

Direction de la coopération au développement et de l'action humanitaire

Réunion conjointe entre le Comité interministériel pour la coopération au développement et la Commission interdépartementale pour le développement durable

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Compte-rendu de la réunion du 26 juin 2020 (visio-conférence)

### Participants (visio-conférence)1:

Marguy Kohnen (MECDD), Manuel Tonnar (MAEE), Bérengère Beffort (MEGA), Marc Bichler (MAEE), Luc Dockendorf (MAEE), Sylvie dos Santos (MAEE), Abílio Fernandes (MSS), Georges Heinen (MinFin), Christine Herzeele (MAVDR), Sébastien Kieffer (MECDD), Thomas Lammar (MAEE), Romain Martin (MESR), Liette Mathieu (MEA), Ben Max (MD), Christian Mersch (MMTP), Jeannette Muller (MPC), Nicolas Pierre (MAEE), Laurent Pütz (MinECO), Karin Riemer (MECDD), Eric Schauls (MECDD), Claude Sevenig (MENJ), Jimmy Skenderovic (MECDD), Nadine Thomas (MAEE), Emma Waldron (MFIGR), Barbara Zeches (Min.Culture), Anna Piccinni (OCDE), Ernesto Soria Morales (OCDE).

### Agenda:

- 1) Opening Remarks
- 2) Tour de table: Participants' perspective of the added value of strengthening Policy Coherence for Sustainable Development
- 3) Conclusions and next steps

### 1. Opening Remarks

- Dans leurs remarques introductoires, Marguy Kohnen (MECDD) et Manuel Tonnar (MAEE) remercient les collègues de l'OCDE, Ernesto Soria Morales et Anna Piccinni, pour leur disponibilité et collaboration dans le cadre du présent projet conjoint de la Commission interdépartementale de développement durable (CIDD) et du Comité interministériel pour la Coopération au développement (CID), tout en soulignant qu'il s'agit de la première réunion conjointe de ces deux entités ;
- La cohérence des politiques (CP) constitue une priorité politique du gouvernement luxembourgeois, reflétée dans l'accord de coalition 2018-2023, le Plan national pour un développement durable (PNDD) et la Stratégie générale de la Coopération luxembourgeoise.

- La complémentarité entre la cohérence des politiques pour le développement (CPD) et la cohérence des politiques pour le développement durable (CPDD) a été soulignée et se reflète dans les travaux et domaines de compétences respectifs du CID et de la CIDD. Au niveau national, le Comité interministériel pour la coopération au développement (CID) est chargé de la coordination pangouvernementale en matière de coopération au développement et de la cohérence des politiques pour le développement tandis que la Commission interdépartementale pour le développement durable (CIDD) coordonne la planification, la mise en œuvre et le suivi d'ensemble du PNDD, selon une logique plus large de CPDD.
- Dans le cadre de la réunion sous objet, il s'agira d'analyser les mécanismes existants en matière de CPD, d'y apporter d'éventuelles améliorations tout en cherchant des synergies.

## 2. <u>Tour de table: Participants' perspective of the added value of strengthening Policy Coherence for</u> Sustainable Development

Le tour de table était précédé d'une présentation du projet sur la cohérence des politiques pour un développement durable par deux experts de l'OCDE, M. Ernesto Soria Morales et Mme Anna Piccinni. A travers le projet intitulé « Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg », l'OCDE accompagnera le Luxembourg sur une période de 24 mois en poursuivant les deux objectifs ci-après : (a) Renforcer les capacités des acteurs gouvernementaux luxembourgeois pour identifier des synergies, gérer les « trade-offs » politiques et, éviter des retombées négatives lors de la mise en œuvre des ODD ; (b) Améliorer la compréhension des décideurs politiques et des principales parties prenantes sur la manière d'appliquer la cohérence des politiques et l'élaboration intégrée des politiques dans la pratique pour réaliser les ODD au Luxembourg et à l'étranger.

#### a) Cadrage et présentation du projet par l'OCDE

### La cohérence des politiques pour un développement durable (CPDD)

- Constituant un élément clé de l'Agenda 2030, la CPDD cherche à maximiser les synergies et minimiser les « trade-offs » entre les 17 Objectifs de développement durable (ODD), ceci en adoptant une approche systémique;
- Comme les ressources de chaque État sont limitées d'autant plus dans la situation actuelle de crise sanitaire liée à la COVID-19 atteindre une telle cohérence est souvent un défi et les gouvernements se voient obligés à rechercher un équilibre entre priorités nationales et internationales, tout comme entre priorités à court et à long termes ;
- En 2019, l'OCDE a adopté le document « <u>Recommandations sur la cohérence des politiques au service</u> <u>du développement durable</u> » qui identifie huit principes pour réaliser l'Agenda 2030 et les ODD de manière intégrée et cohérente, à savoir :

- Mobiliser une volonté et impulsion politique fortes et inclusives ;
- Élaborer, mettre en œuvre et faire connaître un projet stratégique à long terme qui promeut la cohérence des politiques;
- Intégrer mieux les politiques ;
- o Assurer la coordination entre toutes les composantes de l'administration ;
- Mobiliser comme il se doit tous les niveaux d'administration infranationaux dans des domaines où ils jouent un rôle en matière de coordination de l'action publique;
- Associer efficacement les parties prenantes (stakeholders);
- Analyser et évaluer les incidences des politiques et des plans de financement;
- Renforcer les systèmes de suivi, de reddition de comptes et d'évaluation.

### Résultats du sondage Covid-19 et du « quick poll »

- A la suite d'un sondage réalisé parmi les États membres de l'OCDE, portant sur les mesures de réponse à la crise de la COVID-19, quatre messages centraux ont été formulés. Il importera notamment de :
  - Protéger les gains récents réalisés en matière des ODD;
  - Veiller à ce que les efforts à long terme pour « building forward better » ne soient pas compromis par des réponses à court terme;
  - Équilibrer les mesures de relance à court terme et les engagements internationaux, par exemple en matière de changement climatique;
  - o Élaborer des stratégies de sortie coordonnées pour construire une reprise à long terme.
- Le « quick poll » informel, portant sur les priorités en matière de CPDD, réalisé en amont de la présente réunion a apporté, entre autres, les résultats repris ci-dessous. Les membres du CIDD et du CID n'ayant pas encore participé au « quick poll » informel sont invités à le faire dans les meilleurs délais afin d'améliorer une meilleure représentativité des résultats :
- Quel est le plus grand défi que le gouvernement du Luxembourg doit relever pour améliorer la CPDD ?
  - La complexité de l'intégration de priorités économiques, sociales et environnementales dans les politiques;
  - L'absence de mandats clairs pour traiter les divergences politiques et résoudre les « tradeoffs » :
  - La difficulté de maintenir l'engagement en faveur de la cohérence des politiques au-delà des cycles électoraux;
  - L'incapacité à prévoir les coûts et avantages futurs des décisions politiques prises aujourd'hui.
  - → Les questions liées à la communication, la gouvernance multi-niveau et la représentation adéquate des parties prenantes n'ont pas figuré parmi les réponses les plus fréquentes.
- Quel domaine d'action devrait être la première priorité pour contribuer, à l'échelle mondiale, à l'éradication de la pauvreté et à la CPDD ?
  - O Diversifier et assurer une économie inclusive et porteuse d'avenir ;

- o Promouvoir une consommation et production durables ;
- Assurer une inclusion sociale et une éducation pour tous ;
- Arrêter la dégradation de notre environnement et respecter les capacités des ressources naturelles.
- → Il convient de noter que les domaines de l'utilisation du territoire, la mobilité durable et des finances durables n'ont pas figuré parmi les réponses les plus fréquentes.
- Quels mécanismes institutionnels devraient être renforcés pour améliorer la CPDD?
  - La capacité de l'administration publique d'appliquer la CPDD;
  - Les processus de coordination interministérielle pour la résolution de conflits;
  - o Les pratiques et outils pour identifier et éviter des effets négatifs à long terme ;
  - Les capacités de collecte et d'analyse de données sur les impacts transfrontaliers;
  - L'engagement des principales parties prenantes.
- Les experts de l'OCDE précisent que les résultats en partie surprenants (p.ex. pour ce qui est de la mobilité durable, des finances durables, de l'engagement au-delà de cycles électoraux) sont, entre autres, liés au fait qu'il reste encore un nombre important de membres de la CIDD et du CID qui n'ont pas répondu au « quick poll » informel ;
- Marguy Kohnen (MECDD) mentionne le « <u>Nohaltegkeetscheck</u> » et les deux projets pilotes y relatifs en cours (logement & faux monnayage) → l'objectif à terme est d'intégrer cet outil dans la procédure législative et de renforcer le rôle de surveillance de la Chambre des députés en matière de développement durable ;
- Marc Bichler (MAEE) souligne l'importance de disposer de mécanismes de résolution de conflits tout comme de l'implication de la société civile et du secteur privé pour atteindre à terme une cohérence des politiques.

#### b) Tour de table

- Romain Martin (MESR) indique que la plupart des ministères disposent de stratégies attachant une grande importance aux questions de durabilité → il importe d'assurer une bonne coordination.
- Abílio Fernandes (MSS) évoque les efforts menés en matière de finance durable dans le cadre de la réforme du système de sécurité sociale tout en soulignant l'importance de garantir un bon suivi des mesures mises en place.
- Marguy Kohnen (MECDD) mentionne l'exemple de la Finlande où la structure du budget de l'État s'aligne avec les ODD. Elle met en avant l'importance d'impliquer toutes les parties\_prenantes (ChD, ministères, ONG, secteur privé, milieu académique, personnes privées, etc.) dans le cadre de processus de co-travail, tel que prévu par le PNDD.
- Christian Mersch (MMTP) souligne l'importance du secteur ferroviaire et du télétravail pour relever les défis en matière de mobilité.
- Manuel Tonnar (MAEE) explique que le CID implique le Cercle de Coopération des ONG de développement et des experts externes dans le cadre des échanges et réflexions sur la cohérence des

politiques pour le développement. Il rappelle l'existence du groupe de travail sur la production et consommation durables comprenant des membres de la société civile et du secteur privé, et que le Coopération luxembourgeoise s'engage activement en matière de finance durable dans ses pays partenaires.

- Christine Herzeele (MAVDR) souligne l'importance d'un processus inclusif et de communiquer régulièrement avec les « consommateurs » pour accomplir des progrès en matière de cohérence des politiques.
- Barbara Zeches (Min.Culture) met en exergue le rôle du secteur de la culture en tant que créateur de durabilité en promouvant les principes de diversité et d'inclusion, par exemple. Elle mentionne l'intention de renforcer le rôle de la culture dans les interventions de la Coopération luxembourgeoise dans ses pays partenaires, ce qui contribuera également à la CPDD.

### 4) Conclusions and next steps

- Planning et prochaines étapes du projet « Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg » qui sera mis en œuvre sur la période de juin 2020 à mai 2022 (24 mois) :
  - o 1ère phase : atelier « kick-off », desk review & institutional scan par l'OCDE;
  - 2<sup>e</sup> phase : atelier avec exercice de self-assessment ;
  - o 3<sup>e</sup> phase: atelier de renforcement de capacités, finalisation des recommandations.
- Les dates des différentes phases de déroulement seront communiquées ultérieurement et tiendront compte de l'évolution de la situation sanitaire liée à la COVID-19.

Sébastien Kieffer, Nicolas Pierre

### Documents annexés au compte-rendu :

- Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg to deliver on the SDGs at home and abroad, Virtual joint meeting of the ICSD and ICD (OCDE, 26 juin 2020)
- Agenda Virtual joint meeting of the ICSD and ICD: Kick-off meeting (OCDE, 26 juin 2020)
- OECD Recommendation on Policy Coherence for sustainable development (OECD, 2019)

<sup>&</sup>lt;sup>1</sup> Une invitation à cette réunion conjointe du CID et du CIDD avait également été adressée au Cercle des ONGD.





# **PCSD** in the SDGs

Boxes to arrows: A systems perspective

# PCSD is a means to:

- Address trade-offs
- Harness co-benefits
- Turn vicious cycles into virtuous cycles





# Policy Coherence for Sustainable Development (PCSD)





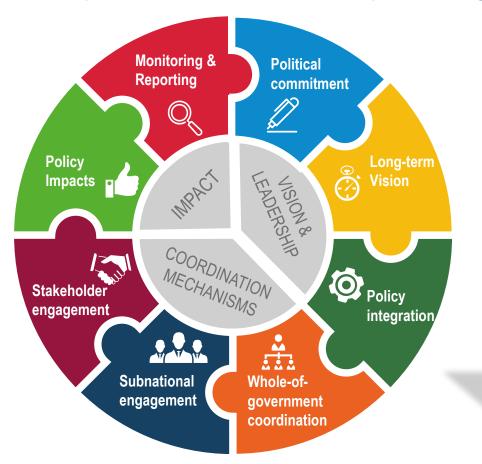


# THE OECD RECOMMENDATION ON POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT



# **Guiding Principles**

# A comprehensive standard for promoting PCSD...



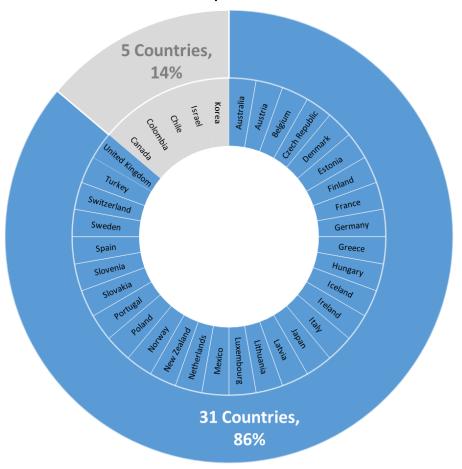


... adopted by all OECD members in December 2019.



# 1. Political commitment

# Explicit commitment to PCSD in OECD countries that have presented VNRs





## Political commitment

Explicit commitment to PCSD, clearly and publicly expressed at the highest level, is a precondition for enhancing policy coherence.

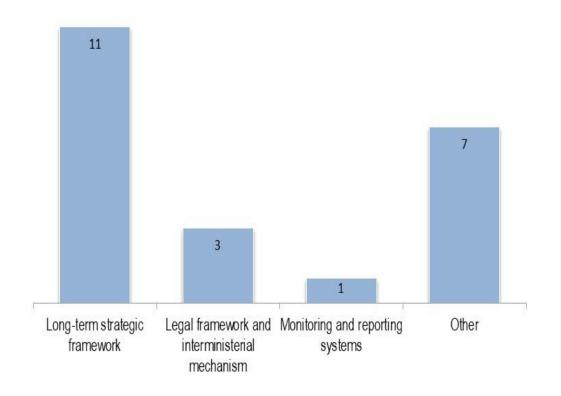
Commitment to PCSD is translated into practice through various forms including: legislation, national strategy, inter-ministerial mechanism or reporting system for policy coherence.

- Explicit commitment to PCSD in strategic documents or legislation.
- Strategic documents or legislation does not refer to PCSD



# 2. Long-term vision

How does your government ensure that commitments and actions for PCSD and SDGs are not affected by the electoral cycle?





# **Long-term Vision**

A long-term vision is essential to support present needs and those of future generations in a balanced manner.

- Several countries have developed long-term visions with a timeline up to 2050 through inclusive processes.
- A strong legal framework for sustainable development is instrumental to ensure commitment beyond government administrations.

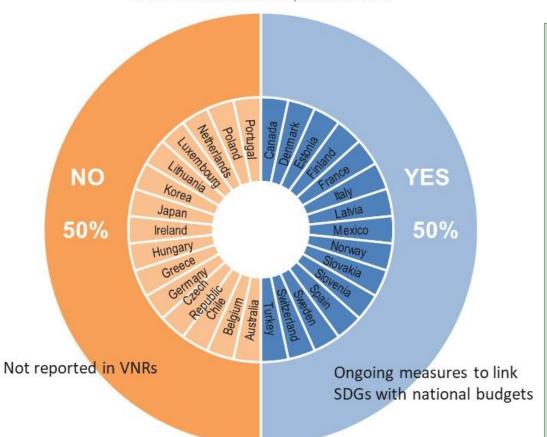
Source: OECD Survey on Policy Coherence for sustainable development (2017)



# 3. Policy integration

## Linking the SDGs to the national budget

OECD Countries that have presented VNRs





## **Policy Integration**

Policy integration is central to balancing the often divergent economic, social and environmental priorities

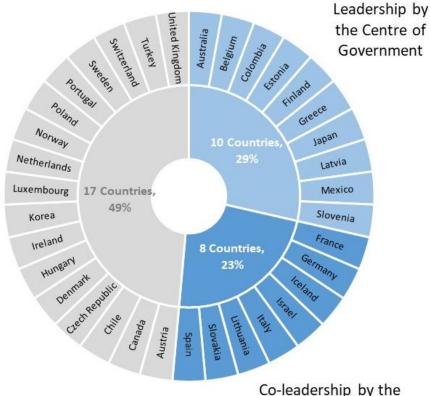
- Half of the OECD countries that presented VNRs have reported ongoing measures to link the SDGs to the national budget
- The SDG national strategy often serves as a common framework to integrate SDGs into sectoral programmes.



# 4. Whole-of-government co-ordination

## Leadership in coordinating the implementation of the SDGs

Leadership/coleadership without the Centre of Government



Co-leadership by the Centre of Government and line ministries



## Whole-of-government co-ordination

Strong policy co-ordination mechanisms across governments are essential to screen policies and decisions for coherence with sustainable development goals

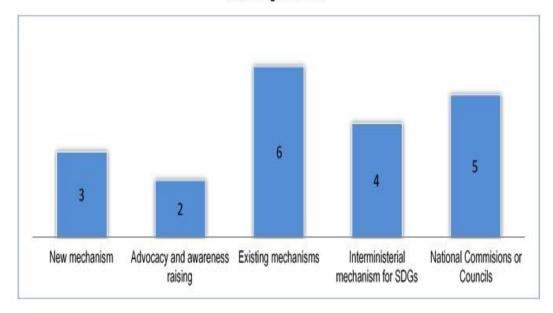
- In some cases, the Office of the President or Prime Minister leads SDG implementation either on its own or supported by line ministries.
- In other, co-ordination responsibility is assigned to line ministries with cross-cutting influence.



# 5. Subnational engagement

## Mechanisms for aligning national, subnational and local actions for SDGs

How does your country support the alignment of actions undertaken at different levels of government for achieving the SDGs?





## **Subnational engagement**

Effective subnational engagement is essential to align priorities and avoid fragmentation of actions across all levels of government

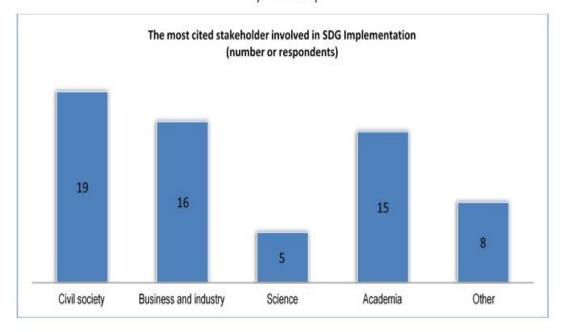
- Most policies and investments are a shared responsibility across levels of government.
- It is estimated that 65% of the 169 SDG targets will not be achieved without proper engagement and coordination with regional and local governments.



# 6. Stakeholder engagement

## Stakeholders engagement for the implementation of the SDGs

What actors outside the government are playing an active role in SDG planning and implementation in your country?





## **Stakeholder Engagement**

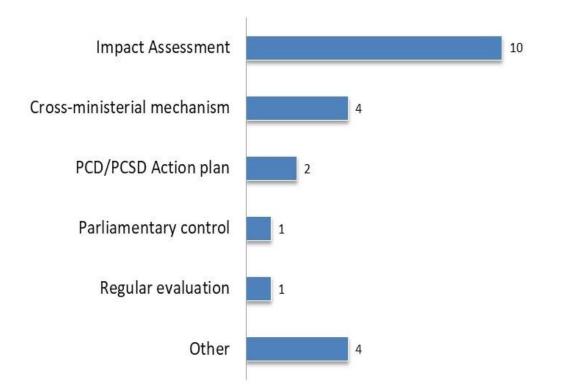
It is essential to make sure that priorities for promoting policy coherence are understood and supported by stakeholders

- A particular barrier to policy coherence stems from stakeholders' differing perceptions of the challenges and priorities for sustainable development.
- Stakeholders beyond government can capitalise on their respective roles and expertise to promote and support efforts to enhance PCSD



# 7. Policy impacts

# How do you anticipate or identify potential impacts in the design of domestic and international policies?





## **Policy impacts**

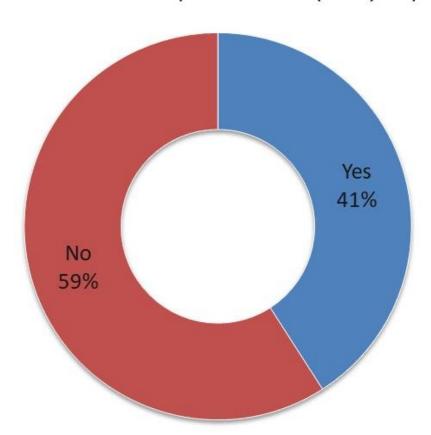
It entails considering how our policy choices could impact on well-being and sustainable development prospects elsewhere, in particular on developing countries

 Some countries are exploring options for establishing "sustainability" or "SDG" check to assess whether new policy proposals are in line with the SDGs



# 8. Monitoring and reporting

# Do you monitor and report back on policy impacts?





# **Monitoring and Reporting**

Informed decision-making is an essential element for enhancing policy coherence. It requires mechanisms to monitor progress, report to governing bodies and the public, and provide feedback so that actions and sectoral policies can be adjusted in light of potential negative effects

- Most countries are aligning monitoring and reporting systems with the 2030 Agenda and the SDGs.
- Some countries are adding international or transboundary dimensions which can help track progress on PCSD.



# Policy coherence and governance for sustainable development are ever more important NOW

- Need to protect recent gains in achieving the SDGs
- Ensure that long-term efforts for "building forward better" are not undermined by short-sighted responses

- Need to balance short-term recovery measures and international commitments, e.g. climate change
- Need for coordinated exit strategies to build a longterm recovery

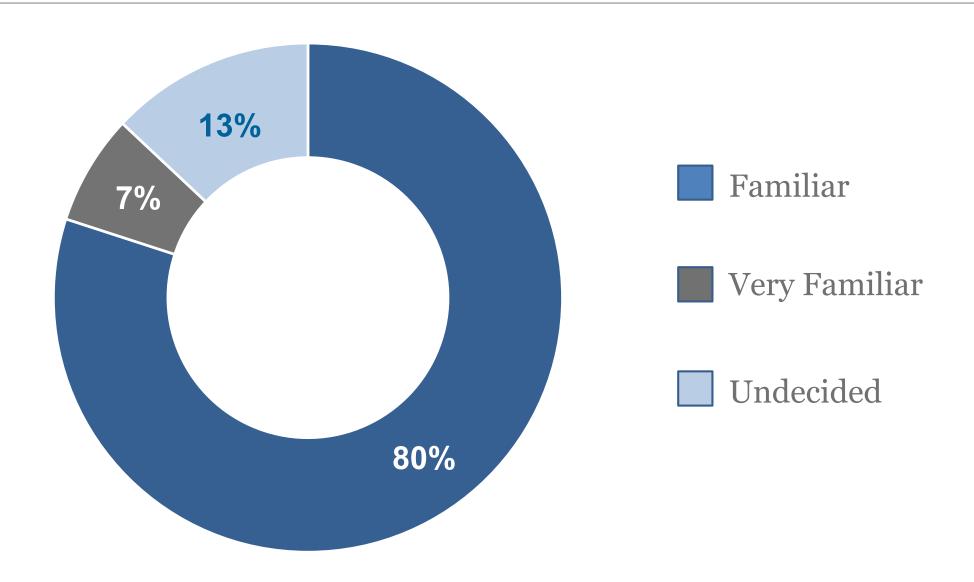
- 72% of respondents think that COVID-19 will impact their capacities to achieve the SDGs by 2030
- 80% respondents think the SDGs is the map for recovery;
- 44% of the governments are more aware of the need to factor in long-term impact;
- the first driver for bouncing forward with PCSD agenda is increased sensitiveness of the public opinion around long-term environmental and social concerns
- 11% stated there is an increased government attention to international commitments
- more than half of the respondents think Governments are more aware of the need to work across silos;
- 40% of respondents engaged sub-national levels of government in emergency and recovery plans



# RESULTS OF THE QUICK PCSD POLL



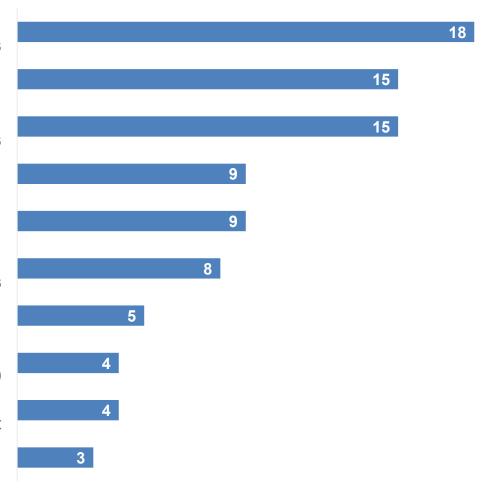
# Are you familiar with the concept of Policy Coherence for Sustainable Development?





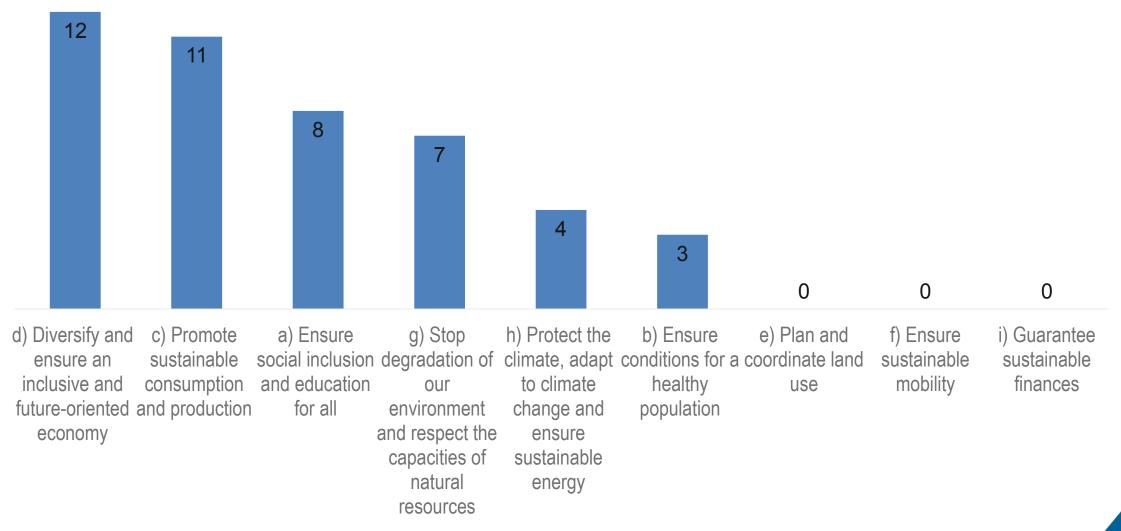
# What is the biggest challenge facing the government of Luxembourg to enhancing PCSD?

- d) The complexity of integrating economic, social and environmental priorities into policies
- a) The lack of clear mandates for addressing policy divergences and resolving trade-offs.
  - b) The difficulty to maintain commitment to policy coherence beyond electoral cycles
  - e) The inability to forecast the future cost and benefits of policy decisions taken today.
    - j) The complexity of measuring transboundary and long-term impacts of policies.
      - i) The lack of quantitative measures of policy coherence to track impacts
      - c) The lack of conclusive evidence on the negative transboundary impacts
        - f) The difficulty of communicating the benefits of PCSD
- g) The fragmentation of actions between national and sub-national levels of government
  - h) The inadequate representation of stakeholders



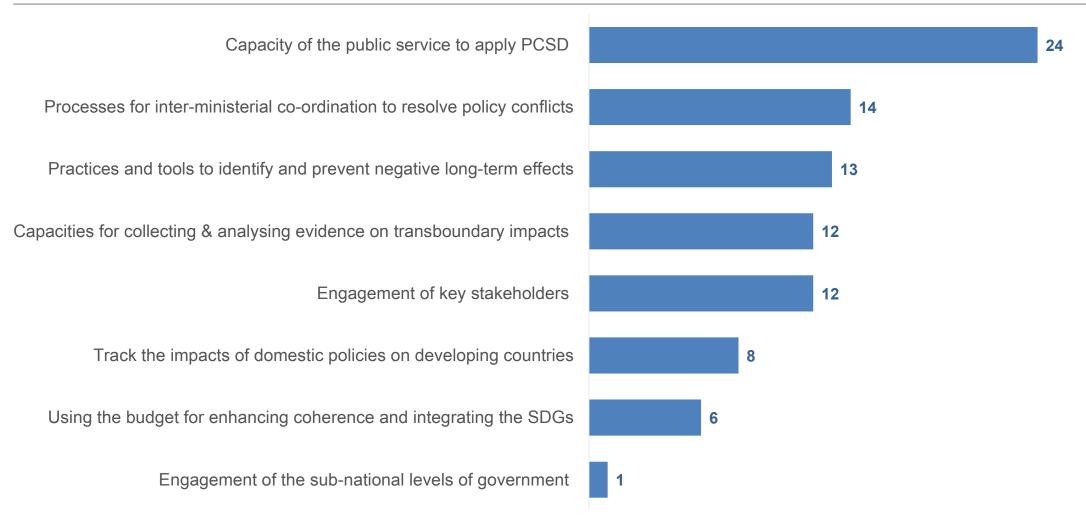


# Which field of action should be the first priority to contribute, globally, to the eradication of poverty and PCSD?





# Which institutional mechanisms should be strengthened to improve policy coherence for sustainable development?





# **TOUR DE TABLE**



# Questions for discussion

# What:

 What policies could be used to achieve the identified priorities in the National Sustainable Development Plan?

# How:

- How can existing co-ordination, evaluation and planning mechanisms be used more proactively to maximise synergies and anticipate trade-offs between policies underpinning the National Sustainable Development Plan?
- How can negative impacts domestically and abroad be avoided, or at least minimised?

# Who:

• Who are the key stakeholders that would support your efforts in enhancing policy coherence for the implementation of the National Sustainable Development Plan?



# **OECD PROJECT**

"STRENGTHENING EXISTING
INSTITUTIONAL MECHANISMS AND
CAPACITIES FOR POLICY
COHERENCE IN LUXEMBOURG TO
DELIVER ON THE SDGS AT HOME
AND ABROAD"

01

# **Strengthen mechanisms**

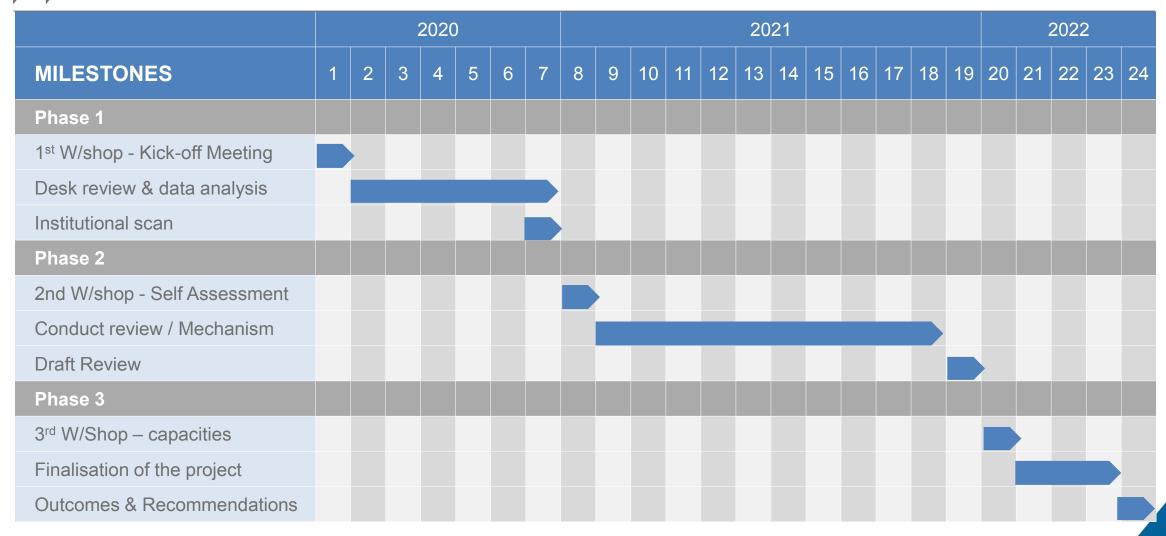
to address synergies, manage policy trade-offs and avoid negative spillovers when implementing the SDGs

02

# Improve capacities

to apply policy coherence and integrated policy-making in practice

# Indicative timeline





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Policy Coherence for Sustainable Development Goals

- http://www.oecd.org/pcsd
- https://twitter.com/OECD\_PCSD
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- https://oecd.org/newsletters

# Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg to deliver on the SDGs at home and abroad

### Virtual joint meeting of the ICSD and ICD

26 June 2020 | 10:00-12:00 hrs

#### **BACKGROUND**

Luxembourg is an active proponent of the implementation and monitoring of the 2030 Agenda for Sustainable Development, in that the Sustainable Development Goals (SDGs) lie at the heart of its domestic and international policy. With a clearly stated commitment, Luxembourg has engaged in a process to enhance policy coherence for the implementation of the SDGs in accordance with the OECD Recommendation on Policy Coherence for Sustainable Development (PCSD) adopted by the OECD Council in December 2019. Luxembourg's efforts to strengthen its co-ordination and analysis mechanisms for sustainable development as well as the whole-of-government approach envisioned in the National Sustainable Development Plan, provide a key foundation for enhancing coherence between domestic and international policies for effectively delivering on the 2030 Agenda and SDGs. Enhanced mechanisms and capacities for PCSD will also be essential to support a sustainable recovery from the COVID-19 crisis and ensure that measures to address the pandemic do not come at the expense of gains made in achieving the SDGs at home and abroad. A key question is how the existing mechanisms can be used more systematically in practice for maximising synergies across sectors and managing trade-offs and potential negative impacts beyond borders.

#### **OBJECTIVES OF THE MEETING**

This virtual meeting marks the beginning of a project supported by the OECD on "Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg", which aims to:

- Strengthen government capacities to address synergies, manage policy trade-offs and avoid negative spill overs when implementing the SDGs, and
- Improve understanding among policy makers and key stakeholders on how to apply policy coherence and integrated policy-making in practice to achieve the SDGs in Luxembourg and abroad.

The meeting will provide the opportunity for the OECD Secretariat to introduce the project, present the OECD Recommendation on PCSD and how it relates to the steps that the government has already taken in Luxembourg. It would allow the members of the Inter-Departmental Commission on Sustainable Development (ICSD) and the Inter-Ministerial Committee for Development Cooperation (ICD) to express their views on where the OECD's support could add more value to their work.

Results of the meeting will inform the programme and outputs of the OECD project which will produce an institutional scan with recommendations for enhancing policy coherence for sustainable development as well as a review of a specific policy tool/process that is used in support of SDGs.

### FORMAT OF THE MEETING

Webinar with introductory presentations and tour de table to collect participants' views.

### **DRAFT AGENDA**

		re		

10:00 - 10:15

Chair of the Inter-Departmental Commission on Sustainable Development (ICSD)

Chair of the Inter-Ministerial Committee for Development Cooperation (ICD)

### 10:15 – 10:45 Presentation of the OECD project

- Presentation of the OECD Recommendation on Policy Coherence for Sustainable Development and interlinkages with PCD
- Presentation of the results of the recent PCSD survey on a sustainable roadmap to a post-COVID recovery

# 10:45 – 11:45 Tour de table. Participants' perspective of the added value of strengthening Policy Coherence for Sustainable Development

In this session, the members of the two committees will share their specific experience in enhancing policy coherence for the implementation of the SDGs in Luxembourg and abroad. Participants will be asked to reply to the following questions:

**What**: What policies could be used to achieve the identified priorities in the National Sustainable Development Plan?

**How:** How can existing co-ordination, evaluation and planning mechanisms be used more proactively to maximise synergies and anticipate trade-offs between policies underpinning the National Sustainable Development Plan? How can negative impacts domestically and abroad be avoided, or at least minimised?

**Who:** Who are the key stakeholders that would support your efforts in enhancing policy coherence for the implementation of the National Sustainable Development Plan?

Ahead of this meeting the OECD will conduct a polling among the members of the ICD and ICSD to identify the areas where they need more support for improving policy coherence and tailor this project to their priorities. The session will start with a presentation of the results from the poll conducted.

## 11:45 – 12:00 Conclusions and next steps

- OECD secretariat will share the project outline, objectives and timeframe
- Secretariats of the ICSD and ICD will share the main take aways from the session and next steps

### **Background documents**:

 OECD Recommendation of the Council on Policy Coherence for Sustainable <u>Development</u>



Recommendation of the Council on Policy Coherence for Sustainable Development



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## Date(s)

Adopted on 29/04/2010 Amended on 11/12/2019

### **Background Information**

The Recommendation of the Council on Good Institutional Practices in Promoting Policy Coherence for Development was adopted by the OECD Council on 29 April 2010. The Recommendation was revised by the Council on 11 December 2019 on the proposal of the Development Assistance Committee (DAC) and the Public Governance Committee (PGC). On this occasion it was renamed the Recommendation on Policy Coherence for Sustainable Development (PCSD). The revisions aimed at providing a comprehensive instrument to help Adherents equip policymakers with the necessary institutional mechanisms and policy tools to support and promote coherent policies for sustainable development with a view to respond to the universal commitments made under the 2030 Agenda and the Sustainable Development Goals.

# OECD's work on Policy Coherence for Sustainable Development and the need for a standard on Policy Coherence for Sustainable Development

Since the early 1990s, the OECD has been at the forefront of international efforts to promote policy coherence for development (PCD). The OECD has a strong track record in monitoring policy coherence efforts in its Member countries through peer reviews. While PCD has traditionally been seen as the main responsibility of countries that are providers of development co-operation, the 2030 Agenda for Sustainable Development adopted by all United Nations (UN) Member States calls for a broader approach to policy coherence. The 2030 Agenda states that the SDGs are indivisible, and that they balance the economic, social and environmental dimensions of sustainable development and calls for no one to be left behind. To help make progress toward this balance, the SDGs include SDG Target 17.14, which calls on all countries to enhance policy coherence for sustainable development (PCSD) as an essential means of implementation for all the Goals.

Since the adoption of the 2030 Agenda, the OECD has been working on aligning its approaches to policy coherence with the principles and nature of the 2030 Agenda, and develop tools and guidance for implementation in collaboration with the European Union, the UN specialised organisations and agencies, and other stakeholders. It is also collaborating with UN Environment and OECD Members to develop methodologies for tracking progress on policy coherence at the global and national levels. The Recommendation on PCSD responds to the growing demand by OECD Members and non-Members to deal with the "how" of coherent 2030 Agenda implementation.

The 2019 revisions of the Recommendation build upon Adherents' experience in implementing the 2010 Recommendation. It is the culmination of more than 20 years of lessons learned in promoting policy coherence. As a joint proposal from the DAC and the PGC, the revisions draw on the DAC peer reviews as well as on country reviews done under the auspices of the PGC.

### An inclusive process for revising the Recommendation

The 2019 revisions were developed through an inclusive process. It benefited from five rounds of consultations involving a number of OECD committees and other bodies, including the DAC, PGC, Regulatory Policy Committee (RPC), Regional Development Policy Committee (RDPC), Environmental Policy Committee (EPOC), Committee on Statistics and Statistical Policy (CSSP) and the informal network of National Focal Points for Policy Coherence.

Key stakeholders, including the UN Committee of Experts on Public Administration, UN Environment and the members of the PCSD Partnership under the UN Partnerships for SDGs platform, also provided substantive comments. Consistent with the universal and inclusive spirit of the 2030 Agenda, the OECD launched an <u>online public consultation</u> to reach government officials, civil society organisations, international organisations and interested citizens and stakeholders from all over the world. The public consultation helped to test the relevance and applicability of the guidance and definitions included in the Recommendation on PCSD.

#### Scope of the Recommendation

The Recommendation focuses primarily on the enablers that are essential to facilitate governments' efforts to enhance PCSD. It is based on the premise that the ability to consistently develop and implement coherent policies in all areas is dependent on the processes, systems, structures and tools used by governments to manage and co-ordinate policy at all levels.

The Recommendation presents eight principles to enhance policy coherence for sustainable development under three main pillars:

- A strategic vision for implementing the 2030 Agenda underpinned by a clear political commitment and leadership to enhance policy coherence for sustainable development;
- Effective and inclusive institutional and governance mechanisms to address policy interactions across sectors and align actions between levels of government;
- A set of responsive and adaptive tools to anticipate, assess and address domestic, transboundary and long-term impacts of policies.

When implementing the Recommendation, Adherents may tailor the guidance to their specific national realities and capacities. The principles are mutually supportive and efforts should be made in each area in order to enhance PCSD.

### Support to implementation and dissemination

The Recommendation includes provisions where the Council invites Adherents and the Secretary-General to disseminate it and instructs the DAC and PGC to monitor its implementation in consultation with other relevant committees, in particular the Regulatory Policy Committee. To that effect, the Recommendation instructs the DAC and PGC to:

- serve as forum to exchange information on experiences with respect to the implementation of this Recommendation:
- develop, through an inclusive process, an <u>implementation toolkit</u>, which would include an
  accompanying guidance note with good practice examples, to help Adherents design their own
  policy coherence strategies and implement this Recommendation according to their specific
  national circumstances;
- make use of existing OECD reviews, such as the DAC peer reviews and the Public Governance reviews, to promote, assist and monitor the implementation of this Recommendation, in order to avoid duplication and increase synergies;
- report to the Council on the implementation of this Recommendation no later than five years from its adoption and at least every ten years thereafter.

For further information please consult: www.oecd.org/pcsd.

Contact information: <a href="mailto:pcsd.contact@oecd.org">pcsd.contact@oecd.org</a>.

#### THE COUNCIL.

**HAVING REGARD** to Article 5 b) of the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

**HAVING REGARD** to the 2030 Agenda for Sustainable Development (hereafter the '2030 Agenda') adopted by the United Nations General Assembly (A/RES/70/1) in particular Sustainable Development Goal (SDG) 17, Target 17.14 on "enhancing policy coherence for sustainable development" adopted by the United Nations General Assembly (A/RES/70/1);

**CONSIDERING** the OECD Ministers' call for the OECD to support the Members and international community in the achievement of the SDGs, including through its role in fostering policy coherence for sustainable development (PCSD) [C/MIN(2015)14/FINAL], and the updated OECD Action Plan on the SDGs [C(2016)166/REV2];

**RECOGNISING** that PCSD is essential at a local, regional, national and global level to advance both domestically and internationally synergistic actions; to manage trade-offs across the SDGs; and to address the transboundary and long-term impacts that policies may have on sustainable development, including on poverty reduction;

**RECOGNISING** that PCSD is needed to promote different forms of financing from public, private, domestic and international sources that better leverage inclusive sustainable development impact, and to accelerate progress towards the implementation of the 2030 Agenda while leaving no one behind;

**CONSIDERING** the experience gained by Members and Partners in promoting mutually supportive policies for the benefit of all countries through improved institutional frameworks and policy coherence in a wide range of areas covered by the 2030 Agenda, as well as the OECD experience in promoting public governance practices to address multidimensional challenges;

**CONSIDERING** that the principle of policy coherence for development (PCD) is of fundamental importance for the implementation of the 2030 Agenda, and an important contribution to PCSD;

**RECOGNISING** the need to establish institutional frameworks that support governments at different levels and across branches to promote PCSD and advance the 2030 Agenda;

**RECOGNISING** that engagement with diverse stakeholders beyond government is required to implement PCSD, including civil society, the private sector, and foundations; and that these stakeholders can capitalise on their respective roles and expertise to promote and support efforts to enhance PCSD, in accordance with the principle that "all countries and all stakeholders, acting in collaborative partnership, will implement this plan" (2030 Agenda [A/RES/70/1]);

**RECOGNISING** that in addition to national governments, cities and regions have a crucial role to play in the achievement of the SDGs as they are often responsible for societal services, and that therefore national governments need to engage and coordinate with local and regional entities;

**CONSIDERING** the valuable collaboration between the OECD and a range of international organisations, including the United Nations, in the development of guidance and methodologies for promoting, implementing and monitoring PCSD;

**RECOGNISING** that there is no one-size-fits-all approach to PCSD, that the actions taken by Members and non-Members having adhered to this Recommendation (hereafter the "Adherents") need to be adapted to different national realities, capacities, levels of development, territorial context, and other constraints through place-based policies and structures;

**RECOGNISING** that Adherents have different national legal, policy, and institutional frameworks and institutional capacities relevant to the implementation of this Recommendation.

# On the proposal of the Development Assistance Committee and Public Governance Committee, in consultation with other relevant committees:

- **I. AGREES** that for the purpose of the present Recommendation, the following definitions are used:
  - Policy Coherence for Sustainable Development (PCSD): an approach to integrate the dimensions of sustainable development throughout domestic and international policy-making. Its objectives in the context of the 2030 Agenda are to advance the integrated implementation of the 2030 Agenda by: (i) Fostering synergies and maximising benefits across economic, social and environmental policy areas; (ii) Balancing domestic policy objectives with internationally recognised sustainable development goals; and (iii) Addressing the transboundary and long-term impacts of policies, including those likely to affect developing countries;
  - Policy Coherence for Development (PCD): a principle of International Development policy that aims to take into account the objectives of development co-operation in external and domestic policies in areas which are likely to affect developing countries;
  - Policy Integration: a process by which institutions align their mandates, policies and sectoral
    objectives to the Sustainable Development Goals, and make their policy decisions taking into
    account the interactions (synergies and trade-offs) among economic, social and environmental
    areas with a view to addressing the multiple dimensions of sustainable development challenges in
    a more balanced manner;
  - Institutional and organisational mechanisms: structures, systems, processes and working methods applied by the government across all branches and levels of government as well as by key stakeholders;
  - Stakeholder: any interested and/or affected party, including: individuals and national, regional, or international institutions and organisations, whether governmental or non-governmental, and from civil society, foundations, academia, the media or the private sector.
  - Transboundary impacts: Any effect intended or not originated in one country that crosses
    national borders through flows of capital, goods, human and natural resources, and that is able to
    affect positively or negatively the sustainable development prospects of another country.
- II. RECOMMENDS that Adherents develop a strategic vision for achieving the 2030 Agenda and the SDGs in an integrated and coherent manner, in particular by:
- 1. **Building a strong, inclusive political commitment and leadership** at the highest political level to foster whole-of-government action for PCSD. To this end, Adherents should, as appropriate:
  - a) Enhance whole of government approaches to PCSD by defining priority areas, time-bound action plans and key performance indicators for making progress on PCSD and communicating results to the public;
  - b) Systematically apply a poverty, gender and human rights perspective to PCSD frameworks in line with the 2030 Agenda ambition of ending poverty in all its forms everywhere, empowering all women and girls and achieving gender equality;
  - Introduce measures to promote PCSD within government structures so that commitment to PCSD outlives electoral cycles and changes in government, cabinet compositions or government programmes, including identifying a lead institution, responsible for promoting, overseeing and implementing PCSD;
  - d) Build leadership capacity in the public service to consistently formulate, implement, and monitor policies coherent with sustainable development in across sectors.
- 2. **Defining, implementing and communicating a strategic long-term vision that supports policy coherence** and orients the government and stakeholders towards common sustainable development goals. To this end, Adherents should, as appropriate:

- Develop a strategic long-term vision that defines desired sustainable development outcomes, scenarios and actions to enhance coherence across sectors and government levels, and between external and domestic policies in areas that are likely to affect developing countries;
- b) Use existing tools such as strategic foresight, scenario development and systems thinking approaches in the formulation and implementation of policies, to identify, prevent and mitigate actual and potential adverse impacts on the wellbeing and sustainable development prospects of future generations.
- 3. **Improving Policy Integration** to better incorporate sustainable development into policy and finance, and in that respect capitalise on synergies and benefits across economic, social and environmental policy areas as well as between domestic and internationally-recognised Sustainable Development Goals. To this end, Adherents should, as appropriate:
  - a) Make strategic use of policy planning mechanisms and tools, including the budget process and public procurement, to manage synergies and trade-offs and integrate sustainable development into sectoral policies;
  - b) Incorporate a PCSD lens, as appropriate, into national development plans, sustainable development strategies, and financing plans and develop supporting tools, such as guidelines or regulations, as well as coordination mechanisms for ministries and government agencies to align their mandates, policies and sectoral objectives with broader sustainable development goals;
  - c) Integrate regional and territorial development into sectoral policies to achieve greater synergies with long-term strategic planning for the implementation of the SDGs;
  - d) Take a whole-of-government approach to development policy and finance to diversify the resources and linkages beyond official development assistance that support sustainable development impact, including domestic resources, private investment, remittances and philanthropic flows as well as non-financial drivers of sustainable development such as trade and corporate business models.
- III. RECOMMENDS that Adherents develop effective and inclusive institutional mechanisms to address policy interactions across sectors and align actions among levels of government, in particular by:
- 1. **Ensuring whole-of-government coordination** to identify and mitigate divergences between sectoral priorities and policies, including external and domestic policies, and promote mutually supporting actions across sectors and institutions. To this end, Adherents should, as appropriate:
  - a) Use high-level coordinating mechanisms, whether located within the Centre of Government or a lead line ministry as appropriate, to promote PCSD and the integration of sustainable development across central agencies, line ministries and other public institutions;
  - b) Establish clear mandates, capacities and mobilise adequate resources, as appropriate, for PCSD to identify policy divergences and conflicts related to the implementation of the 2030 Agenda;
  - Encourage formal governance arrangements and informal working methods that support effective communication between ministries and departments, and between ministries and other public sector bodies under their aegis;
  - d) Build capacity in public administrations for PCSD, and align training strategies and programmes for public actors with the principles and integrated nature of the SDGs.
- 2. Engaging appropriately sub-national levels of government in areas where they have a role in policy coordination to promote coordinated actions and enhance coherence across levels of governments for sustainable development. To this end, Adherents should, as appropriate:

- a) Promote PCSD at different levels of government and work with key stakeholders to develop tools that support local and regional governments in applying PCSD in their legal frameworks, plans and actions for localising the SDGs;
- b) Promote synergies among national, regional and local policies to better align with and contribute to relevant economic, social and environmental goals, including international commitments and international development co-operation objectives, within the scope of their responsibilities and in a balanced manner.
- 3. **Engaging stakeholders effectively** to sustain broader support for PCSD and its implementation. To this end, Adherents should, as appropriate:
  - a) Engage proactively with stakeholders in different phases of the policy cycle, including through the exchange of knowledge and expertise, to develop and prioritise initiatives for enhancing PCSD, making specific efforts to reach out to the marginalised and vulnerable groups in society and to advance inclusive social and economic development, in line with the aspirations of the SDGs;
  - b) Work with stakeholders to raise public awareness and mobilise support on sustainable development and government commitments supporting PCSD, through campaigns, policy dialogue, capacity building and information sharing.
- IV. RECOMMENDS that Adherents develop a set of responsive and adaptive tools to anticipate, assess and address domestic, transboundary and long-term impacts of policies to advance SDGs, in particular by:
- 1. **Analysing and assessing policy and financing impacts** to inform decision-making, increase positive impacts and avoid potential negative impacts on the sustainable development prospects of other countries, in particular on developing countries. To this end, Adherents should, as appropriate:
  - a) Introduce, where possible, regular assessments to identify and assess potential positive and negative impacts on sustainable development, building on any existing tools such as Regulatory, Environmental, Gender and Social Impact and Strategic Assessments;
  - b) Adopt ex-ante and ex-post impact assessment practices that take into account transboundary impacts, paying particular attention to the economic, social, gender and environmental impacts on developing countries as well as the promotion and protection of human rights.
- 2. Strengthening monitoring, reporting and evaluation systems to collect qualitative and quantitative evidence on the impact of policies and financing, and report progress on PCSD. To this end, Adherents should, as appropriate:
  - a) Monitor and report back on policy and financing impacts drawing on national, regional and local sources, where available, and publish regular reports about progress on PCSD outlining progress made on addressing impacts on sustainable development at home and abroad;
  - b) Identify existing reliable and timely data, indicators and information, disaggregated by sex and geographically and territorial level as well as other aspects such as income, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant that can help better capture economic, social and environmental externalities imposed beyond national borders (transboundary impacts); and understand the country's contribution towards global efforts for implementing Agenda 2030;
  - c) Report regularly on PCSD and, where needed, build capacity and skills to strengthen data collection, management, storage, and reporting processes;
  - d) Embed a policy coherence dimension in evaluation systems to inform decision-making regarding the linkages and potential trade-offs between sectoral policies as well as transboundary impacts.
- V. **INVITES** the Secretary-General to disseminate this Recommendation.

- VI. INVITES Adherents to disseminate this Recommendation at all levels of government.
- VII. INVITES non-Adherents to take into account and adhere to this Recommendation.
- **VIII. ENCOURAGES** stakeholders to disseminate and follow this Recommendation in their approaches to promoting PCSD.
- **IX. INSTRUCTS** the Development Assistance Committee and the Public Governance Committee, in consultation with other relevant committees to:
  - a) serve as a forum to exchange information on experiences with respect to the implementation of this Recommendation;
  - b) develop through an inclusive process an implementation toolkit with detailed guidance and good emerging practices to help Adherents implement this Recommendation;
  - c) make use of existing OECD reviews, such as the DAC peer reviews or Public Governance reviews, to promote, assist and monitor the implementation of this Recommendation, to better assist in improving PCSD;
  - d) report to the Council on the implementation of this Recommendation no later than five years from its adoption and at least every ten years thereafter.

## Adherents\*

Turkey

United Kingdom

**OECD Members Non-Members** Other **United States** Australia Austria Belgium Canada Chile Czech Republic Denmark Estonia Finland France Germany Greece Hungary Iceland Ireland Israel Italy Japan Korea Latvia Lithuania Luxembourg Mexico Netherlands New Zealand Norway Poland Portugal Slovak Republic Slovenia Spain Sweden Switzerland

<sup>\*</sup>Additional information and statements are available in the Compendium of OECD Legal Instruments: http://legalinstruments.oecd.org

### **About the OECD**

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD Member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

## **OECD Legal Instruments**

Since the creation of the OECD in 1961, around 450 substantive legal instruments have been developed within its framework. These include OECD Acts (i.e. the Decisions and Recommendations adopted by the OECD Council in accordance with the OECD Convention) and other legal instruments developed within the OECD framework (e.g. Declarations, international agreements).

All substantive OECD legal instruments, whether in force or abrogated, are listed in the online Compendium of OECD Legal Instruments. They are presented in five categories:

- Decisions: OECD legal instruments which are legally binding on all Members except those
  which abstain at the time of adoption. While they are not international treaties, they entail the
  same kind of legal obligations. Adherents are obliged to implement Decisions and must take
  the measures necessary for such implementation.
- Recommendations: OECD legal instruments which are not legally binding but practice
  accords them great moral force as representing the political will of Adherents. There is an
  expectation that Adherents will do their utmost to fully implement a Recommendation. Thus,
  Members which do not intend to do so usually abstain when a Recommendation is adopted,
  although this is not required in legal terms.
- Declarations: OECD legal instruments which are prepared within the Organisation, generally
  within a subsidiary body. They usually set general principles or long-term goals, have a
  solemn character and are usually adopted at Ministerial meetings of the Council or of
  committees of the Organisation.
- **International Agreements**: OECD legal instruments negotiated and concluded within the framework of the Organisation. They are legally binding on the Parties.
- Arrangement, Understanding and Others: several ad hoc substantive legal instruments have been developed within the OECD framework over time, such as the Arrangement on Officially Supported Export Credits, the International Understanding on Maritime Transport Principles and the Development Assistance Committee (DAC) Recommendations.