

OECD Contribution to the UN Secretary-General's High-Level Panel on Internal Displacement

Forced displacement has become a global phenomenon. In 2020, almost 51 million people were displaced within the borders of their own countries. This number has risen significantly since the historically low levels of displacement in 2011 ([IDMC, 2020](#)).

Displacement is complex and context-specific. It entails large movements of people within a highly charged political environment. The absence of specific legal protections for displaced persons can create significant vulnerabilities and fragilities, frequently amidst a disrupted economic and financing landscape. As a result, internally displaced persons are often excluded from municipal or local authorities' structural responses to the crisis.

Increasingly, internally displaced persons are also the ones most left behind because aid providers cannot reach them. As belligerents in modern conflicts show a massive disregard for humanitarian principles, humanitarian workers have become a 'normal' target in conflicts ([OCHA, 2017](#)). Stringent anti-terrorism legislation creates further restrictions on how humanitarian workers operate and reach displaced people in need within the borders of some of the most difficult contexts. Today, the Covid-19 crisis is further adding to the constraints experienced by those attempting to reach the farthest behind.

While displacement situations begin during a crisis and create humanitarian needs, they often endure and become long-term phenomena. Historical and data analysis shows that displacement is non-linear. People fleeing conflict for safety and humanitarian assistance do so knowing that they may not return and with little knowledge of what awaits them in their host community. Most modern conflicts do not have a clear end in sight; war is not raging everywhere at any time. Peace and conflict factors interplay at certain times and in certain places. As a result, displacement occurs in an erratic way, as each person and each family must weigh whether the risks of losses and pain are greater in staying home than in leaving for far away.

Whether they are spontaneous or forced through war tactics or social engineering, internal displacements have a definitive impact on the demography and the sociology of a country. These affect the way production is organised as well as the way cities are populated, as new rural and urban populations coexist with or replace historical inhabitants of cities. The social fabric is profoundly disrupted and forever altered by a conflict, with dramatic implications for the political context and the productive capacity of the local economy. Internal displacements are thus a key factor in the definitive changes brought about by conflict.

For donors and the international community, acknowledging there is no "way back to normal" is critical to helping a country and its population cope with new realities.

Financing plans must keep pace with the specific challenges of internally displaced persons, and help build opportunities around new economic and demographic realities. Both the quality and the quantity of financing matters in order to get the greatest value for both internally displaced people and their host communities. Development, humanitarian and peace actors have already taken important steps to respond to the complexity of engagement in fragile and crisis contexts. In February 2019, the Development Assistance Committee adopted the [DAC Recommendation on the Humanitarian-Development-Peace Nexus](#), acknowledging the multi-dimensional aspect of crises and fragility and the need for a better coherence of action to assist a country on its way out of crises. This new approach has implications for better protecting internally displaced persons and responding to their particular needs.

Internally displaced persons are, and want to be, economic actors in their own right, striving for financial autonomy and livelihoods. ([OECD, 2019](#)). While harder to initiate in crises situations, numerous economic activities can begin to revive the economic fabric, providing both displaced

communities and resident populations a prospect for livelihood and self-reliance. This can boost the activities of the private sector and light industry, especially in urban displacement settings. In rural or peri-urban areas, camps can sometimes host several dozen thousands of residents, representing substantial market opportunities. Economic reconstruction programmes can direct funds in the form of lines of credit to small and medium-sized enterprises and entrepreneurs seeking to implement small infrastructure projects, or provide micro-credits to displaced communities ([World Bank, 2018](#)). The international community can also encourage the private sector to offset risks, work on the legal and business-enabling environment, discuss political priorities for the integration of displaced persons including through urban planning support and help develop population employability. These changes could lead to sustainable growth in a way that benefits camp residents as well as surrounding host communities.

Economic programmes alone are not sufficient. Even when internally displaced persons have the right to work and to move freely, they face considerable challenges and vulnerabilities in practice. Legal consideration such as property rights, identification, democratic rights and integration into national social safety nets outside the place of residence can create challenges. As a result, support to economic integration is most effective when it goes hand in hand with an enabling policy environment, including access to social services and documentation and property rights. From the international community, collective approaches such as compacts can help formalise policy and financing commitments to incentivise policy change and support the host country's recovery path in an inclusive and more peaceful way.

A strong and inclusive social safety net is a marker of positive transition. In many crisis contexts, people are internally displaced due to not having the financial or social capital to seek asylum abroad, or due to insecurity. As a result, internally displaced persons are often amongst the most vulnerable people affected by crises. Crises also induce economic transition. There are winners and losers in all economic transitions – generally toward a market-based economy – and these can leave many people behind. Because of the numerous challenges they face, IDPs are sometimes less equipped to seize new economic opportunities. It is therefore critical for a successful transition to establish strong social net schemes to protect the most vulnerable, including IDPs. The effect of the current COVID-19 crisis will only exacerbate this need.

Flexible funding is required in evolving contexts. To make the most of the resources available, financing systems and tools must be adapted to fit the reality of mobile populations. A greater flexibility is also required from humanitarian financing so that it can follow mobile populations in contexts that evolve rapidly and can be difficult to predict. Tightly earmarked funding can prevent both humanitarian and development actors from responding effectively. For example, funds exclusively allocated to displaced persons in a given context, excluding vulnerable host populations can have a negative impact on social cohesion and peace. In that respect, donors have already made some progress against their commitments at the World Humanitarian Summit to reduce earmarking and provide multi-year planning and funding ([ODI, 2019](#)).

Fragile contexts received USD 78.5 billion in 2018 from all donors, representing 73% of country allocable net ODA. The share of total net ODA in those contexts has increased by 20% since 2013, reflecting the growing interest from donors to address the root causes of fragility and crises that force people out of their homes. Internal displacement is also a driver of fragility, as captured by the OECD fragility framework.

Through the Development Co-operation Directorate, the OECD is supporting DAC members to provide a more efficient assistance to fragile countries and the most vulnerable in these challenging contexts. Specific guidance are provided to help donors including internally displaced persons into their country strategic framework ([OECD, 2017](#)). Moreover, the 2020 States of Fragility report ([OECD, 2020](#)) focuses on conflict prevention and the role of peace actors in crisis contexts. The International Network on

Conflict and Fragility (INCAF) works to achieve policy commitments and behaviour change among international actors, focusing on the most vulnerable, including internally displaced and refugees.

For several years, policy research has pointed to the need for a better articulation of the response to meet short-term and long-term needs in crisis contexts. This articulation is critical to ensuring that internally displaced persons are supported throughout the crisis and remain active participants of their country's recovery. Through a coherent approach across the nexus between humanitarian, development and peace actors, the OECD continues to support donors and the international community in their commitments to protect and reduce the vulnerabilities of those left the farthest behind.