The OECD Strategy on Development has fostered a more focused, issues-based approach to policy coherence for development. The emphasis has shifted from the donor’s role to a ‘partnership approach’ and focusing on key challenges such as creating enabling conditions for achieving food security, combating illicit financial flows, and shifting towards green growth. In 2015, which marked a pivotal year for sustainable development, OECD gave particular emphasis to Policy Coherence as an integral part of the means of implementation for the 2030 Agenda for Sustainable Development. The Sustainable Development Goals (SDGs) adopted in September 2015 by the international community include a Target 17.14 that call all countries to “enhance policy coherence for sustainable development”.

This document details the major activities of the Policy Coherence for Development Unit covered by central funds and grouped voluntary contributions received between 1st January 2015 and 31st December 2015. It highlights the key achievements made in supporting members and partners to meet the international target of enhancing policy coherence for sustainable development.

### Key achievements in 2015

- Development of a Framework for Policy Coherence for Sustainable Development, a self-assessment toolkit to support governments in designing more coherent policies by identifying synergies and trade-offs across economic, social and environmental areas.
- Development of two thematic modules of the PCSD Framework on Food Security and on Illicit Financial Flows.
- Organisation of two High-Level Side Events, one on illicit financial flows in the margins of the 3rd Financing for Development Conference in Addis Ababa, and one on Coherent policies for sustainable and low-carbon societies during the UN Summit on Sustainable Development in New York.
- Conducted practical training sessions on applying PCSD for addressing the water-energy-food nexus, notably in the context of the 2030 Agenda.
- Supported the organisation of the OECD Council on Development.
- Facilitated three meetings of the Informal Working Group on the Implementation of the Strategy on Development
- Organised three meetings of the Informal Network of National Focal Points for Policy Coherence.
- Provided support to members to update methodologies for monitoring and reporting on policy coherence for development.

### 1. Support to the DSG responsible for Development, including implementation of the OECD Strategy on Development

The Unit supported the organisation of the **Sixth Annual Meeting of the Council on Development** held on 20 January. It co-ordinated the drafting of the agenda [C/A(2015)1] and the background document presented at the meeting: *The Post-2015 Development Agenda: Towards a Strategic and Coherent OECD Approach to Development, Finance and Climate* [C(2015)10].

On three occasions, the Unit assisted the DSG in the co-ordination of meetings of the **Development Strategy Informal Working Group** (IWG):
17 February – This meeting built on the discussions at the Meeting of the Members of the Council on Development held on 20 January 2015. It reflected on the implications of the Post-2015 Agenda for the OECD, for the Strategy on Development and for Members, and sought feedback from Members on the draft documentation on the Post-2015 Development Agenda being prepared for the MCM.

20 July – This meeting reported the outcomes of the Third International Conference on Financing for Development (13-16 July in Addis Ababa), as well as related side events in which the OECD was the lead or partner (see item 3b below).

29 September – This meeting served to provide members with feedback on the OECD’s participation in the New York Summit and the implications of the adopted post-2015 agenda for the OECD. General discussions were also held on the SDGs; the Strategy on Development, including the Mainstreaming Monitoring Framework; and the Knowledge Sharing Alliance.

Finally, the Unit co-ordinated the elaboration of the draft MCM document Supporting the Post-2015 Development Agenda: The Role of the OECD and Its Members [SG/SD(2015)1].

2. Publications on Policy Coherence for (Sustainable) Development

Three CODE Reports were published in 2015:

- January – Competition Law and Policy: Drivers of Economic Growth and Development (Issue 4) shows that policy co-ordination and coherence are necessary in order to identify barriers to competition and help devise better policies that serve consumers and business alike.

- April – State-Owned Enterprises: Good Governance as a Facilitator for Development (Issue 5) provides an overview of some of the main policy tenets encouraged by the SOE Guidelines to maximise SOEs’ contributions to sustainable growth.

- December – The Water-Energy-Food-Nexus: The Imperative of Policy Coherence for Sustainable Development (Issue 6) illustrates how policy coherence for sustainable development (PCSD) can help better understand the inter-linkages between economic, social and environmental policies in trying to ensure access, availability and sustainability of our planet’s natural resources beyond 2015.

The Unit published the 4th edition of its annual flagship report in August, Better Policies for Development 2015: Policy Coherence and Green Growth. This report introduces the concept of PCSD, along with a proposal for monitoring coherence. It also applies a policy coherence lens to green growth as one of the priority areas for policy coherence identified in the OECD Strategy on Development.

3. Outreach and awareness raising, including (a) as organiser of meetings at the OECD; (b) as organiser of meetings outside the OECD; and (c) missions to OECD members and partner countries

a) Organiser of meetings at the OECD

The Unit organised three meetings of the Informal Network of National Focal Points for Policy Coherence. These meetings serve to bring together government officials from capitals, civil society and
other interested stakeholders to discuss current and emerging policy coherence issues, and to share experiences and best practices.

- **30-31 March (8th meeting)** – This meeting focused on three main issues: *(i)* how to shape a universal, measurable and achievable (‘SMART’) target for policy coherence in the SDG framework; *(ii)* tools for promoting and monitoring policy coherence for sustainable development in the Post-2015 context, including the updated version of the Framework for Policy Coherence for Sustainable Development, and the online OECD Coherence Monitor which is currently being developed; and *(iii)* how to enhance policy coherence for addressing illicit financial flows in the post-2015 context.

- **21 October (9th meeting)** – On this occasion, participants explored *(i)* the need to enhance PCSD as a means of implementation for the 2030 Agenda for Sustainable Development; *(ii)* how to internalise the SDGs into national policy frameworks and institutions; and *(iii)* the practical applicability of the PCSD Framework to food security and illicit financial flows.

- **15 June** – This meeting was organised jointly with the OECD Development Centre and in collaboration with the Hudson Institute’s Center for Global Prosperity on the topic of Creating Enabling Environments for Mobilising Private Financial Flows for Sustainable Development. The discussions aimed at applying a policy coherence lens to the enabling conditions required for mobilising and effectively using private financial flows for sustainable development. Particular emphasis was placed on investment, philanthropy and remittances.

### b) Organiser of meetings outside the OECD

During 2015, the Unit organised two high-level side events. These events, which brought together a wide range of stakeholders, were well attended and served to disseminate the Unit’s work to a broader audience well beyond the Organisation’s membership. The Unit also organised a workshop in Mexico City together with UNEP.

- **Addis Ababa, 13 July** – Side event on Fighting Illicit Financial Flows: Are Partnership and Policy Coherence the keys to success?, co-organised with UNODC and the World Bank in collaboration with Sweden and the UK, and with the support of Thailand, in the context of the Third International Conference on Financing for Development. The event convened high-level speakers from governments, international organisations and civil society to discuss concrete actions at the national and international levels required to substantially reduce illicit financial flows (IFFs) by 2030, and tackle the underlying activities and behaviours (i.e. corruption, tax evasion, organised crime) that feed this phenomenon.

  The event was opened by Gabriela Ramos, OECD Chief of Staff and G20 Sherpa and moderated by Nicola Harrington, Deputy-Director of the OECD Development Centre. Panelists included Henry Rotich, Cabinet Secretary for National Treasury of Kenya; Per Bolund, Minister for Financial Markets and Consumer Affairs of Sweden; Nick Dyer, Director General for Policy and Global Programmes at DFID; Mary Beth Goodman, Senior Director for Development, Democracy and Humanitarian Response for the National Security Council at the White House; Paul O’Brien, Vice President for Policy and Campaigns at Oxfam America; and Jean-Luc Lemahieu, Director, Division for Policy Analysis of the UNODC. Bertrand Badré, Managing Director and World Bank Group Chief Financial Officer, provided closing remarks.

- **New York, 25 September** Side event during the United Nations Sustainable Development Summit 2015 on Coherent Policies for Sustainable and Low Carbon Societies, co-organised with Korea. The event brought together a high-level panel of representatives from governments, international organisations, the scientific community, and civil society organisations to discuss how policy coherence – looking beyond climate and development policy domains – can be
enhanced to build synergies and manage trade-offs between different sectors critical for a low carbon transition, and for achieving the Sustainable Development Goals (SDGs). The SDG target 17.14 in the 2030 Agenda for Sustainable Development, which calls upon all governments to “enhance policy coherence for sustainable development”, served as background to the discussion.

The event was opened by OECD Secretary-General Angel Gurría. Mr. Oh Kyung-Tae, Deputy Minister from the Ministry of Agriculture, Food and Rural Affairs of Korea provided introductory remarks. Panellists included Åsa Romson, Minister for Climate and the Environment and Deputy Prime Minister of Sweden; Kare Chawicha Debessa, State Minister for Environment and Forests of Ethiopia; Paulo Lemos, Secretary of State for the Environment of Portugal; Pascal Canfin, Co-chair of the French Presidential Commission on Climate Finance; and Måns Nilsson, Research Director of the Stockholm Environment Institute. The event was moderated by Kitty van der Heijden, Director of the World Resources Institute (WRI) Europe.

- Mexico City, 29 September: Participation in a dialogue on “Coherent Public Policies in the Transition to a Green Economy and the 2030 Agenda for Sustainable Development”. The event aimed to start a dialogue and collaboration between the OECD and UNEP to support governments’ efforts to shift towards a green economy based on policy coherence, inter-institutional collaboration and whole-of-government approaches.

- This event with over 100 participants and wide media coverage was co-organised by the OECD, the UN Information Center (UNIC) in Mexico, and the UNEP Mexico Representative Office, in collaboration with the OECD Mexico Centre. Ebba Dohlman was a speaker and Ernesto Soria Morales moderated one session. It presented recent analytical work and policy tools to support governments to shift towards a green economy, based on policy coherence, inter-institutional collaboration and whole-of-government approaches. In particular the event focused on how greater coherence between public policies – economic, social and environmental – can contribute to the implementation of the internationally agreed Agenda 2030 for Sustainable Development. Ebba Dohlman was interviewed by UN Radio on the sidelines.

c) Missions to OECD members and partner countries

The Unit was invited to present in both OECD members and partner countries to share good practices on policy coherence for sustainable development. Missions and meetings/workshops/conferences attended include:

- The Unit participated in meetings in Brussels, Belgium, on four occasions: (i) 25 February – EU PCD Focal Points Meeting, where discussions were held on the preparations of the EU PCD Report 2015, and the EC Work Programme 2015, including PCD priorities and the EU Communication on “A Global Partnership for Poverty Eradication and Sustainable Development after 2015”. The meeting provided an opportunity for the Unit to update participants on ongoing OECD work on policy coherence, especially in the context of the post-2015 deliberations and the OECD Strategy on Development; (ii) 6 July – Attend a public launch of the report Assessment of Economic Benefits Generated by the EU Trade Regimes towards Developing Countries; (iii) 18 October – Participate in the launch of the EU 2015 Report on Policy Coherence for Development; and (iv) EU PCD Focal Points Meeting – The Unit was invited to share its visions on policy coherence in the 2030 Agenda and how PCSD can be used to inform policy-making.


- Praia, Cape Verde, 19 March – Workshop with civil society on PCD, organised by the Instituto Margues de Valle Flor in partnership with Cape Verde’s NGO Platform, in the context of a three-year project on Policy coherence – A Challenge for an Active Citizenship in Cape Verde. The
project is financed by the EU and Camoes-Portuguese Institute for Cooperation and Language which promote the principles of PCD at the local level. The purpose of the workshop was to present a PCD manual and three case studies on agriculture, fisheries and environment; to promote the participation of civil society in national political dialogue; to foster an inclusive and empowered society; and to facilitate domestic monitoring of sustainable development.

- The Unit was invited to participate and present its work on five separate occasions in Spain:
  (i) **Salamanca**, 25 March – National consultation on financing sustainable development and means of implementation for the Post-2015 agenda organised by the Spanish government; (ii) **Madrid**, 26 March (am) – Workshop on methodologies for monitoring and reporting policy coherence for development organised by the Spanish Ministry of Foreign Affairs. The Unit gave a presentation on the elements required to monitor policy coherence in the context of the Post-2015 Development Agenda; (iii) **Madrid**, 26 March (pm) – Lecture given on policy coherence for sustainable development at the University Complutense; (iv) **Madrid**, 10 July – Workshop on **Towards a PCD Index** organised by Plataforma 2015 y mas, a Spanish CSO; and (v) **Barcelona**, 20 October – the Unit gave a training session on Policy Coherence for Development in the 2030 Agenda for Sustainable Development at a meeting organised by the Catalan Agency for Development Cooperation.

- Two missions to **Lisbon, Portugal**, 14 May – Workshop on **Financing for Development and Policy Coherence for Development** organised by the Portuguese NGDO Platform. Discussions focussed on (i) the PCD concept and its implementation at the national level; (ii) preparations for the Portuguese PCD Work Plan – legal framework, priority themes, timelines, indicators; (iii) the motivation of line ministries and their roles and responsibilities. 18 June – Seminar on PCD organised by the Camoes Institute for Cooperation and Language, the European Centre for Development Policy Management (ECDPM) and the Institute Marques de Valle Flor (IMVF).

- **Helsinki, Finland**, 8-9 June – Participation in the first **PCD Community of Practice Workshop** hosted by the Ministry of Foreign Affairs, Finland. The Community of Practice is a joint initiative launched by Finland and Switzerland. The aim is to foster an in-depth dialogue between a limited number of experienced PCD National Focal Points facing similar challenges, and to share experiences on methodologies, practices and national mechanisms for promoting and monitoring progress on policy coherence for development.


- **Jeju Island, Korea**, 17-19 June – Participation at the workshop **Coherent Policies for Climate Smart Agriculture** co-hosted by OECD/TAD and Korea’s Ministry of Agriculture, Food and Rural Affairs. Discussions focussed on identifying synergies and trade-offs between agricultural productivity, climate change adaptation and mitigation and the policies needed to enable a “triple-win”. The Unit gave a presentation on the need for PCSD to tackle this type of global and interconnected challenges.

- Three missions to **Switzerland**: (i) **Geneva**, 2 July – attendance at Aid for Trade in Support of Sustainable Development Goals, a side event during the WTO’s 5th Global Review of Aid for Trade organised by ICTSD and the Government of Canada; (ii) **Geneva**, 9 September – participation in a consultation meeting on Operationalising a Dashboard of Indicators for Measuring Policy and Institutional Coherence for Migration and Development organised by the Thematic Working Group on Policy and Institutional Coherence within the framework of KNOMAD (Global Knowledge Partnership on Migration and Development), an initiative coordinated by the World Bank; and (iii) **Bern**, 19 November – participation in the 2nd **PCD**
Community of Practice Workshop organised by the Swiss Agency for Development and Cooperation.

- **Bucharest, Romania**, 8-9 July – The Unit was invited to give a presentation on *Ensuring a Coherent Approach towards Development in the New Global Agenda* at the VIIIth edition of the Romanian Development Camp – Development Cooperation Days.

- **Berlin, Germany**, 9 September – Participate in the 15th *International Economic Forum on Africa: Africa Beyond 2015* organised by the OECD Development Centre and the German Federal Ministry for Economic Cooperation and Development, in collaboration with the German Federal Foreign Office and in partnership with the African Union Commission. This is an annual gathering where experts debate the performance of African economies and the challenges ahead.

- **Tallin, Estonia**, 4 December – The Unit was invited to conduct two training sessions on *Policy Coherence for Sustainable Development* in the context of World-Wise Europe’s Project *A more coherent Europe for a fairer world*, which brings together NGDO platforms from Belgium, Czech Republic, Estonia, France, Hungary, Poland, Romania, Slovakia and Slovenia. The training session aimed to introduce the concept of PCSD; improve understanding of how it can be applied in practice in a national setting in the implementation of the SDGs; and present tools that could be used to analyse, enhance and track progress on PCSD. The session also included a practical exercise with small group discussions on the critical interactions across SDGs and targets to achieve food security. A similar session was organised in the afternoon for Estonian CSOs and Ministry of Foreign Affairs officials focused on exploring policy-making processes and institutional mechanisms for coherence that might work in the Estonian context. The presentations are available on the PCD Platform.