



Expert workshop on “Financing the post-2015 agenda: shaping a measurement framework for monitoring resources in support of the Sustainable Development Goals (SDGs)”

Concept note and programme
13 May 2015 (9.00 – 18.00)

OECD - Paris

The international community is devising an ambitious global development framework that will call for mobilising a broad array of resources to finance different dimensions of the post-2015 agenda. Many development actors and stakeholders are beginning to align their business models, tools and methods to the new framework. Complex financing packages from a multitude of sources and using a variety of financial instruments are becoming more and more prevalent, and this trend will only increase as the SDG agenda gathers momentum.

Establishing international benchmarks for measuring these flows will anchor the accountability framework for the post-2015 era. The OECD DAC has been actively working to clarify how its statistical system could be modernised and broadened to best respond to the scope and nature of investments that the SDG framework will require. An updated framework will need to capture the wide range of public international finance – including and going beyond ODA – that will increasingly be used to finance development going forward. It will need to embrace the variety of financial instruments, financing modalities and sources of finance that currently characterise the international financial architecture. It will also need to cover activities and sectors mirroring the emerging SDG framework -- including the provision of financing for Global Public Goods where these are deemed relevant for development. Preliminary thinking about a new statistical measure tailored to the SDG framework – provisionally entitled “Total Official Support for Sustainable Development (TOSSD)” -- has attracted international interest and support, and may well be a feature of the post-2015 monitoring framework.

The TOSSD concept now needs to be shared with, and shaped by, the broader international community. An array of views, perspectives, insights and competing ideas from all stakeholders is needed in order to flesh out the scope of the TOSSD concept, its constituent parts and associated parameters/boundaries, and the statistical conventions that it would require in order to be fully operational. Broad and inclusive consultations with others will ensure that the framework corresponds to diverse needs and priorities – and will thus be as helpful as possible to the post-2015 agenda.

The 13 May expert workshop will kick-off this consultation and dialogue process. It will bring together a limited number of leading thinkers, opinion leaders, policymakers and practitioners – all of whom have a stake in the international development finance system – in an informal and interactive setting. Conclusions and recommendations from the workshop and additional consultations will feed the upcoming “International Conference on Financing for Development”, scheduled to take place in Addis Ababa in July 2015.

Meeting objectives

- Stimulate international awareness of, and ownership for, a statistical framework and derivative measure – TOSSD – for monitoring finance underpinning the Sustainable Development Goals.
- Secure feedback and insights to ensure that the scope, possible building blocks and statistical features of TOSSD make sense.
- Clarify a direction of travel for the future development of the TOSSD framework.

DRAFT PROGRAMME

Opening remarks

- Jon Lomøy, Director, OECD Development Co-operation Directorate

Session I: TOSSD in the new development financing architecture

Vast changes have taken place in the international development financing arena over the past two decades. Today there are new sources of finance, new actors and new financial instruments to choose from. Private capital in the form of equity, bonds, debt and voluntary contributions is playing a greater role – and could be a transformative source of development finance in the future. New financing priorities have emerged – to address global public goods such as climate change and disease control, to boost progress in agriculture and health, and to ramp up investment in national and regional infrastructure. Non-traditional donors and southern partners are playing a stronger and more visible role -- actively sharing their development experience and providing valuable know-how, expert services and appropriate technologies. They are also offering fully integrated financing “packages” and delivering turn-key infrastructure in many countries. Official development assistance (ODA) remains an important source of development finance for a number of countries. But today non-concessional flows are much more important for many developing countries alongside with increased volume of international savings, globalised trade and investment patterns.

The first session creates an opportunity for participants to discuss the implications of this new, promising development finance landscape and reflect on its possible evolution over the next five years – including the statistical information and systems required to enhance effectiveness, efficiency and results.

Questions for consideration

- What scenarios might characterise the international external development finance architecture in 2020 – who will be the main actors, what will be the key drivers, and what role will broader TOSSD play five years from today?
- How prevalent/important will blended finance, non-concessional loans, equity, leveraging instruments, investment and trade finance be in the coming years?
- What will be the role of the different providers and how will they interact with different financial intermediaries (banks, collective investment vehicles, sovereign wealth funds, insurance companies and other institutional investors, etc.)? How will development finance be packaged, combined, sequenced, and delivered?
- How will the financing of the provision of global public goods (e.g. climate change mitigation, global governance, contagious disease eradication) affect development finance tools, arrangements and instruments?

Session II: How to move from already-identified building blocks to a definition of the TOSSD concept?

While the ultimate features and parameters of the TOSSD measure can only be determined once the post-2015 development framework has been agreed, preliminary analysis suggests a number of building blocks for capturing the TOSSD concept. The new measure could:

- cover finance that originates from official sources and mechanisms, but clearly distinguish between official support and flows mobilised by official interventions;
- cover activities promoting and enabling sustainable development, including contributions to global public goods where these are deemed relevant for development and aligned with developing countries' priorities, recognising that providers themselves may benefit from such activities;
- be relevant for any provider of development finance, including the private actors that take part in blended investment schemes; and
- include both concessional and non-concessional financing and capture all financial instruments, including those generating reflows to provider countries, but clearly distinguish between flows and contingent liabilities.

What are the key guiding principles that should determine the features and statistical conventions of the TOSSD measure? Are there any red lines that need to be borne in mind? What would make the measure “real” for you? The following questions are designed to help provide specific guidance on these issues.

Questions for consideration

- Do the building blocks make sense? Are there other elements that need to be explored?
- What criteria will determine whether a flow is a legitimate TOSSD flow? How might support for “sustainable development” be defined and delimited?
- How might private flows leveraged through official support be factored into TOSSD?
- How might the parameters and boundaries of TOSSD (in particular GPG-related flows) be determined?

Session III Perspectives of different providers, and financial intermediaries and partner countries

There is no comprehensive international data system available to provide information to developing countries about the full range of public and private international finance they receive – from non-DAC traditional and South-South providers of development co-operation, multilateral institutions, private investors and financial intermediaries, philanthropy and non-state actors. What kind of data and information services do developing countries need and want? How might this information be collected, collated and presented so that it is most useful to developing countries?

Questions for consideration

- How might TOSSD enhance access at country level to information about resource inflows? For example, could it provide information about complex financing packages combining private finance with public international support provided through concessional and non-concessional loans and the use of financial instruments such as guarantees and mezzanine finance instruments? How might information on such packages be sourced, and how might partner governments be engaged in the process of securing these data?
- What can be done to enhance the scope for the TOSSD concept to accommodate different provider approaches and capacities?
- How might the TOSSD measure “fit” with the approaches, rationales, functional delivery mechanisms and data availability of different development finance actors?

Session IV What would be needed to operationalise the TOSSD measure?

What are the key elements that are needed in order to provide a statistical information system for TOSSD (e.g. comparability, quality assurance, technical capacity, incentives for reporting, etc.)? How might the system be organised to ensure it is accessible to all? Is there scope for strengthening collaboration and uniformity across different key data collection points in the international system in this regard?

Questions for consideration

- How to ensure that reliable, quality data are available to all?
- What institutions could be involved in collecting TOSSD data?
- What institutional arrangements would be required for supporting a global information and monitoring system for recording TOSSD flows?

Session V Conclusions and next steps

What is needed in order to create a statistical system to underpin the TOSSD measure? What are the next steps, and who can play what helpful role?

Background documentation

- TOSSD brief: [“Towards more inclusive measurement and monitoring of development finance: Total Official Support for Sustainable Development \(TOSSD\)”](#)
- [December 2014 DAC High Level Meeting communiqué](#)
- Background report: [The New Development Finance Landscape: Developing Countries’ Perspective](#) June 2014.

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