

## DRAFT CONCEPT NOTE

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Briefing in the margins of the UN General Assembly Second Committee

### **“Mobilising development finance for the 2030 Agenda for Sustainable Development: next steps towards measuring “total official support for sustainable development” (TOSSD)”**

27 October • 1:15-2:30 pm • Conference Room 2

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#### **Background**

The recently adopted 2030 Agenda for Sustainable Development marks a shift from the Millennium Development Goals, which were focused on poverty eradication and social development in developing countries, to a universal agenda with far-reaching aspirational goals, including the eradication of poverty, the end of hunger in the world, while preserving the planet. The financial resources needed to achieve the 2030 Agenda will be in the order of trillions of dollars annually.<sup>1</sup> The Addis Ababa Action Agenda (AAAA) recognised that this will put significant demands on public budgets and capacities, requiring scaled-up and more effective international support, including both concessional and non-concessional financing. As a truly universal agenda, both developed and developing countries need additional resources to achieve this ambitious and universal agenda. There is need for significant mobilization of resources from a variety of sources and the effective use of financing, in order to promote sustainable development.

New sources of finance – public, private, domestic and international – are available, including blending of concessional and non-concessional resources in financial packages. There is also a diversification of instruments, from the traditional loans and grants to more sophisticated financial instruments such as guarantees, mezzanine finance, collective investment vehicles, etc. The development finance landscape is also populated today by a multiplicity of actors: traditional donors, south-south and emerging providers, multilateral institutions, civil society organizations, foundations, and the private sector.

The AAAA calls upon providers of ODA and South-South cooperation to further increase the effectiveness of their cooperation and to increase knowledge-sharing of their respective efforts. Member States also agree to hold open, inclusive and transparent discussions on the proposed statistical measurement of “total official support for sustainable development” (working title, TOSSD), in order to promote the monitoring and review of resource flows aligned to support the 2030 Agenda<sup>2</sup>.

While Official Development Assistance (ODA) will remain the central international benchmark of provider effort, TOSSD would complement ODA by increasing transparency and by monitoring important new trends that are shaping the international development finance landscape, including: i) the leveraging/catalytic effect of ODA, ii) the use of blended finance packages, and iii) the use of innovative risk mitigation instruments in development

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<sup>1</sup> [UN-DESA AAAA Summary 2015](#)

<sup>2</sup> [Addis Ababa Action Agenda](#), under the “International Development Co-operation” heading (paragraph 55) as follows: “We will hold open, inclusive and transparent discussions on the modernization of the ODA measurement and on the proposed measure of “total official support for sustainable development” and we affirm that any such measure will not dilute commitments already made.”

co-operation. TOSSD could, therefore, incentivise broader external finance for development as a complement to developing countries' own domestic resources<sup>3</sup>.

The OECD Development Assistance Committee (DAC) High-Level Meeting (HLM) 2014<sup>4</sup> proposed guiding principles for work to develop the TOSSD concept, including:

- complement and not replace ODA;
- potentially cover the totality of resource flows extended to developing countries and multilateral institutions in support of sustainable development and originating from official sources and interventions, regardless of the types of instruments used and associated terms, i.e. including both concessional and non-concessional financing provided through various instruments, such as grants, loans, equity and mezzanine finance;
- cover activities that promote and enable sustainable development, including contributions to global public goods when these are deemed relevant for development and aligned with developing countries' priorities; and
- make a clear distinction between official support and flows mobilised through official interventions, but also between flows and contingent liabilities.

### **Objective, format and outcome**

Against this backdrop, the objective of the briefing is to update delegates on ongoing consultations on the TOSSD measurement system to support the follow-up and review of the 2030 Agenda for Sustainable Development.

It is expected that the proceedings of this side event will make a contribution to a stronger financing for development follow-up process.

The briefing discussion will consist of panel presentations by government representatives, United Nations officials and representatives of the Organisation for Economic Co-operation and Development (OECD). The briefing segment will be followed by an interactive dialogue among all meeting participants.

The meeting will conclude with an informal summary highlighting the main points of the discussions and specific proposals or ideas leading to action-oriented results.

### **Suggested questions for discussion**

- 1) How could the TOSSD measure contribute to and underpin follow-up processes to reinforce the means of implementation of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda?
- 2) What are the possible ways forward to strengthen international collaboration with all relevant stakeholders in developing TOSSD to improve the use and impact of development finance tools, arrangements and instruments beyond ODA?

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<sup>3</sup> [TOSSD Briefing Note July 2015](#)

<sup>4</sup> [DAC HLM Communiqué 15-16 December 2014 \(paragraph 14 and Annex 3\)](#)