



## Emerging TOSSD Reporting Instructions: eligibility of costs in provider countries – refugees

*TOSSD Task Force Issues Paper<sup>1</sup> – Agenda item 7.b*

*30 January – 1 February 2019*

### I. INTRODUCTION

1. During its first discussions on Pillar II and activities addressing global challenges, the TOSSD Task Force considered that the issue of migration was generally complex and could not be tackled straight away. However, in the context of developing the eligibility criteria for possible inclusion in Pillar II of expenditures in provider countries, an issue related to migration, namely support to refugees, needs to be addressed. The 2030 Agenda for Sustainable Development refers to refugees in paragraph 29 of the declaration: “(...). *We will cooperate internationally to ensure safe, orderly and regular migration involving full respect for human rights and the humane treatment of migrants regardless of migration status, of refugees and of displaced persons. Such cooperation should also strengthen the resilience of communities hosting refugees, particularly in developing countries.*” There is no explicit reference to refugees in the sustainable development goals or targets.

2. Section II of this paper first presents the internationally agreed definition of refugees and describes the treatment of support to refugees in provider countries in statistics on Official Development Assistance (ODA). Section III then presents another perspective to such support through an example from Saudi Arabia and building on insights from the TOSSD pilot study conducted in Costa Rica. Section IV invites discussion on the eligibility of support to refugees and migrants in provider countries in TOSSD Pillar II.

### II. DEFINITION OF REFUGEES AND TREATMENT OF SUPPORT TO REFUGEES IN PROVIDER COUNTRIES IN ODA

3. The internationally agreed definition of refugees can be found in the *Convention Relating to the Status of Refugees*, also known as the *1951 Refugee Convention* or the *Geneva Convention*. This is a United Nations multilateral treaty that defines who is a refugee, and sets out the rights of individuals who are granted asylum and the responsibilities of nations that grant asylum. According to the Geneva Convention, a refugee is someone who is unable or unwilling to return to his/her country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion<sup>2</sup>.

4. Expenditures by the official sector for the sustenance of refugees in provider countries can be counted as ODA during the first twelve months of their stay. This includes payments for refugees’ transport to the host country and temporary sustenance (food, shelter and training). The term refugees has been clarified to also include asylum seekers (who have applied but not yet obtained the refugee status), because

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<sup>2</sup> A more detailed definition can be found in Article 1 of the [Convention](#).

the refugee status is declarative: an asylum-seeker can be considered to fit within the refugee definition until it is determined that he/she does not fulfil the refugee criteria, i.e., is rejected.

5. This item also includes expenditures for voluntary resettlement of refugees in a developing country. Expenditures on deportation or other forcible measures to repatriate refugees is excluded from ODA. Amounts spent to promote the integration of refugees into the economy of the provider country, or resettle them elsewhere than in a developing country, are also excluded<sup>3</sup>.

6. However, there are a number of countries that are not signatories of the Geneva Convention (e.g. all the Gulf countries, namely Bahrain, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), but that also host refugees in their countries. An example of attention to refugees by Saudi Arabia is provided below. Moreover, countries hosting refugees do not always distinguish temporary sustenance to refugees from that provided to economic migrants.

### **III. ARAB PROVIDERS' SUPPORT TO "GUESTS" AND SUPPORT TO ECONOMIC MIGRANTS FROM TOSSD-ELIGIBLE COUNTRIES**

7. Some Arab providers, such as Saudi Arabia, are not signatories of the Geneva Convention. They however also host people in need of help and shelter, but refer to them as "guests" instead of "refugees" in the Saudi context. Data on the support provided to them is currently not included in international statistics on ODA since they do not meet the definition of "in-donor refugee costs": i) the "guests" cannot be defined as "refugees" or "asylum seekers"; and ii) the expenditures also include costs for the promotion of their integration into Saudi Arabia's economy which are not eligible.

8. The guests receive support, including for health, education and transportation, but also working permits when entering the country. In this regard it can be considered that they are likely to contribute to the economies of the host countries by working, paying taxes, etc. (In the ODA context, support in form of employment or vocational training is excluded as it is considered promoting the integration of the refugees in the provider countries, rather than a donor effort.)

9. If TOSSD is defined to include support to refugees in provider countries, it should be discussed whether a similar programme in Saudi Arabia (or elsewhere in the Gulf region), reflecting a different cultural setting and titled support to guests, should also be included. With regard to support to people fleeing from conflict and being hosted by countries not signatories of the Geneva Convention, it would be necessary to discuss whether any specific safeguards should be established in line with requirements of the Convention.

10. Countries also provide support to people from developing countries that are not refugees, but that might have had harsh experiences in their home countries and migrated for economic reasons. The TOSSD

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<sup>3</sup> For more detailed information on the treatment of in-donor refugee costs, including clarifications for eligible and non-eligible expenses, kindly check section II.6 of the OECD DAC Converged Statistical Reporting Directives available at <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/>. See section Data Collection and resources for reporters

pilot study conducted in Costa Rica showed that the country provides support to both refugees and economic migrants and that the data on this support do not distinguish between the two groups.

#### IV. TOSSD ELIGIBILITY ASPECTS TO BE CONSIDERED

11. From the point of view of the Balance of Payments (BoP), if migrants go abroad with the intention of staying for one year or longer, they are considered as being residents of that economy<sup>4</sup>. However, since it is difficult to ensure compliance with this definition due to lack of reliable data on the intentions, the 12-month rule is applied in practice. Support to refugees and migrants during their first 12 months of stay can therefore be considered as a transfer between residents and non-residents in the BoP.

12. The TOSSD Task Force has not yet concluded its discussion on the extent to which Pillar II expenditures need to benefit TOSSD-eligible countries. One of the proposed criteria in the 6<sup>th</sup> meeting of the Task Force was that activities implemented outside TOSSD-eligible countries would be eligible only if they: (i) provide direct benefits to TOSSD-eligible countries **or their populations**, or (ii) are implemented in co-operation with TOSSD-eligible countries or their institutions (...)<sup>5</sup>.

13. On the basis of the above, assistance to refugees and migrants during the first 12 months of stay in the provider country could be considered for inclusion in TOSSD Pillar II, e.g.

- ODA-eligible expenditures as listed in Annex 1.
- Programmes to help integrate refugees and migrants in the host society, such as vocational training and jobs programmes.
- Provision of services beyond basic sustenance.
- Support to associative bodies to promote the refugee and migrant population, programmes to reduce racism and xenophobia, etc.
- The establishment of Emigration Observatories to analyse the trends and impact of migration in countries of origin.

#### Issues for discussion

**Do TOSSD Task Force members agree with the inclusion in TOSSD Pillar II of support to refugees in provider countries during the first 12 months of their stay? Can TOSSD also include such expenditures if the provider country has not signed the Geneva Convention?**

**Do TOSSD Task Force members agree with the inclusion in TOSSD Pillar II of support to migrants in provider countries during the first 12 months of their stay?**

**What types of expenditures should be included? What are TOSSD Task Force members' views with regard to the inclusion of support beyond temporary sustenance?**

<sup>4</sup> See paragraph 4.128 of the Manual of Balance of Payments and International Investment Position of the IMF available at <https://www.imf.org/external/pubs/ft/bop/2007/pdf/bpm6.pdf>.

<sup>5</sup> See paragraph 17 of Issues paper prepared for Item 5 Definition of the second pillar of TOSSD prepared for the 6<sup>th</sup> TOSSD Task Force Meeting available at <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/Delineation-TOSSD-Pillar-II-WEB.pdf>.

## ANNEX I: ELIGIBLE AND NON-ELIGIBLE EXPENSES IN ODA FOR IN-DONOR REFUGEE COSTS

As per Clarification 4 of the DAC Converged Statistical Reporting Directives<sup>6</sup> eligible and non-eligible expenses are as follows.

### **Clarification 4. Eligibility of specific cost items**

Members are reminded that although provisions to refugees are a legal obligation, only some of these provisions can be counted towards ODA based on the Reporting Directives and their Clarifications. Comprehensive list of ODA-eligible expenditures for refugees (as defined in paragraphs 95-98), up to twelve months:

***i) All direct expenses for temporary sustenance (food, shelter, and training) prior and post recognition of refugee status.*** Post-recognition, care should be taken to only include expenses for sustenance that can still be qualified as temporary, and to exclude those of a more permanent nature that promote the integration of refugees into the economy of the donor country.

- Food and other essential temporary sustenance provisions such as clothing.
- Shelter i.e. temporary accommodation facilities (e.g. reception centres, containers, tent camps). In respect of buildings, only the costs of maintenance and upkeep may be reported as ODA. The cost of renting temporary accommodation facilities is eligible. (All construction costs are excluded, see list of non-eligible items below).
- Training
- Early childhood education, primary and secondary education for children (this includes school costs but excludes vocational training), as part of temporary sustenance.
- Language training and other ad-hoc basic training for refugees e.g. basic life skills for youth and adults (literacy and numeracy training).
- Other:
  - Basic health care and psycho-social support for persons with specific needs e.g. unaccompanied minors, persons with disabilities, survivors of violence and torture.
  - Cash “pocket money” to cover subsistence costs.
  - Assistance in the asylum procedure: translation of documents, legal and administrative counselling, interpretation services.

*Government subsidies to municipalities for covering the eligible costs listed above may be reported as ODA. Contributions by one donor to another donor to cover the eligible costs listed above should be recorded as ODA by the contributing country. The receiving country should not include this amount in its ODA figure.*

***ii) Voluntary repatriation of refugees to a developing country during first twelve months.***

***iii) Transport to the host country in the case of resettlement programmes and transport within the host country.***

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<sup>6</sup> Available at <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/> See section Data Collection and resources for reporters

**iv) Rescue of refugees at sea when it is the main purpose of the operation.** Only the additional costs related to the operation may be counted.

**v) Administrative costs:** Only overhead costs attached to the direct provision of temporary sustenance to refugees are eligible. This includes costs of personnel assigned to provide the above-listed services to refugees, but does not include costs of personnel who are not involved in the direct execution of these services, e.g. management, human resources, information technology.

**Non-ODA eligible costs include:**

- Promotion of the integration of refugees into the economy of the donor country: tertiary education, vocational/professional training, skills development, job programmes, wage subsidies, municipalities' costs for integrating and settling refugees (including through government subsidies for covering such costs).
- Construction costs (costs of building accommodation centres for refugees).
- Processing of asylum applications.
- Policing and border patrol at entry points, transit routes or accommodation centres.
- Security screening.
- Costs for border, air and coast guard patrols whose main purpose is the control and protection of borders, when rescue of refugees is not the primary intention of this activity.
- Counter-trafficking operations and costs for detention.
- Costs incurred for asylum-seekers undergoing “short”, “accelerated” or “fast-track” procedures in detention centres, airport holding facilities or any facility in which the right to freedom of movement is denied.
- Voluntary repatriation of refugees to a developing country after first twelve months.
- Costs for return of rejected asylum-seekers.
- Resettlement of refugees to another donor country.
- Forcible measures to repatriate refugees.