



# The Impact of COVID-19 on Daily-wage Work and the Refugee Households that Rely on it in the Kurdistan Region of Iraq (KR-I)

Iraq

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IMPACT Initiatives is a leading Geneva-based think-and-do tank that shapes humanitarian practices, influences policies and impacts the lives of humanitarian aid beneficiaries through information, partnerships and capacity building programmes. IMPACT's teams are present in over 20 countries across the Middle East, Latin America, Africa, Europe and Asia, and work in contexts ranging from conflict and disasters to regions affected by displacement and migration. The work of IMPACT is carried out through its two initiatives- REACH & AGORA and through the provision of direct support to partners regarding Project Assessments and Appraisals (PANDA).

## Summary

### Context

Iraq, particularly the Kurdistan Region of Iraq (KR-I), has become host to a significant population of refugees after decades of regional and domestic conflict, compounded by the activities of the the group known as Islamic State of Iraq and the Levant (ISIL), the Syrian civil war, and political turbulence in countries like Iran, Turkey, and Yemen, giving rise to a regional refugee crisis.<sup>1</sup> In the absence of proper work contracts, social protection norms, and defined labour regulations for refugees, a high proportion of refugee households operate in the informal sector.<sup>2</sup> Informal workers in Iraq comprise 52% of the total workforce, the majority of whom are daily-wage workers.<sup>3</sup> This segment of the workforce is particularly vulnerable to the economic and labour market shocks as the impact of the pandemic continues to be felt across Iraq.

The COVID-19 pandemic has adversely impacted the Iraqi economy at a time when it was already fragile due to prolonged and protracted instability in the region and a fall in oil prices.<sup>4</sup> For refugee households engaging in daily-wage work, especially, COVID-19 and its related developments such as lockdowns, movement restrictions, and other mitigation measures, have greatly affected livelihood and employment opportunities. Research to assess the impact of COVID-19 on daily-wage work and particularly on refugee households that rely on it is, however, limited. As such, IMPACT Initiatives (IMPACT) conducted a qualitative assessment, funded by the United Nations High Commissioner for Refugees (UNHCR), aimed at better understanding whether, and to what extent, daily-wage work and the socio-economic conditions of refugee households that rely on income from daily-wage work have been impacted since the COVID-19 pandemic started in KR-I in March 2020.

### Assessment

In line with UNHCR's strategic objectives towards durable solutions for conflict-affected populations, especially those in protracted displacement, this study aims to provide insight into how refugee households that rely on income from daily-wage work have been affected by and are adapting to the economic changes, if any, in their situation since the start of the COVID-19 pandemic. Furthermore, it aims to develop an understanding of how the impact of the pandemic varies based on gender, and across the three governorates of KR-I: Al-Sulaymaniyah, Duhok and Erbil. Finally, the key findings from the study aim to inform appropriate responses that can be provided to support the affected households.

IMPACT utilised a semi-structured data collection approach using qualitative research methodologies alongside a secondary data review (SDR) to conduct 73 household-level Key Informant Interviews (KIIs)<sup>5</sup> with 53 male and 20 female respondents from out-of-camp refugee households across KR-I that rely on income through daily-wage work. Data collection, in the form of household-level KIIs, was conducted remotely through IMPACT's Erbil- and Duhok-based call centres between 16 and 23 December 2020. A primary list of contacts for these KIIs was compiled using UNHCR's refugee database and IMPACT networks. A short selection interview, prior to the main KIIs, was conducted by the IMPACT team between 15 and 17 December 2020 to determine the eligibility of participants for the study. All responses were recorded using KoBo toolbox. The data from these KIIs was then analysed using thematic content analysis using IMPACT's Data Saturation and Analysis Grid in Microsoft Excel. Due to the qualitative nature of the research, findings from this assessment are indicative only.<sup>6</sup>

<sup>1</sup> Approximately 242,163 Syrian refugees reside in Iraq, of which the vast majority have been living in the KR-I. Furthermore, around 40,903 non-Syrian refugees are currently registered with the United Nations High Commissioner for Refugees (UNHCR) across Iraq. [UNHCR Iraq: Factsheet January 2021](#). Accessed on 28.01.2021.

<sup>2</sup> According to the International Labour Organisation (ILO), informal employment refers primarily to employment in enterprises that lack registration and social security coverage for their employees. Informal workers include both daily-wage workers and those who are self-employed. [ILO: Defining and measuring informal employment](#). Accessed 22.01.2021.

<sup>3</sup> [Arab Watch on Economic and Social Rights: Informal Employment](#). Accessed on 23.01.2021.

<sup>4</sup> United Nations Development Programme ([UNDP: Impact of COVID-19 on the Iraqi Economy](#)). Accessed on 23.01.2021.

<sup>5</sup> Key informants (KIs) were asked to mostly respond about the situation of their household, along with a few questions on their individual challenges as daily-wage workers. As such, a household-level KII data collection methodology was incorporated to collect information on both household- and individual-levels combined.

<sup>6</sup> Since the questionnaire was designed to collect household- and individual-level data through qualitative KIIs, the data and analysis present indicative findings only.

## Key Findings

This assessment provided several important insights into how refugee daily-wage workers and their households were impacted due to the pandemic and its related developments in KR-I. **Lack of work and low wages were a recurring theme throughout the study.** They were noted and referenced by all KI participants in almost every topic relating to work circumstances surrounding daily-wage work. Participants also noted that **finding livelihood opportunities was easier before the COVID-19 pandemic started and that government-imposed lockdown and movement restrictions had resulted in loss of income.** Moreover, participants noted that there was **an increase in the number of people who seek daily-wage work after March 2020.**

KIs also reported that due to the negative impact of COVID-19 on their ability to work and earn an income, participants' **households were unable to meet their basic needs and often employed coping mechanisms to cover those needs.** Taking debt and reducing expenditures on necessary needs, including healthcare, were the most often cited coping mechanisms, followed by using their savings to pay for household needs.

Overall, participants stressed that working in daily-wage jobs was the only way to provide for their households. **Lack of skills and experience, and insufficient capital to invest in their own businesses were the most commonly cited reasons for which it was challenging for participants to transition from the informal sector to formal work.** It was also highlighted that the **challenges in engaging in any other kind of work other than daily-wage work had increased since the start of the COVID-19 pandemic.**

Finally, a highly noted theme throughout the KIIs was the current economic situation in Iraq being exacerbated by the economic slowdown due to the pandemic and its effects. This was mentioned by participants in almost all topics whether relating to work circumstances, household situation, or reasons to work in and the barriers to transitioning from the informal to formal sector.

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## Abbreviations and Acronyms

<b>AO</b>	Assessment Officer
<b>CoO</b>	Country of Origin
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>FGD</b>	Focus Group Discussion
<b>GOI</b>	Government of Iraq
<b>IDP</b>	Internally Displaced Person
<b>ILO</b>	International Labour Organisation
<b>IOM</b>	International Organisation for Migration
<b>ISIL</b>	Islamic State of Iraq and the Levant
<b>JPMI</b>	Joint Price Monitoring Initiative
<b>KI</b>	Key Informant
<b>KII</b>	Key Informant Interview
<b>KRG</b>	Kurdistan Regional Government
<b>KR-I</b>	Kurdistan Region of Iraq
<b>MPCA</b>	Multi-Purpose Cash Assistance
<b>MoLSA</b>	Ministry of Labour and Social Affairs
<b>MSNA</b>	Multi-Sector Needs Assessment
<b>RDD</b>	Research Design and Data
<b>SDR</b>	Secondary Data Review
<b>SMEB</b>	Survival Minimum Expenditure Basket
<b>SOP</b>	Standard Operating Procedure
<b>UNDP</b>	United Nations Development Programme
<b>UNHCR</b>	United Nations High Commissioner for Refugees
<b>UNICEF</b>	United Nations Children's Fund
<b>WB</b>	World Bank

## Geographic Classifications

<b>Governorate</b>	Highest form of governance below the national level.
<b>District</b>	Second highest administrative boundary. Each governorate is comprised of districts.

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## Introduction

The COVID-19 pandemic has led to an economic downturn across the world due to closure of public spaces and non-essential local businesses, restrictions on social interactions, and the collapse of global supply chains. As a result, many informal workers are locked out of their livelihoods and are at the risk of facing extreme poverty and food insecurity.<sup>7</sup> Two billion workers, representing 61.2% of the world's employed population, are in informal employment.<sup>8,9</sup> When the share of informal employment is disaggregated by sex, men (63%) have higher rates of informal employment than women (58%) around the world.<sup>9</sup>

Global evidence suggests that informal, daily-wage workers typically bear the brunt of income and job losses in low and middle-income countries.<sup>4</sup> According to the Food and Agriculture Organization of the United Nations (FAO), daily-wage workers<sup>10</sup> are among the groups most at risk of losing their jobs and incomes due to the pandemic as many lack secure employment contracts.<sup>11</sup> This segment of the workforce is particularly vulnerable to the economic and labour market shocks as the impact of the pandemic continues to be felt across large informal economies,<sup>12</sup> such as those in Iraq where informal workers comprise of 52% of the total workforce, the majority of whom are daily-wage workers.<sup>13</sup>

Iraq's economic and societal context was already challenging before COVID-19. Years of political, economic and security shocks, and heavy dependence on the oil economy affected structural imbalances in Iraq's economy. Its formal labour force participation rate was one of the lowest in the world in 2019.<sup>14</sup> A fall in global oil prices coupled with pandemic related measures have negatively impacted employment and livelihood opportunities across the country. Decades of regional and domestic conflict, compounded by the activities of the so-called Islamic State of Iraq and the Levant (ISIL) and the Syrian civil war have caused displacement of millions of individuals within Iraq and an influx of refugees from Syria.<sup>15</sup> Unrest in other nearby countries like Iran, Turkey, and Yemen has further compounded the displacement of people and has given rise to a regional refugee crisis.<sup>15</sup> Most of these refugees, who primarily reside in the Kurdistan Region of Iraq (KR-I), have resorted to working informally,<sup>16</sup> putting increasing pressure on an already vulnerable labour market. Many sectors most affected due to the COVID-19 pandemic—such as retail, construction and general services—and its related developments, including lockdowns, movement restrictions, and other mitigation measures<sup>17</sup> make the most use of low-wage and flexible informal labour that provides an income to these vulnerable households. Absence of proper work contracts, social protection norms, and defined labour regulations, have further compounded the disproportionate impacts of COVID-19 on these households.

Research to assess the impact of COVID-19 on daily-wage work and particularly on the refugee households that rely on it is limited. As such, in line with the United Nations High Commissioner for Refugees' (UNHCR) strategic objectives towards durable solutions for conflict-affected populations, especially those in protracted displacement, IMPACT Initiatives (IMPACT) conducted a qualitative assessment, funded by UNHCR, to understand whether, and to what extent, daily-wage work and the socio-economic conditions of refugee households that rely on income from daily-wage work have been impacted since the COVID-19 pandemic started in KR-I in March 2020. Utilizing findings from Key Informant Interviews

<sup>7</sup> [World Bank: Poverty and Shared Prosperity 2020](#), Accessed 22.01.2021.

<sup>8</sup> [International Labour Organisation \(ILO\): Statistics on the Informal Economy](#), Accessed 22.01.2021.

<sup>9</sup> According to ILO, informal employment refers primarily to employment in enterprises that lack registration and social security coverage for their employees. Informal workers include both daily-wage workers and those who are self-employed. [ILO: Defining and measuring informal employment](#). Accessed 22.01.2021.

<sup>10</sup> Daily-wage work can be defined as the engagement of workers on a very short-term or occasional and intermittent basis, often for a specific number of hours or days, in return for a wage set by the terms of the daily work agreements. These work agreements are often informal and casual in nature (non-written, non-verbal) and are mostly outside of the scope of any employment regulations. [ILO: Non-Standard Employment Around The World](#). Accessed 22.01.2021.

<sup>11</sup> [FAO: Impact of COVID-19 on Informal Workers](#). Accessed on 23.01.2021.

<sup>12</sup> [United Nations Development Programme \(UNDP\): Impact of COVID-19 on the Iraqi Economy](#). Accessed on 23.01.2021.

<sup>13</sup> [ILO: The ILO in Iraq](#). Accessed on 23.01.2021.

<sup>14</sup> [ILO: Statistics on the Informal Economy](#), Accessed 23.01.2021.

<sup>15</sup> Approximately 242,163 Syrian refugees reside in Iraq, of which the vast majority have been living in the Kurdistan Region of Iraq (KR-I). Furthermore, around 40,903 non-Syrian refugees are currently registered with the United Nations High Commissioner for Refugees (UNHCR) across Iraq. [UNHCR Iraq: Factsheet January 2021](#). Accessed on 28.01.2021.

<sup>16</sup> Please refer to all secondary data sources listed under the section "Secondary Data review".

<sup>17</sup> At the onset of the pandemic in Iraq, the governments in Federal Iraq and KR-I imposed a lockdown to combat the spread of the virus in March 2020. However, most of the curfew measures were lifted in August and September 2020 in KR-I. [Kurdistan Regional Government: Coronavirus Situation Update](#). Accessed 14.02.2021.

(KIs) with respondents in Al-Sulaymaniyah, Duhok and Erbil, this study aims to provide insight into how these households are adapting to the economic changes in their situation since the start of the pandemic, and what mechanisms are available to them to do so. Finally, the study aims to collect information that can serve to inform appropriate responses that can be provided to support the affected households.

This report begins with an overview of the methodology used to conduct the assessment. It then outlines the key assessment findings, organized into the following sections:

1. Work conditions and difficulties face by daily-wage workers, prior to and after March 2020<sup>18</sup>
2. Socio-economic situation of daily-wage workers and their households, and the perceived impact of COVID-19 on it
3. Reasons for working in the daily-wage sector and barriers to transitioning from the informal to the formal economy
4. Gendered impact of COVID-19 on daily-wage workers

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<sup>18</sup> The governments in Federal Iraq and KR-I imposed lockdown measures, including curfews and restrictions on movement and commercial activities, to combat spread of COVID-19 in March 2020. As such, throughout the study, March 2020 has been used as a threshold for when the COVID-19 pandemic and its related developments started affecting commercial and income-generating activities in Iraq. [Kurdistan Regional Government: Coronavirus Situation Update](#). Accessed 11.03.2021.

## Methodology

This study utilised a semi-structured data collection approach using qualitative research methodologies alongside a secondary data review (SDR) to conduct 73 household-level Key Informant Interviews (KIIs) with male and female respondents from out-of-camp refugee households across KR-I that rely on income through daily-wage work. These Key Informants (KIs) were asked to mostly respond about the situation of their household, along with a few questions on their individual challenges as daily-wage workers.

By 14 November 2020, the total confirmed cases of COVID-19 in Iraq were found to be 533,555, with 11,925 registered fatalities.<sup>19</sup> Out of these, the 3 governorates of KR-I accounted for 17% of total confirmed cases of the virus (90,259) with 2,866 registered fatalities.<sup>20</sup> Owing to the risks associated with COVID-19, it was agreed that the originally planned Focus Group Discussions (FGDs) would be replaced by KIIs. These KIIs were conducted remotely by phone-call utilizing IMPACT's Erbil and Duhok based call-centres.

## Objective

The overall objective of this research is to understand whether, and to what extent, daily-wage work and the refugee households that rely on daily-wage work have been impacted since the COVID-19 pandemic started in the KR-I in March 2020, in order to provide evidence-based information to UNHCR to supplement their response planning. As such, the specific objectives of this assessment are:

- To understand whether, and to what extent, daily-wage work has been impacted since the COVID-19 pandemic started in KR-I (March 2020).
- To explore how the socio-economic conditions of refugee households that rely on income from daily-wage work have been affected since COVID-19 and the related mitigation measures began.
- To provide insight into how these households are adapting to the economic changes, if any, in their situation since the COVID-19 pandemic started, and what mechanisms are available to them to do so.
- To understand gender and governorate-level differences in the impact of COVID-19 on daily-wage workers.

## Research Questions

Based on the objectives outlined above, four more detailed research questions were developed to provide a framework for structuring the study. These questions are:

1. How has daily-wage work been impacted since the start of COVID-19 pandemic?
  - a. What types of challenges are daily-wage workers currently facing in terms of availability of work, wages, and work conditions?
  - b. How do these challenges differ from before the start of the COVID-19 pandemic (March 2020)?
2. What is the perceived impact of COVID-19 on refugee households' socio-economic conditions and emotional wellbeing?
  - a. How do refugee households that rely on daily-wage work perceive their current economic situation? How has COVID-19 affected their household's finances/economic situation? Does it differ from their economic situation before the COVID-19 pandemic started (March 2020)?
  - b. Have basic needs of households and their ability to meet them changed since the COVID-19 pandemic started (March 2020)? If yes, how?
  - c. How have COVID-19 and its related mitigation measures, including the government-implemented lockdown, affected the mental and emotional well-being of households?
3. How are households addressing the economic challenges presented to them since the COVID-19 pandemic and its related developments started (March 2020)?

<sup>19</sup> [Iraq Ministry of Health](#). Accessed on 18.11.2020.

<sup>20</sup> [Kurdistan Regional Government: Situation Update](#). Accessed on 18.11.2020.

- a. Which coping strategies do households use? How has their use of coping strategies changed since the start of COVID-19 and its related developments?
  - b. Do households have any means to improve their livelihood and work opportunities? What kind of barriers exist that prevent households from improving their livelihood and work opportunities (e.g., lack of skills, missing documentation/degrees, social/community-specific barriers, lack of social connections, lack of livelihood opportunities etc.)? Have these barriers changed since the start of the COVID-19 pandemic?
4. To what extent does the impact of COVID-19 and related mitigation measures on daily-wage work vary across different genders and governorates in KR-I?

## Area of Study

Since most of the refugees in Iraq reside in KR-I, the geographical coverage for this study was the three governorates of KR-I: Al-Sulaymaniyah, Duhok, and Erbil.<sup>15</sup> Figures from the end of September 2020 indicated that a majority of these refugee households in KR-I resided outside of camps in urban, semi-urban or rural settings.<sup>21</sup> As such, only out-of-camp refugee households in KR-I that engage and rely on daily-wage work were assessed as part of this study. All refugee households, irrespective of their countries of origin or nationalities, were considered under the population of interest.

## Secondary Data Review

Secondary data analysis and literature review on workers in the informal economy is a substantial component of this assessment, in the absence of existing studies specifically on refugee daily-wage workers. As daily-wage workers are a subset of workers in the broader informal economy, understanding the challenges faced in this context can provide a basis for further exploration of the issues and how they pertain specifically to refugee daily-wage workers.

As such, sources of secondary data included, but were not limited to, the following:

- Data on general household vulnerabilities collected for the [Multi-Sectoral Needs Assessment 2020 \(MSNA 2020\)](#), IMPACT Initiatives, September 2020.
- Reports and studies conducted by non-governmental and international organisations on the impact of COVID-19 on the Iraqi economy and vulnerable populations, specifically the following sources:
  - International Labour Organization (ILO), "[Rapid Assessment of the Impacts of COVID-19 on Vulnerable Populations and Small-Scale Enterprises in Iraq](#)", July 2020.
  - United Nations Development Programme (UNDP), "[Impact of COVID-19 on the Iraqi Economy](#)", October 2020.
  - United Nations Children's Fund (UNICEF) and World Bank, "[Assessment of COVID-19 Impact on Poverty and Vulnerability in Iraq](#)", July 2020.
  - International Organization for Migration (IOM) and UNDP, "[Impact of COVID-19 On Social Cohesion in Iraq](#)", November 2020.
  - Food and Agriculture Organization of the United Nations (FAO), "[Impact of COVID-19 on informal workers](#)", April 2020.
  - ILO, "[COVID-19 crisis and the informal economy: Immediate responses and policy challenges](#)", May 2020.
  - ILO, "[A policy framework for responding to the COVID-19 crisis](#)", May 2020.

## Data collection strategy

Data collection was done through household-level KIIs, between 16 and 23 December 2020. Only individuals in a household who engaged in daily wage work were interviewed. Respondents were primarily asked to provide a description about the situation of their households, as well as questions pertaining to their individual challenges as daily-wage workers.

<sup>21</sup> [UNHCR Iraq: Protection Monitoring of Refugees in Response to COVID-19](#). Accessed on 11.03.2021.

A primary list of contacts for these KIIs was compiled using UNHCR's refugee database and a short selection interview was conducted by the IMPACT team between 15 and 17 December 2020 to determine the eligibility of participants for the study.

The selection of participants for the KIIs was done according to the following criteria:

- The participant was a member of a refugee household and directly engaged in daily-wage work
- Location of residence of the refugee household was outside of camp and in KR-I
- Gender of the participant, according to the sampling plan.

Evidence from preliminary SDR suggested that the impact of COVID-19 on women's economic and productive lives was expected to be different from men's.<sup>22</sup> In order to capture this gendered difference in the impact of COVID-19 on women who engage in daily-wage work, the initial sampling plan included conducting an equal number of male and female KIIs in each governorate, if possible.

However, after conducting the selection calls from the UNHCR-provided call list and attempting to find more contacts for KIIs through IMPACT's field resources, IMPACT was unable to find an equal proportion of male and female daily-wage workers in all three governorates. Following further SDR, it was found that while a large number of women in Iraq engage in the informal economy,<sup>23</sup> only a small number engage in daily-wage work in particular, perhaps owing to social perceptions surrounding daily-wage work.<sup>24</sup> According to modeled ILO estimations, it was further found that women's labour force participation in Iraq is low: only 12% of women of working age in Iraq were either employed or looking for work in 2019.<sup>25</sup> Another study conducted in 2018 found that only four percent of female Syrian refugee respondents in the KR-I were employed or looking for work.<sup>26</sup> Thus, in order to avoid over-representation of a population group and due to time and resource constraints, it was decided against continuing more selection calls to find more female KIIs. IMPACT instead interviewed additional male KIIs to complete the originally planned minimum 24 KIIs in each governorates.<sup>27</sup>

In total, interviews with **53 male and 20 female KIIs were conducted** with the final distribution of male and female KIIs in each governorate as follows:

Table 1: Sampling frame for KIIs

Target Population	Selected Locations	Gender of KIIs	Number of KIIs	Total
KIIs from refugee households that engage in and rely on daily-wage work	Al-Sulaymaniyah	Male	18	24
		Female	6	
	Duhok	Male	16	24
		Female	8	
	Erbil <sup>28</sup>	Male	19	25
		Female	6	
<b>Total</b>				<b>73</b>

Interviews were conducted with KIIs of all nationalities present in the UNHCR-provided call list. In the interviews, the majority of KIIs reported to be refugees from Syria (65/73). Refugee KIIs reporting other countries of origin (CoO) also included Turkey (5), Iran (2), and Sudan (1). The final composition of KIIs based on their respective CoO and gender are specified as follows:

<sup>22</sup> [UNICEF: Assessment of COVID-19 Impact on Poverty and Vulnerability in Iraq](#). Accessed on 24.01.2021.

<sup>23</sup> [UN Women: Three ways to contain COVID-19's impact on informal women workers](#). Accessed on 24.01.2021.

<sup>24</sup> [Congressional Research Service: Women in Iraq](#). Accessed on 24.01.2021.

<sup>25</sup> [World Bank and ILOSTAT database: Labor Force Participation Rate](#). Accessed on 31.01.2021.

<sup>26</sup> [UN Women: Unpacking Gendered Realities in Displacement: The Status of Syrian Refugee Women in Iraq](#). Accessed on 24.01.2021.

<sup>27</sup> One additional interview with one male KI in Erbil from the UNHCR-provided contact list got conducted by an enumerator and it was eventually decided to include the interview instead of deleting it entirely since it contained some interesting perspectives.

<sup>28</sup> Ibid.

Table 2: Number of KIs reporting on their countries of origin, by gender

Countries of Origin	Gender		Total
	Male	Female	
Syria	48	17	65
Turkey	3	2	5
Iran	2	0	2
Sudan	0	1	1
<b>Total</b>	<b>53</b>	<b>20</b>	<b>73</b>

## Analysis

The KIIs were conducted by phone with Arabic- and Kurdish-speaking enumerators based in IMPACT's Erbil and Duhok call-centres, based on a semi-structured questionnaire, with the enumerator taking extensive notes while conducting the calls. These discussions were transcribed and all responses were then recorded through open text boxes in a KoBo tool by the enumerator after each KII finished. IMPACT protected the anonymity of participants involved in this study by removing all personally identifiable information from the data. Interviews were translated periodically throughout the data collection period by a translator. Once the translations were complete, the data was cleaned by an IMPACT Assessment Officer (AO) to resolve ambiguities or provide clarifications. All data collection and analysis activities for the assessment were conducted in adherence with IMPACT's Minimum Standards Checklist for Semi-Structured (Qualitative) Data Processing and Analysis. IMPACT used thematic analysis to analyse the responses of all KIs using IMPACT's Data Saturation and Analysis Grid in Microsoft Excel. All analysis was reviewed and validated by IMPACT's HQ Research Design and Data (RDD) Unit before beginning output production.

## Challenges and Limitations

The following challenges and limitations arose during this assessment:

- Findings for this assessment are indicative and therefore not generalizable to the population of interest.
- Interviews were conducted with refugee KIs of different nationalities based in KR-I and thus, the findings for this assessment are based on the perceptions of KIs of all nationalities who took part in the study (see Table 2). However, the majority of KIs reported being from Syria. As such, the perceptions noted in the assessment could primarily be those of Syrian refugees. The difference in composition of KIs based on their CoO further underscores the indicative nature of this assessment.
- The KIIs replaced the originally planned 24 face-to-face FGDs, detailed in the original Project Partnership Agreement (PPA), which could not be conducted due to public health risks and considerations linked to the spread of COVID-19. All data collection decisions were made in accordance with the relevant government restrictions at the time of data collection, guidance provided by international health organisations, and in line with IMPACT's policies for activities within Iraq and the IMPACT Standard Operating Procedures (SOPs) for Data Collection during COVID-19.<sup>29</sup> The research objectives and methodology for the study were designed with the knowledge that only remotely-conducted KIIs would be feasible in the given circumstances. As such, minimal or no effect on the results of the study are to be expected.
- Enumerators faced some challenges in gathering non-verbal responses as the KIIs were conducted over the phone. As such, it is possible that the final analysis lacks some subtle and specific details. In order to mitigate some of these challenges, a clear and comprehensive training was given to the data collection team before data collection started to ensure that follow-up questions were asked if a KI was not very responsive. It was also ensured that female enumerators interviewed female KIs and male enumerators interviewed male KIs so that KIs could feel more comfortable to speak about certain topics.
- Due to contextual and time constraints, it was not possible to find and interview an equal number of male and female KIs in each governorate as originally planned (Please refer to Table 1: Sampling frame for KIIs for the final

<sup>29</sup> [IMPACT Standard Operating Procedures for Data Collection during COVID-19](#), April 2020.

distribution). The number of women sought for interviews was thus adjusted based on available information. This further contributes to the indicative nature of the findings within this report.

- All the findings presented are based on self-reporting. Due to inherent biases in self-reporting, there may be under- or over-reporting of certain indicators. This could be particularly likely for indicators which are considered sensitive, such as those relating to the reporting of workplace harassment or discrimination.

## Findings

This section of the report details the main findings from the study and is structured in accordance with the research questions outlined in the methodology section above. Specifically, the key findings of the study have been organised around the following categories:

- Work conditions and circumstances surrounding daily-wage work, prior to and after March 2020
- Socio-economic situation of daily-wage workers and their households, and the perceived impact of COVID-19 on it
- Reasons for working in the daily-wage sector and barriers to transitioning from the informal to the formal economy
- Gendered impact of COVID-19 on daily-wage workers

Within each of these sub-sections, relevant differences are highlighted across the assessment stratifications, i.e., governorate-and gender-level differences in responses. Throughout the findings, it must be noted that in some cases KIs may have provided multiple responses and thus, the number of responses provided in the report are for indicative and comparative purposes, and could be more or less than the total number of participants who were asked each question.

### Work conditions and circumstances surrounding daily-wage work

This sub-section outlines assessment findings related to the primary industry in which respondents mostly found employment, respondents' ability to find work, and conditions at their workplace. The section also presents findings on types of difficulties respondents generally encountered at work, work conditions before the COVID-19 pandemic started in March 2020, and difficulties surrounding work that respondents did not use to face prior to when the COVID-19 pandemic started in March 2020.

#### Primary industry of work

Most KIs reported working in the field of construction or in lifting and carrying heavy weights and goods (34). **All KIs who reported working in this sector were males**, almost equally distributed across the three governorates: Al-Sulaymaniyah (12), Erbil (11), and Duhok (11). This corresponds with SDR findings which suggested that female participation in labour-intensive jobs was generally absent and these industries are traditionally male-dominated.<sup>30</sup>

The second most commonly reported industry in which KIs reported working in was manufacturing (11), reported by almost an equal number of male and female KIs (5 and 6 respectively), followed by the service and food industry (7, including KIs working in hotels, restaurants, cafes, etc.). Six female KIs reported working in the field of healthcare, salons or beauty centres. No male KIs reported working in this field. Five KIs reported working in agriculture or farming, all based in either Duhok (3) or Al-Sulaymaniyah (2).

Contrary to general perceptions that daily-wage employment only involves low-skilled jobs,<sup>31</sup> three KIs reported engaging in professional jobs like photography (1), advertising (1), and social work (1) and were paid on a daily-basis.

<sup>30</sup> [Congressional Research Service: Women in Iraq](#). Accessed on 24.01.2021.

<sup>31</sup> [RAND Corporation: An Assessment of the Present and Future Labor Market in the Kurdistan Region – Iraq](#). Accessed 25.01.2021.

Figure 1: Number of KIs reporting on their primary industry of work, by gender

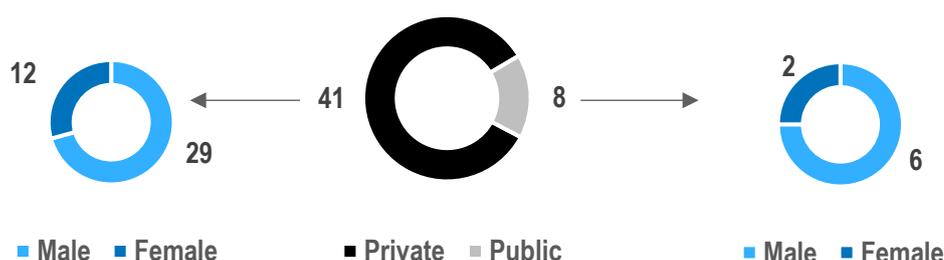
	 Construction, goods and heavy work labourer	 Manufacturing, oil industry	 Service and food industry	 Healthcare, cosmetology	 Agriculture, poultry farming
Male KIs	34	5	4	0	3
Female KIs	0	6	3	6	2
<b>Total</b>	<b>34</b>	<b>11</b>	<b>7</b>	<b>6</b>	<b>5</b>

	 Shopkeeper (non-food), vendors	 Other professional <sup>32</sup>	 Driver, cleaner, etc.	 Education
Male KIs	3	1	2	1
Female KIs	0	2	0	1
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>

Two KIs (1 male and 1 female) reported that they were teachers; where one had been able to continue teaching through online mediums while another reported losing their job after their school was closed due to government-imposed restrictions. All KIs, except one, reported not engaging in multiple income-generating activities or jobs at any given time.

Figure 2: Number of KIs reporting on the work sector they mostly find employment in, by gender



Out of those KIs who mentioned their sector of work during the interview (49), 41 mentioned that their work was mostly in the private sector, while the remaining 8 reported working in the public sector. Two-thirds of the KIs who reported working in the public sector reported residing in Al-Sulaymaniyah.

### Reported number of working days and amount of wage received

Out of those KIs who mentioned the number of days in a month, on average, that they were able to secure work during the interviews (58), 23 reported that they were able to find work for more than 2 weeks but less than 3 weeks, **12 reported**

<sup>32</sup> Includes respondents who reported working the fields of photography (1), advertising (1), and social work (1).

**being able to find work for 3 weeks or more**, 11 reported being able to find work for more than a week but less than 2 weeks, and 10 KIs reported that they were able to find work for a week or less. Two KIs also reported that there were no specific number of days when they could find employment and the number depended on the situation. The responses on number of working days varied within different types of work, gender of respondents, and governorate.

Eight KIs reported that they were currently unemployed and looking for work. Of these, **6 reported losing their primary jobs after March 2020 where they were either removed from the job because the workplace shut down (4) or they left because of non-payment of salaries (2)**. Two other KIs reported that they were unable to find employment because of an increase in competition for daily-wage work and less job opportunities being available in general.

*"I'm not working currently because I was working as a teacher in one of the schools that was supported by UNICEF for refugees but after COVID-19 all of these schools closed and as a result I lost my job."*

- Male KI, Al-Sulaymaniyah, Syrian refugee

*"At first I was working with a private company for construction as an electrician but the company left and more than 150 workers are without work. So now I wait if anyone has any electric break or a set that needs to be repaired. There are no specific days for getting work and the wages I get are not limited either."*

- Male KI, Erbil, Syrian refugee

Reportedly, there are allocated places where labourers can gather each day to be selected by employers seeking daily-wage workers. Two KIs who work in construction and in lifting goods and heavy equipment supported this by noting that their strategy to find work was either by being present at certain locations where other workers congregated and waiting for employers who needed workers for that day, or getting notified by friends about the availability of jobs.

*"I used to go on the main street where the other workers stop to get a job from anyone who has jobs and needs workers. So, I stand on my feet there from 5:30 a.m. to 5:00 p.m. I get a job on average for 5 to 10 days per month. Our wages are too low; they are from 10,000 - 15,000 IQD for each work."*

- Male KI, Erbil, Syrian refugee

 Because of the informality of daily-wage work, this sector is often outside the scope of employment regulations. As such, daily-wage workers are not covered by labour laws and regulations or lack effective implementation in many countries. For instance, the Ministry of Labour and Social Affairs (MoLSA) in Iraq has set a minimum monthly wage and maximum working hours per day for unskilled work (currently 350,000 IQD per month and 8 hours per day).<sup>33</sup> In addition, all employers must provide some level of transport, accommodation, and food allowances for each employee. However, considering that most KIs could not find work every day in a month, in addition to some KIs who reported getting paid as little as 5,000 IQDs for each day of work, it was found that on an average the reported monthly income of all KIs<sup>34</sup> was less than the minimum monthly wage set by MoLSA.

 Similarly, SDR findings suggest that workers in informal employment are more likely to hold jobs associated with either very short or excessive hours of work, than workers in formal employment.<sup>35</sup> This was noted in the interviews where some KIs reported working for as little as 4 hours per day, while other KIs complained about excessive work hours reaching up to 12 hours or more. Some female KIs in service industries also complained about late working hours and feeling unsafe while traveling back to their homes late at night.

## Difficulties at work before and after COVID-19

COVID-related developments, including government-imposed movement restrictions and the associated constraints on non-essential businesses, have reduced overall economic activities in KR-I. This has had a particular impact on vulnerable

<sup>33</sup> [Iraq: Labour and Employment Comparative](#). Accessed on 24.01.2021.

<sup>34</sup> Approximately 288,000 IQD; calculated from the data available on number of days of employment and daily wage from responses of 42 KIs who reported values for both.

<sup>35</sup> [ILO: Women and Men in the Informal Economy: A Statistical Picture](#). Accessed on 24.01.2021.

groups, including daily-wage workers, and their living conditions. According to a survey conducted by the World Bank in April 2020, 90% of employers reported that cash-flow reductions were preventing their businesses from returning to normal following an easing of lockdown restrictions; the most common strategy adopted by companies for coping with these pressures was to lay off staff.<sup>36</sup> Construction and manufacturing, and service sectors were reportedly the most affected by these lay-offs.<sup>36</sup> Various studies on economic theories also suggest that there exists a correlation between the supply of labour and the wage rate.<sup>37</sup>

Supporting this, several KIs mentioned that the **number of daily wage workers looking for work in KR-I had increased since March 2020 after many companies decreased their staff or when workplaces were shut down due to financial issues**, and as a result there was high competition for work which in turn lowered wages or led to exploitation by employers. For example, two KIs (one male, one female) mentioned that their employers made them work for longer hours without additional payment and often threatened to replace them with someone willing to work for lesser wages.

One other male KI in particular noted that the **increase in daily wage workers from the host community was because of non-payment of their salaries in their primary jobs, and that people who are willing to work for lower wages were further driving down wages**. This was supported by further SDR findings which revealed that there had been reductions in public sector wages in KR-I, pushing many public sector employees into poverty and forcing them to take temporary and casual labor employment.<sup>38</sup>

Figure 3: Number of KIs reporting their perceptions on the work situation prior to the start of the COVID-19 pandemic in March 2020

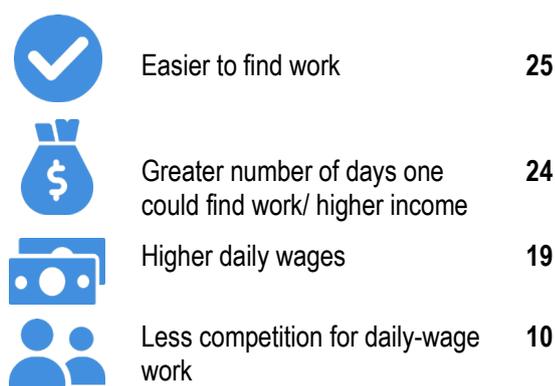
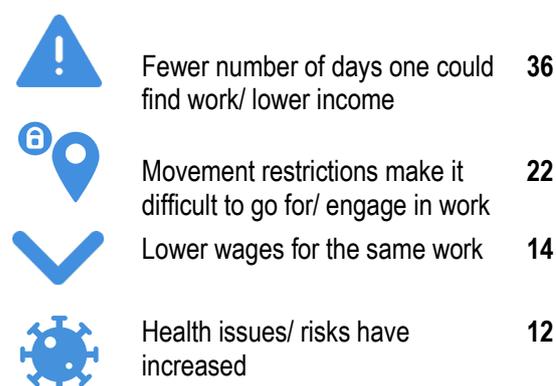


Figure 4: Number of KIs reporting their perceptions on the work situation after the start of the COVID-19 pandemic in March 2020



Most KIs noted that the work situation was better in KR-I prior to the start of the COVID-19 pandemic (60). While some KIs mentioned that there were some difficulties at work prior to March 2020 as well (11/60), more than half of the also noted that the situation had worsened after March 2020 (6/11). On the contrary some KIs said that the work situation prior to March 2020 was the same as that at the time of the interview (13). Almost half of the KIs who said that the work situation was same for them noted that it was due to a lack of job opportunities in Iraq in general due to the poor economic situation of the country (6/13). A few KIs also noted that absence of social connections, deemed important to get jobs, was the main reason why the situation for them was the same before and after the start of the pandemic (3).

Previous research by IOM in Iraq in 2020 shows that there has been a reduction in the number of working days since the COVID-19 pandemic started in almost all work industries: in construction and manufacturing, 65% of participants in the IOM study reported reduced hours or days of employment, 50% in food and agriculture businesses, 90% in the service industry, and 51% in wholesale and retail.<sup>39</sup> Similar findings were observed in the MSNA 2020, where 85% of all out-of-camp refugee

<sup>36</sup> [World Bank: Iraq Economic Monitor](#). Accessed on 24.01.2021.

<sup>37</sup> [Labor Market Equilibrium and Wage Determinants](#). Accessed on 15.02.2021.

<sup>38</sup> [World Bank: Iraq Economic Monitor](#) and [Oxford Analytica: Iraq's salary payment problems will swiftly resurge](#). Accessed on 26.01.2021.

<sup>39</sup> [IOM: Impact of COVID-19 on Small and Medium-Sized Enterprises in Iraq](#). Accessed on 25.01.2021.

households reported that COVID-19 had affected their household's primary livelihood source because there were less daily labour opportunities available since the start of the pandemic.<sup>40</sup> These findings were corroborated by KIs in this study as well where half of the KIs noted that there had been a reduction in the number of days they could find employment since the COVID-19 pandemic started (36/73).

 The early months of the government-imposed lockdown (March and April, 2020) included restriction of non-essential movement of people, goods and services.<sup>41</sup> As a result, agri- and livestock businesses were unable to travel between rural and urban areas, unable to sell their goods in the market and thus, experienced loss of income.<sup>42</sup> This was reflected in the responses of some KIs who reported working in the agriculture industry (3/5) who noted that **due to the lockdown, products from the farms they worked at could not get sold and as a result, they were either not paid any wages (2) by the business owners or experienced a reduction in their wages (1).**

 The retail, hospitality, catering and other consumer-focused services were also reported to be severely affected by the lockdown. This was raised by KIs, working across different industries, who noted that the **sale of, and demand for products and services decreased after March 2020, leading to a decrease in the number of working days and wages at factories, and the closing of workplaces.**

*“It didn't affect me much but for those who were working in the tourism field such as hotels, restaurants or with foreign groups because they left, their jobs stopped or closed for a period of time. For some of them their working hours increased because the staff with them also reduced.”*

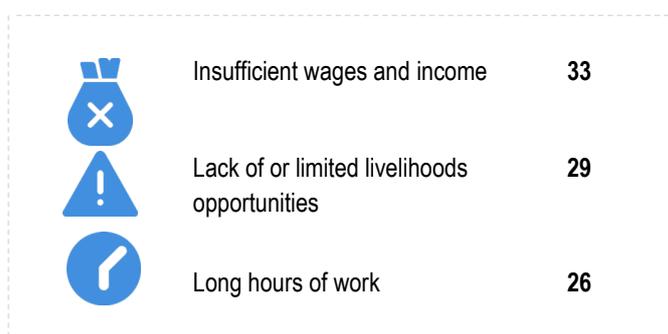
- Male KI, Erbil, Syrian refugee

*“Because of the COVID-19 pandemic and the steps that were taken to protect from it like social distancing and lockdowns, the sales of the products in the factory that I work in decreased, so they decreased our number of days of work, increased our working hours and reduced our wages.”*

- Male KI, Erbil, Syrian refugee

 Estimates also suggest that religious and other tourism activity accounts for about 6% of employment in Iraq.<sup>43</sup> Restrictions on international travel, travel within Iraq, gatherings of large groups, and dining at restaurants negatively impacted industries reliant on income related to these activities. KIs specifically noted that closure of hotels and cafes directly impacted the jobs of people working in the service and tourism industries. One female KI in particular noted that women were highly impacted by the closure of cafes and restaurants as most of them are employed there, and lost their jobs as a result.

Figure 5: Number of KIs by the most commonly reported difficulties at work at the time of interviews



<sup>40</sup> [IMPACT Initiatives: Multi-Sectoral Needs Assessment 2020 \(MSNA 2020\)](#). Accessed on 17.02.2021.

<sup>41</sup> [Mercy Corps: The Economic Impact of COVID-19 On Agriculture and Financial Services](#). Accessed on 16.02.2021.

<sup>42</sup> [World Bank: Iraq - Systematic Country Diagnostic](#). Accessed on 26.01.2021.

<sup>43</sup> Organisation for Economic Co-operation and Development ([OECD](#)): [COVID-19 Crisis Response in MENA Countries](#). Accessed on 26.01.2021.

A majority of male KIs in Erbil reported that the wages they generally receive for their work were insufficient (13/19), while 4 out of 6 women in both Erbil and Al-Sulaymaniyah reported insufficient wages at their current work as well.

*“Before COVID-19, I did the same work for the same working hours, but the wages were higher, around 35000 IQD per day, and working days were more too, around 20 days and more. Now, I work from 7 to 10 days per month and for 10 hours per day and get 25000 IQD for each day.”*

- Male KI, Erbil, Syrian refugee

*“The most important difficulty now is the number of days. Work opportunities are few and not fixed. Sometimes I do not find work at all. The wages are very low compared to before COVID and due to the poor economic situation of the country in general. I do not have a fixed job nor a fixed source of income because I am a wage-worker.”*

- Male KI, Al-Sulaymaniyah, Syrian refugee

**A preference by employers for workers from within the host community and disrespect from employers because of their status as refugees** was also mentioned by KIs as a reason many refugees faced difficulties at work.

*“I don't feel safe at work because the owner of the shop and my boss don't respect me as a refugee.”*

- Male KI, Erbil, Syrian refugee



**Informal workers are often not provided with the proper tools and/or safety equipment since their terms of employment, or lack thereof, are outside any government control in terms of health and safety issues, and industrial standards.**<sup>44</sup> This resonated in some KIs' responses where unsafe work circumstances such as

working with chemicals or high construction sites, were noted which made the respondents fear for their safety. In total, **19 KIs cited experiencing health risks and safety hazards at work. Further, 12 KIs noted that health risks have increased since the COVID-19 pandemic started and that they were afraid to go out for work due to risks related to COVID-19** because several of their co-workers (in construction) and customers (in the service industry) did not seem to follow COVID-19 protection measures such as social distancing, wearing masks, etc.



Absence of legal documents is an impediment to finding secure and formal work.<sup>45</sup> Approximately 68% of all out-of-camp refugee households assessed in the MSNA 2020 reported that they had some missing documentation such as passports, residency cards, or national ID cards,<sup>46</sup> which could make it difficult for workers to find employment outside of the informal sector.<sup>47</sup> The Kurdistan Regional Government (KRG) has a policy allowing registered refugees to work,<sup>48</sup> as long as they have obtained a residency permit from the Residency Department. This residency card is an important document ensuring freedom of movement for the holders within KR-I, as well as easy passage through check-points between cities and governorates. **In the absence of these documents and without resulting freedom of movement, refugee workers can access fewer locations and have fewer job opportunities.** These issues were noted by four KIs who reported that it was difficult for them to find employment outside of the informal sector because of an absence of or expired legal documents. Issues with getting KR-I residency cards renewed due to closure of government offices during the pandemic was also noted by one KI as a reason they faced difficulties in securing work.



Some KIs reported being **unable to afford good equipment for their work**, like sewing machines (2) and photography equipment (1) leading to current difficulties, while other KIs reported facing difficulties due to transportation problems (5) such as expensive transport, safety issues, or fear of catching COVID-19 on public transport. One KI mentioned the **price fluctuations due to changes in the price of USD against IQD in December 2020, which had had an effect on his work and the market in general.**

<sup>44</sup> [Save the Children: Assessment of Youth Labour Market and Skills Analysis](#). Accessed on 25.01.2021.

<sup>45</sup> SDR of UNHCR's Legal Assistance Services Monitoring for IDPs and Refugees in Iraq 2020.

<sup>46</sup> [IMPACT Initiatives: Multi-Sectoral Needs Assessment 2020 \(MSNA 2020\)](#). Accessed on 17.02.2021.

<sup>47</sup> [The Law Library of Congress Global Legal Research Center: Legal Status of Refugees: Egypt, Jordan, Lebanon, and Iraq](#). Accessed on 25.01.2021.

<sup>48</sup> [World Bank: Assessing the Economic and Social Impact of the Syrian Conflict and ISIS](#). Accessed on 25.01.2021.

Eight KIs noted that they were currently unemployed and looking for work.<sup>49</sup> Six KIs reported having had better paying jobs before March 2020 but reported losing their jobs after they could not go to work for a few months due to the government-imposed movement restrictions. Four of these six KIs also reported previously working in salaried jobs ranging from healthcare to education.

Insufficient daily wages, limited livelihood opportunities, unemployment and increased competition for available work caused an overall income loss for KIs after March 2020. Reduction in income levels and generally lower living standards of households, lead them to change their expenditures and spending habits, and may even force some to use or increase use of negative coping strategies.<sup>50</sup> Studies report that the economic downturn due to COVID-19 has severely reduced purchasing power of consumers,<sup>50</sup> making households food insecure and further causing poorer nutrition among vulnerable populations.<sup>51</sup> Reflecting this, KIs were asked to report on their household's socio-economic situation and the perceived impact of COVID-19 on it to assess how daily-wage workers and their households were impacted due to COVID-19 and its related developments.

## Socio-economic situation of daily-wage workers and their households

This sub-section outlines assessment findings related to the socio-economic situation of daily-wage workers and their households vis-à-vis their ability to meet expenses for basic goods and services, the perceived impact of COVID-19 on their household's economic situation, primary needs, and use of coping strategies, if any, to cover those needs.

### Current household economic situation<sup>52</sup>

COVID-19 has impacted the livelihoods of daily-wage workers and as a result has had a negative impact on the economic situation of households who rely on income from daily-wage work. When asked to describe their current economic situation, **the majority of KIs responded that they were unable to cover their basic monthly expenses and needs like food and rent of their households (58) and employed some coping mechanism to cover their basic needs (44).**

*"My economic situation is not good and I struggle to meet all the basic needs of my family. I buy basic needs items on debt from stores and take debts from friends. Family needs for virus prevention supplies like masks etc. has also led to an increase in expenses."*

- Male KI, Erbil, Syrian refugee

*"We sometimes don't have the ability to pay the rent of the house. I sometimes cannot cover the cost of some hygiene products. My family has to regularly take-out debts in order to cover basic expenses."*

- Female KI, Duhok, Syrian refugee



Even though globally there are fewer women than men in informal employment, women in the informal economy are more often found in vulnerable situations than their male counterparts.<sup>53</sup> Conflict affected women can face additional barriers such as legal restrictions, a lack of social support, exacerbated vulnerability, and less well-paid employment opportunities.<sup>54</sup> **Almost all female KIs across the three governorates noted that their current economic situation was poor and that they were unable to cover their household's basic needs** (seven out of eight female KIs in Duhok, five out of six female KIs in Al-Sulaymaniyah, and four out of six female KIs in Erbil). **A female KI from Duhok also mentioned that she was sometimes unable to cover the cost of some hygiene products.** One female KI from Al-Sulaymaniyah who lost her primary non-daily-wage job with a pharmaceutical company after March 2020 noted:

*"I do not have the ability to spend on my monthly expenses, cannot cover health needs, am not able to pay school fees of my children."*

- Female KI, Al-Sulaymaniyah, Sudanese refugee

<sup>49</sup> Of these eight KIs, four reported residing in Duhok, three in Al-Sulaymaniyah and one in Erbil.

<sup>50</sup> [Innovations for Poverty Action: Falling Living Standards and Food Insecurity during the COVID-19 Crisis](#). Accessed on 11.03.2021.

<sup>51</sup> [WFP: Hunger Map 2020](#). Accessed on 14.03.2021.

<sup>52</sup> At the time of data collection in December 2020.

<sup>53</sup> [ILO: Women and Men in the Informal Economy: A Statistical Picture](#). Accessed on 26.01.2021.

<sup>54</sup> [ILO: World Employment and Social Outlook](#). Accessed on 26.01.2021.

## Perceived impact of COVID-19 on the economic situation of households

Data from Iraq Cash Working Group (CWG) and REACH Initiative's Joint Price Monitoring Initiative (JPMI)<sup>55</sup> in 2020 shows an overall increase in prices of several food and non-food items since the start of the pandemic. From January to November 2020, the price of the SMEB (common basket) which included food, non-food items (NFIs) and water increased by roughly 12% according to the JPMI.<sup>56, 57</sup> Increase in prices of necessary commodities could have possible implications on the expenses of all households. Daily-wage workers, especially, due to loss of income after the pandemic started, compounded by increase in prices of necessary items in markets, may have experienced a negative impact on their households' overall economic situation.

To understand this impact, when KIs were asked to describe how the COVID-19 pandemic had affected their household's economic situation, all but one KI responded that their economic situation had become worse since the start of the pandemic (72). A vast majority of KIs noted that they had increased the frequency of employing coping mechanisms since March 2020 to cover their household's needs (67). Specifically, **all female KIs reported an increased use of coping strategies (20/20)**.

*"We were without any income for more than four months because the shop I work in was closed, so we didn't pay the rent of the house and reduced unimportant needs. We got our basic needs items from the markets on debt. One of my daughters had to stop from going to university because we can't meet the costs for her education."*

- Female KI, Erbil, Syrian refugee

**Most KIs mentioned that for several months after the pandemic started in March 2020 their households were without any income or experienced a loss of income (61)**, and solely depended on various coping mechanisms to cover their basic expenses. Loss of income was attributed to government-imposed movement restrictions, unavailability of work opportunities, and an overall decrease in daily-wages. Some KIs reported that their expenses on medical needs and items for protection from COVID-19, such as masks, sanitizers, etc., increased after March 2020 (7), and that these items **have become a part of the basic needs of their households**.

*"After COVID-19 my economic situation became worse as compared to before. I took about 900,000 IQD as a debt from the markets and friends to meet our needs during the lockdown. Now I often do additional jobs when I don't have work at my primary job in the company. I work in carrying and moving heavy furniture of houses and I am afraid it may affect my health."*

- Male KI, Erbil, Syrian refugee

*"My economic situation became worse than before because of my inability to work because of the lockdown. Because there was no source of income, I was forced to increase taking debts. I had to spend on health expenses because my family got infected with COVID-19. We spent more on medicines and to buy protective gear from the virus such as masks and sanitizers."*

- Male KI, Erbil, Syrian refugee

## Primary needs

KIs noted that food (31), healthcare needs (27), and rent (22) were the primary needs of their households, closely followed by debt repayments (21).

<sup>55</sup> [CWG and REACH: Joint Price Monitoring Initiative \(JPMI\) Dashboard](#). Accessed on 17.02.2021.

<sup>56</sup> The Survival Minimum Expenditure Basket (SMEB overall) represents the minimum culturally adjusted group of items required to support an Iraqi household for one month. It has been designed in coordination with the CWG, various clusters, as well as based on review of regular data collection via the JPMI. It serves as the basis for determining the Multi-Purpose Cash Assistance (MPCA) transfer value. For further details on the SMEB, see [Humanitarian Response Plan 2020: Guidance for MPCA projects](#). Accessed on 17.02.2021.

<sup>57</sup> The SMEB (common basket) reported through JPMI includes the food, NFI and water components only. Some of the other components of the overall SMEB like rent, electricity, communication and transportation are not included in the SMEB (common basket) price calculations under the JPMI methodology. For further details on the SMEB (common basket), see [CWG and REACH: Joint Price Monitoring Initiative \(JPMI\) Dashboard](#).

Figure 6: Top five primary needs of households as reported by KIs at the time of the interview, by the number of KIs who reported each need by governorate

<u>Al-Sulaymaniyah</u>			<u>Duhok</u>			<u>Erbil</u>		
	Food	14		Healthcare	9		Food	9 <sup>58</sup>
	Rent	12		Food	8		Healthcare	9 <sup>58</sup>
	Debt repayment	10		Winterization needs	7 <sup>58</sup>		Winterization needs	7
	Healthcare	9		Work with better income	7 <sup>58</sup>		Debt repayment	6 <sup>58</sup>
	COVID-19 protective items	5		Children's needs	6		Rent	6 <sup>58</sup>

Many KIs mentioned that during the period of lockdown and **after losing their income, their household reduced or avoided spending on healthcare needs which is why currently attending to those needs was most important for them.** Many KIs (17) also reported **needing to find a better job**, with half of all female KIs (10/20) who noted this.

*"I need to repay my debt and get winter need items. I studied and graduated in agriculture engineering so I want to find a job that fits the field of my study."*

*- Male KI, Al-Sulaymaniyah, Syrian refugee*

Winterization needs such as fuel, oil or gas for heating and blankets were also among the primary needs of some KI households (16). Because of an increased use of coping mechanisms employed during the period of lockdown, many KIs mentioned that they were in need for some financial aid to repay debts incurred during that time.

### Reported household use of coping mechanisms

**More than half of all male KIs (28/53) and a majority of female KIs (16/20) noted that they had been using coping mechanisms to cover the basic needs of their households at the time of interview.** All female KIs in Duhok reported employing coping mechanisms to cover their households' needs (8/8), whereas less than half of all male KIs in Duhok reported employing coping mechanisms (7/16). A high number of KIs also reported that they were unable to cover the medical and healthcare needs of their household and often took debt from friends or relatives to cover their basic and medical expenses (34).

Debt is widespread among households in Iraq and most households access debt largely through informal networks (such as family, friends or familiar local business owners).<sup>59</sup> Roughly, four out of five households assessed in the MSNA 2020 reported being in debt at the time of data collection (79%), with the average amount of total debt exceeding 2 million IQD,

<sup>58</sup> An equal number of KIs mentioned these needs, therefore no particular ranking between the two.

<sup>59</sup> [IMPACT Initiatives: Study on Impact of Debt on Internally Displaced Person \(IDP\), Refugee and Host Community Households and Danish Refugee Council \(DRC\) & Cash Consortium for Iraq \(CCI\): Household debt in Iraq: Borrowing in a time of crisis.](#) Assessed on 26.01.2021.

or 1,690 USD.<sup>60</sup> In a study conducted by IMPACT in December 2019 on debt and debt-taking tendencies of vulnerable populations,<sup>59</sup> it was found that no refugee respondents reported borrowing from formal institutions. A majority of refugee participants in that study reported that the refugee households either did not know of institutions providing loans for refugees, or that they needed to provide documentation they did not possess, or had to prove to have a certain amount of savings which they did not have. Further, refugee participants also more frequently reported taking on debt for the purpose of basic household needs such as rent, than internally displaced persons (IDPs) and host community members, and stressed the importance of regular employment to prevent further debt and to repay outstanding amounts.

Some of these findings were reflected in the KI responses for this study as well where, **a majority of KIs mentioned that they took debts to cover their household needs (58)**. Out of these KIs, most noted that they borrowed money from friends or relatives (17/58), while some also noted that they often bought items on credit from shops and markets (3). **Some KIs noted that they never had to take on debts before the COVID-19 pandemic started in March 2020 (7)**. An equal number of KIs noted that their frequency of taking on debt increased after this period (7). While, KIs were not specifically asked why they most often borrowed money from informal networks, drawing from findings from the SDR, it is possible that in the absence of substantial savings, regular employment and fixed income, and lack of documents, refugee daily-wage workers may find more obstacles in taking on debts from formal institutions and find it harder to repay existing debts.

Figure 7: Current use of negative coping strategies employed by households, by the number of KIs who reported each strategy

<u>Type of coping strategy</u>	<u>Al-Sulaymaniyah</u>	<u>Duhok</u>	<u>Erbil</u>
 Borrow/ increase debts <sup>61</sup>	19	18 <sup>62</sup>	21
 Reduce expenses on basic needs items	14 <sup>62</sup>	18 <sup>62</sup>	10
 Spend savings	14 <sup>62</sup>	15	8
 Sell household assets <sup>63</sup>	4	10	4

 **Few KIs remarked that they had never had to use any coping strategies before the COVID-19 pandemic started in March 2020 (3)**. Whereas, some KIs noted that in addition to their usual coping strategies, there were also some strategies that they started employing only after March 2020. These strategies include: selling household assets (3), reducing healthcare expenses (1), spending savings (1), and reducing expenses on basic needs items (1). Some KIs reported delaying payment of their rent or utilities (5), while two KIs moved to a cheaper shelter to reduce their cost of rent.

*“I did not have any income so I had to spend all our savings to meet our basic needs and take debt. There was no other strategy I had used before the Corona pandemic.”*

*- Female KI, Al-Sulaymaniyah, Syrian refugee*

*“We never had to reduce our health expenses before the pandemic.”*

*- Male KI, Duhok, Syrian refugee*

<sup>60</sup> [IMPACT Initiatives: Multi-Sectoral Needs Assessment 2020 \(MSNA 2020\)](#). Accessed on 17.02.2021.

<sup>61</sup> Including buying items on credit from shops.

<sup>62</sup> An equal number of KIs mentioned this need, therefore no particular ranking between the two.

<sup>63</sup> Including furniture, jewelry, etc.



While two KIs reported that they had to stop sending their children to school, one other KI reported that they had to send their children to work.

### Multi-purpose cash assistance

The multi-purpose cash assistance (MPCA) response in Iraq is designed to support vulnerable households to meet their basic needs and contribute to reduced use of negative coping mechanisms.<sup>64</sup> As additional support to cope with the COVID-19 pandemic, UNHCR Iraq provided assistance to eligible refugees households, as well as IDPs and returnees throughout the country, with the aim to reduce the use of negative coping strategies and to cover basic hygiene items and other needs to prevent the spread of COVID-19.<sup>65</sup>

*"I got a cash support of 240,000 IQD which was given to buy tools to protect from COVID-19."*

- Male KI, Al-Sulaymaniyah, Syrian refugee

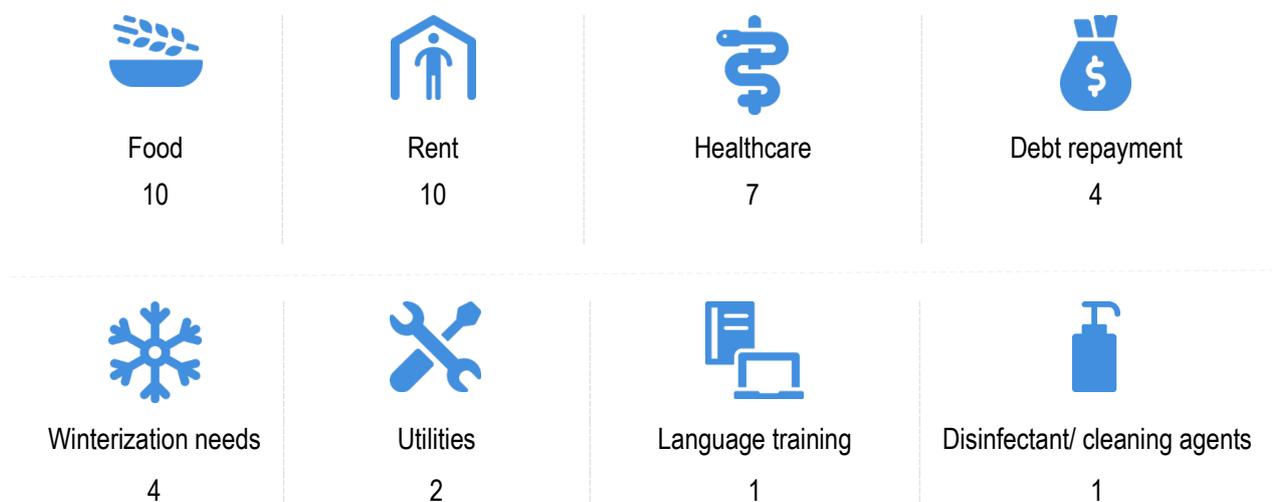
*"In October, I got 2,200,000 IQD and I spent it on the treatment for COVID-19."*

- Male KI, Al-Sulaymaniyah, Syrian refugee

Reflecting this, when KIs were asked whether their households had received any cash assistance in 2020, 23 KIs reported receiving some cash assistance that year, while a majority reported that they had not received any kind of assistance or support (50).<sup>66</sup>

In line with responses of KIs about the primary needs of their households after COVID-19, food (10), rent (10), healthcare (7) and debt repayment were the most reported needs on which KIs spent their cash assistance.<sup>67</sup>

Figure 8: Reported expenditures of received assistance, by the number of KIs reporting spending on each item<sup>67</sup>



KIs noted that the cash assistance helped them cover their basic needs in absence of jobs and lack of income due to COVID-related movement-restrictions (3). One female KI from Al-Sulaymaniyah also mentioned that she spent a part of the cash assistance received on an Arabic training course. The same KI also reported that she faced difficulties in securing better employment due to language barriers. Overall, stories of KIs showed that receiving cash assistance helped them in

<sup>64</sup> [Cash Working Group: Humanitarian Response Plan 2020: Guidance for MPCA Projects](#). Accessed on 07.02.2021.

<sup>65</sup> [UNHCR Iraq, COVID-19 Support to Refugee Families for Procurement of Personal and Household Hygiene Items](#). Accessed on 17.02.2021.

<sup>66</sup> Out of those KIs who mentioned or remembered who they received the assistance from (9/23), 8 KIs said that they had received it from a United Nations (UN) organization. One KI noted receiving assistance through Qandil.

<sup>67</sup> Out of those KIs who reported receiving a cash assistance in 2020 and mentioned what the cash assistance was spent on (21/23).

covering costs essential to their households and even helped in covering some expenses which might be beneficial in the long-term for employment-wise future prospects.

### Changes in psychosocial wellbeing

In the MSNA 2020, 22% of households reported that a household member who required psychological support and treatment in the three months prior to data collection was not able to access these services.<sup>68</sup> Out of these 22% households, 90% reported that the main problem faced was high healthcare costs.<sup>68</sup> Similarly, almost half of all KIs in the daily-wage work survey noted that they were unable to access any healthcare services due to high costs.

More than half of KIs reported that there were no changes in the behavior of the members of their household or their relationships with other people (40), some KIs noted that there was an increase in stress and tension among adults of the family during the period of lockdown<sup>69</sup> due to their economic situation and inability to cover expenses (22). Half of these KIs (11/22) noted that they couldn't go to work and experienced a loss in income during the period of the COVID-related lockdown and as a result experienced increased stress. A few KIs especially mentioned that **they suffered from depression during the period of lockdown because they had lost their income (3)**.

*"Because of the curfew because of COVID-19, I suffered from bad depression because I had to stay at home, I lost my job and could not visit anybody."*

- Male KI, Erbil, Syrian refugee

*"My psychological state was exhausted and I was depressed because of my inability to leave the house and visit friends and relatives."*

- Male KI, Erbil, Turkish refugee

Because of staying at home at all times during the lockdown, a few KIs mentioned that their household experienced an increase in consumption of food and they had had to take on debt to cover their increased expenses. This increase in food consumption coupled with an increase in the price of food items (see "Perceived impact of COVID-19 on the economic situation of households", page 21) in marketplaces could possibly have contributed to an increase in the expenses of households. Taking on debt to cover increased expenses also corroborates the finding that borrowing money to cover basic needs and expenses was the most widely reported coping strategy among all KIs.

Marital discord was mentioned by two KIs, while, some KIs also mentioned that because they were unable to meet their friends and relatives or avoided visiting them due to fear of catching COVID-19, their relationship with them had deteriorated (4). One KI in particular noted that he lived by himself in Iraq and was **unable to see his family, who still resided in his/her country of origin, due to closure of international borders between the two countries as a COVID-mitigation measure, and felt depressed as a result**.

In some cases, KIs also noted that the behavior of the children in the family changed, where they felt lonely or quarreled with each other because they were unable to go to school or meet their friends and relatives (12). **One KI reported that her child was depressed and needed professional help after the lockdown ended to get better**.

The vast majority of KIs noted that their households' economic situation after March 2020 was poor, that they were unable to cover their households' basic needs and that their households employed coping mechanisms to cover their basic needs. Responses from KIs and data from other sources<sup>70</sup> show that wages from informal and daily-wage work are often insufficient to fulfil the basic needs of households. In order to assess why households engage in daily-wage work despite receiving meager income and to understand what barriers existed for refugee households for engaging in formal work, KIs were asked about their reasons to work in the daily-wage sector, challenges in doing any other kind of work, and whether those challenges have changed since the start of COVID-19 pandemic in March 2020.

<sup>68</sup> [IMPACT Initiatives: Multi-Sectoral Needs Assessment 2020 \(MSNA 2020\)](#). Accessed on 17.02.2021.

<sup>69</sup> March to August 2020.

<sup>70</sup> [ILO: Tackling vulnerability in the Informal Economy](#). Accessed on 14.03.2021.

## Reasons to work in the daily-wage sector, and resources and barriers to transitioning to the formal economy

This sub-section outlines assessment findings related to the reasons why members of refugee households engage in daily-wage work, if they were to engage in any other kind of work (outside of daily-wage work) what challenges they perceive they might face, and if those challenges had changed since the start of the COVID-19 pandemic. Further, the section outlines if these households received any MPCA in 2020, and whether receiving the assistance changed or impacted the households' ability to address any of the economic challenges faced by them since the COVID-19 pandemic started.

*"The main reason that I need this job is because I have many responsibilities and have a family and children. I was working in this field before March 2020 as well because I have limited and specific skills that don't allow me to do any another job. In addition, lack of job opportunities in general have pushed me to this job."*

- Male KI, Erbil, Syrian refugee

### Reasons to work as a daily-wage worker

According to the ILO and the 2030 Agenda for Sustainable Development Goals, "the transition from the informal to the formal economy is essential to achieve inclusive development and to realize decent work for all."<sup>71, 72</sup>

*"I work as a daily worker because I didn't finish my studies and I didn't get a university certificate, along with lack of experience in other fields of work and poor language and computer skills."*

- Female KI, Erbil, Syrian refugee

*"One of the most important challenges that I face is my lack of communication skills in languages such as English and Kurdish. For non-daily jobs some certification or degree is always required which I do not have."*

- Male KI, Erbil, Syrian refugee



Sources from the SDR suggested that most people enter the informal economy not by choice but as a consequence of a lack of opportunities in the formal economy, or in the absence of particular skills or any other means of earning a living.<sup>73</sup> This was reflected in the interviews, where equal number of KIs noted that their **main reason for working as a daily-wage worker was a lack of skills and experience in other types of work (28) and that this was the only way to provide for their family (28)**. Half of all female KIs noted that they engage in daily-wage work so that they can provide for their families and fulfil their needs. KIs also mentioned that **there were not enough job opportunities for their specific skills (10), which ranged from craftsmanship, agricultural engineering, teaching, photography, etc., because of which they had resorted to working on a daily-wage basis** or lack of job opportunities in general which has pushed some skilled KIs to do this work. Two male KIs, one in Al-Sulaymaniyah and another in Duhok also noted that because of the remote location of their residence, there weren't any other job opportunities available.



The level of education is another key factor that affects the level of informality. Globally, when the level of education increases, the level of informality decreases.<sup>74</sup> While education does not always guarantee access to formal and more productive employment, it is an important asset. Emphasizing this, **some KIs (12) noted that they did not finish their education in their CoO which was an impediment in getting any other kind of work besides daily-wage work**. Several refugees in KR-I come from countries experiencing war and unrest. As such, it is possible that some of them

<sup>71</sup> [ILO: R204: Transition from the Informal to the Formal Economy Recommendation](#). Accessed on 27.01.2021.

<sup>72</sup> [UN Sustainable Development Goals](#). Accessed on 28.01.2021.

<sup>73</sup> [Save the Children: Assessment of Youth Labour Market and Skills Analysis, Iraq: Labour and Employment Comparative](#). Accessed on 25.01.2021.

<sup>74</sup> [ILO: Women and Men in the Informal Economy: A Statistical Picture](#). Accessed on 28.01.2021.

were displaced while pursuing education.<sup>75</sup> Because of the pressure on capacity, schools for refugees often have a maximum age for attending.<sup>76</sup> This means that those refugees who could not complete their education in their CoO may find it impossible to go back and complete it and unless they can find a vocational training course, their options become limited to jobs in the informal sector.<sup>76</sup>

### Challenges for KIs in transitioning away from daily-wage work

Previous research highlights that employers in Iraq's formal economy often report difficulty in filling jobs due to a lack of technical experience, lack of educational qualifications, and poor numeracy and English language skills among job seekers.<sup>77</sup> Supporting this, 33 KIs noted that the biggest challenge they would face if they wanted to engage in any other kind of work outside of daily-wage work was the lack of language skills and experience. KIs also noted that lack of education qualifications or certifications were necessary for any other work (14).



**Insufficient or lack of capital to invest in their own businesses was mentioned by 22 KIs as a challenge in trying to engage in other work.**

*“Not having the capital to start my business, even if it is a small project, and not having any craft industry in the area that would help me to work in that particular industry and build some skills.”*

- Male KI, Duhok, Syrian refugee

*“I want to do my own business in making furniture for houses because I have become very good at this craft. However, because of my bad economic situation I don't have enough money to start the business.”*

- Male KI, Al-Sulaymaniyah, Syrian refugee



Some KIs also noted that **there was a preference among employers to select members of the host community over refugee applicants** (8). This was brought up by KIs who worked across different sectors ranging from construction, agriculture, the service industry, education and other professional jobs, and by both male and female KIs (6 female and 2 male KIs). Three KIs even noted that most places refuse to employ Syrian refugees. While some KIs noted that these preferences existed before the start of the COVID-19 pandemic as well, they highlighted that the situation had become worse since March 2020 (4/8). Earlier findings suggest that there has been an increase in daily-wage job seekers from the host community, owing to factors including, but not limited to, non-payment of public salaries and closure of formal workplaces.<sup>78</sup> Some studies observe that in situations where there is a scarcity of jobs and high supply for labour, employers often prefer selecting workers from their own communities.<sup>77</sup> As such, an increase in the workers from host communities has further resulted in fewer opportunities for refugee households when being considered for jobs.

*“Most work places prefer to employ people from the host community and refuse employment of Syrian refugees.”*

- Female KI, Erbil, Syrian refugee

*“One of the most important challenges that I face in obtaining a job are the social barriers because we are refugees and lack of job opportunities for us where people prefer to give job to host community.”*

- Female KI, Duhok, Turkish refugee

The SDR for this report indicates that access to jobs is to a great extent based on preferential treatment related to social and family connections.<sup>79</sup> This works in favour of the well connected, but disadvantages vulnerable groups, such as refugees who may lack good understanding of the dynamics of the local employment markets, languages and dialects, and also lack

<sup>75</sup> Out of these 12 KIs, 8 were between ages 18 and 24. All 12 KIs reported being from Syria. Since KIs were not asked how long they had been displaced for, it is not possible to draw a direct conclusion on whether incomplete education was due to displacement itself, and the reasoning provided here is speculative and based on literature review only. Further study into the intersectionality of levels of education of adult daily-wage worker refugees and the reason for its low levels is thereby suggested.

<sup>76</sup> [World Economic Forum: Why Refugee Education is a Problem and Six Solutions](#). Accessed on 18.02.2021.

<sup>77</sup> [RAND Corporation: An Assessment of the Present and Future Labor Market in the Kurdistan Region – Iraq](#). Accessed 28.01.2021.

<sup>78</sup> See section on “Difficulties at work before and after COVID-19”

<sup>79</sup> [World Bank: The Lives and Livelihoods of Syrian Refugees in the Middle East](#). Accessed on 29.01.2021.

connections to facilitate their access to jobs.<sup>79</sup> This was experienced by some KIs who raised the point that **one needs to have social connections to be able to get a job (7: 4 male KIs and 3 female KIs).**

*“The most important challenges are that I don’t have any connection that could help me in getting another job. I also have no capital to start a small business for myself. There is also a preference by employers for Iraqi citizens of the country over Syrian refugees in some cases.”*

- Male KI, Erbil, Syrian refugee

Globally, gender bias is often an obstacle to networking and making social connections. Securing and maintaining professional relationships can be complicated for women, especially if they are in a field that has traditionally been occupied by men or in traditionally male-dominated societies.<sup>80</sup> These constraints are often compounded for female refugees seeking employment in crisis settings.<sup>80</sup> One female KI who reported being a widow and the sole bread-winner of her household noted that the biggest challenge she faced in obtaining a job was social barriers because of her status as a refugee and lack of any social connection she had. This KI also highlighted that refugee households face more challenges in securing employment and services than non-refugee families because of these constraints.

*“One of the main challenges in finding work is that you need to have a person or a connection that can help you to get a job. Sometimes it is also a preference of the owners of the jobs to select members of the host community and not refugees.”*

- Female KI, Duhok, Syrian refugee

*“One of the challenges is that the number of the job seekers is too high and the problem of lack of connections which is the reason that we aren’t sometimes selected even if we apply for some positions. This is the case with almost all refugees here because we don’t have any connections.”*

- Female KI, Al-Sulaymaniyah, Syrian refugee

### Impact of COVID-19 on barriers for KIs to transition away from daily-wage work

Nearly three-fifth of all KIs reported that the challenges in engaging in any other kind of non-daily wage work in general have increased since the start of COVID-19 pandemic (45/73).

Figure 9: Change in challenges after COVID-19 in transitioning to non-daily wage work, by the number of KIs mentioning each type of challenge:

		<u>Al-Sulaymaniyah</u>	<u>Duhok</u>	<u>Erbil</u>
	Increased because spent savings/loss of income, so no capital left	9	7	1
	Increased due to lack of livelihood opportunities	3	1	11
	Increased due to increase in competition for all types of work	1	2	7
	Increased due to difficulties in obtaining/processing of documents	0	4	0

Almost half of all KIs said that the challenges in engaging in any other kind of non-daily-wage work were the same as before the start of the COVID-19 pandemic (35). While one KI mentioned that the challenges were the same as before because

<sup>80</sup> [ILO: Breaking Barriers - Unconscious Gender Bias in the Workplace](#). Accessed on 17.02.2021.

the main reason for a lack of jobs was the bad economic situation of KR-I, few KIs said that the challenges after the start of COVID-19 had increased because of the decline in/collapse of economic conditions throughout Iraq.

Difficulties in obtaining or renewing legal documents like residency permits or UNHCR cards was also cited by 4 KIs, all residing in Duhok, as a challenge that had increased after the start of the COVID-19 pandemic. While all 4 KIs noted that this was because of the closure of offices due to COVID-19, one KI added that they were also unable to pay legal fees and the offices were often too far to safely take public transport due to fear of catching the virus.

## Gendered impact of COVID-19 on daily wage workers

When KIs were asked their perception on whether COVID-19 had affected people of different ages and genders differently, the vast majority of KIs, both male and female, said that the COVID-19 pandemic had affected work of all people irrespective of age and gender (58). Some male KIs also added that low salaries and lack of jobs in general were the main issues affecting livelihoods of all people (3).

Out of those KIs who noted that there were some differences (15), more than half said that the bias was on the basis of age where younger workers could more easily find work and were preferred over older workers by employers (7/15).

Five KIs, all male, said that men were more affected in their field of work due to COVID-19. Three out of five of these KIs, all in construction-related jobs, said that women did not work in their fields so they were not affected. One of these three KIs and one additional KI also said that most women don't work at all because they have to take care of household responsibilities.



These perceptions demonstrate that women are still considered by some to be the primary homemakers and caregivers in Iraq.<sup>81</sup> Similarly, the SDR<sup>82</sup> indicated a continued normative barrier to women's employment, including that some jobs are perceived to be unsuitable for women, and that female workers are expected to be responsible for a major share of household duties.

Only one male KI noted that biases occur on the basis of type of work, as most employers prefer women for work in restaurants and cafes, except for heavy work like construction where men are preferred.

Two female KIs reported that women were more affected by the COVID-19 pandemic. Reasons included: closure of many malls, shops and restaurants due to COVID-related restrictions where most women work and as a result lost their jobs, and **an increase in tasks and duties at home after the COVID-19 crisis**. One female KI also noted that overall, more job opportunities were available for men than women.

*"I can't ride the public buses because I have to stay till very late in the evening and also because of the fear of catching COVID-19. The working hours are too long and the staff is less, so I have to do work of two workers as the owner of the shop does not want to employ more workers. Sometimes I get home late where I have to do my household duties too"*

*- Female KI, Erbil, Syrian refugee*

A study by UN Women reported that female workers in the informal sector typically earn less and hold less secure jobs than their male counterparts.<sup>83</sup> With decline in overall economic activities, women, globally, are particularly vulnerable to layoffs and loss of livelihoods. Responses of KIs in the study highlights the normative barriers faced by women, compounded by other gender biases, most often not even acknowledged in traditionally male-dominated societies or perhaps due to general lack of awareness among the opposite gender.<sup>84</sup> A shock to labour market under such circumstances, thus, creates an additional critical barrier for women engaged in daily-wage work to overcome.

<sup>81</sup> [World bank, UN Women and REACH Initiative: Assessment on Employment and Working Conditions of Conflict-Affected Women Across Key Sectors.](#)

<sup>82</sup> [UN Women: Three Ways to Contain COVID-19's Impact on Informal Women Workers.](#) Accessed on 30.01.2020.

<sup>83</sup> [UN Women: COVID-19 and its economic toll on women - The story behind the numbers.](#) Accessed on 18.02.2021.

<sup>84</sup> [Justifying gender discrimination in the workplace.](#) Accessed on 18.02.2021.

## Conclusion

Previous studies and policy briefs have projected that informal workers will be disproportionately impacted by COVID-19. As such, this assessment provided several important insights into how a specific subset of these informal workers, refugee daily-wage workers, and their households were impacted due to the pandemic and its related developments in the KR-I. **Lack of work and low wages were a recurring theme throughout the study.** It was noted and referenced by all KI participants in almost every topic relating to work circumstances surrounding daily-wage work. Participants also noted that **finding livelihood opportunities was easier before the COVID-19 pandemic started and that government-imposed lockdown and movement restrictions had resulted in loss of income.** Moreover, participants noted that **there was an increase in the number of people who seek daily-wage work after COVID-19.** Many noted that **households from host communities who had lost their primary jobs as a result of the economic slowdown due to COVID-19, were increasingly turning towards informal work, resulting into high competition across all sectors and lower wages than before.**

Participants also reported that due to the negative impact of COVID-19 on their ability to work and earn an income, their **households were unable to cover their basic needs** and often employed coping mechanisms to cover those needs. **Taking debt and reducing expenditures on necessary needs, including healthcare, were the most often cited coping mechanisms, followed by using their savings to cover household needs.** The psychological impact of the pandemic is immeasurable. Participants reported that there was **an increase in stress and anxiety among households during the period of government-imposed lockdown due to their economic situation and inability to cover expenses.** Several participants mentioned that they suffered from depression due to loss of income and seclusion during their period.

Overall, participants stressed that working in daily-wage jobs was the only way to provide for their households. **Lack of skills and experience, and insufficient capital to invest in their own businesses were the most commonly cited reasons for why it was challenging for participants to transition from the informal sector to any formal work.** It was highlighted that **the challenges in engaging in any other kind of work other than non-daily-wage work had increased since the start of the COVID-19 pandemic.**

Finally, a recurring theme throughout the report was the current economic situation in Iraq, exacerbated by the economic slowdown due to the pandemic and its effects, which was mentioned by participants in almost all topics whether relating to work circumstances, household situation or reasons to work in and the barriers to transitioning from the informal sector to the formal sector. These findings are presented at a time when Iraq devalued its currency for the first time in decades and a fall in oil revenues is further shrinking the Iraqi economy. Understanding these trends and conducting further research on their impacts on the households engaged in daily-wage work could continue to provide evidence-based information to UNHCR to support their response planning for the most vulnerable populations in Iraq.

## Annexes

### Annex 1: Household-level KII questionnaire

#### Impact of COVID-19 on daily-wage work and the refugee households that rely on it

December 2020

Key Informant Interview Survey Questionnaire

#### General Information

1. What is the name of the participant?
2. In which governorate does the participant reside?
3. In which district does the participant reside?
4. What is the age of the participant?
5. What is the gender of the participant?
6. What is the country of origin of the participant?

#### Introduction

Hello, I am working for Impact Initiatives, a humanitarian organization, and we would like to ask you some questions on behalf of UNHCR related to daily-wage work. We are conducting a study to understand how daily-wage workers and their households have been impacted since the COVID-19 pandemic started in KR-I in March 2020. The survey will take about 40-45 minutes to complete. You have been asked to participate because your views are important, and we appreciate you taking the time to talk to us. I would like to assure you that the interview will be anonymous. If there are any questions that you do not wish to answer, you do not have to do so; however, we would appreciate if you could please try to answer as much as possible.

Please note that we are not involved in selecting cases for targeting or distribution of any assistance by UNHCR or any other organisation. Thank you for understanding.

Do you agree to be interviewed? If you do not have any questions, may I begin now?

#### Question Route

No.	Question
1	<p>What is the primary industry in which you work?</p> <p><b>[Options]</b></p> <ul style="list-style-type: none"> <li>• Construction</li> <li>• Agriculture, farming, and related activities</li> <li>• Manufacturing</li> <li>• Oil industry, gas, mining, and related activities</li> <li>• Transportation industry</li> <li>• Service industry, hotel, restaurants, café, etc</li> <li>• Housemaid, cleaning services, etc.</li> <li>• Other (please specify)</li> </ul>
2	<p>Could you please describe your work and the circumstances surrounding your work currently?</p> <p><b>[Probes]</b></p>

	<ul style="list-style-type: none"> <li>• Employment status</li> <li>• Number of days in a month able to find work; work hours to receive full wage/daily workload</li> <li>• Wage income (per day?)</li> <li>• Is it in the private, public or government sector?</li> <li>• Number of different activities you engage in</li> </ul>
3	<p>What types of difficulties are you currently encountering at your work?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Difficulty in finding work, long hours, not paid enough, health issues/ challenges, feel unsafe doing the work/safety hazards, treated disrespectfully at work, legal barriers (what kind of barriers)</li> </ul>
4	<p>Please describe your work or the ability to find work prior to when the COVID-19 pandemic started in March 2020.</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Availability of work, issues due to movement restrictions, health concerns about going to work, more competition for same work</li> <li>• Changes in number of days being able to find work (decreased/ increased/ no change)</li> <li>• Change in wages (increased, decreased, no change)</li> </ul>
5	<p>Are there any difficulties relating to your work/ circumstances surrounding your work that you did not use to face prior to when the COVID-19 pandemic started in March 2020? If yes, which?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Loss of job due to shutting down of workplace</li> <li>• Effect of lockdown and movement restrictions (Unable to maintain social distance at work, health risks have increased)</li> <li>• Have to work a greater number of hours to get paid?</li> </ul>
6	<p>How would you describe your household's economic situation? Is your household able to meet their expenses for basic goods and services?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Able to cover monthly expenditures currently? Feel financially capable/ safe?</li> <li>• Able to cover medical/ healthcare needs of household members? Pay for education of children?</li> <li>• Does the household have to take on debt to meet the expenses? Frequency of taking debt?</li> </ul>
7	<p>How has the COVID-19 pandemic affected your household's economic situation?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Lost income source, savings?</li> <li>• Change in spending habits</li> <li>• Take on more debt?</li> <li>• Had to attend any emergency medical expenses related to COVID? Other members have to take up more income generating activities?</li> </ul>
8	<p>What are currently the primary needs of your household? Have these needs changed compared to before the COVID-19 pandemic? If yes, how have they changed?</p>

	<p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Reasons for this change?</li> <li>• Medical expenses? Curbing needs/ expenses because of changed economic situation</li> <li>• Changes in accessibility to basic needs?</li> </ul>
9	<p>How has the COVID-19 pandemic and the mitigation measures, like government-implemented lockdown, movement restrictions, curfews, etc., affected you and your household's stress levels? Have you observed any changes in the behaviour of members in your household?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Adults versus children versus elderly family members</li> <li>• Change in relationship with other households, relatives/ friends</li> <li>• Changes in behaviour of people in the community, locality towards your household</li> </ul>
10	<p>Has your household taken certain measures/ engaged in certain strategies to help meet your household needs? Has the use of these strategies and the frequency of using them changed since the COVID-19 pandemic started?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Using savings, taking debt/ loans, reducing expenses, moving to another place to live, sending children to work, selling household items, save on expenses, etc.</li> <li>• Are there any coping strategies that the household did not use to employ before the start of the pandemic but have begun to use now?</li> </ul>
11	<p>What are the main reasons you currently work as a daily worker? Were you engaged in daily work before March 2020? If not, what prompted you to take this work since then (March 2020)?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• By choice, have specific skillsets/ no skillset required for this work, more jobs available in that particular industry/ easier to find work, pays comparatively better than another industry in the same informal sector, closer to home, lack of permission to work, no legal documentation, etc.</li> <li>• If not engaged in daily work before March, were the reasons to now work in daily work related to COVID (loss of job, medical issues, etc.)</li> </ul>
12	<p>If you were to engage in any other kind of work (outside of daily-wage work), what challenges do you think you may face in doing so?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Type of work, own business/ self-employed</li> <li>• Lack of skills, missing documentation/ degrees, social/ community-specific barriers, lack of social connections, lack of jobs/ livelihood opportunities, lack of capital/ investment, not interested in doing other work, lack of permissions</li> <li>• Do you think these challenges are specific to your household as refugees or would a non-refugee household face the same challenges?</li> </ul>
13	<p>Do you think these challenges have changed since the start of the COVID-19 pandemic? If yes, how?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Increased/ decreased/ same</li> </ul>

	<ul style="list-style-type: none"> <li>• Difficult to apply for documents, no resource to pay for legal fees, more competition at work, government offices closed</li> <li>• No capital, had to spend all savings, sell productive assets during the pandemic (beginning March 2020 to now)</li> </ul>
14	<p>Has your household received multi-purpose cash assistance (MPCA) in 2020? If yes, has receiving MPCA changed or impacted your household's ability to address the economic challenges faced by your household since the COVID-19 pandemic started (March 2020)? If yes, please describe how.</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• When did your household receive the MPCA in 2020?</li> <li>• What did your household spend the MPCA on?</li> <li>• Received any other types of services or assistance; which organization?</li> </ul>
15	<p>Do you think that the COVID-19 pandemic has affected men and women engaged in your field of work differently? Do you think this impact is different on younger/ older workers?</p> <p><b>[Probes]</b></p> <ul style="list-style-type: none"> <li>• Gender biases, household responsibilities</li> <li>• Differences in ease of finding work for men/ women/ younger/ older workers</li> <li>• Availability of work in specific industries based on gender (e.g., men in construction, women in agriculture, manufacturing)</li> <li>• Effect of COVID-19 related mitigation measures in terms of age, health issues and disabilities, etc.</li> </ul>

## Conclusion

We have now come to the end of our interview. Thank you for taking the time to talk to us and for participating in the research. We hope you found it relevant. Your views will be an important contribution to the assessment. As mentioned in the beginning of the interview, all comments will be kept anonymous.

Are there any final questions or comments you would like to make or is there anything else that you might want to share with us that was not covered in our interview?