



Non-paper for expert consultations on forced displacement and development

November 2015

I. Introduction

Globally, more than 60 million people are forcibly displaced, as a result of persecution, conflict, generalised violence and/or human rights violations. Until recently, due to lack of political commitment and challenging policy contexts, implementation of the **three durable solutions**¹ (voluntary repatriation, local integration and resettlement) to end **forced displacement (refugees, internally displaced persons (IDPs) and returnees)** has been minimal². There has been a gradual increase in the number of forcibly displaced people living in protracted situations (lasting five years or more). At the end of 2014, UNHCR estimated that some 6.4 million refugees - 45% of the global figure – lived in protracted displacement situations, with an average duration of 17 years. Nearly 90% of the world's IDPs are living in displacement for ten years or more. With the Syrian crisis entering into its fifth year in 2016, the numbers of people in protracted displacement will rise dramatically. In addition, in some cases existing protracted displacement crises become acute again with new displacements triggered by either new conflict or deterioration of living conditions.

Addressing forced displacement, especially **protracted forced displacement**, from an **EU development cooperation** perspective alongside **EU humanitarian assistance**, is envisaged by EU's Global Approach to Migration and Mobility³, the EU global approach to resilience⁴, the Action Plan for Resilience in Crisis Prone Countries 2013-2020⁵ and recently by the European Agenda on Migration⁶. In order to address the root causes of irregular migration and forced displacement, the EU and its Member States have adopted a comprehensive approach and made substantial financial commitments in the form of 'traditional' development cooperation, and more recently, through new implementing tools such as specific emergency Trust Funds as well as Regional Development and Protection Programmes (RDPPs). Project implementation on forced displacement under those tools needs to follow a coherent policy framework. Thus, there is a need to address protracted forced displacement as a **strategic policy issue**.

In response to the Syria crisis and the refugee crisis in Europe new and innovative modes of cooperation have been put into place – both by the Commission and within the EU. The **EU Trust Funds** and **RDPPs** focus, among other topics, on protracted forced displacement. Joint humanitarian-development analyses, needs assessments, frameworks, strategies and

¹ Definitions of key terms are provided in the annex to the document.

² Globally, only 126 800 refugees were able to return home in 2014, the lowest level since 1983, and 105 200 refugees were admitted for resettlement in 26 countries.

³ Council document 9417/12 and the Communication "Maximising the Development Impact of Migration" of May 2013.

⁴ http://ec.europa.eu/echo/files/policies/resilience/com_2012_586_resilience_en.pdf

⁵ http://ec.europa.eu/echo/files/policies/resilience/com_2013_227_ap_crisis_prone_countries_en.pdf

⁶ http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/european-agenda-migration/background-information/docs/communication_on_the_european_agenda_on_migration_en.pdf

programming are being put in place and operationalised. These new developments provide a unique opportunity to mainstream the issue of protracted forced displacement into development cooperation, scale-up good practices and create a stable practice of engaging with political and development actors from the outset of a displacement crisis in full respect of human rights obligations.

This work falls under a growing global consensus that forced displacement and in particular protracted displacement is not only a humanitarian challenge but a **political, developmental and economic one**. With the vast majority of displacement crises going on for many years, the existing "care and maintenance" model has proved insufficient while also creating **aid dependency**. Forcibly displaced people benefit from humanitarian assistance but they are often excluded from programmes and activities carried out by development and institutional actors with the result that their developmental needs are neglected and no opportunities for **self-reliance** are created. At the same time, vulnerable host populations might not benefit from humanitarian assistance, leading to potential tensions and conflicts between communities and further displacements. Even if/when displaced people can go back to their place of origin, they continue to need assistance as returnees and support for reintegration into their home communities. However, the development needs of returnees and long-term strategies to address those needs have often been overlooked.

As many partners have advocated, forcibly displaced people should be seen as potential development and economic contributors rather than passive recipients of assistance. That would bring back their dignity, reduce the economic impacts and costs of displacement and contribute to economic recovery and growth from which both the displaced and their hosts could benefit. Moreover, it would enhance the cost effectiveness of assistance provided in protracted situations. In reality, the forcibly displaced already contribute but in an informal manner. Their presence can result in opportunities for national and local economies through their human capital, skills and demand for goods and services.

Fostering the self-reliance and resilience of both the displaced and their host communities by targeting those **most vulnerable** and **most in need** will end long term dependencies on emergency assistance and will help build their ability to cope with future crises and shocks. The added value of development-led strategies and approaches to forced displacement from the onset of a displacement crisis and throughout displacement can also partially mitigate stresses on public finance. However, with scarce international experience there is a lack of a coherent and systematic approach to the analytics, policy making and operational modalities regarding fiscal stress, development costs and development opportunities.

Finally, the **2030 Agenda for Sustainable Development** has recognised forced displacement as one of the key factors that threaten to reverse much of the development progress made in recent decades. Refugees and IDPs are included in the category of vulnerable people that the Agenda will target.⁷ A greater involvement of development stakeholders from the outset of a crisis, and throughout, is also being discussed widely by both humanitarian actors, in the lead-up to the World Humanitarian Summit in May 2016, and development actors, with the UN and the World Bank major advocates.

⁷ http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E

While a consensus on the above points largely exists, the questions remain of how to put it into action to bridge the political gaps and existing differences of approaches by humanitarians, development and institutional actors with the aim of unlocking existing protracted displacements and preventing new crises from becoming protracted or recurrent. The objective of this initiative is to identify an appropriate mix of the best suited EU external action instruments and propose operational guidelines and modalities for their effective and efficient deployment, both at EU level and with partners.

II. Key issues and discussion questions

2.1 Durable solutions and inclusion

Often none of the **durable solutions** (voluntary repatriation, local integration and resettlement) are available and displacement becomes protracted. This aggravates existing protection problems and obviates the need for opportunities to be **self-reliant** (livelihoods and income-generating activities). First and foremost, the EU should continue its engagement with host governments on the issues of registration, legal status/residency and work permits. A frank discussion on the administrative and financial burden of the continued hosting of the legally registered refugees should also be conducted. Access to education and to the right to work is a precondition for successful resilience-based responses and important driver of inclusion. No access to work results in an increase in the informal economy - along with all of the subsequent negative consequences, including the reappearance of child labour and exploitative forms of work. The focus should be on working with local authorities and relevant ministries which are directly concerned, as well as with host and home communities, in order to create integration and reintegration opportunities. The EU should advocate for the **inclusion** of displaced populations in both humanitarian and development programming from the onset of a crisis, as well as in regional, national and local development plans. This should also be prominent in the delivery of public services such as housing, health and social care, safety, employment, training and education.

Land, housing, and property that belong to displaced people have, in many cases, been taken over by others. Housing, property and land rights thus become a major concern, and the resolution of such disputes is essential in order to achieve sustainable recovery and ensure livelihood restoration. These are also crucial aspects to consider regarding reintegration of returnees.

Discussion Question 1

How to advocate for and contribute to increased inclusion during displacement to promote durable solutions?

- Which factors are important? E.g. temporary access to housing, education, the labour market and basic services, resolution of land, housing and property disputes, other?
- Which advocacy strategies should be taken?

2.2 Stronger evidence base

In the past, the EU has overlooked causes and drivers of forced displacement and its protracted nature, resulting in the implementation of programmes and interventions for displaced populations that have often been designed in isolation; without taking into account the complex mix of underlying structural, development and economic factors, conflicts, state-building issues and governments' vested political interests. Sound conflict analyses which explore the political

and economic contexts and are based on relevant data and research, must be at the core of any programming. Factors contributing to or inhibiting protracted nature of displacement should also be taken into account. This approach will result in more informed and evidence-based policy-making and programming and will add arguments to help host governments and populations buy-in.

The macro-economic development costs and impacts of population displacements are severe, yet they are rarely understood or addressed, nor are potential positive economic contributions by displaced persons. This curtails any effort to design a solid, evidence-based approach which would underpin and guide result-oriented policy and operational decisions. Furthermore, often too many micro interventions spread over wide geographic areas are being implemented, without a framework or regional plan, thus severely limiting the overall impact.

For scaling up development-led approaches in displacement, the **lack of common quantitative measurements** is a major gap in current praxis. Most programmes focus on qualitative targets and outputs. The use of **baselines** as well as both common **quantitative and qualitative indicators at output and outcome** level would markedly improve not only the quality of the interventions but also potentially enhance the evidence-base for policy dialogues on durable solutions. Last, but not least, a tangible **set of criteria** could trigger **early entry** of development actors in displacement crises that may become protracted.

Discussion Question 2

How can donors and implementing partners work with affected governments and other actors to ensure sound and shared context analyses and assess the need to trigger involvement of development actors in addressing forced displacement jointly with humanitarians from the onset of a crisis?

- How to move from short term to longer term comprehensive policies?
- Do you have experience with joint needs assessment, programming, economic analyses and quantitative indicators?

2.3 Socio-economic approaches

Livelihoods

In many cases the possibilities for **livelihood development** and **self-reliance** are very limited, in particular in restrictive camp settings. In these instances it could be crucial to provide (indirect) livelihood support in the form of nutrition and access to education – two of the most important development investments. New approaches for providing support such as cash and vouchers could contribute to choice and thus help in the self-reliance of the displaced and host communities.

The negative impact of displacement may be less pronounced where the displaced are able to develop and use their skills on top of existing coping mechanisms to their own and the host community's benefit. Beyond care and maintenance, interventions to set up micro-finance, savings and loans institutions, to promote micro-enterprises or to provide employment and business start-up advice are important instruments for promoting the economic self-reliance of poor households and can support income generating projects.

Macro-economic interventions

Large-scale forced displacement places a heavy burden on a host country's public services such as education, health care, water supply and waste systems, etc. This 'fiscal stress' on public

sector budgets and the declining quality of these services are well-recognised phenomena in refugee emergencies. International donors and humanitarian actors may sometimes offset some of these additional costs. However, the costs and impacts fall mainly on the national and local level budgets of the host country and their populations. Alongside the direct costs of ‘fiscal stress’, increasing attention is now being paid to the wider impacts of large-scale population displacement on the overall economic development of host countries. For example, labour markets may become saturated; market prices for shelter and food may rapidly increase; and externalities such as environmental degradation may be marked. Development programmes targeting the macro-economic level can mitigate the adverse impacts and build on opportunities. For instance sustainable investment in infrastructure of under-developed hosting areas can greatly benefit host and home communities in the longer term.

Delivery of services

Access to health care, education, drinking water, sanitation and infrastructure are essential for improving the quality of life for the displaced and host communities. In most cases, humanitarian emergency-type responses to forced displacement crises provide direct or parallel service delivery in the absence of host government provision. This type of assistance is expensive and not sustainable. By cooperating with development actors from the outset, assistance can be better aligned with or embedded in national service provision. Whenever opportunities exist, it is key to cooperate with regional and local authorities to develop innovative, integrated service delivery for both host communities and the displaced. Particular attention will be paid to the needs of the most vulnerable, including children and women at risk. Educational support for refugees, for example, is traditionally only provided at primary level. Yet, when displacement becomes protracted, the needs for secondary and tertiary education increase significantly. Social protection mechanisms could also play a significant role in tackling multiple dimensions of poverty and deprivation (decent work, education, health care, food security, income security). There is growing experience of developing social protection systems in more fragile and conflict affected states (e.g. safety nets).

Discussion Question 3

How to use best the comparative advantages of all actors and instruments involved in order to implement sustainable and innovative socio-economic approaches to forced displacement?

- How to improve the selection of livelihood interventions so that successful promotion of skills and vocational training are based on analysis of labour market conditions, gaps and workforce composition?
- How to work on livelihood programmes in restrictive policy contexts?
- What are your experiences with inclusion of macroeconomic approaches into development programming? What are your experiences in working with IFI's?
- How to better balance support of capacity building and direct support/delivery of services?

2.4 Level of intervention

Mainstreaming/targeting

In development programmes which do not specifically target forcibly displaced populations, there remains much leeway for more effective inclusion of forcibly displaced as well as geographic targeting of major hosting areas (urban/border areas/cross-border). This also includes a regional approach whenever appropriate. In line with the EU approach to resilience, assistance

should target the **most vulnerable, irrespective of status**, including host populations. Improved profiling and targeting would make assistance more efficient and effective.

Local communities and local authorities

Local authorities and communities are at the forefront when it comes to hosting forcibly displaced populations. Through service provision and day-to-day encounters they are more directly affected than national governments. While many struggle with weak capacities and are overwhelmed by the sheer amount of population increase, they are also often more aware and more interested than the national authorities to tap into potentially positive impacts which displaced populations can have on the local economy. They are key in including forcibly displaced persons into existing systems of service provision of the host country, for example in national resilience strategies or development plans. This more pragmatic approach can create positive results for both host communities and forcibly displaced populations alike. Close cooperation with local authorities is also crucial to ensure a response which is well adapted to different contexts.

Competition for resources and livelihoods among the displaced and host populations increases social tension and can result in tensions, conflict and/or new displacements. Community dialogues between host communities and forcibly displaced further aim to foster social cohesion and to mediate or prevent conflicts.

Out of camp interventions

Government policies towards forcibly displaced persons vary greatly - from strict encampment policies to no-camp approaches. The types of settlements vary accordingly. Refugee camps are widespread, but today the majority of refugees live outside of camps. Many settle in urban or rural areas or rent housing from local communities. At the end of 2014 more than 50% of displaced populations lived in urban areas. This diversity of settlements implies different realities and therefore different ways of assisting the populations in need. The cooperation with local authorities is particularly important in contexts in which the majority of displaced persons do not find shelter in camps but settle in cities or rural settlements.

Discussion Question 4

How can the mainstreaming of forcibly displaced populations into development programming (donors and implementing partners) and national development plans (country, regional and local level) be supported?

- How to tailor interventions in different settings – camp and out of camp, urban or rural?
- How to cooperate with local authorities while respecting the coordinating and decision making role of the national government?
- To what extent and in which scenarios should donors support the establishment of camps?

Annex: Definitions

Durable solutions: According to the UNHCR, there are three solutions open to refugees: voluntary repatriation; local integration; or resettlement to a third country in situations where it is impossible for a person to go back home or remain in the host country. (<http://www.unhcr.org/pages/49c3646cf8.html>) In this context voluntary repatriation signifies the voluntary return home in safety and dignity and the successful end to the trauma once a country of origin has stabilized.

EU development cooperation: "Union policy in the field of development cooperation shall be conducted within the framework of the principles and objectives of the Union's external action. The Union's development cooperation policy and that of the Member States complement and reinforce each other. Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries." (Article 208 (1) TFEU)

EU humanitarian aid: "The Union's operations in the field of humanitarian aid shall be conducted within the framework of the principles and objectives of the external action of the Union. Such operations shall be intended to provide ad hoc assistance and relief and protection for people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these different situations. The Union's measures and those of the Member States shall complement and reinforce each other." (Article 214 (1) TFEU)

Forced displacement: "Refers to the movements of refugees and internally displaced people (IDPs) as well as people displaced by natural or environmental disasters, chemical or nuclear disasters, famine, or development projects." (<http://www.forcedmigration.org/about/whatisfm>). For the purposes of this non-paper, forced displacement refers to the situation of persons who are forced to leave or flee their homes due to conflict, violence and human rights violations. While persons displaced by natural disasters and due to climatic change are not explicitly addressed, most of the content would also be relevant to interventions in their support.

Livelihoods: According to UNHCR, "activities that allow people to secure the basic necessities of life, such as food, water, shelter and clothing. Engaging in livelihoods activities means acquiring the knowledge, skills, social network, raw materials, and other resources to meet individual or collective needs on a sustainable basis with dignity". (<http://www.unhcr.org/530f107b6.pdf>)

Protracted refugee situations: Situations in which 25,000 or more refugees from the same nationality have been in exile for five years or more in a given asylum country. (<http://unhcr.org/556725e69.html>)

Resilience: As defined in the Communication "The EU Approach to Resilience: Learning from Food Security Crises", resilience is the ability of an individual, a household, a community, a country or a region to withstand, to adapt, and to quickly recover from stresses and shocks. Resilience shall not be understood as an isolated objective but as an integral part of the poverty reduction and lifesaving aims of the EU's external assistance. The EU's broad definition of resilience includes the individual level, reflecting our commitment to, people-centred approaches and the inclusion of individual (life-cycle) risks, which must be addressed if people are to exit poverty and vulnerability. (http://ec.europa.eu/echo/files/policies/resilience/com_2012_586_resilience_en.pdf)