



## High-Level Officials Meeting Summary of the Roundtable on Financing 22 November 2021 (14:00-17:00 CET)

### Executive Summary

Following the launch of the [Global Compact on Refugees \(GCR\) Indicator report](#) the week before, a virtual roundtable on financing for refugee situations was held on November 22, as part of the lead-up to the [High-Level Officials Meeting \(HLOM\)](#). The event was opened by the Assistant High Commissioner for Operations, Mr. Raouf Mazou, and was followed by two panel discussions. The first panel, moderated by Ms. Sorcha O’Callighan, Director of the Humanitarian Policy Group at the Overseas Development Institute, focused on development partners and financing. The second, moderated by Ms. Irene Sun, Senior innovative Financing Officer at UNHCR, discussed opportunities for innovative financing, looking towards the next Global Refugee Forum in 2023. Additional content shared by stakeholders during the roundtable is available in the virtual space for the HLOM [here](#).

Despite an upward trend in financing for refugee-hosting countries with lower incomes, there was a consensus that more funding is needed to address the growing needs associated with the rise in the refugee population, the proportion of refugees living in protracted situations, and the socio-economic impact of the COVID-19 pandemic. In this context, there is a need to diversify and broaden the donor base and contributions; foster further synergies between humanitarian and development funding, actors, and interventions; strengthen multi-stakeholder partnerships; scale up innovative approaches; and mainstream data collection and evidence on both financing for refugee situations and on self-reliance of refugees and host communities.

### Summary of Discussion

#### ***Opening remarks by Mr. Raouf Mazou, Assistant High Commissioner for Operations, UNHCR***

Mr. Mazou presented the GCR indicator report’s findings related to financing. The report is based on the indicator framework agreed in 2019 and covers the period starting in 2016, the year of the adoption of the New York Declaration setting out the comprehensive refugee response framework and calling for the development of the Global Compact on Refugees. While progress has been made towards easing pressures on host countries, more equitable and predictable burden- and responsibility-sharing is needed.

Based on data collected by the OECD, the GCR indicator report shows that there was an upward trend in bilateral Official Development Assistance (ODA) to refugee-hosting countries with developing economies. However, the data were available only until 2019, so the full impact of the COVID-19 pandemic on financing will only be assessed in the next indicator report in 2023. The number of countries’ refugee responses supported by the World Bank increased from two to 19 between 2016 and 2020. While there is a clear commitment from ODA donors and multilateral banks to share responsibility in the spirit of the GCR, a large portion of funding needs for comprehensive responses to refugees and host communities remains unmet, as the number of refugees under UNHCR protection increased by 3.5 million from 2016 to 2020. There was a preponderance of humanitarian and short-term funding (71 per cent of bilateral ODA to refugee situations) despite increasing protracted situations, and there was a downward trend in unearmarked core contributions. It will be key to broaden the financing base, build on progress achieved in furthering cooperation between humanitarian and development actors, and facilitate sustainable, efficient, and effective resource mobilization through innovative financing approaches.

## Key Outcomes and Recommendations

### ***Panel 1: Development partners and financing***

The first panel discussed the impact of development partners and financing on supporting responses for refugees and host communities. The panellists included Mr. Aymen Musmar Ali, Refugee Education Consultant, Government of Sudan; Mr. Cheikhna Mohamed Mahmoud Chavei, Deputy Director General of Financing and Economic Cooperation, Ministry of Economic Affairs and Promotion of Productive Sectors, Government of Mauritania; Mr. Xavier Devictor, Advisor for the Fragility, Conflict and Violence Group, World Bank; Dr. Elke Löbel, Director for Displacement and Migration, Crisis Prevention and Management, Commissioner for Refugee Policy, Federal Ministry for Economic Cooperation and Development (BMZ), Government of Germany; Mr. Felipe Muñoz, Migration Unit Chief, Inter-American Development Bank; Ms. Marriët Schuurman, Director, Division of Stabilisation and Humanitarian Assistance, Ministry of Foreign Affairs, Government of the Netherlands (speaking on behalf of the Prospects Partnership); and Ms. Halima Mint Sidouwa, Community Leader, Mbera Refugee Camp, Mauritania.

The discussion reaffirmed the crucial role played by external funding, both humanitarian and development, to respond to the needs refugees and host communities, notably in terms of health, water and sanitation, education, access to work, and social security. The relevance of flexible policy instruments and tools, including the Multilateral Development Banks' Coordination Platform, the Refugee Policy Review Framework developed by the World Bank and UNHCR, the costing of refugee inclusion in education, and innovative projects going beyond financing and involving a strong partnership component, was emphasised. In addition to funding gaps, the panel underlined governance and macro-economic challenges, high transaction costs, and institutional and governance differences impacting effective responses.

To address gaps in funding, the panellists recommended an approach to financing oriented towards long-term assistance and durable solutions, underlining the increasingly protracted nature of refugee situations. In this context, financing needs to be guided by the humanitarian, development, and peace nexus and synergies strengthened between the respective agencies and stakeholders. Development and humanitarian actors need to work together in a complementary manner at all stages of a crisis, particularly in light of the growing and multi-faceted role of multilateral development banks in providing financing as well as support for policy reforms and other strategic assistance relevant to refugees and host communities. More and better data is needed both on financing to refugee situations and on the socio-economic situations of refugees and host communities.

### ***Panel 2: Innovative financing***

The second panel discussed opportunities for innovative financing. The speakers included Mr. François de Borchgrave, Managing Director, Kois Invest; Mr. Lucas Gómez, Advisor to the President of Colombia on Border Management, Government of Colombia; Ms. Cecilia Scharp, Assistant Director-General, Swedish International Development Agency; and Ms. Charlotte Slente, Secretary-General, Danish Refugee Council. The session highlighted the value of innovative approaches to financing to refugee situations, including the benefits of using social impact bonds and micro credit loans. Social impact bonds combined with mechanisms of results-based payments reduce risks of social investment and promote connection with private sector. The session also provided examples of innovative financing to reduce the impact of humanitarian interventions on the environment.

In response to challenges and gaps related to the scarcity of resources and time needed to develop socio-economic integration mechanisms that respond to local needs, the panellists recommended furthering trust between the private sector and humanitarian actors. Traditional humanitarian actors be faster to ensure that transactions with private sector materialise and are responsive to the needs on the ground. The international community needs to invest in countries implementing inclusive and innovative financing policies, such as social

impact bonds, bank guarantees, and entrepreneurial mechanisms. It is key to leverage private sector engagement and resources to scale up humanitarian interventions and accelerate inclusion and development processes of refugee populations. There is finally a need to invest in green energy in refugee-hosting contexts to promote access to electricity and digitalization, which are crucial to enabling refugees to access information, rights, and learning opportunities.

### ***Interventions***

Following the first panel, interventions were made by Freddie Carver, Manager, Regional Durable Solutions Secretariat (ReDSS), speaking to the study ReDSS conducted, *Financing for Solutions to Displacement*; and by Mr. Spyridon Demetriou, Senior Operations Officer, Global Concessional Financing Facility. After the second panel, interventions were made by Mr. Lev Plaves, Director of Investments, KIVA.org, in related to the Refugee Investment Fund, and by Ms. Masuma Ramazan, Refugee Leadership Alliance, which raises funds for refugee-led organization.