# Comments by Colombia conveyed at the Inter-Agency and Expert Group on the Sustainable Development Goal Indicators (IAEG-SDGs) meeting in October 2019 and feedback by the TOSSD Task Force

TOSSD Task Force Issues Paper<sup>1</sup> - Agenda item 1

12 – 13 February 2020

## I. INTRODUCTION

1. This paper presents the messages conveyed by Colombia at the IAEG-SDGs meeting in October 2019, as they were transmitted in writing to the Task Force co-Chair in December 2019 and the response by the TOSSD Task Force on how these comments could be taken into account in its future work. The structure of the paper follows the document as received from Colombia, with each section first showing the text by the country followed by a box with the response as agreed by the Task Force at its meeting on 12-13 February 2020.

## **II. INTRODUCTION OF THE DOCUMENT**

2. Considering that the Addis Ababa Action Agenda establishes on P.56 the need to hold inclusive and transparent discussions regarding the modernization of Official Development Assistance (ODA), Colombia remains committed to the development of a Total Official Support for Sustainable Development (TOSSD) measure that follows current statistical standards and that ensures that these developments will not dilute any ODA commitments.

## Comments by the TOSSD Task Force

The Task Force is glad that Colombia remains committed to the development of TOSSD and that the country has been a member of the Task Force since its creation in July 2017.

 Upon the presentation of the TOSSD methodology on the IAEG-SDG Comprehensive Review, there were two established criteria that were not met in order accept TOSSD as an additional indicator. Before included in the global framework, more work in the methodology and data collection needs to be completed.

#### Comments by the TOSSD Task Force

This point would need clarification. The submission of the proposal to the IAEG-SDGs included both the methodology and data. When the Secretariat submitted the TOSSD proposal to the IAEG-SDGs on behalf of the TOSSD Task Force, the methodology had been finalised (TOSSD Reporting Instructions were completed by the Task Force in June 2019) and data had been collected through the TOSSD data survey. Both criteria were therefore met.

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4. In order to facilitate discussions of new indicators under the 2020 comprehensive review the IAEG-SDG agreed to use the Tier Classification for Global SDG Indicators, which is based on two classification criteria: 1) the methodological development and 2) the availability of data at the global level. With these 2 criteria, any SDG indicator belongs under one of the following categories:

- TIER I: Indicator is conceptually clear, has internationally-established methodology and standards are available, and data are regularly produced by at least 50% of countries and the population in every region where the indicator is relevant. This 50% is calculated according to the data available in the Global SDG Indicator Database (https://unstats.un.org/sdgs/indicators/database/).
- TIER II: Indicator is conceptually clear, has an internationally-established methodology and standards are available, but data are not regularly produced at least by 50% of countries.
- TIER III: No internationally-established methodology or standards are yet available for the indicator, but the methodology and/or standards are being (or will be) developed or tested.
- Even more, the IAEG-SDG agreed that during the 2020 comprehensive review no indicator classified as TIER III should be endorsed, keeping in mind that there are only ten years left in the implementation of the 2030 Agenda and the SDGs.

# Comments by the TOSSD Task Force

As per the comment on paragraphs 3 and 6, it is incorrect to refer to TOSSD as a TIER III Indicator.

6. It is then worth noticing that as stated in the Indicator proposal submitted by the TOSSD Task Force to the IAEG-SDG (http://www.oecd.org/dac/financing-sustainable-development/development-financestandards/TOSSD-A-New-Statistical-Measure-for-the%20SDG-Era.pdf) next steps include finalising Pillar II methodology, making that the proposed measure would be classified as a TIER III indicator.

# **Comments by the TOSSD Task Force**

The link provided by Colombia does not refer to the proposal submitted to the IAEG-SDGs in June 2019, but to a flyer on TOSSD from earlier in the year. The methodology was complete at the time of submitting the proposal: Pillar II methodology had been finalised and was included in the submission to the IAEG-SDGs.

7. Regarding data availability, it is important to note that Colombia greatly values the fact that a country is able to produce its own data as this encourages the country's ownership of development priorities which is, at the same time, essential for the achievement of sustainable development.

## **Comments by the TOSSD Task Force**

The Task Force welcomes reporting from recipient countries and sees this as a way to triangulate TOSSD data of providers with those of the recipients. The TOSSD Reporting Instructions encourage countries to produce TOSSD data, but recognise this may be challenging and require capacity building. The Task Force would therefore not wish to impose reporting requirements to recipient countries. The aim is rather to

support recipient countries by providing useful information to them, for example, for producing Balance of Payments' statistics or for planning and budgeting purposes.

8. The understanding of the scope of TOSSD can be strengthened by holding conversations with different agencies, not only National Statistical Offices. From the Colombian experience, a process of consultations among the National Statistical Office, the Ministry of Foreign Affairs and the Presidential Agency of International Cooperation has enriched the discussion.

## Comments by the TOSSD Task Force

Indeed. It is exactly for this reason that the TOSSD Task Force is constituted not only of national statistical offices but also representatives from development co-operation policy departments (either ministries of foreign affairs or agencies of international co-operation) and from multilateral organisations. The current composition of the TOSSD Task Force can be consulted at <a href="http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/International-TOSSD-Task-Force-Members.pdf">http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/International-TOSSD-Task-Force-Members.pdf</a>. Many Task Force members have held internal consultations throughout the development of TOSSD. This is good practice as demonstrated by the case of Colombia.

 One way to improve the consistency of data, besides surveys, and to strengthen the measure with the recipient's perspective, could be the creation of a mechanism for recipient countries to give feedback on the data reported by providers.

#### **Comments by the TOSSD Task Force**

Many thanks to Colombia for the suggestion. The Task Force could develop and pilot such a mechanism in collaboration with a few recipient countries (e.g. one country from each region). Colombia would be most welcome to participate in this work.

## III. SPECIFIC ITEMS COLOMBIA ENCOURAGES TO PUT UNDER REVIEW AND DISCUSSION

#### Item 1: reporting instructions for Pillar II

1.44.

- 10. TOSSD is presented as a tool mainly for providers and it should be acknowledged that the cooperation given by DAC members varies from emerging (non-reporting donors) to SSC providers.
  - The scope of flows relevant for Pillar II should include a basis proposal from a list of Global Public Goods to be included in this pillar. Thus, we consider that work in this group could focus on a common basis for the understanding of what a GPG is and their scope. In that sense, we can better assess that the contributions made to the GPG are effectively being directed to achieving sustainable development.
  - Even though there is no consensus on a measurement methodology for South-South Cooperation, as not all countries included in the South-South modality have developed uniform value aggregation models, it is important to develop a methodology, based on common principles, to measure it.

## Comments by the TOSSD Task Force

It should be clarified that TOSSD is a recipient-focused metric and no provider perspective of TOSSD has been developed yet; it cannot therefore be argued that it is a tool mainly for providers. As regards SSC, the TOSSD methodology presents it as a specific framework of collaboration and as such acknowledges its specificities. Each provider country has its unique code in the TOSSD data format, so SSC providers can be separately identified. Moreover, the methodology developed by the Task Force provides a uniform value aggregation model of SSC. This is based on the models used by a number of countries active in SSC (e.g. Mexico), but can be further discussed if needed. Our understanding is that this would be one of the topics for discussion in the IAEG-SDGs working group on TOSSD.

With regard to the possible use of a list of International Public Goods (IPGs), the first issues paper on Pillar II proposed using such a list, but the request from Task Force members at its 4<sup>th</sup> meeting in May 2018 (in which Colombia participated) was not to go in that direction, but to develop definitions and eligibility criteria instead. Still, the Task Force has examined some IPGs in depth and as a result agreed on additional guidance, for example on climate, research and development or peace and security. Biodiversity and financial stability will be discussed in the February 2020 meeting and may also lead to additional guidance for inclusion in Annex E of the Reporting Instructions. The TOSSD Strategy paper that will be presented in the February 2020 meeting re-introduces the idea of a list of IPGs.

11. Regarding the levels of analysis for Pillar II:

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- The "activities (...) that promote international cooperation for sustainable development" are more related to the functioning of the multilateral, global and regional organizations, which receive contributions from all member countries and other parties.
  - Therefore, we should keep working on (i) how the resources directed to this level will be catalogued, and (ii) how to ensure that these contributions are not reported as ODA.
- Work on the criteria for the inclusion of "certain expenditures incurred by providers in their own countries or in non TOSSD-eligible countries" could also be addressed in the discussions of the Group. The latter to strengthen mechanism in which public policies implemented by a country could be included in TOSSD (e.g. in donor-refugee costs).

## **Comments by the TOSSD Task Force**

TOSSD data will be collected directly from multilateral, global and regional organisations, so as to obtain detailed information on the activities and how they contribute to sustainable development.

The question of how the resources directed to the international organisations will be catalogued is addressed in paragraph 41 of the TOSSD Reporting Instructions. Regarding the comment on whether the contributions are reported as ODA or not, it needs to be recalled that the ODA measure is governed by the OECD Development Assistance Committee (DAC) and that the ODA reporting criteria are given in the DAC CRS Reporting Directives. The inclusion of organisations in the scope of TOSSD has no impact on ODA.

Finally, the criteria for the inclusion in TOSSD of expenditures incurred by providers in their own countries or in non TOSSD-eligible countries has been discussed by the Task Force but can be further discussed if needed.

12. Further reflection is needed when discussing and defining a clear methodology for the contributions to GPG's as there are sensitive subjects, such as in-donor refugee costs.

#### Comments by the TOSSD Task Force

The methodologies have been discussed but can be further elaborated if needed. Any requests in this regard can be addressed to the Task Force co-Chairs or conveyed at the Task Force meetings.

## Item 2: Peace and Security

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- 13. It is suggested to include the definition of peace and security actions under the ODA framework.
- 14. Taking into account the political complexity associated with peace and security expenditures and the need to shield ODA from becoming politicized, it is considered that these activities should only be included as Pillar 1.
- 15. Nonetheless, Colombia recognizes the TOSSD/TF to carry out country pilots, and will attentively follow discussions about the conclusions of said pilots on this matter, highlighting the need to include a safeguard mechanism, or a parallel eligibility criteria for the report of these activities.

## Comments by the TOSSD Task Force

It would be helpful if Colombia could clarify the sentences in paragraphs 13 and 14. As noted above, the ODA measure is governed by the DAC so any recommendations on ODA should be addressed to the DAC, not to the TOSSD Task Force.

Safeguards on peace and security are given in Annex E, page 36 of the Reporting Instructions available at <u>http://www.oecd.org/dac/financing-sustainable-development/development-finance-</u> <u>standards/TOSSD-Reporting-Instructions.pdf</u>

# **ITEM 3: Climate change**

16. Under the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, Parties have advanced in streamlining the current transparency reports in order to provide further clarity, transparency, comparability and avoiding double counting of financial climate flows. The progress made enhances the current information being reported under the Biennial Reports moving towards the new Biennial Transparency Reports to be submitted by all Parties starting in 2024.

## **Comments by the TOSSD Task Force**

UNFCCC has the mandate for climate finance reporting, and TOSSD will not be a direct source for data on climate finance. However, through the inclusion in Pillar II of mitigation activities in provider countries, TOSSD will fill a data gap on climate investments in developed countries, on which UNFCCC does not and is not mandated to collect data.

17. The First Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA1) adopted in 2018 decision 18/CMA.1 on modalities, procedures and guidelines for the transparency framework including for support provided, mobilized, needed and received. For Colombia, these enhanced categories of information should be taken into account for the information to be reported under TOSSD as they allow for more specific understanding of financial climate flows.

## Comments by the TOSSD Task Force

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The Task Force will review this decision to see whether, and if so how, the enhanced categories of information can be linked to TOSSD. In this regard, Colombia is kindly invited to share a concrete suggestion on updated categories for inclusion in TOSSD (e.g. sectors/modalities/channels/financial instruments).

- 18. Therefore, a way to add value for reporting the information under Pillar II could be information consistent with the new reporting categories agreed under the CMA1 and COP24, thus in line with the divisions established by the aforementioned decision for support provided and mobilized (i) through bilateral, regional and other channels; (ii) multilateral channels; (iii) public interventions.
  - In that regard, for the categories proposed to better reflect the information, they should consider the underlying assumptions, definitions and methodologies of the decision. Additionally, the group could work on the ways in which the information reported under TOSSD is avoiding double accounting among the pillars.
  - Furthermore, under decision 18/CMA.1 Parties are making efforts to specify the recipient (region, global, project, programme, activity or other (specify); the channel (bilateral, multilateral); type of public intervention (grant, concessional loan, non-concessional loan, equity, guarantee, insurance, policy intervention, capacity building, technology, development and transfer, technical assistance); type of support (mitigation, adaptation, cross-cutting); sector, among others.

## Comments by the TOSSD Task Force

The categories mentioned in paragraph 18 are present in TOSSD, and can be further refined if needed to add value to TOSSD data.

In relation to the issue of double counting, it should be clarified that the TOSSD architecture avoids double-counting between the two pillars. The Task Force would need further clarification on why Colombia thinks double-counting might be an issue in the TOSSD framework.

Moreover, current TOSSD classifications cover the elements mentioned in the second bullet point (recipient, channel, type of public intervention, and type of support) pretty well and refinements are possible if needed.

19. Additionally, the group could also work on the scope of the term "climate-related" as it could be too wide and not necessarily refer to mitigation, adaptation or cross-cutting activities, projects or programs. It is important to guarantee that what is being reported corresponds effectively to the needs of climate change action.

#### Comments by the TOSSD Task Force

The Task Force could discuss how to further clarify the term "climate-related".

20. Finally, the considerations hereby mentioned could be consulted with the Secretariat of the UNFCCC to enrich and guide the discussions of the group on this issue.

#### **Comments by the TOSSD Task Force**

The Task Force Secretariat can easily convey Colombia's suggestions to the UNFCCC Secretariat since it is in regular contact with them. It would be helpful to receive Colombia's concrete suggestions on updated categories, as mentioned above.