DAC-CSO Reference Group reaction to <u>Migration-related activities in ODA</u> reporting criteria

March 2023

In recent years, there has been increasing pressure on international development budgets and development actors to contribute to domestic migration policy goals of ODA provider countries. We welcome the recently made <u>clarifications of the DAC Reporting Directives when it comes to migration-related activities</u>. These are a definite improvement to the Reporting Directives. The majority of the principles and criteria agreed by the DAC clarify existing rules and have the potential of strengthening the integrity, transparency and development-focus of ODA, provided that DAC members work with each other, the DAC Secretariat, and external stakeholders to apply them as intended.

Yet, some concepts remain vague - specifically on conditionality and the interpretation of purpose - and can leave room for arbitrariness for donors in declaring activities as ODA. The OECD Development Assistance Committee (DAC) has to work out a solid monitoring and verification framework that prevents the proliferation of ODA inflation and gray zones. A casebook is the next logical step, and we stand ready to contribute. Otherwise, credible reporting might prove difficult. We also wait for more clarification on labour mobility - an item that has been left aside for now.

The DAC CSO Reference Group has had consultations with the OECD on two occasions, the last one in April 2022. Based on recommendations made to the OECD, we welcome:

- The principle that the **primary purpose** of all ODA-eligible activities is the **development and welfare of developing countries**. This is important to ensure that ODA is not used for a domestic purpose only.
- The **exclusion** from ODA eligibility of: any activities conceived to **restrict migration** to the provider country; border control cooperation, training or equipment to **constrain migration**; interception, forced returns, and any activities that **put at risk or neglect the human rights** of forcibly displaced persons and migrants, or that is **not in line with applicable international law and frameworks on migration**. Finally, we welcome the decision that no activities are reportable as ODA if funds are attached with migration policy **conditionality**.
- The emphasis on **alignment with partner countries' own priorities and development strategy**, and clear commitment that "there should be no diversion of ODA towards providers' immediate interests on migration at the expense of long-term sustainable development".
- The importance of **detailed descriptions** of activities in the reporting to the CRS, including clear **narratives**, **outcome** descriptions and **indicators**, which allow for verification of the development purpose of the activity. The importance of ODA principles and criteria being duly considered in the programming phase (principle 2), contributing to safeguarding, already in the design phase, the development and welfare of developing countries as the primary objective of development programmes, rather than allowing for an approach in which ODA criteria is not fully considered at the design phase and in which the final reporting is adapted to frame closed/ongoing projects along the lines of ODA criteria.

Going deeper into what the OECD clarifications actually imply, we regret that the DAC did not reach a more principled agreement on conditionality, mutual benefit, countering irregular migration and sustainable reintegration:

Conditionality

- The reference to development cooperation programmes being part of a "broader policy dialogue" between countries, providers and recipients of ODA, does not add clarity to the criteria. The text already states, and rightly so, that conditionality on migration outcomes cannot be attached to funds reported as development assistance. The additional language on "broader policy conditionality" merely serves to remind the reader of the intransparent, behind closed doorsnature of many migration partnership negotiations which is precisely what the OECD DAC should have avoided.
- We disagree with the lack of clarity introduced under criterion 2 after the main rule that states that funds are not reportable as ODA when subject to specific conditions on migration outcomes. The added hypothetical exception of conditions imposed for the promotion of the economic development and welfare of developing countries, and not the donor's domestic migration concerns, weakens the clarification. In fact, this point presents a paradox, as the imposition of a condition by nature implies that such a condition was not in the primary interest of the recipient country in the first place.
- Another concern is that the ways in which conditionality remains in the DAC clarifications would allow DAC members to directly link development cooperation programmes to the developing countries' collaboration and willingness to accept forced returnees. It is not possible to disconnect the 'broader dialogue' from specific activities and projects, as these cannot be decoupled from the outcomes of the high-level discussions.

Mutual benefit

- A system of ODA reporting that references more direct benefits to DAC donors contradicts the intended purpose of ODA in the international system, which is on donor efforts that "target the economic development and welfare of developing countries."
- Making reference to "mutual benefit" of recipients and providers leaves a gray zone for interpretation for providers, whereas ODA recipients do not have a say in the official reporting. There is a considerable risk that the reporting becomes arbitrary and that the reporting party reports to its own benefit. It brings little, if any, added value to ODA integrity; instead it risks that reporting interventions considered as ODA will be framed in the interest of the provider.
- We emphasize the point made in principle 3, that **any doubt** on the primacy of the developmental goal of a given activity should classify as a **reason not to report or validate the cost as ODA**.

Countering irregular migration

- Respecting the 'do no harm' or policy coherence principle is missing for activities aimed at addressing irregular migration. This is additional to having to respect the six principles and to correspond to the types of ODA eligible activities outlined in the DAC clarification. Activities aimed at addressing irregular migration should be carefully designed so they, or their magnitude, do not negatively impact on regular regional mobility or on free movement frameworks.
- We reiterate that activities that aim at restricting migration to the provider country should be excluded from ODA regardless of this being a main or a secondary objective.

Returns

The criterion excluding support for forced returns as ODA eligible is not sufficient to mitigate the risk of donors in further advancing their domestic migration agenda. More clarity on the delineation between forced and voluntary returns should be drawn, with defined examples of activities that could be ODA eligible and which not, and by applying the IOM's definition on the voluntariness of the decision.

Sustainable reintegration

We take issue with the possibility to fund sustainable **reintegration** programmes as part of ODA, if the persons in the target group prior to this have been **forcibly returned**.

- Returns and reintegration are complementary and interconnected, they must be seen as a continuum and not as the product of two different events. DAC rules have clear safeguards against funding forced returns with ODA. It is thus a contradiction to consider the costs of forced returns as non-ODA eligible and those of reintegration following forced returns as ODA eligible.
- The DAC clarifications do not explain how reintegration following forced return can in actuality be separated from the donor's domestic migration concerns.
- Returns and reintegration programmes need to be rights-based and sustainable to have the
 potential of contributing to sustainable development in the country of origin, something that
 forced/coercive returns can hardly fulfill.

Previous DAC CSO Reference Group positions on the ODA eligibility of migration related activities:

- <u>Joint CSO policy recommendations for the DAC TWG on ODA eligibility of migration-related activities</u> (June 2021)
- Messages from the DAC CSO Reference Group in the second round of consultation with the DAC TWG on Migration and ODA eligibility (April 2022)

The following organisations contributed to and support this reaction: Act Alliance EU, ActionAid, AidWatch Canada, Caritas Europa, CONCORD Sweden, Global Fokus, Oxfam, CNCD-11.11.11.