

PROGRESS REPORT

MEASURING THE IMPACT OF HOSTING, PROTECTING AND ASSISTING REFUGEES

INTRODUCTION AND BACKGROUND

1. The global number of refugees, asylum-seekers and internally displaced persons (IDPs) now stands at close to 80 million. This figure should be seen in relation to the modest progress secured in advancing solutions and the protracted nature of many displacement situations. Refugee-hosting States have long drawn attention to the lack of recognition given to their contributions to addressing the consequences of forced displacement and to the need for greater burden- and responsibility-sharing. This progress report details efforts coordinated by UNHCR in response to the request by the United Nations General Assembly to measure the impact of hosting, protecting and assisting refugees.¹ In particular, it records the approach and the advances made since the affirmation by United Nations member States of the [Global Compact on Refugees](#) (GCR) in December 2018. It responds also to the requirement embedded in the GCR that the process should inform the stocktaking at the Global Refugee Forum (GRF) of the efficacy of the arrangements for burden- and responsibility-sharing.²
2. The absence of binding obligations on States to share the costs and consequences associated with the provision of asylum is widely recognized as a significant weakness in the international refugee protection regime. Whereas the principle of burden- and responsibility-sharing has met with broad acceptance, it has not yet been matched by international practice.³ Efforts to address this gap have focused on defining how it could be measured, what mechanisms could be defined for sharing it, and how can international cooperation be made more predictable. These have generated considerable debate about how the costs and broader impact of refugees on host communities could be assessed, taking into account the many variables that typically characterize refugee situations.
3. There is, however, broad recognition that burden and responsibility-sharing in hosting, protecting and assisting refugees has so far been inequitable. There are huge gaps in international cooperation with respect to contributing to the global public good of refugee hosting. The large majority (85 per cent) of refugees are hosted by just 15 countries; only a few donor countries provide the bulk of financial and technical support. Host countries take on the greatest burden, as repeatedly acknowledged by UNHCR and recognized in the GCR. There are also significant differences in the absolute number of refugees hosted, in their share relative to the hosting population, as well as in the ability of States to host refugees based on differences in level of development, economic growth and local and regional contexts. It is, therefore, considered essential to find ways to broaden the support base and enlist the active engagement of a greater number of stakeholders in order to promote burden-sharing that is more equitable, predictable and sustainable.

¹ The United Nations General Assembly resolution [A/RES/72/150](#) (2017), para 20, requests UNHCR to “coordinate an effort to measure the impact arising from hosting, protecting and assisting refugees, with a view to assessing gaps in international cooperation and promoting burden- and responsibility-sharing that is more equitable, predictable and sustainable, and to begin reporting on the results to Member States in 2018”.

² GCR, paragraph 103.

³ One helpful articulation of the importance of the principle of burden- and responsibility sharing can be found in paragraph 8 of the December 2001 Declaration of States Parties to the 1951 Convention and/or its 1967 Protocol Relating to the Status of Refugees “...respect by States for their protection responsibilities towards refugees is strengthened by international solidarity involving all members of the international community...and the refugee protection regime is enhanced through committed international cooperation in a spirit of solidarity and effective responsibility and burden-sharing among States”.

MOTIVATION

4. The motivation for “Measuring the impact of hosting, protecting and assisting refugees” is the shared recognition of the centrality of international cooperation to the refugee protection regime and the need for additional States and stakeholders to contribute to easing the pressure on host countries. To encourage such an increase in burden-sharing, host countries can contribute importantly by evaluating, estimating and planning efficient and effective responses to address the needs of host communities and refugees alike. With a shared commitment to advancing the objectives of the GCR, a collective assessment of gaps in international cooperation can make a significant contribution. To undertake such an assessment, data and evidence is needed to further quantify inequitable burden and responsibility-sharing and gaps in international cooperation. At the same time, quantification is only one tool to achieving this shared objective. Progress towards more equitable burden- and responsibility-sharing should not wait for a full measurement of impact. The unevenness of burden- and responsibility-sharing is already evident and requires early action.

COMMITMENT

5. The 2018 General Assembly resolution on the Office of the United Nations High Commissioner for Refugees (the ‘2018 Omnibus resolution’) invited UNHCR to continue coordinating the effort to measure the impact arising from hosting, protecting and assisting refugees, with a view to assessing gaps in international cooperation and promoting burden and responsibility sharing that is more equitable, predictable and sustainable, and to report on the results to member States.⁴ With the aim of reaching consensus on a common methodology or methodologies to measure the impact of hosting, protecting and assisting refugees, UNHCR, with the technical support of the World Bank, organized three workshops in February, April and November 2019 respectively. Participants included representatives from a range of member States (both refugee-hosting and donor countries) drawn both from Geneva-based missions and capitals. The objective of these workshops was to develop a common approach and some applicable systems to measuring impact. Particular emphasis was laid on a participatory process to develop the methodologies jointly.

OBJECTIVES

6. The overall aim is to contribute to the objective of the GCR to ease pressures on hosting countries by promoting burden and responsibility sharing that is more equitable, predictable and sustainable.
7. In particular, this exercise aims to reach a shared understanding of what it would take to deliver on the GCR commitment, in the words of a participant at the first workshop that took place in Geneva in February 2019, *“taking into account national particularities from host countries”, and “(...) taking into account the voluntary nature of this exercise, the flexibility to adapt to different host country models (with and without camps), and the capacity to integrate complementary modules/tools (e.g. indicators to measure the contribution of refugees to the host country in terms of development)”*.
8. As articulated by one of the participants at the first workshop referenced above, the objective was to develop “a common language to share experiences”. Developing this common language involves reaching agreement on the approach(es) and the scope of the exercise, the identification of methodologies which may be suitable for broad application, and to create momentum for practical commitments to more equitable burden- and responsibility-sharing at the first GRF. Recognizing that the GRF is only the beginning of the process, and noting the challenges and complexities identified during the process to date, one key objective was to agree on next steps for 2020 and the future.

⁴ Paragraph 21 of the United Nations General Assembly resolution [A/RES/73/151](#) on the Office of the United Nations High Commissioner for Refugees, adopted on 17 December 2018.

ACHIEVEMENT TO DATE

9. With the shared objective of contributing to the success of the GRF, one of the key achievements of the process was reaching agreement on a phased approach, emphasizing participation and practicality in undertaking this complex task. It was agreed that a multi-year approach is needed and that the work of the first year was just the beginning. The process further emphasized the voluntary nature of participation with the aim of bringing together as many hosting countries as possible. It was agreed a practical approach was required to ensure simplicity and transparency in the proposed methodologies, while: (a) maintaining quality standards; (b) relying on official and cross-referenced data sources, wherever possible; and (c) recognizing the need for adaptations where necessary for comparability.
10. Participants at the February, April and November 2019 workshops engaged in a candid, constructive dialogue and recognized that this was a collective and serious effort to undertake such a complex exercise while the process and substance remained open to further discussions and suggestions. A second achievement was the development of a shared understanding that translating the GCR provisions (as the GCR is not legally binding) in their entirety is a complex and difficult task due to several reasons. These included political will requiring a cautious approach in order to remain constructive and reach the intended outcome. In addition, there were practical challenges related to the need for building capacity at the country level with accompanying resources in order to aggregate the data needed and understand the objectives. Furthermore, coordination across, and the engagement of, different line ministries and responsible agencies and the delineation of clear lines of responsibility, were identified as prerequisites to further progress. Participants also agreed that there was a need for a methodology and strategy on how resources should be managed by all countries and how their impact should be reported.
11. In addition to challenges related to process, implementation and accountability, participants acknowledged there were important technical issues that required further reflection. Measuring “impact” as committed to in the 2018 Omnibus resolution requires meeting certain standards which are well-accepted in peer-reviewed evaluation research. For a range of areas within the scope of the exercise, including, for instance, the impact of hosting refugees on local labour markets, prices and services, these standards (akin to randomized control trials) imply the need to have a counterfactual comparison. In other words, the difference in outcomes needs to be assessed relative to a scenario without refugee presence, all other elements remaining the same. This is challenging because refugee influxes are dissimilar to the subjects typically addressed by randomized control settings and do not usually allow for a valid comparison scenario. Furthermore, data requirements are quite onerous since refugee influxes are often accompanied by macro-economic or economy-wide shocks and spillovers from neighbouring conflicts. The effects of these are difficult to disentangle from those associated with refugee emergencies. Beyond these challenges, evaluating the impact of sectors such as infrastructure requires accounting for long-term planning and capital investment needs, while others, such as social cohesion, are very difficult to quantify and measure.
12. Participants recognized these challenges and shared an understanding of the range of sectors involved and the data needed. They acknowledged that certain elements such as social risks cannot be quantified and agreed that if a phased, participatory and practical approach was taken, delivering on the overall objective was challenging but feasible. With this in mind, it was agreed that in the first year, the exercise would focus on some simple methodologies to quantify costs in certain sectors, with the explicit recognition that this was only one of many steps that would be needed.
13. Participants initially undertook a detailed identification and examination of different key sectors and the complexity of assessing impact in the short and medium to long-term of each one. It was agreed to start with the more easily quantifiable task of assessing fiscal costs, with a focus on education, as a basis for the discussion of pros and cons of potential methodologies. It was acknowledged that even to quantify impact on the education sector would require considerable work.

14. Discussions then focused on alternate approaches to measure fiscal costs in the education sector with two approaches emerging. The first was a simple average or unit fiscal cost approach which assumes the costs of educating refugee children are the same as the average costs of educating host country children. While necessarily an over-simplification, its key advantages are the use of (generally) readily available information from national budgets and ministries of education, simplicity and transparency, and assuming that refugee children will get the same quality of education services as the hosts.
15. The second approach was a more detailed, needs-based assessment that relies on an assessment of additional and differential needs of refugee children relative to hosts, and uses this to provide a more detailed, differentiated costing. The advantage of this approach is that it will likely generate more accurate estimates especially in countries with different languages of instruction and the need for specific interventions for refugee children. However, these needs assessments are not available for many refugee-hosting contexts and would, therefore, be difficult to implement for most hosting countries in the short term.
16. To generate baseline costs actually and potentially incurred, it was agreed that participating countries would try to get: (i) official government estimates for average unit costs for education; (ii) estimates for the current number of refugee children enrolled in national systems; and (iii) the total eligible refugee child population. This would need to be expressed not in absolute terms, but taking into account the hosting country's level of development and current educational system. Most importantly, this was viewed not as a one-off exercise but one that aims to update this baseline with more accurate and timely estimates combined with different elements of measuring impact which fiscal costs alone do not capture.

AGREED NEXT STEPS

17. Based on the discussions in the three workshops, participating hosting States agreed to keep working with the same partners, UNHCR and the World Bank on an ongoing basis.⁵ It was further agreed that: (i) comprehensively measuring the impact of hosting, protecting and assisting refugees will remain the overarching objective; (ii) existing and available data will be used to identify gaps in international cooperation, outlining unmet needs of refugees and hosts; and (iii) hosting states will continue to work towards an equitable, predictable and sustainable burden-sharing plan or framework.
18. As a first step, there is agreement to continue the work on education, beginning with a global exercise to benchmark "What will it take to educate all refugee children and youth?". This benchmarking exercise will provide a first estimate of the fiscal costs of educating refugee children within national systems at the global level.
19. There is also agreement to begin work on the health sector next.
20. To deal with challenges of coordination and communication, participants agreed on the need to improve the efficiency in communication and information sharing, perhaps through setting up an internal communication tool, open to all hosting countries. Relatedly, competent national authorities were encouraged to establish networks for better communication and coordination at their level to further this effort.
21. Finally, it was agreed that technical support was needed to continue this work. Depending on country context and need, this might take the form of country-specific technical assistance to work with relevant line ministries and departments to collect relevant information or through regional

⁵ The Organisation for Economic Co-operation and Development (OECD) intends to issue a second report on donor financing for refugee situations in 2020.

workshops where relevant stakeholders could be invited to generate consensus on the importance of this exercise and the information needed, and to facilitate the sharing of challenges and experiences.

22. As has been evidenced from the outset, measuring the contributions of member States to refugee hosting situations is a complex exercise. The availability of data and estimates of the resources required to collect it in refugee-hosting countries is uneven. It is made especially challenging by the absence of accurate data and statistics capturing all contributions (humanitarian assistance, development assistance, non-governmental and private sector contributions) to a given refugee situation. To date, useful progress has been made in: (i) building a broader understanding of the technical and analytical tools and approaches required to measure the impact and costs on host countries of refugee protection; (ii) developing agreed methodologies that can be applied in different refugee situations to identify key areas of costs and to conduct a more detailed assessment of impact; and (iii) drafting a report and offering an opportunity to present some key insights on the exercise at the first GRF. Issues requiring further reflection raised by participants included the methodology for designing a co-efficient that would take into account the variations in key characteristics of refugee populations, and how to assess the investments required to enhance the integration of refugees into labour markets.

UNHCR, 1 July 2020

ANNEX

SUMMARY OF WORKSHOP DISCUSSIONS

1. With the aim of reaching consensus on a common methodology or methodologies to measure the impact of hosting, protecting and assisting refugees, UNHCR with the technical support of the World Bank organized three workshops in February, April and November 2019 respectively (and an interim stocktaking meeting in June 2019). Participants included representatives from a range of member States (both refugee-hosting and donor countries) drawn from Geneva-based missions and capitals. The objective of these workshops was to develop a common approach and some applicable systems to measuring impact. Particular emphasis was laid on a participatory process to develop the methodologies jointly.
2. With respect to the overall strategy underpinning the process, it was recognized that any methodology adopted would (i) rest on a set of assumptions and agreed approaches, and (ii) that it would need to use proxies and rely on incomplete data sets. The intention was not to produce the perfect methodology, particularly in the absence of comprehensive data sets. As such, it was further acknowledged that the approach and methodology would need to be iterative, reviewed and improved over time. Nevertheless, participants committed themselves to delivering a first report by the time of the first GRF in December 2019.
3. During the first workshop held in Geneva in February 2019, participants undertook a detailed review of the main identifiable contributions of host countries. The discussions determined that these can broadly be divided into the following areas: (i) service delivery including health, education, water, sanitation and hygiene and energy; (ii) economic activity, including economic growth, unemployment, jobs, prices for goods and housing; (iii) social cohesion, security and environmental impacts; and (iv) direct contributions of the hosting country such as land donations, free electricity etc. Participants concluded that the scope of the measuring impact exercise could comprise:
 - i. Contributions of the host countries (excluding those supported through donor contributions), defined as additional fiscal costs (including systems to mitigate broader economic and/or social costs) attributable to refugees' presence only (excluding for instance, the broader costs of a neighbouring conflict, or those caused or potentially mitigated by hosting government policies).
 - ii. Areas and/or sectors of highest impact, with an initial focus on service delivery sectors beginning with education and health, with the objective of informing the discussions on burden- and responsibility-sharing at the GRF.
4. The second workshop, which took place in April 2019, focused initially on the two alternative approaches aimed at estimating the fiscal costs of refugee needs related to the delivery of services, such as health and education, and potentially water, sanitation, energy and social safety nets. The two approaches are both premised on national systems delivering service. They comprise; (i) an average or *per capita* cost approach; and (ii) the detailed or needs-based cost approach. It was noted that the average cost approach relies on the availability of budget data and has the virtue of being relatively straightforward. However, its drawback is that it may not take into account the additional needs of refugees.
5. The needs-based approach requires information from a detailed assessment to estimate the additional costs above and beyond what national systems bear for host country populations. Beyond fiscal costs, it was observed that this would also require an assessment of capital investment, impact assessments of refugees on host communities' labour, housing and other markets, the environment, social cohesion and security risks. The comprehensive nature of the data required, the timelines for such an exercise,

the establishment of a counterfactual (i.e. what would have happened had there been no refugee arrivals), and a strategy to attribute cause and effect.

6. Participants concluded that in the interests of advancing the objectives for the measuring impact process as foreseen in paragraphs 48 and 103 of the GCR, it would be feasible to work on parallel tracks, with discrete purposes and timelines:
 - i. To start informing discussions on how to improve financing the global public good, member States would review fiscal costs and revenues for different sectors, following the *per capita* or average cost approach, identify available data, and on that basis, reconvene in September 2019 to discuss the possible implications of the findings, and agree on a communications strategy for the GRF.
 - ii. To start accounting for unmet needs and help enhance the allocation and channeling of resources, member States would explore the use of the same methodological approach to assess what it would take to fully cover refugee populations in national systems. The findings would be discussed in September, with careful consideration of implications and discussions on communicating the findings.
 - iii. To start informing policy discussions at a country level, a subset of volunteer refugee-hosting States could decide to launch detailed impact assessments, which would likely be a multi-year effort.
7. Following a brief stocktaking exercise in Geneva in June 2019, the third workshop was held in Geneva in November 2019. The objective of the workshop was to review emerging findings from ongoing global and regional efforts and determine the elements for presentation in the report to the first GRF. In particular, the discussions focused on the costings and different approaches undertaken by the participants from refugee hosting states of refugee education. A presentation by the World Bank team, preparing a draft report on the global cost of refugee education, prompted a constructive discussion on the advantages and disadvantages of average versus detailed costings analysis. A particular issue that emerged was the construction and application of the coefficient used to estimate the additional costs to States of including refugees in their national cost estimates for the education sector. An example of a regional quantification exercise was presented that focused on work undertaken in several Central American countries.⁶ It offered some useful methodological insights into the design and implementation of a regional national costings initiative with several contributing countries coordinated by an external consultation team. The presentation highlighted the benefits to a State-led process and the challenges it encountered.
8. The second part of the workshop focused on building agreement on the structure and content of the report to be prepared in advance of the first GRF. It also generated an important reflection on how to take the process forward in the future. There was broad agreement on the approach that had been taken and acknowledgement of the validity of the methodologies developed. Support was voiced both for a continuation of the exercise with the inclusion of an additional sector, namely health, being indicated as a possible focus in the future. Strong interest was also expressed in the convening of a workshop at regional and national levels. It was noted that the latter would prove particularly helpful in bringing together all the relevant ministries and departments that could contribute data, knowledge and insights from both national and local perspectives. Finally, while acknowledging the inherent complexities, some participants also suggested that conducting a detailed impact evaluation could be given consideration.

⁶ The quantification exercise was undertaken within the framework of the *Marco Integral Regional para la Protección y Soluciones* (MIRPS).