

# INSTITUTIONAL APPROACHES TO POLICY COHERENCE FOR DEVELOPMENT

SUMMARY REPORT FROM  
BREAKOUT GROUPS ON  
CHALLENGES AND POLICY AREAS

# WORKSHOP THEMES

- ❑ COMMITMENT CHALLENGES
- ❑ ACCOUNTING FOR RESULTS
- ❑ POLITICS & PUBLIC OPINION
- ❑ IMPROVING POLICY IMPACTS
- ❑ PARTNERSHIP & CO-ORDINATION
- ❑ ENHANCING CAPACITIES

# WHERE WE ARE NOW

MOVING FROM CONCEPT TO  
ACTION WITH POLICY  
COHERENCE FOR DEVELOPMENT

# Policy Coherence for Development *is* a prerequisite for Global Partnership

- MDGs and Monterrey - credible platform for measuring progress; tool for public support
- Be positive: MDGs – tailored to country situations – are still broadly attainable
- Scale up MDG progress and Monterrey implementation; 2005 is key
- Role of development community – challenge incoherence; play to common interests; help build capacity

# How to assess results?

- Assessing PCD performance has already begun:
- MDG8 reporting; CDI ; 3Cs (approaches are evolving through learning by doing)
- Clear need to broaden the scope of current evaluation agenda from a focus on aid – joint evaluations a way forward
- Linkages between research and evaluation communities need to be reinforced

# Overcoming political constraints

- “Moral high-grounds are for statements” but need strategies for action - policy coherence should be mutually reinforcing
- Political will and leadership are key to strategy and action
- Country specific (e.g. Canada and Finland) strategies may depend on
  - i) political culture
  - ii) cultural heritage
  - iii) economic cycle
  - iv) current mechanisms
- Leadership for targeted objectives and specific processes to increase policy coherence
- Pressure/incentives for politicians to deliver on their promises

# Understand the link between decision-making and public support

- Need informed and active public and vocal NGOs
- « Public opinion » includes organized groups and lobbies that shape policies
- Growing sense among the public of interdependence between rich and poor countries
- Wide scope for mobilizing broad-based political support for PCD
- Provide adequate institutional structures to facilitate official-NGO dialogue and mutual respect.
- Assessing PCD is important for advocacy and building public support
- Use MDG8 reporting to gain public and political support for PCD – through a participatory process?

# Cancún provided lessons about Political processes

- ❑ Symmetry in the global governance architecture
- ❑ Improve WTO negotiating processes and inclusiveness
- ❑ Cotton and West Africa showed policy incoherence
- ❑ Increase political will and public support to address issues
- ❑ Political demands and hard budget constraints –build constituencies of support
- ❑ Build confidence
- ❑ Where policies clash, focus on development rationale: show policy impacts on the poor
- ❑ Ownership in developed country constituencies to reconcile inconsistencies
- ❑ Balance building public awareness and political will with impartial analysis

# Finance, Trade and Tax

## *Developed countries:*

- Maintain financial stability
- Increase participation in IFIs/rules-setting bodies
- Pay attention to inter-linkages between trade, FDI, aid.

## *Developing countries:*

- Maintain stability; invest in PSD and HR; est. strong and transparent (tax/trade/investment...) policies & institutions; be outward-oriented
- Expand tax base by limiting exemptions and encompassing the informal sector

## *OECD*

- Non-development OECD committees need to contribute their expertise to development work on these technical topics

# Social dimension and social goals

- Not excessive focus on economic/financial issues - recognize key role of social factors. Economic/Social need to be linked for sustainable development.
- Real participation of the poor and of civil society is needed.
- Capacity development for structures to mobilize internal resources and leverage more ODA funding.
- Challenges for donors, partners and the international system

# Common themes for policy areas

- Clear inter-linkages of policy areas
  - trade, investment, finance, tax
  - agriculture, trade
  - economic, social, technological
- Participation of all stakeholders in negotiations – including poor, civil society & private sector
- Search for “objective” measures will be through evolving political processes

# WHERE DO WE GO FROM HERE?

PRINCIPLES FROM THE  
BREAKOUT GROUPS ON  
CHALLENGES AND POLICIES

# Global partnership in results framework

- Identify incoherence and analyse its costs
- Partner involvement is critical : evaluation from partner country perspective
- MDG: implementation strategies in partner countries (selectivity/sequencing key sectors) helps with accountability of partner governments

# Democratise Organisations

- Address asymmetrical power relations in partnership and bargaining
- Transparency in multilateral decision making
- Reform negotiation procedures to increase inclusiveness
- Build other forums e.g. regional or communities of interest
- Involve and engage with parliamentarians

# Assess costs of policy incoherence and address the causes

- Get Doha back on track; build 'behind border' capacity
- Address macroeconomic policy coherence to support sustained broad-based growth (watch risks - oil prices, interest rates)
- Link Economic and Social aspects for sustainable development
- Migration –more work on long term economic costs and benefits
- Potential contributions of tax policies to greater policy coherence have not been thought through.
- Security an example of success in addressing policy coherence.

# Build public support

- Improve monitoring of public opinion and political support for PCD
- Improve communication strategies
- Work better with civil society and build pro-PCD coalitions

# ODA and role of the development community

- ODA to be scaled-up, effective, predictable, sustained – in support of country-action plans
- Deliver work on selectivity; alignment and composition; addressing security/poor performers; debt relief
- Role of Advocacy for development issues
- Look both ways on the “two way street” – and listen to other policy communities

# New mechanisms in OECD countries

- No “one size fits all”
- Legal frameworks and formal procedures can advance the agenda
- Need to reach out to other policy communities
- How to increase the voice of partner countries in mechanisms?
- PCD = 4p+4c
  - 4 Ps – priority, process, partners and progress
  - 4 Cs – clout, concrete steps, communicate, capacity

# Capacity in OECD countries

- Learning from other communities
  - Sustainability
- Unlocking existing knowledge
  - Knowledge management
- Who sets the research agenda?
  - What's in and what's out?
- Objectives of research
  - Advocacy, linkage, theory
- Linking with the wider research community
- Who should undertake the research
  - Incentives

# Capacity in partner countries

- Ensure coherence by mainstreaming trade into national development strategies in PRSPs.
- Avoid potential conflict of interest between advisory role of donor and its own trade negotiation.
- WTO/OECD trade capacity database is a potential powerful tool monitor PC.
- Multi-donor comprehensive and strategic approaches to capacity building are essential.
- Build developing country capacity to participate in the assessment of mutual accountability.
- Support endogenous capacity building: build analytical and statistical capacity of state and non-state stakeholders at national regional levels.

# How to share lessons learned?

- Ensure common understanding of the specific nature (e.g. country, commodity) of issues and impacts, including partner country.
- Create strategic alliances and networks.
- Timing is critical. Use windows of opportunity. Look for points of leverage.
- Use regular, mandatory monitoring and reporting to Parliament to ensure follow through.

## Lessons learned (cont.)

- Ensure that PCD messages (e.g. Peer Reviews, others) have a whole of government application.
- Associate developing countries with analysis and support their capacity to take leadership in areas of incoherence.
- Recognise that policy reforms can result in “losers” and require transitional adjustment mechanisms.

# FOLLOW THROUGH

- PUBLICATION OF THIS WORK
- DISCUSSION NOW ON
  - WORK IN OECD
  - WORK IN MEMBER COUNTRIES