

The number of people being forcibly displaced – either internally or across international borders – has grown considerably in recent years. Low and middle-income countries host the vast majority of the world’s refugees, with the three countries that host the most in relative terms all located in the EBRD regions. Attitudes towards refugees have improved since 2021. Ukrainian refugees in Europe have been granted access to labour markets, and survey results suggest that they tend to be satisfied with the help and support they have received from locals, as well as their living conditions, access to education and housing conditions. Ukrainian refugees are more likely to head for places with higher tax revenue per capita and areas that already had large Ukrainian communities before the war.

Introduction

The total number of forced migrants worldwide – people who have been forcibly displaced from their homes as a result of persecution, conflict, violence in general, human rights violations or natural disasters – has grown rapidly in recent years. According to the Office of the United Nations High Commissioner for Refugees (UNHCR), that figure reached 87.5 million at the end of 2021, up from just 19.9 million in 1990. That increase in forced migration has outpaced population growth: at the end of 2021, 1.1 per cent of the world’s population had been forcibly displaced, compared with 0.4 per cent in 1990. Developing countries host 75 per cent of the world’s refugees and asylum seekers.¹

The 1951 Convention Relating to the Status of Refugees defines a refugee as someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion. To be granted refugee status, an asylum seeker must, therefore, have a genuine

¹ See UNHCR (2022c) and UNDESA (2022).



WAR, CONFLICT AND MIGRATION

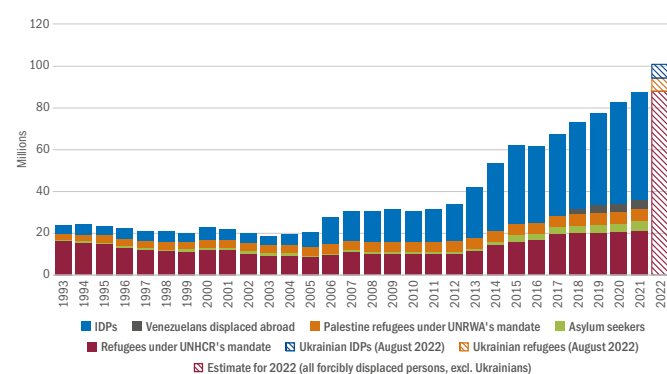


fear of being persecuted on one or more of those grounds. In the interests of brevity, the term “refugee” is also used in this chapter to refer to asylum seekers (individuals who have sought international protection, but whose applications for refugee status have not yet been assessed), as well as other internationally displaced people.

Almost two-thirds of the world’s refugees come from Syria, Ukraine, the West Bank and Gaza, Venezuela or Afghanistan. What is more, nearly half of all refugees are children, whereas children account for only a third of the world’s population. Low and middle-income countries host the vast majority of the world’s refugees. Many economies in the EBRD regions have become major destinations for refugees owing to their proximity to areas affected by conflict. Indeed, countries in the EBRD regions host 33 per cent of the world’s internationally displaced persons. Refugees tend to be younger and better educated than the average person in their country of origin, and well-designed integration policies can help them to make meaningful contributions to the economies of their host countries. On average, the integration policies of EBRD economies in the EU were marginally to moderately supportive in 2021.

At the time of writing (August 2022), at least 12.9 million people have fled their homes on account of Russia’s invasion of Ukraine.² More than 6.3 million have left for other countries (albeit several hundred thousand have now returned to Ukraine after originally leaving the country), while there are an estimated 6.6 million internally displaced people (IDPs) inside Ukraine. In contrast with the large wave of refugees seen in 2015-16, the EU is allowing Ukrainians to live and work in its 27 member states for up to three years. Ukrainian refugees are also able to access social welfare payments, social housing, healthcare and schools.

CHART 2.1. The number of forcibly displaced people has grown rapidly in recent years



SOURCE: UNHCR, UNRWA, United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) and authors’ calculations.

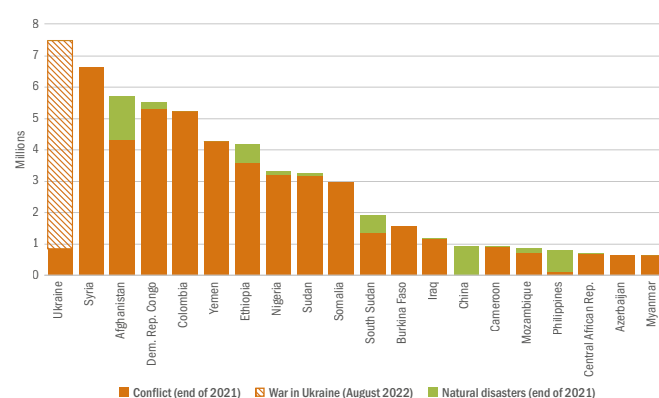
NOTE: Figures for IDPs, non-Palestine refugees under the UNHCR’s mandate, Venezuelans displaced abroad and asylum seekers are based on UNHCR data; figures for Palestine refugees are taken from UNRWA data (via the UNHCR). The estimate for 2022 is based on data as at 9 June 2022 and excludes Ukraine. Displaced Ukrainians are estimated at 12.9 million, consisting of 6.3 million refugees and 6.6 million IDPs (as at 3 August 2022). There are no data on IDPs before 1993 or Venezuelans displaced abroad before 2018.

A survey of Ukrainian refugees in Europe indicates that nearly 30 per cent are employed in their current country of residence, while 20 per cent are continuing to work remotely in Ukraine. Overall, their living conditions and the help provided by locals are both considered to be very good on average. At the same time, some respondents report having had trouble accessing financial assistance, healthcare and legal advice. Feelings of homesickness and helplessness are also common.

Ukrainian refugees are more likely to come to places with higher tax revenue per capita and areas that already had large Ukrainian communities before the war. Attitudes towards refugees have improved, with the prevalence of positive attitudes increasing by 19 percentage points in Poland relative to 2021. Almost half of all school-aged Ukrainian refugees are enrolled at local schools, while many others are continuing their education in Ukraine on a remote basis. As with other Ukrainian migrants before the war, female refugees generally work in manufacturing, support services and the accommodation sector.

This chapter starts with a global snapshot of forced migration. It then examines the profile of Ukrainian refugees in Europe, looking at their intended destination countries, their intentions to return and the challenges that they face. The last section looks specifically at Ukrainian refugees in Poland, examining their socio-demographic characteristics and their socio-economic integration to date.

CHART 2.2. Ukraine has the largest number of IDPs of any country in the world



SOURCE: IDMC (2022), UNOCHA and authors’ calculations.

NOTE: IDP data relating to the war in Ukraine are derived from a UNOCHA estimate as at 3 August 2022.

² See UNOCHA (2022).

³ See UNOCHA (2022) and UNHCR (2022b, 2022c). “Venezuelans displaced abroad” refers to persons of Venezuelan origin who are likely to be in need of international protection under the criteria contained in the Cartagena Declaration, but have not applied for asylum in the country where they are living. The UN General Assembly established the UNRWA to provide humanitarian relief to the more than 700,000 refugees and displaced persons who had been

forced to flee their homes in Palestine as a result of the 1948 Arab-Israeli War. The term “Palestine refugees” refers to these refugees and their descendants. UNHCR figures on IDPs only cover persons displaced by conflict; for data on persons displaced by conflict and natural disasters, see Chart 2.2.

Forced migration: a global perspective

Record numbers of forcibly displaced people worldwide

The number of forcibly displaced people has grown considerably in recent years (see Chart 2.1). At the end of 2021, a record 87.5 million people had been forcibly displaced worldwide, with that figure estimated to rise to 101 million by the end of 2022. These figures are aggregates of UNHCR estimates for all people in refugee-like situations and IDP-like situations (including asylum seekers, Venezuelans displaced abroad, refugees recognised under the mandate of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and people displaced by the war in Ukraine).³

At the end of 2021, forcibly displaced people accounted for 1.1 per cent of the global population, roughly equivalent to the population of Türkiye. In the meantime, the invasion of Ukraine is estimated to have displaced almost 13 million people (6.6 million IDPs, plus another 6.3 million who have crossed international borders), making it the largest increase in forcible displacement since the Second World War.

Internally displaced persons

In absolute terms, Ukraine currently has the largest number of IDPs of any country in the world, followed by Syria, Afghanistan and the Democratic Republic of Congo (see Chart 2.2). All around the world, conflict, violence and natural disasters have driven millions of people from their homes, bringing the total number of IDPs to 59 million as of 2022. Most have been uprooted by conflict and violence (53 million), but storms, floods and other natural disasters have also forced millions of people in 104 economies to flee their homes.⁴ More than 50 per cent of internally displaced households have children, 57 per cent include elderly family members (defined as people aged 60 and above) and 30 per cent include people with chronic illnesses.

AT THE END OF 2021,
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UP FROM
0.4%
IN 1990

A SURVEY OF UKRAINIAN
REFUGEES IN EUROPE
INDICATES THAT

20%
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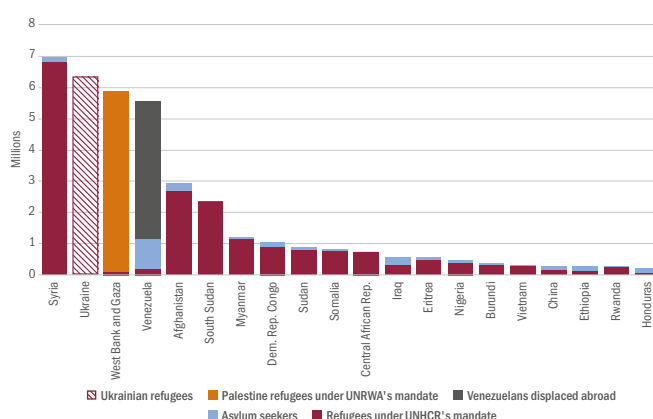
⁴ In China and the Philippines, for example, most IDPs at the end of 2021 had been displaced by the 2021 Henan floods and Typhoon Rai (referred to locally as Super Typhoon Odette), respectively.

Internationally displaced persons

The total number of internationally displaced people worldwide stood at 36 million at the end of 2021, with current estimates as at August 2022 (which include data for Ukraine) standing at 42 million.⁵ Four economies of origin (Syria, Ukraine, the West Bank and Gaza, and Venezuela) account for 58 per cent of those internationally displaced people (see Chart 2.3), with other important source economies including Afghanistan and South Sudan. On the whole, people fleeing war and conflict only travel as far as is necessary to get themselves to safety: almost three out of four internationally displaced people are hosted in neighbouring countries.

It is worth noting that, relative to the size of the local population, the three countries that host the most internationally displaced persons are all in the EBRD regions: Jordan, Lebanon and Türkiye (see Chart 2.4). Indeed, countries in the EBRD regions host a third of the world's internationally displaced persons (13.8 million when Ukrainian refugees are included). More generally, low-income countries host 15 per cent of the world's internationally displaced persons, with middle-income countries hosting another 60 per cent, while high-income countries host the remaining 25 per cent. Box 2.1 discusses the ways in which those refugees may benefit their host countries' economies.

CHART 2.3. The largest numbers of internationally displaced people come from Syria, Ukraine, the West Bank and Gaza, and Venezuela

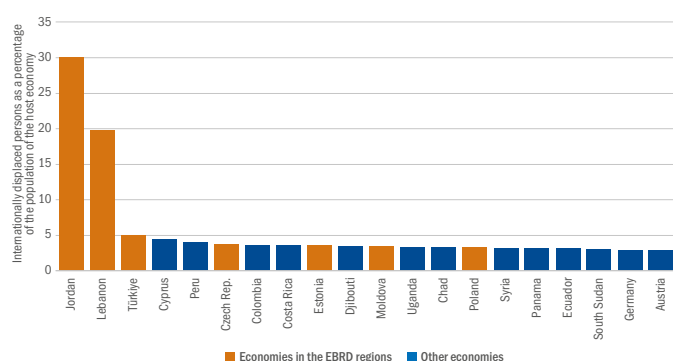


SOURCE: UNHCR, UNOCHA, UNRWA and authors' calculations.

NOTE: This chart shows the top 20 economies of origin for internationally displaced persons. The figure for Ukrainian refugees is as at 3 August 2022; all other figures are as at the end of 2021.

LOW AND MIDDLE-INCOME ECONOMIES HOST **THREE-QUARTERS** OF THE WORLD'S REFUGEES AND ASYLUM SEEKERS

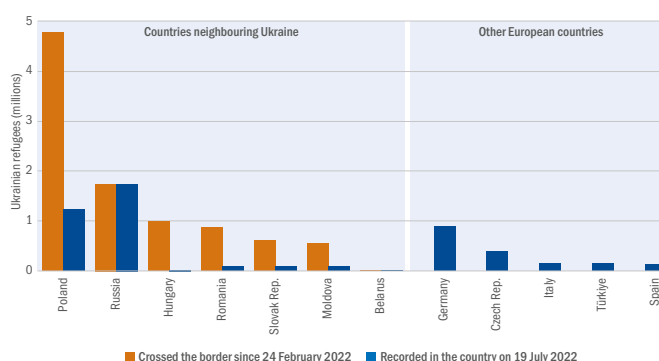
CHART 2.4. Together, low and middle-income countries host 75 per cent of the world's internationally displaced persons



SOURCE: UNHCR, World Bank and authors' calculations.

NOTE: This chart shows selected economies with large numbers of internationally displaced people relative to the size of the local population. Figures comprise asylum seekers, Venezuelans displaced abroad, Palestine refugees under the UNRWA's mandate and refugees under the UNHCR's mandate as at the end of 2021, plus Ukrainian refugees across Europe as at 19 July 2022.

CHART 2.5. Several European economies are hosting large numbers of Ukrainian refugees



SOURCE: UNHCR and authors' calculations.

NOTE: Figures are as at 19 July 2022. Data on border crossings are only available for countries bordering Ukraine and represent gross inflows; border crossings back into Ukraine (outflows) are not shown. Approximately 17,000 Ukrainian refugees have entered Belarus since 24 February 2022, and 10,000 were in Belarus on 19 July 2022. For countries that do not share a border with Ukraine, data are only shown if the number of refugees exceeds 100,000.

⁵ See UNHCR (2022c).

Ukrainian refugees in Europe

At the time of writing (August 2022), the invasion of Ukraine has caused 6.3 million people to flee the country.⁶ With the exception of its borders with Russia and Belarus, all of Ukraine's borders have remained open.⁷ Most refugees used one of the 31 border checkpoints in western Ukraine to enter Hungary, Moldova, Poland, Romania or the Slovak Republic. While those neighbouring countries initially bore the brunt of the flow of refugees, many refugees have since moved on to other countries (see Chart 2.5).

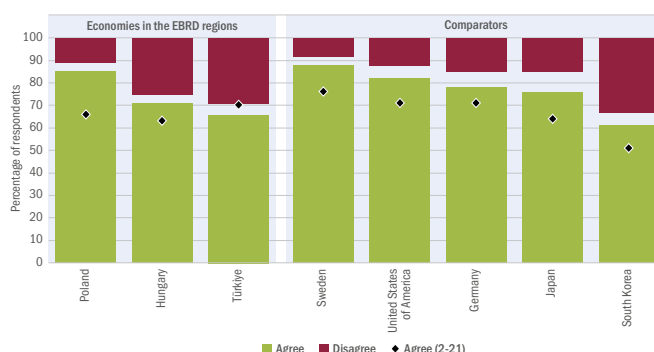
Of the 9.6 million people who have crossed the border into neighbouring countries since 24 February 2022, a total of 3.3 million have stayed in those neighbouring countries (with 1.2 million currently living in Poland). In addition, 2.7 million Ukrainians are currently living in other European countries – mainly Germany, the Czech Republic, Italy, Türkiye and Spain. A substantial number have also moved back to Ukraine. In order to account for both short- and medium-term pressures on host countries' social security systems and their societies as a whole, the analysis in this chapter uses both the number of border crossings since 24 February 2022 (which is only available for countries that share a border with Ukraine) and the number of refugees present in each country on 19 July 2022.

Attitudes towards refugees

As a result of the global surge in migration and the sometimes sudden and sharp increases in refugee populations across the EBRD regions, the treatment of refugees is a highly divisive policy issue. In order to understand people's current views on refugees in the EBRD regions, this chapter draws on the results of a representative online survey that was conducted by Ipsos, a public opinion research firm, in April and May 2022. The survey covered more than 20,000 people in 28 economies, with participants being asked the following question: "Thinking about your country, do you agree or disagree with the following [statement]? People should be able to take refuge in other countries, including in [your country], to escape from war or persecution." The possible responses were "agree", "don't know" and "disagree". That same question had already been asked in a previous survey conducted in May and June 2021.

The results reveal that people have become much more tolerant of refugees in their countries since 2021, with the majority of respondents supporting people's right to seek refuge in another country (see Chart 2.6). In Poland, for instance, 85 per cent of respondents agreed with that statement in 2022, up from 66 per cent in 2021, while Hungary saw an increase from 63 to 71 per cent over the same period. In Türkiye, on the other hand, the proportion of respondents with a favourable opinion of refugees declined from 70 to 66 per cent. On the whole, the war in Ukraine appears to have increased people's openness to refugees fleeing war or oppression.

CHART 2.6. Attitudes towards refugees have improved since 2021



SOURCE: Ipsos (2022) and authors' calculations.

NOTE: Online survey covering 20,505 respondents between the ages of 16 and 74 in 28 countries, conducted between 22 April and 6 May 2022. Respondents were asked if they agreed with the following statement: "People should be able to take refuge in other countries, including in [your country], to escape from war or persecution." Data for 2021 relate to an identical question in an earlier survey conducted in May and June 2021.

Determinants of refugees' migration

With a growing percentage of the global population being forced to leave their countries of origin, it is becoming increasingly important to understand the factors that shape numbers of refugees. Previous research has highlighted the roles played by (i) income differentials between countries of origin and destination, (ii) shared borders and (iii) geographical, linguistic and cultural proximity.⁸ Linguistic proximity measures the degree of similarity between the languages spoken in different countries,⁹ while cultural proximity (which is based on data on 60,000 topics of interest cited by 2 billion Facebook users) measures cultural distances between populations.¹⁰

This section analyses the relative importance of those factors using data on 155 countries of origin and 138 destination countries over the period 1962-2014. In particular, the analysis relates the number of refugees from a given country of origin in a given destination country in a given year to various country-level characteristics (such as population size and income per capita), as well as measures of the linguistic, cultural and geographical proximity of the relevant pair of economies.

Refugees tend to come from poorer countries, and they tend to settle in poorer countries as well (see Chart 2.7). Distance also matters: a 1 standard deviation increase in the distance between a country of origin and a potential destination country leads to a 0.5 per cent decrease in the number of refugees in

⁶ The annexation of Crimea in 2014 and the concomitant war in the Donbas had already caused external displacement, with 47,000 refugees and asylum seekers from Ukraine being reported at the end of 2021. See UNOCHA (2022) and UNHCR (2022c).

⁷ The UNHCR reports that an additional 105,000 people moved to Russia from the Donetsk and Luhansk regions between 18 and 23 February 2022.

⁸ See Ferwerda and Gest (2021) and Aksoy and Poutvaara (2021).

⁹ See Gurevich et al. (2021).

¹⁰ See Obradovich et al. (2022).

that destination country; thus, refugees are more likely to settle in a neighbouring country (that is to say, one that shares a border with the country they have just fled). Refugees are also more likely to head for countries that are similar to their own in terms of culture and the language(s) spoken. Partly as a reflection of these patterns, refugees are also more likely to end up in economies with weaker democratic institutions (as measured by their Polity score). These patterns are broadly comparable to those observed for economic migrants, with income differentials, migrant networks and demographic factors all found to be robust predictors of migrant flows.¹¹ See also Box 2.2 for a discussion of refugees' trust in the political institutions of their host countries.

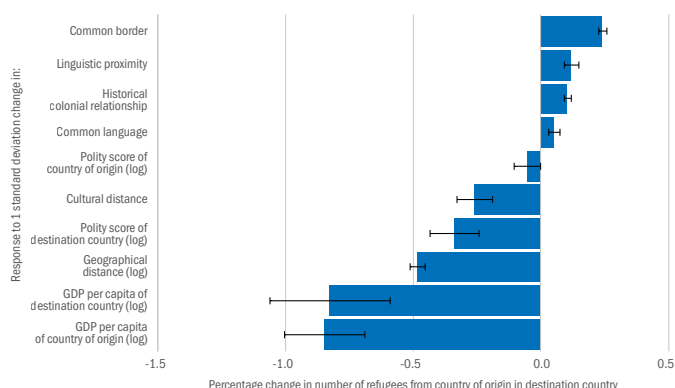
Ukrainian refugees in Europe: choosing a destination

This section looks at Ukrainian refugees' choice of destination in response to the invasion of their country. The current refugee crisis stands out in terms of the speed with which it has unfolded. While about 2.5 million people, mostly from Syria, sought asylum in Europe in 2015 and 2016, it took just three weeks for 3 million people to leave Ukraine. European countries have not witnessed such a large displacement of people in such a short period in recent history.

The analysis in this section is based on an online survey of Ukrainian refugees that was conducted by Kantar, a survey company, between 14 June and 8 July 2022. That survey, which covered more than 2,600 individuals across 27 economies in Europe, included questions about their background, their reasons for leaving Ukraine, their current labour market status, their intended destination country and the hardships they had faced in their current country of residence. Respondents were reached via "social media sampling" – that is to say, via adverts on social media platforms. In line with the overall profile of Ukrainian refugees, respondents were overwhelmingly female (82 per cent) and more than half (53 per cent) were married. The largest percentage (35 per cent) were located in Poland, followed by Germany, Spain, the Czech Republic, France and Italy. Around half of all respondents had been in employment before leaving the country, with 65 per cent educated to tertiary level.

Available evidence on Ukrainian refugees' level of education shows not only that they are more likely to be educated to tertiary level than other refugee groups, but also that they are more highly educated than the general Ukrainian population. Indeed, 2020 data for Ukraine's working-age population showed that 56 per cent of women and 43 per cent of men were educated to tertiary level. This has been backed up by separate studies in individual countries: a survey of Ukrainian refugees carried out in Germany by the Federal Ministry of the Interior and Community found that 73 per cent of all adult respondents had a tertiary qualification, while an equivalent survey in Spain reported a figure of 61 per cent.¹²

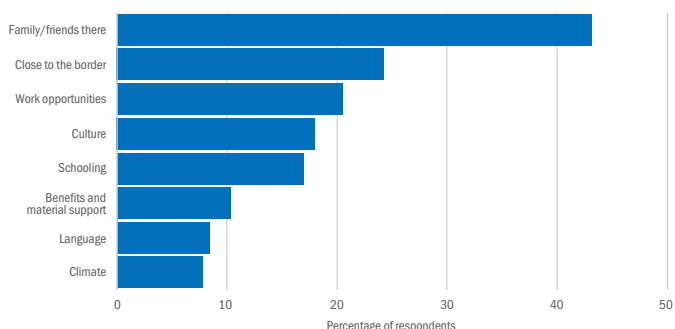
CHART 2.7. Refugees are more likely to move to countries that are close in terms of distance and culture



SOURCE: UNHCR, Fouquin and Hugot (2016), Gurevich et al. (2021), Marshall et al. (2016), Obradovich et al. (2022) and authors' calculations.

NOTE: This chart reports standardised coefficients derived from a linear regression of numbers of refugees from a given country of origin in a given destination country on various country-level characteristics. The 95 per cent confidence intervals shown are based on robust standard errors.

CHART 2.8. Ukrainian refugees are more likely to go to countries where relatives or friends are already living



SOURCE: Kantar (2022) and authors' calculations.

NOTE: This chart indicates the percentage of survey respondents who reported that a given factor had influenced their decision to head for a particular location. Other factors include easy access to housing (7 per cent), medical needs (4 per cent), office relocation (1 per cent) and ownership of a second home (1 per cent). Survey data were collected between 14 June and 8 July 2022, with 2,674 respondents in total.

¹¹ See Simpson (2017).

¹² See OECD (2022).

According to survey data, by far the biggest reason for choosing one country over another was the presence of a pre-existing social network – that is to say, family members or friends – in the relevant destination country (see Chart 2.8). This is supported by 2020 data showing that over a million Ukrainian citizens were resident in EU countries before the war, mostly in Italy (236,000), the Czech Republic (163,000), Poland (145,000), Germany (135,000) and Spain (105,000).¹³ Prior to the war, Ukrainian citizens accounted for large percentages of total immigration in four EBRD economies: Poland (45 per cent), Lithuania (34 per cent), the Czech Republic (26 per cent) and Hungary (14 per cent).

Geographical proximity to Ukraine and the likely availability of work also played an important role in refugees' decision-making, as did cultural proximity and schooling options for children. These findings are broadly consistent with the evidence discussed earlier in the chapter in relation to a larger sample of countries.

Most respondents intended to stay in their current country of residence for the time being, with only 3 per cent planning to move on to another country (outside Ukraine) in the near future (see Chart 2.9). Among those who reported a desire to move on, the top five preferred destinations were Canada, Germany, Poland, Belgium and the United Kingdom. In the majority of cases, these survey responses may only indicate short-term plans, with 64 per cent of respondents reporting that they intended to go back to Ukraine soon or when it felt safe to return.

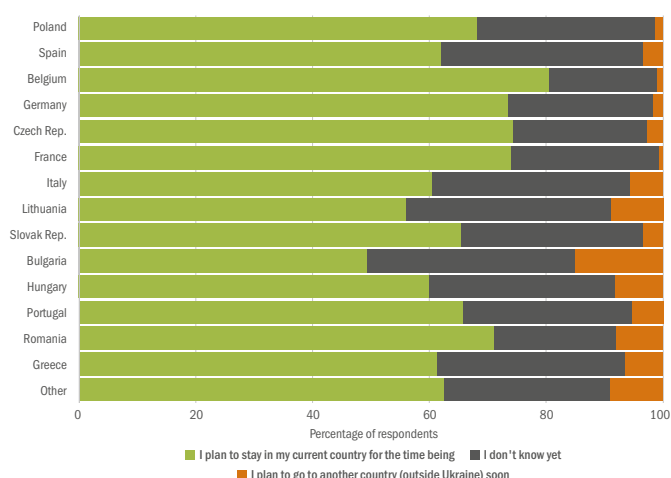
Homesickness

Understandably, Ukrainian refugees are experiencing a wide range of challenges, both in relation to the life they have left behind and to their current host country. According to those refugees, the biggest challenges are homesickness and being separated from family members (see Chart 2.10).

In part, this reflects the extensive support that host countries have given refugees in other areas (such as employment and benefits), with nearly 30 per cent of all respondents already working in their host country at the time of the survey, despite the language barriers. In addition, one in five people reported working remotely in Ukraine while living in their host country. Respondents reported that living expenses were being financed by a combination of financial support from host countries, family savings and income from work.

In terms of the conditions and public services in their host countries, refugees are mostly of the view that the help and support provided by locals, their general living conditions, their access to education and their housing conditions are all very good (see Chart 2.11). The most problematic aspects are access to legal advice, medical care and financial assistance, with less than one-third of respondents reporting a lack of satisfaction in those areas.

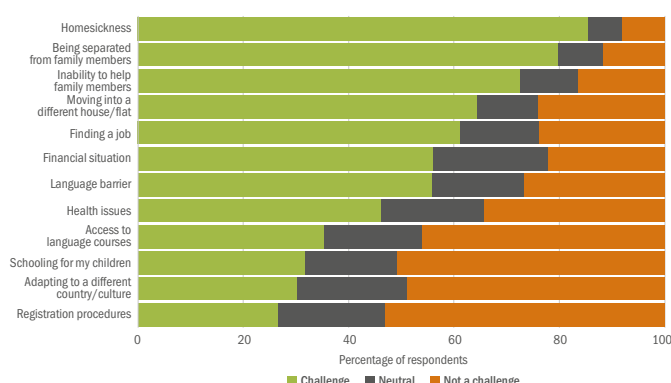
CHART 2.9. Most Ukrainian refugees plan to stay in their current country of residence for the time being



SOURCE: Kantar (2022) and authors' calculations.

NOTE: Survey data were collected between 14 June and 8 July 2022, with 2,674 respondents in total.

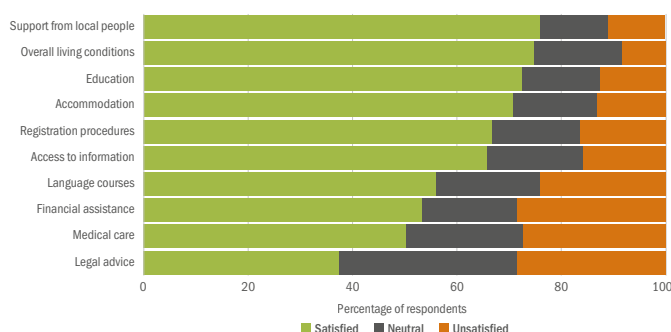
CHART 2.10. Homesickness and being separated from family members are the biggest challenges faced by refugees



SOURCE: Kantar (2022) and authors' calculations.

NOTE: Survey data were collected between 14 June and 8 July 2022, with 2,674 respondents in total.

CHART 2.11. Refugees are generally satisfied with the conditions and public services in their host countries



SOURCE: Kantar (2022) and authors' calculations.

NOTE: Survey data were collected between 14 June and 8 July 2022, with 2,674 respondents in total.

¹³ See Eurostat (2020). Note that figures for Poland are significantly higher when including seasonal workers (see OECD (2021) for further information).

Overall, these findings highlight Ukrainian refugees' appreciation for the significant and timely support that European citizens and governments have given them. In contrast with the large wave of arrivals seen in 2015-16, the EU is allowing Ukrainians to live and work in its 27 member states for up to three years. Ukrainian refugees are also able to access social welfare payments, social housing, healthcare and schools.

Integration policies for refugees in general

Such support for refugees has not always been forthcoming, despite the fact that refugees often have to flee their home country without much time to prepare and typically seek shelter in the nearest country that can ensure their safety. Compared with economic migrants, whose cross-border journey is often voluntary and better planned, refugees tend to arrive in their host country with worse language skills and less locally applicable human capital. Because of this, and because refugees are often prevented from working by law, they are less likely to be employed than economic migrants (see Box 2.3 for a discussion of claim-processing times and acceptance rates). When they *are* employed, they tend to earn lower wages than economic migrants in the same host country.¹⁴

Thus, refugees are often the most vulnerable group of immigrants and face steep barriers to economic and social integration.¹⁵ This makes it even more important that host countries have effective integration policies to enable refugees to participate fully in the local economy.

In order to gain greater insight into variation in integration policies for refugees across countries, the analysis in this next section looks at refugee integration scores compiled by the National Integration Evaluation Mechanism (NIEM) for 14 EU member states on the basis of policies in place in 2021.¹⁶ Scores range from 0 (denoting the least advantageous policies) to 100 (indicating the best policies), evaluating integration in five key areas: housing, employment, healthcare, education and adult language courses.

On average, the integration policies of EBRD economies in the EU are marginally to moderately supportive (that is to say, they have integration scores of between 25 and 75; see Chart 2.12). Those scores range from 33 in Hungary to 63 in Lithuania – below the levels observed in Sweden (73) and France (68). To some extent, this gap between the EBRD regions and developed economies reflects the fact that high-income European countries have been receiving large numbers of refugees for many years, resulting in more established asylum policies and integration frameworks. Over the last 10 years, however, the asylum and integration frameworks of those EBRD economies have become more comprehensive, reflecting the harmonisation of laws and regulations following their accession to the EU.¹⁷

At the same time, there is considerable variation both across and within countries when it comes to the different policy areas. The widest gap can be observed for language learning, with 93 points separating the countries with the highest and lowest scores. Language skills and knowledge about the host country's institutions and social norms are key to refugees' ability to integrate. While NIEM reports good provisions in some EBRD economies, there are few – if any – publicly funded language and social orientation courses in Greece, Bulgaria and Hungary. Such courses need to be made available for an extended period of time and tailored to the requirements of specific groups (such as unaccompanied minors), as well as individuals with differing levels of proficiency. Countries such as the Czech Republic, Latvia and Romania score highly by providing courses without additional costs or compulsory attendance. In addition, needs-based translation and interpreting assistance is also beneficial to refugees.

Housing is another key area where certain countries – particularly EBRD economies – fail to establish sufficiently supportive policies. In all countries except Greece and Slovenia, refugees have a legal guarantee promising them access to housing on the same terms as locals. However, a lack of government support, high rental costs in the free housing market relative to refugees' disposable income, the language barrier and discrimination often make it difficult for refugees to find suitable accommodation. Sweden and France have the best housing conditions, with their supportive housing policies including government schemes to identify suitable housing, coordination between public and private actors, and the provision of housing benefits and targeted information for refugees. EBRD economies could improve by reducing administrative barriers (such as the requirement to leave shelters shortly after being granted protection and the need for specific documents) and providing financial and organisational support when refugees come to find accommodation of their own.

When it comes to healthcare, most countries have legislation ensuring that refugees have access to appropriate facilities. Most countries also have fairly favourable legal conditions facilitating refugees' access to the labour market.

The legal provisions of most host countries are favourable towards Ukrainian refugees in terms of access to housing, healthcare, education and so on, given the EU's activation of the Temporary Protection Directive. A major challenge for EBRD economies will be following through with supportive measures that ensure not only protection but also adequate living conditions and opportunities for integration.

¹⁴ See Aksoy et al. (2020), Brell et al. (2020) and Cortes (2004).

¹⁵ See Martén et al. (2019).

¹⁶ NIEM is an international project co-financed by the European Union through the Asylum, Migration and Integration Fund and the International Visegrad Fund. It has established a mechanism for a comprehensive biennial evaluation of the integration of beneficiaries of international protection in order to provide evidence of gaps in integration standards, identify promising practices and evaluate the effects of legislative and policy changes.

¹⁷ See Wolffhardt et al. (2022).

Firms view refugees' labour market participation positively

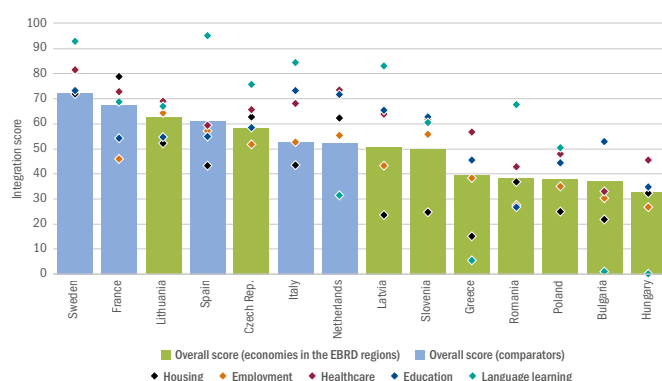
Refugees can make important contributions to their host economies as workers, innovators, entrepreneurs and investors (see Box 2.1), helping to increase the supply of labour. The precise implications for the labour market prospects of the local population will depend on the skill mix of workers, the extent to which local workers and refugees can be substituted for one another, and the willingness of local workers to migrate.

More than 80 per cent of all studies focusing on these effects find that refugees have a positive or neutral impact on the labour market outcomes of local workers, while fewer than 20 per cent report negative and statistically significant impacts. This is mainly because refugees and local workers typically have different sets of skills and compete for different types of job.

Using data from a follow-up to the Enterprise Survey conducted by the EBRD, the European Investment Bank (EIB) and the World Bank in 2018-20, Chart 2.13 examines firms' views regarding the contributions that refugees make to the labour market. That follow-up survey covered a total of 815 firms across 15 economies in the EBRD regions (see Box 3.3). In particular, it asked firms about the hiring of refugees and the impact that refugees could have on their access to labour, as well as customer outreach.

On average, firms tended to view refugees' labour market participation positively (see Chart 2.13). Around 40 per cent of all respondents reported that refugees were likely to have a positive effect on their firm's ability to access skilled labour, compared with 10 per cent of firms expecting a negative effect (with half of all firms having a neutral view). Similar figures were observed when firms were asked about access to cheap labour. Firms that would consider hiring refugees were more likely to believe that an influx of refugees would have a positive impact on their access to cheap and skilled labour.

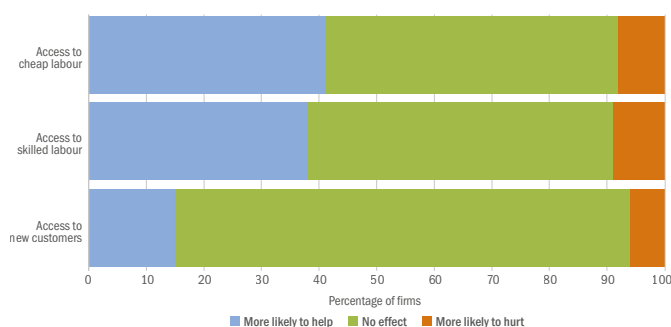
CHART 2.12. In 2021, the integration policies of EBRD economies in the EU were less supportive than those of EU member states with higher incomes



SOURCE: Wolffhardt et al. (2022) and authors' calculations.

NOTE: Based on the provisions that were in place for refugees on 31 March 2021. Scores range from 0 (denoting the least advantageous policies) to 100 (indicating the best policies). "Language learning" refers to language courses for adults.

CHART 2.13. On the whole, firms tend to believe that an influx of refugees will have a positive impact on their access to cheap and skilled labour



SOURCE: BEEPS Global Supply Chain follow-up survey and authors' calculations.

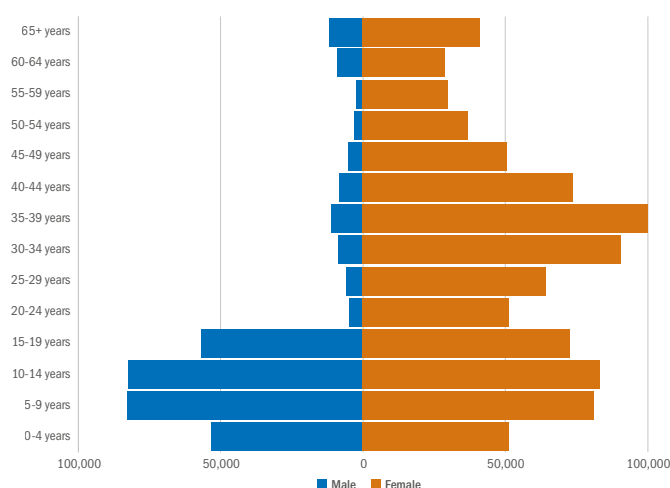
Ukrainian refugees in Poland

Poland has taken in more Ukrainian refugees than any other country (see Chart 2.5). Although border crossings into Poland have fallen in number of late, refugees from Ukraine continue to arrive, as displacement and insecurity remains rife across much of Ukraine's territory. While some people have since left for other European countries, some 1.2 million Ukrainians have opted to seek temporary protection in Poland by registering for a Polish national identification number (PESEL), which facilitates access to healthcare and education, as well as social welfare payments. This section uses PESEL data and other administrative data to provide a snapshot of Ukrainian refugees in Poland.

Overall, 71 per cent of the Ukrainian refugees in Poland are female, and the median age of all refugees is just 22 (see Chart 2.14). This is consistent with the fact that most Ukrainian men between the ages of 18 and 60 are prohibited from leaving the country. Nearly 47 per cent of those refugees are children below the age of 18, and integrating those Ukrainian children into the national school system and providing them with language lessons will be a major challenge.

**NEARLY
 47%
 OF THE UKRAINIAN
 REFUGEES IN POLAND
 ARE CHILDREN BELOW
 THE AGE OF 18**

CHART 2.14. Ukrainian refugees in Poland are predominantly children and women of working age



SOURCE: Chancellery of the Prime Minister of Poland and authors' calculations.

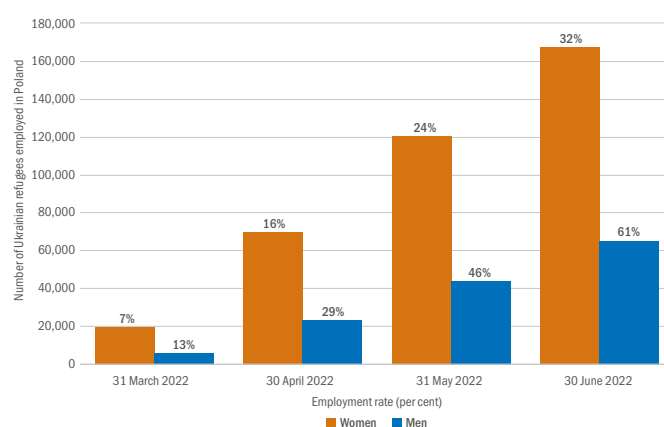
NOTE: Based on registered refugees as at 30 June 2022.

Integrating Ukrainian refugees into Poland's labour market

Many Ukrainian refugees of working age are keen to work while living in Poland. While refugees face numerous specific challenges, some characteristics of Ukrainian refugees may facilitate their integration into the local labour market, giving them an advantage relative to other groups of refugees. For example, they tend to be highly educated: a survey conducted by the Polish central bank in April and May 2022 indicated that 50 per cent of adult Ukrainian refugees in Poland were educated to tertiary level.¹⁸ Moreover, they often have pre-existing social networks that they can rely on (as Poland was already a major destination for Ukrainian migrants seeking temporary work before the war). Nevertheless, more than 50 per cent of refugees have neither prior experience of migration to Poland, nor family members or friends who work in Poland.¹⁹

Similar to other EU member states, Poland has, in line with the EU's Temporary Protection Directive, given Ukrainian refugees access to social services and allowed them to live, work and study in the country for up to three years without having to apply for asylum. Refugees who struggle to find a job are entitled to register with district employment agencies to receive assistance and professional guidance.

CHART 2.15. The number of Ukrainian refugees employed in Poland has been growing steadily



SOURCE: Chancellery of the Prime Minister of Poland, Polish Ministry of Family and Social Policy, and authors' calculations.

NOTE: The percentages indicate the number of work permits issued relative to the number of refugees of working age (15 to 64 years of age). Work permits are either issued to refugees seeking employment or at an employer's request after a refugee has been employed.

¹⁸ See Chmielewska-Kalińska et al. (2022).

¹⁹ See Chmielewska-Kalińska et al. (2022).

Having the right to start working as soon as they arrive in Poland improves refugees' long-term employment prospects.²⁰ Research shows that refugees who face an employment ban on arrival in the host country (pending a review of their case) are 15 per cent less likely to be employed in subsequent years, even after the necessary authorisation has been granted (as those refugees tend to opt out of the labour force).²¹

By 30 June 2022, around 32 per cent of all female Ukrainian refugees were in employment locally (see Chart 2.15). The employment rate for Ukrainian men was higher (at 61 per cent), but those working men were a much smaller group (around 65,000) in absolute terms. What is more, 6 out of 10 women had travelled to Poland with children, thus limiting their ability to take on employment. Employment rates for both men and women have risen steadily over this relatively short period, attesting to the good progress that has been made in terms of refugees' integration into the labour market. Consequently, remittance flows from Ukrainians in Poland are expected to increase sharply as refugees seek to support friends and family at home.²²

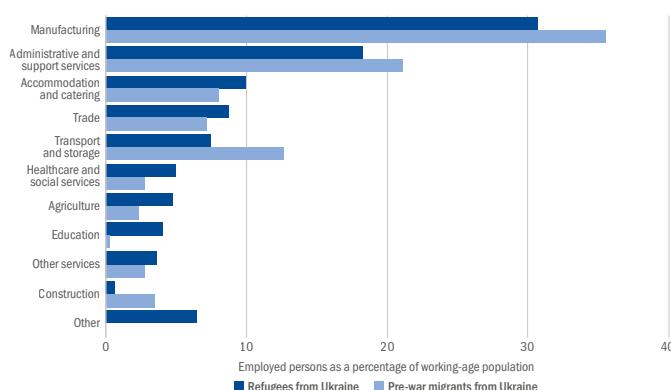
Most female Ukrainian refugees are working in manufacturing, support services or the accommodation sector (see Chart 2.16). This pattern is very similar to that observed for female Ukrainian migrants who came to Poland before the war, which partly reflects the existing labour market shortages in Poland. The similarity between those two employment profiles also highlights the role of information-sharing among migrants through pre-existing social networks.²³

Determinants of Ukrainian refugees' choice of destination and integration in Poland

This next section revisits the determinants of refugees' choice of destination, this time focusing specifically on the choice of where to reside within Poland. It also examines factors that contribute to the successful integration of refugees in specific geographical locations in terms of employment and education. The findings are based on regression analysis at county level which links the number of Ukrainian refugees as a percentage of the local population with various county-level characteristics (such as personal income tax revenue per capita or the rate of urbanisation; see Box 2.4 for details). The analysis then goes on to look at determinants of the ratio of employed refugees to total refugees by county and the ratio of refugee children enrolled at primary school to total refugees of primary school age.

Chart 2.17 reveals a number of patterns. Refugees tend to settle in counties with higher income per capita (captured here by personal income tax revenue per capita). This may reflect better employment prospects in richer counties, as well as a superior capacity to provide assistance to refugees (in terms of social care, housing and education, for example). Indeed, administrative capacity and income per capita tend to be strongly correlated both across and within economies.

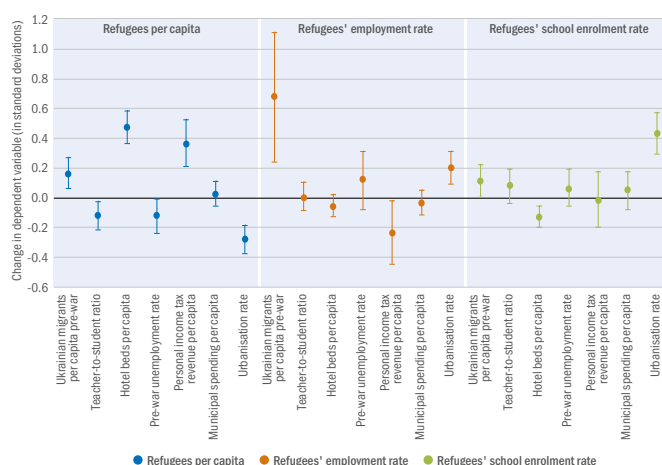
CHART 2.16. Most female Ukrainian refugees are working in manufacturing, support services or the accommodation sector



SOURCE: Chancellery of the Prime Minister of Poland, Polish Ministry of Family and Social Policy, Statistics Poland and authors' calculations.

NOTE: For refugees, employment shares are based on the number of work permits active on 30 June 2022 relative to the number of refugees of working age (15 to 64 years of age); for pre-war migrants, they are based on the number of work permits active on 23 February 2022. All figures relate to Ukrainian women only.

CHART 2.17. Ukrainian refugees are more likely to reside – and be employed – in counties with larger numbers of pre-war migrants from Ukraine



SOURCE: Chancellery of the Prime Minister of Poland, Polish Ministry of Family and Social Policy, Statistics Poland and authors' calculations.

NOTE: This chart shows the coefficients that are derived from regressing numbers of refugees per capita, refugees' employment rates and refugees' school enrolment rates for Polish counties (as at 30 June 2022) on various county-level characteristics. All regressions include dummy variables for regions (each of which is made up of multiple counties). The 95 per cent confidence intervals shown are based on standard errors clustered at county level.

²⁰ See Hainmueller et al. (2016), Marbach et al. (2018) and Aksoy et al. (2020).

²¹ See Fasani et al. (2021).

²² See World Bank (2022a).

²³ See Martén et al. (2019).

THE TOTAL NUMBER OF FORCIBLY DISPLACED PEOPLE WORLDWIDE IS FORECAST TO EXCEED **100** MILLION BY THE END OF 2022

Ukrainian refugees are also more likely to settle in counties with larger numbers of pre-war migrants from Ukraine, which highlights the role of social networks. The relative importance of such networks is even larger when it comes to successful integration into the labour market: a 1 standard deviation increase in the number of pre-war Ukrainian migrants as a percentage of the population is associated with a 0.7 standard deviation increase in refugees' employment rate, taking into account other factors such as average local income per capita.

While refugees are more likely to reside in counties with lower urbanisation rates (perhaps because accommodation is more readily available), employment rates are higher for refugees residing in more urbanised locations, perhaps reflecting tighter labour markets in metropolitan areas.

Only the urbanisation rate is strongly correlated with the school enrolment rate for refugee children (with enrolment rates being higher in urban areas). This may, in part, reflect the fact that many children have been able to continue their Ukrainian schooling online, at least for the remainder of the 2021-22 academic year.

Conclusion

Numbers of displaced people are on the rise, both globally and in the EBRD regions: at the end of 2021, almost 90 million people around the world had been forcibly displaced by persecution, conflict, violence and human rights violations, and that figure is forecast to exceed 100 million by the end of 2022. Low and middle-income countries host 75 per cent of the world's refugees, with 33 per cent being hosted by economies in the EBRD regions. Internationally displaced persons tend to be younger and better educated than the average person in their country of origin.

The current influx of Ukrainian refugees has the potential to increase the EU's labour force by an estimated 0.5 per cent by the end of 2022, which would be about twice the size of the increase that followed the influx of refugees via the EU's southern borders in the period 2015-16.²⁴ These developments have the potential to partially alleviate labour shortages in Europe's rapidly ageing economies, provided that mismatches between available jobs and skills can be minimised.

A number of policies can help to ensure that refugees make a meaningful contribution to the economies of their host countries. For example, as documented in previous research, granting immediate access to the labour market is likely to increase refugees' employment in the future, thereby maximising their contribution to the host country.²⁵ In addition, host countries can facilitate young refugees' transition from school to work by remedying their lack of knowledge about the country's labour market through targeted employment services and by promoting participation in and completion of vocational training programmes (Box 2.5 discusses related initiatives in Jordan).²⁶

Leveraging the private sector will be key to improving the resilience of refugees from Ukraine and other countries. To this end, initiatives aimed at supporting refugee-related firms could include training programmes with a view to solving material challenges, improving efficiency and assisting with the development of new products, as well as mentoring support to help firms' owners to improve their performance. At the same time, host countries' authorities can work with commercial banks and microfinance institutions to facilitate access to funding in support of refugee-related firms.²⁷

²⁴ See OECD (2022).

²⁵ See Fasani et al. (2021).

²⁶ See OECD (2022).

²⁷ See World Bank (2022b).

BOX 2.1.

Refugees can benefit host economies

With millions of Ukrainians fleeing their homeland and seeking safety in neighbouring countries, welcoming refugees is primarily a humanitarian duty. However, it can also prove to be an investment. In their search for safety, refugees bring with them ideas, skills and grit. Some of them, for example, will go on to start new businesses, leverage their cross-border connections and foster innovation in their adopted homelands.

A recent study focusing on the United States of America found that refugees were, on average, more entrepreneurial than both the native population and people who had migrated to the country for economic reasons.²⁸ Indeed, refugees have been responsible for some major innovations over the years, with examples including Sergey Brin, the co-founder of Google, Jewish German scientists (such as Albert Einstein) who revolutionised science in the United States of America and, a few centuries back, the Huguenot refugees from France who brought textile manufacturing technology to Germany and London.²⁹ Such entrepreneurial behaviour may reflect the considerable tolerance of risk that is shown by refugees when they embark on long, perilous journeys fleeing conflict.

Refugees can facilitate international trade

Refugees' close ties with family and friends in their countries of origin and members of the diaspora in other countries can also help firms to expand across borders.³⁰ For instance, the millions of refugees from Vietnam who were resettled in the United States of America after the fall of Saigon in 1975 played an important role in establishing trade and investment links between Vietnam and the United States of America in the 1990s.³¹ Entrepreneurial refugees established the first long-distance telephone services to Vietnam, as well as the first travel agencies arranging trips to Vietnam. Some 20 years on from the end of the Vietnam War, US locations that had hosted more Vietnamese refugees saw more investment in companies in Vietnam and more bilateral exports. Some immigrants established well-known firms, while others were employed by US multinationals. Than Phuc, for example, was the chief executive officer (CEO) of Intel Vietnam, which invested US\$ 1 billion in a chip-testing facility in Ho Chi Minh City in the 2000s, creating thousands of jobs.

When refugees return home, they take new skills with them

When they return home, refugees can also assist with the development of their countries of origin by taking new skills and connections with them. For instance, when refugees from the former Yugoslavia returned home after years of working in Germany's manufacturing sector, they used the experience gained in Germany to increase productivity and exports in their home countries,³² while Vietnamese returnees were an important driving force behind the establishment of Ho Chi Minh City's tech hub.³³

Investing in human capital

On average, refugees also work more hours, earn higher wages and speak better English than economic migrants.³⁴ To some extent, this is because they tend to be better educated than their compatriots who stay at home.³⁵ Experience of forced migration can also incentivise individuals to prioritise investment in human capital, as they have seen their physical assets be destroyed in conflict. For instance, Poles who were forced to move from eastern to western Poland during the Second World War started investing more in education than compatriots living elsewhere in the country, and their offspring did likewise.³⁶

Refugees' contributions to their new host countries do not always come automatically. The right policies need to be in place to allow refugees to make meaningful contributions to the economic dynamism of their local areas. Evidence from 40 years of refugee policies in Denmark highlights the importance of employment support and language training.³⁷ Access to the labour market (and the structure and future prospects that it provides) also reduces problems relating to violence among asylum seekers.³⁸

In many instances, however, refugees are not granted the right to work, either out of concern that they will compete with domestic workers for jobs or because they are not expected to stay for long. In Türkiye, for example, a lack of work permits drove millions of Syrians into the informal sector; in Colombia, millions of Venezuelan refugees were given visas that were valid for just two years, which made it very difficult for many of them to find jobs; and, in Bangladesh, over a million Rohingya refugees have been confined to camps without the right to work.³⁹

²⁸ See New American Economy (2017).

²⁹ See Moser et al. (2014) and Hornung (2014).

³⁰ See Bahar et al. (2022).

³¹ See Mayda et al. (2022).

³² See Bahar et al. (2022).

³³ See Klingler-Vidra et al. (2021).

³⁴ See Cortes (2004).

³⁵ See Aksoy and Poutvaara (2021).

³⁶ See Becker et al. (2020).

³⁷ See Arendt et al. (2022).

³⁸ See Couttenier et al. (2019).

³⁹ See Hossain et al. (2019).

BOX 2.2.

Refugees' trust in political institutions

The trust that people place in political institutions plays an important role in shaping societies and economic developments.⁴⁰ When individuals have little trust in political institutions, they may dismiss government policies as illegitimate and refuse to follow rules. They may even forgo regular political processes and resort to violence in an attempt to force change. For example, trust in political institutions has been shown to have played a major role in determining the effectiveness of the public response to the Covid-19 pandemic.⁴¹

Refugees' prior exposure to political institutions will differ from that of the local population in their host country. For instance, refugees who have escaped a country with a high level of corruption may potentially expect such corruption to be pervasive, leading them to place less trust in the political institutions of their host country.⁴² To investigate that relationship, this box uses data from eight waves of the European Social Survey (which were conducted at two-year intervals over the period 2004-18 in 38 European countries), together with country-level measures of corruption (executive bribery and embezzlement, judicial corruption, legislative corruption, and public-sector bribery and embezzlement) as captured by the Varieties of Democracy (V-Dem) dataset.

This analysis compares refugees who have come from the same country of origin and are resident in the same host country, but have been exposed to differing levels of corruption in their home country as a result of leaving the country at different points in

time. Specifications also take account of the year in which the survey was conducted, the refugee's year of birth, demographic and labour market characteristics, and country-year fixed effects for both the country of origin and the host country. This allows us to net out any impact of time-invariant unobservable characteristics of current and former countries of residence. The results are presented in Table 2.2.1.

In fact, exposure to higher levels of corruption in the country of origin has a positive impact – rather than a negative one – on trust in the political institutions of the host country, with exposure to corruption during an individual's most impressionable years (between the ages of 18 and 25) appearing to matter most in this regard. An individual with a high level of exposure – 7.67 on a scale ranging from 0 (no corruption) to 10 (large-scale corruption) – is estimated, on average, to be 5.4 percentage points more likely to trust the institutions of his/her host country than an individual with typical exposure to corruption. Given that the average level of trust is 60 per cent, this effect is sizeable.

These findings are in line with the results of a study by Kahneman and Tversky (1979), who argued that when current institutions compare favourably with the institutions that attitudes and expectations have been based on, they are viewed more positively.

These findings go some way towards alleviating the often-stated concerns about refugees' lack of adequate regard for host countries' institutions, values and cultures, or refugees' corrosive influence on political trust across society as a whole in host countries.

TABLE 2.2.1. The impact that exposure to corruption between the ages of 18 and 25 has on refugees' trust in political institutions

	(1)	(2)	(3)	(4)	(5)
Outcome: political trust index					
Exposure to corruption ₁₈₋₂₅	0.056** (0.025)	0.066*** (0.024)	0.079*** (0.029)	0.071** (0.029)	0.094*** (0.034)
Observations	8,813	8,803	8,461	8,663	8,282
Host country fixed effects	Yes	Yes	Yes	Yes	Yes
Country of origin fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Cohort fixed effects	No	Yes	Yes	Yes	Yes
Demographic and labour market controls	No	Yes	Yes	Yes	Yes
Host country × year	No	No	Yes	Yes	Yes
Host country × immigration year	No	No	No	Yes	Yes
Country of origin × year	No	No	No	No	Yes

SOURCE: European Social Survey, V-Dem, Cross-National Time Series Database and authors' calculations.

NOTE: Estimated using linear probability models. Standard errors in parentheses are clustered at the level of pairs of countries of origin and host countries. ***, ** and * denote statistical significance at the 1, 5 and 10 per cent levels, respectively. Political trust is an average of trust in parliament, parties and politicians and ranges from 0 (no trust) to 10 (complete trust). Exposure to corruption₁₈₋₂₅ corresponds to the average V-Dem Corruption Index in the country of origin during the period when the individual in question was aged between 18 and 25. Specifications control for age, gender, marital status, educational attainment, religion, employment status, living in an urban area and presence of children under the age of 15 in the household.

⁴⁰ See Gamson (1968).

⁴¹ See Kleinfeld (2020).

⁴² See Almond and Verba (1963), Inglehart (1990) and Bear and Knobe (2017).

BOX 2.3.

Claim-processing times and acceptance rates

Before being granted refugee status or some other form of international protection, forced migrants must apply for asylum. After submitting a claim for asylum in the destination country, asylum seekers may spend several years waiting for a decision. This box discusses the implications that the administration of asylum claims may have for forced migrants' selection of destination countries and their integration into society in their chosen host countries.

Asylum policies help to shape flows of refugees

When push factors (such as political persecution, war and natural disasters) force people to flee their homeland, their choice of destination country may be influenced by geographical proximity, economic conditions and a number of other factors (see Chart 2.7). Two of those other factors are the nature of a country's asylum policies and the manner in which they are implemented. More restrictive asylum policies (for instance, those with narrower definitions of grounds for protection or no provision for the reunification of families) tend to significantly reduce the number of requests for asylum that are lodged in a country.⁴³ Similarly, refugees are more likely to head for countries with shorter claim processing times and higher acceptance rates.⁴⁴

Acceptance rates and claim-processing times vary widely across countries

Average acceptance rates vary both by country of origin and by destination country. For instance, asylum claims made by applicants from Afghanistan are more successful than those submitted by Turkish citizens (with success rates of 77 and 47 per cent, respectively, in 2021; see Table 2.3.1).⁴⁵ Asylum claims made by individuals from the EBRD regions are less likely to be accepted than those submitted by applicants from the rest of the world (with acceptance rates of 27 and 52 per cent,

respectively, in 2021), while average acceptance rates for claims received by economies in the EBRD regions are broadly similar to those observed in other economies around the world (at 50 and 48 per cent, respectively, in 2021).

Comprehensive statistics on claim-processing times are not available. Data for Sweden and Germany point to substantial heterogeneity across countries of origin, similar to the patterns observed for acceptance rates. In 2021, for instance, it took Germany an average of 1.6 months to process asylum claims made by citizens of Bosnia and Herzegovina, compared with 14 months for Somali citizens.⁴⁶ This pattern may reflect differences in the difficulty of verifying grounds for asylum, as well as varying volumes of asylum applications. It may also be affected by public attitudes towards migrants and differences between applicable policy frameworks.⁴⁷

The duration and quality of the asylum process can affect refugees' subsequent ability to integrate into their host economies

The process of seeking asylum can compound the trauma of experiencing conflict and having to flee.⁴⁸ In the Netherlands, for instance, longer stays in special accommodation for asylum seekers have been found to be associated with lower subsequent levels of employment, increased incidence of mental health problems and greater dependence on social welfare,⁴⁹ with a similar study in Switzerland showing that longer claim-processing times reduce the probability of refugees going on to secure employment.⁵⁰

However, favourable asylum policies (such as allowing asylum seekers to work and arrange their own accommodation, and making language training available) may mitigate the detrimental impact of longer waiting times and support refugees' accumulation of human capital. In Sweden, which has such policies, a recent study found that longer waiting times had no effect on refugees' mental health and a positive impact on their entry into the labour market.⁵¹

TABLE 2.3.1. Claim acceptance rates in 2021

			Countries of origin										Country average	Group average
			EBRD countries					Comparators						
			Türkiye	Ukraine	Georgia	Albania	Egypt	Afghanistan	Central African Rep.	Iraq	Syria	Venezuela		
Destination countries	EBRD countries	Greece	72%		0%	1%	4%	78%		54%	98%		48%	50%
		Türkiye	x					61%		47%			53%	
		Egypt								35%			36%	
		Poland		1%						0%			42%	
		Tajikistan						98%					98%	
	Comparators	France	20%	5%	6%	13%	21%	74%	49%	43%	78%	33%	27%	48%
		Germany	37%	7%	3%	2%	27%	79%		38%	90%	61%	52%	
		Spain	48%	25%	1%	4%		100%			71%	82%	29%	
		United States of America	87%	34%	42%	36%	74%	82%		41%	64%	34%	32%	
		Canada	95%	81%	65%	61%	74%	81%		73%	87%	84%	60%	
	Country average		47%	36%	6%	15%	30%	77%	90%	99%	43%	74%	49%	
	Group average		27%					52%						

SOURCE: UNHCR (2022c).

NOTE: This table shows acceptance rates for asylum applications for the top five countries of origin and destination, in terms of the number of applications, in the EBRD regions and the rest of the world. Country averages are simple means indicating either (i) the average acceptance rate for claims submitted by citizens from a particular country of origin across all destination countries or (ii) the average acceptance rate for all claims submitted in a particular destination country. Group averages represent simple means for all EBRD and non-EBRD countries, respectively. The figures presented are total protection rates, indicating all decisions granting protection (not only refugee status under the 1951 Convention, but also complementary protection and other types of protection) as a percentage of total decisions taken in 2021 (see UNHCR, 2022a). Only origin-destination pairs with more than 100 asylum decisions are shown.

⁴³ See Hatton (2016, 2017).

⁴⁴ See Bertoli et al. (2022).

⁴⁵ These are total figures covering all types of protection. The figures for refugee status granted under the 1951 Convention are lower (see UNHCR, 2022a).

⁴⁶ See Deutscher Bundestag (2022).

⁴⁷ See Hatton (2021).

⁴⁸ See Blair et al. (2022) and Aksoy and Ginn (2022).

⁴⁹ See Bakker et al. (2014).

⁵⁰ See Hainmueller et al. (2016).

⁵¹ See Aslund et al. (2022).

BOX 2.4.

Estimating correlates of refugees' settlement and integration in Poland

This box provides details of the data and estimation methodology that are used to analyse refugees' settlement and integration in Poland in Chart 2.17.

Under a special legislative provision enacted on 12 March 2022, Ukrainian refugees can register for a Polish national identification number, which entitles them to access public healthcare and education, as well as social welfare payments (including child allowances). Data on the number of registered refugees, as well as their age and gender, are based on the PESEL registry and are available at county level (equivalent to NUTS 4 – level 4 of Eurostat's Nomenclature of Territorial Units for Statistics). Ukrainian refugees are allowed to work without registering for a PESEL number, but their employers are legally obliged to notify the local labour office of such employment. Data on refugees' work permits have been obtained from the Polish Ministry of Family and Social Policy. Figures relate to the end of the month and are available for the period from March to June 2022. Additional data cover the number of refugee children enrolled at Polish schools, broken down by county.

These data are complemented by county-level information on Ukrainian citizens who have been working in Poland since 2019, which includes details of their type of residence permit and contract, their gender, the industry they are employed in and their occupation (at the two-digit level of the International Standard Classification of Occupations). County-level characteristics such as municipal spending are taken from Statistics Poland. All data have been aggregated at the level of the 340 counties defined by the Ministry of Family and Social Policy.

Estimation methodology

The analysis of refugees' choice of location and integration outcomes uses ordinary least squares regressions for county-level observations with fixed effects at the level of subnational regions (equivalent to NUTS 2). For ease of interpretation, all variables are standardised; standard errors are clustered at county level.

The outcome variables are: (i) the popularity of a destination among refugees, calculated as the number of refugees in a county relative to the population of that county; (ii) the employment rate for refugees, calculated as the number of active work permits relative to the number of refugees between the ages of 15 and 64 who are registered in a county; and (iii) the school enrolment rate for refugees, calculated as the number of refugee children who are enrolled at primary school relative to the number of refugees between the ages of 7 and 13.

A key variable of interest is the number of Ukrainian migrants who were working in Poland before the war (as at 23 February 2022) relative to the population of the county in question, which captures the role that social networks play in migration decisions. Other variables include the urbanisation rate, as well as the ratio of teachers to students and municipal spending per capita (as measures of the quality of public goods). Local economic conditions are captured by the pre-war unemployment rate (as at January 2022), personal income tax revenue per capita (as a proxy for income per capita in the local area) and the number of hotel beds per capita.

IN POLAND, THE
PREVALENCE OF
POSITIVE ATTITUDES
TOWARDS REFUGEES
HAS INCREASED BY
19
PERCENTAGE POINTS
SINCE 2021

BOX 2.5.

Forced migration: the case of Jordan

Jordan has experienced a massive influx of Syrian refugees since 2011, with more than 675,000 registered refugees in the country at the time of writing. Indeed, refugees currently account for 7 per cent of Jordan's total population. While an influx of this magnitude has placed significant pressure on the country's stretched resources, the majority of those refugees have been accommodated in towns and villages, rather than camps. Syrian refugees have been given subsidised access to health centres, paying up to 80 per cent of the standard rate for non-nationals. And since July 2016, the Jordanian government has issued more than 230,000 work permits to Syrian refugees, allowing them to access the labour market.

Jordan's response to this influx of refugees has leveraged international support, focusing on adequate provision of municipal infrastructure, as well as programmes fostering skills and integration into the labour market. Jordan's Ministry of Planning and International Cooperation has adopted a centralised and transparent approach to managing support for Syrian refugees, taking account of the concerns of host communities and the need for investment in local infrastructure. The country's refugee response plan (which has been implemented in cooperation with the EBRD) has focused on investment in the management of solid waste, transport links, renewable energy and water supply. This has helped to preserve social cohesion, despite significant increases in the populations of certain municipalities.

When it comes to the development of skills, coordination appears to have been weaker, with organisations running similar programmes in competition with each other and insufficient attention being paid to leveraging synergies between programmes and tailoring them to the needs of the labour market.

Flexible work permits have enabled refugees to move between jobs within a given sector, while short-term work permits targeting seasonal occupations have also supported job creation. However, with Jordan's unemployment rate reaching 23 per cent in 2022, many refugees with work permits are struggling to find jobs. The Covid-19 pandemic has driven many refugees into poverty, with food insecurity on the rise, exacerbated by high food and energy prices.

Balancing the interests of nationals and the needs of refugees remains a challenge. In response to rising unemployment on account of the pandemic, the Jordanian authorities have restricted non-nationals' access to jobs in some sectors. This has hampered the competitiveness of certain employers and made it harder for some refugees to find employment that matches their skill-sets. Broader involvement of employers in policy consultations can help to refine the assessment of skill gaps and limit negative consequences for sectors with limited availability of skilled nationals. At the same time, stricter enforcement of minimum wage and labour protection laws for all workers could help to alleviate nationals' concerns about unfair competition and improve working conditions for refugees.

Financial and non-financial support for self-employed workers has remained limited. This has been a particular challenge for women, who shoulder a disproportionate share of the burden when it comes to childcare and looking after elderly relatives. In order to assist female workers, the Microfund for Women (MFW) has begun offering loans to Syrian women who are reliant on Jordanian family ties or guarantors for security. Building on the resulting credit history and market experience, the MFW has gradually rolled out group loans and individual "Tatweer" (development) loans to Syrian refugees, as well as providing non financial assistance aimed at improving their business management and digital skills.

Registered Syrian refugees of school age have free access to Jordanian state schools, with additional costs being covered by the international community. As a result, around 136,000 Syrian children are currently enrolled in formal basic education in Jordan. More than 200 schools in host communities are continuing to operate a two-shift system, with afternoon shifts earmarked for Syrian children. Meanwhile, the private Luminus Education initiative has secured over US\$ 19 million in grants from the Jordanian government and international donors to help refugees to complete tertiary education and enter the labour market. Those multi-year grants have covered the tuition fees of more than 3,000 students. Luminus also works closely with potential employers to identify jobs that are available to refugees when their studies end.

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