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**Should the criteria be expanded?  
Frequently Asked Questions on ODA criteria and security expenditures  
CCIC, May 2006**

**Who decides what counts as Official Development Assistance (ODA)?**

The Development Assistance Committee (DAC), based in the Organization of Economic Co-operation and Development (OECD), is a forum for the 22 donor countries that set the criteria for ODA by consensus. Based on detailed statistical reports from each donor, the DAC produces annual summaries of each member's contributions to development assistance. While donors such as CIDA may have differing fiscal years, DAC statistics are based on a calendar year.

**Do the criteria ensure that aid is spent on poverty eradication?**

Not necessarily. The criteria are only guidelines to help DAC members determine which expenditures are eligible to be counted as ODA and which are not. The criteria are generally poverty-oriented, but can be interpreted differently by different governments, and include other issues. Notably, support for refugees for their first year in the donor country and for developing country students studying in the donor country are included as ODA-eligible expenditures. These areas have little to do with poverty reduction in developing countries.

**Which security-related expenditures currently qualify as ODA?**

Support for local conflict prevention and peacebuilding efforts, de-mining, facilitation of peace negotiations, and democratic governance initiatives, undertaken by government, civil society or the private sector, are already included in the eligibility criteria for ODA. Based on decisions at the March 2005 meeting of the DAC, expenditures associated with non-military security sector reform, control of small arms and light weapons, and conflict resolution are also now ODA-eligible.

**What security expenditures might be included if the criteria are further expanded?**

Two controversial proposals for ODA criteria adjustment — reform and training of security and military forces in non-military practices (such as human rights and humanitarian assistance), and contributions to “peace support operations capacity” by developing country militaries — were debated, but not agreed upon, during the March 2005 DAC meetings. When the criteria were first established, DAC member strongly resisted that military-related cooperation programs between donors and developing countries could be counted as ODA. Members agreed to a moratorium on the debate until 2007. These security expenditures will likely be discussed when the debate is re-opened in 2007. Agreement must be made by consensus for any revisions.

**What are the chances that the criteria will be expanded in 2007?**

NGOs are concerned that pressure to expand the ODA criteria to include military-related activities will continue in the EU, the G-8 and the African Union, eventually leading to more pressure at the 2007 DAC meeting. In June 2005, European Union leaders visiting Canada publicly encouraged Canada to support further expansion of criteria for ODA.