



# Financing for Sustainable Development Report 2021

Inter-agency Task Force on Financing for Development



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The online annex of the Task Force (<http://developmentfinance.un.org>) provides additional data and analysis on progress in implementation of the Financing for Development outcomes, including the Addis Ababa Action Agenda and relevant means of implementation targets of the Sustainable Development Goals.

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# Data, monitoring and follow-up



## 2. Progress in strengthening data frameworks, measurements and data collection

### 2.1 The impact of COVID-19 on national statistical systems

**The COVID-19 pandemic has caused serious disruptions to the operational activities of national statistical systems, particularly national statistical offices, and has hampered their ability to obtain high-quality, timely and reliable data.** Without access to crucial data, Governments cannot respond effectively to the health, economic and social impacts of the COVID-19 pandemic. A recent series of global online surveys among NSOs conducted by the World Bank and the United Nations Statistics Division (UNSD), in coordination with the five United Nations Regional Commissions, reveals the many impacts of the pandemic on NSOs (box IV.1). The surveys found that the pandemic has impacted the operations of the vast majority of NSOs, through office closures, telework and the suspension of face-to-face interviews. In the last year, 65 per cent of NSO headquarters were partially or fully closed, 90 per cent had staff working from home, and 96 per cent stopped face-to-face data collection. This has affected the ability of NSOs to produce short-term statistics and conduct population censuses. At the same time, a large number of NSOs have adapted their production systems to ensure continuity of operations by enabling their staff to work from home, switching from face-to-face interviews to telephone or web-based interviews, establishing new partnerships, and testing new methodologies and tools for data production, processing and dissemination.

**The COVID-19 pandemic is exacerbating global data inequalities: statistical agencies in countries with the least resources are facing the greatest challenges.** Statistical operations have been hardest hit in low- and lower-middle-income countries, where inadequate information and communications technology (ICT) equipment and infrastructure constrain the ability to conduct operations remotely. To fully resume statistical operations, many NSOs had to develop new data collection protocols and resort to new partnerships to bridge existing data gaps during the COVID-19 pandemic. For example, over half of NSOs have written new fieldwork protocols to mitigate the risks of COVID-19 among respondents and enumerators, including procedures and guidelines for travelling, contacting respondents, conducting interviews, or practicing social distancing. NSOs also established new partnerships, networking arrangements and alliances with national and international public entities to access new data sources, develop and implement new methods for data production, and improve access to and use of digital technology. However, new partnerships to access new data sources are more common among high-income countries compared to low- and lower-middle-income countries, reinforcing data inequalities across countries.

**Many NSOs are in need of technical assistance and financial and ICT support to face the challenges generated by the pandemic.** Globally, 6 in 10 agencies reported needing additional support to face the challenges associated with the COVID-19 pandemic, with NSOs in sub-Saharan Africa and Latin America and the Caribbean in particular expressing the need for such additional support. Whereas few high-income

#### Box IV.1

##### Survey of national statistical offices during COVID-19

The World Bank and the United Nations Statistics Division (UNSD), in coordination with the five United Nations Regional Commissions, are conducting a global online survey to assess the impact of the coronavirus crisis on national statistical offices (NSOs), and to identify needs for financial and technical support. Three rounds of the survey have been conducted so far. The first round in May 2020 focused on shedding light on office closures and the disruptions to data collection as a consequence of the pandemic. The second round, rolled out in July 2020, looked at the extent to which restrictions and disruptions had receded or become more widespread. The third round, carried out in October 2020, focused on how NSOs have adapted to the new reality by implementing new surveys, developing new protocols for face-to-face data collection, and by building new partnerships.<sup>a</sup> (See box IV.2)

##### Population censuses in times of COVID-19

The United Nations Population Fund (UNFPA) has recently launched the COVID-19 Census Tracker Dashboard to provide real-time monitoring of the impact of COVID-19 on population censuses—a critical effort given the important role of censuses in the monitoring and evaluation of Sustainable Development Goals. The dashboard is updated continuously, based on information received through UNFPA country offices. Tracking these national adjustments to census schedules is crucial for updating global support plans for censuses. The dashboard shows countries that have confirmed census delays, possible delays, disruptions to activities, and identifies those monitoring the situation.

**Source:** UN DESA and World Bank.

**a** UN DESA and World Bank, “Survey of National Statistical Offices (NSOs) during COVID-19”. Summary available at <https://www.worldbank.org/en/research/brief/survey-of-national-statistical-offices-nsos-during-covid-19>.

countries expressed the need for any kind of support, two thirds or more of upper-middle-income countries reported that they required technical assistance, training and financial support. For low- and lower-middle-income countries, most voiced a stronger need for every type of support. Financial support, equipment and infrastructure support, and technical assistance were the most needed types of support in countries in this income group.

##### Measuring the impact of the Covid-19 pandemic on the SDGs

**Timely, quality, open and disaggregated data and statistics are needed to understand, manage and mitigate the human, social and economic effects of the pandemic and make progress towards achieving the SDGs.** Disaggregated data and statistics are essential for designing short-term responses and actions to put countries back on track to achieve the SDGs. However, many of the data challenges encountered during the first five years of SDG implementation are severely limiting evidence-based and targeted COVID-19 responses. An analysis of the indicators in the Global SDG Indicators Database reveals that for 4 of the 17 goals, less than half of 194 countries have internationally comparable data. This lack of country-level data is particularly worrisome for Goal 5 (gender equality), where on average only about 4 in 10 countries have data

available. Country-level data deficits are also significant in areas related to sustainable production and consumption (Goal 12) and to climate action (Goal 13). Even countries with available data have only a small number of observations over time, making it difficult for policymakers to monitor progress and identify trends.<sup>1</sup>

**The pandemic has highlighted the need for countries to invest and embrace civil registration and vital statistics systems as a core component of emergency responses.** Emergencies such as COVID-19 severely affect the principles, operations and functions of CRVS systems at a time when they are most needed. Weak data infrastructures mean that, in some countries, the most vulnerable are likely not to be counted at all. For example, prior to COVID-19, one billion people worldwide were already unable to prove their legal identity;<sup>2</sup> one quarter of all children under the age of five had no form of birth registration;<sup>3</sup> and, in Africa, only one in three deaths are captured by official registration systems.<sup>4</sup> The spread of the coronavirus has worsened this situation, as countries are forced to close civil registration offices or suspend registration of vital events, and civil registration budgets are repurposed.<sup>5</sup> To help protect civil and human rights, particularly during emergencies, and ensure that government

interventions are targeted to the most vulnerable and affected parts of populations, global efforts can help strengthen CRVS systems and ensure that all people have a legal identity (see box IV.3). This includes supporting innovative financing mechanisms, such as the Global Financing Facility, to strengthen the capacities required at different levels of the CRVS system to (i) register births and deaths; (ii) record causes of death; and (iii) digitize records. Technical assistance, capacity-building, and ICT equipment can help countries move from manual registration towards a more technologically advanced and efficient electronic system.<sup>6</sup> In this context, it is important to note that, under the United Nations Legal Identity Agenda, 17 United Nations agencies joined forces to ensure coherence between civil registration and legal identity initiatives within the United Nations system.<sup>7</sup>

**Geospatial information provides a foundation for integrating key data sources to respond to multidimensional challenges, such as COVID-19 or achieving the SDGs; yet, many NSOs lack the necessary capabilities to access and analyse geospatial information.** The COVID-19 pandemic and its economic and social fallout are urgent reminders of the need for “data which is high-quality, accessible, timely, reliable and disaggregated by income, sex, age, race, ethnicity, migration status, disability and geographic location and other characteristics relevant in the national contexts”.<sup>8</sup> Yet, despite the need for data that are high frequency (e.g., weekly, daily or real time) as well as highly disaggregated (e.g., at the level of coordinates, address, building or parcel), only 16 per cent of NSOs reported the use of geospatial information sources, methods and technologies to produce integrated statistical and geospatial information to track COVID-19 cases and hotspots. Since geospatial information has been an integral part of many national public health responses to the pandemic, capacity-building efforts should strengthen NSO capabilities to access geospatial information sources and to improve access to methods and tools for the analysis of geospatial information.<sup>9</sup>

#### Box IV.2

##### Innovative household survey data collection approaches and implications for long-term investments in statistical infrastructure

The COVID-19 pandemic has expedited the adoption of innovative approaches to respond to increased data needs in the context of COVID-19. For instance, 96 per cent of NSOs partially or fully stopped face-to-face data collection at the height of the COVID-19 pandemic and many were quick to adopt alternative data sources and modes of data collection to meet the pressing data demands that emerged during the pandemic.<sup>a</sup> For example, as face-to-face interviews were not possible, 175 countries have resorted to telephone or web surveys to measure the impact of COVID-19 on households and individuals.<sup>b</sup>

However, those with a more agile and resilient data and statistical system were better able to adapt and respond to the challenges. For instance, out of the 175 countries that have carried out or planned surveys through telephone interviewing, only 34 per cent could rely on a recent survey or census to obtain respondents' contact information, while the remaining two thirds had to resort to random digital dialling or other non-probability sample designs.<sup>c</sup> To facilitate adoption of innovative approaches—such as telephone and web or mixed-mode data collection at scale—empirical studies can help to identify and validate emerging best practices, as well as target capacity-building.

**Source:** UN DESA.

**a** United Nations Statistics Division and the World Bank, “Survey on the Impact of COVID-19 on National Statistical Offices, Round 1, May 2020”. Available at <https://unstats.un.org/iswghs/task-forces/covid-19-and-household-surveys/national-responses-to-covid-19/>.

**b** Inter-Secretariat Working Group on Household Surveys, “Compilation of COVID-19 Impact Surveys, last assessed January 2021.” Available at <https://unstats.un.org/iswghs/task-forces/covid-19-and-household-surveys/covid-19-impact-surveys/>.

**c** Ibid.

#### BOX IV.3

##### The Global Civil Registration and Vital Statistics Scaling Up Investment Plan

In 2015, the World Bank and the World Health Organization, with input from several agencies and countries, developed a Global Civil Registration and Vital Statistics (CRVS) Scaling Up Investment Plan. The Plan covers CRVS activities over a 10-year period from 2015 to 2024 in 73 countries with the aim of achieving universal civil registration of births, deaths, marriages, and other vital events, including reporting cause of death, and providing access to legal proof of registration for all individuals by 2030. The projected total cost of the Plan is \$3.82 billion (excluding China and India). The World Bank's costing estimate further noted that, after excluding estimated domestic sources of funds, the Plan would experience a funding gap of \$1.99 billion over the 10-year implementation period (i.e., an average financing gap of \$199 million per year for 73 countries).<sup>a</sup>

**Source:** UN DESA.

**a** World Bank and World Health Organization, “Global Civil Registration and Vital Statistics: A Scaling Up Investment Plan 2015–2024. Available at: <https://openknowledge.worldbank.org/handle/10986/18962>.”

## Changes to the global indicator framework

**The global indicator framework provides a comprehensive framework of indicators and statistical data to monitor progress, inform policy and ensure accountability of all stakeholders.** It was adopted by the United Nations General Assembly on 6 July 2017 and is contained in the Resolution adopted by the General Assembly on Work of the United Nations Statistical Commission pertaining to the 2030 Agenda for Sustainable Development (A/RES/71/313).

**As part of the 2020 comprehensive review, the Statistical Commission agreed to and adopted major changes and minor refinements put forward by the Inter-Agency and Expert Group on SDG Indicators.** The changes encompass the replacement of 14 existing indicators, the revision of 8 indicators, the addition of 9 new indicators and deletion of 6 indicators where the methodological work had stalled or not produced the expected results. As a result of the 2020 comprehensive review, the indicator

framework was significantly improved, filling critical gaps such as those under Goal 12 on sustainable consumption and production, and Goal 13 on combating climate change. All indicators now have an agreed methodology.

## Progress in the areas of health-related indicators

**The COVID-19 pandemic has created an unprecedented demand for high-quality health data, yet many countries lack accessible and reliable data to inform global health-related SDG monitoring.**

The World Health Organization (WHO) estimates that, in most countries, recent primary data<sup>10</sup> were only available for between half and 80 per cent of the health-related SDGs. For almost one in five countries, however, over half of the indicators have no recent primary or direct underlying data. Thereby, low- and lower-middle-income countries are more likely to lack recent underlying data for comparable estimates, such as cause-of-death registration data.<sup>11</sup> Furthermore, the absence of statistics reflecting the lives of women and girls render many gender inequalities in health invisible. These gaps create serious problems for countries to adequately track the spread of infectious diseases such as COVID-19, while also continuing to track and respond to other health priorities. To support countries in addressing and closing health-related data gaps, in 2020, WHO launched the SCORE for Health Data Technical Package, which provides guidance on the best technical practices to strengthen health information systems using universally accepted tools and standards. SCORE facilitates tracking of progress towards the SDGs, monitors and measures the maturity of health information systems, supports interventions, and provides guidance on best practice measurement methods, standards and tools.<sup>12</sup>

To better support countries in achieving SDG 3 and the other health-related targets, a global action plan was launched in September 2019 by 12 multilateral organizations with significant roles in health, development and humanitarian work. The global action plan identifies “data and digital health” as one of seven accelerator themes and views digital technologies as an important tool in transforming the way health data are collected and used. The plan is intended to support countries in assessing gaps in data disaggregation capabilities, strengthening country capacity in the data cycle, and supporting collective and aligned investment plans for data and digital health.<sup>13</sup>

## Update on changes to indicators for SDG 17

**The Statistical Commission also agreed to establish a working group to further develop and refine the measurement of development support in line with the 2030 Agenda.** The working group has the mandate to consider different components of development support in line with target 17.3 to “mobilize additional financial resources for developing countries from multiple sources” which go beyond traditional official development assistance (ODA).<sup>14</sup> The working group, which consists of 21 countries and several observers, has been meeting throughout 2020. It is working towards submitting an indicator proposal to the Commission in 2022.

## 2.2 Monitoring the private sector

**High-level political support can help close data gaps to better assess the evolution of the economy and overcome remaining challenges for the achievement of the second phase of the Data Gaps Initiative.** The COVID-19 pandemic posed significant challenges to the Group of Twenty (G-20) Data Gaps Initiative (DGI) 2020 work programme that have led to an extension of six months to December 2021. The DGI aims to address important data gaps

### Box IV.4

#### Making every woman and girl count

Without investing in gender statistics, large data gaps will prevent successful monitoring of progress on the Sustainable Development Goals for women and girls. *Women Count*,<sup>a</sup> the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) strategy for change on gender data, is creating a radical shift in how gender statistics are planned, created, shared and used. Teaming up with national and international partners, *Women Count* has conducted rapid gender assessment surveys in more than 50 countries to ascertain the effect of COVID-19 on women and girls.<sup>b</sup>

Results overwhelmingly confirm that both women and men have increased their unpaid workloads during the pandemic, but women are still doing the lion’s share. Women are also taking on a greater intensity of care-related tasks than men. Meanwhile, parents are getting more help from daughters than sons. Worryingly, more women than men are leaving the workforce, perhaps as a result of these increased workloads.<sup>c</sup> Furthermore, women’s mental and emotional health are disproportionately affected.<sup>d</sup>

The surveys also found large data gaps when it comes to support for women and girls experiencing violence during the pandemic. While many people reported being aware of increases in domestic violence, most women did not know where to seek help for this. Towards assessing the impact of COVID-19 on violence against women (VAW) through more and better data, UN Women is conducting rapid gender assessments on VAW in at least 15 countries in 2021—not only to increase availability of reliable, cross-country and nationally representative data on VAW, but also to develop improved measures and guidelines on VAW data collection in the context of COVID-19.

**Source:** UN DESA.

<sup>a</sup> See <https://data.unwomen.org/women-count>

<sup>b</sup> See <https://data.unwomen.org/>

<sup>c</sup> UN WOMEN. “Whose time to care: Unpaid care and domestic work during COVID-19”. Available at: <https://data.unwomen.org/publications/whose-time-care-unpaid-care-and-domestic-work-during-covid-19>

<sup>d</sup> CCSA, “How Covid-19 is changing the world: a statistical perspective - Volume II”. September 2020.

## Box IV.5

Examples of changes to the global indicator framework: replacement of indicators under Goal 12 and Goal 13<sup>a</sup>

## Goal 12. Ensure sustainable consumption and production patterns

*Existing indicator in the global indicator framework***12.a.1**

Amount of support to developing countries on research and development for sustainable consumption and production and environmentally sound technologies

**12.b.1**

Number of sustainable tourism strategies or policies and implemented action plans with agreed monitoring and evaluation tools

*Proposed replacement indicator***12.a.1**

Installed renewable energy-generating capacity in developing countries (in watts per capita) (*repeat of the proposed replacement for indicator 7.b.1*)

**12.b.1**

Implementation of standard accounting tools to monitor the economic and environmental aspects of tourism sustainability

## Goal 13. Take urgent action to combat climate change and its impacts

**13.2.1**

Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production (including a national adaptation plan, nationally determined contribution, national communication, biennial update report or other)

**13.3.1**

Number of countries that have integrated mitigation, adaptation, impact reduction and early warning into primary, secondary and tertiary curricula

**13.a.1**

Mobilized amount of United States dollars per year between 2020 and 2025 accountable towards the \$100 billion commitment

**13.b.1**

Number of least developed countries and small island developing States that are receiving specialized support, and amount of support, including finance, technology and capacity-building, for mechanisms for raising capacities for effective climate change-related planning and management, including focusing on women, youth and local and marginalized communities

**13.2.1**

Number of countries with nationally determined contributions, long-term strategies, national adaptation plans, strategies as reported in adaptation communications and national communications (*repeated with a slight amendment in the proposed replacement for indicator 13.b.1*)

**13.3.1**

Extent to which (i) global citizenship education and (ii) education for sustainable development are mainstreamed in (a) national education policies; (b) curricula; (c) teacher education; and (d) student assessment (*repeated in the refinement to be made to indicators 4.7.1 and 12.8.1*)

**13.a.1**

Amounts provided and mobilized in United States dollars per year in relation to the continued existing collective mobilization goal of the \$100 billion commitment through to 2025

**13.b.1**

Number of least developed countries and small island developing States with nationally determined contributions long-term strategies, national adaptation plans, strategies as reported in adaptation communications and national communications (*repeat of the proposed replacement for indicator 13.2.1 above, with a slight amendment*)

**Source:** UN DESA.

**a** UN DESA Statistics Division, "Report of the Inter-Agency and Expert Group on Sustainable Development Goal Indicators" (E/CN.3/2020/2).

in the financial sector that were revealed by the 2008 world financial and economic crisis. The second phase of the Initiative (DGI-2) commenced in 2015 and is focused on (i) monitoring risk in the financial sector; (ii) vulnerabilities, interconnections and spillovers; and (iii) data sharing and communication of official statistics. As DGI-2 is approaching its completion date in 2021, countries have advanced in closing data gaps and moved closer to the goal of implementing regular collection and dissemination of reliable and timely statistics for policy use. Remaining challenges for the timely achievement of all DGI-2 recommendations include the full implementation of international banking statistics; improved periodicity and timeliness of financial stability indicators; and the complete reporting of quarterly general government debt and operations. While progress has been made in data sharing, further efforts are needed to improve it within and across countries.

**Continuing efforts are also being made to improve international debt statistics, in order to enhance the transparency of both external and domestic debt and reduce public debt vulnerabilities (see chapter III.E).** Accurate and comprehensive debt data and strengthened transparency are critical for borrowers and creditors to take informed decisions on fiscal and debt policies—particularly when public budgets face strong pressures. The World Bank Group has been strengthening

its Debtor Reporting System,<sup>15</sup> which captures World Bank borrowers' external public sector debt and private sector debt with a public sector guarantee, as well as other non-guaranteed external private sector debt. International Debt Statistics 2020 provided users for the first time with new data on the borrower composition of external debt obligations of low- and middle-income countries, with information disaggregated by public corporations and guarantees provided by Governments. International Debt Statistics 2021 provides detailed information on lending by creditor countries and multilateral institutions to low- and middle-income countries, in addition to the disaggregation of countries' external debt by type of creditor.<sup>16</sup> Nonetheless, further cooperation of all creditors and debtors is needed to fully disclose all public sector financial commitments, including those arising from state-owned enterprises and other contingent liabilities. Data quality should also be improved.

**The COVID-19 pandemic has further exposed data gaps that have prevented real-time monitoring of remittance flows and migratory movements, including of stranded migrants and returning migrants.** The World Bank, through the Global Knowledge Partnership on Migration and Development (KNOMAD), is launching an International Working Group on Improving Data on Remittances. The Working Group will

invite NSOs, central banks, the World Bank, and selected international organizations to recommend measures to improve data on remittances and international cooperation in the collection and dissemination of data.<sup>17</sup>

**Increasing the data availability on the private sector's contribution to the SDGs is critical to allowing Governments to monitor national progress towards the Goals.** Companies have a significant impact (positive and negative) on society and the environment through their operations and the products and services they produce. For example, the carbon emissions of a country depend on the carbon intensity of domestic companies. Similarly, a country cannot increase its water-use efficiency if domestic companies are not improving their practices in this area. Yet, information on company SDG impact is often not available, as most corporate sustainability reporting remains on a voluntary basis, with different companies using very different indicators. Chapter III.B presents concrete actions that Governments can take to address this issue, for instance, by imposing mandatory sustainability disclosures. Furthermore, international cooperation is needed to ensure a globally consistent approach. Governments can use the United Nations intergovernmental platforms, particularly the Financing for Development process, to drive convergence in sustainable reporting practices metrics that are linked to the global goals.

## 3. New sources of data and evolving national statistical systems

### 3.1 Opportunities and challenges in new sources of data for public policy

New data solutions for the public good

**In combatting the spread of the COVID-19, public health authorities have combined official data with alternative sources, such as mobile phone or satellite data, to better understand the propagation of the virus and inform targeted emergency responses.**

#### Box IV.6

##### Major advancement in ecosystem accounting

At its fifty-second session in March 2021, the United Nations Statistical Commission is expected to adopt the System of Environmental–Economic Accounting—Ecosystem Accounting (SEEA EA) as a statistical standard. SEEA EA is a spatially based, integrated statistical framework for organizing biophysical information about ecosystems, measuring ecosystem services, tracking changes in ecosystem extent and condition, valuing ecosystem services and assets, and linking this information to measures of economic and human activity. It was developed to respond to a range of policy demands and challenges with a focus on making visible the contributions of nature to the economy and people. The SEEA EA complements the measurement of the relationship between the environment and the economy described in the System of Environmental–Economic Accounting Central Framework.

**Source:** UN DESA. Available at: <https://unstats.un.org/unsd/statcom/52nd-session/documents/decisions/Draft-Decisions-Final-5March2021.pdf>

According to the survey of NSOs during COVID-19 by the World Bank and the UNSD, a majority of NSOs are increasingly relying on alternative data collection modes and data sources, including phone and online surveys, administrative data, remote sensing, and satellite imagery to address data needs by Governments. Alternate data has played an important role in tracking population movements and obtaining a fine-grained picture of the spread of COVID-19. For example, aggregated and anonymized telecom data helped the Government of Belgium understand human mobility trends in response to lockdown measures and estimate the risk of infection increases in a specific region.<sup>18</sup> Authorities in Nigeria have relied on a combination of available primary data collection, data from national bureaus of statistics, and satellite images to produce hyperlocal heat maps of people at highest risk for life-threatening complications of COVID-19.<sup>19</sup>

**Growing data demands and the proliferation of new actors highlight the need for strong governance frameworks and the strengthening of official statistical systems.** As the *Financing for Sustainable Development Report (FSDR) 2020* points out, the dramatic increase in data demands has led to a new and evolving data ecosystem that challenges the role of official statistical systems as the predominant producers of statistics and providers of information for policymaking. In this regard, the COVID-19 pandemic also underlines existing concerns around the role and responsibility of new actors, the reliability of new data sources, including ethical issues of data sensitivity and anonymity, representation of vulnerable groups, and considerations around civil rights and privacy—concerns that are particularly heightened for countries with limited statistical capacity and existing structural data deficits.<sup>20</sup> As countries seek to strengthen flows of quality data and statistics to inform pandemic response, support recovery and enhance future resilience, Governments need to view data as a strategic asset for development, and task and capacitate NSSs—in collaboration with other government entities and stakeholders from the broader data community—to actively use and develop this asset (see also *FSDR 2020*).

#### Box IV.7

##### Tracking the COVID-19 crisis with high-resolution transaction data

A research team of the Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) used the universe of transactions mediated by the bank to build a daily expenditure measure to capture the economic dynamics in Spain during the current crisis.<sup>a</sup> The main dataset is built from 1.4 billion individual card transactions since 2019, from either the cards issued via the bank or the point-of-sale terminals it operates. The data showed little shift in expenditure prior to the national lockdown, but immediate, very large, and sustained expenditure reductions thereafter. Transaction metadata also allows for the study of variations in these reductions across geography, sectors and mode of sale (e.g., online/offline). The transaction data captures many salient patterns in how an economy reacts to shocks in real time, allowing businesses and private citizens to adjust their actions and policymakers to devise timely interventions based on evidence. Results from traditional surveys are often delayed and the sparsity of data points often do not allow additional analysis.

**Source:** UN DESA.

**a** Carvalho et al., "Tracking the COVID-19 Crisis with High-Resolution Transaction Data". Available at [https://cepr.org/active/publications/discussion\\_papers/dp.php?dpno=14642](https://cepr.org/active/publications/discussion_papers/dp.php?dpno=14642).

### Opportunities and challenges of “open data for public good” initiatives for public policymaking

**Open data has played an important role in the global response to the COVID-19 pandemic.** Open data that is publicly accessible, available in multiple formats, free of charge, and unlimited in its use and distribution rights has helped governmental and non-governmental users (e.g., academics and journalists) contribute to our understanding of the pandemic and communicate risk to individuals and the public. For example, Johns Hopkins University’s COVID-19 data dashboards synthesize publicly available data to track how the coronavirus is spreading across countries. In the Republic of Korea, private-sector software developers used government data to create mobile applications that inform users about the location of the newly infected and their recent movements.

**While these open data–based solutions were invaluable tools for the general public to gain real-time insights into the ongoing public health crisis, their ad hoc and spontaneous emergence also underlined major challenges for an informative and reliable open data environment.** These evolve around issues of data quality, timeliness, completeness and availability, as well as privacy and data security concerns arising from the use of granular data and the shortcomings in de-identification techniques. Furthermore, the development of sustainable and professional “data-literate” stakeholders who can both produce and use statistics for results-based management could help strengthen governance further.<sup>21</sup> NSOs can play a key role in addressing these challenges: as important stakeholders in the open data space, they are well placed to execute important control functions across the open data value chain, including quality control validation of open data, implementation of common standards and classifications, and assuming a stronger coordination role across an expanding constellation of data producers.

### 3.2 Data driven disaster risk preparedness

**National statistical systems can play an important role in supporting the measurement of hazardous events and disasters, their impacts and associated risks.** Disasters like the COVID-19 pandemic and their impacts on people, the economy and the environment have led to the adoption of global policy frameworks to reduce disaster risk and ensure sustainable development—most importantly, the Sendai Framework for Disaster Risk Reduction 2015–2030, the Paris Agreement on Climate Change, and the United Nations 2030 Agenda for Sustainable Development. However, disaster management and disaster risk reduction on the national level are usually the task of a specialized disaster management agency or ministry, with limited or no involvement of NSOs. The work of disaster risk management agencies can benefit from their data and expertise to effectively respond to disastrous events and contribute to long-term risk reduction. In 2018, the United Nations Economic and Social Commission for Asia and the Pacific issued the Disaster-related Statistics Framework,<sup>23</sup> designed for use by national agencies to produce high-quality, harmonized statistics for planning, analysis and reporting on national and international goals for disaster risk reduction. To improve coordination between agencies and ministries, in 2020, the United Nations Economic Commission for Europe (UNECE) issued several recommendations and identified practical steps for NSOs to increase their engagement in the measurement of hazardous events and disasters.<sup>24</sup> Furthermore, UNECE has launched

a platform on COVID-19 and official statistics, which gathers examples on how NSOs are engaging in the COVID-19 response.<sup>25</sup> The combined efforts of the two regions were recognized and supported globally by the Statistical Commission with a decision to establish an Inter-Agency and Expert Group on Disaster-related Statistics that will begin operations in 2021.

## 4. Funding for data for sustainable development

### 4.1 Funding needs for statistical systems

**The pandemic highlights the urgent need for increased investment in national statistical systems.** National data collection programmes and the production of core economic statistics have long been underfunded by national Governments as well as the international development community.<sup>26</sup> Funding to statistics and data from external sources has been stagnant since 2014. Yet demand for data has never been higher. According to estimates, the cost for support for data and statistical systems for the full implementation of the Cape Town Global Action Plan through 2030 is approximately \$5.6 billion per year for 75 low- and lower-middle-income countries and 69 upper-middle-income countries. An estimated \$4.3 billion (77 per cent) of the total could be covered by domestic resources, leaving a financing gap of \$1.3 billion (23 per cent) per year to be filled from external sources. For 2019, total ODA for data and statistics is estimated at \$672 million, about half of the amount needed.<sup>27</sup> At the same time, projections from the Organization for Economic Cooperation and Development show that the world risks seeing a significant reduction in the financing resources available to developing economies from donors, due to the global economic recession and declining public revenue. Domestically, many NSOs may also expect

#### Box IV.8 The Open Data for Resilience Initiative<sup>22</sup>

The Open Data for Resilience Initiative (OpenDRI) brings the philosophies and practices of the global open data movement to the challenges of reducing vulnerability and building resilience to natural hazards and the impacts of climate change across the globe. In a time of economic hardship and unequal globalization, few Governments possess the resources to collate existing data, collect new data, and feed them all into an ecosystem of analysts who can make sense of them so that practitioners can design and implement projects that get ahead of the disaster cycle. This work must be a collective effort, engaging Governments, civil society, industry and individuals.

The OpenDRI is a growing partnership around this core data problem. It offers Governments and their partners a process for cataloguing their existing stock of data without giving up control of those data to third parties. It offers an inexpensive method of engaging at-risk communities in the process of mapping and curating data about their changing exposure to natural hazards. And it offers a guide to building an ecosystem of entrepreneurs, researchers, and international institutions around data that a nation manages for itself.

**Source:** UN DESA.

significant budget cuts as Governments reallocate financial resources to address urgent needs posed by COVID-19.<sup>28</sup> This is also affecting countries that are undertaking census exercises in 2021. Twenty-six per cent of low- and lower-middle-income countries saw their financial resources for the census being reallocated to other government priorities,<sup>29</sup> underlining the risk of a potential funding gap for censuses in the future.

### Response of the global data community to COVID-19

#### **At the virtual United Nations World Data Forum in October 2020, participants representing the global data ecosystem of different data user and producer communities expressed their support for the ongoing evidence-based response to the Covid-19 pandemic.**

Participants pointed out that necessary data and statistics were frequently lacking, despite being a critical part of getting back on track to realize the 2030 Agenda for Sustainable Development. In its response to COVID-19, the global statistics community called for accelerated action to implement the Cape Town Global Action Plan for Sustainable Development Data (CTGAP) and the Dubai Declaration to finance the development of more timely, high-quality, disaggregated, geospatially enabled data, that are relevant, well-documented, interoperable and open by default while respecting the right to privacy. Furthermore, two reports by the Committee for the Co-ordination of Statistical Activities (CCSA) published in May and September 2020 provide a snapshot of some of the latest statistical information on how COVID-19 is affecting different aspects of public and private life.<sup>30</sup>

#### **The Cape Town Global Action Plan stresses the need for a country-led framework for planning and implementing statistical capacity-building to achieve the 2030 Agenda.**

As laid out in *FSDR 2020*, the CTGAP identifies six strategic areas: (i) strengthening national statistical systems and improving coordination; (ii) modernizing statistical systems and embracing new technologies and data sources; (iii) strengthening basic statistical activities covering statistical, administrative and other data sources; (iv) improving dissemination and use of data; (v) developing and strengthening multi-stakeholder partnerships for sustainable development data; and (vi) mobilizing resources and coordinating efforts for statistical capacity-building. However, while the Global Action Plan has been widely agreed to and recognized, financial backing is still missing.

## 4.2 Innovative funding mechanism for data needs for the 2030 Agenda for Sustainable Development

**Sectoral data financing can help increase overall financing for development data, but also risks undermining broader statistical capacity.** Sectoral data financing has helped to attract new and highly motivated donors that are interested in specific sectors. This has increased

the pool of donors for statistics and helped to draw attention to specific data domains, such as gender-disaggregated, health or macroeconomic data. For example, the Bill & Melinda Gates Foundation is now providing a higher share of total support for development data than all Development Assistance Committee donors.<sup>31</sup> While this has helped countries focus their political attention on specific data domains or data gaps, this is often driven by donor-specific interests and has led to uneven progress across different data sectors and distracted NSSs from building a strong foundation. Furthermore, it risks enhancing competition among donors for the time and attention of national statistical system managers.<sup>32</sup>

#### **The Bern Network on Financing Data for Development seeks to address main challenges for better financing for data and statistics.**

These fall into three areas: (i) the fragmented and patchwork nature of support to data and statistics; (ii) the squeeze on external and domestic budgets overall; and (iii) the lack of information-sharing and matching mechanisms between donors and countries. Most recently, in the lead up to the 2021 United Nations World Data Forum, to be hosted by the Government of Switzerland, a multi-stakeholder community of data and statistics-focused development practitioners, technical experts, and advocates formed the Bern Network on Financing Data for Development. The Network is currently developing a Clearing House on Financing Development Data that will help with overcoming these challenges. The online platform will provide information and services to match the supply and demand of financing for data, and facilitate coordination among donors and partner countries. To succeed, greater international cooperation, greater alignment with national priorities and greater commitment to data is required.

#### **Furthermore, the World Bank is presently establishing a global umbrella trust fund for data, called the Global Data Facility.**

The Global Data Facility is created in response to a call by the Statistical Commission's High-level Group for Partnership, Coordination and Capacity-Building for Statistics for the 2030 Agenda for Sustainable Development, which emphasized the need for an innovative funding mechanism to strengthen the capacity of national data and statistical systems and help overcome data deprivation across regions. It follows a three-pronged approach: (i) pooling donor resources; (ii) leveraging World Bank International Development Association or International Bank for Reconstruction and Development resources; and (iii) increasing domestic financing. This model is the result of key lessons learned from decades of previous investments in data and statistics and has the potential to enable a step-change in more sustainable financing for data and statistics. This Facility will serve as a mechanism to scale up meaningful support for data across key sectors and statistical systems across countries, while ensuring a country-led, flexible, and adaptive approach to strengthen the capacity of national data and statistical systems.

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