Oxfam comments on Total Official Support for Sustainable Development (TOSSD) proposal
September 6, 2016

Oxfam supports upgrading and extending measures to better reflect the development finance landscape to serve the 2030 Agenda. We recognize the OECD’s effort to develop the TOSSD concept through an iterative and consultative process, and welcome the opportunity to provide comments on the TOSSD Compendium.

At the outset, Oxfam recognizes comments submitted to date by Eurodad and the World Bank Group which express misgivings we share with the current concept and structure of the TOSSD framework. These comments focus on three areas of concern regarding: risk of diminished attention and commitment to ODA as an element of total development cooperation uniquely significant for poverty eradication; lack of emphasis and clarity on measures of development impact; and concerns over transparency, inclusivity and governance that risk undermining the legitimacy and ultimate aims of the initiative.

I. An aggregated measure of "total support" puts ODA commitments at risk.

As many commenters have noted, the OECD DAC has repeatedly assured that TOSSD is intended as a different metric that will be reported separately from and will not supplant ODA. Nevertheless as TOSSD expressly includes ODA (see e.g. Figures 4 and 5 in the TOSSD Compendium), it is difficult to imagine donors failing to take advantage of the opportunity to emphasize higher TOSSD figures as evidence of greater effort for sustainable development than reflected in ODA statistics. It is apparent that some donor support for the TOSSD framework within the DAC is significantly motivated by the desire for greater recognition of investment via non-ODA financial instruments creditable to donors' existing commitments to support for international development.

The Compendium indicates that a purpose of TOSSD is to incentivize providers by recognizing other official resource flows as developmental (see e.g. Section C, para. 67-69). At the same time, the recipient perspective is meant to enhance the information available to partner countries for strategic planning (see e.g. Section B, para. 50-51). The inclusion of both renders the core purpose unclear. Between the two purposes, we believe a new measurement framework should prioritize increasing the transparency of official finance flows, to increase the accountability of providers for commitments made to their own citizens and to recipients. At minimum, any new framework must not give providers an incentive to move resources away from ODA and into other flows with a diminished developmental purpose and effect.

Donors have a legitimate interest in a more comprehensive picture of official development finance, and counting more flows as developmental can incentivize an aggregate increase in the quantity of finance, with presumed positive effects on poverty elimination. It does not follow that a total figure that aggregates ODA with other flows is the necessary solution.
If the aim is a metric of development finance that is not just more comprehensive, but better—more fit for the purpose of mobilizing resources, from whatever source, that are actually effective for achieving the 2030 Agenda—a separate accounting of the different components and mechanisms that make up the current proposed framework would be more valuable. A disaggregated measure allows for the recognition that different flows pursue different purposes and generate different impacts.

A comprehensive picture of development finance should help users distinguish among the attributes and outcomes of different types of flows, rather than obscuring the distinctions. Recognizing the comparative advantage of non-ODA flows, or non-DAC providers, for certain purposes in certain contexts, for example, increases the incentive for providers to accurately and consistently report those flows and enhances the ability of providers, recipients, and civil society to analyze the comparative effectiveness of different instruments and modalities.

II. The developmental purpose of TOSSD—to support the 2030 Agenda—demands more attention to outcomes, not just inputs.

TOSSD is motivated by a recognition that the traditional measurement approach is no longer sufficient for the post-Addis development finance landscape. A new metric aimed at incentivizing mobilization of more resources for development through additional, non-ODA instruments should capture information that will help users understand and demonstrate the development impact of those resources.

To accomplish this it will first be necessary for TOSSD to establish and support a clear definition of sustainable development. TOSSD should provide the opportunity for a broad-based dialogue on what characterizes a resource flow as "developmental," and how to enhance capacity for objectively measuring impact at the country level. It is important that further development of the TOSSD concept from this point forward takes up this question, as the framework as it currently stands encompasses flows whose developmental purpose and effect are dubious and should be bolstered by reference to a broadly agreed definition. Such a dialogue must involve the active participation of recipient country government and civil society stakeholders to bolster legitimacy and validate the principles of mutuality and universality underlying the 2030 Agenda, as articulated in the Compendium (Section A, para. 22-27).

III. Governance structures for TOSSD should embody the aims of inclusivity and partnership cited as motivations in the Compendium.

TOSSD aims to reform the measure of development investment efforts to reflect a modern landscape that includes actors and modalities not captured by the current system. Operationalizing this aim in a way faithful to the 2030 Agenda will require a new approach to participation from non-DAC members that has not been articulated in the proposed framework. A new metric to more accurately track flows from the recipient perspective is unlikely to be useful to recipients if they are not involved in identifying the flows they are interested in and on which they need more information. The results from the Senegal pilot are encouraging in this regard with respect to the framework design, but this integration of the recipient perspective needs to carry over into implementation. Recipient countries should have a more active role in the governance of systems for monitoring and regulating development finance. An implementing body like the Global Partnership for Effective Development Cooperation that is more broadly representative of different stakeholder perspectives than the DAC may be better positioned to ensure that implementation meets the ambitious range of information needs encompassed in the TOSSD proposal. Alternatively, keeping TOSSD within the DAC could provide a powerful incentive to motivate action by the DAC to include relevant stakeholders to secure the broad legitimacy of a new measurement framework as it is developed and when it is operationalized.