A RATIONALE FOR CHANGE

In an increasingly interconnected world with growing interactions between countries, there is an urgent need for more co-ordinated approaches to planning, policy design and implementation to achieve the Sustainable Development Goals (SDGs). Policy Coherence for Sustainable Development (PCSD) is an approach and policy tool that supports the integration of the economic, social, environmental and governance dimensions of sustainable development across all stages of policy making, facilitating integrated approaches to proposed solutions for the SDGs. PCSD also aims to foster synergies, reduce trade-offs, address transboundary and inter-generational impacts, whilst promoting partnerships and collaboration. This is not easy, yet as defined in SDG 17.14, PCSD is a key means of implementation for achieving the SDGs.

PCSD CAN EMPOWER PEOPLE AND ENSURE INCLUSIVENESS AND EQUALITY

The 2019 edition of Policy Coherence for Sustainable Development, the third in a series, forms part of the OECD’s contribution to the United Nations ECOSOC High-Level Political Forum (HLPF). It provides evidence on the critical interlinkages between the SDGs under HLPF review – Goal 4 on quality education; 8 on decent work and economic growth; 10 on reduced inequalities; 13 on climate action; and 16 on peace, justice and strong institutions. It calls for urgent action by all countries and underlines the importance of strong institutional and governance mechanisms for leveraging interactions between the goals, so they have the desired policy impact overall.

The SDGs cannot be implemented independently from each other. They are intertwined, multi-dimensional concepts, which cut across the 2030 Agenda. As a result, coherence is essential to achieve the SDGs.

The SDGs provide an opportunity to empower people and ensure inclusiveness and equality in ways that are mutually reinforcing. For example, the provision of access to quality education (SDG 4) helps improve skill acquisition and promotes economic empowerment. It also leads to an increased ability for people to find employment (SDG 8) whilst increasing their incomes (SDG 10). Conversely, the prevalence of corruption or a low trust in government, alongside unequal access to justice (SDG 16) can lead to citizens not participating in formal economic activity. This can lead to a decline in economic growth (SDG 8) and reduce sustainable and inclusive development.
Enhanced policy coherence for sustainable development can help identify and manage these relationships and limit or overcome any negative impacts. Common to all countries is the set of enablers needed to facilitate governments’ efforts to enhance PCSD. They represent structures, processes and working methods at different stages of the policy making cycle and fall under three main themes:

- A strategic vision for achieving the SDGs underpinned by a clear political commitment and institutional leadership to enhance policy coherence for sustainable development.
- Effective and inclusive institutional and governance mechanisms to address policy interaction 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.

Our research shows that the essential building blocks of a robust PCSD system for SDG implementation are in place in many countries, but that alignment with the principles and nature of the 2030 Agenda can be strengthened.

**BUILDING BLOCKS OF POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT**

- **Strengthen monitoring, reporting and evaluation systems** to collect evidence on the impacts of policies and report progress on PCSD.
- **Build a strong political commitment and leadership at the highest level** to foster whole-of-government action for PCSD.
- **Define, implement and communicate a strategic long-term vision** that supports PCSD.
- **Improve policy integration** to capitalise on synergies and benefits across economic, social and environmental policy areas.
- **Ensure whole-of-government coordination** to resolve divergences between sectoral priorities and policies.
- **Engage stakeholders effectively** to sustain broader support for PCSD.
- **Analyze and assess policy impacts** to inform decision-making and avoid negative effects on the sustainable development prospects of other countries.
- **Involve regional and local authorities** to align priorities, ensure coordinated actions and enhance coherence across levels of government.
- **Local involvement**
- **Policy coordination**
- **Policy integration**
- **Stakeholder engagement**
- **Policy Impacts**
- **Long-term Vision**
- **Political commitment**
- **Monitoring & Reporting**
1. IDENTIFYING CRITICAL INTERACTIONS TO CATALYSE PROGRESS IN SDG IMPLEMENTATION

The 2030 Agenda cannot be achieved through single-sectoral approaches. Applying a PCSD lens is critical in order to produce complementary policies and avoid trade-offs, alongside the presence of an integrated approach, robust governance mechanisms and the provision of tailored solutions. The result is enhanced cohesiveness and effectiveness, ultimately leading to improved SDG outcomes. A unified initiative that improves educational access (SDG 4) can also increase employment and economic prosperity (SDG 8) and reduce inequalities (SDG 10). The effects of climate change and environmental degradation (SDG 13) are unevenly distributed between and within countries, meaning policies to tackle this challenge will also have to include overcoming the inter-country and intra-country dynamics of inequality (SDG 10), strengthening national institutions through capacity building and co-operation (SDG 16) and working in partnership (SDG 17) with stakeholders including NGO’s, the private sector and across government.

2. STRENGTHENING INSTITUTIONAL AND GOVERNANCE MECHANISMS TO ENHANCE POLICY COHERENCE

Achieving PCSD is highly dependent upon the institutional mechanisms of government to manage, co-ordinate and implement initiatives. Key enabling mechanisms facilitate this: a strategic vision, supported by political commitment and institutional leadership; robust governance mechanisms that align actions between administration levels and support policy interlinkages; and a set of tools that can sufficiently tackle transboundary, national and inter-generational impacts. Whilst there cannot be a one-size-fits all approach, these eight institutional building blocks are integral to ensuring coherence.

3. MONITORING AND REPORTING TO COLLECT EVIDENCE ON THE BENEFITS OF POLICY COHERENCE

Monitoring the formulation, implementation and assessment of policies can affect policy outcomes. Therefore, governments need to account for three elements when tracking their policy coherence: 1) institutional mechanisms; 2) policy interactions; and 3) policy effects (“here and now”, “later” and “elsewhere”). Process indicators aligned to institutional mechanisms could be developed to support countries to qualitatively self-assess their performance and progress towards achieving the SDGs.
4. ENGAGING IN PARTNERSHIPS TO STRENGTHEN IMPACT

Countries are presented with a range of interlinked, complex challenges from the 2030 Agenda. To prevail over these challenges and deliver solutions, governments must strengthen collaboration across all tiers of government and forge partnerships with a broader range of stakeholders. In doing so they increase the likelihood of delivering positive PCSD solutions. Though collaboration, countries can reap the benefits of knowledge sharing, achieve coherent implementation and ensure they maximise the positive outcomes from their SDG initiatives.

OECD INITIATIVES TO SUPPORT COUNTRIES TO ACHIEVE PCSD

Through the OECD’s Policy Coherence for Sustainable Development Framework screening tool, countries can review an integrated checklist of elements that governments need to consider when preparing, implementing or evaluating SDG approaches. In doing so, the Framework assists to strengthen capacity of governments to design, implement and monitor coherent and integrated policies for sustainable development. The PCSD online toolkit launched in 2019 supports countries to conduct analysis; identify institutional mechanisms and consider key elements to monitor, report and evaluate progress.

The forthcoming OECD Policy Framework on Sound Public Governance aims to provide governments at all levels with an integrated diagnostic, guidance and benchmarking tool to help design and implement public governance reforms that can respond to complex and multi-dimensional challenges. Policy coherence also requires inclusive governance frameworks.

The OECD Framework for Policy Action on Inclusive Growth assists PCSD through providing a framework and guidance for policy packages that put people at the centre, focuses on improving wellbeing outcomes and emphasises the distribution of outcomes across the population.

[OECD website link]