# Contribution from the Data For Now initiative to the "Elements paper" for the Financing for Development process

This submission is made by the core members of the Data For Now initiative, comprising the Global Partnership for Sustainable Development Data, the Sustainable Development Solutions Network, United Nations Development Program, United Nations Statistics Division and the World Bank. The five agencies are actively engaging in capacity development activities on data and statistics under the Data for Now initiative and are drawing the input from engagement with countries supported under the initiative.

# I. A global financing framework (including cross-cutting issues)

Strong national data and statistical systems are essential for advancing the financing for development agenda as they are the building blocks that are needed to understand the state of the economy, including public financial and debt management, investment decisions and in measuring progress of national, regional and global development goals. This includes information on different sub-groups on the population, climate and poverty matters that relate to sustainable financing.

According to the <u>2024 Sustainable Development Report</u> (page 7), "only 65 percent of countries had fully funded and implemented national statistical plans. The funding gap is more pronounced in low- and lower-middle-income countries, where only 35 per cent have sufficient funding". **Investments in data and in official statistics should therefore be integrated into the core action areas of the FFD agenda and reflected prominently in the outcome document**. These investments should not be limited to monitoring progress but embedded directly within national budgeting processes. Establishing dedicated financing mechanisms will support statistical capacity and safeguard the continuity of data systems, making them a fundamental part of economic planning. Long-term strategies for statistical development will ensure these systems remain resilient and adaptable to evolving challenges. Promoting a culture of data-driven decision-making among policymakers, reinforced by targeted capacity-building efforts, will further embed statistical insights into public financial management, investment strategies, and inclusive development initiatives.

#### II. Action areas

#### a. Domestic public resources

Reliable access to granular and timely data and statistics is a precondition for understanding domestic revenue generation and for making sound policy decisions and investments.

To help ensure that good quality data and statistics are available to decision makers, and to increase efficiency of the government, data and geospatial information should be shared between government agencies. By sharing and re-using data for statistics production, governments save resources by avoiding multiple and duplicate data collection processes.

Similarly, investing in open data initiatives and standards can strengthen transparency in tracking public resources and should thus be considered a priority. Non-traditional data and statistics can contribute to economic forecasting and predicting trends and investments across various locations at a granular level. This also encourages partnerships across various government institutions to streamline data collection, sharing, and analysis for a holistic analysis of resource management, public service delivery, performance management, and promoting inclusion.

In addition, member states should engage citizens in decision making processes, ensuring that budget allocation and fiscal oversight are data-driven, with citizen involvement. Fostering partnerships between civil society and national statistical offices can foster trust and better address local community priorities.

Empowering NSOs and other concerned government entities to lead digital innovation and data governance efforts is critical to enhancing these practices, ensuring that data collection is efficient, integrated, and free from duplications. This will also address existing data gaps while enabling the integration of technologies such as big data and Al into policymaking processes. In this process, confidentiality and privacy must remain paramount, underpinned by appropriate legal frameworks.

### b. Domestic and international private business and finance

Member states should explore public-private partnerships to leverage technical expertise, infrastructure, and resources available within the private sector. The World Bank World Development Report 2021, Data for Better Lives, highlights how public private partnerships (while engaging academia, civil society, and other stakeholders) can increase demand and use of data and further highlights the importance of how data in national development plans will encourage partnerships that can support better decision making.

Member states should consider strengthening partnerships to create a conducive environment of sharing data collected by private sector, such as mobile phone data or scanner data, for use in statistics production as they provide a rich resource to complement available information. Such partnerships can accelerate the development of robust national statistical systems and ensure the availability of timely, high-quality data. As examples, use of mobile phone data to inform general movements (not on individual level), can inform tourism statistics, improve regional statistics and many other areas. Scanner data can help improve price statistics and national accounts.

#### c. International development cooperation

Currently only a small share of all investment in data and statistics goes to support the national statistical system. According to the <u>Sustainable Development Goals Report 2024</u> a total of 45 countries or regions received donor funding, with half of them being low- and lower-middle-income nations. Investments in national data and statistics can increase cross-country coordination (data collection and sharing) among various stakeholders during a regional or global crisis such as a disaster, pandemic, migration, etc. It also supports the development of global standards and practices for data-driven development initiatives and enables transparency and accountability of outcomes.

Development partners should consider re-orienting international assistance by stopping practices that collect data for monitoring without strengthening national statistical systems. Development

partners should also commit to using national data and statistics where available, invest in building national capacities where needed or where data and statistics do not exist, and reduce use of parallel data collection processes where possible. Member states should also review global funding flows for data and statistics to reward integrated and cross-system support of national data and statistical systems.

### f. Addressing systemic issues

Member states should commit to investing in data sharing and in strengthening national statistical systems to have a better knowledge base for decision making on the various systemic issues.

As examples, timely and robust data and statistics help governments inform policy decisions that can identify priority areas for investment. This can result in more efficient allocation of resources, maximizing the impact of public spending and meeting the needs of the population. Investments in geospatial data and statistics can significantly enhance the planning and management of urban areas and improve service delivery. Access to geospatial information and technologies can assist governments in determining optimal locations for new roads, schools, healthcare facilities, and other infrastructure, reducing costs.

With the increase in the frequency and intensity of disasters and climate impacts, investments in geospatial data and statistics enhance disaster preparedness and response. Through real-time mapping of affected areas and vulnerable populations, governments can allocate resources effectively and develop strategies to reduce recovery costs in the long term.

Understanding spatial patterns in demographics, industry, and infrastructure can contribute to targeted economic policies, attracting new investments and increasing domestic revenue through enhancing local economies, business growth, and increased employment opportunities.

Most importantly, these investments will enhance the monitoring and evaluation of policies, allowing timely interventions and amendments that sustainably support the public.

### g. Science, technology, innovation and capacity building

Innovation and modernization of national data and statistical systems can deliver more efficient, rapid and reliable resilient information and enable better decision-making. Statistics producers are already actively making use of technology and innovation to respond to information needs, but to further help leverage opportunities, member states should strengthen investments, particularly supporting low resource statistical systems, to develop capacities in use of science, innovation and technology.

Investments in geospatial information, earth observations, artificial intelligence, and other emerging technologies are essential for timely and increased coverage of insights that can support decision-making. For example, artificial intelligence (AI) analysis of satellite imagery can provide real-time insights for recovery efforts after a disaster. Georeferenced gridded population models can offer more timely insights into population density and movement more frequently than a traditional census, and they can provide estimates of locations that may not be covered or represented by a census.

A recent <u>report</u> by the World Economic Forum estimates that Earth observation has the potential to drive \$3.8 trillion in economic benefits between 2023 and 2030. Equipping statistical agencies and developing capacity to integrate non-traditional data sources will be vital for more sustainable development planning and ensuring that the digital divide is not exacerbated. The Global Digital Compact of the <u>Pact for the Future</u> also calls on stakeholders to "invest in and deploy resilient digital infrastructure, including satellites and local network initiatives, that provide safe and secure network coverage to all areas, including rural, remote, and 'hard-to-reach' areas, and promote equitable access to satellite orbits, taking into account the needs of developing countries."

# IV. Data, monitoring and follow-up

Robust, independent official statistics are essential to the core functioning of government and sustainable financing. Member states should reaffirm the importance of high-quality and granular data and statistics for decision-making, ensuring that all groups of the population are visible and represented to leave no-one behind. Member states should in this context acknowledge and strengthen the central role of national statistical systems in generating, disseminating, coordinating and administering data to inform sustainable financing and other key national information needs. Member states should commit to step up investment from domestic and international sources in high-quality, timely, and reliable statistics and to enhance capacity-building through technical and financial support to developing countries for this purpose.

To strengthen and build on the follow-up processes established by the Addis Agenda, member states should recommend that the United Nations Statistical Commission (UNSC), which brings together the Chief Statisticians of member states annually, is given the mandate to follow up on the data and statistics related commitments in the FFD4 outcome. Part of the follow up could be to explore which national, regional and global initiatives are best suited to support implementation of the FFD4 commitments.

# V. Overarching reflections

The Data For Now core partners invite countries to consider the following to improve investments in data and statistics in development planning:

- Integrate data and statistics into the core action areas of the FFD agenda and outcome document.
- Increase financing for data and statistics, particularly national data and statistical infrastructure
- Formalize financing for data and statistics in countries' national development plans
- Enhance financing strategies through strengthened partnerships between public, private, academic, civil society and development funding agencies
- Implement systematic review and analysis of financing data gaps, also exploring possibilities of improving collaboration and data sharing to better inform data-driven policy-making