



Learning Memo

The potential of online labour platforms: connecting displaced talent with decent jobs

Learning Lab #1

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The job landscape from the perspective of online labour platforms

- ▶ **Re-shaping:** online platforms are transforming the traditional unstructured gig economy into a new model of organizing work that increases flexibility and accessibility to global markets. However, it also poses questions about the quality of work that particularly affect refugees.
- ▶ **Increased demand:** there is a tremendous potential for online job opportunities. As a result of the pandemic and the quick expansion of the online gig economy, enterprises have developed a strong demand for competitive talent to work remotely in fields like language, software engineering, creative arts, design, artificial intelligence, machine learning and more.

Platforms' rationale for including refugees in the talent pool

- ▶ **Location is becoming less important:** businesses are looking to hire skilled workers, regardless of location or migration status. The decision to hire refugees is economically motivated as they are part of a valuable talent pool. Improved internet connectivity and greater access to digital devices among refugees have made this possible.
- ▶ **Skills and motivation:** refugees possess valuable skills and are highly motivated individuals who are willing to invest significant time and effort into learning and/or delivering quality work for clients.

Challenges encountered by online platforms

- ▶ **Regulatory concerns:** complexities arise when it comes to taxation and currency conversion, particularly for cross-border transactions.
- ▶ **Security concerns:** when dealing with citizens of countries sanctioned or restricted by the US Federal Government because of concerns about US national and economic security (e.g., Syria), the costs of security checks may be more than the value of the service provided through platform work.
- ▶ **Financial inclusion:** Payment becomes a significant barrier as many refugee freelancers lack access to electronic bank accounts and other payment methods facilitated by online transactions.

Reasons for refugees to engage in online platforms

- ▶ **Income generation:** earning an income and providing support for themselves and their families is refugees' main motivation.
- ▶ **Flexibility:** refugees also appreciate the possibility of combining flexible working hours with family responsibilities or other types of local jobs, pursuing education, and working from any location.
- ▶ **Access to global markets:** joining the global job market helps refugees to tap into a broader client base and connect to job opportunities that are not always available at the local level, particularly in countries facing high unemployment and informality.
- ▶ **Loopholes:** for refugees, achieving self-reliance hinges on the right to work and to access the labour markets, yet stringent national employment laws often pose obstacles. Online platform work serves as a viable option for accessing professional opportunities, particularly when regulatory loopholes exist for refugees operating as self-employed individuals.

Challenges faced by refugee online freelancers

- ▶ **Connectivity:** ensuring a reliable internet connection, access to devices, and dedicated workstations.
- ▶ **Reputation:** establishing a strong profile and positioning themselves as globally competitive, starting from securing their first job and progressing to multiple jobs.
- ▶ **Upskilling:** acquiring more advanced digital skills and proficiency in navigating online labour platforms effectively.
- ▶ **ID checks:** due to obstacles in obtaining identity verification documents such as fulfilling residence requirements, refugees face difficulties in having a bank account, while online banking systems often impose high fees.
- ▶ **Language:** overcoming language barriers that may hinder effective communication and engagement with clients.
- ▶ **Security and sustainability:** managing the trade-offs of increased flexibility and lower employment security.

Platforms' initiatives to support refugee freelancers and other underrepresented groups

- ▶ [Gebeya](#) has implemented a special programme, separate from the open Gebeya platform, that offers clients a fee discount when they hire refugee workers. This initiative aims to assist refugee freelancers in securing their first job and obtaining positive reviews, as this approach has proven to be more effective in generating sustainable income than traditional training programmes.
- ▶ [Ureed](#) is enhancing the seamlessness of their platform and establishing connections with enterprise clients. They have developed a model that integrates their workflow with that of enterprise clients, enabling the latter to easily post jobs and create additional opportunities. Ureed has also launched a six-month ICT training programme to empower 500 women and integrate them into the IT sector, with funding from the IFC. Read more about the lessons learned [here](#).

Platforms' initiatives to promote decent work

- ▶ Ureed is actively taking measures to create a fair playing field for all online freelancers:
 - Ensuring fair payment based on workers' seniority and skill level;
 - Negotiating prices with enterprise clients on behalf of freelancers;
 - Avoiding extreme outliers in terms of skills to prevent a race to the bottom in wages; Bids that are outliers, too high or too low, are eliminated; and
 - Guaranteeing that freelancers receive payment promptly upon completion of their work.
- ▶ Ureed collaborates with micro-financing companies to provide online freelancers and platform workers with access to micro-financing, allowing them to purchase necessary equipment such as laptops.
- ▶ Ureed partners with a prominent government-owned bank to streamline the process of opening bank accounts for online freelancers and platform workers who have recently arrived in the United Arab Emirates.
- ▶ Workers set their own rates on Gebaya and Ureed based on their skills set and on access to information on average freelancing rates by these platforms.
- ▶ Gebeya evaluates the level of seniority of platform workers and suggests a baseline rate to guide them in setting their own rates. Senior freelancers in Gebeya start from a high baseline rate than junior freelancers with lower or middle level skills.

Necessary actions in moving forward toward decent work

- ▶ **Establishing a financially inclusive system:** Simplifying the documentation requirements for opening bank accounts, making it more accessible for all individuals, whether living in refugee settings or as members of host communities.
- ▶ **ID checks:** Addressing the challenge faced by refugees in providing proper documentation, enabling large enterprises to hire refugee freelancers legally and compliantly. This could involve the implementation of a universal digital ID secured by blockchain technology that can be used across multiple platforms.
- ▶ **Guidelines:** Introducing guidelines for online labour platform operators to make their platforms more accessible to displaced talent.
- ▶ **Supporting refugees by:**
 - Improving access to reliable internet connectivity and power supply.
 - Offering access to most demanded skills, including machine learning programming and graphic design using AI, to enhance their market competitiveness.
 - Placing a bigger emphasis on new ways of upskilling while on-the-job than continue to rely on traditional training methods.
 - Providing mentoring support to help refugees gain insights into freelancing practices in other countries, and thus enabling them to adapt and succeed in a global marketplace.

Key resources

Upwork. 2022. [Upwork's Opportunity Unlimited Initiative](#)

—. 2023 [Upwork Unveils Most In-Demand Skills for Independent Professionals in 2023 | Upwork](#)

Charles, L. Catinean, 2023. [Refugee Livelihoods: Toward Economic Inclusion and Pathways to Employment - Migration Summit](#)

Hackl, 2021. "Towards Decent Work for Young Refugees and Host Communities in the Digital Platform Economy in Africa: Kenya, Uganda, Egypt." https://www.ilo.org/global/topics/youth-employment/publications/WCMS_816539/lang--en/index.htm.

ILO. 2023. [A normative gap analysis on decent work in the platform economy \(ilo.org\)](#).

—. [Migration Summit 2023: gauging challenges and prospects in hiring refugees for freelance work \(ilo.org\)](#)

—. 2022. [Reference document for the Meeting of experts on decent work in the platform economy \(ilo.org\)](#)

—. 2021. [International Youth Day 2021: Digital labour platforms offer young refugees a possible route to decent work \(ilo.org\)](#)

—. 2022. "Meeting of Experts on Decent Work in the Platform Economy." [www.ilo.org](https://www.ilo.org/travail/eventsandmeetings/WCMS_852196/lang--en/index.htm), July 27, 2022. https://www.ilo.org/travail/eventsandmeetings/WCMS_852196/lang--en/index.htm.

—. 2018. [Report: Digital labour platforms and the future of work: Towards decent work in the online world \(ilo.org\)](#)
