

Forced Displacement

The Development Challenge

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1. Introduction

This note discusses the development dimensions of forced displacement, and the potential role of the World Bank to address these dimensions and contribute to durable solutions for groups who have returned from or are in displacement situations. For the purposes of this note, forced displacement refers to the situation of persons who are forced to leave or flee their homes due to conflict, violence, and human rights violations.

Affecting about 42 million people globally, forced displacement involving internally displaced persons (IDPs) or refugees is one of today's biggest humanitarian issues. From one day to the next it deprives individuals and families of their livelihoods and property, and weakens or destroys the fabric of communities and social capital. Compared to the non-displaced population in the area of origin or exile, displacement creates vulnerabilities and needs such as the challenges of finding a safe place to live or adapting to camp life, as well as gaining access to basic humanitarian assistance in the often unfamiliar and insecure location of displacement. While other basic challenges such as livelihoods and access to health or educational services are frequently shared by poor host populations or poor populations in areas of settlement, they become intensified for IDPs and refugees both in exile, and when they strive to find durable solutions to their displacement by returning to their places of origin or settling somewhere else.

Displacement triggered by violence and conflict is not only a humanitarian crisis, but is likely to affect political stability if left unattended or inappropriately or poorly governed, or unresolved politically through peace-building. Particularly in fragile and conflict affected countries the presence of displaced persons adds a serious strain on very weak national and local institutions, as well as potentially causing or exacerbating strained relations between the displaced and the host community. In both fragile and conflict affected countries, and in countries with robust institutional and governance frameworks, displacement can also become the setting for human rights violations and a breeding ground for serious grievances leading to conflict, general violence, crime and instability and further displacement. Displacement may also have longer term negative developmental impacts affecting human and social capital, economic growth, poverty reduction efforts, and environmental sustainability. At the same time, displacement may not only have negative impacts. Where those displaced are able to further develop and make use of their skills and coping mechanisms, displacement may contribute to economic growth benefitting both the displaced and the host region, and may also in the event of return, or successful local integration, or resettlement in third countries bring valuable human and economic capital to the recovery process.

Finding economically and socially sustainable solutions to displacement situations therefore constitute a significant development challenge for the countries with refugees and IDPs, and for the international community, including the World Bank. Addressing displacement has an important bearing on meeting the MDGs, since displaced populations tend to be the poorest and often experience particularly difficult access to basic services. Effectively addressing the needs of displaced populations is also central to reduce country fragility (and sub-regional fragility in neighboring countries) and enable successful transitions from conflict to peace. Increased attention to address displacement is therefore aligned with the priorities articulated by the World Bank President on securing development in conflict and fragile situations,¹ and with UN priorities as emphasized by the General Assembly.²

¹ *Fragile States: Securing Development* delivered in Geneva, September 12, 2008.

² General Assembly Resolution 62/153, para. 8: "durable solutions for internally displaced persons, including through voluntary return, sustainable reintegration and rehabilitation processes and their active participation, as appropriate, in the peace-building process, are necessary elements of effective peace-building." (A/RES/62/153, 18. December 2007).

2. Conceptualizing Forced Displacement

Scope of Displacement

There are two categories of victims of forced displacement: refugees and internally displaced persons. By the end of 2008, some 15.2 million people were refugees outside their country of nationality or country of habitual residence as a result of violence, conflict and a well-founded fear of persecution, while another 26 million were people displaced by armed conflict, violence and human rights violations, who had not crossed an international border and thus qualify as internally displaced persons.



Credit: Asger Christensen

IDPs from Kabul in Hadda, November 1992.

During 2008, some 4.6 million people were forced to become IDPs as a result of conflict, violence and human rights violations in 24 countries (an increase of 900,000 compared with 2007), while around 2.6 million IDPs were reported to have returned.³ Most forced internal displacement in the past decade has been caused by internal armed conflicts rather than international conflicts. Indigenous peoples, minorities, and pastoralists are internally displaced in at least 36 countries and make up a disproportionate share of IDPs across the world.⁴ Of the total number of IDPs, 14.4 million or 56% were receiving protection or assistance from UNHCR by the end of 2008.⁵

The decline in refugee numbers since 2002 was reversed in 2006 when numbers started to increase again. By the end of 2006, there were around 9.9 million refugees under UNHCR responsibility, and this number increased to 10.5 million by the end of 2008 (not including some 4.7 million Palestinian refugees under the mandate of UNRWA).⁶ At the same time, the large-scale repatriation movements observed in the past have diminished, and return figures have dropped since 2004 with current levels being the second-lowest in 15 years.⁷ Of the 10.5 million refugees under UNHCR responsibility, 80% live in developing countries, and the five countries where UNHCR assesses that the countries hosting the highest number of refugees compared to their national economy are Pakistan, the Democratic Republic of Congo, Tanzania, Syria, and Chad.⁸

Additionally, millions are displaced every year because of natural disasters, and the large majority of these people remain inside their own country as IDPs. By the end of 2007, there were an estimated 25 million people displaced by natural disasters.⁹ In 2007 alone, some 4,000 natural disasters affected over 234 million people, and in 2008 the number of deaths and economic losses from natural disasters increased dramatically. The death toll tripled to 225,800 from an annual average of 66,000 over the last eight years. Economic losses totaled \$181 billion, more

³ *Internal Displacement: Global Overview of Trends and Developments in 2008*, Internal Displacement Monitoring Centre (IDMC), Switzerland, April 2009; p.9

⁴ *Ibid.* p.20.

⁵ *2008 Global Trends*, UNHCR, June 2009, p.3.

⁶ *Ibid.*

⁷ Only some 604,000 refugees repatriated voluntarily during 2008 (*Ibid.*).

⁸ *Ibid.* p.10.

⁹ *Ibid.*, p. 3.

than double the annual average of \$81 billion over the same period.¹⁰ It is now very likely that displacement will increase in the medium term due to climate change. In turn, displacement caused by climate change impacts will intensify pressure on available resources resulting in increased likelihood of conflict. The climate induced displacement triggered by environmental degradation may be sudden such as increasingly severe and sudden floods and storms, or incremental such as water stress, desertification, and droughts, or rising sea levels. Lessons on how to plan and implement lasting recovery for people displaced by conflict and violence are therefore likely to be highly relevant when dealing with future displacement caused by climate change, just as the experience from disaster mitigation has lessons relevant for dealing with conflict induced displacement.

Who Are Refugees and How Are They Assisted and Protected?

According to the *1951 Convention Relating to the Status of Refugees*, as modified by the *1967 Protocol*, a refugee is a person who "owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion, is outside his country of nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country."

Thus, refugees are outside their country of nationality or in the case of stateless persons, their country of habitual residence, in places of exile where they are not necessarily welcome and, at the same time, have lost the protection of the country they were forced to flee. They are therefore in need of being protected and assisted by countries of asylum as well as by UNHCR. Under the auspices of the United Nations, UNHCR is mandated to provide "international protection, to refugees who fall within the scope of the present Statute, and to seek permanent solutions for the refugees by assisting Governments and, subject to the approval of the Governments concerned, private organizations to facilitate the voluntary repatriation of such refugees, or their assimilation within new national communities."¹¹

There are regional instruments with definitions which include additional grounds for recognition of refugee status. Thus, the 1969 *Organization of African Unity Convention Governing the Specific Aspects of Refugee Problems in Africa* includes within the refugee category those persons that are compelled to flee owing to external aggression, occupation, foreign domination or events seriously disturbing public order.¹² In West Africa, the provisions of the five protocols relating to the *Free Movement of Persons, Residence and Establishment* adopted by the Economic Community of West African States (ECOWAS) in May 1979 opens opportunities for solutions to refugees from one member state residing in another by determining that "the Community citizens have the right to enter, reside, and establish in the territory of member states".¹³ In Latin America, the 1984 *Cartagena Declaration on Refugees*, which has inspired the legislation of many states in the region, contains the same criterion as the 1969 OAU Convention of "events seriously disturbing public order", as well as "massive violation of human rights" and "internal conflicts".¹⁴

Who Are Internally Displaced Persons and How Are They Assisted and Protected?

The rights of IDPs have been compiled in the 1998 UN *Guiding Principles on Internal Displacement* (Guiding Principles). The Guiding Principles identify IDPs as "persons or groups of persons who have been forced or

¹⁰ *Annual Disaster Statistical Review 2009*, Center for Research on the Epidemiology of Disasters, Brussels 2009. The increased death toll in 2008 was caused by Cyclone Nargis in Burma and the Sichuan earthquake in China.

¹¹ Statute of the Office of the High Commissioner for Refugees, General Assembly Resolution 428(V) of 14 December 1950, Chapter I.1.

¹² See: <http://www.unhcr.org/refworld/docid/3ae6b36018.html>.

¹³ The countries adopting the protocol are Benin, Burkina Faso, Côte d'Ivoire, Cape Verde, Ghana, Guinea, Gambia, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo. See: <http://www.unhcr.org/refworld/docid/492187502.html>.

¹⁴ At: <http://www.unhcr.org/refworld/docid/3ae6b36ec.html>.

obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violations of human rights or natural or human-made disasters, and who have not crossed an internationally recognized State border.”¹⁵

The Guiding Principles is not a binding international convention on the rights of IDPs comparable to the Refugee Convention of 1951. However, while not binding in themselves, the Guiding Principles are based upon and reflect binding international human rights and humanitarian law. They have been recognized by the 2005 Summit Outcome documents and the UN General Assembly as an “important international framework for the protection of internally displaced persons”.¹⁶

At the regional level, a milestone was reached with the adoption by the African Union (AU) of the first international treaty – the *Convention for the Protection and Assistance of Internally Displaced Persons in Africa* – in Kampala on October 22, 2009. The Kampala Convention incorporates much of the UN’s Guiding Principles on Internal Displacement and is intended to promote regional and national measures to prevent and mitigate internal displacement, as well as to provide for durable solutions. The Kampala Convention will enter into force as a legally binding treaty once it has been ratified by the 15 AU member states.¹⁷ In the Americas, resolution 24.17 adopted by the Organization of American States in June 2008 urges member states to consider using the Guiding Principles as a basis for their plans, policies, and programs in support of IDPs and to continue to consider implementing them in their domestic law or policies.¹⁸ The Council of Europe has also promoted the Guiding Principles as a document with international authority and repeatedly urged member state governments with internal displacement situations to develop and implement national policy to protect the rights of IDPs in line with the Guiding Principles.¹⁹

Becoming displaced within one’s own country does not confer special legal status in the same sense as does becoming a refugee. IDPs remain citizens or habitual residents of a particular country and continue to be entitled to enjoy the rights available to the population as a whole. However, because of their special situation, specific needs and the heightened vulnerability that flow from the fact of being displaced, they are entitled to special protection and assistance under the Guiding Principles.

As highlighted by the Guiding Principles (Principle 3), the primary responsibility to protect and assist IDPs remains with the authorities of their country. The Brookings-Bern Project has identified the key elements of this responsibility in *Addressing Internal Displacement: A Framework for National Responsibility* (April 2005) setting out 12 key steps governments should take.²⁰ One element is to adopt displacement-specific laws and policies that incorporate the rights of IDPs into domestic laws in accordance with the Guiding Principles. Fourteen countries have enacted IDP-specific laws or policies, while some other countries are in the process of doing so.²¹

¹⁵ UNHCR document E/CN.4/1998/53/Add.2, dated 11 February 1998.

¹⁶ 2005 *World Summit Outcome*, U.N. Doc. A/60/L.1, para. 132, and reaffirmed in several UN General Assembly resolutions.

¹⁷ www.africa-union.org.

¹⁸ Organization of American States General Assembly, AG/RES.24.17 (XXXVIII-O/08): Internally Displaced Persons (2008), paras. 2 and 3.

¹⁹ <https://wcd.coe.int/ViewDoc.jsp?id=987573&BackColorInternet=9999CC&BackColor>, and <http://assembly.coe.int/Mainf.asp?link=/Documents/AdoptedText/taog/EREC1877.htm>.

²⁰ The Brookings-Bern Project on Internal Displacement was created in January 2005 to promote a more effective national, regional, and international response to the global problem of internal displacement and to support the work of the Representative of the UN Secretary-General on the Human Rights of IDPs in carrying out the responsibilities of the mandate.

²¹ These countries include Azerbaijan, Bosnia-Herzegovina, Croatia, Georgia, Iraq, Liberia, Nepal, Peru, Serbia, Kosovo, Turkey, Uganda, Cyprus, and the Russian Federation. Draft laws or policies were awaiting adoption by end 2008 in Cote d’Ivoire, CAR, Chad, Nigeria, Sri Lanka, Philippines and Sudan. In Afghanistan, Burundi, Indonesia, and Timor-Leste, the instrument for dealing with IDP situations was a time-bound action plan (*Global Overview 2008*, IDMC, Switzerland, April 2009, p. 28).

Principle 25 establishes that the international community has a subsidiary role of assisting a government in its endeavor to assist those displaced or of substituting it to the extent that authorities are unwilling to fulfill their role, or are unable to do so due to capacity limitations or because state authority has collapsed in a region affected by conflict.

As part of the UN Interagency Standing Committee's (IASC) humanitarian reform, a "cluster approach" was introduced in January 2006 as a way of addressing gaps and strengthening the predictability and effectiveness of a humanitarian response to internal displacement through clarifying the division of labor among organizations, and better defining their roles and responsibilities within the different sectors of the response. Today, eleven thematic clusters exist,²² each of which is coordinated by a UN Agency or sometimes co-led with a NGO which acts as the first port of call on issues relating to the substance of the cluster and as the "provider of last resort" when no other actor is available to undertake necessary activities.²³ Among these, the Early Recovery Cluster with UNDP as the lead agency focuses on promoting early recovery including reintegration through a transition from humanitarian to development assistance based on a coordinated approach involving key partners. One element of this approach involves the integration of the displaced in areas of displacement, elsewhere in the country or integration of the displaced in rural or urban settings through CDD and area operations that also include resident populations, and through empowering of national governments to take lead responsibility for the transition to durable solutions. In this context the ongoing revision of the May 2007 *Framework for Durable Solutions* for IDPs will be important. The Framework is being revised to clarify and add new elements such as the early recovery strategy led by UNDP, the inclusion of IDP needs in early recovery strategies, budgetary frameworks and characteristics of durable solutions in protracted internal displacement situations, and the rights, and voice of IDPs in peace processes.

²² Agriculture; Camp coordination and management; Early recovery; Education; Emergency shelter; Emergency telecommunications; Health; Logistics; Nutrition; Protection; Water, Sanitation and Hygiene.

²³ For details see <http://ocha.unog.ch/humanitarianreform/Default.aspx?tabid=70>.

3. The Different Displacement Situations

The IDPs and refugees affected by forced displacement can be found in three different situations: crisis/emergency, initial displacement, and protracted displacement. However, it is important to stress that these are not clear-cut categories and that they frequently coexist within a country or area. Thus, protracted displacement including attempts to address the situation and assist those displaced may exist next to new displacement as illustrated more than once by events in the case of Afghanistan or Sri Lanka. Successive crisis situations may trigger waves of displacement within a country or region, and this may involve secondary displacement of people who are already displaced as in Eastern Congo, or displacement of people who have recently returned or are attempting to return from a displacement situation as in Afghanistan. Those affected comprise people who are registered or non-registered as displaced; who may be in formalized camps or outside these; and who may be in rural or urban situations.



Credit IDMC, June, 2009

Community representatives gathered to discuss their main needs and concerns. Maguindanao, The Philippines.

- *Emergency situations* occur when people are forced by conflict, violence, or persecution to leave their places of habitual residence or decide on their own to flee the dangers of conflict, and move elsewhere in search of safety in large numbers within relatively short periods of time. In such situations, the challenge for authorities and humanitarian actors is to deliver life-saving assistance such as food, water, sanitation, medical services, and shelter. While the emergency phase may be of fairly short duration, emergency measures may be needed for longer periods, particularly in situations where humanitarian access to the displaced is limited (e.g. for security reasons), or where vulnerabilities remain particularly acute due to situations such as overcrowding of camps, continuing fighting in the vicinity of refugee or IDP camps, epidemics, or tensions with host communities deteriorating into violence. The number of persons in emergency situations can change quickly, depending on the specific situations, and can reach high numbers (e.g. in May 2009, numbers of IDPs in emergency situations rapidly increased within a few weeks or even days with more than 1 million in Pakistan, 200,000 in Sri Lanka, and 34,000 in Somalia).
- *Initial displacement*: In some situations, displacement may last only a few weeks or months, but in most cases people will remain in displacement for some time. Their situation may vary greatly from one conflict to another, from one country to another, between different parts of a country, and even from family to family. Some of those displaced may continue to be in need of humanitarian assistance for an extended period, while others may have found new forms of support or livelihoods. Some may stay in camps, special sites or collective shelters while others find individual solutions staying with relatives and friends or renting accommodation. Some may stay in rural areas whereas others may join the ranks of the urban poor. It is important to note that with the exception of certain countries (e.g. Sudan, Sri Lanka, Uganda) the majority of IDPs do not live in organized camps or collective shelters but stay with host communities or families, or settle spontaneously in rural or

urban areas, where they are difficult to identify and therefore may not benefit from the assistance made available to other, more visible displaced groups. In contrast, refugees tend to be primarily sheltered in camps and collective centers if they stay in countries close to the conflict zone.

- *Protracted situations* are IDP or refugee situations that, in addition to their prolonged nature, exhibit two key characteristics: (i) the process of finding durable solutions have stalled, and (ii) the displaced are marginalized as a consequence of violation or lack of protection of human rights, including economic, social and cultural rights.²⁴ Too often, international attention begins to fade after the initial emergency phase, and longer term support becomes less predictable as displacement situations become protracted. Humanitarian assistance and the generosity of host communities are often overstretched, especially when policy frameworks and institutional arrangements are only for short term humanitarian interventions. There is a growing number of both refugees (5.7 million in 29 situations) and IDPs (35 situations) in protracted displacement.²⁵ These protracted situations are often accompanied by increased poverty levels among refugees and IDPs. It is often the most vulnerable who take the longest to secure durable solutions since they become increasingly marginalized, which poses an obstacle to self-sufficiency. Where the displaced do not have opportunities for livelihoods, but are dependent on aid, the effect can be that coping skills are eroded and replaced by a dependency syndrome. This may also apply to poor host communities in situations of limited opportunities where their scarce resources may be shared with the displaced.

Forced displacement impacts and changes the life of refugees and IDPs in a variety of ways, e.g. where displaced of rural origins move to urban situations either during exile or upon return. This may lead to heightened vulnerability through the lack of familiarity with an entirely new environment and lifestyle, and to negative coping mechanisms. It may also offer opportunities for the acquisition of new skills and resources that can make a positive contribution to a durable solution in either exile or upon return. Likewise, educational or health conditions during the period of exile may be better or worse compared to the place of origin of those displaced. Protracted situations in particular, may set the scene for profound social and cultural changes, and these may entail political radicalization. Such changes in turn influence the preferences, needs, and prospects of those displaced, and what should be addressed to support sustainable solutions.

²⁴ This definition of protracted displacement was agreed at a 2007 IDP seminar hosted by UNHCR and the Brookings-Bern Project on Internal Displacement (IDMC: *Global Overview 2008*, April 2009, p.14). The Universal Declaration of Human Rights states in Article 22 that: "Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality".

²⁵ UNHCR defines a protracted refugee situation as one where 25,000 or more refugees of the same nationality have been in exile for five years or more in a given asylum country (2008 *Global Trends*, p.7). Since there is a number of situations, where fewer than 25,000 refugees have been in exile longer than five years, the UNHCR assessment that 54% of the refugees under its protection are in protracted situations appear to be on the low side. IDMC assesses that the 35 protracted IDP displacement situations account for most of the IDPs worldwide, but emphasizes the difficulties in arriving at concise numbers, particularly in countries with both protracted and new displacement (IDMC: *Global Overview 2008*, April 2009, p.14).

4. The Displacement – Development Nexus

The relationship between development and forced displacement is complex. It is not only at play during the recovery or end situation, but also at the time when the conditions that can generate displacement emerge, and during the actual displacement when the displaced require development interventions, that can initiate the process of achieving durable solutions either upon return or in new locations.



Credit: UNHCR

Refugee tailoring school as part of capacity building and livelihood projects. Evaluations indicate that skills such as tailoring may be problematic as the basis for sustainable livelihoods.

- *Pre-displacement situation:* What causes the conflict or persecution that triggers forced displacement is in many cases, related to the lack or failure of development resulting in poverty and unemployment, economic and political marginalization, widespread corruption and absence of the rule of law, and lack of or discriminatory use of government authority. Combinations of these factors create conditions that may nurture conflicts that lead to displacement, or weaken the resilience of communities to an extent that allow comparatively small incidents to trigger mass displacement. Development interventions that focus on providing socially inclusive service delivery together with accountable and responsive local governance arrangements may on the other hand help to stabilize regions or communities and thus contribute to prevent conflict and displacement.
- *Displacement situation:* Forced displacement means loss of housing, land and property, jobs, physical assets, social networks and resources. Too often it also results in food insecurity, increased morbidity and mortality, and social marginalization. Often access to services such as education and health becomes exceedingly difficult because the displaced may have left behind the necessary personal documentation, may not be recognized as having any entitlements under the local government authority where they now reside, or because they can no longer pay for school fees and health services. Together these conditions push the displaced into a cycle of vulnerability, which may grow even worse in those protracted displacement situations where successive generations are affected. The presence of large numbers of IDPs or refugees may have a negative impact on the development of host communities due to pressure on local resources, infrastructure and services, along with environmental degradation. Moreover, after fleeing the effects of armed conflict, generalized violence, or human rights violations, IDPs and refugees often fail to be able to access justice and feel secure in the location of displacement.²⁶ However, in situations where the host government - if needed with adequate support - allows refugees access to its educational and health facilities, and provides right to work or even opportunities for livelihoods, the resulting indicators are

²⁶ The IDMC found that in 26 countries, IDPs moved to areas where they still faced attacks and violence, which in most cases specifically targeted their settlements. In 14 of the 26 countries, government forces or associated armed groups were among the main perpetrators (*Global Overview 2008*, IDMC, Switzerland, April 2009, p. 9).

better and refugees contribute to the development of local economy.²⁷ For the displaced, the situation may create gains – e.g. with regard to education or economic activity in places of exile – that in turn may support the emergence of durable solutions either in exile as illustrated by the case of Guatemalan refugees in Mexico’s Yucatan Peninsula, or upon return as illustrated by developments in Eritrea.²⁸

- *Durable solutions:* Apart from security issues and lack of political will, the most common obstacles to durable solutions faced by IDPs and refugees in displacement situations are lack of access to livelihoods and basic services, inadequate housing, and the inability to enjoy their homes and land as economic assets.²⁹ Return is not in itself a durable solution. Even where the political and security situation permit the displaced to return, there are frequently lasting barriers to sustainable recovery. As experience in countries such as Bosnia-Herzegovina or Afghanistan indicate, returning refugees may become IDPs if they cannot go to their former homes or another place in the country of origin, where they can start normal lives. Ignoring the need to find durable solutions for IDPs and refugees/returnees can negatively affect development since their continued marginalization may hinder economic and social progress, both if they remain in host areas or if they are able to return home. The lack of durable solutions may even become a factor contributing to a relapse into conflict stoked by actors capitalizing on frustrations among the displaced or the host populations in areas of exile or return. To reduce such risks of perceived marginalization leading to tension and possibly conflict between displaced and host populations, the development activities to support durable solutions whether in areas of exile or in home areas need to be inclusive and target both the displaced, returnees, and the host communities. The increasing urbanization of displacement, where people forced from rural areas move to urban settings (e.g. displaced from Southern Sudan in Khartoum), or where returnees with a rural background do not go back to their villages but to towns (e.g. Afghan refugees settling in Kabul), means that durable solutions for displaced need to be integrated into urban planning for infrastructure and service delivery and mainstreamed into systems of local governance.

²⁷ The presence of Angolan refugees in the Western Province of Zambia since the 1970s contributed to local development, and their repatriation was paralleled by a decline in agricultural productivity in the Western Province. (A. Betts: *Development assistance and refugees: Towards a North-South grand bargain?*, Forced Migration Policy Briefing 2, Refugees Studies Centre, Univ. of Oxford, June 2009, p.7-8).

²⁸ Guatemalan refugees in Mexico’s Yucatan Peninsula received assistance in the 1990s to promote self-sufficiency, which benefitted both the refugees and their areas of exile (Betts, 2009, p.7). Refugee return to Eritrea brought human resources and social capital that benefitted the country’s post-conflict recovery, and projects comprising infrastructure, education, and health, which were initially designed to improve the situation of the returnees also helped spur wider community development (D. Helling: *State of the displaced: The role of returning displaced persons in post-conflict state reconstruction*, LSE Development Studies Institute, Working Papers # 07-80, February 2007, p. 45).

²⁹ Ibid.

5. Durable Solutions—The Development Challenges

Displacement can end in different ways. IDPs may return to the place they fled from, settle in the place they fled to, or move to a third location within the country. Refugees may return to their place of origin; return to another part of their country of origin, settle in their country of first asylum, or resettle in a third country. Return movements can happen spontaneously immediately after the end of hostilities or even during an ongoing conflict, when the displaced consider it safe enough to return to areas where things have calmed down, or when they are compelled to go back because of lack of assistance or security in the areas they had been displaced to.



Displaced Chadian women collect small fish in a pool in the waddi near Dogdore.

Although the return is often part of an organized effort by authorities and international actors to end displacement, a significant number of the displaced may return without assistance.³⁰ Even where refugees receive some assistance for the return itself, the development needs of the returnees are not necessarily integrated into the reconstruction planning.³¹ In general, IDPs tend to return earlier than refugees.

However, as discussed above, it requires more to bring displacement to an end than the disappearance of its immediate causes (e.g. ending conflict through signing of a peace agreement), or the return of the people who were displaced. For both IDPs and refugees, the return to their area or country of origin, or settlement elsewhere does not necessarily mean that they find durable solutions to the situation of displacement. From a development perspective, the question “when displacement ends” therefore has to do with the barriers to and the conditions and processes that underpin durable solutions, and by implication, the development activities that are necessary to achieve such solutions. Displacement only ends when (former) IDPs or refugees no longer have needs that are specifically linked to their having been displaced. In the case of refugees, a solution is deemed achieved when national (in the case of returned refugees) or refugee protection (in the case of refugees integrating in their country of asylum or resettled in a third country) has been effectively restored or established, i.e. that they benefit from a form of legal stay or status in the country, are protected against discrimination, enjoy civil, political and economic rights (including the right to an effective nationality in the case of stateless persons) and have access to domestic remedies in case of problems. These persons should be included in national development plans and programs. Ending displacement is therefore a process rather than a one time event.³²

In addition to a conducive political environment where the concerned government is committed to promoting durable solutions for IDPs or refugees/returnees (see Section 6), development interventions are needed to address the key barriers to such solutions:

³⁰ The principle of voluntary choice is embodied in international human rights law and prohibits, in particular, forced return. Where forced return is nevertheless undertaken, it has tended not to be sustainable.

³¹ Thus, the initial needs assessment done in 2001-02 for Afghanistan did cover returnee rehabilitation needs. *Framework for Durable Solutions for Refugees and Persons of Concern*, UNHCR, Geneva, May 2003, p.20.

³² UNHCR: *Framework for Durable Solutions for Refugees* (EC/53/SC/INF.3; September 2003), and Brookings-Bern Project on Internal Displacement: *When Displacement Ends – A Framework for Durable Solutions*, (June 2007). The Framework is currently under revision to include new elements such as inclusion of the needs of IDPs in early recovery strategies along with corresponding budgetary provisions.

- i. *Land, housing and property* that belonged to the displaced have in many IDP and refugee situations been taken over by others.³³ How effectively the protection of housing, property and land rights is undertaken often proves crucial for the ability of IDPs and refugees to find a solution to their displacement, for both those who chose to return to their former homes and also for those who chose to settle elsewhere. Just as significantly, the resolution of land, housing and property disputes is essential to sustainable recovery and livelihood restoration in these places. Addressing this issue through mechanisms for property recovery, compensation, exchange or restitution constitutes a major challenge that in most situations is not successfully dealt with. Even where IDPs and refugees choose to settle in another location because they are unable or unwilling to return to their place of origin, the restoration or restitution of housing, land and property rights can provide crucial capital to allow them to build a future elsewhere.
- ii. *Reestablishment of livelihoods* is critical if solutions to displacement are to become sustainable, both if the displaced return home or if they have to integrate elsewhere. Return areas characterized by the legacy of past conflict or low level violence often have limited economic growth and few employment opportunities. If access to former livelihoods is not possible (e.g. because land and property can not be regained, or because opportunities or permission to use existing skills do not exist in the place of exile), support for the creation of new livelihood opportunities through development interventions that build skills, and provide access to credit and markets become critical for durable solutions.
- iii. *Delivery of services* such as health care (including psycho-social services to deal with the traumas of conflict and exile, and the challenges of adapting to a new life), education, drinking water and sanitation, access to infrastructure and services, and often also assistance to obtain adequate housing is essential for durable solutions both upon return and in places of exile. Often access to public services requires the provision of new identity documentation where this got lost or destroyed during displacement. A critical public service is restoration of the rule of law through redeployment of a well-functioning police and judiciary. Another critical public service involves *security*, which relates not only to the absence of fighting and violence, but also to issues such as demobilization, disarmament and reintegration of former combatants, demining, and reconciliation.
- iv. *Accountable and responsive governance*, particularly at the local level, is critical to ensure that issues relating to recovery - including land and property, livelihoods, or service provision - are resolved in ways that are viewed as legitimate by both the (former) IDPs and refugees, and the communities where they settle. To provide the displaced with opportunities for equal participation and voice in local planning, alongside host populations or those in their home areas who never left or returned earlier, consultation and participation processes may draw on existing forms of social capital or may require creation of new arrangements that replace social fragmentation with cohesion. Information sharing and communication between the displaced and the communities where they are going to settle are critical to the planning of return or integration or local integration in areas of displacement. Thus, where displaced return to their communities of origin, this could involve visits by representatives of the displaced ahead of the return to assess conditions and participate in planning to ensure that local development activities target both the (formerly) displaced persons and the

³³ IDMC found that displacement is often followed by settlement of other groups in the vacated properties. Such groups can be from non-displaced neighboring groups, people who themselves have been displaced, or groups who are supported by or allied with the government. In 29 displacement situations, the land and houses of IDPs had been occupied by the members or families of armed forces or groups, while in 33 situations IDPs had lost land and houses as a result of destruction and looting (*Global Overview 2008*, IDMC, Switzerland, April 2009, p.23).

communities where they settle. In fragile and conflict affected countries where government capacity may be weak, a focus area for assistance needs to be resources to support implementation of national laws and policies on displacement, and support to enhance the technical, planning, and operational capacity of the government entities responsible for dealing with both the humanitarian and development dimensions of displacement. In post-conflict situations, the support may also involve specific measures to promote reconciliation and co-existence. This may be required both to promote cohesion among different groups at the community level, and to change the relationship between society and state in a way that links community level organizations with local government structures.

Although refugees are found all over the world, most refugees find asylum in a country near their own. UNHCR estimates that 84% of refugees remain in their region of origin.³⁴ Major protracted refugee situations such as that of Afghan refugees in Pakistan and Iran, of Sudanese refugees in Kenya, Uganda, Chad and the Central African Republic, or Iraqi refugees in Syria and Jordan therefore call for regional approaches. Different refugee groups may require different solutions tailored to facilitate their return to their areas of origin, settlement in a different part of their country of origin, or integration in the host country.

³⁴ 2008 *Global Trends*, UNHCR, June 2009, p. 7.

6. Gaps in Responding to the Development Dimensions of Displacement Situations

The idea of moving beyond emergency humanitarian assistance by using targeted development assistance to support durable solutions for displaced people is not new. UNHCR did in the 1980s promote the concept of *Refugee Aid and Development*, which was applied in both the International Conference on Assistance to Refugees in Africa (ICARA) in 1981 and 1984, and the International Conference on Assistance to Refugees in Central America (CIREFCA) in 1989. In 1999 the issue was taken up again through the so-called *Brookings process*, which set out to define a new way of addressing the relief to development transition of forced displacement. In 2003, the approach was revived as part of the *Framework for Durable Solutions for Refugees and Persons of Concern* comprising the three tools of (i) Development Assistance for Refugees (DAR), (ii) the 4Rs of Repatriation, Reintegration, Rehabilitation, and Reconstruction, and (iii) Development through Local Integration (DLI).³⁵ The UNHCR initiatives were based on the understanding that in post-conflict situations, the development needs of refugees and returnees have not systematically been incorporated in transition and recovery plans by the concerned governments, the donor community and the UN system. Addressing these needs would require additional development resources together with broad-based partnerships between governments, and humanitarian as well as multi- and bilateral development agencies. However, ultimately these initiatives were short-lived since donors offered limited additional funding for activities promoting durable solutions for refugees, and refugee hosting nations made limited commitments to durable solutions through self-sufficiency and local integration.³⁶



Credit: Nadine Walicki/IDMC.

New settlement for IDPs, Zobuzhug, Azerbaijan. A 2008 IDMC report found that IDPs were disappointed with their living conditions since they have few opportunities for earning a living in the new settlements.

The introduction of the cluster approach in early 2006, comprising the Early Recovery Cluster led by UNDP, is based on the same recognition that development principles have to be applied early on to humanitarian situations to stabilize local and national capacities from further deterioration, so that they can provide the foundation for full recovery and support durable solutions for IDPs within areas of return or settlement elsewhere in the country. The Internal Displacement Monitoring Centre (IDMC) in its *Global Overview of Trends and Developments in 2008* notes that while it is still early days to consider the impact on IDPs of the humanitarian reform measures, the cluster approach has resulted in strengthened predictability, response capacity, coordination and accountability.³⁷

Yet, refugee assistance appears to continue to be viewed primarily as a humanitarian rather than a development issue on the assumption that once the initial crisis stabilizes and immediate needs are met, longer-term solutions

³⁵ *Framework for Durable Solutions for Refugees and Persons of Concern*, UNHCR Core Group on Durable Solutions, Geneva, May 2003, p.3. At: <http://www.unhcr.org/refworld/docid/4124b6a04.html>.

³⁶ Betts, 2009, p.6-8.

³⁷ At the end of 2008, there were globally 24 complex conflict emergencies that were addressed through the cluster approach (IDMC: *Global Overview 2008*, April 2009, p.32).

will be found to address the plight of the displaced.³⁸ This ignores that around 54% of the world's refugees under UNHCR protection are in protracted displacement situations, and that refugee return alone does not constitute durable solutions for the returnees. Similarly, the IDMC review found that international attention to internal displacement still tends to fade following the initial emergency phase, and that longer-term support tends to decline and become less predictable as displacement situations become protracted. Moreover, post-emergency and development support has tended not to target IDPs as a distinct group and so has often failed to meet their specific needs.³⁹

Thus, the critical gap in the international response to displacement continues to be the lack of early planning and inadequate resources to support a transition from humanitarian to development interventions that promote durable solutions for the displaced. The persistence of this gap seems to reflect general gaps in international post-conflict recovery efforts:⁴⁰

- i. The lack of a shared (country level) recovery strategy that encompasses political, security, development, and humanitarian tools to guide the efforts of bilateral and multilateral international actors in support of a particular government.
- ii. The lack of quickly available and flexible funding that can provide resources in response to early windows of opportunity for development interventions that support durable solutions for displaced within the broader recovery effort.
- iii. The lack of assessments and joint follow-up action / implementation to address the capacity gaps with regard to human resources and systems for planning and implementation in governments that are in an early recovery situation.

As a consequence, the four central development challenges confronting the achievement of durable solutions for displaced outlined above (Section 5) also represent critical gaps that need to be addressed. In addition, there is a lack of systematic monitoring and evaluation of the results of development interventions to support durable solutions, as well as a more general lack of detailed information on IDP populations and of mechanisms allowing to monitor whether IDPs have reached durable solutions.⁴¹ This may in part be a reflection of the lack of continuity in financial support to durable solutions, but it also means that there is a need to generate solid documentation on the results of initiatives such as those for Guatemalan refugees in Mexico's Yucatan peninsula and for Sudanese refugees in Uganda in order to furnish the lessons that can strengthen development interventions to support durable solutions for the displaced.

In addition to the gaps in the international assistance approach outlined above, the scope for finding durable solutions to displacement is critically influenced by the political economy conditions, which frame the opportunities and constraints for pursuing such solutions. Thus, the frequent reluctance of development actors to consider durable solutions to address protracted refugee situations can often be attributed to four factors: (a) that refugees are not part of the host government's political constituency, and are therefore not included in national development plans, (b) that refugees are often located in remote areas, which are not a priority for the host government, (c) that refugees are not viewed as a priority by development actors because they normally follow

³⁸ Betts, 2009, p.4.

³⁹ *Global Overview 2008*, April 2009, p.11, 27 and 31.

⁴⁰ *Recovering from War: Gaps in International Action* by the New York University's Center on International Cooperation. The report was based on analysis of the six cases of Sudan, Afghanistan, Haiti, East Timor, Lebanon, and Nepal, and was presented at the DFID hosted *International Meeting on International Support for Post-Conflict Stabilization and early Recovery* held in London on July 11, 2008.

⁴¹ IDMC: *Global Overview 2008*, April 2009, p.27; and Betts, 2009, p.7, 8, and 18.

the priorities of the recipient government,⁴² and (d) that low prospects for support by host governments for local integration of refugees reinforce the reluctance by development actors to advocate interventions that support this as a durable solution.

Post-emergency and development support tend not to target IDPs as a separate group and so has often failed to meet their specific needs.⁴³ The willingness or ability of development actors to consider activities that could support early recovery involving durable solutions for IDPs may be influenced by (a) the lack of government control over areas of IDP origin and the consequent inability of the government to protect and assist IDP return,⁴⁴ (b) the denial by governments that conflict induced displacement exists within the country and therefore that IDPs should be considered eligible for assistance,⁴⁵ (c) the consequent refusal of cooperation or the imposition of serious bureaucratic obstacles on the international community's ability to assist IDPs, (d) the focus in most national laws and policies on IDP return to areas of origin as the only option for a durable solution,⁴⁶ and (e) the gaps that exist between policies and practice as well as institutional arrangements in many countries especially in relation to durable solutions.⁴⁷

Some of the challenges of assisting the recovery of displaced populations are shared across post-conflict and post-natural disaster situations. However, in its global overview of trends and developments in 2008, IDMC found that the international response to displacement caused by natural disasters was in most cases better organized than that addressing conflict induced displacement. This was due to different combinations of factors such as better government capacity in disaster affected countries compared to those affected by complex conflict situations, better (safer) physical access, and fewer political barriers compared to conflict situations where humanitarian space may be denied by both the government and insurgent groups.⁴⁸ So, while conflicts and disasters have each generated huge numbers of IDPs globally, the development challenge of economically and socially sustainable recovery posed by conflict induced displacement is even more intricate than in the case of natural disasters.

A recent paper from the Refugees Studies Centre, University of Oxford, makes the case that a critical measure to overcome the reluctance of governments to engage in creating durable solutions for IDPs or for the refugee groups that they are hosting would be additional dedicated development assistance supporting an integrated approach that targets both displaced, returnees, and local populations.⁴⁹ This assistance should not substitute for existing budget lines that would otherwise benefit country nationals (in the case of assistance to refugees) or groups that make up the governments primary constituency (in the case of assistance to IDPs). The potential benefits for donor countries of a stronger effort to create durable solutions for displaced would be in summary, to reduce potential irregular secondary movements of displaced to the donor countries (with the added costs,

⁴² *Framework for Durable Solutions*, UNHCR, Geneva, May 2003, p.5.

⁴³ *Global Overview 2008*, IDMC, Switzerland, April 2009, p.31.

⁴⁴ Countries which lack control over IDP areas of origin are Afghanistan, Azerbaijan, Chad, Colombia, Cote d'Ivoire, Cyprus, DRC, Ethiopia, Georgia, Mexico, Nepal, Philippines, Senegal, Serbia, and Syria (*Global Overview 2008*, IDMC, Switzerland, April 2009, p. 26).

⁴⁵ In eight countries namely, Ethiopia, Indonesia (in Papua), Israel (including OPT), Burma, Sudan (Darfur), Turkmenistan, Uzbekistan, and Zimbabwe, the displacement of an aggregate of around 4 million IDPs is not acknowledged by the national authorities (*Global Overview 2008*, IDMC, Switzerland, April 2009, p. 28).

⁴⁶ The UN and civil society entities have long advocated a broader notion of durable solutions, and in Georgia, the government in 2007 after years of exclusive emphasis on return, committed to facilitate local integration in its strategy on IDPs (*Ibid*, p.29).

⁴⁷ UN Human Rights Council, *Report of the Representative of the Secretary-General on the Human Rights of Internally Displaced Persons*, Walter Kälin: addendum: high-level conference on "Ten years of the Guiding Principles on Internal Displacement - achievements and future challenges" (Oslo, 16 and 17 October 2008): summary of the Conference Chair, 11 February 2009, p. 4, (A/HRC/10/13/Add.3), available at: <http://www.unhcr.org/refworld/docid/49abcood2.html>.

⁴⁸ *Ibid*, p.33.

⁴⁹ A. Betts: *Development assistance and refugees: Towards a North-South grand bargain?* Forced Migration Policy Briefing 2, Refugees Studies Centre, Univ. of Oxford, June 2009.

security concerns, and potential for social tension that this often entails), to help eliminate potential sources for destabilization and to reduce the long-term humanitarian budget. For the countries with displaced, addressing displacement as a development challenge would help lessen fragility by reducing social conflict and insecurity through benefitting local host communities, contributing to the development of marginal border and other regions, and strengthening government capacity and systems to manage inclusive development processes.

7. World Bank Role in Addressing Conflict-Induced Displacement

Since the 1980s, the World Bank has undertaken 94 activities (84 operations and 10 pieces of analytical work) that address forced displacement in different ways with funding from trust funds and IDA operations.⁵⁰ IDA/IBRD operations constitute 47% of the activities, followed by Trust fund operations (42%), and analytical work (11%). Of the 94 activities, 42 (45%) are active, while 52 (55%) are closed.⁵¹ The bulk (68%) of the 84 Bank supported operations entail support for return to communities of origin for either refugees or IDPs. Durable solutions for IDPs in either their original communities or in another location within their country has been supported by 20% of the operations, while 7% have supported refugees in finding durable solutions in exile. Together these activities that support durable solutions constitute 91% of the operations. The remaining 9% of the operations either address development needs for IDPs or refugees in protracted displacement situations.

Examples of such operations in the Europe and Central Asia Region are the targeted support for IDPs in Azerbaijan, support for self reliance opportunities for IDPs in Georgia, for IDP income generation and improved access to services in Croatia, and for education in areas in Albania hosting refugees from Kosovo. In the East Asia and Pacific Region, activities supporting IDPs are implemented in Mindanao in the Philippines, Aceh in Indonesia, and Timor Leste. In the South Asia Region, the engagement has comprised support to IDPs in Sri Lanka, different forms of support for Afghan refugees in Pakistan from the eighties onwards, and more recently rehabilitation assistance in Afghanistan to returning refugees and IDPs as part of an IDA supported CDD project. In the Africa Region examples include community based reintegration of IDPs and refugees in Cote d'Ivoire and in rural areas in Burundi, as well as the IDA funded Community Reintegration and Recovery Fund in Sierra Leone and a social fund operation in Angola. In the Middle East and North Africa Region, activities have been initiated to support displaced Iraqis in Jordan, Lebanon, and Syria, and Palestinian refugees displaced by fighting in Lebanon. In Latin America an operation to protect the land rights of IDPs is being implemented in Colombia.

As argued above, the transition from relief to development is not linear and all actors – humanitarian and developmental – need to be engaged from the onset to ensure that the development dimensions of the recovery are addressed. Lasting solutions to displacement require long-term sustained efforts, and each situation will require consultations among actors as to the composition of the most effective package of interventions.



A de-miner uses a metal detector to locate land mines in a field. He works for the Cambodian Mine Advisory Group

Credit: Masaru Goto, 2002 World Bank

⁵⁰ The trust funds include the State- and Peace-Building Fund (SPF), the Post Conflict Fund (PCF), and the LICUS Trust Fund. A review of 17 PCF grants for refugees and IDPs was undertaken in 2004 to assess performance against best practices and found that overall the activities did this 'reasonably well'. Areas that called for strengthening included (i) attention to the political and security context and to what is possible, (ii) institutional and skills assessment of partners, (iii) arrangements to facilitate continuity in funding beyond the short PCF grant period, (iv) prioritization of information management including evaluations, and (v) incorporation of gender considerations into the design. S. Rajagopalan: *Within and Beyond Borders – An Independent Review of Post-Conflict Fund Support to Refugees and the Internally Displaced*, Social Development Papers No. 17, October 2004.

⁵¹ See note on *Forced Displacement – Overview of the World Bank Portfolio*, July 2009, by the Conflict, Crime and Violence Team in the Social Development Department.

Moreover, opportunities and constraints for addressing IDP situations vary substantially across countries depending on the political, security, and governance contexts.

Strategic Principles: The implications for Bank involvement is that the approach to deal with forced displacement as a development issue should be based on the following principles:

- i. *Comparative advantage:* The Bank's involvement in addressing forced displacement should draw on its comparative advantage involving analytical work, sector development expertise, and convening ability to complement the work of other actors (UN, bilateral, NGO, governments) in supporting the transition between humanitarian aid and the development assistance required to promote sustainable solutions for displaced people.
- ii. *Early engagement and partnership:* The Bank should engage with governments and international actors from the start of a crisis generating displacement, so that it can be in a position to effectively support early recovery strategies and activities in coherence with the activities of partners and the concerned government. Such involvement will help ensure that the frequent gaps between humanitarian aid and development assistance with regard to both planning and funding do not contribute to create protracted displacement situations.
- iii. *Continuity and flexibility in engagement:* While early involvement by the Bank is critical, development activities to promote lasting and sustainable solutions for those displaced also require continuity in the engagement, as well as sufficient flexibility to enable adjustment to rapidly evolving circumstances.⁵²
- iv. *Field based engagement:* The Bank's engagement should as much as possible be field based, and take into consideration the country context including the needs of those displaced, the opportunities and constraints for addressing displacement defined by the political economy conditions of the country (or region) and by champions in the government, as well as activities of partner agencies (e.g. within the cluster approach where UNDP leads the early recovery cluster). Interventions should be broad based and not only focus on the displaced, but should also support communities in the geographical areas of displacement and return. Interventions could comprise either new operations, or existing sector operations adapted to ensure inclusion of displaced people among the beneficiaries.
- v. The Bank should *apply a displacement angle/filter* to ensure that displacement is addressed in analytical (e.g. Poverty Assessments) and operational work, and where relevant also in Country Assistance Strategies (CAS) and Interim Strategy Notes (ISN).

The Key Development Challenges (as described in Section 5) involve addressing the critical barriers to durable solutions, namely that:

- i. *Rights to land, property and houses* formerly belonging to the displaced people are being contested and denied,
- ii. *Livelihoods* are difficult to reestablish,
- iii. *Delivery of services* such as security, education and health is frequently inadequate, obstructed or absent, and,
- iv. *Local governance* and rule of law are often weak, government capacity is limited, its legitimacy damaged, and social capital at the community level impaired.

⁵² The 2004 review of the 17 PCF grants for refugees and IDPs found that short-term funding for a one to two year implementation period proved inadequate to produce all the envisaged outcomes, and that there was a need to ensure continuity in funding, e.g. by letting the TF activity fund a pilot phase for a larger operation based on the lessons learned (S. Rajagopalan, p. 14, 16).

Bank Contribution: Within its expertise and mandate, the Bank would bring to the table:

- i. Country specific knowledge and analytical work to facilitate government, partner and Bank planning (e.g. systematic provision of socio economic or sector data, or economic impact analysis of displacement to support policy making and planning, or information on long-term reintegration programs as part of a Post-Conflict Needs Assessment, or analysis of the environmental impacts of displacement situations).
- ii. Sector expertise in areas such as education, skills development, inclusive area development, community driven development (CDD) approaches, land management, private sector development, agricultural development, and government capacity building that contribute to develop the mechanisms required for sustainable solutions during and beyond humanitarian assistance.
- iii. Financial resources in the form of grants from Trust Funds for urgent needs and pilot operations, or grants and loans for larger operations from IDA or IBRD resources, including Bank mobilized resources from other donors that contribute to bridge the partnership between client countries, donors, the UN and NGOs.
- iv. Support for infrastructure (e.g. port or road facilities) that are critical for either humanitarian access or longer term development activities to assist the displaced.
- v. Experience on coordination and administration of multi donor trust funds.
- vi. Convening of government and development actors to develop shared approaches to address specific situations.

Alignment with Bank Policies and Priorities: A more focused and consistent engagement in addressing the development dimensions of forced displacement to support durable solutions for displaced people is fully aligned with Bank policies and priorities.

Operational Policy 2.30 of 2001 on *Development Cooperation and Conflict* provides for support to countries vulnerable to conflict, countries in conflict, and countries in transition from conflict.

- In countries determined to be vulnerable to conflict, the objective is to promote economic growth and poverty reduction through development assistance that minimizes potential causes of conflict,
- The objectives in countries in conflict are continued efforts at poverty reduction and maintenance of socioeconomic assets (which conceivably should include the human capital represented by IDPs and refugees), impact analysis, and preparation for resumption of Bank assistance.
- For countries in transition from conflict, the priorities to support the overall policy objective of economic and social recovery can include reintegration of refugees and other war affected populations (e.g. IDPs) into the economy.⁵³

A new Operational Policy 8.00 on *Rapid Response to Crises and Emergencies* came into effect in March 2007. By its guiding principles, Bank support for relief to recovery transitions should be based on its core development and economic competencies, and such support should be provided in close coordination involving establishment of appropriate partnership arrangements with other development partners, including the United Nations. One of the objectives of the policy is to establish and/or preserve human, institutional, and/or social capital including economic reintegration of vulnerable people, who include refugees and IDPs.

In October 2007, the Bank's President identified fragile states as one of the six global challenges confronting the Bank.⁵⁴ In a speech on *Fragile States: Securing Development* in Geneva in September 2008, the President further

⁵³ OP 2.30, Note 16.

singled out displacement (of refugees) as both resulting from and contributing to the fragility of such states. He listed ten priorities to be considered in meeting the challenge posed by fragile states, and eight of these – other than provision of security and macro-economic stability – are embedded in the approach outlined above for Bank engagement in addressing the development dimensions of forced displacement.⁵⁵

⁵⁴ President's Note to the Development Committee, October 21, 2007.

⁵⁵ The other eight priorities are (i) build the legitimacy of the state, (ii) build rule of law and legal order, (iii) bolster local and national ownership, (iv) pay attention to the political economy, (v) crowd in the private sector, (vi) coordinate across institutions and actors, (vii) consider the regional context, and (viii) recognize the long-term commitment.