The framework for policy coherence for sustainable development

An assessment tool to promote, implement and track progress on mutually supporting policies for the SDG

Ernesto Soria Morales
Senior Policy Analyst
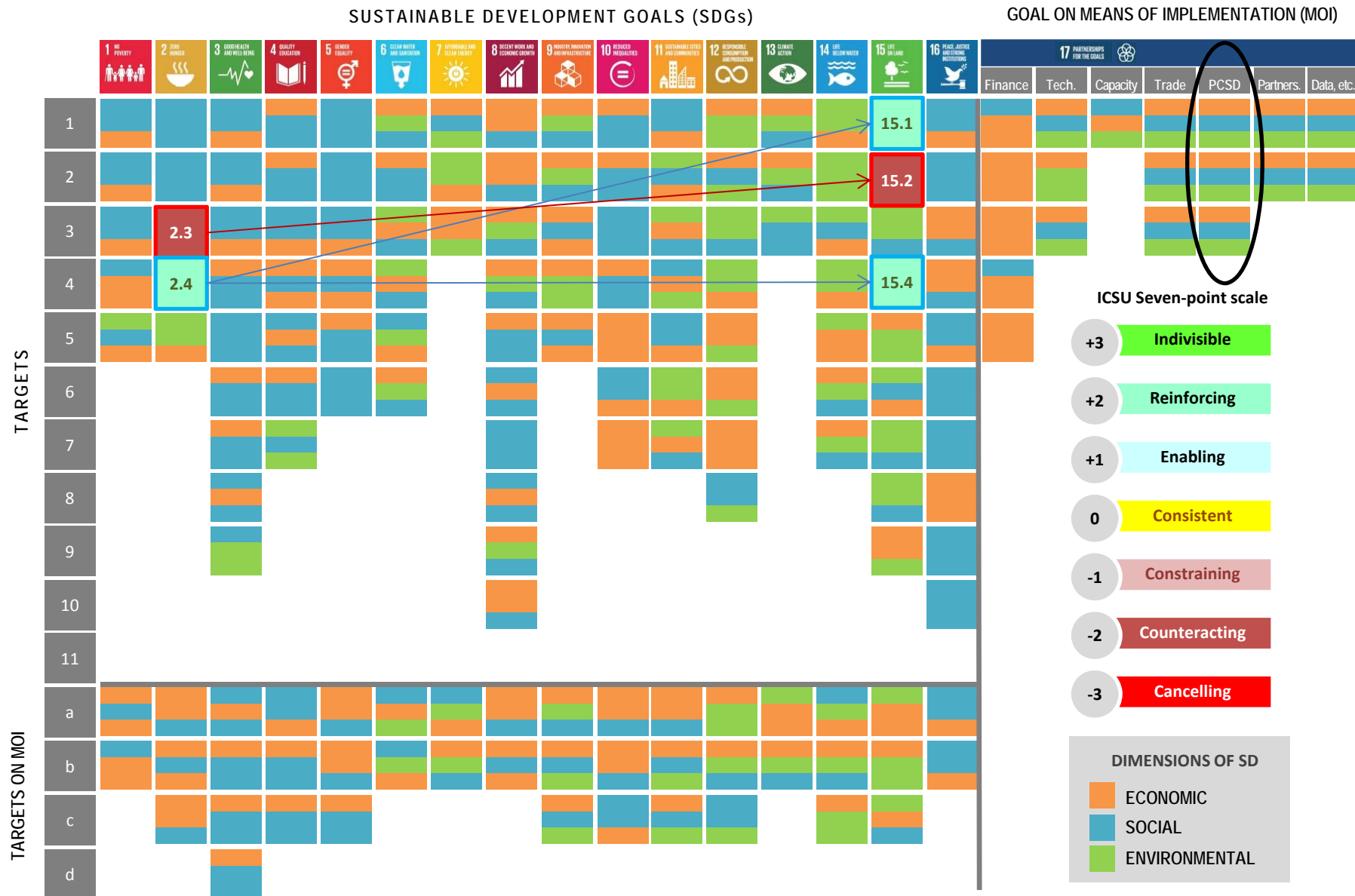OECD - Policy Coherence for Development Unit

www.oecd.org/pcd

@OECD_PCD   **#SDGAction**12066

OECD
BETTER POLICIES FOR BETTER LIVES

The integrated nature of the SDGs

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

GOAL ON MEANS OF IMPLEMENTATION (MOI)

ICSU Seven-point scale

+3	Indivisible	
+2	Reinforcing	
+1	Enabling	
0	Consistent	
-1	Constraining	
-2	Counteracting	
-3	Cancelling	

DIMENSIONS OF SD

- ECONOMIC
- SOCIAL
- ENVIRONMENTAL

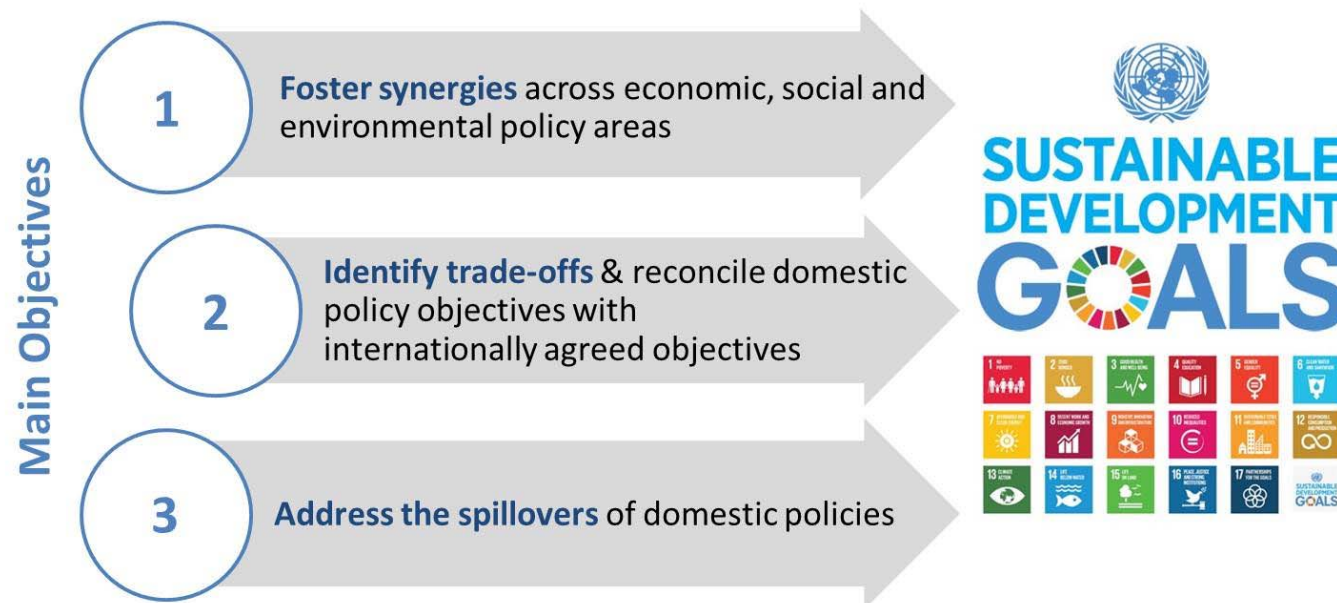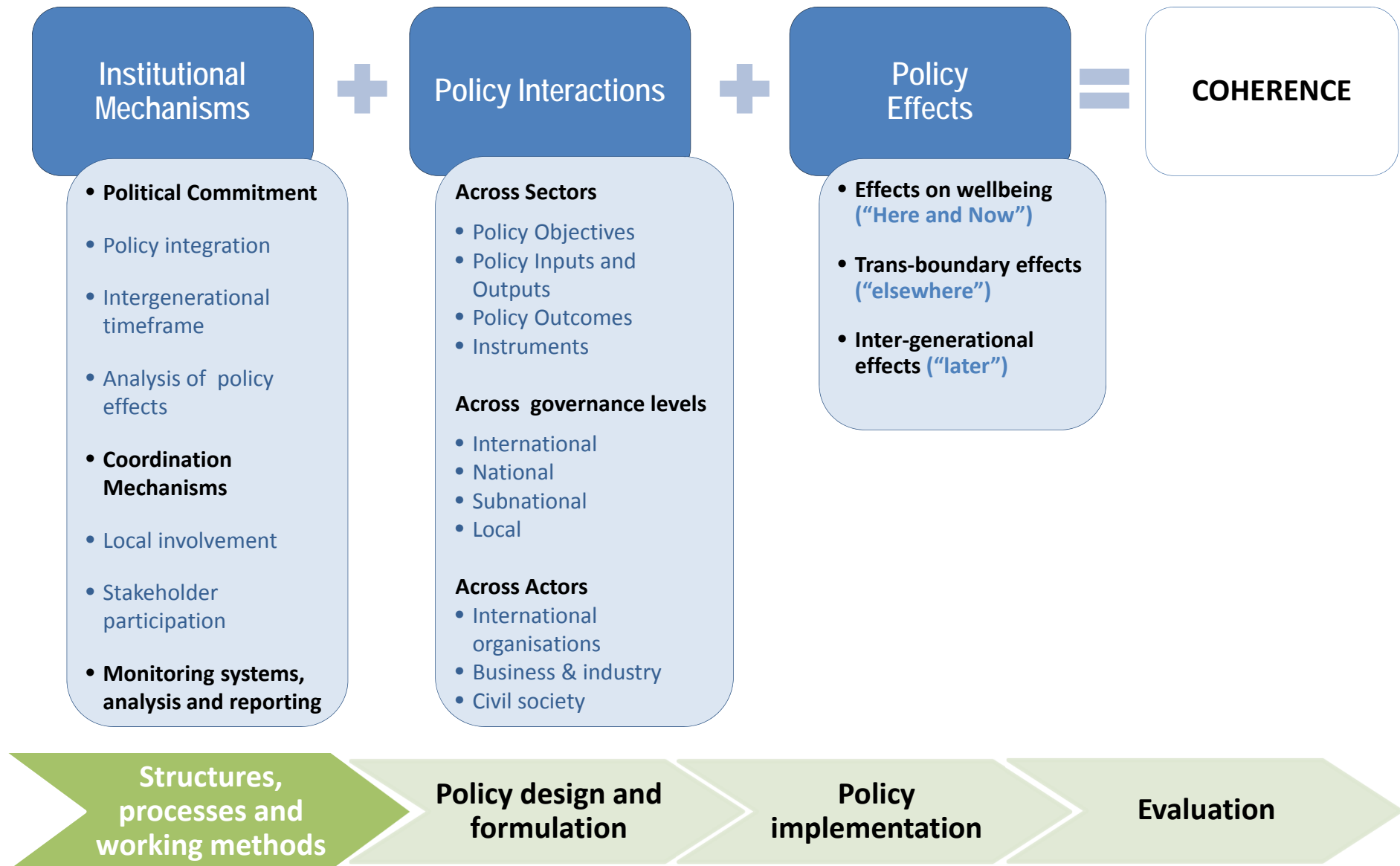**17 PARTNERSHIPS FOR THE GOALS**

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

Policy Coherence for Sustainable Development

Main Objectives

1 **Foster synergies** across economic, social and environmental policy areas

2 **Identify trade-offs** & reconcile domestic policy objectives with internationally agreed objectives

3 **Address the spillovers** of domestic policies

SUSTAINABLE DEVELOPMENT GOALS

Source: OECD (2014) *Better Policies for Development 2014: Policy Coherence and Illicit Financial Flows*, OECD Publishing.

Key elements of PCSD

Institutional Mechanisms + **Policy Interactions** + **Policy Effects** = **COHERENCE**

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
- International organisations
- Business & industry
- Civil society

Policy Effects

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

Structures, processes and working methods → **Policy design and formulation** → **Policy implementation** → **Evaluation**

Eight Building Blocks for PCSD

Political commitment
Ensure commitment and and leadership at the highest level

Policy integration
Consider interactions between economic, social & environmental policies

Long-term perspectives
Ensure plans that go beyond electoral cycles and seek balance with short-term priorities

Policy effects
Systematically consider the effects of policies on wellbeing "here and now", "elsewhere" and "later"

Policy coordination
Assign responsibility for overall coordination at appropriate level

Local involvement
Enable participation of regions, cities and municipalities

Stakeholder participation
Identify common challenges, set priorities, align actions and mobilise resources

Monitoring & reporting
Identify targets and indicators to track progress

Key considerations

- *How does the PCSD mechanism seek to engage the support of political leaders for greater coherence in SDG implementation?*

- *How does the PCSD mechanism support the integration of the SDGs into domestic and international policies*

- *How are short-term pressures managed to avoid deviating from long-term SDGs in the context of PCSD?*

- *What is the role of the PCSD mechanism for adjusting policies as new information becomes available on negative impacts?*

- *How does the PCSD mechanism support the coordination of the SDGs in domestic and international policies?*

- *How does the PCSD mechanism support the alignment of actions undertaken at different levels of government for achieving the SDGs?*

- *What role is the PCSD mechanism playing in addressing potential conflicts of interest among stakeholders?*

- *What is the role of the PCSD mechanism in monitoring and reporting the effects of domestic policies on other countries?*

Source: OECD (2017), *Policy Coherence for Sustainable Development 2017: Eradicating Poverty and Promoting Prosperity,* OECD Publishing, Paris.
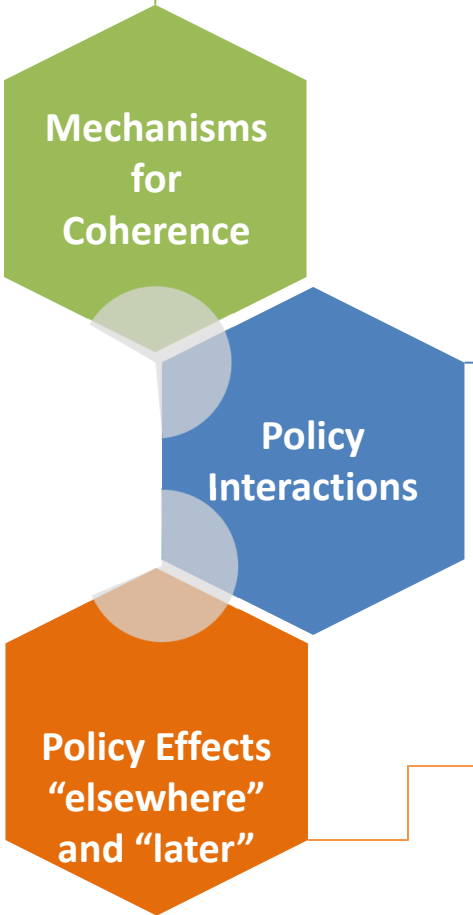
Process indicators (e.g. stakeholder involvement)

**Index of stakeholder engagement for developing legislation and regulations across OECD countries, 2014**
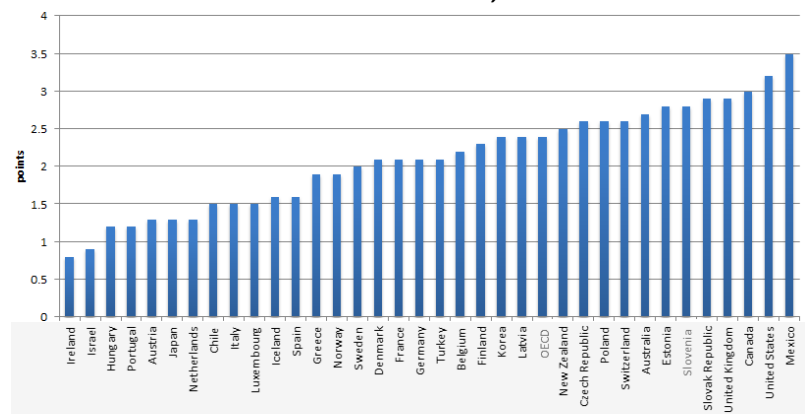
Source: OECD (2015), OECD Indicators of Regulatory Policy and Governance (iREG)

Mechanisms for Coherence

Policy Interactions

Policy Effects "elsewhere" and "later"

A combination of indicators from different disciplines

Interactions	Policy interaction identified	Suggested indicators (correlation indicators)	OECD Data sources
7 AFFORDABLE AND CLEAN ENERGY **SDG7.2** **2 ZERO HUNGER** **SDG2.1**	These targets could potentially conflict if food crops and biofuel production compete for the same land.	Number of hectares of arable land diverted from the production of food to the production of biofuel feedstock Based on: • **Agricultural land use** • **Agricultural production** • **Biofuels support**	• Environmental Database. • Biofuels Support Policy Database.

Source: OECD (2016),*Better Policies for Sustainable Development 2016. A New Framework for Policy Coherence.*

Footprint indicators (e.g. CO2 emissions)
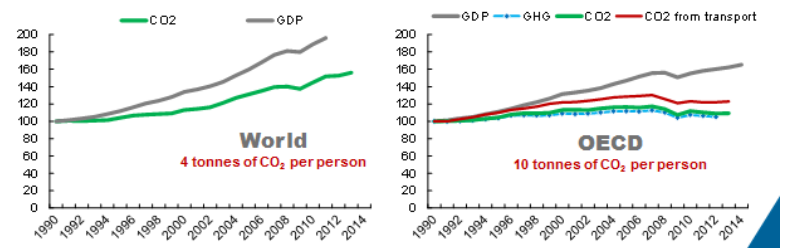
The structure of the PCSD Framework

CONTENT

➤ **3 Generic Modules:**
  – Analysis
  – Mechanisms for Coherence
  – Monitoring

➤ **2 Thematic Modules**
  – Illicit Financial Flows
  – Food Security

➤ **15 recommendations** for:
  – Conducting PCSD analysis
  – Stablishing a strategic policy framework
  – Strengthening existing institutional mechanisms

➤ **3 Screening checklists**
  – Defining priorities
  – Considering interactions and effects
  – Institutional settings and processes

1. Analysis (Analytical Framework)
- Actors & stakeholders
- Sources of finance
- Policy inter-linkages
- Non policy drivers
- Policy effects

2. Institutional Mechanisms (Institutional Framework)
- Eight Building Blocks)

3. Options for Monitoring (Monitoring Framework)
- Institutional mechanisms
- Policy interactions
- Policy effects

4. Key Thematic Areas
- Green Growth
- Illicit Financial Flows
- Food Security