Towards a new metric for SDG financing: 
Introducing the concept of Total Official Support for Sustainable Development

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Presentation outline

- The **value proposition** of TOSSD: What is it?
- TOSSD: a measure for **complex financial arrangements**
- The TOSSD **measurement framework**: two pillars
- The **vision of TOSSD data** and how to get there
- A **proposed roadmap** going forward
Value proposition of TOSSD

Reasoning and Value Proposition behind TOSSD:
• **Resource mobilisation:** The 2030 Agenda requires mobilisation of resources from multiple sources, modalities and instruments (SDG17).
• **Smart investment:** The international community needs to know how much money is invested and where it is invested (sector, activity, country).
• **Better understanding of risk:** International capital flows bring with them both opportunities and risk, e.g. concentration and risk of reversals, which can be better understood through a more comprehensive picture.

Challenges TOSSD aims to address:
• **Data availability:** Tracking of resource flows beyond ODA is not comprehensive, comparable, or consolidated.
• **Common international frameworks and standards:** Lack a shared understanding of how SDG financing is coming together at the country, regional and global levels.
• **Complex finance packages:** How and from where development finance is mobilised, combined and delivered most effectively, including the enabling conditions and features of successful financing packages.
What is TOSSD?
The working definition of TOSSD

TOSSD includes all officially-supported resource flows to promote sustainable development in developing countries, and to support development enablers or address global challenges at regional or global levels.
The SDG era: a more complex financial architecture

Sustainable development as the main objective

- DAC donor agencies (concessional & concessional bilateral finance)
- Private philanthropy (foundations & NGOs)
- Multilateral agencies incl. regional & Arab organisations (concessional & non-concessional finance, & investments)
- Non-DAC sovereign providers (e.g. Arab, South-South co-operation providers)
- Export credit institutions
- DFIs (non-concessional loans & Investments)
- Private actors/investors (FDI & other private flows at market terms)

Other objectives
TOSSD to capture more complex financing arrangements at the project level
TOSSD is a two-pillar framework

**THE TOSSD MEASUREMENT FRAMEWORK**

- **CROSS-BORDER FLOWS**
  - Resources to developing countries

- **DEVELOPMENT ENABLERS AND GLOBAL CHALLENGES**
  - Global level expenditures (GPGs)
What falls within TOSSD?

Volume of resources
- Aid grants
- Aid loans
- Private sector instruments (loans, equities)
- Other development official loans
- Private amounts mobilised

ODA - grant equivalent
- Aid grants
- Grant equivalent of aid loans
- Grant equivalent of private sector instruments

Leveraging instruments
- GUARANTEES
- SYNDICATED LOANS
- SHARES IN COLLECTIVE INVESTMENT VEHICLES
- CREDIT LINES
- DIRECT INVESTMENT IN COMPANIES
- FINANCING IN COMPLEX STRUCTURES
## What’s the difference between ODA and TOSSD?

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<th>ODA</th>
<th>TOSSD</th>
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<td>Members of the OECD DAC and other providers who report on their development co-operation</td>
<td>All providers of public international finance</td>
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<td>Eligibility criteria based on promotion of “economic development and welfare” and the level of concessionality</td>
<td>Eligibility criteria based on supporting the Agenda 2030 (addressing GPGs or finance supporting country level SDG implementation).</td>
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<td>Accountability of DAC members to longstanding commitments (0.7% ODA/GNI)</td>
<td>No targets or associated commitments so as not to dilute ODA promises</td>
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What will be captured in the cross-border component?
What are the thematic areas of the development enablers/global challenges component?

DEVELOPMENT ENABLERS AND GLOBAL CHALLENGES

- Coherent macro-economic policies
- Fair and stable global trading system
- Access to technology and knowledge
- Disaster risk management
- Human rights protection
- Peace and security
- Environmental sustainability
- Addressing climate change
- Eradication of infectious diseases
- Safe international migration
- Stable financial markets
- Etc.
What is the vision?
TOSSD based on *provider-sourced data*
What is the vision?
TOSSD as a *global statistical standard*

Data from provider databases will inform the cross-border flow and the development enablers/global challenges components.

- **Quality assurance (eligibility)**
- **Unique project identifier**
- **All providers**
- **All financial instruments (Gross/Net)**
- **Transparency**

**TOSSD**
.... As a way to increase coherence and comparability of development finance data
How will we get there?
The TOSSD Task Force

- Revolves around the creation of a “TOSSD Task Force” to include key agencies, OECD DAC donors, non-DAC donors and international statistical communities.
- The “TOSSD Task Force” will bring together statistical experts to address conceptual and technical issues and implementation options, with the first meeting in April/May.
- Work carried out virtually on the basis of thematic working papers for discussion convened by the OECD.
- Full transparency, sustained engagement with stakeholders, OECD DAC and beyond.
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<th>Year</th>
<th>Milestones</th>
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| 2017 | • Side event at **UN Statistical Commission** *(6 March)*  
      • Establish informal “**TOSSD Task Force**” *(March)*  
      • 1<sup>st</sup> meeting of the TOSSD Task Force “*(April-May)*”  
      • TOSSD thematic working papers and TOSSD Task Force meetings *(throughout 2017)*  
      • **TOSSD pilots** *(throughout 2017)*  
      • International engagement incl. at **FfD Forum, HLPF and other avenues** *(May)* |
| 2018 | • Compile a first draft of **TOSSD reporting directives** *(Jan-March)*  
      • Second presentation at the **UN Statistical Commission** *(March)*  
      • **Contd. TOSSD** thematic working papers and TOSSD Task Force meetings *(throughout 2018)* => second draft of **TOSSD reporting directives** *(end 2018)*  
      • Continued **outreach, studies and pilot data collection** *(throughout 2018)* |
| 2019 | • **TOSSD data collection** *(Jan-March)*  
      • Possible endorsement at the **UN Statistical Commission** *(March)*  
      • TOSSD data input to the **HLPF** (UN stock-take of SDG implementation) *(July)* |
Thank you!