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#### COVER NOTE

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From: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 26 April 2016

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of  
the European Union

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PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND  
SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS  
Lives in Dignity: from Aid-dependence to Self-reliance  
Forced Displacement and Development

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Delegations will find attached a **new version** of document COM(2016) 234 final.

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**CORRIGENDUM**

This document corrects document COM(2016) 234 final of 26.4.2016

Concerns the English language version

Addition of one footnote on page 3 (footnote number 11)

The text shall read as follows:

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Lives in Dignity: from Aid-dependence to Self-reliance**

**Forced Displacement and Development**  
{SWD(2016) 142 final}

## 1. INTRODUCTION

*The aim of this Communication is to put forward a policy framework to prevent forced displacement from becoming protracted and to gradually end dependence on humanitarian assistance in existing displacement situations by fostering self-reliance and enabling the displaced to live in dignity as contributors to their host societies, until voluntary return or resettlement.*

The European Union, as an active global player and a leading humanitarian and development donor, is committed to providing assistance to people in need around the world. It does so both in crises and to promote countries' long-term sustainable development. Given the severity of the current **refugee and migration crisis**, the European Commission put forward a comprehensive and holistic approach in its European Agenda on Migration.<sup>1</sup> The Agenda calls for a **'strategic reflection'** on how to **maximise the impact of the EU's development and humanitarian support in order to appropriately tackle the magnitude, multi-dimensional drivers and impact of forced displacement at local level.**

Globally, more than 60 million people — refugees and internally displaced persons (IDPs) — are forcibly displaced by conflict, violence and human rights violations<sup>2</sup>. This is the **highest level of forced displacement since World War Two**. The five largest refugee displacements — from Syria, Afghanistan, Somalia, Sudan and South Sudan — are all protracted<sup>3</sup>, with many Afghans displaced for more than three decades. This protractedness is aggravated by the fact that 2014 marked the lowest number of refugee voluntary repatriation in three decades<sup>4</sup>. Three of the five largest internal displacements are also protracted — Syria, Colombia and Sudan. The Syria crisis alone, now entering its sixth year, has produced 4.7 million refugees and 6.5 million IDPs, while the EU received 1 million refugees in 2015 alone. Climate phenomena, such as this year's El Niño — expected to be the worst in 20 years — can equally have a considerable impact<sup>5</sup>. **The combined effects of increased conflict, violence, climate change, environmental and natural disasters will force even more people to flee.** Background information on the context and drivers of forced displacement, as well as an assessment of the existing Commission policies, instruments and practice in assisting refugees, IDPs and asylum seekers in third partner countries can be found in the Staff working document accompanying this Communication.

In 2015, the United Nations High Commissioner for Refugees (UNHCR) identified the major factors that force Syrian refugees in neighbouring countries to seek asylum in Europe. These include loss of hope, high costs of living and deepening poverty, and limited opportunities to earn a living or get education. Without development prospects and opportunities to enjoy social and economic rights, refugees and IDPs are more likely to move outside their regions of origin. **Secondary and multiple displacements** reflect a collective failure to address the **specific mid- to longer-term needs and vulnerabilities** of forcibly displaced people and their host communities and to **provide them with durable solutions**<sup>6</sup>. The humanitarian

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<sup>1</sup> COM(2015) 240, 13.5.2015.

<sup>2</sup> "World at War. UNHCR: Global Trends, Forced Displacement in 2014", June 2015.

<sup>3</sup> Defined as a situation in which 25 000 or more refugees of the same nationality have been in exile for five years or longer in a given asylum country (UNHCR).

<sup>4</sup> UNHCR Mid-year trends 2015, December 2015.

<sup>5</sup> As recognised by Council Conclusions on European Climate Diplomacy after COP 21(02/2016).

<sup>6</sup> The international legal frameworks distinguish three durable solutions for refugees: voluntary repatriation, local integration and resettlement. Durable solutions for IDPs can be achieved through sustainable reintegration in the place of origin, sustainable local integration in the place of initial displacement or sustainable integration in another part of the country.

system alone cannot accommodate the growing development needs of forcibly displaced people and host communities. Forced displacement is not only a humanitarian challenge: it is also a **political, human rights, developmental and economic** challenge, in addition to its inevitable links with the broader phenomenon of **migration**.

While the EU's immediate concern is forced displacement caused by the conflicts in its neighbourhood, the issue of **long-term forced displacement is global**. For this reason, the Commission's Communication on the role of EU external action in the current refugee crisis<sup>7</sup> called on the EU and its Member States to commit to do more over the long term to address the root causes of migration and displacement. The EU has demonstrated its commitment to **tackle the root causes of forced displacement at source** by stepping up its efforts to prevent new conflicts, resolve existing ones and address human rights abuses — all major **drivers of forced displacement**. The ongoing political and diplomatic commitment of the EU and its Member States to resolve existing conflicts and promote respect for human rights worldwide is therefore a key aspect of this agenda. So is saving lives and helping meet immediate humanitarian needs. However, beyond legal and physical protection<sup>8</sup>, food and shelter, forcibly displaced people also need access to jobs and to services such as healthcare, education and housing. The EU acquis and good practices developed since 1999 to create a Common European Asylum System and harmonise common minimum standards for asylum can constitute a good example of how partner countries can receive large refugee populations.

#### *Forced displacement: a protracted and complex problem*

This Communication focuses on situations of protracted forced displacement in partner countries due to conflict, violence and human rights violations, irrespective of the status of the displaced under the 1951 Refugee Convention. Elements of the new policy may also be applicable to displacement caused by natural disasters and climatic events, while recognising the different politics, contexts, needs and solutions. Due to lack of sustainable peace in many countries of origin, restrictive host country policies and limited resettlement places, most displaced people live in **protracted displacement for more than five years**. Few have found durable solutions, such as voluntary repatriation, resettlement or local integration. In 2014, while there were 2.9 million new refugees, only 126 800 former refugees could return to their countries of origin and only 105 200 were permanently resettled<sup>9</sup>. **Today, protracted displacement lasts on average 25 years for refugees and more than 10 years for 90% of IDPs.**<sup>10</sup>

In 2014, 86% of the world's refugees lived in developing regions and the Least Developed Countries provided asylum to 25% of the global total.<sup>11</sup> This puts **immense pressure not only on displaced people themselves and their host countries, governments and communities, but also on donors. All of these constituencies share a responsibility to react**. The pressure created by the influx and long-term stay of displaced populations is particularly **acute on vulnerable communities, countries and regions**. This has a far-

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<sup>7</sup> JOIN (2015) 40, 9.9.2015.

<sup>8</sup> Under the Geneva Refugee Convention of 1951 and the Protocol of 1967, recognised refugees have the right to international protection.

<sup>9</sup> "World at War. UNHCR: Global Trends, Forced Displacement in 2014", June 2015.

<sup>10</sup> "World at War. UNHCR: Global Trends, Forced Displacement in 2014", June 2015; "Global Overview 2015: People internally displaced by conflict and violence", IDMC, May 2015.

<sup>11</sup> "World at War. UNHCR: Global Trends, Forced Displacement in 2014", p.2, June 2015.

reaching impact on public education, waste management, housing and property prices, on amenities such as electricity and water supplies, on food prices and wages, and on overall stability. With an increasing number of displaced people finding shelter in urban settings, the impact on planning and the provision of services is particularly great in cities.

The 2030 Agenda for Sustainable Development<sup>12</sup> recognises forced displacement as one of the key factors that threaten to reverse much of the development progress made in recent decades. For this reason, it has included refugees and IDPs in the category of vulnerable people who should not be **'left behind.'** While benefiting from humanitarian assistance, forcibly displaced people are often excluded from programmes and activities carried out by development actors. Host-state policies often restrict access to labour markets for refugees and place limitations on their movement and residency within the country. They also prohibit upgrading of settlements in ways that foster permanency and make it difficult, if not impossible, to obtain long-term secure legal status. The result of these policies is to maintain displaced populations 'in limbo' and ensure that, in the absence of long-term development prospects, they remain in continuous need of support from the humanitarian actors. Refugees and IDPs are productive individuals with skills and assets able to contribute to the economy and society of host countries or communities. However, without development opportunities, the predominant **'care and maintenance' aid dependence** model undermines **opportunities for refugees and IDPs to become more self-reliant**<sup>13</sup>.

Displacement situations are highly complex and differ greatly. Some refugees may initially have a greater capacity to cope than their hosts, for example due to savings or close family ties in the host country. Moreover, while host countries may be receiving EU development assistance, vulnerable host communities usually do not benefit from humanitarian assistance. Populations that remained in their communities of origin, while others were forced to move, may also be vulnerable. Voluntary returnees may have relative advantages in terms of skills and capital they have built up abroad. Refugees and IDPs may face similar challenges to rural-to-urban migrants or the wider urban or rural poor. This can lead to tension and conflict between communities and, in turn, cause massive secondary displacement. Particularly in the case of IDPs and returnees, an undue focus on status also risks clashing with the humanitarian principle of providing assistance on the basis of need alone. A status-based approach may also be unworkable in situations where motivations for movement are mixed and cumulative, and in which **vulnerability depends more on individual circumstances than on belonging to a specifically defined category or group.**

Therefore, when designing interventions actual **vulnerabilities should prevail over legal status**, in full respect of international and human rights law. The **specific protection needs** of the forcibly displaced must be addressed, based on their gender, age and disability as well as their politics, ethnicity, language, caste origin, religion and/or sexual orientation. **A 'one-size-fits-all' approach is therefore not workable.** The EU is committed to providing the **policy framework** for a more **efficient, context-specific and dignified global response** to forced displacement. It intends to do so by bringing together its approaches to political issues, conflict prevention, development, human rights and humanitarian assistance, and by operationally bolstering the resulting nexus.

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<sup>12</sup> 'Transforming our world: the 2030 Agenda for Sustainable Development', A/RES/70/1.

<sup>13</sup> Self-reliance is the ability of people, households or communities to meet their basic needs and to enjoy social and economic rights in a sustainable and dignified way.

## *Building a development-oriented policy framework to address protracted forced displacement*

A new, **coherent and collaborative policy framework** needs to be put in place. Political, human rights, humanitarian and development approaches must complement each other to create a **'win-win' scenario** for both the displaced and their host communities. This new policy framework will draw on the strengths of the EU's comprehensive approach<sup>14</sup> and the EU approach to resilience.<sup>15</sup> The framework will harness the productive capacities of refugees and IDPs by helping them to access education, housing, land, productive assets, livelihoods and services, and by supporting interaction between them and their host community.

To implement the new policy framework to operate effectively, existing operational silos must be overcome. **Political actors** need to be more involved in negotiations to surmount obstacles preventing displaced people from developing their potential. Humanitarian and development actors operate within different structural, programming and funding cycles and procedures which do not reflect the real **long-term needs of the displaced people or the host communities**. Humanitarian assistance is designed to be used as a **short-term measure** at the outset of a crisis to cover the immediate humanitarian and protection needs of forcibly displaced people, whether in camps or urban areas. Development assistance, on the other hand, operates under long multiannual planning and funding cycles.

Stronger cooperation between development and humanitarian actors — with **closer links in funding at programming level, exchange and assessment of information, and target setting** — can enable the design of more effective and lasting **protection and self-reliance** strategies. This will benefit displaced people and vulnerable host communities alike. A new, development-oriented approach to forced displacement **will not lead to additional costs**. On the contrary, over the medium to long term it will **enhance efficiency and improve outcomes** for donors and beneficiaries alike by reducing dependence on humanitarian aid and maximising the effectiveness of development investment.

The **role of host governments is crucial** as they are responsible for the legal and policy frameworks through which the needs of refugees, IDP and host communities can be addressed. Governments set the parameters for development interventions and the timing and space for humanitarian interventions. Many host states are often not able to address these challenges on their own. Substantial investment from the international community is required, especially at the local level, to ensure positive outcomes in the longer term and real burden sharing. Such investment should avoid discrimination among different categories of forcibly displaced people and promote fair and equal treatment by removing barriers to participation in labour markets, facilitating access to social services, upgrading settlements, and acquiring long-term secure legal status.

This Communication sets out a new, development-oriented policy framework to address forced displacement in the form of a series of recommendations. It aims to connect different instruments and actions to ensure that the EU has an **effective, full-cycle, multi-actor approach to tackle forced displacement**. In addition, the Communication is a call for support for this new approach by our implementing partners: UN agencies, international

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<sup>14</sup> 'The EU's comprehensive approach to external conflict and crises', JOIN(2013) 30, 11.12.2013.

<sup>15</sup> 'The EU approach to resilience: learning from food security crises', COM(2012) 586, 3.10.2012.

organisations, non-governmental organisations, civil society organisations (CSOs), the private sector and other non-state actors in both the EU and partner countries.

## **2. ELEMENTS OF THE NEW POLICY FRAMEWORK**

### **2.1. A STRONGER HUMANITARIAN AND DEVELOPMENT NEXUS**

The Commission policy focus has shifted from a linear humanitarian-development approach — linking relief, rehabilitation and development (LRRD) — to resilience building. More recently, a comprehensive approach integrating humanitarian aid, development cooperation and political engagement was adopted. It is of paramount importance that political and developmental stakeholders, in close cooperation with humanitarian actors, engage **at the outset of a displacement crisis**. This would ensure establishment of better responsibility sharing between humanitarian and development actors, while fully respecting the humanitarian principles.

#### **2.1.1. EARLY INVOLVEMENT OF ALL ACTORS**

The EU should pursue its **involvement through its political and development actors and those of the Member States at an early stage of a crisis** so as to enable a more coherent and coordinated approach. Full respect of humanitarian principles and close coordination with the host government are key. The objective is to improve living conditions **throughout the whole duration of displacement** and to implement most effectively **solutions that can bring the displacement to an end**. Engaging simultaneously a wide range of instruments, based on their comparative advantages and under a joint strategic framework, is in line with the EU's approach to resilience. This approach requires **multilateral engagement** with a wider range of political, human rights, development, humanitarian, international, national and local actors in which the comparative advantage of each actor can be maximised. To help increase self-reliance, it is essential that both the displaced people and the host communities take an active part in formulating programmes and strategies. This active participation should encompass the genuine and diverse needs and **specific vulnerabilities and capacities** of people in each concrete context.

The EU's conflict early warning system<sup>16</sup> draws upon assessments of conflict risk and promotes early preventive action by the EU, including in situations with a risk of causing forced displacement. This approach to conflict analysis generates comprehensive response options, including involvement by EU Member States and key international partners such as the UN.

*In 2012, as one of the first development actors, the EU funded a project to support the medium- and long-term needs of host communities and Syrian refugees in Lebanon. An early stage integrated approach was critical as the host communities and institutions most affected by the refugee influx were poorly supported.*

#### **2.1.2. DESIGNING COHERENT STRATEGIES BASED ON EVIDENCE**

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<sup>16</sup> SWD(2016) 3, 27.01.2016.

The EU's **comprehensive approach to external conflict and crises**<sup>17</sup> provides an important entry point for strategically coherent use of different EU policies and instruments in close cooperation with Member States. Using this entry point would enhance the effectiveness and impact of the EU's policy and action, especially since conflicts and crises have non-linear trajectories. The comprehensive approach principles translate into acting preventively wherever possible, and into country-led strategic planning based on **joint framework documents**<sup>18</sup> or **equivalent umbrella strategies**. These should draw on existing research, risk assessment and management tools to provide a common evidence-base and include, when relevant, **joint conflict analysis**, **joint needs assessment** and other related analyses of protracted displacement situations and drivers.

Joint and comprehensive country-specific context analyses should include a **joint stakeholder analysis** of the policy environment and of the institutional frameworks. These frameworks should also include durable solutions prospect analysis and demographic profiling of refugees, IDPs and host communities. Principles of privacy and data protection are to be respected when preparing the analyses by consulting beneficiaries.

A **mapping** of the direct and indirect economic, environmental, social, fiscal and political impacts of displacement can be used as an entry point for discussions with the host government/local authorities. Interventions would have to retain sufficient flexibility to address changing needs and vulnerabilities.

The result will be more holistic, effective and lasting **protection and self-reliance strategies** for the displaced people and provide them with opportunities for a dignified life, while reducing the impact on host communities. The EU **Trust Funds** set up for the Central African Republic<sup>19</sup>, in response to the Syrian Crisis (the Madad Fund<sup>20</sup>), for Africa<sup>21</sup>, the Facility for Refugees in Turkey<sup>22</sup> and commitments made at the London conference "Supporting Syrians and the region" in February 2016<sup>23</sup> all reflect this shift towards more holistic strategies.

*The new research and evidence facility of the EU Trust Fund for Africa will provide research to inform policymaking and project design throughout the Trust Fund's lifetime.*

### **2.1.3. TURNING COHERENT STRATEGIES INTO COHERENT PROGRAMMING**

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<sup>17</sup> JOIN(2013) 30, 11.12.2013.

<sup>18</sup> Joint Framework Documents as a substitute for country strategy papers are currently foreseen in Regulation (EU) No 233/2014 of the European Parliament and of the Council establishing a financing instrument for development cooperation, OJ L77, 15.3.2014, p. 77.

<sup>19</sup> Commission Decision C(2014) 5019 of 11.7.2014 on the establishment of the European Union Trust Fund for Central African Republic "Bêkou EU Trust Fund".

<sup>20</sup> Commission Decision C(2014) 9615 of 10.12.2014 on the establishment of a European Union Regional Trust Fund in response to the Syrian crisis, "the Madad Fund".

<sup>21</sup> Commission Decision C(2015) 7293 of 20.10.2015 on the establishment of a European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa.

<sup>22</sup> Commission Decision C(2015) 9500 final on the coordination of the actions of the Union and of the Member States through a coordination mechanism – the Refugee Facility for Turkey.

<sup>23</sup> These commitments include EU pledges and EU Compacts such as those envisaged for Jordan and Lebanon. Compacts are comprehensive aid and support packages which combine policy elements within EU competence (assistance, trade, mobility, security, etc.) in exchange of Jordan and Lebanon commitments on social and economic inclusion of Syrian refugees.



The new policy approach must be the norm, not the exception. It should entail **a deeper exchange of information, coordinated assessments, joint analytical frameworks, and coordinated programming and financial cycles. This involves setting up common targets for the short, medium and long term, as well as common indicators.** Common targets agreed between the EU and host countries and formulated under the multiannual development planning cycle would enable humanitarian assistance to cater for unexpected influxes of displaced people without jeopardising development programmes or making local communities more fragile.

When forced displacement is identified as a key challenge to development, existing programmes should be adapted or new programmes designed to factor in displacement. **Joint programming** between the EU and Member States is a flexible, country-led exercise that can be a useful tool to tackle forced displacement.

Donors should provide **predictable and flexible funding.** At EU level, the flexibility of the external financing instruments<sup>24</sup> should be used to enable this approach. The recent creation of EU Trust Funds gives the EU greater flexibility, alongside the possibility to receive additional funding from other donors, including EU Member States. Other types of tools allowing more flexibility include the Instrument contributing to Stability and Peace<sup>25</sup>, Special Measures and crisis modifiers in projects.

*The EU developed a Joint Humanitarian Development Framework as main supporting document for any joint work to address malnutrition in the northern part of Nigeria.*

#### **2.1.4. FOSTERING REGIONAL COOPERATION**

Enhanced cooperation between the EU's different policies and instruments is a determining element of the reviewed European Neighbourhood Policy (ENP). Among the key actions, the ENP review suggests greater EU involvement in **fostering regional cooperation** between neighbouring countries that face common challenges, as well as in promoting academic and labour mobility, including for refugees. Stronger links with the diaspora, legislative bodies and labour market actors, such as business, trade unions and social partners, were also highlighted as key in providing protection for the forcibly displaced. They also boost the resilience of host communities.<sup>26</sup>

*The EU-funded Regional Development and Protection Programme in North Africa is helping an Arab diaspora crowdfunding platform ([narwi.com](http://narwi.com)) to finance micro-businesses.*

#### **Actions:**

- **Ensure** that joint analyses and preventive action address risks and consequences of forced displacement such as through connections between the EU's conflict and humanitarian early warning systems.

<sup>24</sup> OJ L77, 15.03.2014.

<sup>25</sup> Regulation (EU) No 230/2014, OJ 77/1. 15.03.2014.

<sup>26</sup> JOIN (2015) 50, 18.11.2015.

- Apply the lessons learned from the resilience approach more consistently to situations of forced displacement. The lessons point to the need for joint analysis of risks and vulnerabilities, joint strategic programme design and humanitarian-development frameworks for addressing the needs of the most vulnerable.
- Include displacement-specific actions in the EU comprehensive approach action plan related to joint or coordinated needs assessment and subsequent action.

## **2.2. STRATEGIC ENGAGEMENT WITH PARTNERS**

### **2.2.1. PARTNER COUNTRIES**

Under international refugee<sup>27</sup> and human rights law, host governments are obliged to provide protection to refugees and respect their human rights. Governments have the principal responsibility to protect their citizens, including those who are internally displaced.

Undocumented refugees and voluntary returnees are a huge targeting gap. A development approach to support their return and reintegration is required but without formal refugee status they do not have the right to claim support under the national programmes.

*There are almost as many undocumented as documented Afghan refugees in Pakistan. The two groups are placed in different situations and face different challenges as they are eligible to dramatically different types and levels of support, within the host country and for repatriation.*

National legal and policy frameworks and the leadership provided by governments set the parameters for how the needs of refugees, IDPs and host communities can be addressed by political, development and humanitarian actors. **Policy dialogues** with host governments from the beginning of a crisis are crucial to define long-term strategies and development plans, taking into account country-specific challenges. The EU should closely cooperate with its strategic partners and the international community in assisting host governments and local authorities, to formulate policies that both ensure the legal protection of displaced people and give them opportunities to become self-reliant. In addition, assistance must be provided to stabilise countries of origin so that the basic conditions for people to return voluntarily to post-conflict areas are established.

*Uganda's Refugee Act allows refugees to reside in settlements where they have the right to cultivate land, enabling their self-reliance.*

Large-scale displacement causes both a high degree of fiscal stress on national and municipal public budgets, as well as macro-economic shocks which tend to undermine national development strategies and recent development gains. While **the primary responsibility for promoting developmental approaches to reverse these structural impacts of forced displacement lies with the host governments**, they frequently lack the financial resources and the capacity to promote these responses. Failure to tackle these situations can increase both the fragility of host states and the tensions between hosts and refugee or IDP

<sup>27</sup> The Parties to the Convention Relating to the Status of Refugees (1951) and the Protocol relating to the Status of Refugees (1967) are obliged to protect refugees on their territory according to the terms of these instruments.

communities. **International actors have a vital role to play in providing external support** to mitigate these impacts and promote more sustainable government responses.

Policy decisions and the legal framework are usually adopted at national level, but it is **local authorities** that are most directly affected by displacement. Close cooperation with local authorities as well as longer-term investment in their response capacity is crucial to ensure local ownership and the sustainability of the response. The most innovative approaches are developed at this level, such as cooperation between cities to boost capacity in areas like urban planning, local economic development and service delivery. Strategic use of available tools can link the local response with the national structures.

*In Iraq, the EU is supporting a sequenced, multi-purpose cash assistance programme to help displaced people and vulnerable households in host communities. The objectives are to align government-led and humanitarian cash programming more closely, avoid creating parallel systems and establish close cooperation between humanitarian assistance and long-term support. The cash programme was launched at local/governorate level to build local linkages which can then be raised to the national level in conjunction with the ongoing support for, and reform of, national social protection nets.*

CSOs can assist **with advocacy and with empowering** displaced people by informing them of their rights and obligations. They can also facilitate mutual interaction between displaced people and the host communities. Meanwhile, the **diaspora can assist by raising the profile** of the crises and by contributing financially to the setting up of micro-businesses by both host communities and the forcibly displaced.

The effectiveness of these actions to boost resilience and self-reliance depends heavily on the extent of the ‘buy-in’ from the host communities and the displaced people themselves. To this end, the EU should strive to design **a localised approach, tailor-made to the specific vulnerabilities and capabilities** of each region. This is possible only if **the forcibly displaced and the host populations participate actively in formulating local policies and in socioeconomic activity**. This would not only help to defuse tensions between the different populations but will also assist in urban planning and highlight the potential advantages of their co-existence. The fact that **more forcibly displaced people now live in urban areas** than camps gives them more opportunities to integrate.

**Actions:**

- Promote access to all forms of legal registration for all displaced populations, whilst ensuring protection of personal data in full respect of international standards. This includes registering births to ensure that displaced children are included in the civil registration system of the host country and to prevent the emergence of new stateless populations.
- Encourage host governments and communities through advocacy, information and incentives to progressively integrate forcibly displaced people into the social and economic life of the community.

- Engage with host governments to provide policy support for legally anchoring the protection and socioeconomic inclusion of forcibly displaced people in local and national development plans. This should be done with full respect for international refugee law and international humanitarian law. Special regard should be paid to the needs of vulnerable people due to gender, age and disability.
- Assist diaspora and civil society initiatives to increase the self-reliance of the forcibly displaced and their integration into host communities.
- Boost engagement with local authorities to increase their capacity in areas such as urban planning, local area-based economic development and service delivery. This could be done through decentralised cooperation (e.g. city to city cooperation).

### 2.2.2. PRIVATE SECTOR INVOLVEMENT

The private sector can become an important player in increasing the self-reliance and inclusion of forcibly displaced people and boosting the resilience of their host communities. **The private sector can assist at both the macro-economic and the micro-economic level. It can also offer much-needed services and employment opportunities.**

Private sector operations may be **flexible about implementation timeframes** as well as **cost-effective**. However, to maximise the private sector's impact, especially in complementing other operations on the ground, a holistic approach which identifies potential projects and synergies is needed from the outset.

The private sector can also play an important role in sustainable and market-friendly approaches to developing **municipal infrastructures for services such as energy, water and waste management**. It is therefore imperative that the strategic framework be put in place early in a crisis so that **businesses feel confident in investing**.

*In Jordan, a private-public partnership for upgrading water pumps has resulted in significant energy savings. The partnership is between a private company and the Jordan Water Company, assisted by the German Development Cooperation and the European Bank for Reconstruction and Development.*

**Restrictive camp settings limit possibilities for boosting self-reliance.** Cash and vouchers are examples of some of the new approaches devised for providing support which can increase self-reliance and instil a sense of **dignity and ownership** in the displaced people. In conjunction with public sector 'cash for work' schemes for employing refugees short-term, the private sector could provide financial services via local banking systems for in-cash distribution mechanisms. These could also be accompanied by schemes to support micro-finance institutions and savings and loans mechanisms, as well as micro-, small- and medium-sized enterprises and business start-ups through capacity building and financing. There are already a number of examples where micro-, small- and medium-sized enterprises have been supported in order to create employment and economic development through various funding products in blending facilities<sup>28</sup>. Blending facilities can thus be a tool to leverage additional public and private resources.

<sup>28</sup> Blending refers to complementary use of grants and loans in the EU external assistance.

*Financial Intermediary Funds (FIFs) are new tools to reduce the cost of lending for middle income countries which are major hosts of forcibly displaced populations, such as Turkey, Jordan, Lebanon and Ukraine. The concessional loan facility should work like the Deauville Transition Fund, i.e. it will be financed by donors' grants, while the FIFs would manage the programme's implementation.*

In addition, collaboration with the private sector and social entrepreneurs can help many refugees and IDPs to obtain mobile phones and access to the internet. This could make it much easier to gather and share information, deliver services such as mobile cash and mobile banking, and integrate refugees and IDPs into local labour markets.

#### **Actions:**

- Include the private sector in formulating strategies at the start of a crisis, in order to identify capacities and allow sufficient time for planning.
- Facilitate cooperation between the private sector and host governments and local authorities in order to boost complementary actions and avoid duplication. This can be done, for example, by helping governments streamline their procedures so that the private sector can set up micro-enterprises.
- Support self-employed displaced persons in re-starting their businesses, to contribute to alleviating fiscal stress, fostering job creation (including for members of host communities) and facilitating integration.
- Encourage host governments and the private sector to increase internet access for the displaced people.

### **2.3. SECTORAL FOCUS**

#### **2.3.1. EDUCATION**

In forced displacement crises, quality education in safe environments **is instrumental in child protection strategies** and one of the main priorities for both forcibly displaced people and host communities. Lack of education opportunities undermines prospects for achieving social and economic well-being and risks causing an inter-generational decline in human capital, as well as loss of hope, marginalisation, (sexual) exploitation, crime, violence and radicalisation. Education in emergencies constitutes an essential component of humanitarian assistance in forced displacement crises. In 2016, the Commission quadrupled the share of its annual humanitarian budget dedicated to **education in emergencies** to 4 %. This increase also reflects the emphasis that the 2030 Agenda for Sustainable Development places on education in eradicating poverty and empowering children.<sup>29</sup>

Children below 18 years constituted 51% of the refugee population in 2014, up from 41% in 2009 and the highest figure in more than a decade.<sup>30</sup> With an estimated 65 million children aged 3-15 directly affected by humanitarian emergencies, including displacement, the **threat**

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<sup>29</sup> SDG 4 Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

<sup>30</sup> "World at War. UNHCR: Global Trends, Forced Displacement in 2014", June 2015.

of **'lost generations'** is real.<sup>31</sup> To help integrate children and young people into their host communities, challenges such as trauma, nutrition, gender-based violence and language and cultural barriers need to be tackled effectively. This requires a more comprehensive approach to complement humanitarian assistance.

*In Jordan, the EU is helping the government provide free education to Syrian refugee children through a budget support programme.*

As forced displacement becomes protracted, host communities and their public education systems may struggle to accommodate the numbers and diversity of the displaced children and young people. The need for stronger integration tools thus becomes more pressing. The critical challenge is to ensure that governments and other authorities have the resources and capacity to provide both the displaced and the local populations with access to **full, equitable and quality education. This applies at all levels — early childhood, primary, secondary, vocational and higher education.** Authorities should make the best use of teachers and other education personnel among the displaced to achieve this and to raise intercultural awareness within the hosting education system. An analysis of the different levels of education of those present and the various needs is of particular importance for an adequate response. Development cooperation supports host communities through **budget assistance and infrastructure-building programmes**, boosting their **resilience and preparedness.** Education and language training, provided in a gender-sensitive, safe and nonviolent environment, constitutes one of the most powerful tools to help forcibly displaced people integrate into their host communities. This is especially true for women and girls.

Closer cooperation between humanitarian and development actors can ensure continuity of education by closing the gap between education in emergencies and access to full, equitable and quality education at all levels. Meanwhile, joint development-humanitarian strategy planning could enable the use of **technological advancements**, such as smartphones, tablets and the internet, for e-learning and more interactive teaching. This can help to overcome cultural and linguistic barriers. In higher education, offering scholarships to enable access to universities as well as cooperation between universities could enable students to remain accredited during their displacement.

- *Somali refugees can benefit from jointly certified education programmes, with accreditation in Kenyan and Canadian universities.*
- *In Jordan the EU is funding a higher education programme which gives both refugees and local students access to 'massive open online courses'. The programme is being implemented by the British Council.*
- *In Kenya, the Democratic Republic of Congo and South Sudan, the UNHCR and a private foundation have set up 18 'instant network schools' powered by solar energy. Students use internet-enabled tablets to follow directions, pursue studies and carry out research, while their teachers use interactive whiteboards as a vital teaching aid during lessons.*

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<sup>31</sup> ODI — 'Education in Emergencies and Protracted Crises: Toward a Strengthened Response.' Background Paper for Oslo Summit on education For Development, 6-7 July 2015.

Similarly, innovations in **non-formal education** need to be encouraged. These should build on good practices, such as providing alternative basic education to working children, and language and other training for teachers and students using mobile technology.

**Actions:**

- Coordinate more closely with host countries to analyse educational levels and needs and ensure a greater continuity between education in emergencies and non-formal education and/or the public education services.
- Encourage host countries to use the potential of displaced teaching/education personnel at all education levels.
- Support financially and operationally the good functioning of public education services while promoting equal access to education for displaced children, particularly girls.
- Utilise technological advancements, such as the internet, smartphones and interactive learning, to make integration and learning easier.
- Facilitate access to universities, also by offering scholarships, and put in place higher education distance learning and certified higher education programmes which provide flexible accreditation.

### **2.3.2. ACCESS TO LABOUR MARKETS**

One of the most effective ways to reduce the aid dependence of forcibly displaced people and increase their self-reliance is to give them access to labour markets. As well as allowing them **financial independence**, this helps the displaced **integrate into and participate in their host communities and learn the host-country language**. This is especially the case if employment is targeted at benefiting both displaced and host populations and alleviating pressure on the host community. By contrast, not allowing or partially restricting forcibly displaced people from working is likely to result in an increase in the informal economy with negative consequences, such as the reappearance of child labour, forced labour, exploitative forms of work and the risk of social dumping and resulting tensions between host community and displaced persons. Forcibly displaced people are **potential workers, professionals, business people and development agents**. Their participation in local economic activity in their host countries can greatly benefit the whole region. However, to tap into this potential, the necessary legal frameworks need to be in place. This should be addressed in political dialogues. Development cooperation can also help, by providing not only employment possibilities but also capacity-building assistance to the host government.

*In Lebanon, the EU is funding the Labour Force and Living Standards Survey, which will include Syrian refugees. The survey will inform policymaking and the labour market information systems that are key for human development planning.*

*As a follow up to the Union for the Mediterranean Declaration on Blue Economy, the Commission promotes initiatives on the inclusion of forced displaced populations in skills development and job creation programmes in marine and maritime sectors.*

The early involvement of development actors in a forced displacement crisis can dramatically boost **host communities' preparedness** for an influx of displaced people. Development cooperation can help host countries to involve forcibly displaced people in labour-intensive public works. Not only would this help to **integrate forcibly displaced people into the host community more smoothly**; the financial burden on the host country from hosting refugees could also be alleviated through tax revenues. In addition, the public works could benefit the local community and provide a ready-made response for a future influx. Furthermore, establishing databases of the skills and former professions of forcibly displaced people can prove useful for ad hoc projects and can boost the labour mobility of the local host community.

*The Economic Policy Research Foundation of Turkey has set up a system for identifying the skills of refugees that match companies' needs.*

#### **Actions:**

- Provide policy support and expertise to help host governments put in place legislation giving displaced people access to the formal labour market and decent work and protecting them from labour exploitation.
- Ensure the early involvement of development actors to identify possible labour intensive public works (in conjunction with both the host government and the private sector) and to employ displaced people through cash-for-work programmes.
- Promote the collection of data and the establishment of databases on the skills, qualifications and past occupations of forcibly displaced people so that they can work, in full respect of international standards for protection of personal data.
- Step up social dialogue with social partners, business organisations and authorities within the host countries. The goal should be to better assess labour market needs and make progress on recognising skills and qualifications to promote more legal mobility, including those of the forcibly displaced.
- Actively engage in multilateral fora on access to labour markets and decent work standards for refugees<sup>32</sup>

### **2.3.3. ACCESS TO SERVICES**

The potential longer-term dimensions of forcibly displaced people's needs, such as housing, healthcare, nutrition, protection, drinking water and sanitation, education cannot be met

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<sup>32</sup> Such as the ILO discussions during the 105th and 106th sessions of the International Labour Conference on a standard setting item on Employment and decent work for peace, security and disaster resilience: Revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71); the UN General Assembly High level meeting on refugees and migration in September 2016 and the ILO tripartite preparatory expert meeting on labour market access of refugees.



through humanitarian assistance alone. Moreover, excluding forcibly displaced people from the public services of host communities may result in **aid dependence that hinders the sustainable development of both the host communities and the displaced people**. Where feasible, the forcibly displaced should be integrated into existing service delivery structures, in ways that ensure they have equal and fair access to the services. However, granting such access can pose a challenge as the influx of refugees creates a notable fiscal stress on host countries, especially as these tend to be vulnerable and low-income economies. Services such as healthcare, accommodation, employment and training services and childcare face considerable pressures. This is due not only to the situation in the host country itself, which may be precarious; it is also due to the potential shortage of skilled healthcare workers able to tend to the needs of refugees, such as mental health, post-traumatic stress and gender-based violence. In acute emergencies when existing systems are not able to cope there may be a temporary need to bring in parallel systems to provide additional services. These should be integrated into existing national and local systems as soon as conditions allow.

At the same time, complementary measures to support longer-term sustainable development strategies and protect the macro-economic conditions of the countries impacted are essential. International players have a number of measures and instruments at their disposal to help achieve **macro-economic stability**: support for analytical work on macro-economic impacts to inform holistic strategies; support measures to stimulate economic recovery and incorporate refugees in the workforce or concessionary loans to kick-start employment-generating commercial development.

*In Iran, the government recently announced a joint initiative with UNHCR and the Iran Health Insurance Organisation to bring nearly a million Afghan and Iraqi refugees within the national healthcare safety net – the Universal Public Health Insurance scheme.*

Social protection is also imperative for empowering the forcibly displaced and giving them **long-term regular and predictable support to address chronic vulnerability**. Due to the financial pressures faced by many host countries, a multiannual programming strategy is needed to **complement the efforts of public authorities** and assistance from other actors. To help create a **social safety net**, it is imperative to put in place information-sharing systems and tracking of benefits, as well as contingency and finance planning between EU humanitarian and development actors and public authorities.

*In Jordan, the UNRWA<sup>33</sup> project on ‘strengthening the resilience of Palestinian refugees from Syria’ is introducing a set of protection interventions to prevent these refugees from falling into extreme vulnerability. This is being done through cash grants, access to basic education and targeted humanitarian interventions.*

**Actions:**

- Help host governments develop integrated approaches to providing services and developing social protection programmes for both the displaced and hosts.

<sup>33</sup> United Nations Relief and Works Agency for Palestine Refugees in the Near East.

- Provide budget support to public services as well as other service providers, including civil society organisations under pressure in order to complement host government actions and address shortcomings, whenever possible.
- Promote the incorporation of emergency programmes into national social protection systems.
- Promote and support the extension of security and justice services to refugees and forcibly displaced people.

### **3. CONCLUSION**

Despite the EU efforts, as the largest global development donor and humanitarian actor, the magnitude and complexity of the challenge of forced displacement call for further ambitious action. Approaches that address only immediate humanitarian needs are incompatible with the large-scale and protracted nature of forced displacement. Development assistance has to be included at the outset of a crisis, not only to tackle the root causes but to also address the development needs of the displaced and their hosts.

This Communication proposes a development-oriented approach to refugees, IDPs and their hosts with a focus on their specific vulnerabilities and capacities. It introduces a **multi-actor response, including the private sector, based on improved evidence of what works and does not work in different contexts**. Building on strong partnerships with hosting countries, it calls for greater synergies between humanitarian and development actors regarding shared analyses, programming and the predictability and flexibility of funding, including at local level, where the most innovative responses emerge. The aim is to foster the **resilience** and **self-reliance** of forcibly displaced people through quality education, access to economic opportunities and social protection.

An EU policy to address forced displacement will help to prevent fragmentation or overlaps in the European response and to make greater use of potential economies of scale. This will make the response by the EU and its Member States more coherent and thus more effective.

The UN-led World Humanitarian Summit in May 2016 is a significant opportunity for the EU and its Member States to engage with other actors **to ensure early political attention and build commitment for a more coherent and holistic global approach to tackling forced displacement. This commitment should be based on a common strategic agenda and greater cooperation between international donors, host governments, local communities, civil society and the displaced themselves.**