

**ISSUES FOR CONSIDERATION BY THE HIGH-LEVEL PANEL ON INTERNAL DISPLACEMENT
SUBMISSION FROM THE WORLD BANK ¹**

This paper is a preliminary contribution to the work of the Panel and the ongoing dialogue on how to best strengthen IDP policy and responses. It is informed by the analysis presented in the September 2016 report, “*Forcibly Displaced: Towards a development approach to support refugees, IDPs, and their hosts*”, an upcoming WBG approach paper on IDPs and grounded in the “*UN Guiding Principles on Internal Displacement*”, including its definition of internal displacement. It does not represent a formal position by the World Bank and is focused on internal displacement induced by violence and conflict.

The results of the HLP will help the World Bank’s achieve its mission to end extreme poverty and increase shared prosperity by informing how we approach some of the world’s most vulnerable populations. Its recommendations will be considered in the context of our operational model where national governments are our clients; that focuses on needs-based rather than status-based targeting; and that recognizes our comparative advantage as being on the medium to long term socio-economic development with limited capacity to provide humanitarian assistance.

The WBG is scaling up its efforts to quickly provide emergency support operations to a broad range of countries. The WBG response includes emergency financing, policy advice, and technical assistance, to support clients in addressing the critical health sector needs as well as the broader impacts of COVID-19 on economies and livelihoods – including in FCV contexts that host the majority of the world’s IDP populations. Already vulnerable populations, such as IDPs, returnees and their hosts, are likely to be particularly impacted by the crisis, and the WBG response is paying particular emphasis on protecting the poor and vulnerable through both health interventions as well as social protection systems.

1. Key elements of a development approach

There is a consensus that development interventions are needed to complement humanitarian efforts in support of people affected by internal displacement. The World Bank has increased both its analytical work related to internal displacement and its investments in more comparative data collection and analysis. Between 2000-2018, the World Bank (IBRD and IDA) financed 74 ‘IDP projects’ pointing to a growing body of knowledge. These IDP projects either (i) explicitly named IDPs as receiving a specific project intervention, or (ii) the presence of IDPs within a community was used as a criterion for project or intervention site selection. More than half (56%) were in the Africa region followed by Europe and Central Asia (ECA) and the Middle East and North Africa Region (MENA).

The World Bank focuses on the medium-term socio-economic aspects of internal displacement – with a view to achieving the SDGs. Economic development in a broad sense takes a medium-term perspective. It sees the IDPs and their hosts as economic agents, who make their own choices and respond to incentives, and, hence, it places attention on institutions and policies. It aims to build partnerships with and between governments, the private sector, and civil society. This is complementary to (though distinct from) humanitarian efforts that primarily aim to respond to immediate needs at the time of a crisis. A key

¹ This submission reflects perspectives from the World Bank’s experience with internal displacement but should not be taken as an official interpretation of World Bank’s views or policies.

entry point for addressing both urgent and protracted IDP situations is through the inclusion of displaced populations in the diagnostic and strategy development work.

For the World Bank Group, IDPs as a distinct population group are of concern when they have specific vulnerabilities which affect their ability to seize economic opportunities available to other nationals and which often result in a poverty trap. When such vulnerabilities are specific to them, and traditional poverty reduction efforts may not suffice or be accessible, tailored interventions may be needed. Such specific vulnerabilities typically derive from the initial shock – a catastrophic loss of assets (including social capital) and traumatic experiences – and they can be aggravated by the uncertainty of the new situation that makes it difficult to plan or invest, and sometimes includes reduced rights and opportunities. While the socio-economic profile of IDPs differ between situations, those with pre-existing vulnerabilities will have lower levels of resilience to the additional shock of displacement. For example, displaced men and women, boys and girls experience and face different types of risks and have different short-term and long-term needs based on their different roles and responsibilities in the households and in communities. The development approach aims to help mitigate, or even eliminate, these vulnerabilities with a view to enabling IDPs to benefit from the same opportunities as the non-displaced.

Development approaches include a strong focus on the broader context of the displacement situation – including host communities that are impacted by the arrival of IDPs and the broader conflict dynamic. The arrival and inclusion of large numbers of people in specific locales is often a demographic shock that creates both risks and opportunities for the hosts. In most situations it transforms the environment in which poverty reduction efforts are being designed and implemented. In addition, conflict- and violence-induced internal displacement is in most cases caused by endogenous drivers. As such, it cannot be addressed in isolation from the very same dynamics that caused it in the first place.

Development actors can build on their comparative advantage by working in partnership with others to help inform public debates and policy formulation, as well as help strengthen institutional responses. For example, the World Bank can use its convening role and analytic capacity to contribute to a global response. It can provide financing resources to support the adoption of effective policies and the implementation of priority investments. On the other hand, the World Bank is neither mandated nor equipped to engage in some issues which are critical to the agenda, especially in the political arena. For conflict-induced displacement in particular, a government's role in the conflict and drivers of displacement will shape how Multilateral Development Banks can engage. In addition, the WBG is not well-equipped to deliver urgent assistance on the ground compared with humanitarian agencies. To be effective, development actors ought to be part of a broader partnership effort, which includes political, diplomatic, security, and humanitarian elements.

The World Bank is stepping up its support to help reduce fragility risks, prevent escalation and relapse of conflicts. Reducing fragility is a critical component of a long-term solution to conflict-induced forced displacement, in line with the key messages of the 2011 World Development Report on Conflict, Security, and Development and the recent World Bank Group Strategy for Fragility, Conflict and Violence. Within the context of a broader coalition, development actors may contribute to addressing some of the risk factors associated with development that can exacerbate fragility (e.g., lack of accountable, inclusive, and effective institutions, slow economic growth, unequal access to economic opportunities; regional spillovers), as well as longer-term factors that may prevent poverty reduction, such as competition for environmental resources in the context of climate change.

2. Selected issues for the Panel's consideration

For development actors to be able to engage effectively, it will be important for the Panel to clarify some issues. This section outlines some of these points.

(a) Draw on the lessons of development approaches

Governments are at the center of the IDP situations and will remain the key actors in promoting and achieving solutions. This can limit the reach of actors like the World Bank when governments are the main culprits or enablers of displacement or in contexts where there is little political will to recognize/address displacement. However, development assistance has also been used effectively to advance agendas (e.g. climate change and gender equality) in ways that stress shared benefits and allow governments to lead the national response. When feasible, such an approach not only strengthens national ownership and sustainability, but also helps minimize the establishment of parallel systems and dependency.

The World Bank has gained valuable experience on the inclusion of marginalized groups – experience that in many cases can be applied to displacement situations. In many instances, stand-alone operations focused exclusively on the displaced may not be the most appropriate or effective way to support displacement-affected populations. Exploring where internally displaced are excluded from benefitting from development assistance and supporting measures to overcome hindrances can be a powerful way to increase international assistance for IDPs – even if not labelled as IDP projects. Using an exclusion lens may in certain instances help overcome reluctance to address displacement with development finances.

Addressing complex exclusion and marginalization situations has also taught development actors the value of multi-sectoral approaches. The WBG’s deep engagement in many of the sectors that are critical to addressing the needs of internally displaced and their hosts – whether in the early onset, during or after displacement places it in a good position to take a holistic approach at both operational and policy levels. Long standing relationships with line ministries that are involved in what are areas of intervention of importance to IDPs, returnees and hosts (including jobs, financial inclusion, agriculture, housing, schools, healthcare, social cohesion etc.) can be leveraged to ensure that these populations are thought into sectoral policies and interventions.

We would advocate for further building evidence on what works so as to inform policy recommendations, develop sound interventions, enable effective synergies between humanitarian and development actors and move the dialogue forward on solutions. Lessons from the World Bank’s and other actors’ efforts to address for example the challenges stemming from urbanization, marginalization and refugee situations can be extracted and used for IDP situations. This could include responses and delivery mechanisms that have been able to deliver results, ranging from extending existing social safety net programs to employment-policy changes that allow the displaced to use their skills and to boost the local economy, providing effective education solutions, or strengthening social cohesion.

(b) Re-think solutions

A humanitarian focus on protection and human rights of the individual is critical but needs to be complemented by efforts to address the needs of the conflict-affected population in general and mitigate the risk of future conflict. A comprehensive response must take into consideration a combination of factors related to the needs of the displaced themselves, the non-displaced population and the present conflict dynamics and potential drivers of future conflict. This requires that different

actors across the humanitarian, development, security and political spheres use their comparative advantages to analyze and respond to the challenges posed by the causes and consequences of internal displacement.

It is important to define “solutions” in a manner that reflects realities on the ground and that can be operationalized. Internal displacement is often protracted – with a large number of those affected having been IDPs for years, if not over generations. The UN Guiding Principles and the IASC Framework on Durable Solutions for IDPs identify three ways to achieve durable solutions: (a) voluntary and sustainable reintegration at the place of origin (return and reintegration); (b) sustainable local integration in areas where IDPs take refuge (local integration); and (c) voluntary and sustainable integration in another part of the country (settlement elsewhere in the country). These are linked to considerable ambiguity. For example, in the case of urbanized IDPs who are not able or willing to return to rural areas, when does one cease to be an IDP? The criteria used to determine that a durable solution has been achieved – e.g., when people have an adequate standard of living and access to employment – place the bar so high that it is almost impossible to reach it in many developing countries, including for the non-displaced, which partly explains the continued rise in the number of IDPs worldwide.

We would advocate for “durable solutions” to be defined as the point where IDPs are living in conditions that are similar to the rest of the population, including in terms of progress towards key SDGs (enforced legal rights, ability to settle, access to services, poverty levels, etc.). The notion of a “level-playing field” is also reflected in the recent work undertaken by the Expert Group on Refugees and IDPs Statistics (EGRIS) under the auspices of the UN Statistical Commission. While being broadly in line with the IASC Framework, it relies on realities on the ground, rather than the more aspirational nature of the IASC criteria for durable solutions. It also aims to mitigate the potential negative impacts of inadvertently “locking” people into an inescapable category. In some cases where IDPs are granted an official “status” as such, it is used to discriminate against them – and hence becomes part of the protracted nature of internal displacement. In other cases, being identified as an IDP provides a potential claim for an eventual compensation – which may be important and should be maintained possibly through another designation. Yet in others, it can lead to high levels of dependency that further hinders achieving durable solutions.

Under such a definition, a thorough socio-economic survey of the current stock of IDPs in a few key countries may help identify which groups should remain counted as IDPs – and which not – which could result in significant changes in total numbers as well as in a better targeting of available resources toward those most in need or towards areas where the difference with the rest of the population are the most acute. The recently established World Bank-UNHCR Joint Data Center on Forced Displacement could undertake such work (with a focus on countries with large protracted IDP populations), which could provide results within a two-year period.

But it also requires development actors to understand ‘return’ and the challenges facing returning populations. At the analytical level, it is important to understand what the obstacles to return are, the social, economic or legal conditions that need to be in place for returns to take place, in addition to those related to security. Not only can the lack of such conditions hinder return for those who wish to do so, but for those who return in any case, new rounds of displacement are likely, as returnees are at a risk of falling back to this as a coping mechanism in response to deteriorating circumstances.

(c) Continue to distinguish among distinct types of IDPs

Internal displacement can be caused by several factors: violence, conflict, and persecution; natural disasters; large-scale projects; and increasingly climate change. In an initial phase, most people will need life-saving assistance which may be similar – hence the temptation to aggregate all groups. But progress towards solutions will in most cases closely depend on the cause of internal displacement – violence, conflict, and persecution will often be far more political than other causes, complicating both national and international responses.

We would advocate for keeping the different type of IDP separate, including in statistical / counting efforts. Aggregating categories would blur the lines, which in turn would make it more difficult to provide medium-term support focused on solutions in an adequate and coordinated manner. Incidentally, the “merging” of different categories would also result in large increases in numbers, which may feed into xenophobic and discriminatory anxieties and narratives. This will not necessarily be an easy exercise as there are affected populations where such distinction will be difficult (e.g. Somalia and Afghanistan).

(d) Harmonize definitions and counting methodologies

Aggregate estimates of IDP numbers are based on national definitions and hence not directly comparable. What it means to be an IDP varies significantly across countries.² Some governments carry out periodic registration exercises and IDPs are identified individuals with specific rights, entitlements, and/or obligations deriving from their situation. In other contexts, IDP numbers mainly refer to broad estimates of the number of people who have been forced to leave their residences, with no clear identification of specific individuals. For example, there is no consensus on how far a person must flee in order to be considered internally displaced, the definition of internal displacement for nomadic populations, or whether children born to IDPs in displacement are themselves counted as IDPs. In addition, the crafting of a definition for IDPs and its application in a particular context may be influenced by political factors: for example, in some contexts it may be politically expedient to recognize only IDPs displaced by some parties to the conflict or IDPs of particular ethnicities, while in others, governments continue designating people as IDPs in order to create leverage in territorial negotiations.

Uncertainty on numbers is exacerbated by methodological challenges. There are significant practical challenges associated with the collection of data on IDPs, especially in conflict-affected and inaccessible areas. These issues can lead to both over- and under-reporting of IDPs, and comparing or aggregating data across displacement situations may be misleading. Furthermore, the direct link between estimates of displaced populations and humanitarian assistance can lead to over-reporting of IDP numbers.

Aggregate numbers hide some fundamental variations across situations that impact what an adequate response should look like. As a way to designate a group of people who share key socio-economic characteristics that distinguish them from others, the concept of “IDP” is not particularly instructive: it aggregates situations that have little in common, from people surviving in the midst of ongoing violence in Syria to people who have been rebuilding their lives in the slums of Bogota for over a generation. These people may have more in common with people living near them than with each other. In fact, the stock of IDPs can be roughly broken down into three groups– people living in the midst of conflict (e.g., Syria); people fleeing part of their countries to stable regions and still in a situation of flux (e.g., Northeast Nigeria); and people who have been settled as IDPs in stable environments for years or decades (e.g.,

² See Technical Report on the Statistics of Internally Displaced Persons, Chapter 3 (<https://ec.europa.eu/eurostat/documents/3859598/9316015/KS-GQ-18-003-EN-N.pdf/2f5996ce-c15f-42a2-b659-ed1b843a596e>)

Colombia). Some countries may have a combination in the same or different geographic areas, reflecting different waves of conflict or violence and their resulting displacement.

Improving the understanding of the scale and nature of conflict-induced internal displacement as well as getting a more accurate picture of socio-economic profiles of affected populations will be crucial.

Without a better sense of who the displaced and their hosts are, what their needs and resources are, it will remain difficult for both humanitarian and development actors to identify the right policy and institutional changes or design effective medium-term programs. For example, a better understanding of gender differentiated vulnerabilities and needs will help identify more targeted interventions for the short term protection and support, to the longer term enabling environment for women and men to benefit from longer term programs that have the potential to contribute to more equitable societies. Organizations and initiatives such as IDMC, UNHCR, OCHA, JIPS and IOM collect, analyze and aggregate data, but further efforts are needed to enhance the global systems to collect and aggregate country-level numbers.

We would advocate to support and further develop the work of the Expert Group on Refugee and IDP Statistics (EGRIS) established by the UN Statistical Commission as an important first step.

The subgroup on IDPs has produced an important Technical Report on the Statistics of IDPs and the International Recommendations on IDP Statistics (IRIS) were recently endorsed by the UNSC for in March 2020. The promotion and roll out of the IRIS will be an important part of a global effort to improve data and evidence on IDPs through stand-alone surveys or inclusion of displacement situation in national household surveys or census, which can provide valuable data to governments to inform development planning.

The WBG-UNHCR Joint Data Center on Forced Displacement (JDC) is also set up to support countries to improve socio-economic data on the affected populations, with an aim to expand the use of surveys and statistics, building on work already completed by the EGRIS.

(e) Financing

The continuous increase in the global number of IDPs in combination with a humanitarian system under pressure from a multitude of crises, makes for a strong argument for increased development resources for internal displacement situations. This leads to a temptation to focus on raising additional, dedicated resources to support IDPs. However, the drivers of displacement also create other development challenges that may require additional resources and hence should be incorporated into the overarching development planning.

The design of financing instruments should focus on providing adequate incentives to IDP-hosting governments. For example, providing development resources in amounts that are proportional to the number of IDPs may aggravate rather than alleviate the problem. The rationale for the establishment of the IDA18 Sub-Window for Refugees and Host Communities (RSW) was the lack of incentives of refugee hosting countries to use their finite development resources for non-citizens – a rationale that does not apply to IDP situations. IDPs are nationals/residents of their country, and any prioritization of needs and assistance among nationals is a politically loaded decision, especially in fragile contexts.

For these reasons, the World Bank will not seek to establish earmarked financing mechanisms for IDP situations as it has done for refugees. Rather, it will seek to strengthen our ability to ensure that IDPs benefit from development interventions in an equal manner to the non-displaced and will significantly increase the IDA allocations going to the low-income countries most affected by violent conflict and hence

among some of the largest producers (and hosts) of internal displacement. In combination, this aims to increase the amount of international assistance supporting IDPs and their hosts.

Additional instruments may be considered to support private sector investment in areas with high concentrations of IDPs. This will be especially needed if these are lagging or far-away regions which were not attractive to start with.