



Total Official Support for Sustainable Development

BRIEFING NOTE ONE

Trends in Official Support for Agenda 2030: An Overview of TOSSD Data, 2019 to 2021



OXFAM
International



Acknowledgements

ActionAid International Italia ONLUSI and Oxfam International have commissioned a series of Briefing Notes on the trends revealed by several years of data for the new metric Total Official Support for Sustainable Development (TOSSD). The author is very grateful for this opportunity to explore the recently published TOSSD data for 2021.

This Briefing Note is the first in a series of five Notes:

- 1) An Overview of trends in the 2019 to 2021 data;
- 2) Analyzing trends in the allocation of TOSSD resources to SDGs;
- 3) Analyzing Pillar Two (Support for International Public Goods): Issues and Challenges in the data;
- 4) Profiling TOSSD receipts for Select Partner Countries; and
- 5) Profiling TOSSD allocations by Select Provider Countries.

The analysis builds upon an earlier [Discussion Paper on the TOSSD metric](#) and a [detailed analysis of 2019 data for EU Institutions](#), and [TOSSD Data for 2020](#), all of which were prepared by AidWatch Canada with the support and collaboration of Oxfam International and ActionAid.

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Comments have been invaluable in shaping and improving the report. We have also welcomed comments and suggestions from the TOSSD Secretariat in approaches to analyzing the TOSSD data. The author alone is responsible for the content, calculations, errors or omissions. The resulting report does not imply agreement by ActionAid Italy, Oxfam International or the Board of Directors of AidWatch Canada.

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Table of Contents

| | |
|---|-----------|
| Highlights in TOSSD Finance, 2019 to 2021 | 4 |
| A. Introduction | 6 |
| B. A Methodological Note on Assessing TOSSD Available Data | 7 |
| C. Detailed Analysis of TOSSD Trends | 9 |
| 1. Trends in TOSSD Commitments, Gross Disbursements and Net Disbursements | 9 |
| 2. Trends in TOSSD Allocations to Pillars One and Two | 9 |
| 3. Disaggregating Providers' Share of Net Disbursements | 10 |
| 4. Reflows Reduce the Value of TOSSD Disbursements | 12 |
| 5. Additionality in TOSSD Reported Activities | 14 |
| 6. Mobilized Private Finance | 17 |
| 7. Modalities for Delivering TOSSD: The role of loans | 18 |
| 8. Main Sectors / SDGs for TOSSD Activities | 20 |
| 9. Substantial Benefits to TOSSD-eligible Countries in TOSSD Pillar Two | 23 |
| 10. Regional and Geographic Allocation of TOSSD Pillar One Activities | 25 |
| Annex A: Providers Reporting to TOSSD | 27 |
| Annex Two: Top 20 Providers Reporting to TOSSD | 31 |

Acronyms

| | |
|-------|--|
| CRS | (OECD) Creditor Reporting System |
| CSOs | Civil Society Organizations |
| EIB | European Investment Bank |
| IMF | International Monetary Fund |
| IPGs | International Public Goods |
| MDBs | Multilateral Development Banks |
| SDGs | Sustainable Development Goals |
| TOSSD | Total Official Support for Sustainable Development |

Highlights in TOSSD Finance, 2019 to 2021

1. TOSSD volume: **TOSSD volume declined in 2021.** The volume of TOSSD has been growing since 2019, from \$256.7 billion in Net Disbursements (taking into account Reflows reported to TOSSD) in 2019 to \$308.4 billion in 2021 (by 20%). However, both Commitments and Net Disbursements fell in 2021 compared to 2020, declining by 8% and 6% respectively (see **Chart 1**). This 2021 decline in Net Disbursements is due in part to a 25% increase in Reflows back to providers in 2021, from \$68.1 billion to \$85.1 billion.

2. Volume trends for Pillars: **Support for Pillar Two (International Public Goods – IPGs) has been increasing in each year since 2019, while support for cross border flows (Pillar One) decreased by 11% between 2020 and 2021.** The overall growth in Pillar Two activities between 2019 and 2021 was 23%. The decline in Pillar One flows in 2021 was responsible for the overall TOSSD decline in Net Disbursements in that year (see point 1 above).

3. Role of Aggregate: **‘Aggregate’ accounts for 25% of Net Disbursements averaged over the three years, 2019 to 2021.** Large providers such as the World Bank, Germany and the Netherlands, have not reported activities to TOSSD. The Secretariat calculates an estimate of TOSSD for all non-reporting providers based on existing data in the DAC’s Creditor Reporting System (CRS). The absence of data submitted by these three large providers seriously undermines the purposes of TOSSD to track resources allocated to achieve Agenda 2030. Since Aggregate cannot be broken down by provider, it is excluded when analyzing the shares of individual provider TOSSD contributions.

Trends in ‘Aggregate’ also affect overall trends in Net Disbursements, noted above. **Excluding ‘Aggregate’, total Net Disbursements increased by 0.3% between 2020 and 2021**, rather than declining by 6%. Pillar One declined by 3% rather than 11%.

4. Southern Provider volume: **While the reporting by 15 Southern Providers (countries and institutions) over the three years, 2019 to 2021, represents a significant achievement by TOSSD as a global metric, reported activities by these providers represents only 8% of total TOSSD Net Disbursements in these years (excluding Aggregate).** These providers do not yet include major South-South providers such as China and India, but do now include Mexico and Brazil.

5. Provider Groups responsible for the decline in Pillar One: **‘Aggregate’ providers and multilateral development bank (MDB) providers were primarily responsible for the overall decline in Pillar One cross border flows between 2020 and 2021.** The former’s Net Disbursements declined by 21% and the latter by 34%. DAC Donor Providers collectively, on the other hand, increased their contributions to Pillar One by 6% and Other Multilateral Organizations by 1%.

6. Reflows: **Reflows of finance back to providers (resulting from previous loan finance) reduced the value to partner countries of Gross Disbursements to activities towards SDGs by more than 20%, averaged over the three years, 2019 to 2021.** These Reflows reflect the use of loans and other debt instruments in the financing of TOSSD activities. Not surprisingly, MDBs accounted for 32% of Reflows, and DAC providers, 25% (with Aggregate accounting for 38%).

7. TOSSD Additionality: Less than a fifth of reported TOSSD activities have been additional to those already reported to the DAC's CRS, with new activities mainly relating to International Public Goods (Pillar Two). Close to 20% of activities reported to TOSSD in the three years were those that were additional to activities already reported and available in the CRS. While the vast majority of activities in TOSSD are already reported to the CRS, this does not diminish the value-added of TOSSD in bringing greater transparency in a comprehensive picture of all official resources in support of the SDGs with significant benefits to developing countries.

More than half of these additional activities (57%) related to International Public Goods and were reported against Pillar Two; 46% of activities within Pillar Two were new activities, compared to 11% for Pillar One. Energy (34%) was the largest sector allocation for new activities reported to Pillar Two, with France accounting for 95% of these energy investments. This sector was followed by Health at 14%, Communications at 8%, and General Environmental Protection at 7%.

Multilateral Organizations, excepting MDBs, had the largest share (70%) of new activities reported to TOSSD, with 24% of DAC donor providers' Gross Disbursement being new activities reported beyond the CRS. The share for all other provider groups, including Southern Providers, were less than 10% of their Gross Disbursements.

8. Mobilized private finance: TOSSD to date is not a tool for greater transparency for accountability in providers' drive to engage the private sector in filling the "finance gap" for Agenda 2030. While \$41 billion was reported in mobilized private finance for 2021, this finance declined from \$52 billion 2020. But TOSSD data provides almost no information on the purposes and allocations for this mobilized finance.

9. Loan financing: Loan financing, including non-concessional loans, plays a major role in implementing Agenda 2030, accounting for 35% of Gross Disbursements for the SDGs. On average in the three years, 2019 to 2021, providers allocated 56% of their Gross Disbursements for SDGs as grants, with loans making up 35%. But only 30% of these loans are concessional.

10. International Public Goods with substantial benefits to TOSSD-eligible countries: For IPGs reported under Pillar Two, over the three years, almost 40% of activities have been for provider administration, in-donor refugee costs, and research (also often in provider countries). A further 12% has been for energy, including climate mitigation in provider countries. It is unclear the degree to which reported activities under Pillar Two have the required "substantial benefits" for partner countries to be eligible for TOSSD.

11. TOSSD providers not giving priority to the poorest countries and regions: Least Developed Countries (LDCs) have received only 20% of Gross Disbursements under Pillar One (cross border flows) over the three years, while Africa has received only 34% of these flows. Among the top 20 recipient countries, receiving 50% of total Gross Disbursements, only 3 countries are LDCs and another 10 are Lower Middle-Income Countries.

Briefing Note One

Trends in Official Support for Sustainable Development: An Overview of TOSSD Data, 2019 to 2021

A. Introduction

In March 2023, the International TOSSD Task Force¹ released the 2021 data that had been reported by 105 providers documenting their Total Official Support for Sustainable Development (TOSSD) for that year. TOSSD is a new metric developed by the International Task Force as a comprehensive measure of official resources dedicated to achieving Agenda 2030 and its 17 Sustainable Development Goals (SDGs) in developing countries, reflecting the ambitious financing strategy agreed in the Addis Ababa Action Agenda (AAAA) in 2015.

The TOSSD statistical Framework “is designed to provide a coherent, comparable and unified system for tracking resources for sustainable development that can inform strategic planning, identify emerging gaps and priorities, and assess progress in matching supply with needs.”² In a dramatically changing financing landscape, TOSSD is intended to provide greater transparency in the financing of sustainable development, including both concessional and non-concessional official resources from a broad range of providers, from the global south and north.³

According to the 2021 data, \$444 billion was committed by these providers to the implementation of the SDGs with developing country partners in 2021, with \$396 billion disbursed in that year. The data identified \$300 billion in disbursements for Pillar One (cross-border flows to partner countries) and \$95 billion for Pillar Two (International Public Goods related to activities in support of SDGs of “substantial benefits to TOSSD-eligible countries”). A further \$41 billion was mobilized from the private sector by official resources for these purposes. These figures compare to \$185 billion in net disbursements for Official Development Assistance (ODA) by 30 donor member of the Organisation for Economic Cooperation and Development’s (OECD) Development Assistance Committee (DAC) for 2021.

There are now three years of TOSSD data from 2019 to 2021. **What do these three years of data reveal about the extent and the quality of financing for Agenda 2030 and the SDGs?** ActionAid Italy, Oxfam

¹ For the composition and records of the deliberations of the Task Force since July 2017, see <https://tossd.org/task-force/>. The Task Force currently has 27 members, with 17 from the Global South, co-chaired by the European Union and South Africa. There are 7 Observers, including CSOs who have full access to the Task Force meetings and its documents. Luca DeFraia from Action Aid Italy, Brian Tomlinson from AidWatch Canada (author of this study), and Jennifer del Rosario-Malonzo from IBON International are the CSO Observers.

² TOSSD International Task Force, “TOSSD Reporting Instructions,” April 2023, accessed at <https://tossd.org/docs/reporting-instructions.pdf>.

³ See International Task Force Co-Chairs, “TOSSD Strategy Paper,” February 2021, accessed at <https://tossd.org/docs/strategy-paper-by-co-chairs.pdf>.

International and AidWatch Canada have analyzed this data and the apparent trends in a series of five Briefing Papers:⁴

- 1) An Overview of trends in the 2019 to 2021 data;
- 2) Analyzing trends in the allocation of TOSSD resources to SDGs;
- 3) Analyzing Pillar Two (Support for International Public Goods): Issues and Challenges in the data;
- 4) Profiling TOSSD receipts for Select Partner Countries; and
- 5) Profiling TOSSD allocations by Select Provider Countries.

This first Briefing Paper provides an overview of trends derived from the 2019 to 2021 data and sets the stage for in-depth analyses in the subsequent Briefing Papers. We do so, acknowledging that TOSSD is an evolving metric for providers, with major providers such as the World Bank, Germany and the Netherlands not yet reporting, and with individual providers increasing the coverage of their eligible finance over these years. Comparisons between providers can be problematic. The trends outlined in these papers therefore at this stage can only be interpreted as indicative of directions of finance for Agenda 2030.⁵

B. A Methodological Note on Assessing Available TOSSD Data

TOSSD is a recipient perspective metric measuring resources received by the recipient (in contrast to ODA, which is a provider perspective metric measuring provider effort). The recipient perspective affects particularly the treatment of flows to and through multilateral organizations. The latter report to TOSSD only outflows to recipient countries; providers do not report inflows to these multilateral organizations. The detailed TOSSD data allows for analysis by provider, which is the focus of much of the analysis in this Briefing Note. The TOSSD Task Force agreed to present a provider perspective for TOSSD data on the Dashboard through separate provider files accessed from the Dashboard.⁶

The TOSSD Framework is organized under two Pillars. Pillar One includes all cross-border flows directly to TOSSD-eligible countries. Pillar Two recognizes the importance of support for International Public Goods, such as health research or peace and security, for the achieving the SDGs. According to the Reporting Instructions, providers are to report only their support for IPGs where there are “substantial benefits for

⁴ These Briefing Papers build on a series of previous reports by these organizations: Brian Tomlinson, Total Official Support for Sustainable Development (TOSSD): Game changer or mirage?, Oxfam International, Action Aid and AidWatch Canada, March 2021, accessed at <http://aidwatchcanada.ca/wp-content/uploads/2021/03/Final-TOSSD-Paper.pdf>; Brian Tomlinson, “Analyzing European Union Institutions’ Flows for Total Official Support for Sustainable Development (TOSSD),” February 2022, ActionAid, Oxfam International and AidWatch Canada, accessed at http://aidwatchcanada.ca/wp-content/uploads/2022/03/TOSSD-Report_web-21st-March.pdf; and Brian Tomlinson, “TOSSD Data for 2020: An overview of key trends in the data in support of sustainable development”, June 2022, ActionAid, Oxfam International and AidWatch Canada, accessed at <http://aidwatchcanada.ca/wp-content/uploads/2022/07/Final-Analysis-of-TOSSD-2022-Data.pdf>.

⁵ Please read carefully the methodological notes below in **Section C**.

⁶ See TOSSD Task Force, A Provider Perspective for TOSSD – some preliminary considerations,” July 2022, accessed at [https://tossd.org/docs/Item%207 Provider perspective TOSSD.pdf](https://tossd.org/docs/Item%207%20Provider%20perspective%20TOSSD.pdf).

TOSSD-eligible countries.” The latter is undefined, creating reporting issues that may result in an inflated picture of TOSSD’s reflection of support for achieving the SDGs in developing countries. This issue is explored in depth in the forthcoming 2023 Briefing Paper #3.

All data has been derived from the TOSSD online dataset, downloaded April 2023.⁷ Except when otherwise stated, the data presented is in US billions of dollars, at constant prices and exchange rates measured against 2021. A total of 105 providers reported TOSSD data in 2021. However, only 86 of these providers, excluding Aggregate, have reported data in all three years (2019 to 2021). Many providers may also have increased the coverage of their TOSSD reporting, particularly beyond ODA, after 2019. TOSSD data over these three years also includes reporting by 10 new providers in 2020 and 13 in 2021, with partial reporting in all three years. For a list of three-year reporting providers, new providers, and other categories of providers used in this analysis, see **Annex One.**)

A number of large providers (such as Germany, the Netherlands, Luxembourg, and the World Bank) have not reported activities to TOSSD. TOSSD data for these providers and others has been derived by the Secretariat from the DAC’s Creditor Reporting System (CRS) and is reported as “Aggregate.” As noted above the absence of these providers seriously undermines a comprehensive picture of resources allocated to achieve Agenda 2030. Aggregate data does not contain information in some important data fields for TOSSD. To enable accurate analysis, except when assessing the structure of TOSSD data as a whole, “Aggregate” is excluded from calculations, such as allocations by providers or by sectors. The various charts indicate when TOSSD data is included or excluded.

Another important factor is the reporting of commitments by the European Investment Bank (EIB) under Pillar Two. This data is missing for 2021 at the time of writing (May 2023). Where relevant, EIB commitment data for Pillar Two have been excluded for all three years to enable more accurate comparisons between the three years. This issue does not affect disbursement analysis, which is predominant in this Briefing Note.

While Commitments provide a forward-looking picture of future disbursements (as many commitments are multi-year), this Briefing Note focuses primarily on annual Net Disbursements, i.e., reducing Gross Disbursements by Reflows back to providers. Reflows are particularly important for a recipient perspective. Net disbursements record the actual impact of financing for SDGs as recorded in TOSSD from the perspective of benefits to recipient countries for that year. Gross disbursements are used when the total provider flow is most relevant for the analysis, such as provider proportionate allocations to the various SDGs. The Charts indicate whether flows are net or gross disbursements.

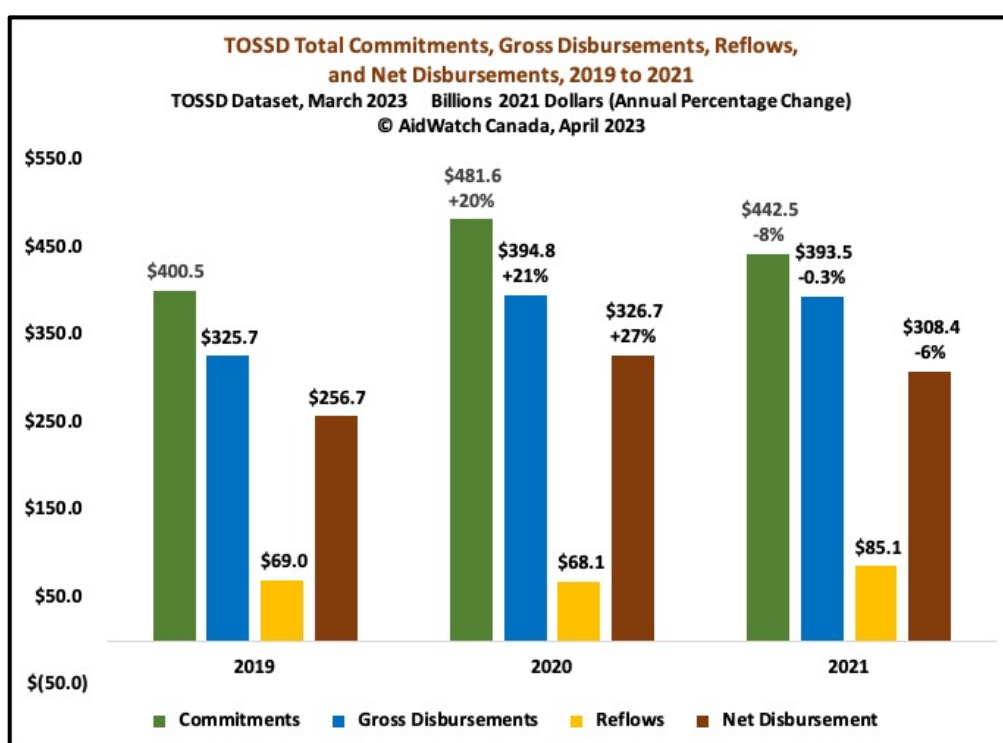
⁷ See <https://tossd.online/>

C. Detailed Analysis of TOSSD Trends

1. Trends in TOSSD Commitments, Gross Disbursements, and Net Disbursements

Chart 1 demonstrates a mixed trend for TOSSD commitments and disbursements over the past three years (2019 to 2021). A large increase in Commitments and Disbursements between 2019 (the first year of reporting) and 2020 could be expected as providers more fully reported their eligible activities to TOSSD in the latter year. However, Commitments subsequently fell by 8% between 2020 and 2021, while Gross Disbursements remained steady. Reflows back to providers in 2021 were 25% higher than in 2020, resulting in a decline of 6% in Net Disbursements in that year. Subsequent sections of this Briefing Note will explore in more depth these overall trends. While new providers have been added in both 2020 and 2021, their TOSSD flows have had a very small effect on the totals in **Chart 1**.

Chart 1: TOSSD Commitments and Disbursements



2. Trends in TOSSD Allocations to Pillars One and Two

TOSSD is reported against two Pillars – **Pillar One** is cross-border flows to TOSSD eligible countries, and **Pillar Two** mainly focuses on International Public Goods where these IPGs are of “substantial benefit” to TOSSD recipient countries.⁸ The latter can be disbursed in provider countries, at the global or regional

⁸ Pillar One includes some IPGs reported by donors where these are cross-border flows. IPGs in Pillar Two are reported by multilateral, global, or regional institutions, or by providers for certain expenditures in their own countries or in non-TOSSD-eligible countries (e.g. research, climate mitigation, and support to refugees).

levels. The range of IPGs eligible to be reported under the TOSSD Reporting Instructions and the assessment of “substantial benefit to TOSSD-recipient countries” continue to be challenged and questioned by civil society organizations (CSOs) in the development of the TOSSD metric. The International TOSSD Task Force is currently reviewing these issues for future TOSSD reporting.⁹

According to **Chart 2**,

- Providers increased their overall support for **Pillar One** activities by 34% in 2020, but this support declined by 11% in 2021. This decline is significant as one can assume that 2020 and 2021 were years when TOSSD reporting was more fully operational for most providers.
- Support for **Pillar Two** activities by contrast increased in each of the two years by more than 10%. The overall growth in these reported activities between 2019 and 2021 was 23%. Explanations for this growth can be found in **Section 9** below, and in more detail in **Briefing Paper #3**, which analyzes Pillar Two issues and challenges.

The decline in total TOSSD activities in 2021 can be found in the decline of \$26.6 billion in **Pillar One**. Does it reflect a shift in provider priorities towards IPGs in financing for the SDGs and their targets?

3. Disaggregating Providers’ Share of Net Disbursements

Chart 3 indicates that 22 DAC Donor Providers¹⁰ represent the largest share of TOSSD net disbursements (58%), averaged across the three years. Multilateral Organizations were responsible for 31% of these disbursements, broken down between MDBs at 13% and Other Multilateral Organizations at 18%. The inclusion of Southern Providers in the data is a significant achievement for TOSSD as a global metric, but those Providers accounted for only 8% of reported net disbursements. The top 20 providers, averaged over the three years 2019 to 2021, contributed 82% of Net Disbursements, and the top five (United States, European Union, France, Asian Development Bank and the United Kingdom) contributed 48% (See **Annex Two** for list of top 20 Providers).

It should be noted that these shares exclude “Aggregate,” which cannot be broken down any further into individual providers. Aggregate accounts for 25% of total Net Disbursements over these three years.

⁹ The TOSSD Task Force continues to debate the approach to reporting IPGs to TOSSD, including at its meeting in Dakar in March 2023. See the Task Force Discussion Papers (March 2023) on the issues, “Reviewing the applicability of the R&D eligibility criteria,” and “Support for biodiversity in TOSSD: operationalizing the Pillar II eligibility criterion of “substantial benefits to recipient countries,” accessed at https://tossd.org/docs/Item_6_application_research_development_criteria.pdf and [https://tossd.org/docs/Item_6 Biodiversity in TOSSD.pdf](https://tossd.org/docs/Item_6_Biodiversity_in_TOSSD.pdf).

¹⁰ DAC donor providers are those that have reported to TOSSD. Other DAC providers are included in the Aggregate of non-reporting providers.

Chart 2: Net Disbursements by Pillar

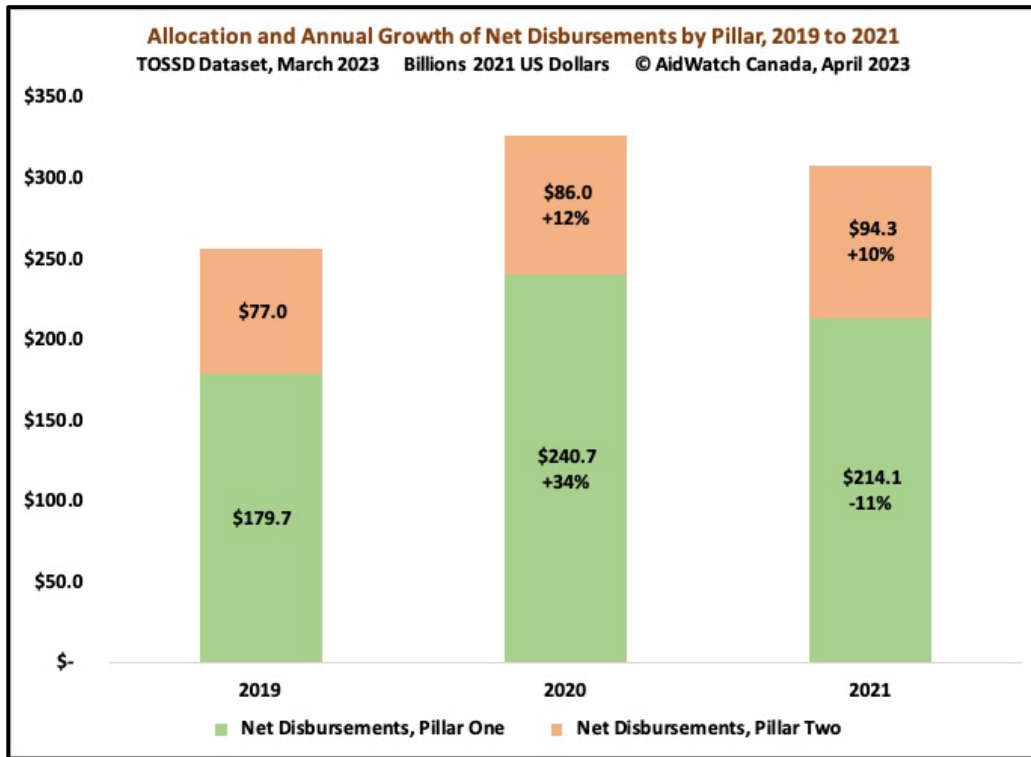
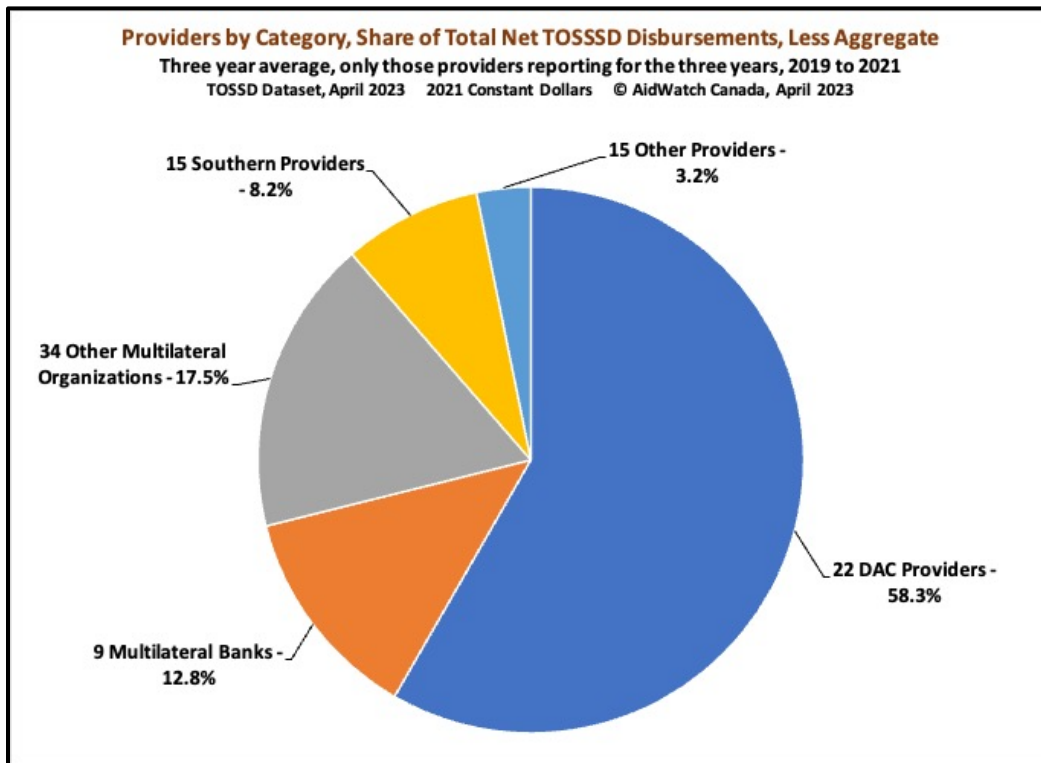


Chart 3: Net Disbursements by Provider Grouping

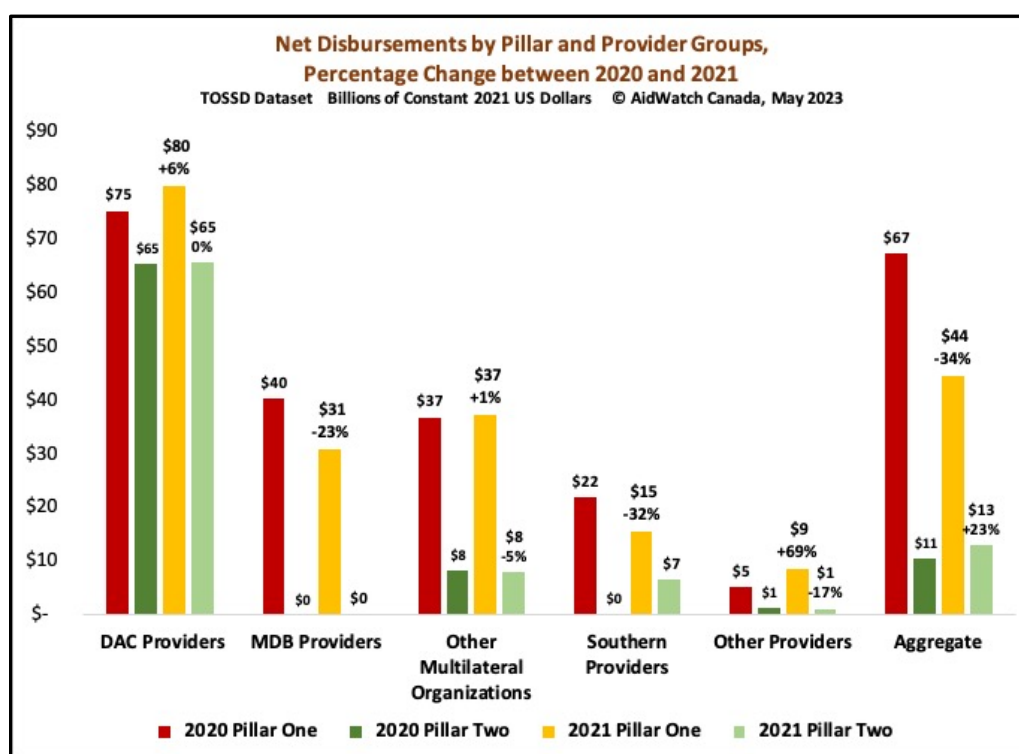


Given these allocations of TOSSD by provider grouping, how have the latter performed in 2021 compared to 2020? **Chart 4** sets out the changes for Pillars One and Two between these two years. Total TOSSD Net Disbursements declined by 6%. However, **Chart 4** makes it clear that MDB providers' (-23%) and Aggregate providers' (-34%) disbursements under Pillar One were responsible for this decline. DAC donor providers increased their disbursements through Pillar One by 6% and even though they are the largest provider group, this increase was insufficient to off set MDB and Aggregate declines.

Excluding 'Aggregate', total Net Disbursements increased by 0.3% between 2020 and 2021, rather than declining by 6%. Pillar One declined by 3% rather than 11%.

Changes in Pillar Two varied among provider groups. There was no change for the DAC donor providers, while Southern providers went from no disbursements to \$15 billion between these two years, but mainly as a result of reallocating in-provider refugee support by Turkey from Pillar One in 2020 to Pillar Two in 2021. Aggregate allocations to Pillar Two also increased by 23% in 2021 to \$13 billion.

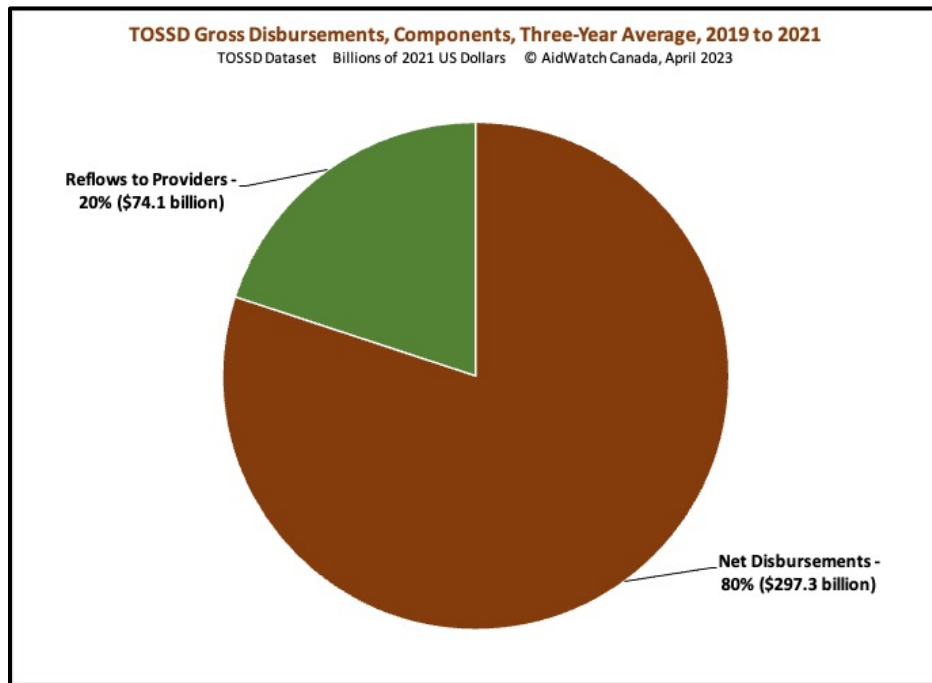
Chart 4: Changes in Net Disbursements, Provider Groups and Pillars, 2020 and 2021



4. Reflows Reduce the Value of TOSSD Disbursements

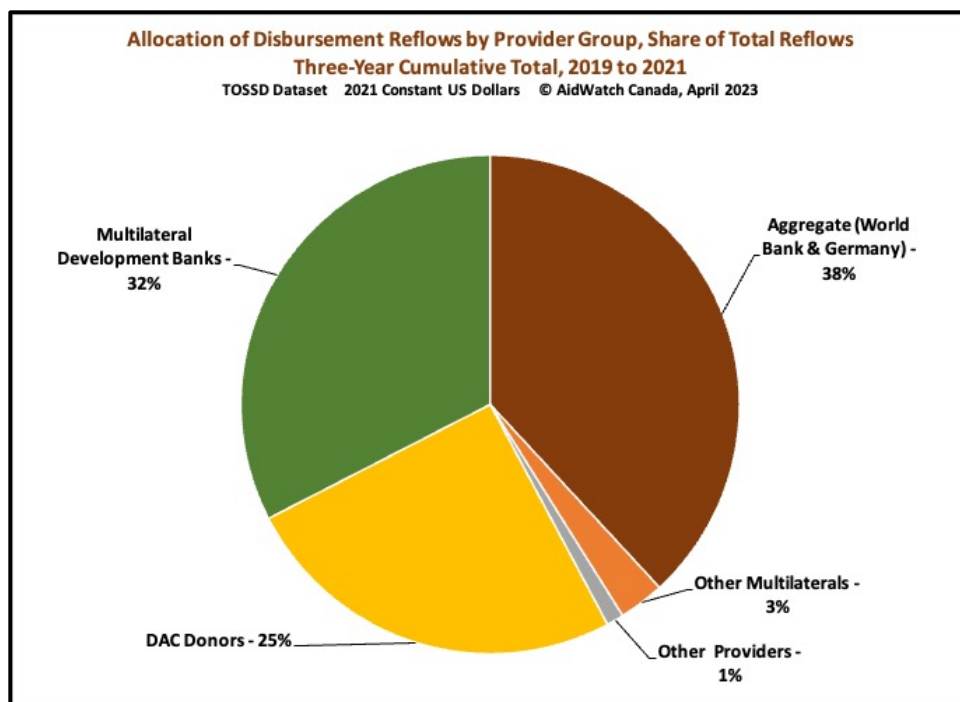
Chart 5 indicates that reflows of finance back to providers reduce the value of Gross Disbursements to activities towards SDGs in recipient countries by more than 20%, averaged over the three years, 2019 to 2021.

Chart 5: Reflows as a Share of Gross Disbursements



According to **Chart 6**, Aggregate (including the World Bank and Germany) recorded the largest share of the reflows (38%) reported to TOSSD. It should be noted that Aggregate has been determined by the Secretariat based on data available in the DAC's CRS, and has not been reported separately by these providers. Not surprisingly, MDBs accounted for 32% of reflows, and DAC providers, 25%.

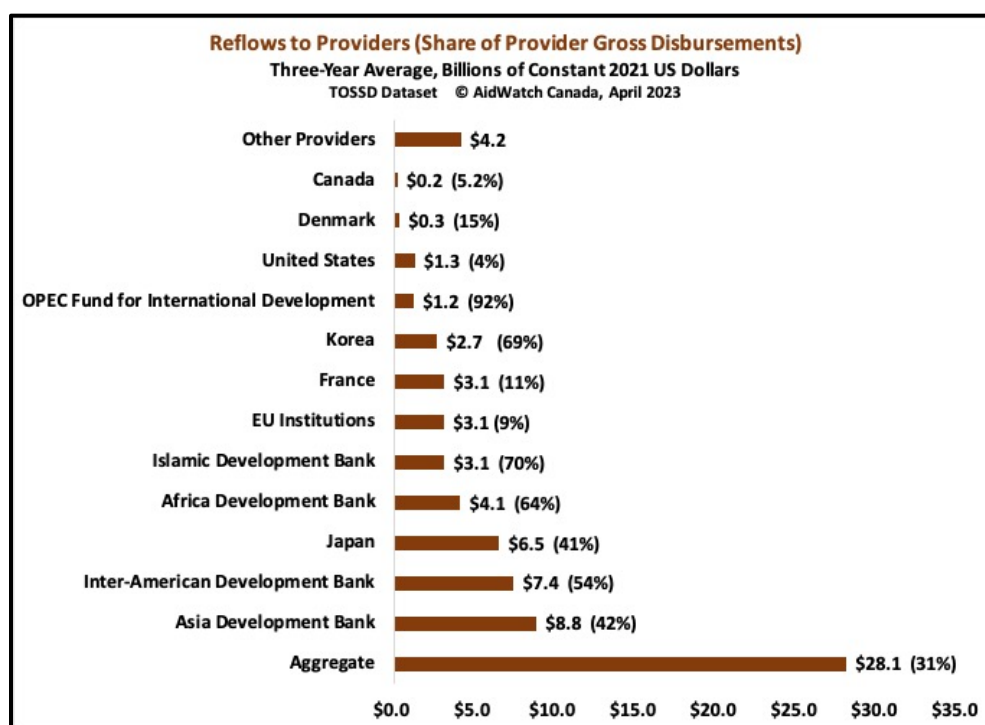
Chart 6: Allocation of Reflows by Provider Group



The share of Reflows within TOSSD Gross Disbursements is more significant for different provider groups (largely based on share of loans in the provider portfolio). For MDBs reporting to TOSSD, Reflows accounted for more than half (56%) of their Gross Disbursements. For DAC providers this share was 36% and for Aggregate providers, it amounted to 31% of their Gross Disbursements.

Chart 7 indicates the share of Reflows in the Gross Disbursements for key providers. For the OPEC Fund for International Development, Korea, the Islamic Development Bank, Japan, the Inter-American Development Bank, and the Asian Development Bank, Reflows account for more than 40% of Gross Disbursements.

Chart 7: Share of Reflows in Gross Disbursement for Individual Providers



5. Additionality in TOSSD Reported Activities

An important rationale for TOSSD is its intent to capture all official resource flows in support of SDGs in addition to the ODA and Other Official Flows already reported by providers to the DAC's CRS. TOSSD is a comprehensive picture of such flows both in terms of the range of activities reported and the location and type of providers. To what extent has this been the case for the period, 2019 to 2021?

Chart 8 establishes that on average in the period, 2019 to 2021, just under 20% of total Gross Disbursements (or \$70 billion on average) were for activities beyond those already reported by providers to the DAC's CRS. Excluding "Aggregate", which is exclusively derived from the CRS by the Secretariat, the share of additional TOSSD activities increases to 25%. While the vast majority of activities in TOSSD are already reported to the CRS, this does not diminish the value-added of TOSSD in bringing together all official resources in support of the SDGs of significant benefit to developing countries.

Chart 8: Additional TOSSD Activities in Gross Disbursements

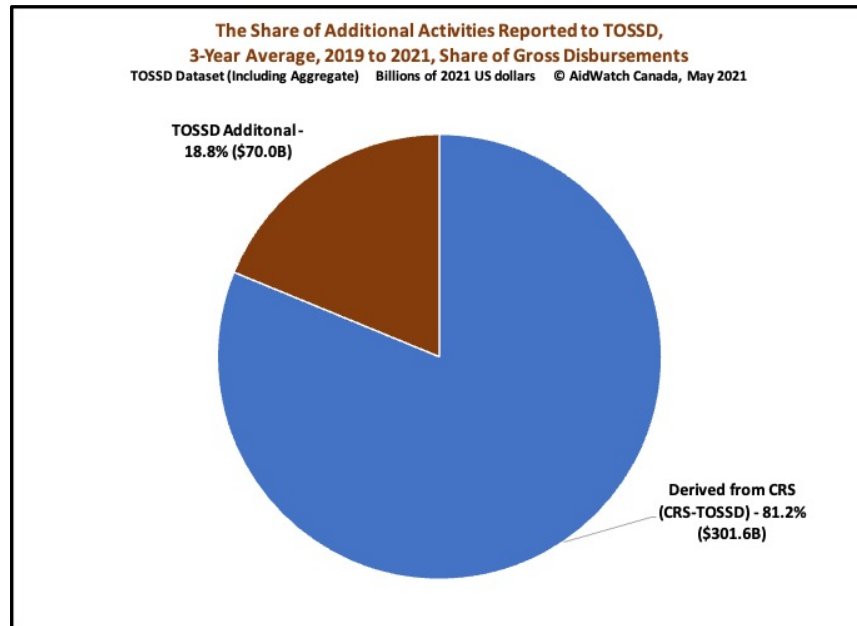
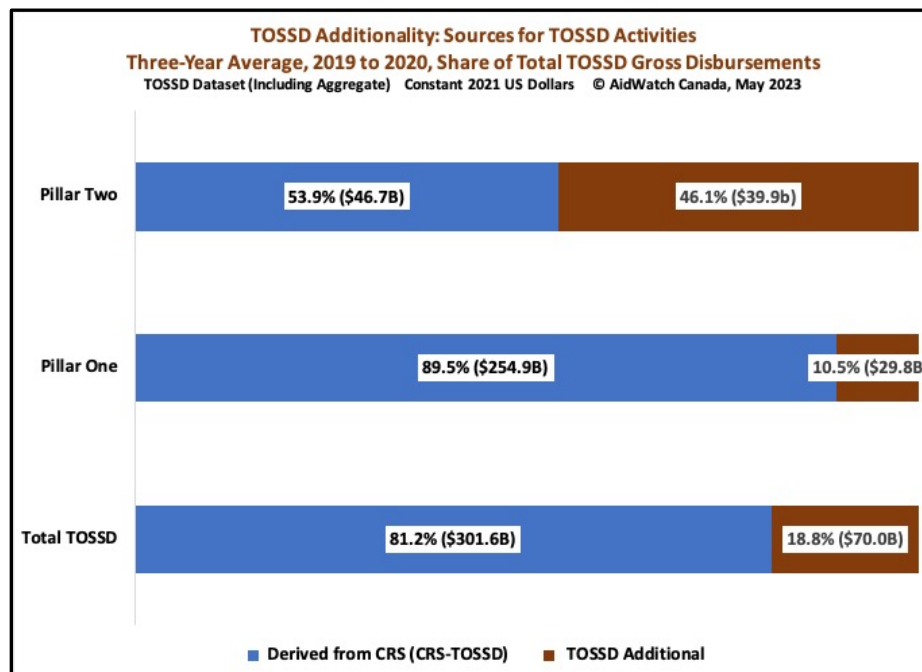


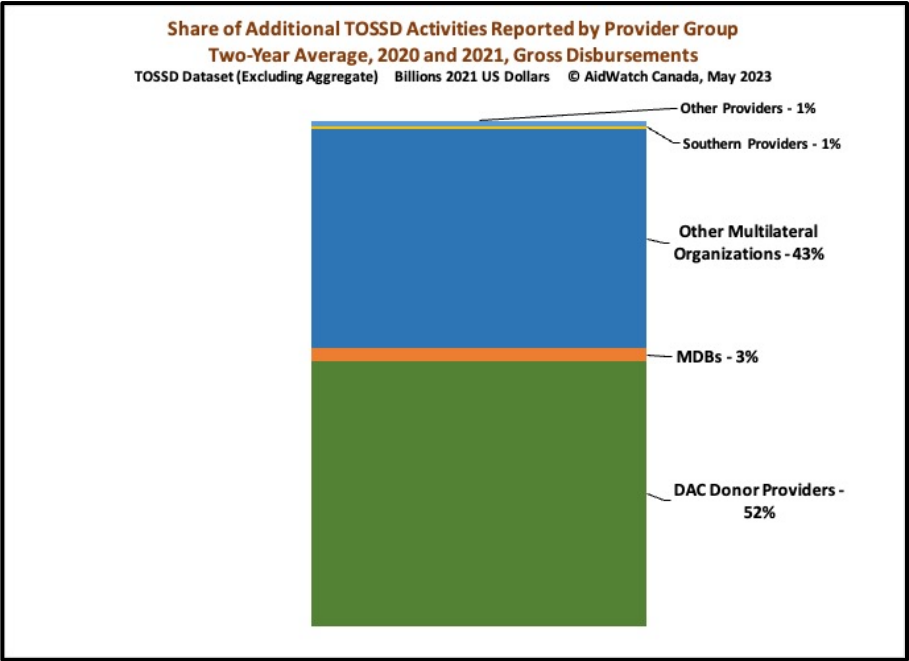
Chart 9 allocates new TOSSD activities (\$70.0 billion) to resource flows directly to TOSSD recipients (Pillar One) and to International Public Goods (Pillar Two). Pillar Two has the predominance of new TOSSD activities (\$40 billion), making up 46% of Pillar Two Activities. Pillar One (including Aggregate) has \$30 billion in new TOSSD activities, but making up only 11% of Pillar One activities. Excluding Aggregate, new activities make up the majority of Pillar Two activities (53%) and 15% of Pillar One activities, with CRS activities dropping from \$255 billion to \$175 billion on average over these three years.

Chart 9: TOSSD Additionality by Pillar



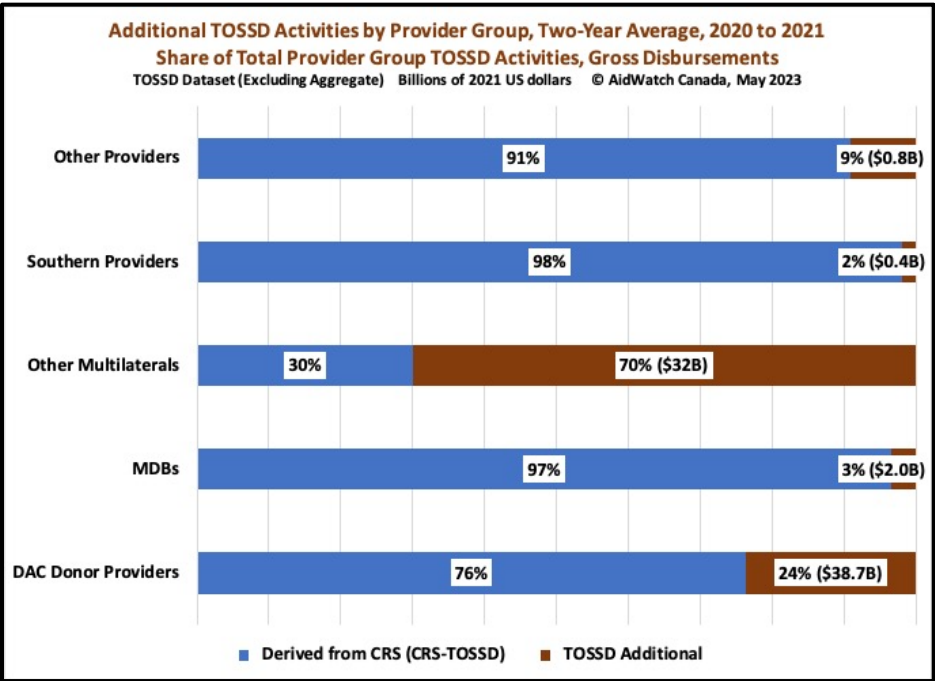
What were the share of total new activities reported to TOSSD for each provider group? **Chart 10** highlights DAC Donor Providers reporting 52% of the new activities in the 2020 to 2021 period, with Other Multilateral Organizations at 43%, and MDBs at 3%.

Chart 10: Provider Group Shares of Total Additional TOSSD Activities



Which provider group reported the highest share of new activities among its total activities reported to TOSSD? (**Chart 11**)

Chart 11: CRS Derived and Additional TOSSD Activities by Provider Group



According to **Chart 11**, Other Multilateral Organizations (excluding MDBs) has the largest share of new activities reported to TOSSD, representing 70% or \$32 billion of their Gross Disbursements (two-year average for 2020 and 2021) For DAC Donor Providers this share was 24% or \$39 billion. All other provider groups had less than 10% of Gross Disbursements in new activities reported exclusively to TOSSD. Integrating TOSSD activities for major providers not now reporting (captured currently in Aggregate from the CRS), such as the World Bank, the Netherlands, and Germany, would likely add significantly to the share of new activities reported exclusively to TOSSD.

Pillar Two has the largest share of new activities reported to TOSSD, which amounted to \$42.4 billion in 2021. Three donors, the European Union (29%), France (41%), and the United States (8%) reported 78% of these new activities. Energy (34%) was the largest sector allocation for new activities reported to Pillar Two, with France accounting for 95% of these energy investments. This sector was followed by Health at 14%, Communications at 8%, and General Environmental Protection at 7%. Together these four sectors made up 63% of new activities reported under Pillar Two in 2021. **Briefing Paper Three** on Pillar Two explores these new activities in more detail.

6. Mobilized Private Finance

Private finance mobilized by providers for the SDGs is recorded separately in TOSSD as it is not an official flow. The amounts recorded in TOSSD declined from \$53.7 billion in 2020 to \$41.0 billion in 2021 (See **Table One**).

Despite strong provider interest in maximizing private sector resources towards Agenda 2030, TOSSD currently provides virtually no information on this mobilized finance. According to the TOSSD Dataset, all that is recorded has been derived from already existing data in the CRS. Looking more specifically at 2021 data,

- There is no information on which provider mobilized this finance or the origins of funds mobilized.
- There is no information on allocations against SDGs.
- Only 28% was allocated to a region (11% to Africa, 10% to Asia, and 6% to the Americas).
- Only 30% has been allocated by sector (13% to Banking & Financial Services, 6% to Energy, and 3% to Industry, Mining, and Construction).
- There is no information on the financial arrangement, such as blended finance, nor on the financial instrument deployed, such as equity or loans.

Table One: Mobilized Private Finance

| Billions US\$ | 2019 | 2020 | 2021 |
|-------------------|---------|---------|---------|
| Pillar One | \$ 48.3 | \$ 52.1 | \$ 39.8 |
| Pillar Two | \$ 1.5 | \$ 1.6 | \$ 1.3 |
| Total | \$ 49.8 | \$ 53.7 | \$ 41.1 |

TOSSD Dataset, April 2023, Constant 2021 US Dollars

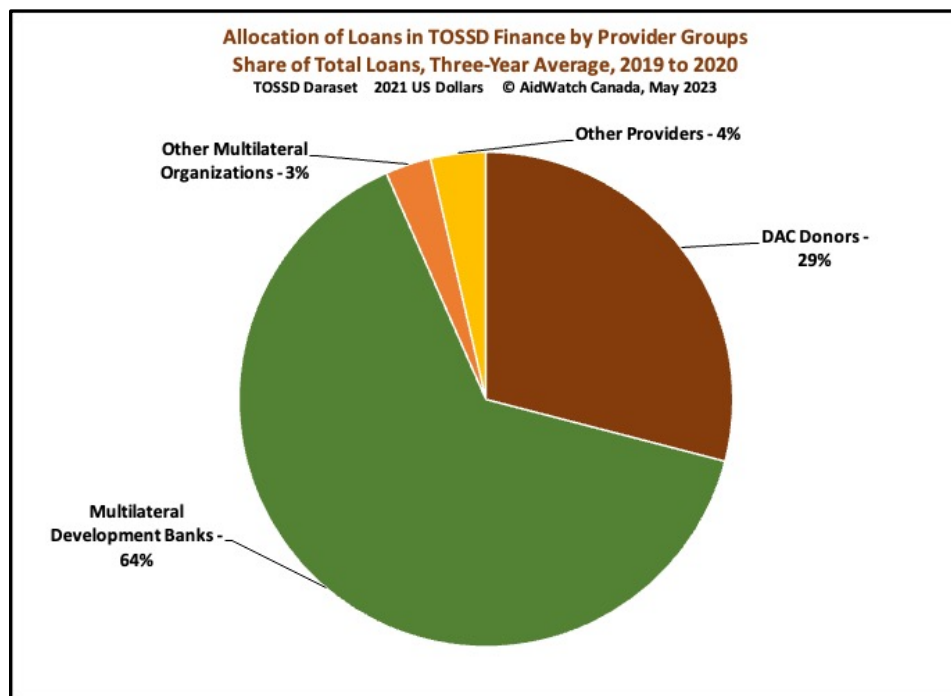
Providing almost no information on this mobilized finance, TOSSD to date is not a tool for greater transparency for accountability in providers' drive to engage the private sector in filling the "finance gap" for Agenda 2030.

7. Modalities for Delivering TOSSD: The role of loans

On average, over the three years (2019 to 2021), providers have allocated 58% of Gross Disbursements towards achieving the SDGs as grants, with loans accounting for 35%, direct provider spending at 6%, and other financial instruments at 1%. These shares do not include "Aggregate" for which the share of grants and loans are unknown.

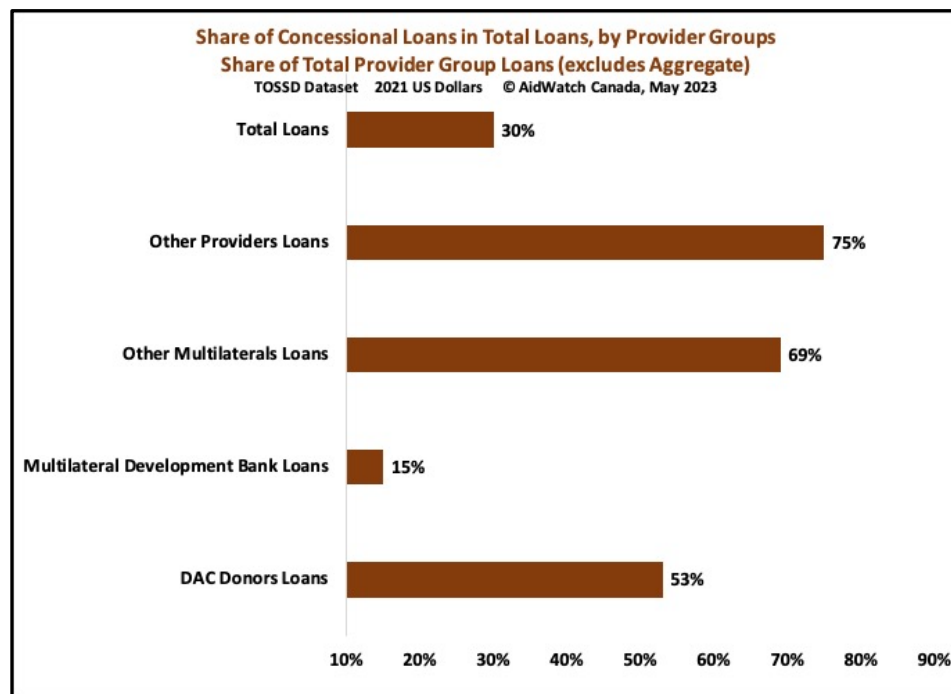
According to **Chart 12**, not surprisingly, Multilateral Development Banks are responsible for 64% of loans. DAC Donor Providers' share of loans is almost 30%. Other Multilateral Organizations and Other Providers are responsible for the remaining 7% of these loans.

Chart 12: Loans in Provider Groups' TOSSD Gross Disbursements (2019 to 2021 Average)



Multilateral Development Banks have the largest share of loans, and according to **Chart 13**, MDBs also have the lowest level of concessionality (15%) in their loan portfolio, compounding debt sustainability issues for many developing countries in their achievement of SDGs. Just over half (53%) of DAC Donor Providers' loans are concessional. Together this means that on average only 30% of loans deployed towards SDGs by providers are concessional.

Chart 13: Concessional Loans in Provider Loans (2019 to 2021 Average)



The World Bank's 2022 International Debt Report raises the alarm of a rising debt crisis:¹¹ "Nearly 60 percent of countries subject to the Joint World Bank–International Monetary Fund Debt Sustainability Framework for Low-Income Countries are at high risk of debt distress or already experiencing it."¹² Among 70 countries monitored for debt sustainability by the IMF, nine countries, all in Sub-Saharan Africa, are in debt distress; 27 countries are at high risk of debt distress, half of which are in Sub-Saharan Africa; and only 7 countries are at low risk.¹³ The poorest countries eligible for the World Bank's concessional financing window, the International Development Association (IDA) will have external debt servicing payments of \$62 billion.¹⁴

Table Two sets out the major providers where loans play a significant role in their finance for SDGs. Four key DAC donor providers plus the EU have large loan portfolios, with Japan having the largest share of loans (but with high concessionality at 92% of all loans).

For all DAC Donor Providers, loans make up 18% of their Gross Disbursements, while loans are 94% of the Gross Disbursements of Multilateral Development Banks.

¹¹ See World Bank, International Debt Report, 2022, accessed at <https://openknowledge.worldbank.org/entities/publication/47f55cbf-ee14-531a-8acb-8e2406f4354d>

¹² Ibid.

¹³ See <https://www.imf.org/external/pubs/ft/dsa/dsalist.pdf> (as February 2023).

¹⁴ World Bank, IDR, 2022.

Table Two: Share of Select Providers' Gross Disbursements in Loans (2019 to 2021 Average)

| Provider | Share of TOSSD in Loans | Concessional Loans (Share of Provider Loans) |
|-----------------------------------|-------------------------|---|
| Japan | 66% | 92% |
| Korea | 66% | 36% |
| France | 23% | 44% |
| EU Institutions | 17% | 23% |
| Italy | 14% | 48% |
| Inter American Development Bank | 96% | 33% |
| Asian Development Bank | 94% | 16% |
| African Development Bank Group | 73% | 24% |
| Islamic Development Bank | 97% | 3% |
| Development Bank of Latin America | 100% | 0% |

Source: TOSSD Dataset, Online Dashboard, Accessed March 2023, <https://tossd.online/>

8. Main Sectors/SDGs for TOSSD Activities

TOSSD disbursements have been allocated across many sectors relevant to achieving the SDGs and Agenda 2030. **Chart 14** points to five leading sectors when considering all TOSSD Net Disbursements (discounting Reflows from previous loans to sector activities) over the three years of data (2019 to 2021):

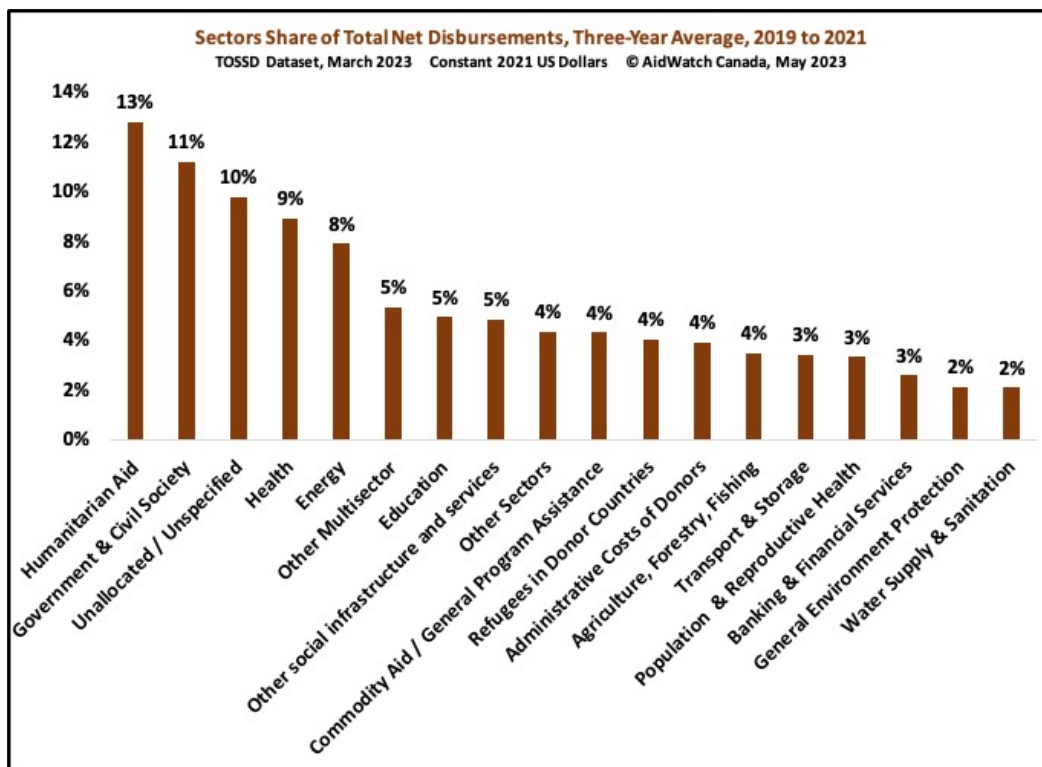
| | |
|-------------------------------|--------------------------|
| Humanitarian Aid: | 13% of Net Disbursements |
| Government and Civil Society: | 11% of Net Disbursements |
| Health: | 9% of Net Disbursements |
| Energy: | 8% of Net Disbursements |
| Education: | 5% of Net Disbursements |

Together these five sectors represent 46% of Net Disbursements. Other Multi-Sectors and disbursements that are Unallocated to Sectors make up a further 15% of these disbursements.

However, a somewhat different picture of sector priorities for TOSSD emerges when considering Gross Disbursements:

| | |
|-------------------------------|----------------------------|
| Humanitarian Assistance: | 10% of Gross Disbursements |
| Government and Civil Society: | 10% of Gross Disbursements |
| Energy: | 9% of Gross Disbursements |
| Health: | 8% of Gross Disbursements |
| Transport and Storage: | 6% of Gross Disbursements |

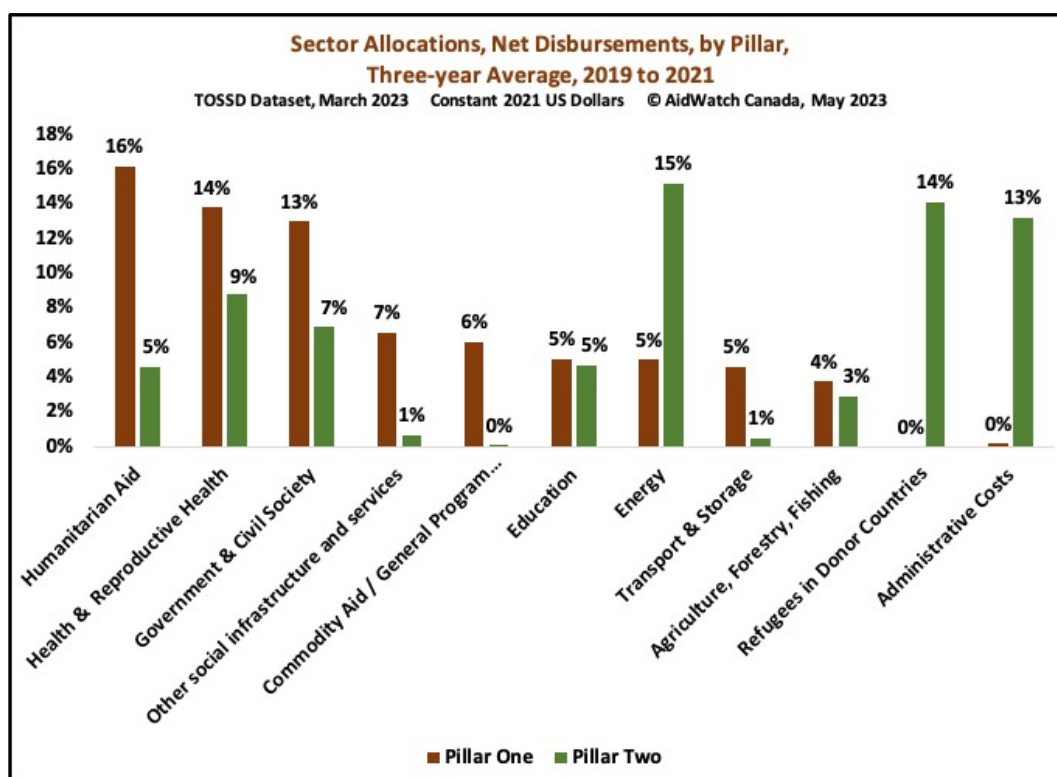
Chart 14: Allocation of TOSSD Net Disbursements by Sector, Three-Year Average, 2019 to 2021



With Gross Disbursements, there is slightly less concentration within the top five (43%) and greater emphasis on sectors oriented towards production and infrastructure (Energy and Transport and Storage). Health still appears among the top five, but education now ranks 7th. Agriculture, forestry and fisheries, population and reproductive health, and water and sanitation have relatively low priorities within both TOSSD Gross and Net Disbursements, despite their importance for people living in poverty.

Examining the sector allocation for each TOSSD Pillar (**Chart 15**), allocations within Pillar Two are heavily influenced by the inclusion of Refugees in Donor Countries (14%) and Administration Costs in Donor Countries (13%). Pillar One has a strong focus on Humanitarian Assistance (16%) Health and Reproductive Health (14%) and Government and Civil Society (13%). Among the key sectors, Energy, is highly represented in Pillar Two at 15%, compared to 5% in Pillar One.

Chart 15: Sector Allocation by Pillar, Net Disbursements, Three-Year Average, 2019 to 2021



The allocation of TOSSD activities to the SDGs and their targets is an important value added for TOSSD. **Briefing Note Two** is devoted to a full analysis of these allocations. Unfortunately, not all providers have reported activities against SDGs. In 2021, the primary providers not reporting SDGs are the United States and Belgium among the DAC Donor Providers and among Multilateral Organizations -- the Food and Agriculture Organization (FAO), International Fund for Agriculture Development (IFAD), the Office of the High Commissioner for Refugees (UNHCR) and the World Trade Organization (WTO). Some providers among the MDBs, Other Multilateral Organizations and a few DAC donor providers (Japan) have only partial reporting on SDGs.

For 2021, some metrics in reporting of SDGs in TOSSD include:

- Total Gross Disbursement reporting at least one SDG: \$217.9 billion, which is 55% of total Gross Disbursements, including Aggregate, or 71% excluding Aggregate;
- Total Gross Disbursement with no SDG associated with an activity: \$176.7 billion (45% including Aggregate or 29% excluding Aggregate);
- Total Net Disbursement reporting at least one SDG: \$198.8 billion, which is 64% of total Net Disbursement including Aggregate, or 79% excluding Aggregate; and
- Total Net Disbursement with no SDG associated with an activity: \$110.6 billion or 36% including Aggregate or 21% excluding Aggregate.

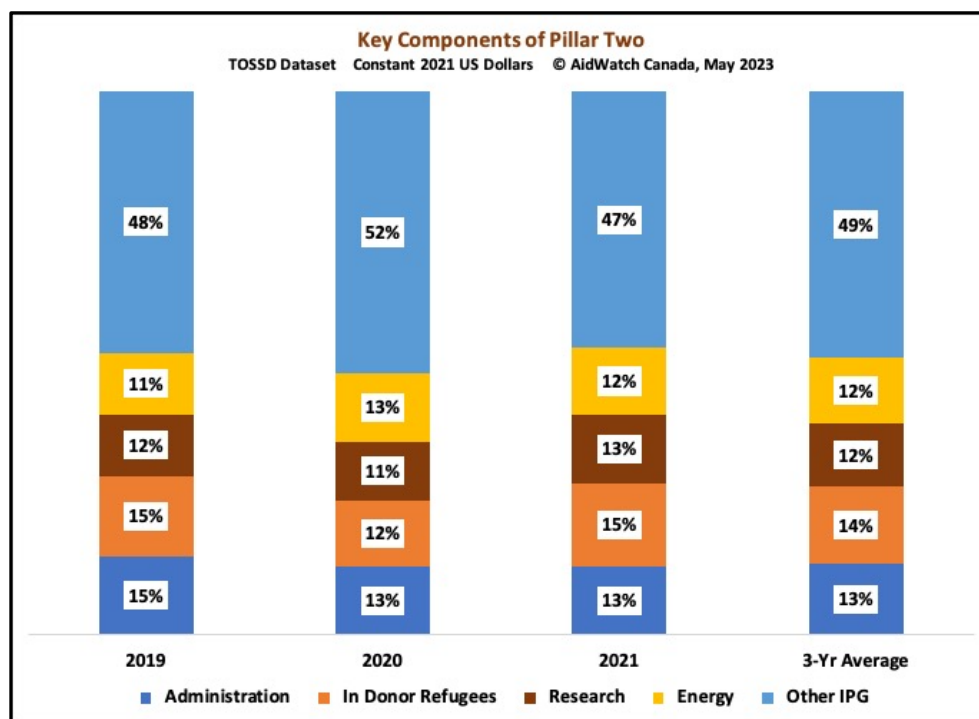
The level of Net Disbursements reporting SDGs (excluding Aggregate) at 79% is the same as the share for 2020, up from 72% in 2019.

9. Substantial Benefits to TOSSD-eligible Countries in TOSSD's Pillar Two

Pillar Two is intended to capture provider support for International Public Goods (IPGs) relevant to the SDGs, but also only those IPGs activities with “significant benefits to TOSSD-eligible countries”.¹⁵ As noted earlier, the delineation of eligible activities for Pillar Two, such as research in donor countries, has been the subject of considerable debate within the International Task Force and with CSO Observers. **Briefing Note Three** will explore these issues in more depth.

Chart 16 sets out some of the main areas that are currently being reported under Pillar Two. Provider administration costs, support for refugees in provider countries, and research currently make up almost 40% of reported activities averaged over the three years, 2019 to 2021. Support for energy initiatives, including climate mitigation actions in donor countries, make up a further 12%, leaving just under 50% of reported activities for other International Public Goods. It is not clear from the reported information the degree to which these IPG activities are providing “substantial benefits” to recipient countries.

Chart 16: Key Components of Activities Reported under Pillar Two



TOSSD guidance allows providers to report in-donor refugee costs beyond the one-year limit for reporting such costs under ODA. According to the Reporting Instructions:

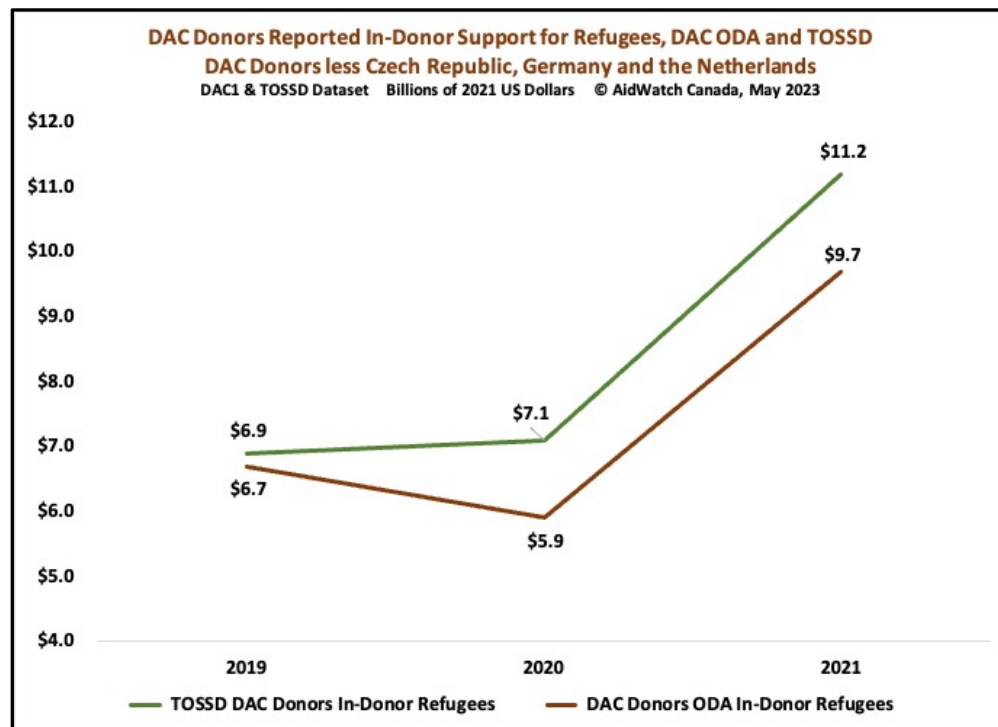
“Integration expenditures are reportable up to the first 5 years of stay of the refugees, protected persons or migrants. They include expenditures that promote their integration in the economy and

¹⁵ See *TOSSD Reporting Instructions*, April 2023, para 15 to 18 and para 66 to 74, accessed at <https://www.tossd.org/docs/reporting-instructions.pdf>.

culture of the provider country such as language training, vocational training, social protection schemes, employment programmes and awareness on national culture.” [Annex E]

Chart 17 demonstrates the degree to which reporting under TOSSD for in-donor refugee costs in DAC donor countries has exceed what these donors have reported under ODA. Almost all in-donor refugee costs reported to TOSSD have been reported by DAC donor providers, with the exception of Turkey, which reported \$10 million in 2019 and \$6 million in 2021. In 2021, providers reported \$11.4 billion for in-donor refugee costs to TOSSD; for the same year, these same DAC donors (excluding Germany and the Netherlands) reported to the CRS \$9.5 billion for in-donor refugee costs as ODA. Presumably, approximately \$2 billion additional for TOSSD is accounted by costs beyond the 12-month limit for ODA reporting.

Chart 17: DAC Donors In-Donor Refugee Costs: Comparing ODA and TOSSD Reported Activities



TOSSD breaks down in-donor refugee costs into various types of eligible support. **Table Three** outlines these sectors for the \$11.4 billion in in-donor refugee costs for 2021.

Table Three: Components of In-Donor Refugee Costs Reported to TOSSD, 2021

Millions of US Dollars

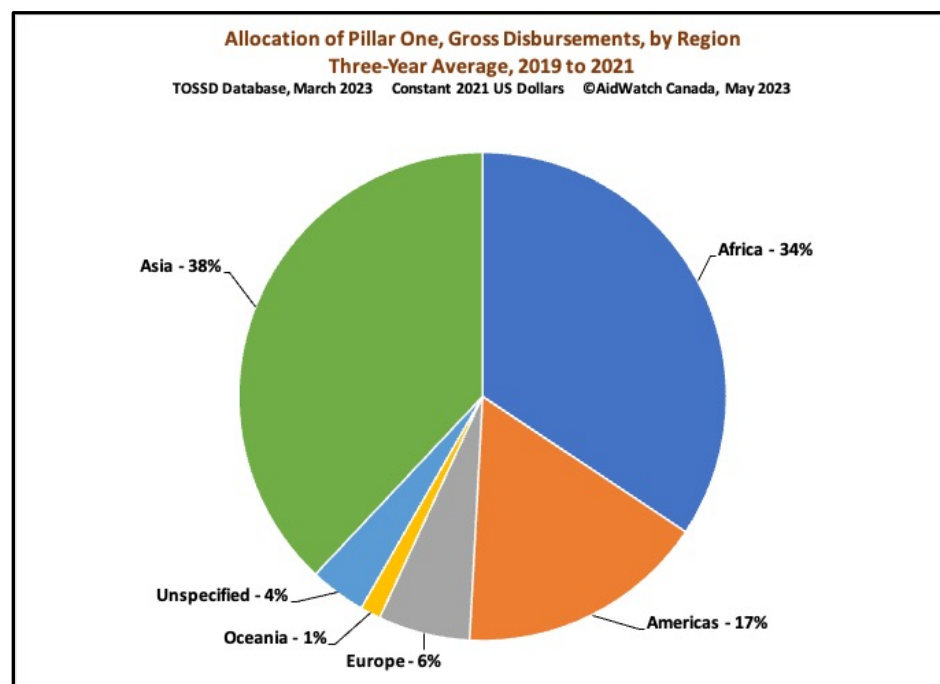
| | |
|-------------------------------------|--------------------|
| Food and Shelter | \$ 1,896.7M |
| Training | \$ 275.8M |
| Health | \$ 468.0M |
| Other Temporary Sustenance | \$ 615.4M |
| Voluntary Repatriation | \$ 3.5M |
| Transport | \$ 20.3M |
| Rescue at Sea | \$ 0.4M |
| Administrative Costs | \$ 299.3M |
| Non-Sector Allocated | \$ 7,787.4M |
| Total In-Donor Refugee Costs | \$11,367.7M |

Source: TOSSD Dataset, Online Dashboard, Accessed March 2023, <https://tossd.online/>

10. Regional and Geographic Allocation of TOSSD Pillar One Activities

From an analysis of the data, it is clear that TOSSD providers have not given priority to the poorest countries and regions in their allocation of resources for Agenda 2030. As Pillar Two is dedicated to IPGs, very little of Pillar Two is allocated by country or region. For Pillar One, Asia has received the largest share of Gross Disbursements at 38%, followed by Africa at 34%. The Americas' share is a distant 17% (three-year average) (**Chart 18**).

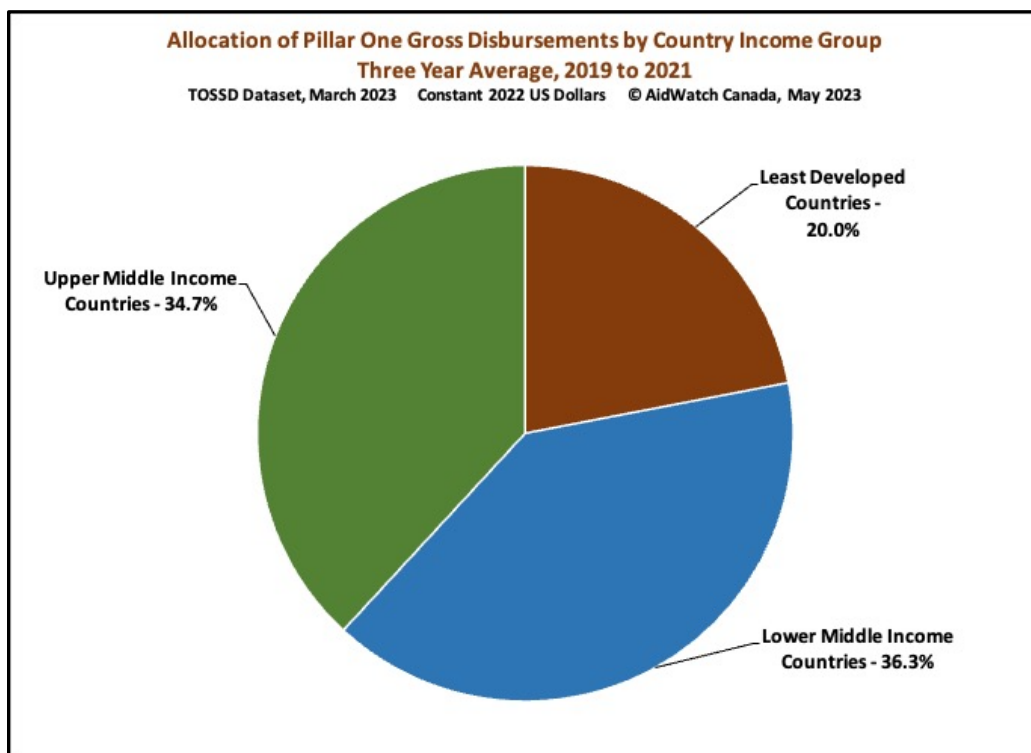
Chart 18: Allocation of Pillar One Gross Disbursements by Region, Three-Year Average, 2019 to 2021



Allocations by income group are oriented towards Lower Middle-Income countries (LMICs), with a share of 36% of Gross Disbursements. Least Developed Countries (LDCs) received only 20% of Gross Disbursements, with Upper Middle-Income Countries (UMICs) receiving more than a third with a share of 35% (three-year average) (**Chart 19**).

Gross Disbursements are also highly concentrated among 148 recipient countries over the three years. The top ten recipients received 31% of total Gross Disbursements, with the top twenty receiving 50%. There are only 3 LDCs among the top 20, with an additional 10 that are classified LMICs.

**Chart 19: Allocation of Pillar One Gross Disbursements by Income Group,
Three-Year Average, 2019 to 2021**



Annex One
Providers Reporting to TOSSD

A. 87 Providers with TOSSD Data for 2019 to 2021

- | | |
|---|--|
| 1. Adaptation Fund | 37. Inter-American Development Bank Group |
| 2. African Development Bank Group | 38. International Investment Bank |
| 3. Aggregate | 39. International Labour Organisation |
| 4. Arab Fund (AFESD) | 40. Ireland |
| 5. Asian Development Bank Group | 41. Islamic Development Bank |
| 6. Asian Infrastructure Investment Bank | 42. Italy |
| 7. Australia | 43. Japan |
| 8. Austria | 44. Kazakhstan |
| 9. Belgium | 45. Korea |
| 10. Canada | 46. Kuwait |
| 11. Caribbean Development Bank | 47. Latvia |
| 12. Center of Excellence in Finance | 48. Lithuania |
| 13. Central Emergency Response Fund | 49. New Development Bank |
| 14. Chile | 50. New Zealand |
| 15. Climate Investment Funds | 51. Nigeria |
| 16. Costa Rica | 52. Nordic Development Fund |
| 17. Council of Europe Development Bank | 53. Norway |
| 18. Croatia | 54. OPEC Fund for International Development |
| 19. Cyprus | 55. OSCE |
| 20. Denmark | 56. Poland |
| 21. Development Bank of Latin America | 57. Portugal |
| 22. Estonia | 58. Private Infrastructure Development Group |
| 23. EU Institutions | 59. Qatar |
| 24. Finland | 60. Romania |
| 25. Food and Agriculture Organisation | 61. Saudi Arabia |
| 26. France | 62. SESRIC |
| 27. Global Alliance for Vaccines and Immunization | 63. Slovak Republic |
| 28. Global Environment Facility | 64. Slovenia |
| 29. Global Fund | 65. Spain |
| 30. Global Green Growth Institute | 66. Sweden |
| 31. Global Partnership for Education | 67. Switzerland |
| 32. Greece | 68. Turkey |
| 33. Green Climate Fund | 69. UN Capital Development Fund |
| 34. Hungary | 70. UN Institute for Disarmament Research |
| 35. Iceland | 71. UN inter-agency pooled funds |
| 36. IFAD | 72. UN Office on Drugs and Crime |
| | 73. UN Peacebuilding Fund |

- | | |
|--------------------------|--|
| 74. UNAIDS | 81. United Nations Conference on Trade and Development |
| 75. UNDP | 82. United Nations Industrial Development Organization |
| 76. UNEP | 83. United States |
| 77. UNHCR | 84. UNRWA |
| 78. UNICEF | 85. WFP |
| 79. United Arab Emirates | 86. World Health Organisation |
| 80. United Kingdom | 87. World Trade Organisation |

B. 23 New Providers / Providers Not Reporting in All Three Years after 2019

- | | | |
|--|--|---|
| 1. Arab Bank for Economic Development in Africa | 8. Indonesia | 17. Thailand |
| 2. Azerbaijan | 9. International Commission on Missing Persons | 18. UN Secretariat |
| 3. Black Sea Trade & Development Bank | 10. Interpol | 19. UN Women |
| 4. Brazil | 11. Joint Sustainable Development Goals Fund | 20. UNFPA |
| 5. Central American Bank for Economic Integration | 12. Luxembourg | 21. United Nations Office for Disarmament Affairs |
| 6. COVID-19 Response and Recovery Multi-Partner Trust Fund | 13. Malta | 22. WHO-Strategic Preparedness and Response Plan |
| 7. Eurasian Fund for Stabilization and Development | 14. Monaco | 23. WTO - International Trade Centre |
| | 15. North American Development Bank | |
| | 16. Peru | |

C. 28 Reporting DAC Providers (including EU Institutions)

- | | | |
|--------------------|-------------------------------|---------------------|
| 1. Australia | 11. Iceland | 20. Poland |
| 2. Austria | 12. Ireland | 21. Portugal |
| 3. Belgium | 13. Italy | 22. Slovak Republic |
| 4. Canada | 14. Japan | 23. Slovenia |
| 5. Denmark | 15. Korea | 24. Spain |
| 6. EU Institutions | 16. Lithuania | 25. Sweden |
| 7. Finland | 17. Luxembourg (2 years only) | 26. Switzerland |
| 8. France | 18. New Zealand | 27. United Kingdom |
| 9. Greece | 19. Norway | 28. United State |
| 10. Hungary | | |

3 Non-Reporting DAC Providers:

1. Czech Republic
2. Germany
3. The Netherlands

D. 15 Southern Providers¹⁶

- | | | |
|---------------|--------------------------------|---|
| 1. Azerbaijan | 8. Nigeria | 13. Central America Bank for Economic Integration |
| 2. Brazil | 9. Peru | 14. Development Bank of Latin America |
| 3. Chile | 10. Thailand | 15. Islamic Development Bank |
| 4. Costa Rica | 11. Turkey | |
| 5. Indonesia | 12. Caribbean Development Bank | |
| 6. Kazakhstan | | |
| 7. Mexico | | |

E. 9 Multilateral Development Banks

- | | |
|---------------------------------------|------------------------------------|
| 1. African Development Bank Group | 6. Inter-American Development Bank |
| 2. Asian Development Bank Group | 7. International Investment Bank |
| 3. Asian Infrastructure Bank | 8. New Development Bank |
| 4. Black Sea Trade & Development Bank | 9. North American Development Bank |
| 5. Council of Europe Development Bank | |

F. 43 Other Multilateral Organizations

- | | |
|--|--|
| 1. Adaptation Fund | 19. OPEC Fund for International Development |
| 2. Arab Fund | 20. OSCE |
| 3. Central Am Bank for Economic Integration | 21. Private Infrastructure Development Group |
| 4. Central Emergency Response Fund | 22. SESRIC |
| 5. Climate Investment Funds | 23. UNRWA |
| 6. Economic and Social Commission for Western Asia | 24. UN Capital Development Fund |
| 7. Eurasian Fund for Stabilization and Dev | 25. UN Conference on Trade and Development |
| 8. Food and Agriculture Organization | 26. UN Industrial Development Organization |
| 9. Global Alliance for Vaccines | 27. UN Institute for Disarmament Research |
| 10. Global Fund | 28. UN inter-agency pooled funds |
| 11. Global Partnership for Education | 29. UN Office for Disarmament Affairs |
| 12. Green Climate Fund | 30. UN Office of Counter Terrorism |
| 13. IFAD | 31. UN Office on Drugs and Crime |
| 14. International Commission for Missing Persons | 32. UN Peacebuilding Fund |
| 15. International Labour Organization | 33. UN Secretariat |
| 16. Interpol | 34. UN Women |
| 17. Joint Sustainable Development Goals Fund | 35. UNAIDS |
| 18. Nordic Development Fund | 36. UNDP |
| | 37. UNEP |
| | 38. UNFPA |

¹⁶ This list of Southern Providers is derived from the TOSSD Secretariat, Powerpoint Presentation of 2021 Data, February 2023, Slide 8.

- 39. UNHCR
- 40. UNICEF
- 41. WFP

- 42. World Health Organization
- 43. World Tourist Organization

G. 15 Other Providers

- | | |
|--|--------------------------|
| 1. Center of Excellence in Finance | 10. Malta |
| 2. COVID-19 Response Multi Partner Trust | 11. Monaco |
| 3. Croatia | 12. Qatar |
| 4. Cyprus | 13. Romania |
| 5. Estonia | 14. Saudi Arabia |
| 6. Global Green Growth Institute | 15. United Arab Emirates |
| 7. Kuwait | |
| 8. Latvia | |
| 9. Liechtenstein | |

Annex Two
Top 20 Providers Reporting to TOSSD
(Three Year Average, 2019 to 2021, Net Disbursements)

| | |
|--------------------------------------|----------------|
| 1. United States | \$31.6 billion |
| 2. EU Institutions | \$29.8 billion |
| 3. France | \$25.5 billion |
| 4. Asia Development Bank | \$12.3 billion |
| 5. United Kingdom | \$11.2 billion |
| 6. Development Bank of Latin America | \$ 9.7 billion |
| 7. Japan | \$ 9.2 billion |
| 8. World Food Program | \$ 8.7 billion |
| 9. Turkey | \$ 8.0 billion |
| 10. Inter-American Development Bank | \$ 6.5 billion |
| 11. UNICEF | \$ 6.1 billion |
| 12. UNDP | \$ 4.4 billion |
| 13. Asia Infrastructure Bank | \$ 4.3 billion |
| 14. Global Fund | \$ 4.0 billion |
| 15. Canada | \$ 3.9 billion |
| 16. New Development Bank | \$ 3.8 billion |
| 17. Switzerland | \$ 3.4 billion |
| 18. Sweden | \$ 3.3 billion |
| 19. UNHCR | \$ 3.3 billion |
| 20. World Health Organization | \$ 3.2 billion |

| | |
|--|----------------------------------|
| Top 20 Providers | \$188.9 billion |
| Top 20 Share of Total | 82% (Excluding Aggregate) |
| Top Five Providers Share of Total | 48% (Excluding Aggregate) |