

DAC CSO Reference Group
Messages for the CSO Consultation with the global Task Force on TOSSD
17th April 2019 – UN FFD Forum New York

1. We would like to thank the TOSSD Task Force for their long-term commitment to consultations with CSOs. The opportunity to hold an expert meeting at the margins of the UN FFD Forum in New York is valuable to make the links between the new metric and the development processes under the 2030 Agenda and the Addis Ababa Action Agenda. The messages below complement previous submissions to the global Task Force by the DAC CSO Reference Group.
2. The agenda for the CSO consultation this week presents a dedicated focus on the principles that should underpin the TOSSD metric, in particular Pillar 2 on international public goods, global challenges and development enablers. From the latest draft of the Reporting Instructions (version 1.3 validated by the Task Force at its Jan/Feb 2019 meeting), it is possible to glean several propositions that may resonate as core principles, which go beyond those from the Preamble to the Reporting Instructions and include: consistency with global standards, effectiveness principles included (para 5); safeguarding international commitments (para 6); data disaggregation (para 39, 46 and 59); publicity (para 25); activity level reporting (para 24), gross/net reporting (para 27); development/SDG focus (para 37, 38 and 76); recipient perspectives.
3. Other approaches outlined in Reporting Instructions may be relevant in this context. These include: going beyond concessionality; extended governance; balance of payments; resource mobilization. In addition to all of the above, principles regarding the quality of the statistics also ought to be applied. All the above principles and approaches are relevant to both Pillar 1 and Pillar 2, with possibly the exception of the recipient perspective in the case of projects on a regional or global level.
4. As discussed on previous CSO consultations, for TOSSD to be relevant (Pillar 1 and Pillar 2 as well), it should be consistent with key priorities: safeguarding internationally agreed commitments as regards quantity and quality of FFD, including ODA; providing a comparable and reliable statistical measure of financial flows; incentivizing the provision of quality resources at concessional terms for communities and countries most in need, including LDCs in line with the LNOB principle. From this angle, we would like to note the progress made by the Task Force in key areas such as data disaggregation, safeguarding current international goals on aid volumes and quality and alignment with the SDGs. The fact that there has been such significant progress highlights the need to make sure that the implementation of TOSSD stays fully aligned with its own principles. In this regard, an extended, functional governance, open to traditional and non-traditional development actors, is crucial.
5. The Task Force might consider the possibility of amending the current draft of the Reporting Instructions to give full visibility to the entire set of principles that are shaping TOSSD at this stage (for instance by listing all of them together), well beyond what is currently included under para 5 of the Preamble. Such clarity on the principles would help foster dialogue and reach final political agreement in line with a true multi-stakeholder

approach. Similarly,, adopting a single general guiding principle, such as development cooperation and focus on the most deprived and marginalized, may help better outline the broader framework, including policies and resources, within which TOSSD is operating.

In regard to specific principles, we would also like to offer the following considerations:

6. **Development focus.** Opting for a direct link to the SDGs and the 2030 Agenda - by integrating the overarching focus on development cooperation, prioritizing equity and reaching the furthest behind first - responds to the ambition of making TOSSD a reliable and comparable statistical measure. This will help guide the overall focus of TOSSD finance and thus reduce the space for discretionary decisions by the reporting parties. Recent conversations and developments have reinforced the DAC CSO group's concerns that some countries may opt out of reporting against the SDGs.
7. **A recipient perspective.** The reporting of cross-border flows (see for instance paras 39 and 40 RIs rev 1.3) emphasizes that these will reflect a recipient perspective. We understand this approach constitutes a major difference from the system in place to track ODA especially when it comes to bilateral and multilateral flows. The summary of the reporting items (see Figure 5, RIs rev 1.3) is consistent with that direction. Such an approach should also inform decisions on items to be reported in Pillar 2 under International Public Goods.
8. **Focus on benefits for developing country partners.** The DAC CSO Reference group has still to fully evaluate the implications stemming from an approach based on Balance of Payments. But ultimately the point of reference should be, for both Pillar 1 and Pillar 2, that the real benefits derived by developing country partners in achieving the SDGs, and in particular the overarching goal of leaving no one behind (at a country, sub-national, regional and global level). Such a principle should be consistently applied in the case of scholarships, refugee costs and debt relief.
9. **All countries' efforts.** Within TOSSD it is key to distinguish, and report on, resource flows from different providers. Under Pillar 2, it is equally important that a focus on "activities implemented outside the territories of TOSSD-eligible countries"¹ must take account of providers that are both providers and recipients in development cooperation.

Other outstanding issues.

10. TOSSD is a metric centered around data collected at the activity level. When it comes to the effectiveness agenda, one legitimate issue to address is the possibility of **assessing the consistency with the effectiveness principles at the activity level**, also considering that the data coming through global reporting from the Busan Declaration follows an apparently different approach (global light, country heavy). A second area of concern is making sure that the **attribution to Pillar 1 or Pillar 2 is robust enough to avoid double counting**. In fact, on top of traditional areas of potential overlaps (see reporting under bilateral / multilateral channels or multiple SDG coding), there might be additional risks in the case of activities that may generate both impacts on the country level and the global level.

¹ See: Emerging Reporting Instructions, First draft text related to the Pillar II of TOSSD, Feb 2019