



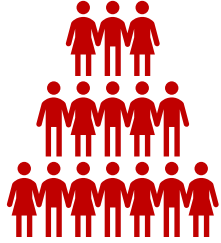
# The Global Challenge of Forced Displacement and New Financing Opportunities

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**DRC** DANISH  
REFUGEE  
COUNCIL

# THE GLOBAL CHALLENGE OF FORCED DISPLACEMENT

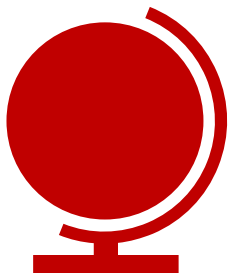
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**OVER 80,000,000 FORCIBLY DISPLACED PERSONS, OF WHOM OVER 26,000,000 ARE REFUGEES**



**A REFUGEE STAYS DISPLACED FOR TWO DECADES ON AVERAGE**



**85% OF REFUGEES ARE HOSTED IN DEVELOPING COUNTRIES**

The growing scale and scope of displacement crises, including the increasing length of average displacement, prompts us all to reflect about smarter ways to assist and empower displacement affected communities.

Financing is a central piece of this puzzle. Short term humanitarian financing instruments are in many cases inadequate, in some cases inappropriate to the durable solutions we seek to displacement.

Innovative financing initiatives that can bring together traditional donors, investors, new technical partners and experienced refugee organizations like DRC are critical, if we are to bridge the current humanitarian financing and offer more sustainable and relevant solutions for and with displacement affected communities

## EXAMPLE: JORDAN

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- Untapped potential in young refugees and young Jordanians
- The RYSE project – sponsored by the Novo Nordisk Foundation – seeks to create economic opportunity and jobs for young Syrian refugees and Jordanian youth
- This needs sustainable financing and investments to succeed. Project includes allocation to design new instruments and partnerships to draw in private financing and investments
- Works permits for refugees in some sectors. Labour market studies show opportunities in e-commerce and tech, agri-business, manufacturing, solar energy
- Investment and private sector financing studies show gaps, limiting the ability of the private sector to create jobs for refugees, provide relevant services and products

- **1 in 14 people a registered refugee**
- **84% of Syrian youth unemployed**
- **DRC presence since 2003**

*With local and international partners, we are now designing instruments that can enable more investments into job creation and grow economic opportunity for refugees and host communities*

## EXAMPLE: SOMALIA

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- Despite persistent challenges, some improvements in some areas of the countries
- Since 2017, the Durable Solutions Program in Somalia, with support from the Danish Ministry of Foreign Affairs, has explored new ways for NGOs, government, local communities and the private sector to work together to provide better and more sustainable services and economic opportunity.
- For example by supporting water companies and government to form public private partnerships to provide sustainable water to displaced person, or linking community savings groups to more formal finance.
- Financing instruments do not match the opportunities we see.

- **30 years of armed conflict and instability**
- **1 in 5 displaced in country or across borders**
- **DRC presence since 1998**

*there is opportunity for official development assistance and humanitarian financing to be used more strategically to mobilize other types of financing, including investments*

# FORCED DISPLACEMENT & INNOVATIVE FINANCING

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## KEY POINTS

- 1 Even if we often see a displacement situation through the lens of humanitarian assistance and as an intractable problem, there is also often opportunity.
- 2 In situations where people have been displaced for years, if not decades, we have to work towards more durable solutions, create jobs and opportunity, build self-reliance, grow economies, ensure access to basic services.
- 3 None of this is easy and there are risks involved when working in these challenging contexts. We know this very well. We are there. But the risks of letting entire generations fall through the cracks in protracted displacement situations are even greater.
- 4 None of this can be achieved through traditional humanitarian organizations alone, and there is opportunity to increase investment opportunities for social and financial impact.

**We need more bold and ambitious multi-stakeholder alliances. And we need financing partners that are willing to explore with us the high impact investment opportunities that these situations can also present.**

***Through DRC's innovative financing initiatives, we explore with our partners how investments and other new types of financing can be mobilized for better solutions to displacement.***