

Inter-Agency and Expert Group on Sustainable Development Goal Indicators: Working Group on Measurement of Development Support

Summary of the open consultation on the draft proposal for SDG Target 17.3

(as of 10 September 2021)

I. Conduct of and responses to the consultation

The open consultation was organized by the Inter-Agency and Expert Group on Sustainable Development Goal Indicators' Working Group on Measurement of Development Support during the period 16 July - 20 August 2021. Invitations to participate were sent to the Statistics Division's extensive contact list of statistical offices and international and regional organizations. In addition, all attendees of recent meetings of the IAEG-SDGs received an invitation. This included numerous non-governmental organizations, UN major groups, academia and the private sector. An invitation to participate was also posted on the main page of the Statistics Division's website, together with a link to a webpage dedicated to this consultation.¹

On 18 August 2021, a reminder was sent to the full contact list and the deadline for responses was extended by one week until 27 August 2021 following several requests for additional time.

By 2 September 2021, a total of 121 responses had been received. Seven duplicate responses and 2 responses which appeared to have been entered by accident were removed. Of the 112 remaining responses, 43 were received from non-governmental organizations, 31 from national statistical offices and 10 from other national government entities. We also received 9 responses each from international and regional organizations and from the private sector, 4 from academia, 2 each from local and regional governments and major groups, 1 from a central bank and 1 other. Overall, the responses reflect a very diverse set of stakeholders.

Three additional countries provided general comments per email.

II. Summary

Q1: Do you agree with the proposed way of operationalizing the concept of sustainable development?				
	Total	Yes	Concerns/Suggestions	No
Total	110	79%	15%	5%
Government	42	64%	26%	10%
Non-government	59	92%	5%	3%
I&R Organization	9	67%	33%	0%
Summary / Comments:				
- Strong support but there are concerns regarding implementation such as the uniform application of the criteria to flows with different levels of available information.				
- Some provider countries expressed concern about the possibility of recipient countries vetoing the inclusion of flows based on different values concerning gender, human rights etc.				

¹ See <https://unstats.un.org/sdgs/iaeg-sdgs/open-consultation-5/>.

Q2: Do you agree with including official sustainable development grants?				
	Total	Yes	Concerns/Suggestions	No
Total	111	82%	14%	4%
Government	44	77%	20%	2%
Non-government	58	88%	7%	5%
I&R Organization	9	67%	33%	0%
Summary / Comments:				
<ul style="list-style-type: none"> - Strong support. - Several countries made their support conditional on South-South Cooperation being included in the final proposal. - A few respondents were concerned about what grants would be included, i.e. how “grants” is being defined and whether all grants serve sustainable development. 				
Q3: Do you agree with including official concessional sustainable development loans?				
	Total	Yes	Concerns/Suggestions	No
Total	111	76%	16%	8%
Government	43	72%	19%	9%
Non-government	59	78%	14%	8%
I&R Organization	9	78%	22%	0%
Summary / Comments:				
<ul style="list-style-type: none"> - Strong support. - Several countries made their support conditional on South-South Cooperation being included in the final proposal. - Various individual comments covered a wide range of concerns and ideas, including combining concessional and non-concessional loans. 				
Q4: Do you agree with including official non-concessional sustainable development loans?				
	Total	Yes	Concerns/Suggestions	No
Total	110	67%	19%	14%
Government	43	67%	23%	9%
Non-government	58	71%	12%	17%
I&R Organization	9	44%	44%	11%
Summary / Comments:				
<ul style="list-style-type: none"> - Strong support. - Several countries made their support conditional on South-South Cooperation being included in the final proposal. - Multiple respondents were concerned about the impact of these loans on recipients’ debt burdens. - There were only a limited number of individual comments such as a suggestion for a sub-indicator on ‘Other official financial instruments’. 				

Count of Q5: Do you agree with including FDI?				
	Total	Yes	Concerns/Suggestions	No
Total	111	71%	23%	6%
Government	44	66%	32%	2%
Non-government	58	76%	14%	10%
I&R Organization	9	67%	33%	0%
Summary / Comments:				
<ul style="list-style-type: none"> - Strong and explicit support. - Respondents suggested that, ideally, FDI should be screened against the same sustainability criteria (and on activity level) but recognized that its intent and impact may be difficult to assess. - Since activity-level information is not available for FDI, some suggested to make clear in the final proposal that inclusion as an aggregate is a temporary arrangement and an exception to the rule that data should be provided (or at least originally reported to custodian agencies) at activity-level. - Other comments mentioned challenges with this sub-indicator such as data availability; confidentiality; overlapping information and speculative flows. 				
Q6.a: Do you agree with including MPF as a memorandum item, even if the remaining concerns cannot be sufficiently addressed by the Working Group in the short term?				
	Total	Yes	Concerns /Suggestion	No
Total	111	57%	29%	14%
Government	44	39%	41%	20%
Non-government	58	72%	17%	10%
I&R Organization	9	44%	44%	11%
Summary / Comments:				
<ul style="list-style-type: none"> - Overall support, but less than 50% “yes” responses among governments and international and regional organizations, with 20% “no” responses from governments. - Multiple comments strongly supported its inclusion and stressed its feasibility while many comments saw conceptual and data challenges. - Many respondents were concerned whether MPF supports sustainable development, many were concerned about data availability and the possible overlap with FDI; other concerns include lack of clarity of the concept of “officially mobilized” and associated attribution difficulties, the mixing of different types of instruments, recording on a commitment rather than a disbursement basis, confidentiality (which may make it difficult for recipients to assess development impact), the commercial and profit-seeking nature of the flows, and a provider-centric approach. - Some saw the sub-indicator as not ready for inclusion and suggest including it in the 2025 review; some suggest reviewing the results of pilot testing. - Several supporters of inclusion argued that MPF should be an indicator, not just a memorandum item – please note that MPF is referred to as memorandum item because of its potential overlap in some countries with FDI. 				

Q6.b: If you think that remaining concerns are too fundamental to include MPF as a memorandum item, do you agree to propose this indicator as part of the 2025 global review?

	Total	Yes	Concerns/Suggestions	No
Total	97	82%	7%	10%
Government	36	78%	14%	8%
Non-government	55	91%	2%	7%
I&R Organization	6	33%	17%	50%

Summary / Comments:

- Strong support.
- However, some argued that inclusion in the 2025 review may bring too much delay and that concerns are too much emphasized while there is data and well documented methodology.
- It was suggested by one respondent to first conduct a pilot study, forming a consensus on remaining concerns, and soliciting the opinions of relevant multilateral development banks (MDBs) and then to discuss further.
- Almost all who responded with "Have concerns/Suggest improvements" regarding question 6.a. responded "Yes" to question 6.b. - Among those who responded "No" to question 6.a many retained their objection or concerns when responding to question 6.b.

Q7.a: Do you agree with including private grants if data availability issues can be sufficiently addressed in the view of the Working Group?

	Total	Yes	Concerns/Suggestions	No
Total	109	74%	17%	9%
Government	43	65%	21%	14%
Non-government	58	81%	14%	5%
I&R Organization	8	75%	13%	13%

Summary / Comments:

- Strong support.
- Multiple respondents expressed concerns about data availability and would make inclusion dependent on whether these concerns can be resolved; some suggest waiting for results from pilot testing.
- Other respondents argued that current lack of data should not determine exclusion of this sub-indicator as its inclusion could help improve data availability.

Q7.b: If data availability issues cannot be sufficiently addressed, do you agree to propose this indicator as part of the 2025 global review?

	Total	Yes	Concerns/Suggestions	No
Total	103	80%	7%	14%
Government	40	73%	8%	20%
Non-government	55	91%	4%	5%
I&R Organization	8	38%	25%	38%

Summary / Comments:

- Strong support.
- Multiple respondents said not to postpone inclusion and instead to improve data availability and quality – one respondent suggested to include now and evaluate

data availability in 2025 and another respondent noted that the importance of this flow is growing.

- One respondent noted that the data availability gap may be overestimated.
- Almost all who responded "Have concerns/Suggest improvements" regarding question 7.a. responded "Yes" to question 7.b. Most who responded "No" to question 7.a responded "No" to question 7.b.

Q8.a: Do you agree with having separate indicators for different types of flows?

	Total	Yes	Concerns/Suggestions	No
Total	109	84%	10%	6%
Government	42	81%	17%	2%
Non-government	58	90%	3%	7%
I&R Organization	9	67%	22%	11%

Summary / Comments:

- Very strong support.
- Several respondents reiterated their support for separate sub-indicators.
- Several respondents suggested aggregating different flows and to present TOSSD pillar I as aggregate alongside FDI, MPF and private grants.

Q8.b: Do you agree that the sub-indicators should be shown by recipient?

	Total	Yes	Concerns/Suggestions	No
Total	108	81%	12%	6%
Government	43	77%	14%	9%
Non-government	56	88%	9%	4%
I&R Organization	9	67%	22%	11%

Summary / Comments:

- Strong support.
- Most respondents explicitly supported the recipient perspective while some other respondents stressed the importance of the provider perspective; it was suggested that showing the recipient perspective should not preclude the use of a provider-perspective where appropriate.
- A few respondents found the recipient perspective complex and detailed/lengthy.

Q9: Do you agree with including gross flows only?

	Total	Yes	Concerns/Suggestions	No
Total	105	76%	12%	11%
Government	41	78%	15%	7%
Non-government	55	71%	13%	16%
I&R Organization	9	100%	0%	0%

Summary / Comments:

- Strong support.
- Several respondents suggested also including net flows, or repayments of principal and/or interest, or trying to reflect debt service burdens, while others emphasized that gross flows were most relevant to measuring recipients' resources in support of SDGs and that respondents' reporting burden should not be increased.

Q10: Do you agree with the exclusion of debt relief, in-donor refugee costs, administrative costs not allocated to specific development activities, and non-ODA peace and security expenditures from within the proposed sub-indicators?

	Total	Yes	Concerns/Suggestions	No
Total	105	66%	14%	20%
Government	41	54%	27%	20%
Non-government	55	78%	5%	16%
I&R Organization	9	44%	11%	44%

Summary / Comments:

- Overall support with 66% “yes” answers but also 20% “no” answers; however, concerns were spread across the multiple issues.
- Several respondents mentioned the importance of debt relief and suggested its inclusion; however, none made specific suggestions about how to value debt relief.
- Several remarked that refugee costs do not belong in scope (as inconsistent with recipient perspective), but the importance of recognizing these costs somewhere was highlighted in two comments.
- Several countries objected to the blanket exclusion of peace and security expenditures beyond ODA and stated that they did not believe that small amounts should be a reason for exclusion while others urged that exclusions should be aligned with the TOSSD framework.
- One country suggested also excluding imputed student costs (i.e. the implicit subsidy involved in charging less-than-full-cost fees to students from developing countries).

Q11: Do you agree with excluding the flows mentioned in Note 4?

	Total	Yes	Concerns/Suggestions	No
Total	103	79%	7%	15%
Government	40	73%	10%	18%
Non-government	55	84%	4%	13%
I&R Organization	8	75%	13%	13%

Summary / Comments:

- Strong support.
- A few respondents suggested including them, based on TOSSD methodology (including export credits) to capture other official flows that reflect innovative funding mechanisms despite their low values, as they are expected to grow; however, no concrete proposal for “other official flows” was provided.
- Several countries explicitly supported the exclusions in particular due to their unclear impact on sustainable development and in light of the absence of a concrete proposal for “other official flows”.
- One respondent would include private non-concessional loans.

Q12: Do you have any other comments or suggestions??

Out of 112 respondents 37 (33%) had additional comments

Summary / Comments (need to be reviewed again)

- Multiple respondents reiterated their support for TOSSD either in terms of its wider coverage (also to include innovative financing instruments) or as a data source, though opposition to this was also expressed.
- It was mentioned that the TOSSD reporting and compilation would not have to be altered to allow reporting according to the current proposal, while several respondents expressed concerns about the parallel existence of the new measure and TOSSD.²
- Some respondents called for an aggregate indicator while others explicitly supported the approach to have separate sub-indicators.
- Some respondents reiterated their disagreement with all or specific exclusions and some suggested to leave them all in for the interim.
- Multiple respondents reiterated the importance of including South-South cooperation; some respondents stressed the need to test and fully develop its measurement.
- Multiple respondents expressed concerns about data availability and called for pilot testing.
- The question of how regional and multi-country flows should be handled was raised.
- The importance of addressing funding for global challenges and International Public Goods was reiterated.

² As part of comments submitted per email Germany pointed out the importance that a new reporting system for development support aligned with the 2030 Agenda is mandated and broadly supported by the United Nations. Late comments by three other countries per email generally align with comments already noted here.