

## **A Guide to Private Sponsorship for Refugees**

### ***Introduction***

On April 21, the Biden administration announced a new parole program that will allow individuals and private groups to sponsor the temporary protection of Ukrainians and others displaced by the Russian invasion. The program is part of the administration's commitment to welcome 100,000 Ukrainians fleeing the invasion, and is set to launch via an online portal on April 25. Additional details about the specifics of the program, titled "Uniting for Ukraine" are not yet clear.

The idea of using private sponsorship for welcoming refugees and others fleeing violence is not new. Countries around the world, including Canada and Australia, currently use variations of private sponsorship to supplement their resettlement programs. The U.S. itself employed a private sponsorship program for refugees called the [Private Sector Initiative \(PSI\)](#) from 1987 to 1995. More broadly, private organizations and public-private partnerships have long underpinned our humanitarian immigration system, from the crucial role of private refugee agencies in existing resettlement operations to the long-standing private sponsorship requirement for humanitarian parole applications.

Finding new ways of leveraging private support for refugees has gained significant interest in recent years, particularly as the refugee resettlement system has [struggled to rebuild](#) from COVID-19 and Trump-era budgetary and capacity cuts. In a February 2021 [executive order](#) on rebuilding the U.S. Refugee Admissions Program (USRAP), President Biden included a directive to "innovate, including by effectively employing technology and capitalizing on community and private sponsorship of refugees." Subsequently, the FY 2022 refugee admissions cap announced a [new priority category](#) for refugees that could be resettled via a still-in-the-works private sponsorship program.

After significant enthusiasm from private individuals and corporations after the fall of Kabul to the Taliban in the summer of 2021, the Biden administration launched the Sponsor Circles program. This initiative allowed groups of individuals to help welcome and resettle Afghan parolees to supplement the work of refugee resettlement agencies, who currently are facing limited capacity. The new Ukrainian private sponsorship program is likely to build off this initiative.

This resource will provide an overview of the history of private refugee sponsorship in the U.S. and the Biden administration's attempt to create modern private sponsorship programs to respond to growing numbers of displaced people around the world. It will examine major components of programs in other countries and provide recommendations for how a new U.S. program can operate smoothly and effectively.

### ***History of U.S. Private Refugee Sponsorship Programs***

Since the end of World War II, the U.S. has been a global leader in welcoming those fleeing violence and persecution. Private sponsorship has played an important role throughout that history.

#### **Parole and Private Sponsorship 1945-1980**

Before the passage of the [Refugee Act of 1980](#), which created USRAP and the modern [resettlement system](#), the private sector was the [primary vehicle](#) through which refugees were resettled in the U.S. and welcomed into American society. There were no official refugee programs and no special government benefits provided to assist with refugee integration. Instead, refugees were welcomed under parole and were [primarily assisted by social workers from American charities](#). These social workers helped refugees navigate customs checks once they landed in the U.S., either in Philadelphia, New Orleans, Boston or New York, and facilitated introductions with other private sponsors who would provide housing and employment or help them in the next steps of their journeys.

## **Modern Refugee Resettlement System 1980-Current Day**

The Refugee Act of 1980 created USRAP, defined refugee status, and established the public-private partnerships that remain responsible for the bulk of resettlement in the U.S.

Under this system, the federal government partners with nine domestic [resettlement agencies](#) to help facilitate refugee resettlement and integration and ensure that refugees have the resources necessary to independently start new lives. Under this current framework, the U.S. State Department pays resettlement agencies [\\$2,275 per refugee](#) to assist in basic expenses for the first 90 days. These [include](#) arranging housing, applying for Social Security cards, enrolling children in school, and providing any necessary language or social integration trainings. Additional funding is provided by the Department of Health and Human Services' (HHS) Office of Refugee Resettlement (ORR). In FY 2018, ORR [allocated](#) \$136 million for [refugee support services \(RSS\)](#), such as translation services, childcare, and health services. Any additional resources needed that are not provided with this federal funding are sourced through private individuals and donations. Under this program, the U.S. has [welcomed over 3.1 million refugees](#).

## **Private Sector Initiative 1986-1996**

In 1983, the Reagan administration began to explore the idea of using private sponsorship to resettle refugees without federally-appropriated funds. The Reagan administration first created a limited [pilot program](#) to test the feasibility of private refugee sponsorship for a small group of between 2,000 to 3,000 Vietnamese refugees.

In 1986, following the success of this pilot program, the administration launched the [Private Sector Initiative \(PSI\)](#), which allowed private organizations — not individuals — to sponsor refugee resettlement. The program [allowed 10,000 refugees](#) to be resettled annually in addition to the yearly resettlement cap. To be eligible to sponsor refugees, organizations had to enter into a memorandum of understanding (MOU) with the U.S. State Department that made clear that the [sponsoring organizations were responsible](#) for ensuring refugees under their sponsorship did not access public services like Medicaid or food stamps provisions for the first two years of their residency or until they acquired legal permanent residence (LPR) status, whichever came first. Additionally, the program required that if any PSI refugee received any federal benefit, the sponsoring agency was responsible for repaying the monetary equivalent of the benefit to the federal government. In total, PSI helped to [facilitate the entrance](#) and resettlement of [over 16,000 refugees](#).

PSI was [discontinued in 1996](#), in part due to variable costs associated with public sponsorship and the complicated process of entering into an MOU and becoming a sponsor in the first place. In particular, the requirement that sponsors cover refugee health care costs led to increased uncertainty since sponsors were unable to accurately account for the variability in costs.

## ***Recent Private Sponsorship Initiatives for Parolees***

Following the discontinuation of the PSI in 1996, no major federal program to resettle refugees under private sponsorship has been created to take its place. However, the Biden administration has stated that it is currently creating a new private sponsorship refugee program within the refugee resettlement system, and similar private sponsorship programs have been created to welcome and resettle Afghans and Ukrainians on parole.

Humanitarian parole is separate from refugee status and does not confer similar benefits or a path to permanent status. There are many [different kinds](#) of parole programs, but parole [often requires](#) applicants to secure financial support from a nongovernmental sponsor prior to admission into the U.S.

### **Sponsor Circle Program for Evacuated Afghan Parolees**

In the fall of 2021, the U.S. State Department [announced](#) it had partnered with the [Community Sponsorship Hub \(CSH\)](#), a private organization supporting community initiatives to help resettle refugees, to launch the [Sponsor Circle Program for Afghans](#). Under this initiative, private individuals and community organizations could sponsor recently-arrived Afghan evacuees for their first 90 days in the U.S. Afghan refugees must volunteer to be part of the program to be resettled privately, as refugee resettlement agencies were also assisting with resettlement. The program is very similar to the Canadian “Groups of Five” private sponsorship model (discussed below).

The program contained a number of eligibility requirements to become a sponsor. The groups had to consist of at least five individuals over the age of 18 and who live in the same or nearby communities. Each member of the sponsorship group must pass mandatory background checks and each sponsor circle must then complete a [knowledge check](#) consisting of information regarding the background of the Sponsor Circle Program for Afghans, who these Afghans are, how to organize the sponsor circle, and how to ensure the sponsor circle is competent and successful.

Next, the sponsor circle must compile a [welcome plan](#), which consists of the steps it will take to ensure each refugee it sponsors is properly supported. The sponsors were responsible for providing or assisting with the following services:

1. Housing arrangements
2. Basic necessities such as furniture, clothing, utilities, and food
3. Legal documentation such as Social Security cards and Employment Authorization Documents
4. Federal services<sup>1</sup> such as Supplemental Nutritional Assistance Programs (SNAP)
5. Health and mental health services
6. Legal assistance in filling out asylum applications
7. Training in navigating the public transportation systems
8. Overcoming language barriers thorough interpretation and language acquisition services
9. Public education systems and enrolling children in school
10. Employment placement assistance

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<sup>1</sup> Afghan refugees who elect to be resettled through the Sponsor Circle for Afghans Programs are ineligible to receive Afghan Parole Assistance Program cash and services provided by local resettlement agencies.

Following the completion of the welcome plan, each group was tasked with fundraising at least \$2,275 per refugee. Also, upon verification of the welcome plan and taking-in a refugee family, the sponsor circle is responsible for submitting 30- and 90- day progress reports on the status of the sponsored refugees.

Since October 2021, the Sponsorship Circle Program — along with existing refugee resettlement offices — helped the administration resettle over 70,000 Afghan parolees from military bases into communities across the country. However, data on the number of Afghans resettled via Sponsorship Circles or the broader efficacy of the program has not yet been made available.

### **Uniting for Ukraine Program for Ukrainian Parolees**

On April 21, the Biden administration [announced](#) a new private sponsorship parole program called to expand the available pathways for Ukrainian citizens displaced by the Russian invasion to come to the United States.

To be [eligible](#), Ukrainians must have a financial sponsor in the United States and they must have been residing in Ukraine as of February 11, 2022. They must also complete vaccinations and other public health requirements and pass a series of security screenings. Beginning on April 25, 2022, an online DHS portal will allow U.S.-based individuals and entities to apply to sponsor displaced Ukrainians. Those hoping to sponsor will be required to declare their financial support and pass security background checks.

Unlike Afghan parolees, Ukrainian parolees would not be eligible for most benefits beyond work authorization. As of April 22, it is unclear what security and financial tests would be required of potential sponsors.

### ***Canadian and Australian Private Sponsorship Models***

Globally, private sponsorship programs for refugees are not new. Many countries have established these programs to help resettle higher numbers of refugees and to help reduce governmental costs related to funding refugee resettlement. This section will provide an overview of two well-known systems and how they are operated.

#### **Canadian Private Sponsorship for Refugees Program**

In 1979, in response to a refugee crisis in Vietnam and southeast Asia, the Canadian government created a matching program where for each privately-sponsored refugee, the government would fund the resettlement of an additional refugee. Although the matching program has since ceased, in total Canada has successfully [resettled over 327,000 refugees](#) through its Private Sponsorship of Refugees Program (PSRP). In FY 2022, private sponsorship will be [responsible for almost 40%](#) of the refugees resettled in Canada and over the past ten years the program has accounted for [over 50%](#) of the refugees resettled in the country.

The Canadian program runs on the concept of “[additionality](#),” which means that the number of privately-sponsored refugees is additive to the number funded by the federal government. Private sponsorship does not overlap or infringe upon federal resettlement, but rather boosts the total number of refugees resettled. A [2016 Canadian government report](#) found that refugees resettled through private sponsorship programs had higher employment rates, higher earnings,

and less reliance on social services compared to refugees resettled through government-funded programs.

The Canadian system allows three types of private groups to become refugee sponsors, which are described below. Canada provides very clear and detailed instruction for its three sponsorship groups and how each can apply to sponsor refugees. These groups work directly with the Canadian government and receive pre-refugee arrival support from government agencies, such as the RSTP.

## 1. Groups of Five

The first group is called [Groups of Five \(G5\)](#). In Canada, this group is made up of five or more Canadian citizens or permanent residents<sup>2</sup>. They must be at least 18 years old and all live in the same community where the refugees will be resettled. The sponsors are responsible for financially supporting a refugee and his or her dependents for the first 12 months of residence in Canada or until they are self-sufficient, whichever comes first. Each member of the group who contributes money must submit a [financial profile document](#) confirming they have the financial resources to do so.

The Canadian government provides an estimate of how much money is necessary to privately sponsor refugees based on the number of refugee family members. These figures can be seen in Table 1. Startup costs include furniture, clothes, food, utility connections, and household necessities. Monthly costs include rent, utilities, public transportation passes, food, and allowances for other personal expenses.

The Group of Five must also submit a [Settlement Plan](#), which is similar to the welcome plan required in the Sponsor Circle Program. In this plan, the five primary members must provide biographical information such as residential address and contact information. They must also indicate if they want to sponsor a specific family or individual. If so, there is a section in the plan to include this information. There is also a required section on the integration of the refugees as well as a checklist describing the refugees' needs throughout the sponsorship period. These include applying for federal government programs, acquiring legal documentation, enrolling children in school, providing language acquisition services, and arranging for employment orientations or other related opportunities to secure employment.

Family Size	12 Months of Income Support	Startup Costs	Estimated Total Annual Costs
1	13,200	3,300	16,500
2	19,700	5,100	24,800
3	20,400	6,300	26,700
4	21,200	7,500	28,700
5	23,700	8,600	32,300
6	25,700	9,800	35,500
7 or more (for each additional member)	1,600	1,100	2,700

Source: [Government of Canada](#)

Note: Figures in Canadian dollars

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<sup>2</sup> If more than five Canadians form a Group of Five, only the five primary members are responsible for signing the application forms.

## 2. Community Sponsors

Refugees are also privately resettled in Canada through community sponsors. Although the overall process is very similar to that of the Group of 5, the [main sponsors are organizations](#) who have the financial and settlement capacity to host refugees for at least one year. As with the refugees resettled through the Group of 5 track, refugees resettled through community sponsors must also be legally determined to be a refugee by either the country they are currently residing in, or through UNHCR.

There is no limit to the number of applications a community sponsor can file as long as it can prove that it has the resources necessary to adequately resettle the number of refugees it requests. Additionally, community sponsors can enlist the help of [co-sponsors](#), which are either additional individuals or community organizations that also pledge to assist in the resettlement efforts of sponsored refugees.

Community sponsors may identify a refugee it would like to resettle, known as a “[sponsor-referred refugee](#)” or it can allow Canadian officials to assign an already-vetted refugee.

The Canadian government provides a very extensive [guide](#) to community sponsors outlining the entire sponsorship process and what will be required of them. Community organizations must also submit a [Settlement Plan](#), which is similar to the one required by Groups of 5, but requires additional information regarding the organization’s size, income, and resettlement history.

## 3. Sponsorship Agreement Holders

A final way to privately settle refugees in Canada is through the [Sponsorship Agreement Holder \(SAH\)](#) program. SAHs are incorporated organizations that sign an [agreement](#) with the Canadian government, which oversees their responsibilities. Currently, [over 120 organizations](#) in Canada serve as SAHs. A major difference between the SAH pathway and the community sponsors and Group of 5 pathways, is that SAH-sponsored refugees are not required to have refugee status as issued by UNHCR or the country they are currently residing in.

To be eligible to be a SAH, an organization must be incorporated for at least two years, located in Canada, capable of supporting at least five refugees or refugee families per year, and have the necessary resources to support assigned refugees. If it meets these four prerequisites, it can apply for SAH status. This [process](#) includes completing an application package, which is only available three months each year<sup>3</sup>, and undergoing [specialized SAH training](#) administered by the [Refugee Sponsorship Training Program \(RSTP\)](#). In this training, new SAHs will learn topics such as how to manage sponsorships held by the organization and how to develop oversight plans and monitor progress.

Once the SAH application is approved and the organization has successfully passed the RSTP training, it becomes eligible to sponsor refugees. The Canadian government places an annual cap on the number of refugees SAHs can resettle. In 2021, the [cap was set at 12,500 refugees](#).

SAHs can either sponsor refugees that they identify themselves or they can sponsor refugees who were referred to the Canadian government. The Canadian government has two programs that refer refugees: the [Visa Office-Referred \(VOR\) program](#) and starting in 2013, the [Blended](#)

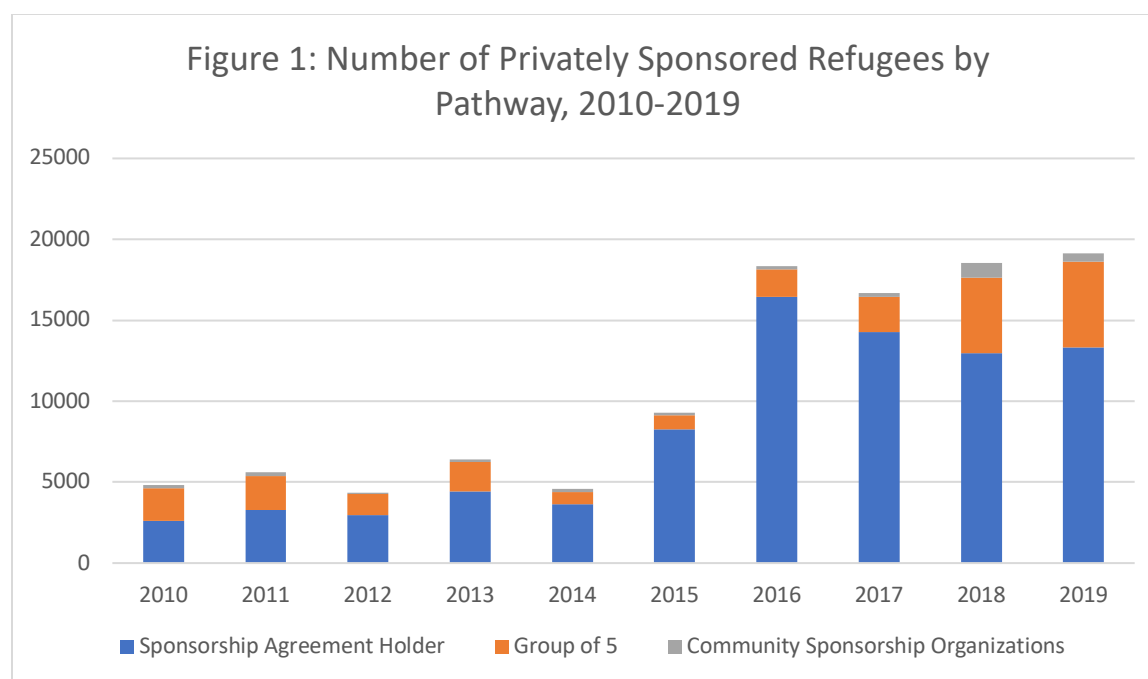
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<sup>3</sup> The application window for 2021 new applicants was between April 30 and July 30



[Visa Office-Referred \(BVOR\) program](#). Both programs are similar in that the refugees are referred by UNHCR for resettlement, but, unlike the VOR program, the BVOR program focuses on highly vulnerable refugees and provides SAHs with six months' worth of government funds to assist in the resettlement of these people.

Overall, between 2010 and 2019, Canada managed to [privately resettle nearly 110,000 refugees](#), with a majority of them being resettled via SAHs, as seen in Figure 1. Due to heightening restrictions introduced in 2012 for Group of 5 and community sponsors, the number of refugees resettled through these channels combined reached a low of 10% in 2016. However, Group of 5 sponsorship has strongly rebounded since, growing in absolute terms while reaching 30% of all privately-resettled refugees in Canada in 2019.



Source: [Migration Policy Institute](#)

## Australia

Australia also operates a private refugee sponsorship program, but it is much smaller than Canada's and has been plagued with many problems. Australia's initial private refugee sponsorship program was called the [Community Refugee Settlement Scheme \(CRSS\)](#). Created [in 1979](#) to assist in the Vietnamese refugee crisis, this program allowed individuals, organizations, community groups, and businesses to pledge to support a refugee for the first six months of their residence in Australia. Running until 1997, the program helped to resettle more than 30,000 refugees.

Following the conclusion of the CRSS, it took the Australian government until 2013 to create another private refugee resettlement program. This new pilot program, named the Community Proposal Pilot (CPP), [allocated 500 slots](#) from Australia's already existing annual refugee resettlement quota to private resettlement. In 2017, the Australian government made the pilot program permanent, establishing the [Community Support Program \(CSP\)](#). In 2017-18, the [CSP allocated 1,000 spaces](#) from the country's already-existing refugee resettlement quota to private refugee resettlement.

To be [eligible](#) for entrance through CSP program, prospective refugees must be between 18-50 years old, have functional English skills, satisfy Australian criteria to receive a [Global Special Humanitarian visa](#),<sup>4</sup> and either have a job offer in Australia or a pathway to quickly become employed. Sponsors work with [one of ten](#) Approved Proposing Organizations (APO) to submit refugee resettlement applications. Sponsors must be able to [provide financial support](#) for the first twelve months a refugee is in Australia and pay the administrative costs of administering the sponsorship process. These charges include travel costs, visa applications, and medical checkups.

CSP [has been criticized](#) as being simply a mechanism to reduce governmental costs, as private sponsorship occurs within the pre-existing resettlement quota. At the same time, many Australians have also criticized the system for being too expensive, with costs borne by private sponsors exceeding [100,000 AUD](#) to sponsor a refugee family of five. [Examples of fees](#) include 275 AUD for an expression of interest in sponsorship, 500 AUD for an initial sponsor screening, and 3,500 AUD for application processing. This does not include visa fees which are paid directly to the Australian government. These can cost sponsors tens of thousands of Australian dollars.

The Australian system has also been criticized for failing to create proper oversight mechanisms. Under the system, the APOs are responsible for most of the preparation and bureaucratic work associated with private refugee sponsorship. All applications and paperwork pass through the APO, not the Australian government. This structure means the Australian government has little involvement in the process other than setting a cap, resulting in limited oversight over outcomes and over sponsors who are failing to properly provide for the resettled.

### ***Recommendations for U.S. Private Sponsorship***

There are several lessons that can be learned from the U.S.'s own history of private sponsorship and the examples provided in the Canadian and Australian context. The following recommendations are drawn from the successes and failures of these programs.

#### **1. Ensure the concept of additionality is implemented and followed**

Private sponsorship should come in addition to — not in place of — federally funded refugee resettlement. The Canadian system follows this concept, but Australia does not. “Additionality” in Canada has allowed for over 300,000 additional refugees to be resettled in the country since 1979 that otherwise would not have been resettled.

The current U.S. resettlement system — which consists of the federal government working with the nine refugee resettlement agencies — remains the most effective way to resettle and integrate refugees. Combining dedicated resources, years of experience, and expertise, the resettlement agencies are best suited for the job and should be at their maximum capacity before private sponsorship is considered. Private sponsorship should supplement, not replace, the existing refugee resettlement system. Efforts to expand private sponsorship should be paired with efforts (and resources) directed at expanding resettlement agencies' domestic capacity.

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<sup>4</sup> To be eligible for this visa, an individual must be subject to substantial discrimination in the home country, be currently living outside of Australia and the country of origin, and have an Australian sponsor.



## **2. Guarantee proper vetting of sponsors and ensure sponsors know what to expect.**

It is imperative that private sponsorship programs employ best practices with respect to eligibility requirements, vetting, and background checks of potential sponsors and sponsorship groups. The announcements of both the Sponsorship Circles initiative for Afghans and the Uniting for Ukraine program [drew skepticism](#) from some individuals and organizations involved in refugee resettlement regarding private sponsors' ability to properly provide for and protect refugees.

Any private sponsorship program should be clear about what is expected of sponsorship groups and include mechanisms to check-in on refugees after resettlement and audit groups and organizations that are involved as sponsors. Particular care should be provided to the most vulnerable refugees, including children and the elderly.

## **3. Reduce unnecessary fees and bureaucratic burdens associated with sponsorship.**

While proper vetting and background checks are critical, sponsorship programs should also avoid unnecessary complications and fees associated with serving as a sponsor. The federal government should ensure the private refugee sponsorship process is clear and easily accessible to qualified sponsors.

A U.S. private refugee resettlement program must incorporate the successes of the Canadian system, namely its clear instruction, manageable costs, and government support, while avoiding the failures of the Australian system, such as debilitating costs and paltry government presence in the sponsorship process. An effective program will be one that is accessible to individuals and community organizations, has reasonable costs, and provides proper training and support.

## **4. Provide public data on impact and results as pilot programs are launched.**

The only way to build an effective resettlement program is to create transparent reporting mechanisms across a range of outcomes. Federal authorities should release information to the public on how many refugees are resettled via each pathway, as well as information on refugee health, education, and economic outcomes. This data will be imperative to understand how programs can be improved or what best practices should be carried over. This information should be comparable to existing data on already-resettled refugees.

## **Conclusion**

A U.S. private refugee sponsorship program would be a welcome addition to the nation's immigration policy, if structured and implemented correctly. It would allow for the private sector to become more directly involved in refugee resettlement, to a level not seen since the termination of the PSI in 1995. The Sponsor Circles Program and Uniting for Ukraine are notable pilot programs, but they are too new to effectively evaluate at this point. Nevertheless, previous programs and the experience of Canada and Australia help illustrate what is needed for private sponsorship to succeed in the U.S.

A successful private sponsorship program will be additive to the existing refugee resettlement process and will include clear, straightforward requirements and oversight mechanisms for potential sponsors. It will include transparent data and outcome reporting that ensures problems can be addressed.

With these steps in place, private sponsorship could be a crucial part of rejuvenating a refugee resettlement system that has struggled to regain its footing following the significant challenges of the last half decade.