

World's first platform to track SDG data financing: Clearinghouse for financing development data

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Abstract. While some progress has been made towards the implementation of the Cape Town Global Action Plan for Sustainable Development Data over the past five years, a stumbling block for many low- and middle-income countries has been the urgent need for more resources to strengthen their national statistical systems. There is an urgent need to make financing for development data and statistics smarter, ensuring both the mobilisation of additional domestic resources and a more efficient approach to external assistance that would enable existing resources to go further and more effectively leverage new resources. It is in this context that the Bern Network on Financing Data for Development, a multi-stakeholder alliance created in 2019 by the Swiss Agency for Development and Cooperation and the Swiss Federal Statistical Office to promote more and smarter funding for development data, launched an innovative, free online platform that development cooperation recipients, providers and others can use to close the stark data financing gap: the Clearinghouse for Financing Development Data.

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1. Countries urgently need smarter financing for development data

The 2030 Agenda for Sustainable Development calls on countries to generate, collect and use timely, accurate, robust and representative data to ensure that no one is left behind. The need for such data has been reinforced by the COVID-19 pandemic, which underscored the fundamental impact of data to influence the trajectory of health, social and economic outcomes. To harness the potential of development data and statistics, countries of the United Nations Statistical Commission adopted a roadmap for the evolution of national statistical systems to meet future needs in 2017. The Cape Town Global Action Plan for Sustainable Development Data (CTGAP) sets out a robust framework for international and national efforts to strengthen statistical systems, including the monitoring and tracking of SDGs.

While some progress has been made towards the implementation of the plan over the past five years,

a stumbling block for many low- and middle-income countries has been the urgent need for more resources to strengthen their national statistical systems. Taking into account estimates of available domestic and external funding sources for countries eligible for International Development Association (IDA) loans, there is currently an annual gap of USD 700 million to resource data and statistics at scale [1]. Yet, only 0.3% of official development assistance had a primary focus on data and statistics in 2021, despite the needs of low and lower middle-income countries being higher than ever as they face the growing demand for data to respond to the pandemic [2]. In fact, the COVID-19 pandemic has exacerbated the need for smarter financing for data and statistics by placing an increased burden for data on national statistical systems, while simultaneously squeezing domestic and foreign aid budgets alike. Indeed, two thirds of national statistical offices (NSOs) in IDA countries experienced either moderate or severe delays in budget disbursement in the last fiscal year that hampered the implementation of their programme of work, ac-

cording to a 2021 survey conducted by the United Nations Statistics Division, the World Bank's Development Data Group, and the Partnership in Statistics for Development in the 21st Century (PARIS21) [3].

There is therefore an urgent need to make financing for development data and statistics smarter, ensuring both the mobilisation of additional domestic resources and a more efficient approach to external assistance that would enable existing resources to go further and more effectively leverage new resources. Doing so is no easy task, as there are several obstacles that hamper data financing. These include the low domestic political visibility of data and statistics as well as supply-side challenges including the fragmentation of support and low levels of coordination, priority alignment and lack of transparency that hamper the more effective channelling and use of existing funding [4].

2. Global partners launch the Clearinghouse for Financing Development Data

It is in this context that the Bern Network on Financing Data for Development, a multi-stakeholder alliance created in 2019 by the Swiss Agency for Development and Cooperation and the Swiss Federal Statistical Office to promote more and smarter funding for development data, launched an innovative, free online platform that development cooperation recipients, providers and others can use to close the stark data financing gap: the Clearinghouse for Financing Development Data.

The platform, which was launched at the United Nations World Data Forum in October 2021, is designed to foster transparency, improve accountability and enhance coordination among donors and development cooperation recipient countries through the provision of timely information and analyses to better match the supply and demand for statistical support. It also brings together providers, recipients and stakeholders at the global and the country levels through a community forum. In doing so, the clearinghouse is intended to address existing information asymmetries and challenges that make it difficult for providers and country partners to channel more and smarter funding for development data. The platform draws on project-level data on financing for development statistics sourced from a wide range of data stakeholders, including international organisations, development cooperation providers, statistical offices and line ministries [5].

The clearinghouse was developed by PARIS21 in its capacity as secretariat of the Bern Network, together

with Open Data Watch. The Government of Switzerland, UN Statistics Division, World Bank, Organisation for Economic Co-operation and Development (OECD), Data2X, IDRC Canada and Eurostat provided significant input and support.

3. What information is on the clearinghouse?

What can the clearinghouse tell its users? The platform brings value to a range of stakeholders. Providers 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 support they are receiving for statistics across the board and plan investments accordingly, assess their funding gaps to lobby for more resources from government and providers, and access best practices to improve efficiency and effectiveness of investments in data and statistics. Researchers can analyse overall trends in financing for data and forecast future trends. Civil society organisations advocating for better data can review the funding landscape and identify who the top providers/recipients are, and which countries are increasing their own investment in data and statistics.

3.1. *Helping mobilise domestic and external resources for data in Malawi*

To give an example, in a country like Malawi, highly dependent on agriculture and manual labour, the social costs of the pandemic are pressing. Indeed, a survey by the Institute of Public Opinion & Research in May 2020 found that "81% of Malawians feared going hungry during the COVID-19 pandemic, more than they feared being infected by the virus itself [6]."

Yet, as with many countries, the pandemic, and measures to respond to it, have placed a considerable operational and financial burden on the NSO, while drastically increasing the demand for data. For instance, work on various surveys, such as the Multiple Indicator Cluster Survey and Fifth Integrated Household Survey, were halted or delayed, and it is becoming more difficult to mobilise resources for surveys such as the Malawi Demographic Health Survey.

For Malawi to close statistical funding gaps, it needs comprehensive, granular data on the funding flows to, from and within the country for data and statistics. This information will help the government and the NSO

to understand the scale and scope of the shortfall and identify areas for prioritisation.

The Government of Malawi expects that the clearinghouse will help it mobilise the resources necessary for data generation to meet the monitoring and evaluation requirements of the Malawi Growth and Development Strategy III as well as the country's long term vision, called "Malawi 2063", and the SDGs.

Working with the Malawi NSO and government, the clearinghouse development team at PARIS21 and Open Data Watch compiled the country profile pages of the clearinghouse to show both inbound funding flows over time, as well as the current and future statistical budgets. This will enable Malawi to describe the size and nature of gaps, especially in the context of COVID-19.

3.2. Supporting gender equality by improving the transparency of gender data financing

To give another example, accessible and timely sex-disaggregated data are critical in helping policy makers understand and address the unique challenges women and girls face. However, decades of low investment in building gender-sensitive data systems continue to weaken our capacity to collect, analyse and use gender data effectively.

But more financing alone is not enough to build gender data capacity. We need smarter financing to use scarce resources to their fullest potential. For countries to optimise their gender data investments and for providers to make smarter decisions on where to allocate their funds, we need easy access to up-to-date information on the state of gender data financing.

To address this need, the clearinghouse offers a dedicated channel on gender data financing which provides information on financing flows to gender data over the past ten years, among other analyses and resources. This content is intended to help contextualise national and international gender data investments within the broader funding directed towards development data and statistics for the benefit of development partners, civil society organisations and the public. These stakeholders can also use it to drill down to specific countries to identify the gaps in financing gender data and explore relevant capacity building projects to better inform decision making and bring projects to scale.

4. Building momentum for the financing development data agenda

The clearinghouse is a complementary solution to another mechanism to catalyse the needed step-change in development data finance to deliver Agenda 2030, the World Bank's Global Data Facility (GDF). Both launched during the UN World Data Forum, these two new initiatives provide solutions for improved development co-operation effectiveness and transparency. The GDF is now the World Bank's primary mechanism to mobilise and coordinate providers' support for data and statistics priorities, and is designed to leverage further financing, including World Bank IDA/IBRD financing, and enable long-term support for priorities by strengthening domestic investments in data and statistics.

The global momentum for the need for smarter data investments is growing but so are the challenges the world is facing. Climate change, the reverberating impacts of the COVID-19 pandemic, and an emergency response to the war in Ukraine all underscore the importance of data but will also have direct impacts on investments. The clearinghouse provides access to the information needed to navigate the complexity of the financing landscape ahead.

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