Governance as an SDG Accelerator

COUNTRY EXPERIENCES AND TOOLS

OECD

Governance as an SDG Accelerator

COUNTRY EXPERIENCES AND TOOLS

OECD
BETTER POLICIES FOR BETTER LIVES

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Photo credits: Cover © Buttons Buttons/Shutterstock.com; Artistdesign29/Shutterstock.com

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.
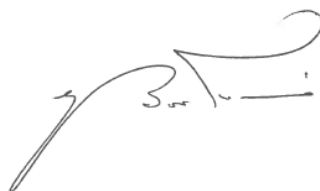
Foreword

The Sustainable Development Goals set a roadmap for a better world. One where poverty, hunger, disease, climate change and gender inequality are no longer a threat to our planet and wellbeing. Instead, they chart a world where decent jobs for all, sustainable infrastructure, clean oceans and energy, responsible consumption and production, clean water and sanitation, and quality education, become the norm.

If we are serious about achieving these ambitious goals in just over ten years, we must accelerate progress. For that to happen, we need to mobilise financial resources, but we also need to boost the capacity of governments to plan, to coordinate, to act, and to serve as a catalyst in support of SDG implementation.

Governments face a particularly challenging task with the SDGs. The SDGs are complex and multi-faceted. Governments need to be able to manage trade-offs to understand externalities and to align and coordinate action across several ministries and levels of government.

This report highlights some good practices and other innovative steps countries around the world are taking towards whole-of-government coordination, stakeholder participation, integrating the SDGs into the budget cycle, building monitoring and evaluation systems, and strengthening integrity systems.

The OECD is committed to helping countries deliver on the SDGs. In partnership with the UN system and other stakeholders, the OECD is also ready to work with all countries and support them as they review and refine their institutional frameworks and policy toolboxes in support of SDG implementation.

Marcos Bonturi

Director

OECD Public Governance Directorate

Acknowledgements

Table of contents

Table

Figures

Boxes

Follow OECD Publications on:

http://twitter.com/OECD_Pubs

http://www.facebook.com/OECDPublications

http://www.linkedin.com/groups/OECD-Publications-4645871

http://www.youtube.com/oecdilibrary

http://www.oecd.org/oecddirect/

Abbreviations and acronyms

ADR	Alternate Dispute Resolution
ASEAN	Association of Southeast Asian Nations
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CoG	Centres of Government
EU	European Union
GIAs	Gender Impact Assessments
GPP	Green Public Procurement
INTOSAI	International Organization of Supreme Audit Institutions
IWT	Illegal Wildlife Trade
KPIs	Key Performance Indicators
MAPS	Methodology on Assessing Public Procurement
MAPS	Mainstreaming, Acceleration and Policy Support
M&E	Monitoring and Evaluation
MTEF	Medium-Term Expenditure Framework
NAO	National Audit Office
NDP	National Development Plan
NPD	National Planning Department
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OGP	Open Government Partnership
OPeN	Open Parliament e-Network
PCGB	Paris Collaborative on Green Budgeting
PCSD	Policy Coherence for Sustainable Development
PFM	Public Financial Management
PIA	Poverty Impact Assessment
PSLC	Public Service Leadership and Capability
RIA	Regulatory Impact Assessment
SAIs	Supreme Audit Institutions
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
WPSPIO	Working Party of Senior Public Integrity Officials

Executive summary

Achieving progress on the SDGs 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.

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. In short: delivering on the SDGs is a formidable governance challenge – irrespective of countries' income levels. This report seeks to illustrate how public governance practices can be strengthened to contribute more effectively to the implementation of the SDGs.

Whole-of-government coordination and policy coherence help to ensure an integrated approach to SDG implementation. The integrated nature of the 2030 Agenda requires governments to work across policy silos and set ambitious and interrelated economic, social and environmental objectives that go beyond short-term political cycles. There is a need for a whole-of-government approach to strategic visioning, priority setting, and implementation. Robust coordination mechanisms are key in ensuring policy coherence and successfully addressing the multi-dimensional policy challenges that characterise the SDGs.

Stakeholder participation and open government strengthen the legitimacy of policy-making decisions for implementing the SDGs. Collaborating with citizens at every stage of policy and service design and delivery is critical for ensuring sustainable improvements that respond to nuanced public needs. By promoting the principles of transparency, integrity, accountability and stakeholder participation, open government strategies and practices can inform both the substance of SDG implementation – by directly contributing to the achievement of the goals – as well as to the process by which countries pursue the SDGs throughout the policy cycle, namely, during their design, implementation, monitoring and evaluation.

Budgeting for the SDGs promotes policy integration and ensures continuity of policy objectives beyond electoral cycles. The budget is a central policy document of government, showing how annual and multi-annual objectives will be prioritised and achieved. Adapting budget systems and processes can improve the extent to which resource allocation supports effective policy design and performance in support of national SDG agendas, at all levels of government. Linking budgets to the SDGs could also be used as a tool to assess overall government performance taking into account longer-term sustainability of the budget and help increase administrations' accountability to civil society and Parliaments. An

increasing number of countries are also using public procurement as a strategic policy lever to support broader outcomes consistent with the SDGs.

Monitoring and evaluation systems are essential for assessing to what extent policies and resource allocations for implementing the SDGs result in meaningful outcomes. Solid monitoring and evaluation and the strategic use of the information it generates throughout the policy and budget cycle can foster a range of objectives such as policies' value for money, accountability and overall transparency of a policy-making process. Taking into account the complex and interconnected nature of the SDGs (including trade-offs), a sound monitoring and evaluation system is of particular importance. In addition, considerations such as inclusiveness and sustainability – as opposed to more traditional considerations such as efficiency or effectiveness – ask for innovative approaches when assessing the merit and achievements of policy initiatives in support of the SDGs.

Integrity in public policies strengthens the democratic process and reduces the risk of policy capture in SDG implementation*.* Integrity is vital to govern in the public interest and for the prosperity and well-being of society as a whole. It promotes economic growth by cultivating a level playing field for business, helps reduce socio-economic inequalities, and supports environmental sustainability goals. Strengthening integrity also helps make public policies more effective and is critical for restoring trust in government.

Equal access to justice enables the implementation of compensatory and control mechanisms in society to achieve all other SDGs. At its core, effective access to justice is central for ensuring the effectiveness of the rule of law, and promotes good public governance, policy design and regulatory performance. Strong, well-functioning justice systems reduce the scope for policy capture, corruption and mismanagement in the public sector. They increase trust in government and support governance systems that are conducive to achieve the SDGs. More broadly, access to justice and legal empowerment initiatives are necessary elements to achieve policy outcomes such as better health, education, gender equality, employment and housing.

Fostering public governance dimensions of gender equality in support of the SDGs can accelerate progress. Achieving gender equality is a complex, transversal and multidimensional task. It requires the involvement and buy-in from all actors as well as a broad array of stakeholders across society. In addition, given the diversity within the male and female groups and intersecting identity factors, (e.g., related to age, geography, culture, income, disability, ethnicity, etc.), an intersectional governance approach is critical for implementing gender equality while addressing economic, social, political and environmental aspects of gender gaps at the global, national and local levels. This goes hand-in-hand with the call to leave no one behind, which requires policy coordination and coherence across all dimensions of sustainable development in order to reduce global inequality – both within and between countries.

Improved performance across these key "governance pillars" can be expected to foster more transparent, inclusive and impactful SDG implementation. It will help governments to prioritise and set national targets and objectives across the policy spectrum, and to mobilise and allocate resources accordingly. Ultimately, sound public governance can support a shift from traditional siloed policy making to more integrated approaches that also balance short- and long-term interests in the pursuit of sustainable development.

Introduction

Delivering on the Sustainable Development Goals (SDGs) is a formidable challenge for countries at all levels of development. The 2030 Agenda requires governments to coordinate, consult and work across policy areas in an unprecedented way. This calls for a strategic use of budget, procurement and regulatory tools and the design and implementation of innovative, forward-looking policies and programmes. All these issues are part of a 'governance' agenda, which not only is a goal in itself, but also more importantly, an essential enabler for the achievement of all other goals.

This report is meant as a live repository of experiences, good practices and lessons learnt from countries around the world on these governance challenges. It supports the knowledge gathering and peer learning initiatives underpinning the proposed Global Hub on the Governance for the SDGs.[1] The Hub will offer countries practical support to strengthen the public governance practices that are pre-requisites for effective SDG implementation. The Hub will help interested countries develop fit-for-purpose public governance mechanisms to deliver on the SDGs. It will do so by mobilising support and expertise across a number of key governance pillars such as:

- Whole-of-government coordination and policy coherence;
- Stakeholder engagement and open government;
- Effective use of budgeting and public procurement tools;
- Monitoring, evaluation and audit institutions;
- Fostering a culture of integrity and fighting corruption.

The report then looks specifically at the role of government frameworks to support two specific objectives:

- Ensuring equal access to justice and citizen's legal empowerment; and
- Promoting gender equality.

For each of these pillars, this report (i) describes the relevant governance issues; (ii) discusses specific challenges related to the SDGs; and (iii) presents selected country experiences, lessons learned, and possible avenues for supporting countries in strengthening their governance frameworks.

The report draws on the expertise of the OECD's extensive policy and knowledge networks, which include both OECD members and partner countries. This includes work on indicators of government performance, insights into good practices in public sector reform from public governance reviews, and sound principles and standards in fields such as public sector integrity, digital government, budgeting and regulatory policy.

---

[1] The Global Hub on the Governance for the SDGs is a proposed partnership with UNDP and others to facilitate the exchange of expertise and provide tailored support on strengthening governance mechanisms to implement the 2030 Agenda.

Chapter 1. Whole-of-government coordination and policy coherence

This chapter underlines the importance of whole-of-government coordination and policy coherence for ensuring an integrated approach to the implementation of the Sustainable Development Goals (SDGs). The integrated nature of the 2030 Agenda requires governments to collaborate across policy sectors and set interrelated economic, social and environmental objectives that go beyond short-term political cycles. There is a need for a whole-of-government approach to strategic visioning, priority setting, and implementation. Robust coordination mechanisms are key in ensuring policy coherence and successfully addressing the multi-dimensional policy challenges that characterise the SDGs.

The 2030 Agenda calls for a coordinated and coherent approach to implementation

The implementation of the Sustainable Development Goals (SDGs) is an enormous governance challenge for all countries, irrespective of levels of development and income. The integrated nature of the 2030 Agenda requires governments to work across policy silos and set ambitious and interrelated economic, social and environmental objectives that go beyond short-term political cycles.

There is a need for a whole-of-government approach to strategic visioning, priority setting, and implementation. Robust coordination mechanisms are key in ensuring policy coherence and successfully addressing the multi-dimensional policy challenges that characterise the SDGs. Well-embedded planning practices are also instrumental in translating political commitments and ambitions into both long and medium-term strategies and operational action plans to guide the work of government in pursuing these commitments. Lastly, policy monitoring and evaluation plays a primordial role in allowing the effective design, implementation and delivery of public policies, ultimately ensuring the achievement of long-term goals through sound and evidence-informed policy-making.

Similarly, new ways of working are needed to consider systematically the transboundary impacts of domestic policies and actions. In an interconnected world, countries impact on one another through financial flows, trade, global value chains, migration and knowledge transfers. Addressing these complexities and interlinkages requires enhanced policy coherence for sustainable development, as called for by SDG 17.14.

Together with other international organisations such as the United Nations Development Programme (UNDP) and the United Nations Department for Economic and Social Affairs (UNDESA), the OECD has developed extensive expertise on the governance requirements for effective whole-of-government coordination and policy coherence in countries around the world. Drawing on knowledge and experiences from its peer-to-peer learning fora and a broad range of policy communities, the OECD is in a unique position to share and harness collective international knowledge in these areas.

The role of the Centre of Government

The complexity and breadth of the SDGs require strong leadership to facilitate institutional coordination and ensure accountability. According to the OECD Survey on Planning and Coordinating the Implementation of the SDGs (OECD, 2016[1]), there are several different practices when it comes to assigning leadership for the implementation of the Agenda 2030 within national governments. Examples include the Ministry of Foreign Affairs or Development, the Ministry of Environment, the Ministry of Finance, or the Ministry of Planning. Similarly, this responsibility can be assigned to a new dedicated, interdisciplinary body or a specific committee mechanism. A recent trend has seen countries strengthen the institutional and financial capacity of their Centres of Government (CoG) – the body or group of bodies that report directly to the Head of Government and the Council of Ministries – to support SGG implementation (Box 1.1).

There are a number of reasons for this. First, the CoG is, technically, policy neutral. Second, the CoG has convening power borrowed from the Head of Government and can bring pressure to bear on departments to adjust policies and commit resources. In principle, with respect to the Head of Government's priorities, it is better able to reach consensus without resorting to the lowest-common-denominator negotiations. Third, the CoG usually has

more coordination expertise to drive cross-disciplinary policies and stronger political sensitivity than line ministries.

The CoG's strategic planning and policy coordination capacities are particularly important given the broad scope of the SDGs and the incentive for some stakeholders to cherry-pick the easiest and less costly areas to implement. According to UNDESA, coordination by the CoG is one of the most important strategies to ensure an integrated approach to SDG implementation (UNDESA, 2018[2]). Moreover, the Centre can foster a culture of innovation and experimentation by supporting a shift from traditional policy tools (i.e. sector by sector) to those that require a less risk-averse approach.

The role of the CoG in implementing the SDGs at regional and local levels is equally important. The way the 17 SDGs come together is not the same in a city and rural town, or across different regions, as access to public services and economic opportunities can vary widely. The more decentralised the state is, the greater is the need for vertical coordination mechanisms to ensure effective SDG implementation.

Box 1.1. The role of Centres of Government in SDG implementation in OECD countries

Results from the 2016 OECD survey show that in 19 OECD countries, the Centre of Government is helping to steer the implementation of the SDGs either on its own or with line ministries. In ten OECD countries, the leadership or shared leadership of the implementation is assigned to one or several line ministries, with the Ministry of Foreign Affairs being the most common line ministry involved, followed by the Ministry of Development, the Ministry of Environment and the Ministry of Finance. The involvement of the Ministry of Foreign Affairs also implies the need for the Centre of Government to ensure synergies between domestic and foreign affairs priorities.

The decision to designate the CoG as a key actor in the coordination of the implementation of the SDGs is also dependent on the functions allocated to the CoG, which vary by country. CoGs identify a number of significant opportunities and challenges arising from the implementation of the SDGs. Interestingly, some of the most important key challenges that are identified are also perceived as opportunities. In fact, 19 OECD countries consider the SDGs as a strong incentive and mandate that policies be aligned across sectors, when traditionally most CoGs find themselves only exerting a moderate influence over line ministries to encourage them to coordinate. Similarly, 12 OECD countries see the long-term planning horizon of the SDGs beyond electoral cycles as an opportunity.

Source: OECD (2016[1]), *OECD Survey on Planning and Coordinating the Implementation of the SDGs: First Results and Key Issues*, https://www.oecd.org/gov/cob-sdg-survey-overview-of-results.pdf.

Strategic planning and priority-setting

Translating the 17 SDGs into concrete actions and deliverables that reflect their multi-disciplinary nature is a significant challenge. An effective planning and budget process can help with priority setting and ensure that available resources achieve maximum impact. Governments can also use public procurement as a strategic lever to promote innovation and address societal challenges. While national planning tools already exist in most countries, generally they need to be adjusted to match the multidisciplinary and complex nature of the 2030 Agenda. Among the 35 responding countries and the EU that

participated in an OECD survey (OECD, 2016[1]), 25 (or 70%) of them had within a year already integrated the SDGs into their national and/or sectoral strategies. More than two-thirds of those had done so as part of a revision or the preparation of a new national development strategy. A similar number of respondents (over 70%) also identified the "opportunity to better align policies across sectors" as the most important positive aspect of the process of organising the planning for implementing SDGs. Given that the SDGs were adopted in September 2015, the results of this exercise show that many countries have acted both quickly and decisively with their SDG integration or mainstreaming process both at the national and sectoral level.

Developing a specific document that lays out the country's SDG strategy, can provide the indispensable reference to guide the different ministries and levels of government to ensure a common vision and identification of priorities. It can also facilitate accountability, by including specific targets and indicators to achieve the SDGs, as well as stakeholder engagement, by providing the basis for discussion with different groups in society.

A typical national SDG strategy may involve the following: first, mapping of existing national objectives at all levels and identifying priority areas for improvement (including specific targets and indicators that are consistent with the broader SDG methodology); second, selecting policy changes, focusing on those that could trigger most progress across all SDGs; and finally, preparing an actionable plan that is compatible with available resources.

As part of the process of developing a national SDG strategy and action plan, governments may also apply strategic foresight and visioning to engage in scenario planning consistent with the time horizon of different goals. Such exercises can engage various stakeholders, providing a level of endorsement of the strategy and legitimacy by society that could facilitate its continuity beyond electoral cycles.

One of the greatest challenges in developing a national SDG strategy is finding the right level of realistic ambition, given the multiple policy objectives and the complexity of some of them. When designing their national SDG plans, governments need to take into account their national realities and constraints and reconcile their 2030 vision with a variety of existing national strategies, objectives and sectoral policies as well as with their international commitments. The strategy and action plan are anchored in national priorities around each of the SDGs, while the timelines and means for delivering the desired results are ultimately determined by the regular policy-making and budgetary processes.

Public procurement as a strategic lever

The use of public procurement procedures is responsible for a large proportion of government spending and so it is a key lever for increasing the efficiency and effectiveness of government spending. Traditionally measuring public procurement's impact has been associated with evaluating its immediate, monetary impact. At the same time, the value achieved from public procurement in many countries can directly impact the health of citizens, which in turn affects a raft of areas including the ability to contribute to GDP. Social and environmental considerations are increasingly relevant for countries to consider when conducting procurement, in order to achieve the SDGs, and many countries have demonstrated how procurement can make a meaningful impact across the 2030 Agenda (OECD, 2019[3]).

Tackling challenges and encouraging innovation through the use of strategic public procurement works equally on national and sub-national levels. Across OECD countries

nearly 134 000 sub-national governments are responsible for around 63% of public procurement, 59% of public investment and 40% of total government expenditure (OECD, 2015[4]). However, responsibilities and co-operation between governments and agencies responsible for public procurement are often not coordinated with agencies and ministries in charge of innovation policies. Fragmentation of public demand on local, regional and national levels can limit the ability to collaborate and ultimately the impact of strategic initiatives on sustainable development outcomes.

In order to implement and promote strategic public procurement a number of complex system-wide areas for action have been identified. Having an overarching, high-level strategy can facilitate coordination and collaboration as it sets out guidelines and standards in a transparent manner and shows political will. The development of a national innovation action plan or innovation strategy begins with taking stock of goals related to innovation at the highest political levels. Strong political commitment is key to the success of any public procurement innovation strategy (OECD, 2017[5]).

Human resources, skills and digital tools to support SDG implementation

Governments need to ensure that the institutions involved in the implementation of the 2030 Agenda are equipped with skills and resources to support implementation in a way that is credible both within the administration and externally. In today's fast-changing world, a professional, capable and responsive public service is more important than ever to deliver public value and drive citizens' trust in public institutions. As part of their SDG strategies, governments need to adjust their key management practices to an increasingly complex economic, social and environmental reality, and using human resources in the most responsible way. Solutions could include upgrading civil service capabilities and skills as well as creating innovative digital tools, among others.

Given the multidisciplinary nature of the 2030 Agenda, to achieve the SDGs, government employees increasingly need to work across multiple policy areas and systematically use collaborative methods for engagement with citizens and stakeholders. Skills in different sectoral policies need to be developed both at the CoG (or another coordinating institution) as well as in other institutions to manage crosscutting or cross-ministerial initiatives (UNDESA, 2018[2]). Officials also need to understand the interaction between different goals and policies, their complementarities and trade-offs, as laid out in the OECD Framework for Policy Coherence for Sustainable Development (Box 1.2).

A second key challenge is the development of a collaborative leadership style that is less about command and control or monitoring performance, and more about facilitation, support and advice to collectively meet complex, crosscutting and intransigent policy challenges posed by the SDGs. This would include mechanisms to bring ministries together in the pursuit of common goals or outcomes, and performance management methods for incentivising, acknowledging and rewarding contributions to collective goals.

Box 1.2. A framework for promoting policy coherence for sustainable development

Sustainable Development Goal target 17.14 calls on all countries to "enhance policy coherence for sustainable development" (PCSD), as an integral part of the means of implementation.

The OECD Framework for Policy Coherence for Sustainable Development provides a methodology for analysing the synergies and trade-offs between different policy areas, SDGs and targets as well as the transboundary and intergenerational policy effects. Policy coherence also requires strong institutional set-ups.
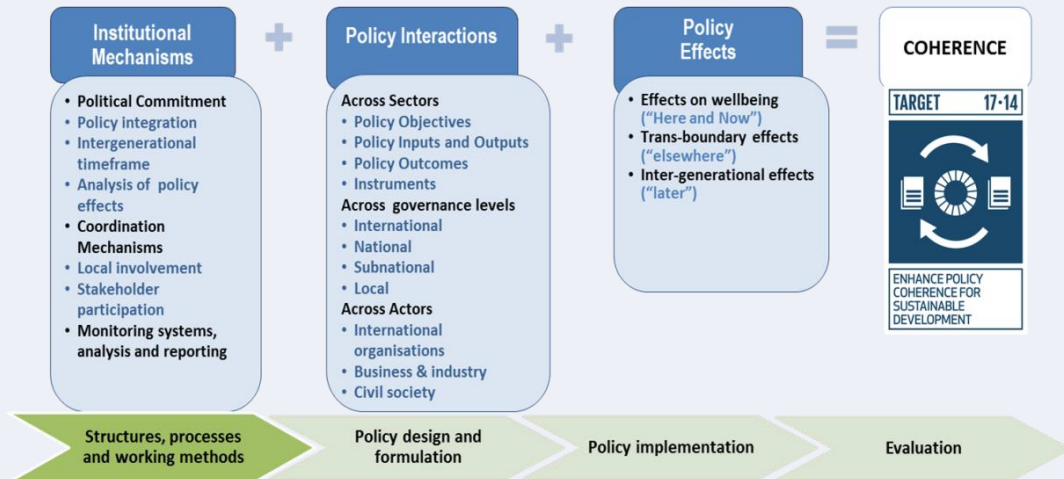
The OECD PCSD Framework can be adapted to diverse national and institutional contexts and allows users to develop their own strategy for enhancing policy coherence. It can help governments identify and address analytical and institutional gaps, and to self-assess national performance and progress towards achieving the SDGs over time.

Source: OECD (2016[6]), *Better Policies for Sustainable Development 2016: A New Framework for Policy Coherence*, https://dx.doi.org/10.1787/9789264256996-en.

Developing competency frameworks, which identify and strengthen the right skills of public servants, is key in making civil servants fit to deliver on national objectives such as the SDGs (OECD, 2017[7]). Figure 1.1 displays a framework model, which represents four bundles of skills required by civil servants to deliver public value: (i) develop policies with elected officials, (ii) work with citizens, (iii) commission and contract services through third party delivery, and (iv) collaborate in networks (OECD, 2017[7]). All of these four bundles of skills need to be applied and coordinated effectively to enable governments to achieve the SDGs.

The OECD 2019 Recommendation on Public Service Leadership and Capability (PSLC) presents 14 principles, which together ensure that investments in public employment produce those results. In this context, building a fit-for-purpose civil service requires reforms that target leadership, productivity and performance.

Digitally skilled public sector employees could play a pivotal role in the development of digital government strategies for the improvement of policy-making in all its stages. It can be used strategically to shape public governance outcomes beyond using them simply to

improve government processes or reducing costs in the public sector. They could be essential, for example, for taking to a new level engagement with citizens and other stakeholders, which is at the heart of achieving the SDGs.

Figure 1.1. Civil service skills for public value: A framework
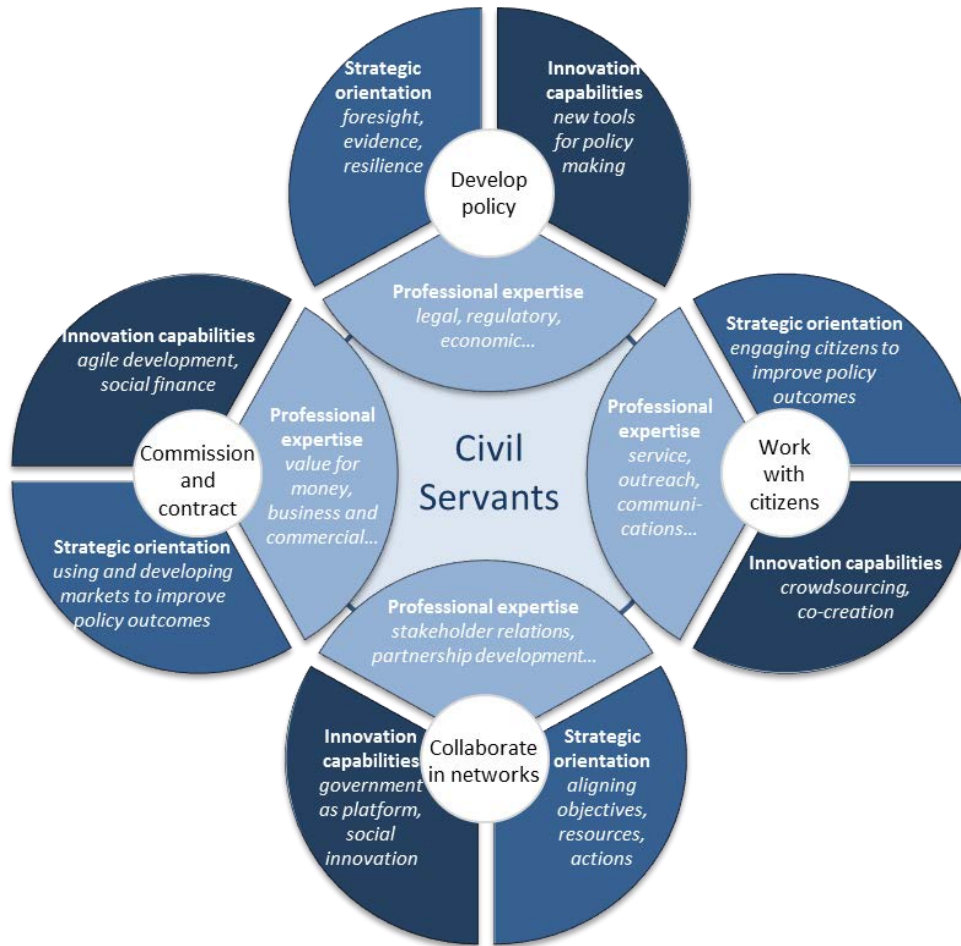
Source: OECD (2017[7]), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews, https://doi.org/10.1787/9789264280724-en.

Technologies such as social media, mobile phones and artificial intelligence are progressively embedded in the everyday lives of citizens, businesses and public sectors, and they have the potential to significantly transform how they operate, produce and connect with each other, including in support of the SDGs. Similarly, policies aimed at decreasing inequality of access to opportunities brought about in the digital age for personal development and improved well-being are core to sustainable societal development and for the objective of leaving no one behind.

Although the 2030 Agenda for Sustainable Development does not establish a separate target for digital government, digital technologies can be considered both as a lever and an accelerator in the promotion of the SDGs. Table 1.1 demonstrates the contribution of digital technologies to several SDGs.

Table 1.1. The SDGs and the use of digital technologies

	Benefits of digital technologies
Health (SDG 3)	E-health applications quickly transmit data between medical units and also provide the opportunity for rural patients to benefit from remote diagnosis.
Education (SDG 4)	E-teaching and e-learning provide for flexibility and the opportunity to access teaching materials provided by leading education institutes.
Gender equality (SDG 5)	New communication channels enhance women's participation in the workforce and everyday life and provide access to education, finance and social networks.
Jobs and growth (SDG 8)	The generation of new online services contributes to job creation.
Environment and climate change (SDGs 13, 14 and 15)	Digital technologies provide global data on weather, water flows, forest reserves, oceans, seas and climate.
Peace, justice and strong institutions (SDG 16)	Digital technologies can enable registration of children at birth, promote access to public information, and improve transparency of public institutions, thus improving access, inclusiveness and citizen's trust in authorities.

Digital technologies can also be strategically used by governments to develop collaborative approaches with civil society and the private sector to implement the SDGs. In **Brazil**, for example, the National Commission for the SDGs used a public digital participation platform (http://dialoga.gov.br) to actively engage civil society and let it express its needs and suggestions regarding the SDGs targets (OECD, 2018[8]).

In the context of today's digital revolution, characterised by disruptive technologies and big data, public employees' innovation skills and capabilities become more important than ever. Digital awareness and skills are no longer confined to technical IT specialists but are increasingly integrated into the main activities and business lines of governments.

Lessons learned from country experiences

Country case studies on the **Czech Republic**, **Egypt**, **Indonesia**, **Japan**, **Luxembourg**, **Paraguay**, **Slovak Republic** and **Slovenia** in Annex A show different approaches for coordinating SDG implementation and addressing related governance challenges such as skills' development. The case studies on **Finland**, **Luxembourg** and **Indonesia** focus on key institutional mechanisms that can enhance policy coherence for sustainable development.

An overwhelming majority of countries have developed a national strategy or a different planning document for SDG implementation right from the adoption of the SDG framework as shown above. Some (such as **Finland** and **Luxembourg**) have gone through the process of aligning this vision with other national priorities, as well as with local and regional-level implementation efforts, helping to enhance policy coherence both horizontally (across sectors) and vertically (across government levels). **Slovenia** launched a completely new process to develop its 2030 strategy, dividing it into various stages, including broad stakeholder consultations to distil a vision document that reflects society's main aspirations by the year 2030.

Institutional set-ups and mechanisms vary between countries, yet all suggest that a whole-of-government approach underpinned by strong political commitment is indispensable to ensure that the SDGs are owned by and reflected in the priorities and programmes of ministries and agencies at all levels. Some countries place the responsibility for

implementation with the Centre of Government, (e.g. **Slovak Republic** and **Finland**), some have created a dedicated body for this purpose, with support from line ministries (e.g. **Czech Republic**), and some use a combination of the two (e.g. **Paraguay**). Lessons from countries taking a more decentralised approach highlight the importance of a clear political mandate from the highest levels of government coupled with regular interactions between representatives of all line ministries.

These countries also stressed the difficulties they face in ensuring a good alignment of policies with a common vision and effective priority setting. The **Czech** example in particular highlights the trade-off between ensuring effective coordination across ministries and delivering political stability, insulating the SDG strategy from short-term electoral imperatives. It also identifies other challenges such as ensuring the compatibility of IT systems between offices, the lack of capacity at the regional level to track the SDGs, and insufficiently developed implementation plans, which mean that the SDGs are not well integrated into day-to-day management governmental processes.

The **Indonesia** case highlights the difficulties in aligning efforts between the central government and the sub-national level as well as in fostering synergies between programmes led by government and by non-state actors. The **Slovak** case shows that some ministries may lag in integrating the SDGs into their planning strategies and work.

Finally, policy coherence for sustainable development (PCSD) has proven to be a particular challenge for governments as domestic and international implementation of SDGs remains compartmentalised. In many countries, inter-ministerial mechanisms work mainly to enhance policy coherence for the domestic implementation of the SDGs. Some countries have established parallel structures for promoting policy coherence both domestically and internationally. **Luxembourg** has sought to bring together these parallel structures by adopting a new working method: Members of the Inter-Departmental Commission on Sustainable Development (responsible for domestic coherence) now participate regularly in the Interministerial Committee for Development Co-operation (responsible for policy coherence at the international level) and vice-versa.

Box 1.3. OECD contributions to support whole-of-government approaches in SDG implementation

Whichever coordination model is chosen, governments need to develop a vision and strategy, set priorities and allocate adequate resources, and develop skills to support effective and coherent implementation. Many governments would benefit from a review of their overarching SDG governance architecture to determine whether it is fit for purpose and well suited to the country's specific circumstance.

Such a review can be part of a peer exchange within the **OECD Network of Senior Officials from Centres of Government**, which provides a well-established forum for the exchange of good practices and can mobilise expertise from its members to support countries' SDG governance capacity. This includes expertise on design and operationalisation of strategies, planning, institutional coordination, human capital development at the Centre of Government, as well as collaboration and consultation mechanisms.

The **OECD Network of Schools of Government** has also become highly engaged in areas pertinent to SDG implementation. The most recent Network meeting in Helsinki (2018) identified a range of roles that Schools of Government could play in SDG implementation, such as providing training, research and knowledge development, and convening experts from across institutional silos. The OECD is also working with a network of senior leaders on modern public sector leadership challenges, directly linked to SDG implementation, such as those leading horizontal collaboration, digital innovation, and values-based leadership. Evidence from all these initiatives suggests that recognising the interplay between and building on leadership, institutional mechanisms and skills development is essential for a successful whole-of-government approach to SDG implementation.

The **OECD Framework to Promote the Strategic Use of Public Procurement for Innovation** helps governments to enable co-operation at both the national and sub- national levels and to ensure successful innovation initiatives through public procurement. It outlines a set of principles based on the **OECD Recommendation of the Council on Public Procurement** to be used when planning and implementing measures in support of innovation procurement, and maps possible measures that can facilitate innovation procurement.

The **2019 OECD Recommendation on Public Service Leadership and Capacity (PSLC),** and the related skills model, establish frameworks to assess and build public workforces with the skills, leadership and people management systems needed to tackle the type of policy challenges posed by the implementation of national SDG strategies. These frameworks and tools help diagnose and address bottlenecks related to people and organisational issues, including skills and workforce development, organisational management and stakeholder engagement.

The OECD also provides targeted support to improve understanding of policy coherence in practice through training workshops organised upon country demand. These capacity-building sessions involve participation from a wide range of stakeholders both within and beyond government and have facilitated cross-sectoral dialogue and discussions on the institutional mechanisms that could be used more proactively for enhancing policy coherence. A new **OECD Council Recommendation on Policy Coherence for Sustainable Development,** complemented by an **online Policy Coherence for Sustainable Development toolkit**, will guide country efforts to identify and address the trade-offs and synergies between different SDGs and targets, thus ensuring a more cost-effective implementation.

The proposed Global Hub on the Governance for the SDGs will bring all these tools together to facilitate coherent and coordinated action to implement the 2030 Agenda.

References

OECD (2019), *Productivity in Public Procurement - A Case Study in Finland: Measuring the Efficiency and Effectiveness of Public Procurement*, OECD, Paris, http://www.oecd.org/gov/public-procurement/publications/productivity-public-procurement.pdf. [3]

OECD (2018), *Digital Government Review of Brazil: Towards the Digital Transformation of the Public Sector*, OECD Digital Government Studies, OECD Publishing, Paris, https://doi.org/10.1787/9789264307636-en. [8]

OECD (2017), *Public Procurement for Innovation: Good Practices and Strategies*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264265820-en. [5]

OECD (2017), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, https://doi.org/10.1787/9789264280724-en. [7]

OECD (2016), *Better Policies for Sustainable Development 2016: A New Framework for Policy Coherence*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264256996-en. [6]

OECD (2016), *OECD Survey on Planning and Co-ordinating the Implementation of the SDGs: First Results and Key Issues*, OECD, Paris, https://www.oecd.org/gov/cob-sdg-survey-overview-of-results.pdf. [1]

OECD (2015), *Policy Shaping and Policy Making: The Governance of Inclusive Growth*, OECD, Paris, https://www.oecd.org/governance/ministerial/the-governance-of-inclusive-growth.pdf (accessed on 20 May 2019). [4]

UNDESA (2018), *Principles of Effective Governance for Sustainable Development*, United Nations. [2]

Chapter 2. Stakeholder participation and open government

Stakeholder participation and open government strengthen the legitimacy of policy-making decisions for implementing the SDGs. This chapter shows that collaborating with citizens at every stage of policy and service design and delivery is critical for ensuring sustainable improvements that respond to nuanced public needs. By promoting the principles of transparency, integrity, accountability and stakeholder participation, open government strategies and practices can inform both the substance of SDG implementation – by directly contributing to the achievement of the goals – as well as the process by which countries pursue the SDGs throughout the policy cycle, namely, during their design, implementation, monitoring and evaluation.

Stakeholder participation is at the heart of SDG planning and implementation processes

Stakeholder participation is a key open government principle and is critical to help ensure that national priorities for SDG implementation are understood and accepted. Involving a wide range of stakeholders in policy-making, underpinned by open government strategies, has been widely called for and supported by the OECD and UNDESA. The OECD has supported governments through soft law instruments, data analysis and practical guidance in the form of toolkits and policy recommendations (UN, 2018[1]; OPSI, 2019[2]).

Diverse stakeholders (such as international and regional organisations, local authorities, business and industry, civil society, science and academia) have important roles to play, ranging from resource mobilisation, provision of solutions and innovations, change in production patterns and lifestyles, advocacy and accountability, to voicing the concerns and needs of under-represented communities and regions alongside helping to ensure accountability. Active stakeholder participation in the formulation, implementation and monitoring of national SDG plans and strategies is now an inherent feature of national processes.

By promoting the principles of transparency, integrity, accountability and stakeholder participation, open government strategies and practices can inform both the substance of SDG implementation - by directly contributing to the achievement of the goals - and the process by which countries pursue the SDGs throughout the policy cycle, namely, during their design, implementation and monitoring and evaluation phases. Engaging citizens, civil society organisations and the private sector as partners in the policy cycle helps ensure that their needs are identified and addressed (OECD, 2016[3]; UNDESA, 2018[4]).

Box 2.1. OECD Recommendation of the Council on Open Government

The 2017 OECD Recommendation of the Council on Open Government recognises "that open government is critical to building citizen trust and is a key contributor to achieving different policy outcomes in diverse domains," including the SDGs (OECD, 2017[5]). Furthermore, the 2015 Open Government Partnership Joint Declaration on Open Government for the Implementation of the 2030 Agenda for Sustainable Development of September 2015 notes the "importance of harnessing [countries'] efforts and championing the principles of transparency and open government as crucial tools for ensuring the effective implementation of the 2030 Agenda for Sustainable Development" (Open Government Partnership, 2015[6]).

Sources: OECD (2017[5]), *Recommendation of the Council on Open Government - C(2017)140 - C/M(2017)2 2*, https://www.oecd.org/gov/Recommendation-Open-Government-Approved-Council-141217.pdf.; Open Government Partnership (2015[6]), *Joint Declaration on Open Government for the Implementation of the 2030 Agenda for Sustainable Development*, http://live-ogp.pantheonsite.io/sites/default /files/attachments/OGP_declaration.pdf.

By ensuring that all interested parties have a chance to contribute to policy design, governments can reinforce the legitimacy of the decision-making process and its results and thereby reduce the likelihood of non-compliance. Furthermore, collaborating with citizens at every stage of policy and service design and delivery is critical for ensuring sustainable improvements that respond to nuanced public needs (UNDESA, 2018[4]). Given

the ambitious nature of the goals laid out in the 2030 Agenda, governments should keep in mind that failing to engage with citizens can create higher costs through policy failures in the short term, and may result in the loss of trust, legitimacy and policy effectiveness in the long term (OECD, 2016[7]; 2001[8]).

Beyond the design and adoption of policies, citizens are an essential component in the implementation of public policies, which cannot be done effectively without public understanding and support. This is where processes such as co-production, in which citizens engage in partnerships with the government in the design and delivery of a public service, can be particularly useful. Citizen participation can also strengthen monitoring, evaluation and reporting quality whilst allowing governments to understand the extent to which their policies were successful and helping them improve the design of new policies.

Open government data policies can also contribute decisively to whole-of-government management of the SDGs, providing transparent and innovative mechanisms and collaborative levers for reporting on the achievement of national targets. Country cases demonstrate how governments are strategically reusing open data to manage their national performance. In **Canada**, for example, open government data is being used to track and report on the achievement of the SDGs following a collaboration between the public sector organisation in charge of open government data (the Treasury Board of Canada) and the public sector organisation responsible for the implementation of the SDGs (Global Affairs Canada). In **Finland**, environmental data collected from different sources is being reused with the intent of contributing to the achievement of the SDGs (OECD, 2018[9]).

Linking open government principles to SDG implementation

Open government principles and initiatives are most clearly relevant for a number of targets under SDG 16, such as those related to the development of effective, accountable and transparent institutions (16.6), the promotion of responsive, inclusive, participatory decision-making (16.7) and the expansion of access to information (16.10).

An analysis of SDG implementation through the lens of open government principles shows that the two reform agendas are mutually reinforcing. For example, more open and inclusive policy-making supports the principle of accountability by expanding citizens' influence on decisions, which in turn helps ensure that policies reflect public needs and that governments use resources appropriately. Involving citizens in aligning financial incentives and monitoring financial flows can improve efficiency and accountability, especially in the case of services designed and delivered by users themselves (OECD, 2011[10]).

Furthermore, 72% of all respondents to the 2015 OECD Survey on Open Government, and 69% of OECD countries, claimed that a key goal of their open government initiatives was to improve the accountability of the public sector, which aligns with the objectives laid out in Target 16.6. The role that these policies have in promoting accountability and preventing corruption is also relevant for targets related to infrastructure and procurement activities, such as those reflected in Goal 9 (OECD, 2016[3]). These examples illustrate the extent to which the open government principle of accountability is embedded in the 2030 Agenda and highlight how implementing relevant reforms can support successful implementation of the SDGs.

Transparency and access to public sector information, as well as the ability of the public to use this information effectively, is another key element of open government initiatives. Indeed, the OECD Survey found that 89% of all survey respondents (86% of OECD

countries) claimed that one of the key objectives they hope to achieve by implementing open government initiatives is to improve the transparency of the public sector (OECD, 2016[3]).

Increasing transparency and access to information will simultaneously support a number of the SDGs, including Target 16.10 on ensuring public access to information, as well as those concerning increasing access to technology (9.c); ensuring access to information for sustainable development (12.8); and increasing the availability of development data (17.18). The inclusion of access to information as a priority across these diverse goals highlights the important role that information and data play in current public administration reforms.

Transparency is widely regarded as an effective tool for fighting corruption. Countries are encouraged to implement internal control and regulatory oversight, supported by active participation by civil society in the public decision-making process to enable effective accountability (OECD, 2016[3]). To be effective transparency and accountability systems must be linked, and disclosing information should take account of the quality of what is disclosed as well as the quantity (OECD, 2018[11]). In **Mexico**, for instance, the adoption of the Open Contracting Data Standard is an example of an initiative aiming to promote transparency (Box 2.2). E-procurement can also eliminate corruption opportunities if it is designed to ensure that rules and procedures are standardised and consistent. (Heggstad and Froystad, 2011[12])

Promoting stakeholder participation is a priority for many countries: 72% of all respondent countries (66% OECD countries) have launched initiatives to involve citizens in policy-making, and 68% have implemented citizen consultation initiatives (rising to 80% in OECD countries). In addition, 57% of all countries surveyed (same result in OECD countries) launched initiatives to involve citizens in service design, and half of them provide for initiatives on citizen participation in service delivery. Together, these initiatives provide governments with feedback and new ideas and allow stakeholders to offer inputs, thereby enhancing both the quality and capacity of policies to achieve the intended outcome (OECD, 2016[3]).

Participatory practices that improve the responsiveness, inclusiveness and inclusive nature of public sector activities are also a key component of Goal 16, specifically Target 16.7 on ensuring responsive, inclusive, participatory and representative decision-making at all levels. Targets that seek to increase women's participation in public decision-making (5.5); increase involvement of communities in improving water and sanitation management (6.b); promote social, economic and political inclusion (10.2); enhance inclusion in settlement planning and management (11.3); and build public-private and civil society partnership (17.17) provide other relevant examples of the link between the SDGs and open government principles.

In addition to the substance, the methods and processes countries use to implement their open government programmes are also relevant for the SDGs. The breadth of the 2030 Agenda and the interconnected nature of the issues it addresses demand a high degree of policy coordination and coherence horizontally (across ministries and agencies), as well as vertically (across levels of government). Countries are expected to set their own paths for realising the SDGs, and no meaningful national implementation plan can be developed without an inclusive, government-led process to interpret the SDGs. Therefore, supporting institutional collaboration between the offices charged with SDG implementation and open government reform will promote coherence and facilitate joint monitoring.

Box 2.2. Alliance for Open Contracting in Mexico

In March 2017, Mexico's federal government established an Alliance for Open Contracting (*Alianza para las contractions abiertas*), involving stakeholders from the public and private sectors, with the objective of adopting the Open Contracting Data Standard (OCDS) for all government procurement contracts at central and local levels. The adoption of the OCDS is expected to directly impact the work done in Compranet (Mexico's e-procurement system). The OCDS facilitates structured publication of data from all phases of the public procurement process: planning, tendering, awarding, contracting and implementation.

Source: OECD (2018[11]), *Mexico's e-Procurement System: Redesigning CompraNet through Stakeholder Engagement*, https://dx.doi.org/10.1787/9789264287426-en.

Open State and the role of Parliaments in SDG implementation

In order to expand beyond the role of the executive branch of government, some countries have begun to enact a more comprehensive approach to implementing open government reforms by incorporating the legislature, the judiciary, independent state institutions and sub-national governments in the reform process. In this way, these countries are moving towards what the OECD defines as an "open state".[1] **Costa Rica** provides an example of this, whereby its Declaration for the Creation of an Open State commits branches and levels of government to move in this direction (OECD, 2016[13]).

Broadly, moving toward an open state implies that branches of power, local governments and independent state institutions implement policies to foster transparency, participation and accountability. This can include coordination meetings, as well as formal or informal dialogues focused on sharing good practices and experiences (OECD, 2016[3]).

Given the complexity and crosscutting nature of the SDGs, pursuing their implementation in an inclusive and open manner is essential, and the benefits of an open state approach are particularly relevant. For example, the use of universal definitions and creation of common strategic objectives, the creation of joint frameworks, and the sharing of best practices will all serve to clarify purposes for both implementers and the public, as well as create synergies across branches and levels of government.

In representative democracies, Parliaments are one of the indispensable institutions for SDG implementation due to their constitutional mandate to represent the interests of citizens. Stronger partnerships between Parliaments, citizens and CSOs can strengthen citizen participation by "better channelling the concerns, opinions and preferences of citizen-voters in political processes and decision-making" (OECD, 2016[3]). Specifically, Parliaments can support the 2030 Agenda via approval of national development plans, monitoring their implementation by governments, approving national budgets and Official Development Assistance (ODA), as well as ensuring that the interests of all segments of society are represented.

Parliamentary oversight of legislative proposals, the budget, financial and policy impacts, and the continuous engagement of Parliaments with their constituents give them a key role in ensuring coherent government action. A 2018 report published by the European Union shows that Parliamentary oversight mechanisms can foster more effective SDG implementation by assessing progress, holding the government accountable to its commitments, and pointing out inefficiencies or gaps in SDG implementation, in particular

if "Parliamentary committees have the power to call on government officials to provide information on the impact of government policies and programmes and are able to call public hearings to garner citizens' views on SDG implementation" (Niestroy et al., 2019[14])

Facilitating public engagement with Parliaments is therefore a critical element to ensuring that the implementation of the SDGs is inclusive and representative of stakeholder needs. Greater openness of the legislative process enables citizens to engage more effectively in the policy-making process by providing them with access to information about the laws and policies under consideration, as well as with opportunities to influence legislative deliberations and more actively participate in the political debate (OECD, 2016[3]). This can be done, for example, through digital tools that open legislative data and encourage increased citizen knowledge of and participation in the legislative process.

Examples of efforts to promote Parliamentary openness include the Open Parliament e-Network (OPeN), which promotes peer exchange and learning, provides technical support to members and supports policy implementation, for example via the Open Government Partnership (OGP) (Open Parliament e-Network, 2019[15]). Countries have also pursued their own initiatives. For example, France adopted a National Action Plan on Parliamentary Openness in July 2015. Through the action plan, the French National Assembly committed itself to strengthening the transparency of the legislative process and increasing the involvement of citizens in the work of the National Assembly (IDFI, 2015[16]). In Chile, the "Open Congress" website (http://congresoabierto.cl/) allows citizens to communicate with members of Congress and to consult laws and regulations. The website is designed in a user-friendly way and includes contact details of, and initiatives taken by, members of Congress. Such examples highlight efforts that governments are making to ensure policy design and implementation – including, but not limited to, the SDGs – promote the principles of transparency, integrity, accountability and stakeholder participation.

Ultimately, open government and open state reform efforts help guarantee that policies and services correspond to citizens' needs, increase trust in public institutions and deliver on countries' development agendas. Stakeholder engagement and open government principles will therefore play a crucial role in countries' design, implementation and monitoring of the SDGs.

Stakeholder engagement in regulatory impact assessments

Transparency functions as a quality assurance mechanism in itself, as it enables stakeholders to challenge decisions made and highlight significant impacts that may have been overlooked. This is particularly important in the SDG context, as many of the potential impacts on social and distributional issues (e.g. gender, poverty, etc.) will be indirect in nature, giving rise to a larger than usual risk of them being overlooked in the development of Risk Impact Assessments (RIA). This suggests that particular attention should be paid to ensuring that high quality stakeholder engagement processes are in place where RIA requirements are expanded to include impacts related to inclusive growth and the SDGs (c.f. Deighton-Smith, Erbacci and Kauffmann (2016, p. 45[17])).

Lessons learned from country experiences

Countries across the world recognise the importance of stakeholder participation in SDG implementation. While consultation processes have existed for many years, countries are now developing innovative approaches for maintaining the relationship with civil society

and other actors throughout implementation, and in some cases also in the monitoring and evaluation stage.

The case studies presented in Annex B elaborate on these themes. For example, the **Finland** case shows the success of operational commitments for providing various actors with an effective and sensible way of participating in the implementation of the 2030 Agenda. **Indonesia**, in turn, applies a partnership principle among stakeholders, which is based on mutual trust, participation, transparency and accountability. Indonesia has also recognised the importance of joining open government principles with SDG implementation. **Luxembourg** invites NGOs to participate in the debates of its inter-ministerial coordination body and has established an SDGs Council with civil society and private sector representatives that reports annually to Parliament.

By illustrating other countries' experiences and drawing on good practices identified through collective work, governments will be able to design more effective citizen participation initiatives in SDG consultation processes, and ensure that citizens take advantage of them. Capacity-building activities on open government can also help develop countries' monitoring and evaluation frameworks.

In practice, ensuring that countries' open government reforms help guide their efforts to implement the 2030 Agenda will require the continued coordination, management and funding of relevant activities, as well as, more broadly, a governance cultural change to prioritise open government principles.

Box 2.3. OECD contributions to support open government and stakeholder participation in SDG implementation

The 2015 OECD Survey on Open Government identified four main challenges countries face to promote open government, which are also pertinent when implementing the 2030 Agenda. These include: (i) the lack of or insufficient mandate for the open government coordinating institution; (ii) insufficient financial resources; (iii) insufficient incentives among institutions to coordinate on open government issues; and (iv) inadequate institutional mechanisms to collaborate with NGOs and private sector (OECD, 2015). By applying the lessons and whole-of-government approaches outlined in the **OECD Recommendation of the Council on Open Government**, countries can help ensure that their responses to these challenges also inform and support the implementation of the SDGs.

In October 2018, the OECD published for the second time composite **Indicators of Regulatory Policy and Governance**. They track countries' progress in improving the quality of their regulations across the board (not sector specific) following the 2012 OECD Recommendation on Regulatory Policy and Governance. The composite indicators on Regulatory Impact Assessment, stakeholder engagement and *ex post* evaluation provide measures of how open, evidence-based and targeted to achieving policy goals the process of developing laws and regulations is. As such, they are relevant indicators for targets 10.3 and 16.6. In addition, the composite indicator on stakeholder engagement provides a measure of participation in regulatory policy-making, which supports the monitoring of target 16.7.

The proposed Global Hub on the Governance for the SDGs will support countries through peer learning in: (i) development of adequate strategies that promote stakeholder participation throughout the SDG cycle: (ii) reinforced communication channels between those responsible for citizen participation at the national level, on the one hand, and sectoral ministries or sub-national governments on the other, (iii) the development of institutional frameworks for stakeholder engagement, as well as (iv) strengthened public officials' capacity to plan and implement successful and sustainable efforts to link the open government agenda with the SDG process.

Note

[1] The OECD Recommendation of the Council on Open Government defines "open state" as when the executive, legislature, judiciary, independent public institutions, and all levels of government – recognising their respective roles, prerogatives, and overall independence according to their existing legal and institutional frameworks – collaborate, exploit synergies, and share good practices and lessons learned among themselves and with other stakeholders to promote transparency, integrity, accountability, and stakeholder participation, in support of democracy and inclusive growth" (OECD, 2017[5]).

References

Deighton-Smith, R., A. Erbacci and C. Kauffmann (2016), "Promoting inclusive growth through better regulation: The role of regulatory impact assessment"*, OECD Regulatory Policy Working Papers*, No. 3, OECD Publishing, Paris, http://dx.doi.org/10.1787/5jm3t. [17]

Heggstad, K. and M. Froystad (2011), "The basics of integrity in procurement", *U4 Issue*, Vol. 2011/10, https://www.u4.no/publications/the-basics-of-integrity-in-procurement.pdf. [12]

IDFI (2015), "France has adopted the National Action Plan on Parliamentary Openness", Institute for Development of Freedom of Information, https://idfi.ge/en/france-action-plan (accessed on 23 January 2019). [16]

Niestroy, I. et al. (2019), *Europe's Approach to Implementing the Sustainable Development Goals: Good Practices and the Way Forward*, Policy Department for External Relations, European Union, http://dx.doi.org/10.2861/28364. [14]

OECD (2018), *Mexico's e-Procurement System: Redesigning CompraNet through Stakeholder Engagement*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264287426-en. [11]

OECD (2018), *Open Government Data Report: Enhancing Policy Maturity for Sustainable Impact*, OECD Digital Government Studies, OECD Publishing, Paris, https://doi.org/10.1787/9789264305847-en. [9]

OECD (2017), *Recommendation of the Council on Open Government - C(2017)140 - C/M(2017)22*, OECD, Paris, https://www.oecd.org/gov/Recommendation-Open-Government-Approved-Council-141217.pdf. [5]

OECD (2016), *Open Government in Costa Rica*, OECD Public Governance Reviews, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264265424-en. [13]

OECD (2016), *Open Government: The Global Context and the Way Forward*, OECD Publishing, Paris, https://doi.org/10.1787/9789264268104-en. [7]

OECD (2016), *Putting an End to Corruption*, OECD, Paris, http://www.oecd.org/tax/transparency/. [3]

OECD (2011), *Together for Better Public Services: Partnering with Citizens and Civil Society*, OECD Public Governance Reviews, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264118843-en. [10]

OECD (2001), *Citizens as Partners: Information, Consultation and Public Participation in Policymaking*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264195561-en. [8]

Open Government Partnership (2015), *Joint Declaration on Open Government for the Implementation of the 2030 Agenda for Sustainable Development*, http://live-ogp.pantheonsite.io/sites/default/files/attachments/OGP_declaration.pdf. [6]

Open Parliament e-Network (2019), *Homepage*, https://www.openparliamentenetwork.org/ (accessed on 15 June 2019). [15]

OPSI (2019), *Open Government Toolkits*, Observatory of Public Sector Innovation, https://oecd-opsi.org/search-toolkits/?_sft_discipline-or-practice=open-government (accessed on 16 May 2019). [2]

UN (2018), *Working Together: Integration, Institutions and the Sustainable Development Goals, World Public Sector Report 2018*, Division for Public Administration and Development Management, Department of Economic and Social Affairs (DPADM), United Nations. [1]

UNDESA (2018), *Principles of Effective Governance for Sustainable Development*, United Nations. [4]

Chapter 3. Effective use of budgeting and public procurement tools

Budgeting for the SDGs promotes policy integration and ensures continuity of policy objectives beyond electoral cycles. The budget is a central policy document of governments, showing how annual and multi-annual objectives will be prioritised and achieved. Adapting budget systems and processes can improve the extent to which resource allocation supports effective policy design and performance in support of national SDG agendas, at all levels of government. Linking budgets to the SDGs could also be used as a tool to assess overall government performance, taking into account longer-term sustainability of the budget and helping to increase administrations' accountability to civil society and Parliaments. An increasing number of countries are also using public procurement as a strategic policy lever to support broader outcomes consistent with the SDGs.

Budgeting as a tool for the integration of the SDGs

The budget is a central policy document of government, showing how annual and multi-annual objectives will be prioritised and achieved (OECD, 2015[1]). It is a political expression of the decisions taken by a country's executive body to raise revenues and allocate public resources and is an integral part of national development strategies. The impacts of a budget across the economy and society are wide-reaching. Budgeting decisions determine how wealth is distributed and affect citizens directly via availability and quality of public services. Adapting budget systems and processes can improve the extent to which resource allocation supports effective policy design and performance in support of national SDG agendas, at all levels of government.

The 17 SDGs are by nature integrated and they also call for a medium-term vision. As a result, incorporating the SDGs into the budget process can promote policy coherence across various policy goals and ensure the continuity of policy objectives beyond electoral cycles. Coherent budgeting decisions will inform and help manage trade-offs and complementarities between different goals such as, for example, industrial growth and biodiversity. It will also allow administrations to have a greater coherence in relation to key national priorities regardless of election results.

Linking budgets to the SDGs can also be used as a tool to assess a government's overall performance, taking into account the longer-term sustainability of the budget and helping to increase administrations' accountability to civil society and Parliaments. Specifically, using the SDGs as an evaluation framework could add holistic longer-term performance criteria beyond short-term results indicators. Finally, using budgeting as a tool for SDG implementation could generate internationally comparable data on progress towards sustainable development and facilitate exchanges among policy makers beyond national borders.

The World Bank and the IMF have made considerable efforts to help governments increase the efficiency of government spending in SDG-relevant policy in infrastructure, education and health (World Bank, 2019[2]). The OECD has gathered important evidence in the areas of green budgeting and gender budgeting and – together with UNDESA – also explored budgetary implications of the 17 SDGs as a whole, identifying opportunities for more coherent and cross-sector budgeting needed to deliver on the SDGs (UN, 2018[3]).

Budgeting challenges for SDG implementation

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 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; ensuring the government is accountable to Parliament and civil society for the delivery of those goals; and 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 related to performance budgeting is avoiding perverse incentives to game the system by focusing on specific quantifiable indicators and avoiding the more complex and multi-dimensional objectives. An often quoted example is the one where patients in the UK are being kept waiting in ambulances as the target for waiting times starts only once they enter the hospital (Bevan and Hood, 2006[4]). Setting high-level goals

and indicators is a first necessary step but must be followed by a national strategic plan, overall reporting and accountability systems.

Integrating the SDGs into the budget process implies in effect alignment between budgeting and strategic planning, including aligning performance information and targets to the goals, a task that involves both the Centre of Government (CoG) and the Central Budget Authority (e.g. the Ministry of Finance). 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. A number of countries are linking high-level political commitments such as the SDGs into the budget process (Box 3.1).

Box 3.1. Budgeting as a tool for SDG implementation in Finland and Norway

In September 2018, the Ministry of Finance of **Finland** presented its 2019 State Budget to the Parliament with a comprehensive sustainable development consideration. The budget focuses on carbon-neutrality and sustainable resource consumption and production in particular. Budgetary allocation and allocation impacts on climate action, bio-economy, circular economy, clean-tech innovations and sustainable public procurement, as well as international environmental agreements, development co-operation and climate investments will be studied carefully as part of the budget. This exercise is an important step in mainstreaming sustainable development into all sectoral policies and financial instruments. In addition, the government has launched work on a phenomenon-based approach to budgeting that will allow more tailored solutions that consider cross-sectoral, transboundary and intergenerational policy impacts (PMO Finland, 2018[5]).

In **Norway**, 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. The reports are included in the national budget white paper presented to the Parliament annually- along with the state budget. This mechanism enables the SDGs to be fully integrated into the regular budget process – and ministries to be accountable for results.

Source: PMO Finland (2018[5]), *Budget Review 2019 - Review of Budget Proposal*, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161044/Budget%20review%202019.pdf?sequence=1&isAllowed=y.

Medium-term budgeting

Governments can closely align their budgets with medium-term strategic and political priorities through developing a medium-term dimension in the budgeting processes beyond the annual cycle, and by organising and structuring the budget allocations in a manner that corresponds with national objectives. Effective medium-term budgeting is an important supportive measure to establish linkages between budgets, plans and policies – complementary to programme budgeting. It is an integral part of providing predictability and assurance to policy planners about multi-year resource availability; and to identify the appropriate medium-term goals and priorities against which resources could be allocated. The OECD Recommendation on Budgetary Governance (2015[1]) states that: "budgets should be closely aligned with the medium-term strategic priorities of government, through organising and structuring budget allocations in a way that corresponds readily with

national objectives and developing a stronger medium-term dimension in the budgeting process, beyond the traditional annual cycle."

The use of a medium-term expenditure framework (MTEF) for example explicitly aligns public expenditure allocations with medium-term plans and priorities to improve the effectiveness of public spending. A MTEF is a structured approach to integrating fiscal policy and budgeting over a multi-year horizon, and links fiscal forecasting, fiscal objectives and forward planning of multi-year budget estimates. The many potential benefits of successfully implemented MTEFs include fiscal discipline by framing expenditure ceilings by fiscal limits and available resources; greater assurance about resource availability over the multi-year horizon; and in return promoting effective forward planning for national priorities; including improved planning and resourcing of multi-year policies that may require an extended time horizon for implementation (such as large capital projects, new programmes, and organisational restructuring).

However, the effective use of a medium-term expenditure framework requires political commitment to ensure that fiscal targets are maintained and that discussions on policy priorities and trade-offs occur. A key element to identify the appropriate medium-term goals against which resources could be allocated is a collective decision-making approach. It should define the fiscal targets, medium-term priorities and corresponding expenditure ceilings necessary for the implementation of the national development vision, which in turn should reflect the SDGs (Downes, Moretti and Shaw, 2017[6]).

Environmentally responsive budgeting

Climate change, biodiversity and ecosystems loss, water and air pollution are some of the major environmental threats facing our planet, our economies and our societies. In recent decades, countries all over the globe have committed to domestic and international agreements on climate and environment, including the SDGs, which include targets aimed at fighting climate change, cutting pollution, protecting biodiversity, and promoting sustainable production and consumption patterns.

Budgeting can be one of the most effective tools that policy makers have at their disposal for resourcing and implementing these important objectives. The way governments choose to spend their money will be decisive to achieve these commitments. The scale of the challenge is enormous given the existing misalignment between the SDGs and current public expenditure and taxation practices. For instance, between 2010 and 2015, fossil fuel subsidies amounted to USD 373-617 billion annually across 76 economies, which collectively contribute 94% of global carbon dioxide emissions (OECD, 2018[7]). In contrast, the amount that governments spend on biodiversity, estimated at about USD 50 billion per year, is approximately one tenth of the spending on fossil fuels, and environmental protection averages around 1.3% of public expenditures (OECD, 2017[8]).

Equally, the tax system is an important tool to internalise negative environmental externalities, while also generating substantial amounts of public revenue. In OECD countries, annual environmentally related tax revenue, however, has decreased from 1.83% of GDP in 2000 to 1.56% in 2014. The potential of carbon pricing is also far from being realised. Currently, 90% of carbon emissions are not priced at a level reflecting even a conservative estimate of their climate costs, and about 60% are not priced at all (OECD, 2016[9]).

Environmentally responsive or "green budgeting" introduces innovative ways to help governments establish a process to record and communicate its policy progress to achieve environmental objectives through budgeting processes. Green budgeting aims to drive

improvements in the alignment of national expenditure and revenue processes with climate and other environmental goals. This is a crucial step in achieving a central objective of key international agreements, including the Paris Agreement, the Aichi Biodiversity Targets, and the SDGs – aligning national policy frameworks and financial flows on a pathway towards low greenhouse gas emissions and environmentally sustainable development.

Green budgeting has its origins in the 1987 report of the Brundtland Commission (World Commission on Environment and Development, 1987[10]), which recommended that "the major central economic and sectoral agencies of governments should now be made directly responsible and fully accountable for ensuring that their policies, programmes, and budgets support development that is ecologically as well as economically sustainable."

The OECD defines green budgeting as using the tools of budgetary governance to help achieve these objectives. Green budgeting does so by systematically examining existing and potential fiscal measures and policies to mainstream an environmentally informed approach into the national and subnational budgetary and fiscal frameworks. Green budgeting provides decision-makers with a clearer sense of the potential environmental impacts of budgeting choices to stimulate good practices on the optimisation of national revenue-raising and resource-allocation in order to attain environmental commitments. This will make governments more accountable for their environmental commitments and support them in making the transformation towards more sustainable and greener societies.

To assist governments in moving towards green budgeting, the OECD launched the "Paris Collaborative on Green Budgeting" at the One Planet Summit in December 2017 (Box 3.2).

Box 3.2. Paris Collaborative on Green Budgeting

The Paris Collaborative on Green Budgeting (PCGB), set up in 2018, is the first cross-country and cross-sectoral initiative providing a coordinating platform to identify research priorities and gaps, design new and innovative green budgeting tools, share data and best practices, and channel this knowledge to help governments, individually and collectively, to achieve their environmental and climate goals. It works together with governments, institutions and experts to bring together international work-streams on environmental policy and climate change, budgeting and tax policy, green accounting and inclusive sustainable growth.

Under the Collaborative, the OECD Secretariat advances the analytical and methodological groundwork for green budgeting. A wide spectrum of on-going OECD work already investigates key elements relevant for green budgeting. These serve as natural starting points around which the activities of the PCGB are being developed. Under the guidance of the Collaborative, governments are invited to propose, develop and test potential tools needed to support green budgeting, building on the on-going work mentioned above.

A number of countries, including France, Ireland, Mexico, Norway, and Switzerland have signed up to champion green budgeting under the Paris Collaborative.

Note: For more information on the Paris Collaborative on Green Budgeting, see http://www.oecd.org/environment/green-budgeting/.
Sources: CCCFMP (2015[11]), *Green Planning and Budgeting Strategy for Indonesia's Sustainable Developement 2015-2020*, https://www.kemenkeu.go; RPLN (2016[12]), *Climate Budget Tagging: Experience from Asia*, https://www.climatefinance-developmenteffectiveness.org/sites/default/files/climateBudgetTagging.pdf.

Implementing green budgeting to support national SDG agendas

Green budgeting plays a clear role in providing the necessary incentives for action in achieving policy coherence with the SDGs as well as strengthening the (financial) means of their implementation. As the goals are interconnected, the key to success on one will involve tackling issues more commonly associated with another. Key goals directly relevant for green budgeting include:

- Goal 6: Ensure availability and sustainable management of water and sanitation for all.

- Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all.

- Goal 13: Take urgent action to combat climate change and its impacts.

- Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

- Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

- Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

In order to align budgetary policies and processes in support of environmental goals governments need to apply a holistic approach. This requires establishing clear connections between public finance and environmental impacts and evaluating and improving the consistency of public finance flows with national and international environmental goals. Additionally, to take into account the potential for significant co-benefits from some actions (e.g., emissions reductions measures that also improve air quality), there is also the risk for actions focused solely on climate objectives to have adverse unintended consequences on other environmental and social goals. Budgetary processes should therefore consider potential impacts of action in one area on other policy domains.

Incorporating environmental dimensions into fiscal frameworks will mainstream an environmentally informed approach across all policy domains. At the same time, it will aid the monitoring process to help governments become more accountable for their environmental commitments, as demanded by the SDGs and other international commitments on climate and environment. Green budgeting should provide a clearer sense of the "green credentials" of the annual and multi-annual budget by:

- Reporting on environmental targets' progress towards their achievement in budgetary performance indicators and budget documentation;

- Integrating environmental costs and benefits into medium and longer-term fiscal planning; and

- Mainstreaming of green growth perspectives within budgetary and broader policy-making, including alignment of incentives.

A green budgeting strategy should build on key elements of budgetary governance. As part of its agenda of promoting inclusive and sustainable growth, the OECD has been working over recent years to broaden the traditional understanding of budgeting in order to encompass, and to better support, broader policy priorities. The OECD Recommendation

on Budgetary Governance (OECD, 2015[1]) notes that "the budget is a central policy document of government, showing how annual and multi-annual objectives will be prioritised and achieved. Alongside other instruments of government policy "[...] the budget aims to turn plans and aspirations into reality [...]".

Governments around the world have committed to pursuing coherent action for climate and environment across multiple policy areas. For example, several countries have recently made progress towards evaluating and tracking their domestic public expenditures (either positive, negative, or both) relevant to the Paris Agreement or the Aichi Biodiversity Targets. The **EU** introduced climate and biodiversity tracking into its budget. A strong candidate for greening of expenditures is to scale back any existing support measures for fossil fuel generation or use (OECD, 2018[13]) or to re-evaluate agricultural policies and support measures (OECD, 2017[14]).

Other countries have introduced tax schemes to encourage environmentally friendly low-carbon behaviour or to internalise negative environmental externalities, while also generating substantial amounts of public revenue. This can include taxing carbon emissions or local air pollutants and taxing activities or pollutants with adverse effects on biodiversity, amongst many others, and can also form a component of environmental fiscal reform (OECD, 2013[15]).

To date, however, few countries have taken a more systematic approach to examine the full range of existing budgetary expenditures and policies to assess their overall coherence with environmental goals. **Indonesia**, for example, has made significant progress in recent years towards aligning the budgetary processes with the Paris Agreement and national environmental objectives, as have other countries such as **France** and **Norway**.

Gender budgeting

The persistence of gender inequalities across many facets of public life suggests that these disparities have become embedded, to a greater or lesser extent, in how public resources are allocated and used. Gender budgeting refers to the systematic application of analytical tools and processes, as a routine part of the budget process, in order to highlight gender equality issues and to inform, prioritise and resource gender-responsive policies.

Effective implementation of gender budgeting has the potential to improve gender equality, ensure a sense of fairness and contribute to inclusive economic growth. This responds directly to the gender equality targets under SDG 5, and in particular to 5.c. "adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels".

The practice of gender budgeting is gaining momentum in OECD countries, with 17 OECD countries now reporting that they have introduced it.[1] Gender budgeting initiatives have been pursued in various forms over many years. **Australia** pioneered and piloted attempts at gender budgeting from 1984 onwards in response to calls from women's rights activists. Over 90 countries have experimented with some form of gender budgeting over the past decade (Downes, von Trapp and Nicol, 2017[16]). It is notable that some of the early adopters of gender budgeting over the years have come from beyond the OECD – including countries such as **India**, the **Philippines** and **Indonesia**. Among more recent examples, in 2013, **Austria** introduced gender budgeting as part of a broader package of performance budgeting reforms and in 2016, the Government of **Iceland** introduced gender budgeting as part of budget reforms in response to the financial crisis.

The focus on gender policy issues in budgets is resulting in changes to the design and implementation of policy. In the **Netherlands**, gender budgeting has been seen to bring changes to how funding is allocated. An agreement was made between the Dutch universities, research institutes and the Minister of Education in 2015 on the conditions for receiving subsidies. To receive full payment, the number of women professors, associate professors, and women in the governing boards of research institutes and universities had to be at least 30% before 2020. In **Mexico**, gender budgeting has resulted in special attention being given to diseases affecting women (such as cervical, ovarian and breast cancer, as well as teen pregnancy prevention) in the health sector. Similarly, in **Japan**, increased focus on gender policies has led to measures to reduce maternity harassment in the workplace. An example from outside the OECD is provided by **Brazil**, where gender budgeting has resulted in a comprehensive care programme related to women's health.

Strategic public procurement in support of the SDGs

Public procurement is increasingly being used as a strategic policy lever to support broader outcomes consistent with the SDGs. Public procurement spending represents on average 12% of GDP, and accounts for almost one third of government expenditure in OECD countries. Governments are therefore some of the largest purchasers of goods and services, emphasising their role in enabling public procurement's leverage. At the same time, governments are under fiscal pressure to better manage this significant public spending. To this end, they promote reforms in their public procurement systems, including developing capacity, digitalisation, process automation and aggregation of demand.

Green Public Procurement (GPP) is "the process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their lifecycle when compared to goods, services and works with the same primary function that would otherwise be procured" (European Commission, 2008[17])

Countries increasingly recognise that GPP can be a major driver for innovation providing industry with incentives for developing environmentally-friendly works, products and services (OECD, 2015[18]). The OECD has encouraged member countries to develop green public purchasing policies, for example, in 2002 the OECD Council adopted the Recommendation of the Council on Improving the Environmental Performance of Public Procurement (OECD/LEGA/0311). It urges OECD countries to incorporate "environmental criteria into public procurement of products and services including, when appropriate, environmental impact criteria throughout the lifecycle".

There are a number of good practices displayed by countries to encourage GPP including laws, regulations and policies. It is also common to use environmental standards in award criteria and contract performance clauses and in technical specifications, such as materials recycled content; production methods; allowing for submission of alternative solutions and exclusion criteria for non-compliance (OECD, 2016[19]).

Lessons learned from country experiences

The budget and public procurement provide powerful tools for implementing the SDGs, as outlined in Annex C. For example, the case study on the **Slovak Republic** suggests that SDG-related strategies and priorities should steer budget and spending allocations, and that results-based resource allocations can help to strengthen accountability mechanisms. **Paraguay** is also using a results-based planning system for deciding on the optimal combination of inputs, activities and processes needed to make progress. Linking the

national budget to the SDGs also requires that adequate data and monitoring systems are in place: **Egypt**, for example, is working to improve the availability of performance indicators to support the transition from a line-item budget to performance-based budgeting.

The case studies also show that most countries are still in the early stages of applying green and gender budgeting techniques, while no country has as yet fully integrated a holistic SDG approach to their budgeting exercise. For instance, the **French** government is currently discussing means to further align and improve the overall impact of public finance measures on the ecological transition. **Norway** has also advanced in integrating the impact on carbon emissions in budgeting plans but is yet to take the fiscal risk of climate transitions systematically into account.

Implementing an effective and sustainable gender budgeting approach is equally challenging. Some challenges derive from the differing levels of importance given to gender equality by successive governments, whereas others relate to fiscal constraints or more broadly to the challenges faced when implementing any new public financial management (PFM) practice or procedure in government.

Experience from early adopters of gender budgeting shows that for it to be most effective, countries should have key governance aspects in place, such as a legal foundation for gender budgeting. This protects the practice from changes to the economic or political environment that might cause the practice to be discontinued, as was the case with **Australia** in the 1990s.

Certain institutional supports, such as gender disaggregated data and expert groups, can facilitate better gender budgeting. For example, **Iceland**'s Gender Budgeting Committee has been set up, and is led by, the Ministry of Finance and Economic Affairs in a formal co-operation with the Ministry of Welfare. The Committee includes representatives of all the ministries and the Centre for Gender Equality and is responsible for preparing the implementation programme for gender budgeting.

Box 3.3. OECD contributions to support the use of budgeting in SDG implementation

The OECD has been working with a number of countries to overcome these challenges. For example, the "OECD Gender Review of Canada: Mainstreaming, Governance and Budgeting" set out a roadmap for the implementation of gender budgeting (OECD, 2018[20]), which, building on its existing efforts in gender budgeting, provides recommendation to further develop the gender equality-related content in the budget and has a wide range of gender budgeting tools implemented across the budget cycle.

The OECD has long experience in assessing and advising on public finance management reforms across OECD and non-OECD countries. Applying the **OECD Recommendations on Budgetary Governance** (2015[1]), governments can implement budgeting frameworks that allow strategic expenditure allocations that are aligned with fiscal targets, medium-term priorities and development objectives. Sound budgetary governance for example is relevant for the design of medium-term budgeting frameworks that support the strategic priorities of government; the planning and implementation of capital investments essential for sustainable development; as well as the clear and transparent presentation and explanation of the impact of budget measures on the SDGs in the budget documentation. To monitor and report on SDG targets and the progress towards their achievement, the OECD can provide guidance on performance and results-focused budget models that can

---

be linked to higher-order outcome frameworks such as the SDGs. This could include assistance for developing performance measures and evaluations, the use of performance-related information in budgetary management processes, and on the processes for using this information in decision-making.

A key challenge for the efficient alignment of revenue raising and spending decisions with the transversal goals is the cross-community awareness of priorities, methods and constraints. The work of the **Paris Collaborative on Green Budgeting** has shown that establishing dialogue among environment, fiscal and budget policy experts and enable an integrated discussion between the domains of expertise – within but also across countries – is crucial to improve budgetary efficiency and outcome effectiveness.

Under the Collaborative, the OECD Secretariat advances the analytical and methodological groundwork for green budgeting and is therefore in a good position to advise governments in how to align their medium-term budget plans with the SDGs. The OECD can put in place peer review and technical assistance mechanisms to support countries in mainstreaming environmental perspectives and climate goals into the budget process, in line with both the Paris Agreement and the SDGs.

Similarly, the OECD can leverage its expertise on gender mainstreaming and gender budgeting to support governments in their reform efforts. Effective gender budgeting has the potential to improve gender equality across all dimensions of sustainable development and can have positive implications for other goals, in particular those related to children's education and health and environmental and climate objectives.

Building on the outcomes and expertise of the **Paris Collaborative on Green Budgeting** and **the OECD Gender Budgeting Experts Group**, the OECD is in the position to review countries' current position to mainstream environmental and gender considerations in the budget process and to assist with the implementation of innovative green and gender budgeting practices.

Promoting the strategic and holistic use of public procurement, the **OECD Recommendation of the Council on Public Procurement** calls on Adherents to ensure an adequate degree of transparency of the public procurement system in all stages of the procurement cycle (OECD, 2015[21]). It provides a 21st-century reference for modernising procurement systems and can be applied across all levels of government and state-owned enterprises.

By providing a platform to share countries' experiences, the proposed Global Hub on the Governance for the SDGs will help governments as well as citizens better understand the importance of budgetary governance and public procurement as tools for achieving the SDGs and improve the collection of good practices and relevant data.

Note

[1] Austria, Belgium, Canada, Chile, Finland, Germany, Iceland, Ireland, Israel, Italy, Japan, Korea, Mexico, Norway, Portugal, Spain and Sweden (OECD, 2019[22]).

References

Bevan, G. and C. Hood (2006), "What's measured is what matters: Targets and gaming in the English public health care system", *Public Administration*, Vol. 84, pp. 517-538. [4]

CCCFMP (2015), *Green Planning and Budgeting Strategy for Indonesia's Sustainable Developement 2015-2020*, Centre for Climate Change Financing and Multilateral Policy, Fiscal Policy Agency, Ministry of Finance, Republic of Indonesia, https://www.kemenkeu.go. [11]

Downes, R., D. Moretti and T. Shaw (2017), "Budgeting in Sweden", *OECD Journal on Budgeting*, Vol. 16/2, https://dx.doi.org/10.1787/budget-16-5jg1f8p0jh7b. [6]

Downes, R., L. von Trapp and S. Nicol (2017), "Gender budgeting in OECD countries", *OECD Journal on Budgeting*, Vol. 16/3, https://doi.org/10.1787/budget-16-5jfq80dq1zbn. [16]

European Commission (2008), *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Public Procurement for a Better Environment*, {SEC(2008) 2124} {SEC(2008) 2125} {SEC(2008) 2126} /* COM/2008/0400 final */, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0400. [17]

OECD (2019), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, OECD Publishing, Paris, https://doi.org/10.1787/g2g9faa5-en. [22]

OECD (2018), *Effective Carbon Rates 2018: Pricing Carbon Emissions Through Taxes and Emissions Trading*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264305304-en. [7]

OECD (2018), *Gender Equality in Canada: Mainstreaming, Governance and Budgeting*, OECD Publishing, Paris, https://doi.org/10.1787/9789264301108-en. [20]

OECD (2018), *OECD Companion to the Inventory of Support Measures for Fossil Fuels 2018*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264286061-en. [13]

OECD (2017), *Agricultural Policy Monitoring and Evaluation 2017*, OECD Publishing, Paris, http://dx.doi.org/10.1787/agr_pol-2017-en. [14]

OECD (2017), *Government at a Glance 2017*, OECD Publishing, Paris, https://dx.doi.org/10.1787/gov_glance-2017-en. [8]

OECD (2016), *Checklist for Supporting the Implementation of the OECD Recommendation of the Council on Public Procurement Checklist for Supporting the Implementation of OECD Recommendation of the Council on Public Procurement*, OECD, Paris, http://www.oecd.org/governance/procurement/toolbox/search/checklist-implementation-oecd-recommendation.pdf. [19]

OECD (2016), *Effective Carbon Rates: Pricing CO2 through Taxes and Emissions Trading Systems*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264260115-en. [9]

OECD (2015), *Going Green: Best Practices for Sustainable Procurement*, OECD, Paris, http://www.oecd.org/gov/public-procurement/publications/Going_Green_Best_Practices_for_Sustainable_Procurement.pdf. [18]

OECD (2015), *OECD Recommendation of the Council on Public Procurement*, OECD, Paris, http://www.oecd.org/gov/public-procurement/recommendation/OECD-Recommendation-on-Public-Procurement.pdf (accessed on 30 July 2018). [21]

OECD (2015), *Recommendation of the Council on Budgetary Governance*, OECD, Paris, http://www.oecd.org/gov/budgeting/Recommendation-of-the-Council-on-Budgetary-Governance.pdf. [1]

OECD (2013), *Scaling-up Finance Mechanisms for Biodiversity*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264193833-en. [15]

PMO Finland (2018), *Budget Review 2019 - Review of Budget Proposal*, Ministry of Finance Publications, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161044/Budget%20review%202019.pdf?sequence=1&isAllowed=y. [5]

RPLN (2016), *Climate Budget Tagging: Experience from Asia*, Regional Peer Learning Network, Issue 1, https://www.climatefinance-developmenteffectiveness.org/sites/default/files/climateBudgetTagging.pdf. [12]

UN (2018), *Working Together: Integration, Institutions and the Sustainable Development Goals, World Public Sector Report 2018*, Division for Public Administration and Development Management, Department of Economic and Social Affairs (DPADM), UN. [3]

World Bank (2019), *SDGs in Action: Integrating the SDGs into National Budgets*, World Bank Live, https://live.worldbank.org/sdgs-in-action (accessed on 16 May 2019). [2]

World Commission on Environment and Development (1987), "Part II. Common challenges", in *Population and Human Resources - Report of the World Commission on Environment and Development: Our Common Future Towards Sustainable Development*, http://mom.gov.af/Content/files/Bruntland_Report.pdf (accessed on 22 October 2018). [10]

Chapter 4. Monitoring, evaluation and audit institutions

Monitoring and evaluation systems are essential for assessing to what extent policies and resource allocations for implementing the SDGs result in meaningful outcomes. This chapter illustrates ways in which solid monitoring and evaluation systems, and the strategic use of the information they generate throughout the policy and budget cycle, can foster a range of objectives such as policies' value for money, accountability, and overall transparency of a policy-making process. Sound monitoring and evaluation systems become even more important given the complex and interconnected nature of the SDGs.

Monitoring and evaluation for effective delivery of the SDGs

Given the aspirational and global nature of the SDGs, governments are called to set targets, taking into account different circumstances, capacities and priorities. A whole-of-government strategic approach and strong stakeholder engagement can help to set these targets in a meaningful way and foster ownership across society. In addition, incorporating the SDGs into the budget process guarantees that resource allocation reflects policy priorities and supports policy coherence across policy goals and electoral cycles. When policy-makers want to assess whether their policy targets and the subsequent resource allocation result in meaningful changes and achievements, monitoring and evaluation (M&E) come into play.

Solid M&E and the strategic use of the information it generates throughout the policy and budget cycle can foster a range of objectives such as policies' value for money, accountability and overall transparency of a policy-making process. Taking into account the complex and interconnected nature of the SDGs, a sound M&E system is of particular importance. In addition, considerations such as inclusiveness (the 'leaving no-one behind' principle) and sustainability – as opposed to more traditional considerations such as efficiency or effectiveness – ask for innovative approaches when assessing the merit and achievements of policy initiatives in support of the SDGs.

Collaborating with a host of other international organisations and governments from 38 countries within the framework of the Praia Group on Governance statistics, the OECD has been at the forefront of promoting evidence-based policy recommendations for improving monitoring and evaluation in SDG governance (Praia Group, 2015[1]).

Notwithstanding their complementarity, monitoring and evaluation are two different things. Policy monitoring refers to a continuous function that uses systematic data collection on specific indicators to provide policy makers and stakeholders with information regarding progress and achievements of an ongoing public policy initiative and/or the use of allocated funds (OECD, 2019[2]; OECD, 2016[3]). It contributes to planning and operational decision-making, as it provides evidence to measure performance and can help to raise specific questions in order to identify implementation delays or bottlenecks. It can also strengthen accountability regarding the use of resources, the efficiency of internal management processes, or the outputs of a given policy initiative.

Policy evaluation refers to a structured, in-depth assessment of an intended, ongoing or completed policy initiative. The aim is to determine the relevance and fulfilment of policy objectives, as well as to assess dimensions such as public policies' efficiency, effectiveness, impact or sustainability. As such, policy evaluation focuses on determining the worth or significance of a policy initiative (OECD, 2019[2]; OECD, 2016[3]). It serves three main purposes that are highly relevant for reaching the SDGs. Firstly, it fosters learning by helping policy makers to understand why and how a policy was (ex-post) - or is expected to be (ex-ante) - successful or not. Secondly, it contributes to strategic decision-making, by providing insights on how to improve the links between policy decisions and outcomes. And finally, it promotes accountability as it provides not only government, but also citizens and a broad range of stakeholders, with information whether policy initiatives, including the financial resources mobilised, are producing the expected results.

While governments are responsible for setting up their M&E system, it is important to acknowledge (a) a division of labour within government (e.g. Centre of Government versus sector actors engaging in M&E activities), which can result in different institutional set-

ups; and (b) M&E responsibilities of actors outside the executive (e.g. Parliament and Supreme Audit Institutions).

Monitoring mechanisms to keep track of SDG implementation

Performance monitoring can be defined as "the continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing policy or reform initiative with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds" (OECD, 2016[3]). It is a critical tool to inform governments on how they are progressing along the path to achieving their stated policy goals.

Countries have developed different monitoring mechanisms to ensure efficient policy-making. The monitoring of financial performance and budget execution can help governments to assess the effectiveness of public spending against their strategic objectives and adjust the allocation of financial resources in case of unforeseen implementation challenges or misspending. Linkages between the government's strategic objectives (as identified for example in its plurennial development planning), spending results areas in the national budget and clear performance goals help to ensure meaningful monitoring.

These links take on added importance as governments pursue the translation of the SDGs into their national contexts through a triangulation exercise that aligns the SDGs with national strategic planning objectives and spending results areas in the national budget. Translating the SDGs into national development goals complemented with key performance targets and indicators can enable the government to reflect the SDGs in their own strategic planning. Governments can then align their national strategic objectives (now reflecting the SDGs) with the spending results areas in the national budget. This has the potential to enable governments to assess how their financial allocations and spending decisions are advancing the country down the path of achieving the SDGs in a way that reflects national development priorities and objectives.

In many countries, the Centre of Government (CoG) plays a direct role in overseeing the monitoring of the SDGs' implementation across government and the communication of progress and achievements, though different institutional set-ups can be considered. Some of the potential challenges for countries to consider include:

- The blending of pre-existing national policy priorities (e.g. national development goals) and their established indicators with SDG targets and indicators.

- The coordination between CoG institutions and sector ministries (i.e. issues of ownership of the monitoring and reporting cycle, knowledge asymmetry regarding the performance and deliverables to be monitored etc.).

- The capacity to collect reliable data in a cost-effective way and ensure the large flow of generated information can be easily absorbed.

- The need to make relevant information publicly available and engage in a debate regarding the observed performance with a wide range of actors going well beyond government (e.g. engagement with citizens and other stakeholders, NGOs, Parliament, etc.).

- The need to 'close' the policy cycle, or in other words act upon the information collected through the SDG implementation monitoring process, by adjusting planning and budgeting decisions accordingly.

Box 4.1. U.S. National Statistics for the UN Sustainable Development Goals

In 2016, the United States government introduced the online platform "U.S. National Statistics for the UN Sustainable Development Goals". The platform presents relevant national statistical data associated to 244 indicators across the 17 SDGs. This is the result of collaborative work between the U.S. Office of Management and Budget, the Office of Information and Regulatory Affairs, the U.S. Departments of State, the Office of International Organizations, the U.S. General Services Administration and the U.S. Office of Science and Technology Policy.

The objective of the initiative is to make data available and accessible to all citizens. In addition, the platform is an open source and allows multiple users to use it concurrently. It can be used and adapted by other nations and localities according to their own reporting needs. The United Kingdom was the first to clone and customize it, launching their NRP in late 2017. The US and UK have since combined best features into "Open SDG" and continues to collaborate to incorporate other features such as SDMX (available soon). This will enable other countries that have also adapted the platform (e.g. Poland, Ghana, Armenia) to simply transfer newly-developed features.

The platform includes instructions for developers, data providers and policy makers on how to customize the site. Currently the site presents information for 41% of all the indicators. It is work in progress and other data sources are being explored. It is available in English and Spanish and will become available in French later this year, eventually also being translated to the other official UN languages.

By making data from the public sector available, this initiative from the United States government fosters transparency and accountability and has the potential to increase stakeholder participation. Moreover, the initiative provides other nations a valuable tool to keep track on their own progress to achieve the SDGs.

Sources: U.S. Government (n.d.[4]), *U.S. National Statistics for the U.N. Sustainable Development Goals,* https://sdg.data.gov/ (accessed on 17 May 2°19); IISD (2017[5]), *US Presents National SDG Monitoring Platform*, https://sdg.iisd.org/news/us-presents-national-sdg-monitoring-platform/.

Monitoring the impact of public procurement on broader policy objectives

Demonstrating the impacts of public procurement in a way that is consistent and reliable across countries is challenging. The OECD study "Productivity in Public Procurement" introduces a framework that systematically assesses the effects of public procurement activity and the success of government policy. The framework has been tested in two OECD member countries, **Finland** and **Chile**, to validate its applicability to different types of systems (OECD, 2019[6]). The framework has also been used in **Malta** to design a set of performance indicators to measure efficiency and effectiveness in the context of the economic impact of public procurement (OECD, 2018[7]) (Box 4.2).

Box 4.2. Measuring the performance of public procurement in Malta

The public procurement system in Malta is in a state of active reform and change. The institutional framework for public procurement has been built over time as part of the change programme. Reforms have been brought about principally in the regulatory realm and as a result there have been some wide-reaching structural changes to organisations. The OECD review of the public procurement processes in Malta identified a number of areas for potential improvements:

- Increased competition, reduced administrative burdens, shortened duration and increased compliance levels through e-procurement.

- Increased value from use of framework agreements and/or consolidated contracts.

- Decreased cost of procurement staff over time as levels of efficiency increase in areas of automation such as e-procurement, the use of framework agreements and consolidated contracts.

- Decrease in unsuccessful procurement processes.

- Improved public procurement planning as reflected in decreased time spent on certain parts of the procurement lifecycle (specification development, clarifications, evaluation).

To demonstrate the improved efficiency and effectiveness of the procurement function, it was necessary to create a new set of metrics and define the data that was needed for measurement.

Source: OECD (2018[7]), *Public Procurement in Malta: Re-engineering the Department of Contracts*, http://www.oecd.org/gov/public-procurement/.

One tool that seeks to inform evidence-based policy-making with a view towards strategic procurement in support of the SDGs is the **Methodology for Assessing Procurement Systems** (MAPS) (Box 4.3). MAPS is intended to provide a harmonised tool for use in the assessment of public procurement systems. The methodology is designed to enable a country, with or without the support of external partners, to conduct an assessment of its procurement system in order to determine its strengths and weaknesses. The resulting information can serve as the basis for harmonised system development and reform initiatives that can improve capacity and address any weaknesses. The assessment also provides the country with information it can use to monitor the performance of its system and evaluate the success of the reform initiatives in improving performance. By identifying weaknesses in a country's current system, it also offers external partners information that can help them determine risks to the funds they provide to partner countries.

Box 4.3. Methodology for Assessing Procurement Systems

The MAPS analytical framework consists of a core assessment methodology and six supplementary modules. The MAPS core methodology provides a comprehensive approach for assessing procurement systems. It defines the structure to conduct a country context analysis, presents a refined indicator system for assessing the quality and performance of the system in terms of outcomes and results and describes the key elements of the assessment process. An innovation in the MAPS are quantitative assessment criteria that reflect Key Performance Indicators (KPIs) used by countries to track the performance of their public procurement systems.

Figure 4.1. MAPS Structure
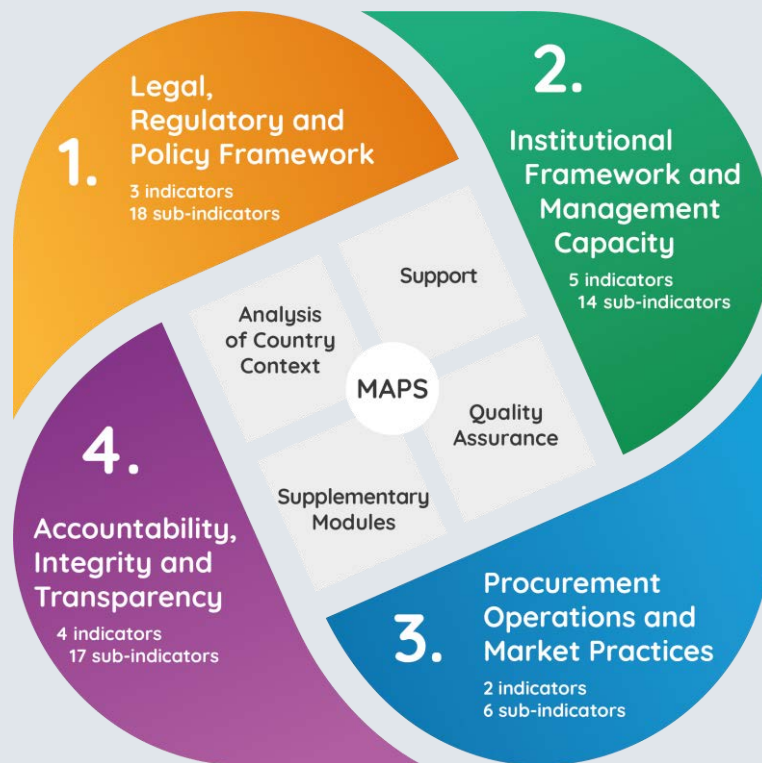
Source: ©MAPS (n.d.), The MAPS Analytical Framework, http://www.mapsinitiative.org/ (accessed in 2019).

MAPS was recently revised to match today's challenges. The new version of MAPS is timely in the wake of the launch of the SDGs. Like the SDGs, MAPS will be relevant for all countries, irrespective of income level or development status. MAPS is related to Goal 12, which calls for the promotion of sustainable procurement practices in line with national priorities and policies, and Goal 16, which calls for effective and accountable institutions. In addition, MAPS is anchored in the 2015 OECD Recommendation of the Council on Public Procurement and is reflective of leading international procurement frameworks such as the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Public Procurement (2011), the European Union (EU) Directives on Public Procurement (2014), and the procurement frameworks used by multilateral development banks,

countries and implementing institutions. It provides a holistic assessment framework, establishing the criteria of an effective and efficient procurement system that all countries should strive to achieve.

Policy evaluation to foster strategic decision-making, learning and accountability

While the specific objectives, scope and methodology of individual evaluations may vary widely, policy evaluations in essence analyse the link between policy decisions and outcomes. By aiming to support strategic decision-making, learning and accountability, policy evaluation should be part and parcel of the policy cycle, including for those policies impacting the achievement of the SDGs. However, given the resource-intensive nature of evaluations (both in terms of human and financial means), a structural approach to policy evaluation would still imply a deliberate, strategic choice to carry out specific evaluations and target specific information needs.

Box 4.4. Using ex-post evaluation to improve the stock of regulations

The stock of regulations in OECD countries is far larger than the flow, yet scant attention is often paid to regulatory proposals once they have become laws. Ex-post evaluation is thus a crucial tool to ensure that regulations remain fit for purpose, that businesses are not unnecessarily burdened, and that citizens' lives are protected. Yet despite this, there has only been a minor increase in the number of countries that have formal requirements and a comprehensive methodology in place for ex-post evaluations. Improving the stock of regulation would help ensure that regulations are still relevant, do not impose unnecessary costs on society and do not lead to unintended consequences.

Source: OECD (2018[8]), *OECD Regulatory Policy Outlook 2018*, https://doi.org/10.1787/9789264303072-en.

Preliminary findings of ongoing OECD research regarding the institutionalisation and governance of policy evaluation across government (OECD, forthcoming[9]) suggest that:

- A variety of institutional set-ups exist to organise policy evaluation across government (e.g. the coordinating institution could be the Prime Minister's Office or equivalent, Ministry of Finance, Ministry of Planning, a dedicated agency; sector ministries could have different levels of autonomy to take evaluation-related initiatives).

- The legal framework for carrying out policy evaluation can vary substantially (e.g. constitutional provisions, legal provisions, dedicated policy on policy evaluation).

- The use of policy evaluation results in decision-making remains a particular challenge for many countries.

Promoting policy evaluation across the policy cycle entails more than ticking the box that evaluations are produced. Ensuring the systematic production of policy evaluations is a necessary but not sufficient condition to enhancing the quality of public governance and service delivery. Poor quality evaluations will hardly contribute to better learning, higher accountability, or better decision-making and policy design. Likewise, high-quality evaluations may still be completely ignored for actual policy decisions. While fostering an evaluation culture is a long-term endeavour, concrete actions can be taken to promote the

relevance and uptake of policy evaluations. These can for instance include the promotion of political commitment and stakeholder engagement.

Given that the quality of policy evaluations is an essential factor to guarantee the robustness and validity of any policy evaluation effort, both quality control (deliverable oriented) and quality assurance (process oriented, i.e. doing the right things in the right way) are important. A preliminary analysis of the OECD Survey regarding the institutionalisation and governance of policy evaluation across government indicates that governments are focusing on the following areas to foster the quality of their policy evaluations:

- The skills and capacities within the public service to conduct or commission policy evaluations.

- The role of stakeholders, to ensure that evaluations are targeted properly and that recommendations for improvement are practical and user-centred.

- The realisation of meta-evaluations and the role of Supreme Audit Institutions to audit the policy evaluation system.

Whereas most countries have established a monitoring framework for SDG implementation (or are in the process of doing so), few countries have addressed the issue of how to evaluate SDG achievements. A review of 43 Voluntary National Reviews refers in this respect to "a general lack of reflection and understanding about how evaluation should be included into the SDGs' national follow-up and review processes" (Partners for Review, 2018, p. 4[10]). This indicates that mainstreaming evaluation of the SDGs is still largely unchartered territory, with a great potential to be developed strategically in the future. Building upon existing building blocks of a country's evaluation eco-system might be a good starting point in this respect (as an illustration, see Annex D for the case of Costa Rica, where a National Evaluation Policy with an explicit cross-reference to the SDG agenda was recently developed).

Supreme Audit Institutions and the oversight of the national SDG agenda

Through their traditional role in external oversight of government accounts, Supreme Audit Institutions (SAIs) fulfil a crucial role as key democratic institutions by holding government to account for its use of public resources. In addition to these traditional activities, SAIs may contribute to the formulation, implementation and evaluation of policies. These activities take the form of assessments carried out by the SAIs on key functions of the policy cycle, as well as by the provision of insight and foresight.

Yet, this is not the only channel through which SAIs can support the implementation of the overall 2030 Agenda. The SDGs, by their nature, have a medium to long-term horizon for the achievement of outcomes. Within their traditional role of providing oversight, SAIs are well-equipped to monitor and report on policies for implementing SDGs beyond electoral cycles and assess whether public finances are managed in such a way as to achieve the goals. As to their role in the provision of insight and foresight, SAIs can inform the Centre of Governments and policy-makers at different stages of the policy cycle (formulation, implementation, evaluation and oversight). SAIs can, therefore, through their audits – and consistent with their mandates and priorities – make valuable contributions to national efforts to track progress, monitor implementation and identify improvement opportunities across the full set of the SDGs.

Due to their position as independent institutions that monitor performance across a wide range of policy fields, SAI's have an overall picture of financial and policy measures taken

by various institutions on SDG-relevant issues. They are in a unique position to ensure an integrated and coherent approach to SDG implementation across the economic, social and environmental dimensions of sustainable development and to flag important cross-sectoral issues (UN, 2018[11]).

The International Organization of Supreme Audit Institutions (INTOSAI) has identified four approaches through which INTOSAI and SAIs can contribute to the implementation of SDGs, namely by:

- Assessing national governments' preparedness for SDG implementation.

- Conducting performance audits of key government programmes that contribute to specific SDGs.

- Contributing to the implementation of SDG 16.

- Acting as models of transparency and accountability in their own operations.

SAIs can assess the preparedness of national governments to implement, monitor and report on the progress of the SDGs. For example, the **Netherlands** Court of Audit conducted a 'preparedness review' of the government's commitment to achieve the SDGs. Similarly, the Federal Court of Accounts of **Brazil** (TCU) conducted several pilot audits to assess the Brazilian government's readiness to implement specific SDGs, addressing in particular the process of institutionalisation of the SDGs and governance mechanisms within the centre of government, and the monitoring of SDG targets and indicators. SAIs have also shown commitment to taking steps in strengthening their own capabilities to carry out SDG-related audits. For example, in 2016, a coordinated audit involving SAIs from 11 Latin American countries, conducted by the TCU, evaluated governments' preparedness to implement the SDGs (TCU, 2017[12]), with a focus on target 2.4 (sustainable food production systems).

SAIs can also help ensure that the SDGs are being properly implemented, benefitting the whole of society and restoring public trust in institutions. As an example, the Swedish National Audit Office (NAO) audited the government's gender equality initiative, recommending the development of an institutional structure to strengthen the government's gender mainstreaming strategy.

Furthermore, SAIs can support the implementation of SDG 16, which relates to transparent, efficient and accountable institutions. Indeed, SAIs play a critical role in evaluation and oversight through their audits, evaluations and advice, thus holding the government to account for the use of public resources. They produce evidence to inform what works and what does not work, provide insight into potential duplications and fragmentations across government, and can expose where a policy does not serve the public interest or clearly advantages a narrow interest group.

Finally yet importantly, SAIs should act as models of transparency and accountability in their own auditing and reporting operations. This may be particularly challenging in countries where the achievement of the SDGs is most crucial: SAIs may have limited resources, lack of technical capacity, or may be subject to political interference, all of which may limit the effectiveness of the auditing body. Capacity building programmes and knowledge sharing networks among SAIs, such as the INTOSAI Development Initiative, are particularly relevant in this respect.

Drawing on the successful experience of SAI's, some countries intend to build similar capacities in their Internal Audit institutions, as evidenced by the **Argentina** case study in Annex D.

Lessons learned from country experiences

Monitoring and Evaluation (M&E) can guide operational and strategic decision-making and furthermore support learning and accountability objectives. As such, countries recognise the importance of integrating M&E in the governance framework for implementing the SDGs. While the executive government has a clear responsibility in designing such an M&E framework, the case studies presented in Annex D show the importance of engaging a broader range of stakeholders and provide examples of the important role other actors (in particular SAIs) can play. The case material furthermore indicates that embedding SDG-focused M&E efforts in broader, ongoing efforts to promote government-wide policy priorities (e.g. in the context of a national development plan) can be helpful to create traction. As a general observation, monitoring efforts appear to have been much more firmly established across governments for the time being, than evaluation.

Effective independent external audit institutions are critical to making sure that governments are operating in an optimal way, without waste or fraud, to deliver better policies and programmes that benefit citizens. The OECD's international peer reviews have shown that the trend is clearly towards a role for SAIs that focuses on broader governance aims than their traditional oversight role. SAIs increasingly assess the preparedness of government to address long-term economic, social and environmental policy challenges. SAIs can provide a unique, horizontal view on government policies and programmes by providing critical evidence for more informed policy formulation, implementation and evaluation.

The case studies in Annex D show various results from monitoring and evaluation exercises. In **Austria**, the evaluation by the national Supreme Audit Institution has revealed the lack of coordination regarding SDG implementation across government, and the absence of an SDG perspective in the budgetary process. By contrast, **Colombia**'s performance is monitored by the National Planning Department (NPD) while the national monitoring (and evaluation) system, SINERGIA, tracks process, output, and outcome indicators set in the National Development Plan (NDP). Similarly, **Costa Rica**'s National Evaluation Policy will focus on policy evaluation in relation to the SDGs. Other countries, such as **Egypt** and **Luxembourg**, have so far only implemented monitoring mechanisms for SDG targets and indicators. Of the countries covered in the case studies, only in **Brazil**, **Finland** and the **Netherlands** has the national Supreme Audit Institutions taken up the role to act as external, independent evaluators of the SDG implementation process. The **Ireland** case highlights the role of regulatory impact assessments, and, finally, **India**'s SDG Index shows national efforts to track progress at both national and state level.

Box 4.5. OECD contributions to support monitoring and evaluation in SDG implementation

The OECD is collaborating with SAIs and INTOSAI to extend its review of external, independent evaluation mechanisms to other countries.

The **OECD Recommendation of the Council on Regulatory Policy and Governance** is the first international instrument to address regulatory policy, management and governance as a whole-of-government activity. It sets out the measures by which governments can implement or advance regulatory reform, arguing that Regulatory Impact Analysis (RIA) is both a tool and a decision process for informing political decision makers on whether and how to regulate to achieve public policy goals. As a tool supporting decision-making, RIA focuses on ensuring that a systematic and rigorous process of identification and assessment of the potential impacts of government actions is undertaken and on quantifying the expected costs and benefits of a regulatory measure; on assessing the effectiveness of the measure in achieving its policy goals; and on determining whether there are superior alternative approaches available to governments. As a decision process, RIA complements other key elements of regulatory policy, such as public consultation, by developing a better understanding of the likely impact of regulatory options and communicating this information to policy makers, at a time and in a form that can be used to guide regulatory decision-making in relation to both proposed and existing regulations (OECD, 2009).

In addition, drawing from the **OECD Network of Economic Regulators,** and building on the **OECD Framework for Regulatory Policy Evaluation**, the OECD Survey on the institutionalisation and governance of policy evaluation, and the **OECD Regulatory Policy Outlook**, the OECD is well placed to support countries in the design of effective M&E systems, which will also be an integral part of the proposed Global Hub on the Governance for the SDGs. In particular, the Framework for Regulatory Policy Evaluation assists countries in systematically evaluating the design and implementation of regulatory policy against the achievement of strategic regulatory objectives, such as those derived from the SDGs.

References

IISD (2017), *US Presents National SDG Monitoring Platform*, International Institute for Sustainable Development, https://sdg.iisd.org/news/us-presents-national-sdg-monitoring-platform/. [5]

OECD (2019), *Open Government in Biscay*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/e4e1a40c-en. [2]

OECD (2019), *Productivity in Public Procurement - A Case Study of Finland: Measuring the Efficiency and Effectiveness of Public Procurement*, OECD, Paris, http://www.oecd.org/gov/public-procurement/publications/productivity-public-procurement.pdf. [6]

OECD (2018), *OECD Regulatory Policy Outlook 2018*, OECD Publishing, Paris, https://doi.org/10.1787/9789264303072-en. [8]

OECD (2018), *Public Procurement in Malta: Re-engineering the Department of Contracts*, OECD, Paris, http://www.oecd.org/gov/public-procurement/. [7]

OECD (2016), *Open Government: The Global Context and the Way Forward*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264268104-en. [3]

OECD (forthcoming), *OECD Survey on the Institutionalisation and Governance of Policy Evaluation*, OECD, Paris. [9]

Partners for Review (2018), "Comparative analysis of 43 VNRs submitted to the HLPF 2017", http://www.partners-for-review.de/wp-content/uploads/2018/05/P4R-Comparative-analysis-of-2017-VNRs.pdf. [10]

Praia Group (2015), *Praia Group on Governance Statistics*, http://ine.cv/praiagroup/index.html (accessed on 17 May 2019). [1]

TCU (2017), *SDG Coordinated Audit*, https://portal.tcu.gov.br/biblioteca-digital/auditoria-coordenada-ods.htm. [12]

U.S. Government (n.d.), *U.S. National Statistics for the U.N. Sustainable Development Goals*, https://sdg.data.gov/ (accessed on 17 May 2019). [4]

UN (2018), *Working Together: Integration, Institutions and the Sustainable Development Goals, World Public Sector Report 2018*, Division for Public Administration and Development Management, Department of Economic and Social Affairs (DPADM), United Nations. [11]

Chapter 5. Fostering a culture of integrity and fighting corruption

Integrity in public policies is the cornerstone of a system of sound public governance. It is vital to govern in the public interest and for the prosperity and well-being of society as a whole. This chapter shows that integrity in public policies strengthens the democratic process and reduces the risk of policy capture in SDG implementation. Integrity also promotes economic growth by cultivating a level playing field for business, helps reduce socio-economic inequalities, and supports environmental sustainability goals. Furthermore, strengthening integrity and reducing corruption is critical for restoring trust in government.

Fostering a culture of integrity is a key governance challenge for SDG implementation

Integrity in public policies is the cornerstone of a system of sound public governance. It is vital to govern in the public interest and for the prosperity and well-being of society as a whole. However, no country is immune to violations of integrity, and corruption remains one of the most challenging issues facing governments today. Particularly in today's context of growing inequality and an erosion of trust in government, there is a growing perception that policy-making is being captured by vested interests.

Together with various international organisations such as the United Nations Office on Drugs and Crime (UNODC), UNDESA, UNDP, the IMF, World Bank and the Asian and African Development Banks, the OECD has been a strong advocate of a culture of integrity (IMF, 2019[1]; UNODC, 2017[2]; World Bank, 2018[3]).

The 2030 Agenda provides an opportunity to bring fresh momentum to this discussion by highlighting the multi-faceted nature of integrity, the connections between the domestic and international agendas, and providing a lever to engage civil society. Within the SDG framework, SDG 16 – "Peace, Justice and Strong Institutions" – includes commitments to reduce corruption and bribery in all their forms (16.5), develop effective, accountable and transparent institutions at all levels (16.6), reduce illicit financial flows (16.4) and ensure responsive, inclusive, participatory and representative decision-making (16.7). Corruption and lack of integrity in public decision-making are also a threat to inclusive growth (SDGs 8 and 11), widen economic and social inequalities (SDG 10), impede the effective delivery of public services and undermine the values of democracy. Likewise, integrity is essential to implement effective policies and achieve sustainable reforms in many sectors such as health (SDG 3), education (SDG 4), gender equality (SDG 5), climate action and environmental policies (SDG 13, 14, 15), as well as water and sanitation (SDG 6).

The interlinkages between integrity and SDG implementation

Integrity promotes economic growth by cultivating a level playing field for business, helps reduce socio-economic inequalities, and supports environmental sustainability goals. Strengthening integrity also helps make public policies more effective and increases the efficiency and legitimacy of public policies.

Lack of integrity undermines economic growth and hampers business operations

Within the economy, corruption and policy capture lead to biased decisions, which results in an inefficient use of public resources. In turn, this lowers economic productivity and endangers sustainable growth. Empirical evidence from OECD countries has found that higher levels of corruption are associated with lower levels of competition (OECD, 2016[4]), which affects especially small or less influential companies facing higher entry barriers or lack of market access (SDG 8). As a result, private companies may prefer to invest in unproductive rent-seeking activities.

Corruption also undermines innovation and the diffusion of new technologies (SDG 9). Evidence from 22 OECD countries suggests that the negative impact of corruption on Total Factor Productivity growth over a twenty-year period is due to corruption undermining technological change and companies' incentives to build up entrepreneurial skills, invest in innovation, research and development, which are crucial ingredients for sustainable

growth (Salinas-Jiménez and Salinas-Jiménez, 2007[5]). It prevents the creation of an enabling market environment where the most productive firms can thrive. Box 5.1 provides the example of the UK's anti-corruption strategy, which outlines how tackling corruption and strengthening integrity allows the government to achieve long-term economic outcomes.

Box 5.1. The long-term objectives of the UK Anti-Corruption Strategy

The United Kingdom Anti-Corruption Strategy for 2017-2022 is grounded in the benefits of tackling corruption on the achievement of desired impacts. Recognising that corruption is a threat to Britain's safety and security, and that integrity "*underpins the UK's ability to boost trade and attract investment*", the strategy identifies three national long-term expected outcomes: (i) reduce threats to Britain's national security; (ii) increase economic prosperity; and (iii) enhance public confidence in Britain's domestic and international institutions. This vision is supported by six priorities, each with several goals and specific reform measures:

1. Reduce the insider threat in high-risk domestic sectors.

2. Strengthen the integrity of the UK as an international financial centre.

3. Promote integrity across the public and private sectors.

4. Reduce corruption in public procurement and grants.

5. Improve the business environment globally.

6. Work with other countries to combat corruption.

Annex E includes a case study that focuses on the fifth priority - improving the business environment globally.

Source: UK Government (2017[6]), *UK Anti-corruption Strategy 2017 to 2022*, https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022.

Integrity enhances equitable access to vital social services such as healthcare, education and water and sanitation

The achievement of many of the targets of the SDGs rely on the successful delivery of public services such as education and healthcare, which in turn enhances a government's credibility. However, corruption can occur at every stage of the service delivery chain, from policy design to implementation and evaluation. The capture of health (SDG 3), water (SDG 6), energy (SDG 7) or educational (SDG 4) policies can restrict equitable access to and undermine the quantity and quality of these public services, thus contributing to a vicious cycle of economic and social inequalities (SDG 10). Lower quality services can also entail health, environmental and security harms (OECD, 2017[7]).

Corruption risks vary across sectors. For example, in the water sector, citizens can be asked to pay a bribe in order to receive a water connection. Ensuring availability and sustainable management of water and sanitation (SDG 6) therefore requires sound and accountable governance institutions. Healthcare policies are particularly vulnerable to conflicts of interests between health-policy makers and the pharmaceutical industry or undue influence

due to financial contributions from companies to medical research. This risk was identified as an important corruption vulnerability in Greece's healthcare sector (Box 5.2).

Box 5.2. Integrity and reduced corruption in the Greek health sector

In 2016, the OECD, Greece and the European Commission launched a project to increase integrity and reduce corruption in Greece through technical empowerment of the Greek authorities for the implementation of the National Anti-Corruption Action Plan. Following the identification of the health sector as being particularly vulnerable to corruption risks, the OECD supported the Ministry of Health in developing a tailored Anti-Corruption Action Plan in 2017 to address the weaknesses of the current Greek healthcare system. The Action Plan consists of 61 specific measures to increase integrity and reduce corruption, structured around two key areas:

1. **Structural reforms in health.** These reforms aim to address the deep-rooted causes of corruption problems in the Greek health sector, in particular:

   - Ensure commitment to implement the anti-corruption measures at the highest ministerial level.
   - Centralise procurement processes and tackle corruption in purchases.
   - Increase scrutiny and control over the pricing of medicines and health products.
   - Increase transparency over the benefits accepted by health professionals.
   - Appoint medical auditors to prevent poor or corrupt clinical practices.
   - Strengthen the legal framework and ethical codes of health professionals.
   - Require officials to report suspected misconduct.

2. **Giving citizens a voice and real information.** These measures include providing citizens with online information on surgery waiting lists and success rates, as well as on hospitals daily effectiveness. Other proposed actions also aim to facilitate complaints about corruption and establish mechanisms for citizen feedback.

Source: OECD (2018[8]), *Final Report on the Greece-OECD Project: Technical Support on Anti-Corruption*, unpublished, OECD, Paris.

Breaches to integrity impede effective climate action and threaten the implementation of environmental regulations

Lack of integrity can also significantly impair governments' capacity to tackle social problems and challenges such as climate change (SDG 13) and environmental protection (Box 5.3). Corruption is a key enabler and facilitator of the illegal exploitation and trade of natural resources such as wildlife and marine biodiversity (SDG 14 & 15). Failure to address the institutional and governance gaps that allow corruption to take place, often because the policies that could be adopted to address these challenges would negatively affect interests benefitting from the status quo, have particularly dire consequences for local communities who depend on these natural resources (OECD, 2018[9]).

Box 5.3. Illegal wildlife trade threatens sustainable development outcomes in Indonesia

Indonesia's large biodiversity makes it susceptible to illegal wildlife trade (IWT). The problem is complex and linked to a number of factors that are critical to the country's long-term development. Enforcement capacity gaps, corruption, unclear legal frameworks, and issues with inter-agency coordination between government bodies complicate matters further.

Across the country, over hundred resident species of birds, mammals and reptiles are threatened by extinction, with serious implications for the achievement of a number of SDG targets, e.g. 15.7 (end poaching), 16.4 (reduce illicit financial and arms flows), and 8.5 (employment). The legal loopholes and steps towards reform, as well as concrete measures to improve governance for corruption and environmental crime, are explored further in Annex E.

Integrity strengthens overall governance and institutional environments

Moving beyond the economy, integrity strengthens the fundamental democratic process of fair decision-making based on openness, dialogue, consensus and the public interest. It also reinforces other fundamental values such as the commitment to a pluralistic democracy based upon the rule of law and respect of human rights.

Corruption, on the other hand, can lead to blocked reforms or inadequately enforced policies, fostering the perception that public policies are unfair and unduly influenced (Box 5.4). Corruption can also considerably reduce the financial leeway of governments, exacerbating challenges to reaching the SDGs in light of a lack of sufficient funding (UN, 2018[10]). Lingering perceptions of corruption and embezzlement breed discontent and polarisation, erode government credibility and legitimacy, and hamper effective policy implementation (OECD, 2016[4]). There is growing evidence that voters feel disillusioned about political integrity and the intertwinement of elite networks across sectors of society, with less than half of OECD countries' citizens (42%) trusting their national government (OECD, 2017[11]). Furthermore, research and evidence from post-conflict situations around the world show the need and the value of tackling corruption risks from the beginning in peace building and reconstruction processes. Thus, integrity is vital to restore trust, not just in government, but also in public institutions, regulators and companies. This is why re-building trust in governments and business through greater integrity and accountability were identified as a key pillar of the *OECD Policy Framework for Inclusive Growth* (OECD, 2018[12]).

Box 5.4. Integrity for peace in Colombia

The corrosive influence of corruption is evident in a country recovering from conflict. Corruption can lead to the embezzlement of funds dedicated to the victims or the reconstruction process, the entrenchment of illegal actors who use corruption as a means to carry out illegal activities in areas with weak, corruptible, state institutions, and lead to breakouts of violence. Mainstreaming an anti-corruption and integrity perspective into post-conflict phases contributes to safeguard the objectives of peace, and coordination of the public integrity system with the responsible public entities for implementing post-conflict programmes and policies is key.

The challenge related to corruption and the opportunity offered by the Colombian Peace Agreement (*Acuerdo final para la terminación del conflict y la construcción de una paz estable y duradera*) signed in 2016 has been recognised by the government and by the Guerrilla, the FARC-EP. Measures aimed at tackling corruption by increasing citizen participation, transparency and integrity have been incorporated throughout the Peace Agreement. In particular, chapter 2 of the Peace Agreement explicitly recognises the importance of strengthening political participation as a "*democratic opportunity to build peace*", and commits to the creation of democratic mechanisms for citizen participation such as citizen oversight boards, public transparency watchdog organisations as well as stakeholder participation mechanisms for the drafting of a bill on guarantees for social movements and organisations, and social protests and demonstrations. In addition, the Agreement recognises the importance of strengthening internal control in local areas that have been affected by the conflict. It also provides for the creation of a Commission for the Follow-up, Impulse and Verification of the Implementation of the Peace Agreement, composed by three members of the FARC-EP and three members appointed by the President of Colombia. Implementing the Colombian Peace Agreement will require important financial investments, involve many actors, and take place in areas with weak state capacities. A lack of integrity in these processes could not only endanger their effectiveness, but could even lead to new conflict and the entrenchment of criminal actors.

*Source*s: OECD (2017[13]), *OECD Integrity Review of Colombia: Investing in Integrity for Peace and Prosperity*, https://dx.doi.org/10.1787/9789264278325-en; Galtung, F. and M. Tisné (2009[14]), "A new approach to postwar reconstruction", http://muse.jhu.edu/journals/jod/summary/v020/20.4.galtung.html (accessed on 29 December 2014).

Implementing the SDGs by placing integrity at its core

Integrity is a critical component of the SDGs framework, not only for preventing corruption and safeguarding democratic institutions (SDG 16), but also for making economies more productive, public sectors more efficient and societies more inclusive. Fostering a culture of integrity will also be crucial to implement the overall 2030 Agenda in an efficient, transparent, inclusive and accountable way. Building coherent integrity strategies integrated into wider governance practices at all levels is vital to achieve progress on every one of the SDGs. In **Thailand**, for example, anti-corruption and good governance have been mainstreamed in wider national development strategies (see Annex E). The OECD Recommendation on Public Integrity provides a framework for integrating anti-corruption as part of a whole-of-government strategy (Box 5.5).

Box 5.5. OECD Recommendation on Public Integrity

The *OECD Recommendation on Public Integrity* (OECD, 2017[15]) provides a strategy for organisations to build whole-of-government integrity systems and promotes coherence with other key elements of public governance. Moreover, as risks to integrity exist across interactions between the public sector, the private sector and civil society, the recommendation incorporates a whole-of-society approach tailored to the specific integrity risks of sectors, organisations and officials.

In particular, the Recommendation provides guidance to policy-makers for developing a public integrity strategy that is built on three pillars. First, a coherent and comprehensive public integrity system aims to ensure that policy makers develop a set of interconnected policies and tools that are coordinated and avoid overlaps and gaps. The Recommendation also stresses the importance of high-level political support: growing empirical evidence gathered by behavioural science researchers shows that emphasising commitments at the highest political and management levels sets the scene for how integrity is perceived across the public sector and society (OECD, 2018[16]; Lambsdorff, 2015[17]).

Second, the system needs to rely on effective accountability, building on risk-based controls, encouraging transparency and stakeholders' engagement in the design and implementation of public policies, which is a crucial element to support the implementation of the SDGs.

The third pillar of an integrity system provides for cultivating a culture of integrity and intends to appeal to the intrinsic motivation of individuals to behave ethically – in the public sector, the private sector, and society as a whole. Countries can take action to engage their citizenry in understanding and upholding their roles and responsibilities for public integrity, including through stakeholder participation. For example, efforts can address the public through awareness raising campaigns, or the private sector through championing and incentivising responsible business conduct. Similarly, educating children and youth for public integrity can be an enabler to build the knowledge, skills and interest in preventing, condemning and fighting corrupt practices (OECD, 2018[18]).

Sources: OECD (2017[15]), *OECD Recommendation of the Council on Public Integrity*, http://www.oecd.org/gov/ethics/OECD-Recommendation-Public-Integrity.pdf; OECD (2018[16]), *Behavioural Insights for Public Integrity: Harnessing the Human Factor to Counter Corruption*, https://doi.org/10.1787/9789264297067-en; Lambsdorff, J. (2015[17]), "Preventing corruption by promoting trust – Insights from behavioral science", https://ideas.repec.org/p/zbw/upadvr/v6915.htm; OECD (2018[18]), *Education for Integrity: Teaching on Anti-Corruption, Values and the Rule of Law*, http://dx.doi.org/www.oecd.org/gov.ethics/integrity-education.htm.

Preserving integrity in public procurement systems

Corruption and wrongdoing can be the result of intentional dishonest behaviour, but it can also be the consequence of ignorance of laws and norms or the corollary of an institutional culture. Thus, setting clear standards for the conduct expected by public officials is a necessary first step. Codes of conduct have proven to be instrumental in promoting integrity in any organisation as they provide a clear benchmark for acceptable behaviour and ethical standards against which personnel and the institution itself can be held accountable. A code of conduct can be seen as a sort of contract among employees within the organisation, as well as a statement to third parties about the ethical standards to expect and respect (OECD, 2015[19]).

There is also a growing awareness in countries and international organisations about the use of public procurement as a lever to ensure businesses act responsibly. The OECD Recommendation on Public Procurement emphasises the key steps that countries can take to pursue policy objectives and Responsible Business Conduct (RBC) is clearly mentioned as one of the policy areas that can be pursued through public procurement (OECD, 2015[20]). In addition, the OECD Guidelines for Multinational Enterprises (OECD, 2011[21]) are the leading international instrument on corporate responsibility. The guidelines promote positive contributions by enterprise to economic, environmental and social progress worldwide (OECD, 2011[21]). The OECD recently released the OECD Due Diligence Guidance for Responsible Business Conduct to provide a tool for both companies and governments to understand how RBC can be reflected in public procurement (OECD, 2018[22]).

Box 5.6. Code of conduct for procurement in Canada

The Government of Canada is responsible for maintaining the confidence of the vendor community and the Canadian public in the procurement system, by conducting procurement in an accountable, ethical and transparent manner.

The Code of Conduct for Procurement aids the Government in fulfilling its commitment to reform procurement, ensuring greater transparency, accountability, and the highest standards of ethical conduct. The Code consolidates the Government's existing legal, regulatory and policy requirements into a concise statement of the expectations the Government has of its employees and suppliers.

The Code of Conduct for Procurement provides all those involved in the procurement process – public servants and vendors alike – with a clear statement of mutual expectations to ensure a common basic understanding among all participants in procurement.

The Code reflects the policy of the Government of Canada and is framed by the principles set out in the Financial Administration Act and the Federal Accountability Act. It consolidates the Federal Government's measures on conflict of interest post-employment measures and anti-corruption, as well as other legislative and policy requirements relating specifically to procurement. This Code is intended to summarise existing law by providing a single point of reference to key responsibilities and obligations for both public servants and vendors. In addition, it describes vendor complaints and procedural safeguards. The Government expects that all those involved in the procurement process will abide by the provisions of this Code.

Source: Public Services and Procurement Canada (2018[23]), *Context and Purpose of the Code*, https://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/contexte-context-eng.html.

The Sustainable Development Goals, notably SDG 16.6, address the development of effective, accountable and transparent institutions at all levels of government. SDG 12.7 on Responsible Consumption and Production calls for the implementation of sustainable public procurement policies and action plans. Public procurement also creates an opportunity to reduce companies' negative impacts on supply chains including eliminating forced labour, promoting decent work, reducing the risks of environmental damage and ensuring respect for human rights.

On 19 September 2017, several governments including **Australia**, **Canada**, **New Zealand**, the **United Kingdom** and the **United States** endorsed a call to action to end forced labour, modern slavery and human trafficking, through which they committed to taking steps to

eliminate slavery from their economies: "the Principles to Guide Government Action to Combat Human Trafficking in Global Supply Chains" (US Department of State, 2018[24]).

In 2018, the G20 Labour Ministers also highlighted, in the "Strategy to eradicate child labour, forced labour, human trafficking and modern slavery in the world", the need to "utilise public procurement to improve compliance with labour standards, in coordination with other government agencies". The strategy also calls for enhancing best practices on public procurement, government contracting and responsible government-backed financing (ILO, 2018[25]).

There are a diversity of approaches to addressing RBC using public procurement as a policy lever. Environmental considerations, for example, have become common policy objectives. Almost all OECD countries support green public procurement through various policies and strategies at the central level and those developed by specific procuring entities (OECD, 2017[11]). Other RBC considerations such as human rights and social aspects including forced labour exploitation are lagging behind. A 2016 survey on links between public procurement and human rights in twenty jurisdictions found that "most respondents reported that there are no dedicated legal measures that explicitly address the obligations of public authorities to respect human rights in the context of public purchasing in general" (International Learning Lab, 2016[26]). Many of the sectors of forced labour exploitation are linked to public procurement such as construction, manufacturing, wholesale and trade, mining and quarrying (WTO, 2015[27]).

Lessons learned from country experiences

Fighting corruption and promoting integrity is vital to achieving the SDGs. With this view, countries are embarking on different ways to align their anti-corruption strategies with other national priorities - from using legislation and law enforcement to mobilising civil society and businesses.

Annex E highlights the experiences of four countries: **Indonesia**, **Lithuania**, **Thailand** and the **United Kingdom**. Each faces specific challenges to address a problem that hampers effective policy delivery and damages the prospects for inclusive and sustainable development. In **Indonesia**, for example, illegal wildlife trade threatens sustainable development outcomes. The examples also show that countries are increasingly taking a comprehensive approach to tackling corruption and engaging business and civil society, in addition to promoting integrity in the civil service. In **Lithuania**, for example, the anti-corruption authority – Special Investigation Service – is taking a whole-of-government and whole-of-society approach to integrity and anti-corruption, and has taken considerable steps to raise awareness on the prevention of corruption, both within other government agencies and across society and the private sector as a whole. The Government of **Thailand** also takes a whole-of-government approach to promote integrity and fight corruption, with all government agencies and institutions expected to adopt guidelines and measures in line with the National Anti-Corruption Strategy. Each national and provincial government department is subject to Annual Integrity and Transparency Assessments to ensure enforcement.

The **United Kingdom** has developed a comprehensive Anti-Corruption Strategy for 2017-2022, which is aligned with other national priorities, such as reducing threats to national security, promoting economic prosperity, and increasing trust in national and international institutions.

Box 5.7. OECD contributions to support integrity and anti-corruption measures in SDG implementation

The OECD has long been engaged in the fight against corruption and the promotion of integrity. Responding to repeated calls from the international community, the OECD is determined to take this fight to a new level by ensuring consistent and coherent action regarding existing and future instruments and initiatives. The new approach ensures an integrated strategy to support governments in the fight against corruption by tackling both the demand and supply side. On the integrity side, the **OECD Recommendation on Public Integrity** is the first compelling international instrument for the implementation of public integrity measures at the state level and draws on 20 years of experience in this area. On the foreign bribery side, the main OECD instrument is the **OECD Anti-Bribery Convention** a legally binding instrument that promotes the criminalisation of bribery of foreign officials.

The **OECD Working Party of Senior Public Integrity Officials (WPSPIO)** launched in November 2016 its Initiative for Evidence-based Integrity Policies. The Initiative, which aims to facilitate governments' effective implementation of the 2017 OECD Recommendation on Public Integrity, aims to achieve continuous learning and improvement of public integrity policies by generating knowledge through integrity measurement.

The OECD's community of anti-corruption experts and activists has also expanded with the annual **OECD Global Anti-Corruption and Integrity Forum**, which gathers thousands of representatives from anti-corruption entities, the private sector, academia and civil society to reflect on new approaches to tackle corruption more effectively and promote integrity.

The **Recommendation of the Council on Public Procurement** (OECD, 2015[20]) supports government efforts to preserve the integrity of the public procurement system through general standards and procurement-specific safeguards.

The **OECD Guidelines for Multinational Enterprises** (OECD, 2011[21]) are the leading international instrument on corporate responsibility. The guidelines promote positive contributions by enterprise to economic, environmental and social progress worldwide (OECD, 2011[21]). The OECD recently released the OECD Due Diligence Guidance for Responsible Business Conduct to provide a tool for both companies and governments to understand how RBC can be reflected in public procurement (OECD, 2018[22])

Through all these activities, the OECD aims to continue to expand the global application and implementation of its globally relevant standards, carry out peer reviews of countries with a view to strengthen their anti-corruption practices, and strengthen its engagement with non-government stakeholders. The OECD is also exploring the application of OECD standards at sub-national government and sectoral levels. The proposed Global Hub on the Governance for the SDGs will channel support to countries and deliver capacity building on all these different areas in a comprehensive manner.

References

Galtung, F. and M. Tisné (2009), "A new approach to postwar reconstruction", *Journal of Democracy*, Vol. 20/4, http://muse.jhu.edu/journals/jod/summary/v020/20.4.galtung.html (accessed on 29 December 2014). [14]

ILO (2018), "ILO Director-General praises G20 commitment on future of work", International Labour Organization, https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_644556/lang--en/index.htm (accessed on 16 May 2019). [25]

IMF (2019), *IMF and Good Governance*, https://www.imf.org/en/About/Factsheets/The-IMF-and-Good-Governance (accessed on 17 May 2019). [1]

International Learning Lab (2016), *Public Procurement and Human Rights: A Survey of Twenty Jurisdictions*, https://www.hrprocurementlab.org/blog/reports/public-procurement-and-human-rights-a-survey-of-twenty-jurisdictions/ (accessed on 17 May 2019). [26]

Lambsdorff, J. (2015), "Preventing corruption by promoting trust: Insights from behavioral science", *Passauer Diskussionspapiere, Volkswirtschaftliche Reihe*, Vol. 69/15, https://ideas.repec.org/p/zbw/upadvr/v6915.html. [17]

OECD (2018), *Behavioural Insights for Public Integrity: Harnessing the Human Factor to Counter Corruption*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264297067-en. [16]

OECD (2018), *Education for Integrity: Teaching on Anti-Corruption, Values and the Rule of Law*, OECD, Paris, https://www.oecd.org/gov/ethics/integrity-education.htm (accessed on 10 July 2019). [18]

OECD (2018), *Final Report on the Greece-OECD Project: Technical Support on Anti-Corruption*, Unpublished, OECD, Paris, http://www.oecd.org/corruption/greece-oecd-anti-corruption.htm (accessed on 10 July 2019). [8]

OECD (2018), *OECD Due Diligence Guidance for Responsible Business Conduct*, OECD, Paris, http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf. [22]

OECD (2018), *Opportunities for All: A Framework for Policy Action on Inclusive Growth*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264301665-en. [12]

OECD (2018), *Strengthening Governance and Reducing Corruption Risks to Tackle Illegal Wildlife Trade: Lessons from East and Southern Africa*, Illicit Trade, OECD Publishing, Paris, https://doi.org/10.1787/9789264306509-en. [9]

OECD (2017), *Government at a Glance 2017*, OECD Publishing, Paris, https://dx.doi.org/10.1787/gov_glance-2017-en. [11]

OECD (2017), *OECD Integrity Review of Colombia: Investing in Integrity for Peace and Prosperity*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264278325-en. [13]

OECD (2017), *OECD Recommendation of the Council on Public Integrity*, OECD, Paris, http://www.oecd.org/gov/ethics/OECD-Recommendation-Public-Integrity.pdf. [15]

OECD (2017), *Preventing Policy Capture: Integrity in Public Decision Making*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264065239-en. [7]

OECD (2016), *Investing in Integrity for Productivity*, OECD, Paris, http://www.oecd.org/gov/ethics/investing-in-integrity-for-productivity.pdf. [4]

OECD (2015), *Effective Delivery of Large Infrastructure Projects: The Case of the New International Airport of Mexico City*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264248335-en. [19]

OECD (2015), *OECD Recommendation of the Council on Public Procurement*, OECD, Paris, http://www.oecd.org/gov/public-procurement/recommendation/OECD-Recommendation-on-Public-Procurement.pdf (accessed on 30 July 2018). [20]

OECD (2011), *OECD Guidelines for Multinational Enterprises, 2011 Edition*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264115415-en. [21]

Public Services and Procurement Canada (2018), *Context and Purpose of the Code*, https://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/contexte-context-eng.html. [23]

Salinas-Jiménez, M. and J. Salinas-Jiménez (2007), "Corruption, efficiency and productivity in OECD countries", *Journal of Policy Modeling*, Vol. 29/6, pp. 903-915, http://dx.doi.org/10.1016/j.jpolmod.2007.07.002. [5]

UK Government (2017), *UK Anti-corruption Strategy 2017 to 2022*, https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022. [6]

UN (2018), *Working Together: Integration, institutions and the Sustainable Development Goals, World Public Sector Report 2018*, Division for Public Administration and Development Management, Department of Economic and Social Affairs (DPADM), United Nations. [10]

UNODC (2017), *UNODC Annual Report: Covering Activities during 2017*, United Nations Office on Drugs and Crime, Vienna, https://www.unodc.org/documents/AnnualReport/Annual-Report_2017.pdf (accessed on 17 May 2019). [2]

US Department of State (2018), *Principles to Guide Government Action to Combat Human Trafficking in Global Supply Chains*, https://www.state.gov/principles-to-guide-government-action-to-combat-human-trafficking-in-global-supply-chains/ (accessed on 16 May 2019). [24]

World Bank (2018), *Combating Corruption*, http://www.worldbank.org/en/topic/governance/brief/anti-corruption (accessed on 17 May 2019).   [3]

WTO (2015), *International Trade Statistics 2015*, World Trade Organization, https://www.wto.org/english/res_e/statis_e/wts2016_e/wts16_chap3_e.htm (accessed on 17 May 2019).   [27]

Chapter 6. Governance frameworks to ensure equal access to justice and citizens' legal empowerment

This chapter illustrates ways in which equal access to justice enables the implementation of compensatory and control mechanisms in society to achieve all other SDGs. At its core, effective access to justice is central to ensuring the effectiveness of the rule of law, and promotes good public governance, policy design and regulatory performance. Strong, well-functioning justice systems reduce the scope for policy capture, corruption and mismanagement in the public sector. They increase trust in government and support governance systems that are conducive to achieve the SDGs. More broadly, access to justice and legal empowerment initiatives are necessary elements to achieve policy outcomes such as better health, education, gender equality, employment and housing.

Access to justice and legal empowerment supports inclusive growth and effective SDG implementation

The inclusion of access to justice in the 2030 Agenda is a recognition of the intrinsic links between access to justice and the ability of people and businesses to receive equal treatment under the law and have their rights protected (SDG target 16.3). At its core, effective access to justice is central to ensuring the effectiveness of the rule of law, and promotes good public governance, policy design and regulatory performance. Strong, well-functioning justice systems reduce the scope for policy capture, corruption and mismanagement in the public sector. They increase trust in government and support governance systems that are conducive to achieving the SDGs.

More broadly, equal access to justice enables the implementation of compensatory and control mechanisms in society to achieve all other SDGs. Access to justice and legal empowerment initiatives are necessary elements to achieve policy outcomes such as better health, education, gender equality, employment and housing. As such, they are at the centre of inclusive and sustainable growth strategies.

The inability to access legal and justice services can be both a result and a cause of disadvantage, poverty, and inequality in income and employment opportunities, educational attainment and health conditions.

Interactions between access to justice and legal empowerment and the SDGs

The law underlies nearly every aspect of people's lives, and the majority of people will experience legal and justice problems routinely over the course of their lifetime, whether they are related to family or the consumer, land-related, linked to employment, community/neighbourhood or other issues. Legal needs are not exclusive to a category of citizens, households or companies. Yet, some population groups (women, elderly, the disabled, single parents, internally displaced people, and indigenous communities) are particularly vulnerable to and affected by legal problems.

Failure to resolve legal problems can perpetuate what is known as a "cycle of decline", where even a trivial legal matter, if left unresolved, can stretch an individual's or family's capacity and lead to additional problems, adversely affecting other socio-economic determinants of well-being.

Conversely, meeting particular legal needs and effectively providing legal assistance and access to justice programmes to people can deliver cost savings and positive impacts on well-being. Access to justice and legal empowerment can contribute to improvements in areas across all SDGs. They can support better housing (SDG 11.1), enable equality and diversity (SDGs 5 and 10), support inclusion, enhance consumer and financial protection, facilitate access to healthcare (SDG 3.8), support child welfare and families, deliver positive outcomes for migrants and immigrants, reduce domestic violence, recidivism, enhance victim support, and promote employment (SDG 8.5) and access to education (SDGs 4.2 and 4.3).

There are numerous barriers for the implementation of the SDG 16.3. For example, there is limited data to monitor progress and to draft effective policies and programmes. Justice partners are still searching for common strategies to identify priorities and turn this target into reality.

In many cases, stronger political will to invest in access to justice is needed, especially for vulnerable and marginalised groups, who are the most exposed to legal and justice problems and at the core of the 2030 Agenda principle of leaving no one behind. (Box 6.1). There is also limited understanding of the costs and benefits of delivering access to justice in terms of social and economic outcomes. The solution to current shortcomings is creating a strategy for people-centred access to justice.

Box 6.1. The Riga Statement - "Investing in Access to Justice for all!"

The 2018 OECD Policy Roundtable on Equal Access to Justice featured a high-level panel on "Investing in Access to Justice for all!". The event called for action in investing in access to justice for all in order to implement national commitments under the 2030 Sustainable Development Agenda and to foster inclusive growth.

High-level participants adopted the Riga Statement, in which they called for greater measuring and monitoring progress in access to justice as part of the implementation of SDG target 16.3. They underlined the importance of understanding and meeting legal needs of individuals (e.g., women, girls and boys, youth and older people, indigenous communities and other vulnerable communities), communities and business, especially small and medium enterprises (SMEs) and called on the international community to develop tools and guidance to support countries' efforts to better understand and address legal needs.

Participants also recognised that unequal access to justice generates significant costs for individuals and societies and called on international partners to continue their efforts to deepen the empirical foundations of the business case for investing in effective access to justice and legal empowerment.

Source: OECD (n.d.[1]), Equal Access to Justice - OECD Roundtable, Latvia, 2018, https://www.oecd.org/gov/equal-access-to-justice-oecd-expert-roundtable-latvia-2018.htm.

Key elements for promoting people-centred access to justice in support of the SDGs

A shift towards a people-centred perspective is perceived as a guiding principle in many OECD countries. They are looking to centre their justice system on the specific needs of people and business. As such they are looking to tailor the justice services to these needs not only for better access to justice, but also for achieving policy outcomes that go beyond the justice sector. Governments have set out specific objectives to strengthen access to justice as part of their SDG strategies (Box 6.2).

Box 6.2. The Jakarta Recommendations on the Sustainable Development Goals, Access to Justice and Legal Aid in ASEAN

In 2016, the ASEAN Regional Consultation on the Sustainable Development Goals, Access to Justice and Legal Aid was organised. This meeting provided an opportunity to discuss challenges and opportunities of institutions and mechanisms to effectively implement SDG 16 on both national and local level in ASEAN countries. Countries shared best practices, strategies and initiatives using legal and policy frameworks for achieving equal access to justice for all.

Participants made commitment to improve collaboration and co-operation to advance national commitments on SDG 16 and strengthen the rule of law, access to justice and legal aid. It resulted in the adoption of the Jakarta Recommendations on the Sustainable Development Goals, Access to Justice and Legal Aid in ASEAN.

The Jakarta Recommendations set the following action points:

- Engage all justice stakeholders, including legal aid providers, central and local government, Parliaments, judiciary, bar associations, civil society, laws schools, academia, and private sector in the development, implementation and monitoring of national justice plans and policies.

- Ensure that equal access to justice for all is fully integrated into and properly funded through national plans and policies for implementation of the SDGs.

- Ensure that equal access to justice for all and the right to legal aid are included in national and regional level indicators for the achievement of the SDGs, and progress on these indicators is shared in an inclusive manner.

- Establish a Thematic Working Group to strengthen access to legal aid in ASEAN, co-operating and collaborating with existing platforms including the ASEAN Intergovernmental Commission on Human Rights (AICHR), Council of ASEAN Chief Justices, ASEAN Senior Law Officials Meeting (ASLOM), ASEAN Law Ministers Meeting (ALAWMM) and civil society.

- Encourage development partners and international organisations to provide support and technical assistance to all relevant stakeholders in the implementation of the above recommendations.

Source: ASEAN (2016[2]), Association of Southeast Asian Nations (ASEAN) Regional Consultation on Sustainable Development Goals, Access to Justice and Legal Aid, https://namati.org/resources/association-of-southeast-asian-nations-asean-regional-consultation-on-sustainable-development-goals-access-to-justice-and-legal-aid/.

Legal and justice services are seen as people-centric and effective when they are provided in a seamless, coordinated and inclusive manner, available to everyone equally while focusing on specific, vulnerable groups. These services are matched to people's needs and help build empowerment, prioritise proactivity, prevention and timeliness, and focus on substantive outcomes and fairness (Figure 6.1).

Justice as a public service

People-centricity flows from and reinforces the concept of justice as a public service. A shift toward people-centred legal and justice services and justice as a public service is key to meeting legal needs in a way that contributes to inclusive growth and individual and community well-being. This approach reflects the OECD Serving Citizens' Framework, which highlights governments' responsibility to provide public services, which that should be designed to meet the expectation and needs of their citizens in terms of access, responsiveness and reliability/quality. In the justice sector, it highlights that public services, courts and alternative dispute resolution mechanisms should reflect the interests and needs of users.

There is growing recognition that tailoring justice services to the specific needs of the population, providing a sense of fairness to individuals and others in their interactions in the justice system can help build trust and confidence in the justice system. Increasingly, national SDG strategies are incorporating access to justice targets and indicators.

Figure 6.1. Criteria for people-centred legal and justice services
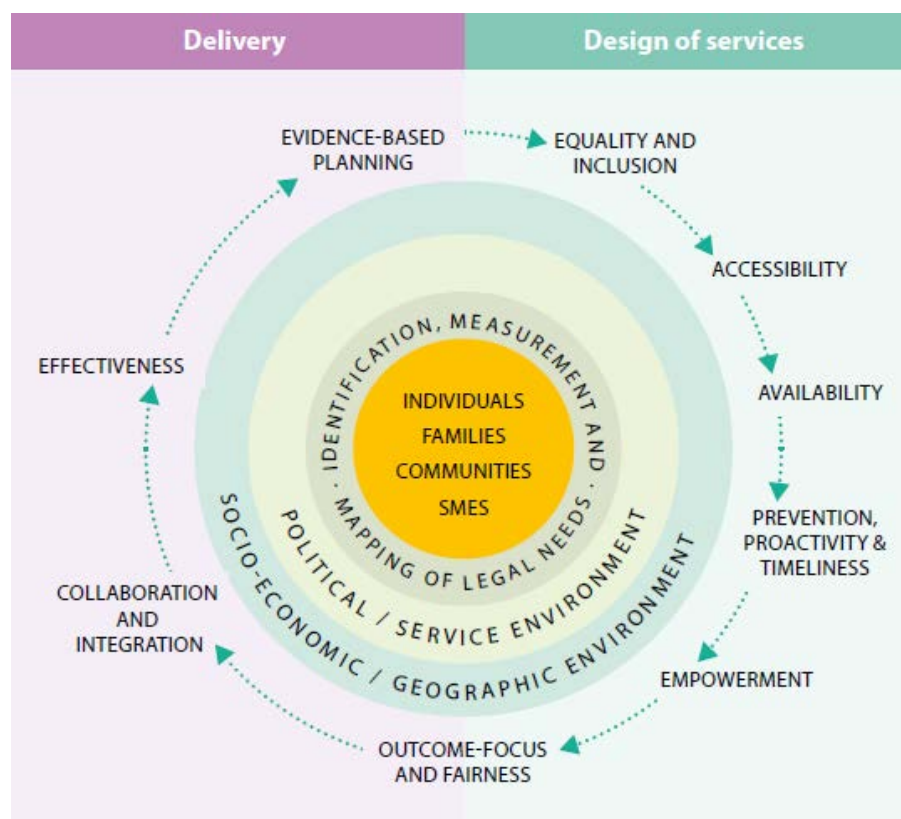
Source: OECD (2019[3]), *Equal Access to Justice for Inclusive Growth: Putting People at the Centre*, https://dx.doi.org/10.1787/597f5b7f-en.

Understanding of people's legal needs and experiences

Meaningful understanding of access to justice is crucial for the development of effective civil justice policies, models and financing. Indeed, exploring and understanding legal needs is at the heart of people-centred access to justice. It is crucial to know what people's problems are; what methods respond to them; for what type of clients and under what

conditions; and which legal and justice services are effective in which circumstances. This is crucial to ensure that people's perceptions and experiences in accessing justice are included in the policy-making processes. This evidence-informed approach ensures that provision extends to the 'right' mix of services, to the 'right' clients, in the 'right' areas of law and in the 'right' locations and at the 'right' time.

One of the best means of obtaining the understanding of legal needs are legal needs surveys (Box 6.3). They have now been carried out over time and across a spectrum of countries, jurisdictions and legal traditions, illuminating consistent patterns and dynamics. They provide an important evidence-base for recognising and specifically addressing people's legal and justice needs, including marginalised groups, as a central strategy for achieving socio-economic inclusion according to the national SDG strategy.

Legal needs surveys contribute greatly to the understanding of the prevalence of legal problems and to the short and long-term negative consequences of unresolved legal problems. This approach can be complemented by other data sources such as administrative data to present a more complete picture of access to justice in a given country. Such exercises can be tailored to the specific priorities laid out by national SDG strategies.

Box 6.3. Taking into account citizens' legal needs in Colombia

One of the most comprehensive legal needs surveys to date was implemented in **Colombia**. Building from legal-needs methodologies tested by the Colombian civil society organisation Dejustica, a national survey was carried out in collaboration between the Department of National Planning and National Statistical Office in 2016. The survey data can be disaggregated by geographical area, by gender and other identity characteristics.

Based on the survey results, Colombia developed an Effective Access to Justice Index (Índice de Acceso Efectivo a la Justicia) to inform their long-term justice plan. The Index explores six dimensions of access to justice: favourable environment (which is concerned with structural and institutional barriers to justice that lie outside of the justice system); legal capability; legal assistance; fair procedure; compliance with judicial decisions; and access to institutions. The legal needs module of the Colombian National Quality of Life Survey contributes to ten of twenty-four indicators, focusing on legal capability, legal assistance, access to justice institutions, procedural fairness and enforcement. Availability of legal aid is a crosscutting factor.

In addition to the Index, Colombia is using the survey data to close the gaps between supply and demand; identify the barriers for access to justice of vulnerable population; develop a ten-year justice plan; plan and design appropriate, timely, integrated and targeted justice services, sustainability reforms, and indicators for monitoring evolution.

Source: OECD/Open Society Foundations (2019[4]), *Legal Needs Surveys and Access to Justice,* https://dx.doi.org/10.1787/g2g9a36c-en.

A spectrum (or "continuum") of services, processes and procedures

Offering a range of legal assistance, social services and representation can improve access to justice and allow citizens to find legal services that are better tailored to their needs and capacity to pay. Such an approach is part of a people-centred approach to justice services. There is a growing spectrum of processes and procedures in addition to formal judicial and

non-judicial proceedings: alternative mechanisms for dispute resolution such as mediation, online dispute resolution; paralegals; public legal assistance and education providers (Box 6.4); community advocates, collaborative service provision from legally-trained and other professionals. In some cases, a justice service operates as a standalone service (e.g., a specialised mediation process) and in other cases a range of justice services are provided by one entity (e.g., problem-solving courts, justice access centres).

The **Canadian** Forum on Civil Justice estimated the social return on investment for four processes, collaboration, mediation, arbitration and litigation, in the case of family law problems: in low-intensity cases, rates of return were higher for collaboration and mediation than for arbitration and litigation (CAD 2.06 and 2.78 versus CAD 0.57 and 0.39 respectively for every dollar spent). Similar results were observed in relative terms for high-conflict disputes, although the rates of return are lower in absolute terms (CAD 1.12 and 1.00 versus 0.38 and 0.04).

In terms of time and cost saving and under specific circumstances, mediation has been shown to lead to positive results for both the court and the users (especially when parties were willing participants and of relatively equal strength). In **Canada** and the **United States**, civil-mediated cases have been observed to take 5 months less to be resolved, to save 60 hours of court staff time and to cost USD 16,000 less per case on average than non-mediated cases. With respect to workplace mediation, a study in the US indicates employment opportunity complaints handled through alternative dispute resolution (ADR) mechanisms were resolved between 50 to 127 days faster than those going through the formal procedure. Regarding business-to-business mediations under appropriate conditions, a majority of users perceive commercial matters as being simpler, cheaper, fairer, and faster than under litigation. Similarly, a study of conciliation services in the employment tribunal showed that more than half of claims brought to conciliation were settled at that stage (OECD, forthcoming[5]).

Box 6.4. Measures to enhance the use of mediation in selected OECD countries

To enhance the use of mediation, many countries introduce various forms of cost incentives or sanctions. In **New Zealand**, in 2014, major changes were made to the family justice system, including requiring mediation before parents could apply to the Family Court and removing lawyers from the early stages of some court proceedings. While these reforms aimed at helping people resolve parenting disputes without having to go to court, the Minister of Justice has asked an Independent Panel to examine the changes and consider how they have impacted separating families and their children.

In **Netherlands**, the first hours of mediation were provided with a financial grant. Similarly, **Austria** provided a financial support in family cases. Between 2005 and 2009, a total of 1,716 mediations were offered with a financial aid. In Sacramento County, **California** (**USA**), the first three hours of mediation are offered with financial aid covered by the court budget. The sessions are held by court-recognised mediators with a fixed rate of USD 200. In **England**, parties may face cost sanctions for rejecting mediation without a good reason. A party that rejects to engage in alternative dispute resolution can be held liable for the costs of litigation even when his application is successful.

France has a continuum of Public Legal Assistance Services including many that are free to users such as: Points of Access to Law (Points d'accès au droit - P.A.D.) which allow residents, particularly the most underprivileged, to gain access to information in their own neighbourhood on their rights and responsibilities, as well as to assistance; Law and Justice Houses (Maisons de la Justice et du Droit - MJD), which work in the area of preventing and dealing with petty crime, the amicable settlement of disputes, organising themed surgeries and specialised legal consultations; Multi-service Information and Mediation points (Points d'Information et de Médiation Multiservices - PIMMS), which are organisations designed to stem the process of exclusion of the most vulnerable groups in urban districts and to facilitate access to public services.

The **city of Paris** has two additional services, the Bar Solidarity Bus where lawyers hold free, anonymous legal surgeries that guarantee users' confidentiality in the Paris Bar Solidarity Bus on the surgery days and locations. There is also the City of Paris Mediation Service, which provides a mechanism for dealing with complaints from Parisians who are disputing a decision made by one of the departments at City Hall.

Source: OECD (2019[3]), *Equal Access to Justice for Inclusive Growth: Putting People at the Centre*, https://dx.doi.org/10.1787/597f5b7f-en.

Coordination and integration

People-centred legal and justice services should be part of a coherent system that provides seamless referrals and integrated services through collaboration among legal, justice and other human service providers. People get access to all the services they need to solve the legal and related non-legal aspects of their problems holistically regardless of entry point for assistance (Box 6.5).

As mentioned above, justice and social services under a restorative or outcome-based approach can address both people's justice needs and the accompanying social or health issues (e.g. domestic violence, drug and alcohol abuse, mental illness, juvenile delinquency). In the **United States**, for example, a study of a drug court over a 10-year period found significantly reduced recidivism for participants up to 14 years (as compared to those who did not participate), lower investment costs (USD 1,392 less as compared to the business as usual) and total savings of over USD 79 million over the 10-year period as a result of reduced recidivism for participants of the drug court (NPC Research, 2007[6]).

Focus on vulnerable populations

People-centred legal and justice services go beyond a fair and effective justice system to greater objectives such as inclusive growth, equality, poverty-reduction, social justice and social inclusion. The core of access to justice is equality and social inclusion in the light of the "leave no one behind" imperative of the UN 2030 Agenda for Sustainable Developments.

Legal needs research demonstrates that vulnerable and needy populations (e.g. women, youth, disabled people, low-incomers, indigenous people, immigrants and refugees) are typically those that are most exposed to legal problems. Disadvantaged groups also tend to face greater difficulties in recognising and resolving legal problems. Their limited legal capabilities and awareness as well as lack of individual economic resources reinforce barriers in accessing justice.

The OECD approach on people-centred legal and justice services promotes inclusive and targeted service delivery, responsive to specific access needs of particular groups likely to suffer from social and economic disadvantage or are otherwise marginalised or vulnerable and those with complex needs. Countries have specific services to attend to the needs of vulnerable groups, in line with the 2030 Agenda and their SDG strategies (Box 6.5).

Box 6.5. Justice services to vulnerable groups in The Netherlands and Canada

The **Netherlands** is focusing on reducing barriers to justice for those in the margins of society, specifically those not in possession of legal identification papers who are often also victims of crime. The "*Free In, Free Out*" policy seeks to build trust between such communities and the police by guaranteeing that undocumented aliens who make a statement or report a crime to the police will not be detained for lack of documentation. The Netherlands has also introduced a new prosecutorial policy for victims of human trafficking under which victims will not be punished for illegal acts done while being coerced. Internationally, the Netherlands is working with Argentina, Belgium, Mongolia, Senegal and Slovenia to address a gap in the mutual legal assistance and extradition framework for the most serious international crimes.

In partnership with Indigenous peoples and the provinces and territories, **Canada**, throughout the country (including Justice Canada and many jurisdictions), is learning more about Indigenous legal traditions. In some cases, jurisdictions are working with indigenous communities so that they recover ways of governing themselves including fostering Indigenous legal practices and principles into their approach to justice. There are many examples throughout the country where elders are being included in proceedings and traditional elements such as prayers, smudging ceremonies and blanketing ceremonies have become elements of the process. For instance, the province of Nova Scotia opened a special court on the Wagmatcook First Nation that incorporates Indigenous restorative justice traditions.

Source: OECD (2019[3]), *Equal Access to Justice for Inclusive Growth: Putting People at the Centre*, https://dx.doi.org/10.1787/597f5b7f-en.

Lessons learned from country experiences

Improving fairness, equity and access to justice contributes to inclusive growth and sustainable development. It is indispensable to achieve the overarching 2030 Agenda objective of leaving no one behind. Access to justice is not only a standalone SDG goal: effective and accessible justice institutions facilitate the implementation of other SDGs and ensure countries deliver public services to, and enhance inclusion of, all sections of the population. Moreover, the impacts of unresolved legal problems (or not meeting legal needs) can bring substantial direct and indirect socio-economic impacts for the people and businesses affected as well as the society as a whole.

Countries are progressing in this field at national and local or federal levels in various ways, regardless of their socio-legal context. One of the most important trends in OECD countries is the shift towards people-centred perspective as the guiding principle. This approach provides important insight into the rethinking of policy-making processes and the

institutional redesign necessary for people-centred legal and justice services to match the different challenges.

In **Australia**, the Law and Justice Foundation of New South Wales, an independent body, aims at advancing access to justice for socially and economically disadvantaged people. The Foundation's legal needs programme conducts research that is used to inform the government, non-government and other community and agencies and stakeholders to design and deliver legal and justice services that are responsive and tailored to specific needs.

In **New Zealand** and **Canada**, special jurisdictions incorporate Indigenous restorative justice traditions. An evaluation of five Indigenous youth courts in New Zealand found that young offenders showed improved behaviour including a better understanding of their responsibilities and communication skills and had established positive relations with the community (Kaipuke Consultants, 2012[7]).

In **Canada**, the Action Committee on Access to Justice in Civil and Family Matters has identified key priority areas and launched nine Justice Development Goals, which aim to address the access to justice gap in Canada reflective to the 2030 Agenda. Each goal identifies areas for improvement and provides examples of activities to advance. This initiative calls for action, co-operation and collaboration between all stakeholders in the justice system and beyond.

In the **United Kingdom** and the **United States**, domestic violence courts play an important role. The court sessions are characterised by multi-agency information-sharing, fast-tracking of cases and the offering of comprehensive and immediate victim services.

Looking ahead, as part of their SDG priorities, countries also need to consider whether their different mediation and other alternative mechanisms for dispute resolution provide effective support and are sufficiently accessible for the most vulnerable parts of society.

Common challenges also include the problematic fragmentation of accountability, data and evaluation, policy, funding, and delivery in the legal assistance sector. This fragmentation is an understandable product of the incremental evolution of legal and justice policy and service delivery, particularly where there are multiple levels of government responsibility, multi-portfolio government responsibilities, institutional independence within the justice sector and so on. Yet, meeting socio-legal needs requires a multi-sector collaborative response shaped by strategic priorities, available resources and the existing political, socio-economic and service environment of countries. The OECD has been working with countries to advance data-driven people-focused approaches as the best methods of obtaining measures of demand, supply and outcomes.

Box 6.6. OECD contributions to support access to justice in SDG implementation

The proposed Global Hub on the Governance for the SDGs will provide countries with continuous learning and evolution of evidence-based best practices to ensure high quality legal and justice service delivery centred on people. It will work with countries to help them reorient the model of delivering justice for all in order to enable people-centred justice pathways. This can include establishing people-centred justice pathways in a sustainable and effective manner by developing a people-centred justice ecosystem, which encompasses a holistic and comprehensive policy and service continuum providing the right mix of legal and justice services as well as facilitating collaboration between services and among service providers. Specifically, it will promote exchanges of good practices to:

- Inform strategic planning and decision-making by policy-makers and providers of justice, legal assistance and dispute resolution channels.

- Increase public trust in justice institutions.

- Further develop capability within legal and justice institutions through support in the identification, development and promotion of appropriate programmes to develop the expertise of staff and providing mutual support and sharing the experiences.

- Develop innovative approaches to delivery of legal assistance and service issues.

- Support and strengthen both global and national level dialogue with key stakeholders (including business, civil society and representatives of different communities).

References

ASEAN (2016), *Association of Southeast Asian Nations (ASEAN) Regional Consultation on Sustainable Development Goals, Access to Justice and Legal Aid*, https://namati.org/resources/association-of-southeast-asian-nations-asean-regional-consultation-on-sustainable-development-goals-access-to-justice-and-legal-aid/ (accessed on 29 July 2019). [2]

Kaipuke Consultants (2012), *Evaluation of the Early Outcomes of Ngā Kooti Rangatahi*, Prepared for the New Zealand Ministry of Justice, http://litmus.co.nz/wp-content/uploads/2015/11/Evaluation-of-Nga-Kooti-Rangatahi-FINAL-report-17-December-1.pdf. [7]

NPC Research (2007), *The Impact of a Mature Drug Court Over 10 Years of Operation: Recidivism and Costs*, https://www.ncjrs.gov/pdffiles1/nij/grants/219225.pdf. [6]

OECD (2019), *Equal Access to Justice for Inclusive Growth: Putting People at the Centre*, OECD Publishing, Paris, https://dx.doi.org/10.1787/597f5b7f-en. [3]

OECD (n.d.), *Equal Access to Justice - OECD Roundtable, Latvia, 2018*, https://www.oecd.org/gov/equal-access-to-justice-oecd-expert-roundtable-latvia-2018.htm (accessed on 29 July 2019). [1]

OECD (forthcoming), *OECD White Paper: Building a Business Case for Access to Justice*, OECD, Paris. [5]

OECD/Open Society Foundations (2019), *Legal Needs Surveys and Access to Justice*, OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g9a36c-en. [4]

Chapter 7. Governance frameworks to support gender equality

This chapter explores how public governance frameworks to support gender equality can accelerate implementation of the 2030 Agenda. Achieving 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. An intersectional governance approach is critical to implement gender equality while addressing economic, social, political and environmental aspects of gender gaps at the global, national and local levels. This goes hand-in-hand with the call to leave no one behind, which requires policy coordination and coherence across all dimensions of sustainable development in order to reduce global inequality – both within and between countries.

Gender equality as a cross-cutting enabler of SDG implementation

Gender equality is both a goal in itself in the 2030 Agenda (SDG 5) and a cross-cutting catalyst for accelerating progress in nearly every other SDG, from tackling poverty and malnutrition, to improving children's education and health and supporting more sustainable consumption patterns (UN Women, 2018[1]). The SDGs have set a far-reaching agenda to advance gender equality and empower all women and girls to achieve sustainable development and to mainstream gender in other goals through the development of gender-sensitive sectoral indicators.

Despite increasing political commitment and growing political awareness of the gender equality imperative, its effective realisation remains undermined by many factors, including cultural barriers and stereotypes, and insufficient institutional capacity. Progress in closing gender gaps has been very slow and gender gaps have even widened in some countries. While in many countries the income and labour market participation gap between women and men has decreased in recent decades, gender inequality persists – to varying degrees – in education, employment, entrepreneurship and public life. When women do work, they are more likely to work part-time and work for lower pay. On average, gender pay gaps across OECD countries remains at about 15% at the median, and little change has been recorded in recent years. Within public administrations, which often have a better gender balance than the private sector, women continue to be over-represented in low-level job categories and part time work.

The new digital context, characterised by disruptive technologies and big data, brings about new gender-related challenges: while digital technologies could give better opportunities to all, they can also expand the scale of persisting gender inequalities, and create new divides. OECD research shows that barriers to access, affordability of digital technologies, lack of education as well as inherent biases and socio-cultural norms curtail women's and girls' ability to benefit from the opportunities offered by the digital transformation (OECD, 2018[2]).

Furthermore, violence against women and discrimination of women in law (e.g. inheritance) and social norms (e.g. spousal responsibilities) also remain a challenge for many societies.

Although women are often at the losing end of structural gender inequality, the cultural norms and stereotypes are simultaneously creating problems for men and boys, such as underdiagnosed mental health problems, addiction and alcohol abuse, and use of violence as a masculinity expression.

Public governance dimensions of gender equality in the context of the SDGs

Achieving gender equality is a complex, transversal and multidimensional task. From governments' perspective, it requires the involvement and buy-in from all actors as well as a broad array of stakeholders across society. In addition, given the diversity within the male and female groups and intersecting identity factors, (e.g. related to age, geography, culture, income, disability, ethnicity, etc.), an intersectional governance approach is critical to implement gender equality while addressing economic, social, political and environmental aspects of gender gaps at the global, national and local levels.

Three main pillars of sound public governance are critical for achieving SDG 5: first, understanding and mapping the interactions between gender equality and other goals; second, implementing gender equality in the public sector and legislation; and third,

supporting whole-of-society efforts to support girls' and women's empowerment and address discrimination in social norms and unconscious biases.

A whole-of-government approach is needed to identify, measure, address and monitor the many interactions between gender equality and the different SDGs, such as those related to multidimensional poverty, education, health, infrastructure, the environment or climate action.

Yet, many countries face challenges to effectively implement their broader gender equality strategies, including to achieve SDG 5. As outlined in the recent Baseline Report for the 2015 OECD Recommendation on Gender Equality in Public Life (hereafter "the Baseline Report"), some of the key barriers include limited support and enforceability of gender strategies, limited monitoring frameworks and limited buy-in and ownership in line ministries (OECD, 2019[3]).

Developing an SDG-aligned governance framework to support gender equality

Fostering public governance dimensions of gender equality in support of the SDGs can accelerate progress. The 2015 OECD Recommendation on Gender Equality in Public Life provides guidance and tools to adopt a whole-of-government institutional framework and effective public governance processes to drive gender equality objectives forward. These include strategic planning, vertical and horizontal coordination, citizen engagement, evidence-based decision-making, and accountability in the field of gender equality. Making progress in these areas is expected to have positive externalities for improved public governance more generally, hence also supporting the implementation of other SDGs more effectively, and in a gender-sensitive manner. Four specific measures could accelerate progress:

Developing a gender equality strategy and integrating it into the broader SDG agenda

Firstly, a gender equality strategy can provide a policy umbrella under which gender mainstreaming and targeted initiatives meet to advance society-wide goals for gender equality (OECD, 2018[4]). A number of countries recognise that the absence of strategic planning stands as a top barrier to effectively implementing gender equality priorities. On average, 75% (12 out of 16) of OECD countries have some form of gender equality framework – currently in force – at the central or federal levels which lays out whole-of-government strategic objectives in the area of gender equality. The Baseline Report finds that many gender equality strategies are still being implemented in an isolated way. Full integration of gender equality strategies into national strategies, government programmes and strategic planning systems is critical for moving forward (Box 7.1). The SDG Framework can be used to achieve this full integration between gender and other policy goals or SDGs. This has already been done in some cases where countries have strategically integrated national gender equality strategies into their SDGs agenda and achieve faster progress.

Institutional frameworks for gender equality

It is important to differentiate between gender equality institutions that are located within Centres of Government (CoG) and are mandated to oversee the implementation and rigour of gender mainstreaming efforts, including gender impact assessments as part of national SDG strategies, and other gender institutions (e.g. based in Ministries of Social Affairs).

Box 7.1. Integrating national gender equality strategies into SDG agendas

As part of its Policy for Global Development, **Sweden** has made gender equality a core priority of its national strategy, identifying gender equality budgeting as a strategic tool to meet Goal 5 and thus ensure the implementation of the 2030 Agenda. In **Mexico**, gender mainstreaming has been incorporated as a transversal requirement in the realisation of the National Development Plan.

In the context of its Gender and LGBTI Equality Policy Plan 2018-2021, the **Netherlands** is currently working on implementing SDG 5 through the introduction of a quality requirement 'Effects on gender equality'. Part of the government-wide Integral Assessment Framework (IAK), this requirement intends to map out the nature and scope of the consequences of intended policy and regulations for gender equality in the Netherlands. The elaboration of the quality requirement 'Effects on gender equality' is available online since January 2019.

Similar initiatives also take place outside of OECD countries. **Paraguay** targeted gender mainstreaming in SDG implementation through establishing gender equality as a cross-cutting priority in its National Development Plan Paraguay 2030 (PND 2030). **Kenya** identified gender mainstreaming as a central strategy for development policies. As a result, Kenya made progress in developing and enhancing methodologies for measuring different forms of gender-based discrimination, including on unpaid care work, notably through time-use surveys.

Source: (OECD, 2019[3]) and 2018 Paraguay Voluntary National Review (Government of Paraguay, 2018).

CoGs play a strategic role in helping to identify the implementation gaps, establishing effective accountability and performance frameworks, and ensuring that gender equality and diversity lenses are mainstreamed in all government decision-making processes. They take almost exclusive responsibility for coordinating the preparation of cabinet meetings and policy coordination across government and thus stand as critical players in advancing society-wide gender equality and diversity goals. Such a governance approach ensures a closer alignment with the broader SDG agenda especially if the CoG is also in charge of the latter.

Overall, specific mandates for CoGs to support the advancement of gender mainstreaming remain very limited across the OECD and there is scope to strengthen the role of the CoG to support gender mainstreaming while contributing to the government priority setting, planning, managing performance, organising the government, and communication and engagement.

Other governmental gender institutions are often more isolated. An overview of institutional arrangements for gender equality indicate that over one third of countries continue to address gender equality issues within the remit of the social policy sphere, often resulting in limited opportunities to influence a whole-of-government response to gender equality needs which permeates all policy spheres. Nevertheless, there is an overall trend towards their increased visibility, and increased integration with the CoG (Box 7.2).

Box 7.2. Gender institutions in selected OECD countries

In 2013, **Australia's** Office for Women was moved under the Department of Prime Minister and Cabinet. Similar restructuring took place in **Austria**, **Czech Republic** and **France** since 2014 and a similar reform is being discussed in **Iceland**. In 2015, **Chile** established its first Ministry dedicated to promote gender equality and women's empowerment. In 2018, the Government of **Canada** committed to formalise Status of Women Canada as an official department with increased resource-base. **Sweden** established its first Gender Equality Agency to contribute to strategic, coherent and sustainable governance and effective implementation of gender equality policy, and **Spain** has established the Ministry of the Presidency, Relations with the Cortes and Equality (gender equality issues were previously under the remit of the Ministry of Health, Social Services and Equality).

Source: OECD (2019[3]), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, https://dx.doi.org/10.1787/g2g9faa5-en.

Gender mainstreaming

Gender mainstreaming is a powerful strategy to guide the whole-of-government process of promoting gender equality. The 2030 Agenda encourages governments to align their national strategies with the overall implementation of the SDGs, including through the design of dedicated national action plans with gender-sensitive considerations.

However, the sluggish progress in gender equality calls for a renewed, more strategic and integrated push to advance its implementation and testing innovative ways to enhance its intended effects. It also requires particular attention to the baseline of structural policies, regulations, budgets, and procurement processes to remove deeply rooted gender norms and stereotypes (UN Women, 2018[1]).

The OECD Recommendation on Gender Equality in Public Life promotes a dual approach to advancing gender mainstreaming: first, through the application of gender impact assessments (GIAs) beyond primary legislations to cover the full extent of the decision-making cycle; and, secondly, through the use of government tools such as public procurement, regulatory cycle; and budgeting. Use of GIAs from the earliest states of the decision-making cycle is critical: experiences from OECD countries show that GIAs can yield meaningful results only if the routine decision-making processes allow for adequate timeframes for incorporating evidence and analysis to guide the decision-making.

Although OECD countries report increasingly using GIA practices to evaluate the implications of proposed policies, programmes, regulations and budget allocations on men and women, their application in policies, regulations and government programmes remain less common. Likewise, about half of OECD countries report using or planning to introduce gender budgeting but such practice is still not routine elements of policy-making in OECD countries. There is scope for broader use of GIAs in national SDG strategies to achieve better outcomes (Box 7.3).

There is growing awareness of the importance of gender equality considerations within public procurement policy (Box 7.4). The integration of gender consideration in public procurement is promoted by the 2030 Agenda: countries are expected to mainstream gender equality across all SDGs and targets, including in the promotion of sustainable public

procurement practices in accordance with national policies and priorities (SDG 12.7). However, there is still large scope to reflect on ways in which to harvest these opportunities in the area of gender equality. Public procurement offers a number of opportunities to allow equal access to entrepreneurship while using taxpayers' money efficiently.

Box 7.3. Gender mainstreaming in Spain and Nigeria

The Government of Andalusia, **Spain**, has presented, as part of its 2018 Budget Bill, its Gender Impact Assessment Report. The report is an ex ante evaluation of the resources that the Government of Andalusia allocated to the promotion of gender equality. The Report, together with G+ Program and Gender Budgeting Audits, are the main elements of the gender budgeting strategy in the Andalusian region.

In **Nigeria**, the presidency has developed a country transition strategy, which aims to "rigorously integrate the SDGs to ensure that the goals inspire commitment". Accordingly, and in line with SDG 5, Nigeria committed to gender data use by establishing a sex-disaggregated gender budgeting framework in order to achieve SDG 1 on poverty.

Source: (OECD, 2019[3]) and 2017 Nigeria Voluntary National Review (Government of Nigeria, 2017).

Box 7.4. Gender-sensitive public procurement in selected OECD countries

Korea and the **United States** facilitate finance for women entrepreneurs by improving their access to public procurement markets with special provisions for contracting with women-led businesses. Additionally, the U.S. Government established a government-wide women-owned small business (WOSB) contracting goal, identified as a percentage of total annual contract spending, of 5%. In order to help achieve this goal, contracting officials are authorized to set-aside procurements for WOSBs. Set-asides are procurements in which the business would compete only among other WOSBs (rather than competing against any and all businesses in a full and open competition).

Another approach to bring gender equality considerations into public procurement is to apply broader gender impact assessment requirements in the case of public procurement. In **Belgium**, the Gender Mainstreaming Act provides for the integration of the gender dimensions into the procedure for awarding public contracts. **Sweden** is an example of countries that use the principle of non-discrimination as a basis to support gender mainstreaming in public procurement. Regulation in turn is a critical instrument in the hands of government to act and influence behaviours. In this sense, it can have effects on the advancement of gender equality outcomes for better or for worse. Recognising the key role of regulations, the OECD stresses that using good regulatory practices is critical to promote inclusive and gender-sensitive policy. In **Canada**, the Directive on Regulatory Management requires regulatory organisations to identify parties that may be interested in or affected by a regulatory proposal and to provide these parties with opportunities to take part in open and meaningful consultations at all stages of the regulatory process.

Source: OECD (2019[3]), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, https://dx.doi.org/10.1787/g2g9faa5-en.

Reporting, monitoring and evaluation of gender equality strategies

Although effective gender and diversity mainstreaming requires active and systematic engagement of all public agencies and line departments, these institutions often lack resources, capacities, awareness and know-how. Driving change on the ground calls for effective communication of research and monitoring results at both the highest political levels and grassroots levels.

Importantly, effective assessment of gender impacts requires gathering and using reliable evidence disaggregated by gender and other intersectional characteristics. In line with the 2015 OECD Recommendation on Gender Equality in Public Life, the 2030 Agenda recognises that "quality, accessible, timely and reliable disaggregated data will be needed to help with the measurement of progress and to ensure that no-one is left behind". While OECD countries are advancing in this area, gaps persist across the full range of policy sectors (Box 7.5).

Box 7.5. Improving data availability in Latvia and Canada

The Action Plan for Gender Equality 2018-2020 in **Latvia** foresees an in-depth review of data-collection methods and mechanisms in employment, education and gender-based violence in order to define gaps as well as clear indicators for further data collection. In 2018, **Canada** committed to introduce a new Centre for Gender Diversity and Inclusion Statistics and an Indigenous Statistical Capacity Development Initiative to address gaps in the availability of data on gender and other intersecting identities.

Source: OECD (2019[3]), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, https://dx.doi.org/10.1787/g2g9faa5-en.

Closing the gender gap requires an understanding of the actions and measures to see what is making a difference and what policies work for whom and under what circumstances. Yet, the overall understanding of the impacts of gender and inclusiveness mainstreaming and broader gender initiatives is limited at best. The budgeting constraints on countries are evident, and it is critical for ministers to be able to justify with a business case why there should be an extra investment in specific initiatives related to gender mainstreaming or budgeting. The data shows clearly that there are substantial economic gains to be made by increasing female economic participation. However, this does not always provide sufficient understanding of the impacts of individual initiatives to help guide policy and resource allocation choices. In **Ireland**, Cabinet procedures require policy proposals put to the government for approval to clearly indicate the impact of the proposal for gender equality.

Finally, part of creating a supportive institutional framework is having clear accountability measures. The Baseline Report found that many countries are still working on creating or improving a performance measurement framework for their gender equality strategies. CoGs need to play an important role in setting these measures, but effective accountability and oversight should come from independent institutions and civil society as well, which is, for example, the case in **Canada** and **Iceland**.

Box 7.6. Role of central agencies in selected OECD countries

In **Canada**, central agencies (i.e. Privy Council Office, Treasury Board Secretariat and Department of Finance) provide a "gatekeeper" function, in ensuring that requirements in relation to gender-based policy analysis are upheld, as well as a "challenge" function with regard to the questions of analytical rigour and quality (OECD, 2018[4]). In **Japan**, the Standing Committees on Cabinet in both houses (which are, among others, responsible for the gender equality agenda) debated a bill on the promotion and advancement of women in the workplace which received a broad-based support within the National Diet which led to its adoption. Parliaments and Parliamentary committees are also gatekeepers of the gender equality agenda in reviewing draft and existing legislation, and monitoring the activities of government through reviews and inquiries into programmes, policies, expenditure and appointments.

In addition, the importance of the role of Supreme Audit Institutions in gender equality is increasingly being recognised with a number of audits produced by these institutions on the implementation of SDGs (e.g. in **Austria**, **Canada**, the **Czech Republic**, **Germany** and **Poland**). In **Canada** and **Sweden**, audits by the SAIs have revealed and help remove barriers to gender mainstreaming. As a result of these audits, both countries have reformed gender mainstreaming structures to maximise performance and results.

Source: OECD (2018[4]), *Gender Equality in Canada: Mainstreaming, Governance and Budgeting*, http://dx.doi.org/10.1787/9789264301108-en and OECD (2019[3]), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, https://dx.doi.org/10.1787/g2g9faa5-en.

Lessons learned from country experiences

Government frameworks that support gender equality are an important feature of SDG implementation, as shown in Annex G. In recent years, many countries have strengthened overall coordination for gender mainstreaming, and broadened the range of policy actions. For instance, the Government of **Iceland** recognises that gender equality is a continuous process and calls for whole-of-government attention to further boost inclusive outcomes in all policy areas, from education to access to labour markets to environmental protection. There is a comprehensive governance framework for gender mainstreaming including the Ministerial Committee on Equality, a Gender Unit, gender budgeting and Gender Impact Assessments. The government plans to move the existing Gender Unit from its current location in the Ministry of Welfare to a new home in the Prime Minister's Office in the beginning of 2019.

As part of the gender equality agenda, the **Lithuanian** government approved its National Programme on Equal Opportunities for Women and Men 2015-2021 in 2015, with priorities that are closely aligned with SDG 5. The Action Plan for 2018-2021 lays out the implementation of the Programme. It sets out concrete actions, implementation deadlines, responsible institutions, state budget allocations for each action, and assessment criteria. Almost all ministries are included in the implementation of the Action Plan where all priorities are enshrined.

In **Kazakhstan**, there is commitment at the highest political level to advance gender equality and important progress has been made in promoting women's empowerment in public life. The new Strategy for Gender Equality adopts a dual approach to gender equality

by embedding (mainstreaming) gender considerations in all policies, laws and specific measures. Additionally, some elements of gender responsive budgeting are seeded in the budgetary planning of some public entities.

Mexico has also put a gender perspective at the heart of its national development goals. The government is embedding gender equality objectives into the formulation, implementation and oversight of public policies, thus incorporating gender mainstreaming as a transversal requirement in the realisation of its National Development Plan.

A growing number of countries introduced whole-of-government strategies that outline a general course for achieving gender equality in support of SDG 5 and all other SDGs. Yet, these strategies often remain disconnected from the broader national development and policy frameworks and are rarely supported by clear targets and indicators.

Another challenge for governments is to take advantage of their tools to advance society-wide objectives on gender equality. A gender lens must be embedded in all policy-making, in all ministries and at all levels of government. While tools such as gender budgeting are quite common, more frequent strategic use of public procurement and regulatory policies could help address specific barriers faced by women from diverse backgrounds.

Many OECD countries are aware of the importance of gender budgeting as a tool to embed gender considerations in government decision-making. Yet, their use remains more common for ex-ante assessments of regulatory and legislative initiatives. Importantly, effective assessment of gender impacts requires gathering and using reliable evidence disaggregated by gender and other intersectional characteristics. While OECD countries advance efforts in this area, the gaps persist across the full range of policy sectors.

Finally, closing gaps in accessing decision-making positions calls for new approaches to addressing the roots of inequalities. Using insights from behavioural sciences bring an explicit focus on underlying norms and attitudes, which are critical influences on gender equality. Such approaches can also help focusing efforts to achieve results, while eliminating policies and initiatives that do not deliver the intended objectives.

Box 7.7. OECD contributions to support gender equality in SDG implementation

The OECD aims to help its members and partners to close the gender divide in public life within the framework of the **2015 OECD Recommendation on Gender Equality in Public Life**. The OECD produced a policy implementation **Toolkit for Mainstreaming and Implementing Gender Equality** to provide countries with concrete guidelines in the implementation of the Recommendation.

Moreover, the OECD has developed four **Gender in Governance Survey Tools** for systematic and tailored data collection. Finally, to meet increasing country demands, the OECD is working towards developing innovative **governance reviews for gender equality** as well as case studies. These practical tools assist governments in delivering policies to their maximum impact and will support capacity building as part of the proposed Global Hub on the Governance for the SDGs.

References

OECD (2019), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g9faa5-en. [3]

OECD (2018), *Bridging the Digital Gender Divide: Include, Upskill, Innovate*, OECD, Paris, http://www.oecd.org/going-digital/bridging-the-digital-gender-divide.pdf. [2]

OECD (2018), *Gender Equality in Canada: Mainstreaming, Governance and Budgeting*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264301108-en. [4]

UN Women (2018), *Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development*, United Nations, New York, http://www.unwomen.org/sdg-report (accessed on 31 May 2019). [1]

Annex A. Case studies on whole-of-government coordination and policy coherence

Czech Republic: An overarching framework for sectoral, regional and local strategies

In the Czech Republic, the Agenda 2030 is coordinated by the Sustainable Development Unit in the Ministry of the Environment and continuously consulted at the Government Council on Sustainable Development (GCSD). The Council is chaired by the Vice Prime Minister and Minister of the Environment and made up of representatives of ministries, Parliament, the private sector, trade unions, academia, civil society and regions and municipalities, and is divided into thematic committees. The work of the Council is supported by its Secretariat, which is currently based in the Sustainable Development Unit.

Strategic planning

The *Strategic Framework Czech Republic 2030*, adopted by the Government in 2017 is the main reference document outlining the national vision of the SDGs in the Czech Republic. It guides the work of the Council and the Secretariat; it defines long-term objectives in the social, environmental and economic pillars of sustainable development, as well as in governance, global development and regions and municipalities. It sets forth 97 specific goals aimed at improving people's wellbeing, and it serves as an overarching framework for sectoral, regional and local strategies (Government of the Czech Republic, 2017[1]).

In 2018, the Government adopted another two important documents. The *Implementation plan of the Strategic Framework Czech Republic 2030* includes 277 measures and more than 300 recommendations for fulling the 97 specific goals. *Implementing the Agenda 2030 in Czech Republic*, in turn, assesses the SDGs' relevance in the internal and external dimension, sets responsibilities to the relevant targets (at the ministerial level), defines interlinkages between the 2030 Agenda and *Czech Republic 2030*, and sets the key (and general) measures for the fulfilling the SDGs in the Czech Republic that goes beyond the *Czech Republic 2030* scope.

Civil Society Organisations (CSOs) have been involved closely throughout the planning and design of the SDG process. The drafting of the *Strategic Framework Czech Republic 2030* has been carried out in close co-operation with ministries, local and regional authorities, Parliamentary representatives and a wide range of other stakeholders, including civil society, the private sector, academia and labour unions (Government of the Czech Republic, 2017[1]). Even though the coordination function has been moved out of the Government Office, it will still be important that such engagement activities continue.

Leadership on the 2030 Agenda and inter-ministerial coordination

(i) The Centre of Government as a leader of the 2030 Agenda

The need for whole-of-government coordination was enshrined in the *Strategic Framework Czech Republic 2030*, which states that the government should strive for "coherent/ interconnected policies for sustainable development that communicate with the whole society (including all sectors), stemming from the objective division of the decision-making power." The Secretariat of the Government Council on Sustainable Development was at its creation in 2003 located in the Office of the Government, and then moved in 2006 to the Ministry of the Environment. However, with only one staff member committed to the coordination efforts, the Environment Ministry faced significant capacity constraints. Hence, in 2014, the Secretariat was transferred back to the Office of the Government, given that the SDG agenda requires a strong political mandate, coordination and analytical capacities, and the Government Office was seen as the most appropriate institutional home to manage the coordination during the agenda's preparatory phase. The Ministry of Environment backed this move in order to better to respond to the cross-sectoral nature of the sustainable development agenda in 2014. With the Prime Minister leading, there was a clear structure and mandate to coordinate the overall and whole-of-government approach to the SDGs and to engage meaningfully with line ministries, other levels of government, Parliament and civil society stakeholders.

(ii) Housing the coordination of the SDGs in a line ministry

In April 2018, however, the SDG secretariat was moved back to the Ministry of the Environment. Whilst acknowledging the strengths of the Government Office's coordinating role, Czech stakeholders also recognised that there were certain challenges to having the Centre of Government lead the SDG implementation process including, for example, the risk posed by changes in political priorities of the Prime Minister, and unstable ownership of the agenda across electoral cycles. Motivations for this change also included the view that the Czech Centre of Government had too many cross-sectoral responsibilities, and that other ministries also have strengths that could benefit the sustainable development agenda.

(iii) Coordinating the SDGs with other government strategies

Beyond the need for cross-government coordination, domestic policy coherence on the SDGs requires that government strategies clarify the link, to the extent possible, between the priorities and vision of the government and the SDG targets. While respective Czech ministries are expected to take the lead in aligning their sectoral strategies with the SDGs, the *Strategic Framework Czech Republic 2030* highlights that all the SDGs and most of the targets of the SDGs are applicable at the national and regional levels. Nevertheless, there remains a significant challenge in ensuring the SDGs are perceived as an overarching strategic framework given the existing 150 government strategies, and, at least at the sub-national level, coordination remains a particular challenge.

Monitoring and identifying the impact and relevance of strategies as they relate to the SDGs is also important. A current challenge is that the IT systems between different offices (including, importantly, the Statistical Office) are not compatible. Furthermore, many of the strategies are too general to have meaningful indicators attached to them, and few strategies have implementation plans. Finally, there is a lack of capacity at the regional level to track the SDGs.

(iv) Integrating the SDGs into day-to-day management government processes

Beyond the alignment of the country's strategies, coordination of such a comprehensive cross-sectoral agenda such as the SDGs, with their horizontal and vertical dimensions, requires significant human resource capacities within ministries, no matter where the institutional coordination lies. Yet, there is little evidence to date to suggest that the SDGs have been integrated into the day-to-day management processes across government in the Czech Republic.

Egypt: A strategic governance framework backed by political commitment

The Government of Egypt has embarked on an ambitious reform agenda to achieve key strategic objectives for the country's growth and development by 2030. The Government has demonstrated a strong commitment at the highest political level to achieving the Sustainable Development Goals. This commitment has been translated into a strategic framework through the national strategy "*Sustainable Development Strategy: Egypt Vision 2030*" (SDS), which is Egypt's first-ever sustainable development strategy and which guides ongoing reform efforts.

Whole-of-government strategic planning and implementation

Egypt Vision 2030 covers economic, social and environmental dimensions of the SDGs and provides a strategic framework to ensure that all development programmes and projects contribute to advancing the SDGs. In order to implement the SDS effectively, a number of coordination mechanisms have been created to foster institutional collaboration and to mainstream the SDGs successfully into national and subnational policies across sectors.

Chief among them, the National Committee for Monitoring the Implementation of the Sustainable Development Goals has been established by prime-ministerial decree to act as an inter-institutional body responsible for monitoring the implementation of the SDGs. The composition of the National Committee has evolved since its creation in December 2015 to include stakeholders across different institutions. While the Committee was initially comprised of eight institutions based on the original decree, it is currently composed of representatives of 17 ministries and state entities, ensuring a more inclusive approach.

The draft law entitled "State Public Planning Law" proposes to establish a "High Council for Planning and Sustainable Development", under the leadership of the President of the Republic and with the membership of the Prime Minister and all relevant ministries in order to strengthen the coordination between different stakeholders, and monitoring and evaluation of the SDGs. The High Council for Planning and Sustainable Development is expected to replace the existing National Committee for Monitoring the Implementation of the Sustainable Development Goals once it enters into force. Furthermore, sustainable development units and working groups have been established in different ministries to enhance inter-institutional coordination on SDG implementation. Equal Opportunity Units have been established across different ministries in order to mainstream gender considerations and SDG 5 across all policy areas.

Regarding vertical coordination and coherence across government levels, governorates are represented through the Ministry of Local Development in the National Committee. There is currently a Parliamentary proposal for the establishment of a subcommittee comprising the 27 governorates to monitor implementation of the SDGs.

Despite progress, there is room to continue to strengthen vertical and horizontal coordination. In particular, it is essential for Egypt to further institutionalise and formalise the structure of the existing National Committee and the planned High Council by further clarifying their competences, meeting frequency, working mechanisms and follow-up channels. Furthermore, it is also critical to institutionalise SDG and equal opportunity units across all ministries with coherent, clear and effective mandates, structures and responsibilities for their effective contribution towards the pursuit of the SDGs.

In Egypt, as in many of the OECD countries, Centre of Government (CoG) institutions are best positioned and equipped to lead the SDG implementation efforts. The existing institutional framework governing the implementation of the SDGs underlines the importance for the Ministry of Planning, Monitoring and Administrative Reform and the Ministry of Finance to steer the pursuit of the SDGs through enabling a whole-of-government approach. The ongoing efforts to establish a High Council for Planning and Sustainable Development under the leadership of the President and with the membership of the Prime Minister demonstrate the necessity to involve the offices of Prime Minister and President among the CoG institutions leading the SDG implementation.

Finland: Institutional mechanisms to ensure whole-of-government SDG implementation

Finland has been at the forefront of developing and adopting institutional mechanisms to coordinate, consult and work across different policy areas and thereby foster policy coherence for sustainable development (PCSD). It has incorporated the SDGs into long-term strategies, key legal documents, policies, as well as monitoring, reporting and evaluation mechanisms. The Finnish government has established SDG-aligned budgeting, refined regulatory impact assessments, coordination mechanisms and instruments to engage with a broad range of stakeholders and local authorities to promote the implementation of the 2030 Agenda.

Whole-of-government vision and coordination

The Government's implementation plan for the 2030 Agenda, submitted to Parliament in February 2017, provides the framework to translate Finland's international commitment to SDG implementation into concrete action. The plan sets out three key principles for implementation: long-term action and transformation, policy coherence and global partnership, and ownership and participation. Since the adoption of the 2030 Agenda, the Government has incorporated the SDGs into strategies and reports in the areas of development, foreign and security policy, and other policy sectors such as taxation, finance, trade, migration and agriculture (OECD, 2017[2]; 2018[3]; PMO Finland, 2017[4]).

Led by the Prime Minister's Office, an inter-ministerial network supports horizontal coordination between line ministries. The National Commission on Sustainable Development (NCSD), chaired by the Prime Minister, strives to integrate the strategic objectives of sustainable development into all sector policies and measures, and supports decision-making for sustainable development nationally and in international co-operation (Figure A A.1.). The mandate for these mechanisms extends to information sharing, capacity-building and coordination rather than arbitration. Nevertheless, it has been successful in building common understanding and consensus, thus preventing deadlock situations in the administration and in broader society. At the moment, there are more than one thousand commitments to action (OECD, 2017[2]; 2018[3]; PMO Finland, 2017[4]).

Figure A A.1. Main institutional mechanisms, policy documents and key actors for the implementation of the 2030 Agenda in Finland
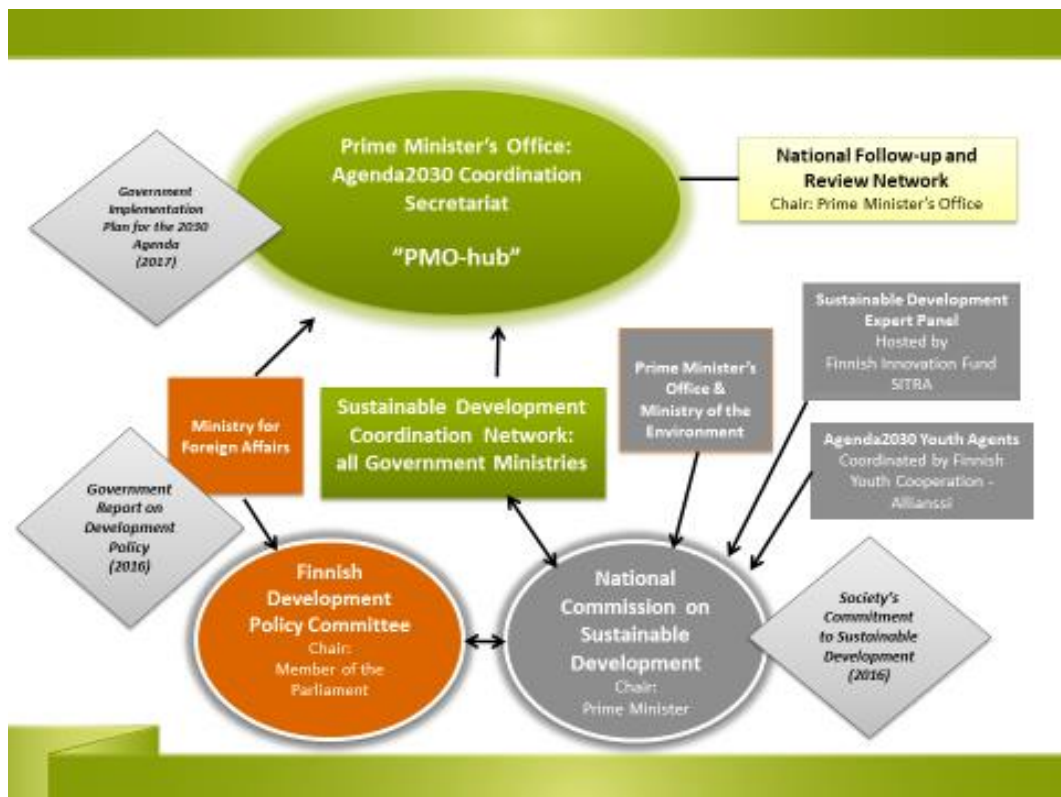
Source: OECD (2018[3]), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, https://dx.doi.org/10.1787/9789264301061-en.

All line ministries are required to compile on a yearly basis their policies and measures for the implementation of the 2030 Agenda, as part of the Government's annual report. They are also requested to include information essential to the promotion and monitoring of sustainable development in the yearly budget planning, as well as in their follow-up indicators. Several procedures, which vary from one ministry to another, are in place for identifying trade-offs and synergies. However, it is recognised that trade-offs are often very difficult to reconcile even when identified, since they entail politically sensitive issues and deep-rooted ideological differences. Many of the conflicts are therefore addressed and eventually solved at the political (ministerial) level (OECD, 2017[2]; 2018[3]; PMO Finland, 2017[4]).

The government's implementation plan is based on the long-term vision, principles and goals set forth in the Society's Commitment, which extends until 2050. It intentionally has a long-term perspective to urge intergenerational debates and considerations. The plan defines several key actions, such as more closely aligning foresight activities with SDG implementation, developing competence among government officials, and creating conditions for long-term work.

The Prime Minister's Office has conducted roadshows at sub-national level to increase awareness and commitment of cities and regions in the implementation of the 2030 Agenda. To foster effective implementation of the SDGs at all levels, cities and towns are involved

and actively engaged in the NCSD in the form of operational commitments to sustainable development under the Society's Commitment framework (OECD, 2017[2]; 2018[3]).

Identification of priorities to strengthen policy coherence in SDG implementation

In its 2030 Agenda implementation plan, the government commits to explore the use of a sustainable development impact assessment tool to identify systematically the unintended effects of policies. The existing impact assessment process for bill drafting will be improved to ensure better alignment with the SDGs and to enhance coherence between actions undertaken at national and global levels. Steps will also be taken by the Prime Minister's Office in 2018-2019 to include sustainable development impact assessment in key policy and legislative motions. The national follow-up system includes indicators on transboundary and intergenerational issues, which can be used to inform decision-making (OECD, 2017[2]; 2018[3]).

Finland has identified a number of priorities to strengthen policy coherence in SDG implementation. In accordance with the 2030 Agenda, the Finnish Government strives to identify vulnerable groups in and outside of Finland at risk of being left behind and adjust policies according to their needs. This includes an overall assessment to clarify the roles and responsibilities of all line ministries contributing to effective SDG implementation through Finnish foreign policy. To ensure a broad perspective on sustainable development and coherent practices, procedures and policies, SDG implementation efforts are also incorporated into the performance targets of all ministries, agencies and organisations under their purview.

In addition, Finland promotes the 2030 Agenda and sustainable development at regional and global level via its active participation in organisations such as the Arctic Council, the Council of the Baltic Sea States, and the Nordic Council of Ministers as well as via its work within the European Union (OECD, 2018[3]).

After commissioning a gap analysis (the Avain2030 project) to identify challenges and best practices of sustainable development in Finland, the first report was published in 2016. Based on international comparisons and stakeholder views, the project assessed the baseline of Finland for the implementation of the 2030 Agenda. Whereas the report highlighted Finland's serious international commitment to sustainable development, green growth and circular economy, it also pinpointed deficits in policies on social inequality and employment, consumption of natural resources, and climate change more generally (Lyytimäki et al., 2016[5]).

In particular, the availability of robust indicators continues to be a concern for the effective monitoring and evaluation of progress on SDG implementation. While the UN Expert Group has identified more than 200 sustainable development indicators, not all are applicable or relevant to the Finnish context. The Finnish government has therefore developed its own indicator framework around ten indicator baskets with 4-5 indicators each. It is particularly engaged in the discussions on developing process indicators for measuring progress on policy coherence (PMO Finland, 2017[4]; OECD, 2018[3]).

Indonesia: Aligning national objectives with SDG targets

The government of Indonesia is committed to becoming one of the foremost pioneers and role models to achieve the SDGs. Its involvement in the development of the SDGs began with its appointment as the Co-Chair of the High-Level Panel of Eminent Persons by the UN Secretary General. Indonesia also served as the Co-Chair for the Global Partnership Draft Concept framework document for the Post-2015 Agenda and was one of the 30 countries that served on the Open Working Group on the SDGs.

The role of the Centre of Government in delivering the SDGs

SDG implementation is led by the President, as stated in the Presidential Decree on the SDGs. The Presidential Decree also provides the legal basis for an institutional arrangement that involves all stakeholders, through the establishment of a National Coordination Team. The structure of the National Coordination Team consists of a Steering Committee, an Implementing Team, Working Groups, Experts Team and an SDGs Secretariat.

The SDG Secretariat, which is housed in the Ministry of National Development Planning/Bappenas, was established in 2016 with support from UNDP, DFAT, UNICEF and JICA. It is tasked with laying the groundwork for the implementation and mainstreaming of the SDGs into development planning at the national and sub-national level.

Members of the Implementing Team and Working Groups are representatives of government, philanthropy and business society, civil society organisations, academics and experts to ensure that no one is left behind. This inclusive set-up aims at developing ownership and is implemented at national and sub-national levels.

Four complementary aspects help to ensure policy coherence in SDG implementation

Indonesia has prepared the implementation of SDGs from four various aspects: (i) legal framework; (ii) institutional arrangement; (iii) programme substance; and (iv) financing. Together, they form a unified approach that is coherent and mutually complementary in order to achieve the SDGs in Indonesia. From the aspect of the legal framework, the basis for coherent coordination is provided by the Presidential Decree for SDGs achievement in Indonesia. This Presidential Decree regulates the institutional arrangement; implementation strategy for the SDGs and targets in Indonesia; monitoring, evaluation, and reporting; financing; and coordination between national and sub-national governments.

The institutional aspect is also outlined also in the Presidential Decree. This coherent coordination is based on the principle of inclusiveness and leaving no one behind and is being applied at both the national and sub-national levels. The Presidential Decree has also become the legal basis for the alignment of SDG targets with the national development agenda, as outlined in the 2015-2019 Government Development Plan (RPJMN). Even before the SDGs were declared, the Government of Indonesia had accommodated major SDG targets in its 2015-2019 medium-term plan, with sustainable development being one of the issues mainstreamed throughout. This reflects an effective alignment of the global development agenda with Indonesia's national development plan, which has been established, not only at the national level but also at the sub-national levels, for example, in Riau Province. Coherent coordination, through multi-stakeholder involvement, has been

applied, among others, in the process of developing Indonesia's SDG indicators, as well as formulating guidelines for metadata and for the preparation of action plans.

Coherent coordination between the government and non-state actors is still facing the challenge, however, of establishing synergies between the programmes of the government and non-state actors. Another challenge is the development of alternative SDG financing mechanisms at both the national and sub-national levels (Government of Indonesia, 2018[6]).

Japan: A high-level coordination mechanism for joint-up SDG implementation

Japan has made the promotion of policy coherence in SDG implementation a key priority in its efforts to translate the 2030 Agenda into its national policies. Japan's most notable innovation is the SDGs Promotion Headquarters, which has contributed considerably to the effective coordination of Japan's national and international policies on sustainable development.

Strategic orientation by the Centre of Government

The SDGs Promotion Headquarters holds meetings twice a year to review and decide on the strategic orientation on sustainable development, as well as SDG-related policies and projects. Its central position within the Cabinet helps to foster close co-operation among the relevant governmental agencies and supports information sharing (OECD, 2018[3]). Coordination through the Headquarters allows the Japanese government to take a whole-of-government approach and to identify how different sectoral policies can better reinforce each other in support of the overall government objectives. A new national strategy, the Implementation Guiding Principles, includes national priorities and indicators for sustainable development that form the basis of the SDGs Action Plan 2018 and the SDGs Action Plan 2019, which describe the major SDG projects that Japan is implementing. (OECD, 2018[3]; Government of Japan, 2017[7]).

The Government of Japan is taking an integrated approach to solving issues related to the economic, social and environmental dimension of sustainable development, and fosters interactions and synergies among eight identified priority areas. These areas are: (i) Empowerment of all people; (ii) Achievement of good health and longevity; (iii) Creating Growth Market, Revitalization of Rural Areas, and Promoting Technological Innovation; (iv) Sustainable and Resilient Land Use, Promoting Quality Infrastructure; (v) Energy Conservation, Renewable Energy, Climate Change Countermeasures, and Sound Material-Cycle Society; (vi) Conservation of Environment, including Biodiversity, Forests and Oceans; (vii) Achieving Peaceful, Safe and Secure Societies; and (viii) Strengthening the Means and Frameworks of the Implementation of the SDGs (OECD, 2018[3]; Government of Japan, 2017[7]; 2016[8]).

Guiding principles for coherent SDG implementation

To ensure that decision-making considers long-term implications of sustainable development, the Government of Japan has developed the SDGs Implementation Guiding Principles that set out Japan's long-term vision, priority areas, implementation principles, implementation framework and approach to the follow-up and review processes with each policy's indicator. The first follow-up and review of the principles will be conducted in the latter part of 2019 and it allows the Government of Japan to ensure a long-term vision that

goes beyond electoral cycles in implementing the SDGs (OECD, 2018[3]; Government of Japan, 2016[8]).

The five principles laid out in the SDGs Implementation Guiding Principles are: i) universality, to consider the SDGs both at the domestic and international level; ii) inclusiveness, to ensure that "no one will be left behind" (UNGA, 2015[9]); iii) a participatory approach, to allow all stakeholders to participate in building a sustainable society; iv) an integrated approach, to address all three dimensions of sustainable development (economic, social and environmental), identify policy interlinkages, and harness synergies; and v) transparency and accountability, to ensure the participation of stakeholders and citizens in the Government's efforts to implement the SDGs (Government of Japan, 2016[8]).

Recognising the indivisible and interrelated nature of the SDGs and SDG targets, the Government has begun updating its sectoral strategies to foster a more integrated approach across all policy areas. To this end, the Government is currently exploring systemic reforms, and endeavouring to identify and put in place incentives to foster collective action of the ministries and agencies on SDG implementation (Government of Japan, 2017[7]). Despite Japan's considerable progress in all areas covered by the SDGs over the last decades, the Government sees room for improvement in areas such as poverty, gender equality, energy, climate change, marine and terrestrial resources, and means of implementation (Government of Japan, 2017[7]). Furthermore, while Japan has taken a number of steps to foster policy coherence for sustainable development through the creation of the SDGs Promotion Headquarters and various strategic documents, it could benefit from making its commitment to PCSD more explicit. The Government's efforts to enhance policy coherence in SDG implementation through the SDGs Promotion Headquarters is highly commendable, and a more proactive use of the existing coordination mechanisms for enhancing policy coherence should be encouraged.

Luxembourg: Coordination mechanisms to ensure internal and external policy coherence

Luxembourg has anchored its sustainable development policy in the Law on the Coordination of National Policies for Sustainable Development from 25 June 2004. The law continues to form the basis of the Government's institutional structure on sustainable development, establishing a coordination mandate for the minister responsible for sustainable development, an Inter-Ministerial Commission for Sustainable Development, a Special Council for Sustainable Development, and requirements for National Sustainable Development Plans and concomitant implementation reports. Luxembourg's third National Plan for Sustainable Development is currently under discussion. A draft was presented in July 2018. In the 2017 Voluntary National Review, the Government sees "ensuring the maximum coherence of policies, both internally and externally" as one of the main concerns across all policy fields. Chapter 3 of the Review sets out a Common Commitment that includes stakeholders from civil society, academia and other sectors (Grand-Duché de Luxembourg, Loi du 25 juin 2004, 2004) (OECD, 2018[3]; Grand-Duché de Luxembourg, 2018[10]).

Anchoring and coordination of Luxembourg's sustainable development plan

The Interdepartmental Commission on Sustainable Development (ICSD), composed of representatives of all ministerial departments, leads the coordination of SDG-related activities through the National Sustainable Development Plan. The Environment

Department of the Ministry for Sustainable Development and Infrastructure coordinates national SDG-implementation and chairs the ICSD. The Inter-Ministerial Committee for Development Cooperation (ICD) meets six times a year to identify and discuss trade-offs and synergies and formulate non-binding recommendations to government regarding policy coherence for development. It has adopted a new working method in 2014, involving consultations with civil society on the choice of subjects, analysis and findings. Members of the ICSD participate in the ICD and vice-versa. Besides sharing information and formulating non-binding recommendations to the government, it provides mediation between ministries in cases of disagreement (OECD, 2018[3]; Grand-Duché de Luxembourg, 2018[10]).

The Government's Inter-Departmental Commission on Sustainable Development supports the integration of sustainable development in sectoral policies, including through the development of the National Sustainable Development Plan. The Government's Committee for Development Cooperation makes recommendations relating to policy coherence in the development sector. Line ministries can decide on the follow-up on recommendations in their respective fields (OECD, 2018[3]).

Fostering coordinated action at the local, regional, national and international levels is essential for ensuring a coherent implementation of the SDGs. As the level of government closest to the people, regional and local governments are in a unique position to identify and respond to sustainable development needs and gaps. In Luxembourg, many Parliamentarians are also mayors. Local concerns can be raised in Parliament, and mutual exchange of knowledge between the local and national level is a common occurrence. Furthermore, local communities have an opportunity to influence legislation via regular consultation processes. Since the National Plan for Sustainable Development will be implemented at the national as well as the local level, the Government has taken inventory of SDG-related local initiatives to ensure that priorities and policies are well aligned. It has provided a reference guide for local communities based on ISO 37120:2018 on 'Sustainable cities and communities: Indicators for city services and quality of life' and the Sustainability Reporting Standards of the Global Reporting Initiative (OECD, 2018[3]; Grand-Duché de Luxembourg, 2018[10]).

The Luxembourgish Government has put in place a number of strategies in line with the 2030 Agenda, including its General Development Cooperation Strategy that covers external policies. The national NGO umbrella platform 'Cercle de Coopération des ONG de développement' formulates recommendations on issues related to policy coherence, monitors progress, and encourages action on policy coherence independent of election periods (OECD, 2018[3]; Grand-Duché de Luxembourg, 2018[10]).

Identification of priorities to strengthen policy coherence in SDG implementation

Priorities in terms of policy coherence are identified through regular consultations with civil society. The NGO network also conducts regular assessments, based on which it provides concrete recommendations to the Government. Government staff furthermore participates in expert groups at the EU and OECD levels, as well as in a PCD Community of Practice hosted by the think tank ECDPM, through which inspiration on promising approaches is gathered, and then discussed at an interministerial level, to identify priorities and next steps. The introduction of a mandatory ex-ante sustainability check for draft laws will help to identify key topics on which trade-offs exist and need to be discussed. The

interministerial committee responsible for PCD, within the broader framework of PCSD, determines its work plan at the beginning of each year based on these inputs.

Luxembourg's Committee for Development Cooperation can identify and address potential transboundary and intergenerational effects ex-ante. Once identified, the Committee discusses unintended effects and formulates unbinding recommendations to government. To strengthen policy coherence and better understand potential national and transnational effects of policies on sustainable development, the government plans to establish a broader sustainability check. The so-called "Nohaltegkeetscheck" will allow for a systematic check of policy impacts across all three dimensions of sustainable development as well as for effects on future generations (OECD, 2018[3]).

The Government's 2017 implementation report on the 2030 Agenda emphasised the need to strengthen institutional mechanisms to achieve target 17.14 on enhancing PCSD (OECD, 2018[3]; Grand-Duché de Luxembourg, 2018[10]).

Paraguay: A long-term vision and results-based planning

Strategic planning

Since 2014, Paraguay has made substantial progress in setting a long-term vision for the country through its National Development Plan (NDP) "Paraguay 2030", as well as in enhancing the Centre of Government's institutional and technical capacity to pursue its implementation. The objectives and goals included in Paraguay 2030 for the most part reflect the 17 SDGs from a national perspective, including the use in some cases of quantitative targets. In addition, the Results-Based Planning System (*Sistema de Planificación por Resultados*) is the main instrument for applying the NDP. It is worth noting the efforts made since 2016 to align the National Expenditure Budget (PGN) with the NDP and the SDGs.

The role of the Centre of Government in delivering the SDGs

In Paraguay, the Centre of Government supports the President of the Republic and the Council of Ministers. The CoG not only refers to the Presidency itself but includes such key institutions as the Ministry of Finance responsible for the National Budget, and the Technical Secretariat for Economic and Social Development Planning (STP), which plays a key role in developing and coordinating strategic planning. Additional ministries and and institutions such as the Ministry of Foreign Affairs and the Secretariat of the Public Service *(Secretaría de la Función Pública - SFP)* play an important role in supporting whole-of-government policy coordination across administrative silos. However, the fragmentation of the Executive branch, the numerous institutions at the Presidency and the existence of limited coordination instruments for high-level policy discussion and decision-making will make SDG implementation a challenge (OECD, 2018[11]).

An important step in building institutional arrangements to translate the SDGs into national strategy and achieve a close alignment of Paraguay's National Development Plan with the SDGs was the creation of the Inter-institutional Commission for the Implementation and Monitoring of the Sustainable Development Goals in 2016. Coordinated by the Ministry of Foreign Affairs and consisting of a representative of the Ministry of Finance, the Technical Secretariat for Economic and Social Development Planning and the Social Cabinet of the Presidency of the Republic, the Commission constitutes an unprecedented initiative in Paraguay. The Commission is in charge of the implementation, follow-up and monitoring

of the country's commitments within the framework of the SDGs and supports decision-making for sustainable development.

Slovak Republic: Whole-of-government coordination as a core governance principle

The Slovak government resolution on the National Agenda of the SDGs sets out a number of principles for its implementation, including principles relating to, *inter alia*:

- **Inclusion.** The national strategy should be based on a broad consensus involving all stakeholders over the longer term.

- **Indivisibility.** The plan should therefore be reflected in the development and investment plans of central government bodies as well as regional and local development.

- **Policy coherence.** The national strategy should be used as a tool for finding synergies between public policies and potentially contribute to policy coherence across the public sector.

- **Vertical synergies.** The national strategy calls for the right balance to be found between competencies at the level of state, regional and local authorities.

- **A whole-of-government approach.** The national strategy should enable a whole-of-government approach to the implementation of the SDGs as outlined in the OECD's 2015 Public Governance Review.

- **Open governance.** The national strategy should support the principles of open government.

- **Evidence-based policy.** Ensuring that the implementation of the national strategy is based on relevant, verifiable and comparable data.

- **Value-for-money.** Activities should ensure value for money.

Strategic planning and coordination

With these principles, the Government of the Slovak Republic has recognised the need for whole-of-government coordination as one of its core governance principles. As in many OECD countries, the Slovak Republic has placed the responsibility for overall coordination of the 2030 Agenda at the national level within the Centre of Government. The SDG mandate was assigned to the Deputy Prime Minister's Office (DPMO) in 2016, as part of its efforts to strengthen strategic planning across government. The DPMO is responsible for ensuring "strategic planning and strategic project management in the area of investments including the development of a national strategic investment framework as well as the coordination of investment projects designated by the Government of the Slovak Republic".[1]

Ministries' engagement in the centrally managed coordination process is mixed. Some ministries and agencies are fully engaged in the SDG implementation process. The Ministry of Foreign and European Affairs (MoFaEA), for instance, issued an official document "*Outline for Implementing Agenda 2030*" (March 2016), which clearly underscores the need for cross-government coordination. Other ministries, however, have yet to integrate the SDGs into their planning strategies and into their day-to-day management practices.

To foster institutional and coordination arrangements on the SDGs, institutional changes in day-to-day *behaviour* within and between ministries, at all levels of government is key and could include such incentives as training opportunities, using collaboration as a criterion to evaluate performance, and developing communication strategies at all levels of the administration. In the Slovak Republic, the performance evaluation framework for civil servants includes assessing the degree to which individual employees collaborate across administrative silos; however, it does not apply in annual performance evaluations, which could encourage behavioural change, nor does it yet include yet internal communications strategies to support further cross-ministerial understanding on the need to coordinate in the implementation of the SDGs.

Slovenia: Preparing the National Development Strategy 2030

In 2015, the Slovenian Government initiated a process of preparing its National Development Strategy 2030, together with its Vision 2050, focused on the implementation of the Sustainable Development Agenda. In preparing its long-term strategic direction, Slovenia established an integrated policy framework for sustainable development that helped ensure that policies are coherent internally, as well as with its international commitments and priorities for achieving the SDGs.

The process in Slovenia was designed in three phases. The first phase presented the strategic direction-setting. The second phase, focused on strategic direction, translating the new vision into strategic priorities and designing actionable goals and measurable targets. The third phase, started in autumn 2017, focuses on effective implementation and monitoring of the new national strategy on a government-wide basis and is ongoing.

Strategic whole-of-government direction-setting

Phase 1, conducted over eight months, involved establishing and coordinating different project stakeholder groups, undertaking the analysis, organising a workshop to engage in a strategic conversation and creating a draft vision statement. A horizontal group drawn from across ministries and the Institute of Macroeconomic Analysis and Development of Slovenia, supported a coordinated, whole-of-government approach to the project, for example, by reviewing the draft vision statement. Furthermore, a group drawn from across Slovenian society advises the project team on the process and the legitimacy of those involved, particularly the workshop attendees and those participating in public consultations on the draft vision statement.

A range of analyses were undertaken to support development of the vision, including 27 interviews with people from across government, business, and civil society to identify their aspirations for Slovenia, what opportunities they thought existed for the country, and the challenges facing it. In addition to the interview process, other analytical inputs included:

- **Current situation analysis.** This analysis provided a comprehensive review of Slovenia's current performance in relation to other OECD members in key areas, including the economy, finance, well-being, education, health, and sustainability. In doing so, it highlighted the country's current strengths and challenges.

- **Developing a measurement framework**. This analysis compared and contrasted the well-being frameworks of the OECD and the Slovenian Government to develop a tailor-made measurement framework for the national development strategy.

- **Stress testing.** This analysis developed methods of better anticipating future disruption and challenging contexts.

- **Long-term analysis.** This analysis developed long-term conditional projections based on modelling by the Slovenian Government and the OECD. These projections provide a sound assessment of where business-as-usual would take the country.

Drawing on the analyses developed by the task forces and the synthesis of the interviews, participants at the three-day workshop engaged in a strategic conversation to start to generate elements to be incorporated into a draft vision statement. About 50 workshop participants were selected to represent a cross-section of Slovenian society. The workshop was designed based on best-practice principles in strategic foresight visioning. Key components of the workshop were:

- **Museum of the future.** This space profiled the analysis produced by the task forces as well as other relevant materials related to the Slovenia's past, present and future. It helped participants to become familiar with the rich material produced in the different groups as a constructive way to have courageous and meaningful conversations about Slovenia's future.

- **Prioritising vision elements.** Building on the insights and reflections from the exhibition and the preparatory interviews and task forces, participants were taken through a process to identify and prioritise a set of elements that the vision would contain.

- **Improve system maps.** Going beyond the listing of individual elements, participants then helped build a system diagram to explore how these elements would interact to deliver the greatest impact.

- **Seeing the void.** Based on the outcomes of the previous conversation, participants self-organised in to small groups to work on seeing the void (i.e. identifying concrete actions and initiatives for change that could help Slovenia move toward the vision).

- **Stress-testing the vision.** A variety of global and regional scenarios, megatrends and disruptive shocks were used to test the draft vision 2050. These contextual elements were prepared by the task forces. This exercise and the reflections in plenary further shaped the vision and, as perceived by the group, made it more robust.

- **2030 goals.** Finally, and building on the insights generated through the workshop, participants identified some ideas for 2030 goals what would bring about the vision.

The workshop was also used to create a draft vision statement. This statement was structured around five themes (quality of life, trust, education, innovation and Slovenian identity), including an explanation of the improvement system map and key 2030 goals to be considered as part of development of the measurement framework. In addition, it included the analysis of the task forces, the interview synthesis and a report of the workshop processes and outcomes.

The statement was drafted to be used as a starting point for a number of wider public consultations across the country in parallel with engagement of ministries to develop a vision that can act as a framework for the national strategy. Engagement mechanisms include a series of regional consultation workshops, a public opinion survey on the quality

of life and a web-based consultation process aligning the strategic goals of the vision and a quality-of-life measurement framework, debriefings and reflections with horizontal and futures group members, cross-ministry workshops, a government retreat session and a consultation session with all the Parliamentary parties.

This vision statement was redrafted based on these further consultations and then made public in February 2018. The delivery of the vision statement concluded Phase 1. However, it remains important to continue to use the anticipatory advantages of foresight to stress-test the vision, identify the strategic priorities and guide the development of the new overall strategy.

Translating the vision into measurable goals and indicators

In phase 2, the draft workshop vision was shared and discussed in a series of public consultations around the country and within ministries. This process led to a new National Development Strategy for 2030 meant to support the vision statement.

Phase 2 was divided into two steps. The purpose of the first step was to translate the vision statement into strategy priorities and goals, in line with the SDGs, with the aim of developing a National Development Strategy. The SDGs are being integrated in the ongoing preparation of the new Slovenian National Development Strategy 2030. Each of the strategic directions was discussed in thematic workshops, involving all ministries. They were then used to agree on a draft set of strategic goals and to complement these with implementation orientations and indicators to quantify and monitor progress in pursuit of the vision. The final set of goals was agreed on after further consultations with high-level government officials and the final set of indicators and the targets to be reached by 2030 was finalised in spring 2017.

The second step involved the development of a baseline long-term scenario building on the quantitative indicators assembled in the first step. These indicators are crucial to assess where the Slovenian economy currently stands relative to other countries in areas of strategic importance to the population, providing a benchmark against which long-term objectives can be set.

The long-term projection also serves as a baseline to examine different policy scenarios designed to help the authorities identify policy packages that can best achieve the multiple goals pursued under the National Development Strategy. More specifically, the analysis involves the identification of win-win policies that can contribute to boosting productivity and jobs while ensuring more sustainable development, both from an environmental and social/inclusive perspective. The analysis also highlights policy trade-offs, while providing insight on ways to mitigate and alleviate them. The integration of economic and environmental variables draws upon the work carried out under OECD's horizontal projects on Inclusive Growth and the OECD Green Growth Strategy.

Note

[1] Article 34 a/sub-section 3 of Act no. 575/2001 on the Organization of Government Activities and the Organization of the Central State Administration (Act of Competencies).

References

Government of Indonesia (2018), *Indonesia Voluntary National Review*, https://sustainabledevelopment.un.org/content/documents/15705Indonesia.pdf (accessed on 14 December 2018).   [6]

Government of Japan (2017), *Japan's Voluntary National Review Report on the Implementation of the Sustainable Development Goals*, https://sustainabledevelopment.un.org/content/documents/16445Japan.pdf.   [7]

Government of Japan (2016), *The SDGs Implementation Guiding Principles*, https://www.mofa.go.jp/files/000252819.pdf.   [8]

Government of the Czech Republic (2017), *National Report on the Implementation of the 2030 Agenda for Sustainable Development*, Office of the Government of the Czech Republic Government Council for Sustainable Development, Prague, https://sustainabledevelopment.un.org/content/documents/15717Czech_Republic.pdf.   [1]

Grand-Duché de Luxembourg (2018), *Luxembourg 2030 - 3rd National Plan for Sustainable Developpement (draft)*.   [10]

Lyytimäki, J. et al. (2016), *Agenda 2030 in Finland: Key Questions and Indicators of Sustainable Development*, Prime Minister's Office of Finland, Helsinki.   [5]

OECD (2018), *OECD Public Governance Reviews: Paraguay: Pursuing National Development through Integrated Public Governance*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264301856-en.   [11]

OECD (2018), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264301061-en.   [3]

OECD (2017), *Policy Coherence for Sustainable Development 2017: Eradicating Poverty and Promoting Prosperity*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264272576-en.   [2]

PMO Finland (2017), *Government Report on the Implementation of the 2030 Agenda for Sustainable Development. Sustainable Development in Finland – Long-term, Coherent and Inclusive Action*, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79455/VNK_J1117_Government_Repo rt_2030Agenda_KANSILLA_netti.pdf?sequence=1 (accessed on 13 February 2018).   [4]

UNGA (2015), *A/70/L.1: Transforming Our World: The 2030 Agenda for Sustainable Development*, http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E.   [9]

Annex B. Case studies on stakeholder participation and open government

Finland: Operational commitments to engage stakeholders

Mechanisms for dialogue and engagement, whereby governments and key stakeholders can come together to identify common challenges, set priorities, contribute to the development of laws and regulations, align policies and actions, and mobilise resources for sustainable development, are essential for coherent implementation of the SDGs. In Finland, operational commitments are among the main tools to foster participation of key stakeholders and create opportunities for organisations and active citizens to pursue the sustainable development goals as a task for society as a whole. Such commitments, notably *Society's Commitment to Sustainable Development*, have provided various actors with an effective and sensible way of participating in the implementation of the 2030 Agenda. More than 750 commitments to action promoting sustainable development have been made, encompassing all sectors of society: companies, schools, non-governmental organisations, administration, trade unions, political parties, cities, and even private individuals (OECD, 2017[1]; 2018[2]; PMO Finland, 2017[3]; National Comission on Sustainable Development, 2016[4]).

The National Commission on Sustainable Development (NCSD) seeks to ensure national follow-up on its commitments invigorated by continuous stakeholder participation. The NCSD includes 16 representatives from the business and industry (including agriculture), the three largest labour unions and their youth sections, 28 non-governmental organisations (including environment, women, children, indigenous peoples Saami, Somali immigrants, sports, education, consumer, disabled peoples associations and many others) as well as representatives from municipalities, regions, the church, academia and development. A sustainable development expert panel established in 2014 supports and challenges the work of the government and NCSD. The Panel is composed of eight eminent professors from different disciplines. Since spring 2017, the government partners with 20 young people from different backgrounds and regions via the Agenda 2030 Youth Group (OECD, 2017[1]; 2018[2]; PMO Finland, 2017[3]; National Comission on Sustainable Development, 2016[4]).

Indonesia: A multi-platform approach to stakeholder engagement

Indonesia applies a partnership principle among stakeholders, which is based on mutual trust, participation, transparency and accountability. Stakeholders involved in Indonesia's SDG implementation consist of four participatory platforms: the government and Parliament; civil society organisations and media; philanthropy and business; and academics. Each platform has representatives in the Implementation Team and Working Groups of the SDGs National Coordination Team, which provides many opportunities to participate actively.

Each platform has different roles and approaches. The role of the government is to formulate policies and programmes, determine the indicators, prepare data and information, disseminate information, communicate and advocate, allocate budget, as well as monitor, evaluate and report. The role of civil society organisations and media is to disseminate and

advocate, facilitate and implement programme, build public understanding, publish and monitor. The role of philanthropy and business is to advocate business actors. Finally, the role of academics and experts is to build capacity, monitor and evaluate, and prepare policy papers for policy formulation.

These stakeholder groups are involved not only in the implementation stage, but also in enriching the direction for SDG implementation as well as contributing to the monitoring and evaluation of its implementation. All stakeholders were involved in the discussions on the Presidential Decree of the SDGs, on the development of metadata, and on the development of guidelines for formulating the Action Plans, as well as other SDG activities. The processes are conducted in the form of offline and online public consultations.

Open government

As a founder of the Open Government Partnership (OGP), Indonesia is also well suited to take the lead in exploring how the SDGs and open government reform agendas can complement and reinforce each other. Through its endorsement of the OGP Joint Declaration on Open Government for the Implementation of the 2030 Agenda for Sustainable Development in September 2015, Indonesia has already recognised the value of linking these two initiatives. Specifically, the declaration notes the "importance of harnessing [countries'] efforts and championing the principles of transparency and open government as crucial tools for ensuring the effective implementation of the 2030 Agenda for Sustainable Development".[1]

Indonesia's open government reform efforts have contributed to important progress in pursuing the initiatives to realise the governance targets to promoting transparent, accountable and inclusive government as laid out in Goal 16, as well as to support the process for inclusive design, implementation and monitoring of all SDGs.

Luxembourg: A co-working process to support stakeholder engagement

Luxembourg has collaborated closely with a broad range of stakeholders, including through a co-working process of the Interdepartmental Commission on Sustainable Development (ICSD), as well as the Cooperation Circle of NGOs on sustainable development. The launch of the Fair Politics barometer, a report by Luxembourg's national umbrella organisation of NGOs (www.cercle.lu), and the subsequent discussion in Parliament in December 2017, was a first step towards greater stakeholder engagement. The outcomes of the discussion and several participatory workshops were integrated into the national strategy.

The Inter-ministerial Committee for Development Cooperation (ICD) invites NGOs active in the development and co-operation sector to participate in its debates, attend its meetings and identify priority topics. An additional platform for reflection, discussion and recommendations on sustainable development, the High Council for Sustainable Development, consisting of 15 persons from civil society and the private sector, submits an annual report to Parliament (Grand-Duché de Luxembourg, 2018[5]; OECD, 2018[2]).

Note

[1] See www.opengovpartnership.org/sites/default/files/attachments/OGP_declaration.pdf.

References

Grand-Duché de Luxembourg (2018), *Luxembourg 2030 - 3rd National Plan for Sustainable Developpement (draft)*. [5]

National Comission on Sustainable Development (2016), *The Finland We Want by 2050 - Society's Commitment to Sustainable Development*, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79455/VNK_J1117_Government_Repo rt_2030Agenda_KANSILLA_netti.pdf?sequence=1 (accessed on 13 February 2018). [4]

OECD (2018), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264301061-en. [2]

OECD (2017), *Policy Coherence for Sustainable Development 2017: Eradicating Poverty and Promoting Prosperity*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264272576-en. [1]

PMO Finland (2017), *Government Report on the Implementation of the 2030 Agenda for Sustainable Development. Sustainable Development in Finland – Long-term, Coherent and Inclusive Action*, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79455/VNK_J1117_Government_Repo rt_2030Agenda_KANSILLA_netti.pdf?sequence=1 (accessed on 13 February 2018). [3]

Annex C. Case studies on the effective use of budgeting and public procurement tools

Denmark: Green Public Procurement

In 2006 the Ministry of the Environment and the three largest municipalities, Copenhagen, Aarhus and Odense entered into a Partnership for Green Public Procurement. Since then other municipalities and regions have joined the partnership. It now includes 12 municipalities as well as two regions, a Danish water and wastewater company and the Ministry of the Environment and Food. The Danish municipalities are responsible for the majority – approximately two thirds – of public procurement. The Partnership is based on joint, mandatory procurement objectives and the main stimulus behind it is the potential impact it can have on the market: the more partners involved, the greater the procurement volume and the greater the impact on the market. Using the same green criteria is also designed to make it easier for the market to meet the procurement needs of the contracting bodies. The obligations under the Partnership are:

- To follow jointly specified green procurement objectives.

- To have a procurement policy in which environmental concerns play a significant part.

- To publish the procurement policy on the respective authority's website.

The partnership regularly sets up working groups that update old purchasing targets or develop new ones. Some of the topics covered include: disposable packaging and plastic products, world goals as an innovation tool in purchasing, advice for purchasers, operators and tender consultants who provide operation or establishment of green areas, and how to create a circular economy through public procurement.[1]

Egypt: Piloting performance-based budgeting

Egypt is gradually undertaking a process of managing the transformation from a line-item budget to programme and performance-based budgeting. The transition to programme and performance-based budgeting (currently being piloted in 16 ministries) aims to overcome the existing challenges in linking the national budget to the SDGs. In order to facilitate the implementation of programme and performance-based budgeting, the Ministry of Finance has developed a unified template, which is to be accompanied with each project proposal. Furthermore, the Ministry of Finance has prepared a draft decree to establish a unit in charge of programme and performance-based budgeting under the auspices of the Deputy Minister of Finance.

Additionally, the Ministry of Planning, Monitoring and Administrative Reform has introduced an integrated electronic planning, monitoring, and evaluation system which links all public investment projects submitted by public entities to the SDGs. The system also requires all public investment allocation requests to outline the expected social,

environmental, and economic impact of the project and enables decision-makers to prioritise projects that have a positive impact. The system aims at improving the efficiency and transparency of the planning, monitoring, and evaluation system. It became obligatory in November 2018 for public investment projects in the 2019/2020 national plan and replaced the former paper-based method.

While Egypt is working diligently to manage the transition from line-item budgeting to programme and performance-based budgeting, there appears to be a lack of data and performance indicators as well as limited capacity and skills in line ministries, which poses challenges to an effective transition. Furthermore, the existing challenges in determining the cost of service delivery; conducting value for money analysis; and performance auditing may undermine implementing programme and performance-based budgeting in an efficient manner.

European Union: Tracking climate and biodiversity expenditure in the budget

To help achieve its climate goals, the EU decided to integrate climate action into its budget. The EU has agreed to make at least 20% of EU expenditure climate-related in 2014-2020 and climate change mitigation and adaptation has been integrated into all major EU spending programmes. The EU is broadly on track towards its 20% target, but further efforts are needed. Programmes under cohesion policy, agriculture, research and innovation and the Connecting Europe Facility currently account for more than 90% of EU climate-related spending.

In its communication of May 2018 (European Commission, 2018[1]), the Commission proposes to build on the positive experience with climate mainstreaming and further strengthen climate action in the next EU long-term budget. The communication highlights that "more broadly, in line with the Paris Agreement and the commitment to the United Nations Sustainable Development Goals, the Commission proposes to set a more ambitious goal for climate mainstreaming across all EU programmes, with a target of 25% of EU expenditure contributing to climate objectives".

The tracking of the financial commitments is done using EU climate markers, which are adapted from the 'Rio markers' developed by the OECD to provide quantified financial data for tracking development assistance. The markers reflect the specific features of each policy area and assign a weighting to activities based on their contribution towards climate objectives: significant (100%), moderate (40%) or insignificant (0%). The assessment is based on the programme statements in the context of the annual budget procedure. Around 80% of the EU budget is managed by Member States. They report on climate spending under the five European structural and investment funds using an established methodology.

Additionally, an internal process for biodiversity tracking, based on the same methodology, was used in the 2014-2020 budget, to ensure biodiversity mainstreaming and support the achievement of the international commitments under the Convention on Biological Diversity (CBD). The biodiversity tracking methodology is largely based on the 'Rio markers' established by the OECD, whilst taking into account the specificities of each policy area. The total contribution to mainstreaming biodiversity[2] is expected to be EUR 13304,2 million in 2019 (or 8,2% of proposed total commitment appropriations) compared to EUR 13074,1 million in 2018 (or 8,3 % of total commitment appropriations).[3]

France: Comprehensive climate analysis and reporting

The French Low Carbon Strategy is supported by comprehensive reporting on environmental and climate measures in the general budget. Up to now, this reporting structure includes the Transversal Policy Document on the Fight Against Climate Change, which is annexed to the annual budget law and provides a cross-sectoral overview of all important measures in the general budget implemented in support of France's climate goals. The report, referred to as an "Orange Book" ("orange budgétaire") constitutes the main policy document with regard to integrating the green perspective into the budgeting process. Information feeding into the report is provided by various sources. The "Ways and Means Report" for example offers an assessment of all revenue sources, including information on revenues from most energy and environmental taxes. The "Landscape of Climate Finance" gives a comprehensive ex-post assessment of domestic financial flows in favour of climate and the broader energy transition in France (I4CE, 2018[2]). In addition, two specific reports are also annexed to the budget each year to inform the Parliamentary debate, a first one on financing the energy transition and a second one on the financial contribution for the protection of nature and environment. Both are referred to as "Yellow Books" ("oranges budgétaires").

From 2019 on, in order to align and improve the overall impact of public finance measures on the ecological transition, France is planning to streamline and enrich this and other existing documentation for better overview, accessibility and improved use of information. A first step of this process will be the development of a comprehensive and easily readable new "Yellow Book" that provides an overview of relevant policies and highlights their alignment with France's climate objectives for the 2020 budget.[4] The document consolidates and replaces the three previously mentioned reports and adds new information, in particular on public and private environmental expenditure in alignment with environmental targets and fiscal policy, including information on environmental tax revenue, environmental tax expenditure and the economic effect of environmental taxes on households and firms. The document is being developed in coordination with a high-level mission with experts from the Ministry of Finance and Ministry of Ecological and Inclusive Transition and reflects France's commitment made at the One Planet Summit in 2017 to implement green budgeting. It will be published in October 2019.[5]

Indonesia: Low Carbon Development Strategy in the framework of the SDGs

Since the adoption of the Sustainable Development Goals in 2015 and the ratification of the Paris Agreement in 2016, Indonesia has shown strong commitment in Low Carbon Development, including linking climate change targets and SDGs indicators to the national mid-term development plan (RJPMN) as well as the long-term strategy or the so-called Indonesia Vision 2045.

Since 2017, the Government of Indonesia, led by Bappenas, has proceeded to build a strong foundation for the next planning cycles that is data-driven and based on scientific analysis. It adopted a strategic framework to integrate environmental policy into the development agenda without compromising growth and poverty reduction efforts. The processes have involved extensive participation from experts, government representatives and non-state actors. The analysis refers to the government's development plans, exploring options to achieve a set of development goals while take into account limiting factors and carrying capacity such as water availability and quality, energy scarcity, biodiversity and GHG emissions. It also provides some policy options for six main sectors: Energy (SDG 7);

Forestry and Peatland (SDG 15); Agriculture (SDG 2); Plantation, particularly palm oil development (SDG 9); Marine and Fishery (SDG 14); and Waste (SDG 12).

The initial results have shown that the current development path needs to be leveraged. Without considering the carrying capacity, the economic growth is projected to increase gradually to around 5.7% in 2045. However, in the long run economic growth will decline as natural capital has decreased. Hence, it is important to shift the development trajectory onto a more sustainable path in order to maintain stability economically and environmentally. Nevertheless, to leverage low carbon development, a fundamental leap needs to be made. The government budget only will not be sufficient to achieve the SDGs and NDC targets by 2030. Promoting innovative financing and participation of the government at all levels, the private sector, civil society and academics is urgently needed.

The Government of Indonesia is also currently working to enhance the transparency framework that will enable the country to keep track of progress in the implementation of low carbon development. The system is expected to be able to capture information about the efforts undertaken, financial disbursement and the implementers, which ultimately could provide adequate feedback for the next planning cycle.

Mexico: Identifying the link of the current national planning with the 2030 Agenda

In 2018, Mexico introduced alignment of budget parameters with the SDGs. To do so Mexico used three basic elements of its institutional architecture system: 1) national planning; 2) the programmatic structure based in budgetary programmes; and 3) performance evaluation.

Mexico's programme budget structure already provided a good base for the linkage to the SDGs as it links resource allocations to the objectives of the National Development Plan by budget programmes. Hence, to enable that the matching of budgetary programmes automatically render the alignment with the SDGs, Mexico first analysed the linkage between the SDGs and the National Development Plan. Budgetary programmes would then contribute to the SDGs either directly, when the contribution to a target or sub-target is direct, or indirectly, when the allocation generates conditions to achieve the target or sub-targets. Finally, the performance evaluation system allows objective assessment of programme performance through the assessment of the achievement of the pre-established targets and goals, based on indicators (Matrix of Indicators for Results (MIR)).

The new system enables Mexico to create a link of the current national planning with the 2030 Agenda and the SDGs in the long run and to identify which existing programmes contribute to achieving the SDGs. This way, the Mexican government has the necessary instruments and inputs for implementing a long-term strategic planning towards the 2030 Agenda, as well as for monitoring its advances and results. Public policy decisions and budget allocations can be made based on an initial diagnosis of how much is currently invested in each SDG and what actions are done at the time. To guarantee the institutionalisation of the process and allow its sustainability over time, the defined methodology was implemented as part of the programming and budgeting process for 2018, both in norms and in the e-systems. Furthermore, the National Planning Law was reformed to make the implementation of the new system sustainable in the long run.[6]

Norway: Lessons from green budgeting

The following up of the SDGs in Norway is integrated in the government's ordinary political processes. Each of the 17 SDGs is assigned to one coordinating ministry that reports annually in its budget report on progress made. The Ministry of Finance sums up the main points in a chapter in the national budget. The indigenous peoples' assembly, the Sámediggi (Sami Parliament), is involved through dialogue with the line ministries and formal consultation mechanisms (Government of Norway, 2016[3]). The information provided facilitates the accountability towards Parliament and civil society (Hege and Brimont, 2018[4]).

Green ambitions in the budget proposal

With respect to the Government's overall climate and environment efforts, the Ministry of Climate and Environment has the overarching cross-sectoral responsibility for coordination and development of environmental and climate policies. In the budget proposal, the Climate and Environment Ministry summarises all relevant policies, including relevant efforts by other ministries, and describes the Government's climate priorities. The chapter also includes estimates of impacts of selected expenditures on the environment.

Measuring climate impacts of state budget measures

Norway's Climate Change Act, adopted in 2017, introduced a regular reporting mechanism on the status and progress in achieving the climate targets under the law. This includes obligatory information on the expected effects of the proposed budget on greenhouse gas emissions (Norwegian Ministry of Climate and Environment, 2017[5]). The Norwegian Government has appointed a Technical Committee on Methodology related to Climate Change Mitigation, which will propose methods for calculating the expected effect of Norway's national budget on greenhouse gas emissions. This includes methods for estimating the effect on emissions of changes in revenues and expenditure in the budget, and in addition, methods of estimating the mitigation effect and cost of policy instruments that are not included in the national budget. A first annual report on its activities and advice is planned to be delivered in 2019.

Norway introduced a tax on GHGs already in 1991. After several Green Tax Commissions and other climate policy reviews, more than 80% of GHG emissions are either covered by the GHG-tax and/or EU ETS (Emissions Trading System). The ordinary GHG-tax rate is about 50 EUR. Moreover, Norway reports on all policies and measures and their estimated GHG mitigation impact (in kt CO_2 eq) in its reports to the UN (Norwegian Ministry of Climate and Environment, 2017[5]).

Fiscal risk of the climate transition

In 2017, the Norwegian Government appointed an expert commission to assess climate-related risk factors and their significance for the Norwegian economy. The Commission submitted its report to the Ministry of Finance in December 2018. In the report, the Commission describes the climate challenge, and defines two main types of climate risk: physical risk and transition risk. It recommends a reporting framework, based on TCFD (Task Force on Climate-related Financial Disclosures) principles, for maintaining and accumulating knowledge on climate risk faced by the Norwegian economy. The Commission recommends a set of general climate risk management principles for both the private and the public sector. A proper understanding of climate risk should be better

integrated into decision-making processes, with expanded use of scenario analyses as a key measure. For Norway, it is of particular relevance to perform stress testing of fiscal policy and the petroleum sector.

One of the Commission's recommendations for the public sector is that the Government should establish and maintain a set of scenarios for oil and gas prices, and carbon prices. It should stress test public finances for climate risks and make sure that the fiscal policy is robust to climate-related shocks and disturbances. Norway's national wealth should also be stress tested for climate risk.

Joining the Paris Collaborative on Green Budgeting

In 2018, Norway joined the Paris Collaborative on Green Budgeting. The Collaborative brings together experts from international workstreams on environmental policy, budgeting and tax policy to identify research priorities and gaps, design innovative green budgeting tools and advance existing methods. It furthermore provides a coordinating platform to share data and best practices.

Paraguay: Aligning annual budgets with strategic policy objectives

Paraguay has developed interesting practices to ensure alignment of annual budgets and capital expenditures with strategic policy objectives, such as the formulation of the National Development Plan (NDP) and its long-term planning horizon, reforms to the budget structure and setting annual targets at the institutional level. Despite these improvements, the country faces challenges respecting the sustainability of such reforms and the need to complement them with more developed performance-budgeting and medium-term budget frameworks.

Improving the quality of public finance management to optimise the achievement of strategic national development objectives is a key challenge in Paraguay, as it is in many countries. Paraguay has implemented several reforms in this field, most notably the formulation of a national development plan with a long-term planning horizon, reforming the budget structure, and setting annual targets at the institutional level.

The Government of Paraguay has made significant efforts to restructure the budget to strengthen the link with the Government's strategic objectives. In 2014, the Government began implementing a "results-based planning system" (*Sistema de Planificación por Resultados* - SPR), where results are placed upfront in the planning process and provide the basis for defining the combination of inputs, activities and productive processes best needed to obtain these results. The SPR is the Government's main instrument for pursuing the NDP's sustainable development goals. The Government has also been working since 2016 to advance the alignment of the National Expenditure Budget (PGN) with the NDP and the SDGs.

Slovak Republic: Integrating the SDGs into the budget process

The role of the Ministry of Finance is crucial for integrating the SDGs into the budget process. National budget programme-spending allocations/decisions need to be made as a function of SDG-related strategic priorities and targets. Results-based spending allocations/decisions can also strengthen accountability mechanisms by holding governments accountable for their SDG-related commitments and establishing clear connections between public spending and outcomes.

The Slovak Ministry of Finance has yet to reflect fully the SDG agenda: this would require integrating the SDGs into its planning and monitoring processes. However, it has a number of relevant instruments at its disposal: the Ministry of Finance's main reference document for whole-of-government strategy is the National Reform Programme, which presents macro fiscal policy scenarios and identifies the financial priorities to be addressed in any given three-year period. The Ministry of Finance monitors the execution by line ministries of international commitments falling within their remit, including all EU directives and international treaty obligations. Beginning in 2019, the National Reform Programme planning document is supposed to begin to reflect the SDG agenda.

Whilst there are tools that may support the integration of the SDGs into the budget process, there are currently no official documents or statements that suggest that the Ministry of Finance or line ministries will use the SDGs to define their programme headings in the programme-oriented budget framework. The policy drivers are in effect much more likely to be driven by the Europe 2020 strategy than the SDGs. In this regard, the OECD has pointed out that integrating the SDGs into the budget process would require high-level political direction for the Ministry of Finance.

A whole-of-government consensus on which strategic goals should be used by line ministries, along with political direction from the top, could be a first and important step to ensure that the SDGs are reflected in the budget. The Ministry of Finance Financial Policy Institute could play an important role in reviewing ways of integrating the SDGs into the budget process given that it regularly meets with line ministries to identify gaps and propose new achievements to reach the EU 2020 goals. Integrating the SDGs into the budget process would require line ministries to develop Key Performance Indicators around the SDGs.

Notes

[1] This case study is based on: http://www.sppregions.eu/fileadmin/user_upload/Resources/Denmark.pdf.

[2] http://ec.europa.eu/budget/library/biblio/documents/2019/SoE2019%20with%20covers.pdf.

[3] This case study is based on the European Commission's EU budget 2021-2027, https://ec.europa.eu/clima/policies/budget/mainstreaming_en (accessed on 29 November 2018); Biodiversity tracking in the EU budget, Presentation at the OECD Green Budgeting Workshop, 22.05.2018.

[4] Decided by the National Assembly and the Senate (Law number 2018-1317 of 28th December 2018).

[5] This case study is based on presentations and discussions at a series of events convened by the OECD Paris Collaborative on Green Budgeting during the period (18/05/2018 – 29/04/2019). For further information, see http://www.oecd.org/environment/green-budgeting/.

[6] This case study is based on presentations and discussions at a series of events convened by the OECD Paris Collaborative on Green Budgeting during the period (18/05/2018 – 29/04/2019). For further information, http://www.oecd.org/environment/green-budgeting/ and "Investing for Sustainable Development: How Does Mexico Invest in the Sustainable Development Goals" https://www.transparenciapresupuestaria.gob.mx/work/models/PTP/Presupuesto/Documentos_anteriores/SDG_mexico.pdf.

References

European Commission (2018), *EU Budget for the future - Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions: A Modern Budget for a Union that Protects, Empowers and Defends The Multiannual Financial Framework for 2021-2027.* [1]

Government of Norway (2016), *Voluntary National Review presented at the High-Level Political Forum on Sustainable Development (HLPF)*, https://sustainabledevelopment.un.org/content/documents/10692NORWAY%20HLPF%20REPORT%20-%20full%20version.pdf (accessed on 5 November 2018). [3]

Hege, E. and L. Brimont (2018), "Integrating SDGs into national budgetary processes", No. 05, Institut du développement durable et des relations internationales (IDDRI), http://www.iddri.org (accessed on 26 October 2018). [4]

I4CE (2018), *Landscape of Climate Finance in France*, https://www.i4ce.org/go_project/landscape-of-domestic-climate-finance/landscape-climate-finance-france/ (accessed on 5 July 2019). [2]

Norwegian Ministry of Climate and Environment (2017), *Norway's Seventh National Communication under the Framework Convention on Climate Change*, https://www.regjeringen.no/contentassets/52d65a62e2474bafa21f4476380cffda/t-1563e.pdf (accessed on 5 November 2018). [5]

Annex D. Case studies on monitoring, evaluation and audit institutions

Argentina: The role of the Office of the Comptroller General in SDG implementation

In July 2018, the Office of the General Comptroller (Sindicatura General de la Nación - SIGEN) and the National Council on Social Policies Coordination (CNCPS) signed a Cooperation Agreement. Both institutions committed themselves to organise a training programme for internal auditors on the 2030 Agenda, to develop technical tools in order to manage control over the implementation, and to investigate mechanisms so as to broaden these activities to national scale through the Federal Network of Public Control (Provincial Courts of Accounts) chaired by SIGEN.

The SDGs have been incorporated in the 2019 Planning for both SIGEN and the different Internal Audit Units (IAUs), requiring the audit units to consider the 100 priority initiatives of the government and the SDG indicators, as well as the evaluation of the reporting mechanisms for SDG implementation. SIGEN has developed a series of mandatory Working Guidelines for the IAUs, providing concrete tools for monitoring SDGs implementation.

In 2019, SIGEN will provide an organisational unit – responsible for the follow-up and monitoring of the 2030 Agenda – in order to increase governmental management effectiveness of SDG compliance, through internal control and auditing. This specialised team will be responsible for achieving an adequate level of preparation, awareness and professionalisation of those involved in the monitoring and follow-up of the 2030 Agenda (a Guide for Auditors on SDGs and Control is currently being developed). It will also be devoted to extending – at a national level – the control over SGD implementation with regional projection, detecting, promoting and regularly reporting of the progress of the 2030 Agenda implementation, and achieving international funding and technical co-operation for the execution of the activities aimed at achieving its objectives.

A new audit reporting tool (mobile app) is being developed by SIGEN to facilitate internal control, enabling the dynamic and updated access to reporting data, at the different audited ministries and SOEs, which includes the follow-up of SDG implementation. This control tool will also include information on both the strategy and budgeting.

Through SIGEN's Training Institute for Public Management Control (Instituto Superior de Control de la Gestión Pública-ISCGP), SIGEN and the CNCPS are training the Argentine Public Sector on the SDGs. This is being carried out through a network of MERCOSUR's internal control bodies assembled in a Specialised Meeting of Internal Control Governmental Agencies (REOGCI) with a focus on the 2030 Agenda.

SIGEN prepares its annual Sustainability Report based on the principles of the UN Global Compact and the SDGs.

SIGEN is also setting up a specialised team on integrity audits in order to carry out specific anti-corruption audits according to the spirit of the SDGs and the international INTOSAI regulations.

Austria: Report of the Austrian Court of Audit on the implementation of the 2030 Agenda

Austria, like other countries, is facing challenges and opportunities related to the implementation of the SDGs. This text serves to illustrate the state of affairs in 2016-2017 and the recommendations made by the Austrian Court of Audit (ACA).

The audit, carried out between June to September 2017, aimed in particular at assessing the legal framework conditions and the national recognition of the SDGs, the responsibilities of the Federal Government and the coordination across all levels of government. A further objective was to evaluate the initial situation (stocktaking and gap analysis), the implementation plan and the target attainment monitoring system, as well as the inclusion of the civil society, the reporting system and the impacts of the SDGs.

The audit was carried out at the Federal Chancellery and the Federal Ministry of Europe, Integration and Foreign Affairs – in their capacity as coordinating entities regarding the national implementation of the SDGs – as well as at the Federal Ministry of Agriculture, Forestry, Environment and Water Management[1] and the Federal Ministry of Transport, Innovation and Technology – as federal ministries selected as examples by the ACA. The audited period largely spanned the years from 2016 through 2017.

Court of Audit findings

Based on a ministerial decision of January 2016, the Federal Government established an interministerial working group tasked with the implementation of the 2030 Agenda. However, despite its central role, it was only given the mandate to coordinate the reporting on the implementation. It was not mandated with coordinating the implementation itself or with guiding or managing a coherent nationwide implementation. Additionally, the chosen "mainstreaming approach" resulted in a fragmentation of the implementation process, with consequences also for monitoring and reporting systems. At the time of the audit, Austria also lacked a nationwide strategy for the implementation of the SDGs as well as structures for a systematic coordination across all levels of government and involvement of civil society.

Court of Audit recommendations

- The interministerial working group should be set up as a national steering body for the implementation of the 2030 Agenda to manage a coherent, nationwide implementation. Furthermore, the responsible stakeholders should look into whether the interministerial working group could be chaired by one federal ministry only.

- The responsible stakeholders should encourage the preparation of a sustainability strategy that contains a structured and coherent nationwide mechanism and takes into account the provinces, municipalities and the civil society.

- Reporting to the UN HLPF should be ensured as early as possible and from then on periodically – at least once per legislative period – and include the provinces and civil society.

- As regards the amendment of the Federal Organic Budget Act 2013, the responsible stakeholders should encourage the legislators to embed the SDGs, in a mandatory way, analogous to the equality target, in the outcome targets of the Federal Government.

Brazil: Auditing medium- and long-term sectoral plans

The Brazilian Federal Court of Accounts (*Tribunal de Contas de União*, TCU), among other activities, conducts evaluations, offers recommendations for improvement in public administration and identifies vulnerabilities in the internal control systems related to public procurement, contracting and public-private partnerships. Moreover, TCUs Systemic Reports, based on surveys that TCU carries out in a range of sectors such as health, education, social welfare and information technology, offer an aggregated view of TCU's world in these areas, emphasising challenges, risks and potential solutions.

Regarding TCU's assessment of Brazil's governmental long-term policy commitments (such as the Multi-annual plan - *Plano Pluriannual*, PPA – spanning from 2016-2019, as well as sectoral plans such as the National Education Plan, spanning from 2014 to 2024), TCU evaluates the objectives, targets, priorities and programmes provided for in these plans. The evaluations often result in recommendations that are addressed to the National Congress.

The OECD report *Brazil's Federal Court of Accounts. Insight and Foresight for Better Governance*, identified improvements that TCU could make in its strategy and operations in order to contribute to more efficient, effective and economic policy-making in Brazil. The TCU could well be placed to go beyond its traditional oversight role by systematically upholding key functions of good governance to areas such as: (i) policy coherence, (ii) strategic and sustainable budgeting, (iii) effective internal control and risk management, (iv) meaningful monitoring and evaluation that leads to improvements in policies and programmes. Furthermore, TCU's strategic plans could integrate medium and long-term policy issues into its audit programme, going beyond short-term priorities and immediate challenges, in order to ensure that its activities tackle emerging risks and are responsive to society's needs, including the achievement of related SDGs.

In that sense, TCU has incorporated good governance concepts into its various internal strategic documents. For example, TCU's Strategic Plan 2015-2021 states that the TCU's mission is to "monitor the budgetary and financial implementation of the country and contribute to the improvement of public administration for the benefit of society". The Plan outlines three main priorities:

- Improve the governance and management of public and political organisations.

- Curb mismanagement of public resources.

- Foster a transparent government.

In addition, the TCU's strategic planning process is comprehensive and includes scenario planning in order to adopt a broader view of horizontal, medium and longer-term governance challenges. It seeks to reflect the insights of all stakeholders, including civil society in addition to the Executive branch and the Congress.[2]

Colombia: Incorporating the SDGs in Colombia's national monitoring mechanisms

Colombia's performance is monitored by the National Planning Department (NPD) and the President's core advisors. The national monitoring (and evaluation) system, SINERGIA, tracks process, output, and outcome indicators set in the National Development Plan (NDP). *SINERGIA Seguimento*[3] provides a set of performance indicators which measure policy outputs and outcomes as identified by the NDP. The system is built following a pyramidal structure with three main levels: strategic, sector and management. Strategic indicators are at the top and are related to the main government pillars as stated in the National Development Plan. These are followed by the President and the Council of Ministers. Sector indicators describe sector-specific goals and are monitored by the President and each Minister in bilateral meetings and within each Ministry. Finally, management indicators are standard indicators that are measured for all the entities to track institutional efficiency.

The government carried out an initial assessment of the coherence between the 169 SDG targets and the NDP and observed that 92 SDG targets had specific actions in the 2014-2018 NDP. Building upon the experience of developing the NDP and its monitoring mechanism, Colombia invested – amongst others – in:

- Identifying lead agencies for mobilising resources and coordinating actions for each SDG target.

- Defining national indicators through a participatory process led by the National Department of Administrative Statistics (NDAP).

- Translating national indicators into regional measures.

- Developing a dedicated reporting system (annual indicators report, website, SDG implementation report) in coordination with the NPD and the NDAP.

- Developing a plan to strengthen statistical capacity.

- Developing a territorial strategy (including a monitoring mechanism).[4]

Costa Rica: A society-wide pact to implement, monitor and evaluate the SDGs

The 'National Pact for the Advancement of the SDGs', signed on September 9, 2016, is the national strategy for the planning, implementation and monitoring of the SDGs in Costa Rica. The Pact is signed by the three powers of the Republic of Costa Rica (Executive, Legislative and Judicial) and a range of non-governmental stakeholders (civil society, public universities, private sector, etc.).

By identifying the programmes of the National Development Plan that are related to the SDGs, Costa Rica subsequently established the link between these policy priorities and the country's National Evaluation Policy (NEP). The latter was adopted in November 2018 and has a 2018-2030 time horizon. The NEP refers to the SDGs as an important driver to push policy evaluation (next to open government, result-oriented management, access to information, transparency etc.), cross-referencing the National Pact for the Advancement of the SDGs (art. 9), which commits to the implementation of a monitoring and evaluation strategy.

While the roll-out of the NEP is at its very early stages, the document reflects a commitment by the lead institution (the Ministry of Planning and Economic Policy) to institutionalise policy evaluation across government and develop the necessary capacities. The NEP presents both a diagnostic of the current situation and an action plan on how to move forward this agenda. For that purpose, the document looks amongst others at the legal and normative framework to promote policy evaluation; the current level of institutionalisation and available capacities; the identification of key actors (lead/coordinating institutions and supporting actors); and the necessary next steps to move forward the policy evaluation agenda (including capacity building activities and strategic partnerships to support this).[5]

Egypt: Monitoring and accountability as part of the SDGs governing framework

In line with Egypt's commitment to the 2030 Agenda, the government has recognised monitoring, evaluation and feedback systems as an important pillar of the governing framework for the implementation of the SDGs.

The Central Agency for Public Mobilization and Statistics (CAPMAS) is the official statistical agency of Egypt; it collects, processes, analyses, and disseminates statistical data and conducts the census including on the SDGs.[6] There is a specialised unit for the SDGs in CAPMAS, which focuses on the development of indicators related to the SDGs. The SDG unit is responsible for the classification, identification and measurement of indicators used in both the SDGs and the Sustainable Development Strategy (SDS).[7] Another important responsibility of CAPMAS relates to the preparation of the periodical national statistics report on the SDGs, building on the global framework on tier classifications for the SDGs, and the availability of data in Egypt vis-à-vis the specific indicators set globally on each SDG target. Based on the level of methodological development and the availability of data, 43%[8] of the SDG indicators in Egypt are currently classified under Tier 1, indicating standards are clear and available, and data is regularly produced.[9]

The significance Egypt has attached to the monitoring, evaluation and feedback systems has been embodied through the Voluntary National Reviews undertaken. Egypt volunteered to conduct two Voluntary National Reviews on the SDGs in 2016 and 2018, and to the ongoing MAPS Engagement[10] on SDG Implementation in collaboration with international organisations, including the UN, OECD and World Bank. This also demonstrates the ambition, commitment and eagerness of the government to showcase the progress achieved in international and multilateral fora through monitoring and evaluation processes.

The efforts to strengthen the monitoring, evaluation and feedback frameworks have also involved the establishment of specialised monitoring and evaluation units in certain ministries and government bodies including in the Ministry of Planning, Monitoring and Administrative Reform and the Ministry of Investment and International Cooperation.

Moreover, the Egypt SDG Observatory[11] was launched to provide a digital platform for tracking progress towards the SDGs. The Observatory displays the data available for each SDG indicator in a comparative manner over time. Furthermore, some indicators provide data disaggregated by age and sex including those related to employment and education. The platform is publicly available. In addition to the national observatory on the SDGs, a special observatory focusing on the SDGs and gender equality was established to monitor the implementation of the National Strategy for Women Empowerment.[12] The strategy has translated the SDGs into national indicators and specified a quantitative target for each indicator, which facilitates monitoring the progress.

The ongoing transition from a line-item budget to programme/result-based budgeting will also enable a more sound monitoring and evaluation process in pursuing the SDGs. In particular, it will help match public expenses and investments to goals and key performance indicators. An integrated electronic planning, monitoring, and evaluation system introduced by the Ministry of Planning, Monitoring and Administrative Reform also represents an important tool to align the budget allocations to the goals and key performance indicators of the SDS and the SDGs. In short, integration of the SDGs into the budget process will clearly benefit Egypt's monitoring, evaluation and feedback system on the SDGs.

Furthermore, the Ministry of Planning, Monitoring and Administrative Reform is currently planning to update the SDS in order to accommodate the major structural changes Egypt has witnessed over the past two years. The process of updating the strategy could also act as an evaluation exercise, which takes stock of the progress, identifies the remaining gaps and informs the formulation of the new strategy.

Finland: Taking stock of progress and SDG audit by the National Audit Office

Monitoring progress

To include sustainability issues in everyday discussions of legislative and budgetary matters, the Government decided to include the promotion of sustainable development in its annual report to the Parliament, and establish an annual public discussion forum for measuring and taking stock of progress in the implementation of the 2030 Agenda in Finland. By November 2018, Ministries had reported twice to Parliament on their policies and measures to implement the 2030 Agenda with the latest reporting taking place in February 2018. Each policy branch contributes to the annual 2030 Agenda implementation report. In addition, the state's budget contains ministries' reports on how the 2030 Agenda is integrated in their budget, planning and implementation.

An independent assessment of Finland's sustainable development policy will be conducted every four years, in Parliamentary election years, starting 2019. The PMO, the NCSD and the Development Policy Committee co-host an annual event to discuss current status and trends, based on sustainable development indicators, data assessment and contributions by experts and civil society. An ongoing annual cycle review enables a participatory review process. (OECD, 2017[1]; 2018[2]; PMO Finland, 2017[3]).

Finland's national follow-up and review system is anchored in the eight objectives of the long-term strategic framework. Policy-making is linked to the eight objectives via ten indicator baskets, which in turn consist of 4-5 indicators, and are connected to more than one objective. The baskets serve as the framework for discussions on interpretations and put a lens on entities that are relevant in terms of political decision-making. The indicators in each basket will be reviewed, interpreted and updated once a year, by relevant authorities. The purpose is to assess the significance of the change in the indicator value from the perspective of sustainable development. This is followed by a public, multi-stakeholder dialogue where anyone can present different interpretations and introduce new information. This process helps to inform political decision-making. The open discussion takes place on the Prime Minister's Office (kestavakehitys.fi/seuranta) sustainable development website on a rolling basis to discuss a different basket each month. After the update of all baskets, the NCSD and the PMO organise an annual event on the state and future of sustainable development. The event coincides with the Parliament discussion on

the Government's Annual Report to the Parliament (OECD, 2017[1]; PMO Finland, 2017[3]).

An external independent evaluation was launched to assess the achievements of national implementation of the 2030 Agenda, both in domestic and international policies. The results of the evaluation guided the discussions around the Parliamentary election in April and help ensure that the new Government has evidence-based and timely information on the strengths and weaknesses of sustainable development in Finland. The evaluation will also provide comprehensive data and analysis to Finland's next Voluntary National Review on the implementation of the 2030 Agenda to be submitted to the United Nations High-level Political Forum in July 2020.

SDG audit by the National Audit Office

The National Audit Office of Finland (NAOF) is committed to the SDGs and through audit work actively contributes to the fulfillment of the SDGs both domestically and within international co-operation.

The NAOF performs a separate risk-analysis from the perspective of the SDGs. NAOF's focus on SDG issues is from the perspective of state economy.

The NAOF's annual report includes a section regarding SDG 16 and the actions taken concerning the NAOF's influence. Furthermore, the oversight task of Election Campaign and Political Party Financing is strongly linked to the SDGs regarding the citizen inclusion and transparency aspect of the SDGs.

The preliminary study phase of all performance audits looks at SDG-related issues in order to establish possible links to auditing the SDGs and taking these linkages into account in the audit work itself.

India: Developing a unique monitoring framework for the SDGs

By Sanyukta Samaddar, IAS Adviser, (SDG), NITI Aayog

Background

India has demonstrated continued commitment to progress towards the achievement of the SDGs. The Government of India is strongly committed to Agenda 2030, including the Sustainable Development Goals. Accordingly, India is taking significant strides towards the attainment of SDGs. India's National Development Agenda outlines the measures the government is taking on issues like poverty, sustainable growth, health, nutrition, gender equality and quality education among several others.

Given the country's progress in reducing multidimensional poverty (MPI), the ambition to achieve the goals before 2030 seems attainable. 271 million people moved out of poverty, halving the incidence of multidimensional poverty between 2005/6 and 2015/16. The poorest groups across states, castes, religions, and ages had the biggest reductions in the MPI, showing that they have been catching up, though they still experience much higher rates of poverty. These gains are in line with the core principle of the SDGs to reach the furthest behind first. Further, India is one of the seventh largest economy and remains a global engine of growth and is projected to be the fastest growing major economy in 2019-20.

However, one of the key challenges in the India development trajectory is that of climate change. India, with its diverse topography, climate and biosphere holds nearly 18% of the world's population but occupies only 2.3% of the world's land area. However, 68% of India's cultivable area is vulnerable to droughts, 75% of its coastline is exposed to cyclones, 27% of arable land is currently degraded and 12% of land area is prone to river basin floods. Looking ahead, by 2050, almost 20% of the world's new urban dwellers will be Indians. An estimated 60% of infrastructure and housing will be built in India in the next 15-20 years. These processes if not well managed, will have grave implications on quality of life, public health, internal migration, economic vitality and on sustainable development.

In recognition of these and other challenges and to further improve the policy ecosystem, the Government of India has unfurled the 'Strategy for New India @ 75' that is aligned to the SDGs and aims to propel India towards a USD 5 trillion economy by 2030. Further, reflecting the country's long-standing federal tradition, the State governments have also prepared their SDG vision documents that present analysis and action plans to make faster progress on the goals at the sub-national level and beyond. The Ministry of Statistics and Programme Implementation is also working in tandem with the National Institution for Transforming India (NITI Aayog) and the State governments by leading the work on the National Indicator Framework for the SDGs. A high-level committee with Chief Statistician as the Chair has been established to guide the monitoring framework for the SDGs. India also prepared its first ever National Disaster Management Plan, based on the Sendai Framework for Disaster Risk Reduction.

India has already presented its first Voluntary National Review (VNR) on implementation of SDGs to the 2017 HLPF and is committed to present its second VNR in 2020. As home to one sixth of humanity, a significant share of the world's developmental challenges and opportunities by scale, and some of the world's largest and most ambitious developmental and social inclusion schemes and programmes, India's lessons can provide a useful lens for the localisation of SDGs in other parts of the world.

NITI Aayog and SDGs

The National Institution for Transforming India is mandated to coordinate the work on SDGs by adopting a synergistic approach, involving union ministries and departments, state governments, administration of Union Territories (UTs), civil society organisations, academia and business sector to achieve India's SDG targets. NITI Aayog has comprehensively mapped the SDG targets with schemes and programmes of the Government of India, focussing on their interlinkages. It regularly holds consultations with multiple stakeholders on different goals, capacity building, evaluation frameworks, knowledge dissemination and progress mapping.

SDG India Index and Dashboard

Introducing the SDG India Index 2018

Given the importance accorded by the Government of India to achieving the SDGs, NITI Aayog decided to estimate the progress through a single measurable index that would serve as an advocacy tool and trigger action at the State level.

NITI Aayog has constructed the SDG India Index spanning across 13 out of 17 SDGs (leaving out Goals 12, 13, 14 and 17). The Index tracks the progress of all the States and Union Territories on a set of 62 National Indicators, measuring their progress on the outcomes of the interventions and schemes of the Government of India. The SDG India

Index is intended to provide a holistic view on the social, economic and environmental status of the country and its States and UTs.

The SDG India Index is an aggregate measure, which can be understood and used by everyone—policy-makers, businesses, civil society and the general public. It has been designed to provide an aggregate assessment of the performance of all Indian States and UTs, and to help leaders and change makers evaluate their performance on social, economic and environmental parameters. It aims to comprehensively measure India and its States' progress towards the SDGs for 2030.

Key features of the SDG India Index 2018

Guided by India's National Indicator Framework and based on consultations with Central Ministries/Departments and States/UTs, NITI Aayog has constructed a list of 62 priority indicators. To determine suitable metrics for inclusion in the Index, technically-sound, quantitative indicators were chosen that met the following criteria:

1. Relevance to the SDG targets.

2. Drawn from the National Indicator Framework.

3. Availability of data at national level for States and UTs from official statistical systems.

4. Consent from respective Ministries/Departments.

5. Ownership of data by the data source Ministries.

6. Sufficient data coverage, such that data for at least 50 percent of the States/UTs is available.

Advantages of the SDG India Index 2018

The SDG India Index 2018 provides critical insights on the status of the SDGs in the country although constrained by limited data availability. As data availability improves and new estimation techniques become available, subsequent reports of SDG India Index will become more comprehensive with additional indicators, and also help to measure incremental progress. Despite these gaps and limitations, the SDG Index can be useful to States/UTs in assessing their starting point on the SDGs in the following ways:

- Supports them to benchmark their progress against the national targets and performance of their peers and devise better strategies to achieve the SDGs by 2030.

- Supports them to identify priority areas as working on all SDG areas at the same time may be challenging.

- Helps them to modulate their initiatives and investments as well as to measure incremental progress.

- Highlights data gaps across the SDGs and identifies areas for building individual and systems capacity for better data management.

NITI Aayog has the twin mandate to oversee the implementation of the SDGs in the country, and also promote Competitive and Cooperative Federalism among States and UTs. The SDG India Index acts as a bridge between these mandates, aligning the SDGs with the five Ps of the global SDG movement – people, planet, prosperity, partnership and peace.

The *SDG India Index* is available via an interactive dashboard which has cross-sectoral relevance across policy, civil society, business and academia. The Index is designed to function as a tool for focussed policy dialogue, formulation and implementation, moving towards development action pegged to globally recognisable metrics of the SDG framework.

The Index also supplements NITI Aayog's continuous efforts towards encouraging evidence-based policy-making by supporting States/UTs to benchmark their progress, identifying priority areas and share best practices.

The *SDG India Index* will also help highlight crucial gaps related to tracking the SDGs and the need for India to develop its statistical systems at National and State/UT levels. This shall lead to the Index evolving and becoming more comprehensive over the coming years. The indicators shall be further refined and additional indicators will be added with improvement in data collection, reporting processes and methodology. NITI Aayog is also exploring potential for disaggregating data and developing capacity for real time monitoring and measuring incremental progress.[13]

Ireland: Using RIA to assess poverty impacts

Ireland provides an example of a country where impacts on poverty are required to be assessed in significant detail. The Cabinet handbook requires RIA authors to "indicate clearly the impact of the proposal on groups in poverty or at risk of falling into poverty in the case of significant policy proposals". The RIA guidelines reinforce this requirement by recommending that authors systematically carry out a Poverty Impact Assessment (PIA) on the impacts of regulations on social exclusion and vulnerable groups.

According to the guidelines, the impact on poverty should be estimated by quantifying the number of people affected and/or estimating the depth of poverty experienced (i.e. how far below the poverty line people are, and the size of the effect of the regulatory proposal). Moreover, the PIA requires quantifying the extent of the impact on each of the groups identified as the most vulnerable to poverty (i.e. lone parent families, families with large numbers of children, people with disabilities, unemployed people, people experiencing rural disadvantage, people experiencing urban poverty, homeless people, migrants and ethnic minorities). In 2008 the Office for Social Inclusion within the Irish Department of Social Protection published a document[10] providing specific guidance on how to conduct a PIA (Department for Social Protection, 2008[4]).

A good example of PIA is the *Poverty Impact Assessment of the One Parent Family Payment Review* (Departement of Employment Affairs and Social Protection, n.d.[5]). This PIA performs a full impact assessment of the likely effects produced by the regulatory proposal in terms of poverty creation. As a first stage, the PIA outlines the primary objectives of the regulatory proposal and the target groups that the proposal would reach. Then the PIA measures the impact on poverty that the proposal has for vulnerable groups (i.e. children and young people, people of working age, older people, people with disabilities, women, members of the travelling community, prisoners and ex-prisoners, people experiencing rural disadvantage, etc.). Finally, the PIA assesses how the proposal

addresses the inequalities, which may lead to poverty and contributes to the achievement of inclusive growth.

Luxembourg: Statistical monitoring

In Luxembourg, the country's statistical office STATEC is responsible for monitoring trends in sustainable development. To this end, 110 indicators were defined for 126 targets relevant to the national context, with 30 more indicators that are still under development. On development issues, the Interministerial Committee for Development (ICD) meets every two months, providing minutes and an annual report accessible to the public and presented to Parliament. The Parliament can ask the Government to take action based on the ICD's non-binding recommendations. The close involvement of NGOs in monitoring policy impacts such as through the Fair Politics barometer is highly appreciated and supported financially and politically by the government (OECD, 2018[2]; Grand-Duché de Luxembourg, 2018[6]).

The Netherlands: The role of the Court of Audit

In September 2017, the Netherlands Court of Audit sent a letter to the House of Representatives regarding the government's preparations aimed at achieving the SDGs after undertaking a 'preparedness review'. The Court's review was underpinned by two questions: (i) do the initial steps taken by the government between 2015 and 2017 constitute sound preparation for achieving the goals by 2030? and (ii) has the Dutch government laid a sound basis for monitoring progress towards the SDGs?

Nine review questions were formulated to ascertain this information. Overall, the review found that the government has clearly committed itself to achieving the SDGs, marking a swift and effective start at the organisational level. The review highlighted areas for improvement, including:

- Raising awareness of the goals in education.

- Stakeholder coordination.

- Policy coherence.

- Administrative coordination.

- Positioning of the SDGs in the central government budget and accountability cycles.

The efforts made by the Netherlands Court of Audit serves as a positive example of how SAIs can take a proactive approach in not only monitoring the implementation of the SDGs, but also in providing insights on how the government can further strengthen the impact of the goals.[14]

Latin America: Evaluating governments' preparedness to implement the SDGs

The Federal Court of Accounts of Brazil (TCU) led a coordinated audit on the preparedness of Latin American governments to implement the SDGs. These are the main findings and recommendations of that audit.

Main findings

- Deficiencies in the processes of institutionalisation and internalisation of the 2030 Agenda.

- Lack of long-term planning for the implementation of the 2030 Agenda in most countries.

- Lack of risk prevention and management mechanisms in an integrated manner at a national level for the implementation of the 2030 Agenda.

- Deficiencies in the follow up and review processes of the SDGs, as well as the preparation of Voluntary National Reviews.

Selected recommendations

- Strengthen the process of institutionalisation and internalisation of the SDGs, and define a formal plan or strategy for the institutionalisation of the SDGs and the 2030 Agenda, considering activities, responsibilities, products and deadlines.

- Formally establish the entities which will be responsible for the coordination and implementation of the 2030 Agenda, clearly assigning the attributions and responsibilities of the different actors and levels of government.

- Establish the coordination and communication mechanisms among the sectoral Ministries which allow for the mapping and harmonisation of their initiatives for the implementation of the SDGs

- Establish long-term planning tools for government actions which allow for the identification of national priorities and the structuring of government action in a long-term perspective, also enabling the implementation and following up of the SDGs and their targets in the country.

- Adopt integrated mechanisms for the prevention and management of crosscutting risks, which allow for the improvement of evidence-based decision-making to achieve their objectives, including those related to the 2030 Agenda.[15]

Notes

[1] Until 7 January 2018, matters related to environmental sustainability fell within the sphere of responsibility of the Federal Ministry of Agriculture, Forestry, Environment and Water Management. Since the amendment of the Federal Ministries Act 2017 (BMG–Novelle 2017) such matters have been governed by the Federal Ministry of Sustainability and Tourism.

[2] This case study is based on *Brazil's Federal Court of Accounts - Insight and Foresight for Better Governance* (OECD, 2017[9]).

[3] SINERGIA also includes an evaluation component focussing on the evaluation of the outcomes of the main public policies and programmes implemented with the framework of the National Development Plan.

[4] This case study is based on *Estrategia para la implementación de los Objetivos de Desarollo Sostenible (ODS) en Colombia* (CONPES, 2018[10]).

[5] This case study is based on *Política Nacional de Evaluación 2018-2030* (MIDEPLAN, 2018[11]).

[6] The Government of Egypt, Presidential Decree 2915/1964.

[7] Egypt (2018) Egypt's Voluntary National Review https://sustainabledevelopment.un.org/content/documents/20269EGY_VNR_2018_final_with_Hyperlink_9720185b45d.pdf.

[8] Document provided by CAPMAS (2018).

[9] Tier 1 indicators are conceptually clear, has an internationally established methodology and standards are available, and data is regularly produced by countries and in every region where the indicator is relevant.

[10] MAPS is the abbreviation for Mainstreaming, Acceleration and Policy Support.

[11] The Egypt SDG Observatory, http://www.egyptsdgobservatory.info.

[12] The Egypt National Observatory for Women, http://www.enow.gov.eg/.

[13] The full SDG India Index report can be accessed here: http://niti.gov.in/content/sdg-india-index-baselinereport-2018. The interactive dashboard can be found here: http://sdgindiaindex.socialcops.com.

[14] This case study is based on (INTOSAI, 2018[7]).

[15] This case study is based on (TCU, 2017[8]).

References

CONPES (2018), *Estrategia para la implementación los Objetivos Desarrollo Sostenible (ODS) en Colombia*, https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/3918.pdf (accessed on 25 July 2019). [10]

Departement of Employment Affairs and Social Protection (n.d.), *Poverty Impact Assessment of the One Parent Family Payment Review*, http://www.welfare.ie/en/downloads/OneParentFamilyPaymentReviewPIA.pdf. [5]

Department for Social Protection (2008), *Guidelines for Poverty Impact Assessment*, http://www.socialinclusion.ie/documents/PIAGuidelineswithnewEU-SILCfigures_000.pdf (accessed on 5 July 2019). [4]

Grand-Duché de Luxembourg (2018), *Luxembourg 2030 - 3rd National Plan for Sustainable Developpement (draft)*. [6]

INTOSAI (2018), *A Practical Guide to Government SDG Preparedness Reviews Based on the experiences and reflections of seven supreme audit institutions*, http://www.oag-bvg.gc.ca/internet/English/parl_cesd_201804_02_e_42993.html. (accessed on 25 July 2019). [7]

MIDEPLAN (2018), *Política Nacional de Evaluación 2018-2030*, http://www.mideplan.go.cr (accessed on 5 July 2019). [11]

OECD (2018), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264301061-en. [2]

OECD (2017), *Brazil's Federal Court of Accounts: Insight and Foresight for Better Governance*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264279247-en. [9]

OECD (2017), *Policy Coherence for Sustainable Development 2017: Eradicating Poverty and Promoting Prosperity*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264272576-en. [1]

PMO Finland (2017), *Government Report on the Implementation of the 2030 Agenda for Sustainable Development. Sustainable Development in Finland – Long-term, Coherent and Inclusive Action*, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79455/VNK_J1117_Government_Repo rt_2030Agenda_KANSILLA_netti.pdf?sequence=1 (accessed on 13 February 2018). [3]

TCU (2017), *Coordinated Audit on the preparedness of the Latin American Governments for implementing the Sustainable Development Goals*, https://portal.tcu.gov.br/biblioteca-digital/auditoria-coordenada-ods.htm (accessed on 25 July 2019). [8]

Annex E. Case studies on fostering a culture of integrity and fighting corruption

Indonesia: Illegal wildlife trade threatens sustainable development outcomes

Indonesia's large biodiversity makes it susceptible to illegal wildlife trade (IWT). The problem is complex and linked to a number of factors that are critical to the country's long-term development. Enforcement capacity gaps, corruption, unclear legal frameworks, and issues with inter-agency coordination between government bodies complicate matters further.

As one of the world's "mega-diverse" countries, Indonesia counts 500 national parks, spanning over 360 000 square kilometres. Across the country, 140 resident species of birds, 63 species of mammals and 21 species of reptiles are threatened by extinction (CBD, 2018[1]), with serious implications for the achievement of a number of SDG targets, e.g.:

- *SDG Target 15.7: Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products.* Indonesia is both a source and consumer country for domestic IWT products and a consumer of internationally imported IWT products. Domestically, the illegal exotic bird trade is likely the largest form of IWT (Indonesia MEF, 2018[2]) (Indonesia Customs, 2018[3]). According to some estimates, over one million birds (CITES and non-CITES) are removed from their natural habitat annually in Indonesia (Nash, 1993[4]). Other poached and trafficked animals include Indonesia's native pangolin, live reptiles and mammals such as the orang-utan.

  Illegal land clearing of rainforests, also known as "slash and burn" is done to make way for plantations is another environmental crime that encroaches upon and destroys habitats for endangered species.

- *SDG Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime*. Illegal trafficking of animals takes place through networks of corrupt actors and organised criminal gangs. With over 17 000 islands, Indonesia's geography represents an important enforcement challenge for tracking and stopping criminal networks of smugglers. The multi-million dollar trade in endangered species, which is also facilitated by corruption, means profits for criminals at the expense of sustainable development.

- *SDG Target 8.5: By 2030, achieve full and productive employment for all women and men (…):* Approximately 40% out of the country's 264 million people rely on biodiversity for their subsistence needs. Illegal wildlife trade, alongside other wildlife crimes such as deforestation, threaten the well-being of Indonesian people. If left unchecked, deforestation and dwindling animal numbers from poaching and trafficking will inevitably lead to lower development outcomes.

Legal loopholes and steps towards reform

According to existing conservation laws (Act No.5/1990 on Conservation of Living Resources and their Ecosystem, as well as the Government Regulation No. 7/1999 on Preservation of Plants and Animal Species), most non-endemic animal poached illegally abroad can be legally traded once they are in Indonesia. For example, surveys of species of turtles and tortoises for sale in Jakarta's markets found that non-native species made up 77% of all animals advertised (TRAFFIC, 2018[5]). The species of turtles and tortoises observed came from Africa, Asia, Europe, Madagascar, and North and South America. Nearly half of the species observed were categorized as near extinction, and several featured on CITES Appendix I, indicating that international trade is prohibited.

Recently, Indonesia has initiated high-level political anti-corruption drives targeting IWT and related offenses. Early in 2018, the government launched a revision of the Natural Resources Conservation Law of 1990. Some aspects of the draft law target IWT more effectively – such as banning the trade in species that are regulated by CITES, the main international treaty on endangered animals and plants. But it also purportedly weakens the existing law, such as the new "self-defence" clause that waives criminal charges for killing protected wildlife; a less clear definition of wildlife crime that could make it harder to crack down on traffickers; and the lifting of protection of conservation areas to allow "strategic development" projects such as geothermal exploration.

Concrete measures to improve governance for corruption and environmental crime

Indonesia's anti-corruption commission, the KPK, estimates the losses from logging to total some USD 9 billion in state revenues from timber sales between 2003 and 2014 (TI, 2017). Many of the losses incurred from illicit trade in timber attributed to corruption. Indonesia has taken a number of concrete measures to tackle governance gaps that enable environmental crime, with a focus on illegal logging and deforestation. A presidential decree was issued for the creation of a National Task Force on Logging, which has led to the creation of the "multi-door approach" for environmental crimes. The multi-door approach is a multi-agency coordinated effort to tackle environmental crimes. The coordinated approach includes the Ministry of Environment and Forestry; Customs; National Police; Quarantine; the Anticorruption Commission (KPK); the Indonesia Financial Transaction Reports Analysis Center (PPATK); and the Office of the Attorney General (OAG).

The results from the multi-door approach vis-à-vis logging crimes has been a series of successful, high-level prosecutions related to corruption and money laundering. In 2014, the former governor of Riau Province was sentenced to 14 years in jail and USD 90,000 in fines for embezzlement, which stemmed from illegally issued logging permits (Mongabay, 2014[6]). However, many obstacles to the successful and wide-spread implementation of the multi-door approach remain, especially when it comes to applying this to all forms of environmental crime. For example, on IWT, the OECD learned that, despite widespread allegations, there have been no corruption cases pursued by the KPK on this front, due to the relatively low perceived revenue and income losses. Most importantly, one of the major gaps that remains is that there are too few resources and capacity for anti-corruption authorities to investigate all cases and reports. Indonesia remains a country that faces important challenges from corruption, yet its anti-corruption administrations lack the adequate staffing levels to conduct investigations. As a result, there is a tendency for the administrations to focus on less complex cases or to target only the "known knowns".

Lithuania: Developing and sustaining an anti-corruption environment for the public sector

Lithuania's Special Investigation Service (STT) is a statutory law enforcement agency created in 1997 to develop and implement corruption prevention measures. It is also mandated as the investigation agency to detect and probe corruption related-crimes, including domestic and foreign bribery cases. Its functions, resources and legal mandate are defined in the Law on the Special Investigation Service, and form an important part of Lithuania's efforts to improve governance for the achievement of SDG target 16.5 to "substantially reduce corruption and bribery in all its forms".

The STT is taking a whole-of-government and whole-of-society approach to integrity and anti-corruption, and has taken considerable steps to raise awareness on the prevention of corruption, both within other government agencies and across society and the private sector as a whole. This is consistent with the overall implementation of the 2030 Agenda, which requires integrated, coordinated and coherent approaches across all policy areas and actors.

As part of the Anti-Corruption Programme of the Republic of Lithuania for 2015-2025, the STT developed awareness-raising activities on corruption prevention and risk management, but also on public sector understanding of anti-corruption initiatives.

For example, in 2017, the STT developed and published a *Guide on the Development and Implementation of an Anti-Corruption Environment in the Public Sector*, in co-operation with the Lithuanian Chief Official Ethics Commission, the Ministry of Justice, the State Tax Inspectorate, the Ministry of the Interior and the Ministry of Education, Science and Sports (Special Investigation Service, 2018[7]). The Guide, of which a second edition was published in 2018, is the first structured document with the objective to develop a sustainable anti-corruption environment in the public sector. The Guide has several objectives that are relevant for but not limited to the implementation of SDG 16:

- Identify and properly manage the risk of corruption in the public sector

- Strengthen citizenship and intolerance for corruption, encourage public sector employees not to commit corruption-related offences

- Introduce transparent and fair standards of behaviour

- Disseminate good practices in developing an anti-corruption environment.

- Develop an environment resistant to corruption in state and municipal institutions.

It also has the objective to assess public sector employees' vulnerability to corruption and identify risk factors, in particular through:

- Identifying employees' (in)tolerance for corruption, and gradually achieve "zero" tolerance

- Raising awareness on anti-corruption topics.

- Organising activities within anti-corruption commissions and for persons responsible for the prevention of corruption.

- Organising, coordinating and implementing anti-corruption programmes and plans.

- Identifying probabilities of corruption manifestation.

- Conducting qualitative anti-corruption assessments of legal acts.

- Organising information and training activities for persons seeking to hold or holding a position in a state or municipal institution or enterprise.

- Preparing a code of conduct for civil servants and employees.

- Effectively organising declarations of private interests and declarations of assets and income.

- Ensuring the protection of employees when they report cases of corruption or any other offences committed or being committed in an institution or agency.

In addition, in 2017 the STT published an *Anti-Corruption Handbook for Business* (Lithuanian Special Investigation Service, 2017[8]). The Handbook was developed in co-operation with other government bodies, Lithuanian business associations, civil society organisations and companies. It provides tools, practical guidance and examples of best practices for private sector entities seeking to implement transparent and responsible conduct, prevent corruption in business deals, raise anti-corruption awareness and promote ethical behaviour. It also includes the legal consequences of corruption-related offences, including liability for bribing foreign public officials.

In 2017, Lithuania also became a party to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the OECD, and since then has actively participated in the OECD Working Group on Bribery in International Business Transactions.

Thailand: Building transparent and accountable institutions to support SDG implementation

In recent years, the Government of Thailand has strengthened efforts to mitigate corruption risks in the public sector, declared anti-corruption efforts an urgent issue and part of the national agenda. Prime Minister General Prayut Chan-o-cha has on several occasions emphasised the need to include anti-corruption efforts in the reform process of every sector, whether in politics, the economy, energy, public health and the environment, mass media and social affairs (The Nation, 2016[9]).

In terms of policy instruments, the National Anti-Corruption Strategy (Phase 3, 2017-2021) is the main government-guiding document in the area of anti-corruption and integrity. The vision of the strategy is "*Zero Tolerance and Clean Thailand*", which aims to achieve a "society founded on discipline, integrity and ethics, with all sectors participating in the prevention and suppression of corruption". In developing Phase 3 of the Strategy, the National Anti-Corruption Commission (NACC) employed a consultative approach and collected the views and suggestions of experts, academics and representatives of government agencies, state enterprises, the private sector, independent and non-governmental organisations.

In addition to the National Anti-Corruption Strategy (2017-2021), good governance and anti-corruption are widely recognised as priorities in a large number of plans and strategies developed by the Thai government, such as the 20 Years Country Strategy (2017-2036), the 12th National Economic and Social Development Plan (2017-2020), as well as in Thailand's budget plans.

The Thai Government also urges all agencies and institutions to undertake action against corruption, underscoring the whole-of-government approach to promote integrity and fight corruption. All government agencies and institutions are expected to adopt guidelines and

measures in accordance with this strategy and to translate them into practice. In particular, each government department at the national and provincial level must undergo an annual Integrity and Transparency Assessment (ITA). The annual assessment is led by the Public Sector Anti-Corruption Commission (PACC) and the National Anti-Corruption Commission (NACC). The assessment methodology has been adapted from the Anti-Corruption and Civil Rights Commission of South Korea and consists of three components: an internal survey, an external survey for customers/stakeholders, and an evidence-based self-assessment survey, which covers five topics (transparency, accountability, anti-corruption, integrity culture and work integrity). The scores of the ITA surveys are combined in an index, which is published online and is intended to encourage higher standards of integrity throughout the government. Further challenges will include strengthening the impact of the ITA and improve the overall coordination of the country's anti-corruption and integrity policies in order to strengthen government accountability, promote trust and ensure that the country can continue down a path of sustained economic growth.

United Kingdom: The long-term objectives of the UK Anti-Corruption Strategy

The United Kingdom Anti-Corruption Strategy for 2017-2022 is grounded in the benefits of tackling corruption on the achievement of desired impacts. Recognising that corruption is a threat to Britain's safety and security, and that integrity "underpins the UK's ability to boost trade and attract investment", the strategy identifies three national long-term expected outcomes:

- Reduce threats to Britain's national security.

- Increase economic prosperity.

- Enhance public confidence in Britain's domestic and international institutions.

This vision is supported by six priorities, each has several goals – 24 in total – and specific reform measures, which build on the previous actions taken within the framework of the UK 2014 implementation plan and the 2016 London-anti-corruption summit:

- Reduce the insider threat in high risk domestic sectors.

- Strengthen the integrity of the UK as an international financial centre.

- Promote integrity across the public and private sectors.

- Reduce corruption in public procurement and grants.

- Improve the business environment globally.

- Work with other countries to combat corruption.

The fifth objective – improving the business environment globally – aims to "allow companies, including UK businesses, to compete on even terms" and generate sustainable economic growth: "trading with integrity is crucial, not only because it underpins growth at home and abroad, but also because it helps to reduce the negative effects of globalisation, including inequality. Integrity is essential in underpinning our reputation as a fair, rules-based society that attracts investment and allows people to trade freely". Actions within this priority are divided into four long-term goals:

- **Goal 1. Reduced impact of corruption on trade and investment internationally.** Building on the measures taken since the 2014 Anti-Corruption strategy, including

guidance and training about the UK Bribery Act of 2010 and on how to report allegations of corruption, the UK Government aims to continue supporting developing countries to strengthen their business environment through government programmes involving capacity building and technical assistance.

- **Goal 2. Enhanced international development and expert finance practices.** The UK's Development Finance Institution (DFI) and export credit agency will encourage similar international institutions to adopt high standards of integrity, such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD, 2011[10]).

- **Goal 3. Increased investment by UK companies in challenging overseas markets**. Through enhanced support and advice, the UK Government works with businesses and civil society to ensure that UK companies are able to operate and succeed with integrity, and comply with new measures to tackle modern slavery.

- **Goal 4. Strengthened business-led collective action to reduce corruption**. The UK government seeks to support private sector-led initiatives and actions aimed at strengthening anti-corruption good practices.

References

CBD (2018), *Indonesia Country Profile*, The Convention on Biological Diversity, https://www.cbd.int/countries/profile/default.shtml?country=id (accessed on 19 November 2018). [1]

Indonesia Customs (2018), *Interview with the Directorate General of Customs, Ministry of Finance, October 18, 2018*. [3]

Indonesia MEF (2018), *Interview with Indonesia Directorate General for Law Enforcement, Ministry of Environment and Forestry, October 17, 2018*. [2]

Lithuanian Special Investigation Service (2017), *Anti-Corruption Handbook for Business*, https://protect2.fireeye.com/url?k=827a964c-de61dfc4-827abd8f-002590f45c88-8c128f3b063839db&u=https://www.stt.lt/documents/avv_viesajam_sektoriui/8_3607_STT_antikorupcinis_vadovas_EN_210x295_WEB_2v.pdf. [8]

Mongabay (2014), *Indonesia politician gets 14 years in jail for illegal permits, forest corruption*, Mongabay News, https://news.mongabay.com/2014/03/indonesia-politician-gets-14-years-in-jail-for-illegal-permits-forest-corruption/ (accessed on 11 December 2018). [6]

Nash, S. (1993), *Sold for a Song: The Trade in Southeast Asian non-CITES birds*, TRAFFIC International, Cambridge, UK, http://www.trafficj.org/publication/94_Sold_for_a_song_NonCITESBirds.pdf. [4]

OECD (2011), *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*, http://www.oecd.org/daf/anti-bribery/ConvCombatBribery_ENG.pdf. [10]

Special Investigation Service (2018), *Guide on the Development and Implementation of an Anti-Corruption Environment in the Public Sector*, https://www.stt.lt/documents/avv_viesajam_sektoriui/AAV_viesajam_2018_09_05_viesinimui_PDF_EN_2.pdf. [7]

The Nation (2016), "Prayut carrying burden of anti-corruption fight", http://www.nationmultimedia.com/news/opinion/today_editorial/30302113. [9]

TRAFFIC (2018), *Slow and Steady: The Global Footprint of Jakarta's Tortoise and Freshwater Turtle Trade*, http://static1.1.sqspcdn.com/static/f/157301/27865373/1521988425807/Jakartas-Tortoise-and-Freshwater-turtle-trade-web.pdf?token=pcanRKCjUQWp67U%2FakdZK5EB%2BzA%3D (accessed on 29 November 2018). [5]

Annex F. Case studies on governance frameworks to ensure equal access to justice and citizens' legal empowerment

Australia: Improving fairness, equity and access to justice

The Law and Justice Foundation of New South Wales was established in 1967 and is an independent body incorporated in New South Wales by the *Law and Justice Foundation Act 2000 (NSW)*. Its main objective is to advance the fairness and equity in the justice system and to improve access to justice, particularly for socially and economically disadvantaged people. The Foundation brings together experts from different areas of expertise such as: law, evidence-based research, and the social sciences to look at access to justice through the lens of different disciplines. In particular, the Foundation seeks to use rigorous research methodologies to:

- Identify the legal needs of the community from a person-centred perspective.

- Identify what strategies 'work' most effectively, efficiently, sustainably and appropriately to address these needs.

- Provide necessary information and data to assist in the provision of effective legal assistance services.

Focusing first on identifying legal needs, the Foundation's Access to Justice and Legal Needs programme (A2JLN) seeks to provide a comprehensive and ongoing assessment of legal needs and experiences of the community. The programme examines the access needs and abilities of people to:

- Obtain legal assistance (including information, basic legal advice, initial legal assistance and legal representation).

- Participate effectively in the legal system (including access to courts, tribunals, and formal alternative dispute resolution mechanisms).

- Obtain non-legal assistance, advocacy and support (including non-legal early intervention and preventative mechanisms, non-legal forms of redress and community-based justice)

- Participate effectively in law reform processes.

A2JLN adopted three main separate, but interrelated, methodological streams in order to identify the legal needs the community, with a particular emphasis on the needs of disadvantaged people. After an initial phase, the Foundation incorporated a fourth strategy to examine participation in law reform processes:

- **Administrative data (service provider data).** Recognising that legal service providers were providing services to citizens daily, and recording data in relation to this service delivery, the programme began by seeking to obtain access to, and then harmonise this data. After an initial scan of many data sources, for reasons of manageability and to ensure a lower socio-demographic citizen focus, the

programme settled on data from Legal Aid, Community Legal Centres and from LawAccess (a free, telephone and online advice, referral and information service). This approach – the first of its kind that we were aware of – revealed both the potential and the challenges of using this 'administrative data' to identify and measure legal needs.

- **Legal Needs Surveys (LNS).** It became clear during the initial phase of the A2JLN programme that there was some concern across the sector in relation to how much of the existing legal need was actually 'reaching' the formal legal service providers, despite the fact that workloads seemed to be high. In other words, the service provider data was really revealing what could be called 'expressed need' or 'patent' need (the needs that people actually took action through the legal service providers to resolve), but not necessarily the unexpressed need' or 'latent need' (that need that existed but did not reach formal legal service providers. The programme then adopted a strategy of legal needs surveys to identify the legal need that existed in the community – including both the need that was reaching the legal service providers, but also the need that was not.

- **Targeted studies.** It was nevertheless appreciated that there are certain priority groups that will often be missed in both these sources. Certain disadvantaged groups will be unlikely to use services and, depending on how they are conducted, respond to surveys. Older people (especially those in residential care), homeless people, people with mental illness or intellectual disability, and people in remote Indigenous communities fall in this category. Therefore, a range of complementary studies needed to be undertaken to 'fill the gap' with those groups. The A2JLN programme therefore included a strategy of targeted qualitative and mixed-method approaches to identify the legal needs of such groups.

- **Participation in law reform processes.** During the establishment phase of the A2JLN programme, it was recognised that for there to be appropriate and sustainable access to justice, citizens needed to be able to realistically participate in law reform processes. As the A2JLN programme progressed, it became clear that little insight on this aspect was being revealed from the existing three strategies, and so a separate research project to examine participation in law reform processes was undertaken, resulting in the report '*By the people, for the people*? (McDonald and Nheu, 2011[1]).

The Foundation's research aims to provide the government, non-government and other community agencies and stakeholders with the data and information they need to design and deliver legal and justice services that are appropriate responsive and tailored to meet specific needs.

One example of such targeted services available for vulnerable groups is the Homeless Persons Legal Service Clinics, which take legal services to where homeless people are on a day-to-day basis. They have been found to generate a range of positive impacts, such as improved contacts between clients, lawyers and courts; clients reporting being better informed about their legal rights and options, and having addressed legal issues that are directly or indirectly related to their homelessness; and feeling better and less distracted about moving forward generally.

In order to assist in the planning and delivery of effective, efficient and appropriate legal services, the Law and Justice Foundation of New South Wales seeks to map the identified legal needs with the delivery of legal services. To do this it has developed tools and proxies

such as the Need for Legal Assistance Services indicator (NLAS), focusing on target groups such as Indigenous and culturally and linguistically diverse communities. These indicators draw on data from the Australian Bureau of Statistics, and other official sources (including fines, state debt recovery, social security, school attendance, bankruptcy, local transport and accessibility data.[1]

Canada: A comprehensive approach to strengthening access to justice as part of the SDGs

In Canada, the Action Committee on Access to Justice in Civil and Family Matters has identified key priority areas and launched nine Justice Development Goals, which aim to address the access to justice gap in Canada. They include: Address Everyday Legal Problems; Meet Legal Needs; Make Courts Work Better; Improve Family Justice; Work Together; Build Capability; Innovate; Analyse and Learn; and Improve Funding Strategies.

Each goal identifies areas for improvement and provides examples of activities to advance. This initiative calls for action, co-operation and collaboration between all stakeholders in the justice system.

Capturing the different dimensions of legal problems

Between 2011 and 2017, the Canadian Forum on Civil Justice (CFCJ) conducted a comprehensive empirical research study to understand the extent of the problem of costs of delivering and not delivering an effective justice system. As part of this study, CFCJ conducted a national legal survey by interviewing over 3,000 Canadians by telephone between September 2013 and May 2014. A key feature of the survey is that it captures the different dimensions of legal problems from the point of view of the individuals that are experiencing them.

The research on quantifying the cost of everyday legal problems, to both individuals and the state, is particularly novel. The results shed light on the money that individuals spend trying to resolve their problems, as well as the intangible costs such as stress and emotional problems, strains on relationships and decreasing physical health. The survey also examined how these costs pass to the state in the form of social security, housing subsidies and healthcare costs.

The respondents most frequently reported private costs including lawyers' fees, transportation, purchase of materials, court fees, other advisors and mediators, telephone, and childcare among others. The associated time costs were presented – it does not only refer to problems that remain unresolved for years but also to seeking justice, which consumes a considerable amount of time (i.e. searching for information, lawyer, filling out forms, documents, travel). Canadians spent around CAD 6,100 to address their legal issues while the average hourly lawyer fees in 2015 ranged from CAD 204-325. This is nearly the same as households spend on average annually on food and half as much as what they spend on average on shelter. In total, individual Canadians dedicate over CAD 7.7 billion annually to deal with everyday legal problems without taking into consideration missed opportunities and income loss. The study also highlighted that justiciable problems trigger health and social problems with over 50% of respondents reporting increased stress or emotional problems as a result of a legal problem. This variety of links between legal problems and other areas of people's lives generate significant costs for a state: social assistance incurs annual costs of CAD 248 million, employment insurance incurs costs of CAD 450 million, and health care costs are around CAD 101 million.

This research paved the way to further engage with justice stakeholders, mine available data collected by governments, courts and other service providers and evaluating new justice initiatives. It also raised awareness and engaged the public in the discussion on the importance of access to justice for everyday issues.[2]

United Kingdom: Domestic Violence Courts in England and Wales

Victim-focus: Domestic violence

Magistrates' courts and the Crown Court Courts deal with cases where domestic abuse is a factor including the specific domestic abuse offence of controlling or coercive behaviour. They hear cases that relate to intimate partner abuse as well as other forms of domestic abuse between non-intimate partners such as child on parent abuse. Both before, during and after court hearings, victims are able to access services such as counselling, refuge housing and support from Independent Domestic Violence Advocates. Following a guilty plea or a finding of guilt, offenders can be required to participate in offending behaviour programmes for domestic abuse perpetrators. The National Probation Service can suggest which programme is most suitable and the most common ones are Building Better Relationships (which is targeted at male domestic perpetrators), Control of Violence for Angry Impulsive Drinkers, or the Thinking Skills for the Impulsive Offender. Requirements can be imposed as part of a community order or a suspended sentence of imprisonment. Failure to comply with these requirements will result in resentencing which could include immediate imprisonment. Reoffending on a suspended sentence will usually result in imprisonment. Courts frequently also impose restraining orders, which typically prohibit contact with the victim and precursor behaviour such as entering his or her street; breach is a criminal offence carrying imprisonment. The police can also apply for a civil order, the domestic violence protection order, which imposes requirements such as exclusion from the family home that can last for up to twenty-eight days to give victims breathing space. These are used predominantly when the victim is unwilling to give evidence.

Specialist Domestic Violence Courts in England and Wales

Specialist Domestic Violence Courts (SDVCs) do not operate under the umbrella of problem-solving courts. They are criminal courts with additional support which focus on domestic abuse. SDVCs are led by the judiciary and Her Majesty's Courts and Tribunal Service supported by the police, Crown Prosecution Service, National Probation Service and local authorities. SDVCs' key concerns are rehabilitation and punishment of the offender as well as protecting victims. District Judges or lay magistrates who have received additional training relating to domestic abuse issues preside over court hearings. SDVCs are characterised by multi-agency information sharing, fast-tracking of cases and the offering of comprehensive access to victim services. Safe courthouses and facilities are features of this innovation, however, review hearings are not part of the court procedure.

An important distinction is how differently Criminal Courts and Family Courts deal with cases where domestic abuse is alleged. In Criminal Courts, one set of judiciary deal with offences and domestic violence prevention orders, the Family Court is a separate jurisdiction where judges and magistrates make decisions about custody (child arrangements) which are initiated by the parties in a relationship or about care proceedings where children are at risk.

In criminal proceedings the court might be unaware of criminal proceedings relating to a family, although usually an officer from CAFCASS (the Children and Family Court Advisory and Support Service, a non-departmental public body that promotes the welfare of children and families involved in family courts) will have carried out a safeguarding procedure and will have identified such issues. Similarly, a criminal court might be unaware of relevant family-court proceedings relating, for example, to divorce or child-protection. However, in relation to cases involving children, the National Probation Service always carry out safeguarding and it would be rare that the court was not informed of care proceedings.[3]

Notes

[1] This case study is based on inputs from the Law and Justice Foundation of New South Wales, Australia, and (OECD, 2019[2]).

[2] This case study is based on inputs from the Action Committee on Access to Justice in Civil and Family Matters, the Canadian Forum on Civil Justice and (OECD, 2019[2]).

[3] This case study draws upon material presented in (OECD, 2019[2]).

References

McDonald, H. and N. Nheu (2011), "By the people, for the people? Community participation in law reform: Summary report [online]", *Justice Issues* No. 14, Oct 2011, pp. 1-11.   [1]

OECD (2019), *Equal Access to Justice for Inclusive Growth: Putting People at the Centre*, OECD Publishing, Paris, https://dx.doi.org/10.1787/597f5b7f-en.   [2]

Annex G. Case studies on governance frameworks to support gender equality

Iceland: Gender mainstreaming and budgeting

Iceland is a global frontrunner in gender equality and can offer leading-edge practices of international interest. The Government of Iceland recognises that gender equality is a continuous process and calls for whole-of-government attention to further boost inclusive outcomes in all policy areas, from education to access to labour markets to environmental protection.

Organisational structure

With the increasing attention given to the gender equality agenda, including in the context of the SDGs, and in recognition of the transversal nature of this issue, there are plans to move the Gender Unit from its current location in the Ministry of Welfare to a new home in the Prime Minister's Office in the beginning of 2019. Also, in 2017, with the renewed political commitment to gender equality in Iceland, the Prime Minister and his Cabinet re-established the Ministerial Committee on Equality.

The main role of the Committee is to coordinate equality issues among ministries and within the government. These issues include, but are not limited to, parental leave (paternity and maternity leave); the elimination of the gender pay gap (implementation of the law on the Equal Pay Standard); the rights of LGBTQ+ people; the combating of sexual violence; and ratification of the Istanbul Convention. The Ministers represented on the Committee are the Prime Minister; the Minister of Social Affairs and Equality; the Minister of Justice; the Minister of Health; and the Minister of Education and Culture. Other ministers participate in the meetings of the Committee on the basis of need and in accordance with the decision of the Prime Minister, who chairs the meetings of the Committee.

Legal frameworks

Several legislative practices in Iceland support the implementation of SDG 5. The current priorities of the government are reflected in the revised Act on the Equal Status and Equal Rights of Women and Men No. 10/2008 and in the Action Plan on Gender Equality 2016-2019. Additionally, the Agreement of the Coalition Government specifically stipulates gender equality as a national priority.

Gender mainstreaming has been a legal requirement in Iceland for over three decades. It is being implemented through a Parliamentary resolution that approved the 2016-2019 Gender Equality Action Plan, with the Centre of Government providing leadership and support. Other recent legal developments relate to gender quotas, protection against intimate partner violence and the prohibition of gender discrimination in the access to and supply of goods and services, to name a few.

Iceland is also pioneering gender equality through Equal Pay Certification legislation (Jan 1st 2018). This legislation makes Iceland the first country in the world to require companies with 25 or more employees to obtain certification to prove they offer equal pay

for work of equal value regardless of gender. The mechanism for this is an audit by a certified auditor who issues a certificate if the company has been successful in providing equal pay.

Gender Budgeting and Impact Assessments and their link to the SDGs

Another government tool to mainstream gender equality in different SDG commitments is gender budgeting, which was introduced post-crisis in 2009. Gender budgeting has already become enshrined in the public finance framework and is delivering visible progress in terms of its impact on the budgeting process and decision-making.

Iceland has also been using Gender Impact Assessment (GIAs) to identify potential impacts of government decision-making in various areas, including those linked to the SDGs, on women and men from diverse background. For instance, Iceland conducted a GIA of commodity tax including on personal care products that are used by men and women. The results showed that women are charged more than men are for equivalent products and services.

Collecting gender-disaggregated data is also critical to advancing inclusive policy outcomes and Iceland is taking steps to ensure that available gender-disaggregated data is widely disseminated and communicated, mainly through making it publicly available. In addition, a whole-of-government working group on gender mainstreaming has been established by the Ministry of Welfare under the lead of its Equality Unit to develop a plan to introduce and implement system-wide processes and methods or tools to integrate a gender and equality lens within the standard operational procedures for policy-making in all areas affecting the full range of the SDGs and beyond.[1]

Kazakhstan: Gender equality efforts at the core of national development goals

There is commitment at the highest political level of the Republic of Kazakhstan to advance gender equality. Over the past decade, Kazakhstan has made important progress in promoting women's empowerment in public life and in advancing gender equality. Kazakhstan has also committed to implementing the SDGs: achieving gender equality and eliminating inequalities between men and women in Kazakhstan is at the core of the country's goal to become one of the 30 most-developed countries in the world.

As part of the SDGs, Kazakhstan committed to adequately finance gender equality initiatives, establish strong transparent and open accountability mechanisms within the government, and utilise high-level comparable gender data in all aspects of gender equality.

Kazakhstan's overall performance in setting a long-term vision and objectives has been impressive. Through the Strategy Kazakhstan 2050, 2030 and 2020, the country lays it roadmap for its policy reforms for the 35 years, which applies to all levels of government and public service.

Kazakhstan first implemented a National Gender Equality Strategy for the period 2006-2016. The Strategy for Gender Equality was accompanied by three action plans in order to ensure its implementation and monitor progress. To succeed the 2006-2016 Strategy for Gender Equality, the government of Kazakhstan then prepared a new Concept on Family and Gender Policy for 2030, which seeks to achieve by 2030 equality of rights, benefits, responsibilities and opportunities for men and women in all areas of social life and to eliminate all forms of gender discrimination.

This new strategy represents an unprecedented opportunity to develop a whole of government approach to achieving gender equality in practice. Unlike the recently expired Gender Strategy 2006-2016, which was based on a stand-alone gender equality strategy, and in accordance with the GEPL Recommendation, the new Concept Policy aims to adopt a dual approach to gender equality by embedding gender considerations in all policies, laws and regulations and specific measures.

In Kazakhstan, gender mainstreaming was articulated within the overall National Gender Strategy 2006-16 which aimed to "introduce gender approaches into the development, realisation and control over implementation of the national legislation, national and local budgets, and state, social and economic programmes" in order to provide the basis for gender mainstreaming.

Kazakhstan is in the process of putting in place elements of ex-ante impact assessment (called "scientific expertise"), including from a gender perspective. A basis for evaluation of the newly developed legislation on gender equality issues has been established. For example, Article 29 of the Law 480-V on Legal Acts (6 April 2016) stipulated that draft legislative acts be accompanied by an explanatory note and a scientific expertise appraisal. The 2016 Government Resolution No. 497 established regulations for Scientific Expertise of the Draft Legislation. The regulations set requirements for the ex-ante assessment of draft laws and provide a general format for conducting scientific expertise. The Regulations require that scientific expertise should reveal the possible harm to fulfilment of gender equality presented by the draft legislation in question, if any, as well as the causes and consequences of such a threat (OECD, 2017[1]).

Some elements of Gender Responsive Budgeting (GRB) are seeded in the budgetary planning of some public entities. For instance, the State Programme of Health of the Republic of Kazakhstan provides for output and outcome indicators to address specific health issues faced by women, and a certain budget is allocated to achieve these output results.

Progress has also been made in the collection of gender-disaggregated data statistics. A gender statistics unit has been established within the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan, which annually publishes *Women and Men in Kazakhstan*, a compilation of gender-disaggregated data.

Turning to the institutionalisation of the gender machinery, important strides were made in Kazakhstan with many mechanisms both at the central and at the local levels being established. Elements of a central gender institution can already be found in Kazakhstan: the National Commission on Women's Affairs, Family and Demographic Policy is an advisory body to the President of the Republic of Kazakhstan, which is directly subordinate and accountable to him. The Commission plays a leading role in coordinating and monitoring the implementation of the National Gender Strategy and providing expert advice to other public bodies on issues related to gender equality. The Commission also has a consultative role in the development of the national policy for family and gender equality. It conducts gender analysis of draft legislation and conducts policy research on gender issues.

Finally, Kazakhstan is making efforts to strengthen gender expertise and raise awareness of gender equality among the representatives of public bodies. As such, the Academy of Public Administration under the President is tasked with carrying out regular training sessions on gender equality for government representatives in order to further focus training on the benefits of gender equality and mainstreaming, collection and analysis of gender-

disaggregated data and use of tools for gender-sensitive policy-making, such as GIA and gender budgeting.

Lithuania: Promoting equal opportunities for all

Lithuania has made progress in the field of gender equality in recent years and has adopted laws and programmes to protect the rights of women in the labour market, education and society.

Legal framework

Several legislative practices in Lithuania support the implementation of SDG 5. The Constitution of the Republic of Lithuania provides the principle of equality for all people and the inherent right to be treated equally with others. The main national legislation describing the advancement of gender equality and mainstreaming is the Law on Equal Opportunities for Women and Men (the Law), which is applicable in the areas of employment, education and science, the supply of goods and services and social security.

At the moment, changes of the Law are being considered in order to enable the practical use of temporary special measures. The Law establishes the possibility to apply temporary special measures to achieve gender equality, however, those temporary special measures have to be established by law, which makes this statement invalid in practice. The Ministry of Social Security and Labour coordinates negotiations with other national institutions and other stakeholders in order to prepare the draft of the Law.

As part of the SDG agenda, the National Programme on Equal Opportunities for Women and Men 2015-2021 (the Programme) was approved by the Government in February 2015. The goals of the Programme are closely related to SDG 5 targets: to promote equal opportunities for women and men in the employment and labour sectors, seek a balanced participation between women and men in economic and political decision-making, enhance the efficiency of institutional mechanisms for the equality between women and men, and promote the integration of the gender aspect in the spheres of availability of education and science, culture, health care, the environment, national defence and justice.

The Action Plan for 2018-2021 (the Action Plan) lays out the implementation of the Programme. It sets out concrete actions, implementation deadlines, responsible institutions, state budget allocations for each action, and assessment criteria. Almost all ministries are included in the implementation of the Action Plan where all priorities are enshrined. Moreover, the Ministry of Social Security and Labour constantly communicates with the Inter-institutional Commission on Equal Opportunities for Women and Men, which was established in 2000. It consists of representatives of all the ministries and relevant NGOs.

In the Programme, targets and indicators are set to contribute to the implementation of SDG 5 at a national level. The results of the Programme implementation are reported to the Government once a year. Moreover, every five years, an independent external comparative assessment is made of the overall impact of the Programme.

The Programme recognises the role of non-governmental organisations and provides support for their gender equality projects. There are also training initiatives for civil servants, representatives of the judicial system and social partners. Digital tools include the electronic network of women's organisations and the information portal www.lygus.lt.

Institutional frameworks for implementation of SDG 5

At Parliamentary level, the Human Rights Committee of the Parliament of the Republic of Lithuania initiates and considers, amongst others, draft legislation on gender equality. It also ensures Parliamentary supervision of the activities of the Office of the Ombudsperson for Equal Opportunities, which investigates complaints regarding direct and indirect discrimination, harassment on the grounds of sex and sexual harassment or provides independent and impartial consultations in pursuing the complaints.

At governmental level, the main role is played by the Ministry of Social Security and Labour, which coordinates gender equality issues and gender mainstreaming in all areas and ensures equal opportunities for women and men in the areas of employment and social protection. Other Ministries contributes to the implementation of the Programme and the Action Plan.

The Inter-institutional Commission on Equal Opportunities for Women and Men coordinates implementation of gender equality programmes, promotes integration of a gender perspective in other programmes and projects, submits proposals and recommendations regarding gender equality policies, and discusses gender equality issues. The Commission is composed of the representatives of all the Ministries and the representatives of women and men organisations, selected and nominated by the NGOs themselves.

Implementation of gender mainstreaming

In Lithuania, a methodology for impact assessment of legislation was approved in 2003. The impact assessment must be conducted when a regulation is changing fundamentally or new regulations on the relations that were not regulated before are introduced. There is a question relevant to gender impact in the chapter on impact for social environment of the questionnaire of this methodology. It is asked whether implementation of the planned legislation should impact employment of women and men, social guarantees (social insurance, health care) of women and men, work and family reconciliation and gender pay gap.[2]

Mexico: Putting a gender perspective at the heart of public policies

In recent years, the Mexican Government has taken significant steps and made noteworthy progress in promoting gender equality. In 2016, Mexico's president affirmed in his statement to the 71st UN General Assembly that his country had embraced implementation of the 2030 Agenda as a "commitment of the State". Mexico has put a gender perspective at the heart of its national development goals for 2018. The National Programme for Equal Opportunities and Non-Discrimination against Women (*Proigualdad*) has been introduced as a key part of the National Development Plan 2013-2018. Mexico has been keen to embed gender-equality objectives into the formulation, implementation and oversight of public policies and has thus incorporated gender mainstreaming as a transversal requirement in the realisation of its National Development Plan.

Mexico provides an example of having gender equality objectives in the planning of external activities of line ministries. Given the transversal gender equality objective of the National Development Plan 2013-2018, line ministries work to incorporate gender perspectives in their sector-related strategic planning documents in keeping with the National Development Plan and the gender equality strategy (*Proigualdad*). Examples include the 2013-2018 Sectoral Programmes for Health, Equality for Education, Social Development, Environment and Natural Resources and Financing Development (OECD, 2017[2]).

A National Council for the 2030 Agenda for Sustainable Development, chaired by the President, was established in 2017 as a bonding mechanism between the federal and local governments, civil society, the private sector and academia. Its main purpose is to "coordinate the actions for the design, execution and evaluation of [...] policies [...] for the compliance with the [...] 2030 Agenda." By proposing priorities, goals, indicators and challenges, the National Strategy for the Implementation of the 2030 Agenda will incorporate a long-term vision to guide the elaboration of the future National Development Plan 2019-2024.

Mexico has also established a legislative basis for gender mainstreaming, with a view to ensure greater institutionalisation and enforcement. It makes explicit references in its gender equality strategy to gender mainstreaming as an implementation approach, notably in its Budget Law. As part of its gender equality strategy, Mexico has also introduced gender budgeting, with legal provisions and gender impact analysis of the budget as a whole underpinning it.

Government structures and institutional mechanisms are critical to promote gender equality and INMUJERES is the central gender equality institution in Mexico. Its president is engaged in the discussions of the Cabinet Ministers regarding policies that have impacts on gender equality.

Mexico has been taking into account multi-level governance and vertical coordination in order to develop a whole-of-society approach to gender equality and launched an online platform to showcase progress in the 32 states in gender mainstreaming public policies, state budgets, and public accounts. It will also be used in the "next steps" process to help states identify specific future actions they should take to increase their success such as harmonising laws and policies (OECD, 2017[2]).

Mexico is also keen to further collect gender-disaggregated data, which is required to be used in some cases while formulating policies, government programmes and initiatives, and budget proposals. Turning to Parliaments and Parliamentary committees, the Gender Equality Commission of the Chamber of Deputies in Mexico was a key actor in driving reforms related to combating gender-based violence, and women's access to health, education and political participation.

Notes

[1] This case study is based on Iceland's responses to the OECD 2018 Questionnaire *Public Governance dimensions of SDG 5 and other targets with explicit links to gender equality.*

[2] This case study is based on Lithuania's responses to the OECD 2018 Questionnaire *Public Governance dimensions of SDG 5 and other targets with explicit links to gender equality.*

References

OECD (2017), *Building an Inclusive Mexico: Policies and Good Governance for Gender Equality*, OECD Publishing, Paris, https://doi.org/10.1787/9789264265493-en.   [2]

OECD (2017), *Gender Policy Delivery in Kazakhstan*, OECD Public Governance Reviews, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264280359-en.   [1]

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

Governance as an SDG Accelerator

COUNTRY EXPERIENCES AND TOOLS

Delivering on the Sustainable Development Goals (SDGs) is a formidable governance challenge for countries at all levels of development. It requires governments to co-ordinate, consult and work across policy areas – as well as with the businesses sector and civil society – in an unprecedented way. This report provides evidence from OECD countries and partner economies on how public governance practices can be strengthened to help implement the SDGs. It looks at whole-of-government co-ordination, policy coherence and integrity, stakeholder engagement and open government, and the strategic use of budgeting, procurement and regulatory tools. It discusses robust monitoring and evaluation systems for ensuring that public policies and resource allocations for SDG implementation result in meaningful outcomes. It also explores how governance frameworks to support equal access to justice and gender equality can help catalyse implementation across the entire 2030 Agenda.