

Methodological Workshop on Measuring Impacts of Refugees and IDPs

on Host Countries and Host Communities

November 20-21, 2015, World Bank, Washington, DC

Synthesis Note*

0. Introduction

This note summarizes the results of the Methodological Workshop on Measuring Impacts of Refugees and IDPs on Host Countries and Host Communities held in Washington, DC, November 20–21, 2015. The workshop was organized by the Thematic Working Group on Forced Migration of the World Bank’s Global Knowledge Partnership on Migration and Development (KNOMAD), Oxford University’s Refugee Studies Centre, the Solutions Alliance, and UNHCR.

Nearly 60 million persons were forcibly displaced worldwide due to conflict and persecution at the end of 2014—the highest number since World War II. Forced displacement is not only a humanitarian issue, but also has important economic, social, political, and environmental impacts on the places of origin and destination. The development impacts of forced displacement, however, remain poorly understood. There is very limited work to date on the socioeconomic impact of refugees on host and regional economies. Social scientists have largely neglected these important policy and conceptual challenges, in contrast to the countless qualitative studies on refugee livelihoods. As the number of protracted displacement situations is increasing, the lack of rigorous impact assessments is a major gap that needs to be filled. Recently, a number of calls for proposals on the topic have been issued and case studies have been undertaken by the World Bank, UNHCR, independent researchers, and other actors. Efforts have also been made to develop a coherent methodology on how to measure the impacts of forced displacement.

The **workshop’s objective** was to bring together a diverse group of leading researchers in this field to start a conversation on identifying a set of methods to assess impacts and increase the rigor of the assessments being conducted. A focus was on quantitative methods and on socioeconomic impacts of refugees in protracted situations on host communities (see annexes 1 and 2 for the agenda and participants list). The presentations were prepared in a standardized way and participants were requested to describe the related work they are doing, filling in a template provided beforehand (presentations and questionnaires are available at www.knomad.org). More specifically, in eight sessions the following aspects were discussed:

1. Key questions from a development policy perspective
2. Data collection methods (surveys, qualitative methods, and secondary data)

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3. Data analysis methods for different areas of impact (labor markets, prices, welfare, infrastructure, health, and education)
4. Differences and similarities between forced displacement and migration
5. Comprehensive assessments of impacts
6. Recommendations and next steps.

1. Key questions from a development policy perspective

Overall, the workshop highlighted the urgent need for rigorous and more comparable assessments as a basis for evidence-based policy making. Key areas are impacts on service delivery (education, health), aid, trade, and labor markets. Overall welfare impacts need to be examined, but so do distributional impacts. The impact on prices is important, not in itself, but in the way they affect income and distribution. It is important to understand the dynamics of how camps are integrated into local economies, but the focus should be on refugees and internally displaced persons (IDPs) out of camps because a majority of them do not live in camps. It is also important to look at how perceptions mediate impacts and differentiate between objective and subjective well-being. Participants also saw the need to look beyond economic impacts to include impacts on social cohesion and security and to think about how to measure the resilience of host communities. Ethical considerations when looking at the economic impacts of refugees and IDPs should not be forgotten.

Participants stressed that the time dimension is important: Impacts are not static and refugee and IDP characteristics and numbers, as well as related policies, change over time, as do contextual political, geopolitical, and global and regional economic dynamics that affect local conditions. We need to look at short-term, medium-term, and long-term impacts and go beyond snapshots to see how impacts change over time.

Because contexts are different, methods need to adapt and one method will not fit all. The workshop showed what is available and where more work is needed to develop a set of methods that can measure impacts in different settings.

2. Data collection methods

The workshop underlined the need to have more robust quantitative data and to collect time series data (if possible even panel data) to be able to analyze short-, medium-, and long-term impacts and see changes over time. Many shortcomings of the studies conducted so far derive from resource limitations for data collection. It was also emphasized that qualitative data have a significant role to play and that mixed methods that include quantitative and qualitative data collection were the right approach to measuring the impact of refugees and IDPs on host communities.

Discussions on surveys focused on the challenges related to sampling. Refugees and IDPs living outside of camps usually only make up a small percentage of the host population and are hard-to-reach and mobile.

The main challenge for probabilistic sampling in obtaining population-representative samples is the lack of sampling frames. The national sampling frame is often outdated or does not include refugees or IDPs. In the long term there is a need to build the capacity of statistical agencies to improve the quality of the sample frame. But even if the capacity to update and improve the sample frame is available, politics of information play a role and influence whether and how data are collected and who is given access.

Refugee registration data do not necessarily cover the whole population, and people might have moved after they registered. Often no registration data are available for IDPs, stemming from a lack of consensus at a national level on the definition of who is an IDP. To construct a sample frame in the short term there is a need to use other quantitative and qualitative data sources (including mobile data) along with methods to triangulate the census and registration data.

The lack of sampling frames is especially challenging for urban areas because the number of refugees or IDPs as a proportion of the total population is low, they are dispersed differently across the area, and often live outside the administrative zone of the city. New technological tools can be used to map the urban area to determine the selected spaces where data will be collected. A household listing in urban areas is not only time- and cost-consuming but also challenging because the population is mobile. But if the households are only chosen randomly within the areas selected, the sample might not be representative for different subgroups. Snowball sampling is often an important or even the only way to identify urban refugee or IDP households. Different methods can be used to correct for some of the bias of snowballing and to try to increase the representativeness of the sample collected. One potential way is the use of respondent-driven sampling.

Other challenges related to surveys besides sampling were discussed, including difficulties in obtaining political permission for the survey, security problems and access to certain areas, divided households (for example, with the head of the household living in an urban area to work and the rest of the family living in a camp to access aid) and the risk of nonresponse due to mobility of the population, survey fatigue, or protection concerns (that is, individuals not wanting to be identified). The issue of nonresponse rates and high mobility needs to be addressed in any methodological guidance going forward. Ethical questions raised were what to do if there are no institutional review boards and how to research refugees or IDPs that might be hiding or afraid. Some variables assessing economic outcomes of refugees could be sensitive given that refugees may be fearful of disclosure. The practitioner community would benefit from careful thought and aggregated best practices on how to measure sensitive indicators.

The workshop underlined the need to further explore the potential of using mobile phones and social networks to generate time series data. Mobile phone surveys can be one way to obtain data over time from a mobile population. Handing out phones with several sim cards can help diminish the fear of refugees or IDPs who do not want to share their numbers to avoid governments that can track them. Adding air time to the phone number after each survey round helps keep the number active. Another way could be to work with mobile phone companies to keep people's phone numbers longer even if no airtime is added.

The workshop stressed the importance of qualitative methods. Qualitative data cannot help verify the causal effect itself (that is, the impact refugees or IDPs had on host communities) nor the magnitude, distribution, and persistency of the effect. It is, however, important to understand the perceptions of the

different actors and how they shape reality and to gain insights into different processes, practices, and patterns. Qualitative data can also help with sampling, understanding the reasons why refugees or IDPs moved where, triangulating and interpreting quantitative results, and triangulating secondary data to see how reliable they are. Qualitative methods should exploit different degrees of openness: focus groups, key informant interviews and semi-structured interviews, but also ethnographic observation and life history interviews.

Quantitative and qualitative data need to be combined and triangulated in a more concerted way and truly interdisciplinary approaches need to be pursued. This needs to go beyond just using qualitative methods at the beginning to inform the quantitative work. The importance of having a mixed team and having ongoing discussion during the research, not only at the beginning or end, was stressed. Recommendations were also made regarding the inclusion of refugees or IDPs in the research (participatory approaches).

Challenges and potential regarding the use of existing data were discussed. Data are available (for example, on labor markets), and using it rather than collecting own-data can save time and money. However, the quality of secondary data varies, data collection methodologies are rarely recorded and available, access is not always possible, and political issues might shape how the data were collected. Among others, this can lead to incomplete data sets that leave out certain groups of refugees or IDPs. Existing household data sets rarely allow users to clearly identify refugees or IDPs.

As one study presented showed, existing registration data from UNHCR in the MENA region could be further exploited to predict welfare if a small number of additional variables were integrated in the proGres database. This could help target some important programs immediately without the need to wait for additional surveys. Whether the same variables (like the dependency ratio) predict welfare and whether it would work as well as in Jordan and Lebanon need to be tested. That the data quality of proGres varies depending on the type of situation and is often out of date need to be taken into account. In addition, as of now all but a few pilot countries are in an offline database requiring manual consolidation. This combined with protection concerns for refugees or proprietary control by the governments of proGres can limit access to its data. The questionnaire for UNHCR home visits could also be improved to obtain better, up-to-date information.

3. Data analysis methods for different areas of impact

The workshop discussed three main methodological problems related to quantitative data analysis: how to deal with endogeneity; how to separate the impacts of the refugee or IDP influx from other factors; and how to establish a counterfactual.

The discussion focused on endogeneity. The decision to move, the decision of where people go, and the reaction of the host community are not random in most cases. Even in the forced displacement context the decision to move is not always entirely exogenous; there are degrees of compulsion, and especially secondary movements are often closer to voluntary migration in terms of endogeneity. Even if the decision to leave is exogenous, the choice of destination might not be (except in rare cases like Vietnamese boat people to the United States or where encampment policies preside) and refugees or

IDPs might, for example, choose to go to places where there is work, wages are higher, or where they have social networks.

Participants stressed the need to better understand why people move or do not move and where they move to (and who moves out of camps and who stays) and the need to model intrahousehold decisions and differences between households using evidence from different strands of research (like urban literature on why people stay) as well as data on the region of origin. They recommended trying to understand as far as possible the context of origin, using local resources to obtain information on local communities before people leave. If we have data on the region of origin, we can see where people with similar characteristics go and use selection models. But it is very difficult to obtain extensive data on these populations in regions of origin and to combine it with data in the country of destination. It was proposed that a household survey be conducted soon in Burundi or the Central African Republic given that we can (unfortunately) expect that people might move soon. The survey could choose towns that will be affected and those that will be less so, and follow the refugees or IDPs as they move, if the government grants permission for the survey. Participants also recommended that researchers look more closely at differences between ordinary least squares and instrumental variable results to understand endogeneity and to combine quantitative and qualitative methods.

Instrumental variables are often used in the migration literature to deal with endogeneity. Several studies presented used distance as an instrument. The distance to the border can only be used for IDPs if it is a regional conflict and would not be useful if the government determines the settlement of refugees or IDPs. Other instrumental variables used were conflict or massacres in regions of origin and the stock of previous migrants or displaced people from the same country of origin. Using demographic or anthropological variables as instruments and including them in the data collection were also proposed. Other recommendations regarding endogeneity were to be creative about potential experiments and to collect and use panel data.

The other methodological challenges discussed were how to establish a counterfactual and how to separate the impacts of the refugee or IDP influx from other factors. What time trend do we assume if we do not have panel data? Studies have looked at pretrend data and then included other factors. Another way might be to compare areas with many refugees or IDPs with those that have few or none in the same region or in other towns or regions in the same country. In the forthcoming study on economic impacts of refugees in Turkanya county, surrounding the Kakuma refugee camp in Kenya, the authors designed a matching strategy for other counties with similar socioeconomic and population density profiles to create a proxy counterfactual. Using other matched counties, they then looked at the key variables before arrivals of refugees using census data. More efforts need to be made to document methods for creating a counterfactual for counties and municipalities as a modality for comparing the impact of refugees and IDPs on host communities. Finding a counterfactual might, however, prove difficult (for example, finding a region without aid and IDPs or refugees in Darfur to measure the impacts on prices), especially for analysis at the country level. It is important to include those moving from other regions to the region to trade, seek employment, or run businesses and the like because of the arrival of refugees or IDPs. Others might migrate out and disperse the impact to the rest of the country. When looking at impacts on wages one needs to factor in who actually stays in the workforce.

Participants agreed that long-term impacts are harder to measure. More literature analyzes short- and medium-term impacts. It is, however, important to analyze long-term impacts if they persist after refugees leave or if the region goes back to the old equilibrium. Possible explanations for an equilibrium shift can be changes in infrastructure, trade, and the provision of local public goods. An equilibrium shift makes it difficult to measure impacts, even with panel data.

4. Differences and similarities between forced displacement and migration

Participants discussed differences and similarities between measuring the impacts of forced displacement and of migration on host communities and host countries. They agreed that data analysis methods from migration research (like computable general equilibrium models and econometric methods) can be applied to forced displacement. The challenge of endogeneity might be even less important than in migration because who leaves and even where people go is more exogenous in many cases. But participants stressed that the conceptual frameworks are different: Refugee and IDP households might respond and make decisions differently than migrant households. Conflict-related factors make a difference as does the experience of enforced movement. The legal status of refugees is also different. These differences often affect their access to the labor market but also the time horizon they have in the country of destination, which might be more uncertain but in some cases longer than for other migrants. Participants underlined that even if we use the same methods for analysis, which assumptions we make, which variables we put into the equations, and the interpretation of results will be different.

Some questions regarding forced displacement are also different and we need new approaches to answer these questions. Examples mentioned were issues related to the massive influx, the higher impacts of refugees and IDPs on prices (taking the role of aid into account), impacts on investments, and the stronger mismatch in the labor market in the beginning. Most forced displacement is South-South but there is a lack of research on South-South migration. South-South movements might require different approaches. The question of international coordination and burden sharing is also different. Research needs to measure negative externalities and identify pareto-optimal solutions. Forced displacement also poses additional challenges for data collection (like security).

5. Comprehensive assessments of impacts

Participants discussed the need for comprehensive assessments, covering a wide array of impact channels and looking at macroeconomic and general equilibrium effects versus measuring microeconomic impacts at local and regional levels. Whereas the latter is needed for targeted interventions, the big picture is important for policy makers and discussions at the international level. Because refugee and IDP situations are becoming increasingly protracted and having important development impacts there is a need to measure the absorptive capacity of countries, see how long the shock plays out at the macro level, and what instruments and development strategies can help handle the shock. Macroeconomic assessments may, however, also need to focus on areas affected and not only look at the national level.

The studies presented aimed to include all areas of impact, including markets, nonmarket dynamics (like fiscal impacts through funding of public goods and services), and the social context. These individual impacts cannot simply be added up to assess the aggregate impacts. A coherent framework for assessing impacts and aggregating them needs to be developed. Participants discussed the advantages and difficulties of using general equilibrium models to assess the overall impacts. Although different modeling strategies for missing macroeconomic data exist, they require a lot of assumptions and as such can limit the credibility of outcomes. The other challenge discussed was how to compare impacts and costs across countries given that impacts on low-, medium-, and high-income countries are different.

6. Recommendations and next steps

In the closing session, the following recommendations and next steps were discussed:

- **Promote a community of researchers working in the field:** The workshop brought together an interdisciplinary group of leading researchers in the field. Participants were asked to share further useful studies and names of researchers to be included in the network.
- **Develop a methodology toolkit with a collection of methods that can be used in different settings:** Participants saw the need to deepen the work on methods. They proposed the idea of developing a toolkit with methodological recommendations based on key policy questions in collaboration with the Solutions Alliance Data, Research and Performance Management Group. The toolkit should include a variety of options on how to improve the sampling frame, directions for statistical bureaus on what data to collect on refugees and IDPs, recommendations on how to use quantitative and qualitative methods in a more concerted way, methods for data analysis from migration studies and other disciplines that can be used to measure impacts of forced displacement, as well as instruments to assess overall impacts and longer-term impacts. One suggestion was to have a second workshop that would bring together stakeholders and divide them into working groups to delve into the different sets of methods to produce a coordinated toolkit.
- **Collect new data and conduct further studies:** To better understand the context of origin and who moves when and where, the idea of a preemptive data collection effort in potential sending areas in Burundi, the Central African Republic, or both and potential destination areas should be further explored. A KNOMAD paper on secondary movements will also contribute to our understanding of why people move. To collect time series data to analyze long-term impacts, participants suggested developing a proposal through the Solutions Alliance to potentially be submitted to foundations. It should explore the potential of using mobile phones and social networks. The model presented to predict welfare of refugees should be tested in other regions to improve the capability of UNHCR registration data to predict welfare.
- **Bring results to policy makers and practitioners implementing programs:** Before presenting results to policy makers at a conference or workshop, participants saw the need to further define the important questions from a development policy perspective and to determine how to translate results into policy recommendations. It was suggested that contributing evidence to influence the current political debate is relatively urgent, and efforts should be made to be timely.

Annex 1: Agenda

Friday, November 20, 2015	
8.30	Registration and Breakfast
9.00	<p>Welcoming Remarks and Introduction (workshop objectives and agenda)</p> <p>Dilip Ratha, Lead Economist, DECIG World Bank and Head of KNOMAD Xavier Devictor, Advisor, FCVCCSA World Bank and Co-Chair of KNOMAD TWG on Forced Migration and Development Paul Spiegel, Deputy Director of the Division of Program Support and Management, UNHCR</p> <p>Tour de Table: What are the most important issues to address regarding measuring socio-economic impacts on host communities?</p>
10.00	<p>1a. Data collection methods: Surveys</p> <p>Questions: Which survey methods for which research questions/designs? What are useful sampling sizes and methods in different scenarios (camp/settlement/cohabitation; urban vs. rural settings)? For which subgroups should the data be representative? What are the time and costs involved? How can longitudinal surveys be conceived?</p> <p>Refugee economies in Uganda – Naohiko Omata, Oxford University Sudanese refugees in Cairo – Karen Jacobsen, Tufts University Profiling urban displacement situations – Natalia Baal, Joint IDP Profiling Service (JIPS)</p>
10.45	Coffee break
11.00	<p>1b. Data collection methods: Surveys (continued)</p> <p>Household survey using mobile phones in Mali – Alvin Etang Ndip, World Bank Economic and social impact assessment in Turkey – Anna I. Gueorguieva, World Bank Economic and social impact assessment in Lebanon, Jordan and KRG-Iraq – Tara Vishwanath, World Bank</p>
12.00	<p>2. Data collection methods: Qualitative methods</p> <p>Questions: What are the challenges when working with qualitative methods? How can qualitative and quantitative methods complement each other?</p> <p>Displacement economies – Amanda Hammar, Copenhagen University</p>
12.45	Lunch
14.15	<p>3. Data collection methods: Secondary data; Survey data vs. Registry data</p> <p>Questions: How can survey data help to improve registry data? What are challenges when working with secondary data (like access, reliability, identification of refugees/IDPs)? What further existing sources of secondary data could be exploited?</p>

	Welfare assessment of Syrians living in Lebanon and Jordan (using UNHCR and WFP data) – Paolo Verme, World Bank
15.15	Coffee break
15.30	<p>4. Methods for data analysis: Impacts on labor markets</p> <p>Questions: How to separate the impacts of the refugee/IDP influx from other factors? How to establish a counterfactual? What to do if the increase in refugees/IDPs is not exogenous? What are differences between analyzing impacts of refugees and IDPs?</p> <p>Labor market impacts of refugees in Tanzania – Carlos Vargas-Silva, Oxford University Labor market impacts of Syrian refugees in Turkey – Mathis Wagner, Boston College</p> <p>Discussant: Florence Kondylis, World Bank</p>
16.30	<p>5. Methods for data analysis: Impacts on prices</p> <p>Questions: How to separate the impacts of the refugee/IDP influx from other factors? How to establish a counterfactual? What to do if the increase in refugees/IDPs is not exogenous? What are differences between analyzing impacts of refugees and IDPs?</p> <p>Impacts of IDPs on host communities in Colombia – Rafael Jose Santos Villagran, Universidad de los Andes Impacts of IDPs in Darfur – Anne Bartlett, University of New South Wales Australia</p> <p>Discussant: Paolo Pinotti, Bocconi University</p>
17.30-18.00	Conclusion of first day
18.00	Paul Spiegel, Deputy Director of the Division of Program Support and Management, UNHCR
19.00	Dinner at Kellari Taverna (1700 K St NW, Washington, DC)
Saturday, November 21, 2015	
8.30	Breakfast
9.00	<p>Welcome and Recall of first day</p> <p>Alex Aleinikoff, Chair of KNOMAD TWG on Forced Migration and Development</p>
9.15	<p>6. Methods for data analysis: Impacts on welfare, infrastructure, health and education</p> <p>Questions: How to separate the impacts of the refugee/IDP influx from other factors? How to establish a counterfactual? What to do if the increase in refugees/IDPs is not exogenous? What are differences between analyzing impacts of refugees and IDPs?</p> <p>Welfare impacts of hosting refugees in Tanzania – Jean-Francois Maystadt, Lancaster University Impacts of hosting IDPs on educational attainment in Colombia – Valentina Calderón, UN Social and Economic Commission for Western Asia</p> <p>Discussant: Çağlar Özden, World Bank</p>
10.15	Coffee break

10.30	<p>7. Discussion: What can we learn from migration research?</p> <p>Questions: From a methodological point of view: In how far do labor migration and forced displacement differ? And in how far does measuring impacts on host countries in the South and North differ? Which methods from migration research can be adapted to assess the impacts of forced displacement on host countries (which are mainly in the South)?</p> <p>Uri Dadush, Carnegie Endowment for International Peace</p>
11.15	<p>8. Methods for data analysis: Comprehensive assessments of impacts</p> <p>Questions: How to measure and aggregate overall impacts?</p> <p>Economic and social impact assessment of the Kakuma refugee camp in Kenya – Apurva Sanghi, World Bank Economic and social impact assessment of the Syrian conflict and ISIS on KRG-Iraq – Sibel Kulaksiz, World Bank</p> <p>Discussant: Roger Zetter, Oxford University</p>
12.30	<p>Conclusions and recommendations for next steps</p> <p>Tour de Table Alex Aleinikoff, Chair of KNOMAD TWG on Forced Migration and Development Kirsten Schuettler, Focal Point of KNOMAD TWG on Forced Migration and Development</p>
13.00	Lunch

Annex 2: List of Participants

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