

Improving Policy Coherence and Integration for Sustainable Development A Checklist

Main issues

**Achieving greater
internal coherence
through policy
integration**

**Involving all
stakeholders**

**Improving knowledge
management**

**Checklist on
improving policy
coherence and
integration for
sustainable
development**

For further information

For further reading

Where to contact us?

Introduction

Governments must ensure that their policies are consistent with the sustainable development goal and not undermined by other policies. The following checklist provides guidance for policy-makers on improving policy coherence and integration for the pursuit of the goal of sustainable development. It is not a compilation of "quick fix" solutions or "recipes". Rather, building on the experience of OECD countries and their concerns that achieving the sustainable development goal requires specific attention to governance practices, it draws attention to the main obstacles to be overcome at the domestic level in order to address the institutional challenges raised by the pursuit of sustainable development. Guidance is presented in the form of an outline on the different aspects of policy coherence and integration. These institutional challenges involve not only government but all stakeholders, including the business community, civil society organisations and other citizens' associations.

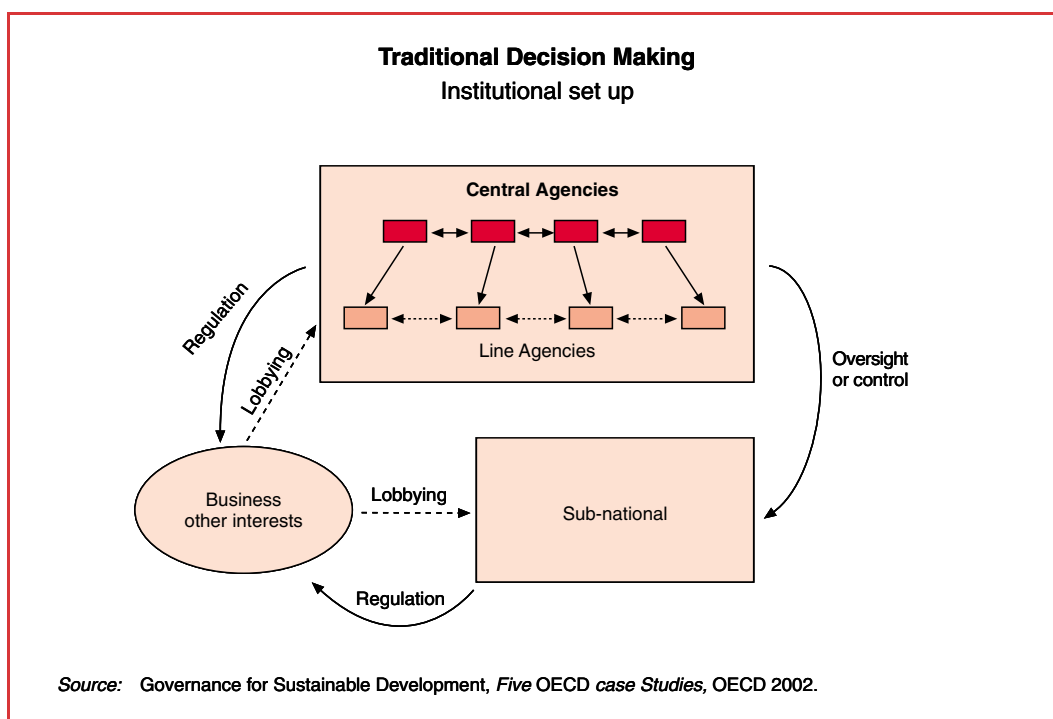
This checklist is intended to contribute to the building of longer-term governance for sustainable development. It draws primarily on the lessons learned by OECD countries, but most of the issues raised may also be of relevance to non-OECD countries. The checklist has been developed on the basis of findings from case studies in five OECD countries¹, and has been discussed and amended by experts from government, academia and non-governmental organisations who participated in the seminar on Improving Governance for Sustainable Development (Paris, 22-23 November 2001). It was reviewed by the OECD Public Management Committee at its 25th session, Paris, 21-22 March 2002. ■

1. See *Governance for Sustainable Development: Five OECD Case Studies*, OECD, 2002.

Main issues

If sustainable development is so important, why have our commitments often failed to be effectively implemented? Part of the answer lies in the inadequacy of governance tools. Good governance and sound public management are preconditions for the implementation of sustainable development policies. These preconditions include efforts to ensure an ethical and more transparent government process, as well as decision-making practices “sufficiently open to citi-

zens participation”. Although the precise impact of these basic “good governance preconditions” on sustainable development has not been examined, the negative impact of defective governance on economic and social development, as well as on the environment, is clear. In addition to these basic preconditions of key management, tools such as performance measurement, mechanisms for citizen engagement, specific policy and implementation processes and continuous strategic assessment are crucially important for sustainable development. ■



Achieving greater internal coherence through policy integration

The traditional response to how to integrate an emerging issue in the policy debate has been to create new institutions. The same pattern is evident with respect to sustainable development. However, new institutions may not have the capacity to respond to the challenges posed to public management systems by sustainable development, as these institutions tend to be independent and fragmented, and to operate according to closed decision-making processes. Implementation of sustainable development goals

often requires specific initiatives by government to better integrate economic, environmental and social goals within the mandate of each existing institution.

What institutional adjustments are required to implement sustainable development policies? For example, how to raise awareness and maintain commitment both within and outside government when short-term economic considerations about GDP growth and inflation are the absolute priority? During economic recessions, for instance, short-term stabilisation policies are often preferred to long-term sustainable development policies.

In addition, traditional government procedures for addressing cross-sectoral and intergenerational issues often display a deficit of coherence: constitutional, legal and political obstacles to policy co-ordination exist partly in order to maintain clear distribution of responsibilities and specialisation of tasks among sectors and across levels of government. In addition, segmented working methods prevail. A lack of effective co-ordination between sectors and across the various levels of government is therefore one of the major challenges. Similarly, coherence is still lacking between the key choices made by the public sector and those made by the private sector.

Achieving greater policy coherence demands sustained efforts to improve the integration of sectoral policies, to ensure policy integration across levels of government, and to ensure consistency in the choices made by the various stakeholders. An important issue is how to advance this “integration agenda”. Central agencies have a role to play in monitoring the implementation of the sustainable development agenda, and this process should be mainstreamed into the regular policy process. Longer-term budgeting and sound regulatory instruments, for example, are important tools for integration. Governments also have a key role in providing the right incentives for improving coherence and integration, including through financial and fiscal mechanisms. ■

Involving all stakeholders

Further developing internal government mechanisms, while necessary, is not sufficient for achieving progress towards sustainable development. Major barriers to policy integration are strongly rooted in the differing stakeholder perceptions of the issues involved. Conflicting interests are often at stake in discussions about sustainable development, and trade-offs remain a major feature of policy-making. Efforts have been made to address this problem, in particular when agreement on a common interest can be identified or when the unsustainable nature of specific activities becomes obvious. Governments have an important role to play in addressing the major conflicts of interest among stakeholders, in particular by involving them in constructive discussions on these issues.

Innovative decision-making mechanisms that associate the private and public sectors as well as NGOs

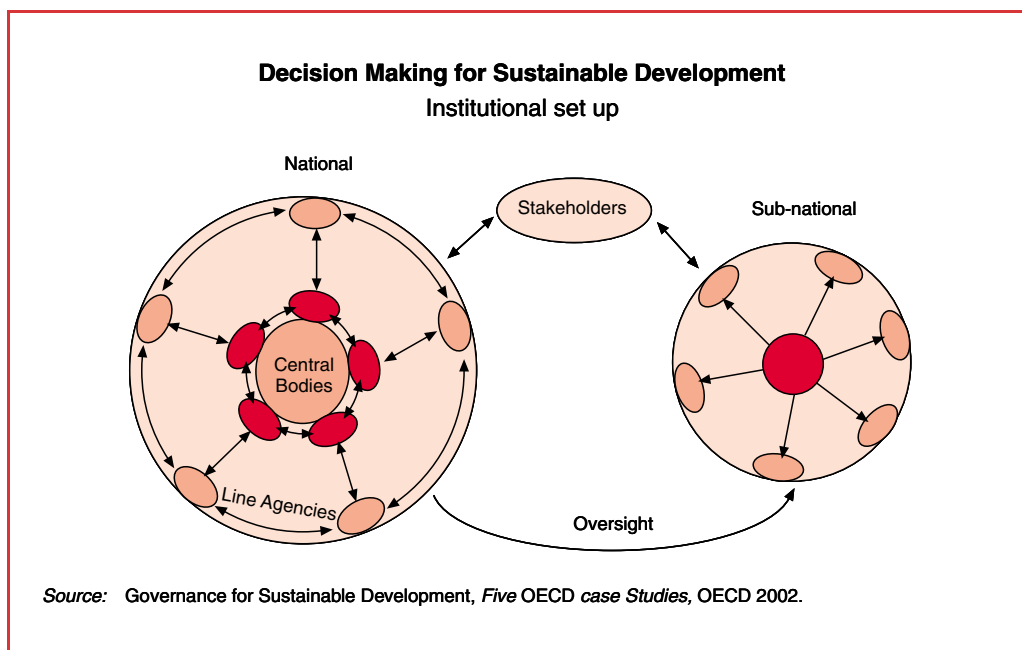
are in demand, and, increasingly, business is playing a positive role. This is particularly true of traditionally polluting (“brown”) sectors that suffered from their increasingly negative image in society. Beyond specific sectoral efforts, a commitment to reach more sustainable production and consumption habits is critical. This may require partnership between government, business and consumers.

A careful review of the mechanisms for interacting with civil society requires the capacity to identify and use the best available instruments for managing this broad involvement. If sustainable development policies are to be implemented by governments, then they need to be supported by effective systems for broader consultation and participation throughout policy processes (e.g. to ensure transparency, fairness, realistic timeframes, procedures for managing feedback, etc.). ■

Improving knowledge management

The complexity and unpredictability of the long-term effects of most issues related to sustainable development imply that, for most policy decisions to be made, conclusive scientific evidence is not always available. Most decisions will therefore involve stakeholders with different backgrounds and objectives. A limited capacity on the part of institutions to deal with the range of stakeholder perspectives on the issue, as well as an inability to absorb complexity and to manage change, will be at odds with the need for mutual understanding among the different disciplines, audiences or constituencies involved.

Managing knowledge for sustainable development is therefore extremely challenging. Scientific knowledge should be the basis for raising awareness in different constituencies and increasing the visibility of the sustainable development concept within and outside government (including in the media). However, since conclusive scientific evidence may not be available for many of the decisions to be made, it is crucial to ensure that sufficient debate occurs to confront values, perceptions and views, in order to take decisions that are as universally acceptable as possible. Most importantly, perhaps, this requires a government that is prepared to judge its interventions in the policy debate appropriately.



Better inputs from scientific research in policy decisions will require that governments stimulate the production of scientific data in a number of key disciplines, and that they set clear and transparent rules for “assessing knowledge”. Governments should therefore:

- Fund research based on a range of paradigms and options, including “dissident opinions”;
- Stipulate that scientific institutes should reflect broader societal concerns, where appropriate; and

- Organise public discussion guided by concrete scenarios on conflicting information and knowledge. ■

For further information

- For further information regarding this *Policy Brief* please contact Frédéric Boudier,
Tel.: 33-1-45-24-90-75;
email: frederic.boudier@oecd.org.

Checklist on improving policy coherence and integration for sustainable development

The criteria presented below constitute some of the fundamental elements that need to be borne in mind when assessing institutional and decision-making practices for sustainable development. The guiding principle in the design of these criteria is improving policy coherence and integration. In this context, effective implementation of sustainable development goals requires:

- A common understanding of sustainable development;
- Clear commitment and leadership;
- Specific institutional mechanisms to steer integration;
- Effective stakeholder involvement;
- Efficient knowledge management.

More specific questions on these points are presented below.

Criteria I: Is there a common understanding of sustainable development?

The sustainable development agenda has been agreed at international level, but this does not mean that the implications of economic, environmental and social sustainability are adequately brought into the general policy debate and into various sectoral policy agendas. Government should ensure that the precise economic, social and environmental realities of sustainable development are properly understood and that their relationship is also understood. Achieving this understanding will require addressing the following questions:

- What efforts have been made to provide clear, widely accepted and operational objectives and principles for sustainable development?
- Is the concept of sustainable development sufficiently clear and understood by the public?
- Is the concept of sustainable development well understood by public organisations and across levels of the government?

- Are the benefits made evident with clear examples supported by statistics?

Criteria II: Is there a clear commitment and leadership?

Clear government commitment to sustainable development goals, leadership, and communication of this commitment, are essential to support the development of a concrete strategy and subsequent action. This commitment should come from the top, but developing leadership and capacity throughout public sector organisations is also essential.

This is particularly challenging given the potential for conflict among various interests both in the public and private sectors. Stronger political leadership is needed to shape the debate on how to take sustainable development forward. This leadership has, in turn, to address problems that result from "silo" thinking, from a reluctance to cede decision-making authority, and from "short-termism". Achieving clear commitment and leadership implies addressing the following questions:

- Is there a clear commitment at the highest level to the formulation and implementation of sustainable development objectives and strategies?
- Is this commitment effectively communicated to the various sectors of government machinery and across levels of government?
- When gaps exist between the administrative and political agendas, are specific efforts made to bridge (or fill) them?
- Is leadership expressed through a sequence of priorities over time?
- Is government maintaining a sense of urgency, despite the longer-term nature of the issues related to sustainable development?
- Are pioneer activities of selected agencies and local communities encouraged, rewarded and disseminated?

Criteria III: Are conditions in place to steer sustainable development integration?

Non-environmental policy sectors should be mandated to develop their own sectoral strategies in conformity with overall objectives. This should include a critical evaluation of both the formulation of sectoral strategies and their implementation, including from the point of view of the enforcement tools used (voluntary agreements, etc.). The need to enforce sustainable development strategies through an overarching institution acting as a "catalyst" is particularly important, as is the need to ensure mechanisms for critical evaluation. Within this framework, sectoral ministries should introduce monitoring mechanisms for the early "internal" discussion of their sectoral sustainable development strategies. Environment agencies could play an important, mainly supportive, role in this process.

Increasing decentralisation of power is a feature of most OECD countries, and maintaining the right balance between local autonomy and central steering capacities is a major challenge for managing across levels of government. To support sustainable development, specific attention should be paid to translating international, national and sub-national strategic policy directions into measures that can be implemented at lower levels. This requires paying attention to the risk of fragmentation and overlap of responsibilities. In addition, decentralisation should not take place at the expense of accountability for sustainable development. Achieving policy integration for the pursuit of sustainable development goals requires addressing the following questions:

- Is there an institutional "catalyst" (ministry, select committee etc.) in charge of enforcing sustainable development strategies?
- Is this "catalyst" located strategically within the government machinery (e.g. at the level of the Prime Minister's office)?
- Are there specific reviews of laws and regulations to check whether they conflict with sustainable development, and are sustainable development objectives embedded in new legislation and regulations?
- Are there mechanisms to ensure effective feedback between different levels of government?

- Are organisations moving from narrow sectoral perspectives (e.g. agriculture, industry, transport etc.) to a more "issues-oriented" agenda (e.g. air quality, mobility, poverty reduction etc.)?
- Is sustainable development integrated into regular government exercises (e.g. the budget process)?
- Is there a clear framework for assessing the performance of public organisations with regard to sustainable development?
- Are there evaluation and reporting mechanisms to support sustainability appraisal within the public sector (i.e. indicators of progress, cost/benefit analysis, environmental and social impact assessment)?
- Does government make effective use of these evaluation and reporting mechanisms?
- Have specific external and independent auditing and reporting mechanisms been established?
- Has a body been put in charge of providing guidance to organisations upon request?

Criteria IV: Is stakeholder involvement in decision-making encouraged?

Information and communication about government measures will not be sufficient to reassure stakeholders about the complex and controversial sustainable development agenda. Business, trade unions, NGOs and citizens' associations should be encouraged to participate actively, and governments have the responsibility to ensure that these consultation and participation processes feed effectively into decision-making processes.

Public consultation and participation should not become formal exercises, nor should they be an excuse for governments to defer decisions when faced with sensitive trade-offs in policy choices. Government 'culture' is still evolving towards more participative approaches, with greater transparency in decision-making processes. A sound infrastructure for citizen involvement should address the following questions:

- Do effective mechanisms exist within government or independent organisations for informing con-

Improving Policy Coherence and Integration for Sustainable Development

sumers about the consequences of their consumption decisions?

- Has the legal framework been reviewed and adapted in order to provide clear legal provisions for consultation and participation?
- Are there clear guidelines on when, with whom, and how consultations should be carried out?
- Is a case-by-case approach to policy formulation being developed at all levels and on the various dimensions of the issues, and is the public involved in this?
- Are mechanisms in place for the evaluation of and feedback on consultation, and for monitoring the influence of participation on decision-making?
- Is transparency ensured? For example, has restricted information been made the exception, not the rule, both in principle and in practice?
- Are transparency mechanisms being reinforced at different levels of government for key decisions?

Criteria V: Is the diversity of knowledge and the scientific input to problems adequately managed?

Improved scientific input to policy development for sustainability is necessary and requires investment in specific research fields. In addition to improving links between the scientific community and policy-makers, changes in government practices will be require an assessment of possible options before taking decisions. The methodological limits of approaches such

as contingent evaluation, as well as the fact that scientific uncertainty is sometimes downplayed in the evaluation of effects, may require a “precautionary” approach. Efforts are also needed to develop a multi-disciplinary and holistic evaluation of costs and benefits. Stakeholders should also be engaged in appraisal and evaluation systems, as required. Addressing the following questions is therefore crucial:

- Are the mechanisms transparent, supported by arbitration processes (e.g. a “sustainable development ombudsman”), for managing conflictual knowledge?
- Does government ensure that a framework is in place to allow discussions to focus constructively on areas of disagreement, by developing scenarios and options?
- Given that scientific and technological innovation is critical for sustainable development, is sufficient attention devoted to ensuring that the flows of information between the scientific community and decision-makers are efficient and effective?
- Do research policies encourage and facilitate networks of scientists and do they support the development of “joined-up” research between disciplines?
- Are specific efforts being made to support forward-looking and policy-relevant knowledge, in particular through assuring the “right mix” between public and privately funded investment in research? ■

For further reading

- **Sustainable Development: Critical Issues**, 2001
ISBN: 92-64-18695-6, 90euros, 420p.
- **Governance for Sustainable Development: Five OECD Case Studies**, 2002
ISBN: 92-64-18747-2, 45euros, 352p.
- **Policies to Enhance Sustainable Development**, 2001
ISBN: 92-64-18661-1, 20euros, 108p.
- **Working Together Towards Sustainable Development: The OECD Experience**, 2002
Available on Internet at:
www.oecd.org/sustainabledevelopment/

OECD publications can be securely purchased
from the OECD Online Bookshop

www.oecd.org/bookshop

The OECD Policy Briefs are prepared by the Public Affairs Division,
Public Affairs and Communications Directorate.

They are published under the responsibility of the Secretary-General.

Where to contact us?

FRANCE

OECD Headquarters
2, rue André-Pascal
75775 PARIS Cedex 16
Tel.: 33 (0) 1 45 24 81 81
Fax: 33 (0) 1 45 24 19 50
E-mail: sales@oecd.org
Internet: www.oecd.org

GERMANY

OECD BERLIN Centre
Albrechtstrasse 9/10
D-10117 BERLIN
Tel.: (49-30) 2888353
Fax: (49-30) 28883545
E-mail:
berlin.contact@oecd.org
Internet:
www.oecd.org/deutschland

JAPAN

OECD TOKYO Centre
Nippon Press Center Bldg
2-2-1 Uchisaiwaicho,
Chiyoda-ku
TOKYO 100-0011
Tel.: (81-3) 5532 0021
Fax: (81-3) 5532 0036/0035
E-mail: center@oecdtokyo.org
Internet: www.oecdtokyo.org

MEXICO

OECD MEXICO Centre
Av. Presidente Mazaryk 526
Colonia: Polanco
C.P. 11560
MEXICO, D.F.
Tel.: (00.52.55) 5281 3810
Fax: (00.52.55) 5280 0480
E-mail:
mexico.contact@oecd.org
Internet: www.rtn.net.mx/ocde

UNITED STATES

OECD WASHINGTON Center
2001 L Street N.W.,
Suite 650
WASHINGTON D.C. 20036-4922
Tel.: (1-202) 785 6323
Fax: (1-202) 785 0350
E-mail:
washington.contact@oecd.org
Internet: www.oecdwash.org
Toll free: (1-800) 456 6323

The OECD Policy Briefs are available on the OECD's Internet site

www.oecd.org/publications/Pol_brief