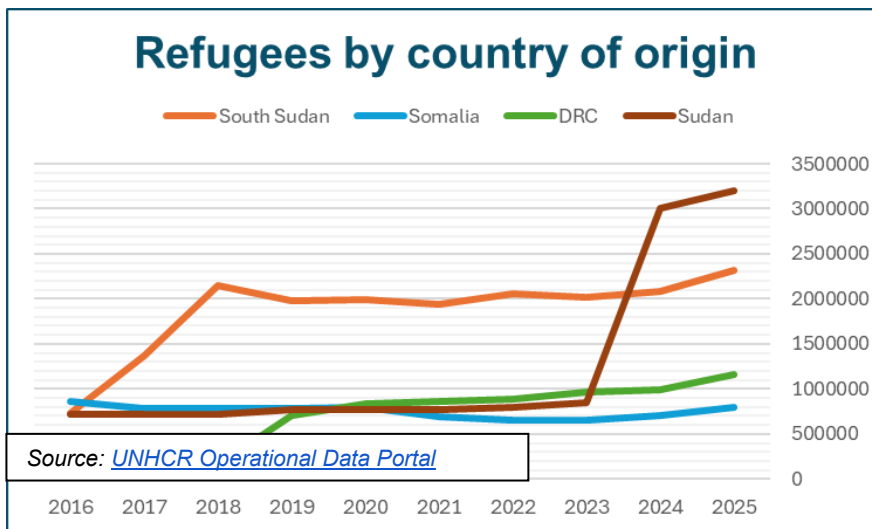


EAST AFRICA: A REFUGEE HAVEN UNDER THREAT

Introduction

East Africa has long hosted major refugee populations, owing both to the presence of some of the world's most severe and protracted crises - whether in the region or at its borders - and to the open-door refugee policies adopted by several of its countries. Violence and hunger caused by conflicts in South Sudan, Sudan, Somalia and the Democratic Republic of the Congo have continuously forced millions to flee in the past decade. Some [six million](#) refugees come from those four countries alone. Today, the growing impacts of climate change further exacerbate these displacement trends, with droughts and floods becoming so severe that people have no other choice but to cross borders to seek asylum and cover their basic needs.



In response, countries such as Uganda, Kenya and Ethiopia have consistently maintained open borders, hosting vast refugee populations in camps such as Dadaab and Kakuma in Kenya and Nakivale, Adjumani and Bidi Bidi in Uganda, which are among the largest in the world. Together, these three countries currently host approximately [3.8 million](#) refugees (up from 2.7 million in 2020), representing 10% of all refugees worldwide. Despite limited resources, these governments maintain or adopt

relatively progressive refugee policies, offering shelter, education, and livelihood opportunities, while also supporting refugees' self-reliance.

However, the prolonged and recurring nature of these crises, coupled with economic strain and dwindling funds for refugee responses globally, has tested the region's capacity to implement its progressive refugee policies and facilitate refugees' meaningful integration. At a time when cost-effectiveness is more important than ever, refugee-hosting governments and their international donors should pursue two clear priorities: redoubling efforts to address the root causes of the crises people continue to flee, and accelerating progress on refugee self-reliance and integration.

Hosting capacities overstretched

The number of refugees in East Africa continues to rise relentlessly, and the countries that host them are seeing their capacities stretched to the brink. In the first five months of 2025, nearly 100,000 refugees already arrived in Uganda, a number far above projections. Overcrowding has become too common in many hosting areas. Kenya's Kakuma camp, originally designed for 90,000 people, now holds over

280,000, while Uganda's Bidibidi settlement, once a temporary response to South Sudan's crisis, now hosts 207,000 refugees, far exceeding its planned capacity. Overcrowding has led to severe shortages: in Kakuma, families of six or more often cram into single tents, and water points serve up to 500 people per tap. Sanitation is dire, with reports of overflowing latrines and disease outbreaks, including cholera, becoming recurrent risks. In Uganda, refugees report having to share already small plots of land with other families due to overcrowding in settlements.

Food insecurity has risen sharply among refugee populations in the past years. In Uganda, the World Food Program (WFP) has been forced to cut food rations multiple times since 2021 due to a constrained budget. In 2023, assistance for what are considered "less vulnerable families" was slashed to 30% of what is required to cover basic needs, leaving families to survive on USD 6 per person per month—far below the survival threshold. In March 2025, that percentage was [cut down further](#) to 22%; in May, one million refugees were removed entirely from food distributions. A 2023 UNHCR [report](#) revealed that over 90% of South Sudanese refugees in Uganda cannot meet basic food needs, pushing many into dangerous coping mechanisms like child labor, early marriages, and skipping meals. Similar measures have been implemented in Kenya's Kakuma camp, where WFP reduced food rations to [40% of the basic minimum](#) in March 2025. Meanwhile, the resilience capacities of host communities—already struggling with poverty—are further strained. In northern Uganda, where Bidibidi is located, poverty rates are consistently above the national average, reaching [63% in 2022](#).

Additionally, while in many areas [studies](#) show that host communities appreciate refugees' contributions to the local economy and [welcome](#) initiatives to improve refugees' integration, as refugees and hosts increasingly [compete](#) for scarce firewood, water, and arable land, tensions could deepen and threaten this peaceful coexistence.

Today, in light of ever increasing funding cuts to refugee responses and unabated conflict and climate shocks driving displacement in the region, East Africa's refugee-hosting model—once praised for its progressive policies—is at risk, threatening hard fought gains for refugees' protection and integration.

Urban Refugees: A Growing and Neglected Population

Today, approximately 70% of refugees worldwide live in urban areas. In East Africa, a smaller but still significant proportion of refugees choose to live in urban areas: 9% in [Kenya](#), 13% in [Uganda](#), and 7.4% in [Ethiopia](#). Over the past few years those numbers have grown consistently, as refugees move to urban centers in search of better livelihood opportunities. While urban refugees are often assumed to be more self-reliant than their counterparts that live in camps or settlements, they tend to face their own set of [distinct challenges](#), including for access to documentation, to decent housing, as well as to social and professional networks. In Kenya, for example, lack of access to documentation as well as [inconsistent requirements](#) remain a significant challenge for urban refugees, impeding their ability to access basic services as well as their ability to seek formal employment. In Uganda, urban refugees face similar challenges accessing services, with [up to two thirds of urban refugee families surveyed in 2024](#) found not to have birth registration for all dependents, limiting access to essential services. While recent policy shifts in Kenya, including the recently adopted [Shirika Plan](#), promise to improve economic integration for camp-based refugees, many questions remain unanswered about how the proposed changes will apply to urban-based refugees.

Progressive policies and their implementation gaps

East African countries have made huge strides in translating the potential that refugee populations represent for their economies and societies into relatively progressive policies that promote an enabling environment for refugees to build livelihoods and sustain themselves. In theory, these policies represent an opportunity for refugees to integrate into their host communities and for international actors to move beyond short-term aid that often leads to dependency, towards long-term support of refugees' resilience to achieve mutual benefits for host communities and refugees alike.

For example, **Uganda's** right-to-work and freedom of movement policies allow refugees to start businesses, access land, and integrate into local labor markets, boosting economic growth in host regions. Uganda has long been lauded worldwide for its progressive refugee-hosting model, which is in line with the Global Compact on Refugees. **Kenya's** passage of the Refugee Act in 2021 marked a significant shift in its refugee policy, moving away from a camp-centric model in which refugees rely on humanitarian aid and towards a model of local integration that allows refugees to contribute to their own and their host

communities' socio-economic development. The recent launch of the Shirika Plan goes even further, aiming to turn the country's two refugee camps – Dadaab and Kakuma – into self-reliant integrated settlements, allowing refugees and host communities to live and work side by side and access donor and government services. **Ethiopia's** Out-of-Camp Policy enables skilled refugees to fill labor gaps in urban areas, supporting national development while restoring dignity and autonomy to displaced people.

Yet in practice, implementation of these policies is still lagging, hampered by a combination of bureaucratic and political [barriers](#). In **Uganda**, refugees still face obstacles in securing formal employment due to lengthy work permit delays and employer discrimination. Additionally, land allocated for agriculture is often insufficient or of poor quality - an issue exacerbated by the growing impacts of climate change - leaving many reliant on aid despite land access. In **Kenya**, many refugees in urban areas still struggle to obtain identification documents, limiting their access to banking, social services and business support, and complex work permit [requirements](#) block their access to employment. In **Ethiopia**, while the country's revised refugee law (2019) allows access to education and livelihoods, bureaucratic inefficiencies and security concerns have stalled implementation. Many refugees remain confined to camps like Jijiga and Gambella, with limited opportunities to benefit from the law's provisions.

These barriers are not only at odds with the very policies these countries have adopted but also fail to adhere to the broader refugee policy framework in East Africa. The 2017 IGAD Djibouti Declaration on Refugee Education, the 2019 Kampala Declaration on Jobs, Livelihoods, and Self-Reliance, and the [2023 Munyonyo Declaration on Durable Solutions for Refugees](#) all include commitments to support the protection and socio-economic inclusion of refugees. This includes commitments to "strengthen the implementation of existing refugee policy and legal frameworks, to address the legal and practical barriers to enabling refugee economic inclusion," and to "promote equal access to economic opportunities for refugees in host countries." At a continental level, the [1969 OAU Refugee Convention](#) encourages host countries to allow refugees to move freely within their territories and urges member states to provide refugees with the right to work and to integrate them into existing social and economic structures.

Given the region's collective approach to refugee management, host countries should be held accountable for their adherence to these policies, ensuring that commitments translate into tangible improvements in refugees' lives. Without stronger enforcement mechanisms and political will, these progressive frameworks risk remaining symbolic rather than transformative.

The devastating impacts of dwindling funds

In all contexts, refugee responses are suffering from growing funding gaps which, in light of recent announcements of reduced ODA levels from several major donors including the United Kingdom, France, Germany and the United States, will likely continue to widen going forwards. The brutal and abrupt funding cuts imposed by the Trump administration since January 2025 are especially devastating. In 2024, the US [funded](#) some 45% of the refugee response in Uganda and Kenya, and 56% of the refugee response in Ethiopia. In Uganda, education programming is particularly hard hit by the cuts, with thousands of teachers being withdrawn from schools serving refugee children in a country that is composed of approximately 60% children.

The lack of funds for refugee responses does not only lead to reduced food rations and other basic services or rising food insecurity and malnutrition rates among refugee populations but is also a potential deterrent for host governments to continue showing generosity towards refugees. In Uganda for example, government officials have [pointed](#) to the lack of international financial support for their refugee response as a threat to their open door and progressive policies. Recently, the Kenya government has also [highlighted](#) their continued commitment to refugee protection while calling on the international community to step up funding and support for refugees and host communities.

In some countries, plans have been developed to slowly transition some refugee services such as healthcare and education over to the government. But without adequate funding strategies either from the government itself or from its donors, the likelihood of such plans currently looks tenuous. The risk we face is that ongoing funding cuts will push international actors to handover services to the government before such strategies are in place, and those services will no longer be available to refugees.

Case study 1: Supporting refugees' self-reliance through resilient market systems

Now in its fourth year, the DREAMS program aims to empower 150,000 refugees by fostering self-reliance, resilience, and economic inclusion across Uganda, Ethiopia, and Tanzania through an innovative approach: combining Market Systems Development (MSD) with poverty graduation to enhance scalability and long-term self-reliance in refugee settings, where markets can often be under-developed. Led by Mercy Corps and Village Enterprise, DREAMS targets the most marginalized populations, providing them with the capital and skills to launch small businesses while strengthening relationships with private sector actors to ensure market access, technical support, and long-term resources for these communities. A recent annual household survey in the Bidibidi and Rhino Camp settlements in Uganda assessed the performance of the program and showed significant impact on several fronts: For example, 76% of surveyed participants reported an increase in their household income of an average 10% over the past year, and 85% of participants reported having access to financial services in the two settlements, already surpassing the program's target set at 70%.

This funding crisis demands an urgent expansion of financial support beyond traditional humanitarian aid to include development actors, financial institutions, and private sector partners. While emergency assistance remains critical as displacement flows persist, sustainable solutions require long-term and predictable investments in refugee self-reliance and host community support. Such investments could also incentivize national governments to increase their own efforts to advance refugee integration by revising national budget allocations and prioritising full implementation of refugee policies. The current over-reliance on dwindling humanitarian funding not only fails to fully meet the growing needs but actively undermines the political will of host countries to maintain progressive refugee policies, risking a dangerous retreat from the region's commitments to protection and integration. The lack of support and responsibility-sharing from the international community - despite being a key objective of the Global Compact on Refugees - is only exacerbating that risk.

Refugee self-reliance programs reduce long-term aid costs by enabling households to generate their own income. In Uganda, refugees with land access have increased agricultural output, supplementing WFP rations. In Kenya, refugee-run businesses in Kakuma contribute over \$56 million annually to the local economy. Supporting the successful implementation of these policies is thus not just a humanitarian imperative—it is a fiscally responsible strategy for both donors and host governments.

Case study 2: Supporting urban refugees achieve economic self-reliance

Re:BUiLD is a five-year program that is made possible through a €30 million investment by the IKEA Foundation. Implemented in Nairobi, Kenya and Kampala, Uganda, Re:BUiLD is led by the International Rescue Committee, in partnership with governments, academia, refugee-led organizations, local partners and the private sector. The program is designed to deliver quality economic self-reliance interventions to foster stronger, more inclusive urban economic, regulatory, and social systems. It also includes a strong learning component to identify what works and what doesn't work for urban refugees and their host communities. Over the past five years, the program has created change at multiple levels, from expanding access to livelihood opportunities and inclusive services in local communities to influencing refugee-related policies and improving service delivery by national, regional, and global actors. By the end of year four, the Re: BUiLD program had directly served 20,738 clients with livelihood services and market-oriented interventions and indirectly impacted over 103,000 refugees and their host communities. More than 62% of clients reported an increase in their monthly income. 38% percent of clients had secured wage employment, while 45% were gainfully self-employed.

KEY RECOMMENDATIONS

To host governments:

- **Maintain open borders and asylum space** for people fleeing conflict and climate shocks across East and Central Africa, enabling them to access safety and life-saving humanitarian assistance.
- **Prioritize policy and legal reforms** that will enable the full implementation of the regional and national policies that aim to achieve inclusion and self-reliance for refugees, based on consultation with refugees and refugee-led organizations themselves about the key barriers to their integration, including access to documentation, their legal right to work, their ability to enroll in schools and to access services such as healthcare and adequate housing.

To donors:

- **Urgently fill the funding gaps faced by refugee responses** in major hosting countries in East Africa and improve the flexibility and predictability of such funding, to allow governments and aid organizations to address urgent needs while also building resilience and working towards durable solutions for both refugees and host communities.
- **Increase efforts to address the root causes of refugee flows** in East and Central Africa. This includes increased diplomatic engagement on protracted crises in the region, such as the DRC and Sudan, to support political solutions to the conflicts and restore a conducive environment for safe returns, as well as increase investments in climate resilience for the countries and communities who are the most vulnerable to the impacts of climate change.
- **Development donors should increase investments targeting refugee-hosting areas** in East Africa, prioritizing long-term financing to initiatives that support refugee self-reliance and integration. Similarly, humanitarian and development donors should enhance coordination to improve the balance and complementarity of humanitarian, development, and peacebuilding funding flows to refugee responses across East Africa, facilitating transitions from dependency to inclusion and self-reliance for displaced populations.

Signatory organizations:

