Forced Displacement - and the World Bank’s Response

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Fragility, Conflict & Violence
Migrants, Refugees – same phenomenon?
Forced displacement vs. Economic migration

Refugees seek safety, economic migrants seek opportunities

Outflows from Syria 2011-2017
Forced displacement vs. Economic migration

Most refugees cross only one border, economic migrants move further away.
Forced displacement vs. Economic migration

Refugees are largely children, economic migrants are working age
Forced displacement vs. Economic migration

20 years for refugees to catch up with economic migrants in the EU!
About 65 million people forcibly displaced

The second-largest refugee crisis since World War II... ... and a surge of internal displacement
A crisis in the developing world…

Low- and middle-income countries host most of the displaced

94% of forcibly displaced persons live outside camps

Half of the refugees have been in exile for less than four years
A development approach
Traditional model too costly to be sustainable

Humanitarian financing: $28 billion and growing 89% of crises are longer than 3 years, 66% are longer than 8 years

Humanitarian assistance, 2000-2015 (US$ billion)
A development lens

- Anchored in a poverty reduction mandate, part of broader development effort to reduce poverty and boost shared prosperity
- Part of a broader effort including security, diplomatic, and humanitarian components; distinct from, but complementary to, the humanitarian agenda
- Focused on development institution’s comparative advantage (financing, analytics, access)

→ Focus on the medium-term, socio-economic dimension of the crisis – to help both the forcibly displaced and their host communities
Moving towards self-reliance and inclusion

Hindrances to refugees’ active labor market participation:

• Right to work
• Location/right to move
• Lack of resources: financial, human, social
• Linguistic barriers
• Others (health, culture…)
• -> within the context of host labor markets!
Consequences for development interventions

The displaced are distinct from other poor

- Specific vulnerabilities: loss of assets, trauma, lack of rights, lack of opportunities, short planning horizon
- Help offset specific vulnerabilities, both while in exile and through long-term solutions

The hosts are not only hosts, but also developing communities

- Inflow of people as a shock, outcome depends on initial conditions, size/nature of the shock, and response
- Help host communities pursue their own development agenda in a transformed environment
Examples of World Bank operations

Legislative framework
• Ex. Jordan work permits
Out of camp and labor mobility
• Ex. Ethiopia jobs compact
Employability and skills
• Ex. Turkey employment services
SMEs and productivity
• Ex. Pakistan (Baluchistan) livelihood development
Generation of low-skilled jobs in lagging regions
• Ex. Burkina Faso high intensity public works
Global Concessional Financing Facility (GCFF) and IDA18 Refugee Sub-Window

**Rationale**

- Mismatch between IBRD’s and IDA’s country-based financing model and the fact that refugees do not live in their country

**Terms**

- GCFF: buying down interest rates for MDB-supported projects
- IDA 18: providing additional resources, half in grants

**Focus**

- **For medium- to long-term investments** that benefit refugees and host communities in refugee-hosting countries, to:
  - Mitigate shocks and create socioeconomic opportunities
  - Facilitate sustainable solutions
  - Strengthen preparedness

**Eligibility criteria**

- > 25,000 refugees and / or 0.1 percent of population
- Adequate protection framework
- Government strategy towards long-term solutions for refugees / hosts
Thank you