

TOSSD

16th meeting of the international Task Force, April 2022

CSOs' comments on agenda items

Item 1. Governance and financing of the TOSSD Framework

We appreciate the efforts to further enhance the governance of TOSSD in line with the developments at the UN level, primarily the implementation of the indicator 17.3.1. As for the current draft of the Terms of Reference of an International Forum on TOSSD, we would like to recommend complementing vision and mission with a section on values whereby commitments to the inclusiveness and transparency of the IFT's proceedings can be properly articulated. CSOs value the TOSSD Task Force's level of participation and publicity and we expect the IFT not to do less in this area; for instance, timely publication of key documents on the official website cannot be underestimated.

On CSO participation, we welcome the role of permanent observer. We note, however, that the current practice allows for an alternate CSO Observer and suggest that the ToRs of the ITF also allow for this option. We agree that only one CSO Observer would have voice in a Steering Committee meeting. In this regard, as we appreciate that an occasional agenda item of the Steering Committee may involve only full members, we would welcome the provision that meetings are open by default and that decisions affecting the Reporting institutions always take place in open sessions as it is the case at the moment.

Item 2. Issue arising from the TOSSD 2021 collection on 2020 data

We understand that TOSSD reporting is evolving as more data sets are available; we support efforts to make data collection and processing more accurate and easier to implement. In this process, it is important to uphold the aspiration that the TOSSD framework is designed to provide a coherent, comparable and unified system" as recalled in the background paper itself. With this understanding in mind, we would like to highlight a few concerns that follow.

Using commitments as a proxy for disbursements (§11) would significantly distort aggregate figures. For those interested, these commitments are available through the data set; clearly, pressing for disbursements from these institutions is much preferable to retain statistical credibility.

SDG compliance highlights significant challenges in validation as to consistency with sustainability and in particular with reporting by SDG target as demonstrated by the inclusion of activities related to fossil fuels (§14 and footnote 4). We would like to encourage an agreement for a reporting modality that differentiates between a main SDG focus and secondary ones, with the latter listed in order of importance in the activity. We welcome the Handbook on Reporting SDGs, but have not had time yet to review it in detail.

As for transferring regional activities into Pillar I (§18) for purposes of comprehensive data for SDG17.3 reporting, we would appreciate clarifications as to the implications on the current delineation between the two Pillars, and more specifically on the definition of International Public Goods, which is informed by the notion that benefits can be available in at least two countries. We would also appreciate clarifications about the description of Pillar 1 flow in §24 as it seems in contrast with the current definition in the Reporting Instructions and with Figure 1 therein.

We support a decision to report export credits as non-concessional (§20). In fact, while concessionality does not affect the total for TOSSD, it is a major issue in the quality of development flows particularly in light of emerging unsustainable debt for developing countries. Ensuring an accurate reflection of concessionality is an important dimension of TOSSD's scope beyond ODA.

On modalities, tracking non-core outflows by multilateral organizations (Table 2) is excellent and complementary to CRS stats on inflows. Capturing core contributions to NGOs etc (§28) is also a valid idea; it will be useful to compare this data set with that captured by the DAC as flows to/through

NGOs. Equally, a new modality for Research & Development (§30) may help improve the reporting process.

The background paper does acknowledge the difficulty in verifying the eligibility of R& D activities, a concern which we share. But the paper does not address the degree to which a research activity (or any other Pillar Two activity) focuses on and/or has substantial benefit to developing countries. For instance, how much of an IPG investment should be reported to TOSSD? Right now, it seems that the full investment is reported, which can create major distortions in how much is of *substantial benefit to TOSSD eligible countries* as opposed to benefits in the provider country.

On the list of potential new areas to consider (§34), we believe all of them would be ineligible; earlier discussions on biodiversity already proved how hard it is to come to a shared understanding in this area. As we have noted before, expanding Pillar 2 into all these suggested areas, given the difficulty of determining substantial benefit to developing countries, will lead to a meaningless aggregate metric. Already there are questions about IPGs among developing countries for 17.3.1 .

As for §36, we would support the third option, which is consistent with the decision to keep the definitions of Pillar 2 tight from the Dec 2021 TF meeting. The issues highlighted in § 38 demonstrate why the inclusion of basic research in TOSSD, whose focus is on substantial benefit, is not the correct way forward; if criteria c) cannot be implemented, basic research should be excluded.

Item 2. Keywords

We support the proposal to implement a hybrid approach to keywords.

Item 3. Further Development of the TOSSD Recipient List

We have no observations on the proposal to revise the recipient list in the Reporting Instructions according to the criteria submitted by Mexico, whose efforts we appreciate.

Item 4. Revised version of the TOSSD Reporting Instructions

We welcome that the Reporting Instructions have been amended to incorporate the Task Force's recent decisions on SSC, which reflect relevant deliberations at the UN level. One practical suggestion: in footnote 29, the reference to indicator 17.3.1 might better be more explicit.

.Item 6. Further guidance on sustainability

We welcome additional instructions on sustainability as this is one of the distinctive features of TOSSD. Efforts to clarify the notion of no-harm are commendable; on the other hand, the paper highlights how important it is for a well-resourced Secretariat to carry out data validation to the maximum extent possible. We support the full involvement of recipient countries in assessments regarding the no-harm principle, which can inter alia improve the quality of TOSSD reporting. We invite interested parties to share all key information in this respect, from ESS to supporting documentation.

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