Renewed governance arrangements for TOSSD
TOSSD Task Force Issues Paper\textsuperscript{1} - Agenda item 1
15\textsuperscript{th} meeting of the International TOSSD Task Force
14 and 17 February 2022

Introduction

1. The governance of TOSSD has been on the agenda of the Task Force from early on in its proceedings.\textsuperscript{2} The discussion stems from the recognition that the nature of TOSSD, as a global measure for sustainable development in support of developing countries, requires a wide and inclusive governance structure, where all stakeholders are represented, can engage, exchange experience and jointly shape the measure in a concerted manner.

2. This paper seeks guidance and decisions by the Task Force regarding possible renewed governance arrangements for TOSSD.

I. Why are renewed governance arrangements needed?

3. This section outlines the reasons why there is a need for renewed governance arrangements for TOSSD.

4. In past discussions of the Task Force\textsuperscript{3}, the rationale for renewed governance arrangements for TOSSD have built on the following:

   - **The need to keep a high level of interaction and efficiency in decision-making processes:** Since its creation in 2017, the Task Force has been characterised by a high level of interaction and a strong involvement by members in the discussions. However, with a growing membership, there is a risk that this way of working becomes increasingly challenging. The Task Force anticipated this issue in its current terms of reference\textsuperscript{4} : “\textit{As and when the number of members exceeds 35, the Task Force will review its modes of deliberation to ensure its decision-making processes remain effective}”. \textit{With the Task Force now comprising 27 members and 8 observers and further growth likely},\textsuperscript{5} considering whether a new governance arrangement may be

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\textsuperscript{1} Jointly drafted by Guillaume Delalande (Guillaume.Delalande@oecd.org) and Julia Benn (Julia.Benn@oecd.org).

\textsuperscript{2} See: “\textit{Possible options for future governance arrangements}” at the 3rd meeting of the Task Force and the \textit{Action Points of this 3rd meeting}; the \textit{Action points of the 9th meeting}; the TOSSD Strategy Paper by the co-Chairs and \textit{Action points of this 10th meeting}; the \textit{Item 5: Options for the future governance and financing of TOSSD} at the 11th meeting and the \textit{Action Points of the 11th meeting}; the \textit{Action points of the 12th meeting} and the \textit{Action points of the 13th meeting} and \textit{Action Points of the 14th meeting}.

\textsuperscript{3} See for example Item-5-Options-for-governance-and-funding.pdf (tossd.org)

\textsuperscript{4} See terms-of-reference-Jun2021.pdf (tossd.org)

\textsuperscript{5} For a full list of Task Force members, see: International Task Force - (tossd.org).
necessary would appear timely. This new governance arrangement could for example, be constituted of a Plenary, with all members and observers, and a Steering Group, limited in size but with a balanced membership from all stakeholder groups. The Steering group could manage the regular operations and direction of TOSSD, while the Plenary could comprise the entire membership and meet every year or more to take key decisions. In addition, one or more working groups could be created to address pending and future technical issues.

- **The need to strengthen the governance and legitimacy of TOSSD as an official statistical framework:** Key elements in the legitimacy of TOSSD are the official nature of the statistics collected, i.e. that TOSSD data are reported by governments and multilateral institutions, as well as the stability and clarity of the governance of the initiative. Now that the standard has been developed and that TOSSD is likely to be approved as a data source for a UN indicator, upgrading the TOSSD governance structures to place the initiative on a firmer footing and formalise the participation of representatives of countries and organisations in their official capacity may become more important. Of course, this would not preclude continued collaboration with experts.

- **The need to strengthen the legitimacy of TOSSD as an inclusive global standard and measure:** TOSSD needs to provide an adequate space for emerging providers to discuss what and how to report. To benefit from an appropriate legitimacy in the eyes of the international community, which is critical to be able to collect data on support for sustainable development from a wide range of countries and organisations, the governance structure would also need to provide a space where all voices (traditional providers, dual provider/recipients, recipients, multilateral organisations) can be heard and participate in the decision-making. In addition, it may be necessary to demonstrate, for all stakeholders, a certain level of independence from traditional providers. One element of demonstrating this could be to diversify the sources of funding of TOSSD and further broaden the TOSSD governance structures.

5. **With the data collection now up and running, there is a need to address emerging TOSSD reporting issues in a more timely fashion:** It is increasingly difficult to cover all necessary topics in TOSSD Task Force meetings. Even if this issue is partly related to shorter virtual meetings over the last two years, it is also clear that the data collection triggers and multiplies the questions that need to be discussed. This includes issues such as the clarification to reporting rules and adjustments to classifications, which could potentially be more easily dealt with in a specific technical group that then makes recommendations for approval by the governing body. More time may also be needed to discuss strategic issues (political engagement at the G20 and the UN, outreach to new reporters and recipient countries, etc.).

6. **In addition, the governance structure needs to evolve to manage the increasing costs associated with the growth of TOSSD.** With a growing Task Force and data collection, the costs for managing the framework (e.g. data processing, online database, specific requests and organisation of meetings) tend to increase. Running a statistical system requires a predictable funding base, hence the discussions in the Task Force regarding moving towards annual membership contributions. However, moving to an annual membership contribution, discussions on which are on-going in the Task Force, is also a further element necessitating developing a clearer governance structure in which the views of all countries and organisations that contribute to TOSSD are taken into account, for example through the creation of a Plenary and a Steering group, as explained above.

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6 In previous Task Force papers, these structures were already mentioned and referred to as “General Assembly” and “Steering Committee”.

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II. Why the need to consider a renewed governance structure now?

7. Two critical factors bring increased urgency to consideration of the governance of TOSSD at the present juncture: i) TOSSD will take an entirely new dimension with its recognition as a data source in the SDG indicator framework, expected to be approved at the UN Statistical Commission on 1-4 March 2022 and ii) the OECD DAC will begin discussions on the funding of the TOSSD framework and the Task Force for the period 2023-24 from the end of February 2022.

A. The recognition of TOSSD as a data source in the SDG indicator framework

8. The likely recognition of TOSSD as a data source for indicator 17.3.1. of the SDG indicator framework represents a game-changer for TOSSD both politically and technically.

9. From a political point of view, the inclusiveness of the Task Force needs to be elevated, in particular by formalising and enhancing linkages with the United Nations, for example through ensuring permanent representation of the UN in the TOSSD governance structure. The Task Force has always recognised the importance of a strong involvement of the United Nations in its governance arrangements, particularly moving forward, in order to ensure wide ownership of the TOSSD measure.

10. From a technical point of view, to be able to produce the data series on support for sustainable development for indicator 17.3.1, the TOSSD Secretariat needs to work in collaboration and coordination with UNCTAD, the co-custodian for indicator 17.3.1. In the final proposal presented to the UN Statistical Commission, UNCTAD and OECD as co-custodians are requested to ensure that there are no overlaps in global reporting for this indicator in cases where countries or multilaterals provide their information to both organisations. Formalisation of this co-operation in the TOSSD governance structures would also appear essential.

B. Key discussions on the financing of the Task Force Secretariat are upcoming from February to June 2022

11. The costs of the Secretariat and the functioning of the Task Force have until now been almost exclusively funded through the OECD Development Assistance Committee Programme of Work and Budget (OECD DAC PWB).

12. In February 2022, the OECD DAC is starting discussions on its 2023-24 PWB and will be concluding them around May-June 2022. These discussions will cover the level of support provided by the OECD DAC to the TOSSD Secretariat and the TOSSD framework. With this in mind, clarity as to how the Task Force wishes to evolve in light of the recent developments of the initiative is important in order that these be taken into account in the OECD DAC’s discussions of its Programme of Work and Budget. It will also be important for any implications regarding the future evolution of TOSSD stemming from the DAC PWB process to be made clear to TOSSD members.

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7 For more information on the process that is leading to this recognition, see all material related to the deliberations of the working group on the measurement of development support at: https://unstats.un.org/sdgs/iaeg-sdgs/working-group-on-measurement-of-development-support/

8 See for example TOSSD-Third-Task-Force-Item6.pdf (oecd.org), Item-5-Options-for-governance-and-funding.pdf (tossd.org) and the TOSSD Strategy Paper by the co-Chairs.
C. Expiration of the current TORs

13. One final element that makes the discussion on renewed governance arrangements timely is that the current TORs of the Task Force are only valid until the end of July 2022.

III. Considerations on how to move forward

A. Two broad options are possible

14. Since the last meeting of the Task Force, the Secretariat has explored various possible options as to how the TOSSD governance structures might evolve. This has included an in-depth review of the governance structures and procedures of several entities\(^9\) potentially relevant in the context of TOSSD (e.g. because of the composition of their membership and their strategic objectives), within the OECD and beyond.

15. At present, the Task Force has no formal legal status and functions pursuant to its TORs with the support of the OECD Secretariat. Moving forward, two broad options are possible (see Annex I). First, should the Task Force consider it needs more time to advance work on a renewed governance arrangement, it could renew its TORs with little change and continue functioning as it does presently, i.e. it could maintain the status quo. However, this would not address the recent developments of the initiative outlined above.

16. Alternatively, the Task Force could seek to review and revise its governance arrangements to increase certainty, clarity and legitimacy, as well as to better accommodate the recent developments of the initiative outlined above. While not directly related to questions of governance arrangements, depending on the future evolution of TOSSD, the Task Force could also consider whether any evolution in its governance arrangements might imply a need to consider an evolution in its financial and administrative arrangements, for example, by further formalising its status and relationship with the OECD through a hosting arrangement.

17. With respect to its governance arrangements, when analysing the two broad options outlined in this paper, Task Force members could consider the following criteria:

- The **credibility** of the option against i) the political ambition of TOSSD (TOSSD cannot claim to be a global measure in the long run if it is managed by a small group of countries in an informal way) and ii) political commitments vis-à-vis the international community (notably developing TOSSD in an “open, inclusive and transparent” manner, in reference to paragraph 55 of the Addis Ababa Action Agenda).
- The political **acceptability** of the option by the international community and specific groups, i.e. traditional providers, dual provider/recipients, recipients, multilateral institutions and CSOs.
- The **feasibility** of the option, including the administrative, financial and technical feasibility (e.g. capacity of the Secretariat to meet the goals set by the Task Force or to produce the data for the UN indicator 17.3.1).

\(^9\) Namely the Global Forum on Tax and exchange of Information for Tax purposes, GPEDC (Global Partnership for Effective Development Co-operation), IATI (International Aid Transparency Initiative), MOPAN (Multilateral Organisations Performance Assessment Network), IPAC (International Programme for Action on Climate).
B. What now? Concrete options and next steps

18. In case the TOSSD Task Force decides that it needs more time to advance work on a renewed governance arrangement, the Secretariat could prepare a new version of the TORs to extend the work of the Task Force until a suitable date, to be discussed among Task Force members. Elements to take into consideration regarding this option are set out in Annex I.

19. In case the Task Force supports reviewing and revising its governance arrangements, it could make progress during its 15th meeting by addressing some concrete questions already considered in previous meetings in further detail, including:
   a. The broad structure of a future TOSSD governance model and discuss some of its critical elements
   b. The role of the UN in a future governance model
   c. Options regarding the name of the future governance body of TOSSD

20. Elements to take into consideration regarding this option are set out in Annex I, while questions to consider are set out in Annex II.

   a. The broad structure of the future TOSSD governance model and its critical elements

21. At its previous meetings, the Task Force had considered the possibility of a new governance arrangement consisting of a “Plenary/General Assembly” and a “Steering Group/Steering Committee”. The Task Force could confirm if this is still the envisaged model.

22. Based on the research carried out by the Secretariat, Annex II provides a list of topics and related questions to be discussed in order to further clarify future TOSSD governance arrangements. The answers to these questions would also form a basis for the development of a manual of procedures as called for by the Task Force. In this regard and building on the discussion of these questions, the Secretariat could provide text on certain aspects – e.g. participation in the new governance structure (members, observers), potential waivers on annual membership contributions, application process and the Secretariat TORs – for discussion at the Task Force’s next meeting.

   b. The role of the UN in a future governance arrangement

23. A critical aspect of any new governance arrangement will be the role of the UN. The Task Force has already discussed that the United Nations should indeed play a key role in the future governance structure for TOSSD.

24. The process over the past 18 months in the IAEG-SDGs Working Group on measurement of development support against the SDG target 17.3 has allowed for broadening the discussion on TOSSD much beyond the International Task Force and led to a de facto recognition of the TOSSD methodology. The proposal by the Working Group submitted to the Statistical Commission builds on

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10 See for example [TOSSD-Third-Task-Force-Item6.pdf](https://oecd.org) and the [TOSSD Strategy Paper by the co-Chairs](https://tossd.org).

11 See the relevant paper ([Item-3-Proposal-to-develop-a-manual-of-procedures.pdf](https://oecd.org)) and the Action points ([12th-tossd-meeting-action-points.pdf](https://oecd.org)) on this topic from the 12th TOSSD Task Force meeting.

12 See for example [TOSSD-Third-Task-Force-Item6.pdf](https://oecd.org), [Item-5-Options-for-governance-and-funding.pdf](https://tossd.org) and the [TOSSD Strategy Paper by the co-Chairs](https://tossd.org).
TOSSD, largely applies TOSSD concepts and definitions, and references TOSSD as a data source. It also foresees the OECD and UNCTAD as co-custodians for the indicator, which in practice implies joint work on the data and reports based on the indicator.

25. The link with the UN for TOSSD can thus be ensured through the collaboration with UNCTAD on the SDG indicator 17.3.1, noting that the UN Statistical Commission oversees the global SDG indicator framework. The UN, in particular UNCTAD, can contribute to quality assurance and facilitate outreach to SSC providers through pilots and joint work on capacity building.

26. By contrast, even if TOSSD becomes a more global standard, recognised through the global SDG monitoring framework, the Task Force has acknowledged in previous meetings that hosting by the UN may take time. There are also economies of scale to take into account and the OECD has a clear value-added in collection and publication of data on development finance, given its existing statistical systems and infrastructures. The TOSSD database and procedures for data collection, processing and publication were built in a short time frame, and are fully functional, thanks to the systems already in place at the OECD. Rebuilding such a capacity at the UN would not come without major financial and technical implications.

27. Regardless of the specifics of any revised governance structure that might be established, the Task Force could discuss the importance and modalities of the UN participating in the TOSSD governance structures on a permanent basis. Given the critical role that UNCTAD is expected to play as a co-custodian of indicator 17.3.1., the Task Force could discuss the role of UNCTAD in these structures in particular.

28. The Task Force could discuss the concrete role that it sees for the UN/UNCTAD, for example in any future “Plenary”, “Steering Group” and in more technical working groups.

  c. Options for a future name for an expanded Task Force

29. The Task Force already held a discussion on this topic at its 11th meeting in October 2020. From prior discussions and in view of recent developments of the initiative, it appears that a suitable name for TOSSD could include: i) “international”, ii) the measurement aspect i.e. “TOSSD” or “measuring support for sustainable development” and iii) a description of the entity i.e. “Forum”, “Platform” or “Network”. The following names could therefore be proposed:

- International Forum on Measuring Support for Sustainable Development (IF-MSSD)
- International Forum on TOSSD (IFT)
- International Platform on TOSSD (IPT)
- International TOSSD Platform (ITP)
- International Network on TOSSD (INT)
- International TOSSD Network (ITN)

30. The Task Force is invited to comment on the possible names above.

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13 See previous discussions on the name of the Task Force at: Item-5-Options-for-governance-and-funding.pdf (tossd.org) and corresponding Action Points: 2020-12-18-11th-TOSSD-TF-Meeting-Action-Points-final.pdf
Issues for discussion

- Task Force members are invited to provide their views on the two broad options for future governance arrangements of TOSSD (Annex I).
- If the Task Force wishes to consider reviewing and revising its governance arrangements, Task Force members are invited to discuss:
  - The broad structure envisaged for a future TOSSD governance model and discuss some of its critical elements (Section III.B.a).
  - The role of the UN in a future governance model (Section III.B.b).
  - Options of the future name of a new governance body (Section III.B.c).
**Annex I: Possible governance options for TOSSD and the TOSSD Task Force**

**Option 1: Status quo**

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<th>Main governance body</th>
<th>Elements to take into consideration in this option</th>
<th>Actions needed by the Task Force under this option</th>
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| TOSSD Task Force - No formal legal status, functions pursuant to its TORs, with the support of the OECD Secretariat pursuant to the OECD DAC PWB and under the administrative oversight of the OECD / DCD (Development Co-operation Directorate) | • This option does not entail much change in the current functioning and would be easy to implement.  
• There may be a disconnect between the ambition / achievements of TOSSD (UN, G7, G20, the ambition of building a global measure) and the current Task Force set-up (limited in size with a mix of experts and officials). This option may also make fulfilling the commitment to develop TOSSD in an “open, inclusive and transparent” manner difficult (paragraph 55 – Addis Ababa Action Agenda), given the size of the Task Force (35) and the fact that 100 providers are expected to report this year.  
• It may be difficult for providers to present arguments to their administration for a large scale data collection by a “Task Force” with a limited number of members and where they cannot be represented. Without adequate governance structures to support it, expanding participation in the Task Force pursuant to the current TORs to address this issue may be difficult.  
• Beyond governance issues, the Task Force should bear in mind elements of the financial and administrative arrangements for TOSSD. First, continuing under the current arrangements is dependent on the OECD DAC agreeing on the level of funding for TOSSD. Second, in the scenario the DAC does agree to the funding for TOSSD, at current funding levels the Secretariat’s capacity to collect data has reached its limits and with the DAC PWB potentially being capped with a budgetary ceiling, there is a risk that the entirety of the budget necessary to run TOSSD will not be agreed. This could lead to the running of the Task Force and data collection being slowed down, and the capacity to respond to the commitment of providing data for indicator 17.3.1. being reduced. | • Extension of the Task Force TORs  
• OECD DAC members of the TOSSD Task Force to advocate for an appropriate level of funding for TOSSD. |
**Option 2: Evolution of the Task Force toward more formalised and clarified governance arrangements**

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| Revised governance arrangements, for example with a Steering group, a Plenary and working groups, with more formalised rules and procedures. | - It is unclear how the international community perceives a “Task Force” to run a global measure such as TOSSD. Revised governance arrangements would project a renewed ambition for TOSSD, through a new name, more formalised and tailored institutional set-up (e.g. the creation of a plenary/steering group), and clearer working rules and procedures.  
- As TOSSD is expected to be recognised at the UN, it may be necessary to allow for a larger number of stakeholders to participate in and take decisions on TOSSD, in line with the commitment to develop TOSSD in an open, inclusive and transparent manner (Addis Ababa Action Agenda, paragraph 55). Bringing a large number of new participants into the TOSSD Task Force in its current structure may be difficult, and revising the governance arrangements may be important in adequately accommodating such growth.  
- In light of the budgetary concerns outlined in option 1 above, and in view of the fact that revision of the governance structures - and an increase in the number of participants in TOSSD - would certainly lead to a need for an increased budget, should the Task Force wish to revise the governance arrangements, it would need to consider the financial and administrative arrangements, including whether alternative models should be explored, for example through a hosting. Depending on the evolution of TOSSD, reconsideration of the financial and administrative arrangements may also be important with respect to the broader independence of the measure. | - The Task Force could: Decide on a new name; develop internal rules and procedures for some aspects of its work (see Annex II); change its composition towards official representatives rather than a mix of experts and country officials.  
- Task Force members need to indicate whether they are in a position to provide the appropriate funding for the entire TOSSD budget.  
- OECD DAC members from the Task Force need to advocate for the appropriate level of funding for TOSSD during the upcoming budgetary discussions at the OECD DAC, as well as the removal of the cap on voluntary contributions for TOSSD in the DAC PWB (or an appropriate arrangement for TOSSD to continue developing and growing). |
Annex II: Main areas to discuss for a future governance arrangement

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<th>Topic to be discussed regarding the new governance structure</th>
<th>Key questions to discuss</th>
<th>Notes</th>
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| **Membership and participation**                            | • What would be the conditions for being a member?  
• Should members be officials or experts?  
• What would be the conditions for being an observer?  
• What should be the link between membership and financial contribution? Should there be waivers (e.g. for developing countries) to participate?  
• What should be the formal application process for becoming a member / observer? | • Members (pay contributions, with a waiver system for some countries; report and use TOSSD data; promote the standard)  
• Observers (share expertise, promote constructive dialogue, are expected to become members after 2 years)  
• Other participants (independent experts)  
• Application process |
| **Main bodies**                                             | • What should be the main bodies for the new TOSSD governance arrangement?  
• Should a “technical working group” be created to deal with purely statistical matters for validation by the Task Force / Steering group? | A possible option is: a Plenary; a Steering Group; Working Groups and a Secretariat. |
| **Chairing arrangements**                                   | • How many chairs / co-chairs / vice-chairs for each body? What should be their role? | Two co-chairs representative of membership among providers, dual providers/recipient, recipients and multilateral organisations; exact functions, delegation mechanism, and rotation could be further discussed. |
| **Plenary**                                                 | • What should be its composition?  
• What should be its mandate?  
• How often should it meet? | Options on frequency: a meeting every year or rather every 2-3 years. |
| **Decision making process**                                 | • Should all decisions be based on consensus or should the option of voting as a last resort be allowed. With which majority?  
• Should written procedure be an option? | E.g. two-thirds majority. |
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| Steering Group                                             | • How many members should there be in the Steering Group?  
• What should be its composition?  
• What should be its role and mandate, including vs the plenary? | Options include for example having a Steering Group of 20 members (to facilitate discussions and decision-making) or 30 members (close to the current number of Task Force members), including co-chairs and with a balanced representation of traditional providers, dual provider/recipients, recipients, multilateral institutions and CSOs. A rotation system could be put in place (e.g., every 2 years). |
| Secretariat                                                 | • What should be its role and mandate?                                                                                                                                                                                   | TORs could be shown at the next meeting.                                                                                                                                                           |
| Technical Working Groups                                    | • Should there be a technical working group to deal with statistical matters? What should be its composition?  
• Should there be other Working Groups?                    |                                                                                                                                                                                                                                                                   |