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PROCEEDINGS

KEY TAKEAWAYS

Promoting a new social contract to address Syrian refugees’ and host communities’ welfare

- The protracted nature of the refugee crisis and its impact on host countries has shifted this crisis from being a purely humanitarian challenge to a humanitarian and development one. The region is facing a long term crisis that needs to be managed through long-term solutions and engagement sustained by a continuum of humanitarian and development actions.

- Enhancing the welfare of Syrian refugees is for the mutual benefit of host countries, Syrians and Syria’s future reconstruction. It is essential to help refugees to help themselves by increasing their self-sufficiency and becoming agents of their future. Through an eventual reconstruction of Syria Refugees should be able to use theirs skills and potential to support themselves and the communities hosting them. Education and training are key to saving the lost generation of refugee youth and children that have been out of school since the start of the crisis, and are crucial to the process of Syrian reconstruction in the future.

Key proposals to boost refugee integration and local economic growth

- Lebanon and Jordan in particular are providing the world with a global public good and need far more support than they are currently receiving from the international community. The refugee influx is severely affecting job markets and the distribution of income, while fostering resentment amongst local communities and placing strain on scarce resources. European participants acknowledged the difference of the scale of the crisis affecting Europe compared to the situation in the Mashreq and Turkey.

- Coupling emergency humanitarian work to mid-term and holistic development approaches can encourage local economic opportunities involving hosting communities and refugees to emerge. These new growth opportunities can mitigate the impacts of refugee hosting on host communities and enable them to contribute.

- Despite existing advanced legislations that allow refugees to work (ex: Turkey, Germany), and refugees’ existing skills, Syrian refugees hardly find employment. This points to the need for targeted education and vocational training in order to adapt their skills to their new local labor market: refugee profiling and skills assessment are key to matching refugee skills with existing labor demand and identifying how new job opportunities for refugees can be created.

- Encouraging contacts between local populations and refugees to support a shift in attitudes is a crucial aspect of maintaining social peace and cohesion, notably through common activities, language exchanges and improved refugee mobility. It is important to involve refugees in program design rather than designing programs for them.

- UNESCWA called for a paradigm shift to include a Syrian dimension in development policies, including encouraging investments in stable parts of Syria as of now in order to lay the ground for the country’s future reconstruction. Syria’s reconstruction has the potential to become an opportunity for regional growth and integration.
The White Paper “The Syrian Refugee Crisis in the Medium-Term: What next?” presented at this event provided for important recommendations aimed at addressing the poverty trap threatening Syrian refugees and vulnerable host communities in the “medium term” by fostering local economic growth and economic inclusion. The pledges of the London conference can contribute to that, but the specific needs will need to be fully integrated into the Response Plans prepared by Lebanon and Jordan.

Participants acknowledged the need to continue exchanging on these questions through multi-partner and multi-stakeholder knowledge-sharing events, which are important catalysts of policy adjustments and consensus-building on how to address Syrian refugee and host countries and communities welfare.

In terms of financing host countries, instead of engaging in multiple pilot programs, it is necessary to channel scale-up existing solutions and transcend silo approaches between IFIs (e.g. blending grants with loans to buy down interest on loans from Multilateral Development Banks to increase overall concessionality) in order to provide financial support to these host countries.

The European Union has been recovering unused funds from dormant or interrupted projects in order to funnel them towards supporting Jordan and Lebanon based on concessional financing. It is also essential to encourage market access for Lebanon and Jordanian goods to the European Union in order to support their economies.
KEY POINTS - SUMMARY OF DISCUSSIONS

Introduction

Ferid Belhaj, Country Director for the Middle East, World Bank, reminded that Jordan and Lebanon are providing the world with a global public good which they should not pay for. This protracted crisis needs to be managed through a continuum of humanitarian and development actions to find long-term solutions. The joint report presented that day is a junction between humanitarian and development work.

François Reybet-Degat, Deputy Director for the Middle East & North Africa, UNHCR, argued that since the London conference, the international community realized that much more needs to be done in Syria and the region in order to develop partnerships between the international community and host countries to find long-term financing for Syrian refugees. The report is a sound basis for growth driven policies to benefit host communities and countries.

H.E. Sejaan El Azzi, Minister of Labor of Lebanon, affirmed that the current crisis is first of all a human phenomenon and the only approach that has been developed is a technocrat and technical approach. It did not seek to find political solutions and revealed an inability to find a solution to end war in Syria. Lebanon believes that the right approach is to think about the return of refugees to their own country for the sake of Syria’s reconstruction.

H.E. Prof. Nidal Alkatamine, Minister of Labor of Jordan, insisted on the fact that not enough research has been done to understand and to assess the situation of refugees, mainly the situation in camps, and claimed that the report is a way of raising the flag and making a wakeup call for politicians.


In this session, Ewen Macleod, Head of the Policy Development and Evaluation Service, United Nations Refugee Agency (UNHCR) and Paolo Verme, Senior Economist, Poverty Global Practice, World Bank (WB) presented the main findings of their joint WB/UNHCR report “The Welfare of Syrian Refugees: Evidence from Jordan and Lebanon”. Ewen Macleod started by underlining the highly volatile and dynamic patterns of the crisis, stating that after five years of conflict, one would expect to see signs of stability and return, which is not the case. One of the findings of the report is that the welfare conditions for refugees in both Jordan and Lebanon have worsened over time and that poverty has raised and will continue to increase. The authors of the report asserted that nine out of ten refugees are poor (considering the hosting countries poverty lines) and that 55% of them are vulnerable. They explained that the impact on the local population and host communities could not be ignored any longer and that the protection of the population might be threaten by a breakdown of social cohesion. Early signs of friction, difficulty and negative coping strategies are a clear call for action. Paolo Verme assessed that the vulnerability of refugees has both monetary and non-monetary dimensions and that not all issues can be treated with cash, even if UNHCR cash assistance and World Food Programme (WFP) food voucher have proven to be effective. The scale of the crisis makes humanitarian assistance increasingly unsustainable. This report, the only study of its kind, is a “wakeup” call: humanitarian actions are not enough to address the crisis. It creates a sound basis for future development programs to ensure that resources are allocated where they are the most needed.

Government representatives from both Jordan and Lebanon explained that native population from the two countries is suffering from the economic pressure (decline in growth, increase in public debt, deterioration in quality of services provided, increase in poverty and unemployment because of the competition over jobs). Jordan and Lebanon are providing a global public good on behalf of the international community and a firm commitment to support welfare of refugees, Jordanians and Lebanese is needed. The welfare of Syrians will affect the welfare of native population and policies need to target those two groups in the meantime. Mireille Girard, UNHCR Representative for Lebanon agreed, stating that there is a need for safety nets for the whole population in Lebanon. Indeed, it would create a virtuous cycle where jobs are created because when refugees are economically active they are the first to find solutions for themselves. Sami Atallah, Director, Lebanese Center for Policy Studies (LCPS) and Mireille Girard discussed the vulnerability of Lebanon stating that Lebanese economy is affected, not only because of refugees, but because of the war next door (tourism, trade,
construction sector) and that the crisis has exposed the vulnerability of Lebanon in terms of job creation concluding that Lebanon needs international community help but this process has to be accompanied by reforms.

Dawn Chatty, Emeritus Professor of Anthropology and Forced Migration and Former Director of the Refugee Studies Centre, University of Oxford, exposed two main characteristics of refugees. Refugees are not part of a regular population they are often children, young and single; and they follow a process of circular migration, meaning that they try to stay as close to borders as possible in order to be able go back to Syria when the war is over. She recommended to focus on youth and to develop a different approach to refugees: they need to be involved in how the camps are run and provided with temporary protection and services in order to start small and build up on those actions. She recommended to create a special agency for education for Syrians, based on the model of the UNRWA for Palestinians. Andrew Harper, UNHCR Representative for Jordan, affirmed that the main challenge is to find a way to unleash the potential of refugees and provide them with a sense of humanity. UNHCR cash assistance and WFP food voucher are working well but are not sustainable in relation to human dignity. Refugees should be able to use their skills and potential to support themselves and the communities hosting them.


Authors of the White Paper reminded the exceptional scale and nature of the crisis for the region, with very large numbers displaced in a few countries; and the extraordinary response needed in return. Reflecting a strong statement of the paper, they argued in favor of developing a new model and reforms (in financing, policies and legal frameworks), as a part of an invigorated partnership between host countries governments and the international community. They also highlighted that the White paper aimed at proposing avenues for financing, legal, and policy reforms in order to address the mid-term needs of refugees and host communities, where international experience is limited.

Authors of the Paper argued that a sustained income for refugees providing an acceptable standard could not be provided in the mid-term only by humanitarian aid. The Jordanian representative agreed that a new deal was needed: the Government of Jordan can engage in new public policies and legal reforms (such as the Turkish one) to create more business and employment opportunities for Syrians, provided the international community’s engagement to support financially this agenda. However, Jordanian and Lebanese government representatives argued that enhancing refugee economic inclusion should not lead to political integration and access to citizenship in the mid-term.

UNESCWA (Deputy Secretary General A. Dardari) called for a paradigm shift to have an “inside Syria dimension” of development policies, including encouraging investment in Syria as of now, and envisaging reconstruction. According to studies conducted by UNESCWA, providing more food and electricity in the most deprived areas of Syria could bring back Syrians to Syria, or at minimum contribute maintaining populations in the country. The critical state of Iraqi’s Kurdistan government finances was also mentioned: Hayder Mustafa Sinjawi, Director General at the Ministry of Planning at the Kurdistan Regional Government, called for the promotion of foreign direct investment, support to the 400 public planned projects that lack finances to be implemented, and the provision of small loans to encourage businesses.

The White paper proposes to address refugees’ and host communities’ poverty trap through counter-cyclical policies (Keynesian approach) increasing public spending to boost the economy and create jobs, then favor private investment by improving a business environment that would be conducive to growth and improve labor market information system (including Europe) to better match supply and demand. The necessity for Syrians to access to jobs in host countries as a source of sustained income was mentioned as key, yet often mismatch between refugee skills and employment opportunities was underlined: recognition was made of the critical need for a better knowledge of refugee past skills and activities, in order to better match them with labor market demand in Jordan, Lebanon, Turkey, and also Europe.

Presenters and panelists agreed that enhancing the welfare of Syrian refugees would be for the mutual benefit of host countries, Syrians and Syria’s future reconstruction. They noted that the financial capital of Syrians that circulated outside of Jordan and Lebanon due recent movement to Europe could have been captured into private investment and
entrepreneurship, if better opportunities had been provided (Refugees spent 5 billion USD to travel to EU; 100 million USD of Syrian investments were made in Turkey after 2011). In addition, maintaining a critical level of Syrians with high skills in Syria’s neighboring countries appeared key for Syria’s reconstruction in the future (it was mentioned that many migrants and refugees arriving in Europe were employed at lower skills than their initial qualification).

Presenters and panelists highlighted the opportunities that lie within the crisis: the opportunity for Jordan and Lebanon to tackle their former economic and structural challenges provided an additional international support; for the Mashreq (and/or the Arab) region, the opportunity to develop regional integrated strategies; for the Euro-Mediterranean region to engage in more integrated policies. Participants agreed that the White Paper had a lot of potential for providing recommendations to the international community and Syrian host countries – to turn the pledges of the London conference into concrete actions – given it would be fully integrated within the legitimacy of response plans already developed by Jordan and Lebanon. The European Commission representative called for more solidarity between the main host countries and European countries, for mutual benefits.

SESSION 3: Bilateral Experiences towards Supporting Refugee and Host Country Welfare

This session gathered government and civil society representatives from the Mashreq and Europe to foster experience-sharing on refugee and host country welfare. His Excellency Nidal Alkatamine, Minister of Labor of Jordan, launched the session by highlighting the enormous responsibility weighing on Jordan and Lebanon’s shoulders in the wake of the Syrian conflict and the ensuing refugee crisis. He argued that these two countries are currently bearing the responsibilities of the entire international community based on a welcoming approach to refugees, regardless of the scarce resources at hand. However, it seems that Lebanon and Jordan’s economies are reaching a breaking point, as poverty and unemployment rises amongst local populations, leading to a growing divide between refugee and host communities. Investments and large-scale private sector involvement are necessary to bridge this gap.

European government and NGO representatives highlighted the difference in scale between the challenges facing the Mashreq and Turkey and those that European host countries are currently dealing with. Furthermore, they insisted on the importance of a political settlement to the Syrian Crisis as a precondition for a more stable regional situation. Greece underlined the efforts it is currently deploying at an unprecedented scale to provide aid to 900,000 refugees and economic migrants and process 13,000 asylum applications. Capacity on many of the islands bearing the brunt of the influx is exceeded. Sweden further emphasized the problems resulting in the average processing times of asylum applications, which can exceed one year. Reducing the duration of these processing phases is one of the Swedish government’s priorities, and was further endorsed by the German civil society participant as being one of the main challenges in Germany, the European country hosting the most refugees. Another issue is the strain that refugee hosting is placing on municipalities’ capacity to deliver basic services. Furthermore, Sweden is observing an uneven spread of refugees, who tend to choose areas with higher job and economic opportunities, thereby placing additional strain on the latter.

In terms of refugee integration into host communities, the Italian representative highlighted the importance of the language issue, which can be a key barrier to the inclusion, education and employment of refugee populations. This barrier is one of the main foci of the German NGO represented in this meeting, which is devoting many of its funds to language courses, like the most actors involved in refugee integration in Germany. The NGO further emphasized the importance of fostering contacts between local and refugee populations, in order to encourage positive attitudes and community involvement. Authorities most often do not dispose of sufficient time to encourage such day-to-day local encounters, and lack the capacity to engage in in-depth refugee profiling for employment by local actors. NGOs and civil society have an essential role to play in this respect. A Swedish NGO is striving to step up the platform it has created for “established” and “new” Swedes to encounter each other in order to meet strong demand from “established Swedes”. More generally, great emphasis was placed on the necessary involvement of refugees in the design and strategic thinking of programs aimed at supporting them.
SESSION 4: Creating Conditions for Shared Prosperity and Economic Growth for Refugees’ and Host Communities’ Welfare - Spotlights on Innovative Actions and Experiences

In this session, the question of integration of Syrians in the labor market of host countries appeared as a sensitive issue, due to the competition with local populations, and also of the existing informal work paid with lower wages, which benefit large part of the economies. However, Syrian’s neighboring countries showed the efforts they made: Turkey is in the lead with advanced new regulations allowing Syrians to access labor market in Turkey; in Lebanon a high percentage of refugees is effectively working; it has therefore introduced regulations and is in principle ready to legalize more Syrian workers. Yet it will be difficult to take on more refugees and the request was made to think also ahead in terms of return programs to Syria. Grants and loans provided to host countries by the international community should not be conditioned by the deliverance of work permits.

The Turkish delegate (Gaziantep municipality) pointed out that the Turkish experience showed that the welfare of minorities raises the welfare of everyone in the community. Experience demonstrated that when refugees are helped with becoming socially and economically self-reliant, as well as provided with protection and mobility, they become a positive force. However panelists observed that despite existing advanced legislations that allow refugee to work (ex: Turkey, Germany), and refugees’ existing skills, Syrian refugees hardly find employment, indicating the need for education and vocational training in order to adapt their skills to their new local labor market. Language classes in these two countries appeared critical. Also, having better data on the skill profile of refugees, which would include data on informal qualifications/past activities, appeared crucial to allow for a good match of job supply and demand. The Jordanian representative noted that the departure of Syrian refugees to Europe is not without impact on the opportunities in Syria’s neighboring countries: it increases disorganization of resilience programs that employed those Syrians; it depraves those countries from high qualified skills and financial resources.

The presentation of the “Special Economic Zones” project in Jordan showed the favorable conditions of such project in Jordan (existing factories and land for development, skilled workers, proactive government), as well as the challenges: reforms (on the labor market) are disruptive, the creation of jobs and new economic opportunities in Jordan and Lebanon depend on a better access of the goods produced to EU markets.

This panel also showed that cities were highly affected in Jordan, Lebanon and Turkey: not only the delivery of priority services were impacted (water, sanitation, waste management, housing, etc.), but also local economies of cities close to the Syrian border, which lost business opportunities leading to job losses. Cities experiences (Offenbach and Gaziantep) showed that a more integrated approach is necessary in their policies to tackle all challenges related to the refugees as a target group: The municipality of Gaziantep is creating a municipal directorate of migration which aims at coordinating all services for Syrian refugees. The German city representative warned on the risk of creating “refugee ghettos” in the future, and mentioned the possible set of regulations by the Federal government to avoid clustering refugees in specific neighborhood and cities.

SESSION 5: Mobilizing Resources and Strengthening Multi-partner Collaborations towards Supporting Refugees’ and Host Communities’ Welfare

This session focused on the issue of financing to support host countries in the wake of the London Donors’ Conference that took place on February 4th. Jordan and Lebanon are currently providing a global public good but as Middle Income countries they can only borrow from International Financial Institutions (IFIs) at standard rates. They do not have access to development financing at concessional terms for low-income countries (e.g. on International Development Association financing terms). Following the meeting in Lima which launched the “MENA financing initiative”, significant steps are being made to change this configuration. Moreover, the challenge is not simply to support Syrian Refugees: it is about sustaining the development agenda of host countries. Rather than engaging in pilot programs, it is necessary to scale-up existing solutions and transcend silo approaches between IFIs (e.g. blending grants with loans buying down interest on loans from Multilateral Development Agencies to increase overall concessionality, as has been done in the health sector in Latin America).
This approach to host country support is also being supported by the European Union, which has been recovering unused funds from dormant or interrupted projects in order to funnel them towards supporting Jordan and Lebanon based on concessional financing. It is also essential to encourage market access for Lebanon and Jordanian goods to the European Union in order to support their economies. The “Madad” funds can be carried over year by year, ensuring greater continuity in financing efforts. The Western Balkans have also been included in the scope of the fund. The two priorities of the Madad Fund are education in Jordan (direct bilateral collaboration of the Ministry of Education) and livelihoods. To this end, the Madad Fund is supporting the training of refugees in preparation of their future return to Syria and the reconstruction of the country.

Concluding remarks

As a conclusion H.E. Nidal Alkatamine, Minister of Labor of Jordan concluded that as loans and grants won’t be sufficient for Syria’s neighboring countries, significant investments needed to be made, and the international community needed to step up support. He, also pointed out that more expertise, knowledge and research to inform their policies were needed. Mourad Ezzine (CMI) noted that the CMI Mediterranean Refugees and Host communities program offers a platform for evidence-based knowledge and exchange. The support to host communities of refugees is an important pillar of this work. He confirmed that the question of skills was key to the inclusion of refugee: participation to labor markets implies that existing skills are known and well matched with demand. Olivier Ray (AFD) suggested that the White Paper was inspiring the community of donors and development partners for their future actions and operations. Finally, all three acknowledged the need to continue exchanging on these questions through multi-partner and multi-stakeholder knowledge-sharing events, which are important catalysts of policy adjustments and consensus-building on how to address Syrian refugee and host countries and communities welfare.