

Unclassified

DCD/DAC(2016)23/FINAL

Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

20-Jul-2016

English - Or. English

DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE

DCD/DAC(2016)23/FINAL
Unclassified

DAC TEMPORARY WORKING GROUP ON REFUGEES AND MIGRATION

Terms of Reference

*Further to the written procedure launched on 27 May 2016, no comments have been received from Delegations.
This document is now considered APPROVED and issued as FINAL.*

Contact : Rachel Scott - tel: +33 (1) 45 24 19 20 - E-mail: rachel.scott@oecd.org

JT03399373

Complete document available on OLIS in its original format

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

English - Or. English

DAC TEMPORARY WORKING GROUP ON REFUGEES AND MIGRATION

TERMS OF REFERENCE

Background

1. At the 2016 DAC High Level Meeting, participants discussed the role of development co-operation in addressing the refugee and migration crisis. The discussion focused on the following points:

- The DAC needs to promote a positive but realistic narrative on the crisis: migration is part of our common history and future, but forced migration is a tragedy.
- There are clear links between this crisis and Agenda 2030 and its promise to “leave no one behind”.
- Development finance has a distinct role to play in addressing the root causes of the crisis –better preventing and containing crises, while carefully managing expectations: more development won’t automatically lead to fewer migrants.
- This work must therefore be part of a whole-of-government effort – development finance cannot absorb this shock alone.
- Substantially increasing humanitarian budgets is not a sustainable response mechanism; we need instead to look at the mindsets of humanitarian and development programming, and to match the response to the reality on the ground.
- The focus should be on making development finance more efficient and effective, more innovative, and focused on building resilience in responding to this crisis.
- The crisis has a significant impact on several members’ ODA volumes which, together with poor comparability of members’ reporting, may endanger the credibility of ODA. Members have a shared interest in improving the consistency in reporting in-donor refugee costs: the Directives must be interpreted in a consistent way.

2. The resulting DAC communiqué contains HLM agreement to "enhance the effectiveness of our ODA to respond to the refugee crises and to sharpen our focus on identifying and addressing the root causes of conflicts, forced displacement, and refugee flows" and to "improve the consistency, comparability, and transparency of our reporting of ODA-eligible, in-donor refugee costs, by aligning the respective methods for calculating these costs" (paragraph 12).

3. To take this work forward the Secretariat will collect information from DAC members on their responses to the refugee crises, which will serve as an input for a new Temporary DAC Working Group, closely linked to INCAF, to be established that will look at the root causes of conflicts, forced displacement, and refugee flows. WP-STAT will contribute to its work by developing first proposals on the measurement of in-donor refugee costs. The Secretariat will report regularly to the DAC on progress. Proposals on policy responses to the refugee crises and on the measurement of in-donor refugee costs will be reviewed by INCAF and WP-STAT, presented for endorsement by the DAC, and then sent for approval by the next SLM and/or HLM. EvalNet will contribute elements of learning from evaluations of effective development programming in refugee contexts.

4. The Temporary Working Group will therefore take this work forward in two parts:
- Better programming to deliver comprehensive solutions to refugee crises.
 - Clarifying the Reporting Directives and improving the consistency and transparency of reporting of in-donor refugee costs.

Part 1: Better programming to deliver comprehensive solutions to refugee crises

5. *Expected result:* That OECD Development Assistance Committee members and other development actors are properly equipped to deliver whole-of-government solutions in developing countries that are refugee countries of origin, transit and destination, with a particular focus on delivering better quality results on the ground.

6. The work will involve building on existing good practices, learning lessons from failure, and seeking options to use ODA more effectively in refugee countries of origin, transit and destination: reducing the risks of instability and shocks – for communities, for countries and regions, and for the world as a whole. This will involve translating existing knowledge and cutting-edge thinking into practical “how to” guides for headquarter and field development professionals.

7. The areas to be covered are listed below. Care will be taken to ensure that there is no overlap with existing work in other organisations and fora.

- Financing for refugee crises in Middle Income Countries (special focus on the Syria affected countries)
- Working in urban environments that are hosting refugees and displaced people
- Education responses for major displacement and refugee situations
- Greater coherence between different actors (links between humanitarian, development, civilian crisis management, diplomatic and defence actors in refugee crises), including the role of the New Deal for Engagement in Fragile States
- Supporting productive and business opportunities for refugees
- Other subjects that may arise during discussions

8. Each of these areas would involve a review of policy coherence issues, the right financing instruments for this type of work, the types of partnerships required to deliver effective results, other roles OECD members can play to support the issue beyond development assistance. The work would focus on practical advice, with examples and case studies to illustrate good practice under each issue area.

9. As part of the policy coherence area, the work will cover whole-of-government approaches, drawing on work across the OECD. This may include how to provide economic incentives for host countries (e.g. through trade access), learning from OECD experience on employment generation and skills acquisition through inward migration, and learning from OECD’s innovation work on big data and mobile technology to help support early warning and tracking programmes.

10. This package of work could inform member participation in:

- The Summit on Addressing Large Movements of Refugees and Migrants at the UN General Assembly
- President Obama's High Level Summit on Refugees in September 2016
- The Global Partnership for Effective Development Co-operation high level meeting in Nairobi in November 2016

11. Final delivery is planned for the DAC High Level Meeting in 2017.

Part 2: Clarifying the Reporting Directives and improving the consistency and transparency of reporting of in-donor refugee costs

12. *Expected result:* Proposals developed on clarifying the Reporting Directives with regard to ODA reporting on in-donor refugee costs.

13. The Survey on in-donor refugee costs carried out in December 2015 confirmed that there are wide differences in members' reporting on in-donor refugee costs. The data are not comparable between members as reporting practices vary significantly in terms of categories of refugees included, types of expenditures covered and methodologies used to assess costs during the first year of stay of refugees. Further analysis is required to understand the large differences observed in average per capita costs.

14. At the HLM members concluded that proposals should be limited to clarifying the Directives so as to reduce the room for interpretation and to improve the consistency of the reporting across members. Based on the Survey and the updated information on members' methodologies for calculating in-donor refugee costs, this requires discussion on:

- Various categories of refugees: The Working Group should determine the rationale that individual members use for including costs as ODA for different categories of refugees (asylum seekers, refugees granted status, quota refugees, in-transit refugees, rejected asylum seekers, persons in need of humanitarian assistance). Based on this analysis, the Working Group will make proposals for greater alignment.
- Expenditures that lead to interpretation questions under the current Directives: Based on the results of the Survey, the Working Group should discuss how to clarify the eligibility of costs explicitly referred to in the Directives, including:
 - how to single out costs for integrating refugees into society which are not reportable according to the rules.
 - how to distinguish costs for voluntary returns (eligible) from forcible measures to repatriate refugees (which should not be counted as ODA).
 - how to report situations where contributions are spent by one donor country in another donor country to cover refugee related expenditures.
- Administrative costs: The Survey showed different practices across members when reporting administrative costs. The Working Group will develop proposals on how to enhance the alignment of members' methodologies in this area.

- The application of the 12-month rule: The Working Group will develop proposals on how to enhance the alignment of members' methodologies for assessing the costs during the first year of stay.
- In addition to the above, the Working Group will seek other possible explanations for the large variation of average per capita costs across members.

15. At the HLM members also noted the need for development co-operation to address the root causes of refugee and migration crises through expenditures broader than ODA. Such expenditures could possibly be tracked under the new TOSSD measure. Specific questions to start off the discussion in this area could include:

- Recalling that the 12-month rule is based on principles for accounting international flows, could longer-term support for refugees in donor countries be included in TOSSD?
- How to track support to countries of transit and avoid double-counting of expenditures at the global level?

16. Proposals for clarifications will be developed for consideration and approval by the DAC and for endorsement by the next DAC HLM.

Composition and role of the Temporary Working Group

17. The Temporary Working Group will be open to all members, participants and observers on a voluntary basis. Co-chairs will be chosen by the DAC to lead the work. The deliberations of the Working Group will be closed meetings of DAC members, participants and observers, informed by external experts as needed, including from the humanitarian community, civil society, the United Nations system (especially organisations such as UNHCR, UNRWA and IOM), relevant OECD directorates, academia, think tanks, foundations and refugee hosting and transit countries. The role of the Working Group is to develop proposals and advice as defined in these ToR for consideration by the DAC. The Working Group has no decisional power.

Links with the Development Assistance Committee

18. INCAF members and members of WP-STAT, as experts in the issues to be studied, will be encouraged to join the Temporary Working Group. The Group, under the auspices of its chair, will report its progress to the DAC on a regular – at least quarterly – basis.

Resource Requirements

19. The Secretariat will manage the support to the Temporary Working Group through the offices of DCD's Deputy Director. Secretariat staff – experts in conflict and fragility, humanitarian assistance, statistics, and other related disciplines will support this work.

20. In addition, a secondment of an expert in this subject, from a member state or a United Nations Agency, will be sought to manage this workstream. Funding will be sought from members for the costs of this work, which – apart from statistics work – were not foreseen in the current PWB, including from the OECD's Central Priority Fund.

21. It is expected that the Temporary Working Group will cease to exist at the 2017 DAC High Level Meeting.