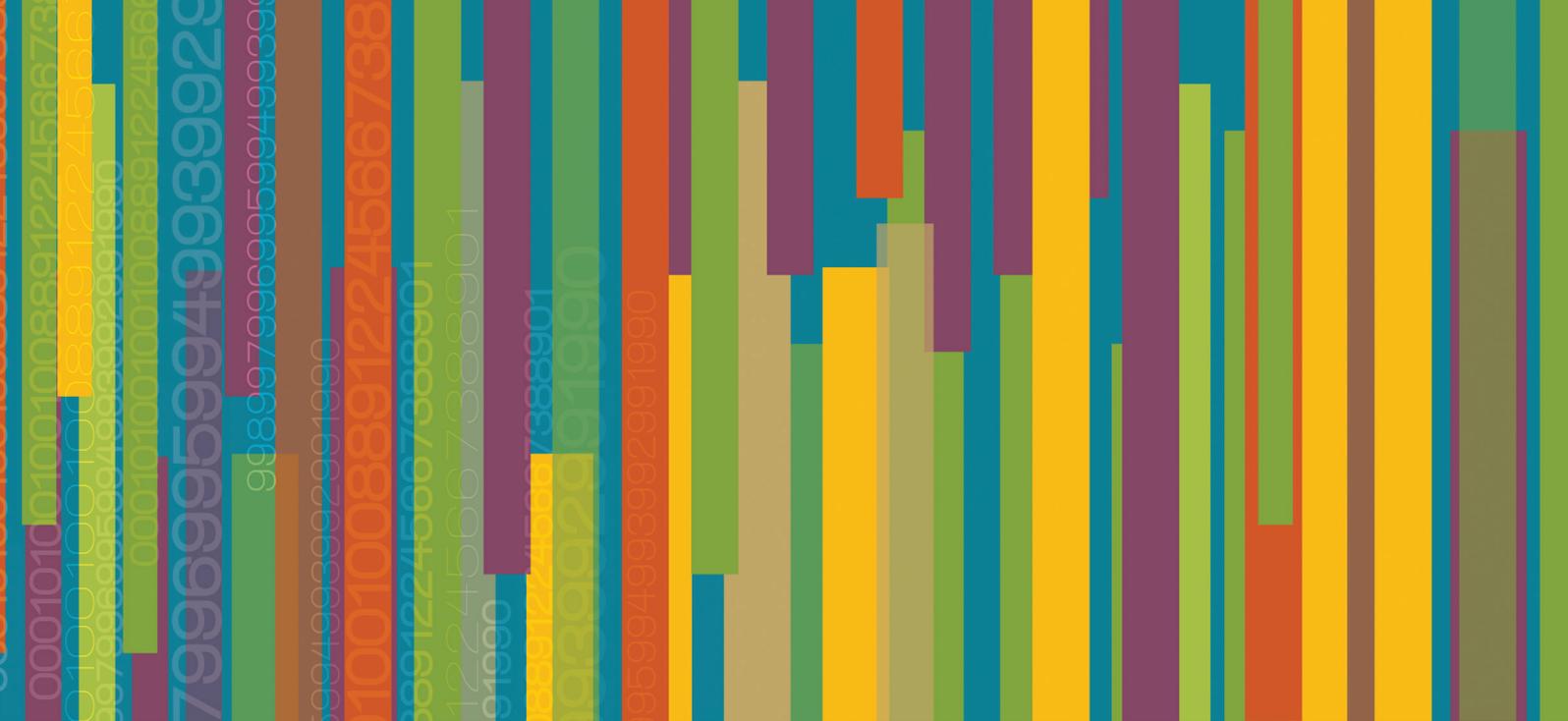


Development Co-operation Report 2017: DATA FOR DEVELOPMENT HIGHLIGHTS





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FOREWORD

Data and statistics are part of the OECD's DNA. They underpin, shape and inform our policy advice to promote better policies for better lives in all the countries we work with, numbering over 100, across all regions and levels of development.

In an era of fake news and alternative facts, good data are even more vital. All citizens have the right to true, reliable and accessible information. This is particularly important in the development field, since world leaders adopted the transformative 2030 Agenda for Sustainable Development in September 2015. Achieving the Sustainable Development Goals (SDGs) will require informed choices about priorities and strategies, and for this we will need a better evidence base than we have today.

The continued lack of basic data along with weak statistical systems remain major stumbling blocks to achieving the SDGs. For example, there are no data for about two-thirds of the 232 SDG indicators, and 88 indicators have neither an agreed methodology nor data for measuring them. Even when data are available, they are often insufficiently disaggregated, making it difficult for policy makers to track or compare the situations of different population groups or communities.

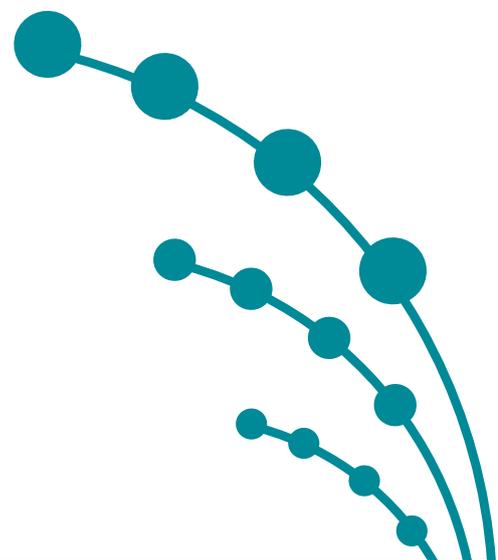
A key reason for this poor capacity is that official statistics in developing countries do not get the resources they need. Aid for building statistical systems was about 0.30% of total official development assistance over the past three years, equivalent to USD 600 million per year.

This is why the OECD decided to focus its annual Development Co-operation Report on data for development. The good news is that conditions have never been riper for developing countries to harness the data revolution. The global push for evidence-based policy making and the centrality of data to deliver the SDGs, combined with new technology, make it easier, faster and cheaper to produce and use the data we need.

This report not only provides a comprehensive and in-depth analysis of the political and structural constraints faced by countries; it also formulates concrete options for policy makers to build on the new opportunities and make data work for sustainable development. It shows how governments, national statistical offices, citizens, and public and private development partners can work together to fill data gaps, generating and using better data, for better development policies for better lives.



Angel Gurría
OECD Secretary-General



EDITORIAL: WITH GREAT DATA COMES GREAT RESPONSIBILITY

by Charlotte Petri Gornitzka, *Chair, Development Assistance Committee* and Jorge Moreira da Silva, *Director, Development Co-operation Directorate, OECD*

If USD 142.6 billion falls in the forest of development and no one hears it, does it matter?

That depends on who you are. While mothers in Afghanistan or South Sudan can tell you how their families' lives have been transformed by effective development programmes every single day, strong data are needed to communicate how these billions of dollars improve the human condition and create more stable societies for all.

In 2016 official development assistance (ODA) to support development goals represented 0.32% of gross national income, an all-time high. However, aid to those who need it most, including least developed countries (LDCs), is declining. The June 2017 report card on the 2030 Development Agenda – the world's roadmap to end poverty, inequality and injustice for all by 2030 through a set of 17 goals and 232 indicators – tells us progress is slow and data are incomplete.

Now, more than ever, we need to tell the 360-degree story of how development investment touches lives and supports a more secure, stable and prosperous world. Data on development have the ability to amplify human stories beyond the borders of fragile and least developed states. The future of development co-operation depends on hard evidence about the impact that ODA has – and can have – with increased and well-targeted investments. We can't afford not to get a clear picture and turn up the volume.

Fortunately, we have better tools than ever to get the data on development results right. Big data are now being used to tell us how to respond to an e-mail and what news we should read. We know that big data are being used by corporations to predict customers' behaviour, suppliers' performance, equipment failures and planning preventive maintenance. But big data also offer significant impact on energy, environment and healthcare. The combination of big data with genomics has the potential to uncover diseases that prevail in localised geographical areas. The data revolution has tremendous potential to inform innovative development policies and open new doors for individuals in developing countries. However, a dangerous data gap is leaving some of the most vulnerable groups of people invisible while others are propelled forward.

Let us take a look at the data on the development data gap. Just over half of all countries fully register when babies are born and when people die. Only 37 countries have statistical laws that meet UN standards. Not surprising, then, that no data whatsoever exist for two-thirds of the Sustainable Development Goal (SDG) indicators.

The development co-operation community has a responsibility to translate the ever-accelerating developments in data to on-the-ground development results by supporting sophisticated country-led systems, especially in LDCs. Strong systems require human brainpower and heart if they are to collect quality, timely and disaggregated data, especially for those most at risk of being left behind. The *2017 Development Co-operation Report* highlights six immediate recommendations for existing and future investments in development.

What will these actions take? Simply increasing the quantity of aid will not guarantee success. The quality of financing for statistics needs to improve to reduce duplication and better target and co-ordinate investments where the impact is greatest. It requires political will to make data a strategic cross-cutting priority in development co-operation policies. If current levels of ODA spent on statistics increased by USD 200 million annually it would fill the funding gap for producing data for the SDGs in developing countries. Talk about bang-for-buck: less than 1% of total assistance to maintain the credibility of the other 99% and its delivery to those who need it most. That's the development win-win: investing in data for development gives voice to those who feel its impact, helps target aid to where it is needed most, while presenting a higher definition picture of results to taxpayers in countries that provide development co-operation.

BRIDGING THE DATA DIVIDE FOR DEVELOPMENT

Why it matters

WHAT WE KNOW

Better policies demand better data

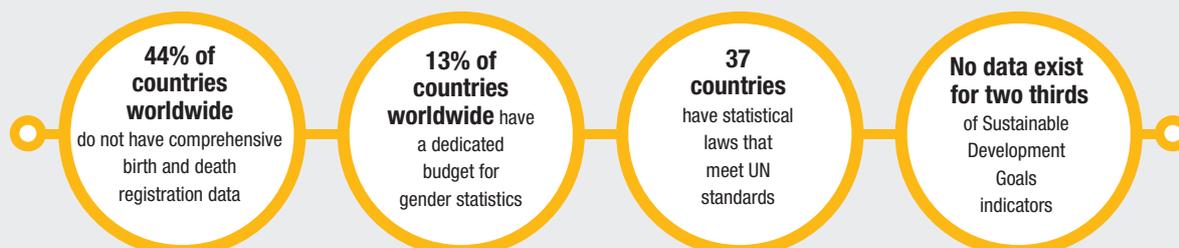
THE GLOBAL CHALLENGE

To achieve the Sustainable Development Goals, we need to know more about people's lives

WHAT'S NEW

New technology makes it easier, faster and cheaper to produce better data for policy making

Good data for development are lacking



Together, development partners can help bridge the data divide

SIX DATA ACTIONS

- ✓ Make **statistical laws, regulations and standards** fit for evolving data needs
- ✓ Increase efficiency and impact of **investment in data and capacity building** through co-ordinated, **country-led** approaches
- ✓ Improve the quantity and quality of **financing for data**
- ✓ Invest in and use **country-led results data** to monitor progress made towards the Sustainable Development Goals
- ✓ Boost **data literacy** and modernise **statistical capacity building**
- ✓ Make **data on development finance** more comprehensive and transparent

Source: OECD (2017), *Development Co-operation Report 2017: Data for Development*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/dcr-2017-en>

EXECUTIVE SUMMARY

Data are a prerequisite for delivering the United Nations (UN) 2030 Agenda for Sustainable Development and ensuring that no one is left behind. The Development Co-operation Report 2017 focuses on data for development because quality, timely and disaggregated data are crucial for achieving the ultimate goal of development: improving the welfare of people and fighting poverty. There is, however, a major risk that the continued scarcity of basic data in developing countries about people and the planet, and weak incentives and capacity to fill these gaps, will hold back success.

The Sustainable Development Goals (SDGs) are putting high demands on national statistical systems the world over. Most countries, including many OECD countries, have not yet started collecting data for many indicators in the UN global SDG indicators framework. The challenges are even more critical for many developing countries with low statistical capabilities. For example, 77 developing countries have inadequate poverty data. Only 56% of countries worldwide have birth registration data that are 90% complete, with just 15% of countries in sub-Saharan Africa having these data, 33% in Southern Asia and 36% in Southeast Asia. Only 37 countries have national statistical legislation that complies with the UN's Fundamental Principles of Official Statistics. Serious methodological and strategic challenges still need to be met, including the need to strike a balance between producing the data for global monitoring, on the one hand, and for national policy making on the other.

This report analyses how developing countries and their development co-operation partners can bridge the data divide by seizing the unprecedented opportunity – and mitigate the risks – presented by the convergence of the power of technology with the most ambitious development plan to date: the 2030 Agenda. New technology and the so-called data revolution make it easier, faster and cheaper to produce data that decision makers need to make informed choices on policies and priorities. However, simply producing more data is not enough: data must be transformed, analysed and used to be useful for policy making, monitoring and accountability.

The data revolution offers governments and national statistical offices a welcome opportunity to produce more useful data by generating data from new sources, which can complement and strengthen, though not replace, official statistics. Some developing countries are already embarking on the data revolution with positive results. Ethiopia, South Africa, Sri Lanka and Uganda have improved the efficiency and accuracy of census and survey data collection by using computer-assisted personal interview devices, such as computer tablets or other handheld devices. Geospatial data are helping national statistical systems monitor socio-economic and environmental conditions, enabling geographic disaggregation and making geo-located data more dynamic.

This report identifies ways to bridge the data divide for sustainable development. There is a need for strong political leadership in developing countries to ensure that data enable development. This involves promoting the cause of data for development while making certain that data are produced to high-quality standards, protecting privacy and confidentiality.



The *Development Co-operation Report 2017* recommends **SIX CONCRETE ACTIONS** to make the most of the power of data for sustainable development.

DATA ACTION 1. Make statistical laws, regulations and standards fit for evolving data needs. To build inclusive data ecosystems that benefit global development and individual citizens, institutional and legal frameworks need to be fit for purpose. The growing number of public, private, and civil society actors and institutions involved in the production and use of data make the need for clear legal, ethical, and quality standards and protocols even more urgent. These should regulate the use of traditional and new sources of data, fostering the trust that is needed to inform good policies and development results.

DATA ACTION 2. Improve the quantity and quality of financing for data. Investing in statistical systems must become a strategic priority for developing countries and their development co-operation partners alike. Budgets need to grow if national statistical systems are to respond to the growing demand for more and better data. By making data a cross-cutting priority for development co-operation, providers can start to recognise it as part of the essential infrastructure for delivering on national, regional and global development commitments.

DATA ACTION 3. Boost statistical capacity and data literacy through new approaches. New, more comprehensive approaches to statistical capacity development need to be developed and piloted that go beyond building capacity to collect data, to building the capacity of national statistical offices to play an evolving and multifunctional role in the data ecosystem, and to improve the institutional and enabling environment for data and statistics.

DATA ACTION 4. Increase efficiency and impact through “data compacts” or other co-ordinated, country-led approaches. Developing countries should better align incentives for producing data for national policy making and global monitoring through mutually accountable inclusive partnerships among data producers and users. The establishment of data compacts for co-ordinating and harmonising investment in data and support for statistical systems is a promising approach; it should be tested further to ensure that it meets the needs of all actors and fosters mutual accountability for delivering on joint, performance-based action plans.

DATA ACTION 5. Invest in and use country-led results data to monitor progress towards the Sustainable Development Goals. International development actors must break with the business-as-usual approach; rather than collecting and using data to meet their own reporting and accountability pressures, they need to support country-led strategies and data ecosystems. This requires clear vision and pragmatism in dealing with the pressure to attribute results to every aid dollar. It also means ensuring that results from any independent data collection efforts are accessible to all development actors and co-ordinated with the statistical objectives of developing country governments.

DATA ACTION 6. Produce and use better data to help understand the overall state of SDG financing. Data on development finance also need to improve. This means producing a comprehensive financing picture by increasing the availability and transparency of quality development finance data and improving methodologies and standards with the objective of equipping developing countries to plan and budget their national development strategies and priorities.

CHAPTER 1

OVERVIEW: WHAT WILL IT TAKE FOR DATA TO ENABLE DEVELOPMENT?

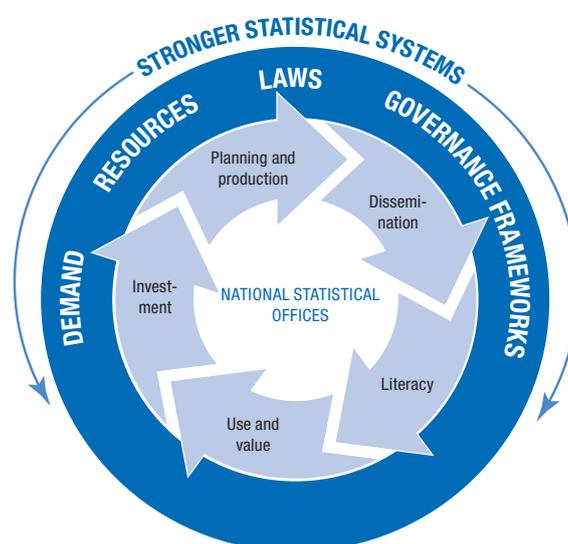
by Johannes Jütting, Partnership in Statistics for Development in the 21st Century (PARIS21) and Ida Mc Donnell, OECD Development Co-operation Directorate

Data are a prerequisite for delivering the 2030 Agenda for Sustainable Development, ensuring that no one is left behind. However, simply producing more data is not enough: data must be transformed, analysed and used to be useful for policy making, monitoring and accountability. The Development Co-operation Report 2017 focuses on data for development because the quality, timely and disaggregated data that are crucial for achieving the ultimate goals of development – improving the welfare of people and fighting poverty – are missing. Investing in statistical systems needs to become a strategic priority for developing countries and providers of development co-operation alike. Strong political leadership in developing countries is needed to promote the cause of data for development and ensure data are produced with high-quality standards, protecting privacy and confidentiality. Development co-operation can help developing countries produce and use more and better data in a responsible and transparent way for good policy outcomes.

KEY MESSAGES

- Achieving the Sustainable Development Goals (SDGs) requires informed choices about priorities and strategies that are based on better evidence than is available today.
- Improving sustainable development data is a task for all. Political leadership, combined with the right institutional framework; financial, technical and human resources; and partnerships among public and private data producers and users are crucial for data to enable development.
- The total cost for 144 developing countries to produce data for the SDG indicators (Tiers 1 and 2) is estimated at USD 2.8-3.0 billion per year up to 2030 (GPSDD, 2016).
- With relatively little additional financial effort, development co-operation providers can fill the estimated annual funding gap of USD 685 million for SDG data in developing countries. To achieve this, aid for statistics needs to increase by about USD 200 million per year, beyond the 2015 level of USD 541 million (in current prices), and these volumes need to be sustained up to 2030.
- Increasing the quantity of aid alone will not guarantee success. The quality of financing for statistics must be improved by reducing duplication, targeting investments where needs are greatest, ensuring everyone's needs are counted, aligning to country priorities for data, and providing more relevant and sustainable statistical capacity building.
- To capture the full picture of resource flows for implementing the SDGs, a more comprehensive system and database are needed – such as the total official support for sustainable development (TOSSD) measure, which systematically captures all international development finance flows to developing countries and brings more actors on board for greater transparency.

The virtuous data cycle



CHAPTER 2

THE VALUE OF DATA FOR DEVELOPMENT

by William Hynes, New Approaches to Economic Challenges Unit, OECD

This chapter discusses how thinking on development and development co-operation have been informed by the availability and use of data, and what now needs to change to efficiently exploit traditional data sources and take advantage of new ones. It argues that the data revolution is contributing to three shifts in focus: from gross domestic product to multi-dimensional well-being; from aggregate to micro data; and from administrative data to smart data.

Life can only be understood backwards; but it must be lived forwards. (Søren Kierkegaard)

How do you know if an anti-poverty strategy is working if you don't know how many poor people there are? How do you know if a school or a clinic is the better investment if you have no information base with which to estimate or track their impact? Data and statistics provide the essential basis for understanding the practicalities of the development process, the interactions and feedbacks between different systems, and the factors that should shape decisions.

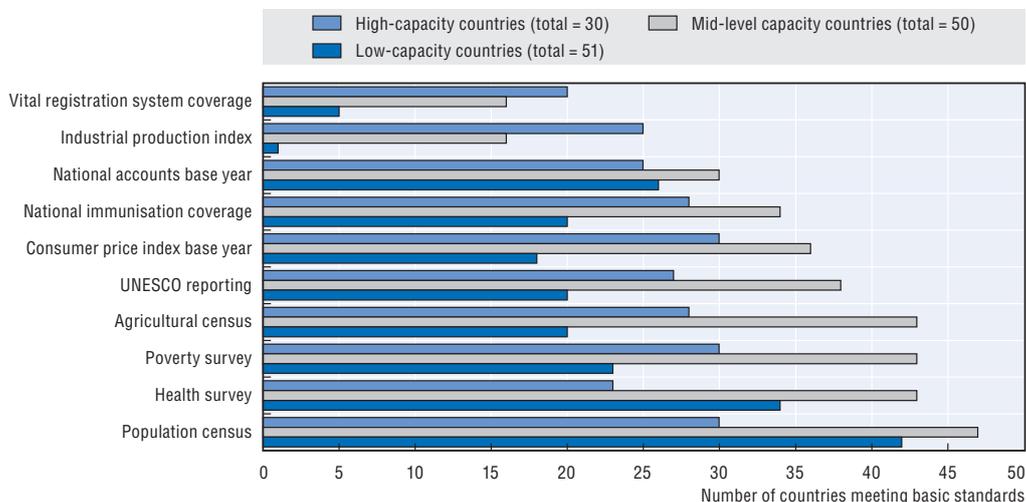
Data are also vital for answering larger questions about the development process. Identifying the factors behind differential rates of growth, development and well-being have been central questions of development economics. Proposed explanations include factors ranging from geography, history, institutions and culture to politics and governance. Another central debate has been over the role and importance of development co-operation in promoting economic growth. While some progress has been made on these deeper questions, neither debate has reached anything like closure, and many of the obstacles to resolving them stem from data limitations.

But what data? The quality, availability, timeliness and use of basic economic and demographic data remain deficient in many parts of the developing world. While progress is being made, much more work is needed to improve census and other population data which form the traditional basis for policy making. At the same time, completely new sources of data are emerging through telecommunications, social media and e-commerce. New and better data sources offer the opportunity to let questions determine the data to be obtained, instead of the data determining the questions that can be asked (Duflo, 2006: 2), and new sources are already leading to the emergence of new policy-oriented analytics (Dum and Johnson, 2016: 278).

POLICY MESSAGES

- Policy making can be improved by exploiting the massive streams of data generated by new technologies.
- However, technical and analytical capacities have to be updated.
- New measures beyond GDP are needed to capture well-being, and the data revolution can help provide this, given sufficient investment.

Number of countries with capacity to deliver fundamental statistics, 2016



CHAPTER 3

THE ROLE OF NATIONAL STATISTICAL SYSTEMS IN THE DATA REVOLUTION

by Shaida Badiee, Johannes Jütting, Thilo Klein, Deirdre Appel, El Iza Mohamedou and Eric Swanson

The supply of relevant, timely and usable data is essential for countries to set priorities, make informed choices and implement better policies for sustainable development. This chapter looks at how national statistical systems in developing countries can and should harness the data revolution. It explores the opportunities, enablers and challenges countries face in using big data and other new sources of data. The chapter reviews developing country capacity, gaps and strategies for putting in place the right data for policy making. It also presents selected examples of how the data revolution is already fuelling better statistics in developing countries. The chapter considers the role of governments as well as the opportunities offered by public-private partnerships. It enumerates the key conditions for building capable statistical systems and proposes steps to be taken by national statistical offices, policy makers and international development partners.

KEY FACTS

- The 2010 Population Census Round, conducted between 2005 and 2014, was one of the great successes of national and international statistical efforts. Only 21 countries did not conduct a census (UNFPA, 2016a). An estimated 6.4 billion people (93% of the world's population) were enumerated (UNFPA, 2016b).
- The 2020 census round has already begun. Thirty-nine countries (including some that missed earlier rounds) are expected to prepare for or conduct censuses in 2017; some 200 more will need to complete censuses between 2018 and 2024.
- Many low and middle-income countries are using outdated base years for national accounts and price statistics while the lack of recent agricultural surveys or censuses limit their ability to produce reliable economic statistics.
- According to the World Health Organization's Global Health Observatory, "Only 34 countries – representing 15% of the world population – produce high-quality cause-of-death data... A further 85 countries – representing 65% of the world population – produce lower quality cause-of-death data, while 75 countries lack such data altogether" (WHO, n.d.).
- To seize the opportunities presented by the data revolution, statistical offices will need to invest in new technology and production processes and establish partnerships with new actors.

PRIORITY STEPS FOR MAKING THE DATA REVOLUTION WORK FOR DEVELOPMENT

Every statistical system is different and the details matter. Nevertheless, these priority steps can serve as guidance for national statistical offices and policy makers:

- Embrace the data revolution by using new sources of data, adopting innovative methods for producing and using statistics, and forging partnerships with other data producer and user communities.
- Strengthen the traditional systems of data collection – including censuses, surveys and administrative records – as they remain essential in the national statistical system; make them more efficient by using new technologies and methods.
- Support open data policies and the use of non-traditional sources of data, including through legal and regulatory reform; official data belong to everyone and should be open by default.
- Promote data dissemination and statistical literacy programmes to spur the use of statistics; promote active user communities.
- Identify the needs of the national statistical system and the resources available to address those needs.
- In strategic plans, data compacts and other joint agreements with providers of development co-operation and international agencies incorporate practical steps to address deficits in the production and use of statistics.

CHAPTER 4

RETHINKING DONOR SUPPORT FOR STATISTICAL CAPACITY BUILDING

by Shaida Badiee, Thilo Klein, Deirdre Appel, El Iza Mohamedou and Eric Swanson

Investing in data brings returns. Development data are critical for policy making, planning, and monitoring and measuring impact nationally and globally. Yet statistical systems in developing countries are often under-resourced and under-staffed and traditional support to statistical capacity building is not fit for purpose. While political support to have and use more and better data is essential to realising the full potential of data for development, donor support needs to be increased, more effective and better co-ordinated by creating, for example, compacts for a country-led development data revolution. The chapter shows how support for building statistical capacity can be revitalised for greater impact over the long term and calls for a more comprehensive and transparent system for measuring international support to statistics. It also stresses the importance of country leadership, co-operation among providers of development co-operation for data and statistics, data literacy, and innovation. Finally, the chapter sets out priority steps in rethinking donor support for statistical capacity building.

KEY FACTS

Investing in data brings returns, for example:

- Farmers' share of crop export prices in Ethiopia doubled to 70% within four years of opening the Ethiopian Commodity Exchange, which provides real-time, official price data; its dissemination mechanisms are tailored to the needs of small farmers (Vaitla et al., 2017).
- Censuses conducted in Mexico and Peru in 2000 showed that the proportion of births attended by health professionals among indigenous women was lower than among non-indigenous women (38% and 45%, respectively). These data were used to promote more effective interventions; by 2012, in both countries more than 80% of births by indigenous women were attended by health personnel (UN, 2015a).

Despite the evidence, however:

- In 2015, the share of official development assistance (ODA) dedicated to improving data for development was only 0.30% (USD 541 million) (PARIS21, 2017).
- A large share of global support to data for development continues to come from a very small number of providers: in 2015, five providers of development co-operation (the World Bank, Canada, the United Nations Population Fund, the European Commission/EUROSTAT and the African Development Bank) accounted for 75% of official development assistance for statistics (PARIS21, 2017).
- In 2015, USD 181 million was committed as bilateral aid for statistics. This aid accounted for one third of total commitments to statistics. The top five bilateral providers by size of contribution are: Canada, Sweden, the United Kingdom, Korea and Australia, accounting for 78% of bilateral aid.
- Support to statistical capacity building has been supply driven and piecemeal, with little emphasis placed on partner countries' demand for data. There is greater emphasis on the data needed by development co-operation providers for their monitoring, reporting and accountability.

PRIORITY STEPS IN RETHINKING DONOR SUPPORT FOR STATISTICAL CAPACITY BUILDING

- Treat data for development as a cross-cutting priority, viewing it as both a key means of achieving the SDGs and as an integral goal in itself.
- Increase domestic, international and private support for statistics and align support with national statistical plans and priorities.
- Ensure that strengthening of national systems is country driven.
- Focus on data use and users, as well as on dissemination and format.
- Establish co-ordinated and effective donor support for development data; build partnerships and co-operation.
- Improve monitoring, tracking and transparency of investments in development data.

CHAPTER 5

MAKING BETTER USE OF RESULTS DATA IN DEVELOPMENT CO-OPERATION

by Rosie Zwart and John Egan, OECD Development Co-operation Directorate

Under pressure to account for the use of taxpayers' money, providers of development co-operation tend to report on the immediate outputs of their development co-operation efforts. By focusing instead on outcomes and change, they can support developing countries in securing the long-term impact envisaged in their own development priorities and, ultimately, achieving the Sustainable Development Goals. This chapter examines how better use of results data can improve the contribution of development co-operation to national and global development goals. It looks at who produces results data, who uses it and how. The chapter reviews the factors that influence choices about data collection and the unintended consequences these choices can have. Finally, it examines the gap between donor commitments and action. It makes suggestions for a more co-ordinated and country-led approach, utilising the Sustainable Development Goal targets and indicators as a shared framework.

KEY FACTS

- More than half (16 out of 30) of the members of the OECD Development Assistance Committee (DAC) find it challenging to base development co-operation decisions on evidence from statistics and data (Sanna and Mc Donnell, 2017).
- While 17 DAC members try to use partner country data by default, their success in doing so varies from country to country (Sanna and Mc Donnell, 2017).
- In 2015, 81% of new projects agreed by DAC members were aligned with developing country objectives. Yet just 58% drew on developing country results indicators and only 50% relied on country data sources (OECD/UNDP, 2016).
- Since 2015, six DAC member agencies have introduced new or updated standard indicator sets for agency-wide results reporting; the next step is to align these indicators with what is measured by developing countries and to make efforts to harmonise the indicators among providers (OECD, 2017a).

PRIORITY STEPS FOR PROVIDERS OF DEVELOPMENT CO-OPERATION TO MAKE BETTER USE OF RESULTS DATA

- Honour commitments to invest in and use country results data; support developing countries in their use of results data.
- Refocus the collection and use of results data; place a stronger focus on outcomes, linking project results to change and progress towards SDG priorities at the country level.
- Be realistic about attribution. If attribution is essential for domestic accountability, keep it minimal based on a small number of output indicators, and use narratives to explain how results contribute to change and outcomes.

- Harmonise and streamline indicators among providers and countries, using the SDG targets and indicators as a framework wherever possible.
- Make sure the results from any independent data collection efforts are accessible to all development actors and co-ordinated with the statistical objectives of developing country governments.

A comparison of results approaches

	NETHERLANDS MINISTRY OF FOREIGN AFFAIRS	NEW ZEALAND MINISTRY OF FOREIGN AFFAIRS AND TRADE	SWISS AGENCY FOR DEVELOPMENT CO-OPERATION	WORLD BANK GROUP	UNITED KINGDOM DEPARTMENT FOR INTERNATIONAL DEVELOPMENT
Tier 1 Results	✗	✓	✗	✓	✗
Tier 2 Results	✓	✓	✓	✓	✓
Tier 3 Results	✗	✓	✗	✓	✓
No. of standard output/outcome indicators at Tier 2 ¹	15	36	40	15	6
Attribution of Tier 2 results	✓	✓	✓	✗	✓
Aggregate targets used	✓	✗	✗	✗	✓
Year current approach introduced	2016	2016 (second generation)	2016	2011	2017

✓ YES ✗ NO

CHAPTER 6

GETTING DEVELOPMENT FINANCE DATA RIGHT

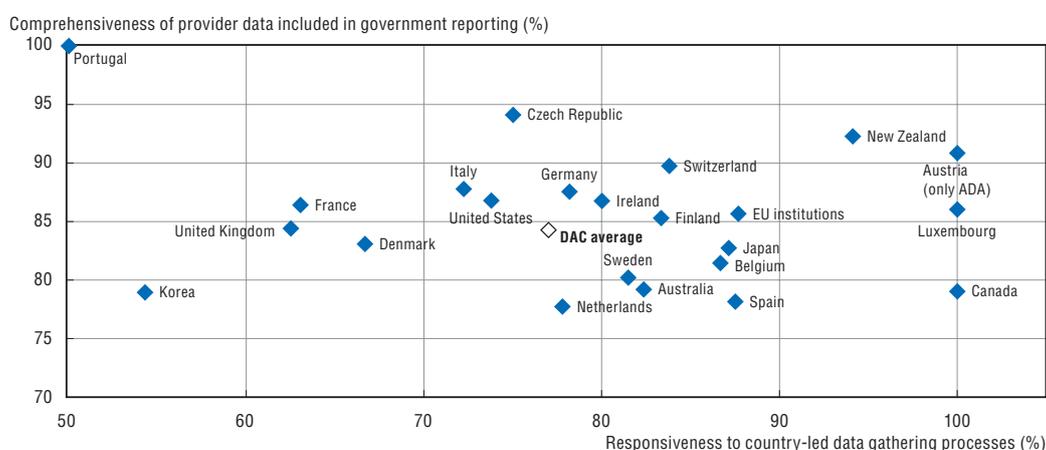
by Jens Sedemund and Naeeda Crishna Morgado, OECD Development Co-operation Directorate

Over the past two decades, financing for development has undergone fundamental changes in terms of sources, volumes and patterns of flows. This chapter focuses on data related to development finance, setting out the current landscape and looking at how data systems are evolving in the context of the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development. It reviews the outstanding gaps in data on international development finance, presenting challenges and priorities going forward as well as lessons from past experience. The chapter also examines the changing needs of developing countries and other development partners, and the actions being taken to address them, including clarifying the inter-linkages between climate and development finance. Finally, it highlights areas for further work to improve the understanding and use of development finance data in support of sound policy making, and as an incentive for increasing public and private flows for development.

KEY MESSAGES

- A better understanding of financing for the Sustainable Development Goals (SDGs) in developing countries and globally requires modernised measures, new data series and, crucially, a framework for capturing this information systematically.
- Total official support for sustainable development (TOSSD) is designed to harvest the full range of official development finance data, including private resources mobilised through official interventions. Agreement in 2018 on the scope and method of TOSSD reporting, in particular for cross-border flows, will enable TOSSD data to contribute to international reporting on SDG implementation at the United Nations-hosted High Level Political Forum in 2019.
- Financial flows from providers of development finance beyond the membership of the Development Assistance Committee (DAC) are estimated at around USD 300 billion. There is scope to increase international recognition and enhance transparency of development finance provided by actors such as South-South providers of development co-operation, civil society organisations and philanthropic foundations, through better accounting to agreed measures, standards and reporting systems.
- Recent surveys found that in 2012-15, official development finance mobilised USD 81.1 billion from the private sector. The main instrument used was guarantees, which mobilised USD 39.5 billion (44% of the total). This and similar data will be collected by the OECD regularly from 2017, thereby filling a major gap in development finance data.
- Development finance and climate finance grapple with similar data challenges and gaps. The analysis of financing patterns, modalities and trends for both climate and development goals can be improved by exploiting synergies between existing statistical systems for climate-related development finance and country reporting on climate finance to the UNFCCC.

Are providers ready for country-led data gathering?



CHAPTER 7

DEVELOPMENT FINANCE AND POLICY TRENDS

by Yasmin Ahmad, John Egan and Alejandro Guerrero Ruiz of the Development Co-operation Directorate, OECD

This chapter highlights emerging trends in official development assistance (ODA) from members of the Development Assistance Committee (DAC) and other providers of development assistance. It draws on DAC statistics, the findings and recommendations of DAC peer reviews conducted since 2015 and the results of the Global Partnership for Effective Development Co-operation's 2016 progress report. According to preliminary data, in 2016 net ODA reached yet another peak, at USD 142.6 billion, or 0.32% of gross national income, driven in part by increased spending on in-donor refugee costs. Country programmable aid and flows to least developed countries and small island developing states are declining, while the percentage of humanitarian assistance and aid channelled through the multilateral system and civil society organisations has risen. DAC members are improving the quality of their development co-operation but most still have a long way to go to meet their international commitments.

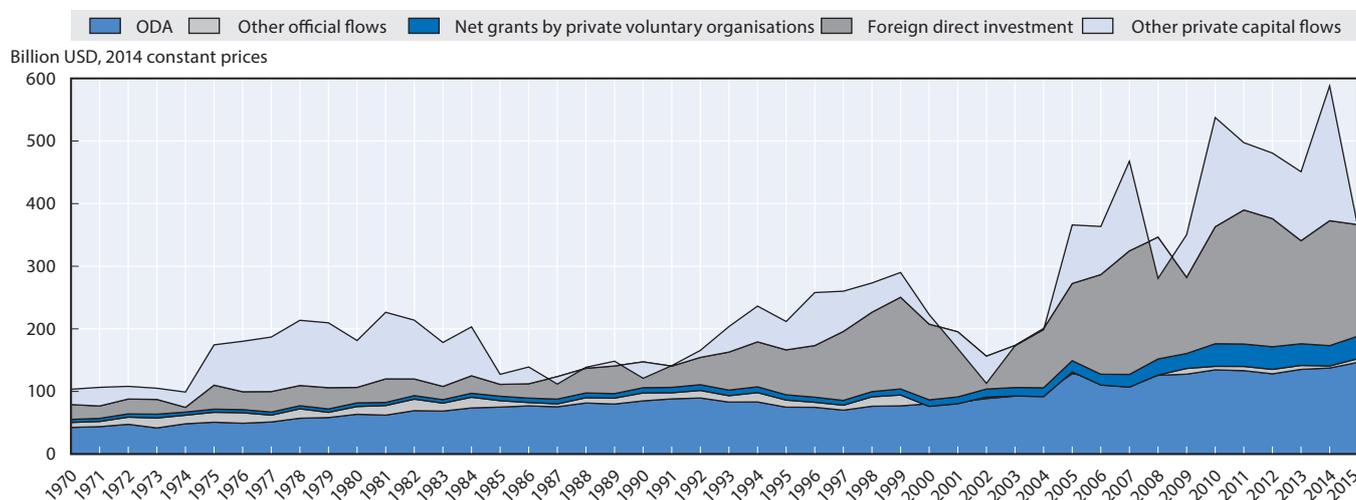
KEY TRENDS

- Official development assistance (ODA) reached an all-time high of USD 142.6 billion in 2016, representing 0.32% of gross national income.
- ODA has doubled since the turn of the century and in 2016 rose by 8.9% in real terms compared to 2015.
- Aid spending on in-donor refugees rose by 27.5% in real terms to USD 15.4 billion in 2016.
- Multilateral co-operation rose to USD 41 billion in 2016, representing 28% of total net ODA.
- The share of concessional loans has increased over the past decade, from 10% of gross bilateral ODA in 2005 to 16% in 2015.
- Humanitarian assistance rose from 9% to 13% of gross bilateral ODA between 2010 and 2015.
- The quality of aid is improving but much remains to be done to achieve the four development effectiveness principles: Ownership, a focus on results, partnerships, and transparency and shared responsibility.

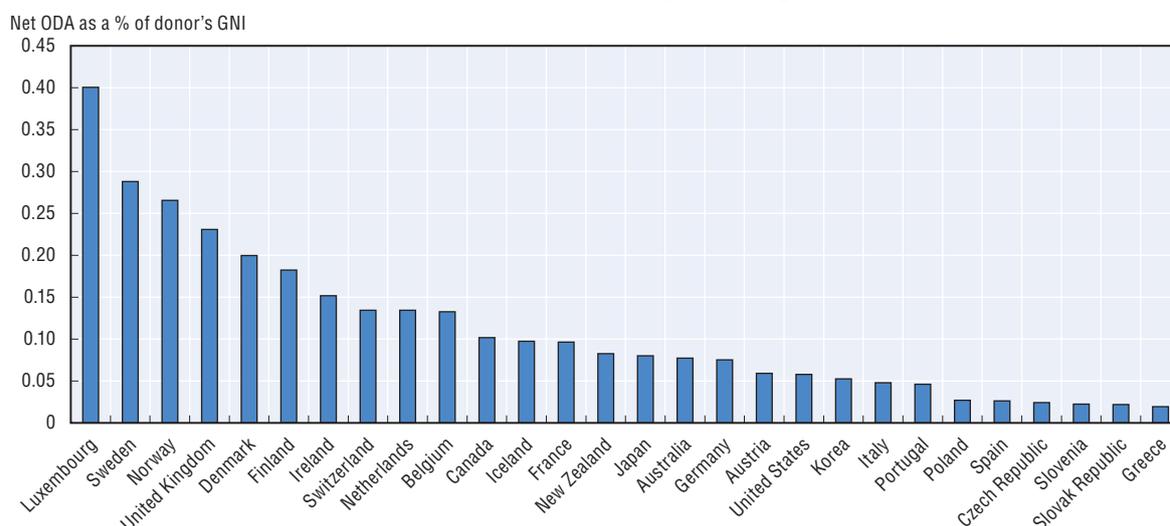
DESPITE COMMITMENTS MADE BY DEVELOPMENT ASSISTANCE COMMITTEE (DAC) MEMBERS IN 2014:

- Bilateral ODA to least developed countries fell by 3.9% in real terms in 2016.
- Bilateral ODA to small island developing states fell by 17% in real terms between 2011 and 2015.
- Bilateral ODA to fragile and conflict-affected contexts fell by nearly 10% in real terms between 2011 and 2015.

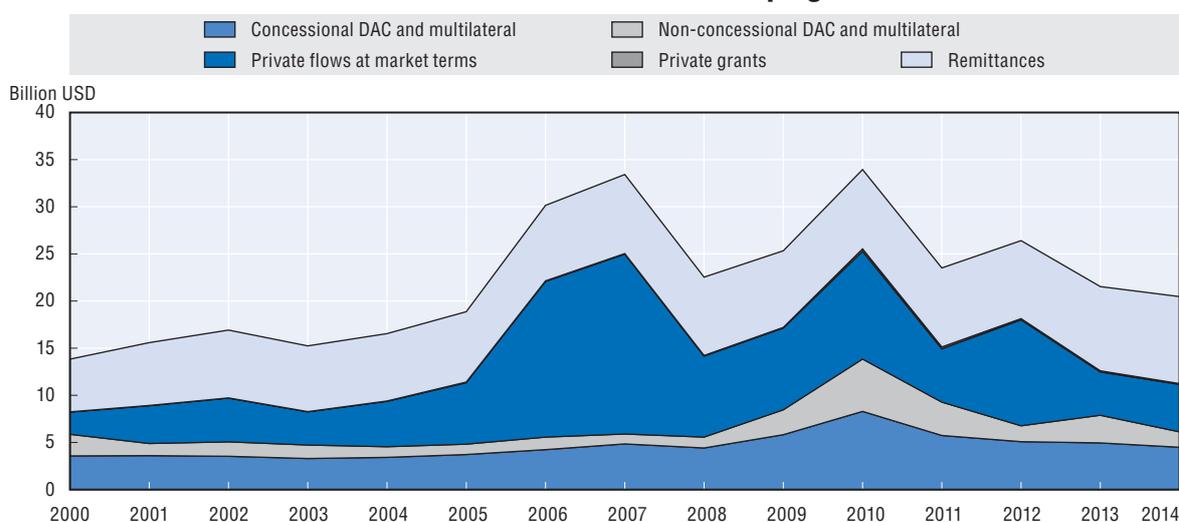
DAC countries' total net resource flows to developing countries, 1970-2015



Total net ODA to least developed countries as a percentage of the donor's GNI, 2015



External finance in small island developing states



PROFILES OF DEVELOPMENT ASSISTANCE COMMITTEE MEMBERS

by Valentina Sanna of the Development Co-operation Directorate, OECD

The profiles of Development Assistance Committee (DAC) members, which are presented in alphabetical order in this section, give key data on official development assistance (ODA) flows, channels, and thematic and geographic allocations. In line with the overall focus of the Development Co-operation Report 2017, the profiles also show how DAC members contribute to data for sustainable development, in particular through strengthening statistical capacities and systems in developing countries.

PROVIDERS OF DEVELOPMENT CO-OPERATION BEYOND THE DAC: TRENDS AND PROFILES

by Marisa Berbegal Ibañez, Juan Casado Asensio, Michael Laird, Nadine Piefer and Ann Zimmerman of the Development Co-operation Directorate, OECD

This chapter presents information on the volume and key features of the development co-operation provided by countries that are not members of the Development Assistance Committee (DAC). Estimated development co-operation flows by 30 providers beyond the DAC reached USD 24.6 billion in 2015, compared to USD 32.0 billion in 2014. The chapter includes the 20 providers who reported to the OECD on their development co-operation programmes, as well as 10 other providers that are priority partners for the DAC. For the priority partners, the OECD estimates the volume of their programme based on official government reports, complemented by web-based research (mainly on contributions to multilateral organisations). The Bill & Melinda Gates Foundation, the only private funding entity that reported to the OECD, is also included in this chapter.

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