

## Ninth Meeting of the National Focal Points for Policy Coherence, 21 October 2015

### SUMMARY RECORD

#### *Session 1: Setting a Framework for Policy Coherence for Sustainable Development*

**Ebba Dohlman** (Head of the OECD PCSD Unit) opened the session and highlighted that the importance of Policy Coherence for Sustainable Development (PCSD) had been reiterated and reinforced at various high-level political events in recent months. Both the latest MCM as well as the Financing for Development conference in Addis Ababa and the UN Summit in NY had put strong emphasis on the need to enhance PCSD as a means of implementation for the 2030 Agenda for Sustainable Development. Against this background, the Unit will work to update existing OECD policy coherence tools and instruments further, with a view to support the identification of synergies and trade-offs between economic, social and environmental policy areas to implement the Sustainable Development Goals (SDGs), and track progress, particularly on SDG17.14.

**Ernesto Soria Morales** (Senior Policy Analyst, OECD PCSD unit) introduced the latest version of the generic module of the Framework on Policy Coherence for Sustainable Development. This tool has been designed to help policy makers assess all sequences of the policy making lifecycle (ex-ante, during, ex-post) by providing detailed guidance on the key elements for analysis, mechanisms for coherence, and options for monitoring. It comprises a more comprehensive approach of PCSD, covering Institutional Mechanisms, Policy Interactions, Contextual Factors, and Policy Effects. He also informed the focal points about his training mission to Barcelona, where he had piloted a practical workshop to build capacity among government officials to cope with PCSD.

**Carina Lindberg** (Policy Analyst, OECD PCSD unit) illustrated the online 'OECD Coherence Monitor' currently under construction, which complements the framework and aims at equipping policy makers with the relevant indicators, policy instruments and dialogue tools to promote and effectively pursue PCSD at the national level. The objective is to have the Monitor up and running within the first half of 2016.

The **discussion** centred on the scope of the modules. It was suggested that they need to consider not only the national level, but also the international and local levels. At the same time, however, some argued that the main challenges for implementing the SDGs lay at the national level, and cautioned against a rigid set of indicators that could curtail the scope of national governments to adjust the SDGs to their specific context. The work on practical training modules was commended.

#### *Session 2: Internalising the SDGs into National Policy Frameworks and Institutions*

**Ulrika Grandin** (Ministry for Foreign Affairs, Sweden) presented the Swedish approach to policy coherence for sustainable development. Sweden's national Policy for Global Development was developed more than 10 years ago based on a growing awareness of the shortcomings of the classical 'development co-operation mind-set'. Therefore, the Swedish government developed a more comprehensive framework focussed on equitable and sustainable global development. Using this as a basis, all ministries had to contribute to the common goal of global development, while the collaboration was coordinated by the Ministry for Foreign Affairs (Development Co-operation Unit) via its network of Policy Coherence Focal Points spread across all line ministries. With the adoption of the SDG agenda, this work has gained new momentum, and strong support from the centre of government has prompted all line ministries to devise their own Action Plan on how to contribute to

the SDGs. The Minister for Development Co-operation is coordinating the efforts within Government of ensuring that PCSD is adequately considered, and will align the different measures in a report to Parliament in spring 2016. This is work in progress, and further efforts are underway to engage with the public and raise awareness of the new agenda. For example, plans are underway to form a committee within the Ministry of Finance, which will look at the involvement of the local level for implementing the SDGs.

**Mathilde Bouyé** (Advisor, World Resource Institute) drew on the experience from “early SDG implementers” including Sweden, Gabon, Indonesia, Benin, Ethiopia, and Colombia to provide some lessons on how to apply PCSD. Emphasising the transformative nature and implications of the SDG agenda, she identified PCSD as the overarching, guiding principle in the upcoming reforms. This holistic approach should help to align the various objectives in the three core dimensions of sustainability, and guide policy makers in assessing policy synergies and trade-offs as well as transboundary and intergenerational effects. To further fuel the SDG implementation, PCSD should be supplemented by integrated frameworks for planning and financing, as well as a ‘whole of society’ (and thereby automatically ‘whole of government’) approach, allowing for (and actively encouraging) public participation and ownership. In addition, new monitoring metrics and review procedures are key to effectively track progress.

In the **discussion**, other Focal Points shed light on their individual experiences. Garnering high-level support and identifying clear responsibilities emerged as the most pressing concerns. Others pointed out that even though their administration had adopted and communicated SDG strategies, implementation was piecemeal or had even taken a backseat. It was also suggested that the role of Ministries for Finance could be strengthened, including for monitoring purposes.

### *Session 3: Applying a PCSD Lens to Food Security in the Sustainable Development Goals*

**Esko Männistö** (Counsellor, Ministry of Foreign Affairs, Finland) shared the experience of Finland in implementing the OECD PCD unit’s Toolkit on Food Security. The toolkit had been instrumental in gaining support from line ministries and departments to the work on policy coherence. The involvement of a broad range of stakeholders, including research institutes, academia and civil society, had facilitated a comprehensive in-depth analysis of the relevant issues, and considerably strengthened Finland’s stance on food security related policies. Piloting the toolkit had also spread general awareness of PCSD across the administration, so he encouraged other Focal Points to capitalise on the Finnish experience and apply the toolkit themselves.

**Cristina Mendes** (Policy Research and Advice, Public Governance and Territorial Development Directorate, OECD) explained the revised version of the food security module. It aims to uncover the numerous interlinkages of the different policy areas and instruments related to food security, and to support governments to achieve the SDG goal number 2 by looking at critical interactions with other relevant goals. The module informs about the different levels of coherence and proposes questions for self-assessment.

**Coralie David** (Policy Analyst, Directorate for Financial and Enterprise Affairs, OECD) added to this by outlining how investment in agriculture could be harnessed through a variety of coherent policy interventions, simultaneously contributing to the SDGs. The OECD Policy Framework for Investment in Agriculture (PFIA) proposes policy recommendations to create an attractive investment climate in the agricultural sector. It recommends in particular securing land tenure rights. She also stressed the importance of promoting responsible business conduct, drawing from the OECD Guidelines for Multinational Enterprises, to ensure that businesses avoid any social or environmental impacts and contribute to sustainable development.

The **discussion** focussed on the practical applicability of the toolkit and its implications. Apart from pointing out some drawbacks in terms of presentation and style, participants said that the different levels of coherence could be better distinguished, including in the self-assessment questions. Also, some Focal Points reasoned that their role was limited to taking intellectual leadership and ensure coordination, while the specific technical details should be left to expert bodies. They also expressed concern that other line ministries might be reluctant to consider the toolkit because they had not been invited to contribute to the paper in the first place. The Secretariat ensured that they would undertake adequate consultation with in-house experts for the final version.

#### *Session 4: Applying a PCSD Lens to Illicit Financial Flows in the Sustainable Development Goals*

**Melissa Tullis** (Division for Policy Analysis and Public Affairs, UN Office on Drugs and Crime) said that the enormous political salience of combatting illicit financial flows (IFFs) was amply demonstrated by the prominence it had attained in recent discussions on achieving the SDGs at various high-level political meetings. The OECD's prioritisation has been instrumental to push the agenda.

**Tom Neylan** (Financial Action Task Force) provided insights into the latest changes concerning the PCSD module on IFFs. The advantage of the document lies in its brevity and accessibility compared to existing guidance on any of the specific agreements or standards, so it could reach a broader audience of policy makers. In addition, the needs and concerns of developing countries had been taken into account in order to better reflect the global scope of the problem. Further modifications relate to the specific economic context that generates IFFs, the particular role of the Ministries of Finance in curbing it, and a section on the lower ends of the informal financial sector. While a final round of formal consultation will be announced later this year, Focal Points were encouraged to already go ahead and pilot the self-assessment toolkit.

**Sandrine Hannedouche-Leric** (Senior Legal Analyst, Anti-Corruption Division, DAF, OECD) informed about the activities of the Working Group on Bribery (WGB). The OECD Anti-Bribery Convention currently has 41 members. It includes provisions on monitoring of enforcement, thereby enshrining the shared responsibility of all countries to combat bribery as an important source of IFFs.

In the **discussion**, participants argued that the recent OECD work on BEPS was insufficiently represented in the module, given that BEPS is often estimated to account for the largest share in IFFs (in particular for developing countries). Even though the different forms and origins of IFFs have to be carefully delineated, provisions on the Automatic Exchange of Information (AEOI) and Country-by-Country (CbC) Reporting have an important role to play.

#### *Session 5: Next Steps – Building a Multi-Stakeholder Partnership for PCSD*

**Ebba Dohlman** commented on the proposal for a multi-stakeholder partnership on PCSD implementation under the auspices of the UN with the objective of disseminating tools, experiences, and best practices on PCSD. This could also include think tanks and other organisations willing to contribute, and could entail a meeting of the national SDG Focal Points to flesh out goal 17.14. Furthermore, she requested recommendations by the Focal Points on future projects and priorities, and encouraged participants to trial the new modules and toolkits.