Ensuring Policy Coherence in Sustainable Development (PCSD)

A toolkit for being an effective PCSD watchdog

Introduction

This toolkit is for EU13 members of the EC-DEAR funded Coherent Europe for Sustainable Development (CE4SD). It includes information on policy coherence for sustainable development (PCSD) as well as resources, and tools to support these organisations to become PCSD watchdogs following evidence-based recommendations or meeting evidence-based specific practice standards.

This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of and can in no way be taken to reflect the views of the European Union.

What is PCD?

Policy coherence for development (PCD) is a government commitment to take account of the impact of policies that affect developing countries, either positively or adversely. The EU and its member states are legally bound to this commitment by the Lisbon Treaty, while the EU is politically obligated to pursue PCD in its European Consensus on Development [PDF]. The Consensus reaffirms the EU's commitment to Policy Coherence for Development (PCD), and "requires taking into account the objectives of development cooperation in policies which are likely to affect developing countries". The diagram below gives an overview of the tools and mechanisms the EU institutions have established, which illustrates the way in which the EU aims to approach PCD.

Overview of the tools and mechanisms
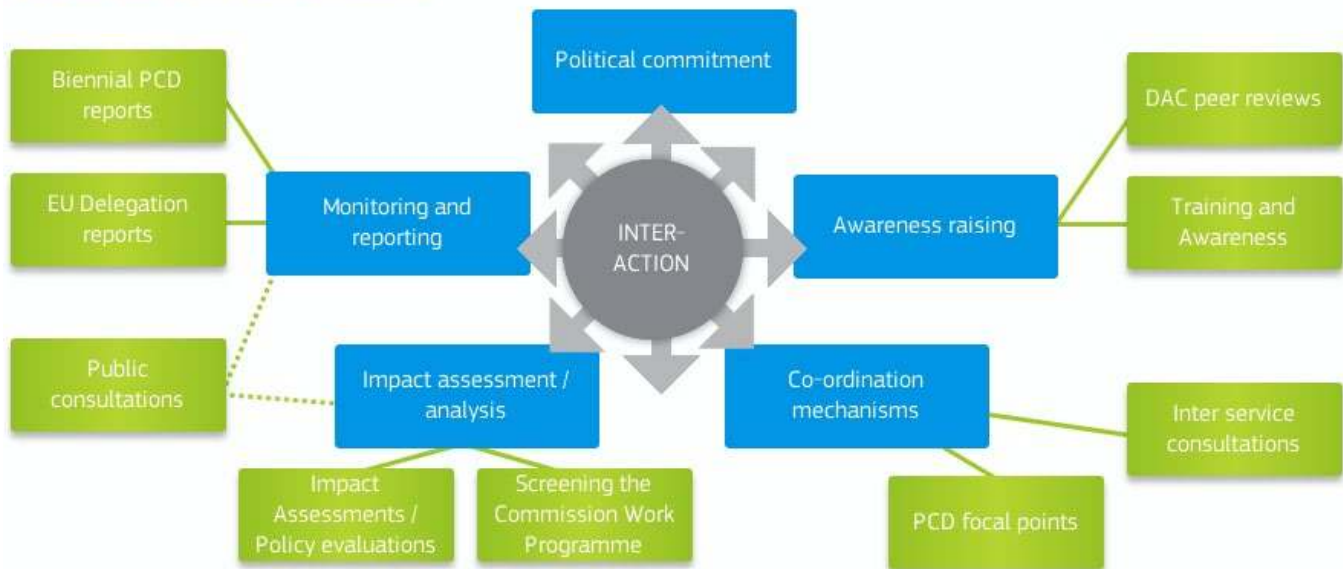
The EU's approach is based on the OECD's three building blocks to monitor PCD [PDF]: political commitments and policy statements; coordination mechanisms; and monitoring, analysis and reporting. The EU and its member states, with the Consensus, aspire to support better policy formulation and decision-making by developing an evidence base of policy impacts on developing countries through consultations, stakeholder engagement, ex-ante impact assessments and ex-post evaluations of major policy initiatives. However, despite promising words on paper, and the establishment of some coordination, consultation and assessment mechanisms at the EU level and in a number of EU member states, the impact on developing countries remains largely unconsidered in policy-making beyond development cooperation.[1]

The table below illustrates some examples of PCD in practice. It identifies the policy that is formulated at a national level but will have a cross-border impact. The purpose of PCD is to identify impact of the policy as formulated on developing countries. The aim is to formulate the desired positive impact of that policy, then identify the policy and practice challenges to achieving that impact, and which national and international policies and policies frameworks require changing to achieve positive impacts, or to best mitigate damaging impacts of domestic (regional) policies.

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[1] https://library.concordeurope.org/record/1634/files/DEEEP-REPORT-2016-008.pdf

Some examples of PCD in practice

Cross-border issue	Aim	Challenges	Mechanisms
Environment, including climate change	Limit, and enable developing countries to adapt to, environmental change	Dependence on fossil fuels; unsustainable consumption practices	international climate change agreements and negotiations, environmental impact assessments
Trade (including agricultural trade)	Enable developing countries to benefit fairly from cross-border trade	Trade-distorting domestic support, trade barriers, market access	Trade agreements/negotiations, aid for trade, trade impact assessments
Investment	Increase employment, living standards sustainably and equitably	Addressing structural and policy impediments to balanced and responsible private sector investment	Bilateral investment agreements, Policy Framework for Investment; United Nations Global Compact; OECD Guidelines for Multinational Enterprises; International investment agreements; better regulation and transparency of public-private partnerships

The shift to PCSD

Policy coherence has taken on greater importance and scope with the adoption of the 2030 Agenda, and its Sustainable Development Goals (SDGs). The EU and its member states are now committed to promoting a whole-of-government approach to policy coherence for sustainable development (PCSD) and ensuring political oversight and coordination efforts at all levels for SDG implementation. PCSD should oblige decision-makers to balance the four dimensions of sustainable development (social, environmental, economic and governance). It should ensure that the way in which they design policies contribute to, rather than undermine, the ability of EU member states and other countries to achieve sustainable development and consider its consequences for future generations. Efforts for PCSD, therefore, should not only minimise negative external impacts: they should aim at fundamentally changing the economic, social and political system, to such an extent that future generations will be able to live in a world free from poverty, in which human rights and planetary boundaries are respected, and no one is being left behind.

The integrated nature of the 2030 Agenda requires us to pay greater attention to the interlinkages between various goals and policies, instead of trying to treat each problem individually. Ideally, governments should undertake assessments of the impacts of policies on all dimensions of sustainable development, both domestically and in partner countries. Governments should adopt a strategy to operationalise PCSD at all levels of government to maximize its contribution to Agenda 2030.[2]

In 2017, the OECD updated its PCD methodology to reflect PCSD. The PCSD methodology consists of 8 building blocks. However, it is probably simpler when first initiating a PCD process to develop analysis and gather evidence to use the three PCD building blocks to assess PCSD. This will not unnecessarily overcomplicate the process, particularly for CSOs which lack capacity and need to develop expertise to assess how policies impact on social, environmental, economic or political sustainable development within the EU.

Purpose of the toolkit

CSOs play a key role as a watchdog, holding governments and public and private institutions accountable on PC(S)D as well as on achieving Agenda 2030 and other international human rights, development, and environmental commitments. They do this through using their expertise to contribute to evidence-based policy making, monitor PC(S)D, and carry out independent evaluations. CSOs also hold decision-makers to account by raising public and political awareness on the implementation of government commitments.

This toolkit is intended to provide a methodological approach to bridge the findings from the EU13 partners' respective mapping exercise to developing an advocacy strategy. The mapping and research examines both the policy processes, state of coherence, and key policy actors at national level in EU13 countries. It also covers the mapping of the SDGs implementation at national, EU and global levels, particularly the CE4SD priority thematic goals of:

- SDG 1: Zero poverty
- SDG 8: Decent work and economic growth
- SDG 12: Responsible production and consumption
- SDG 13: Climate action

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[2] See chapter 2, Sustainable Development: The Stakes could not be higher, CONCORD, 2016 https://concordeurope.org/wp-content/uploads/2016/11/SustainableDevelopment_publication_2016_web.pdf?ad4440&ad4440

To do this, EU13 partners need to organise as "PCD/PCSD Watchdogs". The primary objective of the Watchdog is to influence governments to use PCD/PCSD mechanisms to ensure all domestic and external policies consider the negative and positive impact on achieving the SDGs (particularly goals 1, 8, 12 and 13) within and beyond national borders, and especially within developing countries. The Watchdogs should have the following functions:

- Use the PCD mechanisms established at national, EU and global levels to hold your government to account to their commitment to delivering and reporting on delivering the SDGs, and establishing PC(S)D mechanisms, including reporting, as part of that process. Only then can you build the evidence on progress, regression, and learning.
- Call on your government to activate all PCD mechanisms agreed under the EU PC(S)D requirements, Agenda 2030, and the Addis Ababa Agenda for Action.
- Know governments' commitments to Agenda 2030 (particularly SDGs 1, 8, 12 and 13), and how they are performing against targets, using PC(S)D mechanisms and other sources of data.
- Hold governments to account for delivering on their commitments to delivering Agenda 2030 (particularly SDGs 1,8, 12 and 13) through advocacy and campaigning informed by watchdog analysis.
- Collaborate with CSOs nationally, across the EU and at a global level to share analysis, learning, and undertake joint advocacy and campaigning.

How to operationalise the PCSD Watchdog

1. Allocate time in your work plan to play the national Watchdog function – this can be one person allocating a percentage of time, or a small group of people developing a Watchdog plan of action at a national level. If there is limited capacity and expertise, don't be too ambitious – choose one specific aspect of one policy area only e.g. getting a government to commit to sharing consultation documents with civil society and parliament.

2. If there is more capacity, as a first step, look at your government's work programme/list of priorities for the next year relevant to the priority thematic areas. Try to identify which domestic policies related to those areas are most likely to impact developing countries, so your work will be politically relevant. Consider the aim, challenges, and mechanisms, as illustrated in the PCD in practice table above.

3. Once you've identified a policy area, as a second step, consider the guiding questions listed in the table below to start the process of assessing the potential effects those policy proposals or existing policies might have on developing countries. Refer to respective networks, credible sources of data and analysis (shown in point 7 below) to help develop your analysis.

A list of potential impact areas and guiding questions that you could consider when carrying out qualitative assessment (accompanied by possible further quantitative analysis) are suggested below:

Category of impact	Potential impact areas particularly and guiding questions concerning developing countries
Economic Impacts	What are the impacts on international and domestic investment flows (outflows and inflows including FDI) in the developing countries?
	What are the impacts on the private sector in developing countries (including competitiveness, access to finance, access to market)?
	What are the impacts on labour market (e.g. creation of job or decrease in employment level, impact on different groups of the workforce – low-skilled vs. high skilled workforce, wages level, working conditions)?
Social impacts	What is the impact and poverty and inequality levels in the country?
	What are the impacts on gender equality, and on the most vulnerable groups in society?
	What is the impact on human rights in the developing country?
	What is the impact on food security for the local population (e.g. by impacting on price of commodities or food on world and regional/local markets or by limiting access to land, water or other assets)?
Environmental impacts	What is the impact on emission targets in developing countries?
	What is the impact on the low carbon technology transfer and its availability in developing countries?
	What is the impact on the management and use of natural resources, e.g. minerals, timber, water, land, etc.?

4. Once you've identified your policy area, check what PCD systems (refer to CONCORD's papers[3]) are in place in your country and what needs to happen to activate those systems.

5. Develop relations with relevant government departments – even if you start by holding one meeting with a relevant government official, make sure you agree follow up - and parliament to establish CSO engagement in processes, such as the voluntary national review (VNR).

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[3] Refer to national mapping system, and/or 'Operationalising Policy Coherence for Development, 2015, CONCORD. https://library.concordeurope.org/record/1634/files/DEEEP-REPORT-2016-008.pdf

6. Your findings following your interviews (with policy-makers)
   should provide analysis and rationale to make a case for an assessment to be undertaken on the policy impacts on developing countries. Call on your government to undertake and impact assessment (IA) as part of the government's commitment to PCD. Then call for the findings from the IA to be taken into account in the final choice of formulation of policy and possible mitigation measures. In the case of ex-post evaluations, these should be used to guide the review of the policies they evaluated.

7. Be aware of and use good credible sources that provide quantitative and qualitative data on your country's performance to develop arguments for governments to apply PCD mechanisms and re-formulate their policies so they are more coherent. They include:

   ● **The voluntary national reviews:** See the [IISD SDG Knowledge Hub](#) and [Progressing national SDGs implementation [PDF]](#), an independent assessment of the VNR reports commissioned by civil society

   ● **The national and global SDG indicator framework:** See [UNStats](#) to understand the official process for measuring SDG implementation. The global framework will be first reported on in 2020. See [here [PDF]](#) for the framework.

   ● **Global Partnership for Sustainable Development Data** helps stakeholders across countries and sectors harness data for sustainable development. [You can access it here](#).

   ● **Sustainable Development Solutions Network (SDSN)/Bertelsmann Stiftung SDG Index and Dashboards** describe countries' progress towards achieving the SDGs and indicate areas requiring faster progress. [Read the 2018 report here](#).

   ● **The Policy Coherence in Development Index (PCDI)** is a tool designed to measure, evaluate and compare countries' commitment to sustainable development. [Read the index here](#).

   ● [DEVCO's e-leaning tool on PCD](#).

8. **Collaborate with coalitions** (e.g. CONCORD Hub 1, Sustainable Development and PCSD[4]), and partnerships with CSOs working on the thematic SDGs (development sector and other CSO sectors). Share case studies, reports, policy analyses, and recommendations for alternative development-friendly policy options and widely share with policy-makers in different policy sectors. For example, CONCORD's [Justice, Democracy and Diversity in our Food System (2014) [PDF]](#) is an example of a case study that CONCORD has conducted on a more coherent approach to achieving food justice. This is a sophisticated approach but does illustrate how more coherent policies can work. You can [find all CONCORD's PCD related reports here](#).

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[4] Engage with CONCORD Hub 1 on EU-related PC(S)D legal obligations, to share analysis and influence the EU on SDG related policies, and the SDGs at an international level.

9. **Use the momentum of Agenda 2030** process adopted by your government to strengthen the PCSD commitment and advocate for an ambitious national SDG implementation framework (priorities, indicators, follow up processes), that differentiates between the impacts of sustainable development at home and in developing countries, which involves local stakeholders, and whose assessments include measurements on leaving-no-one-behind. This could be done by organising a seminar with the objective of comparing and analysing practical cases in European countries and institutions that have been pioneers in the incorporation of PCD. It is hoped that this will promote the adoption of PCD measures by your government, and improve the knowledge about the challenges involved, identify the necessary normative and institutional instruments and stimulate a public debate with public and private actors. This might be an activity planned for the third year of this project and could involve EU-13 watchdog partners and national representatives. The event could be based on [this one held in Barcelona in June 2018](#).

Creating an advocacy strategy

The functions of the PCSD watchdog are part of the advocacy process, enabling strengthened engagement with government (ministries and parliament) and allies (CSOs, think-tanks, international networks). It will provide a key source for the evidence-based research and analysis to develop policy positions on which to influence your government to contribute the SDG targets on the thematic areas.

The advocacy strategy also involves other components to maximise CSOs' ability to influence policy and practice. Annex 1 contains a guide to developing an advocacy strategy, which sets out the key thought process, information and elements required. By understanding the requirements of an effective advocacy strategy, it is easier to refine the functions, activities and outputs of the watchdog.

Annex 1: Advocacy strategy template

Most advocacy strategy formats include similar elements. These are:

Element of Strategy Document	Should include:	
Background *1- 2 pages*	Analysis of your context Analysis of your problem and solution Rationale for your focus	What is the change?
Goal or long-term outcome *1 sentence*	Goal = The long-term result that the campaign seeks to achieve (even if it may be beyond the scope of an individual campaign to achieve on its own)	What is the change?
Objectives or intermediate outcomes *3 – 5 objectives* *1 sentence per objective*	Objectives = The key results that you will achieve and how you will achieve them	What is the change?
Key Influencing Strategies and Audiences *1 page for key stakeholder analysis* *1 paragraph per key influencing strategy*	**Summary of key Stakeholders/Audiences** This should include your targets, your allies, and your opponents **Summary of main influencing strategies** This would explain how you intend to use particular influencing strategies (research, media, lobbying, networks etc) to reach your audiences/key stakeholders.	Who is involved? What do they need to hear/feel/see? How will you reach them?
Proposition or Core Message *1 paragraph*	Core Message	What do they need to hear/feel/see?

Annex: Action Plan *1 – 2 pages*	Who will do what and when – this should also include budget and responsibilities	How will you reach them?
Annex: Monitoring and Evaluation Plan *1 – 2 pages*	Explanation of how you will gather information for M&E and when it will be used Clear indicators of progress and success Key risks and assumptions in the strategy	How can you tell if it is working?