



## **Country Context**

The Government of Chad has maintained an open-door policy for hosting and protecting people fleeing violence and persecution. As of 31 August 2024, over 636,223 new refugees arrived in Chad due to the conflict in Sudan. These refugees primarily come from Darfur, a region severely affected by violence, exacerbating internal and external displacement across Sudan and neighboring countries. As a result, with over one million registered refugees, Chad ranks as the fifth largest refugee-hosting country per capita in the world.

This displacement presents complex humanitarian, development, and peace challenges that require coordinated action and engagement from development partners, especially as UNHCR anticipates that the number of forcibly displaced individuals is expected to rise further in 2024, with projected figures of 1.4 million people in need of assistance, including 1.2 million forcibly displaced persons, and 167,000 individuals from host communities. The massive and sudden influx from Sudan has greatly increased the need for humanitarian and development assistance in Chad, one of the world's poorest countries in the world.

The Chadian government has been swift to respond to the crisis. Just ten days after the conflict began in Sudan, the President of the Transition signed a decree implementing the 2020 Asylum Law to address the sudden refugee influx. This decree provides refugees with critical opportunities, such as: (i) Access to land and secure tenure, through integrated settlements as an alternative to refugee camps; (ii) Freedom of movement and the right to settle in locations that promote self-sufficiency and local integration; and (iii) Access to an identity card, which serve as residence permits and allow refugees to access public services.

The new arrivals in Chad have led the government and UNHCR to establish six new settlements so far with an estimated 50,000 individuals per location ("sites aménagés" or "organized sites") and extend ten old camps across eastern Chad. The government supports a model of local integration of refugees and has selected locations in areas where there is economic potential and possibility to scale up health and education services for both refugees and hosts.

## **Evidence Base**

In the context of the protracted displacement of previous influxes of refugees from Sudan, significant efforts have been made to gather evidence and provide concrete recommendations for transitioning from humanitarian assistance to an integrated refugee response support by development funding. Using detailed household data, the World Bank's <u>Refugees in Chad: The Way Forward</u> identified agriculture and small businesses as promising pathways for refugee self-reliance and recommended complementary programs to improve productivity and secure access to farming (World Bank 2022).

Expanding financial inclusion, microfinance, and mobile financial services, increasing the use of flexible identification methods like refugee ID cards and adapting collateral requirements to suit refugees offer positive benefits. Increasing mobility, as stipulated in Chad's asylum law, allows refugees to move to locations with more work opportunities. This finding is underscored in the World Bank's <a href="Economic Update Special Chapter: Hosting Refugees in an Inclusive Manner">Economic Update Special Chapter: Hosting Refugees in an Inclusive Manner</a> (April 2024): successful inclusion requires recognizing refugees as economic actors and restoring their productive capacities to achieve financial autonomy.

The World Bank report also underscored the need for refugee settlements to be located in areas of economic potential, while allowing refugees option to areas of greater opportunity. According to the



World Bank, in its Policy Research Working Paper, "Responsibility Sharing and the Economic Participation of Refugees in Chad" (March 2024), if refugees could become as productive as Chadians, it is estimated that poverty among refugees would fall from 88 percent to 50 percent, while the income earned by poor refugees would increase to 83 percent of the poverty line, thus significantly reducing the need for assistance. Moreover, integrating refugees into the economy would generate an additional \$164 million a year in cost savings, while supporting their basic needs through humanitarian assistance would cost \$573 million.

## **Ongoing Development Partner Interventions**

National and sub-national authorities and representatives of the host communities have made a strong plea for interventions targeting host communities to avoid tensions with the refugees, arguing that an imbalance in assistance between refugees and the host population would fuel existing tensions and contribute to the destabilization of the region. Development funded interventions that are actively supporting Chad's emergency response seek to strengthen community resilience and development initiatives to the Sudan crisis. These efforts include:

- The **World Bank** is extending its portfolios of investments to include projects in eastern Chad that support the integration of refugees.
  - The World Bank <u>Territorial Development and Resilience Project for Chad</u> (ResiTchad) recognizes the new settlements as secondary cities and supports infrastructure investments to support access to basic services, the construction of roads and water infrastructure to enable agricultural activity.
  - The World Bank and the International Finance Corporation (IFC) are jointly implementing two projects: <u>Chad Energy Access Scale Up Project</u> (PAAET), the <u>Chad Agribusiness and Rural Transformation Project</u> (AGRIBUSINESS).
  - The World Bank is implementing a social protection and jobs project, the <u>Chad</u> <u>Refugees and Host Communities Support Project</u> (PARCA) and a new operation called the Chad Adaptive and Productive Safety Nets Project.
- The African Development Bank has contributed financing to UNDP's Emergency Project to Support the Stabilisation and Recovery of Refugees and Host Communities in the Lake Chad Basin (PASRRC) in response to the Sudan emergency in Chad. It is also financing a semi-urban and rural drinking water supply and sanitation programme (PEAPE-SUMR-Phase 2) that covers Sila, the province second most affected by the crisis. The European Union International Partnerships (EU-INTPA) has allocated funding for a triple nexus project called RESPECCT (Programme de Résilience Economique et Sociale des Population de l'Est face aux Conflits et Changements Climatiques au Tchad), which is implemented by Concern Worldwide, International Rescue Committee and Search. EU-INTPA has also allocated funding through multi-country allocations to UNHCR to build community resilience, social cohesion and livelihoods, through targeted support for water management and agricultural value chains in the Wadi and Sila regions. Another EU-INTPA UNHCR-WFP joint project focuses on resilience and development initiatives is in pipeline with a planned start in November 2024.
- Germany's Federal Ministry for Economic Cooperation and Development (BMZ) and the EU
  have financed GIZ to strengthen social cohesion between host, refugee and returnee
  communities in Chad (COSOCET), with significant investments in energy, as well as a
  stabilization and resilience project financed by KfW, to support communities to restore and
  sustainably manage natural resources, build basic social and economic infrastructure, as well
  as create income and employment opportunities.



## **Recommended Priority Investments**

Additional development investments are essential given the scale of the forced displacement challenge. These investments should focus on Chad's eastern provinces of Ouaddai, Sila, and Wadi Fira, which are hosting both new arrivals from Sudan and protracted refugee populations.

- Integrated settlement planning: The Government has expressed the need for technical support to ensure the planning and viability of the new settlements built in eastern Chad, as well as the extension/rehabilitation of existing refugee camps to accommodate for the new arrivals. A technical mission of UN-HABITAT under the leadership of the Government has taken place and the urban planning Action Plan is under discussions as a result of the mission.
- Documentation: Strengthening the refugee registration processes and issuance of ID cards
  will facilitate access to public services. The Government is willing to enroll refugees in the
  National Biometric Population Register and providing them with a biometric identity card to
  adult refugees. Investing in documentation should be done for the new refugee arrivals as well
  as the protracted caseload.
- Access to justice: The growing number of protection issues in refugee settlements and in host
  communities requires enhanced access to justice, governance and administration, to enable
  regular citizen rights and duties, as well as refugee standards are guaranteed.
- 4. Health: Expand and improve health services for refugees and host communities by constructing and rehabilitating health centers, providing medical supplies, and recruiting health workers. There is an urgent need to extend the national health system to areas hosting the new arrivals, with a priority of constructing and equipping additional new health facilities and rehabilitating existing health ones.
- 5. Education: Build classrooms, train teachers, and provide school supplies to accommodate refugee and local children. There is an urgent need for additional classrooms to respond to the massive education crisis in the country. Over 250,000 new refugee children are school-age, but they are out of school. With limited school capacity in Chad, there is a dire need to construct schools for the (re)enrolment of refugees and Chadians towards integration in the camp vicinities.
- Water and sanitation: Establish sustainable water supply systems and improve sanitation in refugee camps and host communities. Priority should be given to ensure sustainable water supply in the new settlements established in 2024 and 2025.
- 7. Energy: Deployment of improved clean cooking solutions for refugees and host communities. Limited or no access to cooking fuel and technology/solutions have had significant impact on the environment, but also a dramatic impact on refugee protection, putting them at risk of GBV, tensions with host communities, and increased child protection issues, amongst others. There is a need for solarization of public infrastructures and provide alternative cooking systems (e.g. solar cooking, bio-gas cooking etc.) to prevent devastating deforestation.
- 8. Environment: Implement reforestation and environmental protection measures to mitigate the impacts of deforestation and climate change. Trees need to be planted in and around the camps, and the sites will be classified as protected natural areas. The aim is to minimize the environmental impact of deforestation and the effects of climate change, while creating better conditions for coexistence of refugees and host communities
- 9. Resilience and Livelihoods: Agriculture and small business are the most promising pathways for resilience and self-reliance for refugees and their hosts. Investments are needed to ssupport climate-resilient agricultural practices and expand economic opportunities, particularly for youth and women, to foster social cohesion and self-reliance.
- 10. **Employment**: In application of the asylum Law and its implementing Decree, the Government has expressed its will to facilitate the professional integration of refugee's lawyers and medical practitioners as well as other professions.