



Driving Policy Coherence for Sustainable Development

ACCELERATING PROGRESS ON THE SDGS



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Foreword

The simultaneous occurrence of multiple crises has created a more complex operating environment for governments, while overstretching human, financial and other resources. Moreover, most - if not all - of these crises have a strong transboundary and global dimension. At the same time, the necessary focus on urgent short-term crisis management has an inherent risk and could undermine the ability of governments to deliver on long-term goals and global commitments. Yet, the world has less than seven years to deliver on the 2030 Agenda and internationally agreed Sustainable Development Goals (SDGs).

This report aims to showcase tools and practices that can help countries address immediate pressures while maintaining longer term global commitments. It underlines that the 2030 Agenda for Sustainable Development provides a framework for ensuring that national actions are aligned and contribute towards positive global outcomes. It emphasises that policy coherence will be key to balance short-term domestic needs with long-term goals and international commitments including the SDGs, and to tackle global challenges that affect us all. It explores ways in which policy coherence principles and practices can be leveraged to address global challenges through whole-of-government approaches. For example, applying principles of policy coherence for sustainable development (PCSD) can support countries in their efforts towards more sustainable ocean economy strategies by connecting sectoral policy silos, addressing transboundary impacts, managing sustainably ocean resources and regulating ocean activities.

This report is part of the OECD work on policy coherence for sustainable development that supports governments in connecting policy silos to address global challenges and accelerating progress on the Sustainable Development Goals (SDGs). The analysis is based on years of research into countries' practices, institutional set up and use of governance tools for enhancing policy coherence for sustainable development. It also builds on the results of a 2022 survey, which was circulated among all adherents to the OECD Council Recommendation on Policy Coherence for Sustainable Development (PCSD Recommendation) to gain additional insights on recent trends, opportunities and challenges facing countries on their journey towards 2030 and beyond. It aims to provide a baseline of countries' status in implementing the PCSD recommendation.

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Executive summary

The past decade has seen a rapid increase in the number of interrelated economic, environmental, social and geopolitical crises (or a context known as “poly-crisis”), most of which are global or transboundary in nature, span multiple domains and layers of responsibility and with no clear-cut solutions, such as the COVID-19 pandemic, climate change, and Russia’s war of aggression against Ukraine and its effects on global migration, energy supplies and food prices worldwide. The persistence of these challenges can undermine citizens’ trust in government and perpetuate vulnerabilities of economies and societies, leading to what is called a “perma-crisis”. Moreover, Earth is facing, irreversible climate-related tipping points, such as monsoon shifts, rainforest and coral reef dieback, mountain glaciers loss and ice sheet collapse.

When successive global challenges are interconnected, fragmented government action and incoherent policies increase the risk that such policies offset each other, generate costs to society, and undermine long-term government commitments to sustainable development.

Addressing these challenges requires balancing short-term responses with long-term sustainability commitments. It requires strengthening the capacity of national governments to address global challenges in an integrated manner, to steer action through building trust, and to ensure that national institutions can act globally and harness tools and innovation to do so.

The principles of policy coherence for sustainable development (PCSD), embodied in the OECD Recommendation on Policy Coherence for Sustainable Development (PCSD Recommendation) provide a framework for embedding sustainability considerations in each step of the policy cycle –planning, co-ordination and implementation, monitoring and reporting. This report looks at how countries implement the PCSD Recommendation and explores how to improve the use of institutional mechanisms and governance tools to address global challenges while pursuing sustainable development. It draws on a survey conducted by the OECD in 2022 and other recent evidence, such as countries’ Voluntary National Reviews for the United Nations High-Level Political Forum.

The report shows that in OECD countries, overall, there is widespread engagement with both the development of long-term visions – often aligned with the 2030 Agenda – and tools for long-term planning. However, challenges remain in achieving these visions and defining long-term strategies that extend beyond 2030. The survey responses suggest that this is particularly challenging when policies are multi-sectoral or longer-term, given the potential for conflict among various interests in the public and private sectors. Moreover, national frameworks and strategies often lack built-in checks and balances to systematically screen policies for their transboundary and global impacts.

In addition, the report finds that governments employ a wide range of mechanisms to integrate policy coherence and tackle “siloed” thinking among and within government bodies as well as across levels of government. These include strategic policy planning and applying a PCSD “lens” and guidelines in the development of laws, regulations, policies, and strategies, often using the Sustainable Development Goals (SDGs) as the guiding framework. Regular meetings, joint task forces, and interdepartmental committees can facilitate information sharing and the development of cohesive policies across sectors at central level, while regional and local authorities can identify and respond to sustainable development needs at the

community level. Stakeholder engagement in sustainable development is widespread and implemented through a diverse range of mechanisms. However, more can be done to ensure that stakeholders have fair and equitable access to the decision-making process.

Finally, promoting policy coherence and ensuring that it leads to meaningful change at local, national and global levels requires careful monitoring, reporting and evaluation – looking at policy impacts ‘here and now’ as well as ‘elsewhere’ and ‘later’. However, governments face several challenges in this regard, including insufficient data at appropriate stages of the policymaking process; inability to interpret the data and establish clear causal links between actions in one country and effects in another; and political interests that may not consider the circumstances and needs of other countries. Indeed, less than half of the surveyed countries reported using indicators or other available data to monitor transboundary impacts

To illustrate the targeted application of PCSD principles in an area highly affected by global challenges, chapter three of the report focuses on the sustainable use of ocean resources – one of Earth’s largest global public commons. Over decades, the combined pressures of rising sea levels and temperatures, acidification, pollution, and overfishing have put an increased strain not only on ocean species and habitats, but also on critical functions upon which human health and well-being depend. At the same time, ocean economy is becoming a central concept for a growing number of coastal states. The ocean economy is expected to double in size by 2030 (currently valued at USD 1.5 trillion per year), thus contributing to many of the 17 SDGs, for instance by creating 12 million new jobs, and potentially contributing by more than 20% to the emission reduction required to achieve a 1.5 °C trajectory by 2050. The report highlights the impacts that the ocean economy could have on ocean’s conservation (SDG 14) and other sustainable development goals as well as potential conflicts among users of the sea competing for space. Governments use policy instruments, tools and mechanisms to balancing competing uses of the sea; applying PCSD principles could support their more proactive use by systematising and reporting on their use across the policy cycle. At global level, the lack of progress in improving the ocean’s health is recognised as undermining food security, employment and nutrition targets. Nonetheless, most international initiatives tend to focus on the achievement of a specific rather than as part of a wider sustainable development effort, and potential social and economic trade-offs are often addressed at local level only. New initiatives, such as the High Seas Treaty, which sets ambitious goals for ocean protection, offer opportunities to push at the global level for a stronger focus on the links between conservation targets and the economic relevance of various ocean-based sectors and their interactions with land-based activities.

1 Addressing global and transboundary challenges: The role of policy coherence

Global challenges are large in scale and have no clear-cut solutions. They span multiple domains and layers of responsibility and cannot be addressed by any government or institution alone. When successive global challenges are interconnected and threaten to surpass the limits to the impacts of human activities on the Earth system, addressing one challenge in an uncoordinated and fragmented way can have serious implications and costs for society as a whole. Policy coherence for sustainable development (PCSD), an important tool for implementing the 2030 Agenda for Sustainable Development, provides countries with a roadmap for co-ordinated and collective action. This chapter provides the context and rationale for applying policy coherence principles as a foundation for public governance that puts sustainability first.

1.1. Introduction

The past decade has seen a rapid increase in the number of grave and interrelated economic, environmental, social and geopolitical crises – all with serious implications on countries' prospects to develop sustainably and in line with their commitments to internationally agreed objectives, such as the Sustainable Development Goals (SDGs). These challenges have emerged in a world which can be characterised by volatility, uncertainty, complexity and ambiguity (VUCA). They include the human, economic, social and financial consequences of the COVID-19 pandemic; the cascading effects of Russia's aggression against Ukraine on the global economy (which threatens the prospects for achieving e.g. economic growth (SDG 8), energy (SDG 7) and food security (SDG 2)); and the increasingly adverse impacts of climate change (SDG 13).

When successive global challenges are interconnected and when planetary crises are reinforcing each other, addressing one challenge in an uncoordinated and fragmented way can make other challenges worse. For example, many governments still support the production and consumption of fossil fuels, including as part of their COVID-19 recovery efforts. This seriously undermines international efforts to reduce greenhouse gas emissions and increases the risk of crossing climate tipping points. Moreover, evidence abounds on the nexus between climate change and trust in government (OECD, 2022^[1]).

The possibility that more regular and interconnected crises may be a feature of governments' operating environment calls for stepping up efforts to strengthen government capabilities to address trade-offs and spillover effects, and manage urgent short-term needs while continuing delivering on global commitments. This report aims at illustrating how the application of PCSD principles can act as a lever for governments to break out of sectoral silos, overcome short-termism and adopt a long-term and global perspective to critical challenges.

Chapter 1 sets the broader context for policy coherence challenges in an increasingly complex global reality. It provides the rationale for governments to apply principles of policy coherence for sustainable development (PCSD) to design, implement and monitor policies that are fit for purpose and for the future. Chapter 2 presents a more detailed analysis of the results of the OECD 2022 Survey on Institutional Capacities and Tools to enhance Policy Coherence for Sustainable Development, with a particular focus on the challenges and opportunities adhering countries face in implementing the OECD PCSD Recommendation. Finally, chapter 3 illustrates how PCSD principles could be applied to a policy sector by presenting a PCSD framework for sustainable governance of one of Earth's largest global public commons – the ocean. It explores a policy coherence framework for integrating sustainability in the management and use of the ocean, seas and marine resources.

1.2. Global and transboundary challenges in a world between poly-crisis and perma-crisis

Global challenges are large-scale and often have no clear-cut solutions. They span across multiple domains and layers of competence and cannot be addressed by any government or institution acting alone. They can only be effectively addressed through comprehensive global responses grounded in international co-operation, in addition to what can be done nationally and sub-nationally. Examples of such issues are the existential climate and biodiversity crisis, navigating the digital transformation, tackling pandemics and other global crises, harnessing global value chains to secure the provision of essential goods, fighting criminal transboundary networks, handling global migration and preserving and governing global commons, such as our oceans, forests, and other resources that keep Earth stable and resilient.

The recent evidence (Spangenberg and Kurz, 2023^[2]) highlights that this current state of *polycrisis*¹ (Homer-Dixon et al., 2021^[3]) will probably not go away and even aggravate while we are passing planetary

boundaries, encountering the limitations of natural resources, and increasing social unrest and decreasing trust in government due to the growing inequality. This could bring the world to a new normal, characterised by a *permacrisis*² (Collins Dictionary, 2022^[4]). As a result, global and transboundary challenges are influencing national governmental challenges and the related political priorities more than ever. While a large part of government actions remains ‘business as usual’, crises and emergencies have penetrated into the capillaries of sectoral policy fields – also amplifying the complexity of the interactions between them. The COVID-19 pandemic is a case in point, showing global and national implications of a health emergency on energy supplies, food security, mobility, refugees, and inequality, for example. In this context, the distinction between national and global challenges has become less clear and less relevant.

Furthermore, as confirmed by the OECD Trust Survey, failure to address global and transboundary challenges³ can undermine trust in government and perpetuate vulnerabilities of economies and societies. For example, while half of the survey respondents, on average across countries, think the government should be doing more to reduce their country contribution to climate change, only 35.5% of respondents are confident that countries will actually succeed in reducing their contribution to climate change (OECD, 2022^[5]). Consequently, the sustainability of the democratic model of governance will depend on governments’ capacity to anticipate and respond to future shocks and effectively address global challenges. Strengthening governments’ capacity to address global challenges in an integrated manner should therefore become a priority across all policy sectors, and at all levels of government. The OECD’s Reinforcing Democracy Declaration Initiative (RDI) identifies three key areas where governments should focus their efforts to achieve this (OECD, 2022^[1]).

- *Steering action to tackle global challenges through building trust.* Addressing any global challenge requires first and foremost setting an agenda and engaging stakeholders and broader society to build consensus and steer action.
- *Strengthening national institutions to make them fit to go global.* While international relations often remain the prerogative of ministries of foreign affairs, most national institutions nowadays deal with public policy issues that extend beyond national borders.
- *Leveraging governance tools and innovation to enhance capacity for global action.* Global challenges also create opportunities for governments to revisit and upgrade public governance tools, such as public budgets and public procurement and better regulation tools.

This was also recognised by United Nations (UN) Secretary-General António Guterres when he addressed the UN General Assembly Consultation on our Common Agenda/Summit of the Future in February 2023: “[...] our collective problem-solving mechanisms do not match the pace or scale of the challenges. The present forms of multilateral governance, designed in and for a bygone era, are clearly not adequate to today’s complex, interconnected and rapidly changing and dangerous world. The fragmentation of our global response and the fragmentation of our world are feeding off each other.” (António Guterres, 2023^[6])

In this context, the simultaneous occurrence of many (global) crises has created a more complex operating environment for governments, while overstretching human, financial and other resources. Moreover, most - if not all - of these crises have a strong transboundary and global dimension. At the same time, the necessary focus on crisis management has an inherent risk and could undermine policy coherence. Concentrating government efforts, resources and skills on crisis management, may result in neglecting that there are at the same time wicked, complex and contested problems at the basis of most crises – all with significant impact on the SDGs. Addressing such complex problems requires different tools and mechanisms than the typical crisis-induced central command and control approach. Dealing with complex problems requires upgraded institutions and processes, which are deliberative and inclusive. These fundamental underlying problems are both urgent and complex, and represent the environmental, economic and social dimensions of sustainable development, respectively, e.g.:

- *Crossing planetary tipping points.* Going beyond these points is irreversible. Tipping points can be seen as ‘points of no return’ in the Earth system. Unlike other climate impacts, crossing climate-

related tipping points cannot be counteracted by more action later (OECD, 2022^[7]). Nine such tipping points have been distinguished⁴, however this list is not exhaustive as many other parts of the Earth system have the potential to display tipping point behaviour (McSweeney Robert, 2020^[8]). This is addressed by SDGs 13 (Climate action), 14 (Life below water) and 15 (Life on land), as well as SDG 6 (Clean water and sanitation). Scientists are cautioning that even if governments abide by the Paris Agreement's temperature target range of 1.5-2°C, there is still a significant chance of reaching critical tipping points in the climate system; six tipping points are likely to occur at current level of warming, and an additional four could be possible (Armstrong McKay et al., 2022^[9]). These tipping points include the disintegration of the Greenland and West Antarctic ice sheets, the destruction of low-attitude coral reefs, and widespread abrupt permafrost thaw (Armstrong McKay et al., 2022^[9]). This highlights the need for urgent measures to reduce the impacts of climate change and develop effective strategies to assess and cope with tipping point risks.

- *Persistence of unsustainable production and consumption patterns.* The 2011 OECD Green Growth Strategy (OECD, 2011^[10]) was a frontrunner putting this on the agenda, but the patterns are still mainly unsustainable. SDG 12 (Responsible consumption and production) targets this challenge, as does SDG 7 (Energy), SDG 2 (Agriculture), SDG 6 (Water) and SDG 11 (Cities). OECD countries have improved their environmental productivity in terms of carbon, energy, and materials, but with variations across countries and sectors (OECD, 2017^[11]). Carbon emissions and fossil fuel use have disconnected from economic growth, but only relative decoupling has been achieved (OECD, 2017^[11]). Misalignments in government policy remain major obstacles as OECD countries continue to rely on fossil fuels for 78% of their energy, while renewables, although increasing, still play a relatively minor share (OECD, 2023^[12]). However, since 2000, they have increased their economic value per unit of material resources used (OECD, 2017^[11]) and in 2021, the energy supply was lower than the ten-year average observed pre-pandemic (OECD, 2023^[12]).
- *Unfair, unequal distribution of wealth.* Inequality is rooted in economic systems and vested interests. SDG 10 (Reduce inequality) shows how UN member states have committed to address this, and SDG 5 (Gender equality) is another key element here. In most OECD countries, income inequality reached its highest level with, on average, people in the top 20% of the income distribution earning 5.4 times more than people in the bottom 20% (OECD, 2020^[13]). While income inequality has remained stable since 2010, household incomes have risen (OECD, 2020^[13]). This trend not only has serious social and political implications, but also economic ones as it hampers GDP growth by increasing the distance between the lower 40% of income earners and the rest of society (OECD, 2015^[14]).

The cascading of crises and the blurring of the borders between what is global and what is national not only influences what kind of policies are needed (the 'what?'), but also their implementation (the 'how?'). As such, addressing the multiplicity of crises and other problems requires governance and public administration with built-in multiplicity, in order to enable countries to orchestrate their policy and governance together with other countries to the extent needed to reach the desired results.

1.3. Policy Coherence for Sustainable Development as foundation for effective governance arrangements

Policy coherence is critical for addressing interactions between economic, social and environmental areas in a balanced manner, while avoiding negative effects on the wellbeing of people here and now, elsewhere and later. Policy coherence, underpinned by the availability of the right data (systems), mechanisms for information exchange, and all required capacities, skills and governance processes is also key for enabling swift action to ensure alignment between local, national and international policy making. A lack of policy coherence across sectors and levels of government risks leading to fragmented government action; inefficiency, overlaps and duplication; and higher costs in government operations.

An era of multiple crises calls for greater policy coherence and increased government capacities to address global and transboundary challenges both domestically and through the multilateral system, which will be fundamental to respond to citizens' rising expectations and to build resilience for the future. This makes international co-operation and multilateralism critical for addressing the challenges of global and transboundary impacts. Their governance and democratic accountability may need to be rethought, and national governments will need to build their capacity to tackle cross-border challenges (OECD, 2022^[1]).

The eight principles of policy coherence for sustainable development (PCSD), embodied in the OECD Recommendation on PCSD (hereafter the PCSD Recommendation) (OECD, 2019^[15]), and the closely corresponding eight domains (sub indicators) of the UN SDG indicator 17.14.1 on PCSD (UN Environment Programme, 2021^[16]), comprise core national governance functions to effectively address global challenges. The principles together address a large part of the relevant sustainability governance challenges of governments, that it could be argued that PCSD is a proxy for public governance for sustainability. They can be linked to key aspects of the two dedicated governance Goals of the 2030 Agenda: Goal 16 aims to attain effective, accountable and inclusive public institutions; while Goal 17 contains a range of 'means of implementation', including Target 17.14 on PCSD.

Policy is about the vision, the goals, strategies, targets, timelines and measures. Governance is the other side of the coin. It is not about *what* should be done and *when*, but *how* to get it done and *who* should be involved. One of the reasons why complex policy challenges are often difficult to solve is that political, administrative and societal debates on sustainable development and other global and transboundary challenges tend to focus more on the 'what', than on the 'how' (Meuleman, 2021^[17]). This is risky disbalance: political actors, policy-makers and stakeholders are more interested in policy solutions than in the administrative, institutional and relations machinery which are needed to effectively deliver the results.

With appropriate mechanisms for strengthened policy coherence in place, governments are better prepared to deal with potential policy conflicts, cross-border policy impacts and long-term implications of short- to medium-term actions. Countries have been working since 2015 to put such mechanisms in place, learned important lessons and improved as needed. These mechanisms for enhancing PCSD can now be leveraged further to address global challenges. In particular, they can support governments to:

- *improve co-ordination and decrease fragmentation in government's operations at all levels, including the international level.* Addressing trade-offs and achieving synergies while tackling global challenges and at the same time implementing the 2030 Agenda with its SDGs can only be done in a well-coordinated and integrated way.
- *increase the capacity of governments to implement and accelerate progress on the SDGs.* PCSD is a means to address interlinkages across goals and targets and identify efficiency/sustainability gains, as well as areas where potential negative impacts across sectors could delay progress in the achievement of the goals. It is a means to effectively implement the highly integrated agenda and indivisible goals of the UN 2030 Agenda. However, the current geopolitical context with its implications for achieving global commitments (energy, food security crises, etc. undermining progress made on SDGs) makes it difficult to maintain long-term priorities. Investing in PCSD helps ensuring that short-termism does not dominate. It sets the conditions and provides the tools to make policies work in practice. This is crucial because global and transboundary policies cannot be implemented without the appropriate governance and adequate capacities and resources.
- *pair institution-building with trust-building.* During the COVID-19 pandemic, many governments have operated with lower standards of consultation, transparency and oversight by the public or parliaments; thousands of emergency regulations were adopted, often on a fast track (Brezzi et al., 2021^[18]). Lack of trust in governments could limit the support to reforms required to transition towards sustainable paths and achieve the SDGs. Making sure that public institutions are effective, efficient, reliable, inclusive, transparent and accountable is a strong investment in public trust in government. PCSD can help by e.g., reducing fragmentation in government operations, duplication

or wasteful spending, but also by reducing negative spillovers and fostering contributions to global commons.

1.4. Policy insights: Policy coherence as a means for overcoming global and transboundary challenges in a crisis era

Addressing multiple crises and overcoming global challenges will require enhancing capacities and supporting mechanisms for improving coherence in setting and implementing policies. Governments face the challenge to ensure that complex and ‘wicked’ problems are understood and dealt with in an integrated manner, by:

- Investing in a shift in conceptualisation away from straightforward linearity between policy action and results, as the complexity and ‘wickedness’ of global and transboundary challenges calls for navigating diverging priorities and policy conflicts.
- Ensuring a good balance between policy and governance of global and transboundary challenges, as this helps focusing on the trajectories towards solutions rather than only on filling the policy ‘gaps’ between the goals and targets and the current situation.
- Raising awareness of the inherent risk of focussing on agile crisis management, namely that this can pull away the priority and resources needed for addressing the complexity and wickedness of the origin of many crises, and the long-term dimension of the actions needed.
- Creating an enabling environment for policy coherence and change by establishing cohesive systems for the national preparation of international policymaking.
- Investing in policy coherence for sustainable development (PCSD), SDG Target 17.14, in order to improve the performance of institutions by strengthening coordination and decreasing fragmentation, and to increase government capacities to address the new challenges domestically and through the multilateral system.

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Notes

¹ A polycrisis can be defined as “a single, macro-crisis of interconnected, runaway failures of Earth’s vital natural and social systems that irreversibly degrades humanity’s prospects” (Homer-Dixon et al., 2021, p. 3^[3])

² Permacrisis describes “an extended period of instability and insecurity” (Collins Dictionary, 2022^[4])

³ In the context of this report, transboundary challenges refer to challenges related to the interactions between two or more countries, while global challenges refer to challenges related to global public commons or threats.

⁴ The nine tipping points are: Shutdown of the Atlantic Meridional Overturning Circulation, West Antarctic ice sheet disintegration, Amazon rainforest dieback, West African monsoon shift, Permafrost loss, Coral reef die-off, Indian monsoon shift, Greenland ice sheet disintegration and Boreal forest shift (McSweeney Robert, 2020^[8]).

2. The institutionalisation of policy coherence: An overview of challenges and trends

Experience shows that the ability of a government to consistently produce effective, efficient, sustainable and coherent policies is dependent on the mechanisms, tools and processes used to manage and co-ordinate policy design and implementation. While there is no one-size-fits-all, this chapter highlights eight key mechanisms (principles) for policy coherence for sustainable development (PCSD) and explores how each of these generates policy change in favour of sustainable development – including in a complex global reality. The analysis, which is based primarily on the results of the OECD 2022 Survey on Institutional Capacities and Tools to enhance Policy Coherence for Sustainable Development, highlights the main trends, opportunities and challenges faced by 25 countries in enhancing PCSD.

2.1. Introduction

This chapter highlights institutional mechanisms and arrangements put in place by 25 countries¹ to enhance policy coherence and foster a whole-of-government implementation of the 2030 Agenda. It focuses on the functioning of diverse institutional mechanisms across the policy-making process to enhance policy coherence for sustainable development. It also explores how such institutional mechanisms and arrangements are generating policy changes and contributing to accelerate progress on the SDGs. It highlights some of the most common challenges that governments face in enhancing coherence.

The chapter is structured according to the eight guiding principles of the OECD Recommendation on Policy Coherence for Sustainable Development (PCSD), namely: 1) Political Commitment and Leadership, 2) Strategic Long-term Vision, 3) Policy Integration, 4) Whole-of-Government Coordination, 5) Subnational Engagement, 6) Stakeholder Engagement, 7) Policy Impacts, and 8) Monitoring, Reporting and Evaluation (OECD and OECD/LEGAL/0381, 2019^[1]). It draws from the results of the '2022 OECD Survey on institutional capacities and tools to enhance policy coherence for sustainable development', and from published official sources and reports, such as the Voluntary National Reviews (VNRs) to the UN High-Level Political Forum (HLPF). It includes key findings on how Adherents are implementing the guiding principles set out in the OECD Recommendation on PCSD.

Figure 2.1 provides a snapshot of the situation across the 25 examined countries and across key institutional mechanisms for PCSD. Overall, there is widespread commitment to enhance policy coherence for sustainable development in the implementation of the 2030 Agenda. However, challenges remain in translating this commitment into practice. Even where explicit commitments to PCSD are included in strategic frameworks or enshrined by law, capacities that allow for systematic consideration of policy impacts, trade-offs and synergies may be limited. This calls for strengthening governments' capacities to cope with multiple global challenges, their interconnections and their potential effects on sustainable development.

Twelve countries responded to the survey:² an overview of their responses is shown in Figure 2.1, followed by a more detailed analysis in chapter 2 of country trends and efforts in overcoming these challenges: overall, the picture of countries' efforts in enhancing policy coherence for sustainable development is one of strength in commitment and leadership for PCSD, limited at the level of capacities and tools for the integration, monitoring and assessment of sustainable development initiatives

Figure 2.1. Institutional mechanisms to support Policy Coherence for Sustainable Development (PCSD)

Country	Formal commitment to PCSD	Lead institution overseeing PCSD	Long-term vision for PCSD	SDG budgeting	Coordinating mechanisms with mandates for PCSD	Mechanisms to engage sub-national stakeholders on PCSD	Requirements to analyse transboundary impacts
Austria	●	○	●	●	●	○	○
Belgium	●	○	●	○	○	●	○ ¹
Canada	●	●	●	○ ¹	●	●	○
Colombia	●	●	●	○ ¹	○	●	●
Czech Republic	●	●	●	○ ¹	●	●	○ ¹
Denmark	●	○	○	○	○	○	○ ¹
Estonia	●	○	●	○	●	○	○
Finland	●	●	●	●	●	●	○
Germany	●	○	○	○	○	○	●
Greece	●	●	●	○ ¹	●	●	●
Ireland	●	●	●	○	●	● ²	●
Italy	●	○	○	○	●	●	●
Korea	●	●	●	●	●	●	○
Luxembourg	●	●	○	○	●	●	○
Mexico	○	○	●	○	○	○	○
Norway	●	○	●	●	○	●	○
Poland	○	○	●	○	●	○	●
Portugal	●	○	○	○	●	○	○
Romania	●	●	●	○	●	●	●
Slovakia	○	●	○	○ ¹	○	○	●
Slovenia	●	○	●	○	●	○	○
Spain	●	●	○	●	●	●	○
Sweden	●	○	●	●	●	●	○
Switzerland	●	○	●	○	●	●	○
The Netherlands	●	○	○	○	●	○	●
● Yes	22	11	16	6	17	15	8
○ No/ no mention	3	14	8	19	7	10	17
Total (number of countries under study)							25
Number of OECD countries who responded to the survey: 12							

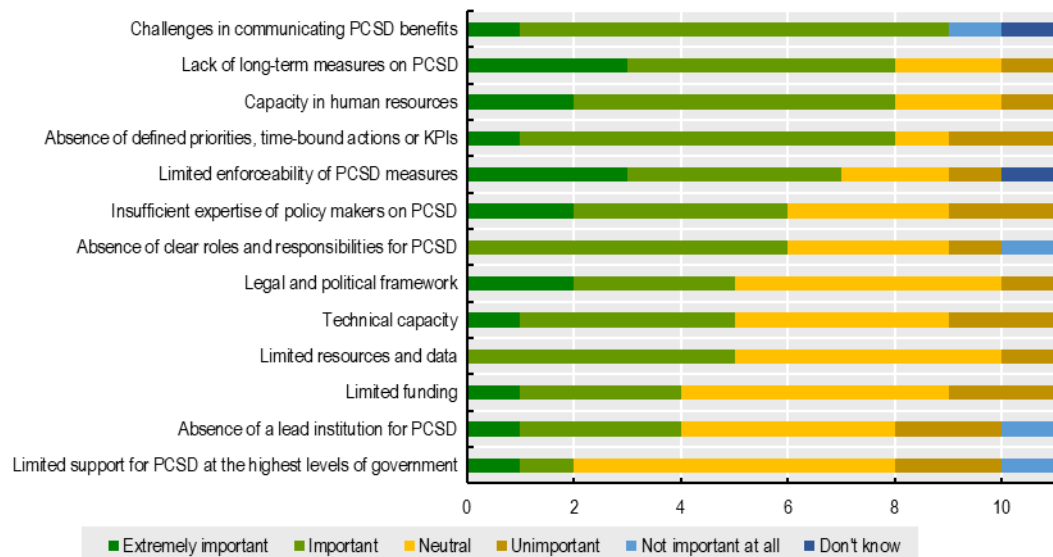
¹Work in progress

²Only in relation to agriculture through the Irish Forum for International Agriculture and Development (IFIAD)

Source: The table was elaborated based on OECD countries' responses to the 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) (unpublished internal document), supplemented with information from OECD Countries' Voluntary National Reviews to the High-Level Political Forum (HLPF).

However, a number of factors make policy coherence challenging to implement in practice. These include: the complexity of policy interactions, particularly when dealing with cross-cutting issues that involve multiple sectors, different levels of government, or opposing stakeholder groups; the lack of shared goals and objectives, which can make it difficult to assess the coherence of different policies and initiatives; insufficient data and information on the actual or potential impacts of different policies, given that this data may be difficult to obtain, particularly in cases where policies have not been systematically monitored or evaluated; resource constraints, including time, expertise, and financial resources, which can hinder the thoroughness of the evaluation and the implementation of recommendations for improvement; institutional barriers, such as siloed government departments or agencies, can hinder effective policy co-ordination and integration to manage competing priorities and trade-offs; and resistance to change from stakeholders who are invested in the status quo, in view of potential needed changes to existing policies, practices, or institutional arrangements (Figure 2.2). The following sections situate these challenges in the context of the PCSD Recommendation and analyse country trends in addressing them.

Figure 2.2. Obstacles to implementing policy coherence for sustainable development, by level of importance



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document.

2.2. Building political commitment and leadership for policy coherence

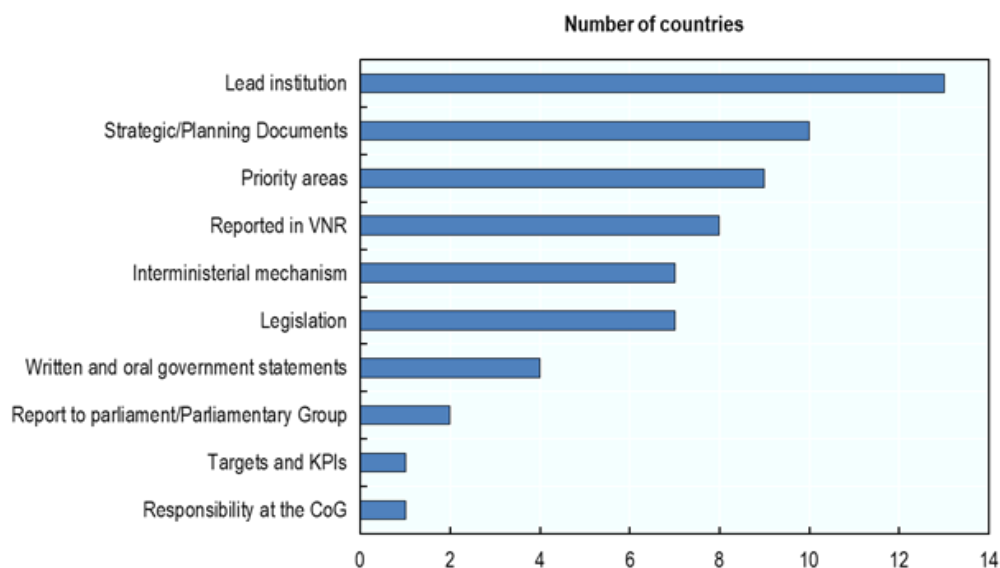
Many global and transboundary challenges belong to the category of ‘wicked problems’, even if they are also emerging as crises. Wicked challenges cut across diverse policy areas, and do not necessarily have an institutional “home”; the logical option is to manage them in an integrated way. Part of the complexity of these global challenges is that they cut across jurisdictions, stakeholders and generations. Political commitment and leadership that fully understands the characteristics of the main challenges help governments to not only design integrated policy solutions at the domestic level, but also to shape national positions on the international scene in a collaborative and cohesive manner.

The political level is responsible for identifying key policy issues, setting priorities, formulating responses to critical challenges, allocating resources and adjusting policies in light of their outcomes and impacts. Political commitment at the highest level of government, as highlighted by the OECD Recommendation on PCSD, is a precondition for policy coherence. According to experience, this political commitment needs to be backed by defined priority areas, time-bound actions and dedicated measures to promote coherence in policy design and implementation within government structures. These efforts to foster whole-of-government action for PCSD are recognised by many countries as key to making progress in the implementation of the 2030 Agenda, and sustainable development more widely.

Building political commitment and leadership for PCSD, however, remains in many cases limited by key obstacles. In the 2022 PCSD Survey, two-thirds of surveyed countries (8 of 12 surveyed) report ensuring the sustained commitment to PCSD beyond the electoral cycles to be an important obstacle to implementation. The absence of defined priority areas, time-bound actions, or KPIs for making progress on PCSD is also reported as being an important obstacle to PCSD implementation (Figure 2.2. Building commitment across the government is particularly challenging when policies are multi-sectoral or longer-term oriented given the potential of conflict between various interests in the public and private sectors.

The majority of countries analysed in this chapter use a range of mechanisms to institutionalise commitment and leadership for PCSD and the SDGs (Figure 2.3). Such commitment is usually expressed by governments through written or oral official statements, and through adherence to the OECD Recommendation on PCSD. Drawing on lessons from recent OECD country support, concrete measures to address common obstacles in building commitment and leadership for policy coherence are being identified.

Figure 2.3. Mechanisms for building political commitment and leadership for PCSD



Source: VNRs (available at <https://hlpf.un.org/countries>), The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document., and OECD DAC Peer Reviews (available at <https://www.oecd.org/dac/peer-reviews/peer-reviews-of-dac-members.htm>)

Identifying a lead institution or commissioner for PCSD is one measure which can be used to promote a commitment to PCSD that outlives electoral cycles and changes in government. Lead inter-ministerial bodies such as **Luxembourg's** Inter-Departmental Commission on Sustainable Development (CIDD), which has an explicit mandate to promote coherence in the implementation of the SDGs, and the Inter-Ministerial Committee on Development (CID), which is mandated by law to help ministries considering the international and transboundary impacts of domestic policies, are playing this role. The CIDD and CID have been in place since 2004 and 1996 respectively to enhance coherence and coordinate the implementation of the National Sustainable Development Plan (PNDD) domestically and at international level. They foster commitment to PCSD across line ministries over time and provide an institutionalised exchange platform allowing to bridge thematic areas, such as finance and development co-operation.

More than half of the countries analysed in this chapter (13 of the 25 countries) designate lead institutions for promoting, overseeing, and implementing PCSD (Figure 2.3). For example, in 2020 the **Norwegian** government appointed the Ministry of Local Government and Modernisation as a coordinating body for national implementation of the SDGs. This has led to increased cross-sectoral cooperation and a holistic approach to sustainable development. **Spain's** Sustainable Development Strategy includes a commitment to the gradual implementation of a Comprehensive System of Policy Coherence for Sustainable Development. This system is designed based on a diagnosis promoted by the Secretary of State for the 2030 Agenda through documentary analysis and consultations with the three bodies of governance for the 2030 Agenda. A Division for the Coordination and Monitoring of the Comprehensive System of PCSD is being implemented to foster the adoption of coordination mechanisms between sectors and levels of

government and help identify and mitigate divergences between sector priorities and policies (Government of Spain, 2022^[2]).

Building a strong commitment to PCSD also requires the definition of priority areas, and greater investment into analysis and monitoring on policy coherence and sustainability targets. Action plans, such as **Italy's** National Action Plan for Policy Coherence for Sustainable Development (OECD, 2022^[3]) (Box 2.1), are essential mechanisms to orient government policy-making towards coherent sustainable development policies.

Box 2.1. Italy's National Action Plan for Policy Coherence for Sustainable Development

Italy has recently developed a National Action Plan for Policy Coherence for Sustainable Development that brings together the institutional mechanisms, evaluation frameworks and coherence tools needed to integrate sustainable development into government policy making.

Importantly, the Action Plan provides targets and measurable processes for each action to help track progress. This supports the effective operationalisation of the implementation of the goals of the 2030 Agenda and sets out an incremental path to mainstream sustainability as the standard for decisions making.

Source: (OECD, 2022^[3]), Italy's National Action Plan for Policy Coherence for Sustainable Development, <https://doi.org/10.1787/54226722-en>

Several countries direct political commitments towards concrete action by setting priority areas, and KPIs on policy coherence. For example, the **Netherlands** has defined an action plan on policy coherence, with specific measures to further reduce spillover effects. The action plan contains goals, policy action and indicators linked to the SDGs focusing on five priority areas with a strong emphasis on means of implementation (SDG 17) and sustainability/greening of international policy: combatting tax evasion and avoidance, development-friendly trade agreements, development-friendly investment regime; increasing sustainability of production and trade, and combatting climate change. This issues-based approach helps to identify synergies and trade-offs, and to monitor the coherence of policies. In **Ireland**, a key commitment under the National Implementation Plan for the Sustainable Development Goals 2022-24 involves mainstreaming the SDGs across national policies, so that when relevant sectoral policies are developed or reviewed, Ireland's commitments under the SDGs will be taken into account. **Spain's** "Action Plan for the implementation of the 2030 Agenda" was approved in 2018 through an inclusive national participatory process involving all Ministerial Departments, the Autonomous Communities, local entities, and organisations. It aims at accelerating a coherent sustainable development through the identification of lever policies and transformative measures fostering the generation of synergies between different actors, sectors, and policies towards a common vision (Government of Spain, 2019^[4])

Legislation is also used to reinforce commitments to policy coherence (7 of the 25 countries studied in this chapter). In **Greece**, for example, the "Executive State" law adopted in August 2019 entrusts the General Secretariat of Coordination of the Presidency of Government with the task of enhancing coherence and coordination of the whole Government work, including all public policies and legislative initiatives that are inextricably linked to the SDGs, along with developing and proposing horizontal and cross-sectoral public policies. In **Luxembourg**, the law on Development Cooperation of 9 May 2012 as well as the 2013-2018 Luxembourg Development Cooperation Programme and the updated Development Cooperation Strategy "The road to 2030" state that Luxembourg will ensure that national policies are in line with the 2030 Agenda pursuing a whole-of-government approach on development action (Luxembourg Government, 2018^[5])

Voluntary National Reviews (VNRs) presented to the High-level Political Forum (HLPF) have also been widely used as to report government commitments to PCSD as a means of implementing the SDGs. In some cases, such as in **Italy's** VNR, PCSD is further incorporated as a lens for assessing and reporting on SDG implementation (Box 2.2). The VNR process has also been used by some countries as a platform to strengthen inclusive commitments and approaches to sustainable development and engage stakeholders in policy coherence efforts. For example, **Sweden's** 2021 VNR introduced inputs from exchanges and peer learning with other countries, including Colombia and Spain. These international perspectives, along with the consultation of actors in Swedish society, ensure that VNR production is itself a mechanism for introducing inclusive approaches to sustainable development.

Box 2.2. Italy's Voluntary National Review 2022: PCSD as a lens for reporting on SDG implementation

The VNR provides three thematic insights, respectively on policy coherence for sustainable development (PCSD), localising the SDGs and stakeholder engagement. Through these three areas, the VNR reports on the level of integration of the 2030 Agenda in the planning processes at national (horizontally) and local level (vertically) as well as the efforts to ensure and support participation in decision making processes.

Italy conceived the VNR as a collective year long process involving main actors at national, regional and local level through the participatory mechanisms set in place since 2017 to implement the National Sustainable Development Strategy (NSDS) and the Three-Year Programming and Policy Planning Document. The Ministry for Ecological Transition, in close cooperation with the Ministry for Foreign Affairs and International Cooperation, coordinated the VNR preparatory process at national level. The involvement of Regions, Autonomous Provinces and Metropolitan Cities, through ad hoc VNR/VLR roundtables set up under the auspices of the NSDS vertical coordination mechanisms, reflects the importance that Italy attributes to integrated territorial approach and to effective multilevel governance which is crucial to decline national sustainability objectives in regional and local planning processes.

Source: (Government of Italy, 2022^[6]; VNR 2022 Italy Report, n.d.^[7])

Moreover, as argued in chapter 1, a better balance between policy and governance of global and transboundary challenges may help focusing more on the trajectories towards solutions – for which a governance and institutional framework is essential – and less exclusively on filling the policy ‘gaps’ between the goals and targets, and the current situation. Moving forwards on trajectories communicates also more positively than filling gaps – the first suggests traction, the latter points at the risks and delays caused by potholes.

2.3. Adopting a strategic long-term vision

A specific challenge for long-term governance for sustainability is that many investments have a long lead time: investments in environmental infrastructure or sustainable mobility often take more time to deliver results than a political cycle of a government (Meuleman and In 'T Veld, 2010^[8]). Hence, overcoming the inherent short-termism of the electoral cycle and implementing long-term policies for addressing global challenges might be difficult for governments, especially while facing trust deficits.

Long-term strategic visions provide a pathway to a whole-of-society transformation. They are essential frameworks to guide the government in supporting just and equitable transitions, balancing today's needs and those of future generations; promoting innovation, harmonising the long-term and transformative

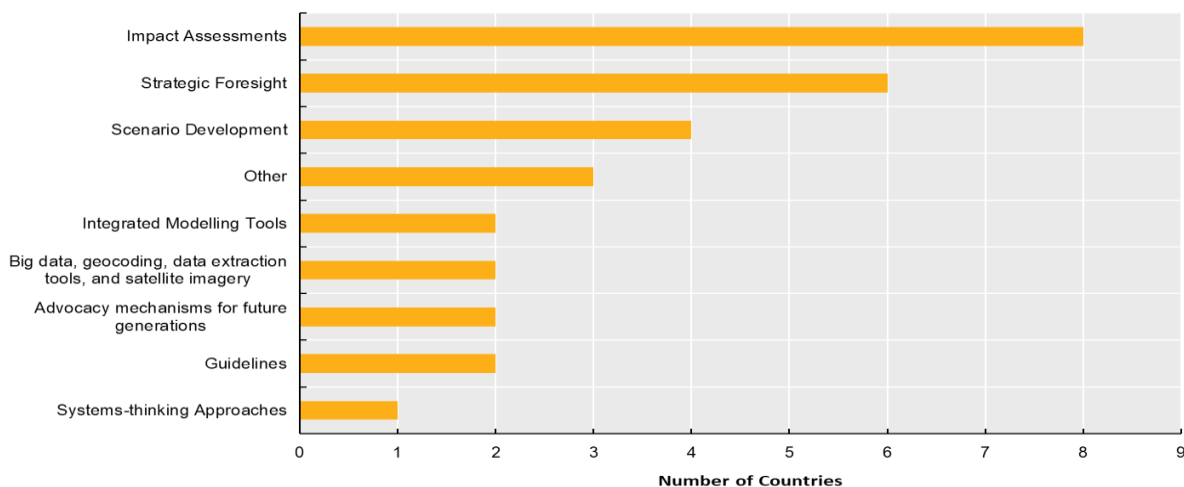
nature of the SDGs with more pressing short-term priorities, and sending predictable signals to investors about envisaged long-term societal changes. Long-term strategic visions are essential for promoting the necessary commitment to policy coherence and sustainable development that extends beyond electoral cycles.

Overall, there is widespread engagement with both the development of long-term visions and tools for long-term planning according to the 2022 OECD survey on PCSD. However, challenges remain in delivering on these visions, and defining long-term strategies that extend beyond the 2030 horizon. At the core of these challenges is the tension between delivering on short term outcomes versus investing in strategies to tackle less visible long-term issues. Indeed, as shown in Figure 2.2, a lack of long-term measures to ensure commitment beyond electoral cycles emerged as the most important obstacle to PCSD implementation identified in the 2022 survey on PCSD.

Yet, even where long-term objectives are set, capacities that allow for systematic consideration of future well-being may be limited. Capacity in human resources and insufficient expertise of policy makers on the topic of PCSD ranked third and fourth respectively as obstacles to PCSD implementation faced by countries.

Many of the same mechanisms used by countries to outline political commitment also function to define strategic long-term visions, as highlighted by the results of the 2022 OECD survey on PCSD. These include sustainable development strategies, action plans for SDG implementation, and priority areas for sustainable development. Planning tools are also used to identify potential long-term impacts of policies on sustainable development. These include tools such as strategic foresight, scenario development, and systems thinking, which are used to identify and mitigate the potential adverse impacts of policies on future wellbeing. All countries surveyed report the use of at least one type of planning tool to identify potential long-term impacts of policies on sustainable development, the most frequently used being impact assessments and strategic foresight (Figure 2.4).

Figure 2.4. Long-term planning tools used by countries to enhance policy coherence



Note: Based on the responses of 12 participating countries

Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document.

Importantly, to reconcile short-term and long-term objectives, policymakers can adopt a two-pronged approach. This involves (i) developing immediate actions to address pressing concerns, and (ii) working on long-term strategies to achieve sustainable outcomes. In parallel, to minimise the influence of political

pressures on policy coherence, policymakers should prioritise evidence-based decision-making and promote transparency in the policy process. This includes conducting rigorous research, engaging with external experts, and involving stakeholders in policy discussions. Encouraging public participation and fostering a culture of openness can help create a more informed and accountable policy-making environment.

The 2030 Agenda provides a core framework for coherent sustainable development in the medium term. Several countries (9 of the 25 countries) have built on the 2030 Agenda, through sustainable development strategies and national action plans, to align national development strategies with long-term and transboundary objectives. In 2018, **Spain** presented an Action Plan for the Implementation of the 2030 Agenda. The action plan clearly expressed the Government's commitment to the 'three-fold dimension' of the 2030 Agenda: 1) to promote the SDGs in domestic policies; 2) to promote them in its foreign policy and action, in which development cooperation plays an essential role; and 3) to ensure coherence between these two spheres, from the standpoint of the SDGs. Commitment to the Action Plan was solidified through the adoption of the Sustainable Development Strategy 2030, that places sustainability and the rights of people at the centre of social and ecological transition. To further pursue policy coherence, Spain refers to Agenda 2030 as a cornerstone for the elaboration and implementation of its National Recovery and Resilience Plan. Linkages were identified to each of the 17 SDGs for over 90% of the measures introduced in the NRRP, with a particular focus on SDG 9: Industry, innovation and infrastructure; SDG 8: Decent work and economic growth, and SDG 13: Climate action (Sustainable Development Solutions Network and Institute for European Environmental Policy, 2021^[9]).

Strategic long-term goals on specific policy or thematic areas are also used. For example, **Finland's** government programme defines strategic goals for the development of a socially, economically and ecologically sustainable Finland. This includes a 'Carbon neutral Finland that protects biodiversity', which sets a target year for a carbon neutral Finland to 2035. The Government programme also includes an explicit pledge for long-term policymaking and for fair and equal treatment across generations.

Importantly, the value of long-term strategies is not to predict the future but to sketch a vision of a desirable future, add scenarios showing how this could happen, or how not (as potential futures), and what would be robust and resilient measures that contribute towards achieving the vision in all or most scenarios. The ability of governments to address global and transboundary challenges brings renewed attention to focus on long-term and transgenerational issues.

In this context, governments are developing innovative approaches designed to tackle some of the trade-offs and limitations involved in defining effective long-term strategies. In **Wales**, consistent consideration of long-term perspectives is brought to decision making by the Commissioner for Future Generations, a position created by the Well-Being of Future Generations Act (2015) (Box 2.3).

Box 2.3. innovative approaches to tackle limitations in defining long-term strategies

Wales: The Well-being of Future Generations Act 2015

The Well-being of Future Generations Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.

Each of the 48 public bodies listed in the Act must work to improve the economic, social, environmental and cultural well-being of Wales. To do this they must set and publish well-being objectives.

These objectives will show how each public body will work to achieve the vision for Wales set out in the seven well-being goals:

- A Prosperous Wales
- A Resilient Wales
- A More Equal Wales
- A Healthier Wales
- A Wales of Cohesive Communities
- A Wales of Vibrant Culture and Thriving Welsh Language
- A globally Responsible Wales

Public bodies must then take action to make sure they meet the objectives they set.

Within the twelve months after a Senedd election, Ministers must also publish a 'Future Trends Report' containing:

- Predictions of likely future trends in social, economic, environmental and cultural well-being of Wales; and
- Any related analytical data and information that the Welsh Ministers consider appropriate.

In preparing the report, Ministers must take account of the SDGs and the impact of climate change on Wales.

Finally, the Act establishes a **Future Generations Commissioner for Wales**. The Commissioner's role is to act as a guardian for the interests of future generations in Wales, and to support the public bodies listed in the Act to work towards achieving the wellbeing goals.

Luxembourg in Transition

'Luxembourg in Transition' is an example of an initiative in support of policy integration in the fields of spatial planning, urban planning, landscape and architecture, supported by environmental disciplines as well as the humanities and social sciences. This displays recognition by the Ministry of Energy and Spatial Planning of the broader and coherent approach to spatial planning that is adapted to future challenges. The Ministry organised an urban-architectural and landscape consultation entitled 'Luxembourg in Transition – Spatial visions for the low-carbon and sustainable future of the Luxembourg functional region' (Gouvernement du Grand-Duché de Luxembourg, 2020^[10]). The aim of the consultation was to support the design of a territorial strategy adapted both to the challenges of the global environmental emergency, and broad citizen consensus. Luxembourg in Transition brought together 10 international multidisciplinary teams of professionals to envision scenarios and proposals for how the territory of Luxembourg and its border regions can achieve carbon neutrality by 2050. In tandem, a Citizens' Committee of 30 participants (the Biergerkomitee Lëtzebuerg 2050) evaluated the projects' results. At the end of the process, recommendations on territorial strategy were made and contributed to the development of the Programme for Spatial Planning (Programme directeur d'aménagement du territoire - PDAT).

Sources: (Wales, 2015^[11]; Ministère de l'Énergie et de l'Aménagement du territoire, n.d.^[12])

Luxembourg has raised awareness and a sense of ownership in a long-term vision through its participative Luxembourg in Transition Project (Box 2.3). In **Germany**, the Advisory Council on Global Change (WBGU, 2021^[13]) recommended making national long-term strategies a key topic in order to provide orientation for current climate policy. Up to now, countries have only been obliged to submit short-term 'nationally determined contributions' (NDCs) to climate-change mitigation. It was noted that these may need to become far more ambitious and to start promoting policies conducive to achieving the goals of the Paris Agreement. The Council called on countries to formulate and communicate long-term strategies that go beyond climate neutrality and aim for global climate stabilisation, offering guidelines for strengthening

NDCs and a basis for an internationally coordinated sustainability policy. For example, and in line with this approach, the German Federal Constitutional Court imposed on German legislators a constitutional obligation to formulate long-term strategies to reduce CO₂ emissions beyond 2030 (German Federal Constitutional Court, 2021^[14]).

- Other examples of mechanisms to institutionalise the long-term dimension and to ensure a longer time horizon than one political cycle include an all-party Sustainable Development Committee in the Parliament, integration of the SDGs in the national budget, and mechanisms for foresight.
- Whilst the 2030 Agenda provides an important framework for medium term goal setting, few countries have established strategic visions that extend beyond this timeline. Only 4 of the 25 studied in this chapter have begun focusing their strategies on 2050 or a similar point in time (African Union Commission, 2015^[15]). For example, **Belgium** has defined 2050 visions at both the federal and regional level. The federal long-term vision focuses on how quality of life, social justice, and economic development can be balanced against ecological constraints. Inputs from experts and civil society were used to produce 55 objectives, as well as a series of indicators to monitor their progress. In addition, when **Finland** reformed its National Strategy for Sustainable Development in 2016, it decided not to draft a new strategy, but to prepare a commitment to sustainable development with a strategic long-term vision that extends up to the year 2050, titled “the Finland we want by 2050” (Government of Finland, 2016^[16]).

Foresight is a set of tools and methods, in addition to a mindset and approach that can allow decision-makers to strategically engage with the future. Some tools include horizon scanning, visioning and the development of scenarios that explore multiple plausible futures. The Government of **Canada** has invested in a centre of excellence in foresight, Policy Horizons Canada, that conducts cutting edge futures research, provides foresight learning and networking opportunities to public servants, hosts a world-class futures event, and directly supports departments and agencies to use foresight in their work. Reporting to a Deputy Minister Steering Committee, Policy Horizons Canada’s institutional structure ensures a high level of buy-in from public service leadership. Another example is **Finland**, which is home to foresight networks within national and regional government, academia, civil society and the private sector who together form a complex anticipatory ecosystem. By involving so many parts of society, this ecosystem combines bottom-up and top-down approaches with a high degree of inclusiveness (OECD, 2022^[17]). These initiatives act to address trade-offs and strengthen the incorporation of long-term perspectives into wider government work.

2.4. Fostering Policy Integration

The 17 interconnected SDGs provide a comprehensive framework as starting point for addressing interconnected global and transboundary challenges. The SDGs, which were not designed as isolated targets but to be mutually supportive, provide the basis to identify key interlinkages between goals and targets at different policy areas. In this context, policy integration to reduce fragmentation in governments’ operations and activities is essential to deal with interconnected global challenges. It entails a process by which institutions align their mandates, policies and sectoral objectives to the SDGs, and whereby policy decisions take into account the interactions (synergies and trade-offs) among economic, social and environmental policy areas with a view to addressing the multiple dimensions of sustainable development challenges in a more balanced manner (OECD, 2019^[18]).

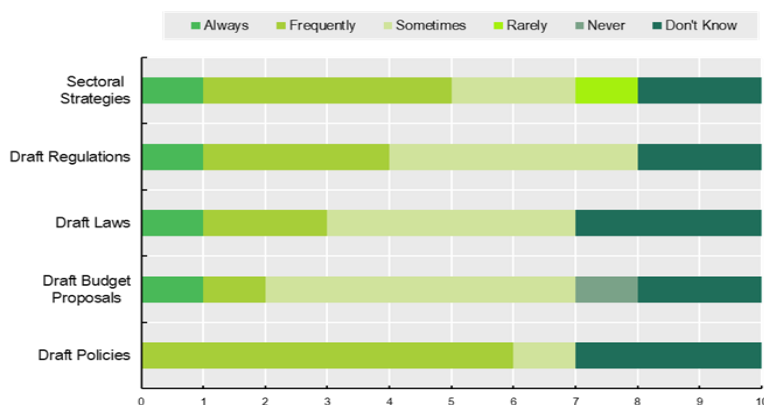
Addressing policy trade-offs requires a thorough analysis of the costs and benefits associated with different options. Techniques like cost-benefit analysis, multi-criteria analysis, and stakeholder consultation can help identify the most balanced and equitable solutions. In addition, transparent decision-making processes and open communication with affected stakeholders can promote understanding and acceptance of necessary trade-offs.

The introduction of systematic or government-wide measures for policy integration, however, can be a demanding exercise that can require a significant degree of PCSD. For instance, encouraging government-wide participation in measures to incorporate a sustainable development lens will rely on clearly communicating the benefits of PCSD across government, which is reported by 73% of countries as an important obstacle to PCSD and a further 9% as an extremely important obstacle (Figure 2.2). Beyond this, the development of tools or guidelines on sustainable budgeting or procurement can be limited by resources and government capacity.

Countries employ a wide range of mechanisms for policy integration, which include strategic policy planning mechanisms and tools, and the application of a PCSD lens and guidelines in the development of laws, regulations, policies, and strategies (Figure 2.5). The SDGs frequently act as the guiding framework for policy integration efforts.

Figure 2.5. Mechanisms for integrating sustainable development into policies.

How regularly does your country includes statements on sustainable development in the following?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document.

The budget process and public procurement are used systematically by some countries (19% of respondents to the 2022 OECD Survey on PCSD) as a mechanism for improving policy integration (Figure 2.6).

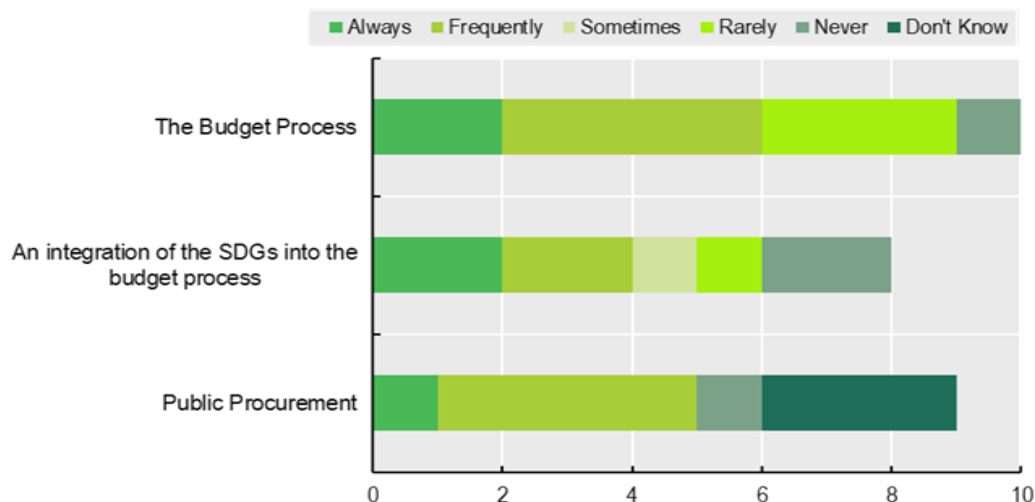
In sustainable budgeting, the annual budget is informed by, linked to, and/or restructured to consider the 17 Sustainable Development Goals. This is an essential tool to mainstream the SDGs in all government policies. SDG budgeting may also improve the capability to address global and transboundary challenges, because the SDGs address major transitional policy areas, and the interlinkages between the SDGs are known. Assessing the sustainability impact of budget policy allows more informed budget decisions that help progress national and international climate and other environmental goals, as well as social and economic goals. Key tools used in OECD countries are green budget tagging, cost benefit analysis and carbon assessment of budget measures. **Greece** (2021), for example, has applied a framework of green budgeting through the use of indicators on sustainability and environmental footprints in drafting the State Budget. The overall aim of this initiative is to increase and enhance transparency, coherence, resilience, inclusiveness and efficiency in public financial management.

Sustainable public procurement (SPP) can be a catalyser of economic and social innovation towards sustainability. Public procurement amounts to around 12% of GDP on average in the OECD countries and can have a significant impact on climate and the environment (negative or positive) depending on the purposes and the way public procurement is conducted. SPP covers the three dimensions of sustainable

development, i.e. economic development, social development and environmental protection. While SPP may not be the most important mechanism to address global transboundary issues of the disaster type, it can become a strong accelerator for transition-type global challenges, where it supports innovation and new markets for sustainable products. Public procurement was at the forefront of delivering essential public services during the global COVID-19 pandemic crisis by ensuring the functioning of key supply chains. The ability of governments to manage procurement contracts and verify product supply chains is a critical area in which enhanced analytical capacity, more resources and a change in attitudes are required.

Figure 2.6. Tools and processes for policy integration

How regularly does your country use the following tools to integrate sustainable development into sectoral policies?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document.

Other approaches to foster integration include the incorporation of a sustainable development lens into the drafting of laws and strategies (stat). In 2016, the **Norwegian** Government decided that the 2030 Agenda should provide the main direction for Norwegian national and international policy. Accordingly, the SDG are incorporated into all policy documents, including budgets, strategies, and action plans; all action plans and white papers provided by the ministries must review the SDGs when relevant, and that all ministries should include the SDGs in their guidance and performance agreements (letter of appropriation) with their state agencies and institutions. In **Greece**, the Manual and Template on Regulatory Impact Assessment (RIA) (2020) incorporates a distinctive index addressing the consistency and compatibility of the proposed regulatory measures with the three dimensions of sustainable development and the SDGs. Some countries, such as **Luxembourg** (Box 2.4) and **Germany**, are pioneering electronic tools that integrate sustainable development objectives into legislative procedure (see also section 2.8 on Policy Impacts). Other innovative tools include SDG Synergies, produced by the Stockholm Environment Institute (SEI), which has been used to survey synergies and trade-offs between the SDGs at national level.

Box 2.4. Luxembourg – The Sustainability Check

In 2022, the Government Council approved the phased introduction of a sustainability check ('Nohaltegekeetscheck') into the legislative procedure by adding a sustainability sheet to the constituent documents of a bill.

This sheet will form an integral part of the annexes to the bills and will provide relevant information on the sustainability of the standards being considered. By transparently setting out these additional analytical and contextual elements in the preliminary control of the sustainability of planned measures, the quality of the public debate will be enhanced and this will contribute to the acceptability of the measures to the public.

The Council has decided to implement the sustainability audit in several stages, the first stage of which consists of the compulsory implementation of the "textual" part and the optional implementation of the "indicators" part of the sustainability audit.

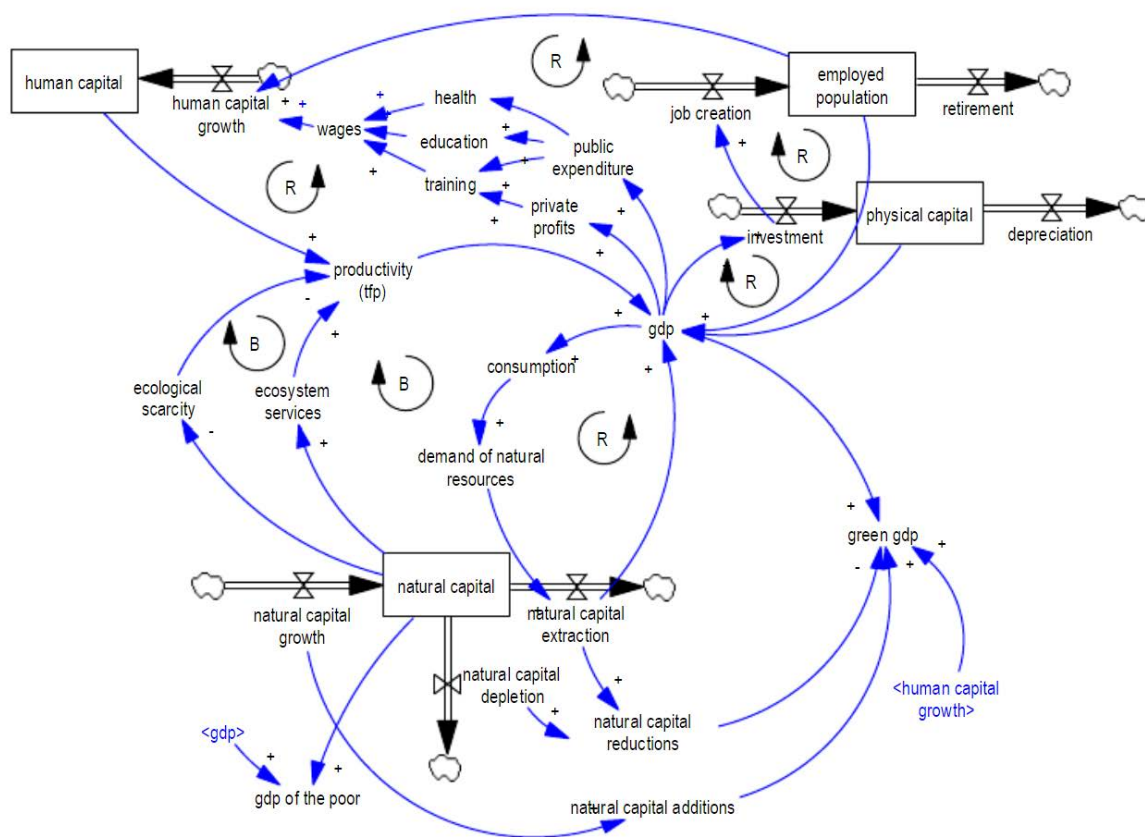
In a second step, following the introduction of the sustainability fiche in a simplified electronic format, it will be integrated by the Central Legislation Service (SCL) into the overall concept of the complete dematerialisation of the legislative and regulatory procedure.

Source: (OECD, 2023^[19]), Luxembourg Policy Coherence for Sustainable Development (PCSD) Light-touch institutional scan

Moreover, improved policy integration can target coherence between foreign and domestic policy. **Switzerland's** Foreign Policy Strategy 2020-23 aims to strengthen the basis for coherence in foreign policy and between foreign and domestic policy. Sustainability is one of the strategy's four thematic pillars, whereby Switzerland will strive for sustainable development that gives equal consideration to environmental, economic and social dimensions. To this end, relevant structures within the Federal Administration have been set up, which work nationally and internationally with all relevant stakeholders to promote environmental protection and the sustainable use of natural resources, as well as sustainable economic and social development. Despite linking bilateral co-operation frameworks to the SDGs, **Spain's** development co-operation system suffers from a lack of a systemic approach and limited linkages with its foreign policy objectives. Three ministries are engaged in development cooperation with their own strategies, thematic and geographical scope, and budget allocation. To address this issue, Spain is strengthening the leading and convening role of the SECI (State Secretariat for International Co-operation) to create whole-of-government policy, reinforce inter-ministerial co-ordination and further pursue policy coherence for development (OECD, 2022^[20]).

System thinking is an important approach to support addressing global and transboundary challenges at the national level. Complex challenges are often systemic problems. There may be a variety of causes which influence each other, and a partial solution can aggravate other parts of the system. A powerful tool to help understanding these interrelations over time is preparing causal loop diagrams (CLDs). They not only represent linkages, but also whether each linkage improves or deteriorates the situation. Figure 2.7 gives a (simplified) example. Because a systemic representation of a complex challenge always implies some subjective assessments, it is important to develop such diagrams in a cross-sectoral setting, and with involvement of stakeholders.

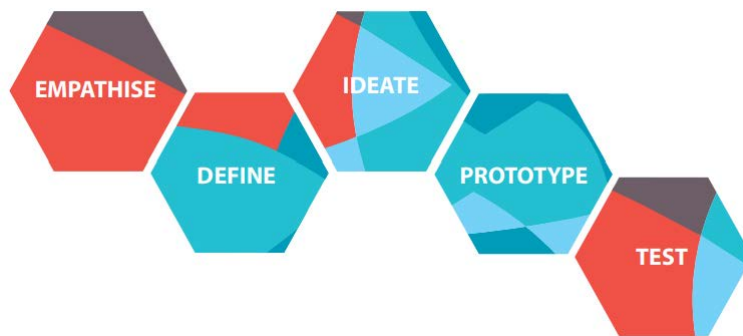
Figure 2.7. Example of a Causal loop Diagram on greening the economy



Source: (Bassi, 2016^[21]), Moving towards integrated policy formulation and evaluation: The green economy model, https://www.researchgate.net/publication/295181846_Moving_Towards_Integrated_Policy_Formulation_and_Evaluation_The_Green_Economy_Model

Another tool that could also be used in combination with causal loop diagrams, is ‘design thinking’ (Figure 2.8). Design Thinking is a way to launch inclusive and participatory innovation processes for better SDG implementation (UNDP Global Centre for public Service Excellence, 2014^[22]). It is an approach to tackling complex problems by understanding the human needs involved, by re-framing the problem human-centric ways, inclusive co-creation of ideas and developing and testing viable solutions. It promotes designing public service innovation “from outside in”, i.e. from the experiences and expectations of the citizens. It can be considered a creative process as well as a mindset.

Figure 2.8. The design thinking approach in five steps



Source: (Allio, 2014^[23]), Design Thinking for Public Service Excellence, https://www.undp.org/sites/g/files/zskgke326/files/publications/GPCSE_Design%20Thinking.pdf

‘Action learning’ could be stimulated to close the gap between environmental challenges which international reports have identified (including the related tipping points, spillover effects, ecological footprints), and what countries tend to report in their Voluntary national Reviews on the SDGs. It is not clear to which extent this is a policy gap, a knowledge gap, or both. One potential solution to address this issue would be organising regional capacity building workshops to examine discrepancies, build awareness and promote peer learning (United Nations Environment Programme, 2022^[24]).

Recently too, in some cases, the strengthened central coordination of government responses due to the pandemic may result in a window of opportunity to evaluate, re-asses and revise how the different parts of the governance toolbox for global and transboundary challenges are linked or should be connected. For example, in order to achieve a sufficient level of resilience to environmental, economic or social shocks, a five-year strategic plan could be accompanied by a rolling action plan with concrete actions for one year and tentative actions for the following four years. The planning and management ‘package’ could include monitoring, reporting and evaluation on a one- or two-yearly basis, while foresight activities (e.g., horizon scanning and scenario exercises) could be embedded in the routines of the administration to keep the long-term challenges visibly on the agenda.³ To complete the approach, specific measures and tools could be integrated that stimulate private sector and civil society actors to contribute to transition processes by taking initiatives, innovating their services and products, and establishing innovative partnerships. Additionally, throughout these processes, it is important to ensure that short- and long-term objectives are aligned and working in the same direction. Similarly, there could also be scope to explore cross-country collaboration and long-term planning to facilitate coherent responses to global challenges.

2.5. Ensuring Whole-of-Government Coordination

A defining characteristic of global and transboundary challenges is that they cannot be tackled by a single institution or a single government alone. Global challenges are multi-sectoral and require involvement of a range of ministries. The Covid-19 pandemic, for example, has highlighted the close and complex interconnections between the environment, health, and the habitat changes induced by human activity, as well as the need for integrated and cross-country solutions (OECD, 2020^[25]). In a context of highly interconnected global challenges, this calls for establishing functional mechanisms to tackle silo-thinking between and within government departments and agencies. But countries reported facing challenges in this regard. These can be linked to, for example, the absence of a lead institution for PCSD, the absence of clear roles and responsibilities for PCSD, and difficulty in communicating the benefits of PCSD across the government.

Fragmented government action to address global issues, and incoherent policies increase the risk of actions offsetting each other, they reduce effectiveness and can have important economic costs (for example, inefficient subsidies that distort trade and competitiveness and that encourage wasteful spending and consumption); environmental costs (for example, overuse of natural resources and carbon emissions that spill over globally), and social costs (for example, inefficient subsidies that benefit primarily the better-off at the expense of the poor).

To address the interconnected nature of public policy issues, policymakers should adopt a holistic approach. This involves analysing the broader context of a problem, identifying the root causes, and recognising the potential ripple effects across different sectors. Solutions such as systems thinking and interdisciplinary collaboration can help policymakers better understand and address complex, interconnected issues. There is also strong need for governments to strengthen existing institutional mechanisms for horizontal co-ordination (between entities of a particular tier) and vertical co-ordination (between international, national and subnational levels) to develop integrated solutions. Having in place efficient mechanisms and processes at appropriate levels for inter-ministerial co-ordination to resolve policy divergences and trade-offs between different sectoral priorities is essential to promote mutually supporting actions across sectors and institutions. Dedicated coordination mechanisms also facilitate the sharing of information and allocation of responsibilities and resources for SDG implementation.

Effective cross-sectoral coordination requires clear lines of communication and collaboration between various government departments and agencies. Regular meetings, joint task forces, and interdepartmental committees can facilitate information sharing and the development of cohesive policies. The use of shared objectives, performance indicators, and a common policy framework can also improve coordination and coherence. Yet, given the variety of governance arrangements and administrative cultures across countries, there is no one-size-fits all approach to ensure whole-of-government coordination. Despite this, Survey results highlight the more frequent use of two broad coordination mechanisms: Cross-governmental committees (at the Ministerial and working/analyst level), and a coordination unit in the institution responsible for Sustainable Development and/or the implementation of the SDGs. For example, at the level of Minister, **Spain's** Government Delegated Commission for the 2030 Agenda acts as the first level of dialogue for institutional cooperation (Government of Spain, 2020^[26]). Bringing together fifteen ministries, the Commission promotes, follows up on, and evaluates the policies and actions required for the compliance of the 2030 Agenda, guaranteeing the consistency of the multiple policies (Government of Spain, 2020^[26]). At the working level, **Luxembourg's** Inter-departmental Commission on Sustainable Development and Inter-ministerial Committee on Development are in place to foster PCSD across government administration (Box 2.5). **Greece** has incorporated into Public Administration a monitoring mechanism for the redistribution of competences of responsibilities between the different levels of governance. Following the adoption of the corresponding law, Greece is in the process of creating a web application for the establishment of a repository aiming at the distribution of organisational information for the entire Public Administration, as well as a system for organising and monitoring multi-level governance policies and better utilising the resources of the Public Administration for the implementation of these policies.

Box 2.5. Luxembourg: Mechanisms for Whole-of-Government Coordination and PCSD

Luxembourg is exploring ways to strengthen government coordination using existing mechanisms. Luxembourg's National Plan for Sustainable Development (PNDD) includes as an action point greater coordination between the **Inter-Departmental Commission on Sustainable Development (CIDD)**, which is explicitly mandated to promote PCSD, and Inter-ministerial Committee for Development Cooperation (CID), which is mandated by law to help ministries considering the international and transboundary impacts of policies. Joint meeting between the two bodies provide opportunities to

enhance coherence across sectoral policies, as well as between domestic and international priorities. Strengthening a whole-of-government approach in the area of development cooperation, Luxembourg applies a joint cross-sectoral programming in partner countries through the drafting of Indicative Cooperation Programmes (ICP).

The **Sustainability Check** is a tool that will enable further coordination through the provision of up-to-date information on policy synergies and trade-offs. The tool can systematise the findings of the CID on coherence between national and international policies, and be used to inform the pre-conseil meetings.

In addition, the mechanism of the “Pre-Conseil meeting”, held in preparation of each government ministerial meeting, allows civil servants to solve policy tensions, balancing ministerial views and potential trade-offs before moving the decision to a political level. Although this mechanism does not specifically hold a responsibility for ensuring PCSD, it is where de-facto policy arbitration takes place.

Source: (OECD, 2023^[19]), Luxembourg Policy Coherence for Sustainable Development (PCSD) Light-touch institutional scan

Germany has a good practice example since many years, but it works under the constraint that each minister has a relatively wide discretion to take decisions without agreement of other ministries. This ‘Ressortprinzip’ is even laid down in Article 65 of the German Constitution. The Federal Chancellery coordinates sustainable development, including policy coherence for sustainable development. A State Secretaries’ Committee is the central steering institution of the country’s National Sustainable Development Strategy 2016, updated in 2021. It is composed of representatives of all ministries and chaired by the Head of the Federal Chancellery. The whole-of-government approach taken by Germany also requires all ministries to participate actively (Niestroy et al., 2019^[27]). **New Zealand** also demonstrates a good practice in terms of sensitisation and involvement of technical ministries. By including line ministries in annual, formal High-Level Consultations with Pacific countries, they enhance understanding of the trade-offs in policy coherence across important agencies (OECD, 2023^[28]). The commitment to policy coherence within and beyond the Pacific is clearly stated in key policy and strategic documents, including the individual country four-year plans, which embrace the Māori principle Turou Hawaiiki (Navigating together) and acknowledge the significant overlap between New Zealand’s domestic policy decisions and those affecting the Pacific (OECD, 2023^[28]).

In the context of sustainable development, whole-of-government coordination is essential to deal with the divide between those who tackle domestic issues and those who work on external challenges. Moreover, national frameworks and systems often lack built-in checks and balances to systematically screen policies for transboundary and global impacts. Historically, external (cross-border, transboundary, global) challenges have been the exclusive domain of departments of Foreign Affairs and/or Development Cooperation. The adoption in 2015 of the 2030 Agenda and the 17 Sustainable Development Goals (SDGs) made promoting global sustainability a universal task, with the coordination shifting away in many countries from Foreign Affairs toward the Prime Minister’s Office, the Ministry of Finance or a special Ministry of Environment and Sustainable Development (or: e.g., Sustainable Transition) (Niestroy et al., 2019^[27]). Notwithstanding this change, many national civil servants still consider the SDGs as something ‘external’. To address this, some countries are stimulating policy officers to follow an SDG training (e.g., Romania, Cyprus). An increasing number of countries have benefited from the dialogue in the OECD Network of National Focal Points for PCSD to bring together the domestic and international perspective of SDG implementation, e.g. Canada, Germany, Italy, Luxembourg, Mexico, Slovakia, Spain, Switzerland.

Some governments may benefit from small size, which facilitates effective informal communication between departments. Other countries have a high degree of local and regional self-government, whereby goals such as the SDGs are common responsibilities carried out at all levels of society. Where this is the case, mechanisms for whole-of-government coordination are linked less directly to sustainable

development outcomes. For this reason, strategies for strengthening coordination must be equally adapted to the specific country context.

Nevertheless, wider use of two broad mechanisms has the potential to strengthen coordination across government in a range of contexts. First, the establishment of clear mandates to identify and manage policy divergences and conflicts related to sustainable development. Few countries have established mechanisms with specific mandates to promote PCSD and arbitrate policy tensions. Second, capacity building, such as training requirements intended for staff and line ministries on sustainable development, or in human resources more generally. Indeed, capacity in human resources, as well as insufficient expertise of policy makers on the topic of PCSD, are amongst the highest rated obstacles to PCSD implementation reported in the 2022 OECD Survey on PCSD, as illustrated in Figure 2.2. This makes capacity building exercises an effective lever for change (Box 2.6).

Box 2.6. Skill sets to help civil servants overcome cross-cutting and global challenges

In the OECD report on capacities needed to deliver the SDGs, eight dimensions are distinguished inspired by PCSD, which generally contribute to the ability of governments to connect domestic policymaking and implementation with global and transboundary challenges. The first four represent the functional dimension, the following four are transversal: (OECD, 2020^[29])

- *Turning vision into plans (Strategic Vision)*: identify and analyse the problem or opportunity, develop hypotheses about what the issues may be, predict the consequences of the decisions made on the specific issues and develop an implementation plan;
- *Delivering high quality policy (Implementation and governance mechanisms)*: carry out the potential solution, ideally on a small scale first, and measure the results;
- *Measuring progress and continuously adapting to change*: continuously collect timely and quality data, study the data collected and result obtained and deploy governance mechanisms that allow for preparedness and quick adaptation;
- *Reacting to change*: carefully assessing policy delivery and the context in which it unfolds, then adapting processes accordingly. Complementing these functional dimensions, the framework suggests four additional, transversal dimensions related to the specific nature of SDG implementation:
 - *Transversality and long-term perspective*: strengthen the ability to identify, analyse and exploit the linkages between policies across different sectors, in a long-term perspective that allows for both resilience and sustainability;
 - *Involving stakeholders and promoting dialogue*: proactively seek contributions and feedback from citizens, private sector, civil society and competence providers;
 - *Holistic, value-based leadership*: promote inclusive, transparent management processes that can increase efficiency and accountability of public service;
 - *A culture of evidence*: formulate and adapt policies on the basis of factual information and knowledge, as opposed to ideology or inertia. This implies the ability to read, interpret, and effectively use data.

Source: (OECD, 2020^[29]), Building Capacity for Evidence-Informed Policy-Making: Lessons from Country Experiences, OECD Public Governance Reviews, <https://doi.org/10.1787/86331250-en>

In March 2023, **Poland's** central government launched an OECD-developed capacity building programme, which aims at strengthening civil servants' skills to implement the SDGs in an integrated and coherent manner. The programme responds to identified challenges related to, among others, lack of knowledge

about the 2030 Agenda, insufficient communication across the government, and limited insight to the information and data resources that exist on sustainable development. The capacity building programme is complemented by an online knowledge-sharing platform, where civil servants can find information that corresponds to their area of expertise as well as their level of seniority.

Capacity building also includes leadership development. Strengthening leadership to tackle complex global and transboundary challenges is not only important for formal (political and administrative) leaders but needs a dual approach: investing also in participatory leadership development by training civil servants to lead in their policymaking and implementation programmes. Good practice examples in for instance Italy, Luxembourg and Romania show that PCSD mechanisms (structures, processes, mandates) are not only able to support national policy implementation, but can also leverage the capacity to integrate addressing the impacts of global challenges.

However, there may be institutional, legal, and cultural (mindsets) constraints for policy makers to think and act globally, such as the lack of communication and coordination structures with neighbouring and other countries. Sectoral ministries may not be allowed to directly work with the same ministries on the other side of a national border, as such transboundary work is often the remit of the Ministry of Foreign Affairs. Sectoral Ministries usually are also not permitted to negotiate with their counterparts internationally without green light from the centre of government.

Being a responsive and professional national actor in multilevel settings requires domestic government capacities and tools beyond, for example, having established an international unit. Commonly identified mechanisms and tools to stimulate effective transboundary and international collaboration in response to global challenges at the organisational level could include:

- Peer-to-peer learning programmes and activities. In Africa (African Peer Review Mechanism APRM) and Europe (Technical Assistance and Information Exchange TAIX) transboundary or multi-country workshops are organised to discuss success and failure.
- Multi-country or international steering/coordination groups with a metagovernance task to steer and monitor national and other actors. This is under discussion and partially in place in the areas of protection of oceans and seas (SDG 14), sustainable tourism, and in global standard-setting by private companies.
- Ministries and government agencies are usually characterised by silo-thinking: a mind-set which hampers smooth and synergetic collaboration across the borders of the 'silos'. One of the contributions to overcome silo-thinking could be breaking down the ministerial structures, but this decreases transparency (who does what) and accountability. The challenge is therefore to bridge the silos by 'teaching silos to dance' (Ingeborg Niestroy and Louis Meuleman, 2016^[30]). Training can contribute to this.
- In order to align crisis management approaches with stakeholder engagement and evidence-informed decision making, public officers could be trained to apply different governance approaches for different problems, mixing approaches and switching between them according to what the situation requires. Training in applying meta-governance makes the full governance toolbox available, including the tools from governance styles seldom used (Meuleman, 2018^[31]). It improves the ability of policymakers to do a meta-analysis of the lessons learned from past governance frameworks and of the wider governance environment, beyond the narrow set of tools and mechanisms, and actors, which is usually analysed because of efficiency reasons. The meta-approach focuses on effectiveness, while keeping efficiency on board.

2.6. Engaging appropriately Sub-National levels of government

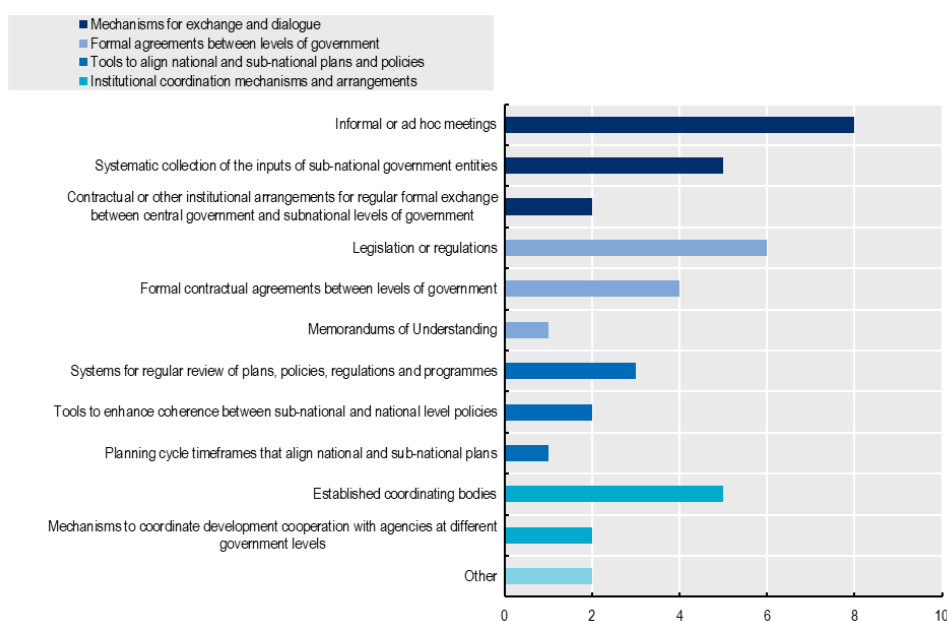
An integrated approach to deal with global challenges and implement the 2030 Agenda requires high degrees of policy coherence across levels of government. Many economic, environmental and social challenges have become globalised as well as localised. This so-called ‘glocalisation’ can be seen as the result of interactions between steered and autonomous actions and processes from actors at all levels of social organisation. It reflects some of the inner tensions between policy and governance actors in multi-level arrangements. In addition, it can be seen as a systemic counter reaction to globalisation.

Regional and local authorities are in a unique position to identify and respond to sustainable development needs at the community level. They are closer to citizens and are often the first to identify emerging economic, social and environmental challenges. They may be the best to address such problems before they rise to a national scale. They are also essential for delivering a wide range of essential public services (education, health, infrastructure, water, transport, housing, etc.) as well as the economic, social and environmental transformations needed to achieve the SDGs. This is acknowledged through the increasing emphasis on the need to localise the SDGs.

The localisation of sustainable development practices is an important building block for achieving effective outcomes at the national level. The challenge is ensuring a consistent implementation and avoiding significant disparities in sustainable development at the regional or local level. These can arise due to uneven financial resources, limited human capacities, and incomplete data for monitoring the implementation of sustainable development strategies. Regional strategies can address these issues directly, such as Colombia’s strategy for the implementation of the SDGs (Box 2.7).

Just as there are a range of arrangements for sub-national government in OECD countries, so there are a variety of approaches to sub-national engagement for PCSD (Figure 2.9). Formal agreements between different levels of government can be used to outline and direct coordinated approaches to sustainable development. The most frequent example of this from survey data was legislation and regulations (5 of 11 countries surveyed), to align policies vertically.

Figure 2.9. Mechanisms for subnational engagement in SDG implementation



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document

Box 2.7. Colombia: Strategy for the Implementation of the SDGs

Recognising the importance of territorial strategies for sustainable development

An evaluation of the implementation of the Millennium Development Goals in Colombia highlighted the regional disparities in achieving the goals.

As a result, Colombia's National Council for Economic and Social Policy defined a strategy (The CONPES 3918 document) for the implementation of the SDGs that prioritises territorial development as one of its four objectives. Through the document, it is recognised that, although the SDGs are global goals, their achievement depends on success in cities, regions and municipalities.

Strategic action for SDG implementation at the regional level

The CONPES 3918 document addresses the implementation of the SDGs at the regional level through five main lines of action:

- Pedagogy on the SDGs:

Delivered throughout the national territory by the Administrative Department of the Public Function (el Departamento Administrativo de la Función Pública DAFP), with the support of the Higher School of Public Administration (la Escuela Superior de Administración Pública (ESAP). The aim is to provide public servants with the qualifications to design and implement policies according to the SDGs.

- Monitoring progress on the SDGs at the territorial level;
- Visibility of good local practices for the implementation of SDGs;
- Implementation of SDG markers in regional planning and budget instruments;
- Differentiated support to the territories for the implementation of the SDGs.

Note: Translated from the original Spanish

Source: (República de Colombia, 2018^[32]) Estrategia para la Implementación de los Objetivos de Desarrollo Sostenible (ODS) en Colombia, https://assets.ctfassets.net/27p7ivvbl4bs/c15L6fPoswiGYUy64Uy4k/d2d1c2b218757846743c6eb335d5b380/CONPES_3918_Anexos.pdf

Mechanisms for exchange and dialogue are also used to promote PCSD, informal or ad-hoc meetings being the most commonly reported in the survey (7 of 12 responding countries). These can take place as a part of the work of designated bodies, such as the Local Government Council on Sustainable Development (지속가능발전 지방정부협의회) in **Korea**, which devises solutions for implementing the SDGs and addressing common challenges at the sub-national level and promotes awareness within society. Institutional coordination mechanisms, such as established coordinating bodies, are also used by many countries for sub-national engagement (4 of 12 responding countries). In **Spain**, The Sectorial Conference for the 2030 Agenda is a consultative and cooperation body between the General State Administration, the Autonomous Communities, the Autonomous Cities of Ceuta and Melilla, and the Local Entities. The Sectorial Conference for the 2030 Agenda has the capacity to adopt joint plans, of a multilateral nature, to commit joint actions to achieve the common objectives within the framework of the 2030 Agenda. Furthermore, the establishment of a Sectorial Commission as an advisory body allows to collect decentralised institutions' contributions to the efforts in promoting the SDGs. Some countries such as **Sweden** have a high degree of local and regional self-government that is responsible for most of the SDGs. As a result, mechanisms for sub-national engagement as a part of PCSD are less of a priority.

The SDGs are also being used to incentivise better collaboration between national and subnational governments, referred to as vertical coherence or multi-level governance (MLG) (Box 2.8). Voluntary Local Reviews (VLRs) on the SDGs contribute to both local-level and vertical coherence. These reviews have

become increasingly popular, but observed a decrease in 2022: in 2018, nine VLRs were presented at the HLPF; 11 in 2019; 21 in 2020; 49 in 2021, and 29 in 2022. The UN supports the VLRs with among others guidance (UN DESA, 2020^[33]). A review of VLRs (UN DESA, 2021^[34]) highlights examples such as the establishment in Cabo Verde of 22 Local “Platforms” as multistakeholder spaces to link national and local SDG strategies. In Spain, the Network of Local Entities for the 2030 Agenda, integrating 317 local entities, aims to promote the coordination of actions towards the implementation of the 2030 Agenda at the local level.

Box 2.8. Multi-level governance for sustainable development

Although levels of government within a country are usually legally and politically separated, they are still intertwined and related in a multi-level governance (MLG) arrangement. Active multilevel governance has shown to be beneficial for addressing global challenges such as urban sustainability. An example is sustainable production and consumption (SDG 12).

Multilevel governance can take different forms, under different governance styles. Successful multi-level governance and enhanced vertical coherence call for adapting inter-governmental roles and aligning institutional frameworks to improve the quality of public services and the effectiveness of public investment. It also calls for adequate data coupled with robust mechanisms for accountability, monitoring and evaluation.

More broadly, sustainability multi-level governance requires combining top-down and bottom-up relations and also horizontal relations. The specificities of each level – including cultural (values and traditions) preferences – necessitate a sufficient level of flexibility, also in legal terms, on all levels, and even an ‘exit clause’ for the lower levels has been proposed in order to accommodate innovative initiatives. It could be argued that each level of government should have the possibility to develop governance arrangements which are tailor-made to both the area and to the type of challenges.

Source: (OECD, 2020^[35]), The multilevel governance of the Sustainable Development Goals, Chapter 4, <https://doi.org/10.1787/e86fa715-en>

2.7. Engaging Stakeholders Effectively

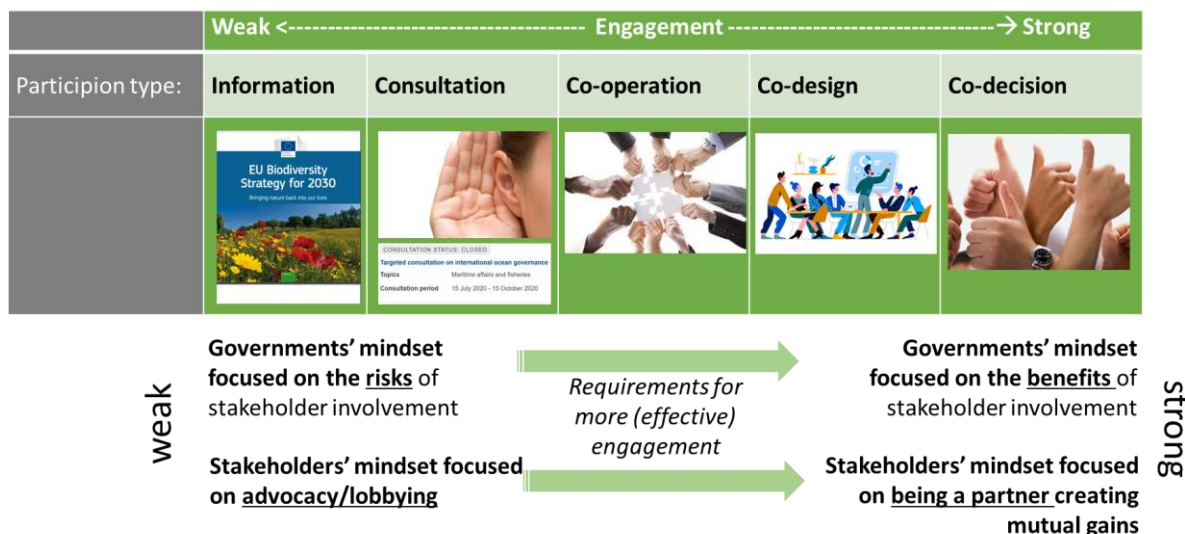
Engaging proactively with stakeholders in all phases of the policy cycle, including through the exchange of knowledge and expertise, helps to ensure a holistic perspective on global challenges and sustainable development priorities. It also helps to give voice to diverse interests, identify potential trade-offs, raise public awareness and create ownership. Engaging stakeholders and understanding their needs is in the self-interest of governments because it normally ensures a broader range of solutions, practical knowledge beyond scientific evidence, and more support for political decisions. The OECD Reinforcing Democracy Initiative (RDI) indicates that this is particularly important in a context of low levels of trust in government and dissociation of some groups of citizens from traditional democratic institutions (OECD, 2022^[36]).

Not involving stakeholders in determining the knowledge base for policymaking (‘joint fact finding’) can result in long-lasting disputes on the validity of the evidence underpinning the decisions. Stakeholder participation may bring more conflicts into the policy process, but this can be mitigated by organising deliberations based on the mutual gains approach to negotiations and other co-creation tools. Policies are more likely to be implemented if they incorporate mutual benefits for all parties and create a sense of ownership through engagement of diverse stakeholders.

Enabling effective stakeholder engagement implies that all stakeholders should have fair and equitable access to the decision-making process in order to balance the policy debates and avoid capture of public policies by narrow interest groups. A coherent implementation of the SDGs requires mechanisms for engagement whereby governments and stakeholder can come together to identify common challenges, set priorities, contribute to the development of laws and regulations, align initiatives and mobilise resources.

While stakeholder engagement may slow down the early stages of, policy making but can result in acceleration of later phases. This is not only the case for national challenges but also for issues with a global and transboundary character. It is important to make an explicit, transparent decision on the level of stakeholder engagement during a policymaking process, not only because of management of expectations, but also because the different options are related to different mindsets (Figure 2.10).

Figure 2.10. Different levels of stakeholder engagement and related mindsets



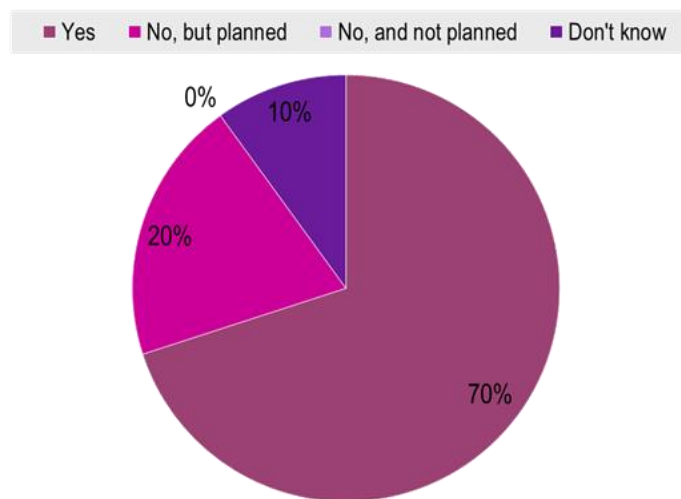
Note: The five levels of stakeholder participation are also referred to as: *inform, consult, involve, collaborate and empower*.

Source: (Meuleman, 2022^[37]), 'From Action Plan to Implementation, and from Policy to Governance'. Presentation at the International conference: The National Action Plan for the implementation of Romania's Sustainable Development Strategy 2030.

Results from the survey conducted in 2022 on institutional capacities for PCSD, confirm that stakeholder engagement is both widespread and implemented through a diverse range of mechanisms. All responding countries report using mechanisms for engaging national and sub-national stakeholders in the support of PCSD and its implementation, including marginalised and vulnerable groups (Figure 2.11). Workshops were the most commonly reported mechanisms used for stakeholder engagement (more than half of surveyed countries), and encompassed a number of different formats. Including:

- Consultations and co-working for the preparation of VNRs, sustainable development strategies (e.g. for 2030), and sub-national programmes
- Workshops on the methodology and usage of government PCSD tools, notably on impact assessment frameworks/checks
- OECD led workshops on PCSD
- Events to bring together different CSOs

Figure 2.11. Has your country developed initiatives, at national level, to engage marginalised and vulnerable groups proactively in the policy-making process?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document

Many countries such as **Canada** (Box 2.9) employ a range of different mechanisms that enable engagement with different stakeholder groups. Innovative technologies are increasingly being harnessed to engage with a wider range of stakeholders and exchange information, knowledge, and practices to promote sustainable development. For instance, **Spain** has created a virtual platform, *El Día Después*, to enable transformative partnerships (SDG 17) through facilitated communication between actors from civil society, academia, and decision-makers. **The Netherlands** has established sectoral voluntary agreements bringing together business, trade unions, and civil society stakeholders to promote Responsible Business Conduct. Agreements have raised awareness of standards and encouraged dialogue and exchange on better business practice (OECD, 2023^[38]).

A range of different initiatives are described in the provided examples. These include:

- Councils of Government for marginalised and vulnerable groups
- Consultation and representation in major stakeholder groups, whose inputs contribute to sustainable development policies and plans
- Government operating grants for organisations whose main task is to bring the voice of marginalised or vulnerable groups into decision-making
- Action plans, strategies, and bills that mainstream the principle of leaving no one behind in public policies

Box 2.9. Canada: Stakeholder Engagement

Ad-hoc conferences with experts

Government of Canada representatives participate on an ad-hoc basis at conferences hosted by Canadian civil society and private sector organisations or universities focused on sustainable

development, in order to share information and encourage better effectiveness in line with evidence-based best practice.

Similarly, experts participate on Canadian delegations at numerous international and multilateral conferences, including the Economic and Social Council (ECOSOC) High Level Political Forum on Sustainable Development to ensure that Canada represents multistakeholder perspectives in these forums, increasing policy coherence across various sectors.

Conferences/national workshops with participation from interest groups and CSOs

Together|Ensemble is Canada's annual national conference devoted to tracking progress on the United Nations Sustainable Development Goals (SDGs). The conference represents an all-of-society approach to addressing Canada's toughest sustainable development challenges, bringing together the private sector, academia, government, and civil society.

Online consultations

In June 2019, Canada released Towards Canada's 2030 Agenda National Strategy. This was an important step to move the 2030 Agenda forward. As a first step toward the National Strategy, it drew on extensive public consultations and in-person feedback. More than 2,500 Canadians took part in events in more than 30 cities across all provinces and territories. The consultation process reached almost 42,000 people online. The results showed support among Canadians for the SDGs – and underlined the substantial work needed to increase awareness of the 2030 Agenda. More recently, to develop its first whole-of-government and whole-of-society annual report – *Taking Action Together: Canada's 2021 Annual Report on the 2030 Agenda and the Sustainable Development Goals* (released July 2022) – Canada gathered input from stakeholders and partners through online consultations. The report highlights initiatives across Canada by all levels of governments, Indigenous Peoples, a wide range of civil society organizations, the private sector and academia that contribute to advancing the SDGs at home and abroad.

Global Affairs Canada has established regular consultations with civil society partners and other stakeholders as part of the implementation plans for various strategies and policies related to sustainable development. Various methods of consultation are used to connect with stakeholders on regular and ad-hoc bases. Furthermore, on March 11, 2022, Canada released the 2022 to 2026 Federal Sustainable Development Strategy for a 120-day public consultation period (ending July 9, 2022). The consultations feature various online methods for reaching Canadians including social media, an engagement website, an electronic version of the strategy and a series of public webinars.

Social media platforms

Communications and engagement with Canadians through Canada's dedicated webpage to the implementation of the 2030 Agenda⁴ and social media directly support the three following goals:

- broaden public awareness of the 2030 Agenda and the SDGs in Canada
- support and inspire partners and stakeholders to take action on the SDGs
- drive the online conversation on the Government of Canada's progress on the 2030 Agenda.

Systematic collection of the inputs of sub-national government entities

For the first Canada's Annual Report on the 2030 Agenda – *Taking Action Together: Canada's 2021 Annual Report on the 2030 Agenda and the Sustainable Development Goals*, a consultation with provinces and territories has been conducted to collect input on initiatives contributing to achieving the SDGs. As part of the consultations on the draft 2022 to 2026 Federal Sustainable Development

Strategy, Environment and Climate Change Canada engaged with the provinces and territories to encourage their review and feedback.

Source: (Government of Canada, 2021^[39]; Government of Canada, 2019^[40])

Links with stakeholders can be an opportunity to boost government capacity in specialist areas. For example, strengthening the role of Universities by involving PhD students working on PCSD to conduct studies and link their findings to practical policy making.

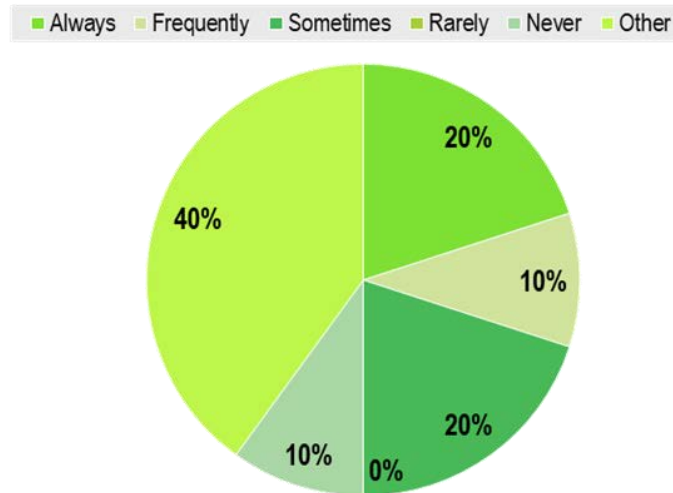
2.8. Analysing and Assessing Policy Impacts

The increasing interconnectedness of global challenges require governments to step up efforts and develop mechanisms to anticipate and address unavoidable impacts of their policies on other countries and globally. However, identifying, assessing and monitoring transboundary impacts present particular challenges due to their pervasive nature. They include limited or no data at appropriate stages of the policymaking process; capacity to interpret the data and establish clear causal links between actions in one country and effects in another country where often externalities are not linear; and national (political) interests that do not necessarily consider the circumstances and needs of countries in other parts of the world (OECD/EC-JRC, 2021^[41]). The survey findings also indicate that, overall, there is still a lack of awareness of the need to consider transboundary impacts in policymaking. Indeed, only 9 out of 25 examined countries have a requirement to analyse transboundary impacts in policymaking (Figure 2.1).

Efforts in the United States to tackle the climate crisis and counter corruption acknowledge that sustainable development is not a zero-sum game (OECD, 2022^[42]). Yet, while it has a long-established mechanism for analysing the consequences and effects of regulations on Americans, it does not systematically assess the impacts on development co-operation objectives or developing countries (OECD, 2022^[42]). Achieving policy coherence requires a strategic vision, political leadership and effective mechanisms including tools to identify and address negative spill over effects.

Having the necessary mechanisms, capacities, tools and data for assessing policy impacts can be used to inform decision-making, increase positive impacts and avoid potential negative impacts on the sustainable development prospects, including those of other countries. Impact assessment tools are the primary mechanism used to achieve this PCSD guiding principle. (Figure 2.12).

Figure 2.12. Describe how regularly impact assessments on sustainable development are carried out when developing policies (ex ante) in your country?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document

Based on the experience of conducting impact assessments in a wide range of areas, common challenges could be highlighted in the use of qualitative approaches to assess, monitor, and evaluate the impacts of policies. They can include but not limited to gaps in data availability, quality, consistency and comparability; challenges with data integration from different sources and disciplines (e.g., social, economic, and environmental data); privacy and ethical concerns, particularly when dealing with personal-level data; as well as resource constraints, which can affect the quality and comprehensiveness of the data used in the assessment. Other challenges can include methodological limitations, given that selecting appropriate methods and integrating them effectively can be challenging, especially when addressing multidimensional and interconnected sustainability issues; difficulties with stakeholder engagement, which can be time-consuming and may face challenges such as power imbalances, conflicting interests, communication barriers and resource constraints; difficulties in identifying acceptable trade-offs between social, economic, and environmental dimensions, policy and institutional barriers; and complexity and resource-intensity of monitoring and evaluation efforts. These can place higher demands in terms of resources and capacities than some of the other guiding principles for PCSD.

Another challenge is ensuring that assessment and evaluation is a systematic process. For example, in some legislative proposals transboundary impacts are most likely assessed, but this is not part of regular RIA procedure. At the same time, many aspects that are at the heart of sustainable development are assessed in the RIA process (environmental, social, economic impacts), but those are not labelled explicitly as an assessment of impacts on sustainable development.

Addressing these issues requires a combination of technical expertise, stakeholder collaboration, and commitment to the principles of sustainable development. For example, to help close data gaps, countries can employ various strategies, such as leveraging partnerships and collaborating with local organisations, and research institutions, utilising technology, ensuring consistent data collection methodologies and reporting standards, employing data aggregation or disaggregation techniques, and developing data management plans and protocols that address privacy and ethical concerns, while ensuring transparency and accountability in data use. More broadly, conducting effective RIAs calls for interdisciplinary collaboration to combine different approaches and perspectives, addressing the multidimensional nature of sustainability issues. It also calls for capacity building and training opportunities to empower marginalised or underrepresented stakeholders, leveraging partnerships with external organizations, such

as Non-Governmental Organisations (NGOs), employing transparent and participatory decision-making processes that allow for open dialogue and negotiation between stakeholders, fostering cross-sectoral collaboration and coordination between different government agencies to ensure a more cohesive policy environment, and establishing clear objectives, indicators, and targets for the RIA process, allowing for the systematic assessment of progress and effectiveness. Recognising these challenges can allow countries to work towards more effective and robust RIAs, ultimately contributing to better decision-making and more sustainable outcomes (OECD, 2010^[43]).

Requirements for impact assessments can be included in sustainable development Acts, such as in **Korea**:

- Article 10 of the Sustainable Development Act stipulates, “The State and local governments shall endeavour to make the administrative plans and policies that they formulate pursuant to other statutes consistent with the basic principles prescribed in Article 49 of the Framework Act on Low Carbon, Green Growth and the basic plans for sustainable development prescribed in Article 50 of the same Act.”
- Article 11 of the Sustainable Development Act stipulates, “The head of a central administrative agency, who intends to enact or amend any statute, the contents of which may affect sustainable development, shall notify the Committee of the contents thereof.”
- Article 13 of the Sustainable Development Act stipulates, “The Sustainable Development Committee under Article 15 shall evaluate national sustainability every two years with the sustainable development index.”

Implementation can also be encouraged through the use of template and guidelines, such as in **Greece**. The new Regulatory Impact Assessment (RIA) Manual and Template adopted by the Presidency of the Government in 2020, which accompanies all draft laws and secondary legislation of major socioeconomic importance, addresses, inter alia, the potential transboundary dimensions and impacts of the proposed regulatory measures. In a similar vein, the new Manual and Template on Ex-post Evaluation of Legislation, to be published by the Presidency of the Government, examines, among other things, the extent to which the existing legislation has transboundary implications and contributes to the achievement of the SDGs, at national and international level. In addition, Greece has set up, within the Presidency of the Government established by the Executive State law in August 2019, a monitoring and review mechanism responsible for measuring progress towards the implementation of the whole government programme and public policies, including measures and actions with transboundary aspects and implications.

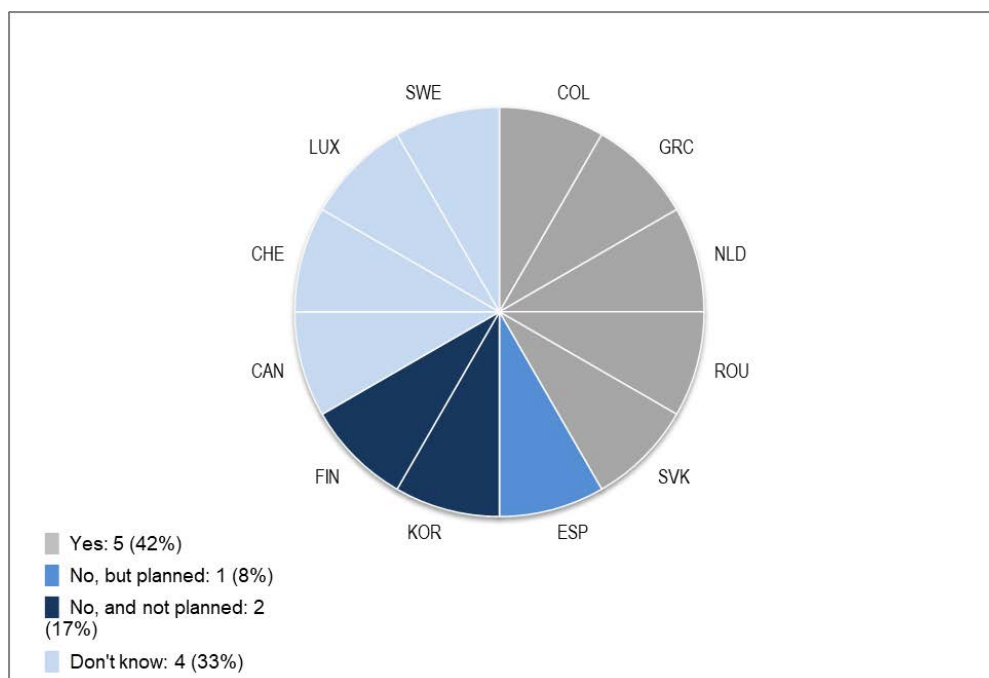
Indeed, RIA and ex post evaluation mechanisms can serve as excellent means to bring in the available evidence and assess the impacts of different options for new policies and legislation. Where sustainable development has become the over-arching policy framework in many countries in all global regions, an in the European Union, integration of the SDGs in IA and evaluation could be a logical next step, particularly as part of the governance of global and transboundary challenges. Good practice is emerging in the EU, where the European Commission in April 2021 announced that it will make reference to all relevant SDGs mandatory in all its Impact Assessment procedures and evaluations (European Commission, 2021^[44]). This aims to ensure a comprehensive, whole-of-government approach to knowledge for policy at the EU level. Yet, in most OECD countries, such an integration of SDGs and regulatory impact assessment is not yet established. Good practice exchange between EU countries has stimulated many of them to revise their RIA systems and guidelines (ps4sd, n.d.^[45]).⁵

Half of the surveyed countries report having requirements to conduct analysis of transboundary impacts when implementing legislation/regulation/policies/programmes (Figure 2.13). Mechanisms and requirements for conducting analysis of transboundary impacts, applied for example to policies, regulations, and draft laws **vary by country in basis, focus, and the scale** of transboundary impacts assessed. Foundations for the different reported requirements include:

- EU directives

- Requirements by law
- Regulatory impact assessment manuals and templates, which accompany draft laws and secondary legislation of major socioeconomic importance
- Mandatory quality requirements within impact assessment frameworks, which can be applied at any time during the policy process
- Documents produced by national councils for economic and social policy

Figure 2.13. Are there requirements to conduct analysis of transboundary impacts when implementing legislation/regulation/policies/programmes?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document

Some country responses specify the SDGs (1 of 5) or environmental impacts (2 of 5) as the focus of their assessments of transboundary impacts, whilst others maintain a broad focus. In terms of scale, one country reports requirements which are focused on border effects. These are the consequences that arise mainly in border regions, due to the proximity of the neighbouring country and the importance of daily activities across the border. For instance, the influence of different excise duties on the choice to buy goods in neighbouring countries.

Besides capacity, having sufficient knowledge about the national impacts of global and transboundary challenges, and the impact of national challenges on other countries, is a precondition for effective governance. It may be efficient to organise evidence to inform policymaking decentralised, i.e., in each ministry, but this can only be effective if there is a common agreement across ministries about minimum quality requirements of the knowledge to be used.

Moreover, how transboundary or global an issue is may change over time. Sometimes, national problems start having international consequences. In the aftermath of the financial-economic crisis of 2009 the European Commission initiated a successful annual cycle of economic governance review and dialogue with all its member states to jointly tackle issues. This 'European Semester' (European Commission, n.d.^[46]) has from the beginning in 2011 applied a problem-based dialogue approach on economic and

social challenges, and meanwhile also covers progress on the SDGs. Instead of asking who is responsible to solve a pressing problem, the focus lies on analysing the problem, their components, and the relevant actors. In the Semester country reports, the EU presents good practice examples from its member countries and suggests solutions, regardless of whether problem or solution is formally an EU competence.

The OECD clusters issues that transcend borders along five transboundary flows. They are the main channels through which domestic policies and development patterns of individual countries directly affect both countries 'elsewhere' and global public goods (Table 2.1). (OECD/EC-JRC, 2021^[41])

Table 2.1. Examples of indicators by transboundary flows

Financial flows	Movement of people	Trade flows	Environmental flows	Knowledge transfer
Official development assistance (ODA)	Foreign born population, stock	Value-added embodies in trade flows	CO ₂ emissions	Patent applications
Foreign direct investment (FDI)	Refugee population, stock	Total value of export and import	Material footprint	Industrial design applications
International remittances	International tourists, flow	Imports from developing countries	Trade of environmentally related goods	Charges for the use of the intellectual property
Other Private transfers	International students, flow	Human rights risks embodied in trade	Red List Index	Trademark applications
Philanthropic transfers			Forest area	Government support to R&D
			Trade in waste and scrap	

Source: (OECD/EC-JRC, 2021^[41]), Understanding the Spillovers and Transboundary Impacts of Public Policies: Implementing the 2030 Agenda for More Resilient Societies, <https://doi.org/10.1787/862c0db7-en>

More generally, while a number of different initiatives and methodologies exist to measure transboundary impacts, limitations remain. Some consider the effects on sustainable development only in the broad sense, or within an SDG context but only from the perspective of a single country. Others, for instance from the UNECE/Eurostat/OECD Task Force on Measuring Sustainable Development (TFSD), have developed comprehensive conceptual frameworks, but have yet to be operationalised with a full set of indicators.

Finally, whilst some countries have adapted the TFSD framework for the development of their own sustainable development frameworks, national statistical systems primarily focus on what happens within national borders, and their measurement of transboundary phenomena such as trade or migration is mainly directed towards measuring the size of the in/outflows, rather than their impacts. Domestic-level indicators thus need to be complemented by measures of economic, social and environmental externalities imposed beyond national borders. This implies, for example, looking at the extent to which consumption in a country is depleting stocks of natural resources in other countries, or the extent to which existing terms of trade undermine other countries' ability to develop sustainably. Nevertheless, existing initiatives provide a wealth of concepts and suggested indicators on which a comprehensive global model for measuring transboundary impacts can be based.

The alignment of such governance tools with global agendas such as climate and the SDGs, which are integrated, universal and transformative in nature, provides a solid basis for collective and coherent action to address global challenges. Regular reporting on SDG implementation by countries across the world, e.g. through the common Voluntary National Review (VNR) process, and new innovative digital tools for processing and visualising this data bring additional opportunities for governments to strengthen their capacities to ensure policies that systematically integrate global considerations into domestic policy making.

2.9. Strengthening Monitoring, Reporting and Evaluation systems

Governments need now more than ever robust monitoring, reporting and evaluation systems to inform the design of coherent strategies for addressing interconnected global challenges and accelerating progress on the SDGs. Monitoring, reporting and evaluation need to be used more proactively to assess how policies are performing in pursuing sustainable development and to ensure that policies can be effectively implemented and adjusted to maintain their coherence over time. Monitoring and evaluation: Regular monitoring and evaluation (M&E) of public policies is essential for maintaining coherence. M&E frameworks should include clear objectives, indicators, and targets that allow for the assessment of policy effectiveness and alignment with overall goals. Feedback loops should be established to ensure that findings from M&E activities inform policy adjustments and improvements.

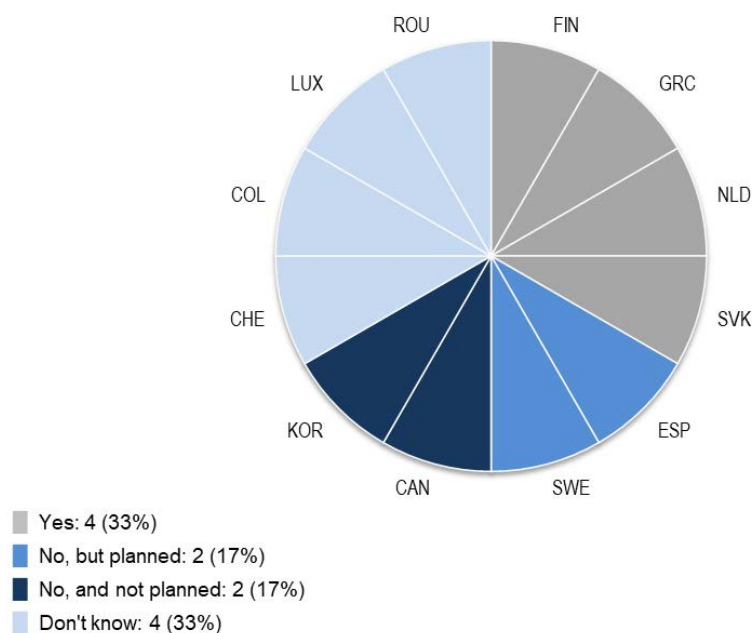
Collecting qualitative and quantitative evidence and data and building capacity to measure policy impacts, including transboundary and long-term impacts is indispensable to enhance policy coherence for sustainable development.

Measuring policy coherence represents a major challenge to all countries. Even the global SDG indicator 17.14.1 which focuses institutional mechanisms for promoting policy coherence lacks data. It has data available only for 27 countries. Measurement of transboundary effects and long-term impacts on sustainable development remain challenging. It requires significant resources and models which would be based upon assumptions that have not yet been validated. It entails looking at economic social and environmental variables where the externalities are not linear. Estimating these types of effects requires the use of data and models, which themselves contain uncertainties. It is also difficult to aggregate or to compare the various aspects of sustainable development, since they occur in different time scales

Less than half of the surveyed countries reported using indicators or other available data to monitor transboundary impacts (Figure 2.14). Examples included:

- Environmental indicators (e.g. air pollution)
- National indicators for sustainable development, which include a sub-set of indicators labelled as "Global responsibility and policy coherence".
- A monitoring and review mechanism responsible for measuring progress towards the implementation of government work and evaluating systematically strategic public policies and reform measures, including those which are closely related to the SDGs and have a transboundary dimension, on the basis of robust, high-quality and quantified evidence.
- A set of specific national indicators for the SDGs with a view to monitoring the quantitative progress made towards the achievement of the 17 SDGs at national level. These SDGs national indicators, which reflect the economic, social, environmental and institutional aspects of the SDGs, including their potential transboundary dimensions and implications, are subject to regular revisions, based on the available official statistics and data.

Figure 2.14. Does your country monitor transboundary impacts using indicators or other available data?



Source: The 2022 Survey on Institutional Capacities and Tools to Enhance Policy Coherence for Sustainable Development (PCSD) is an unpublished internal document

Greece for example has established, within the Presidency of the Government, a robust and comprehensive monitoring, reporting and review mechanism, which measures progress towards the effective implementation of government work and evaluates systematically strategic public policies and reform measures, including those which are inextricably linked to the SDGs and promote policy coherence for sustainable development, on the basis of reliable, high-quality quantified evidence and data. **In the Netherlands**, the Dutch Ministry of Foreign Affairs' Policy and Operations Evaluation Department conducts regular evaluations that specifically consider the cross-border aspect of Dutch policies. These evaluations have covered various policy measures such as taxation, trade, and responsible business conduct. A recent evaluation examined the cross-government action plan on policy coherence.⁶

The General Secretariat of Coordination (GSCO) of the Presidency of the Government, which is responsible for ensuring the effective coherence of the entire government work and the coordination of the whole policy cycle, including the design, monitoring and evaluation of public policies, supports the ministries to formulate their Annual Action Plans that contain sectoral and horizontal actions, projects and measures aimed at implementing their public policies on a yearly basis. The GSCO makes sure that the policy measures and actions included in the Annual Action Plans are coherent and aligned with the country's strategic national priorities and international obligations, a set of which being the 2030 Agenda and the SDGs. Progress reports on the formulation and implementation of the Action Plans are submitted, on a regular basis, to the Prime Minister and the Council of Ministers. Moreover, sustainable development is piece and parcel of the National Reform Plan updated on a yearly basis and regularly monitored and reported on.

The whole monitoring and reporting process is performed by using a special Management Information System, called "MAZI", in which all the implementation details, including responsible parties, deadlines,

deliverables and intermediate milestones, are stored. The evaluation of public policies involves, inter alia, setting target values for key performance indicators measuring the immediate output or long-term outcome of the policy goals that have been set by the Government program, including policy coherence for sustainable development. The GSCO monitors the achievement of these target values within the agreed timeframe and cooperates closely with the ministries to examine and evaluate the performance of their policies in view of their short-term and long-term objectives, both in the context of an ex-ante and ex-post evaluation process.

2.10. Policy insights: Mechanisms, tools and capacities for PCSD to address global and transboundary challenges

This chapter has aimed to show that the application by governments of mechanisms, tools and capacities for PCSD can make countries more prepared for and resilient to global and transboundary challenges. The following insights emerge for policy action to apply PCSD principles throughout the policy cycle to cope with multiple global challenges, their interconnections and their economic, social and environmental consequences.

2.10.1. Strengthening institutional mechanisms for managing global solutions to global challenges

Strengthen national institutions to make them fit to go global, by:

- Moving from a 2030 perspective (medium-term) towards a 2050 perspective (long-term) when planning for and reporting on sustainability transformations. Inter-generational principles and indicators as well as age-disaggregated data are useful means for planning, implementing and reporting on long-term measures on PCSD.
- Defining and adopting priorities, time-bound actions or key performance indicators to monitor the implementation and strengthen enforceability of agreed-upon PCSD measures.
- Establishing functional mechanisms to tackle silo-thinking between and within government departments and agencies.
- Engaging stakeholders for a broader range of solutions and for more buy-in and support for political decisions.
- Ensuring a communication strategy and initiatives across multiple channels to keep both citizens and the whole government informed and aligned with the government's strategic view on implementing the SDGs and expected outcomes of a policy area.
- Considering that national action in a multilevel global governance environment should consider the impacts of policies 'here and now', 'elsewhere', and 'later'. This includes more systematic mapping of critical interactions (synergies and trade-offs) across policies in the implementation of the SDGs, as well as analysis of unintended impacts (positive or negative) of policies not expressly intended to promote the SDGs.

2.10.2. Governance tools for sustainable development

Make use of tools for bringing about the necessary measures and changes, by:

- Establishing foresight mechanisms to ensure the knowledge to integrate the long-term dimension in policies.
- Using systems thinking and design thinking tools to support the analysis of systemic problems, and use these tools in a cross-sectoral setting, and with involvement of stakeholders.

- Taking global and transboundary challenges into account in budgeting, public procurement, the work of supreme audit institutions, and other financial tools, institutions and mechanisms.
- Integrating global and transboundary impacts in the rules for regulatory impact assessment (RIA) mechanisms and ex post evaluation mechanisms.
- Investing in international regulatory co-operation (IRC) to collectively ensure that domestic policy making does not negatively affect other countries or global commons.
- Expanding the use of monitoring and reporting tools to consider the international and transboundary dimension of sustainable development;
- Utilising the online OECD PCSD Toolkit, which contains many tools and methods to support governments in addressing global and transboundary challenges, such as SDG Synergies, iSDG model and SDG Interlinkages Analysis & Visualisation Tool, to identify the most important interactions between SDG goals and targets at different policy areas.

2.10.3. Civil service capacities

Being a responsive, proactive and professional national actor in multilevel settings requires domestic government capacities and tools beyond, for example, having established an international unit. This requires skills and capacities, such as proposed in the OECD report on Building Capacity for Evidence-Informed Policy-Making. A range of learning and development opportunities helps civil servants to anticipate and address cross-cutting and global issues. They need the skills to tackle complexity, the capability to bridge silos, and the knowledge and experience to apply all available governance tools.

Invest in capacity through dedicated learning and development, by:

- Establishing a dual leadership development approach, investing at the same time in top leadership for sustainable development in global challenges, and in participatory leadership training for civil servants to lead in their policymaking and implementation programmes.
- Investing in the ability of governments to connect domestic policymaking and implementation with global and transboundary challenges, for example by fostering knowledge exchange between Foreign Affairs ministries and domestic-focused line ministries.
- Investing in capacities and tools to stimulate effective transboundary and international collaboration in response to global challenges, including, at the personal level, language skills, cultural sensitivity, negotiation skills, and communication skills.
- Developing dedicated and tailored SDG training courses for civil servants at different level of seniority.

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Notes

¹ Austria, Belgium, Canada, Colombia, Czech Republic, Denmark, Estonia, Finland, Germany, Greece, Ireland, Italy, Korea, Luxembourg, Mexico, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and Switzerland

² Canada, Colombia, Finland, Greece, Luxembourg, Netherlands, Slovak Republic, Spain, Sweden, Switzerland, Republic of Korea Romania

³ Strategic foresight is indispensable for achieving resilience. Strategic foresight is a structured and systematic way of using ideas about the future to anticipate and better prepare for change. It is not about predicting the future; it explores different possible futures alongside the opportunities and challenges they might present. It uses the techniques of horizon scanning, megatrends analysis, scenario planning and visioning. Foresight can support government policymaking by better anticipating changes that could emerge in the future, revealing options for experimentation with innovative approaches, and by futureproofing of existing or proposed strategies and policies. See <https://www.oecd.org/strategic-foresight/>

⁴ <https://www.canada.ca/en/employment-social-development/programs/agenda-2030.html?msclkid=5400db38b82c11ec9a5af81e343a27da>

⁵ See e.g., the project Peer 2 Peer for Sustainability in Regulatory Impact Assessment with peer learning workshops on mainstreaming SDGs in RIA in around twenty EU countries.

⁶ OECD DAC Peer Review publication forthcoming (2023)

3

Developing policy coherence frameworks for a sustainable use of ocean resources

The expectation that ocean's economy could double in size by 2030 could pose both pressures for ocean health and human well-being as well as significant contributions to achieving the SDGs, depending on how critical trade-offs will be managed. This chapter intends to inform policy-makers on how Policy Coherence for Sustainable Development (PCSD) offers a set of governance mechanisms, processes and tools that help governments in integrating sustainability in the management and use of the ocean, seas and marine resources. It provides an inventory of concrete policy instruments and tools that countries applied to strengthen coherence and integration of the economic, social and environmental dimensions of sustainable development in decision making for ocean-related sectors across levels of government.

3.1. Introduction

The ocean is an essential global resource for sustainable development and human well-being. For instance, it is an important source of protein and food security, and holds an abatement potential of more than 20% of the emission reduction that is required to achieve a 1.5°C trajectory by 2050 (Ocean Panel, 2020^[1]). The ocean economy is defined by the OECD as the sum of the economic activities of ocean-based industries, together with the assets, goods and services provided by marine ecosystems (OECD, 2016^[2]). This definition recognises that the ocean economy encompasses ocean-based industries – such as shipping, fishing, offshore wind energy and marine biotechnology – but also the natural assets and ecosystem services that the ocean provides – fish, CO₂ absorption and the like. The two pillars of the ocean economy are interdependent in that much activity associated with ocean-based industry is derived from marine ecosystems, while industrial activity often impacts marine ecosystems. Ocean-based industries are now rapidly growing. The global ocean economy represented by only ten industries is already valued at around USD1.5 trillion per year, and could double in size by 2030 (OECD, 2016^[2]). According to the High-Level Ocean Panel, this could lead to dramatic increases in services from the ocean, including 12 million new jobs by 2030, the equivalent of jobs in renewable energy worldwide in 2020, 40 times more renewable energy by 2050. With these projections, a sustainable ocean economy is a means for progressing on many of the 17 SDGs of the 2030 Agenda (Griggs et al., 2017^[3]).

However, increasing unsustainable economic activity in the ocean is deteriorating its health and constraining the potential of the ocean economy. The combining pressures of rising sea levels and temperatures, acidification, pollution, overfishing, and habitat loss threaten the health of the ocean, and impacts on human well-being, livelihoods, societies and the wider economy and security follow as resources are being altered.

Governments need to strengthen their capacity to balance competing interests and address fundamental trade-offs between conservation and use of ocean resources. For instance, the expected acceleration of off-shore wind farms activities could spur SDG 7's achievement (renewable energy production) while potentially generating a negative impact on other sustainable development goals, related to ocean conservation (SDG14) and income generation (SDG 8) by limiting access to fishing areas or reducing the attractiveness of tourism and recreational facilities. In order to avoid the situation that a growing ocean economy further compromises ocean health and to avoid social tensions that could arise from mismatching ocean-related social, economic and environmental considerations, governments need support of data, management tools and governance instruments to weight groups' interests that account for the multiple objectives of the ocean economy. As a growing number of countries select sustainable ocean economy as their priority, the PCSD principles can inspire governments in formulating ocean economy strategies and related governance arrangements that reconcile competing impacts on SDGs and socio-economic interests as well as those on neighbouring and developing countries, while reducing overlaps and fragmentation across policies and stakeholders.

Following this Introduction, Section 2 in this chapter describes the potential and expected growth of the ocean economy, pressures related to its expansion, and how balancing the two requires coherent and integrated approaches to policy-making. Section 3 showcases critical interlinkages related to the ocean economy and draws an inventory of existing tools, policy instruments and governance settings to strengthen coherence and account for those interlinkages. It closes by assessing the impact of some of those instruments and proposes some promising research and policy innovation areas as next step towards policy coherence for sustainable ocean economies.

This chapter draws on the OECD's expertise and seeks to complement OECD work on governance issues related to the sustainable ocean economy, by exploring ways in which PCSD can be applied to the ocean economy, strengthen a whole-of government and whole-of-society approach and foster integrated approaches in support of a sustainable ocean economy, ocean health and sustainable development at large.

3.2. Navigating a sustainable balance between conservation and use of ocean resources

3.2.1. The potential of the ocean economy

The ocean economy provides indispensable resources and services for addressing the economic, social and environmental challenges outlined in global agendas such as the 2030 Agenda for Sustainable Development, the Paris Agreement (OECD, 2021^[4]) and the Convention on Biological Diversity. This includes climate change mitigation, cleaner energy, employment creation, and food security.

The size of the global ocean economy is still undervalued. A conservative OECD estimate for 2010 estimates a total Gross Value Added (GVA) of USD1.5 trillion for ten sectors as a proxy for the ocean economy, equating to 2.5% of global GVA (OECD, 2016^[2]). Beyond refining estimates on ocean industries, marine ecosystem services will increasingly need to be taken into account (Jolliffe, Jolly and Stevens, 2021^[5]). For instance, coral ecosystems alone contribute an estimated USD 172 billion annually to the world economy through ecosystem services such as food and raw materials, recreation and tourism (European Commission, 2022^[6]) ((OECD, 2021^[7])). Covering a wide range of industries, including industrial marine aquaculture, offshore oil and gas, port activities and shipbuilding and repair, the European Commission estimated the ocean economy to represent 1.5% of the EU's GVA in 2019 and employing 4.5 million people (European Commission, 2022^[8]). Attempts to assess the contribution of ocean-based industries to national economy as a share of GDP vary considerably, ranging from less than 1% to 26% (OECD, 2016^[2]). In some parts of the world, the ocean economy, as a share of national GDP, is presumably considerably higher than in high-income countries. Asia alone is home to nearly 80% of the 37.9 million people around the world working with fisheries, followed by Africa with 13% and the Americas with just over 5% (FAO, 2022^[9]).

The ocean economy is projected to grow. The compound annual global value added (GVA) growth rate in ocean industries are projected at 3.5% between 2010 and 2030, reaching a GVA of USD3 trillion in 2030 (OECD, 2016^[2]). At the European Union level, the latest estimates showed a compound annual growth rate in GVA of 1.64% between 2009 and 2019 (European Commission, 2022^[6]).

Table 3.1. Projections of selected ocean industries' growth rates 2010-30 (before COVID-19 crisis)

Sector	Compound annual growth rate in global value added
Maritime and coastal tourism	3.5%
Ports	4.6%
Marine aquaculture	5.7%
Fish processing	6.3%
Offshore wind	24.5%
Average ocean economy	3.5%

Source adapted from (OECD, 2016^[2]), The Ocean Economy in 2030, <https://10.1787/9789264251724-en>

A growing ocean economy with potential for job creation, clean energy, and provision of services and resources for economic growth and human health, brings hopes for a “blue acceleration”. It also brings growing and competing interests for ocean food, material, and space and with it the risk of further compromising ocean health (Jouffray et al., 2020^[10]).

3.2.2. Pressures on Ocean Health

A healthy ocean is a prerequisite for both nature and people to see benefits from growth in ocean-based sectors and industries. For a sustainable ocean economy, it is also a boundary condition. Multiple

pressures already put strain on many ocean species and habitats and illustrate the impacts that must be taken into consideration to sustainably leverage the ocean economy's potential around the world.

The critical support functions of the ocean upon which human health and well-being and our climate system depend, are being affected by the combining pressure of acidification, rising sea levels and temperatures due to climate change; pollution; and overfishing, among others (IPBES Secretariat, 2019^[11]).

Climate change-induced sea-level rise is a major risk for coastal areas, directly impacting the natural and built environment with critical repercussions on coastal ecosystems. Key risks related to sea level rise include erosion, flooding and salinisation which are expected to increase in intensity and frequency. The latest IPCC estimates suggest that the global mean sea level (GMSL) will rise between 0.43 m and 0.84m by 2100, relative to 1986-2005, with important regional variations. Sea level rise, in combination with anthropogenic ocean warming and acidification, brings a major strain on ecosystems resulting in habitat contraction, loss of functionality and biodiversity, and lateral and inland migration. However, ocean warming and acidification are thought to have a greater impact on fisheries and aquaculture than sea-level rise. The current rate of ocean acidification is unprecedented within the last 65 million years.

Pollution from agricultural run-off and fertilisers, plastic, shipping, sewage, offshore oil and gas, chemical pollution and other sources is threatening species and marine habitats and makes its way into the food chain. In coastal areas, eutrophication caused by nutrient pollution has increased since 2016 and resulted in 700 "dead zones" worldwide in 2019. In 2021, a study estimated that more than 17 million metric tons of plastic entered the world's ocean, making up 85 per cent of marine litter. With an annual inflow of 4 million metric tons of mismanaged waste plastics from rivers and coastlines leaking into the ocean, projections estimate that this figure could reach 145 million metric tons by 2060. Because of large leakage during monsoon season, emerging economies in Asia are expected to be the primary source.

While fish consumption has increased between 1990 and 2018 wild catch fisheries production has been stable in this period and the increase in consumption of fish met entirely by aquaculture (FAO, 2022^[9]) Illegal fishing and harmful fishing practices add pressure to biodiversity and marine ecosystems (OECD, 2022^[12]) (IPBES Secretariat, 2019^[11]). In 2019, the fraction of fish stocks sustainably fished decreased to 64.6%, that is 1.2 percent lower than in 2017 (FAO, 2022^[9]), largely because of ineffective fisheries management and illegal, unreported and unregulated (IUU) fishing. Rapid urbanisation of coastal zones further aggravates pollution, habitat loss and resource pressure.

3.2.3. A Sustainable Ocean economy as a Policy and Governance Challenge

Facing interconnected and cascading pressures, ocean governance and the growth of the ocean economy, is an obvious case of the urgency to develop more integrated governance approaches. Policy coherence can help developing policies that respond to the web of interlinkages among multiple ocean-related sustainable goals, and that simultaneously use ocean resources for economic growth, improved livelihoods, and job creation, while allowing for preservation of the health of ocean ecosystems.

Policy coherence and whole-of-government approaches at global, national and subnational levels will be critical to address numerous risks and uncertainties related to oceans. As the ocean is large and far-reaching, three-dimensional and fluid, these characteristics makes the ocean economy – and its positive and negative, spatial or temporal, interlinkages - often difficult and expensive to monitor and overview, and therefore less known than land-based ecosystems (OECD, 2016^[2]). For instance, as species moving between coastal and offshore areas, can pose challenges for data collection and fisheries management. While legal frameworks such as UNCLOS are clear with regards to legal responsibilities, enforcement is not sufficient and some areas lack collective management of ocean resources, with negative impacts on economic activities beyond national jurisdiction. These ocean's specificities could entail increased competition between states for access to resources in the seas (OECD, 2016^[2]).

Global frameworks, conventions and partnerships¹ become important for ensuring that economic activities in the oceans respect environmental integrity (OECD, 2021^[4]). An important step in this direction is the United Nations Convention on the Law of the Sea (UNCLOS) as well as the High Seas treaty under UNCLOS signed in March 2023 (see Box 3.1)

Despite these progresses, fragmentation in international law risks creating conflicting and incompatible rules, principles, institutional practices and policies that work at across purposes, resulting into weak compliance, and lack of enforcement. Gaps in the ocean governance framework also translate in a plethora of different agencies looking after different activities and policy frameworks thus undermining holistic visions.

The SDG 14 as well as the Global Biodiversity Framework (GBF) emphasises the importance of further strengthening integrated programming and synergies vis-à-vis other multilateral agreements. For instance, the GBF recalls the importance of considering these commitments in the wider context of sustainable development rather than the achievement of the targets per se, in particular linking SDG 14 on life below water and 15 on life on land. Yet, most initiatives for achieving SDG14 have focused on the sustainability of ocean ecosystem and management, rather than the economic relevance of various ocean-based sectors and their interactions with land-based sectors.

Box 3.1. Tools to foster greater international co-operation in maritime governance, agreements, conventions, science and technology

Some experiences in international regulations and governance of the sea aim at encouraging a holistic vision across the different international agencies, policy frameworks and standards that apply to the ocean.

Many international initiatives are ongoing to address ocean governance challenges and support countries in their governance efforts. For example, the High Level Panel for a Sustainable Ocean economy (the Ocean Panel) was established in 2018, assembling Heads of States of sixteen countries which share the aim to manage sustainably 100% of their ocean area under national jurisdiction by 2025. Among its activities to help in ocean and coastal states to sustainably manage national waters by 2030, an initial guide was developed and launched in December 2021 (Ocean Panel Secretariat, 2021).

An example of regional ocean governance is the Organisation of Eastern Caribbean States (OECS) that aimed at supporting the establishment of Marine Spatial Planning (MSP) in the region by developing the framework for integrated marine planning and management for the islands in the Eastern Caribbean from 2020 to 2035. Another example of an inter-governmental policy platform for sustainable management of the sea is Helsinki Commission's (HELCOM) operating in the Baltic Sea region. The member states of HELCOM have developed a Baltic Sea Action Plan (BSAP) (first edition in 2007, updated in 2021) with measures to address environmental issues. This was sent out in a consultation process to regional stakeholders such as NGOs, local and regional authorities, research institutes, before adopted.

International statistical and methodological database help countries advancing in their integrated ocean management as well as undertaking international comparative analysis and sharing practices on the role of government policies and planning tools. For instance, advanced international platforms exist for the exchange of knowledge in the area of MSP. The Intergovernmental Oceanographic Commission (IOC) at UNESCO published an updated extensive guide with practical examples to develop maritime spatial plans (UNESCO, 2021^[13]). UNESCO-IOC also hosts a database (UNESCO-IOC, N/A^[14]) with literature and practical examples and country progress reports and forum for connecting MSP initiatives. EU also provides a database available on "the EU MSP Platform" (Commission, N/A^[15]) where MSP

literature and country practice examples can be found. Sharing approaches on Marine Protected Areas (MPAs), can also enhance transnational cooperation when MPAs out limit Exclusive Economic Zones (EEZ) and enter Marine Areas Beyond National Jurisdiction (ABNJ) as illustrated in the case of **Western Indian Ocean Marine Protected Areas Management Network (WIOMPAN)** (see Annex A).

The recently agreed High Seas Treaty within UNCLOS, (Biodiversity Beyond National Jurisdiction, BBNJ) also aims to fill gaps in ocean governance. 193 countries agreed that establishing MPAs to reach the “30x30 target” is key to safeguard and protect ocean biodiversity, which the Ocean Economy in turn relies on. While these measures are needed, particularly in small island nations and small island developing states (SIDS), as ocean pressures and competition for resources increase, this approach to safeguarding ocean health holds potential trade-offs with social and economic goals at the local level. The High Seas Treaty is expected to be the main mechanism for reaching the new target under the Convention on Biological Diversity’s (CBD’s) COP15, setting aside 30% of the world’s marine areas by 2030, the 30x30 target. This target was developed in response to failing to reach both the quantitative and qualitative target of 10% effective and representative protection outlined in SDG 14.5 and Aichi Target 11 (IUCN, 2022^[16]). The new recently agreed global treaty for the high seas under UNCLOS, (United Nations, 2023^[17]) addresses; 1) marine genetic resources, including questions on benefit-sharing, 2) area-based management tools, including marine protected areas, 3) environmental impact assessments (EIA) and 4) capacity-building and the transfer of marine technology (Tiller et al., 2023^[18]). Reaching the new target will require effective, representative and inclusive measures for marine conservation in the global common ocean (CBD, 2022^[19]). The international legally binding agreement will not be undermining already existing relevant bodies, legal instruments and frameworks in the ocean sphere, however it could highlight the importance of safeguarding biodiversity within them.

Sources: (IUCN, 2022^[16]; United Nations, 2023^[17]; Tiller et al., 2023^[18]; CBD, 2022^[19])

Despite increasing local progress in lowering the multiple pressures on ocean health, concerted efforts to protect and adopt solutions for sustainable ocean management must be intensified. For example, no parts of the world are close to, almost or entirely meeting SDG 14, as indicated by progress to increase the coverage of protected areas in relation to marine key biodiversity areas. (United Nations, 2022^[20]). Globally, countries are very far from, and progress is deteriorating in, meeting the target to increase the proportion of fish stock within biologically sustainable levels (United Nations, 2022^[20]). This lack of progress has implications for the health of the ocean, but also affects other SDGs as ocean sectors interlink with other policy areas (e.g. fisheries contribution to food and nutrition security). Given the nature of marine ecosystems, species and processes not being confined to nations' boundaries, progress cannot be achieved within one jurisdiction, thus creating a need for co-operation and for a global governance framework for the sustainable use of ocean resources.

Despite the evidence about critical interlinkages between ocean economy and the SDGs (see Box 3.2. Critical interlinkages between the ocean economy and sustainable development goals) and recognition to the need to balance competing interests and needs related to the use of ocean resources, governments continuously struggle with adopting more integrated and coherent approaches to decision- and policymaking. There are multiple reasons for this, including:

- **Fragmentation of policy frameworks**, given that ocean economy covers several sectors, including maritime transport, tourism, fisheries, aquaculture, offshore oil and gas and renewable energy. In many cases, these sectors are managed by different agencies and have different policy frameworks, with limited coordination. For example, agencies responsible for fisheries may have different objectives than those responsible for developing offshore energy projects, which could result in difficulties to develop integrated policies, capable of balancing different interests and promoting sustainable use of ocean resources.

- **Conflicting interests of different stakeholders**, such as fisheries and tourism which may compete for the same coastal area. PCSD would call for balancing these competing interests while preserving the sustainability of ocean resources. For example, tourism and fishing may use the same coastal areas, and as such would need approaches that balance these interests while minimising negative spillovers among them and negative impacts on sustainable development.
- **Limited data and difficulties to monitor and measure the ocean**, given its size, which can hinder decision-makers' capacities to make informed decisions. For example, gaps in data on fish populations could prevent developing effective fisheries management policies. Data are crucial also for stakeholders consultation and to clearly inform how different groups are impacted by transition measures and ways of mitigating the costs. Relevant constituencies need to be informed about the trade-offs and be involved in the decisions.
- **Gaps in governance and enforcement as well as the lack of international cooperation and coordination**, which can lead to unsustainable practices, overexploitation of ocean resources and challenges for managing transboundary issues, such as migratory fish stocks or marine pollution.
- **Unstable and overlapping international frameworks** might overburden administrations in charge of implementing them and leave little space for assessing the trade-offs related to new measures and coordinate with other services on the better ways to integrate them into national legislations

To help address these policy challenges, countries make efforts to develop policy instruments, tools and mechanisms that allow balancing competing uses of the sea. Section 3.3 presents a number of these country practices and links them to PCSD principles.

3.3. Applying PCSD principles for addressing critical interlinkages across a sustainable ocean economy

This section aims to illustrate how policy-making processes aligned to PCSD principles can promote a sustainable ocean economy by better balancing competing interests in the use of ocean resources. The section uses the SDG framework to place the ocean economy in the context of sustainable development. It starts by describing critical linkages across ocean-related targets with other SDGs, both in terms of synergies and trade-offs and existing efforts and database to measure them. Next, it provides an inventory of relevant institutional mechanisms, governance tools and policy instruments that support coherence efforts to address competing interests related to ocean economy, as well as concrete country examples where they have been applied. Finally, it concludes by compiling existing evidence of the effectiveness of the tools and further instruments to be explored, including in innovation and technology for sustainable fishing, aquaculture, and renewable energy.

As recalled in Chapter 1 (see section 1.3) and in previous OECD recommendations to foster a sustainable ocean economy (OECD, 2017^[21]) PCSD can better prepare governments to deal with potential policy conflicts, cross-border policy impact and long-term implications of ocean economy. The tools and mechanisms inventoried below contribute to these PCSD objectives by:

- *Improving co-ordination and decreasing fragmentation in government's operations at all levels, including the international level*, with a view to foster whole-of-government and stakeholder engagement and collaboration in order to identify shared objectives, concerns, and priorities. Fostering cooperation around these objectives, by identifying and implementing efficiency/sustainability gains can reduce fragmentation and overlaps in ocean-related activities.
- *Increasing the capacity of governments to identify and address trade-offs and synergies in view of accelerating progress on the SDGs*. Several of the identified practices aim at building the capacity of government agencies to collect and use data and monitoring systems on ocean resources,

ecosystems, and human activities. In particular capacity for ocean industry foresight, including the assessment of future changes in ocean-based industries are being developed. This is in view of identifying and addressing interlinkages across ocean-related goals and targets, as well as long-term priorities to be maintained over short-termism. This data is used for integrated ocean management which is often done involving a plethora of non-state and local actors.

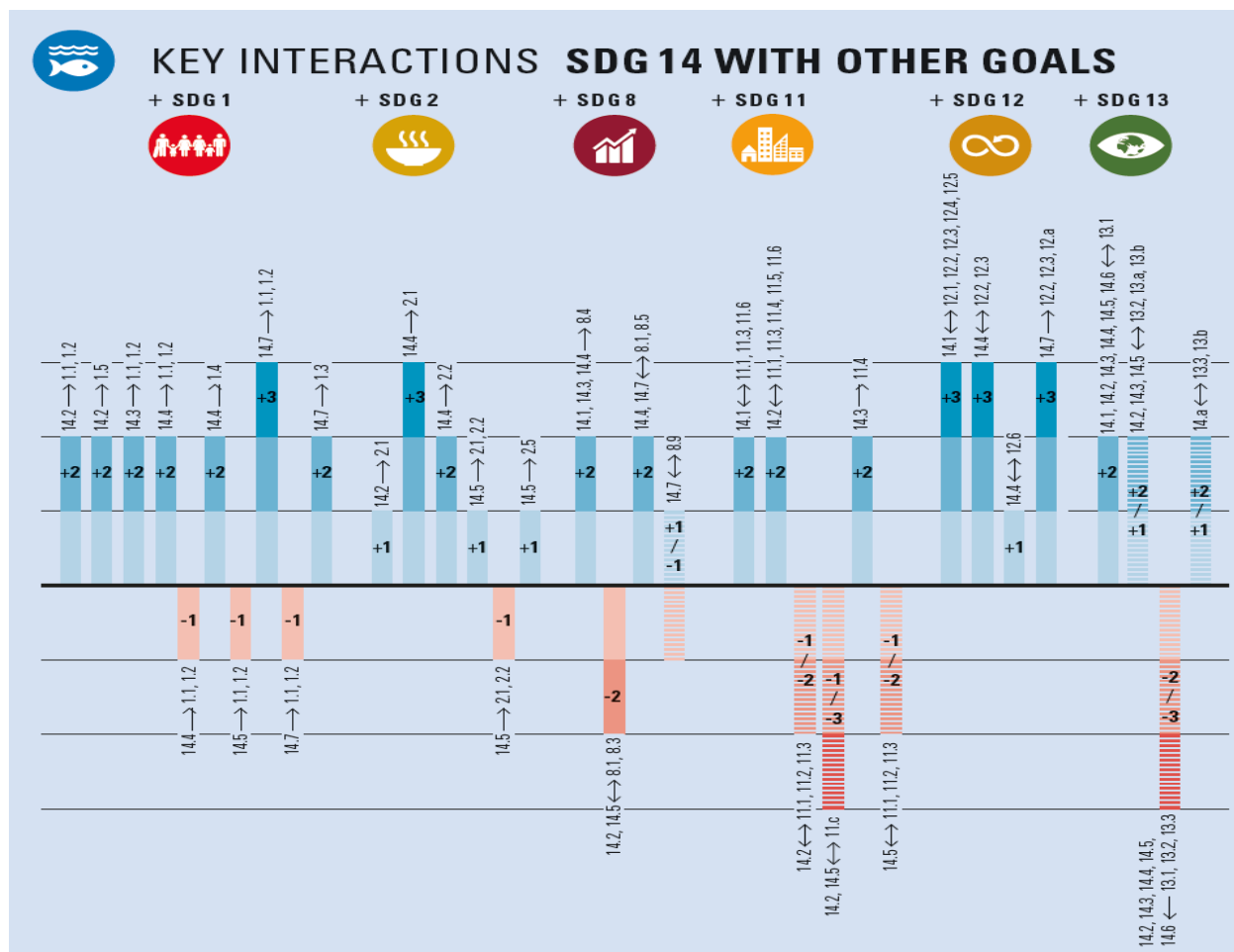
- *Promoting international cooperation and coordination and supporting the development of effective ocean legal frameworks.* This is crucial because global and transboundary ocean policies cannot be implemented without the appropriate governance and adequate capacities and resources. Some of the practices inventoried involve for example: establishing international platforms for the exchange of knowledge, experience and best practice, undertaking international data collection of marine and maritime activities as well as regional efforts to develop marine spatial plans. More comparative analyses of ocean policies and reviews of the role of government or on technological innovations could be beneficial.
- Pairing institution-building with trust-building. Some of the highlighted mechanisms applied high standards of consultation, transparency and oversight by the public or parliaments to increase the support to transition towards more sustainable use of ocean resources.
- The ocean-specific governance arrangements identified below illustrate how PCSD objectives can be achieved in the ocean sector in order to ensure better sustainability results across the SDGs.

3.3.1. Critical interlinkages in governing a sustainable Ocean economy

The SDG framework is useful for placing the ocean economy with its sectors (tourism, transport, aquaculture, fishery, renewable energy) in the wider context of sustainable development; and for identifying key synergies and trade-offs across social, environmental and economic goals with policy objectives for ocean sectors (Le Blanc D., 2017^[22]). Meanwhile, the ocean economy is part of a shift towards a more planned economy, using an ecosystem-based approach, across ocean-based sectors to balance competing uses (as well as balance growth, development and protection of ecosystems), ownership and stronger governance mechanisms and systems (Baker, Constant and Nicol, 2023^[23]).

Growth in sectors of the ocean economy interlink (see Figure 3.1) with multiple SDGs, including poverty eradication (SDG1), food security (SDG2), livelihoods, jobs and economic growth (SDG8), equity (SDG10) and climate change (SDG13) (International Council for Science (ICSU), 2017^[24]).

Figure 3.1. Key interactions SDG14 (life below water) with other sustainable development goals



Notes: Target-level interactions between SDGs are evaluated, based on ICSU expert judgement and the scientific literature, on a 7-point scale. Positive interactions score from +1 to +3 (enabling, reinforcing, indivisible), 0 score signifies that there is no significant interaction, negative interactions score from -1 to -3 (constraining, counteracting, cancelling)

Source: (International Council for Science, n.d.^[25]) International Council for Science, A guide to SDG interactions, <https://council.science/wp-content/uploads/2017/03/SDGs-interactions-14-life-below-water.pdf>

Ocean economy strategies and SDG action vary with each context, and therefore the implications of their interlinkages; effective governance responses are context-specific. Analysis for guiding policy will have to consider interlinkages in light of geography, direction and timing of impacts, uncertainties with regards to future stocks, pressures and impacts, tipping points, irreversibility and more. Such analysis must take place on a case-by-case basis, but can draw on common analytical tools and frameworks as discussed in this section.

Some interlinkages yet emerge as more generic, or globally applicable, and can effectively illustrate the need for considering the synergies and trade-offs posed by a growing ocean economy with the approaches and tools at hand. Such critical interlinkages are illustrated in Box 3.2, as they emerge considering sectors and activities that are expected to grow as part of an expanding ocean economy, the objectives set out in SDG 14 and other global frameworks for protecting ocean health (in particular the Global Biodiversity Framework, GBF²) and their known interlinkages with other social and economic SDGs.

Box 3.2. Critical interlinkages between the ocean economy and sustainable development goals

With more economic activity in the ocean for projected growth across ocean economy sectors, (see Table 3.1), the competition for marine resources and space is increasing and pressures on ocean health are accumulating. **Economic growth (SDG8) can follow from development of coastal tourism, affordable housing (11.1) and fishing industries**, but also negative environmental impact such as marine pollution (SDG 14.1) and CO₂ emissions (SDG 13), and if poverty alleviation (SDG1) does not follow and benefits are fairly distributed (SDG 10), social impacts will also be negative.

A healthy ocean contributes to resilience and adaptive capacity of both the natural and human systems to climate change (SDG 13). With increasing CO₂ concentrations (SDG 13.2.2 total greenhouse gas emission per year) in the atmosphere acidification increases and this limits the capacity for the ocean to take up CO₂ and mitigate climate change. It also negatively affects marine organisms and ocean services, and higher temperatures cause sea level rises that affect communities in SIDS the hardest. The Ocean economy relies on a healthy ocean, and is both adding pressures and holds potential to mitigate them.

Offshore wind energy is the ocean economy sector projected to grow the most. Increasing the share of renewable energy (SDG 7) helps to reduce CO₂ emissions and ocean acidification (SDG 14.3) and creates job opportunities (SDG8), at the same time infrastructure for renewable energy in coastal and marine areas adds to the spatial competition with protected areas, fisheries, aquaculture, and tourism. Wind energy platforms can have immediate negative impacts both locally on seabed ecology and regionally for shipping and navigation, for example. However, in a longer time perspective, positive effects have also been seen at specific locations, in terms of providing e.g. artificial reefs, spawning grounds and act as hinder for destructive trawling fisheries. Both negative and potential positive impacts are site specific, and ocean management instruments like Marine Spatial Planning (MSP) provide tools for addressing conflicting stakeholder needs and policy fragmentation (energy, coastal tourism etc), including the need for right spatial scale and details.

Area-based measures like ocean zoning and expansion of marine protected areas (MPAs) is promoted by the GBF, SDG14 and as key measure of Marine Spatial Planning (MSP). They are being introduced to protect natural capital such as coral reefs or marine biodiversity. **Area-based measures have direct impact on the ability to utilise ocean resources, and can constrain access to resources needed in the short-term for poverty alleviation (SDG 1) and economic growth (SDG 8).** For example, while restricting artisanal fishers from high biodiversity zones can contribute to biodiversity conservation and relevant SDG targets (14.2, 14.4, and 14.5), and in the longer-term enhance economic benefits through the recovery of fish stocks (SDG 14.7), stricter protection and regulation of marine resources will affect their current livelihoods (1.1, 1.2, 8.1).

The risk that negative externalities from measures introduced to protect the ocean will fall upon most vulnerable actors, must be counteracted by robust governance structures that support transparent, participatory, and equitable decision-making processes (can be enabled by e.g. Marine Spatial Planning -MSP, and Source 2 Sea -S2S). **Using a holistic and ecosystem-based governance and management approach has shown that by integrating ecotourism, conservation and education in alignment with SDG targets (8.9, 14.7, 14.5, 14.4, 14.2 and 4.7)** with e.g. establishing MPAs together with stakeholders, can improve income diversification opportunities. The recovery of fish stocks within MPAs can also result in spillover to nearby fishing grounds, to the benefit of local fishers.

Fish processing is expected to see the second largest growth across Ocean economy sectors, and with most fish stocks under pressure, regulation to achieve sustainable fisheries is key, not least for local economies in small island developing states in Oceania and Least Developed Countries (LDCs) where

sustainable fisheries play an important role, accounting for about 1.5% and 0.9% percent of GDP respectively (OECD, 2016^[21]). **Healthy fish stocks are key to the long-term prosperity of fishers' communities (SDG 1, SDG 8) and seafood also makes a vital source of protein and provides food security for billions of people (SDG 2).**

Third largest growth in Ocean economy sectors is aquaculture. **Subsistence and small-scale aquaculture contribute directly to the alleviation of poverty (SDG1) and achievement of food security (SDG2).** In addition, small-scale and large-scale commercial aquaculture can enhance the production for domestic and export markets and generate employment opportunities in the production, processing and marketing sectors (SDG8). Large-scale aquaculture facilities need to be managed in a sustainable way otherwise there is risk of increasing nutrient pollution (SDG 14.1).

These critical interlinkages across the Ocean economy and SDGs exemplify the need for balancing multiple social, economic and environmental objectives and keeping in mind the impact they can have, both spatially (local and regional) and temporally (short- and long-term). A sustainable Ocean economy hinges on managing these synergies and trade-offs, and ocean health hinges on a sustainable Ocean economy and mitigation of other pressures like climate change. This requires breaking out of sectoral silos.

Source: Authors' elaboration

3.3.2. Towards an inventory of mechanisms, tools and policy instruments that support coherence for ensuring a sustainable and healthy ocean economy

This section aims to inventory governance practices, policy frameworks, instruments and tools that support the core principles of the OECD Recommendation on PCSD as they help addressing challenges related to achieving coherence in using ocean resources sustainably and delivering on SDGs. It begins by highlighting strategic policy frameworks and integrated management plans, then follows a section on multi-level and national institutional mechanisms that leverage policy coherence for the ocean sector. From this enabling environment, the inventory then focuses on mechanisms that help linking sustainability data to policy impacts in order to design more integrated policies and to identify compensatory schemes. It follows by an overview of ocean-related policy instruments (i.e. compensation policies, tax instruments) and spatial planning tools that can support policy coherence in the use of ocean resources. Finally, tools to foster collaboration with stakeholders and for measuring policy impacts are equally analysed.

Strategic policy frameworks and integrated management plans

Recent years have seen a significant increase in the number of countries and regions, including developing countries (OECD, 2020^[26]) putting in place overreaching **policy frameworks for sustainable ocean management** (or Sustainable Ocean Plans). These documents provide an essential framework for policy coherence as they map-out long-term ocean sustainability objectives and translate them in short and mid-terms targets and actions. Such strategic frameworks are in line with PCSD principles as they allow reducing administrative overlaps and fragmentation and deal with potential policy conflicts. In addition, such strategic frameworks are needed as reference points for evaluating how other relevant sectoral initiatives and regulations align with plans for the Ocean and indicate procedures to harmonise existing uses and laws (such as UNCLOS) (OECD, 2016^[21]). These strategies often point to the importance of MSP for the development of a sustainable Ocean economy.

One example of a strategic policy framework prioritising ocean objectives is the recently adopted National Ocean Strategy (NOS) 2021-2030 in Portugal. This public policy instrument sets the framework for sustainable development of the economic sectors related to the ocean. The Strategy points to the

importance of MSP in the development of a sustainable blue economy and the need to ensure compatibility between different existing and potential future activities and for creating the necessary conditions for sustainable growth within the maritime economy, alongside environmental and social development. The strategy encompasses roles and mandates of existing entities, but its co-ordination mechanism might benefit from involving more operational levels from the administrations implementing ocean-related activities to ensure that they are aware of the objectives foreseen in the NOS and they actively contribute to it.

Institutional and multi-level mechanisms

Although data is still lacking in terms of coherent whole-of-government approaches and results in establishing coordination mechanisms for designing and implementing ocean strategies, responsibility for the ocean economy is often scattered across a country's administration (Table 3.2) resulting in a variety of sectoral policies in place to manage different uses of the ocean (such as shipping, shipbuilding, fishing, oil and gas development). This might create obstacles to cost-effective and sustainable management of ocean resources due to potential weak co-ordination and limited use of data and methodologies across ministries and different levels of government (i.e. central, provincial, municipal). Countries are often at different stages of ocean governance construction and effectiveness levels, and sometimes this varies within a country when sub-national governments have built their own governance and policy approaches.

Table 3.2. Ocean-related competencies across Indonesia's ministries

Ministry/Agency	Competence
Indonesia Statistics	<ul style="list-style-type: none"> • Development of ocean accounting framework
Ministry of Defense	<ul style="list-style-type: none"> • Navy • Maritime defense policy
Ministry of Energy and Mineral Resources	<ul style="list-style-type: none"> • Offshore oil and gas • Marine energy development
Ministry of Environment and Forestry	<ul style="list-style-type: none"> • Marine conservation (some marine protected arenas) • Reducing marine pollution • Mangrove ecosystem data custodian
Ministry of Finance	<ul style="list-style-type: none"> • Customs and excise from shipping industry • Fees and taxes • Subsidies • Carbon related mechanisms
Ministry of Foreign Affairs	<ul style="list-style-type: none"> • Protect and advance Indonesia's maritime interests
Ministry of Home Affairs	<ul style="list-style-type: none"> • State boundaries • Coordination between provincial and municipal governments on marine affairs

Source: (OECD, 2021^[27]), Sustainable Ocean Economy Country Diagnostic of Indonesia, [DCD(2021)5]

There are promising advances (see Annex A for more examples). **Cabo Verde** for instance established a Ministry for the Maritime Economy and the ministry's portfolio was also closely tied to tourism and transport because the Ministry for the Maritime Economy being headed by the Ministry for Tourism and Transportation at the same time (OECD, 2022^[28]). This centralised institutional arrangement translated into grand strategies for the development of the ocean economy including a recent initiative to realise

marine spatial planning in Cabo Verde. Similarly, in **Antigua and Barbuda**, the Ministry of Social Transformation and the Blue Economy was officially established in 2020 in recognition of the increased importance of the marine space to the nation's future prosperity.

In **Portugal**, under the Ministry of the sea (created in 1980), then merged with the Ministry of Economy, the Directorate General of Natural Resources, Safety and Maritime Services (DGRM) assumed since 2012 the responsibilities of different entities (port and maritime transports institute, directorate general of fisheries and aquaculture) as well as for a third area relating to the environment and sustainability of the sea. These mandates gave the DGRM a wide range of competences from fisheries policy, the maritime-port sector including vessels' certification, maritime safety and security, managing maritime spatial planning that previously scattered various directorates and public institutes. Currently the Directorate is investigating, with OECD support, how its capacities and internal processes, can be improved in order to better align its services to long-term objectives related to decarbonisation, digitalisation and sustainable ocean economy. The Directorate-General for Maritime Policy (DGMP) was established the same year in order to, amongst other things, develop, evaluate, update and coordinate the implementation of the National Ocean Strategy and the marine spatial planning strategy (European Commission, 2023^[29]) and ensuring effective implementation of the overall national strategies through everyday administrative processes.

Furthermore, coherent ocean governance can be challenged also by fragmentation across levels of government. For instance, within their Exclusive Economic Zones (EEZ), countries sometimes have different authorities for different sub-areas of the EEZ. This creates a need for co-operation, shared objectives and information among different levels of government authorities. For example, in Viet Nam, coastal waters are under the responsibility of regional and district authorities. The Offshore waters, in the EEZ, are under the responsibility of the ministry of the sea. The problem is that regional and district authorities do not necessarily have the capacity to manage the EEZ sustainably and often statistics are not shared between the Ministry and territorial authorities.

Tools for identifying ocean economy interlinkages

The first step for enhancing policy coherence is to gather data for mapping out critical interlinkages among sustainability objectives, highlighting their potential synergies and trade-offs. Data availability on SDGs targets/indicators and data from different disciplines, such as environmental and climate change data, data on the scale and performance of ocean-based industries and their distributional impact, is key to explore for example, how climate change will affect coastal activities, or how policies in different sectors influence each other (**cross-impact analysis**). Foresight and mission-oriented use of data has grown since the introduction of the indivisible and integrated 2030 Agenda and is being applied to specific sectors or policy objectives, such as the ocean.

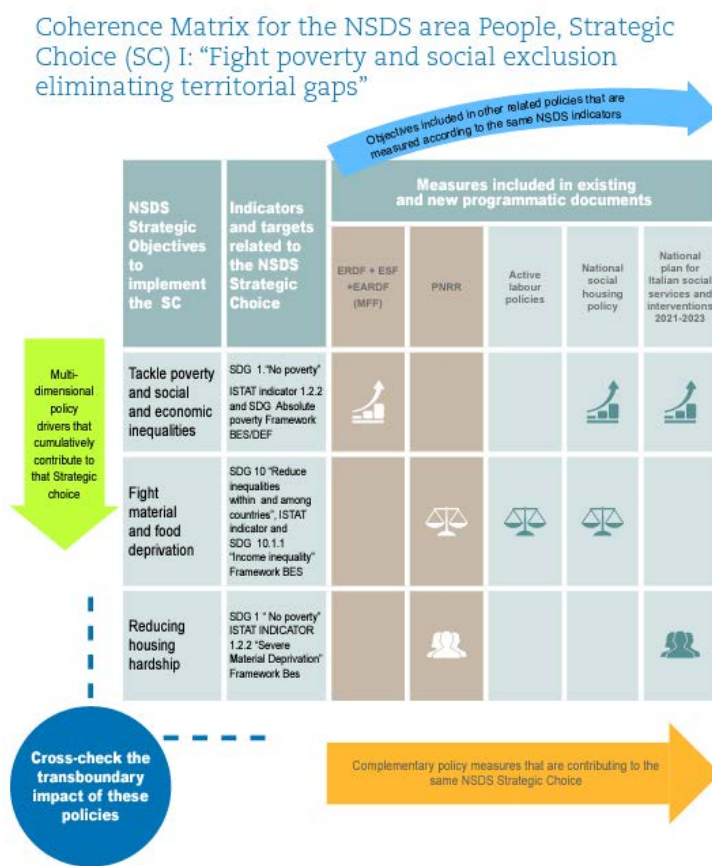
Data on policy interlinkages related to the ocean are gathered in international platforms. Such platforms also include inventories of country practices and methodologies to use such data. One example is **SDG Synergies** (www.sdgsynergies.org), a tool which uses cross-impact analysis with network analysis to analyse how progress on each of the SDGs, in a specific context, impacts progress in all the other goals. Other tools help to navigate SDG interlinkages by providing science-based assessments, including for example the **iSDG model** and **SDG Interlinkages Analysis & Visualisation Tool**. Another tool to map the interlinkages among the impact of land-based and ocean activities on the ecosystem thus identifying the actions needed is **Source-to-Sea (S2S)** (see also Annex 1). This approach creates baselines that can be monitored and actions (in e.g. governance, operations, practices and finance) that can be evaluated (Mathews, 2019).

Data on interlinkages could contribute to more evidence-based and sustainable decisions by the executive and legislative authorities. This data should be taken into account by line ministries at the moment of ex-ante policy or legislation impact assessment and then during ex-post evaluation.

Tools for linking sustainability targets to policy objectives

Coherence matrixes, as a policy coherence tool, can prove effective in early identifying potential policy trade-offs, reducing fragmentation and dealing with long-term sustainability issues. This hands-on tool can help connecting silos between and within government departments and agencies. **Italian Government** adopted such tools, inspired by sub-national governments who have been forerunners in designing and implementing such practices. A coherence matrix, see Figure 3.2 as example, extracted from the Italy’s National Action Plan for Policy Coherence for Sustainable Development (OECD, 2022^[30]), allows linking a draft policy with SDGs indicators as well as with policy objectives, targets and indicators relevant for other sectoral policies contributing to a same long-term sustainable priority. For instance, a coherence matrix pinpoints to which extend a policy contributing to goal 14 – e.g. sustainable aquaculture and innovative solutions on mariculture- overlaps or creates trade-offs with policies already contributing to that same goal, creates synergies trade-offs with other policies contributing to other interlinked goals (i.e. energy, marine conservation, etc). Once identified how policies in different sectors influence each-others and which significant contributions or competitive effects could provoke in achieving SDGs in developing countries (transboundary effects), policymakers (drafters in line ministries or oversight bodies of draft policies and legislation) should ensure alignment. Such tool not only helps more join-up approaches with other strategies contributing on the same SDGs, but also in considering compensation measures to strengthen enabling factors and compensating disenabling consequence of the new policy towards meeting the sustainability objectives.

Figure 3.2. Coherence Matrix for the Strategic Choice 1 “Fight Poverty and social exclusion eliminating territorial gaps” of the Sustainable Development Strategy of the Italian Government



Source: (OECD, 2022^[30]), Italy’s national action plan for Policy Coherence for Sustainable Development, <https://doi.org/10.1787/54226722-en>.

South Africa used data from the online mapping system, which identifies biodiversity priority areas and actions at various spatial scales. These priorities framed the formulation of the 2005 National Biodiversity Strategy and Action Plan (NBSAP) laying-out a mission-oriented approach with six strategic objectives, clear targets and indicators as well as a list of lead and implementing agencies for every action. This is an example of how a Coherence Matrix could have helped applying available biodiversity data, during the formulation of a strategic document across policy sectors and to integrate biodiversity concerns into decision making across sectors such as agriculture, forestry and fisheries (OECD, 2018^[31]).

Strategic policy frameworks and integrated management plans

Recent years have seen a significant increase in the number of countries and regions, including developing countries (OECD, 2020^[26]) putting in place overarching **policy frameworks for sustainable ocean management** (or Sustainable Ocean Plans). These documents provide an essential framework for policy coherence as they map-out long-term ocean sustainability objectives and translate them in short and mid-terms targets and actions. Such strategic frameworks are in line with PCSD principles as they allow reducing administrative overlaps and fragmentation and deal with potential policy conflicts. In addition, such strategic frameworks are needed as reference points for evaluating how other relevant sectoral initiatives and regulations align with plans for the Ocean and indicate procedures to harmonise existing uses and laws (such as UNCLOS) (OECD, 2016^[2]). These strategies often point to the importance of MSP for the development of a sustainable Ocean economy.

One example of a strategic policy framework prioritising ocean objectives is the recently adopted National Ocean Strategy (NOS) 2021-2030 in **Portugal**. This public policy instrument sets the framework for sustainable development of the economic sectors related to the ocean. The Strategy points to the importance of MSP in the development of a sustainable blue economy and the need to ensure compatibility between different existing and potential future activities and for creating the necessary conditions for sustainable growth within the maritime economy, alongside environmental and social development. The strategy encompasses roles and mandates of existing entities, but its co-ordination mechanism might benefit from involving more operational levels from the administrations implementing ocean-related activities to ensure that they are aware of the objectives foreseen in the NOS and they actively contribute to it.

Spatial planning and policy instruments that can support policy coherence in the use of ocean resources

Policy coherence in the use of ocean resources can be enhanced by measuring the interlinkages listed in paragraph 3.3.1, linking them to policies' impacts, identified through coherence matrixes, and including priorities in strategic policy frameworks. These frameworks then need to be translated into actions through plans, regulations and policy instruments that are integrating PCSD principles. Most coastal nations of the world already use policy instruments and planning tools for balancing competing uses of the sea. These tools can contribute to PCSD objectives when they represent steps towards solving the problem of fragmented policy-making related to the ocean, avoiding conflicts of interests, dealing with ocean-related cross-border issues and with long-term tipping points. In order to increase their effective contribution to the PCSD objectives, these tools should systematically help in taking into account data that measures SDGs impact and interlinkages; using data for mapping sectoral policies that are contributing to the same SDGs commitment and suggesting compensations or synergies across policies that have negative or positive impacts. For this systemic contribution to PCSD principles some changes might be needed in the way these instruments are applied (i.e. institutional mechanisms, processes, revisions, etc), at different steps of the policy cycle.

For instance, **Marine Spatial Planning (MSP)**, can contribute to several PCSD principles in particular long-term vision, policy integration and multi-stakeholder participation, as well as policy impact

measurement, addressing the issue of fragmentation of several sectoral policies involved in the ocean economy. Government and agencies at different levels can use this process in decision-making to better allocate temporal and spatial space to economic activities and environmental protection. It allows countries to move away from isolated, short-term sectoral management to plan for integrated policies in the ocean and provides a base for regulation in several marine sectors (i.e. licenses, private spatial permits, bans, etc). The development of the marine spatial plans has accelerated (OECD, 2017^[32]; OECD, 2019^[33]). Between 2005 and late 2021 more than seventy-five countries (Ehler, 2021^[34]) are either implementing or approving marine spatial plans. MSPs look at the co-use, coexistence, or co-location of activities and resources of both ecosystem and human activities (Barquet and Green, 2022^[35]). MSP is a process rather than end-product, balancing different stakeholders conflicting interests, such as coastal tourism and fisheries, through stakeholder involvement throughout the planning process. MSP is often used in connection to countries developing their ocean economy strategies. There are different tools developed to practically support the MSP process, often GIS based, these tools help showcase the data for different human activities and ecosystem in an area, which enables monitoring and evaluation. One of the obstacles is the lack of MSP legislation and long-term funding constraints that the MSPs' planning processes require, as well as the funding and regulation required for the enforcement of the resulting plans .

The **Marine Protected Areas (MPAs)** are often part of MSPs and constitute a regulatory instrument setting area-based conservation measures, which have shown to significantly increase carbon sequestration thus contributing to climate change mitigation. Data on sustainability interlinkages and coherence matrixes can ensure this conservation measures are established in the most balanced way. For instance, data can help establishing flexible MPAs that can be opened up for sustainable fisheries without undermining migrating species' safeguard. These tools also allow a better understanding of MPAs' impacts across different interest groups and the possible transitional measures needed to address any most adversely impacted, through **effective** multi-stakeholders dialogue, as exemplified in the examples of Tanzania and New Zealand (see Annex A) and in the next paragraph.

Another opportunity to support policy coherence for a balanced use of ocean resources is to incorporate data on sustainability interlinkages when designing compensation or synergies measures across policies that have been identified as having negative or positive impacts on a same long term objective. For instance, compensation schemes funded through taxes, fees, or other means, are designed as mechanisms to ensure no one is left behind. They may offer financial support to negatively impacted stakeholders. One example is fisheries buyback programmes that compensate fishing communities for the loss of fishing rights or marine conservation trust funds, such as the Tanzania's marine legacy (see Annex 1) which provide financial assistance for alternative livelihoods, or social safety nets including programs like food assistance, healthcare, and social security. Alternatives to financial support or safety nets for assisting fishers in transitioning to new livelihoods schemes could be capacity building to develop in-demand skills in the ocean economy and access new opportunities. Measures to encourage environmentally friendly behaviours, such as taxes on plastic materials implemented by Indonesia (see Annex 1), should use data on sustainability interlinkages to always consider the impact of less polluting alternatives on all groups. Another policy instrument that could benefit from incorporating data on interlinkages is investing in environmental restoration. In this case sustainability data and policy coherence tools can be used to measure upfront the potential outcomes of restoring degraded ecosystems in terms of new economic opportunities for affected stakeholders, such as to boost tourism, recreation, and fisheries

Collaboration, Stakeholder engagement and Participation

In the process of transiting towards a sustainable ocean economy some stakeholders may experience negative impacts or losses due to policy decisions. Tools and instruments that seek to design ocean priorities and reconcile trade-offs, should ensure the interests of various stakeholders are considered, through a transparent and inclusive process, allowing them to provide input and feedback on policy options.

Participatory approaches to ocean management presented below and in Annex 1 contribute to several PCSD objectives by:

- Integrating policy options into a consistent SDGs framework for discussing their economic, social, and environmental impacts;
- Identifying trade-offs, including by assessing the potential impacts of policy options on different priorities and interests of stakeholders;
- Integrating mitigation schemes to minimise negative policy impacts; and
- Including stakeholders in development and reporting of Monitoring and Evaluating policies' frameworks over time.

Governments face a range of challenges related to **effective stakeholder engagement** in ocean governance, including the diversity of stakeholder groups, such as industry (e.g., fishing, aquaculture, maritime transportation, oil and gas, biotechnology and tourism) civil society organisations, academia, and local communities, with varied resources and capacities to engage that can create a power imbalance. Knowledge gaps on the state of ocean and ecosystems, can further limit opportunities to have meaningful dialogue and reach shared objectives, and there is sometimes limited trust between stakeholders, particularly between industry and civil society organisations. New inclusive and participatory approaches to stakeholder engagement that advance in a green and just transition in the ocean sector are needed. Such approaches for building trust across the diversity of stakeholder groups and their perspectives, could be strengthened by incorporating IT, artificial intelligence technology and interactive social media platforms.

The New Zealand's **Fiordland's Management Act 2005** was pushed forward by local stakeholders and exemplifies how MPAs can be an effective tool to effectively manage varying interests, when a bottom-up approach is adopted. In 1995, the area was facing escalating pressures on the ocean health which led local communities to take action and drive conservation efforts that resulted in the establishment of Fiordland Marine Area. The area is now managed by the Fiordland Marine Guardians, a statutory advisory body comprising commercial and recreational fishers, environmentalists, charter boat and tourism operators, scientists, and tangata whenua (Ngāi Tahu). At the heart of their conservation strategy is the consultation of the public as well as local and central government management agencies. By formulating a common vision to protect the area, the Marine Guardians paved the way for successful management of the MPA. This approach to manage the pressures on ocean health from human activities is in line with the PCSD recommendation around co-creating through stakeholder engagement can lead to sustainable management of ocean resources.

Chumbe Island Coral Park (CHICOP) in Zanzibar provides an example of involvement of stakeholders in environmental regulations' enforcement, in this case the management of a marine protected area. In 1994, CHICOP focused their efforts on awareness campaigns and local stakeholder involvement to protect the area from overfishing and coral reef deterioration. Local fishermen were hired by the park to patrol the reefs and enforce the newly established fishing ban. Their unconventional approach has gained global recognition, where the development of ecotourism to support conservation, research and environmental education is seen as a model of financially and ecologically sustainable park management (OECD, 2020^[36]).

Assessing policy impacts across multiple sectors

According to PCSD recommendation assessing the contribution and importance of different economic sectors and potential trade-offs encourages an integrated approach to the policy cycle by sharing data and knowledge across sectors. Analysis of the cross-sectoral impacts of proposed policy is necessary to guide decision-makers prior to designing and adopting tools and instruments, for instance during regulative impact assessments. The various SDG interlinkages tools, including coherence matrices help to map

interlinkages, but impact assessments need to follow in order to identifying losers and winners and possible compensation measures.

Sustainability ex ante assessments could, for instance, screen economic instruments (taxes on plastic materials, conservation fee on visitors, pay coastal communities for conservation activities, etc) which provide incentives for sustainable production and consumption, and they are also able to generate government revenue to support the conservation and sustainable use of the ocean (OECD, 2017^[32]). The beneficiary pays' approach introduced by Belize and Tanzania (see Annex A) as well as the Indonesia's plastic tax (see Annex A), constitute examples of new economic instruments for which the sustainability ex ante assessment could have helped in gathering information on the cost and benefits of introducing them across all relevant SDGs. While ex ante assessments are not always available, The World Bank developed a Plastic Policy Simulator which could have been used in Indonesia.

Ocean Accounting (OA) is a statistical framework which was included in the MSP and MPA process as a **tool to monitor ecosystem and biodiversity conservation**. Five countries (Gacutan, 2022^[37]) are aiming to implement both MSP and OA in conjunction (Australia, Thailand, South Africa, Portugal and Canada). The aim is to create indicators such as economic production (ocean GDP), flows of benefits (ecosystem services) and how human activities affects these and ocean natural assets. It can be used to perform **cost benefit analysis for both the environment and society**, analysing impacts from activities and policies (to increase positive impact and anticipate potential harmful impacts) thus inform decision-making. **Thailand** used the OA in its MSP for evaluating the trade-offs between tourism (which is a big part of the country's GDP) and resource use and impacts e.g. water, energy, waste in relation to local population to better allocate areas for tourism development. (Gacutan, 2022^[37]).

The Swedish Agency for water and marine management (SwAM) has developed **the tool Symphony**, for MSP, **which quantifies and assesses different environmental pressures** on the ecosystems by human activities. It also offers scenario projection and data visualisation and can therefore support in decision making showing projected environmental impacts (also cumulative impacts from different sectors or activities in certain geographical areas) depending on the planned alternatives. For example, it is used in Sweden in the North Sea and the Baltic Sea when planning for a transition towards a fossil-free society with the allocation of offshore wind and wave energy taking into account environmental factors and other sectors and activities (Barquet et al., Forthcoming^[38]). This planning tool was developed and introduced in Sweden but are now being applied in ten East African countries in collaboration with the Nairobi convention and SwAM (Hammar, 2020^[39]).

Data limitations is another major constraint for strengthening the evidence-base, and several countries are expanding their capacity to collect data including through an **ocean satellite accounting approach linked to their national accounts** (Jolliffe, Jolly and Stevens, 2021^[5]).

However, improved statistical data related to the ocean economy could spur more integrated and long-term policy formulation only if they integrate ocean sectors and link to other sectoral monitoring frameworks. The coherence matrices introduced at the beginning of this Chapter could constitute a stepping-stone to identify key indicators that are more relevant to long-term sustainable priorities identified in national, or international, ocean-related strategies. The second step would be to ensure interoperability of a set of key indicators across sectoral monitoring frameworks that can support decision-making and to monitoring of ocean-related policies.

3.3.3. Towards greater effectiveness of the use of PCSD mechanisms for sustainable ocean economy

At this point in time, with the SDGs reaching midpoint this year and with the recent High Seas Treaty providing an encouraging example of international cooperation, there is opportunity for countries to revisit strategies and plans for the ocean and leveraging on existing knowledge and experience of effective

governance practice. PCSD provides a framework for leveraging public governance mechanisms, institutional settings, capabilities and tools to ensure that different policies and levels of government strive towards the same sustainable development, biodiversity, climate and ocean economy objectives. This subsection showcases some of the results achieved by governance and innovation mechanisms and policies at different levels of government (global, national and local), and offers concrete ideas on where further research and policy innovation is needed. Further research should focus on implementation; ways of promoting uptake and build capacity to turn principles to practice.

The capacity of the PCSD instruments to balance multiple interests and bring about a sustainable ocean economy, depends on how they are designed, their enforceability and the evidence-base they rest on. For example, the effectiveness of strategic policy frameworks (i.e. National Ocean Strategies, legislative frameworks etc.) and tools such as MSP in terms of sustainability results and integrated policy making depend on whether enforcement of plans are grounded in legislation and the document's status (National legislation, Government Decision, Political statement), the entity in charge of the implementation of the strategy (e.g. central unit, ministry, inter-ministerial committee, etc.), its time horizon (2030, 2050), whether other sectoral ministries are bound to implement the strategy or plans, and whether there is budget, action plan and time-bound milestones connected to its implementation. Other questions to consider include how progress on the strategy are measured; whether SDGs are included among the progress/performance indicators monitored; whether some of the progress/performance indicators of the strategy are linked to key performance indicators (KPIs) of the relevant ministries; and how the strategy makes references to broader national sustainability strategies and link with other sectoral strategies.

One example of analysis of the effectiveness of a MSP legislation, the **2009 UK Marine and Coastal Act** highlights that implementation proved challenging due to the: 1) lack of specificity in policies; 2) organisational disconnection between policymakers and licensing officers; 3) lack of political input 4) mismatch between the decision-making culture of licensing officers and marine policies. Moreover, independent examination of the plans has not been undertaken, something which would have been required for terrestrial plans of similar scope. As a result, this analysis calls for stronger policies in marine plans and a strengthening of the administrative structure surrounding plan policy implementation. This act offered a starting point to adopt an integrated approach to plan-making and licensing across the four UK administrations, while allowing for differentiated approaches to implementation (Slater and Claydon, 2020^[40]).

Science-informed governance and technological innovation are important for aligning with principles and practices enshrined in the 2019 OECD Council Recommendation on Policy Coherence for Sustainable Development (OECD, 2019^[41]) and enable a smarter governance. Smart governance is enabled with new technologies like Artificial Intelligence (AI), digital twin of the ocean and real time in-situ sensors which creates opportunities for more monitoring and increased knowledge on human impacts on ecosystems. For instance, in the European Green Deal (European Commission, n.d.^[42]), the Destination Earth Initiative is the next step to develop a Digital Twin of the Ocean. The Digital Twin Ocean's ambition is to make ocean knowledge readily available to citizens, entrepreneurs, scientists and policymakers to support transition towards sustainable oceans. The use of open data also creates transparency and legitimacy to the data.

Another clear entry point to more sustainable planning for ocean is multifunctional planning. Through co-use, coexistence, or co-location of activities and resources, multifunctional platforms have an important role to play in terms of reducing inefficiencies in the maritime industry. Underutilised marine equipment and infrastructure is a source of significant costs and emissions which can be avoided by increasing multifunctionality through sharing, repurposing and re-designing. Multifunctional offshore platforms could also be used to integrate tourism activities with climate adaptation and resilience measure, contributing to job creation, industry integration, education and acceptance. Currently, technology readiness levels for multifunctional platforms are low which calls for more pilot demonstrations. For example, a multi-use wind and wave offshore platform designed for hosting an automated aquaculture system was tested in the Mediterranean for a period of six-months in 2022.

The effectiveness of new participatory governance mechanisms for the ocean also deserves further analysis. For instance, LivingLabs, whether virtual or in person, provide a space for co-creation which could prove instrumental in supporting multifunctional planning approaches. The C2B2 programme for sustainable blue economy in Sweden, which brings together 38 maritime actors from industry, academia, public sector, and civil society, uses the LivingLabs co-creation methodology. Operationalised through three demonstration cases, this approach aims to trigger transformative changes towards participatory ocean governance.

Disruptions brought by the COVID pandemic to the tourism sector have given rise to new and more sustainably oriented tourism models that can play a critical role in overall ocean management. For instance, in response to international travel restrictions, “staycations” have directed tourists towards less crowded areas and natural experiences. This new interest in local natural hotspots has brought municipalities to develop tourism activities at the intersection between leisure, climate adaptation and resilience interventions. In this regard, nature-based coastal solutions can be used to optimise co-benefits by increasing ecological value while providing recreational activities such as hiking and photography. The pandemic also accelerated the digital transformation of the sector, changing the way people travel and experience places. In Sweden, sea-based applications are used to provide sustainability recommendations to travellers. Finally, virtual reality tourism is on the rise providing yet another alternative to discovering the world more sustainably. In response to these new trends, the European Parliament adopted in 2021 a resolution establishing an EU strategy for sustainable tourism adapted to the Digital Agenda, the European Green Deal and the UN Sustainable Development Goals with emphasis on ecosystem conservation and multi-stakeholder dialogue to ensure the sustainable development of coastal and marine tourism.

3.4. Policy insights

This chapter has aimed to show that governance tools and instruments aligned with PCSD principles can help to reconcile competing impacts of the ocean economy on SDGs and on neighbouring and developing countries and to reduce overlaps and fragmentation across policies and stakeholders' interests. The following insights emerge in order to use more proactively existent instruments and governance mechanisms and to increase their effective contribution to the PCSD objectives for sustainable ocean governance across the policy cycle:

- **Reduce fragmentation across global ocean governance and regulative frameworks.** PCSD approach can enable a holistic vision across the different international ocean agreements, agencies and policy frameworks that pushes for achieving ocean conservation targets in a wider sustainable development context. Such global vision could foster national and sub-national practices that identify and face interlinkages among the ocean-related sustainable development goals
- **Gather data at international, national and sub-national level for mapping critical interlinkages among ocean-related sustainability objectives.** Increase data availability on SDGs targets/indicators and data from different disciplines, such as environmental and climate change data, data on the scale and performance of ocean-based industries and their distributional impact, etc. PCSD practices and tools, such as **coherence matrix**, can help using this data for mapping interlinkages and how policies' impacts, in different ocean-related sectors, influence each other. Equally they can help in considering compensation measures when designing new policies that compensate for the disabling impacts of the new policy towards meeting the sustainability objectives. **This information should inform the formulation of ocean strategic frameworks and spatial planning tools (i.e. MPA, MSP, etc).**
- **Reduce fragmentation of ocean economy across countries' administrations.** Countries established ocean coordination practices for aligning the variety of sectoral policies in place (such

as shipping, shipbuilding, fishing, oil and gas development, aquaculture, tourism) into a strategic ocean framework. PCSD tools can help effective political and coordination mechanisms in **operationalising such frameworks** by translating them into mid-term plans and budgets, identifying entities responsible for time-bounded milestones and developing monitoring and evaluation mechanisms.

- **Streamline sustainable development concerns in ocean policies** by ensuring that the way ocean-related policy instruments (table 3.2) are designed and applied (i.e. institutional mechanisms, processes, revisions, etc) enables: taking into account data that measures impacts on the SDGs and their interlinkages; using data for mapping sectoral policies that are contributing to the same SDGs commitment and suggesting compensations or synergies across policies that have negative or positive impacts on this commitment.
- **Develop new approaches to stakeholder engagement** that advance in a green and just transition in the ocean economy and can be enhanced by knowledge on SDGs interlinkages and how policies influence different sectors and their effects on different stakeholder groups. Such approaches for building trust across the diversity of stakeholder groups could benefit from incorporating information technology, including artificial intelligence technology and interactive social media platforms.
- **Enhance skills, expertise and knowledge of policymakers, regulators and stakeholders** involved in ocean governance toward better measuring and integrating new economic opportunities and balancing their impact on boosting tourism, recreation, energy and fisheries against their impacts on the ecosystem.

Develop robust monitoring and evaluation mechanisms to assess the effectiveness of policies and initiatives related to sustainable ocean economy, including by agreeing on a set of indicators that are more relevant to long-term sustainable priorities identified in sectoral national, or international, ocean-related strategies, beyond indicators related to SDG 14.

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Notes

¹ International agreements and conventions seeking to govern growing pressures on the oceans include the UN Convention on the Law of the Sea (UNCLOS) and its related agreements such as the UN Fish Stocks Agreement; SDG14 on Life Below Water and other SDGs; and the newly adopted Global Biodiversity Framework (GBF).

² Adopted in December 2022 the “Kunming-Montreal Global Biodiversity Framework” (GBF), including four goals and 23 targets for achievement by 2030. It stipulates in the “30x30 target” that “by 2030, at least 30% of the world’s land and ocean should be protected areas or be under some form of area-based conservation measures, whilst safeguarding that the rights and roles of Indigenous peoples and local communities is recognized”, and goals to phase out plastic pollution; sustainably manage fisheries and aquaculture; and ensure participation of Indigenous peoples and local communities in decision-making.

Annex A. Country examples of management tools and governance instruments for policy coherence in the Ocean economy

Marine Spatial Planning (MSP)

Baltic Region- HELCOM's policy platform uses MSP to allow for an ecosystem-based approach and a planning tool, similar to Symphony, for a holistic assessment of human activities and its cumulative impact in the Baltic Sea region. The process is to avoid high cumulative environmental impacts in sensitive areas and compare different planning alternatives, to communicate with stakeholders, and to evaluate MSPs (BSAP, n.d.^[1]). This intergovernmental policy platform is an example of an effort to connect sectoral policy silos for a sustainable management of the sea basin. HELCOM BSAP in line with PCSD framework, shows vision and leadership on the highest level and policy interactions through regional stakeholder consultation processes. The North Sea and Baltic Sea joint project “Emerging Ecosystem-based Maritime Spatial planning Topics in the North and Baltic Sea Region” (eMSP NBSR) will enhance learning from the implementation of these processes.

Marine Protected Areas (MPA)

MPA in Zanzibar is one example, where multi-stakeholder dialogue proved decisive in balancing trade-offs between poverty alleviation and conservation efforts. The non-profit organisation (CHIOP) was responsible for establishing and managing the **Chumbe Island MPA** (OECD, 2020^[2]) and developed participative partnerships with neighbouring communities to ensure that local community members were actively engaged in the project's design, development and establishment. Together, they put forward a holistic management approach focused on the integration of ecotourism, conservation and education in alignment with SDG targets (8.9, 14.7, 14.5, 14.4, 14.2 and 4.7). The establishment of the MPA provided income diversification opportunities for local communities who are now actively involved as rangers and staff members of the lodge and educators. Fish stocks also recovered and resulted in spillover to nearby fishing grounds, to the benefit of local fishermen. A key learning is that early evaluation of trade-offs through stakeholder dialogue helped maximise benefit streaming to local stakeholders alongside protecting natural capital.

The Western Indian Ocean Marine Protected Areas Management Network (WIOMPAN) has been established among 10 countries in Western Indian Ocean to improve Marine Protected Areas (MPA)'s performance through peer-to-peer knowledge sharing (Western Indian Ocean Marine Protected Area Management Network, 2022^[3]).

Economic instruments

Indonesia has put in place comprehensive policy measures to address plastic pollution, including one Presidential Decree focusing solely on marine debris: the National Plan of Action on Marine Plastic debris

2017-2025 (OECD, 2021^[4]). While different actions can be taken to avoid land and ocean-based plastic leakages, ultimately source prevention proves to be one of the most efficient approaches. Taxes on plastic materials, which are increasingly adopted to shift consumer demand towards more sustainable alternatives, have played an important role in reducing marine debris in Indonesia. In 2016, 23 Indonesian cities trialled a tax of ~USD 0.01 per bag for three months. In 2020, the House of Representatives approved an excise tax equivalent to a fee of ~USD 0.02 per bag. At the city scale, Jakarta, Bali, Bogor City, Banjarmasin and Denpasar have taken the most ambitious measures, enacting various plastic bag bans. In Bogor City, this resulted in a reduction of 41 tons per month in the circulation of plastic bags while in Denpasar circulation was reduced by 80%.

Belize established a Protected Area Conservation Trust (PACT) in 1996 which funded itself through conservation fee on visitors to Belize upon departure and a 20% commission from cruise ship passengers. By awarding grants, the PACT has invested over BZ\$ 33 million in protected areas management (OECD, 2017^[5]).

Tanzania's Marine Legacy Fund makes use of the beneficiary pays approach to conserve marine and coastal ecosystems. Through a payment for ecosystems (PES) program, Tanzania derives revenues from commercial fishing licenses, marine ecotourism revenue sharing, and oil and gas taxation which are used to pay coastal communities for conservation (OECD, 2017^[5]).

Institutional design/mechanisms

In **Korea**, the ocean research institutes that support Ocean policy making, such as the Korean Maritime Institute (KMI) advise the government on a broad span of policy areas from fisheries, environmental conservation and technologies. This science-based approach is also highlighted by the Ocean Panel as one key action towards sustainable ocean economies (Stuchtey et al., 2020^[6]).

In **Antigua and Barbuda**, the Ministry of Social Transformation and the Blue Economy was officially established in 2020 in recognition of the increased importance of the marine space to the nation's future prosperity. The ministry assumes the role of combating poverty, enhancing equality and improving living standards in the context of the blue economy transition. Within that ministry, The Blue Economy Department was established to co-ordinate and develop co-operation on blue economy actions across government, departments and communities (Commonwealth Marine Economies Programme, 2021^[7]).

Assessing policy impact across multiple sectors

In 2006, the **Norwegian** government developed an integrated marine management plan for the conservation and sustainable use of marine ecosystems in the Barents Sea based on extensive environmental assessments covering the Impact of fisheries, shipping, hydrocarbon extraction and external pressures on the environment, resources and local communities. The plan was developed in response to growing pressures relating to the potential expansion of oil and gas activities into areas used by fisheries and living marine resources. The plan includes ex-post and ex-ante reports on marine activities, and progress monitoring through environmental quality objectives. The foundations of the plan were laid out following a precautionary approach, implying a need for revision as new knowledge becomes available (OECD, 2020^[8]).

The Source-to-Sea (S2S) approach maps flows that connect land-based activities with the coast and ocean (i.e. flows of water, plastic pollution, sediment, materials, biota, ecosystem services, etc). this approach has been used to address flows of pollutants in the **Bay of Bengal**, where marine litter and several flows of pollution, e.g. untreated sewage (pathogens) and oil among others, impact one of the largest marine ecosystems. The Ganges-Brahmaputra-Meghna catchment is of the top ten most plastic polluted area in the world

Collaboration, Stakeholder engagement and participation

Established in 2005, **New Zealand's Fiordland Marine Management Act** results from a collaborative process which proposed a package of measures for the integrated management of Fiordland's marine resources. This stakeholder led initiative emerged following growing concerns from local fishermen regarding fish stock depletion. A unique management regime was established following their proposal to the government, whereby the Fiordland Marine Guardians were handed the responsibility advising management agencies on all aspects of the marine environment. They also bore the responsibility of law enforcement and compliance within the Fiordland Marine Area. This novel strategy to managing a marine protected area gained recognition due to its successful collaborative approach (Ministry for the Environment, 2021).

Civil society is also at the heart of several initiatives that combine managing ocean resources, tourism with labour market needs. For instance the **U.S. East Coast, The GreenWave** project brings together local fishermen and coast communities to work on a regenerative ocean farm combining seaweed and shellfish production. Their ocean farming hub is a space for co-creation and learning, with 2,500 users to date working on new regenerative technologies (Stuchtey et al., 2020^[9])

In **New Zealand's Bay of plenty**, a regenerative destination management plan was put in place in 2018 with the help of local stakeholders, including the Māori community. The initiative was built on the principles of hospitality, guardianship and unification in addition to education, co-operation and relationship management. As a result of this approach, the Bay of Plenty is now one of the world's top 100 'green destinations' (Schuhmann et al., 2020^[10])

Established in 1999, the local marine advisory committees are voluntary community-based groups that hold an advisory role to the **Great Barrier Reef Marine Park Authority**. These committees provide a community forum for interested stakeholders from the government and community to discuss issues around marine resources. In this context, stakeholder engagement has proven useful in improving understanding of the issues at stake thus improving public support and commitment (OECD, 2020^[11]).

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Driving Policy Coherence for Sustainable Development

ACCELERATING PROGRESS ON THE SDGS

This report highlights countries' practices in implementing the OECD Council Recommendation on Policy Coherence for Sustainable Development (PCSD). It illustrates how governments can use institutional mechanisms for PCSD to address complex international problems together – including implementing the 2030 Agenda – and explores how policy coherence principles can be applied to promote whole-of-government approaches to policymaking. The report also applies a PCSD lens to the ocean – one of Earth's largest global public commons and an obvious cross-border policy challenge. A growing number of countries are developing ocean economy strategies to connect sectoral policy silos, manage ocean resources and regulate ocean activities in a way that supports sustainable development that leaves no one behind.



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