CHARTING A NEW COURSE: re-thinking the Syrian refugee response
OVERVIEW

The Syrian refugee crisis is among the worst in recent memory. Two million refugees have already flooded into neighboring countries, and more arrive daily. Meanwhile, humanitarian response measures are falling short despite commendable efforts by the United Nations (UN), donors, non-governmental organizations (NGOs), and regional governments. Unprecedented investments are failing to keep pace with a vast, growing need, in part because nearly three years after the onset of the crisis, the international community is still dealing with Syria as if it were a larger version of a typical humanitarian emergency. It is time for a paradigm shift. Traditional, short-term relief policies are not in themselves sufficient, and with no immediate political solution to the crisis on the horizon, donors, implementers, and host countries alike need to shift gears and develop an integrated strategy that moves beyond simple relief provision. We must move quickly. As the Syria crisis wears into a third year, it presents a grave humanitarian need and a looming, historic threat to regional stability.

This paper focuses on the refugee impact within host countries – particularly Jordan and Lebanon, where Mercy Corps is implementing the majority of its refugee response programs.1 Our refugee response portfolio reaches over 800,000 refugees and vulnerable host community members. With an eye toward informing discussions among donors, policy makers, and peer agencies, we briefly outline the scope of the challenges facing an effective crisis response, and present field-tested recommendations to improve coordination, and create efficiencies, sustainability, and prioritization. We also propose mechanisms for ensuring the needs of crisis-affected populations are better incorporated in the response and for better integrating relief and development efforts.

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1 Our refugee response programming ranges from camp-based response in Jordan and Iraq to work in host communities in Lebanon, Iraq, and Jordan. The goal of our work is twofold: to meet immediate humanitarian needs on the largest possible scale, while constantly seeking opportunities to build long-term resilience to recurring shocks and stresses among populations affected by the conflict in Syria.
SCOPE OF THE CHALLENGE

The complexity and scope of the refugee crisis spurs most contemporary comparisons. One-third of the Syrian population is either internally displaced or has fled the country. The exodus of refugees from Syria to neighboring countries now numbers more than two million, approximately 740,000 of whom are under the age of 11.\(^2\) Notably, these figures do not reflect the added strain of pre-existing refugee populations, including an estimated 2.9 million Palestinians and Iraqis already living in Jordan and Lebanon.\(^3\)

As a consequence of the crisis, an already fragile region is experiencing heightened economic insecurity. Lebanon, Turkey, Iraq, and Jordan all host unsustainably large numbers of Syrians. At present, the vast majority of refugees – approximately 70 percent – are not confined to camps, but have settled in cities and towns.\(^4\) The urban nature of the crisis is taking an overwhelming toll on host country infrastructure and services, and the largely dispersed case load poses unique challenges to the overall response because it falls outside the norm of refugee contexts.

The gravity of the challenge is most apparent in Lebanon. According to the World Bank’s September 2013 assessment of social and economic impacts, by August 2013 the Syrian-conflict refugee population had grown to 914,000 – or 21 percent of Lebanon’s population. By the end of the year, this number is estimated to hit 1.3 million. Lebanon’s fragility is reflected in gloomy macroeconomic indicators, and souring budget and jobs data. Over the period of 2012-2014, Lebanon’s real GDP annual growth rate will fall by 2.9 percent. Decreased government revenue, paired with increased service expenditures, has resulted in a total fiscal impact of US$2.6 billion. The influx of refugees has glutted the labor market, particularly for low-income jobs such as agriculture and construction, driving down wages and doubling the unemployment rate to above 20 percent.\(^5\) By the end of 2014, an additional 170,000 Lebanese are expected to be pushed into poverty, while the 1 million existing poor fall even deeper.\(^6\)

The timing of a crisis is never opportune. However, the inflow of Syrian refugees has hit neighboring states at a time when they were already combating internal economic and social challenges. In a country like Lebanon, the crisis layers over a delicate political environment. As a result, gains from previous development programs in key sectors like health and education prior to the conflict are at risk of backsliding.

Economic insecurity and competition for scarce resources – be they water, land, or jobs – serve as potential drivers of inter-group conflict.\(^7\) In some cases, uneven aid distribution has badly exacerbated this prospect. In Jordan’s Sahel Houran, subsidies to refugees during the initial relief phase led to steep price increases for water and housing. According to a local government official, a home that rented for 40 Jordanian dinar before the crisis might today cost 250. One Jordanian man told Mercy Corps that after seven years in his apartment, he was being forced out so his landlord could subdivide and rent to refugees. Such experiences are not unusual.

\(^3\) Figures drawn from UNHCR and UNRWA 2013 planning figures.
\(^7\) Mercy Corps, *Things Fall Apart: Political, Economic and Social Instability in Lebanon,* June, 2013.
Yet in spite of subsidies, the majority of Syrians face dire livelihood challenges. Even among those who have found work and have work permits, few make a living wage. Left alone, circumstances are bound to worsen. In Jordan, increasingly stringent measures – including financial penalties and work site raids – discourage employers from hiring refugees. Meanwhile, the lack of social safety nets, other than those provided by external humanitarian assistance, increases refugee vulnerability through isolation. In Lebanon, for example, refugees are scattered around the country, living in abandoned buildings, or even converted chicken coops, and tend to “keep their heads down” without interacting with fellow Syrians or with their Lebanese neighbors. Refugees are generally isolated and without the social networks necessary to adequately cope and be resilient to the effects of the crisis.

Unfortunately, at present the international response is falling short. The UN’s appeal for regional response funding for June-December 2013 is 64 percent funded. But even that number belies differences due to disbursement: Jordan’s needs are 63 percent funded, and Lebanon’s are 51 percent funded, but Iraq’s needs are only 36 percent funded. Turkey and Egypt are funded at even lower levels, 28 and 22 percent, respectively. If the host countries do not receive support proportionate to their needs, and living conditions for Syrians and their hosts deteriorate, the situation could badly spiral downward.

Yet the challenges are more complicated than simple funding scarcity: old ways of doing things must be revised. Recognizing that high funding levels cannot be sustained, increasingly funds must be targeted, with efficiencies identified and criteria for priorities refined and formalized. To meet this goal, UN strategy documents and Inter-agency appeals, such as the Regional Response Plan (RRP) and the Syrian Humanitarian Assistance Response Plan (SHARP), must prioritize a long-term regional vision, impact assessment mechanisms, explicit processes for coordination and broad consultation with international and national stakeholders – including at the grassroots and community level.

The international response to the Syrian refugee crisis requires a strategic shift. The gravity of the challenge and the shortage of funds – which will be hard to sustain over the long term even at current levels -- require that donor resources be stretched farther and spent smarter. The international community must chart a new course that capitalizes on lessons learned to leverage the best possible outcome for refugees, their hosts, and the broader region.

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RECOMMENDATIONS

1) Recalibrate the response strategy to fund and integrate relief and development.

Short-term programs cannot, in and of themselves, address the needs of the Syrian crisis. Unfortunately, relief programs of 3-12 months’ duration have made up the majority of the response. This is counter-productive. Short-term programs do not allow for comprehensive responses to complex needs. Lurching from one short-term plan to the next undermines efficiency and, among recipients, creates unhealthy dependencies on external support. Instead, donors must shift away from “siloed” approaches — in which short-term humanitarian responses and three- to five-year development programs are kept separate and sequential — to implement a holistic strategy that bridges relief and development needs; works to deliver best “value for money” outcomes; shores up the ability of front-line communities to withstand and respond to the challenges of a protracted crisis; and enables donors and implementers to efficiently marshal limited resources in response to growing, long-term needs.\(^{10}\)

To UN agencies:

- **Institutionalize joint planning for relief and development.** While recognizing the critical importance of emergency response and lifesaving interventions, whenever possible, we must orient relief programs toward measurable impacts that simultaneously advance long-term development goals. Joint planning through the Regional Response Plan and joint strategies such as the UNICEF-led Lost Generation campaign should include detailed analysis on all short-term programming, demonstrating how relief efforts will complement or feed into longer-term development or system-strengthening goals.\(^{11}\) All these efforts must also feed into the umbrella Regional Strategy being coordinated by the Regional Humanitarian Coordinator. When activities do not feed into long-term objectives or fit into the broader regional approach, a justification should be provided.

To the broader bilateral and multilateral donor community:

- **Humanitarian assistance should have longer time horizons.** Short-term “staccato” programming of three to six months makes it challenging to configure results toward long-term goals and leads to disproportionate energy spent on contracting. Donors should — whenever possible — fund humanitarian programs with a minimum duration of 12 months, and ideally support multi-year initiatives for a more sustained impact. Within these parameters, awards must also maintain flexibility to respond to emerging needs and build in reporting and assessment requirements that capture programmatic learning and impact.

To Legislators:

- **Increase investments in flexible humanitarian funding and long-term development funding.** The US Congress should increase funding to address humanitarian needs as well as increase Economic Support Funds and Development Assistance funding to the region in Fiscal Year 2014 accounts.\(^{12}\) European donors must increase their development-focused inputs, as well.

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\(^{12}\) Funding bills in the US Congress are trending toward a decrease in development assistance. For example, the FY 2014 draft foreign aid funding bills being considered by Congress cut funding accounts that support development assistance in countries like Lebanon and Iraq; the House of Representatives by 47%, the Senate by 16%.
— **Expand existing flexible development funds.** In the current crisis, such flexibility has been vital. See Box 1 for an example of a flexible account that meets these needs.

— **Institutionalize flexibility across all accounts.** Development programs should have built-in flexibility to respond to emerging, context-specific, and unforeseen emergency needs. Legislators should require donors to utilize budget tools like “crisis modifiers” – flexible pots of money that are released according to pre-determined triggers.

For an example of how an integrated “relief and development” approach has been effective in a Mercy Corps-implemented program in Ethiopia, see Annex, Case Study 1, “Bridging Relief and Development in Ethiopia.”

2) A new model is needed: To maximize efficiencies, we must decentralize investments to facilitate local engagement and ownership, improve responsiveness to local needs, and integrate programming with preexisting systems and a long-term resilience-focused lens.

Traditional funding approaches to protracted crises are often inadequate because they are siloed into development or relief camps. On the one hand, “trust fund” mechanisms with development goals managed by actors like the World Bank or UNDP have been highly centralized and slow, with little room for quick responses to emerging needs. On the other, while emergency relief and humanitarian funds are designed to respond quickly, they are short-term mechanisms with little discretionary funding for innovative response strategies that may need a longer time frame.

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**Box 1: Flexible funding in action**

The US government’s Complex Crisis Fund (CCF) is an example of a flexible funding account that can be shifted quickly to support rapidly evolving needs. In Jordan, CCF funds were quickly put to work supporting Mercy Corps in expanding water supply and delivery among refugee and host communities building on a pre-existing water program. The need was, and remains, critical. Prior to refugee inflows, Jordan was already among the world’s most water insecure countries. Our water programs, which have ranged from household interventions to municipal infrastructure improvements, have increased efficiencies in the short- and long-term, addressed refugee pressures on scarce water supplies as a potential conflict driver, and improved the resilience of a resource-insecure environment. The CCF funds were integrated into an existing program, enabling it to immediately pivot a substantial piece of its work toward geographic areas hosting large refugee populations. Currently, the CCF is the only source of flexible funding dedicated to proactive, civilian-led programming that specifically is set aside to address the root causes of potential conflict before they escalate. The early successes outlined above, and made possible by the CCF’s flexible funding design, demonstrate why such accounts should be expanded by Congress.
To multilateral institutions, host governments, and the broader donor community:

- **Any multilateral response or trust fund should include a “local response” fund that can quickly address local needs while encompassing the best aspects of long- and short-term pooled funding modalities.** Such a fund could be either a stand-alone mechanism, or within a larger trust fund – a “window” that focuses on local and municipal needs rather than priorities set at the national level alone. We must shift the focus to community committees and/or functioning local government institutions. A local response fund should capitalize on the best characteristics of both emergency and “trust” funds: nimble, efficient, and quick moving along the lines of an emergency fund, while also focused on long-term results and harmonized in the spirit of a “trust fund,” so that planning is integrated and we avoid disconnect at the local level.¹³

- **Funding must be tailored to local capacity and service needs, and success should be evaluated against those needs.** Projects initiated by grassroots actors empower smart responses to diverse needs. Host and refugee communities in Tripoli, Lebanon face different challenges than in Mafraq, Jordan, and we need a funding structure that responds in a context-specific manner and is not “one-size fits all.” A local response fund should include project funding criteria that prioritizes accountability, transparency, and demonstrated value-add from the institutions in charge of disbursing pooled funds – be they the UN, the World Bank, NGOs, or their counterparts on the ground.¹⁴ Moreover, to ensure routine feedback on the effectiveness of local interventions, clearly articulated evaluation procedures that include stakeholder

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14 Ibid., 14.
participation should also be embedded into a local response fund's program criteria. Additionally, any bilateral assistance should include indicators for tracking local stakeholder involvement over the course of any program. This is not simply another hoop to jump through. Local involvement is vital to the success of long-term development — and should therefore be built into programs as a reporting requirement.

- **Localized funding should emphasize “resilience”: building the capacity of communities to learn, cope, adapt, and transform in the face of the crisis.** Increasing the ability of communities to adapt and respond to shocks requires more than simply digging a well or building a new school. Programs should buttress local institutions, build cross-community partnerships, and empower the marginalized and vulnerable. Eventually aid funding will decline. To prevent the disruption resulting from a sudden drop-off in services, we must invest in local actors who can manage, design, and implement programs that work in tandem with national response plans. See Box 2 for more about how Mercy Corps is building the capacity of communities in Jordan to address water resource scarcities.

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**Box 2: Capturing and scaling up local successes**

In Jordan, Mercy Corps was implementing long-term water infrastructure projects prior to the Syria crisis. But with the arrival of large numbers of Syrians, we expanded our programs to provide technical training to local Community Based Organizations (CBOs) in communities hosting large numbers of refugees, and are assisting the Yarmouk Water Company as it seeks to improve customer service, public awareness, and outreach programs to Jordanians and Syrian refugee populations. We believe these programs will carry dividends well into the future. For example, working through community-based organizations, our program has awarded grants for the implementation of 295 communal projects including rainwater catchments, network maintenance, and cisterns.

Mercy Corps’ water initiatives have helped conserve and harvest over 620,000 cubic meters of water, impacting more than 63,000 people – Syrian and Jordanian – throughout the Kingdom. To make certain that local successes inform a cohesive system-wide approach, implementing organizations should create a process for sharing best practices amongst themselves and with Jordanian stakeholders and also for identifying broader sustainability challenges that need to be addressed. Co-leads at the national level representing different approaches – such as the UNDP and OCHA – could play an invaluable role as facilitators: ensuring local responses inform regional and national plans, and that national plans feed back to the local level.

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16 Resilience is a guiding rationale for many key actors on the front-lines of the crisis. For example, see World Bank, Lebanon Roadmap of Priority Interventions for Stabilization From the Syrian Conflict, World Bank Annual Meetings, Washington, DC, 12 October 2013.

17 A decentralized approach can bridge short- and long-term priorities. For example, see World Bank, Lebanon Roadmap of Priority Interventions for Stabilization From the Syrian Conflict, World Bank Annual Meetings, Washington, DC, 12 October 2013.
3) Implement structured accountability mechanisms to give a voice and a vote to refugees and host communities.

At present, the response has not fully integrated Syrian and host community voices. This is unfortunate and potentially problematic, as more inclusive coordination mechanisms would help ensure a comprehensive and tailored response, mitigate conflict between groups, and provide formal opportunities for hosts and refugees to cooperate and build social capital.\textsuperscript{18}

To host governments, UN agencies, implementing agencies, and the donor community:

- **Any multilateral fund must give civil society a voice and a vote on their governing boards.**
  Multilateral funds and bilateral programming must be rebalanced toward a “bottom up” approach. Our experiences in Iraq and other recent response efforts in countries like Afghanistan have shown that when responses are top-down, sustainability and buy-in suffers. Instead, local civil society actors should have a seat on secretariats that guide response strategy, planning, and budgeting, and their inclusion should be a prerequisite to donor funding of such bodies. For example, in Lebanon the Prime Minister’s “Committee for Coordination and Oversight of Donor Assistance to Refugees” should include local leadership on its steering board and/or technical group, or other bodies that will be responsible for providing strategic direction and setting priorities within the Economic and Social Impact Assessment framework. For contrasting examples of how grassroots actors are – or are not – being integrated in the current crisis response, see Annex, Case Study 2, “Integrating Local Voices.”

To the donor community:

- **Donors should carve out a percentage of program funds – both bilateral and multilateral – to ensure host community priorities are solicited, grassroots actors are engaged, and results are monitored against local needs.** According to the “business as usual” approach, coordination is top-down, with funding prioritized according to the particular lens or portfolio of the lead response agency. Such an approach bypasses opportunities for synchronizing with local leaders and for therefore increasing efficiency. While lead actors and agencies are calling for coordination mechanisms to unify approaches across relevant national agencies, an integrated response must include host community participants in order to avoid local duplication.\textsuperscript{19} Funding stipulations within programs will ensure local voices are heard and programming meets best development practices of local ownership.

- **To improve programming design and build social cohesion, development planning cells at the local level should integrate Syrian stakeholders.** Increasingly, refugees must work with their hosts to help set priorities and contribute to the response. This goal is dual purpose. First, empowering Syrians can help inform relief and development solutions. Second, by creating formal opportunities for Syrians to partner with their hosts, we can foster community-level dialogues that defuse tensions resulting from pressures on local services. This approach has proven vital in other conflict-prone and resource-poor environments. See Annex, Case Study 3, “Unintended Consequences” for an example from Somalia. see Box 3 for a Mercy Corps example of how local development planning cells have worked to integrate host and Syrian actors responding to the crisis.

\textsuperscript{18} For example, see Daniel Aldrich’s research, *Building Resilience: Social Capital in Post-Disaster Recovery*, (University of Chicago Press, August 2012), which shows that the depth of social capital best predicts the ability of local communities to recover from and be resilient to disasters – more so than factors such as individual or personal wealth, or aid from the government.

Box 3: Community-driven development in Jordan

In Mafraq and Ramtha, Jordan, Mercy Corps launched a community-based response program that brought together Syrian and Jordanian leaders, provided organizational training, and created a host-refugee community forum. Supported by the UK Government’s Conflict Pool, this program was originally conceived to strengthen host-refugee cooperation, but it also serves as a model for community development and partnership on development outcomes. Funded by small grants, Jordanians and Syrians are working together to develop joint community projects to address sources of local instability and resource challenges. Project examples run the gamut, from upgrading water systems to building a new local emergency room to relieve pressure on Ramtha’s over-burdened medical center. This is a community-led, aid-empowered approach, convened and facilitated by NGOs, that seeks to build local planning capacities and institutionalize processes for participatory citizen-government dialogue that can extend beyond the crisis.

Participants also learned and practiced interest-based negotiation, which has already paid dividends in reducing tensions between Syrian and host communities outside the program’s scope. For example, during September violence over water between Syrians and Jordanians in Mafraq, community leaders who were already trained as a part of this project immediately communicated with the different groups, involving the heads of the tribes, and urging the community to remain calm until they could find a solution. After several meetings the community leaders agreed to: form a community advisory group on water; identify strategies to better maintain existing infrastructure; and coordinate their efforts with those of INGOs, local community-based organizations, and wealthy citizens to provide water tankers to the village. As a result, violence was avoided and the community leaders also demonstrated their ability to independently discuss and develop strategies to address contentious issues.

ANNEX - CASE STUDIES

CASE STUDY 1: Bridging Relief and Development in Ethiopia

The Revitalizing Agricultural/Pastoral Incomes and New Markets (RAIN) program grew out of the 2007-2008 Horn of Africa food price crisis. A three-year, US$17 million program, RAIN was designed to use sustainable development strategies to improve the capacities of communities in the Somali and Oromia regions of Ethiopia to respond to shocks. A key feature of the program was its use of humanitarian financing to bridge relief to development activities. A recently completed Mercy Corps study that found several factors were instrumental to RAIN’s success.20

20 For more information on this case study, see Shanti Kleiman, Lessons for Effective Resilience Programs: a case study of the RAIN program in Ethiopia, (Washington, DC: Mercy Corps, 2013).
First, the ability of RAIN to utilize multi-year funding enabled new strategies like private investment forums, input supply trade fairs, loans to commercial livestock traders, and investment in the region’s first microfinance institution (MFI) to mature and yield concrete results. By the end of the program, government representatives went from obstructing market development activities to highlighting the success and good work of the RAIN program. The long-term nature of the program allowed it to show government, Mercy Corps’ staff, and partners tangible results from “outside-the-box” approaches. Second, the program’s flexible funding – in this case complete line-item flexibility – enabled early response on emerging needs that developed during the program, such as a mid-program drought in selected districts. For example, in the lead-up to the 2011 drought, RAIN program expenditures were able to respond immediately to early warning information. By contrast, most organizations responding to the drought had to use core funds, solicit private financing, or wait for valuable UN humanitarian appeal funding to come through, a process that on average takes 49 days.

Third, the program moved away from linear workplanning. By frequently revisiting strategies and methods, implementers were able to recognize ill-suited approaches early on and adapt. Finally, the integration between the relief and development goals allowed continuity in the approach, with relief efforts creating the necessary conditions for the longer-term development goals and structural changes that the program also addressed.

CASE STUDY 2: Integrating Local Voices: An Example from Jordan

The failure to integrate local voices undermines response effectiveness. It often results in disconnect between even the best thought-through response plans developed by external or national-level actors, and community level realities. Sadly, we may be witnessing such a failure in Jordan. The Government of Jordan recently announced the creation of a new partnership platform with the United Nations Development Programme (UNDP) and the donor community to increase coordination and protect development gains imperiled by the Syrian crisis. The platform will coordinate between development partners and line ministries to address sectoral needs of host communities. This is a welcome move, suggesting that Jordan recognizes the need to coordinate relief and development activities. International NGOs have also been invited to serve on each of the designated task forces. Unfortunately, civil society organizations and local officials are currently absent from the planning process. The failure to involve civil society in design and oversight — key to buy-in and a sense of joint ownership — heightens the likelihood that a potentially innovative mechanism will fail to achieve its potential.

CASE STUDY 3: Unintended Consequences of Social Network Programming in Ethiopia

Joint work at the local level not only builds trust, but also has proven to yield tangible gains on development outcomes. A recent Mercy Corps study from Ethiopia indicates that building social networks can mitigate resource tensions and build social capital, increase cooperation, and, ultimately, advance good development outcomes. From 2010 to 2011, freedom of movement increased by 15 percent, and the study found that freedom of movement also protected income-generating assets. As a result of the program, territorial disputes decreased and conflict-related barriers to resources dropped significantly. In early 2010, for example, 25 percent of households reported that conflict and instability had hindered their access to basic services, such as medical care. By late 2011, that number dropped to roughly one percent. This program showed positive results where it counted most: during the 2011 drought, beneficiary communities enjoyed better food security — and were better positioned to adapt and recover in the aftermath.21

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21 For more information on this case study, see Jon Kurtz and Greg Scarborough, From Conflict to Coping: Evidence from Southern Ethiopia on the contributions of peacebuilding to drought resilience among pastoralist groups, (Washington, DC: Mercy Corps, 2012), http://www.mercycorps.org/sites/default/files/from_conflict_to_coping_-_final.pdf
ABOUT MERCY CORPS

Mercy Corps is a leading global humanitarian agency saving and improving lives in the world’s toughest places. With a network of experienced professionals in more than 40 countries, we partner with local communities to put bold ideas into action to help people recover, overcome hardship and build better lives. Now, and for the future.

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