



Total Official Support for Sustainable Development (TOSSD)

A new tool to capture the full spectrum of officially supported resources for the SDGs

TOSSD Task Force Issues Paper¹
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For discussion under agenda item 7

Frequently Asked Questions

“The TOSSD statistical measure includes all officially-supported resource flows to promote sustainable development in developing countries, to support development enablers and to address global challenges at regional or global levels.”

1. How will TOSSD support the Addis Ababa Agenda for Action call to mobilise additional finance for development?

The vast scope of the SDGs creates a new imperative to maximise the full potential of all resources – public, private, national and international – that finance development. The key to unlocking this potential is understanding the scope, nature and dynamics of the full range of resources being deployed to achieve the SDGs. This, in turn, requires a global framework for measuring resources in support of sustainable development, including external finance.

The primary objective of TOSSD is greater transparency about the full array of officially-supported resources provided in support of the 2030 Agenda in developing countries, including resources mobilised from the private sector by official development finance interventions. It is designed to provide a coherent, comparable and unified system for tracking SDG-relevant investments that can inform strategic planning, identify emerging gaps and priorities, and assess progress in matching supply with needs. It also captures resources for Global Public Goods for sustainable development – essential for the implementation of the SDGs while involving no direct resource transfers to developing countries.

By collecting information on officially supported flows but also on amounts mobilised from the private sector by official interventions, the TOSSD statistical framework is meant to create incentives to mobilise additional resources above and beyond ODA.

2. How will TOSSD be helpful for developing countries?

Developing countries often note that they do not “see” the ODA flows coming to their countries. This is because ODA contains several components that involve expenditures in the provider countries (e.g. in-donor refugee costs, administrative costs).

TOSSD is a two-pillar framework that tracks officially-supported i) cross-border resource flows to developing countries and ii) finance for development enablers and global challenges at regional and global levels. The first pillar of TOSSD will improve the transparency of which expenditures are cross-border resource flows, therefore contributing to greater accountability and helping development policy planning at home.

TOSSD will also provide a more accurate view on development flows than is currently depicted in ODA since it would collect specific information on activities in support of the Sustainable Development Goals and targets. By tracking activities that directly support the SDG targets and goals, TOSSD will incentivise activities that truly contribute to sustainable development, making financing packages greener. This could contribute to overcome some of the environmental and other sustainability challenges that developing countries face.

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3. What are the key differences between TOSSD and ODA?

TOSSD and ODA are technically different measures, even though there are links between the two. A part of ODA flows, such as grants and concessional loans, will be a core component of the cross-border resource flows pillar of TOSSD. However TOSSD goes beyond ODA flows, since it includes also non-concessional loans and other debt instruments, equity investments and finance mobilised from the private sector through official interventions. Another difference is in the measurement. ODA measures the grant equivalents of concessional loans while TOSSD measures the volume of these loans (flows).

TOSSD is also broader than ODA because the measure is not only reportable by OECD DAC members (and the 20 countries beyond the DAC that report on ODA flows) but pertains to a larger community of providers, including emerging economies and south-south co-operation providers. In fact, obtaining a better understanding of resources for sustainable development by all providers is an explicit objective of TOSSD.

Moreover, TOSSD has been specifically designed to address the sustainability aspects of development co-operation, with an operational definition of sustainable development linked to the sustainable development goals. Sustainable development is an eligibility criterion for TOSSD, which is not the case for ODA.

Lastly, TOSSD can include flows to countries that are not on the DAC List of ODA Recipients but still face difficult challenges to achieve the sustainable development goals.

4. There is a fear that TOSSD will gradually replace ODA and will dilute ODA commitments to countries most in need. How can this risk be addressed?

TOSSD is complementary to ODA and does not undermine ODA commitments of donors. In the Addis Ababa Action Agenda ODA providers reaffirmed their respective ODA commitments, including the commitment by many rich economies to achieve the target of 0.7 per cent of ODA/GNI and 0.15 to 0.20 per cent of ODA/GNI to Least Developed Countries. ODA remains essential to support the most vulnerable populations in many countries, in particular Least Developed Countries.

There is no target attached to TOSSD and therefore no risk of competition or confusion with ODA targets, and no incentive to reduce ODA to the benefit of non-concessional finance.

The Addis Ababa Action Agenda makes it clear that ODA is not sufficient for eradicating poverty and promoting wellbeing, and that other resources need to be mobilised in support of sustainable development. The aim of TOSSD is not to replace ODA but to fill a knowledge gap about the resources for sustainable development beyond ODA. Moreover, TOSSD can help maintain the integrity of the ODA measure by tracking, and thereby reducing pressure to include in ODA, broader flows (e.g. development enablers such as peacekeeping costs).