

CGD Submission to the UN High-Level Panel on Internal Displacement

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1. Participation, influence and representation

The **centrality of IDP participation** is outlined in the Guiding Principles on Internal Displacement. Meaningful participation by IDPs in decisions that affect them, particularly the design and delivery of humanitarian assistance, is essential to ensure that their specific vulnerabilities and needs are taken into account. Commitments to participation of and accountability to affected people are reflected in the Red Cross/Red Crescent Code of Conduct, the Sphere standards and the Core Humanitarian Standard. Efforts to bridge the gap between commitments and practice have been central to humanitarian reform agendas in the past decade, notably the Transformative Agenda and the Grand Bargain.

Progress, however, remains *scant*, with the partial exception of growing use of project-level feedback mechanisms by some humanitarian agencies. As CGD researchers have argued in a [2019 study](#), this is due to the fact that past reform processes have not meaningfully dealt with the power imbalance between aid providers and recipients, including IDPs. If IDPs are to drive the response to their needs, their participation should not be mediated by the interests of governments or aid providers. The latter cannot effectively be both gatekeepers of IDP perspectives and interests and managers of the resources put in place to address their needs.

The High-Level Panel should consider ways to:

- foster **direct representation** of IDPs in the governing bodies of humanitarian multilateral and non-governmental organisations, while avoiding tokenism;
- enhance the **direct representation of IDPs and other crisis-affected people** in Humanitarian Country Teams and Country-Based Pooled Funds advisory boards, exploring the creation of ‘people’s advocate’ roles and/or affected people’s advisory bodies;
- strengthen **direct engagement between humanitarian donors and IDPs**, including through the OECD-DAC and the Good Humanitarian Donorship group;
- establish **independent feedback mechanisms** for IDPs and other crisis-affected people that are distinct from the humanitarian agencies whose work those mechanisms evaluate;
- establish mechanisms to **independently verify** the integration of feedback from IDPs in the programming frameworks of humanitarian agencies, for instance through independent audits.

2. Area-based programming and coordination

The standard humanitarian approach to humanitarian programming and coordination stands at odds with commitments to make humanitarian action “as local as possible and only as international as necessary” and to strengthen the ‘nexus’ between humanitarian, development, and peacebuilding responses to crises, including internal displacement. The division of labor by sectoral clusters, led and dominated by large international aid organizations, is a barrier to meaningful engagement by local governmental and non-governmental actors, including the private sector. People-centered, holistic programs, such as multipurpose cash transfers, struggle to transcend the cluster structure and dominance of cluster-lead agencies. The organization of humanitarian planning and fundraising through these top-heavy sectors has fragmented frontline coordination and implementation and the top-heavy nature of the clusters leaves frontline coordination anemic.

By contrast, area-based approaches and integrated programming at the locality level enable a more robust, holistic, and equitable response for all affected people, be they IDPs, refugees or host populations. In protracted contexts with mixed populations, area-based approaches can help promote social cohesion and relieve inter-group tensions. In Afghanistan, the Norwegian Refugee Council’s “Urban Displacement Out of Camps” program included affected people in mapping local needs and capacities, without limitation based on their status as returnees, IDPs and members of the host community. In Somalia’s Zona K, the clusters initiated a tri-cluster strategy to respond to shelter, WASH and health needs in a famine-driven displacement context. The strategy enhanced coordination among a diverse set of partners and evolved to meet the changing needs of affected people over time.

Lessons from area-based programming are not reflected in broader coordination structures. A forthcoming CGD paper will propose a vision for a next-generation coordination and planning system. It would be a hybrid between the cluster approach and the principles of area-based programming. In such an approach, needs would be defined holistically within a defined community or geography (rather than by technical sector or their humanitarian or development label), aid would be provided in a way that is explicitly multi-sector and multi-disciplinary and designed through participatory engagement.

Such an approach would not do away with the clusters but would roll back the super-sized roles they have taken on, and refocus them on their comparative advantages: technical advice and quality assurance; maintaining global best practices and standards; and addressing duplication and gaps within designated technical areas. Meanwhile core humanitarian program cycle functions – needs assessment, response planning, appeal construction, and frontline delivery coordination – would shift from a top-down, sectorally-organized model to a ground-up, integrated area-based model.

The High-Level Panel should consider ways to:

- **pilot** a transition to an area-based/cluster hybrid model of coordination in at least 3 protracted IDP situations.

3. New financing models

Flaws in the crisis financing architecture are well known: the bulk of resources are raised using a ‘begging bowl’ approach after crises hit, thus creating reactionary practices and inefficient competition. Funds are allocated by government donors almost exclusively through discretionary grants, the majority of which goes to a small set of multilateral agencies that combine conflicted interests. Although 86% of funding goes to crises that have lasted over three years, each donor allocates funding in usually short-term ‘lumps’ to deliver a predefined set of activities. These inefficiencies are in great part driven by fragmentation in the system and the dominance of large UN agencies, who manage end-to-end, siloed, and long supply chains for the sectors they lead on. The projectized way in which finance is provided continues to perpetuate incentives for costly parallel - rather than integrated - systems. As a result, the system still struggles to allocate resources strategically.

A recent [blog](#) summarized current CGD thinking on three change paths: 1) increased prearranged finance to fund early action in response to predictable events – such as internal displacement flows – but also to enable adaptive responses to protracted crises; 2) a new generation of pooled funds to resource outcomes-based programs, for instance on an area basis; 3) financing by function: outcomes-focused funding that is allocated to agencies based on their delivery capacity and comparative advantages, rather than their mandates. This would allow for better integration, reduced costs, as well as more direct inclusion of national and local actors in the delivery chain.

The High-Level Panel should consider ways to:

- generate better **predictive analysis** related to IDPs to contribute to new anticipatory finance mechanisms;
- unbundle the delivery chain for IDP protection and assistance and develop **integrated, area-based plans**, identifying those actors with the best comparative advantage – rather than pre-established mandate - to respond; and
- establish **area-based pooled funding mechanisms** to resource those functions.

1. Access to labor markets and livelihoods

IDPs face unique and significant barriers to labor markets, leading to [lower earnings](#) and higher unemployment rates than host communities or other migrants. Although IDPs are usually citizens, some still face legal restrictions on employment, as in [Azerbaijan](#), or questions about their legal status and right to work in semi-autonomous regions like [Somaliland](#) and Kurdistan.

They may be prevented from accessing land, public sector jobs, and public works programs - the [most stable jobs](#) during shocks like COVID-19 - and unable to utilize skills acquired before displacement. In Iraq, more than [two-thirds](#) of IDPs work in a different sector after displacement, and in Nigeria, [half of IDPs](#) who owned land before the conflict lost access in displacement. This mismatch between skills, assets, and the local economy is especially important for the significant number who are displaced from rural to urban areas; [analysis conducted by CGD in 2019](#) found that, among nine million IDPs across 17 countries with available data, about 4.4 million are located in urban areas and nearly 1.5 million are in major urban areas. Overall, alleviating the de jure and de facto barriers for IDPs across rural and urban areas would likely have [positive economic effects](#) for both IDPs and hosts.

The livelihoods sector is working to address these barriers but risks wasting considerable resources without rigorous evaluations. Although data collection has increased, needs assessments, profiling, monitoring, process evaluations, and reporting of outputs like money spent or number of recipients do not measure the effects of programs for recipients or cost effectiveness of assistance. Rigorous evidence through experimental and quasi-experimental methods are necessary to ensure limited funds are used effectively. Few evaluations for IDP programs currently meet the necessary standards of rigor, with a [recent global review](#) on job interventions for the displaced finding only 21 studies which included any IDPs.

For both equity and social cohesion, livelihoods programming should include host populations. Hosts are often almost as vulnerable, and including hosts has been shown to [reduce violence](#) in Lebanon and [increase social cohesion](#) in the DRC. Researchers at CGD are currently evaluating whether messaging around assistance to hosts can further shift attitudes towards hosting.

The High-Level Panel should consider ways to:

- engage governments, donors, and humanitarian organizations to **alleviate legal and de facto barriers** to IDPs' labor market access;
- invest in and **evaluate livelihoods interventions** to support IDPs' economic inclusion, both in urban and rural areas;
- generate **better data about the skill profiles** of both urban and rural IDPs, using this data to identify skill mismatches and inform voluntary relocation and / or vocational training.; and
- include **host communities** in programming.