Meeting of Senior Officials from Centres of Government

Steering and Implementing the Sustainable Development Goals
The Role of the Centre of Government

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Session notes
The Centre of Government (CoG) is the body that provides direct support and advice to the Head of Government and the Council of Ministers. The CoG meetings began in the 1980s, and were consolidated into an annual event in the 1990s. CoG constitutes a forum for informal discussion and remain one of the OECD’s highest-level policy networks.

The meetings serve three main purposes:

- To review issues of how to make the centre of national government work more effectively;
- To achieve a more in-depth understanding of decision and policymaking systems in the host country.
- To work on broad governance issues fundamental to achieving economic and social public policy objectives.
The 2016 Meeting of Senior Officials from Centres of Government will explore the role of the centres of government in driving the implementation of the UN Sustainable Development Goals (SDGs), from visioning, to agenda setting and all the way to monitoring and evaluation.

The discussion is structured around three sessions.

**Session 1** will explore how the centre can align policies in practice given the breadth and complexity of the SDGs.

**Session 2** will focus the discussion on a number of particularly challenging policy areas from sustainable production and consumption, to the integration of migrants, integrity and anti-corruption, and gender equality.

**Session 3** will take up the issue of the centre’s capacity to ensure links between measures and policies for achieving SDG goals and the allocation of resources both annually and on the medium-term.
Session 1

Implementing the UN Sustainable Development Goals
In today’s global landscape, governments face increasingly complex economic, social and environmental challenges. Pressure from citizens and from business is high, and confidence that governments can meet their expectations appears to be low. The ultimate objective described at the 2016 OECD ministerial meeting as “productive economies and inclusive societies” seems elusive. Against this background, the Sustainable Development Goals, agreed in New York in September 2015, are an expression of the challenges our countries are confronting but also offer a roadmap on how to overcome them.

The SDGs are embodied in 17 Goals comprising 169 targets that draw on a large number of international agreements especially concerning development, the environment and human rights (Figure 1). The Goals are presented as ‘integrated and indivisible, global in nature and universally applicable’. The 2030 Agenda presents them as addressing the “5Ps”: people (corresponding to Goals 1-5), Planet (Goals 6, 12, 13, 14 and 15), Prosperity (7-11), Peace (16) and Partnership (17). Targets are defined as aspirational and global but at the same time each government is expected to set its own national targets guided by the global level of ambition but taking into account national circumstances (United Nations 2015).

Figure 1: The 17 Sustainable Development Goals
How can governments get organised to reach the ambition set last year?
Achieving progress on the Goals will require governments to work across policy areas. This is no easy task.

The obstacles to joined-up government are well known. For example, immediate economic and social pressures often crowd out longer term strategic policy initiatives. Public budgets and accountability systems are usually aligned with departmental structures and have difficulty tracking outcomes that occur in multiple policy areas and across multiple levels of government. An unprecedented range of public and private actors will need to be consulted and participate in both policy formulation and implementation of the SDGs. In addition, given the global remit of the SDGs they are also a 'foreign policy' issue -- requiring significant involvement from the diplomatic and development communities. Delivering on the SDGs is therefore a formidable governance challenge.

The governance challenge of the SDGs

The OECD Survey highlights a number of opportunities arising from implementation of the SDGs, but also some of the challenges.

A principal challenge, identified by around a third of respondents, is in mobilising additional resources. Globally an incremental 1.5 - 2.5% of world GDP needs to be invested each year by the public and private sectors to achieve the SDGs in every country. As a significant number of countries face economic uncertainty over the medium term, the question of resources and prioritisation will need to be carefully managed.

Another challenge is that of ensuring coherence. SDGs are cross cutting and as a result cannot be the purview of one particular ministry. They may imply trade-offs across sectors and the need to adjust policies in one sector in order to avoid negative externalities in other sectors. Multiplying this complex equation of complementarities and trade-offs across the whole spectrum of policy areas covered by the SDGs implies a need for prioritisation and negotiation involving all parts of government as well as the business sector and civil society. Most respondents to the survey identified coordination as an important challenge, with several noting that the scope of the SDGs seems too broad to be practical.
On the positive side, the SDGS promise to bring a strong incentive to align policies across sectors. Two-thirds of countries (22 out of 31 survey respondents) identify the potential to develop more effective horizontal co-ordination as one of the most attractive features of the SDGs. The implementation of SDGs is also perceived as an opportunity to make domestic and foreign actions and policies more coherent (see figures 2 and 3).

Figure 2: Most positive aspects of the process of organising the planning for the SDGs from the perspective of the centres of government

Figure 3: Most challenging aspects of planning for the SDGs from the perspective of the centres of government
Adapting global targets to national contexts and setting targets at department level is a delicate, political task that requires careful and sensitive negotiation in order to ensure an inclusive process with real buy-in. The OECD Survey highlights the variety of different ministries involved in supporting the delivery of the SDGs. All have different incentives and agendas that will need to be carefully managed— in particular as achieving one set of SDG targets may affect the achievement of others. In addition, as previous reports have shown (OECD 2014), a significant majority of centres consider their influence over line ministries no more than moderate when it comes to co-ordinating policies across government.

Another challenge is the type and scope of consultation with non-government actors. The OECD Survey highlights that only a few countries currently encourage participation (as opposed to consultation) in defining, shaping, implementing and monitoring the SDGs. Some countries have taken steps in this direction. In Sweden, for example, 130 different civil society organisations, business associations, trade unions, think tanks and government agencies were informed and consulted on the 2030 agenda. Other countries have established coordinating committees for the implementation of the SDGs which includes non-governmental organisations (e.g., Estonia’s Sustainable Development Commission).

The role of the centre of government

In getting organised to deliver on the SDGs, governments must decide how the implementation should be managed, for instance via:

- the ministry of foreign affairs or development given that they were generated through a United Nations process and touch on many global issues
- the ministry of environment given the sustainability dimension that underpins many of the goals
- the ministry of planning to tackle the long-term nature of the SDGs
- a new dedicated, interdisciplinary body given the breadth of issues and challenges related to both domestic and global implementation
- a specific committee mechanism (existing or to be created)

In decisions on how best to organise the implementation of the SDGs at national level, the centre of government has an important role to play for a number of reasons. First, the centre is, technically, policy neutral. Second, the centre has convening power borrowed from the head of government and can bring pressure to bear on departments to adjust policies and commit resources. Third, while line ministries, even those with the technical expertise, might have little experience in driving cross-disciplinary policies, the centre usually has co-ordination expertise allied with political sensitivity.
The centre of government’s strategic planning and policy co-ordination will be particularly important given the breadth and scope of the SDGs and the incentive for stakeholders to cherry-pick areas to implement which are the easiest and least costly to achieve. The centre of government can also foster a culture of innovation by supporting a shift from traditional policy tools (ie sector by sector) to those that require a less risk averse approach and one that is more open to experimentation.

The role of the centre of government in localising the SDGs is equally important. The 17 SDGs cover a wide range of inter-connected issues. The way these elements are brought together is not the same in a city or rural town, or in a city with ready access to water compared to one that lacks water supply. In federal states where state governments are responsible for developing and implementing complex and multi-dimensional policy areas, the centre of government can have a significant impact on vertical coordination.

Finally, whichever model is chosen, and whatever the role of the centre, governments need to ensure that the institutions involved have the skills and resources to support implementation in a way that is seen as credible both within the administration and externally.

Questions for discussion

- Have the ambitions of the SDGs translated into political mobilisation at the domestic level yet?
- What benefits do the SDGs offer with respect to achieving productive economies and inclusive societies?
- Has a clear plan for implementation been agreed? What different management options were considered?
- What are the main assets and skills the centre brings to the implementation process?

Further reading:

Session 2

Steering and Implementing the Sustainable Development Goals

Session 2a
Sustainable production and consumption

Session 2b
Integration of migrants

Session 2c
Integrity and anti-corruption

Session 2d
Gender equality
Sustainable production and consumption is defined by the creation and use of products and services that are economically viable and environmentally benign as well as socially beneficial over their whole life cycle. Longer-term consequences and benefits are valued over short term profits. The stakes are high, as is clear from current data:

- Should the global population reach 9.6 billion by 2050, the equivalent of almost three planets could be required to provide the natural resources needed to sustain current lifestyles.
- Global material resource consumption is expected to double by 2050, with potentially significant negative impacts on the environment.
- Emissions grew more quickly between 2000 and 2010 than in each of the three previous decades.
- Despite technological advances that have promoted energy efficiency gains, energy use in OECD countries will continue to grow another 35 per cent by 2020.
- The food sector accounts for around 30 per cent of the world’s total energy consumption and for around 22 per cent of total greenhouse gas emissions.

By investing in sustainable production and consumption, resource efficient technologies and processes could lead to significant economic and social benefits over the long-term to tackle these challenges. These issues have caught the public attention as part of the fight against climate change and the greening of cities and towns.

The SDGs recognise the importance of this issue through Goal 12 to “Ensure sustainable consumption and production patterns” and Goal 13 to “Take urgent action to combat climate change and its impacts”. Goal 12 targets include the need to rationalize inefficient fossil-fuel subsidies and one of the targets under Goal 13 explicitly recognises the need to integrate climate change measures into national policies, strategies and planning.

The transition to more sustainable production and consumption through a low-carbon economy is probably one the most complex cross-disciplinary policy challenges that governments face today. Policies designed to promote this shift necessarily interact with many other policy areas and need to look beyond the portfolios of environment and energy policy and engage parts of governments that have not so far been engaged enough in the development of sustainable production and consumption strategies -- including social ministries.
Challenges and opportunities of the “circular economy”

Sustainable production and consumption should target the entire life-cycle of products -- products are ‘made to be made again’, reducing waste and using renewable energy in the process. Policies should support these efforts by aligning sectoral policies in diverse areas such as innovation, investment, trade, education and skills development with resource efficiency objectives (OECD 2016).

Common challenges in creating a circular economy include policy inconsistencies (vertical and horizontal) that create uncertain market conditions that inhibit companies from entering the marketplace and make it difficult to obtain capital for infrastructure investments, business operations or expansion. There are particular policy misalignments for example in the overall investment framework that collectively favour investment in fossil fuel-intensive activities. And yet evidence suggests that policies to enhance more sustainable production and consumption can lower production costs, increase competitiveness, reduce dependency and have fewer adverse effects on the environment. All of these are clearly in line with the goals of the 2030 Agenda.

Another significant policy challenge relates to the need to ensure that the policy response includes sub-national authorities in the definition and implementation of resource efficient strategies. Subnational governments are responsible for 60% of public investment in OECD countries (Figure 1) and therefore have a role to play in supporting sustainable production and consumption. Governing the green city for example is important, as it involves multiple levels of government and other stakeholders.

By 2025, one billion urban residents will be added to the global “consuming class”. National governments have an essential role to play in enabling progress toward green growth in cities, in terms of providing clear pricing signals on carbon and other goods, technical assistance, funding and knowledge sharing, and strong environmental targets and baseline standards (OECD 2014).
Role of the centre of government

The centre of government could play a significant role in mitigating some of the challenges outlined above – in particular supporting better coordination across policy sectors that might be susceptible to generating synergies or addressing trade-offs. The centre could also help define the mixes of policy instruments needed to provide a coherent set of incentives for resource efficiency. Aligning policies across such a complex array of policy areas and sectors (from land-use planning, transport, energy, waste and water to name a few) requires vision and leadership, two of the key features of the centre.

Given the high level of technical expertise required in this area, the centre of government cannot be expected to lead the vision, implementation or monitoring alone. The trade-offs and the asymmetry of information across ministries, between levels of government and across local actors involved in policy areas, highlights the importance of the centre of government in facilitating better coordination among the relevant coalitions of actors (without necessarily taking a direct role in policy development).
The centre could also support a safe space for experimentation -- through small-scale pilots and evaluations – to identify what works and to assess impacts both economic and social (such as in the case of fuel subsidies). As a driver of innovation, the centre of government could mobilise knowledge and methodologies to identify solutions and guide long-term decisions that individual departments cannot generate alone.

Effective co-ordination requires early engagement by key stakeholders in goal setting and planning, at every level of government. Co-ordination is here of paramount importance, especially among environment and natural resource management, energy and investment authorities but also non-governmental organisations and business; however, this coordination needs to respect the expertise of the specialist agencies while demonstrating the added value for all of effective coordination/facilitation from the centre.

Questions for discussion

- What are the key challenges your country faces in introducing a large-scale “circular economy” policy?
- Has your country established a formal strategy? Have targets been agreed?
- How can coordination be ensured? Are policies and responsibilities at different levels of governments and among different ministries compatible with a economy-wide sustainable production and consumption strategy?

Further reading:


More than one and a half million people sought asylum in OECD countries in 2015, mostly in Europe. These are record-breaking numbers (Figure 1). In absolute numbers, Germany received the largest inflows amongst OECD members, with 440 000 formal registrations and more than a million pre-registrations. In relative terms, Sweden received the most, the equivalent of 1.6% of its population. In Turkey, the number of Syrians with temporary protection reached 2.7 million in 2015. In the first half of 2016, around 750,000 new formal asylum registrations have been filed in OECD countries – more than half of them in Germany (OECD 2016).

Given these figures, it is unsurprising that the question of migration is at the top of the political agenda in many OECD countries. The Sustainable Development Goals recognise this challenge for the first time highlighting the need to mainstream migration into long-term development policy. The situation of migrant workers is highlighted in SDG 8 on economic growth and decent work; the issue of trafficking is mentioned across a number of goals including SDG 16 on peaceful societies and SDG 11 on sustainable cities and communities; and the SDG target 10.7 calls on countries to support “well-managed migration policies”.

**Tackling the challenge of migration**

The SDGs offer an opportunity to better integrate migration policy into a broader agenda that aims to promote productive economies and inclusive societies. Migrants are implicitly part of these economies and societies, not separate from them. As such, the SDGs could offer a means to focus attention on a longer-term approach to migration, one that is also explicitly “international” in scope. There are, however, governance challenges to overcome.
Tackling the issue of migration has traditionally fallen under the remit of the ministry of immigration and border controls, ministry of the interior and/or social affairs. However, migration is increasingly being understood as a challenge for a wider variety of sectors – from education policy to housing to health -- and of course foreign affairs and development. The multiplicity of ministries, agencies and departments across levels of governments and the implications in terms of resources and long-term planning mean that significant leadership and co-ordination of the issue is required.

The question of how and where migrants are integrated is of paramount importance and requires collaboration both within government and beyond. Within government, a significant number of actors are involved in the integration of migrants – from interior ministries, to housing, education and health ministries. A whole-of-government strategy is therefore a necessary precondition to tackling the influx of new arrivals, to designing integration strategies both in the short and medium-term, and to monitoring the impact of policies on both migrants and native populations.

At the same time, co-ordination is equally important between levels of government. Local governments are often given the responsibility to integrate migrants on their territories. Subnational governments in the OECD are, on average, responsible for more than 40% of public spending and almost 60% of public investment (OECD 2016). They are at the core of addressing integration bottlenecks. Cities are particular vulnerable: in all OECD countries, immigrants are overrepresented in urban areas, often because of network effects and perceived availability of housing and job opportunities. This puts pressure on local services, such as housing, education and transport. Arrivals of low-skilled migrants may also impact on the job market for low-skilled residents. Scaling up public services to address this is essential, as well as enforcing minimum wages and other labour market regulations.

The third and related challenge relates to responding to citizens’ concerns regarding the influx of migrants and communicating the opportunities of matching migrants’ skills with local and national demand. A recurrent conclusion of migration experts’ work is the need to involve and co-ordinate with stakeholders at all levels of government. Good urban planning is not enough to integrate migrants in cities- it must be accompanied by a well-designed public awareness and civic outreach campaign.

**Role of the centre of government**

The centre of government has an important role to play in supporting policies to tackle both the immediate and long-term challenges presented by the integration of migrants, including at the local level.
As a technically neutral policy actor and a non-funding department, the centre of government can support a longer-term vision on the integration of migrants and comment objectively on the objectives and respective resource needs of the implementing agencies.

The centre of government is an important player in bridging the gaps across departments and between levels of government on the issue of migration. The centre of government plays a particularly important role in navigating the sensitivities that appear in the highly-charged and political debate many countries are experiencing today.

The centre of government also has a role to play in setting the overall government communication strategy on this issue. The centre of government can support the development of evidence so that public awareness campaigns are based on facts regarding both the challenges but also the opportunities that arise with the arrival of migrants.

Demands on the centre of government will increase on the issue of migration in many countries particularly affected by the current migration flows. Addressing this demand will require additional capacity for the centre of government including not only skills to deal with such a complex and cross-cutting issue, but also 'softer' political skills to mobilise actors across government and manage the necessary trade-offs between emergency and longer-term integration of migrants.

Questions for discussion

- How might the SDGs help to improve how migration is managed by government? Could the long-term nature of the SDG goals counterbalance immediate political and social pressures emanating from the current migration crisis?
- What role does the centre currently play in migration policy? Is there a need for more active leadership or coordination from the centre?
- What are the challenges faced by the centre of government in developing government-wide communication on the issue of migration?

Further reading:


OECD, 2015: Subnational governments in OECD countries: Key data, 2015 edition

Session 2c
Integrity and anti-corruption

Trust is a notion that at first glance seems elusive, yet plays a very tangible role in the effectiveness of government. Few perceptions are more palpable than that of trust or its absence. Governments ignore this at their peril.

The most direct way in which trust is lost between citizens and government is when citizens perceive that government is corrupt or does not act in the public interest. The Panama Papers showed just how widespread and devastating corrupt practices can be on society, but there are many other examples that occur and recur with depressing frequency. The data that is available gives a sense of the scale of the problem. For example, a recent Transparency International survey for nine countries in the Middle East and North Africa showed that 20% of citizens paid bribes to receive health services—going up to 38% in some cases (Transparency International, 2016).

The SDGs contain clear targets for the reduction of corruption, bribery and illicit financial flows. Goal 16 in particular includes commitments to substantially reduce corruption, developing effective, accountable and transparent institutions, and strengthen access to information and participation in public decision-making.

A key element of the SDG approach is the emphasis on the linkages across the different goals. Fighting corruption is a good example of this as it is by nature a highly cross-cutting issue. Effective measures to reduce corruption will have a positive impact on many other sectors—by encouraging investment, by reducing transaction costs, by increasing public confidence in government reforms and by increasing compliance with rules and regulations.

Evidence shows, for example, that corruption in the health and education sectors can have indirect impacts on productivity as it can affect workers’ health and skills (OECD, 2015). Corruption can worsen health outcomes in numerous ways including reducing resources intended for health care, creating barriers to the use of health services, and increasing the cost of medicines. Reaching the goals set out in SDG 16 on reducing corruption could therefore have an impact on SDG 3 on ensuring healthy lives and promoting well-being for all.

The governance challenge

The risk of corruption exists in the interactions between the public and the private sector at all stages of the political and policy process.
Policy tools addressing high-risk areas at the intersection of the public and private sectors, including effective management of conflict of interests, high standards of behaviour in the public sector, and adequate lobbying and political finance regulation, can be leveraged to limit undue influence and build safeguards to protect the public interest. At the same time, while the tools exist and are in place in many countries, their effectiveness in combatting corruption is uneven.

There are many reasons why anti-corruption policies have had mixed success, but the lack of integration of instruments has been a key weakness. As a result of the multiplicity of actors and sectors potentially involved, a whole-of-society approach is clearly necessary. This means better integrating anti-corruption and integrity in governments’ reform agendas and the private sector’s business models, providing bridges to other issues such as tax evasion, bid rigging, corporate governance and responsible business conduct.

The issue of civil service skills and capacity is also important, both at the leadership and sector levels. The head of government can foster a culture of integrity by investing in integrity leadership, a merit based public sector, and open organisational culture. Developing skills in this area is also particularly important at the sector level where civil servants, for instance in health or education, need to diagnose corruption risks and incorporate solutions into sector policies and plans.

The susceptibility to corruption and the proximity to citizens make local integrity systems at the subnational levels of government critical to promoting trust. Strong local integrity systems for the local public sector that define, support, monitor and enforce integrity are crucial tools for building trust in public institutions. However, in practice there are capacity issues and coordination problems that need to be overcome.

Role of the centre of government

Every public body should have in place a system to ensure high standards of behaviour among its employees and in its relations with external actors. Ultimate responsibility usually lies with the individual institution and its management board. However, there is a noticeable effort to harmonise standards by means of codes of conduct and other regulations that are applied across the civil service and that are updated and monitored by agencies or commissions located close to the centre of government.
These bodies work closely with ministries of interior and justice and with the judiciary in an effort to develop practical and efficient generic rules to ensure public sector integrity. As such, the SDGs relating to fighting corruption lie in a policy area in which the centre of government already plays an important role in many countries.

The centre of government can support the achievement of the SDG Goal 16 by bringing together a number of policy actors that will directly impact on policies and their outcomes in the fight against corruption- for instance development assistance, trade, and investment. This includes ensuring consistency among government departments so that for instance those in charge of business are not at odds with the ministry of justice over anti-bribery legislation, or the ministry of finance is not at odds with the national development agency over tax havens.

The SDGs also present an opportunity for the centre of government to support and prompt leadership in advancing the anti-corruption agenda, for instance by implementing a corruption and fraud risk management framework. As the United Kingdom’s anti-corruption summit highlighted in 2016, the centre can galvanise not only domestic but international support for this agenda. The SDGs also provide an opportunity for the centre of government to focus on strategies that go beyond the remit of the public sector. The centre of government can support joint initiatives with non-governmental stakeholders for example in public-private partnerships or indirectly through regulation.

Questions for discussion

• What seems to be missing in current anti-corruption policies? Why is the perception still apparently strong that governments do not do enough to enforce integrity?

• How can the SDG process bring fresh momentum, both internationally and domestically?

• How can the centre of government do more in this area? What is its comparative advantage with respect to the law enforcement sector?

Further reading:

Session 2d
Gender equality

The SDGs: an opportunity for real progress on gender?

The SDGs set a far-reaching agenda to achieve gender equality and empower all women and girls (Goal 5) and to mainstream gender in 14 other goals through the development of gender-sensitive indicators. Achieving this goal is no mean feat. Delivering gender equality is a complex, transversal and multidimensional task. It requires the involvement and buy-in from all government actors as well as a broad array of stakeholders across society.

Despite the widespread recognition that supporting gender equality requires a whole of government effort, there are a number of potential challenges that arise in delivering on Goal 5 of the SDGs.

First, reaching the gender equality goal will impact on the success of other SDG goals- for instance the goal to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (Goal 8) or reduce inequality within and among countries (Goal 10), or ensure healthy lives and promote well-being for all at all ages (Goal 3) – to name a few. The cross-cutting nature of this goal will require additional efforts of coordination- going further than is currently the case in many countries.

Second, Goal 5 is not limited to the public sector but implies the development of public policies that support the implementation of gender equality across society. In OECD countries, women accounted for 45.3% of workers in the total labour force compared to 58.2% of public sector employees in 2013 (OECD 2015). The bosses of FTSE100 companies today are more likely to be called John than they are to be women. Public policies can nudge and provide incentives for reaching equality not only in the public sector but in the private sphere as well.

Third, the process of developing such a vision and strategy should engage a wide range of stakeholders in defining the approach. Stakeholders include gender specific agencies, independent monitoring institutions such as gender equality or human rights commissions, but also civil society and advocacy groups. Such stakeholders have different roles to play from providing gender-related advice to line ministries, to overseeing the implementation of government commitments on gender equality. Delivering gender equality is a shared responsibility- from senior management to technical staff; and across all policy sectors and levels of government. The different incentives that each of these institutions or actors plays will have to be carefully managed to ensure the response is coherent and in line with the normative framework set by the SDGs.
Role of the centre of government

As underscored by former US Secretary of State Madeleine Albright: “in our government, responsibility for the advancement of women is not the job of any one agency, it’s the job of all of them.” Of course, the risk with any horizontal objective is that it becomes the responsibility of everyone and no one. Lack of real progress in many countries suggests that general guidelines and broad policies are not delivering the desired results. The question then is how to bring new impetus to the gender issue. The SDGs’ focus on gender could provide this external push, with an international commitment and the accompanying monitoring process driving stronger policies at national level and greater awareness globally.

The centre of government can play a crucial convening and steering role, by providing leadership and ensuring that ministries, departments and agencies take into account gender impacts when designing their policies, initiatives and budgets. Many countries have already recognised the role that the centre of government has in driving gender equality goals forward. For example, in the United States, President Obama signed an Executive Order in 2009 creating the White House Council on Women and Girls to ensure that all Cabinet and Cabinet-level agencies consider how their policies and programmes respond to women and girl’s needs. In Canada, (GBA) the Status of Women Canada, the Privy Council Office and the Treasury Board of Canada Secretariat work with all federal departments and agencies to ensure effective implementation and monitoring of gender based analysis.

In non-OECD countries as well, many centres of governments are being called upon to co-ordinate and deliver on a strategy to support gender equality (OECD/CAWTAR 2014) (Figure 6).

**Figure 6. Institutions for promoting gender equality and mainstreaming in MENA**

An important step towards achieving gender equality is the development of a clear, concise and compelling vision for gender equality, supported by a sound strategy to guide the development of concrete policy actions. The centre of government is well placed to support the strategy and to foster the development of gender impact analysis and the collection of gender-disaggregated data.

Establishing small delivery units within the centre can be an effective way of clarifying the expectations of line ministries, developing clear and simple performance measurement and assessment frameworks, reducing obstacles for the delivery of initiatives during implementation and monitoring progress made using gender-disaggregated data.

Finally, the centre of government can ‘nudge’ not only line ministries and agencies which have ultimate ownership over implementation of the strategy across the public sector, but also potentially the private sector.

Questions for discussion

- Why is progress on gender equality so slow in most countries? From the perspective of the centre of government, what are the main obstacles?
- How might the SDG process strengthen or rejuvenate existing gender equality strategies?
- Can the centre of government steer the development and implementation of a cross-government or cross-society strategy for achieving Goal 5? What can the centre bring that is new?

Further reading:


Session 3

Planning and Budgeting for Performance and Impact
The budgeting and performance challenge

As outlined in the previous sessions, the design, delivery and monitoring of the Sustainable Development Goals is an inherently complex exercise. Translating the 17 goals into concrete actions and deliverables which reflect their multi-disciplinary nature is a significant challenge— and in particular for the planning and budget process. The OECD Survey shows that Centres of Government highlight the need to resource the SDGs as a particular challenge. Analysis shows that globally an incremental 1.5 - 2.5% of world GDP needs to be invested each year by the public and private sectors to achieve the SDGs in every country (United Nations 2015). As a result, plans need to be put in place not only to raise the resources but to ensure that they are used with maximum impact. OECD countries have already taken steps to find solutions to this challenge. In Norway, for example, responsibility for each of the 17 SDGs is allocated to a specific ministry which reports on progress for its respective goals in its budget proposal. This mechanism enables the SDGs to be fully integrated into the regular budget process – and ministries to be accountable for results.

Integrating the SDGs with the budget process implies in effect aligning performance information and targets to the goals. The Head of Government has a responsibility (constitutional, legal, or by convention) for collective performance. As a result, the Centre of Government typically has a role to play in the performance budgeting process given inter-dependencies between the budget process and the achievement of government-wide policies (Figure 1). A number of countries are linking high level political commitments such as the SDGs into the budget process. In Sweden, 27 key policy priorities have been hardwired into the system for performance budgeting (OECD 2016). In the Netherlands, the medium term framework supports the prioritisation of high level political commitments over the medium term which are not revisited on an annual basis.

Figure 7: Which institutions play important roles in the performance budgeting process?

Source: 2016 Performance Budgeting Survey, Preliminary Results
Planning and budgeting for performance and impact presents a number of well researched-challenges. A first relates to the differing expectations of what will be achieved by aligning the budget process and performance indicators with high level political goals such as the SDGs. These could include: providing high-level outcome data to enable the executive leadership of government to pursue its strategic goals; to ensuring the government is accountable to parliament and civil society for the delivery of those goals; down to supporting programme management so that specific services are delivered efficiently and effectively. These varied and not always complementary goals need to be defined and managed between different line ministries, the legislature and civil society.

Another challenge is also germane to performance budgeting: avoiding perverse incentives to game the system by focusing on specific quantifiable indicators and avoiding the more complex and multi-dimensional outcomes. Examples often quoted include patients in the UK being kept waiting in ambulances as the target for waiting times starts only once they enter the hospital (Bevan and Hood 2006). Setting high-level goals and indicators is a first necessary step but must then be followed by a national strategic plan, overall reporting and accountability system.

Role of the centre of government

The centre of government plays a direct role in many countries in monitoring the implementation of policies such as the SDGs and communicating progress and achievements. For example, Colombia’s performance system is monitored by the DNP and the President’s core advisors. The national system, SINERGIA, tracks process, output, outcome indicators set in the National Development Plan (IADB 2014). Given the multi-disciplinarily of the SDGs, the Centre of Government will play an important role in monitoring which means developing new mechanisms that emphasise outcomes rather than just tracking expenditures.

With the growing focus on results and improving services, the centre of government is playing a greater role in budget policymaking and oversight than before.
The SDGs are likely to increase responsibilities in this area. As a result, the centre of government will have to confront issues such as the large flow of information (as experienced in Chile where the delivery unit was tasked with monitoring over 600 actions) and the knowledge asymmetry between large teams in departments and the non-specialists in the centre. Planning and budgeting for performance and impact for the SDGs will require a clear division of labour and role in both designing and monitoring the performance targets.

**Questions for discussion**

- In general, is the budget process used effectively to align resources with policy priorities?
- Have the budgetary implications of implementing the SDGs been assessed? Has a process for allocating appropriate resources been considered?
- How can the centre of government better link strategy with resource allocation? Can performance budgeting be an effective tool to support implementation of the SDGs?

**Further reading:**


