

Web Annex 1:

Latest developments on the SDG¹ Indicator Framework and the financing mechanism for SDG Data and Statistics

Introduction

1. Under this item, Members will receive an update on two key recent events related to Sustainable Development Goal (SDG) monitoring and their implications for FAO's work: The 11th meeting of the Inter-agency and Expert Group on SDG Indicators (IAEG-SDG), held on 3-5 November 2020, as well as the UN World Data Forum, held on 19-21 October 2020, where the Bern Network has unveiled a proposal for a new financing mechanism for scaling up the implementation of SDG data and statistics.

2. This update responds to Members' recent request (CL 164/6, paragraph 10) to receive more regular updates on FAO's statistical work, particularly with regard to the SDG indicators, and complements other communication initiatives by the Office of the Chief Statistician, including an informal briefing document which has been recently shared with Members.

Outcomes of the 11th IAEG-SDG (3-5 November) and their implications for FAO

3. The Inter-agency and Expert Group on SDG Indicators (IAEG-SDG) convened virtually for its annual meeting on 3-5 November 2020. A key takeaway for FAO was the IAEG-SDG's approval of the reclassification of SDG indicator 2.c.1 from Tier II to Tier I, as well as its approval of the minor refinement requested by FAO to the formulation of SDG indicator 2.5.1, which aimed to clarify the distinction between the plant and animal component (2.5.1 Number of **a**) plant and **b**) animal genetic resources for food and agriculture secured in either medium- or long-term conservation facilities).

4. A major item on the IAEG-SDG agenda was the update on the latest developments in the data disaggregation work stream. The IAEG-SDG is currently working on three different outputs:

- a) a Handbook on Data Disaggregation for the SDGs, drawing on existing statistical sources, methods and tools discussed in global and regional workshops carried out in the last two years by United Nations Statistics Division (UNSD);
- b) a Compilation of existing guidance materials for data disaggregation, developed and agreed by key experts and international organizations;
- c) a toolkit on Small Area Estimation for SDGs, being developed by a dedicated Task Team of the IEAG-SDG.

5. FAO has already contributed substantially to the *Compilation of existing guidance materials for data disaggregation* and is an active member of the Task Team on Small Area Estimation. FAO has also recently finalized a comprehensive Guideline document on the disaggregation of SDG indicators, with a specific focus on indicator 2.1.2 on the Prevalence of Food Insecurity, which was shared with the IAEG-SDG Secretariat to be prospectively included in the *Handbook on Data Disaggregation for the SDGs*. Over the course of the following year, FAO will work on extending the Guideline document to a wider set of SDG indicators under FAO custodianship as well as on rolling out the implementation of the Guidelines in selected countries, helping them develop their capacity to generate detailed information at subnational level, for the main territorial areas and population groups

6. A second key item on the agenda, presented by the World Bank and the UN Statistics Division, was the latest initiatives on statistical responses to COVID-19. FAO is contributing to the design of the

¹ Sustainable Development Goal

latest in a series of questionnaires for National Statistical Systems aiming to gauge possible disruptions of regular statistical activities due to the COVID-19 pandemic. In particular, FAO has proposed a section to collect updated information on the impact of COVID-19 on the administration of Censuses of Agriculture and Agriculture surveys, and another section to assess the extent to which national statistical programmes plan on measuring the socio-economic impact of COVID-19, including on domains such as food security and nutrition and food value chains.

7. FAO is also actively contributing to two other COVID-19-related initiatives presented at the recent IAEG-SDG session. An *ad hoc* IAEG-SDG group has prepared a list of indicators which are considered highly impacted by COVID-19, five of which are under FAO custodianship (2.1.1, 2.1.2, 2.c.1, 12.3.1 and 14.4.1). FAO is in contact with this *ad hoc* group and is actively contributing to the next steps, particularly the possibility of organizing short trainings related to these indicators. In addition, the Inter-secretariat Working Group on Household Surveys (ISWGHS) has launched a new Task Force on COVID-19 and Household Surveys, which has developed a Technical Guidance Note for Planning and Implementing Household Surveys under COVID-19. FAO is a member of the ISWGHS and has sent constructive feedback on the draft Technical Guidance Note in order to ensure the inclusion of food security as a topic in the section on questionnaire design.

World Data Forum (19-21 October 2020) and the financing mechanism for SDG Data and Statistics

8. The UN Statistical Commission has been discussing proposals for the establishment of a Financing Mechanism for SDG indicators for the last few years. In 2019, it proposed a demand-driven “Development Data Funding Facility” in the form of a Trust Fund, which would aim at mobilizing resources from multiple sources to support the development of both foundational data systems and the use of new/alternative data sources. However, the latest report (March 2020) of the High-level Group for Partnership, Coordination and Capacity-Building for Statistics (HLG-PCCB) acknowledged the lack of consensus on the specific instrument to be used, as well as insufficient traction towards increased financing for data and statistics.

9. Members found it difficult to agree on a Trust Fund mechanism that would be, at the same time, holistic in its scope and truly country-driven. A Trust Fund aiming at satisfying both requirements simultaneously risked leading to fragmented and *ad hoc* approaches in practice, as it would potentially include too many priorities and thus miss a consistently defined core set of priority actions. Moreover, prospective recipient countries could potentially submit different methodological proposals on the same indicators, leading to unnecessary duplication of work and inconsistent results, whereas prospective donors would have very little control over funding priorities. Lastly, the intended focus on cross-cutting elements such as foundational data systems and new/alternative data sources resulted in the financing mechanism resembling a general statistical programme, rather than one specifically oriented towards the implementation of SDG indicators.

10. Bearing in mind this initial lack of consensus, in that same report, the HLG-PCCB suggested a different type of financing mechanism, no longer in the form of a Trust Fund but in the form of a match-making platform, geared towards facilitating knowledge management and sharing of information and ensuring more efficient coordination across donors and countries. To give further structure and content to this general plan, a new comprehensive proposal for a financing mechanism was presented at the recent virtual UN World Data Forum on 19-21 October 2020. The proposal foresees the creation of a “Clearinghouse for Financing Development Data” to help countries, donors and development partners identify funding opportunities, bring projects to scale, advocate for support to statistics and connect to new partners.

11. Reminiscent of the approach of FAO's own Hand-in-Hand Initiative, the Clearinghouse will be built as an online platform that will provide information and services to match the supply and demand of financing for data and statistics and thus facilitate coordination among donors and partner countries. Donors can use it to identify key data funding gaps in recipient countries, benchmark their country's data funding, and highlight opportunities for joint projects with other donors. Recipient countries can use it to understand how much aid they are receiving for statistics across the board and plan investments accordingly, assess their funding gaps to lobby for more resources from government and donors, and access best practices to improve efficiency and effectiveness of investments in data and statistics.
12. This new proposal has been elaborated by the Bern Network, a multi-stakeholder alliance created in 2019 by the Swiss Government and led by a group of core members including the Global Partnership for Sustainable Development Data (GPSDD), Organisation for Economic Cooperation and Development (OECD), Open Data Watch, PARIS21, the United Kingdom, the United Nations Statistics Division, and the World Bank. A preview of the pilot Clearinghouse was presented at the virtual UN World Data Forum in October 2020, whereas a fully operational Clearinghouse is expected to be launched at the next UN World Data Forum in October 2021. FAO participates in the Bern Network and will closely follow developments over the course of the following year, providing constructive inputs where appropriate and drawing on its own experience with the Hand-in-Hand Initiative.
13. While the new match-making architecture of the Clearinghouse for Financing Development Data has evident advantages, it also presents certain limitations. With neither real funding attached to it nor a central guiding framework, it should be clear that the Clearinghouse cannot replace global statistical capacity development initiatives in support of SDG indicators, such as FAO's Measuring the SDGs and the 50x2030 Initiative, which offer a consistent type of support to multiple countries on key statistical processes underpinning the production of SDG indicators. Such initiatives are still underfunded, hampering FAO's ability to address all requests for support on SDG indicators received from countries.