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In the shadow of conflict

As the world focuses on the epicentre of the conflict consuming Syria and Iraq, neighbouring areas, such as the Kurdistan Region in northern Iraq, are being stressed to breaking point

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As millions of Syrians and Iraqis flee the violence wrought by religious extremists, the Kurdistan Regional Government (KRG) continues to stand as a sanctuary for those seeking safety.

With nearly 300,000 Syrians and an estimated 1.5 million displaced Iraqis finding safety in Kurdistan, the region's population has exploded by 30 per cent, putting extreme pressure on the KRG's nascent institutions,

which are struggling to maintain public services. In some areas of Kurdistan, refugees nearly outnumber local residents. The influx has also triggered a serious financial crisis in the region, halting the rapid economic growth that once had many comparing Erbil to Dubai.

As international military powers plan the liberation of Mosul, the seriousness of the KRG's plight must be considered. If the world is to win the war against the so-called Islamic State of Iraq and the Levant (ISIL), humanitarian response must be viewed as a pillar of the strategy, not a separate issue.

A complex crisis

Kurdistan's refugee crisis is vast and deeply complex. The religious and ethnic makeup of the 1.8 million refugees and internally displaced persons (IDPs) reflect the diversity of the Middle East. Yazidi and Shabak Kurds, several Christian groups and Turkmen and Arabs from Sunni and Shi'a sects have all found refuge within Kurdistan.

Funding for humanitarian aid remains depressingly low. The 2015 Humanitarian

▲ Relatives mourn the death of a Peshmerga fighter killed in a suicide attack in Sinjar province, Iraq

Response Plan saw a 25 per cent funding shortfall, even after reductions to the plan were made in June. In November, the UN High Commissioner for Refugees (UNHCR) reported that funding for IDP programmes lags at a shocking 13 per cent of the necessary \$466 million,¹ meaning that this winter, many Iraqis who fled their homes in the middle of the night will go without even basic cold-weather supplies.

Many of the displaced have left with little more than the clothes on their backs; their daily survival depends on the supply

critical need of life-saving health services, 3.2 million of whom are children. Measles and cholera outbreaks have affected thousands, and health experts suggest that the likelihood of outbreaks of influenza and parasitic diseases are high. Primitive living situations present additional health risks to off-camp refugees and IDPs.

While emergency relief operations provide daily necessities to those in need, programmes focusing on medium- and long-term needs have taken a back seat. Tens of thousands of children remain

2015, the UN Development Programme found that a mere 378 individuals were accessing wage employment opportunities – less than two per cent of the planned 20,000. Only 11 of the planned 150 community support projects had been implemented.⁴

As refugees and IDPs while away the months unemployed in temporary shelter, depression and despair have taken their toll. The effect of their stagnation on future economic and social progress is unknown, but certainly profound.

Economic challenges

2014 and 2015 were difficult financial years for the KRG, not least due to disagreements with the Iraqi government on the disbursal of federal revenues, which are used to pay civil servant salaries, care for refugees, conduct a war against ISIL and continue the work of governance.

To make up for lost revenue, the KRG has been compelled to increase its own oil production. Today the KRG sells oil to the world market, in compliance with the Iraqi Constitution and a June 2014 ruling by the Iraqi High Court. KRG oilfields are producing approximately 650,000 barrels of crude daily, and the Ministry of Natural Resources is working to begin substantial natural gas exports as well.

However, the recent crash in oil prices has deeply cut expected profits, and the KRG has had to rely on the goodwill of its international partners. The net result of the KRG's financial troubles is that the families of the host communities, as well as the displaced, suffer. The salaries of civil servants, and even front-line Peshmerga soldiers, are three to four months behind. With a majority of the workforce employed in the public sector, this accounts for a tremendous slowdown in economic activity. The optimism that the people of Kurdistan once had for the future is being challenged.

Furthermore, the increase in refugee populations has had predictable effects on labour, housing and commodity markets. The rise in unemployment has dropped hourly wages, while the rapid increase in demand for low-income housing and commodities has raised prices overall, sometimes dramatically.

The economic woes facing Kurdistan are extraordinarily dire. Under such financial burdens, the KRG is finding it increasingly difficult to conduct the work of governance, provide security and care for the displaced

of food, shelter and clothing by the UN and a number of local and international aid organisations. Even so, since August 2014, food vouchers to Syrian refugees have been cut from \$31 per month to \$10–\$19, and now go to only the most severely food insecure, with 51 per cent receiving nothing at all.

Although UNHCR and the KRG have built more than 25 refugee and IDP camps, the vast majority of the displaced remain off-camp, with 17 per cent living in unfinished buildings, informal settlements, religious buildings and schools – what the UN terms ‘critical shelter arrangements’.² The KRG has established the Joint Crisis Coordination Centre, which produces statistics and targeting information in cooperation with the Kurdistan Regional Statistics Office, UN agencies and a number of international aid organisations. Kurdistan hosts the majority of international humanitarian operations in Iraq, owing to the continued stability of the region, and serves as a testing ground for innovative programmes. Still, servicing the daily needs of off-site refugees and IDPs remains a challenge.

The Iraq Health Cluster reports that more than seven million people in Iraq are in

without adequate education. Of the children whose families live in camps, 67 per cent are receiving a traditional education. For off-camp children, the situation is worse, with only 55 per cent in school regularly.³ Families desperate for cash often find themselves forced to put their children to work, and in the past few years, the number of children begging in the street has increased – a phenomenon once rare in Kurdistan.

The displaced have suffered and witnessed unspeakable atrocities at the hands of ISIL. Many families are missing fathers, daughters, mothers and sons. Several thousand Yazidi women are still held by ISIL as slaves and suffer unimaginable brutality on a daily basis. Basic psychological care – critical to the future well-being of thousands of trauma survivors – is still nearly non-existent.

The achievements of skills-training and livelihood support programmes remain far short of their goals. During the early days of the crisis, when Kurdistan's economy was strong, the KRG was able to provide shelter, organise camps and allocate work permits to Syrian refugees. The sheer scale of the flood of displacement has since made these accommodations unfeasible. In November



▲ Yazidi refugees, who fled from Sinjar town when it was taken by ISIL, living in a construction site on the outskirts of the city of Duhok, Iraq

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A crisis too far?

With the responsibility for refugees, crashed oil prices and a costly war with ISIL, the KRG is facing its toughest challenge in decades. In September 2015, the US Joint Coalition Coordination Center said: “It is the regrettable conclusion of the KRG that without a drastic increase in funding from the international community and financial transactions from the [Government of Iraq], the [Kurdistan] Region will neither be able

to cope with the current crisis, nor respond to anticipated new displacements.”

After the fall of Ramadi, the international coalition will look to liberate Mosul, Iraq’s second largest city of more than two million and the place where ISIL first declared its Caliphate. At the time of writing, the Peshmerga have already laid the groundwork, blocking off the city on three sides and cutting supply routes. There are at least 2,000 hardcore ISIL fighters in the city, in addition to unknown tens of thousands of supporters, and the battle to rid Mosul of the terrorists will be long and bloody. When Kurdish and Iraqi troops move in, the KRG expects several hundreds of thousands will seek refuge in Kurdistan. A flow of refugees of this magnitude would be catastrophic for Kurdistan. Not only would this vastly overwhelm the humanitarian response effort, but the strain on public utilities, markets and

governmental institutions would likely be too great. Quite simply, the KRG could not cope with such a scenario without significantly increased resources, particularly financial.

Kurdistan is a still point in a deeply turbulent region. Looking beyond ISIL, Kurdistan will be a staging ground for reconstruction. Owing to shared commitments to democracy and justice, the people of Kurdistan are proud allies of the West and have stood shoulder to shoulder against violent extremism for over a decade. Allowing refugees and the displaced to overwhelm the KRG would be a strategic blunder and profound moral failing.

Urgent planning needed

ISIL and other militant groups in Syria are the primary cause of the troubles facing the Kurdistan Region and the greater Middle East. They must be denied safe haven, crushed militarily and ultimately destroyed. With the help of the international coalition, KRG Peshmerga forces and Iraqi security forces will strive to eliminate these terrorists from our territories.

The past year has showed us that victory is possible, but will be arduous and tremendously costly in blood and treasure. Far less certain is the fate of places like Kurdistan as we struggle to deal with the fallout of these military operations. When hundreds of thousands of people flee the massive Mosul liberation operation, they will head to Kurdistan. Already under serious financial pressures, the KRG would be unable to survive such an event without significant increases in humanitarian funding and infrastructure.

The combat operations to liberate Mosul will be meticulously planned. With the humanitarian crisis in Kurdistan at critical levels already, preparations for its fallout must be given equal consideration. ●

- 1 http://reliefweb.int/sites/reliefweb.int/files/resources/UNHCR_Iraq_IDP_update_1-30_Nov_2015.pdf
- 2 http://reliefweb.int/sites/reliefweb.int/files/resources/20151130_factsheet_iraq_s-nfi_cluster.pdf
- 3 <http://reliefweb.int/sites/reliefweb.int/files/resources/Iraq%20RP%20Monthly%20Update%20November%202015%20Education.pdf>
- 4 <http://reliefweb.int/sites/reliefweb.int/files/resources/Iraq%20RP%20Monthly%20Update%20November%202015%20Livelihoods.pdf>