"Towards a global compact on refugees"

Thematic discussion three: Meeting needs and supporting communities

18 October 2017

Panel one: how can we mobilize more resources for humanitarian and development assistance to host States?

Summary

Some important factors in terms of mobilizing more resources for humanitarian and development assistance highlighted by participants included the following:

- <u>Humanitarian assistance</u>: Despite the generosity of donors, the availability of humanitarian funding continues to fall far short of needs. Building on the outcomes of the World Humanitarian Summit (including the "new way of working" and the "grand bargain" commitments), the programme of action could serve as a platform to mobilize more resources for host countries. In particular, it could encourage:
 - a deepening and broadening of the donor base (ongoing support for existing mechanisms such as the CERF was encouraged); and
 - provision of humanitarian assistance through parallel systems only as a matter of last resort; with a focus instead on building national systems and response capacity where possible.
- At the same time, it is important that anticipation of or efforts to mobilize development funding not lead to a reduction in humanitarian funding.
- <u>Humanitarian-development "nexus"</u>: forced displacement transcends the humanitarian and development worlds. There has been a remarkable shift in recognition of this fact in the past few years drawing lessons learned from past efforts to bridge the humanitarian-development divide, including those that did not succeed, may be useful.
 - The discussion highlighted that more can be done to break out of the respective "silos" between humanitarian and development actors and to ensure collective outcomes; although some encouraged the two funding streams to nonetheless be kept separate and e.g. in line with the "four core humanitarian principles" joint programming or outcomes were not recommended (unlike joint assessments and planning).
 - The "education cannot wait" fund is an example of bridging the humanitarian and development divide. Such models could be considered further in the programme of action.
 - Inclusion of refugees in national development plans by hosting countries was strongly encouraged as a means to ensure appropriate development assistance is mobilized.
- It was stressed that the challenge is not just to mobilize more resources (quantity), but also to ensure that resources are used effectively and efficiently (quality). It was recommended that in-donor refugee costs be explored, for example; and provision of <u>predictable</u>, <u>unearmarked multiyear financing</u> was strongly encouraged. Aid effectiveness principles from the development world could contain important lessons learned.

- At the same time, ensuring more resources and ensuring more efficiencies are not mutually exclusive: both are needed.
- While efforts by hosting countries to include refugees in national systems and services and to enhance self-reliance were praised, it was recommended the programme of action not focus on what hosting countries could do more of and better, but rather how the international community can provide support; as well as on <u>addressing root causes</u> of displacement and finding durable solutions, including through <u>development projects in countries of origin</u>. This will be discussed further in November.

Suggestions for the programme of action

From the concept note

- Addressing data and evidence gaps
 - Data and evidence was recognized as critical in ensuring good humanitarian and development outcomes, and facilitating inclusion and participation of refugees in host communities.
 - "Evidence of impact" is also vital to ensuring ongoing donor support, and securing interest and commitment of new stakeholders.
 - The new UNHCR and World Bank joint data centre could be a basis on which to build.
- Undertaking a 'mapping exercise' to measure and assess the evolution of the needs, contributions and costs of hosting refugees to inform medium- and longer-term development and financial assistance
 - This was welcomed by many participants. Knowledge of the capacities of hosting countries is essential to ensuring transparency and that gaps are identified.
 - The exercise could combine information from humanitarian actors, development actors and line ministries. Further exploration of this idea was encouraged.
- Conditions of financial lending schemes and grant-based assistance
 - The World Bank's IDA 18, creating a funding window for refugees and host communities, provides a good model, as does the extension of funding to middle income countries through the global concessional financing facility.
 - The "cascade approach" of the World Bank, which requires opportunities for private sector funding to be explored in the first instance could be a model to ensure better prioritization of limited resources.
 - Caution was expressed with respect to the loan model for refugee hosting countries, for further consideration.
 - Further exploration of the role of regional financial institutions was encouraged.
- Exploring "beyond aid" approaches
 - This was welcomed generally, and practical commitments as part of the programme of action were encouraged.
 - There was a request to establish a process for States to foster learning and exchange regarding <u>private sector engagement</u> in refugee situations, as well as experiences in preferential trade and investment arrangements
- <u>Innovative financing mechanisms</u>

- Further exploration of this was encouraged by participants, who noted that tools such
 as trust funds and global facilities to mobilize more flexible funding have been good
 practices.
- The Swedish "funded guarantee mechanism" being piloted in Jordan and Uganda (supporting banks to provide microcredit loans to refugees) may provide a good model.
- Commitments to explore ways to maximize the support of <u>the private sector</u> (e.g. IKEA support for irrigation in Ethiopia and the Jordan and Ethiopia "jobs compacts"), could also be explored.

In addition:

- The proposed <u>global refugee response group</u> could be a forum to improve coordination including between humanitarian and development actors from the outset of a crisis, and to ensure ownership and engagement in the comprehensive refugee response by development actors (not just UN bodies, but also local development actors and partners).
- Solidarity conferences could assist in mobilizing both humanitarian and development resources from the outset of a crisis.

Additional suggestions for the programme of action

- Multifaceted strategic plans integrating humanitarian planning, development funding, third country solutions and durable solutions to be adopted from the outset of a crisis.
- Reiteration of core principles of protection as a key component in the search for new partnerships and funding.
- Commitments to explore ways to provide predictable pre-crisis financing e.g. based on predesigned contingency plans, including development funding to support government-led preparedness.
- Exploring ways to increase the percentage of unearmarked funding as well as multiyear funding provided for humanitarian and development assistance.
- In line with "grand bargain" commitments, measures to ensure local organizations including refugee-led organizations, receive adequate financing and capacity building; and to raise awareness of the potential of refugees to contribute to national development, including refugee youth.
- Measures to ensure the gender perspective is taken into account in mobilization and allocation of resources.

UNHCR 6 November 2017