**Item 3. Specific issues**

*Differences in coverage of concessional flows between TOSSD and ODA*

IAEG-SDGs - Working Group on the Measurement of Development Support

Virtual meeting, 23 March 2021
## Main differences between TOSSD and ODA

<table>
<thead>
<tr>
<th></th>
<th>TOSSD</th>
<th>ODA</th>
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<tbody>
<tr>
<td><strong>Objective of the measure</strong></td>
<td>Measuring resources in support of sustainable development</td>
<td>Measuring donor effort</td>
</tr>
<tr>
<td><strong>Key eligibility criterion of the measure</strong></td>
<td>Sustainable development</td>
<td>Economic development and welfare of developing countries (no sustainability criterion is applied)</td>
</tr>
<tr>
<td><strong>Main focus</strong></td>
<td>Recipient</td>
<td>Provider</td>
</tr>
<tr>
<td><strong>Scope of flows covered</strong></td>
<td>Officially-supported flows: official flows and private finance mobilised through official interventions</td>
<td>Official flows</td>
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<tr>
<td></td>
<td>Concessional and non-concessional</td>
<td>Concessional</td>
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<tr>
<td></td>
<td>Concessionality definition of the IMF/World Bank (used by developing countries and multilateral institutions)</td>
<td>Concessionality definition of the DAC</td>
</tr>
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<td><strong>Measurement</strong></td>
<td>Cash flow</td>
<td>Grant equivalent. Method of the DAC to measure donor effort in providing concessional loans.</td>
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<tr>
<td><strong>Target countries</strong></td>
<td>DAC List of ODA Recipients and other countries on an opt-in basis</td>
<td>DAC List of ODA Recipients</td>
</tr>
<tr>
<td><strong>Reporters</strong></td>
<td>Ambition: All providers (SSC providers reported in the first data collection exercise)</td>
<td>DAC and some non-DAC countries</td>
</tr>
<tr>
<td><strong>Governance arrangements</strong></td>
<td>Ambition: driven by the international community through the UN</td>
<td>DAC-driven</td>
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TOSSD and ODA: two different perspectives/points of measurement

**ODA (Concessional)**

- **(A) Bilateral flows**
  - Earmarked contributions \( \text{inflows} - \text{A.A} \)
  - Unearmarked / core contributions \( \text{inflows} - \text{A.B} \)

**TOSSD (Concessional and non-concessional)**

- **(B) Provider-based allocation**
- **(C) Agency-based allocation**
- **(D) Multilateral flows**

**Provider country**

- Funds raised from private sources

**Partner country**

**In ODA – Provider perspective**
- Countries report on A, A.A and A.B

**In TOSSD – Recipient perspective**
- Countries report on A
- Multilateral institutions report on B, C and D (more granular information)
More granular information in TOSSD on funding through multilateral institutions

- **Multilateral development banks:** Additional data on projects funded from various trust funds (not available in ODA data)
  - + 64 Trust Funds (all regional MDBs reported)
  - + 638 activities (concessional and non concessional can be identified separately)
  - + USD 430 million

- **UN entities:** additional data on non-core outflows for + USD 20 billion
Differences between TOSSD & ODA: more transparency to recipient countries

- The data show how TOSSD provides more transparency on sustainable development finance at country level 1/ coming from new reporters, 2/ activities that do not qualify as ODA but support sustainable development and 3/ concessional (and non concessional) outflows of multilateral institutions.

For example, for Guatemala, 217 new activities were reported, representing an increase of 11% in volume terms.

Examples of additional activities:

**South-South co-operation:**
- Various activities – Chile (does not report to ODA)

**Activities beyond ODA for DAC members:**
- Peace and security (Fight against transnational crimes, border security) – France & Canada

**Non-core resources by multilateral institutions**
- Ending violence against women by UN inter-agency pooled funds
- Strengthen justice & security sectors by UNODC
- Social protection by UNDP
- Other activities by UNFPA, UNICEF, WFP, WHO

<table>
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<tr>
<th>USD 516 million</th>
<th>USD 572 million</th>
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<tr>
<td>Development finance captured in current statistics</td>
<td>TOSSD</td>
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</table>
A larger number of providers

- TOSSD aims at providing data from a much larger number of provider countries and institutions
- Many of these countries do not report to the ODA framework because their co-operation does not comply with the ODA definition (e.g. SSC providers focus on mutual benefit and not on economic development and welfare of developing countries as main objective)

Examples of additional activities:

South-South co-operation:
- In-kind TC by Indonesia
- Triangular co-operation by Costa Rica and contributions to IPGs e.g. expenditures to maintain global biodiversity

Spending from various trust funds and other non-core resources by multilateral organisations:
- Water supply by IDB
- Working Conditions in the Agro-Export Sector by ILO

10 additional reporters (*)
- Chile
- Costa Rica
- Indonesia
- Nigeria
- Private Infrastructure Development Group
- SESRIC
- UN Capital Development Fund
- UN inter-agency pooled funds
- UN Office on Drugs and Crime
- UN Secretariat

(*) Compared to the OECD Creditor Reporting System
Thank you!