projects Coordinator, LWF
- Siyad S. Samatar, Project Manager, GTZ
- Makonnen Tesfaye, Programme Officer, UNHCR
- Ukash , Adult Education Coordinator, IRC