



## **Updated Guidance on ODA-Eligible Activities for Preventing Violent Extremism: Implications and Opportunities for the European Union<sup>1</sup>**

### **Abstract**

*In February 2016 the Organisation for Economic Co-operation and Development (OECD) updated its guidelines for determining how development aid can be used and officially recorded. Influenced by evidence that violence is negatively affecting development assistance, the OECD determined that certain activities undertaken for the purpose of preventing violent extremism<sup>2</sup> (PVE) are now eligible as Official Development Assistance (ODA). PVE was previously viewed in the same category as counterterrorism by the OECD and therefore ineligible as ODA. By allowing PVE activities to be in the ODA category and thus clearly linked to development, the OECD has signaled a fundamental conceptual shift with profound implications for funders and recipients.*

*This paper assesses how the revised guidelines will impact the EU and its decisions on financing external support for actions to prevent violent extremism. It examines the situation before and after the aforementioned changes to ODA-eligibility rules took place, and concludes with some specific recommendations for the EU to consider in the future, including: devoting more resources to PVE activities across a wider array of EU Instruments (geographic and thematic); and urging the EU and its member states to press the OECD to collect, analyse and disseminate data on how PVE funds are spent when recorded as ODA.*

### **Executive Summary**

The European Commission has played an important and increasing role as a substantial provider of external development funds since the establishment of the European Economic Community and the creation of the European Development Fund (EDF) fifty years ago. It has provided billions of euros in aid to recipients and has become the largest humanitarian aid donor in the world. The Commission has also played an important role as an active observer in the OECD throughout that time and has been a leader in its efforts to increase the percentage of aid that the EU and its member states provide as Official Development Assistance (ODA) – which is used by the OECD for determining development assistance as percentage of a donor’s Gross National Income (GNI) each year. The EU aims to allocate 0.7% of GNI as development assistance by the year 2020. In order to meet these goals and more effectively address intertwined threats to peace and security, the EU has been under significant pressure to ensure that it carefully manages the allocation of ODA, ensuring that clear distinctions and delineations are maintained to separate ODA from Other Official Flows (OOF) funding, including counterterrorism and P/CVE. This delicate balance has been operationalised by taking measures such as managing thematic instruments that apply a mix of ODA (90

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<sup>1</sup> This report was written by Alistair Millar, Executive Director of the Global Center on Cooperative Security, a member

<sup>2</sup> While the European Union usually applies the term Preventing and Countering Violent Extremism (P/CVE), for the purpose of this think piece the term "PVE" will be applied in line with terminology by OECD, which is the focus here.



percent) and non-ODA (10 percent) funds that can be allocated to activities including counterterrorism.<sup>3</sup>

For more than a decade there has been debate about providing more support to the security-focused activities that are important to overcoming acute challenges to development but not permitted as ODA, particularly as the notion of the EU taking a more strategic approach to third-country support evolves. The EU has developed funding instruments and adapted its institutions to help build the capacities of partners while contributing to stability, security, and development. However, the ineligibility of security matters such as counterterrorism under ODA has restricted money for PVE that often falls in a grey area somewhere in the middle of the nexus between security and development.

In February 2016 the OECD's Development Assistance Committee (DAC) revised its guidelines at a High Level Meeting. The communiqué from the meeting explains that implementation of the recent post-2015 Sustainable Development Goals (SDGs) will require substantial resources to attract private sector support and enable more flexibility, while maintaining clear safeguards on peace and security expenditures.<sup>4</sup> The final section of the communiqué is devoted to PVE. Citing the UN Secretary-General's "Plan of Action to Prevent Violent Extremism," the DAC communiqué explains that certain PVE activities focused on research; education; activities that support rule of law; and working with civil society groups in developing countries, are reportable as ODA.

The implications of these changes in the realm of PVE could be quite far-reaching by providing legal and political cover to overcome challenges that have hampered support to activities on an issue that is not easy to determine where it rests in the nexus of security and development, especially when it has often been placed in the same basket as counterterrorism. The changes to the DAC guidelines allow donors, including the EU and its member states, to perform a wider array of partner-country-led activities that seek to prevent violent extremism through con-coercive means. With the revised DAC guidelines, it will now be possible for the EU to allocate as ODA-eligible some of the resources that have previously been reported as non-ODA.

The guidelines are a step in the right direction that fit well with the EU's Global Strategy and its desire for an integrated approach to conflict. However, there is still a need for more data on how much money is spent on PVE assistance, and who receives it.

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<sup>3</sup>The Lisbon Treaty entered into force on 1 December 2009. It consists of the Treaty on European Union and the Treaty on the functioning of the European Union and is the legal basis for the European Union. Development Cooperation Instrument Regulations stipulate that ODA must account for 100 percent of the geographical programmes and 90 percent of the thematic programmes. See: Mikaela Gavas, Svea Koch, Oladiran Bello, Jeske van Seters, and Mark Furness, "The EU's Multi-Annual Financial Framework post-2013: Options for EU Development Cooperation," European Think-Tanks Group, June 2011, pp. 3-4, <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7164.pdf>.

<sup>4</sup>OECD, "Communiqué."



This think piece ends with five core recommendations:

1. Increase allocations across all available geographic as well as thematic instruments to ensure ODA-eligible PVE funding is used to its full potential;
2. Maintain the level of non-ODA counterterrorism funding even though previously non-reportable funds can be allocated with ODA designated budget allocations;
3. Encourage the OECD to gather, analyse and disseminate data on development aid allocated to ODA-eligible PVE activities;
4. Use the revised DAC guidelines to strengthen engagement with development partners on PVE; and
5. Be more strategic by using the 2016 DAC guidelines to meet the goals laid out in the EU Global Strategy on issues that rest at the nexus between security and development.

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## Introduction and Background

The Organisation for Economic Co-operation and Development (OECD) grew from efforts to expand the positive impact of financing reconstruction and rebuilding economies in Europe after World War II.<sup>5</sup> With the intent of improving cooperation among economically advanced nations, twenty countries signed a convention in 1960 to create the OECD and to create policies that ensure that economic assistance is delivered effectively to support prosperity in the world's economies.<sup>6</sup> Although it does not have voting privileges, the European Commission has been very involved in the work of the OECD from the outset, with participation that "goes well beyond that of an observer."<sup>7</sup>

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<sup>5</sup> The creation of the United Nations (and its 1951 "Lewis Report" on Measures for the Economic Development of Under-Developed Countries) and the Bretton Woods Institutions also had an impact on the development of the Organisation for Economic Co-operation and Development (OECD).

<sup>6</sup> OECD, the *Convention on the Organisation for Economic Co-operation and Development* was signed in Paris on 14 December 1960. See: <http://www.oecd.org/general/conventionontheorganisationforeconomicco-operationanddevelopment.htm>. Eighteen European countries plus the U.S. and Canada signed the convention. The OECD was created almost a year later on 30 September 1961.

<sup>7</sup> See OECD, "Members and partners," 2016, <http://www.oecd.org/about/membersandpartners/>.



Today the OECD has 35 member countries that share good practice and shape the international development agenda. OECD analysts also produce useful comparable data including statistics on how development aid is distributed and used across the globe. In an effort to ensure that aid is recorded as—and spent on— economic and social development, the OECD’s Development Assistance Committee (DAC) adopted the concept of Official Development Assistance (ODA) in 1969 with the intent of recording and publishing ODA numbers as a percentage of gross national income (GNI).<sup>8</sup> ODA is defined as those flows to countries and territories on the “DAC List of ODA Recipients” and to multilateral development institutions.<sup>9</sup> The OECD strictly distinguishes ODA from Other Official Flows (OOF). Notably, for example, military aid cannot be reported as ODA.<sup>10</sup> Activities focused on combatting terrorism are also not reportable as ODA, “as they generally target threats to donor, as much as to recipient countries, rather than focusing on the social and economic development of the recipient.”<sup>11</sup>

In February 2016 a DAC High Level Meeting of the OECD decided to update its reporting directives on ODA in the field of peace and security.<sup>12</sup> Although the DAC maintains several safeguards, including preserving the mainly civilian nature of ODA, some support to the military is now recognised as ODA in exceptional and clearly delimited circumstances.

Specified activities on preventing violent extremism (PVE) are also now permissible, allowing certain specified activities including: education and research, community-based efforts, rule of law, and/or capacity building of judicial systems that are undertaken with the aim of preventing violent extremism.

This paper will assess how this change will impact the EU and its decisions on financing external support for actions to prevent violent extremism. It will examine the situation

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<sup>8</sup> At the time the DAC referred to gross domestic product, but gross national income is now used. The first introduction of the volume target was in 1958 as an initiative of the Geneva-based World Council of Churches: “(...) if at least one per cent of the national income of countries were devoted to these purposes, the picture would become much more hopeful.” Michael A. Clemens and Todd J. Moss, “Ghost of 0.7%: Origins and Relevance of the International Aid Target,” Center for Global Development, Working Paper 68, September 2005, pp. 3-5, [https://www.cgdev.org/files/3822\\_file\\_WP68.pdf](https://www.cgdev.org/files/3822_file_WP68.pdf).

<sup>9</sup> The “DAC List of ODA Recipients” is available at [www.oecd.org/dac/stats/daclist](http://www.oecd.org/dac/stats/daclist).

“Assistance is ODA eligible if it is:

- i. provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. each transaction of which: a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).

OECD, “Is it ODA?,” Factsheet, November 2008, p. 1, <http://www.oecd.org/dac/stats/34086975.pdf>.

<sup>10</sup> Exceptions now include costs incurred for the use of the donor’s military forces to deliver humanitarian aid or provide development services. Excluded military aid includes “the supply of military equipment and services, and the forgiveness of debts incurred for military purposes.” OECD, “Is it ODA?,” p. 2.

<sup>11</sup> OECD, “Is it ODA?,” p. 2.

<sup>12</sup> OECD, “Communiqué,” 19 February 2016, <https://www.oecd.org/dac/DAC-HLM-Communique-2016.pdf>.



before and after the aforementioned changes to ODA-eligibility rules took place, and will conclude with some thoughts and specific recommendations for the EU to consider in the future.

### **Where were we?**

How did the OECD DAC affect the EU's work on counterterrorism and PVE before February 2016? The European Commission (EC) has played an important and increasing role as a substantial provider of external development funds since the establishment of the European Economic Community and the creation of the European Development Fund (EDF) under the Treaty of Rome in 1957. Since then, the EDF and other instruments have provided billions of euros in aid to recipients in countries across Africa, Asia, the Caribbean, the Pacific and beyond; and the EU has become the largest humanitarian aid actor in the world. The OECD's peer review of the EU in 2012 noted that, "[b]ased on its USD 12.7 billion grant programme alone, in 2010 the EU was the third largest DAC member."<sup>13</sup> The EU now aims to increase the amount it provides as external aid by 25 percent in the 2014-2020 period, helping the EU to achieve a collective ODA commitment of 0.7 percent of GNI.<sup>14</sup> In order to meet these goals and more effectively address intertwined threats to peace and security, the EU has been under significant pressure to ensure that it carefully manages the allocation of ODA, ensuring that clear distinctions and delineations are maintained to separate ODA from OOF funding including counterterrorism and preventing/countering violent extremism. This delicate balance has been operationalised by taking measures such as managing thematic instruments that apply a mix of ODA (90 percent) and non-ODA (10 percent) funds that can be allocated to activities including counterterrorism.<sup>15</sup>

For more than a decade there has been debate about providing more support to the security-focused activities that were important to overcoming acute challenges to development but not permitted as ODA at the time, particularly as the notion of the EU taking a more strategic "comprehensive approach" to third-country support has gained currency in countries such as Somalia. The nexus between security and development was evident in the European Security Strategy of 2003, which stated that "security is the first condition for development" and in the European Consensus on Development policy statement two years later which explicitly emphasised the inexorability of the development-security link.<sup>16</sup> This was operationalised in several ways, including when

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<sup>13</sup> OECD, "European Union Development Assistance Committee (DAC) Peer Review 2012," 28 March 2012, p. 13, <https://www.oecd.org/dac/peer-reviews/50155818.pdf>.

<sup>14</sup> European Commission, "Financial Framework 2014-2020," 3 January 2016, [http://ec.europa.eu/budget/biblio/documents/fin\\_fwk1420/fin\\_fwk1420\\_en.cfm#draftcouncilregulation\\_1](http://ec.europa.eu/budget/biblio/documents/fin_fwk1420/fin_fwk1420_en.cfm#draftcouncilregulation_1).

<sup>15</sup> See footnote 1 above.

<sup>16</sup> European Council, *A Secure Europe in a Better World: European Security Strategy*, 12 December 2003, <https://www.consilium.europa.eu/uedocs/cmsupload/78367.pdf>. See the Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament, and the Commission on European Union Development Policy: "The



the EU created the Instrument for Stability (IfS) in 2004, the precursor of the Instrument Contributing to Stability and Peace (IcSP).. The EU developed this instrument so that it could delve further into the field of peace and security and enable it to reach the ambitious goals of the EU's Common Security and Defence Policy missions and operations, not least the capacity-building elements financed either through the Athena mechanism or from voluntary contributions of member states.<sup>17</sup>

Notwithstanding, fundamental questions were raised concerning the need for more incentives to allow the EU and its member states to allocate money to support humanitarian missions that involve military partners. According to Hans Merket, there was “a tense inter-institutional” negotiation “to solve the delicate question as to whether or not the IfS would be in a position to effectively walk the thin-line between security and development neither infringing upon the prerogatives of the one or the other by eventually securitising development or developmentalising security.”<sup>18</sup>

In 2011 the World Bank issued a groundbreaking report on *Conflict, Security and Development*, which convincingly made the case that “international assistance is not yet marshalling the resources needed to address the 21st-century challenges of repeated and interlinked violence and weak governance.”<sup>19</sup> The report accelerated the debate within the UN and the EU about how to make the post-2015 UN development agenda more sustainable, and raised the issue of revisiting some of the limits of existing ODA guidelines. The need for operational changes to fill the gap between security and development assistance was also flagged in the seven years of negotiations on EU reform in the Lisbon Treaty, and became part and parcel of the merger of the posts of the External Relations Commissioner and the High Representative for the Common Foreign and Security Policy (CFSP), the establishment of the European External Action Service (EEAS), and the merger of the EuropeAid Cooperation Office (AIDCO) and the Directorate General for Development and Relations with ACP States into the Directorate General for Development Cooperation (DG DEVCO) which implements the lion's share of the EU's ODA policy.<sup>20</sup>

In 2014 the IfS was replaced by the Instrument *contributing* to Stability and Peace (IcSP) in part as an effort to streamline the EU's comprehensive approach to prevention and peacebuilding, crisis response, and security threats. Two Articles in the Regulations for

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EuropeanConsensus: Official Journal of the European Union,” C 46, V. 29, 24 February 2006, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2006:046:TOC>.

<sup>17</sup> European Council, Council of the European Union, *Athena-financing Security and Defence Military Operations*, 8 January 2016, <http://www.consilium.europa.eu/en/policies/athena/>.

<sup>18</sup> Hans Merket, *The EU and the Security-Development Nexus: Bridging the Legal Divide* (Boston: Brill Nijhoff, 2016), p. 120.

<sup>19</sup> World Bank, *World Development Report 2011, Conflict, Security, and Development*, 2011, p. 270, [https://siteresources.worldbank.org/INTWDRS/Resources/WDR2011\\_Full\\_Text.pdf](https://siteresources.worldbank.org/INTWDRS/Resources/WDR2011_Full_Text.pdf).

<sup>20</sup> The merger was announced on 27 October 2010.



the IcSP in particular are germane to countering terrorism and preventing violent extremism. Article 3 on “assistance in response to situations of crisis or emerging crisis to prevent conflicts,” *inter alia*: a.) covers support to civil society, which is an essential element from promoting community resilience against groups or individuals seeking to recruit more terrorists; and b.) “measures to strengthen the capacity of law-enforcement and judicial authorities involved in the fight against terrorism.”<sup>21</sup> Article 5 covers assistance to authorities and other partners “in the fight against terrorism” and “the prevention of violent radicalism.”<sup>22</sup>

In 2015 an EU joint communication on capacity building in support of security and development looked at how to improve EU support to help build the capacities of partners while contributing to stability, security, and development. It concluded that “there is currently no EU budget instrument designed to provide a comprehensive financing to security capacity building in partner countries, in particular its military component.”<sup>23</sup> The ineligibility of counterterrorism under ODA has also made it difficult or at least complicated for DG DEVCO to allocate funds on preventing violent extremism, a grey area that fell somewhere in the middle of the nexus between security and development.<sup>24</sup> In November 2015 the EC produced a mapping report that noted that “the on-going discussions in the OECD on the possible revision of the ODA criteria is a development which needs to be followed closely and could lead to greater opportunities for EU counter-terrorism cooperation.”<sup>25</sup>

### **What has changed since the DAC revised its guidelines in 2016?**

The much anticipated changes to the ODA occurred after a DAC High Level Meeting in Paris on 18-19 February 2016. The communiqué from the meeting explains that implementation of the recent post-2015 Sustainable Development Goals (SDGs) will require substantial resources to attract private sector support and enable more flexibility, while maintaining clear safeguards on peace and security expenditures.<sup>26</sup> The

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<sup>21</sup> Article 9 is also devoted to civil society noting that “The preparation, programming, implementation and monitoring measures under this Regulation shall be carried out, where possible and where appropriate, in consultation with civil society.” The full text of the IcSP Regulation is available at: [http://ec.europa.eu/dgs/fpi/documents/140311\\_icsp\\_reg\\_230\\_2014\\_en.pdf](http://ec.europa.eu/dgs/fpi/documents/140311_icsp_reg_230_2014_en.pdf).

<sup>22</sup> *Ibid.*

<sup>23</sup> European Commission, High Representative of the European Union for Foreign Affairs and Security Policy, *Joint Communication to the European Parliament and the Council: Capacity Building in Support of Security and Development—Enabling Partners to Prevent and Manage Crises*, JOIN (2015) 17 final, 28 April 2015, p. 8.

<sup>24</sup> One report by the European Commission, for example, noted that “the Development Cooperation Instrument (DCI) has a strict Official Development Assistance (ODA) eligibility criteria, there is less scope in areas covered traditionally by the DCI for counter-terrorism related activities as counter-terrorism is currently illegible for ODA...”. European Commission, “Mapping and Study on EU Counter-Terrorism Activities,” November 2015, copy on file with the author.

<sup>25</sup> *Ibid.*, p. 11.

<sup>26</sup> OECD, “Communiqué.”



final section of the communiqué is devoted to PVE, which is “defined as promoting views which foment and incite violence in furtherance of particular beliefs, and foster hatred which might lead to inter-community violence.”<sup>27</sup> Citing the UN Secretary-General’s “Plan of Action to Prevent Violent Extremism,” the DAC communiqué explains that PVE activities in developing countries “are reportable as ODA, as long as they are led by partner countries and their primary purpose is developmental.” Eligible activities are then listed and include: research; education; activities that support rule of law—including building the capacity of criminal justice systems; and working with civil society groups “specifically to prevent radicalisation, support reintegration and deradicalisation, and promote community engagement.” It is also clear that financing activities to combat terrorism - “through kinetic activities and the use of force, and support for armed response or combat operations, whether by military or civilian police” - will remain excluded from ODA.<sup>28</sup>

According to a report from the Asia Foundation on the implications of the revised OECD DAC guidelines, “donors should also consider whether other forms of bilateral assistance with CVE objectives should be moved under the aid portfolio to improve coordination, strengthen results tracking, and ensure that CVE is sharply delineated from support for counter-terrorism.”<sup>29</sup> While this is advisable, the recommendations at the end of this document argue that EU funds for counterterrorism activities should not be reduced as a result of the revised DAC guidelines but, on the contrary, they should be increased. For example, at the EU-level, most, if not all of the money, that has been used to support STRIVE activities is now DAC eligible under the revised DAC guidelines; and that money can be moved under the aid portfolio. At the bilateral-level, funds provided by the Danish Ministry of Foreign Affairs, for example, to support PVE activities (such as the Strong Cities Network in the Middle East) could now be moved under Denmark’s ODA-eligible aid portfolio. In both cases, the percentage of non-ODA money available for counter-terrorism activities, such as Countering Terrorist Financing, should not decrease. This will allow for more investment in counterterrorism activities, as the money for PVE that can now be reallocated to aid portfolios can be replaced by funds for counterterrorism activities in the non-ODA allocation going forward. In other words, maintaining the same percentages of allocation for counterterrorism, will allow for more investment in non-ODA eligible counterterrorism activities.

## **Implications for the EU**

The implications of these changes in the realm of PVE could be quite far-reaching in three core areas. The first area is providing legal and political cover to overcome challenges that have hampered support to activities on an issue that is not easy to determine where it rests in the nexus of security and development, especially when it

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<sup>27</sup> *Ibid*, note 19.

<sup>28</sup> OECD, “Communiqué,” p. 16.

<sup>29</sup> Bryony Lau and Patthiya Tongfueng “Countering Violent Extremism in South Asia: the Role of Development Assistance, Asia Foundation April 2017. Available online at: <http://asiafoundation.org/wp-content/uploads/2017/04/Countering-Violent-Extremism-in-Asia-DevAsst.pdf>



has often been placed in the same basket as counterterrorism. One key challenge has been the uneasiness with which traditional development partners have viewed any efforts to include or integrate security-focused funding into longer-term aid. For example, numerous experts have argued that there is a creeping securitisation where “development goals might be undermined by security interests, either in terms of conflicting objectives, differing timelines, or simply because aid money might be diverted away from poverty reduction.” They argue such concerns “are well grounded: development aid is regarded by some EU policymakers as an instrument of “soft power.”<sup>30</sup> Having the legal basis for providing support for PVE activities will hopefully help to reduce concerns about the risk of using funds in an area that addresses security and development goals.

Political cover for this update in the DAC guidelines is also important. Linking the revised DAC guidelines to furtherance of the post-2015 Sustainable Development Goals aligns nicely with the EU’s own strategic aims and ambitions, outlined for example in the 2016 EU Global Strategy.<sup>31</sup> The EU Global Strategy explains that the EU “will deepen work on education, communication, culture, youth and sport to counter violent extremism” as well as leading “by example by implementing its commitments on sustainable development.”<sup>32</sup>

The second core implication of the new guidelines is perhaps the most obvious one: it helps to provide a gateway for allocating additional resources for PVE under thematic and geographic instruments where ODA-eligibility is a requirement. The changes to the DAC guidelines allow the donors, including the EU and its member states, to perform a wider array of partner-country-led activities that seek to prevent violent extremism through non-coercive means. With the revised DAC guidelines, it will now be possible for the EU to allocate as ODA-eligible some of the resources that has been allocated as support for counterterrorism specific activities.<sup>33</sup> For example, the funds allocated by DEVCO B5 to Strengthening Resilience to Violence and Extremism (STRIVE) programmes—including the money allocated to Global Community Engagement and Resilience Fund (GCERF)—can now be ODA-reportable as long as they align with the following four types of activities clearly stated in the new guidelines:

- **Education** is often an issue that is central to efforts that are both relevant and specific to preventing violent extremism. Research shows that youth are

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<sup>30</sup> Mark Furness and Stefan Gänzle “The European Union’s development policy: a balancing act between ‘a more comprehensive approach’ and creeping securitization” EISA, 2013 [http://www.eisa-net.org/bruga/eisa/files/events/warsaw2013/Furness\\_G%C3%A4nzle%202013\\_Creeping%20Securitisation\\_Warsaw%20SGIR.pdf](http://www.eisa-net.org/bruga/eisa/files/events/warsaw2013/Furness_G%C3%A4nzle%202013_Creeping%20Securitisation_Warsaw%20SGIR.pdf)

<sup>31</sup> European Union, “Shared Vision, Common Action: A Stronger Europe: A Global Strategy for the European Union’s Foreign and Security Policy,” June 2016, [http://europa.eu/globalstrategy/sites/globalstrategy/files/regions/files/eugs\\_review\\_web.pdf](http://europa.eu/globalstrategy/sites/globalstrategy/files/regions/files/eugs_review_web.pdf).

<sup>32</sup> *Ibid*, p. 20, 40.

<sup>33</sup> As labeled in a table of EU Actions in: European Commission, “Mapping and Study on EU Counter-Terrorism Activities,” November 2015, copy on file with the author.



particularly vulnerable to recruitment.<sup>34</sup> Access to quality education promotes critical thinking and is a powerful antidote that helps young people to question and reject extremist ideologies. The EU's education-specific interventions have amounted to billions of euros.<sup>35</sup> The previous guidelines stated that activities that focus on combating terrorism could not be reported as ODA, but now it will be possible to include educational activities with the aim of preventing violent extremism in partner countries. At an EU-sponsored high-level event and symposium on *Global Efforts in Integrating a Youth Dimension in Preventing and Countering Violent Extremism*, held during the 71<sup>st</sup> United Nations General Assembly last year, the issue of youth education was continually highlighted.<sup>36</sup> The need to provide more funds for activities that promote learning and critical thinking emerged as a key recommendation. The ability to account for future funds as ODA will help to ensure that the small amount of educational support for PVE activities increases where relevant.

- **Activities that support the rule of law.** One area highlighted by the DAC in its new guidelines is “building the capacity of security and justice systems in specific skills required for the prevention of extremist or terrorist threats, such as in the collection and correct use of evidence or fair trial conduct, to ensure more effective and human rights-compliant behaviours.”<sup>37</sup>
- **Working with civil society groups** “specifically to prevent radicalisation, support reintegration and deradicalisation, and promote community engagement.”<sup>38</sup> In 2016 the European Union funded a study that provided recommendations for building community resilience.<sup>39</sup> The study provides examples of efforts that are currently underway to support civil society and its activities to prevent violent extremism and it calls for more investment in the programs. The new DAC guidelines provide an opportunity to allocate ODA-acceptable funds to these activities in the future, including STRIVE and GCERF grant programmes that support nongovernmental partners at the local level.
- **Research into positive alternatives** to address causes of violent extremism in developing countries. For example, providing PVE-specific support for after

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<sup>34</sup> Thomas Koruth Samuel, “The Lure of Youth Into Terrorism,” Southeast Asia Regional Centre for Counter-Terrorism (SEARCCT), 21 March 2017, <http://www.searcct.gov.my/publications/our-publications?id=55>.

<sup>35</sup> Particip GmbH, “Thematic Global Evaluation.”

<sup>36</sup> CT Morse, “Global Efforts in Integrating a Youth Dimension in Preventing and Countering Violent Extremism,” n.d., <http://ct-morse.eu/global-efforts-in-integrating-a-youth-dimension-in-preventing-and-countering-violent-extremism-2/>.

<sup>37</sup> OECD, “Communiqué,” p. 16.

<sup>38</sup> Reference missing

<sup>39</sup> Eric Rosand, “Communities First: A Blueprint for Organizing and Sustaining a Global Movement Against Violent Extremism,” The Prevention Project, December 2016, [http://www.organizingagainstve.org/wp-content/uploads/2016/12/Communities\\_First\\_December\\_2016.pdf](http://www.organizingagainstve.org/wp-content/uploads/2016/12/Communities_First_December_2016.pdf).



school sports programmes in localities that deemed (as the result of field research) to have school-aged youth that are vulnerable to recruitment by violent extremists would provide those youth with a sense of belonging in a sports team as positive alternative to allure of joining the ranks of groups such as Al-Shabaab or Boko Haram. The European Commission has highlighted the fact that “violent radicalisation is a complex and evolving challenge that calls for new and wide-ranging responses” in its communication to the Parliament and Council.<sup>40</sup> In particular it has called for more funding to support “systematizing the available knowledge and expertise to support strategic decision-making; enhancing interdisciplinary fieldwork on terrorists’ recruiting grounds, socialisation and techniques; using big data in order to analyse the information related to the communication practices of violent radicalisation; improving existing links between academia including non-EU researchers, policy-makers and other stakeholders; and research and education on languages, cultures, religions and ideologies.”<sup>41</sup> The EU-funded Radicalisation Awareness Network (RAN) brings together practitioners, including researchers from around Europe working on the prevention of radicalisation. This could be expanded to include a wider array of network partners in third countries. Given that this research is now permissible as ODA, other funding allocated to research on violent extremism, such as the European Research and Technological Development (FP7) and the Horizon 2020 scheme could also provide a model for supporting research in developing countries, where a wealth of local knowledge exists yet remains untapped for lack of funds.

- With the revision of the Guidelines and the acceptance of PVE as ODA in certain circumstances, it is assumed additional ODA resources will be utilised on these priorities. This could result in non-ODA resources otherwise being utilised on PVE in the past to be focused on more specific (non-ODA) counterterrorism activities

Non-ODA resources should be maintained so that more counterterrorism programmes get support. In other words, the reallocation should enable DEVCO, for example, to underwrite more activities related to intelligence cooperation and counterterrorism-specific training that remain explicitly ineligible under the DAC guidelines. At the same time, possible PVE activities that do not comply with the OECD-defined DAC guidelines should not fall victim of reduced funding possibilities, but rather remain as a focus areas under the non-ODA funding streams.

### **The need for more data**

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<sup>40</sup> European Commission, “Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Supporting the Prevention of Radicalism Leading to Violent Extremism,” COM(2016) 379 final, 14 June 2016, p. 16, [http://sgroup.be/sites/default/files/Communication-preventing-radicalisation\\_en%20%284%29.pdf](http://sgroup.be/sites/default/files/Communication-preventing-radicalisation_en%20%284%29.pdf).

<sup>41</sup> *Ibid*, p. 4.



As was noted in the introduction of this paper, one of the key contributions from the OECD comes from its data collection and analysis. The OECD *iLibrary*, for example, is a sophisticated web-based platform that is searchable and contains vital information on development resource flows, including geographic distribution and information about flows that do meet ODA criteria.<sup>42</sup> This data, and the analysis that flows from it, provide useful information for reporting on, as well as monitoring and evaluating, programmes - to help measure the impact of development assistance and to see where there are gaps or duplication of efforts.<sup>43</sup> Unfortunately, even though PVE has been included as an ODA-eligible area of focus by the DAC in the revised DAC guidelines, it “is not yet an official reporting category.”<sup>44</sup> The OECD should be encouraged to collect, analyse, and disseminate its data and findings on development aid allocated for the purpose of preventing violent extremism.

## Recommendations

- 1. Increase the proportion of ODA-eligible PVE spending across all available geographic as well as thematic instruments to ensure that the ODA-eligibility of PVE Funding is used to its full potential.** Review current allocations of EU funding that have been applied as non-ODA-eligible (and previously marked as counterterrorism specific) and increase PVE expenditures. An assessment across the areas permissible under the revised DAC guidelines—on issues related to education, the rule of law and criminal justice, civil society, and research—should be undertaken to determine if work on preventing violent extremism can be allocated as ODA. This could have an impact on the amount and use of support for STRIVE, including GCERF, as well as an array of interventions under thematic and geographic instruments that have been limited or not been used to fund PVE in the past. A useful starting point for this assessment would be the European Commission’s “Mapping and Study on EU Counter-Terrorism Activities” referenced in this paper.
- 2. Maintain the level of non-ODA counter-terrorism funding.** Be proactive in using funds for **counterterrorism interventions** that remain ODA-ineligible (such as training on intelligence sharing or countering the financing of terrorism). As money that was previously restricted is reallocated for PVE as

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<sup>42</sup> See OECD *iLibrary*: <http://www.oecd-ilibrary.org/statistics;jsessionid=bac8fkq6fqa4m.x-oecd-live-03>.

<sup>43</sup> OECD, “Monitoring and Evaluation,” in *Managing Aid: Practices of DAC Member Countries*, 2009, [http://www.oecd-ilibrary.org/development/managing-aid/monitoring-and-evaluation\\_9789264062689-11-en](http://www.oecd-ilibrary.org/development/managing-aid/monitoring-and-evaluation_9789264062689-11-en).

<sup>44</sup> Sarah Dalrymple, “New Aid Rules Allow for the Inclusion of a Wider Set of Peace and Security Activities,” Development Initiatives, 29 February 2016, <http://devinit.org/post/new-aid-rules-allow-for-the-inclusion-of-a-wider-set-of-peace-and-security-activities/>. It is also worth noting that the search term “violent extremism” yields “0 results” in the *iLibrary*.



ODA, the percentage of non-ODA money should be used by the EU to fill gaps and even *increase* support for civilian-led counterterrorism activities.

- 3. Encourage the OECD to gather, analyse, and disseminate data on development aid allocated to ODA-eligible PVE activities.** This data would help to inform and thus enhance monitoring evaluation in a field that has been difficult to track in terms the amount of funds spent and the impact of programming. This data should also be used to complement the Global Counterterrorism Forum's (GCTF) International Counterterrorism/Countering Violent Extremism Clearinghouse Mechanism (ICCM) so that information from the GCTF's DAC members and partners including the EU, is captured and used to further improve coordination.
- 4. Use the revised DAC guidelines to strengthen engagement with development partners on PVE.** The EU has initiated a P/CVE Community of Practice engaging a range of international donors and international organisations.. This forum should also look at how to leverage resources to prevent violent extremism in compliance with the 2016 DAC guidelines.
- 5. Be more strategic.** Use the 2016 DAC guidelines to meet the goals laid out in the EU Global Strategy on issues that rest at the nexus between security and development, such as the Sustainable Development Goals Number 16 and ODA-eligible initiatives to prevent violent extremism. The DAC guidelines will allow for the use of more money from a wider array of instruments (geographic as well as thematic). Therefore, operational strategic clarity will be needed more than ever to ensure streamlined delivery as well as monitoring and evaluation of results.