Policy Coherence in front of the new challenges on development

Tracking progress on PCSD

Identifying what needs to be measured, analysed and reported

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@OECD_PCD #SDGAction12066
Some countries are setting up national targets and revising indicators for their national strategies considering the international dimension of the SDGs and accounting for the global impacts of domestic policies.
Progress but continued lack of clarity on what it means and what is to be measured – processes, linkages and trade-offs between economic, social and environmental values or impacts?

Why lack of clarity?

- Instrument of development coop rather than as a lens for whole of government policy making
- Reporting mechanisms have their own silos – Parl’t, CSOs
- Establishing causal effects
- Limited data on transboundary effects
- Limited feedback loops back into policy making
- New challenge related to SDG reporting on SDG 17.14.1 – no of mechanisms in place
**PCSD** is an approach and policy tool to integrate the economic, social, environmental dimensions of sustainable development at all stages of domestic and international policy making.

**SDG Target 17.14** enhance policy coherence for sustainable development

**Indicator: 17.14.1** Number of countries with **mechanisms in place** to enhance policy coherence of sustainable development
Key elements for tracking progress of PCSD

Institutional Mechanisms
- Political Commitment
- Policy integration
- Intergenerational timeframe
- Analysis of policy effects
- Coordination Mechanisms
- Local involvement
- Stakeholder participation
- Monitoring systems, analysis and reporting

Policy Interactions
- Across Sectors
  - Policy Objectives
  - Policy Inputs and Outputs
  - Policy Outcomes
  - Instruments
- Across governance levels
  - International
  - National
  - Subnational
  - Local
- Across Actors
  - Governments
  - International agencies & organisations
  - Business & industry
  - Civil society

Policy Effects
- Effects on wellbeing ("Here and Now")
- Trans-boundary effects ("elsewhere")
- Inter-generational effects ("later")

COHERENCE

Structures, processes and working methods
- Policy design and formulation
- Policy implementation
- Evaluation
Indicators for tracking key elements of PCSD

**Process indicators** *(to be developed)*

<table>
<thead>
<tr>
<th>Building block</th>
<th>Indicator</th>
<th>Has your country made an explicit commitment to PCSD in its national strategy?</th>
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</thead>
<tbody>
<tr>
<td>Commitment</td>
<td>The commitment to PCSD is formally incorporated into domestic law and/or national strategic framework and/or action plan (low/medium/high)</td>
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</tbody>
</table>

**A combination of indicators from different disciplines** *(e.g. resource use)*

<table>
<thead>
<tr>
<th>Interactions</th>
<th>Policy interaction</th>
<th>Suggested indicators</th>
<th>OECD Data sources</th>
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<tbody>
<tr>
<td>SDG7.2</td>
<td>These targets could potentially conflict if food crops and biofuel production compete for the same land.</td>
<td>Number of hectares of arable land diverted from the production of food to the production of biofuel feedstock. Based on: <strong>Agricultural land use</strong> <strong>Agricultural production</strong> <strong>Biofuels support</strong></td>
<td>• Agri-environmental Indicators • Environmental Database • Biofuels Support Policy Database</td>
</tr>
<tr>
<td>SDG2.1</td>
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**Indicators for capturing economic, social and environmental externalities** *(e.g. footprints)*

- World: 4 tonnes of CO₂ per person
- OECD: 10 tonnes of CO₂ per person
Country examples of monitoring

• FINLAND
  – Annual report to Parliament as part of Government’s Annual Report with budget
  – Informed by a wide range of sources from science, policy and CSO communities
  – Strategic framework includes 8 objectives to be reviewed via 10 indicator baskets

• GERMANY
  – Sustainable Development Strategy contains 63 indicators, including at least 1/SDG and takes into account transboundary consequences of national policy
  – Inter-ministerial group and statistics office develop new indicators
  – Fed Stat Office reports on progress every 2 years
  – Parliamentary Advisory Council on SD monitors sustainability policy

• NETHERLANDS
  – Annual SDG Report and Annual PCD Report to Parliament
  – Informed by multi-stakeholder consultations – SDG Charter/SDG Gateway link companies, NGOs, knowledge institutes and philanthropists
  – Proposing to introduce a “SDG test” with scope for ex ante assessments
Monitoring institutional mechanisms for PCSD

- Use monitoring and reporting systems to adjust policies in light of potential negative effects
- Engage all relevant actors to identify challenges, set priorities, align actions and mobilise resources
- Enable participation of regions, cities and municipalities
- Assign responsibility for coordination at appropriate level and establish clear mandates to resolve policy divergences
- Ensure commitment and leadership at the highest level
- Maximise synergies and minimise trade-offs between economic, social and environmental objectives
- Ensure long-term plans that go beyond electoral cycles and seek balance with short-term priorities
- Systematically consider the effects of policies on people’s well-being “here and now”, “elsewhere” and “later”

01 Political commitment
- Monitoring & Reporting
02 Policy integration
03 Long-term perspective
04 Policy effects
05 Policy coordination
06 Local involvement
07 Stakeholder engagement
08 Monitoring & Reporting
“Sustainable Development is a bridge between the past, present, and future, between humans and nature, between politics and economics, between governments, civil society and business, between the rich and the poor, and between the North and South and South-South.

The SDGs are to motivate the construction of this bridge.” (Csaba Körösi)