Policy Brief - Submitted by Tesnim Grira

From Assistance Dependency to Self-Reliance:

The Case for a Pilot Work Authorization Scheme for Refugees and Asylum Seekers in Tunisia

Executive Summary

According to the latest numbers issued by the UN Refugee Agency, as of February 2026, Tunisia hosts approximately 7,812 registered refugees and asylum seekers, with the majority originating from conflict-affected countries like Sudan, Syria, and South Sudan. Beyond displacement, many continue to experience layered vulnerabilities: unstable housing, limited access to healthcare and education, and sustained dependence on humanitarian assistance.

While these challenges are multidimensional, structural economic exclusion remains one of their key drivers. In fact, registered asylum seekers and refugees in Tunisia continue to face significant barriers to formal employment, forcing many into informal labor arrangements with low wages and limited legal protection.

At the same time, the increasingly unstable nature of global funding raises concerns about the sustainability of long-term assistance as a substitute for self-reliance. Without intervention from the government to facilitate better working conditions, economic informality and dependency are likely to persist, generating additional social and governance challenges at a time when the economic situation in the country remains fragile.

Against this backdrop, this policy brief focuses on employment as a strategic entry point to improve the broader socio-economic conditions of these vulnerable communities and reduce their reliance on humanitarian aid. It proposes introducing a pilot work authorization scheme for registered refugees and asylum seekers (those holding valid UNHCR IDs) in selected sectors with the highest labor demands and regions with the highest concentrations (Greater Tunis and Sfax). The objective is not the full integration of refugees and asylum seekers into the labor market but a controlled, temporary mechanism that promotes their self-reliance, reduces their vulnerability, improves state oversight of economic activity, generates modest fiscal contributions, and strengthens Tunisia's migration governance framework while maintaining national control over its migration policy.

Diagnostic Findings

1. The Policy Paradox: Legal Presence with Limited Economic Security

While Tunisia has ratified the 1951 Geneva Convention Relating to the Status of Refugees and continues to collaborate with international partners to deliver humanitarian relief, its domestic legal framework still lacks a comprehensive national asylum law to regulate the socio-economic integration of refugees and asylum seekers as a draft law on asylum was developed roughly a decade ago, but has yet to become law. Although the Tunisian Constitution guarantees, under Article 26, the right to political asylum, the only protection it provides is non-refoulement. In practice, the Article does not effectively translate into access to work or social security. Moreover, Tunisia's labor code does not explicitly prohibit asylum seekers and refugees from working, but restrictive foreign labor regulations and administrative barriers to obtaining residency and work authorization significantly limit effective access to formal employment.

This legislative gap creates a clear paradox: **individuals possess state-recognized documentation proving their legal presence, yet remain excluded from formal and safe labor.** With the absence of an asylum law, Tunisia has delegated its responsibilities to protect refugees and asylum seekers to humanitarian organizations. And as a consequence, these vulnerable people remain stuck, dependent on aid, unable to work, or when they even find work, they face exploitation.

In other words, this legal wall does not stop economic activity; it simply forces it underground, further complicating the already dire living conditions of refugees and asylum seekers. Because the process of putting the right to asylum into practice is complicated, financially costly, and potentially politically controversial, especially at a time when public opinion is generally hostile to perceived attempts at integration, the government has left this policy gap open. In doing so, it has created an environment ripe for deep vulnerability for both the populations in question and for the state itself.

Informal employment, in fact, increases exposure to substandard working conditions, exploitation, and wage instability. But it also reduces state visibility over labor activity and limits the ability of public institutions to design evidence-based policies that can serve both the state and displaced communities.

2. Quantifying the Invisible Economy

In the absence of legal pathways to employment, many refugees and asylum seekers find themselves compelled to rely on informal work to meet their daily needs.

Most informal work occurs in low-wage sectors such as agriculture, construction, domestic and cleaning services, and low-skilled urban labor. These jobs typically fail to attract a sufficient number of Tunisian nationals to meet demand. This is because they rarely offer contracts, and thus, there is no social protection, no legal safeguards, and limited recourse in cases of abuse or wage theft.

Based on the 2026 UNHCR registration data, and using a conservative estimate that between 1,500 and 2,000 registered asylum seekers and refugees participate in economic activities and earn between 500 and 700 Tunisian dinars per month, annual economic activity generated by this population may range between 9 million and 17 million Tunisian dinars. While these figures are illustrative rather than official statistics, they may indicate that a significant volume of economic activity is already taking place outside the formal labor and fiscal systems.

Informality in this context is not marginal; it is the dominant adaptation mechanism for vulnerable people to exclusion from formal labor. The absence of formalization does not eliminate work; it actually displaces it into invisible systems that are harder to regulate and more vulnerable for both workers and the state.

The issue is therefore not the absence of economic participation, but the absence of regulated participation of refugees and asylum seekers.

3. Structural Dependency on an Already Constrained Humanitarian System

When self-reliance is restricted, working-age refugees and asylum seekers are forced to rely on international aid for prolonged periods. This shifts humanitarian funding, which is already under increasing stress of international defunding or rerouting, away from its intended purpose, which is emergency stabilization, and into a permanent, unsustainable welfare cycle.

This, in fact, is self-defeating as it may slowly anchor a culture of dependency that neither the state nor international donors can afford to sustain indefinitely. This can be illustrated by UNHCR's 2025 annual budget requirement for Tunisia, which sat at $17.3 million, but global funding cycles have been consistently falling short, leaving a massive funding gap of almost 60% last year.

Because of this, cash assistance has to be strictly rationed. This led the UNHCR, as of January 2026, to prioritize the allocation of aid to roughly 900 of the most critically vulnerable individuals.

However, humanitarian assistance is not designed as a long-term economic substitute. It should function as a short-term stabilization mechanism, not a labor market instrument. When economic exclusion persists over time, humanitarian systems are pushed beyond their intended function, and dependency can become structurally embedded among refugees and asylum seekers who can work and who can provide for themselves.

4. The Policy Dilemma: Informality Versus Controlled Regulation

The central policy question is not whether asylum seekers and refugees in Tunisia engage in economic activity, because they already do. The question is whether this activity should remain informal or be partially structured through a controlled mechanism that improves governance, human security, and quality of life.

It is worth noting that limited steps have already been taken in this direction. In 2020, UNHCR and the Ministry of Employment launched a joint action plan that exempted passport-holding refugees from the requirement to present a residence permit when applying for work permits, and, following a 2019 Ministry of Social Affairs decision, extended access to the CNSS social security system to refugees in regular employment. However, these measures remain insufficient in practice as they apply exclusively to refugees holding valid passports, excluding a large share of registered asylum seekers.

The proposed pilot scheme therefore builds on existing openings rather than starting from zero, while addressing the structural gaps that have limited prior measures. A controlled work authorization scheme in this context offers a corrective approach. It does not introduce incentives for new migration flows or alter eligibility criteria to access the domestic job market. Instead, it reroutes existing informal economic participation into a regulated framework without being a pulling agent that expands migration pressure.

International Experiences with Controlled Economic Participation

The challenges associated with refugee and asylum seeker economic exclusion are not unique to Tunisia. Several countries hosting displaced populations have introduced controlled mechanisms that facilitate access to livelihoods while maintaining regulatory oversight and national policy control.

Uganda, Jordan, and Kenya provide particularly relevant examples. In Uganda, the Refugees Act (2006) and Refugee Regulations (2010) grant refugees the right to work, establish businesses, access public services, and move freely within the country. While administrative barriers continue to affect implementation in practice, Uganda's experience demonstrates that facilitating refugee economic participation is institutionally feasible at a low cost even in resource-constrained settings.

Jordan has adopted a more targeted approach by combining livelihood support programs with regulated access to employment opportunities in selected sectors. Initiatives financed by the EU, UNHCR, and the International Labour Organization have linked refugees to skills development and employment pathways, contributing to greater self-reliance while allowing humanitarian assistance to be directed to the most vulnerable. This experience illustrates how employment can complement, rather than replace, humanitarian assistance.

Similarly, Kenya has pursued geographically targeted initiatives such as the Kalobeyei Integrated Socioeconomic Development Programme (KISEDP) in Turkana County. Rather than applying a nationwide model that might require large-scale policy transformation, the program focuses on a defined geographic area where refugees and host communities are connected to skills development, local markets, and income-generating activities. The initiative combines economic inclusion with continuous monitoring and evaluation, allowing authorities to assess outcomes and adjust implementation over time.

Although these experiences emerge from different national contexts, they share a common lesson: economic participation is most effective when supported by clear administrative mechanisms that allow states to regulate, monitor, and manage participation within defined parameters. They also demonstrate that legal recognition alone is often insufficient if practical pathways to employment remain inaccessible. Tunisia's proposed pilot work authorization scheme follows a similar logic by establishing a controlled, geographically limited, and sector-specific mechanism that seeks to formalize existing economic activity while strengthening state oversight.

Proposed Policy Alternative

Establish a Pilot Work Authorization Scheme for Registered Asylum Seekers and Refugees

The Government of Tunisia should establish a 12-month pilot work authorization scheme for registered asylum seekers and refugees.

The scheme would be limited to high-density regions, namely Greater Tunis and Sfax, and should initially focus on selected sectors where labor shortages or recruitment difficulties have been reported, including agriculture, seasonal labor, cleaning and maintenance services, and selected construction activities.

Permits would be temporary with a 12-month initial authorization period, renewable, and subject to evaluation.

Pilot Work Authorization Scheme - Monitoring Framework

The Ministry of Employment should establish a monitoring committee composed of representatives from the Ministry of Social Affairs, the Ministry of Finance, UNHCR, IOM, and participating municipalities.

Monitoring should occur at three stages, as outlined below, and evaluation reports should be shared with the relevant state authorities and development partners.

Stage	Timing	Focus Areas	Responsible Authority
Initial Implementation Review	Month 6	• Registration rates and permit uptake • Employer participation levels • Administrative bottlenecks and process gaps • Early compliance and documentation issues	Ministry of Employment (in coordination with UNHCR and IOM)
Mid-Term Evaluation	Month 12	• Employment outcomes and permit renewals • Fiscal contribution levels • Service access indicators (health, education) • Stakeholder satisfaction (employers, participants, municipalities)	Ministry of Employment + Ministry of Social Affairs (Inter-ministerial monitoring committee)
Independent Final Evaluation	Month 18	• Overall economic and fiscal impact • Administrative feasibility assessment • Public perception and social cohesion indicators • Scalability potential and policy recommendations	Independent evaluator, commissioned by the Government in coordination with UNHCR, IOM, and ILO

Following the month 18 evaluation, the Government should then determine whether to expand, modify, or terminate the pilot based on evidence generated during implementation.

The pilot would serve as a controlled institutional test rather than a permanent policy shift.

Expected Benefits of Controlled Formalization

1. Strengthening Self-Reliance and Reducing Aid Dependency

The primary effect of the scheme is to enable the already economically active asylum seekers and refugees to meet their needs through formal and safe employment rather than aid.

Employment enables individuals to generate independent income, support their families, and access services. By creating regulated pathways to work, the proposed scheme would support a gradual transition from assistance dependency toward economic self-reliance while reducing the fragilities associated with informal employment.

By shifting part of the responsibility for daily subsistence from humanitarian agencies to income-generating activities, the pilot would allow humanitarian actors to focus limited resources on individuals facing acute vulnerabilities and who are unable to support themselves independently. This includes women at risk, children, persons with disabilities, and survivors of violence.

2. Improving Access to Healthcare and Education Services

Employment is not an end in itself. Rather, it functions as an enabling mechanism to access other essential social services.

UNHCR reports that refugees and asylum seekers increasingly face difficulties accessing healthcare and other basic services in Tunisia. Even when services are available, transportation and other indirect costs create frequent barriers to access. Regular income would allow households to absorb part of these expenses, which would reduce delays in seeking treatment and improve the continuity of care. Similar effects can also be expected for education, where household income can influence school attendance, transportation, and the provision of supplies.

3. Strengthening Labor Market Governance and State Visibility

The proposed reform would generate benefits not only for asylum seekers and refugees but also for public institutions.

When economic activity occurs outside formal channels, government institutions have limited visibility regarding employment levels, sectors of activity, working conditions, and overall labor market dynamics. This reduces the state's ability to design evidence-based policies and monitor labor practices effectively.

Formal registration mechanisms here would improve state visibility over labor market participation, facilitate effective policymaking, and support more accurate labor market assessments. Improved data collection would also strengthen institutional coordination between employment authorities, social services, and other migration governance actors.

4. Opportunity for Generating Structured Fiscal Contributions

Formal employment under the pilot would allow individuals to participate in simplified contribution systems as it would enable them to be registered with the CNSS, unlocking social security contributions. Rather than applying the standard contribution rate, which may deter employer participation in low-wage sectors, the Ministry of Finance should design a simplified flat-rate mechanism, or could align pilot participants with existing contribution arrangements already applicable to agricultural and seasonal workers. This approach requires no new legislative instrument, only an administrative extension of existing frameworks to permit holders.

The main value is not revenue generation alone but also the transformation of informal activity into traceable and regulated participation within the existing governance structures.

5. **Strengthening Tunisia's Credibility in Migration Governance**

Migration governance still occupies a central place in Tunisia's relations with international partners, particularly the EU.

The international community continues to assess migration governance not solely through border management but also through institutional and political management to ensure rights-based and dignified living conditions based on human security needs, rather than a narrow focus on border security.

A pilot work authorization scheme would demonstrate Tunisia’s capacity to manage migration through balanced, people-centred and pragmatic governance that combines regulation, protection, and economic participation. By moving beyond emergency relief and demonstrating institutional innovation, Tunisia could then strengthen its credibility as a migration governance partner while maintaining sovereign control over national policy.

Key Risks and Mitigation Strategies

1. **Public Concern Around Labor Competition**

Tunisia faces unemployment challenges, particularly among youth. Any policy perceived as expanding employment opportunities for non-citizens risks generating public concerns regarding labor competition.

To mitigate this risk, the pilot should remain limited to sectors experiencing demonstrated labor shortages and should be accompanied by transparent communication campaigns explaining its objectives, scope, and expected impact. Periodic monitoring reports should be published to demonstrate that the program does not negatively affect employment opportunities for Tunisian citizens.

2. **Employer Resistance to Formalization**

Some employers may continue to prefer informal arrangements due to fewer administrative obligations, and lower short-term costs.

Without reducing transaction costs, formalization will not be competitive. For this, the Ministry of Employment should develop simplified contract templates, streamlined registration procedures, and clear guidance for participating employers. Reducing bureaucratic complexity will increase the attractiveness of pilot policy.

3. **Administrative and Institutional Capacity Constraints**

The successful implementation of this scheme requires coordination among several institutions, including the Ministry of Employment, the Ministry of Social Affairs, local authorities, NGOs, and international partners. That's why the proposed scheme should initially be implemented as a geographically limited pilot project, allowing authorities to identify challenges, test procedures, and strengthen institutional coordination before any broader expansion.

4. **Political and Reputational Risk**

The political environment in Tunisia, particularly after the 2023 migration policy shift and the increased securitization of migration governance, constitutes a significant feasibility constraint for any initiative involving refugees and asylum seekers. Migration remains a highly sensitive policy area, and public discourse continues to reflect concerns related to irregular migration, labor pressure, and national security considerations.

To mitigate this risk, the proposed pilot should be framed primarily as a labor market and economic governance reform. Emphasis should be placed on administrative efficiency, fiscal traceability, and labor market monitoring, rather than on inclusion or protection narratives. This positioning is essential to maintaining political feasibility under the current policy context.

Policy Recommendations

- The Ministry of Employment and Vocational Training should establish a 12-month pilot work authorization scheme for registered asylum seekers and refugees by creating a simplified permit mechanism restricted to selected sectors experiencing labor shortages and by developing standardized employment contracts for participating employers.
- The Ministry of Finance should design a simplified fiscal contribution framework that enables participants and employers to contribute to social security through a light and accessible mechanism.

- The Ministry of Social Affairs should create a referral mechanism that links participants in the pilot program to existing healthcare, social assistance, and educational support services in order to facilitate a gradual transition from humanitarian dependence toward economic self-reliance.
- The Ministry of Health should ensure that asylum seekers and refugees participating in the pilot have access to primary healthcare services and preventive care programs, by reducing barriers that currently discourage timely access.
- The Government of Tunisia, in cooperation with UNHCR, IOM, the International Labour Organization (ILO), and development partners, should establish a monitoring and evaluation framework to assess economic, social, and administrative outcomes during the pilot phase and provide a publicly accessible progress reports at each evaluation stage to inform future policy decisions.