



Welcome the stranger.
Protect the refugee.

LABOR MARKET ASSESSMENT

ECONOMIC INCLUSION OF
REFUGEES & ASYLUM SEEKERS
IN ISRAEL

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HIAS ISRAEL 2023

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This document is a condensed version of the full report (96 pages) available upon request.

INTRODUCTION

In Israel today, most asylum seekers are from Ukraine, Eritrea, and Sudan. According to UNHCR, there were 73,683 people of concern as well as an estimated 8,500 children in June 2022. This included about 20,000 from Eritrea, 7,000 from Sudan, 2,438 from Russia, 992 from India, 35,000 from Ukraine - including around 20,000 who were present in Israel prior to the war - and 8,252 from other nationalities.¹³

Asylum seekers in Israel face many obstacles to stability and financial security, including complex and ever-changing governmental regulations challenging their integration. Despite residing in Israel lawfully, their access to dignified and durable livelihood opportunities is limited. Achieving durable economic solutions for asylum seekers in Israel remains a fundamental need, yet a challenge that a variety of economic inclusion programs have tried to tackle, with mixed results, in a highly intricate and constantly changing legal, political, and socio-economic environment.

As such, the Hebrew Immigrant Aid Society (HIAS) and the African Refugee Development Center (ARDC) commissioned a labor market assessment to identify unexplored, new, or adapted economic inclusion pathways for refugees and asylum seekers in Israel.

The assessment report is organized around five parts, in addition to the introduction and contextualization section:

Part I: Legal and socio-economic overview of the refugee community in Israel

Part II: Labor market analysis

Part III: Barriers and enablers to economic inclusion

Part IV: Economic inclusion pathways and sectoral opportunities

Part V: Holistic recommendations to tackle root causes of economic inclusion of refugees in Israel

PART I: LEGAL AND SOCIO-ECONOMIC OVERVIEW OF THE REFUGEE COMMUNITY

Legal overview

African asylum seekers, mostly from Eritrea and Sudan, began arriving in Israel in 2005. The peak of arrivals, mainly through Egypt, took place between 2010 to 2012. From 2013 onwards, such arrivals drastically reduced due to a strong political will, and eventually culminated in no new entry from these nationalities.¹⁴

Most African asylum seekers hold a temporary visitor permit (2a5 permit) which denies basic rights such as the right to work (although tacitly accepted), rights under the National Health Law, and social rights/benefits. In 2011, the State of Israel decided not to engage in acts of enforcement against asylum seeker employers, based upon a High Court ruling, de facto allowing, but not recognizing, employment of asylum seekers with 2a5 permits.¹⁵ Israel does not provide concrete livelihood solutions for asylum seekers with such visas.¹⁶ This pattern contradicts the 1951 refugee convention that specifies that contracting states shall accord to refugees lawfully staying in the country the rights to access employment, social security and benefits.¹⁷ Consequently, most of their essential social, economic and psychosocial needs remain unmet.¹⁸

When **Ukrainian nationals** started arriving in Israel after Russia invaded Ukraine in February 2022, the Ministry of Interior allowed Jewish Ukrainians to enter under Israel's 1950 Law of Return.⁴² In parallel, from February 2022, approximately 21,000 Ukrainians ineligible for Israeli citizenship or residency entered Israel from the official airport border patrols. The policy implemented towards Ukrainian refugees was significantly more lenient than the one towards refugees from Eritrea and Sudan when they arrived in Israel.⁴ However, Ukrainian nationals also faced important challenges. Entry was restricted by fluctuating quotas and barriers. Hundreds of asylum seekers were denied entrance, faced difficult conditions at the Yahalom Detention Center, and had limited access to appeal proceedings.⁴⁵

Ukrainian asylum seekers entering Israel were granted tourist visas (B2), valid for three months and without explicit permission to work. However, in May 2022, the Ministry announced that Ukrainians who came to Israel after the war began or who were in Israel legally at the time the war started are allowed to work under a non-enforcement policy.⁴⁶ This means that Ukrainian refugees do not have a work permit but are allowed to work without any enforcement measures against them or their employers. This is the same policy that applies to asylum-seekers from Sub-Saharan Africa. In January 2023, however, the Ministry of Interior announced that Ukrainian nationals who arrived after October 1st 2022 will not be allowed to work.⁴⁷

In sum, refugees and asylum seekers in Israel fall under one of five legal situations :

- A5 – Refugee or humanitarian status (temporary residence) (only 2.5% of all asylum seekers)
- B1 – Work permit
- 2A5 – Conditional release permit (most African asylum seekers)
- B2 – Tourists (mostly for Ukrainian nationals)
- No status

Socio-economic overview and professional profiles

This section examines the socio-economic characteristics of the refugees and asylum seekers in Israel in order to build their professional profiles and highlight connections with professional opportunities. It relies on the experiences and perspectives shared by 197 asylum seekers and refugees from Eritrea, Sudan, and Ukraine, as well as, to a lesser extent, other African countries, through community-specific surveys, focus group discussions, in person semi-structured interviews, and informal engagement.

The section is organized according to transversal analytical findings pertaining to various groups:

- First, analysis from engagement with Eritrean and Sudanese women
- Second, analysis from engagement with Eritrean and Sudanese men
- Third, a spotlight on youth and young adults (15-28)
- Fourth, analysis from engagement with the Ukrainian community (99% of whom being women)

This deep dive into community perspectives, needs and wants was a necessary first step towards the formulation of community-oriented recommendations. Three key transversal findings are:

1. Work is mostly perceived as an immediate means of survival. As a result, people feel they do not have the luxury to choose what they want to do and to develop a dignified career. As such, the vast majority remains heavily unsatisfied with the work they do; and their work, especially women, remains precarious.
2. All communities show high levels of resilience, with the capacity to cope and adjust to very complex environments.

3. Interest for, and faith in, vocational training programs is mixed with, on the one hand, interests to gain more skills but, on the other hand, aware of the numerous barriers to translate skills into dignified and desired jobs, and sometimes skeptical of the advantages and efficiency of such programs.

Despite an evident heterogeneity between and amongst the groups surveyed, [Annex G](#) provides an attempt to build demographic and professional groups (“professional profiles”) to help draw community-centered recommendations for dignified income generating activities.

PART II: LABOR MARKET ANALYSIS

Macroeconomic overview

Israel - A robust economy facing growing global uncertainty: While the Israeli GDP in current prices is expected to continuously increase between 2022 and 2027, the growth rate of the GDP is projected to slow down from a strong 6.3% in 2022 to 2.8% in 2023 and go back up with a 3.4% growth rate in 2024.²⁰⁷ In 2023, the war in Ukraine will continue to undermine global energy and food prices, although the effect of fluctuating energy prices will be more limited in Israel given the country’s self-sufficiency in natural gas. The war and global slowdown will reduce the demand from Israel’s trading partners in the short term. Moreover, the decline in technology stock markets since the beginning of 2022 will continue to affect investment in the high-tech sector.²⁰⁸ Continued high inflation will put pressure on disposable income and private consumption growth. The increase in real interest rates and high uncertainty will also slow investment.²⁰⁹ All these elements might affect labor trends, especially, but not only, in the high tech sector.

Inflation should progressively decrease, leading to a boost in domestic demand in 2024. Growth is projected to pick up towards its potential rate in 2024.²¹⁰ However, according to the OECD, a prolonged conflict in Ukraine could adversely affect the economy through more persistent inflation and lower external demand. An increase in political and security incidents in Israel could also heighten uncertainty, weighing on consumption and investment.²¹¹ These trends could altogether affect growth and labor market, and should be carefully monitored.

Heterogeneous productivity and challenges with inclusive growth: In Israel, significant differences in productivity exist between sectors. Productivity levels in high-tech sectors are higher than the average OECD countries. In contrast, more traditional sectors, including wholesale trade, construction, transportation, accommodation, and food, face important productivity gaps. According to the OECD, in order to boost aggregate productivity, barriers that hinder the high-tech sectors’ expansion, mainly skills shortages, need to be removed. At the same time, it is equally important to bolster the productivity of the poorly performing sectors, which employ the majority of the workforce, by developing human capital - an argument that appears in favor of refugee employment as confirmed in some industry interviews.²¹²

The productivity gaps between sectors are closely intertwined with the broader social gaps in Israel. Minorities and disadvantaged groups often work in low-productivity sectors with low salaries. Therefore, efforts to accelerate lagging sectors’ productivity, through training and labor support, can tackle the interrelated challenges of low productivity and widespread poverty. According to OECD, improving the skills of the workforce is fundamental to boosting productivity and enhancing opportunities.²¹³

There has been an increase in the number of working poor in Israel, and on the other hand there is a shortage of skilled workers. In addition, the low unemployment rate creates an economic situation in which a shortage of skilled labor blocks major growth in many industries. This dual economy deepens the poverty of the most vulnerable fringe of society.²¹⁴ These trends are not favorable, in essence, to the effective economic integration of refugees.

Geographical growth allocation: Income inequalities between municipalities are among the highest in the OECD.²¹⁵ Poverty rates vary significantly between different areas, as ethnic and religious groups with weak labor market outcomes are concentrated in separate cities or neighborhoods, as is the case for refugees. The quality of schools and the skill levels of the local labor forces differ considerably between municipalities, which contributes to the wide dispersion in skills in Israel and creates additional fiscal costs.

There are large differences in public services provision between poorer and wealthier municipalities. Differences in resources mean that poorer municipalities can find it difficult to provide adequate services for their residents, including training, especially the most marginalized in the poorest cities.

Increasing the quality of education by moderating the differences between the various school streams would improve the employability of the labor force.²¹⁶

Employment trends

Employment: In Israel, employment rates are currently above the pre-pandemic levels. The Israeli labor market is described as “tight”, which means that the job vacancy rate is high but available workers are scarce - a trend that could, in theory, be favorable to refugees’ employment.²¹⁷ According to the OECD, the labor market will slightly balance itself as growth slows down.²¹⁸ A positive hiring trend is predicted for the near future, with a Net Employment Outlook (NEO)²¹⁹ of 24%.²²⁰ According to the 2022 Manpower group survey, 26% of employers surveyed plan to increase their recruitment, 11% plan to cut staff, 60% expect no change and 3% are undecided.²²¹

Vacancies: According to the Central Bureau of Statistics (CBS), in October 2022, there were 146,787 job vacancies compared to 156,801 in August 2022. The vacancy rate indicates a continued decline, as it decreased by 6.5% from February 2022. Despite the decline, an analysis of the distribution of workers in the various sectors of the economy shows that the demand for workers is highest in the industrial sectors, the high tech and ICT sectors as well as the hospitality and food industries.²²² According to the 2022 Manpower group survey, the strongest hiring activity is expected in the following sectors:²²³

- Wholesale and retail trade - which was also confirmed by interviews²²⁹
- Restaurants and hotels - also confirmed in interviews²³⁰
- Finance and business services
- Other production services

Positive hiring intentions are also expected in manufacturing, construction, and other services.²³¹

Labor shortages: According to the 2022 ManpowerGroup survey, talent shortages in Israel are at a 15-year-high.²³² This is due, in part, to shifting demographics including shrinking birth rates and the rise of early retirement. The survey indicates that 69% of surveyed businesses reported talent shortages, with 77% of employers finding it difficult to fill jobs despite a forecasted positive hiring trend.²³³ The industries facing the most significant shortages include education; health and government; restaurants and hotels; banking and finance; IT and technology; wholesale and retail trade; manufacturing; and construction. The positions that are most challenging to fill are in operations/logistics, manufacturing/production, customer-facing operations, IT and data, and sales and marketing. But shortages also persist for positions such as accountants, engineers, doctors, teachers, scientists, programmers, financial analysts, agricultural workers and social workers.²³⁴

To tackle shortages, the government has been trying, for years, to attract more women, members of Arab communities, ultra-Orthodox workers, professionals who live in the peripheries, and older talents into the workforce.²³⁵ Some regulations have also made it easier for some economic sectors to hire foreign labor (e.g. the hotel industry to hire Palestinians, Filipinos or Jordanians in Eilat).²³⁷ However, many professions require special licensing to practice in the country.

The growth forecast predicts a slowdown of the economy in 2023. Yet, business experts and company heads are of the view that even if the Israeli economy slows down, the need for workers in many industries will continue, including high-tech, healthcare, construction, restaurants, or agriculture.²³⁹ The slowdown period is almost perceived by some as a period where efforts can be invested in preparing labor for potential recruitment in 2024.²⁴⁰

Overall, many leading industries face significant labor shortages including hotels, restaurants, health care, construction, industrial sectors, retail/wholesale, agriculture, or high tech. The macroeconomic indicators of the Israeli labor market could, in theory, play in favor of asylum-seekers. According to the analysis, sectors with high shortage rates as well as sectors with low productivity rates could be particularly relevant to asylum seekers, such as: construction, wholesale/trade, hotel and restaurant, manufacturing/industrial sectors, education, and health. According to an earlier UNHCR labor assessment, in considering systematic plans to integrate the asylum seekers into the labor market, the CBS surveys can be useful as they acknowledge formal gaps in the Israeli labor market. Logically, the industries with higher demand for workers are more likely to be open to the integration of asylum-seekers into the labor market. However, only some of those industries match the current set of skills, experience, education and aspirations of the refugee communities.²⁴¹ As such, effective economic inclusion of refugees in Israel must not only take into account the labor needs of the Israeli economy, but also the skills, competencies and aspirations of refugees (Part I), as well as the various obstacles they face (Part III).

PART III: BARRIERS AND ENABLERS TO ECONOMIC INCLUSION

Key barriers to accessing employment

External barriers: This section describes external barriers related to the environment in which refugees live and operate. They include structural political, legal, and administrative barriers related to the system and socio-cultural barriers related to cultural norms and perceptions. Systemic/structural barriers include:

- **Laws and regulations:** Refugees in Israel find themselves in a gray legal area that brings ambiguity and uncertainty both to the community and employers. This is particularly true for long-time refugees from Sub-Saharan Africa, but also for Ukrainian nationals who recently arrived in Israel.

On the one hand, the state grants non-Jewish Ukrainian, Eritrean and Sudanese (and until recently Congolese) nationals collective protection, making them *de jure* legal residents in Israel. On the other hand, they are not granted refugee status and are stripped of basic rights including, for the vast majority, the explicit right to work. Only holders of A5 and B1 visas (less than 5% of the population) benefit from an explicit right to work (See Annex F). The vast majority however hold a 2A5 permit, and to this day, their path to the A5 visa (resident status) remains blocked.²⁴² Employers are *de facto* allowed to hire members of this community, as it has been the case in various industries such as restaurants and hotels, but this legal “limbo” results in precarious employment. Interviews with employers and organizations working with refugees highlight that employers will often only hire 2A5 holders (and to a lesser extent B1) when they have no other choice, for cleaning, kitchen aid, and other menial jobs.²⁴³ The non-enforcement policy does not support real economic inclusion but drives people to work in survival jobs instead of seeking sustainable jobs or careers.²⁴⁴ Furthermore, this situation exposes asylum seekers to exploitation by employers.²⁴⁵ In addition, the pre-existing legal framework has traditionally not been interpreted in favor of refugees, especially 2A5 holders, such as, for example, the driving license law or the regulation on the platform economy. Moreover, over the years, legal measures have been specifically targeting asylum seekers, harming them financially and professionally, including the “Deposit Law” or the geographical restriction regulation.

- **Systemic discriminatory bureaucratic practice:** Embedded administrative practice routinely undermines this community’s efforts, especially 2A5 holders, to access work opportunities. This includes administrative processes to access occupational licenses, to obtain employment approval from the police, to use bank services, or to access education.
- **Administrative obstacles from the employers’ side:** Some industries, such as restaurants and hotels, well understand the ambiguous legal framework pertaining to refugees.²⁴⁶ This can be explained by 1) the fact that these industries face significant labor shortages and are in dire need of recruiting from this community and as such invest time to understand the implications; and 2) a relatively long history of recruiting from this community.²⁴⁶ However, some companies under industries which are also facing important labor shortages, e.g. the industrial sector seeking technicians, are not interested in hiring 2A5 holders due to the legal ambiguity and the fact that they would only work with “refugees who can *de jure* work, as opposed to *de facto* work.”²⁴⁷ Moreover, many employers are also unaware of the fact that labor laws equally apply to asylum seekers, and many cases of exploitation and abuse persist.²⁴⁸ As such, 2A5 holders face additional legal and perception barriers with regards to accessing jobs in industries that do not traditionally hire from the community. This factually limits access of 2A5 holders to certain industries only and specific, often menial, positions. In addition, employers face other administrative barriers that dissuade them from hiring from this group including additional taxes and fees, political uncertainty, limiting recruitment through contractors and manpower/job placement agencies.

With regards to Ukrainian nationals, the legal status related to their ability to work in Israel has changed multiple times since their arrival from February 2022 onwards. As they were granted tourist visas upon arrival, they were at first not allowed to officially work. Following a decision in May 2022 to grant them collective protection they started benefiting from the non-enforcement policy already applied to 2A5 holders. This means that employees could, *de facto*, hire them. This allowed organizations such as HIAS and UNHCR to organize a job fair for more than 200 Ukrainian nationals where 7 companies came to recruit for more than 60 jobs. However, as of early January 2023 Ukrainian nationals who arrived in Israel after October 1, 2022 will not be allowed to work in Israel.²⁴⁸ Should the law on geographical and sectoral restrictions be implemented, the Ukrainian nationals, like the Sub-Saharan refugees, would also see their work opportunities limited to 17 cities and 5 industries.

Socio-cultural and psychological barriers amongst employers: Socio-cultural barriers related to cultural norms and perceptions amongst employers - and the public - also play a role in limiting refugees' access to work. Several parameters, tested throughout the research, indicated that the topic of refugee recruitment does not attract a high interest. This may be due, in part, to the above-mentioned barriers, but it may also be linked to a climate perpetuating misconceptions about refugees in Israel. This highly politicized topic further accentuates discriminatory misconceptions amongst the Israeli public, which in turn may affect companies' decisions to engage with this community. Some companies highlighted the high "reputational risk" of supporting the refugees' cause, especially companies selling directly to customers.²⁹² Additionally, the research reflected a higher interest in hiring Ukrainians than African refugees (except in the hotel industry).

Internal / inner barriers: The individual barriers inherent to the refugee population were comprehensively examined in Part I. They included: socio-demographic vulnerabilities (e.g. single mothers); skills and education gaps (e.g. Hebrew); cultural norms (e.g. Cultural barriers that undermine workplace integration); as well psychological barriers related to poor self-esteem and mental health issues.²⁹¹

The combination of heavy structural barriers with obstacles inherent to refugees' vulnerabilities creates a vicious cycle of professional instability, which constantly fuels economic and social exclusion. Most interviews with employers with experience in hiring and working with refugees cited the lack of stability as a main barrier to recruitment (as well as work retention and advancement) which creates an ever-ending loop of exclusion.²⁹²

Key barriers to accessing professional development opportunities

Since academic channels may be challenging to access, many refugees have relied on other professional development pathways to gain skills fitting the demand of the Israeli market. However, refugees also face significant systemic and inner barriers to professional learning, coupled with an important frustration towards organizations working with refugees. In particular, the widespread negative perceptions of long-time refugees towards organizations working with refugees is an important barrier to consider.

Key barriers to work retention and advancement

Work retention: Interviews reveal that long-time refugees from Sub-Saharan Africa also face a vast array of challenges to stay in their jobs, including challenges inherent to the individuals' inner abilities and vulnerabilities (e.g., difficulties to culturally integrate); challenges at work (e.g., difficult conditions of work); and systemic/structural challenges (e.g. constant visa renewals). These interconnected challenges often lead to instability in the workplace, dismissals, and high levels of turnover among refugees.³²⁹

Work advancement: The refugee community faces very poor social mobility as low-paid employees with limited promotion opportunities and a high rate of in-work poverty. For example, in Eilat, cleaners in hotels can be promoted to floor managers with improved work conditions but still, they remain cleaners.³³¹ The example of a significant number of refugees leaving hotel work to seek less tenuous and more lucrative jobs, especially to become WOLT delivery couriers (men), is representative of the difficulties they were facing in jobs "traditionally" offered to refugees.³³²

Key barriers to self-employment

Business owners: Permission from the municipality is required to operate restaurants, bars, and childcare facilities. In 2010, the Ministry of the Interior directed the municipalities to allow submission of business licensing applications solely for business owners who are in possession of ID cards or residency permits that include work permits. This directive prevents most asylum seekers in Israel from being the owner of a business that requires a license,³³⁹ in contravention of article 18 of the Refugee Convention. Those with work permits (A5 or B1) can register their businesses, but still struggle with the costs of implementation and lawyers' fees³⁴⁰ and are not allowed to pay taxes since they cannot open a file at the tax authority.³⁴¹ In Tel Aviv, shops are often fined by the municipality for multiple reasons, pushing workers to stop working in such shops.³⁴² Refugees are also vulnerable or particularly hesitant to take on significant debt, due to constant instability and ever changing situations and very high costs of opening and operating a business in Israel.³⁴³

In addition, all interviewees with business owners (or prospective ones) named lack of information about the various aspects of the licensing process as one of the main obstacles. They believed that coping with licensing issues be easier with official guidance.³⁴⁶ However, neither the Israeli government, nor the local municipal authorities, nor any of the various NGOs have the capacity or mandate to help refugee business owners and entrepreneurs.³⁴⁷

To navigate such challenges, business owners have resorted to communal resources to find informal "ways around the restrictions", e.g. by registering the businesses under the name of a fictive owner who acts as a front vis a vis the authorities.³⁴⁸

Free-lancers / independent traders ("Osek patur/Osek morshe"): All businesses in Israel are required to pay taxes, but non-citizens, even those with work permits, cannot become independent traders because they cannot open a file at the Israel Tax Authority to pay the value added tax (VAT). The VAT Law and the Income Tax Ordinance require "foreign residents" who wish to operate as a self-employed person to appoint an Israeli "representative" on their behalf.³⁴⁹ But even for those who qualify, the process is bureaucratic, lengthy and costly.

Opportunities and enablers to economic inclusion

Favorable trends and opportunities: The labor market analysis shed light on trends that may positively impact the economic inclusion of refugees. This includes the persistence of labor shortages; the competitive advantages of refugees over foreign workers; the flexibility and agility that refugees offer (e.g., ability to work on shabbat); the momentum created by diversity and inclusion narratives in the workplace; companies' growing interest in inclusive growth and impact strategies; digitalization of work; and existing opportunities for juniors with vocational training.

Internal enablers: The refugee community in Israel has shown very strong resilience throughout the years and challenges. Several elements of this strength can be further leveraged to bolster economic inclusion programs including the existence of community structures as well as more informal community support mechanisms trusted by community members; the "hope" that refugee youth and children represent; and the diaspora networks.

External enablers: Other powerful enablers may be external champions - beyond the “traditional” actors of refugee work - who can publicly and meaningfully support refugees’ economic inclusion in Israel. Interviews highlighted several examples where “non-traditional” champions managed to influence policy with regards to economic inclusion.

PART IV: ECONOMIC INCLUSION PATHWAYS AND SECTORAL OPPORTUNITIES

Specific and prioritized “niche” employment pathways

This part **identifies** specific economic inclusion pathways in the most promising sectors. These sectors were selected and prioritized based on several criteria, which provided a base for a simple 10-point grading and prioritizing system. This part can be used to design small, targeted, relatively rapid pilot projects.

The labor assessment finds specific “niche” opportunities and entry points in seven industries, namely healthcare, hotel industry, the high-tech industry, remote work opportunities (most of them under the high-tech sector), the retail industry, the food and restaurant industry, and the transportation industry. Each sector recommendation includes an analysis on the sectoral relevance and rationale, describes the concrete opportunity including the specific programmatic considerations, analyzes the relevance and potential match from the community’s perspectives, identifies specific entry points/champions who can further support the pathway, and suggests a prioritization grade above 6.

Below is a summary of the sectoral opportunities identified in the most prioritized sectors.

Sectoral pathway#1 - Healthcare: The assessment highlighted a shortage in the healthcare industry of auxiliary personnel. Auxiliary personnel (as well as sanitary staff) work alongside nurses and physicians. These workers enter the medical world with no training or experience. They do not require a license or certification to operate.³⁸² Previous research shows that auxiliary and sanitary workers see their work with patients as a purpose-driven mission to help patients. The majority of these employees are happy to stay in their line of work.³⁸³ Some medical staff, as well as human resource and management personnel of Wolfson hospital shared their interest in collaborating with organizations working with refugees on a potential training and placement program for refugees as auxiliary personnel. Some medical personnel are also interested in acting as “champions”, i.e., mentoring and accompanying these potential new recruits. NGOs could provide support in recruitment, training, and follow-up. In addition to Wolfson hospital, Assuta medical centers offer another good entry point for such a pilot as they have four hospitals, three medical centers with operating rooms and outpatient care, mainly in the central and Southern parts of Israel.³⁸⁸ Assuta has experience with testing different social projects, such as the “career ladder” program with JDC’s TEVET which developed social mobility opportunities for auxiliary and sanitary workers to help with staff recruitment and retention.³⁸⁹ Such programs can be relevant for women and men from both Ukraine and Sub-Saharan countries. Many of the Ukrainian refugees have experience and a background in nursing and related professions.³⁹² Moreover, a good number of African refugees are working as sanitary workers and caregivers. Also, out of the group of young men who did *sherut leumi* (national service), a good number did them in hospitals. And since this pathway does not require previous experience, it can be relevant to more diverse motivated groups. Employment at Wolfson can be relevant for people living in Tel Aviv, Holon, or Petah Tikva. However, this model can be applied to other hospitals across the country, and/or to Assuta medical services in the central and Southern parts of the country.

Priority: 7.5/10; high; short-term

Sectoral pathway#2 - Hotel industry: The hospitality industry is not per se a niche sector for the refugee community as it has a long history of recruiting from this community, mainly as cleaners, chambermaids, or kitchen aids, mostly in the Center and Eilat.³⁹⁴ However, recent trends may offer some new opportunities. Until four years ago, about 5,000 asylum seekers were working in the hotel industry. Today, only about 1,500-1,600 are still working in that sector (about 1,000 in the center and 500-600 in Eilat). This sharp decrease is mainly due to two interconnected trends: 1) Hotels started recruiting foreign workers (e.g. Jordanians in Eilat, Palestinians and Philipinos), and 2) Many refugees moved to other more lucrative and “easier” types of work such as WOLT couriers.³⁹⁵ The hotel union would be interested in partnering with organizations in training and placement programs for more “attractive” positions to “bring back refugees” to the sector. This could include training and support processes for positions including maintenance, receptionists, cooks and waiters. It was suggested to bring various hotels on board across Israel not only in the traditional “strongholds” of refugee recruitment, i.e. Eilat and the Center, but also Tiberias, Jerusalem, Netanya, Herzliya, and even the Dead Sea. In addition to a recruitment-placement-matching-support program, a social mobility program can be envisaged to maintain staff and help them advance within hotels. This can be done through training on professional development within hotels, as well as mentoring and ongoing support.⁴⁰¹ Many refugees from Sub-Saharan Africa are not interested in working in hotels anymore in the same positions they used to have, i.e. cleaners, chambermaids, or kitchen cleaners. For such programs to work, it will need to focus, as described above, on new more attractive positions with significant support systems and/or with a focus on mobility within hotels. As the community analysis in Part 1 revealed, jobs that are of particular interest for Eritrean women and men include: receptionists, both at the front desk and in the spa; chefs and caterers for hotel restaurants and events.⁴⁰² A pilot with the hotel union and a large chain such as Isrotel would allow a large geographical reach, targeting peripheral areas such as Netanya, Jerusalem and Tiberias.

Total score: 7.5/10 Priority: high; short-term

Sectoral pathway#3 - High-tech sector: In April 2022, a record-breaking figure of 32,900 open positions was registered. Two thirds of these vacancies were for tech positions. However, the main increase in open positions was among non-technological positions, which more than doubled in comparison to past years. In April 2022, the highest numbers of open tech positions were found in software - which is also the field that faced the most challenges in recruiting - followed by QA, data, hardware, IT, and algorithm. The highest numbers of open non-tech positions were found in product/project management, sales, marketing, business development, finance, human resources.⁴⁰² According to a Manpower survey, 77% of companies in 2021 faced difficulties hiring.⁴⁰⁸ One of the reasons behind the shortage, according to some observers, is the lack of diversity in the industry which remains “male-dominated, excluding certain populations, concentrated in central Israel and full of graduates of the military’s technological units.”⁴¹⁰ Other reasons include: the lack of internal motivation of these companies to hire and train juniors, as well as the lack of adequate training programs that match the needs of the industry.⁴¹¹ To tackle the shortage, governments have adopted measures, including extending foreign students’ visas, easing up the procedures for high-tech companies to hire foreign experts from abroad, or encouraging Jewish tech professionals abroad to migrate to Israel.⁴¹³ However, many business and civil society leaders have criticized such measures arguing that there is a skilled (or skilable) workforce available in Israel amongst the minorities or disadvantaged groups.⁴¹⁵ Moreover, it has been argued that it would not be feasible to bring 30,000 foreign experts to meet the important demand. Observers also noted that many of these vacancies do not require experts, but junior coders with limited

experience, or university graduates without experience, but with a technology degree and/or proficient English.⁴¹⁶ The mounting global recession has brought questions of whether the demand for high-tech labor in Israel will be affected - especially in light of recent layoffs.⁴¹⁷ Several interviews with large high tech companies, for example, indicated that the timing was not “ripe” to talk about recruiting 1) junior staff (as if needed they would prefer hiring within the sector using the high mobility) and 2) “complicated” groups. This said, as many economists, business leaders and analysts indicated, despite difficult times in the sector, and even though about 7,000 employees have been laid off in 2022, the workforce shortage is still predicted to remain high in Israel.⁴¹⁸

Since there is 1) a significant competition both with Israelis and with other minorities/disadvantaged groups; 2) a significant decrease in junior recruitment; and 3) an economic slowdown that will further affect junior recruitment, potential economic inclusion programs must focus on skills that 1) address the sectoral limitations i.e. that relate to the existing above-mentioned shortage; 2) are relatively quick and easy to learn; and 3) can potentially be used remotely. This includes digital media courses such as:⁴²⁸

- User experience (UX) design courses.
- Digital marketing courses including social media, online business strategy, e-commerce, “Pay-per-Click” advertising (PPC), and Quality Assurance (QA) courses.

These skills are particularly relevant to growing remote work opportunities (see subsequent subsection).

There exists a plethora of initiatives specialized in providing such training and internships for disadvantaged communities and minorities in Israel adapted to the specific needs of the industry, such as Jumpin, Place IL, or ITworks. They organize such courses in partnerships with the private sector, and also provide placement pathways (and sometimes mentoring) (see [Annex O](#)). As such, it is highly recommended to partner with existing platforms and initiatives to access their resources and connections to companies. They are willing and interested in such collaborations. Some interviews highlighted the interest of some non-profit initiatives in jointly raising funds to specifically target or integrate refugees in programs (e.g., ITworks) or partnering with municipalities to support such courses for refugees.

It is crucial that refugees have easy and visible access to this large array of training and placement platforms available for disadvantaged groups in high tech (see holistic recommendations in part V).

This pathway is relevant to individuals with existing skills or potential to gain these skills. It is particularly relevant for youth (e.g., graduating from Bialik Rogozin High School) or students through the African Students Organization.

Short courses for easily gained skills such as digital marketing can be particularly relevant for Ukrainian communities who might be here for shorter periods.

Priority: 6/10; Medium; short-term

Sectoral pathway#4 - Remote work opportunities: The COVID-19 pandemic accelerated two inter-related phenomena:

1. The increased demand in digital tools and mechanisms bolstered the demand for remote digital work; Significant shifts like these require a variety of solutions in the areas of fintech, business software, cyber, and more. And, as the world becomes more digital, the demand for digital skills such as UX design, Quality Assurance also increases.⁴²⁹

- The further normalization of remote work⁴³⁰ creates a new decentralized teams' work environment, allowing to better leverage the skills and profiles of people who were not previously included.⁴³¹

Skills required for remote work include a combination of technical and soft skills that can be the focus of a comprehensive training program aimed at preparing people for remote employment (Figure 25).

Skills/positions for entry to mid-level workers	Soft skills and other skills
<p>In Israel:⁴³²</p> <ul style="list-style-type: none"> • Digital marketing • PPC • UX design • Quality Insurance <p>International:⁴³³</p> <ul style="list-style-type: none"> • Salesforce • Customer Service/Phone Skills • Virtual Assistants • General Client/ Customer Service • Developer Roles • Medical Billing 	<ul style="list-style-type: none"> • Self-discipline: organizing ones' day; meeting deadlines; meeting expectations • Online communication and collaboration • Online work culture • Self-branding for remote work • English

Overview of skills needed for remote work.

Various **international initiatives** are already tackling this pathway by focusing on the development of skills that allow refugees to have easier access to remote work placement opportunities.

Remote work could be particularly helpful and relevant for women - including single mothers who could accommodate a more flexible schedule, especially Ukrainian mothers who have, according to the community survey, a high level of education and professional experience.⁴⁴⁶ Candidates must be skilled or skilable candidates. Digital marketing pathways can be particularly relevant to youth. To prove the model, it is first important to first build successful case studies by bringing the most promising people who have the base skills and the potential to do an intensive course to prepare them for success.

Priority: 6/10; medium priority; medium-term

Sectoral pathway#5 - Retail industry: Retail is one sector with the weakest labor productivity in Israel.⁴⁴⁸ An interview with a large retail shopping center indicated that all retailers face enormous labor shortages, which have further been exacerbated by COVID-19. In retail shopping centers, the research identified three types of shortages:⁴⁴⁹

- **In stores:** e.g., FOX employs 1000 employees, faces a strong turnover, and is constantly seeking people to hire
- **In fast food chains of shopping centers:** Places like Aroma face shortages because people prefer working in small restaurants where they get better money (and tips)
- **In food retail:** Retail chains like Shufersal are in constant need of workers both in their stores and in their logistic centers.

The type of workers needed include:

- Salespersons in stores
- Cashiers in stores
- Logisticians in logistic centers (e.g. collecting and packing for online shopping deliveries; product quality assurance).

These kinds of jobs do not require high-level qualifications nor technical training per se, but good communication skills, a relatively good level of Hebrew (for the positions in stores) and other soft skills.

Shopping center companies were enthusiastic with the idea of helping their clients (the retail chains) address their shortage challenges. They are interested in exploring potential collaborations with NGOs working with refugees to develop a matching platform (website or simple program) where companies could upload their needs to recruit refugees. Such a platform could be connected to the major retail companies of the country. NGOs could develop training to ensure successful integration of refugees in the retail sector including in: Communication skills, Sales, Language (for in-store positions).

Geographically, this opportunity is very equitable as it would cover all regions of Israel. People with relatively good Hebrew can work in stores (Arabic speakers can also work in commercial centers in Arab towns like Nazareth) and people with no or limited Hebrew (e.g., Ukrainian community) can work in the logistics centers.

Priority: 8/10; very high; short-term

Sectoral pathway#6 - Food and restaurant industry: Today, the industry is facing some of the most important shortages in its history, including cooks, kitchen workers, waiters, service providers, and cleaners.⁴⁵³

The research identified four possible pathways in the restaurant industry. Given important challenges, some creative and company-specific pathways may be prioritized:

- 1. System to prevent exploitation:** Many restaurants and chains are still eager to hire refugees. However, it is often for menial and hard tasks that refugees do not enjoy⁴⁷⁵ or seem to not want to perform anymore. Still, as the community survey largely reflects, many individuals have no choice but to go for this kind of work, and for this category, there is a need to better monitor the matching to avoid exploitation and abuse by job brokers.
- 2. Improved positions:** A pathway to improved positions such as cooks, similar to what was proposed by the hotel union, could be explored. There is a need to focus on professional pathways, for example, cooking training (especially for men), with solid partnerships with restaurants - especially restaurant chains - for guaranteed placements, together with a systemic monitoring support system. This is what was done by Abugida School.⁴⁷⁶ Specific restaurants and chains that have been particularly supportive of refugee inclusion may be good entry points, e.g. R2M or the Better Guys Company.
- 3. Pathway to Canada:** The Economic Mobility Pathways Pilot (EMPP) in Canada allows Canadian employers to bring refugees from other host countries to fill up highly needed positions in their companies.⁴⁷⁷ There is a significant need for restaurant personnel.⁴⁷⁸
- 4. New skills linked to specific companies:** A fourth pathway would be to work with specific restaurants or catering places to train for the specific positions they always need. For example, the French patisserie and catering chain, Maison Keiser, is constantly looking for people to prepare sandwiches and other “fast food items” at the headquarters in central Tel Aviv to be sent to the branches across Tel Aviv. They expressed the difficulty to find and retain staff. It is not a

tenuous work, but has early hours (6 am to 3pm). They are interested in exploring more efficient ways to recruit people in a more systematic way.⁴⁸⁰

This is a good but ad hoc example which shows that several companies in this industry are constantly looking to recruit staff; face difficulties in doing so; are open to recruit refugees; and are also interested in supporting training programs focused on specific skills. However, these companies do not know where to obtain information about, and look for, refugee labor, especially the smaller ones or relatively new ones. This demonstrates a larger need to set up a system that will, on the one hand, support the companies in their efforts to find and recruit refugees, and on the other hand, support the refugees in their efforts to find jobs without going through exploitive brokers.

Refugees working in restaurants (and hotel kitchens), as dishwashers or kitchen aids, are overwhelmingly men - especially Eritrean men (both single and family men) - due to the difficult nature of the work.⁴⁸¹ Training for specific jobs such as patisserie making could be relevant both to men and women - provided (for the latter) that arrangement for morning child care (or school dropping) is considered. In particular, the community surveys highlighted some existing experience in food preparations, as well as interest in bread-making and catering.⁴⁸² Training courses for cooks are mostly relevant for men. Work that does not require experience (e.g., catering) could be relevant for a larger group of Ukrainian or African women.

Priority: 6/10 overall but 7.5/10 for the last sub-pathway with specific companies.

Sectoral pathway#7 - Transportation industry: The commercial transportation industry faces a shortage of 6,000 drivers for industries, e.g., truck drivers (not public transportation). This includes about 400 drivers for the construction sector (e.g., cement truck drivers). They are also facing shortages in workers in shipping warehouses (e.g., fore lifts). According to the commercial transportation Union, it has been very challenging to recruit amongst Israelis. The industry has been trying to bring foreign workers to fill up this gap, but the government refused, and as a result, the Union is currently seeking alternative recruitment pathways. It is highly interested in exploring refugee recruitment, both to address the urgent shortage but also to help marginalized groups. However, the main challenge is that only A5 and B1 holders (and to some extent B2) are allowed to drive in Israel. So, while this pathway can, for now, only be relevant to this specific group, it is important, in parallel, to lobby for a change in regulations. The commercial transportation sector in Israel is quite influential due to its significant contribution to the economy.⁴⁸⁶ In sum, this pathway identifies three possible avenues in partnership with the Union:

1. Providing training and placement for drivers (for A5 and B1 holders, and to some extent B2)
2. Providing training and placement for other non-driving jobs, e.g., in shipment warehouses (for all)
3. Possibly lobbying through the Union for changes in regulations and policies

The community engagement survey and interviews revealed an interest for driving training.⁴⁸⁷ The driving jobs would be relevant only to A5 and B1 holders, and to some extent B2 with driving licenses, while others could work in shipment warehouses. However, with regards to the latter, refugees are often not interested in hard and menial work anymore.

Priority grade: 6.5/10 - Medium

Other non-prioritized sectoral pathways

This part also includes an overview of less prioritized sectors, including the construction industry, agriculture, SME, and startups operating in relevant world regions and industrial sectors, manufacturing and trade work. The pathways identified under these sectors received a prioritization grade below 6 or there was not enough data to propose a specific priority grade. This means that such sectors present various degrees of relevance but that the research could not, at this point, recommend either because of 1) lack of substantial data or inconsistent data about the sector; 2) lack of concrete pathways and entry points; 3) problematic ethical considerations; 4) challenges without concrete mitigation strategies identified at this point; and/or 5) previous failed or limited attempts to explore such routes.

Self-employment pathways

Previous labor assessments have ruled out self-employment pathways as a strategic direction for refugees' economic inclusion given the many existing challenges.⁵¹⁸ However, the research highlighted existing resources and new opportunities that are worth further examining today. The COVID-19 pandemic and the new future-of-work narrative provide, for example, a new momentum that could open professional doors. This section explores both the freelancer pathway and the small businesses route.

Growing opportunities are available for digital work which can be performed either through employment (hybrid office/home) or as freelancers. This is particularly true for digital marketing, UX design, quality insurance (QA), web design, graphic design, and other types of digital work. Various opportunities came out of the research including potential collaborations with freelancers' platforms to launch a small pilot to prepare a cohort of refugees for digital skills and employment; possible partnerships with training centers specialized in remote skills, such as the Israeli entity, [Jumpin](#) that trains disadvantaged communities for remote or hybrid work on digital marketing; as well as international partnership opportunities.

Developing a training program for remote self-employed opportunities could lead to the establishment of a pool of freelancers/consultants, potentially attached to an NGO, and who could offer a wide range of services, including, research for NGOs, social media, marketing, web design, social impact, community outreach, and more. This model has been tried successfully by Impact Lab Amman with refugees and host communities together in Jordan.⁵¹⁹ The audience of such a pool of consultants could be organizations or companies seeking technical services like web design or social media management, as well as organizations and companies (specifically NGOs) seeking research assistants, social innovation or impact consultants, or other content-related consultants.

This part offers concrete mitigation strategies to navigate the existing challenges related to self-employment, including solutions to counter the administrative and funding barriers.

With regards to the establishment of small businesses, streamlined information and support is needed to accompany refugees interested in opening and maintaining a business.

While the barrier of obtaining a business license from the municipality can be addressed, by appointing A5 owners for example, the issue of the tax authority registration remains. The option of establishing an incentivized pool of Israeli sponsors may be a direction to explore to counter this important barrier. Additionally, this part includes various directions to navigate the challenge of limited funds available to

refugees to open a business, including microfinance schemes, impact investment and hybrid funding mechanisms, and other fundraising channels.

Finally, given Israel's large innovation ecosystem, it may be interesting (and strategic), to revive and consolidate efforts to develop a social incubator aimed at accompanying refugees and Israelis together in their efforts to develop joint ventures tackling refugees' challenges or other larger community and social issues. In fact, a cohort could be invited to tackle the problems and opportunities identified in this report, since the latter presents a wide range of ideas that NGOs alone cannot tackle. It would be a way to "decentralize" the findings and offer a wider audience to turn recommendations into actions.

Vocational training pathways

According to the OECD, improving the quality and equity of education and training is fundamental to boosting productivity and enhancing opportunities in the labor market in Israel. Reducing differences between educational streams is key to raise quality and further integrate minorities and disadvantaged groups in Israel. This will strengthen long-term growth, improve fiscal sustainability, and enhance social cohesion. ⁵³⁴

The research unveils a diverse landscape of vocational training programs in Israel. The comprehensive list of vocational training opportunities can be found in [Annex O](#). It highlights four types of programs:

1. Vocational training and placement programs for marginalized communities by the Municipalities
2. Programs for marginalized communities by the national government
3. Programs for marginalized communities by the non-profit sector, often in collaboration with the private sector
4. Vocational training programs through colleges and learning institutes

These programs embrace three different stands vis a vis refugee integration, either: 1) they cannot integrate refugees due to the system preventing such inclusion; 2) they never integrated refugees but are open to include them; or 3) programs already include or specifically target refugees.

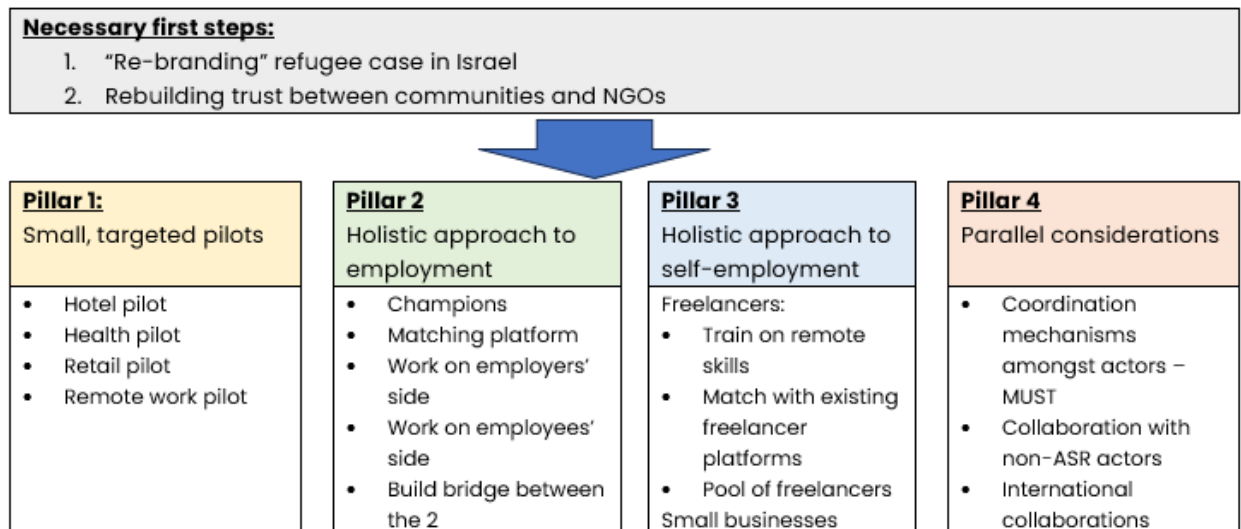
The main issue with vocational training is that the majority of programs do not have information about refugees, and some misconceptions prevail, even among people working with disadvantaged groups. Likewise, the refugee community has limited information about existing available services, despite the vast array of opportunities. This creates a missed opportunity limiting refugees' access to open programs. It is recommended to 1) reinforce relationships between actors working with refugees and existing vocational programs; 2) raise awareness about refugee situations with such vocational programs, and 3) make the information about available programs easily accessible to refugees (through, for example, a one stop shop platform discussed in holistic recommendations).

PART IV: HOLISTIC RECOMMENDATIONS

This part offers systemic recommendations to holistically tackle the barriers and root causes of economic exclusion. These recommendations are to be combined with the sectoral recommendations of Part IV. Each recommendation offers specific and concrete opportunities and entry points identified during the research.

Recommendation 1: Highlighting the various arguments in favor of refugee employment: To provide refugees with dignified income-generating avenues in Israel or remotely and bring aboard various industries, a number of arguments and objectives can be presented. [Annex L](#) analyzes the different arguments for each audience. It can be used to adjust “economic inclusion” narratives depending on target audiences.

Recommendation 2: Building a holistic system tackling the root causes of economic exclusion: Ad hoc economic inclusion interventions tend to not holistically address the root causes of barriers to economic inclusion and ultimately have limited impact. Simple matches between labor needs and refugee job seekers are far from being optimal and have proved to have limited impact.⁵³⁹ Although small targeted programs are needed to 1) show “quick wins”; 2) create visibility; 3) bring people onboard relatively rapidly; and 4) help small groups of people, they are not enough to address structural vulnerabilities and the many systemic and inner barriers refugees face in Israel. The problems are too complex and interconnected to be addressed linearly or in silos. As such, it is recommended to design a holistic program as visualized in the figure below.



Holistic approach to tackling economic inclusion of asylum-seekers in Israel.

Recommendation 3: “Rebranding” the refugee case in Israel - A mandatory first step: One of the key barriers to economic (and social) inclusion and dignified work for refugees is the persistence of strong stereotypes and prejudices against the refugees. The research finds that these stereotypes are present across all ranges of society, including the private sector and even organizations working with other minorities in Israel. Most industries or companies interviewed and surveyed believed, for example, that it is not legal to hire refugees or that refugees do not have the necessary skills or qualifications to work in

other jobs than menial work.⁵⁴⁰ It is therefore crucial and urgent to work on “rebranding” the refugee case in Israel. To do so, the research suggests several directions:

- **Identifying champions, influencers or “ambassadors of the cause” and working on changing the narrative:** The research identified potential partner companies that could help change the refugee narrative from “despair”, “poverty”, “criminality,” “limited in skills”, “burden” to “resilience”, “strength”, “beauty”, “assets”, and “success” This kind of “visibility partnership” could help promote a different image, which in turn, could help with perception barriers. To be even more efficient, this process can be done with the pro bono support of marketing companies (as part of their impact strategies), or in partnership with behavioral science actors who work on tackling societal prejudices. For example, [the NGO “Beyond Conflict”](#) combined peacebuilding expertise with behavioral science to change public perceptions and discourses on issues that prevent social cohesion and lead to conflict. Such collaborations could lead to a paradigm shift that positively affects economic inclusion of refugees in Israel in the medium-term, as it has the capacity to tackle the deep root causes of exclusion.
- **Launching a subtle rebranding campaign:** Specific well-targeted (digital) campaign activities may be carefully implemented, even subtly. While it is true that the current political campaign does not encourage safe public display of activism, subtle messaging can work well.
- Other activities that were successfully tried in the past by ARDC and other actors, and which helped tackle misconceptions in the private sector included **breakfasts with private sector actors and communities**, to help them build rapport and get to know each other without pressure. Two breakfasts were organized in 2019, including one for women.⁵⁴³ It is highly recommended to revive such initiatives, in a consistent and structured way. This argument was also shared by the community and the industries (e.g. retail industry).⁵⁴⁴ One community leader recommends organizing ‘after work’ events bringing together industry representatives and asylum seekers for rounds of discussions, mutual learning and exchange, networking and friendships.⁵⁴⁵
- **Pathway to youth engagement:** The above efforts could be a good opportunity to engage more effectively the youth, together with other young Israeli professionals. Engagement between peers helps build empathy and create future leaders who can further advocate for the refugees.
- **Collaborations between organizations working with refugees:** Such initiatives, to be successful, must be done through tight collaboration between various actors, including NGOs, municipalities (the current political climate creates a positive new momentum for municipalities’ involvement), UNHCR and in equitable partnership with communities. To be accepted by the community and the industries at the same time, it is also important to have a big company leading the process, side by side with the NGO lead.

Recommendation 4: Rebuilding trust and rapport between communities and NGOs - Another

mandatory first step: Another significant challenge to address, that can undermine the development of economic inclusion programs led by NGOs, is the general frustration of the communities and the NGOs towards one another and resulting reluctance of a large part of the community to engage with NGOs. ⁵⁴⁶

The research found a few relevant recommendations to improve the rapport and rebuilt trust:

- **Redefining power dynamics:** The community analysis of this research shed light on some degrees of power imbalances between NGOs and communities. While it is true that community actors have been “engaged”, it is the very nature of this engagement that needs to change. There is a need to move from situations where the community actor engagement is restrained to informing and consulting, to relations that are based on equitable partnerships with regards to decision-making, i.e. from engagement to leadership.⁵⁴⁷ As such, there is a strong need for NGOs to reflect on the notion of power as a very first step towards change.

- **Creating safe spaces of exchange:** It is recommended to organize “light” activities in a safe and neutral space to gather NGOs and community leaders on a regular basis to discuss work, but more importantly, to build connections with one another.
- **Creating collaborations and coordination framework:** See recommendation #7 below.
- **Moving away from survival narrative:** Interviews have also unveiled the importance for NGOs to move away from the “survival narrative”, especially if they want to advance economic inclusion, and put more emphasis on positive opportunities, more geared towards building strong links between the communities and Israeli actors (e.g., industries).
- **Starting point:** The above “rebranding” efforts under recommendation 2 could be a good starting point for a joint project to rebuild that trust and rapport.

Recommendation 5: Embracing a holistic approach to employment: It is highly recommended, in addition to the small and targeted “visibility pilots” identified in Part IV, to design a matching platform or “one-stop-shop” system aimed at holistically matching the needs of potential employers and those of potential employees from the refugee community (see figure below). This is the main recommendation shared across interviewed industry leaders and existing placement platforms.

Such a system would work both with potential employers to address their specific considerations (e.g. addressing structural barriers within a company undermining refugee recruitment; understanding legal and administrative requirements) and with potential employees (e.g. helping them gain skills to address labor needs; helping them find and pursue opportunities; helping with mental support; providing mentoring and comprehensive accompaniment). This could be done either by joining an existing platform and integrating the refugee component in a holistic way (beyond simply integrating refugees in the training audience) or by creating a new refugee-focused system. The advantages of joining an existing initiative include: 1) it can leverage existing resources and existing partnerships with companies and networks; 2) it takes away the exclusive focus on refugees by integrating them into the larger “disadvantaged” group narrative (which can help with stereotypes).

Embracing such a holistic approach is also crucial to tackle work instability. There is a significant gap between what refugees want to do and what industries offer them based on labor shortages. According to an earlier 2016 UNHCR labor assessment, it is recommended to establish a system that will help asylum seekers choose the industries that interest them, rather than seeking to funnel them into existing industries that may only make them more discontent and less stable. Such an approach could help mitigate and minimize employees’ low commitment and low stability.⁵⁵⁴ Instead of guessing what the asylum-seekers should study and where they should work, the platform would offer them a variety of choices and guide them to the right choice for them.⁵⁵⁵

This one-stop-shop approach can also include self-employment opportunities for freelancers, leveraging a pool of consultants as described in Part IV.

Services to prospective employers	Service to prospective employees	Activities to build rapport between both groups
<ul style="list-style-type: none"> • Technical support on internal change to absorb a new group • Cultural training • Diversity training • Review of hiring patterns • Organizational psychologist • Support in understanding administrative and legal requirements • Possible accompaniment 	<ul style="list-style-type: none"> • Access to/matching with training opportunities / enhancement of technical skills (incl. languages) • Training on soft skills (e.g., leadership) • Self-branding (CV, LinkedIn) • Peer-to-peer mentoring • Sectoral mentoring (using the skill-based volunteering model of companies for example⁵⁵⁶) • Mental help support/coaching/accompaniment (geared towards professional development) 	<ul style="list-style-type: none"> • Revive the “breakfast clubs” and make it more consistent and structured (this can be done as an ‘after work’ model too). • Create a safe place for rapport and trust building (“safe networking”). • Create professional groups (WhatsApp, LinkedIn etc.) • Organized joint “fun” activities to break the barriers and stereotypes • Launch joint rebranding activities (see recommendations 2 and 3 above).

Matching system: the “one-stop shop” model.

A few important considerations:

- **Most promising sectors:** The matching system could first start with the most promising sectors, i.e. those identified as most relevant in part IV, and gradually expand to other sectors.
- **Matching with training opportunities:** The system would not only match with employment opportunities, but also with training, learning, and professional development opportunities ([using Annex O](#)) to get people job ready. Vocational training programs are of two types:
 - Existing external initiatives that have accepted to open their programs to refugees (e.g. IT works, Place IL, Jumpin, municipal programs).
 - New or specific programs by NGOs aimed at refugee skills (e.g., existing ARDC programs or the new pilot programs suggested in Part IV).
- **Mentoring and internship opportunities:** Interviews highlighted two good practices in livelihood programming:
 - **Mentoring:** Mentoring should play a crucial role in the holistic employment matching system:
 - **Peer-to-peer mentoring:** Successful refugees provide mentoring to youth, students or graduates.
 - **Sectoral mentoring:** This is provided by volunteers working in companies who can directly help refugees with connections, job applications and other avenues towards employment (or self-employment). Such mentoring could be combined with skill-based volunteering using, for example, [the Simlai Foundation](#) model, which matches employee volunteers from top companies in Israel with NGOs.
 - **Internships:** In the past, ARDC offered internships to refugee graduates or students. According to the head of ASO, this was answering a real need and was an excellent way to help youth build avenues towards employment.⁵⁵⁸
- **Clear instructions to employers:** One very important aspect of this holistic approach is the support to employers. As a start, it is crucial to have a simple, accessible package of instructions,

even a video, or short recorded webinar, aimed at employers, and explaining how to recruit refugees.⁵⁵⁹ This would also be very helpful for training institutions.

- **Viable hybrid business model:** This model can take the form of a social enterprise, integrating a light business model to be financially viable in the long term (e.g., taking a small % in placement). Hence, such a model can attract donors such as the Edmond de Rothschild Foundation, UJA, KIEDF, and other impact-oriented donors.⁵⁶⁰

Recommendation 6: Prioritizing refugee audiences: The refugee community in Israel is far from being homogeneous ethnically and skill-wise. With regards to long-time refugees from Sub-Saharan Africa, four categories stand out:

1. **A small group of skilled individuals** who have received academic learning at BA and MA levels in the Israeli university system; their proficiency in both Hebrew and English is often strong.
2. **A “mainstream” group** in which individuals have not pursued higher education but received some kind of training or professional development support.
3. **A youth group** represented by the new generation of refugees, who were born in Israel or arrived very young; have gone through their primary and secondary education in the Israeli system; and speak very good Hebrew. Many interviews, especially of community leaders, highly recommended focusing on this group, which is described as the “hope”, for economic inclusion. Projects with youth can be done with Bialik Rogozin High School and the African Student Organization and can leverage “Schnat Shirut” (gap year) or “Mechinot” (preparatory schools) which are both open to refugee students.⁵⁶¹ Another option is to work with youth who graduated from [the Haratsif program](#) for more intensive support.⁵⁶²
4. **A very vulnerable group;** often composed of single mothers, people with high levels of mental distress, survivors of Gender-Based Violence, and other individuals facing high levels of vulnerabilities. UNHCR has been focusing on this group in the past, including for livelihood activities. This group may also be referred to existing programs specialized in extremely vulnerable groups in Israeli society, such as [HerAcademy](#).⁵⁶³

When designing economic inclusion programs, it is important to carefully consider the target audiences. It is of course ‘tempting’ to target the first group - who are often holders of A5 or B1 visas. Such programs have the advantage to more likely reach good practices and be success stories and can “reassure” first-time companies or programs. So it is important to start with those, or to make those particularly visible. Such programs can also be particularly relevant for Ukrainian nationals who generally have higher education and experience and speak English.⁵⁶⁵ However, such programs are not representative of the majority of African asylum seekers in Israel, and can create further exclusion or division amongst refugees. Sectoral pathways in the hotel, retail, or healthcare industries have the potential to reach larger and more representative numbers in parallel. The figure below groups sectoral recommendations according to target audience.

Audience	Rationale	Types of programs
Most educated and skilled groups - SSA and UKR	<ul style="list-style-type: none"> To build good practices - and have rapid success stories to showcase To build trust with partners / bring partners on board 	<ul style="list-style-type: none"> Remote learning program QA/digital media/PPC program with existing training platforms Remote opportunities training Social enterprise incubator
Mainstream - SSA and UKR	<ul style="list-style-type: none"> This is for larger program Widespread geographical coverage 	<ul style="list-style-type: none"> Healthcare program Hotel program Small businesses catered to communities?
Youth	<ul style="list-style-type: none"> Many interviews / research data shows that this group should be the priority (e.g. more skills, more opportunities, less mental charge, more integration levels somehow) The “hope” of tomorrow 	<ul style="list-style-type: none"> Leadership and mentorship program QA/digital media/PBC program with existing training platforms Remote opportunities training
Women / single mothers	<ul style="list-style-type: none"> Need flexible work and hours - more in control of their schedule Need child care options 	<ul style="list-style-type: none"> Catering/food preparation Small businesses catered to communities? Possibly hotel programs and health program if solutions for child care
Other most vulnerable groups	<ul style="list-style-type: none"> People with disabilities People with mental health difficulties, trauma 	<ul style="list-style-type: none"> Join existing programs specialized in this type of groups, e.g. HerAcademy model

Overview of types of programs based on target audiences.

Recommendation 7: Reinforcing collaboration amongst actors working with refugees: Many directions proposed in this report demand a high level of coordination among actors working with the refugee community in Israel. However, the ‘refugee ecosystem’ in Israel is under-resourced and overwhelmed, and collaboration amongst organizations remains limited. No formal coordination mechanism exists. This might explain, in parts, why many of the existing fundraising and partnership opportunities have thus far remained untapped. In international displacement settings, agencies coordinate through clusters or sectors’ coordination mechanisms, often led by UNHCR together with a local NGO or the government. Such a system, despite limitations, allows for coordination in activities and roles, complementarity strategies, effective fundraising and funding allocation, shared capacity-building strategies, and knowledge management. A similar, yet adapted system could help address some of the above-mentioned challenges and build a foundation for new partnerships to leverage resources. Such a coordination mechanism should be further discussed with UNHCR. This argument was further displayed by donors, during a workshop on alternative fundraising and partnerships for organizations working with

refugees held in November 2022, according to whom collaboration among organizations working with refugees in Israel is a prerequisite to exploring new partnership and fundraising pathways.⁵⁶⁷

Recommendation 8: Sustaining collaboration with actors not working with refugees: The research shed light on the existence of a plethora of actors not traditionally working with refugees, e.g., other minorities and disadvantaged groups. Partnerships with such actors can pave the way towards new types of programs and new (joint) funding. In Israel, many NGOs have excellent expertise in working with minorities and integrating them in the workforce and society.⁵⁶⁸ Even if the contexts are very different between Israeli minorities and refugees, there are some lessons learned to share and good practices to build on and there might be some programmatic synergies around common interests. These organizations have resources, models, expertise, experience, and programs that can benefit refugee-oriented programs.

The current political climate also offers an interesting new momentum to accelerate partnerships with:

1. **Municipalities:** Several cities have already announced that they will play a greater role in supporting community development, specifically supporting disadvantaged groups and minorities in light of the rise of governmental discriminatory regulations.⁵⁶⁹
2. **Companies:** The current context can provide a good avenue to create linkages with companies that have stakeholders abroad who are worried about the new political situation in Israel and who want to reiterate their commitment to democracy and protection of minorities.⁵⁷⁰ The different types of discriminatory regulations the new government intends to pass will bring further attention to these topics and can attract champions to the cause.

Once again, one way to maximize the momentum is to create a sustained and ongoing collaboration with companies, as opposed to ad hoc contacts when a program is being developed or information is needed. Many companies and industry-focused actors are genuinely interested in integrating refugees into their work - or at a minimum, to learn more. As such, it is absolutely necessary to optimize this will and create a sustained mechanism of collaboration. One suggestion would be to build on existing successful models of “business round tables” led by the [Economic Social Forum](#) and organize, on a quarterly basis, roundtables on the topic bringing executives of top firms together to discuss relevant issues and explore potential synergies.⁵⁷¹ Another option would be to join such existing mechanisms and integrate the refugee topic into the regular process. The [Economic Social Forum](#) shared their interest in exploring such direction⁵⁷² as well as, to a lesser extent, [IATI](#) which has tremendous influence on the high tech industry.⁵⁷³ The engagement of industry Unions (including Histadrut and manufacturers association) is key to this process and should be prioritized. The [Economic Social Forum](#) can organize roundtable discussions with Unions. A business council or committee similar to the one established by Co-impact could also be a good way forward.⁵⁷⁴ According to the head of employment at JDC, the refugee cause could today “garner a lot of enthusiasm around this topic with the right combination of municipality, company and philanthropy.”⁵⁷⁵

Recommendation 9: Accelerating collaboration with international actors: There is a certain disconnection between refugee-related work in Israel and displacement responses globally (due in part to the very different complex nature of the Israeli setting). There is a need to bring the displacement issue of Israel to the international agenda. This is particularly important in order to gain international allies in an extremely politicized and complex domestic context. The current political climate may actually create new additional momentum to attract more international partners. According to interviews with international actors, two avenues interest international actors for potential synergies:

- Programs to accelerate refugee access to remote opportunities, e.g. [Remote](#) or [Flexjobs](#)

- Programs to accelerate social innovation, e.g. [CIVIC](#).⁵²²

Recommendation 10: Decentralizing the assessment findings:

Activity	Audience	Timeframe
Launching a social enterprise incubator under HIAS/ARDC in Israel to “decentralize” findings and to enable assessment content to be leveraged by a group of Israelis and refugees for them to further develop ideas, concepts and initiatives. This could be a project in itself funded by the relevant sources identified in the report.	A targeted group of selected Israelis and refugees (after thorough application process)	Medium term

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ANNEX M: List of potential champions, per category, identified during the research (CONFIDENTIAL – May be shared upon request)

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[ANNEX O: Arguments in favor of refugee employment per audience, strengths, and limitations](#)

ANNEXES P-T: Actors mapping (CONFIDENTIAL – May be shared upon request)

[Link to full report's endnotes](#)