

Common Position

of DAC-INCAF Members supporting the Global Compact on Refugees¹

on

Addressing Forced Displacement with a Comprehensive Humanitarian-Development-Peace Nexus Approach

Adopted in November 2023

Also supported by:

Ecuador; Türkiye (Ministry of Labour and Social Security) ²

African Development Bank (AfDB); Council of Europe Development Bank (CEB); European Bank for Reconstruction and Development (EBRD); European Investment Bank (EIB); International Organisation for Migration (IOM); Office of the UN Special Advisor on Solutions to Internal Displacement; United Nations Development Programme (UNDP); United Nations High Commissioner for Refugees (UNHCR)

¹OECD Development Assistance Committee (DAC) International Network on Conflict and Fragility (INCAF) members include: Australia, Austria, Belgium, Canada, Czechia, Denmark, European Union, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, United Kingdom, United States.

This Common Position is not supported by INCAF member Hungary at their request, as Hungary does not support the Global Compact on Refugees and its implementation.

² Members of the Policy Dialogue on Migration and Development (PDMD)

1. Purpose

This Common Position, developed by the Development Assistance Committee (DAC) International Network on Conflict and Fragility (INCAF) in consultation with the OECD Development Centre Policy Dialogue on Migration and Development (PDMD), sets forward **three engagement areas for development co-operation in refugee, internal displacement, and statelessness situations in Low- and Middle-Income Countries (LICs and MICs)**. This Common Position was established to support the implementation of the Global Compact on Refugees and the UN Action Agenda on Internal Displacement.

The Common Position recognises the extensive efforts by LICs and MICs facing refugee, internal displacement, and statelessness situations to protect, assist, and find solutions for all three groups. It recognises the suffering and hardship faced by people forced to flee. It also recognises progress made in addressing forced displacement situations utilizing Humanitarian-Development-Peace nexus approaches. It reaffirms the need to work beyond a short-term vision, recognising risks of aid dependency and exclusion of refugees, internally displaced and stateless people from the hosting societies, in addition to the increased burden on already-limited resources in hosting areas. It re-affirms the ultimate goal to achieve durable solutions to displacement and statelessness, and in the absence of durable solutions, to ensure that those forced to flee can participate in the sustainable development of countries and societies. This Common Position calls for cooperation among development, peace, and humanitarian actors in complex environments, to become part of the standard engagement in forced displacement contexts, while also recognising the importance of localisation and climate action. This should always be conflict sensitive, and includes all analytical, policy reform, finance, and operational levels.

2. Forced displacement, and existing commitments

- **Forced displacement has augmented in scale and complexity:** The total number of forcibly displaced persons has been consistently increasing since 2005, surpassing 100 million persons in 2022, with over 70 million displaced within their own country (internally displaced persons, IDPs) from conflict and disaster, and 35 million refugees. Forced displacement and statelessness situations have become increasingly protracted, in some cases for decades.
- **Fragility drives forced displacement and undermines solutions:** In today's global context, a web of inter-linked economic, environmental, political, security, societal, and human factors force people to move, as the OECD's Fragility Framework demonstrates, often into hazard-exposed areas. The majority of refugees and internally displaced persons do not only originate from fragile contexts, they also flee to fragile contexts. The impact of forced displacement can reinforce pre-existing fragilities. Work needs to be done in origin areas as well as in arrival areas to create the development and peace conditions that allow for durable solutions.
- **Climate change affects displacement:** Empirical evidence shows that the impact of climate change strongly contributes to displacement, especially towards urban areas, intersects with

conflict-driven displacement, can undermine durable solutions, and can give rise to the need for planned relocations. According to the Inter-governmental Panel on Climate Change (IPCC), billions of people live in contexts highly vulnerable to climate change.

- **Diversity of the displaced:** Refugees, IDPs, and stateless persons are not homogenous, but include individuals, minorities, and marginalised groups with differential gender, age, sexual orientation, beliefs, ethnicity, and specific needs (for example disability, children, elderly), as well as diverse capacities and ambitions. Humanitarian, development, peace, and climate action assistance programmes need to be inclusive, sensitive to diverse needs, and need to take into account specific vulnerabilities.
- **Dignity, participation, and agency of the displaced and stateless:** Humanitarian, development, peace, and climate action programmes need to ensure the participation of the displaced and stateless themselves, including women, youth, and marginalised groups, in planning, decision making and implementation processes, so that they can shape their own future. With support and an enabling policy environment, many displaced have the ability to support themselves over time. Through their agency and skills, they can, and are often willing to, contribute to the development of the hosting community, and of their areas of origin. Therefore, policy and programme measures are needed that facilitate their participation as agents of change, rather than treating them as solely as recipients of aid. This perspective contributes to promoting human security, self-reliance, resilient societies, and to reducing aid dependency and the cost of forced displacement over time.
- **Refugees, IDPs and stateless persons face similar but different challenges of exclusion:** While there are important differences between refugees, IDPs, and stateless persons, all groups face exclusion challenges, and specific vulnerabilities. Refugees' and stateless persons' rights are regulated by specific international and national norms. Solutions for refugees concern origin, host and third countries, as well as the wider international community in the spirit of the Global Compact on Refugees. **In current reality, hosting approaches for refugees differ significantly by country and refugee population group.** They range from severe limitation of refugees' freedom of movement to specific sub-national localities, to dispersal strategies. Movement limitation approaches are often associated with camps, which put extreme pressures on the specific local hosting area. Dispersal approaches are often associated with urban refugee scenarios and socio-economic inclusion.

In contrast, IDPs have not left the country and, therefore, their protection and solutions remain the responsibility of their own government, similar to all citizens of the country. In general, IDPs display a higher degree of socio-economic vulnerability versus those moving internationally and can in practice face challenges to enjoy their full citizen rights.

- **Centrality of government ownership and commitment:** Governments at all levels – central, regional, and local – are responsible for supporting and protecting the forcibly displaced, the prevention and management of crisis situations, and for finding solutions to displacement situations. Over 70% of all forcibly displaced live in LICs and MICs, whose governments' extensive commitments to assist, protect and find solutions must be recognised and supported. This support is necessary, beyond humanitarian efforts, especially at local level. More can be done to mobilise development support, including private sector engagement, to assist governments and communities where displaced and stateless persons are living, with a comprehensive and conflict-sensitive approach. More can also be done to ensure that climate action includes forced displacement concerns. When it comes to refugees, strengthened third-country solutions, such as access to resettlement and complementary pathways, and development support for countries of origin, are important for solutions, and need to be further expanded. Local integration should also be explored for IDPs, in addition to return and settlement elsewhere in the country.

- **Existing policy commitments:** The Global Compact on Refugees (GCR), and the UN Action Agenda on Internal Displacement, call for considering forced displacement an integral part of sustainable development. The DAC Recommendation on the Humanitarian-Development-Peace Nexus is particularly relevant in forced displacement contexts. It always requires peace and conflict sensitive approaches, and development approaches whenever possible. Other related policy commitments include the development effectiveness principles (country ownership, focus on results, inclusive partnerships, transparency and mutual accountability), localisation, gender and diversity mainstreaming, and the existing international and national norms relating to the protection of refugees and IDPs, among others. Protection safeguards for displaced populations require ensuring that any engagement, including comprehensive nexus approaches, does not create new protection risks for these populations.
- **Implementation progress:** Comprehensive responses in forced displacement contexts have significantly progressed. This includes special initiatives by DAC members, coordination initiatives and appeals in forced displacement contexts across the Humanitarian-Development-Peace nexus, and the increasingly significant engagement of multilateral development banks. Mainstreaming the inclusion of displaced and host communities in Country Strategy Papers and projects financed by the Transition Support Facility (TSF) of the African Development Bank, and by the Window for Host Communities and Refugees of the World Bank International Development Association (IDA), including its Refugee Policy Review Framework, constitute good practices, and inform the structure and content of this Common Position.

In light of the global forced displacement situation, recent policy insights and good practices, INCAF members and other stakeholders agree on three priority engagement areas³ for development co-operation, peace, and climate action in displacement affected LICs and MICs.

3. Three areas of engagement

Engagement area 1: Support the early mitigation of shocks associated with the impact of forced displacement in LICs and MICs through comprehensive humanitarian, development, and peace support, and through climate action.

This includes:

- A. **Mitigate the immediate needs of the displaced through the provision of fast and efficient assistance and protection services.** In displacement crises, the timing of the initial response matters to mitigate loss of life and address the immediate vulnerabilities of the displaced. Emergency responses, informed by age, gender, and diversity sensitive needs and protection assessments, are critical. They also lay the ground for future solutions. They should be coordinated at the local and national level, and supplement the existing capacities of local actors, municipalities, and central government. They do not, however, constitute the only pathway.

³ It is understood that not all actors will work across all elements of the three engagement areas. HDP actors will support components in line with their strategies, capacities, core competencies, and mandates.

Adaptative and pre-capacitated existing government social services, including their preparedness and disaster risk reduction efforts, can help meet the needs of the forcibly displaced, and should be supported by development co-operation, including private sector development, and climate action.

- B. Mitigate the immediate impact on host communities through support to and dialogue with affected municipalities, local authorities, and communities.** The influx of the displaced initially constitutes a demographic change in the local community, in both rural and urban areas. Supply of services and environmental resources can be massively outstripped by demand, with significant consequences for the well-being of the host population. Absence of support to governments, and absence of involvement of the host community and the displaced can trigger tensions, deteriorate good-will and reinforce pre-existing fragilities. Conflict-sensitive development programmes in displacement-affected areas can mitigate these consequences and promote social cohesion, within host communities and with displaced populations, by investing in scaled-up public service delivery, in capacity building of local governments, in infrastructure, human capital, and in market-oriented private sector support.
- C. Support affected countries, early on, to develop a comprehensive response and solutions strategy, align with existing and planned humanitarian, development, peacebuilding, and climate action programmes, and support the early implementation of the strategy.** This includes context analysis (fragilities, sources of resilience, conflict analysis if appropriate, etc.), a feasibility assessment for development approaches, the capacity and presence of local and international actors, mapping of ongoing development and climate action programmes and their potential adaptive capacities to contribute to the strategy, and possibly a financing landscape analysis. Such a context and capacity analysis, coordinated with central and local authorities, the displaced themselves, affected communities, and with partners across the HDP nexus, will help governments in affected countries to develop a comprehensive response and/or solutions strategy. Initial responses to crises, including political and policy choices related to out-of-camp approaches and/or freedom of movement within the country, can significantly influence longer-term solutions pathways and outcomes.
- D. Collaborate with displacement affected LICs and MICs, and with international organisations, on better alignment and/or complementarity between humanitarian response plans, development and peacebuilding co-operation instruments.** Humanitarian planning and appeals processes often result in UN-led Humanitarian Response Plans (HRPs, covering internal displacement among other issues) and/or Refugee Response Plans (RRPs, for refugees), while development programmes are agreed through government-led development-partner structures, bilateral and multi-lateral development partnerships with the host government, and the UN Sustainable Development Co-operation Frameworks (UNSDCFs). Government (co-) led joined-up planning, or other comparable approaches leading to the formulation of collective outcomes, can help humanitarian, development, and peace efforts to better align and complement, where appropriate and feasible. To this end, ownership and leadership of governments should be supported. Overcoming divides in coordination and planning, comprehensive crisis response and/or solutions frameworks can increase aid effectiveness in displacement affected countries.

Engagement area 2: Include the forcibly displaced and stateless in sustainable development and climate action

This includes:

- A. **Mobilise political will and support national ownership.** The inclusion of forcibly displaced and stateless populations in development and climate action requires political will, by governments of displacement affected LICs and MICs, their bilateral and multilateral development partners, and by other actors across the HDP nexus. This requires skilled diplomacy, the systematic engagement of multiple stakeholders at national and local levels, and the inclusion of the displaced and host communities in related consultations, to ensure that their concerns are included in development and climate action planning, and in sectoral policies/plans. Building trust between displacement affected countries and development partners, including through predictable multi-year engagement and finance, is critically important for mobilising political will and development finance towards burden sharing related to refugee settings. When political will is understood as a process resulting in firm implementable commitments, it can be mobilised over time.
- B. **Support countries and areas of origin with creating conditions conducive to voluntary return in safety and dignity:** Inclusive, gender-sensitive development, peacebuilding and climate action programming has an important role to play in supporting countries and communities of origin with establishing conditions favorable to voluntary return of the forcibly displaced. Evidence has shown that comprehensive Nexus approaches across the humanitarian, development and peace dimensions are one enabling factor, among others, for voluntary return and sustainable reintegration.
- C. **Engage in policy dialogue with governments of displacement affected LICs and MICs on inclusive and solutions-oriented policies, laws, and service systems.** Inclusive, gender-responsive, and nationally-owned laws, policies and systems make an important difference for solutions for the displaced, stateless, and host communities: Documentation services (for example relating to issuance of identity credentials, residence, status, recognition of skills), legal and protection services, basic social services and related infrastructure (for example education and health), social protection systems, communications and electricity, access to decent work and the economy, municipal and urban planning, fiscal management, especially the allocation of development finance and domestic revenue to displacement affected sub-national areas, and the ability for the displaced to engage in civic representation.

Inclusive laws, policies and systems allow displacement affected countries and communities to align development objectives and programmes with supporting the displaced, while benefiting from their skills and resources. They enable the agency and well-being of the displaced and host communities and promote social cohesion and human security. They also lay the ground for durable solutions, including voluntary return in safety and dignity and third country solutions. Development co-operation programmes support this through policy dialogue and capacity building.

- D. **Include the displaced, and returnees, in development planning and co-operation processes, programmes, and their implementation.** Development co-operation planning and programming has an important role in supporting displacement affected LICs and MICs with the effective inclusion of the displaced in service systems and the economy, and in supporting capacity development for governments to realise these policies. This should include the meaningful participation of the displaced, and local and regional governments, in planning processes, and the related capacity building support to relevant authorities and institutions. It can also support durable

solutions, for example voluntary return in safety and dignity, integration, or relocation, when both the development and peace dimensions of co-operation are planned for and financed in a way that they also address forced displacement concerns.

- *For displacement affected LICs and MICs*, including countries or areas of origin, this starts with the explicit inclusion of the displaced and/or returnees in their national, and sub-national, development and sector plans, including private sector development, from inception to implementation. HDP partners should support governments' initiatives through related institutional capacity development and other support.
- *For bilateral development partners*, this starts with the explicit inclusion of the displaced and/or returnees in high-level, country-level, and local-level development co-operation strategies, capacity development support, financing instruments, and programmes, including private sector development, from inception to implementation.
- *For multilateral development banks (MDBs)*, this starts with giving displacement affected countries special consideration in the implementation of their non-displacement specific financing instruments, such as private sector development, and including the displaced in their implementation. This is supplemented by putting in place or further strengthening displacement-specific financing, and policy instruments and research, as far as specific MDBs can engage in this. MDBs should further advance inclusive approaches, building also on operational coordination and knowledge sharing at the *MDB Coordination Platform on Economic Migration and Forced Displacement*.
- *For UN country teams*, this starts with the explicit inclusion of displaced and/or returnees in UN Sustainable Development Cooperation Frameworks, from inception to implementation.

The inclusion of the displaced in development co-operation is monitored over time by the Global Partnership for Effective Development Cooperation (GPEDC) as part of its Monitoring Framework.

- E. **Invest in self-reliance of the forcibly displaced to enable their agency and promote social cohesion.** To fully realize the agency and skills of the displaced as agents for change and development, development partners, in partnership with humanitarian and peace actors, should support labour market interventions, skills development, entrepreneurship, and other related capacity development. Enhanced skills, employability and entrepreneurship expand possibilities for third country solutions, including complementary pathways. They also prepare for voluntary return, and reintegration when return is possible. Such support to governments of displaced affected countries should also benefit host communities and will contribute to social cohesion and human security.
- F. **Explicitly include forced displacement issues in climate change National Adaptation Plans (NAPs) and Nationally Determined Contributions (NDCs), and their implementation.** Climate change adaptation has an important role to help prevent displacement, and address displacement that cannot be averted. Adaptation can support those populations already displaced by climate change including citizens, non-citizens and pre-existing refugees living in areas adversely affected by climate change should countries' legal frameworks allow it to do so. It can also support host communities with mitigating stress on natural resources and the environment in displacement affected areas. NAPs and NDCs under the UN Framework Convention for Climate Change (UNFCCC) are expressions of priority for climate change adaptation and mitigation. They also mainstream adaptation into a country's national policies, plans, and budgets.

- G. **Support tracking and monitoring of inclusion of the displaced in national statistics, national services, and the formal economy.** Little is known on the de-facto inclusion of refugees, IDPs, and stateless persons in national services and the formal economy. This is in part due to the fact that many national, and international, statistics are not yet disaggregated by displacement status, while this is advocated for by the Expert Group on Refugee, IDP and Statelessness Statistics (EGRISS). The disaggregated data will be necessary for tracking progress against the Sustainable Development Goals (SDGs) also for displaced populations. Supporting displacement affected LICs and MICs with increasing their capacity for inclusive displacement and intersectional (gender, age etc.) disaggregated socio-economic data collection through development co-operation support is considered good practice. In this process, *data interoperability* is critical: (i) between UN agencies and national statistical systems, aligned with principles of data reliability, integrity, and data protection standards; (ii) between UN agencies and international financial institutions to facilitate aligned and joint interventions; and (iii) between development actors and national governments around the principle of responsibility sharing.

Engagement area 3: Address recurring drivers of forced displacement, support solutions, and support preparedness to cope with rising trends

This includes:

- A. **Expand the scope of forced displacement programming to countries and areas of origin.** Where feasible, preparedness planning includes investments in countries and areas of origin to achieve gender-sensitive and nationally owned solutions for the displaced, and to prevent further displacement. Most refugees reside in neighbouring countries, and internal displacement is at an all-time high, which gives an imperative to adopt a regional approach to address, and possibly resolve, the recurrent drivers of forced displacement.
- B. **Engage peace actors and support peacebuilding in areas of origin to prevent conflict and displacement, and to facilitate solutions.** Evidence has shown that integrated peace-development approaches in areas of origin have the potential to facilitate durable solutions for the displaced, and to prevent further displacement. It should include meaningful participation of the displaced in peace processes and peacebuilding activities, especially with the involvement of women- and displaced-led civil-society organisations. It should also include support to governments for strengthening the rule of law, and for addressing discrimination against particular populations groups as relevant in local contexts. Furthermore, coordination is required with peace and security actors outside the remit of Official Development Assistance, as appropriate in local contexts. Climate and environment action considerations, such as the governance of natural resource management, are also relevant, especially where climate and environmental vulnerabilities intersect with conflict, fragility and population displacement.
- C. **Support private sector investments that build economic prospects and resilience in displacement-affected contexts, with particular attention to women, youth, and marginalised groups.** Private sector investments in economic opportunities and climate-adaptive technologies can play an important role in improving prospects for solutions, and in strengthening the resilience of populations at risk of displacement. Development support should be encouraged to take a market-oriented approach to livelihood programming, including capacity building for economic and agricultural production. Flexible instruments, such as blended concessional

development financing, special economic zones, and risk-sharing financial instruments, have in some contexts proven to be well-suited to help achieve these objectives.

- D. **Engage in policy dialogue with countries and local communities at risk of being affected by a displacement crisis (internal displacement, and refugee influxes) on governance and systemic support for the forcibly displaced and host communities.** Preparedness planning means establishing laws and policies beforehand, so that systems and procedures are in place to manage the situation before a displacement crisis unfolds. Policy dialogue with countries and local communities at risk of being affected by forced displacement, with all HDP nexus stakeholders, on good practices (see section 2.C. above) and lessons learnt, can help shaping an effective future response, and can contribute to prevention and peacebuilding. This includes dialogue on foundational policies facilitating conflict prevention, governance (asylum systems, participation of the displaced in civic space, community conflict resolution, among others), on adaptive and inclusive social service systems, and on achieving synergies with disaster risk reduction systems. Dialogue with local stakeholders in communities at risk of being affected by displacement forms an important cornerstone for this dialogue, including with women, youth, minorities, and marginalised groups.
- E. **Integrate prevention, and preparedness for future displacement situations in development and climate change adaptation plans, programmes, and their implementation.** Prevention, and preparedness for anticipated population displacement movements, are also development issues. They relate to the capacity and planning for supporting displaced and host communities, led by national and local institutions in at-risk sub-national areas. Increased investments in preparedness capacity, and disaster-risk reduction, and natural resource management can build resilience and reduce the severity of future displacement crisis. They can reduce the need for humanitarian interventions, and thereby also the cost of future responses. Supporting countries at risk of being displacement-affected with integrating preparedness actions in national and local development plans, and in climate action plans, is considered good practice.
- F. **Increase support for climate action in countries facing high risks of forced displacement.** Over 80 percent of people internally displaced by conflict originate from countries highly vulnerable to the effects of climate change. Finance for climate action is currently not sufficiently reaching the most conflict-affected and climate-vulnerable regions. Least developed countries and small island states also face barriers in meeting eligibility requirements to access finance for climate action related to forced displacement (sea-level rise for example), including measures to mitigate further displacement.