

Japan's comments on the TOSSD Compendium

**Please note this is the comment to the compendium put to the public consultation and, therefore, some comments may not reflect the current status of discussion.*

1. General comments

- (1) The TOSSD aims to capture financial flows directed toward achieving the SDGs. In order to achieve this aim, Japan shares the view that it is indispensable to have developing countries and emerging countries participate in TOSSD.
- (2) At the same time, since TOSSD would be considered as “official” global statistics on development finance, it is important to ensure credibility by preventing TOSSD from capturing financial flows that are not consistent with the international rules, agreements and disciplines concerning the trade, environmental and human rights agreed in the WTO, ILO and other international organizations. If the flows included in TOSSD are not consistent with the international rules, etc., these financial flows might be construed as contributing to achieving the SDGs, despite the fact that relevant international standards or rules should have precluded them. As membership of these international organizations varies, and therefore, some countries may not be fully informed of established rules and norms. That is why it is important to develop standards and guideline on the TOSSD which are clear enough to enable participating states align with the established rules and disciplines and therefore report financial flows which are eligible under them.
- (3) Furthermore, considering that the TOSSD should have a wide involvement of developing and emerging countries and contribute to the achievement of the SDGs, the collaboration with the UN Statistical Commission is crucial. The support to non-DAC members to develop the reporting capacity of reporting and the dialogue with them on the TOSSD concept should be carried out jointly with the UN system in order to foster ownership. The communication strategy of the TOSSD is also important. It is necessary to consider in cooperation with the United Nations how we promote outreach to non-DAC members to make them involved in the TOSSD.
- (4) In order to encourage the participation of as many developing and emerging countries as possible, it is crucial not to impose excessive burdens on the non-DAC countries, for example by limiting the report of statistical data to a minimum data

aggregation level (not project-basis).