



DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE

PARIS

DCD/DAC(2000)22/ADD
For Official Use

**REVIEW OF ODA REPORTING OF THE COSTS OF REFUGEES IN
DONOR COUNTRIES**

Note by the Secretariat

At last year's Senior Level Meeting, Switzerland requested a consultants' study of the ODA reporting of aid to refugees in donor countries. This was done and issued as DCD/DAC(2000)22. Following written comments from several Members, the Secretariat has revised the draft reporting directive proposed by the consultants. Members are invited to APPROVE the Secretariat's new draft directive (see paragraphs 5 to 8).

Contact persons: Simon Scott (Tel: 33-1 45 24 15 60); e-mail: Simon.Scott@oecd.org; and Yasmin.ahmad (Tel: 31-1 45 24 90 03); e-mail: Yasmin.ahmad@oecd.org; fax: 33-1 44 20 61 46.

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REVIEW OF ODA REPORTING OF THE COSTS OF REFUGEES IN DONOR COUNTRIES

1. DCD/DAC(2000)30 requested comments on draft new statistical reporting directives on reporting the costs of refugees in donor countries. These draft directives were based on proposals by consultants [DCD/DAC(2000)22], and on subsequent suggestions by Germany and the United States.

2. Members' responses to the suggestions are given in the Annex to this document. Part 1 of the Annex presents their comments and suggestions on policy matters. Part 2 presents Members' clarifications and corrections to the consultants' report.

3. Key policy comments made by Members include:

- Switzerland and the United Kingdom would in principle prefer not to count any costs of refugees in donor countries as ODA, but are prepared to accept some ODA reporting as a fall-back position.
- Denmark would prefer the existing rules ["Variant A" in DCD/DAC(2000)22], and Canada feels that inconsistencies in these rules will not be remedied by the consultants' suggestions ("Variant C").
- However, several Members see Variant C as a basis for improved reporting, although some suggest adjustments to the ODA eligibility of this Variant. Sweden wishes to count costs of both refugees accepted for long-term residence and asylum seekers while their applications are being processed. Denmark wishes administrative costs related to welfare services to be counted.
- Switzerland recommends that DCD consult UNHCR about the contents of the memo item covering all expenditure on refugees in donor countries (including that not reported as ODA). Sweden questions the need for this item.

4. The Secretariat has reviewed these suggestions against Members' positions as reported in DCD/DAC(2000)22. There are differences of opinion on several points, and a spirit of compromise will be required to arrive at a consensus. The Secretariat suggests the following approach to reporting:

a) Only counting under this item costs associated with:

- refugees accepted by the donor as meeting the refugee definition in the Geneva convention, but who are not expected to settle permanently in the donor country;
- persons fleeing war or severe unrest who have been accorded temporary protection; and
- asylum-seekers whose application for refugee status has not been granted but who are temporarily unable to be repatriated to their countries for humanitarian or political reasons. Costs of all other asylum seekers would not be reportable.

The logic here is that aid to refugees in donor countries is essentially a form of emergency aid to the developing country of origin. This implies that ODA reporting should be limited to persons likely to return to their home countries to make a contribution to their development. The consultants found that few asylum seekers arriving unbidden in donor countries were eventually assessed as having valid claims to protection.

- b) Counting only expenses for the first twelve months after the person arrives in the donor country, regardless of the date(s) on which their status is determined. Not counting any expenses in respect of asylum seekers whose status is not determined during the first twelve months of their stay.

Most Members see the twelve-month limit as a sensible cut-off point for temporary protection. Persons in a country for more than twelve months are treated as residents in the Balance of Payments. Provided a person's status is determined within the first twelve months of stay, the date of this determination should not affect the twelve-month period for which assistance may be counted as ODA. However, where such a determination is made after twelve months' stay, it would be impracticable to count retrospectively the sustenance costs during the first twelve months.

- c) Not counting any expenses for integration of persons into the economy of the donor country. This implies that ODA reporting should cease as soon as persons obtain a long-term residence permit.

This again follows the principle that only costs for persons expected to return to their home countries should be counted as ODA.

- d) Counting only the costs (including any administrative costs) of assistance and services, but not counting costs of processing applications, determining status, or any detention or enforcement actions.

ODA must have the promotion of the economic development and welfare of developing countries as its main objective. Costs associated with donors' immigration processing and border protection do not meet this criterion

- e) Including the costs of transport to and from developing countries within the item.

Australia suggests that it is logical to include all the costs associated with bringing refugees to donor countries and returning them to their countries of origin under this item. During the Kosovo crisis, most Members appear to have made special appropriations to cover all these expenses.

- f) Not creating a new memo item on the total costs of refugees.

Sweden questions the utility of these data. Several similar memo items on non-ODA expenditures have been added to the statistical questionnaire in recent years. The reporting rate on these items is low and the usefulness and comparability of the data provided are poor.

5. The Secretariat has reviewed the proposed new reporting directives in the light of these points. To advance the discussion, it now proposes the draft revised directive shown below. **The Senior Level Meeting is invited to consider whether it might form the basis for new directives, if necessary finalised by the written procedure, for DAC reporting in 2001.**

DRAFT DIRECTIVE

6. **Definitions:** A *refugee* is a person who is outside his (or her) home country because of a well-founded fear of persecution on account of race, religion, nationality, social group or political opinion. A *displaced person* is a person who has left his (or her) home because of war, famine, civil unrest or other *force majeure*. An *asylum-seeker* is a person who is awaiting a decision from the procedure for dealing with requests for asylum.

7. The following expenditure by the official sector in respect of refugees and similar categories of persons may be recorded as ODA:

In developing countries (included in code 106): payments for transport, upkeep and reintegration of refugees and displaced persons within or between developing countries, whether made to governments, international or national non-government organisations, or the persons themselves. Payments to multilateral organisations for this purpose should be included only in the case of special appeals for designated refugee situations. (General contributions to the core budgets of multilateral agencies dealing with refugees should be reported as multilateral aid.)

In developed countries (code 105): expenditure for upkeep (food, shelter, pocket money, medical costs, education and vocational training) as well as transport to, from and within developed countries for the following categories of persons, up to 12 months after their arrival in a developed country:

- 1) refugees;
- 2) persons fleeing war or severe unrest who have been accorded temporary protection; and
- 3) asylum-seekers whose application for refugee status has not been granted but who are temporarily unable to be repatriated to their countries for humanitarian or political reasons (*de facto* refugees).

8. ODA reporting under code 105 should exclude:

- 1) expenditure on costs of processing applications, determining status, detention or enforcement actions, or other activities unrelated to direct welfare assistance or a service provided to refugees;
- 2) payments intended to integrate refugees into the economy of the donor country, including any payments made to persons who have obtained a long-term residence permit or who for any other reason are not expected to return later to their home countries;
- 3) any expenses in respect of asylum seekers awaiting a decision or whose status is not determined during the first twelve months of their stay; and
- 4) resettlement in a country that is not an aid recipient.

ANNEX

**REVIEW OF ODA REPORTING OF THE COSTS OF REFUGEES IN DONOR COUNTRIES
[DCD/DAC(2000)30] - SUMMARY OF COMMENTS RECEIVED****PART 1 - POLICY COMMENTS**

9. The Delegation of **Australia** makes the following comments on the proposals in the referenced documents.

10. The exclusion of costs associated with the presence of asylum-seekers awaiting a decision -- clear and explicit as it in paragraph 7 -- is rather obscured by the new language in paragraph 6, dash point 2, allowing the reporting of "amounts spent on refugees recognised as such under the Geneva Convention excluding expenditures to integrate them into the donor economy". This could be read by some as contradicting the exclusion in paragraph 7, even though we and probably most others would read that exclusion as overriding or rather qualifying the earlier language.

11. The draft rewording at paragraph 6, point 2, allows ODA-eligibility for "payments for asylum-seekers who have not been granted refugee status but who are temporarily unable to return to their countries ..." Presumably the key point is that the asylum-seekers in question have been refused refugee status but can't yet go home. Perhaps this could be made explicit, as it is the clear intent of the rewording to exclude ODA-eligibility for asylum-seekers whose cases are pending.

12. As discussed, we would not wish to oppose voluntary reporting of total government expenditures, or of NGO expenditures on refugees in donor countries. We recognise that many donors would want the magnitude of their total effort to be recorded in this way as a development-related expenditure, even if not as ODA. However, Australia is unlikely to be in a position to report on the proposed memo item covering government expenditures. The Delegation of Australia makes the point that the consultants' recommendation 7 on NGO expenditures appears not to be reflected in the draft rewording, except to the extent that it might be implicit in paragraph 5, which says "all expenditure by donor countries related to the presence of all categories of refugees and asylum-seekers are reported as a memo item.

13. It seems to us that the eligibility of transport costs incurred in getting people from their own countries to donor countries is not as clearly handled as it could be. These costs are obviously meant to be eligible in the same way as repatriation costs but are perhaps harder to allocate clearly to line 105 or 106 because they will often be incurred and/or met within the donor country at a time when the people in question are still in their own countries, in third countries or in transit. Our preference would be to require such costs to be reported on the same line as repatriation costs and both to be reported under item 105 (aid

to refugees in developed countries) rather than item 106. Likewise other costs of admission. Line 106, covered by paragraph 6, point 1, would then be reserved for expenditures on refugees in developing countries and would contain no expenditures associated with the provision of temporary protection within donor countries. The question of precisely when and where the travel costs were actually met seems to us of minor importance, and most donors would presumably regard transport in both directions as part of the temporary protection "package".

14. The Delegation of **Canada** made the following comments:

- i) Canada agrees with the overall consensus on the 12 month limit on refugee stay.
- ii) Canada considers refugee costs to begin when an individual is declared a legitimate refugee and not from the moment they arrive on Canadian shores. Asylum-seekers awaiting decision and economic migrants do not qualify as refugees, no matter their country of origin.
- iii) The fundamental question is whether the DAC should treat persons who have fled their country due to war or severe unrest in the same way as Convention refugees, since there is no humanitarian difference between these types of refugees.
- iv) The inconsistencies in definitions and methodology that plague Variant A [DCD/DAC(2000)22, Section IV] (status quo) will not be improved by adopting Variant C (specify the types of expenditures and categories of refugees to be included in ODA). Although ODA would include expenditure on social welfare and that representing human capacity building it would still exclude expenditure on security measures, administrative expenses and costs of integration. These excluded costs are difficult to identify and disaggregate.

15. The Delegation of **Denmark** states that:

- i) Principally Denmark is in favour of maintaining status quo, i.e. Variant A. Reporting of costs of refugees in donor countries should be made in accordance with existing rules in the DAC directives.
- ii) Concerning para. 3.3 Denmark is in favour of keeping administration costs in ODA reporting. Insofar as para. 7 on p. 3 could be read as an indication that administration costs shall be seen as not representing "direct welfare assistance or a service presented to the refugees themselves", Denmark reserves its position.

16. The Delegation of **Greece** has advised that it accepts the suggested new reporting rules proposed in the referenced document.

17. The Delegation of **Sweden** had the following comments:

- i) First we would like to point out that we would like to discuss this document in the Working Party on Statistics before it is submitted to the DAC and later to the SLM.

- ii) We also need some more time to evaluate the changes that are suggested in the document. Sweden so far wants to make the following comments:
- iii) The text only refers to refugees that have "temporary protection". According to the Geneva Convention refugees can have longer-term residence permits. We believe that costs of refugees, defined as such by the Geneva Convention, ought to be considered ODA. This would include refugees that receive permanent protection from donor countries.
- iv) There is also a cost for the refugees while their application for asylum is being processed. This cost should also be considered ODA.
- v) Referring to the second paragraph we ask ourselves why reporting of costs that is not ODA is important? The use of this data needs to be explained and discussed further so that it is not collected in vain.

18. The Delegation of **Switzerland** made the following observations on the report:

- i) The report confirms and helps to gauge the divergences in the way donors report these amounts. The problem has been recognised for quite some time, but it has now been more fully analysed, in both quantitative and qualitative terms.
- ii) The report notes that the long-standing debate on this point has not yielded any advances, quite the contrary. While the majority of members were, six years ago, in favour of deleting this line, reporting has steadily increased since then.
- iii) One possible explanation is suggested: the line is sometimes the focus of political interference, and in some cases the amounts reported seem to be set on the basis of considerations remote from the spirit of the directives. What is at stake is the comparability and, still more, the credibility of ODA data, as is regularly pointed out in the report and in DAC discussions on the subject.
- iv) The report also indicates the limitations to the ways in which the directives seek to settle the problem. It is extremely difficult to find a definition here that is not blurred by substantial scope for interpretation. That is due to the wide range of legislative arrangements, funding instruments and bodies involved, and the varied perceptions of the issue across countries. Discussions in recent years further show that, in the absence of a consensus, this unsatisfactory situation is very likely to persist for a long time, unless the issue is referred to another level.
- v) Furthermore, the report shows that repatriation assistance to refugees or asylum-seekers is not always viewed in the same way in DAC countries. Moves to make the directives clearer on this point would be of value.

19. The Delegation of Switzerland has long considered that the reception in donor countries of people in danger in their country of origin does not meet the criteria for official development assistance, since its prime aim, while humanitarian, is not the development of countries in the DAC list. The position of Switzerland is accordingly as follows:

- i) We wish to remove code 105 from ODA and we repeat our proposal to introduce a new line (V.3), as a memo for DAC, mentioning all assistance to refugees taken in by donor countries,

and the administrative expenditure generated by handling applications. There is no internationally recognised comparative instrument for aid to refugees, and it would accordingly need to be developed with the relevant national and international partners.

ii) In a spirit of compromise, we could agree to code 105 remaining in ODA with the relevant amounts being kept as low as possible, in particular through clearcut and restrictive directives. If that course were to be followed, we request that future peer reviews should include this point in the evaluation of aid effectiveness, in particular for countries where line 105 is more than 3% of total ODA, or twice the DAC average.

iii) In principle:

- We request deletion of code 105 and the relevant directives.
- We request that the proposed directive on code 106 contain the following additional wording:

(Paragraph 5.) All expenditure by donor countries related to the presence of all categories of refugees and asylum-seekers (including payments recorded as ODA) are reported as a memo in Item V.3 of the DAC tables. **The definition of expenditure that can be reported in this category will be set by DCD after consulting the national and international (HCR) bodies concerned.**

(Paragraph 6). The following expenditure by the official sector for the sustenance of refugees in developing countries may be recorded as ODA (and included in code 106): payments for the transport, admission and upkeep of refugees and displaced persons, whether made to governments, multilateral organisations (in which case, if the recipient is not known, it should be classified as multilateral ODA instead of under code 106), international or national non-governmental organisations, or directly to the refugees themselves.

Amounts spent on travel and sustenance directly designed to assist refugees and asylum-seekers to resettle in a developing country, wherever they are paid, may be reported under this code. Resettlement in a country that is not an aid recipient shall not be recorded as ODA.

Paragraphs 7 and 8: deleted.

20. As a fall-back position, in a spirit of compromise if necessary, the Delegation of Switzerland could accept the retention of code 105, with a more explicit wording in the directives:

- in developed countries (code 105): expenditure for upkeep (food, shelter, pocket money, medical costs, education and vocational training) may be included in ODA for the following categories, for the first 12 months following arrival:
 - i) persons fleeing war or severe unrest who have been accorded temporary protection, either individual or collective;
 - ii) asylum-seekers who have not been granted refugee status but who are temporarily unable to be repatriated to their countries for humanitarian or political reasons (de facto refugees);
 - iii) refugees recognised as such under the Geneva Convention.

Expenditure on frontier control, administrative procedures related to asylum, investment and integration of refugees in the donor country may not be included in ODA.

Paragraph 7 would be retained in this fall-back position, and paragraph 8 would be deleted and replaced by the following wording:

(Paragraph 8.) Line 105 shall be calculated in principle as the product of the average annual expenditure per asylum-seeker times the number of refugees eligible under the directives, divided by the average length of stay. To ensure that data are comparable, Members which report expenditure on this line are requested to notify the Secretariat each year of the elements in their calculation. If they use a different method of calculation, they are requested to supply it along with the basic figures.

21. The Delegation of the **United Kingdom** states, inter alia that “Our main objection ... is that the consultants have not addressed our fundamental problem with this issue i.e. that we do not consider such support to be oda in the first place.” It further observes that:

22. DFID’s principled objections to including the costs of refugees, asylum seekers and migrants into the ODA definition (as is clear in paras 71-83 of [DCD/DAC(2000)22]) have not been adequately addressed in the report. Our view remains that the purpose of official development assistance is the reduction of poverty in developing countries and that expenditures on refugees and asylum seekers in donor countries should be met from budget lines other than ODA. This is a matter of principle about the purpose of ODA flows rather than a technical issue about definitions and reporting mechanisms. DFID is not persuaded that expenditures on refugees and asylum seekers contribute to development or poverty reduction to the extent that they can be considered to be ODA. Arguments that seek to identify developmental spin-offs from expenditure in donor countries for refugee and asylum seekers are misguided. The DAC definition of ODA is restricted to transactions that promote “economic development and welfare of developing countries”. This alone should exclude reporting ODA expenditures in donor countries on refugees and asylum seekers.

23. The United Kingdom later advised that, its objection on principle aside, it was content with the proposals in DCD/DAC(2000)30, adding: "If donors are going to report such expenditure, then this is an appropriate definition to use as it is a narrow one which effectively covers only special cases?"

PART 2 - CORRECTIONS AND UPDATES TO THE CONSULTANTS’ REPORT [DCD/DAC(2000)22]

24. The Delegation of **Canada** makes the following comments and corrections:

25. Table 2, on page 42, under section Official expenditure in 1999 (USD million), line 1. "Aid to all refugees in donor country" for Canada should read USD 105.15 instead of a blank.

- 1) p. 44, para. 165, last line, the word "satay" should be replaced by "stay".

- 2) p. 44, Table 4, under 1999 preliminary for Canada, the number should read 105.15 rather than n.a.
- 3) p. 45, Table 5, under 1999 preliminary for Canada, the percentage should read 9.0 rather than "--".
- 4) p. 45, para. 167, the cost per refugee for the US of 4,674 varies slightly with the cost indicated in Table 2 for the US, of 4675.
- 5) p. 45, para. 168, 3rd line should read: "...in the lead with 10.1%, followed by Sweden, Denmark and Canada...."

26. The Delegation of **Greece** wishes to make the following clarifications and corrections to the referenced document:

- 1) Paragraph 151 states that Greece "prefers not to include such expenditure [on refugees] in ODA". In fact, Greece wishes to report these expenditures as ODA. It has not done so to date because of difficulties in obtaining the data. It expects to be able to report spending on refugees by 2003.
- 2) Paragraph 164 and page 87: again, the reason that Greece is not reporting the expenditures is because of data collection difficulties, not because it disagrees with the Directives.

27. The Delegation of **Japan** made the following comments:

- 1) Page 75 (1). According to the description, Japan includes refugees recognised under the 1951 Geneva Convention. However, Japan includes only (1) persons living below the poverty line awaiting recognition as refugees under the terms of the 1951 Convention and its 1967 Protocol and (2) refugees from Indo-China not including refugees recognised under the 1951 Geneva Convention.
- 2) Page 75 (2). Regarding the "Reporting period", the description states that Japan's reporting covers the entirety of the period awaiting a decision on recognition of refugee status for the two types of refugees and that this period exceeds the first twelve months of residence in Japan. However, this applies only to persons awaiting recognition as refugees and does not apply to refugees from Indo-China. The reporting period of refugees from Indo-China is up to twelve months.

28. The Delegation of **Norway** states that the text of Section II.B of DCD/DAC(2000)22 should be replaced with the following:

B. REPORT ON MISSION TO NORWAY, JUNE 29, 2000

Persons present at the meeting: Mr. Tom Hunstad, Ministry of Foreign Affairs, Ms. Jorid Almås, NORAD, Ms. Catharina Luraas and Ms. Aashild Wiik from the Ministry of Local Government and Regional Development, Mr. Bjoern Finstad and Ms. Henriette Munkebye from the Directorate of Immigration and Mr. Jan-Olav Pettersen from the Ministry of Finance, Ms. Vanessa Peat, consultant, IUED.

Background information on Norway's policy on aid to refugees and procedures for processing asylum applications

Trend in asylum seekers arriving in Norway

29. (Paragraph 44.) Norwegian policy on aid to refugees has had to adapt new policies and procedures regarding their aid to refugees in Norway over the past 2 years due to the fourfold increase in arrivals of asylum seekers in 1999. More specifically, in 1999, 10,160 asylum seekers arrived in Norway, a 19% increase over the number of refugees in 1998, and over four times that in 1997. The trend in asylum seekers in Norway also stands out in that nearly 50% of refugees in 1999 were Northern Iraqi Kurds (4,073), representing an increase of 209% from 1998. The number of asylum seekers from former Yugoslavia (excluding Kosovo) has declined in 1999, unlike in most European countries, from 1,666 in 1998 to 1,152 in 1999. However last year, the Norwegian administration of aid to refugees underwent a very difficult year due to the unexpectedly high number of Kosovo Albanians who arrived in and were evacuated to Norway. Over 6,000 Kosovo Albanians were evacuated from Macedonia to Norway in 1999.

30. (Paragraph 45.) As a result of the sharp rise in the number of asylum seekers who arrived in Norway, the time for processing their applications has also increased since 1995, when there were approximately 2,000 new refugees annually (from 1995 to 1997).

Categories of refugees who are granted permanent or temporary asylum

31. (Paragraph 46.) Norway recognises as Convention refugees those persons who fear persecution due to their race, religion, nationality or membership to a particular group or political party. Moreover, Norway grants residence on humanitarian grounds when it is deemed that the general situation in the refugee's country of origin is too unsafe for him or her to return, such as due to war or civil strife. Norway also grants the same residence status when strong humanitarian reasons apply, such as health issues and children's situations. Less than 10% of asylum seekers are recognised as refugees, under the 1951 Geneva Convention.

32. (Paragraph 47.) Moreover, temporary protection may be granted on a collective basis to persons in mass exodus situations, in which case applications for asylum are suspended for up to 3 years. Collective protection has been granted to Bosnian refugees up until December 31, 1998 and to Kosovo Albanians, up until August 6, 1999. For those who do not wish to return, they can apply for individual asylum.

Procedures for processing asylum applications and organisational set-up

33. (Paragraph 48.) There are altogether five ministries and the Norwegian Agency for Development Cooperation (NORAD) which are involved in the administration or reporting on aid to refugees in Norway: the Ministry of Local Government and Regional Development, the Ministry of Finance, the Ministry of Education, the Ministry of Foreign Affairs and the Ministry of Justice. In addition, Parliament (Storting) takes the final decision regarding the total budget of aid to refugees and decides on the amount, which should be reported as ODA.

34. (Paragraph 49.) It is by and large the *Ministry of Local Government and Regional Development* which bears the greatest responsibility for administering aid to refugees in Norway. More specifically, it is the Directorate of Immigration, founded on January 1, 1988, that implements Norway's immigration policy, including the regulation, control, and reception of refugees. When asylum seekers first arrive in Norway, the police register them and send their application for processing to the *Directorate of Immigration*, which is a subsidiary body of the Ministry of Local Government. In case of a negative decision, asylum seekers can appeal to the *Ministry of Justice*. As of 2001, a new Board of Appeals will be

set up in order to deal with appeals for asylum and other immigration matters. In the case of asylum seekers who come from a safe “first country”, they can be sent back to the first country after 24 or 48 hours.

35. (Paragraph 50). As soon as they have filed their application for asylum, asylum seekers are sent to reception centres (temporary housing schemes). The average stay in these centres is about 15 months. Norway has a *flexible system of reception centres*, which enables it to set up new centres when needed, as was the case in 1999, or to reduce the number of centres in operation. Due to the large number of refugees in 1999, up to 144 reception centres (during the peak period) were in operation. By the end of 1999, 131 centres were in operation, with approximately 14,000 refugees. Asylum seekers usually stay in reception centres up until they can be settled in municipalities. However, refugees whose applications have been rejected, but refuse to return home voluntary, remain in these centres until the police transport them out. Reception centres are not administered by the Directorate of Immigration itself but rather by its six regional offices, which in turn can delegate the administration of reception centres to private organisations or municipalities.

36. (Paragraph 51.) During their stay in reception centres, the *Ministry of Education* provides language courses for all adults and primary schooling for the children. As we shall see in the next section, these costs are reported as ODA. Moreover, some refugees are granted temporary work permits during their stay in reception centres when the Directorate of Immigration deems that the processing time for their application will exceed a 3-month period.

37. (Paragraph 52.) Finally, the *Ministry of Finance and the Ministry of Foreign Affairs* play a role in the *budgeting process of aid to refugees*. Based on actual expenditures by the Ministry of Local Government and Regional Development, the Parliament determines the annual budget for the Ministry of Foreign Affairs, in which is included the budget for aid to refugees. The Ministry of Finance also informs NORAD of the budget; the latter being in charge of reporting all expenditures related to development assistance (including aid to refugees) to the DAC.

38. (Paragraph 53). The budget may be readjusted twice a year in line with the number of asylum seekers who have arrived in Norway during the course of the year. At the end of each fiscal year (which is also the calendar year), the Ministry of Foreign Affairs reports the actual costs related to aid to refugees to Parliament based on data provided by the Ministry of Finance. It is then up to Parliament to decide how much of the expenditures on aid to refugees will be reported as ODA.

Reporting practices

39. (Paragraph 54). Norway began to specify costs related to the sustenance, transportation and repatriation of refugees as ODA, on an annual basis, in 1994. However, these costs were first included in ODA in 1990, for a total amount of NOK 120 million or US\$ 15.4 million.

40. (Paragraph 55). Since 1994, Norway has reported as ODA expenditures related to the sustenance of asylum seekers, whose nationalities meet the requirements of DAC lists as well as repatriation costs to their countries of origin. In their reporting to the DAC, costs by categories of refugees are not specified and represent a global sum of sustenance for all refugees (asylum seekers and persons granted humanitarian status or temporary protection) during the first twelve months of their stay in reception centres.

41. (Paragraph 56). *Average cost of sustenance per refugee*: NOK 110,000 or US\$ 14,100. Sustenance includes the following: housing, pocket money, transportation between reception centres (if they move from one centre to another), healthcare and education.

42. (Paragraph 57). *Method for calculating sustenance costs and the number of refugees:* The Directorate of Immigration and the Ministry of Local Government and Regional Development calculate the number of refugees by counting the number of asylum seekers who have stayed in reception centres for less than 1 year. The number of refugees is based on the number of persons who are admitted in the centres and it is verified each month. Sustenance costs for refugees who stay in reception centres for over 1 year are NOT reported. For the last few years about 95 per cent of all asylum seekers meet the requirements of DAC-reporting, and about 75 percent of them have lived less than twelve months in the reception centres. Sustenance costs by categories of asylum seekers are not calculated.

43. (Paragraph 58). *Voluntary repatriation:* NOK 15,000 per person or US\$ 1,920. Apart from 1999 an average of 400 persons voluntarily return to their countries of origin annually with a lump sum of money which they are free to spend as they wish (to cover moving expenses, reconstruction and so forth).

44. (Paragraph 59.) *Option which most closely matches Norway's current reporting practice:* option (iii), reporting of sustenance costs for Convention refugees, asylum seekers and persons granted humanitarian status and temporary protection, during the first 12 months of their stay.

45. (Paragraph 60). *Total amount to be reported as ODA for the year 1999:* NOK 433.2 million or US\$ 55.56 million (expenditures on refugees in donor country as reported to the DAC).

46. (Paragraph 61). *Expenditures in 1999 on Kosovo Albanians*

- 1) Expenditures for humanitarian assistance (food aid, shelter and reconstruction) to Kosovo Albanian refugees and displaced persons in Kosovo and neighbouring countries: (Includes costs for evacuation of 6,099 Kosovo Albanians who were brought to Norway)

	Thousands of Kr	Millions of \$US
Albania	13,788	1.77
Macedonia	11,208	1.44
Serbia and Montenegro	325,912	41.80
TOTAL	350,908	45.01

- 2) Expenditures for sustenance of Kosovo Albanians in Norway in 1999: Rough estimate of NOK 500 million to 700 million.

47. (Paragraph 62). This is the overall sum for expenditures on sustenance of all Kosovo Albanians staying in reception centres in 1999. However, only part of this sum will be reported as ODA, excluding expenditures on sustenance of evacuated refugees which is included in humanitarian assistance in developing countries (item 105). The amount to be reported as ODA will concern expenditures for approximately 3,000 Kosovo Albanian refugees.

48. (Paragraph 63.) *Costs for repatriation of Kosovo Albanians in 1999:* NOK 55 m. approximately (US\$ 7.05 million), for about 3,600 Kosovo Albanians who returned to Kosovo by winter 1999.

Comments regarding DAC Directives and reporting methods

49. (Paragraph 64.) There is no clear-cut consensus in terms of how much of the expenditures for refugees that should be reported as ODA and Parliament decides annually on the amount to be reported. It remains a subject of many debates and is a very political issue. One should also recall that Norway remains one of the few DAC member countries where there is a strong commitment to maintaining a 1% ratio of

ODA/GNP. However, there is no consensus within the public opinion on the degree to which aid to refugees in Norway should be considered as ODA.

50. (Paragraph 65.) Norway has followed the DAC directives, particularly regarding the 1-year limit. The persons at the meeting expressed no wish to change these directives, nor do they have the political leverage to do so. It would have to be Parliament that decides on changing their reporting practices. However, the persons from the Ministry of Local Government and Regional Development expressed their concern for changing calculation methods for expenditures. They would undergo major feasibility problems if they had to change their reporting methods, particularly if they had to differentiate costs by categories of asylum seekers.

51. The Delegation of **Switzerland** makes the following clarification: the positions set out on page 34 (English version) reflect the position of the Federal Office for Refugees, which is not qualified to discuss matters relating to the definition of ODA. To avoid any confusion, it should be noted that the paragraphs in question do not reflect the official position of Switzerland on the subject, but the special stance of the Office concerned about the lack of any internationally recognised yardstick for gauging countries' efforts in its specific area.