Brief on the DAC Temporary Working Group on Clarifying the ODA-eligibility of Migration-related Activities (TWG)

CLARIFYING THE DEFINITION OF "OFFICIAL DEVELOPMENT ASSISTANCE" IN THE FIELD OF MIGRATION

A NEW EFFORT BY THE OECD DEVELOPMENT ASSISTANCE COMMITTEE (DAC)

WHY MIGRATION MATTERS FOR DEVELOPMENT

Migration is a global phenomenon connecting different regions and/or countries. It brings opportunities and challenges for migrants, their places of destination and places of origin. The concept covers different realities. For instance, most migrants in the world today are *internal* migrants, relocating to a different region in their own country, while a smaller proportion have crossed *international* borders. There are also different reasons for people to migrate: some *voluntarily* leave in search of a better life and/or job opportunities in higher-income regions or countries, while others are *forced* to leave due to conflict and other causes.

Migration has always been considered as part of the development process. Nevertheless, in recent years, the increasing importance of international migration in political and media debates in OECD countries, as well as the rise in the number of forcibly displaced people seeking refuge there – e.g. in the aftermath of the Syrian crisis – have heightened the pressure on funders of development co-operation to contribute actively, and sometimes visibly, to migration policies.

Development co-operation providers cite various reasons why they work on migration:

- tackling the root causes of forced displacement or irregular migration;
- protecting forcibly displaced persons and supporting the development of durable solutions;
- maximising the impact of migration and mobility on development;
- preventing and reducing irregular migration and trafficking in human beings.

Their efforts are guided by major international agreements. In the 2030 Agenda for Sustainable Development, for example, global leaders agree to "facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies" (SDG target 10.7).

THE CHALLENGE: KEEPING DEVELOPMENT AT THE HEART OF AID SPENDING

Which of their activities can countries declare as aid? In order to answer this question, the OECD Development Assistance Committee (DAC) uses an international standard called Official Development Assistance (ODA). The concept of ODA, or aid, was defined over 50 years ago. It refers to financial support – either grants or "concessional" loans from OECD-DAC member countries to developing countries. These funds are provided to advance development in areas such as health, sanitation, education, infrastructure, and strengthening tax systems and administrative capacity, among others.

The ODA standard helps countries ensure that development remains at the heart of their aid spending. It encourages countries to allocate aid to where it is most needed and can achieve the greatest impact. It promotes transparency, allowing everyone to monitor whether aid is being put to good use.

Countries that want to report their spending as ODA need to show that these efforts have "the promotion of the economic development and welfare of developing countries" as their "main objective". The challenge in the field of migration is that it is not always clear whether a programme primarily aims to promote development or address domestic concerns in provider countries. Indeed, while many development co-operation programmes related to migration focus on development objectives, others appear to pursue both objectives at the same time (Box 1).

Box 1. **Examples of migration-related projects**

While many programmes clearly focus on development objectives …

Examples:

- Maximise the impact of remittances for the local economic and social development in countries of the global South.
- Promote fair and ethical migrant labour recruitment systems in developing countries.
- Reduce abusive practices and violations of human and labour rights during migrant recruitment processes and maximise the protection of migrant workers.
- Engage the diaspora in sustainable partnership relations for the socio-economic development of the home country, by strengthening links between diasporas and local levels of government (regions, provinces, cities).

… other programmes appear to pursue development objectives and domestic concerns simultaneously.

Examples:

- Support a reintegration programme for migrants returning to their country of origin, which also includes an objective to avoid their re-migration towards the provider country in the context of co-operation on readmission.
- Build the capacity of a developing country on managing migration, including fighting human trafficking and smuggling of migrants, which also contributes to the provider country's priority of countering irregular migration towards its region.

Therefore, with migration now high on domestic and international political agendas, development co-operation providers need fresh guidance on how to report their ODA in this field.[1] A clearer set of rules on migration-related spending would help development organisations:

- ensure that ODA budgets remain focused on promoting development;
- provide a more transparent basis for dialogue with partner governments and project partners;
- clarify the roles, responsibilities and budgets of different ministries and agencies;
- communicate clearly with stakeholders like parliaments, civil society and the media on the use of taxpayer-funded ODA;
- save staff time and resources in their statistical reporting procedures.

More generally, clearly defined objectives of migration-related activities would help the assessment of compliance with the ODA definition, encouraging countries to report data that can be compared and reviewed.

THE GOAL: CLARIFYING THE RULES ON COUNTING MIGRATION-RELATED SPENDING IN ODA

In 2020, the DAC created a new **Temporary Working Group (TWG)** to help clarify the rules on migration-related aid spending. The Group's task is to propose to the DAC, by the end of 2021, a set of concrete criteria that can be used to help assess whether a migration-related activity can be reported as ODA.

In defining the criteria, the Group will focus on five areas where it is particularly difficult to determine the main goal of the activity:

- addressing the root causes of irregular migration;
- return and reintegration programmes;
- countering irregular migration (e.g. support for border management, fight against migrant smuggling and fight against trafficking in human beings);
- making financing conditional on migration control outcomes;
- engaging with diaspora.

The TWG has decided not to focus on activities where it is easier to determine the principal goals of the activity, such as support to facilitate migration or the protection of human rights.[2]

TWG work will build on existing guidance on the ODA-eligibility of migration-related activities [see the definition of the purpose code for "Facilitation of orderly, safe, regular and responsible migration and mobility", adopted by the DAC in 2018, in DCD/DAC/STAT(2018)23/REV3]. It will aim at further clarifying these existing rules in the identified grey areas by elaborating concrete criteria (possibly a mix of principles, eligibility criteria, positive and negative lists of interventions, safeguards, transparency reporting requirements).

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[1] Note also that the 2030 Agenda on Sustainable Development and the elaboration of the new TOSSD measure give an opportunity to capture more broadly migration-related activities in statistics on development finance. TOSSD Pillar II on global and regional expenditures is particularly relevant to reflect migration as a development enabler.

[2] Any expenditures covered under the DAC category in-donor refugee costs are outside the scope of the TWG which will focus its work on migration and not on forced displacement.

Below is the provisional timeline for the work of the TWG so that interested relevant stakeholders can follow the discussion as needed.

Table 1. DAC Temporary Working Group on Migration-Related ODA Provisional Timeline

	DAC Temporary Working Group on Migration-Related ODA Provisional Timeline
Dec 2020	**1st meeting** - TWG launch
Jan-Feb 2021	Analysis: *How Development Co-operation Addresses Migration* - Case studies, survey of DAC Members
April 2021	**2nd meeting** - Presentation of survey results
May 2021	**3rd meeting** - Criteria to assess spending on "addressing root causes of irregular migration" & on "return and reintegration programmes" - Review of relevant case studies - 1st consultation with external stakeholders
June 2021	**4th meeting** - Criteria to assess spending on "countering irregular migration (e.g. support for border management, fight against migrant smuggling and fight against trafficking in human beings)", on spending that is conditional on migration control, and other topics (e.g. engagement of diaspora) - Review of relevant case studies - 2nd consultation with external stakeholders
	8 June 2021 - Dialogue with OECD DevCom Network & public attitudes researchers on migration & development narratives Follow-up dedicated session on TWG work
Sep-Oct 2021	**Possible additional meetings as required** - Testing & refining criteria - 3rd consultation with external stakeholders
Nov 2021	**Final TWG meeting** - Agree on proposal to be submitted to the DAC
Dec 2021	Final submission to the DAC