

A Guide to

POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT



CONCORD
European NGO confederation for relief and development

The European Union (EU) is responsible for contributing to a more sustainable future – not just for people in the EU itself, but for the entire planet. This means we have to expand our thinking to consider the consequences of our policies for sustainability on a global scale.

While this sounds like a straightforward idea, it can be challenging to put into practice. This is where Policy Coherence for Sustainable Development (PCSD) comes in. This leaflet will explain how to implement PCSD to ensure that sustainability is considered across policy making in the EU.

What is PCSD?

Policy Coherence for Sustainable Development (PCSD) was introduced in 2015 by the United Nations' 2030 Agenda. PCSD is an approach to integrate the economic, social, environmental and governance dimensions of sustainable development at all stages of domestic and international policy making.

By increasingly applying PCSD to its policy-making, the EU highlights its commitment to the Sustainable Development Goals.

WHAT IS THEN PCD?

Policy Coherence for Development (PCD) is a legal obligation of the EU institutions. PCD means the EU cannot implement policies that may have negative impacts on partner countries as it could undermine their development. The concept of PCD goes back 37 years and is most recently rooted in Article 208 of the Lisbon Treaty (2009) and reiterated in the European Consensus on Development (2017). It is evident that PCSD is different and much more complex than PCD as we are moving from unidirectional coherence (PCD) to a multi-directional coherence (PCSD).¹

Main objectives of PCSD²



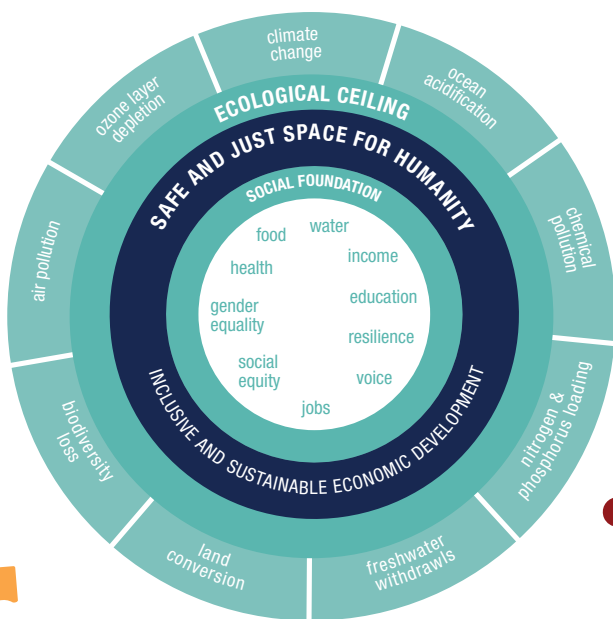
Why is PCSD important?

Rising economic, social, environmental and political inequalities are amongst today's most complex and pressing issues. PCSD helps us to understand that all policies should work towards achieving the 2030 Agenda which will reduce poverty and inequality.

PCSD also aims to ensure the optimal use of available resources, not just within the EU but across the world. Balancing the

economic, social, environmental and political dimensions of sustainability will create a virtuous cycle, instead of the vicious cycle that we are currently caught in because the economic angle is given priority. PCSD can help us find this balance. Inclusive and sustainable economic development must respect the ecological ceiling and our social foundation, as suggested by the below "Doughnut Economics Model".

The Doughnut Economics Model³



Who benefits from PCSD?

The simple answer is that everyone benefits. Policies that follow the PCSD principle work for both people and the planet, today and tomorrow. However, following the PCSD principle requires the engagement of all stakeholders to address the various interests at stake and resolve tough dilemmas.

PCSD in EU development cooperation:

- **PCSD is in the interest of partner countries** as it ensures that the partners' efforts to achieve the 2030 Agenda goals are not undermined. Plus, it enhances the impact of EU aid.
- **PCSD is in the interest of EU policy-makers** as policies that follow the PCSD principle are less likely to lead to fragmented action, inefficiency and overlap, would reduce the EU's high operation costs and improve the effectiveness of EU aid.
- **PCSD is in the interest of EU Citizens** as it leads to more effective and efficient policy-making, which is a good use of EU taxpayer money. Additionally, it increases the accountability of the EU towards taxpayers.

Why now?

It's essential to talk about PCSD **now**. We urgently need to address the growing economic, social, environmental and governance inequalities in our society. Plus, we need to act to reduce the devastating effects of the COVID-19 pandemic which has reversed, by decades, the progress made towards achieving the Sustainable Development Goals.³

It is vital that the EU incorporates PCSD at the start of any policy that potentially could negatively impact a partner country⁴. This includes analysing conflicts of interests and putting EU domestic priorities aside when they clash with global sustainable development.



PCSD in practice



FOOD SECURITY

The EU's decision to deregulate the Common Agricultural Policy (CAP) had serious negative consequences for the food security of many of the EU's partner countries. To give just one example of the impact of this decision, poultry exports to the African continent grew 400% from 35,000 tonnes in 1996 to 140,000 tonnes in 2005. The unfair competition between cheaper, imported products from the EU and local production had considerable negative effects on people's livelihoods in Africa as demand fell for local produce and jobs were cut. Even though poultry exports from the EU have decreased in recent years, a recent report from Ghana⁵ highlighted how it still has a significant impact on local economies and contributes to migration pressures.

If the EU had applied a PCSD approach to food exports towards partner countries, the local markets and regional production would have been protected. Furthermore, a PCSD approach would have also focused on promoting gender equality as almost 60% of poultry farmers in the local regional markets are women⁶.



MIGRATION

EU policies on migration can have a negative impact on regions far from the EU, including undermining intra-regional mobility in partner countries. This is especially damaging as in some regions, intra-regional mobility is important for their local sustainable development through seasonal work in the agricultural, pastoral and trade sectors.

In Niger, for example, the EU-Niger Agreement included an EU border management policy that placed check-points which routinely stopped people moving towards Libya, despite the fact that free movement is guaranteed by the Protocol on Free Movement of Persons and the Right of Residence and Establishment (1979). This therefore stifled labour mobility in the Economic Community of West African States (ECOWAS)⁷. A PCSD approach would have sought to align the EU-Niger Agreement with existing mobility frameworks in the region, protecting the job market and the economic and social development of the ECOWAS⁸ region.

GLOBAL INTERCONNECTIONS

Our society is interconnected on a global scale with actions in one place having repercussions elsewhere. As an example, the SOCFIN Agricultural Company, based in Luxembourg, has benefited from the support of investment promotion agencies, which, in turn, are partly supported by the European Commission⁹.

However, the SOCFIN Agricultural Company grabbed land in Malen, Sierra Leone to establish a large-scale palm oil plantation. This land grab had a significant negative impact on the livelihoods of the local landowners, forcing them to move, threatening their ability to provide for themselves, and limiting their access to health services and education. The protests about the land grabbing led to human rights violations perpetrated by the local security forces¹⁰.

A PCSD approach promotes the meaningful consultation of local communities as a pivotal aspect of sustainable business development for EU corporations looking to purchase land in developing countries. The approach also ensures that red flags are raised sooner and pushes civil society actors to conduct more detailed research on policies and their potential consequences for all stakeholders wherever they are located.



How to use PCSD

It's clear from the growing economic, social, environmental and governance inequalities that PCSD is needed. But how can EU policy-makers use PCSD?

The new lens for ensuring Policy Coherence for Sustainable Development¹¹

HERE AND NOW

Does the policy balance the four dimensions of sustainable development? (social, environmental, economic and governance)

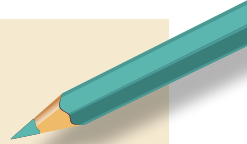
ELSEWHERE

Does the policy have a positive or negative impact on the ability of other countries to achieve sustainable development?

LATER

Does the policy have consequences for future generations' potential to live sustainably?

Starting your PCSD checklist¹²



- ☒ Is there a clear statement from the highest political level supporting PCSD? Is this backed by action plans?
- ☒ Have policy interlinkages (synergies and trade-offs) been considered in sectoral strategies and policy proposals?
- ☒ Are there mechanisms in place to ensure sustained efforts beyond the electoral cycles?
- ☒ What are the effects of the planned policy across our borders and for future generations?
- ☒ Are there mechanisms in place to mitigate potentially negative impacts?
- ☒ Is the coordination mechanism located strategically to promote coherence and resolve any policy conflicts that arise?
- ☒ Are implementation responsibilities clearly divided and actions aligned across levels of government?
- ☒ What mechanisms are in place to ensure stakeholder input feeds into decision-making processes?
- ☒ Are there mechanisms in place to monitor policy impacts and report to the public?

Key recommendations



The European Commission should develop a Sustainable Europe 2030 Strategy and Implementation Plan for the Sustainable Development Goals, including a roadmap for PCSD, to ensure an integrated, time-bound and targeted approach. In this context, European Commission President Ursula von der Leyen must take the leadership and the overarching responsibility for Policy Coherence for Sustainable Development in the European Commission.

The European Parliament should hold the European Commission accountable for their commitments to sustainable development by demanding that the European Commission presents a Sustainable Europe 2030 Strategy and Implementation Plan for the Sustainable Development Goals with an emphasis on PCSD. Furthermore, PCSD should become the responsibility of specific PCSD rapporteurs embedded in every committee and political group in the European Parliament.

EU Member States should establish inter-ministerial coordination mechanisms that address how national policies impact other countries. These mechanisms should be able to analyse policies that make a positive or negative contribution to sustainable development in a country as well as take into account the specific impact on developing countries and the planet as a whole.

For more information about PCSD, contact **CONCORD Europe**.

Endnotes

1. For further information, see the ECDMP explanation of the multiple dimensions of policy coherence (Promoting policy coherence: Lessons learned in EU development cooperation, p.17, 2020)
2. Adapted from the OECD toolkit framework for PCSD (2015)
3. The Doughnut Economics Model developed by Kate Raworth in the book *Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist* (2017), is a visual framework for sustainable development suggesting that performance of an economy should be measured against the extent to which the needs of people are met without overshooting Earth's ecological ceiling.
4. See for example <https://unstats.un.org/sdqs/report/2020/> or <https://www.inc.com/jason-aten/bill-gates-says-pandemic-has-set-us-back-25-years-what-it-will-take-to-change-that.html>
5. For more information, see the CONCORD reports The impact of EU policies in the World (2017) or the subsequent briefing The impact of EU policies in the world - one year on (2018)
6. Livingstone E., Marks S, Ghana's poultry industry accuses EU of unfair competition, 2020
7. T. C Keambou, J. R Kana, A.M Ngha, A. Tedongmo, S. R. Juliano, F.Lisita, Y. Manjeli, Socio-economic, technical characteristics and challenges to local chicken production in the Western Highlands of Cameroon, 2016.
8. SDG Watch Europe, Who is paying the bill ? (Negative) impacts of EU policies and practices in the world, p.137, 2019.
9. Directorate General for External Policies, Land grabbing and human rights: The involvement of European corporate and financial entities in land grabbing outside the European Union, 2016.
10. FIAN Belgium, Focus on the Investigation Report on the Malen land dispute - Human rights analysis of the core elements (and omissions) for the conflict resolution process, 2020.
11. Adapted from OECD Recommendation on PCSD, p. 2, 2019
12. Adapted from the OECD self assessment list for PCSD. For other frameworks, see ECDPMs framing of a policy coherence system (p.19) . For further guidance, see the OECD's toolkit for PCSD or the ECDPM dossier on PCSD

ACKNOWLEDGEMENTS

This briefing was written with valuable input from members of CONCORD Policy Coherence for Sustainable Development workstream

Coordination and drafting: Alexandra Rosen and Myriam Gambini (CONCORD Europe)

Design: www.profigrafik.sk - coordinated by Katarzyna Krok (CONCORD Europe)

Publisher: CONCORD Europe - Rue de l'industrie 10 - 1000 Brussels, Belgium

Year of publication: 2020

The positions adopted in this paper are those of CONCORD Europe.

