



CONCEPT NOTE

UN Statistical Commission – Panel Discussion

TOSSD: A statistical measurement framework for tracking the Means of Implementation to achieve the SDGs

6 March 2017 • 8:15 – 9:30am • Conference room A

Objectives of the discussion

- To advance understanding about the nature and potential future role of the TOSSD measurement framework in global monitoring of SDG implementation, in particular finance supporting the “Means of Implementation” for achieving the SDGs.
- Explore collaboration opportunities with UNSC members regarding further work on the TOSSD concept in order to ensure its relevance to SDG monitoring efforts, including as an international statistical standard against which all providers of development co-operation could report.

Background

In order to maximise the financing potential of the international system, the Addis Ababa Action Agenda called for the international community to work with the international community to work in an open, inclusive and transparent way to devise a statistical measurement framework – Total Official Support for Sustainable Development (TOSSD).¹ This metric would contribute to monitoring the Means of Implementation of the SDGs, and in particular fill important data gaps under SDG 17.

TOSSD will track all financing provided by official bilateral and multilateral institutions – regardless of the level of concessionality involved or instrument used. It will potentially capture private resources that are mobilised through official means. The framework is composed of two pillars: i) cross-border flows, and ii) support for promoting development enablers and addressing global challenges (the Global Public Goods agenda)².

The TOSSD measure aims to complement, and not replace, ODA by creating appropriate incentives for using international public finance (ODA and non-concessional official resources) in innovative ways to mobilise additional resources. While ODA will primarily remain a benchmark for providers' efforts, TOSSD aims to measure providers' gross contributions to cover recipients' financing needs.

A preliminary statistical breakout of the new TOSSD measurement framework is provided in Table 1 below, along with early estimates of the order of magnitude of TOSSD flows. Please note that these figures are initial, partial estimates and are provisional pending international discussions on the statistical boundaries of this measure. As such, they should not be quoted at this time.

¹ For more information, please see on the OECD website the main [TOSSD web page](#), the [TOSSD events](#) page and the [international consultation on TOSSD](#) carried out in 2016.

² For more information on the technical definition of TOSSD see the most recent [TOSSD flyer](#) detail on i) the rationale and key components/features of TOSSD and ii) findings from a TOSSD pilot in Senegal assessing the relevance and utility of the TOSSD cross-border flow pillar from a developing country perspective.

Table 1: First estimates of the order of magnitude of TOSSD

USD million, 2014, gross disbursements	ESTIMATES	NOTES AND SOURCES
PILLAR I: CROSS-BORDER FLOWS		
Official bilateral flows from DAC providers (excluding EU institutions)		
Grants	78 453	<i>Proxy: ODA grants disbursements excluding in-donor costs (imputed student costs and refugees in-donor country) and debt relief (CPA).</i>
Concessional loans and other instruments	18 852	<i>Proxy: ODA loans, debt swaps and equity</i>
Non-concessional loans	10 214	<i>Proxy: Other official flows, including loans other than export credits, and excluding debt swaps, bank securities and equity</i>
Non-concessional, other instruments	1 578	<i>Refers to debt swaps, bank securities and equity</i>
Official flows from emerging market economies		
Development co-operation flows	30 654	<i>OECD data from 19 reporting countries and estimates from 10 other countries</i>
Estimates of broader International Co-operation	300 000	<i>Estimates based on research undertaken by the Secretariat. Approximately 96% of this figure relates to finance from the Chinese EXIM-bank and the China Development Bank. OECD working paper (forthcoming)</i>
Official flows from multilateral institutions (including EU institutions)		
Grants	35 166	<i>Multilateral outflows for DAC reporting organisations and a proxy for non-reporting organisations (based on inflows).</i>
Concessional loans and other instruments	24 207	<i>Proxy: ODA loans, debt swaps and equity from multilateral organisations.</i>
Non-concessional loans	42 320	<i>Excluding bank securities and equity</i>
Non-concessional, other instruments	1 116	<i>Refers to bank securities and equity</i>
Mobilised private finance through official means and export credits (flows for consideration under TOSSD)		
Private finance mobilised according to the latest DAC survey on amounts mobilised	14 200	Proxy: private finance mobilised according to the latest OECD data survey .
Officially-supported export credits	24 000	<i>Proxy: as reported in DAC statistics.</i>
PILLAR II: SUPPORT FOR DEVELOPMENT ENABLERS AND GLOBAL CHALLENGES		
Total flows supporting development enablers and global challenges	N/A	<i>Work will continue to define the scope and parameters of Pillar II.</i>

POTENTIAL TOSSD (PILLAR I + II)	580 760	<i>For reference, gross ODA amounts to USD 169 558 million in 2014.</i>
OTHER CROSS-BORDER FLOWS (Although not necessarily for consideration under TOSSD, these flows are important to reflect for partner countries in order to provide a comprehensive picture of external flows).		
Private flows at market terms		
Foreign Direct Investment	151 939	<i>Source: OECD statistics</i>
Other securities, including bonds	201 349	
Charitable grants (NGOs, Foundations)	34 658	<i>Source: OECD statistics</i>
Remittances	212 209	<i>Source: WB remittances database</i>
Total	600 155	

The OECD has been consulting extensively on TOSSD. Consultations undertaken so far have highlighted the added-value of TOSSD to provide a fuller picture of providers' contributions to development. TOSSD estimates would inform international policy discussions about the spread, magnitudes, use and nature of broader development finance towards SDG implementation; facilitate learning and exchange of good practices; provide a tool for mobilising additional resources and help strengthen decision-making when setting up complex project financing arrangements.

Leveraging instruments/mechanisms, such as guarantees, syndicated loans and shares in collective investment vehicles (development-related investment funds), and the private finance they mobilise would be part of the TOSSD framework. OECD Development Co-operation Directorate data surveys have revealed that in 2012-14, these three instruments mobilised USD 36.4 billion from the private sector³. Of the total amount mobilised, 19% was climate-related, most of it focusing on climate change mitigation. In close collaboration with development finance institutions' experts and the OECD-led Research Collaborative on tracking private climate finance, further methodological work is underway to track and measure amounts mobilised through a broader range of instruments.

It will be important for all parts of the international system – including the international statistical community through the United Nations Statistical Commission (UNSC) – to actively engage in forward work to develop TOSSD as an international statistical standard. A "TOSSD Working Group", with broad participation of international statistical experts and policymakers, will be established following the March 2017 UNSC meeting with a view to carrying forward work to develop the TOSSD measurement framework. The Working Group will carry out work to clarify how the TOSSD concept could best contribute to SDG monitoring efforts and identify relevant statistical features and parameters. The ambition is to establish a robust statistical tool for furthering transparency and informing analytical work by the international community in support of the 2030 Agenda.

Questions for discussion

- How might the TOSSD metric fill in some of the data gaps that exist for monitoring SDG targets?
- How can the international statistical community, including UNSC members, play an active role in developing TOSSD to ensure it will be a coherent and objective measurement framework for tracking broader resources financing the SDGs?

³ For more information on the DAC work on mobilisation see: <http://www.oecd.org/dac/stats/mobilisation.htm>.