



## **Country Context**

In the last year, the number of refugees and asylum-seekers in Egypt has more than doubled as a result of the war in Sudan. As of 5 September 2024, Egypt hosted almost 800,000 registered refugees and asylum-seekers – over 400,000 of whom are Sudanese living primarily in Aswan, Cairo, and Alexandria. UNHCR projects that total registered refugees could reach more than 1 million by the end of 2024. This adds significant pressure on Egypt's national capacity to accommodate the increasing population and for partners to respond to humanitarian and development needs.

Overall, the Sudanese refugee population living in Egypt exceeds 2% of Egypt's current population. In addition to the registered refugee and asylum seekers, the government estimates that there several millions more Sudanese in Egypt, including those who were living and working in Egypt before the war started and others who have fled to Egypt post war but have not sought asylum.

Egypt is facing an economic crisis driven by multiple shocks, including the COVID-19 pandemic, the Ukraine conflict, and now the Gaza and Sudan crises. The continued war in Gaza has the potential to further destabilize an already precarious Egyptian economy and the entire region. These challenges are affecting both refugees and vulnerable population groups as well as host communities in Egypt. Rising inflation, devaluation of the Egyptian pound, and substantial foreign debt have caused a sharp increase in the cost of living.

While Egypt has traditionally been welcoming to refugees, the protection environment has become more challenging since the Sudan conflict began. Strict entry procedures introduced in June 2023 have limited access to asylum, and created protection risks, some of which are driving some to seek onward migration to Libya and Europe. There is an urgent need to integrate the Sudanese population and other refugees in Egypt through improved access to health and education system as well as access to Statebased protection and opportunities for self-reliance. In turn, this will reduce the risk of dangerous onward journeys.

UNHCR and partners of the Refugee Response Plan, under a Refugee Coordination Model approach, are engaging with the Egyptian government to advocate for greater inclusion of refugees in national services, while also mobilizing funds from humanitarian and development partners to support these efforts. This is crucial, as the new arrivals are straining existing national services, increasing the potential for tensions between refugees and host community, especially given the shared high levels of poverty.

Government policy supports refugee inclusion in national systems, but additional support is needed to cope with the increased number of users of these services. Refugees have access to the national health care system but face challenges in obtaining secondary and tertiary care. Survivors of gender-based violence (GBV) struggle to gain access to medical services, particularly in border areas, and are referred to Cairo for treatment, which adds financial burden. Recent nutritional assessments and data from the Ministry of Health and Population shows limited access to food, with high rates of malnutrition among refugees.

The Health Working Group, co-chaired by the World Health Organization and UNHCR, works in partnership with the Ministry of Health and Population to strengthen public health infrastructure by providing medical equipment, consumables, medication, vaccines, and staff training. Focus areas include mental health, reproductive healthcare, and GBV services. UNHCR also advocates for the inclusion of refugees and asylum seekers in broader development initiatives, for example through their inclusion in the universal health insurance scheme. Refugees face difficulties in accessing some mental health hospitals which require updated residency permits that can take up to a year to process.



Improving access to health care through reinforcement of the public health system and renovation and refurbishment of public facilities offers benefits for Egyptians and refugees alike. Financed primary by the World Bank, African Development Bank and JICA, Egypt's Universal Health Insurance program (UHIS) has been introduced in four governorates to date and will be gradually expanded to the rest of the country by 2032. Health is among Egypt's Global Refugee Forum pledges, however, no agreement has been reached on refugee inclusion in the UHIS. The 2018 UHIS bylaws state that this is possible, without providing further guidance on how it should be implemented. UNHCR and the GoE are pursuing a pilot project in two locations in this respect - Port Ismaid and Ismalia. Additional funding for health is provided by the Joint Platform for Migrants and Refugees as well as PROSPECTS, which produced the ILO feasibility study on refugee inclusion in UHIS conducted in 2021.

In the education sector, the government is working to simplify and clarify the procedures for refugee access to education. On 20 November 2023, an official decree confirmed that out of the 60 refugee nationalities, only four nationalities (Syrian, Sudanese, Yemeni, and South Sudanese) have access to Egyptian public schools. This has created significant barriers to education and led to the closure of refugee community-based learning centers. This comes on top of existing sectoral challenges, including overcrowded classrooms and insufficient infrastructure due to reduced state funding, particularly in refugee-concentrated areas, with negative impacts on student learning and protection outcomes. The Education Working Group, co-chaired by UNICEF and UNHCR, has identified the need for additional classrooms, refurbishment of schools, and provision of equipment to strengthen the public education system's capacity to absorb the added number of refugee children. Teachers and other personnel of public and community schools hosting Sudanese refugee children also need training to better provide the needed education support. At the household level, education grants for refugee and asylum seeker students also help to cover enrollment and tuition fees. In 2023, education grants were provided to 50,000 students.

## **Evidence Base**

The Government commitments to sustain access to services for refugees and asylum seekers is being strained by perceived negative public opinion, significant macroeconomic challenges and the possible additional refugees and asylum seekers that will likely arrive from Sudan and Gaza. In April 2024, an <a href="IMF">IMF</a> assessment found an Egyptian economy facing significant macroeconomic challenges that have become more complex to manage with the recent conflict in Gaza and Israel (IMF, April 2024). The strain is felt strongly in the informal sector. Real wages have declined, and unemployment and underemployment are on the rise. Connecting refugees to livelihood opportunities, both through self-employment and wage employment, is crucial. However, given the current economic situation, many seek diversified income sources rather than full-time jobs. Training programs that are short-term and directly linked to existing work opportunities offer benefits.

Egypt has gained valuable insights from hosting Syrian refugees, particularly through market systems analysis in the food service sector, where many refugees find employment. A recent <u>ILO analysis</u> highlights challenges such as documentation, access to digital resources, and trust in identifying employment and business opportunities, all of which will be relevant for the Sudanese refugee population moving forward (ILO, 2023). Yet, Syrians in Egypt still face major challenges in accessing the labour market. The absence of a specific asylum law and policies results in refugees being treated as regular non-nationals, without the unique legal and procedural circumstances faced by refugees considered (ILO and American University in Cairo, 2022).

## **Ongoing Development Partner Interventions**



UNHCR engages with development partners and international financial institutions to advocate for the inclusion of refugees in national social protection systems. In Egypt, this has involved high-level discussions with key donors and the World Bank, focusing on expanding financial inclusion for refugees with support from the International Finance Corporation.

At technical level, efforts are being made to align data with National Statistics Offices and conduct cost analyses that support socio-economic inclusion. Ongoing programs such as the PROSPECTS partnership, proposed collaborations with the UNHCR-World Bank Joint Data Centre, and joint action plans with UN agencies are in place to enhance livelihoods and promote refugee self-reliance strategies.

## **Recommended Priority Investments**

- Health: In the health sector, efforts should focus on expanding healthcare services for refugees
  in Greater Cairo (including Giza), Alexandria, and Aswan, in coordination with national health
  authorities. This would include the procurement of additional medical supplies and providing
  support to the main hospitals that are handling refugee referrals, addressing the significant
  challenges refugees face in accessing secondary and tertiary care.
- 2. Education: For education, there is a need to enhance the capacity of schools in Greater Cairo, Alexandria, Damietta, and Aswan by providing both technical and financial assistance. This support should enable these schools to accommodate the growing number of refugee students. The intervention will involve constructing one new basic education school with 22 classrooms and refurbishing five existing schools, which will benefit approximately 8,000 host community children and 1,000 refugee children. At the same time, efforts are required to revisit the documents required for enrollment given waiting times up to 720 days for a residency permit, requests have been made to accept the residency permit appointment for enrollment.
- 3. Livelihoods: In terms of livelihoods, investments should aim to promote the economic inclusion of refugees by supporting self-employment, entrepreneurship, and wage employment, as well as fostering social cohesion activities. Refugees should be provided with information on self-employment opportunities, access to services, and market opportunities. In terms of policy, the main challenge is related to the absence of specific asylum law and policies that govern access of refugees and asylum seekers to formal employment.